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The relevance of traditional retail banks to the millennial generation consumer

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ABSTRACT

This research project explored the relevance of traditional retail banks to millennial consumers and the possible drivers of this relevance.

Given the change in values and expectations of the millennial generation as well as the emergence of new disruptive entrants into the banking industry, banks are at risk of becoming irrelevant to this very important future customer. The aim of this study was to add to knowledge by building a quantitative understanding of relevance of banks to the millennial consumer within the South African context, as well as to gain an understanding of the possible factors that drive this perceived relevance.

The study was conducted through an online questionnaire with a non-probability sample of 319 respondents, who were questioned on the perceived relevance of banks and banking services in their lives across a range of consumer values.

The main finding was that there is only 50 – 70% relevance in the relationship between banks and the millennial generation consumer, indicating a threat to the continued relevance of banks and their future continued profitability, performance and sustainability. Functional, informational and conditional value were identified as the primary drivers of this relevance relationship providing an indication of the areas of focus as banks build strategies to create increased relevance to millennials in order to ensure their sustainability.

KEYWORDS

Consumer relevance

Millennials

Generational theory

Values

Banking industry

DECLARATION

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

Adrienne Rossouw

9 November 2015

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ACCRONYMS AND ABBREVIATIONS

α -	Cronbach's Alpha Value
ABSA -	Amalgamated Banks of South Africa
FNB -	First National Bank
NPS -	Net Promoter Score
United States –	United States of America

CHAPTER 1: INTRODUCTION TO THE RESEARCH PROBLEM

1.1. Introduction

Millennials are known as the most hyper-social and technology-savvy generation, with a heightened degree of consumer choice never experienced before. Their vastly different generational attitudes and values pose significant implications for the traditional retail banking industry and therefore it is vital that these attitudes and values are understood. With the entry of new non-banking disruptors into the banking industry, it is clear that if banks do not assert their relevance to the millennial consumer, these non-bank entrants will (Nava, Karp & Nash-Stacey, 2015). The purpose of this study is to explore the present relevance of traditional retail banks to the consumers from the millennial generation, through the application of the *theory of consumption values* formulated by Seth, Newman and Gross (1991) supported by *generational theory* developed and explored by Papenhausen (2011) and Ng, Lyons and Schweitzer (2012). Day and Moorman (2013) reiterates the importance for companies to be the number one option for consumers and to accomplish this through consumer-driven focus on consumer relevance to improve company performance.

This chapter explains the background to the research problem and the objectives which this research study aims to achieve. This chapter further articulates the scope and motivation for this study both from a business perspective and from a theoretical perspective. It will outline the research report and intention of each respective chapter.

1.2. Background to the research problem

Described as “digital natives”, millennials are the first high-technology generation, with mobile technology and social networks engulfing almost all aspects of their lives (Eastman, Iyer, Liao-Troth, Williams & Griffin, 2014). Given this influence, the millennial generation has vastly different beliefs, attitudes and values from the generations before them (Gurau, 2012). They express these beliefs, attitudes and values as consumers through their interactions with and expectations from companies (Nava, Karp & Nash-Stacey, 2014).

Consumer surveys, conducted in the United States of America, have emphasized the possible impact of this consumer change on the banking industry in particular. In the Millennial Disruption Index, a survey of 10,000 millennials in the United States, it was emphasized that the banking industry is the industry most at risk of disruption, given the

change in expectations and behaviour of the consumers from the millennial generation (Nava, Karp & Nash-Stacey, 2014). In this survey, it was identified that 68% of millennials believed that how they access their money within five years will be fundamentally different from how they access their money today. It was further identified that 33% of millennials believed that they will not need a 'bank account' in the future (Nava, Karp & Nash-Stacey, 2014).

In Accenture's 2014 Digital Disruption in Banking Survey, which consisted of more than 4,000 retail banking customers in the United States and Canada, it was identified that this millennial consumer shift is even occurring at present. It was found that 18% of the millennials surveyed stated that they had switched their banking relationship in the last 12 months, with 17% of those who switched choosing an online-only bank. This indicates a risk for traditional retail banks who service consumers through a more physical brick-and-mortar approach as technology innovation now becomes an imperative for those wishing to attract the millennial consumer (Accenture, 2015).

The greatest disruption is expected to come from new non-banking entrants, such as financial-technology start-ups and non-banking corporations such as Apple, Facebook and Vodafone, who do not face the same regulatory pressures faced by traditional banks today (Walker, 2014). These entrants have used innovative technologies to close the gaps left by traditional banks (Walker, 2014). New fin-techs offer new value propositions such as crowdfunding, peer to peer lending and digital payment platforms to the millennial generation, with already great success (Nava, Karp & Nash-Stacey, 2015). For example, Lending Club and Prosper have successfully used crowdsourcing to offer a peer-to-peer lending model, raising more than US\$4 billion and \$1 billion in loans each. In addition, Kickstarter asked three million people to pledge a total of US\$480 million towards projects in 2013. These are funds which did not go through traditional bank lending channels (Zaheer, 2015).

In addition, non-banking corporations have launched banking offerings such as Google Pay and Apple Wallet and they are investigating additional possible offerings (Winograd & Hais, 2014). Facebook is in the process of investigating 'social banking', designed to assist community growth and development, as this service is not presently effectively offered by banks (Walker, 2014). The risk that these new entrants pose is highlighted in consumer surveys where millennials state that they expect and welcome innovation in the financial services industry to come from new fin-tech start-ups as well as more well-known brand names such as Google, Amazon or Apple, rather than from banks (Winograd & Hais, 2014).

These large non-banking corporations are primed to take advantage of these consumer sentiments, given their already large consumer bases and hence ability to instantaneously offer their banking products to these customers (Walker, 2014).

The threat to the relationship between banks and the millennial consumer is further intensified by a growing distrust of banks in the United States given the financial crisis which began in 2007 and the resultant recession. This event has shaped many characteristics of the millennial consumer due to its prevalence in their formative years. This reputational damage for banks is evident with the four largest bank brands in the United States being identified as some of the “least loved” brands by millennials (Nava, Karp & Nash-Stacey, 2015).

1.3. Research problem, purpose and motivation

The section below aims to define the problem statement, outline the objectives of the study and explain both the academic and business need for this research study.

1.3.1. The research problem

Banks are perceived as expensive, dull and complex. However, banks are also experienced as an essential part of the lives of consumers, and hence consumers have accepted banks as institutions, as they previously had no other options with regards to banking services (Avlonitis & Indounas, 2014). However, with the banking industry becoming more competitive with the entrance of new disruptive technology innovators, the need for exceptional customer experience and greater relevance to the consumer have become vitally important for the continued sustainability of traditional retail banks (Digital Transformation in the Financial Services, 2015).

With the millennial generation coming of age, demanding new innovative technology (Loubeau, Jantzen, & Alexander, 2014) and distrusting banks (Nava, Karp & Nash-Stacey, 2015), the future most economically important customer, is found to be the most at risk of finding little relevance in traditional retail banks. Relevance to millennials is hence a problem which needs to be understood by traditional retail banks and strategies must be put in place to develop and improve relevance to this important major customer base.

1.3.2. Objectives of the study

The objective of this study is to add to knowledge by building a quantitative understanding of the present relevance of traditional retail banks to consumers from the millennial generation within the South African context. The study further aims to gain an understanding of the possible factors which drive this perceived relevance.

The study makes use of theory on relevance, the *theory of consumption values* by Seth, Newman and Gross (1991) and generational theory (Papenhausen, 2011) to measure relevance and to identify factors which influence perceived consumer relevance.

1.3.3. Business motivation

In the South African context, the millennial population constitutes 37% of the population while its predecessor Generation X, who dominates the present economic prominence, is smaller at 25% of the present population (Statistics South Africa, 2011). The millennial generation is becoming an important consumer segment in today's market due to the large size of this generational segment and their present as well as future expected spending power (Lazarevic, 2012).

Social media is an integral part of the lives of millennials, influencing their decisions as consumers as well as giving them great influencing power (Bolton, Parasuraman, Hoefnagels, Migchels, Kabadayi, Gruber, & Solnet, 2013). Millennials' strong dependency on connectivity through social media can turn a positive opinion into a referral with the potential to reach thousands of other millennials; however, the opposite can also be true with a bad customer experience resulting in disastrous consequences (Nava, Karp & Nash-Stacey, 2015). It is especially important for the banking industry to accept and embrace the influencing power of this consumer cohort especially as the banking industry is in the midst of re-establishment of its reputation (Nava, Karp & Nash-Stacey, 2015) without the protection of the notion that they are still the consumers' only option (Avlonitis & Indounas, 2014)

Regardless of the size and influence of the millennial generational cohort, large global retail brands are finding difficulty in remaining relevant to the millennial generation, with disastrous effects on business performance. McDonalds saw their net income in the third quarter of 2014, drop by 30% against their earnings three years ago, which correlated to their millennial traffic drop by 16% from 2007, as millennials moved to new start-ups (Tynan

2014). In light of new entrants into the market, Day and Moorman (2013) have identified a focus on consumer relevance as vital for companies to be considered as 'must-haves' and not just an adequate option by consumers, hence creating a sustainable competitive advantage against competitors.

The millennial generation therefore presents great opportunities as well as threats for traditional retail banks. Given the size and buying power of the millennial generation, they will be the most vital customer of banks going forward (Lazarevic, 2012). Given their growing negative attitude towards banks, as displayed in consumer surveys (Nava, Karp & Nash-Stacey, 2014; Accenture, 2015); the influence of the millennial consumer on their peers (Bolton et al., 2013) and the threat of new entrants into the banking industry (Nava, Karp & Nash-Stacey, 2015) - the existence of traditional retail banks are under threat. Therefore, there is a strong motivation for bank managers and executives to understand the relevance that banks presently provide to millennial consumers and what factors to consider when creating strategies to improve performance. This focus on consumer relevance will assist banks to ensure the sustainability of their business performance into the future (Day & Moorman, 2013).

1.3.4. Academic motivation

The research recognises that an extensive body of work has been generated on generational theory and the attitudes, beliefs and values of the millennial generation, both from a workplace culture perspective (Parry & Urwin, 2011) as well as from a consumer perspective (Reisenwitz & Iyer, 2009).

Within the banking field, academic literature is limited to predominantly studies on regulation and payment practices, with minimal consumer studies on the banking industry. Studies have sought to understand bank selection criteria between traditional retail banks from a preference study perspective (Msweli & Naude, 2015) with studies on consumer sentiment in the banking industry as a whole only recently coming to the fore (Alt & Puschmann, 2012).

Lastly relevance, as a concept, has been defined and its importance understood within literature (Gorayska & Lindsay, 1993), however, relevance has not been applied to consumer studies or an explanation given as to how it can be effectively measured. Consumer values have been extensively researched in consumer studies across numerous industries to understand consumer behaviour (Lin & Huang, 2012), but applicability to the millennial consumer and banking industry is lacking.

This study will explore the existent literature on relevance, consumer values and generational theory within the literature review to follow. This study aims to contribute to the academic fields of consumer behaviour and marketing by adding to the body of knowledge on generational theory and the millennial generation of consumer as well as on the banking industry from a consumer perspective. Finally this study aims to add to the understanding of relevance as a consumer concept and the applicability of consumer values in this regard.

1.4. Research scope

The scope of this research will be to investigate the perceived relevance of traditional retail banks to the millennial generation within the South African context specifically, using the *theory of consumption values* by Seth, Newman and Gross (1991). The research will incorporate an analysis of the relationship between millennial consumers and the five major traditional retail banks in South Africa, namely Amalgamated Banks of South Africa (ABSA), Capitec, First National Bank (FNB), Nedbank and Standard Bank. Private Banks such as Investec have been excluded as their business and customer engagement models are significantly different. Theory on relevance, generational theory and specifically literature on millennials will be pertinent in forming the constructs which will be tested and measured to define the factors which drive relevance to millennials.

1.5. Research structure

To address the research problem identified, the structure of this research study is set out as follows:

- Chapter Two provides an argument, within current academic literature, to demonstrate the need for this study.
- Chapter Three outlines the purpose of this study and the research questions to be answered.
- Chapter Four defines and explains the research methodology used in this study.
- Chapter Five presents the results of the research conducted.
- Chapter Six discusses and analyses the results displayed in Chapter Five, in relation to the literature review conducted in Chapter Two.
- Chapter Seven presents the main findings of the research, provides recommendations for stakeholders and for future research.

CHAPTER 2: LITERATURE REVIEW

The chapter intends to provide the theory to support the purpose of this study. It will discuss the major constructs which address the research problem of the relevance of traditional banks to the millennial generation. These constructs are: Relevance, Values Theory and Generational Theory with a focus on literature on the millennial generation. Where found in literature, reference will be made to the banking industry.

2.1. Relevance

The concept of relevance has been widely referred to in literature in the context of both consumer relevance and brand relevance. Relevance has been used synonymously with the concept of meaningfulness, importance and relatability to a situation or goal (Lehnert, Till, & Ospina, 2014). Relevance has further been described as expressing the extent to which a company's brand plays a role in the consumer decision making process with regards to utilizing that company's products and services over those of another company (Idrees, Hassan & Ghauri, 2015). Relevance has also been identified as the creation of a 'must have' phenomenon whereby the competitors' offerings become irrelevant to the consumer (Aaker, 2012). Literature however gives little concrete detailed description of the concept or how it is to be measured.

