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Abstract

Successfully competing in today's ever-changing global business environment requires market-driven strategies that respond to customers' needs. Challenges to management include the knowledge of customer wants, the planning for new products and the sustaining of competitive advantages.

The banks that try to adapt to the needs of the market will have more opportunities to succeed. According to the characteristics of the clients, certain expectations will be fulfilled or not. In negative cases, revisions must be made and other options of services need to be defined.

The identification of alternative products and services that suit the needs of the effective or potential customer is one of the main agents of change to improve the quality of customer service.

Knowledge of the opinions and attitudes of the people towards questions that are related to financial services can indicate their receptivity to new channels of supplying services.

In this context, the authors decided to investigate the receptivity of the Brazilian population toward a new channel which offers financial services. In Europe there is already a new

alternative that is considered to be a suitable way of fulfilling the needs of the customers: the supply of financial services in post offices.

This study focuses on the identification of the levels of acceptance of the Brazilian population towards the supply of financial services by post offices. A quantitative research was made with residents of Brazilian regions. The data collection technique used was that of a survey with personal interviews. The random selection of the people was made in banks and in places where there is an intense flow of people, such as shopping centers, bus stations, airports and so on. All of the social strata of the population were present in the sample.

In order to identify the characteristics of the market that are more connected with the acceptance of the new channel proposal, the following statistical techniques were applied: cluster analysis, chi-square tests and multiple correspondence analysis.

This study presents some interesting aspects referring to the focused on market and its reaction to the proposal of financial services in post offices.

I. Introduction

The banking sector is highly competitive, whatever the economic situation may be, and therefore banks must ensure their long-term survival and growth through strategic actions which generate competitive differences. The ability to create and commercialize products which are compatible with the needs and expectations of clients is a fundamental requisite for the success of banking activity.

“In an environment which is undergoing deep changes, the company should be continuously questioning itself about the structure of its portfolio of activities. This implies decisions to abandon products, to modify existing ones and to launch new ones. These decisions are

enormously important for the survival of the company and include not only the function of marketing but also the other functions of the organization.” (Lambin, 1995: 361).

In Europe one can already find bank products on offer at post offices. This is now planned in Brazil. However, it is necessary to analyze the advantages and disadvantages of this new channel of offering financial services. The question becomes more complex when the true dimensions of this venture are seen, as, in addition to providing these services at new distribution points, the characteristics of these products must be examined. As the product variable is the main element in the banking marketing mix, adaptations must be made in financial services in order to reach the public which would be receptive to banking services being offered in post offices.

In order to plan this new concept of banking products, it is necessary to have knowledge of the opinions and attitudes of the market, when faced with these new kinds of services on offer. This will allow their expectations to be identified and action to be taken to improve the quality of service.

Therefore the authors decided to investigate the receptivity of the Brazilian population to the proposal of a new channel of offering banking services which would be linked to intrinsic changes in these very services.

The study was developed to present the results obtained through a survey made at national level with the Brazilian population, focussing on the level of their interest in the proposal of providing banking services in post offices.

II. Objectives

The main objective of this study is to make a market survey to evaluate the level of acceptance or rejection of the Brazilian population toward the proposal of providing financial services in post offices.

In order to reach this general aim, some specific objectives will be studied:

- ◆ Identification of the channels which are used at the moment to pay bills: personally in banks, by other people, by employees of the company, by phone, by computer, by Internet etc.
- ◆ Calculation of the percentage of expenses in relation to the monthly family income.
- ◆ Calculation of the approximate amount of time per month spent waiting in lines to pay bills.
- ◆ Identification of the form of receiving wages or pensions.
- ◆ Evaluation of the readiness to receive wages or pensions at the post office.
- ◆ Reasons for not accepting receiving wages or pensions at post offices.
- ◆ Evaluation of the readiness to pay bills at post offices.
- ◆ Reasons for not accepting to pay bills at post offices.
- ◆ Estimate of the approximate amount of money kept at home.
- ◆ Identification of the main reason for keeping money at home.
- ◆ Evaluation of the readiness and/or interest to make financial investments.
- ◆ Estimate of the approximate amount directed to savings accounts or other investments in the previous year.
- ◆ Estimate of the approximate value directed to savings accounts or other investments during the current year.
- ◆ Identification of the main reasons to have savings accounts or other investments.
- ◆ Identification of the types of investment usually made: savings, fixed deposits, shares etc.
- ◆ Identification of the main reasons for choosing a bank to pay bills.