2.1.1. The importance of relevance

Day and Moorman (2013) expressed the importance of consumer relevance to companies in retaining and growing their market share and profits. Many companies focus on financial and operational adjustments as a means to improve performance only to lose sight of their consumers' needs and expectations and hence become increasingly irrelevant in the lives of their consumers. This irrelevance impacts their consumer acquisition and retention, ultimately affecting their business performance (Day & Moorman, 2013).

A refocus on consumer relevance has been evidenced as vital in the turnaround strategies of numerous companies, such as IBM and McDonalds, who used relevance to focus their priorities on becoming the number one option for consumers and not just an adequate option. These companies had decreased performance by looking from the inside-out and losing their consumer-driven focus (Day & Moorman, 2013).

Although not explicitly discussed, Alt and Puschmann (2012) indicated that relevance to consumers is increasingly becoming of importance for the financial services and banking

industry. In order to remain competitive, there has been a requirement for a greater focus on the customer in the financial services industry as a result of the changing behaviour of consumers, information technology innovations and non-banks now beginning to offer banking products and services. Although banks have been at the forefront of information technology innovation, the online banking platforms of traditional banks are seen as merely an extension of the physical branch counter, offering establishing banking products. This is a risk for banks as companies like Google, Apple and Microsoft have already put in place customer-orientated information technology solutions and are constantly adding new products and services to increase customer interaction (Alt & Puschmann, 2012).

Aaker (2012) discussed the importance of focus on relevance over preference, in creating barriers for competition and creating real long term growth. Preference encourages companies to be better than other similar companies in the industry. However if relevance is a focus over preference this moves the market place. This encourages companies to move from incremental to transformational innovation, to create 'must haves' which define that industry and to decrease competition from those who do not exhibit this 'must have'. Continued relevance is hence discussed in literature as the strategy to real growth and sustainability (Aaker, 2012).

2.1.2. Theory of relevance

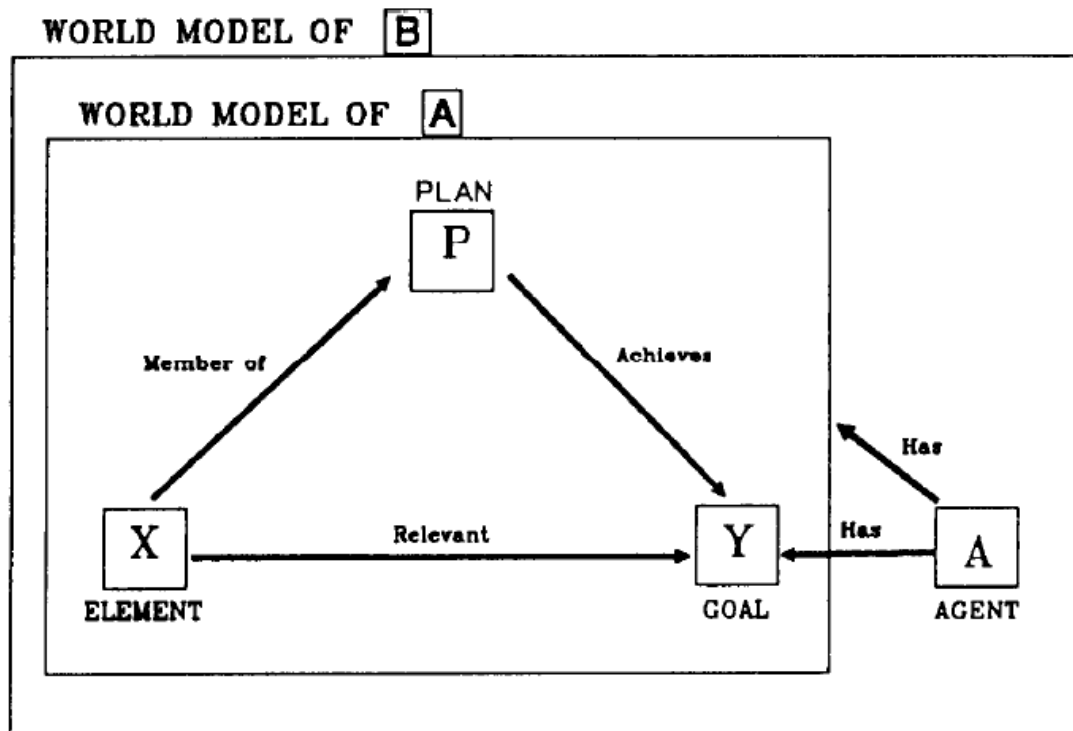
Relevance as a construct has not been clearly defined in literature; however Sperber and Wilson's book titled *Relevance* first provided an overview of what constituted the concept and its applicability to consumer behaviour, providing an understanding of how consumers make decisions and behave (Sperber & Wilson, 1986).

Sperber and Wilson (1986), through their research brought to light the individual and subjective nature of relevance caused by a reliance on the selective nature of the individual's memory. Two individuals may therefore be exposed to the same stimulus but interpret and recall it differently, due to their knowledge and previous consistent experience (Lamberts, 2010) with that same stimulus (Straßheim, 2010).

Gorayska and Lindsay (1993) added to the theory of Sperber and Wilson (1986) by identifying that relevance constitutes a relationship link between two items with this relationship being measured by the degree and extent of the strength of the relationship (Gorayska and Lindsay, 1993). Gorayska and Lindsay (1993) expressed this relationship link in a graphical relevance model, illustrated in Figure 1. Although not directly expressed in the context of consumer behaviour, this relevance model depicts the different components of relevance. This relevance model suggested that the relevance relationship can be

measured according to the degree to which an element (Element X) assists someone to achieve a goal of importance to them (Goal Y), through the use of a plan (Plan P). Although not discussed in literature, this model provides an indication of what relevance would mean in the case of the banking industry in that a retailer such as a traditional retail bank would be perceived as relevant to a consumer if this bank (Element X) assisted this consumer to achieve their goals (Gorayska and Lindsay, 1993).

Figure 1: Relevance model by Gorayska and Lindsay



Source: Gorayska and Lindsay (1993)

2.1.3. Consumer values

The theory of relevance by Gorayska and Lindsay (1993) provided an overview of what constitutes the concept of relevance, but does not give a concrete view of how it can be measured, or provide evidence of its applicability to the consumer relationship. It was through the personal relevance work of Kang, Liu & Kim (2013) that it was identified that if a company matched the personal values of a consumer, they would appear relevant to that consumer.

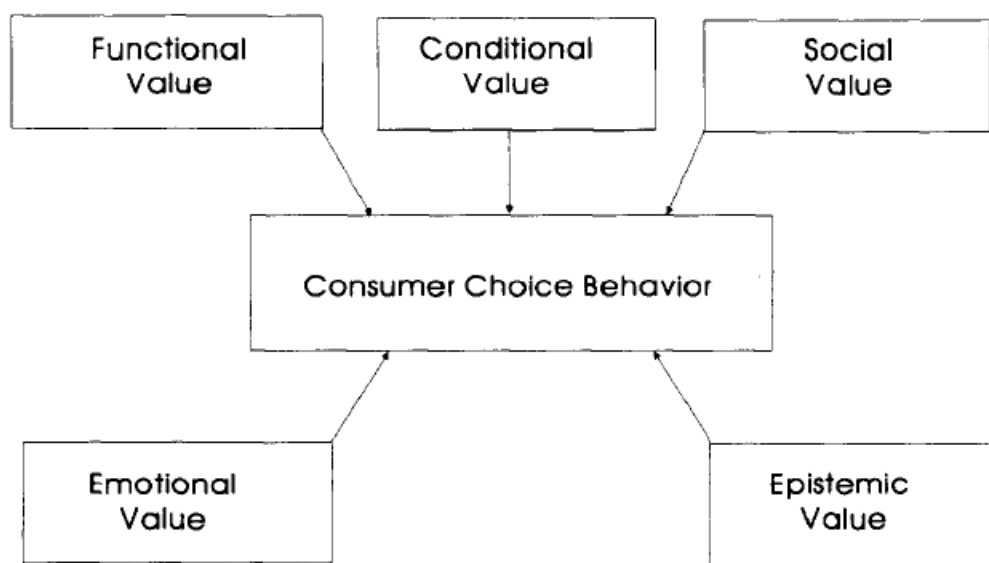
Consumer values are a topic which has been covered greatly in literature, especially with regards to how they explain people's attitudes and beliefs and ultimately their decision-making as consumers (Smith and Colgate, 2007). It is mean-ends theory which helps to

explain the link between consumer values and relevance. Vriens and Ter Hofstede (2000) state that attributes offered by products and services provide benefits. It is these benefits which are seen as the same as the achievement of goals as referred to in relevance theory (Gorayska & Lindsay, 1993). These benefits further become important because they allow consumers to achieve some higher need or value (Vriens & Ter Hofstede, 2000) and hence allow for the possibility that consumer values could be used to measure and understand relevance.

Smith and Colgate (2007) stated that there are numerous models and theories which explain the components of values - often providing competing definitions. Schwartz's Values Theory expresses consumer values as a tool to segment customers into categories due to their limited number and their ability to hold consistently across situations (Krystallis, Vassallo & Chryssohoidis, 2012). It was however Seth, Newman and Gross (1991) who first presented a theory of consumption values. Figure 2 explains this model which has been used in numerous literature studies looking at consumer behaviour in retail products and services such as green products and 200 other studies. It has been proven to be successful in its ability to predict consumer behaviour (Lin & Huang, 2012).

This theory of consumption values, illustrated in Figure 2, identifies the five independent values, which may make different contributions to a consumer's choice in different situations, namely functional value, social value, emotional value, epistemic value and conditional value (Seth, Newman and Gross, 1991).

Figure 2: The five values influencing consumer choice behaviour



Source: Seth, Newman and Gross (1991)

Smith and Colgate (2007) has warned about the limitation in this theory in that it does not incorporate the three basic consumer needs which explain different value dimensions, as identified in the earlier work of *Park, Jawarski and MacInnis*. These include symbolic, experiential and some functional needs. Symbolic needs satisfy internal desires for self-enhancement, status and societal membership. Experiential needs are for products which provide mental stimulation and sensory pleasure, while functional needs are for products which solve consumption challenges. This model is further criticized for not including a view of the cost or sacrifice which a consumer makes given the value or benefit of a product or service (Smith and Colgate, 2007).

The consumer value model prescribed by Seth, Newman and Gross (1991) has been used extensively in research and has been selected as a basis for the further research of consumer values, according to the five independent values it proposes (Lin & Huang, 2012). The literature review which follows will first look at these values from the perspective of the general consumer and later through the perspective of the millennial consumer, referring to the applicability to the banking industry where literature is available.

2.1.3.1. Functional value

Functional value refers to the perceived utility of an offering for the consumer, how it performs and its price and the value for money that a product or service offers (Lin & Huang, 2012). It is traditionally believed in literature that it is functional value which has the greatest influence on consumer choice (Seth, Newman and Gross, 1991)

From a performance perspective, Seth, Newman & Gross (1991) referred to functional value as synonymous with reliability. In the context of banking, this refers to service quality. Many service quality models for banking have been discussed in literature, with most identifying reliability and consistency of service using technology as well as accessibility of services as key for the consumer. High service quality results in greater customer satisfaction and loyalty (Sangeetha & Mahalingam, 2011).

Literature by Kelly (2014) expressed that traditional retail banks are becoming irrelevant to consumers due to increased costs and decreased convenience caused by ineffective use of technology. Retailers and technology companies, who are eager to enter the banking industry, have however used digital technology such as cloud computing, social media and smartphone adoption, to meet the unmet financial needs of the consumer, hence better meeting functional needs through cost-effectiveness and therefore lower prices (Kelly, 2014). Banks on the other hand have rather used technology to replicate existing products

and services onto digital channels, which has rather led to additional costs and complexity to their models, which is passed onto the consumer (Laven, 2012).

Literature has identified that with regards to financial services, it is price which consumers use most to decide between competitive offerings. In addition, issues with pricing are what cause most consumers to leave their present service provider. The banking industry faces challenges in creating pricing strategies which reflect their costs and their value to the consumer. Instead, banks apply vastly different pricing strategies including strategies based on the intensity of the competition and the risk profile of the consumer, often resulting in cross-subsidization of customer. From the consumer perspective, as they have difficulty in identifying the difference between financial services companies, price plays a dominant role as a determinant of consumer choice. The risk with the reliance on functional value is that banking may become commoditized and hence easily traded (Avlonitis & Indounas, 2014).

2.1.3.2. Social value

Social value is generated from the benefit of being associated with or belonging to a specific group (Lin & Huang, 2012), with that group being defined by demographic or cultural-ethnic factors (Smith and Colgate, 2007).

Literature on reference groups indicated that an individual's behaviour is influenced by the social pressure (Lin & Huang, 2012) within the groups they belong to as well as the information shared within these groups (Seth, Newman and Gross, 1991). In light of this, goods and services which are either highly visible to others or shared within this group would be more influenced by social value (Seth, Newman and Gross, 1991). Literature on the financial services industry argued that due to the intangible nature of the financial service offering, and the inability to engage with what you are testing, the opinion and testimony of others is vitally important for the consumption of banking services (Avlonitis & Indounas, 2014).

Given the rise of the internet and the integration of social media platforms into the daily lives of consumers, this has fundamentally changed the way that consumers engage with each other. Social media has given consumers an easily accessible platform to share their opinions on product and service experiences such as banking services with their virtual community of friends and family, who they also trust (Wang, Yu, & Wei, 2012). This has fundamentally changed the nature of trust. The open visibility of social media also means that consumers belonging to a certain group become associated with that group and hence

face greater pressure to conform to the likes and dislikes of that group, further impacting the nature of trust between institutions and consumers (Wang, Yu, & Wei, 2012).