- ◆ Evaluation of the readiness to pay bills in post offices.
- ◆ Identification of the bank services which should be offered in post offices.
- ◆ Identification of the main motives underlying the wish to have access to these services at post offices.
- ◆ Identification of group of people with similar opinions.
- ◆ Identification of the characteristics with greater discriminatory power of the people groups.
- ◆ Association between characteristics of people who are more receptive to the proposal of financial services in post offices.

III. Theoretical basis

This section will present a definition of banking products. This will be followed by a description of certain aspects of the innovations and the planning of new products. Finally, the feasibility of offering financial products in post offices will be discussed.

III.1 - The banking products

In the banking context, there are certain peculiarities in the way products are conceived. “The way in which the bank describes the variable product may have important implications for its survival, profit and long-term growth. For example, the bank may see its products in at least three different ways. They may be seen as a *specific* product, the entity of service which is offered to the purchaser. They may be seen as an *extended* product, the specific product commercialized with a whole set of services which accompany it. They can also be seen as a *generic* product, the essential services which the purchaser expects to receive from the product.”

(Mctavish and Perrien, 1991: 188).

A definition which focuses on the need of the client is more suitable for the concept of marketing.

Mulholland (1987) suggests three basic categories for the classification of the majority of banking services:

- ◇ it is a branch of the *service* area;
- ◇ basic service is financial *intermediation*;
- ◇ intermediation involves the union of the complementary needs of many clients, the majority of which maintain a continuing *relationship*.

These definitions show the emphasis that is given to the satisfaction of the needs and expectations of the client. The products play a role of vehicles for the satisfaction of the market.

In bank services the concept of the product transcends its intrinsic characteristics, including elements which are related to helping and directing the client.

III.2 - Innovations

The term “new product” is indifferently used to designate greater or lesser innovations. It is important to correctly evaluate the diversity of the innovations or corresponding risks.. Barreyre (1980: 9-15) presents certain characteristics of innovations and their possible risks. An innovation can be divided into three elements:

- ◇ a need to satisfy;
- ◇ the concept of an object or entity which is suitable to satisfy the need;
- ◇ the inputs which include both a body of pre-existing knowledge and materials or an available technology which enables the concept to be put into operation.

The risk associated with an innovation will depend on two factors:

- ◇ the degree of originality of the concept and its complexity, which will determine the receptivity of the market, and the cost of transference for the user (market risk)
- ◇ the degree of technological innovation used to determine the technical feasibility of the innovation (technological risk)

The degree of novelty for the company, in other words, its degree of familiarity with the market and the technology (strategic risk) should also be included here.

III.3 - Criteria for classifying innovations

In this section some criteria usually used for classifying innovations are presented.

III.3.1 - Degree of novelty for the company

Table 1 shows the association between levels of knowledge of markets and products or technologies, together with their inherent risks.

Table 1 - The degree of novelty of an innovation

Markets	Products or technologies	
	Known	New
Known	Concentration	Technological risks
New	Commercial risk	Diversification

Source: Lambin (1995: 363)

Thus, when the company ventures into new areas, it will have to accept a higher risk.

- ◇ Known market and technology: limited risk, with the company depending on its competence;

- ◇ New market but known technology: essentially a commercial risk, testing the marketing skill of the company;
- ◇ Known market but new technology: technical risk, testing the skill of the company to develop technology;
- ◇ New market and new technology: accumulated risks and the adoption of a diversification strategy.

In a study of 700 companies and 13,000 new industrial and consumption products, Booz, Allen and Hamilton (1982) presented the following classification:

- New products for the world	10%
- New products for the company	20%
- Added to a line of existing products	26%
- Reformulated products	26%
- Repositioned products	7%
- Reduction of costs (innovation of processes)	<u>11%</u>
	100%

The majority of innovations (70%) were therefore linked to extensions or modifications of existing products.

III.3.2 - Nature and origin of the innovation

Lambin (1995: 364–366) states that the nature of the innovation can be classified as belonging to either the technological or commercial domain.

- ◇ innovation in the technological domain: corresponds to the physical characteristics of a product such as the use of a new component, the use of a new raw material, etc..

◇ innovation in the commercial or marketing domain: refers to the actions in the process of the commercialization of a product or service such as the new presentation of a product, a new distribution channel, a new form of payment, etc..

The boundary between the two forms is vague and one form may lead into another. For example, technological advances may affect the characteristics of a product, creating a marketing innovation, and, on the other hand, a marketing innovation linked, for example, to the appearance of a self-service facility may help the development of optic reading systems and computerized banking networks. Technological innovations generally require high financial investment as they are riskier. Commercial innovations are usually less risky, but they can be easily copied.

The origin of innovations may be classified as coming either from the laboratory or the market.

- ◇ Laboratory innovation: result of opportunities in the technological context
- ◇ Market innovation: result of research into market needs..

An innovation strategy which depends from the start on the principle of analyzing market needs to afterwards pass to the laboratory phase is more efficient than a strategy which follows the opposite path (Von Hippel, 1978: 39-49).

The analysis of the level of satisfaction and market expectation may help identify opportunities for new products, improvements in existing products, the production process and the support service (Cravens, 1994: 358).

III.4 - The development of new banking products

According to the procedures suggested by various authors, including Baker and McTavish (1976: 10-14), the banking product innovation process may be seen as a question of successfully administering the following activities:

◇ *Generation of ideas*

◇ A number of techniques are described such as market research, brainstorming, analysis of the competition, technological forecasts, which will make this task more objective.

◇ *Screening of ideas*

◇ Ideas should be evaluated according to certain criteria such as their commercial prospects, profitability, the way they fit in with other products of the bank, competitive environment, ease of development, etc.

◇ *Financial evaluation*

◇ Financial analysis and market forecast techniques should be used to evaluate the feasibility of the screened ideas.

◇ *Product development*

◇ The tangible and intangible elements of the product are projected and tested.

◇ *Market test*

◇ This activity may begin at the previous stage if the product is developed with the help of a group of clients. Internal tests and demonstrations may also be carried out.

◇ *Commercialization*

The life cycle of the product begins when it is launched on the market as part of a marketing strategy which includes other elements of the marketing mix (price, promotion and delivery method).

These activities are similar to those mentioned by Cravens (1985: 32-38):

- ◇ One member of the administration team is responsible for coordinating the planning process.
- ◇ The proposals for new services are evaluated at various stages of the planning process.
- ◇ The feasibility evaluation is the start of the planning process.
- ◇ The analysis of the new proposal is made by an administrative team, instead of by just an executive.
- ◇ The financial analysis is the final stage of the planning of new services.
- ◇ A manager is designated to be responsible for implementing and administrating the new service.
- ◇ The results of the offer of the new service are evaluated in order to determine its market success.

Many authors have found difficulty in establishing definitive rules in order to administrate innovation. The vision of innovation as something which is outside conventional administration suggests that special attention should be given to actions which are different to those recommended by those who support a more rational control. The following activities can be mentioned (Mctavish and Perrien, 1991: 210):

- ◇ The creation of favorable conditions for the entrepreneurial spirit within the bank; modifying organizational structures in favor of risk teams or business development departments.
- ◇ The encouragement of a business method (instead of that based on a static formula) for the evaluation of new product proposals so that technological and new product uncertainties may be studied in full.
- ◇ The encouragement of high-quality internal and external communication so that the technical possibilities and the market needs may be linked (the importance of joining the two fluxes of information associated with the market and technology)

It should be stressed that innovation administration will always involve market uncertainties. Johnes and Harborne (1985), from a study of commercial banks which developed new products in the UK, reached the following conclusions on the position of more active banks:

- ◇ they train their personnel to solve problems and to view contact with clients as a way of identifying new opportunities;
- ◇ they adopt organizational structures which allow employees to put their continual responsibilities aside to explore the complexities of market opportunities;
- ◇ they use flexible structures for implementation, open in the initial stages of the phase of innovation creation and more controlled in the latter stages, when the product is launched on the market and the strategies of the marketing mix are put into action.

The high level of uncertainty in the innovation process will mean that greater attention be given to elements that are more difficult to quantify and administer such as the entrepreneurial spirit, a creative organizational structure, communication and motivation. The opinions and behavior of new clients who might be attracted to the new products should also be considered. A survey of this public may direct the actions to be taken and shown that marketing efforts should be directed in a more efficient and less uncertain way.

III.5 - The offer of financial services in post offices

The Brazilian Mail and Telegraph Company (ECT) has many positive financial elements: solidity, stability and credibility. It is also possible that the restrictions imposed by banks in order to accept clients present are less rigorous in a postal company, with the result that some people rejected by a bank could receive financial services through the channel offered by the post office.