This rise of 'en masse' or the crowd, has been identified as an important mind-shift for established institutions, as they must now understand that they no longer market to the individual but to their shared network and decisions will be made by this crowd network (Walker, 2014). Companies have responded to this shift and taken note of the importance of creating social value, by measuring their Net Promoter Score (NPS). NPS is seen as a way to understand the likelihood of their customers to recommend them to others and hence as a reflection of their loyalty as consumers (Keiningham, Aksoy, Cooil, Andreassen & Williams, 2008).

This crowd concept, supported by social computing has further created a change in business models. This connectivity between consumers has allowed them to cut-out the 'middlemen' and fulfil the service between themselves. This concept has seen the disintermediation of numerous industries; with for example the need for travel agents being decreased as consumers can now arrange their own holiday accommodation between each other, using the social platform of Air BnB. The same concept is being investigated in the banking industry through social platforms such as Facebook, negating the need for banks as funds can be raised between consumers (Walker, 2014), hence identifying a social value gap in banking.

2.1.3.3. Emotional value

Emotional value is measured on the ability of a product or service to arouse emotions in a consumer, whether consciously or not (Seth, Newman & Gross, 1991). The purchase of products and services can therefore be motivated through emotional decisions, including utilitarian and hedonistic emotions (Lin & Huang, 2012).

Social pressure exists in what an individual perceives others think they should do. In addition, an individual may have their own self-image, and will use a company they interact with as a reflection to themselves of who they are (Lin & Huang, 2012). Literature discussed that a brand conveys additional perceived values onto products and services often referred to as brand personality (De Chernatony, McDonald & Wallace, 2010). Image congruence theory stated that if this brand personality is seen as identifiable and favourable to the consumer at the time of consumer decision-making and if this personality is perceived by the consumer to be similar to their own image, of themselves, this emotional value will lead to brand loyalty.

Research however has shown that the level of loyalty and preference a consumer shows is influenced by the level of involvement of consumers with the product. Therefore companies with low involvement products typically need to create more positive experiences with their products and more excitement in their brand personality in order to create higher levels of brand loyalty and preference (Suddin, Samsinar & Kenny, 2014). This allows for a reduction in reliance on functional price and accessibility to create competitiveness (Judson, Devasagayam, & Buff, 2012).

Literature has greatly discussed the importance of trust in particular for service provider firms, especially with regards to banks, who in the wake of the financial crisis need to ensure that consumers feel a sense of trust and security (Avlonitis & Indounas, 2014). Trust itself was identified as being built from experiences of satisfaction and reliability and is expected to result in continued use and less price-sensitive consumers. Studies have however varied on the relationship between trust and consumer loyalty. Many studies have looked at the relationship between trust and consumer loyalty, with some studies stating that there are other factors which contribute to consumer behaviour and hence trust does not automatically lead to customer loyalty (Calin, 2013).

Research by Calin (2013) has identified that the impact of trust on loyalty to companies is very different with regards to service companies. It was found that customers who are risk averse as well as those who lack knowledge of the market will show higher loyalty to a trusted provider (Calin, 2013). Research by Calin (2013) therefore concluded that banking services, as high risk continuous services, seldom experience occasional disloyalty and that when it comes to banking services, customers show either exclusive loyalty due to the risk of using an unknown service provider for a high risk service, or they use two suppliers to minimize their risk.

2.1.3.4. Epistemic (information) value

Epistemic value is measured by the ability of a product or service to stimulate an interest or curiosity in a consumer to want to know more and its ability to satisfy this need for knowledge. Literature has shown that individuals need to maintain an optimal degree of stimulation and hence this is an important determinant in how they perceive a company (Seth, Newman & Gross, 1991).

In literature on financial institutions the Ability, Motivation and Opportunity model has been used to identify the success of financial information and communication to consumers. Research has shown that those with greater financial knowledge and understanding are

more able to process financial information and communications from banks. Those who are more highly involved in financial services would also be more motivated to seek for and consume information provided by banks to make financial decisions. The success in the level of consumption of bank information is however greatly impacted by the channel and media used to engage with consumers (Avlonitis & Indounas, 2014).

Trust has now taken on a new meaning with regards to consumption of financial information from banks (Avlonitis & Indounas, 2014). Consumer behaviour has been influenced by a new trend in how consumers gain access to knowledge. Social media allows not only companies to communicate with consumers but for consumers to connect and share with each other in communities around similar interests. Research has also found that more consumers are accessing social media sites, connecting and socializing quickly with new communities to gain information to assist their consumption decision-making (Wang, Yu, & Wei, 2012). This platform for sharing of information has been identified as one of the key purposes of joining social network platforms and speaks to the need by consumers to connect with each other rather than companies for information (Jahn & Kunz, 2012). This behaviour suggests that consumers no longer obtain informational value from companies, but rather seek the opinions of others, from within their virtual communities, whom they trust (Wang, Yu, & Wei, 2012).

2.1.3.5. Conditional value

Literature has identified that purchase decisions of consumers cannot be determined by their intentions or attitudes only (Seth, Newman and Gross, 1991), but also based on the situation they find themselves in and the options available at the time of the purchase and consumption (Lin & Huang, 2012). Therefore conditional value to a consumer can be measured by how the functional and social value that a product or service offers compares against other options available to the consumer (Seth, Newman and Gross, 1991).

Recent literature has expressed the notion that there will always be a need for banking and financial services, but not necessarily a need for banks (Walker, 2014). It is understood that until the digital revolution, banks have been the only option available to consumers and this has enforced their conditional value. With the rise of internet and social computing, new market entrants have been able to use information technology to create a relationship with the customer, while the traditional banking model struggles to adapt to this digital challenge. These newcomers therefore provide more options for consumers to potentially choose from and to satisfy their financial service related needs creating a risk to the conditional value of banks (Walker, 2014; Laven, 2012).

Potentially the greatest new entrant threat is that of technology companies such as Google and Apple. With product leadership at the core of their strategies, large technology companies such as these have used digital technology innovation to understand and follow the needs of the customers to create innovative new products out of their traditional markets, such as banking payment products such as Google Wallet and Apple Pay (Wouters, 2014).

Social media platforms, such as Whatsapp, Twitter and Facebook have long been seen as a potential opportunity for banks to leverage off the size of the consumer base, using these platforms. Cognitive dissonance theory has been said to explain the fear of both banks and the public around banking on social media (Walker, 2014). Cognitive dissonance theory was articulated by Leon Festinger in 1957 and explains the stress that individuals experience when confronted with new information which conflicts with their existent values and beliefs, often resulting in them not adopting a new way of being. This has been expressed in literature as the reason for the apparent resistance to banking on social media (Walker, 2014). With Facebook looking to create their own e-currency of exchange (Walker 2014) and with firms such as Azimo using Facebook as a mechanism to effect international payments (Laven, 2012), literature is reiterating that such a banking alternative is now becoming possible.

With the rise of online retail companies such as Amazon and eBay requiring secure online payment mechanisms, it was the startup of technology companies and not banks which filled this need, such as PayPal. Therefore retail companies are being seen as new entrants into the banking industry (Laven, 2012).

Lastly literature on banking identified telecommunications companies such as Vodafone, as additional entrants into the banking industry given the rise of mobile banking (Walker, 2014). Mobile banking is defined as internet banking on a mobile device such as a cell phone. This model has typically been executed in partnership between telecommunications companies and banks. Studies have shown that the adoption of mobile banking, much like with other online commerce models, is dependent on numerous factors. The first factor is knowledge-based trust whereby mobile banking would be adopted if there was belief of trustworthiness in the competence, integrity and the intent of the company to do what is best for the consumer (Lin, 2011). The second is innovation diffusion theory, whereby certain attributes need to be present before adoption will occur. These attributes include ease of use, compatibility with values and the degree to which the offering is visible (Lin, 2011). These factors all influence the threat of new entrants to the conditional value that traditional banks provide to consumers.

While ideally it would be beneficial for companies to maximize each consumption value this is often not possible and literature contended that customers are happy to trade-off certain values for different values in a consumption situation and hence not all values play an equal role in consumer behaviour and choice (Seth, Newman and Gross, 1991).

2.1. Generational theory

The theory of generations has its roots in sociologist Karl Mannheim's 1923 essay called "the problem of generations". The premise proposed in this theory is that those who are born within the same time period (Papenhausen, 2011) share events and experiences early in their development, which result in that generation holding a similar set of values which are different to those of other generations (Ng, Lyons & Schweitzer, 2012). Although all generations could have been exposed to the very same events or experiences, each generation will experience a different impact on their personality based on their phase of life, creating a peer personality and shared form of identity (Papenhausen, 2011).

The difference in values and behaviours within a generational cohort can further be attributed to the tension between the alternate dominant and recessive generational cohorts. As one dominant generation comes of age, it takes the dominant place from a generation leaving mid-life, leading to an era of turbulent change. This change is presently occurring as generation Y or otherwise referred to as millennials, as a dominant generation is now taking over from the dominant position of the Baby Boomer generation (Papenhausen, 2011).

This generational theory was further added to by Strauss and Howe's generational theory constructed in 1991; where a second assumption was added that even though generations follow a definitive and predictable lifecycle, which dictates their behaviour at different stages, their values hold through their lifecycle as a generational cohort (Papenhausen, 2011). Therefore, their values will not change with time. This supports Schwartz's Values Theory by confirming that generational theory and values theory are useful in understanding what is relevant to a specific generation, as these values remain consistent across time and situations (Krystallis, Vassallo & Chrysohoidis, 2012).

There has been criticism in literature of generational theory as it is argued that this theory has simplified the similarity between the same generations globally. Individuals from different nations may have been exposed to different cultural rearing in different countries and hence social and cultural context can create differentiation within a generational cohort. There is also a counter argument that stated that generational cohorts are now more similar than ever due to the rise of the internet and social media connecting generational cohorts across the

world. This connection presents shared global social contexts such as the global financial crisis and the war against terrorism. However, the impact of social context on generational values should always be considered (Lazarevic, 2012). Another element raised in literature is that within a generational cohort there may be a difference in beliefs and behaviours between different demographics within a generation cohort that should be considered and understood (Brosdahl & Carpenter, 2011).

As argued in Sperber and Wilson (1986), there is a link between relevance and generational theory through the similarity in values of a generational cohort (Straßheim, 2010). With regards to the relevance of banks to different generations, literature has been limited to preference studies on selection between banks rather than the relevance of banking as a construct or industry (Msweli & Naude, 2015).

2.2.1. The millennial generation

From an academic perspective there is little agreement on the birth time frame of the millennial generation and the time frames given in literature should only be used as a guideline (Ng, Lyons & Schweitzer, 2012). For the purposes of this study, the millennial generation will be considered to consist of individuals born between 1980 and 2000 and those coming of age within the next five years (Loubeau, Jantzen, & Alexander, 2014). They will be replacing the current workforce and economic position of the presently active workforce (Brown & Czerniewicz, 2010).

The literature often showed contradictions and very little agreement in research with regards to the characteristics defining the different generations and the characteristics of millennials are very broadly stated (Bolton et al, 2013). However, the research available on these characteristics could be expected to be applicable in the South African context now more than ever because this generation holds shared values across national borders due to the ability of social media and the internet to make knowledge transferable across borders (Ng, Lyons & Schweitzer, 2012).

2.2.2 Values of the millennial generation

Context is important when investigating millennials (Deal, Altman & Rogelberg, 2010). Literature did identify certain “social shocks”, which could be said to have had an influence on the personality and values of millennials as a group. Literature stated that the recent Global Financial Crisis and related recession could be seen to be one of those shocks (Bolton et al, 2013), impacting job security (McCormack, 2007) with millennials finding it

more difficult to find work. For those who do find work, their attitudes towards work and life are expected to be different to the generations before them (Deal, Altman & Rogelberg, 2010).

The second shared experience of the millennial generation is the rise of technology. With exposure to technology from an early age, this has influenced this generation cognitively, emotionally and socially (Bolton et al, 2013). This has led to the numerous names linked to this generation ranging from 'digital native', to millennials to Generation Y as well as the net-generation (Brown & Czerniewicz, 2010). In the South African context, the additional defining moment is that millennials will have experienced the freeing of Nelson Mandela, the end of Apartheid and they have been open to the world to experience technological trends (Msweli & Naude, 2015). This leads to the belief that South African millennials would share very similar values to millennials across the rest of the world; however these values might be interpreted differently at the local country level (Lazarevic, 2012).

The following literature reviewed investigated consumer values through the perspective of the millennial generation consumer in line with the *theory of consumption values* as proposed by Seth, Newman and Gross (1991).

2.2.2.1. The applicability of functional value to millennials

As previously mentioned, functional value refers to the perceived utility of an offering for the consumer (Lin & Huang, 2012) and literature has emphasized that costs, convenience and service are the key determinants in selection between banks for the millennial generation in studies across the United States, Sweden, Belgium and Singapore, South Africa and Ghana, with a slight nuance in Nigeria expressing safety of funds as key (Msweli & Naude, 2015).

The expectations of lower costs and convenience are driven by the generational difference in exposure, understanding and comfort with technology. It is these changes in proficiency and expectations of technology that drives a difference in perceived functional value by millennials and informs their expectations of companies (Deal, Altman & Rogelberg, 2010).

2.2.2.2. The applicability of social value to millennials

Social value is created for millennials, much like for other generational cohorts, through the belonging or association with a group (Lin & Huang, 2012). However, in the case of millennials above all other cohorts, this group exists predominantly within virtual

communities facilitated by social media and they are driven by a need to interact with others (Bolton et al, 2013).

Millennials use social media for the same reasons and activities as other generations, but the frequency and immediacy of use is amplified (Bolton et al, 2013). Millennials are more inclined to use social media to share their experiences of companies with others. They also use it as a platform for peer recommendations regarding companies and brand usage (Gurau, 2012). Literature on selection between banks has indicated that in general there has been a decrease in the influence of parents on recommendation of banks. However, parents still play a key role in recommending banking partners as parents play a key initial role in opening many of the millennials' accounts when they were students (Msweli & Naude, 2015).

Much of social media usage relates to status (Bolton et al, 2013). Research done by Msweli and Naude (2015) identified that millennials in Europe, the UK and U.S. place a greater emphasis on reputation and status than their African and Asian counterparts when it comes to selection between banks (Msweli & Naude, 2015). Insights such as these, in selection between banks can provide insight into the selection of the banking industry as a whole. Furthermore, millennials have grown up in a materialistic society, where everything is branded and brands are seen as an extension of the identity. Millennials more than any generation before them are conscious of what others think of them due to the virtual group and community orientation. In other words, it is vital that the brand they are associated with reflects well on their social identity (Lazarevic, 2012).

Finally, research referred to millennials as a confident and optimistic generation, who value balance and feel the empowerment and ability to deal with things when they go wrong in the world (Acar, 2014). To this end, research has shown that millennials, more than other generational cohorts, are more loyal to brands which show commitment and dedication to environmental and social values (Gurau, 2012).

2.2.2.3. The applicability of emotional value to millennials

Emotional value and the emotions of millennials are key factors that contribute to their generational development (Seth, Newman & Gross, 1991). Many of the emotional values of millennials are influenced by their shared experiences as a cohort (Papenhausen, 2011).

Millennials have reacted to many of the impacts on the labour market such as the instable global economy; employers no longer guaranteeing lifetime jobs and the down-sizing of many organisations. Traditional linear upward career ladders have been replaced with a

combination of upward, downward and lateral career moves with millennials changing their occupations often and drastically (Lyons, Schweitzer & Ng, 2015) or turning to entrepreneurship (McCormack, 2007). Therefore this change in life path has seen millennials replace the need for stability and loyalty to companies with more dynamic careers and lifestyles, driven by greater demonstrated individualism in everything they do. This break in psychological contract between companies and millennials as their employees can be used to parallel changes in the consumer relationship between millennials and companies (Lub, Nije Bijvank, Matthijs Bal, Blomme & Schalk, 2012).

Referred to as the “Peter Pan Generation” (Bolton et al, 2013), millennials show less commitment and brand loyalty than previous generations. Being more self-centered and narcissistic than previous generations it has been found that limited loyalty can be achieved through the interest in companies which represent congruence with their personality and their lifestyle and acknowledge them as individuals (Gurau, 2012). Given that millennials have grown up with brands and these are seen as a form of self – expression for millennials, they need to reflect the millennials’ values of success and of being better and hence allowing them to express their mark in the world (Lazarevic, 2012).

Literature stated that although millennials are less brand loyal than previous generations, they will show more loyalty if they trust the brand. This loyalty however will be short-lived and millennials will switch quickly to another brand should they be perceived as ahead of others at that point in time (Reisenwitz & Iyer, 2009). However, literature has also provided a contradicting view within banking industry studies, stating that especially amongst African and Asian countries, given their socio-economic situations, values such as safety and security are important with regards to financial services and products (Msweli & Naude, 2015).

A difference in trust of banks, between millennials in the United States and an African country such as South Africa is expected to be different given the impact of the global financial crisis on them as consumers. The global financial crisis that began in 2007, caused in part by the bursting of the US housing bubble, saw the collapse of numerous large financial institutions in the United States of America and the takeover of large institutions such as Lehman Brothers, Merrill Lynch, Fannie Mae, Freddie Mac and American International Group. This impact on the banking industry resulted in a negative impact on consumer wealth in the United States. This impact was blamed on the reckless behaviour of banks in the United States (Esterhuysen, Van Vuuren & Styger, 2011). In South Africa, a sound regulatory bank framework mitigated the impact of the global financial crisis on the

South African consumer, hence resulting in a different perception of banks in this regard (Mlambo & Ncube, 2011).

2.2.2.4. The applicability of epistemic (information) value to millennials

With informational value being the ability to satisfy the consumers' need for knowledge (Seth, Newman & Gross, 1991), banks are seen as providing less informational value to the millennial consumer than to previous generations (Cutler, 2015). This is a concern for banks, as the provision of financial knowledge is identified as vital in the selection of banks, by millennials (Msweli & Naude, 2015).

Millennials, being well-educated and digitally connected do not want to hear from banks how to do things, but rather want to be educated on where they can find the information they need online, in order to gain this financial knowledge themselves. This poses a shift in relationship for banks, which were once seen as trusted financial advisors to consumers (Cutler, 2015).

In line with social values, millennial consumers are connecting with their virtual communities where they would prefer to gain the knowledge they require, rather than inquiring from expert companies such as banks (Bolton et al, 2013). This generation is also more inclined to collaborate and create their own content and share this information with others, hence decreasing the need for content to be created by companies, like banks (Lazarevic, 2012).

In addition, research has shown that this generation is the first to have internet use outweigh television use (Reisenwitz & Iyer, 2009). This means that brand exposure is required to move to approaches where millennials can engage with banks via numerous mediums including social media, which impacts how they disseminate knowledge (Reisenwitz & Iyer, 2009).

2.2.2.5. The applicability of conditional value to millennials

Millennial consumers' money needs have changed based on exposure to technology. They now expect increased convenience, speed from business partners and lower costs in payments. Banks have not enabled this through their digital platforms, however fin-tech startups have focused on these unmet customer needs. For example Paypal identified the need for secure online payments on eBay and Amazon and were able to better meet customers unmet needs (Laven, 2012). It has been found that millennials are highly brand conscious, critical and demanding and will instantaneously change companies should they

better meet their needs (Gurau, 2012). With the entrance of new disruptors into the industry and the non-brand loyalty of millennials, this will threaten the conditional value which banks usually held (Lin & Huang, 2012).

Millennials are extremely brand conscious and brands are expected to socially demonstrate to others who they are. Given the existent popularity and millennial customer base of brands such as Google and Apple (Winograd & Hais, 2014) these brands could pose as more attractive options to millennials versus banks. This is especially so as millennials want to be viewed as successful and be associated with successful brands (Lazarevic, 2012). It is argued that the risk to the conditional value relating to banks is amplified because the millennial generation has been found to be comfortable with technology and social media, thus they will not suffer the cognitive dissonance which has prevented previous generations from using the services of alternative banking providers (Walker, 2014).

2.2. Conclusion

In conclusion, the literature review has identified the importance of consumer relevance for companies aiming to gain a positive purchase decision from their customers (Day & Moorman, 2013). Literature by Sperber and Wilson (1986), Gorayska and Lindsay (1993) and Straßheim (2010) have defined the concept of relevance. This literature further expressed a relationship link between consumers and the company, with regards to relevance. No study however has tested this relevance relationship in the context of a consumer choice and behaviour, as no concrete method of measuring relevance is found in literature.

Values theory has long been used as a segmentation tool to identify and predict consumer behavior. Values are extensively covered in literature (Krystallis, Vassallo & Chrysohoidis, 2012) and tested on different customer groupings to determine how they predict consumer behaviour (Lin & Huang, 2012). Although literature has briefly identified the possible relationship between values and relevance as a way to measure and explain relevance, this has not been tested in relevance especially as it relates to banking industry (Kang, Liu & Kim, 2013) This indicates a gap in literature which this research could fill.

Generation theory on the other hand has identified the trend of growing irrelevance of companies to the millennial generation given their change in values from the generation before them, highlighting a challenge for companies (Papenhausen, 2011). Although literature on the banking industry is abundant with studies on technology and business models, there is limited research on the perspectives of millennial consumers on banking,

being limited only to research on bank preference and selection criteria (Msweli & Naude, 2015). Therefore there is an opportunity for this research to add to literature on generational theory, as it pertains to the consumer relationship between millennials and traditional retail banks.

This research will look to gain additional knowledge on relevance, generational theory and the application of values theory as it pertains to the relationship between the millennial generation of consumer and traditional retail banks. Given the recent nature of literature on the millennial generation (Papenhausen, 2011; Winograd & Hais, 2014; Cutler, 2015) and discussions around the impact of consumer needs and new disruptive entrants into the banking industry (Walker, 2014; Laven, 2013), this research study is relevant and topical at present, further justifying the need for this research.

CHAPTER 3: RESEARCH PROBLEM, SCOPE AND QUESTIONS

Literature on generational theory has highlighted the change in consumer behaviour of the millennial generation from the generations before it (Loubeau, Jantzen & Alexander, 2014). This is driven by a change in values of this generation caused by their shared experiences (Ng, Lyons & Schweitzer, 2012). Coupled with their demand for technology and their growing distrust of banks there exists a threat to the continued relationship between companies and the economically valuable millennial generation consumer (Loubeau, Jantzen & Alexander, 2014).

Literature has further identified the concept of relevance as an expression of the relationship between a consumer and a company (Gorayska and Lindsay, 1993). Relevance is also plays a key role in identifying how indispensable a company or set of companies may be to the consumer, therefore creating sustainability and growth (Aaker, 2012). This is especially true for companies like traditional retail banks who face new disruptive entrants into the industry (Alt & Puschmann, 2012). In the absence of a model for the measurement of relevance in literature, the work of Kang, Liu & Kim (2013) suggests that should a company speak to the values of a consumer, it can be seen as relevant, hence suggesting that values theory could be used to measure relevance to a consumer.

Little research has looked at the relationship between the millennial generation and the traditional banking industry model. Also, no research has been found that investigates and explains the relevance relationship between these two entities. Therefore this research study will take the form of an exploratory study by answering research questions to gain an understanding of the present relevance of traditional retail banks to millennials and a view of what drives this perceived relevance (Gray, 2013). The study will use the knowledge gained from the literature review regarding the theory on relevance, *theory of consumption values* by Seth, Newman and Gross (1991) and generational theory (Papenhausen, 2011) to meet this objective. The scope of the study will be within the South African context only.

Research Question One:

To what degree does the cohort of the millennial generation perceive traditional retail banks to be relevant or irrelevant to them as consumers?

Research Question Two:

How do the different value factors influence this relevance or irrelevance?

CHAPTER 4: RESEARCH METHODOLOGY

This chapter lays out the research methodology which was used in designing, collecting and analyzing the data which forms the basis for the research process. This chapter also investigates the assumptions and limitations to the study that were not included in this research (Saunders & Lewis, 2012).

Literature on the theory of relevance (Gorayska & Lindsay, 1993) has not provided a tested view of how relevance in a consumer relationship, can be measured. It is the research of Kang, Liu and Kim (2013), however which indicated a possible relationship between the concepts of relevance and consumer values. This sparked an interest in exploring the measurement of relevance through the application of *theory of consumption values* by Seth, Newman and Gross (1991), overlaid by the application of knowledge gained on generational theory (Papenhausen, 2011), through the literature review conducted in Chapter Two.

4.1. Research Design

The research design took the form of a quantitative study using an electronic survey in order to identify answers to the proposed research questions (Saunders & Lewis, 2012). The survey method was selected as it allowed for the collection of data from a larger population in order to gain a more representative view from the population of millennials in South Africa (Saunders & Lewis, 2012). The survey method also allowed for the collection of a larger number of respondents in order to increase the reliability of the data needed due to the subjective nature of the concept of relevance to each individual consumer (Straßheim, 2010). The survey method hence assisted to minimize the reliability risk of subject bias where respondents could have given unreliable information as they believe that by telling the truth they may be seen in a negative light, especially should they be employed by a bank and therefore view banks differently (Saunders & Lewis, 2012)..

This research was a mixed combination of exploratory, descriptive and explanatory types of studies (Gray, 2013). This study was initially exploratory, as not much was known about the relevance relationship between traditional retail banks and the consumers from the millennial generation. This exploratory research approach was conducted through the review of literature to identify constructs which could be used to measure and identify the construct of relevance (Gray, 2013). The literature review conducted was used to identify values theory (Seth, Newman and Gross, 1991) and generational theory (Papenhausen, 2011) as theories with a possible relationship to relevance. These theories could also assist in measuring

relevance as a construct. These theories indicated that it could be inferred that due to a change of the millennial generation's values compared to previous generations' values that they would lead to the inference of irrelevance (Gray, 2013).

The first research question required a deductive research approach using the theory on relevance, consumer values theory and generational theory to gain an accurate description of the degree to which relevance exists between traditional banks and millennials, using value constructs as a guide. The second research question, took the descriptive approach to that of an explanatory approach, using values theory and generational theory to create constructs which could be used to explain the relationship between these values and perceived consumer relevance and hence how these values influence consumer relevance within the context of this study (Saunders & Lewis, 2012).

Due to the limited timeframe of this research study and the aim of obtaining opinions from respondents through the survey method, a cross-sectional research design approach was selected. Data was collected from respondents on this topic during a five week time frame, providing a 'snapshot' view of millennial consumers' opinions at that particular point in time. In addition, given the cross-sectional nature of this study data, was collected from numerous types of millennials across age, gender, race, culture and education (Saunders & Lewis, 2012).

4.2. Unit of analysis

According to Saunders and Lewis (2012), the unit of analysis is the level at which the research was performed and the objects which were researched. In the context of this study, the unit of analysis was the individual millennial consumer within the population set as they were able to indicate what is relevant to them as a consumer (Saunders & Lewis, 2012).