In Europe financial services are now on offer at post offices and have been a suitable way to attend the appropriate market for this new service channel.

The planning of the new product is not restricted to the presentation of a new distribution point as various adaptations of the banking services offered will have to be made. These include the technological development of the equipment which will be connected to the post offices, criteria for opening an account which are suitable for the profile of the potential public, rules for loans which are suitable for the characteristics of the market segment which frequents post offices, etc..

The risks which arise from the implantation of this new product are as follows:

- ◇ market risks: will the potential market be receptive to innovation?
- ◇ technological: are the technological innovations technically feasible?
- ◇ strategic: will the banks and post offices be able to adapt to the innovations?

In terms of the degree of innovation, the market, technologies and the products can be classified as known because market research allows us to obtain information on the opinions and behavior of the effective and potential public and the fact that the products already exist, merely requiring extensions and adjustments compatible with the requirements of the users.

IV - Methodology

The study was developed through a descriptive and conclusive survey made with the inhabitants of the large Brazilian capitals and small (with less than 100,000 inhabitants) and medium-sized municipalities (100,000 or more inhabitants), who were above 17 years-old. People were approached in banks and areas with a heavy flow of people so that all socioeconomic levels

could be covered. The Brazilian regions (North, Northeast, Center-West, Southeast and South) were treated separately as independent casual samples.

Taking into consideration a reliability level of 95,5% and an error margin of 5%, 400 interviews per region were made, with a total of 2000 interviews.

V - Synthesis of the results

This section presents the main results obtained in this study.

V.1 - Payments

- ◇ The respondents usually pay their electricity, telephone, water, gas and other bills in banks (46,8%) and lottery agencies (38,6%). The bills are usually paid by the husband (34,3%) or by the wife (27,3%).
- ◇ The expenses on these bills accounts for 1 to 10% of the family income for almost a third of the sample (31,5%). Another large proportion of the sample (22,8%) uses between 11 and 20% of their income to pay these bills.
- ◇ The majority of the interviewees take no more than an hour per month to make these payments (69,6%).
- ◇ Wages or pensions are normally paid in cash at the place of work (54,3%) or in cash in banks (17,7%).
- ◇ A majority of the sample (62,7%) stated that they would open a current account in the post office to receive their wages or pension and they would accept a bank card to make payments or withdrawals. 16,1% were undecided on this question.

- ◇ Those who were unreceptive to opening a bank account in the post office (21,1%) justified their position by saying that they had insufficient knowledge about this type of account (47,5%); they had insufficient income to open an account (35,1%); or they would not like the necessary bureaucracy that this would entail (29,1%). Multiple replies could be made to this question.
- ◇ In the hypothetical situation that they had a current account, the great majority (74,5%) would pay their bills by direct debit.
- ◇ The 15,6% who would not use direct debit said that they did not know exactly how it worked (61%); they weren't sure that the bill would be paid on the correct date (30,9%); or they weren't sure that the correct amount would be paid (28,4%).

V.2 - Savings and deposit accounts

- ◇ Almost half of the sample (45,2%) stated that they were not used to keeping money at home.
- ◇ The motives that lead people to keep money at home are mainly for unexpected expenses (70,3%) and for shopping and daily expenses (56,6%).
- ◇ In terms of the possibility of the separation of a part of the family income for savings, opinions were divided: 49,9% replied positively and 41,5% negatively; another 8,6% did not reply.
- ◇ Half of the sample said that that had hardly been able to save anything in the last year (52,5%).
- ◇ Prospects are not very bright for the next year as 30,6% think that they will hardly be able to save anything and 33,6% did not know how much they would be able to save.

- ◇ The main reasons why people save are to have a reserve for difficult times (56,7%) or to have a little more security (53%).
- ◇ The main forms of investment that they would adopt would be a bank savings account (85,2%), a fixed deposit in a bank (39,3%) and a complementary pension plan (20,4%).
- ◇ In the hypothesis that they invested a lottery prize, 77,8% would invest it in a savings account and 21,8% in a savings account.

V.3 - Banks and post offices

- ◇ The most important elements in the choice of a bank for paying bills are the speed of service (53,7%) and proximity to home (52,2%).
- ◇ Post offices could offer the same services as banks. 89,2% of those interviewed would use post offices to pay their bills.
- ◇ The main bank service that should be offered would be the electronic bank card (69,5%).
- ◇ The reasons underlying the expectation of having bank services in post offices are greater comfort (84,7%) and efficiency (67,9%).