4.3. Population

The population of this study consisted of all those who fall within the millennial generation - those born between the years of 1980 and 2000 that have used and experienced the services of a traditional retail bank in South Africa (Loubeau, Jantzen, & Alexander, 2014). This is in line with Straßheim (2010), which stated that relevance is only possible to measure if previous experience has been encountered with the entity to be measured.

4.4 Sampling size and sampling method

A non-probability sampling method was used, as it was not possible to obtain a sampling frame of the population of all individuals in South Africa born between the years of 1980 and 2000, who have experienced services from one of the South African retail banks. This meant that it was not possible to determine the probability of each millennial being selected for the survey (Saunders & Lewis, 2012).

A combination of purposive, snowball, convenience and quota sampling was used. Purposive sampling was used to only select those who were 18 to 35 years old for the sample test, therefore excluding those under 18 years of age. The reason for this age selection was two-fold. Firstly, this was to avoid the ethical issue of surveying minors. Second, this exclusion was due to the consideration that minors are still dependent on their parents and they have no access to credit (Cutler, 2015). This would suggest that they have different and limited financial interactions with banks which could skew the research results, with regards to relevance. Given the large age range of the remainder of the sample, this should not impact the findings. In addition, those sample members who were not using or who have not used the services of a bank within the last five years were excluded from the sample as they did not meet the experience criteria for the analysis of relevance (Lamberts, 2010; Saunders & Lewis, 2012). As it was difficult to identify these individuals prior to administering the survey, those who did not meet this criterion were removed from the sample during data analysis, by using a question that was linked to this construct (Saunders & Lewis, 2012).

Snowball sampling was used as it was difficult to identify individuals of this population. A set of initial individuals were identified as their age and bank consumer experience was known by the researcher. With their support, they then made the request to members within their virtual communities to complete the research survey and further identify individuals in their extended communities whom met the criteria for the study (Saunders & Lewis, 2012). The snowballing sample could be viewed as a combination of convenience and purposive (Rowley, 2014). As it was difficult for those who were snowballed to know the exact age range of those they identified and to ensure continued snowballing, those older than 35 were enabled to complete the survey and removed at the stage of analysis (Saunders & Lewis, 2012).

Quota sampling was used to ensure that the sample selected represented a fair distribution within the millennial age range (Saunders & Lewis, 2012). Therefore during the snowball

process the request to complete the survey was changed to focus on a certain age quota (18 to 23, 24 to 29 or 30 to 35) which was underrepresented.

A sample size target of 300 was set as this allowed approximately a 100 responses per each of the three quota age ranges within the millennial generation to ensure that any differences in opinions regarding the constructs were fairly represented and did not impact on the findings (Rowley, 2014).

4.5. Research instrument

The questionnaire was designed to understand the relevance of traditional retail banks to millennial consumers in terms of the consumer value constructs as identified in the *theory of consumption values* by Seth, Newman and Gross (1991), namely:

- Functional value perception
- Social value perception
- Emotional value perception
- Information value perception
- Conditional value perception

The questionnaire was compiled through consultation with marketing research questionnaires and peer reviewed literature on relevance theory, values theory and generational theory. This was done to identify constructs and questions which would aid in answering the research questions at hand (Saunders & Lewis, 2012). The initial demographic and behavior questions were inserted to screen the respondents to ensure that they met the criteria of the study. As this was deductive research, a consumer behaviour research study on green products by Lin and Huang (2012) formed the base for the structure of the questionnaire as it had previously used *theory of consumption values* by Seth, Newman and Gross (1991) to test consumer behaviour (Rowley, 2014). The demographics required when studying consumer behaviour were identified from this research, namely age, gender and educational level (Lin & Huang, 2012).

With the initial question, the demographic questions were inserted to ensure that the respondents were within the millennial age group surveyed between 18 and 35, while gender and educational level were inserted to ensure that there was a fair representation of different demographics within the sample, during data collection. Secondly, behavioural questions were inserted to ensure that respondents met the criteria necessary to answer the questions of the research study (Saunders & Lewis, 2012). As it was vital that the survey assisted in answering the research question at hand, the meaning of “bank” was

contextualized and the five retail banks in South Africa were provided to explain the meaning and scope of the study. It was necessary that the respondents were using the services of a bank or have used the services of a bank within the last five years in order to demonstrate that they had the previous experience necessary to be able to identify relevance to them (Straßheim, 2010).

In order to ensure that the questionnaire was relevant to the research problem, six constructs were identified which consisted of five independent variables identified from Seth, Newman and Gross's (1991) consumer values theory. A sixth variable was included, being consumer relevance, which was previously used in research by Lin & Huang (2012) against which the independent values would be tested. The questionnaire was structured into closed questions in order to gain a view of statistical frequency of responses. The two types of closed questions used were categorical questions for demographics and bank usage. The second type of closed questions were ranking questions in the form of a five-point Likert scale measuring consumer opinions on a scale of 'strongly disagree', 'disagree', 'neither agree or disagree', 'agree' and 'strongly agree'. These questions were positioned to the respondent as statements, with regards to which they could express their attitude. The reason for the selection of a Likert-scale was because an absolute view on the attitude of the consumers towards how traditional banks match their values as consumers was required. This forms part of the question which sought to be answered through research question one and two (Maeda, 2015; Saunders & Lewis, 2012).

Every effort was made to increase the response rate (Rowley, 2014). Therefore given that research on Likert scales shows that five-point horizontal Likert scales are quicker to complete and that there is no impact on the factorial validity given by the direction of the questions posed, a five-point Likert scale running from negative on the left to positive on the right was chosen (Maeda, 2015). In addition, each construct was linked and limited to four to seven questions in order to ensure that the questionnaire was not too long and hence to increase the response rate. The questionnaire was limited to 35 questions. The questions were also written in statements in a language, being English, which the respondents, as a millennial generation, were most likely to as a collective; understand (Rowley, 2014).

4.6. Pre-test

Before data collection commenced, the survey questionnaire was tested on four separate respondents, who fell within the target group. The test subjects requested the removal of the

stated language “please be open and honest in your responses” as it was seen as condescending to respondents. This confirmed that the questions were straightforward and easy to understand and that the questionnaire was easy to complete. Feedback was incorporated into the revised questionnaire (Rowley, 2014).

4.7. Data collection

Survey Monkey was used to host the online self-administered questionnaire, which can be viewed in Appendix 1 and on the link <https://www.surveymonkey.com/r/adriennerossouw>. An online questionnaire was selected for the data collection method as this was identified as the most effective way to access the target market, as the millennial generation has grown up in the age of digital technology and especially using mobile technology (Lazarevic, 2012). The use of online technology to access this questionnaire was hence seen as the most effective way to increase response rates (Baltar & Brunet, 2012).

The online survey was sent to respondents through various social media platforms such as Facebook, Twitter and Whatsapp messenger requesting that respondents place it on their own Facebook, Twitter and LinkedIn profiles and share it with their virtual communities. According to Baltar and Brunet (2012) response rates to online questionnaires sent through social media are higher than through traditional methods, as there is increased confidence in the researcher as their personal information and interest is known on social media platforms like Facebook and LinkedIn. In addition, the applicability of social media is also vital, as social media is a platform where individuals share opinions with their virtual communities (Baltar & Brunet, 2012). Social media is also a medium frequented by the millennial generation (Lin & Huang, 2012). The administration of this survey online also allowed greater control and avoidance of duplication of responses by the same respondent (Baltar & Brunet, 2012).

Due to the snowball sampling challenge of respondents sending surveys onto those who are similar to themselves in characteristics, an advertisement was placed on Facebook requesting millennials between the ages of 18 to 23 to answer the survey. This was necessary as the peer group of the researcher was predominantly between the ages of 24 and 35. Through this Facebook advertisement for responses, the post received 1 500 Facebook ‘Likes’, indicating an interest in the topic, however no additional responses were achieved through this request, signifying the importance of belonging to a virtual community to secure its support and response (Baltar & Brunet, 2012).

4.8. Data analysis

The data analyzed was quantitative numeric data, which was expressed as interval data as per the Likert scale used to collect the data (Saunders & Lewis, 2012). The data was analyzed using Excel Office Software and Statistical Package for Social Sciences (SPSS), specialist research analytical software (Rowley, 2014).

4.8.1. Validity of data

Before analysis began, the questionnaire responses were checked for completeness with any incomplete responses discarded so as not to distort the results. In addition, any respondents which did not meet the age criteria or did not have experience with bank products and services were discarded to ensure the correct respondent data was present to answer the research questions. Thereafter the data was coded and given a score for analysis purposes in order to make it more manageable and ready for effective analysis (Rowley, 2014).

4.8.2. Descriptive statistics

An analysis was performed to understand the age, gender and highest educational level distribution of the respondents to ensure a fair representation of each demographic to avoid and understand any potential bias within different demographic groups (Saunders & Lewis, 2012). A descriptive statistical analysis was performed using the mean and median values, as most used by researchers to understand the central tendency of the data, providing a view of the average value selected and middle value selected when ranked, respectively (Saunders & Lewis, 2012). Dispersion of the values around the central tendency was then described using graphical representations of the quantity and percentage of respondents who selected each value (Saunders & Lewis, 2012).

4.8.3. Tests for reliability and consistency

The data was tested to determine to what extent the Likert questions data collection had produced consistent findings for each construct for analysis purposes (Saunders & Lewis, 2012). Cronbach's alpha was used to measure this reliability in the constructs (Field, 2013). Reliability analysis was conducted on the responses obtained from the questionnaire in order to confirm that each of the six constructs was consistently measured using the

underlying questions in the questionnaire. According to Field (2013), Cronbach's alpha values of around 0.7 to 0.8 indicate a good level of reliability of the questions in the construct being tested. In addition, each question within the construct should have a correlation with the total score of 0.3, in order to demonstrate that it correlates well with the overall scale.

Thereafter factor analysis and principal component analysis (PCA) were performed to identify groupings of variables. This was done as the study involved testing latent variables in the form of consumer values in the context of consumer relevance. These values and relevance are difficult to measure directly and needed to be measured indirectly through the statement items in these constructs. The importance of factor analysis is that it assists to test that these item statements are measuring the same construct. Factor analysis also assists in decreasing the data to a manageable level. Factor analysis uses Kaiser-Meyer-Olkin measure of sampling adequacy (KMO) with values closer to 1, indicating a good correlation between items and hence factors are reliable, if closer to 0 then the data would be seen as less acceptable and additional data should be collected. The second test as part of factor analysis is Barlett's test, which indicates whether the correlations between items are significantly different from zero. Both these tests determine whether the same concept is being measured (Field, 2013).

4.8.4. Testing of research questions

The first research question at hand was to what extent traditional retail banks are relevant or irrelevant to the millennial consumer. In answering this question, the distribution of Likert responses to the five consumer value constructs, namely functional, social, emotional, informational and conditional were calculated and graphically displayed. The responses of 'agree' and 'strongly agree' were considered as an indication of perceived relevance and 'strongly disagree', 'disagree' and 'neither agree nor disagree' were considered as an indication of irrelevance. An overall consumer relevance score was thereafter calculated and the mean of these responses compared to the construct questioned of perceived consumer relevance to determine if there was a difference in respondents' directly perceived relevance versus indirectly perceived relevance. A paired-samples t-test was used to test these two experimental conditions as the same respondents were present in both conditions (Field, 2013).

The second research question was as to how the different value factors influence this relevance or irrelevance. To answer this question, a multiple regression analysis was performed to understand whether any of the five consumer values identified in the *theory of*

consumption values by Seth, Newman and Gross (1991) as independent variables at present predicted or explained the perceived consumer relevance as identified by millennial generation bank consumers, with perceived consumer relevance as the perceived outcome or dependent variable. The multiple regression analysis was further used to gain an understanding of the fit of the theory of consumption values by Seth, Newman and Gross (1991) to measure consumer relevance (Rowley, 2014).

4.9. Assumptions

In the analysis of the data to answer the research questions, it was assumed that each question constituting a specific construct contributed an equal weighting to that construct. Similarly, it was assumed that each construct (functional, social, emotional, informational/epistemic, conditional and perception) of consumer relevance contributed equally to an overall relevance score perspective. These assumptions were made as there is no literature providing an indication of which values play a greater role and hence hold a greater weighting in the situational relationship between the millennial consumer and the traditional retail bank (Seth, Newman and Gross, 1991).

It is assumed that millennial generation consumers are still in effect consumers and the values which apply to all consumers from a consumer values perspective, would apply to the millennial consumer, unless identified otherwise in literature. Therefore the questionnaire as it was constructed, questioned general consumer values as well as values which are of specific importance to the consumer from the millennial generation. The origin of the questions can be seen in Appendix A, alongside the respective question.

Lastly, it was assumed that should a respondent answer 'neither agree nor disagree', this indicated that the respondent has not perceived this statement previously and hence indicating that this value is not presently attached to banks (Rowley, 2014).

4.10. Limitations

The limitations of the study found in the scope and methodology used were:

- The study only included millennials between and including the ages of 18 and 35, excluding those under the age of 18, given ethical concerns around surveying minors and due to the expectation of a difference in financial experience (Lamberts, 2010;

Cutler, 2015). The relevance of banks to the youngest millennials hence is excluded from this study.