V.4 - Identification of group of people with similar opinions

Cluster analysis is a multivariate technique that allows the combination of objects to form new groups (Aaker, Kumar and Day, 1995: 595).

This technique groups individuals or objects into clusters so that objects in the same cluster are more similar to one another than they are to objects in other clusters. The attempt is to maximize the homogeneity of objects within the clusters while also maximizing the heterogeneity between the clusters (Hair Jr., Anderson, Tatham and Black, 1998: 470).

As declared by Johnson and Wichern (1992: 573), cluster analysis also corresponds to an important exploratory technique that tries to identify a structure of natural groupings in order to evaluate data dimensionality and to provide interesting assumptions about associations of variables.

K-means clustering is usually applied to the grouping of large sets of observations.

In the K-means algorithm, cases are assigned in turn to the nearest cluster center. The location of the center is updated after each case is added because the option running means was selected. When all cases have been assigned, the process iterates until the solution converges. Then all cases are classified by assigning them to the nearest cluster center.

Through the homogenous groups obtained by K-means clustering, it is possible the development of specific marketing programs to each segment. The groups or segments are different from each other and can express different needs and also react in a different way to marketing actions (Aaker, Kumar and Day, 1995: 610).

Some demographic variables together with some aspects regarding the willingness of using financial services in post offices were selected for identifying interviewees with similar opinions. As all of these variables were nonmetrically measured, they had been transformed into metric variables by assigning a 1 or a 0 to a subject, depending on whether it possesses a particular characteristic. After these transformations, it was possible to apply the technique of K-means clustering.

The demographic variables selected were: socioeconomic class, age, level of education and sex.

The variables referring to the use of financial services in post offices were:

- readiness to receive wages or pensions at the post office
- readiness to pay bills at post offices

- readiness to pay bills at post offices through automatic debt.

Table 2 contains the information regarding the two obtained clusters. The last three variables (in the last three rows) express the acceptance of using financial services through mailing agencies.

The cells inside the table, in the last three rows, correspond to favorable opinions. Cluster 2 refers to the group of people that are more inclined to accept the new proposal of service. In this cluster there is a prevalence of young people (age less than 27 years) and the female sex.

Table 2 – Final Cluster Centers

	Cluster	
	1	2
AB	0,212	0,173
C	0,298	0,295
DE	0,490	0,532
Age less than 27	0,000	1,000
Age 28-40	0,552	0,000
Age more than 40	0,448	0,000
First degree	0,697	0,677
More than first degree	0,303	0,323
Male sex	0,570	0,446
Female sex	0,430	0,554
Readiness to receive wages or	0,715	0,819
Readiness to pay bills at post	0,868	0,944
Readiness to pay bills at post	0,794	0,883

V.5 - Identification of the characteristics with greater discriminatory power of people groups

According to Greenacre (1984), the multiple correspondence analysis falls into the general area of multivariate analysis known as dimension reduction. That is, as much as possible, relationships between variables are represented in a few dimensions, say two or three. In marketing research applications, this technique can be a form of perceptual mapping.

The multiple correspondence analysis is used to analyze multiway contingency table data for which we are willing to make no stronger assumption than that all variables are analyzed at the nominal level.

Multiple correspondence analysis quantifies nominal (categorical) data by assigning numerical values to the cases and categories. The values assigned to cases are called object scores. The values assigned to the categories are called category quantifications. A category quantification is the average of the object scores for all objects in a single category. The purpose of this technique is to find quantifications that are optimal in the sense that the categories are separated from each other as much as possible. This implies that objects in the same category are plotted close to each other and objects in different categories are plotted as far apart as possible.

The eigenvalues measure how much of the categorical information is accounted for by each dimension. The two dimensions together provide an interpretation in terms of distances. If a variable discriminates well, the objects will be close to the categories to which they belong.

Objects in the same category will be close to each other (that is, they should have similar scores), and categories of different variables will be close if they belong to the same objects (that is, two objects that have similar scores for one variable should also score close to each other for the other variables in the solution). For each variable, a discrimination measure is computed. This

measure is the variance of the quantified variable. It has a maximum value of 1, which is achieved if the object scores fall into mutually exclusive groups and all object scores within a category are identical (Greenacre, 1984).