- Given the subjective nature of perceived relevance by consumers, the sample potentially may have been too small to adequately identify the trends in perceived relevance (Straßheim, 2010; Lamberts, 2010).
- The study was only tested on respondents in the English language and hence may have resulted in a misinterpretation by respondents for whom; English was not their first language (Rowley, 2014; Saunders & Lewis, 2012).
- The study focused purely on the millennial generation of consumer and did not compare the relevance between generational cohorts (Papenhausen, 2011).
- The study did suffer from a sampling bias in that those who did not have access to internet or mobile technology and were not on social media may not have been selected for the sample and hence their opinions were not represented in the sample (Baltar & Brunet, 2012).
- The study did not ask for demographic information on culture, ethnicity and religion and hence these were not factored into the study from a relevance perspective.
- The study focused on the South Africa millennial context only and did not look at the relevance to all millennials globally due to lack of availability of data (Saunders & Lewis, 2012).
- The subjective bias of bank employees was not removed from the sample and hence this may have impacted on the results of the study (Saunders & Lewis, 2012).
- The study did not look at the difference in perceptions or relevance of different individual banks to the millennial generation. The study looked at the banking industry as a whole and hence the results may contain variances in preference between banks.
- The questions or statements formulated to test each independent variable and the dependent variable were subjectively formulated by the researcher given their interpretation of the literature reviewed in Chapter Two. This subjective bias of the researcher is however justified as this is an exploratory study into relevance (Saunders & Lewis, 2012).

CHAPTER 5: RESULTS

5.1. Introduction

This chapter presents the findings from the 388 questionnaires collected through the methodology outlined in Chapter Four to answer the research questions presented in Chapter Three. This chapter will first present the omissions from the sample for statistical analysis purposes, demographics of the sample and the descriptive statistics which explain the composition of the sample. The results will thereafter look at the relevance of banks to millennials through the analysis of consumer values and the values which drive and predict the perceived consumer relevance of traditional banks as identified by the millennial consumer.

5.2. Response rate

The survey was open for mobile or desktop completion on Survey Monkey for five weeks from the 12th of August 2015 to the 18th of September 2015. During this period, 388 attempts at the survey were observed, which was above the 300 survey target identified in Chapter Four. With a completion rate of 91%, 353 responses were recorded as completed responses in that all questions in the survey were completed. Of the completed responses, 31 respondents were removed from the sample as they were identified as over the millennial generation criteria age of 35 years of age and hence not within the range of the study.

The behavioural characteristics questioned whether the respondents used any of the services offered by a bank and whether they had used the services of a bank within the last five years in order to determine their applicability to the study. Any respondents, who were not using or had not used the services of a bank within the last five years, were surveyed however their responses were removed from the sample for statistical analysis purposes. There were only five respondents who had completed the survey and advised that they had not presently use the services of a bank, with only three of these respondents being removed from the sample as they had not used the service of a bank within the last five years. Therefore those respondents in the sample for analysis are those who have experience using the bank services of ABSA, Capitec, FNB, Nedbank and Standard Bank as stated in the questionnaire.

After these omissions, a total of 319 complete observations of categorical quantitative data were used for statistical analysis to answer the research questions of this study (Saunders & Lewis, 2012).

5.3. Profile of the respondents: demographic data

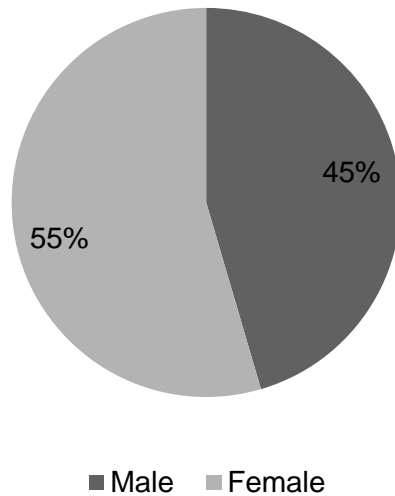
The Figures and Tables below summarise the demographic characteristics of all the respondents who completed the survey study and met the age and behavioural characteristics (n=319). The demographic characteristics used were age, gender and highest level of education completed.

Table 1: Age split of the respondents (n=319)

Age range	Frequency	Percent
Between 18 and 23	77	24%
Between 24 and 29	122	38%
Between 30 and 35	120	38%
Total	319	100%

The majority of the respondents in this study were between and including the ages of 30 and 35 years old (38%) or between and including the ages of 24 and 29 years old (38%). Only 24% of the sample was between and including the ages of 18 and 23 years old. These results are illustrated in Table 1 above.

Figure 3: Gender split of respondents (n=319)



As shown in Figure 3 above, of the 319 respondents used for statistical analysis 174 were female (55%) and 145 were male (45%).

Table 2: Highest level of education split of respondents (n=319)

Highest education	Frequency	Percent
Graduated from high school	43	13%
Graduated with a diploma	23	7%
Graduated with an undergraduate degree	88	28%
Graduated with a postgraduate degree	165	52%
Total	319	100%

The majority of respondents had graduated with a postgraduate degree and this constituted 165 respondents (52%). 88 respondents had graduated with an undergraduate degree (28%), 23 respondents had graduated with a diploma (7%) and 43 respondents (13%) had graduated from high school only. These results are illustrated in Table 2 above.

5.4. Descriptive Statistics

The study consisted of six constructs each used to measure consumer relevance. Descriptive statistics were performed on each of the six constructs separately. The descriptive statistics provided an overview of the central tendency and distribution of responses to each question within the constructs.

5.4.1. Descriptive statistics of functional value perception

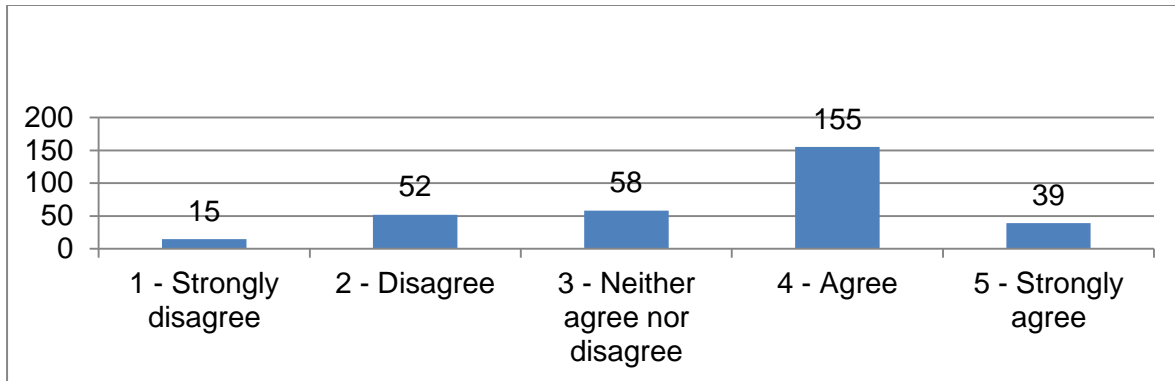
The section which follows, presents the results for the functional value construct as an independent variable in this study.

Table 3: Descriptive statistics for functional value perception

	N		Mean	Median	Min	Max
	Valid	Missing				
Consistent service	319	0	3.4734	4.0000	1.00	5.00
Meet personal needs	319	0	3.7461	4.0000	1.00	5.00
Value for money	319	0	3.2633	3.0000	1.00	5.00
Reasonably priced	319	0	3.1724	3.0000	1.00	5.00
Interact conveniently on phone or on the web.	319	0	3.7962	4.0000	1.00	5.00
Uses digital technology to offer better products and services.	319	0	3.9781	4.0000	1.00	5.00
Uses digital technology to offer more cost effective products	319	0	3.4295	4.0000	1.00	5.00

Table 3 provides an overview of the central tendency for each of the seven questions asked within the construct of functional value perception, with Figures 4 to 10 below expressing the dispersion of responses on the Likert scale for each question.

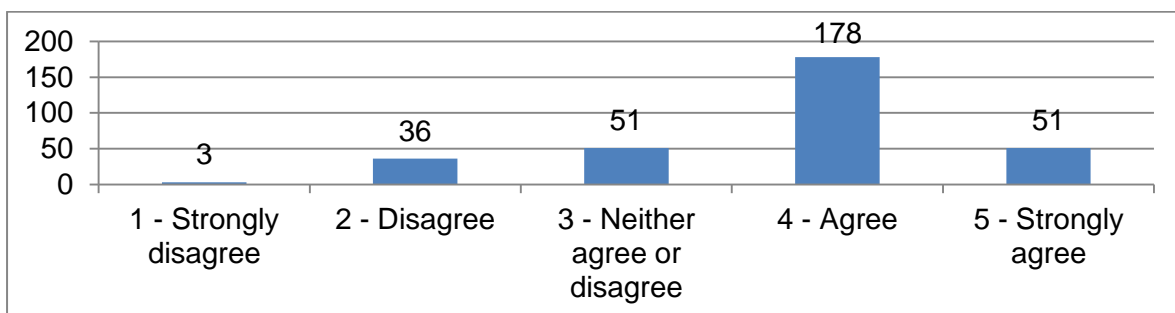
Figure 4: Distribution of responses to functional value: My bank offers me the consistent service I expect



As expressed in Table 3 the responses were clustered centrally around the middle median value of 4, agreeing with the statement that their bank offers them the consistent service they expect. With a mean average value of 3.4734, this statement received the fourth highest average response within the components constituting functional value perception.

As can be seen in Figure 4 regarding the statement of their bank offering them the consistent service they expect, the distribution of the 319 recorded responses is as follows: 15 (5%) respondents strongly disagreed, 52 (16%) disagreed, 58 (18%) neither agreed nor disagreed, 155 (49%) agreed and 39 (12%) strongly agreed with this statement.

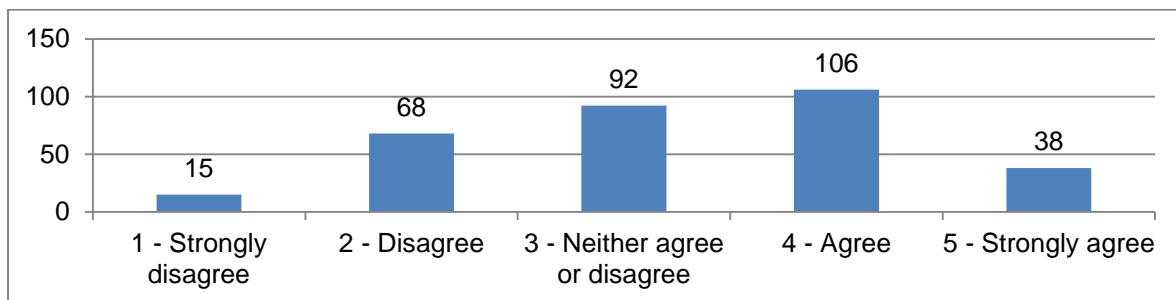
Figure 5: Distribution of responses to functional value: My bank offers products and services that meet my personal needs



As expressed in Table 3 above, the responses were clustered centrally around the middle median value of 4, agreeing with the statement that their bank offers products and services that meet their personal needs. With a mean average value of 3.7461, this statement received the fourth highest average response within the components constituting functional value perception.

As can be seen in Figure 5 above, of all the 319 respondents analyzed 3 (1%) respondents strongly disagreed, 36 (11%) disagreed, 51 (16%) neither agreed nor disagreed, 178 (56%) agreed and 51 (16%) strongly agreed that their bank offers them products and services that meet their personal needs.

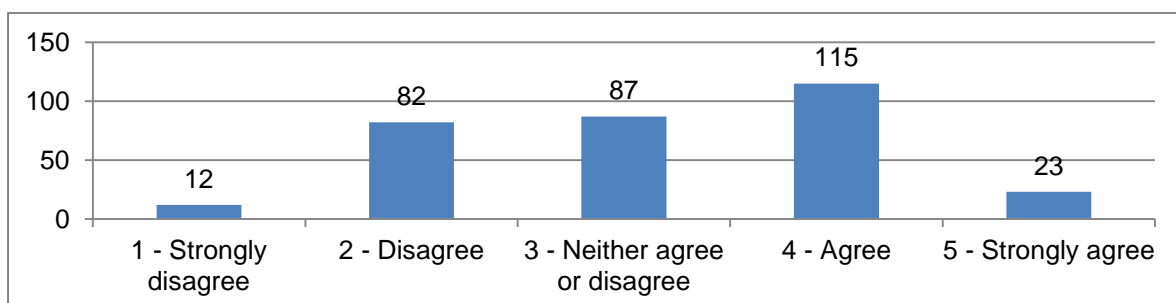
Figure 6: Distribution of responses to functional value: My bank offers me value for my money



As expressed in Table 3 above, the responses were clustered centrally around the middle median value of 3, neither agreeing nor disagreeing with the statement that their bank offers them value for their money. With a mean average value of 3.2633, this statement received the second lowest average response within the components constituting functional value perception.

As can be seen in Figure 6 regarding the statement that their bank offers them value for their money, the distribution of the 319 recorded responses is as follows: 15 (5%) respondents strongly disagreed, 68 (21%) disagreed, 92 (29%) neither agreed nor disagreed, 106 (33%) agreed and 38 (12%) strongly agreed with this statement.

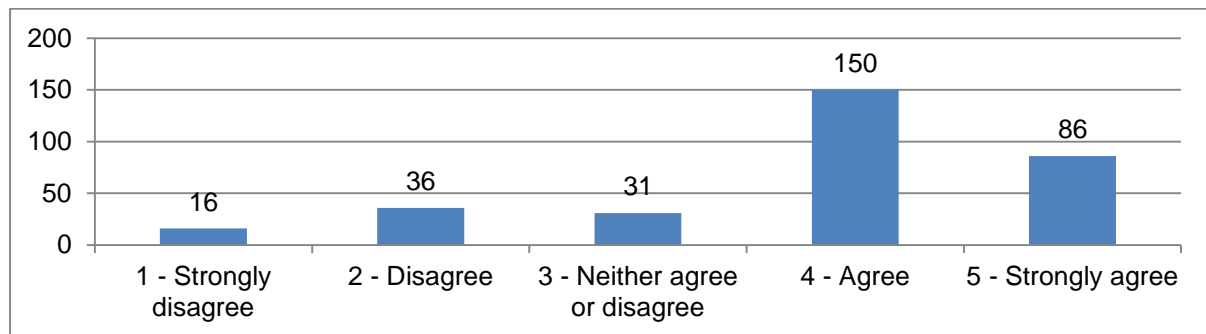
Figure 7: Distribution of responses to functional value: My bank offers me products and services that are reasonably priced



As expressed in Table 3 above, the responses were clustered centrally around the middle median value of 3, neither agreeing nor disagreeing with the statement that their bank offers millennials products and services that are reasonably priced. With a mean average value of 3.1724, this statement received the lowest average response within the components constituting functional value perception.

As can be seen in Figure 7 regarding the statement that their bank offers them products and services that are reasonably priced, the distribution of the 319 recorded responses is as follows: 12 (4%) respondents strongly disagreed, 82 (26%) disagreed, 87 (27%) neither agreed nor disagreed, 115 (36%) agreed and 23 (7%) strongly agreed with this statement.

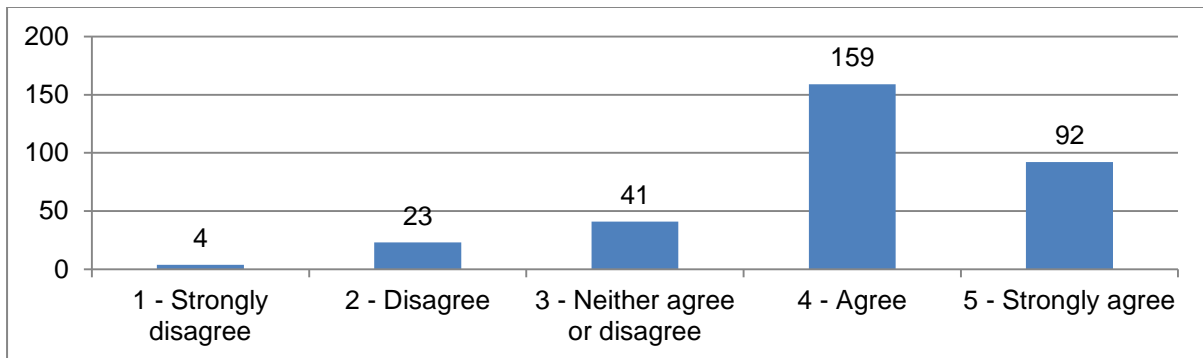
Figure 8: Distribution of responses to functional value: My bank enables me to interact with them conveniently on my phone or on the web



As expressed in Table 3 above, the responses were clustered centrally around the middle median value of 4, agreeing with the statement that their bank enables them to interact with them conveniently on their phone or on the web. With a mean average value of 3.7962, this statement received the second highest average response within the components constituting functional value perception.

As can be seen in Figure 8 regarding the statement that their bank enables them to interact with them conveniently on their phone or on the web the distribution of the 319 recorded responses is as follows: 16 (5%) respondents strongly disagreed, 36 (11%) disagreed, 31 (10%) neither agreed nor disagreed, 150 (47%) agreed and 86 (27%) strongly agreed with this statement.

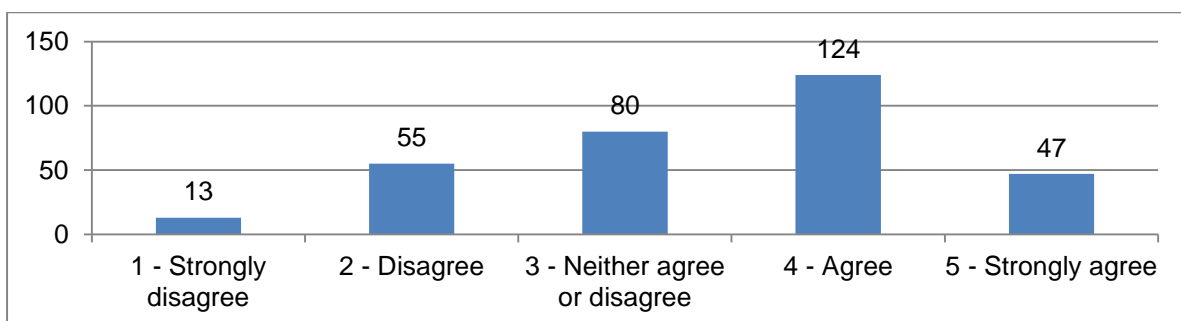
Figure 9: Distribution of responses to functional value: My bank uses digital technology to offer me better products and services



As expressed in Table 3 above, the responses were clustered centrally around the middle median value of 4, agreeing with the statement that their bank uses digital technology to offer me better products and services. With a mean average value of 3.9781, this statement received the highest average response within the components constituting functional value perception.

As can be seen in Figure 9 regarding the statement that bank uses digital technology to offer me better products and services, the distribution of the 319 recorded responses is as follows: 4 (1%) respondents strongly disagreed, 23 (7%) disagreed, 41 (13%) neither agreed nor disagreed, 159 (50%) agreed and 92 (29%) strongly agreed with this statement.

Figure 10: Distribution of responses to functional value: My bank uses digital technology to offer me cost effective products



As expressed in Table 3 above, the responses were clustered centrally around the middle median value of 4, agreeing with the statement that their bank uses digital technology to offer me more cost effective products. With a mean average value of 3.4295, this statement

received the third highest average response within the components constituting functional value perception.

As seen in Figure 10 regarding the statement that their bank uses digital technology to offer them more cost effective products., the distribution of the 319 recorded responses is as follows: 13 (4%) respondents strongly disagreed, 55 (17%) disagreed, 80 (25%) neither agreed nor disagreed, 124 (39%) agreed and 47 (15%) strongly agreed with this statement.

5.4.2. Descriptive statistics of social value perception

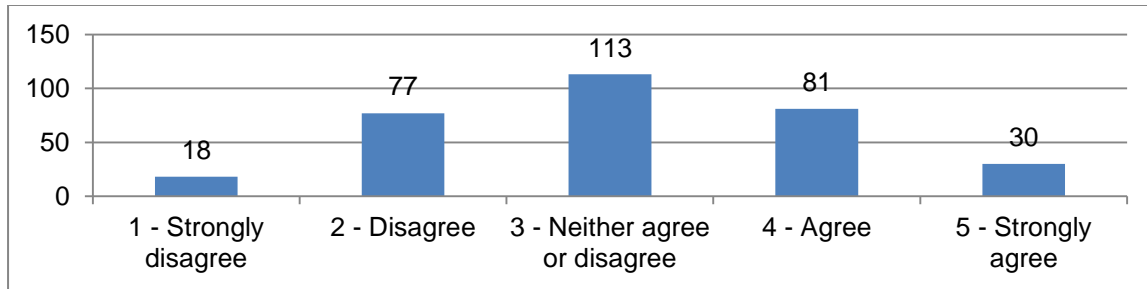
The section which follows, displays the results obtained for the construct variable of social value, as an independent variable in this study.

Table 4: Descriptive statistics for social value perception

	N		Mean	Median	Min	Max
	Valid	Missing				
Impacts positively on my social status	319	0	3.0878	3.0000	1.00	5.00
Institution proud to be associated with	319	0	3.5956	4.0000	1.00	5.00
Institution would recommend to peers on social media	319	0	3.2633	3.0000	1.00	5.00
Is environmentally conscious enough	319	0	3.3793	3.0000	1.00	5.00
Is socially conscious enough	319	0	3.3699	3.0000	1.00	5.00

Table 4 above provides an overview of the central tendency in each of the four questions constituting the construct of social value perception. Figures 11 to 15 below expressing the dispersion of responses on the Likert scale for each question answered within the construct of social value perception.

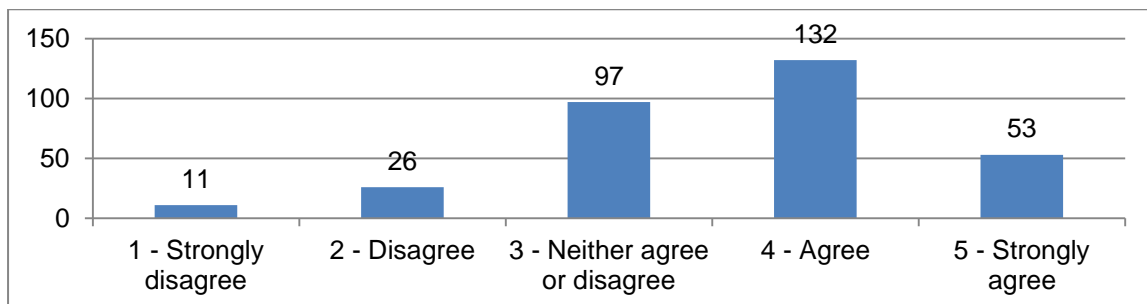
Figure 11: Distribution of responses to social value: I believe that my bank impacts positively on my social status



As expressed in Table 4 above, the responses were clustered centrally around the middle median value of 3, neither agreeing nor disagreeing with the statement that they believe that their bank impacts positively on their social status. With a mean average value of 3.0878, this statement received the lowest average response within the components constituting social value perception.

As seen in Figure 11 regarding the statement that that they believe that their bank impacts positively on their social status, the distribution of the 319 recorded responses is as follows: 18 (6%) respondents strongly disagreed, 77 (24%) disagreed, 113 (35%) neither agreed nor disagreed, 81 (25%) agreed and 30 (9%) strongly agreed with this statement.

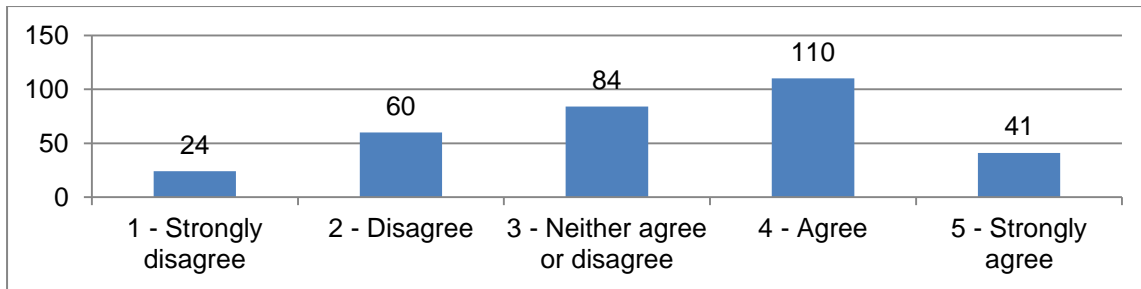
Figure 12: Distribution of responses to social value: I believe that my bank is an institution I am proud to be associated with



As expressed in Table 4 above, the responses were clustered centrally around the middle median value of 4, agreeing with the statement that they believe that my bank is an institution I am proud to be associated with. With a mean average value of 3.5956, this statement received the highest average response within the components constituting social value perception.

As seen in Figure 12 regarding the statement that that they believe that my bank is an institution I am proud to be associated with, the distribution of the 319 recorded responses is as follows: 11 (3%) respondents strongly disagreed, 26 (8%) disagreed, 97 (30%) neither agreed nor disagreed, 132 (41%) agreed and 53 (17%) strongly agreed with this statement.

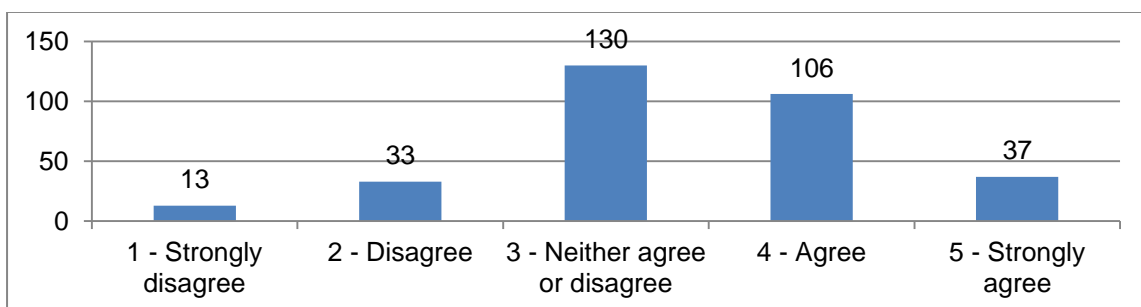
Figure 13: Distribution of responses to social value: I believe that my bank is an institution I would recommend to my peers on social media



As expressed in Table 4 above, the responses were clustered centrally around the middle median value of 3, neither agreeing nor disagreeing with the statement that they believe that their bank is an institution they would recommend to their peers on social media. With a mean average value of 3.2633, this statement received the second lowest average response within the components constituting social value perception.

As seen in Figure 13 regarding the statement that that they believe that their bank is an institution they would recommend to their peers on social media, the distribution of the 319 recorded responses is as follows: 24 (8%) respondents strongly disagreed, 60 (19%) disagreed, 84 (26%) neither agreed nor disagreed, 110 (34%) agreed and 41 (13%) strongly agreed.