The multiple correspondence analysis (homogeneity analysis) was applied in order to understand the association among characteristics of people and their readiness to use financial services in mailing agencies.

The main statistics provided by this technique will be analyzed in this section.

Table 3 contains the information about the eigenvalues. The first dimension plays a more important role because a greater amount of the categorical information is accounted for by it.

Table 3 – Eigenvalue information

Dimension	Eigenvalue
1	0,390
2	0,303

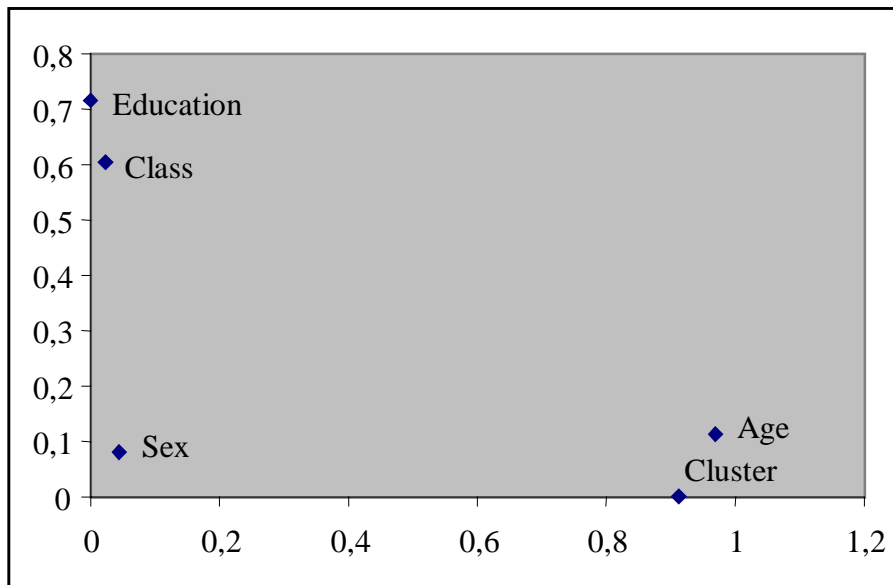
Table 4 presents the discrimination measures that were computed for the variables considered in this analysis. In the first dimension, the more important variables in terms of discrimination ability are cluster and age. In the second dimension, the variables with the greater discrimination power are education and class. As the first dimension accounts for the greater amount of data information, it can be concluded that cluster and age are variables with the greatest differences between the individuals.

Table 4 - Discrimination measures per variable per dimension

Variable	Dimension	
	1	2
Cluster	0,913	0,001
Class	0,023	0,604
Age	0,969	0,113
Education	0	0,716
Sex	0,044	0,081

Plot 1 represents graphically the discriminatory power of the variables.

Plot 1 - Discrimination measures per variable per dimension



V.6 – Association between profile variables and clusters

Some chi-square tests have been performed in order to verify the strength of relationship between some profile variables (sociodemographic aspects) and the variable regarding the two clusters generated by the K-means clustering. The results are presented in the following tables.

The statistical hypotheses that are underlying these tests are the following ones:

- ◇ There is independence between the sex and the clusters where the interviewees have been assigned.
- ◇ There is independence between the age and the clusters where the interviewees have been assigned.
- ◇ There is independence between the class and the clusters where the interviewees have been assigned.

◇ There is independence between the education and the clusters where the interviewees have been assigned.

Age is the variable with the strongest rejection of the statistical hypothesis, followed by sex (Table 6 and Table 5). The results presented by Tables 7 and 8 clearly point the independence between the class and the education level of the interviewees and their assigned cluster.

Table 5 – Sex - Chi-Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	17,376	1	,000
Continuity Correction	16,887	1	,000
Likelihood Ratio	17,390	1	,000
Fisher's Exact Test			
Linear-by-Linear Association	17,362	1	,000
N of Valid Cases	1249		

Computed only for a 2x2 table

0 cells (,0%) have expected count less than 5. The minimum expected count is 211,75.

Table 6 – Age - Chi-Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1249,000	2	,000
Likelihood Ratio	1628,004	2	,000
Linear-by-Linear Association	938,206	1	,000
N of Valid Cases	1249		

a 0 cells (,0%) have expected count less than 5. The minimum expected count is 128,55.

Table 7 – Class - Chi-Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	3,318	2	,190
Likelihood Ratio	3,359	2	,186
Linear-by-Linear Association	3,179	1	,075
N of Valid Cases	1249		

a 0 cells (,0%) have expected count less than 5. The minimum expected count is 88,40.

Table 8 – Education - Chi-Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	,484	1	,487
Continuity Correction	,399	1	,528
Likelihood Ratio	,482	1	,487
Fisher's Exact Test			
Linear-by-Linear Association	,483	1	,487
N of Valid Cases	1249		

a Computed only for a 2x2 table

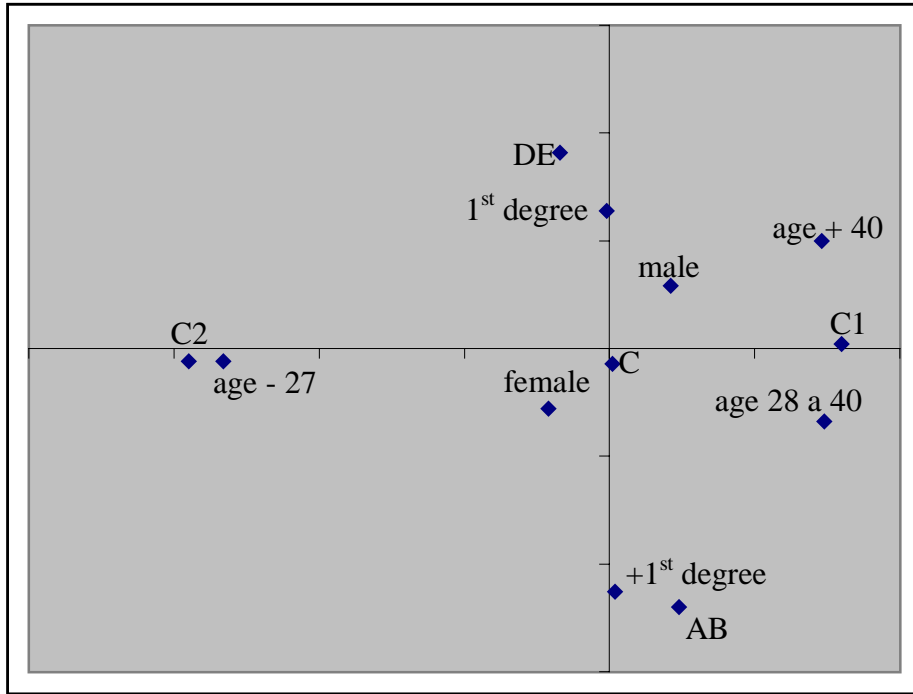
b 0 cells (,0%) have expected count less than 5. The minimum expected count is 138,55.

V.7 – Spatial representation of the association between profile variables and clusters

A spatial representation of data can clarify underlying relationships between variables.

The multiple correspondence analysis provides a spatial map that presents the relative positioning of all categories of the analyzed variables, as shown in Plot 2.

Plot 2 – Spatial map from Multiple Correspondence Analysis



From the horizontal axis of this spatial map (the horizontal dimension preserves the greater amount of data information, as seen in Table 3), it is possible to realize that the variables social class and education level don't contribute to discriminate cluster 1 (C1) from cluster 2 (C2).

From Section V.4, one important finding was that cluster 2 groups the people that are more favorable to the proposal of financial services in mailing agencies. The characteristics that are more linked to cluster 2 are age less than 27 years and feminine sex.

These results provide important insights to marketing managers. They can try to reinforce the advantages of the new channel proposal along with people of cluster 1. The segments of

masculine sex and people who are more than 27 years old can receive a different treatment through specific marketing strategies.

VI - Conclusions

People are generally favorable to the proposal of offering financial services in post offices, confirming the existence of opportunities for the development of these new products.

A large number of those interviewed have not been able to save any of their monthly income, showing that there is a potential segment of the market which can be conquered as long as the requirements to open a current and savings account are reduced.

Many people stated that they were apprehensive about the functioning of this innovation in post offices. Such statements will orient those responsible for the marketing mix to develop a publicity and clarification program on banking services available at post offices.

The study also revealed some specific sociodemographic categories that are not so inclined to accept this innovation. Such results are also very useful to the identification of the market segments that need a special marketing treatment.

The findings from this study point some directions of actions that can contribute to the successful implementation of the financial innovation.

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