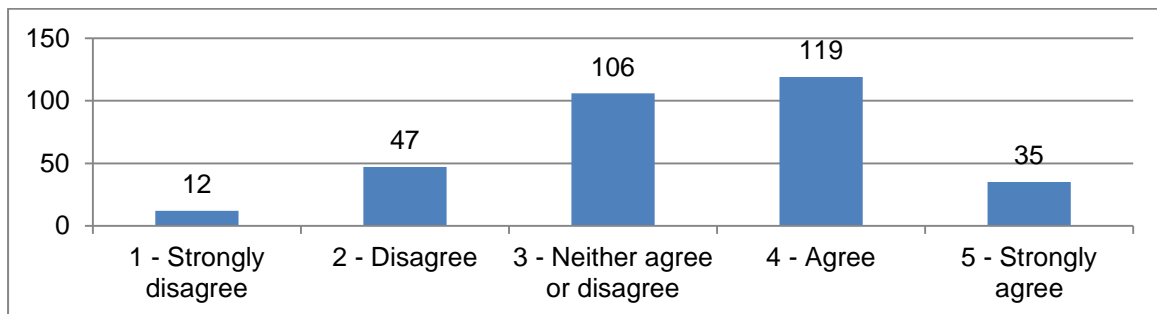
Figure 14: Distribution of responses to social value: I believe that my bank is environmentally conscious enough



As expressed in Table 4 the responses were clustered centrally around the middle median value of 3, neither agreeing nor disagreeing with the statement that they I believe that my bank is environmentally conscious enough. With a mean average value of 3.3793, this statement received the second highest average response within the components constituting social value perception.

As seen in Figure 14 regarding the statement that that they believe that their bank is environmentally conscious enough, the distribution of the 319 recorded responses is as follows: 13 (4%) respondents strongly disagreed, 33 (10%) disagreed, 130 (41%) neither agreed nor disagreed, 106 (33%) agreed and 37 (12%) strongly agreed with this statement.

Figure 15: Distribution of responses to social value: I believe that my bank is socially conscious enough



As expressed in Table 4 above, the responses were clustered centrally around the middle median value of 3, neither agreeing nor disagreeing with the statement that they believe that my bank is socially conscious enough. With a mean average value of 3.3699, this statement received the third highest average response within the components constituting social value perception.

As seen in Figure 15 regarding the statement that that they believe that my bank is socially conscious enough, the distribution of the 319 recorded responses is as follows: 12 (4%) respondents strongly disagreed, 47 (15%) disagreed, 106 (33%) neither agreed nor disagreed, 119 (37%) agreed and 35 (11%) strongly agreed with this statement.

5.4.3. Descriptive statistics of emotional value perception

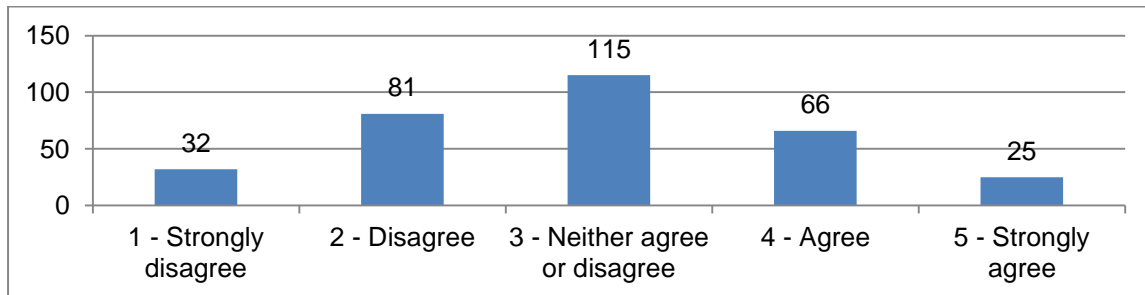
The section which follows shows the results for emotional value, as an independent variable construct within this study.

Table 5: Descriptive statistics for emotional value perception

	N		Mean	Median	Min	Max
	Valid	Missing				
Reflects personality	319	0	2.9091	3.0000	1.00	5.00
An organization can trust	319	0	3.6803	4.0000	1.00	5.00
Matches lifestyle	319	0	3.4984	4.0000	1.00	5.00
Recognizes as an individual	319	0	2.9310	3.0000	1.00	5.00
Makes feel seen and heard	319	0	2.7774	3.0000	1.00	5.00
Helps make mark in the world	319	0	2.8025	3.0000	1.00	5.00

Table 5 above provides an overview of the central tendency in each of the six questions asked in the construct of emotional value perception, with Figures 16 to 21 below expressing the dispersion of responses on the Likert scale for each question answered within this construct.

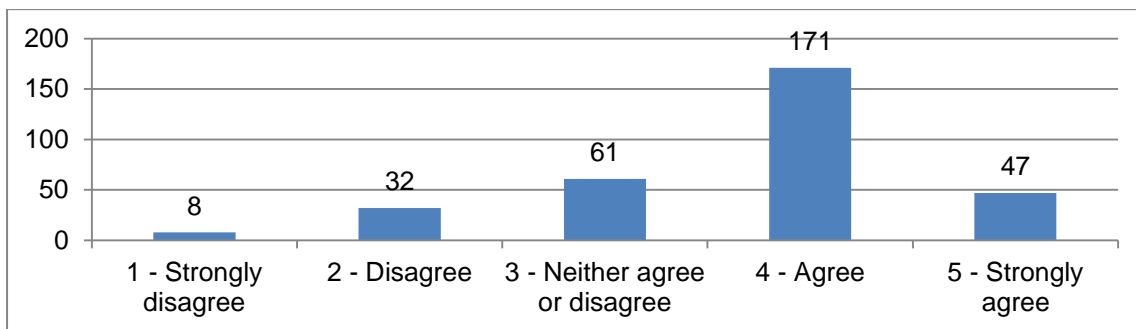
Figure 16: Distribution of responses to emotional value: My bank reflects my personality



As expressed in Table 5 the responses were clustered centrally around the middle median value of 3, neither agreeing nor disagreeing with the statement that their bank reflects their personality. With a mean average value of 2.9091, this statement received the second highest average response within the components constituting emotional value perception.

As seen in Figure 16 regarding the statement that that their bank reflects their personality, the distribution of the 319 recorded responses is as follows: 32 (10%) respondents strongly disagreed, 81 (25%) disagreed, 115 (36%) neither agreed nor disagreed, 66 (21%) agreed and 25 (8%) strongly agreed with this statement.

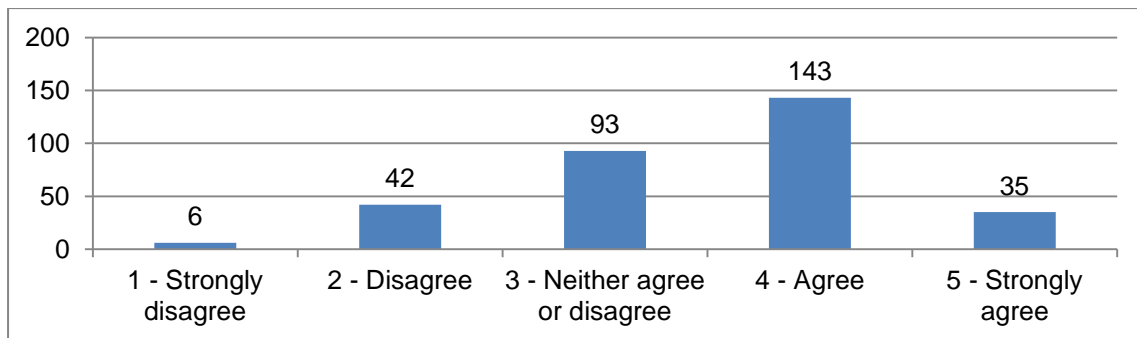
Figure 17: Distribution of responses to emotional value: My bank is an organisation I can trust



As expressed in Table 5 the responses were clustered centrally around the middle median value of 4, agreeing with the statement that their bank is an organization they can trust. With a mean average value of 3.6803, this statement received the highest average response within the components constituting emotional value perception.

As seen in Figure 17 regarding the statement that that their bank is an organization they can trust, the distribution of the 319 recorded responses is as follows: 8 (3%) respondents strongly disagreed, 32 (10%) disagreed, 61 (19%) neither agreed nor disagreed, 171 (54%) agreed and 47 (15%) strongly agreed with this statement.

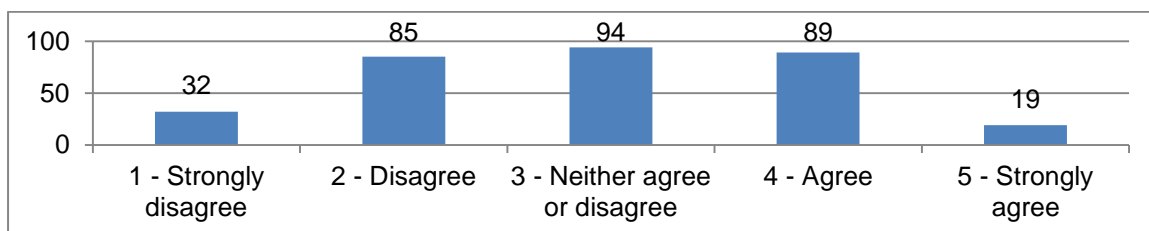
Figure 18: Distribution of responses to emotional value: My bank matches my lifestyle



As expressed in Table 5 the responses were clustered centrally around the middle median value of 4, agreeing with the statement that their bank matches their lifestyle. With a mean average value of 3.4984, this statement received the second highest average response within the components constituting emotional value perception.

As seen in Figure 18 regarding the statement that that their bank matches their lifestyle, the distribution of the 319 recorded responses is as follows: 6 (2%) respondents strongly disagreed, 42 (13%) disagreed, 93 (29%) neither agreed nor disagreed, 143 (45%) agreed and 35 (11%) strongly agreed with this statement.

Figure 19: Distribution of responses to emotional value: My bank recognizes me as an individual

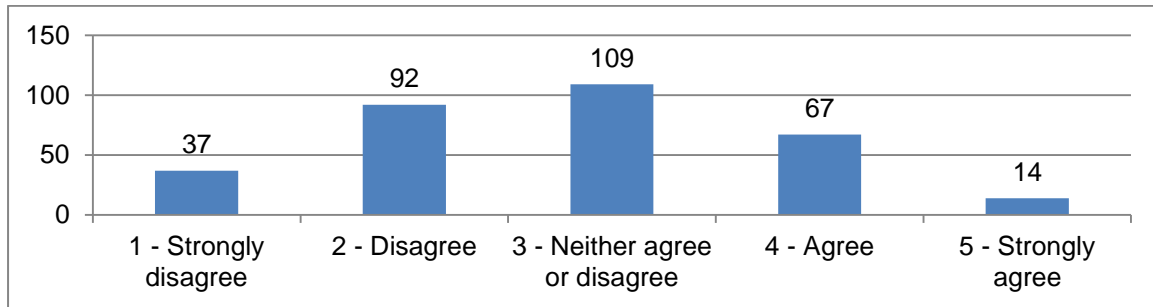


As expressed in Table 5 the responses were clustered centrally around the middle median value of 3, neither agreeing nor disagreeing with the statement that their bank recognizes them as an individual. With a mean average value of 2.9310, this statement received the third highest average response within the components constituting emotional value perception.

As seen in Figure 19 regarding the statement that that their bank recognizes them as an individual, the distribution of the 319 recorded responses is as follows: 32 (10%)

respondents strongly disagreed, 85 (27%) disagreed, 94 (29%) neither agreed nor disagreed, 89 (28%) agreed and 19 (6%) strongly agreed with this statement.

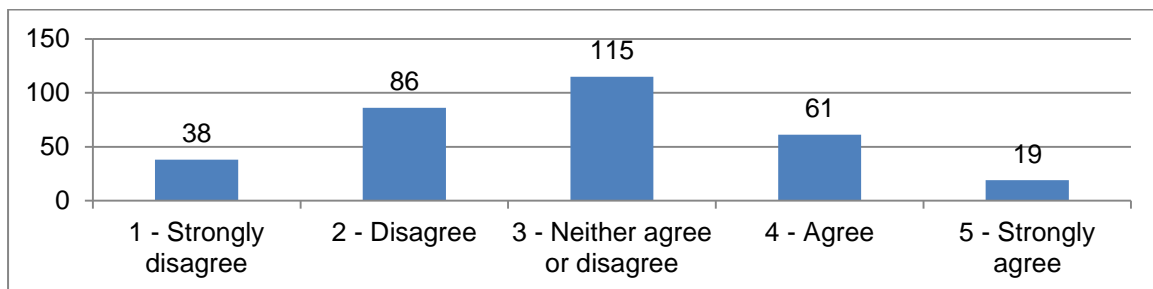
Figure 20: Distribution of responses to emotional value: My bank makes me feel seen and heard



As expressed in Table 5 the responses were clustered centrally around the middle median value of 3, neither agreeing nor disagreeing with the statement that their bank makes me feel seen and heard. With a mean average value of 2.7774, this statement received the lowest average response within the components constituting emotional value perception.

As seen in Figure 20 regarding the statement that that their bank makes me feel seen and heard, the distribution of the 319 recorded responses is as follows: 37 (12%) respondents strongly disagreed, 92 (29%) disagreed, 109 (34%) neither agreed or disagreed, 67 (21%) agreed and 14 (4%) strongly agreed with this statement.

Figure 21: Distribution of responses to emotional value: My bank helps me make my mark in the world



As expressed in Table 5 the responses were clustered centrally around the middle median value of 3, neither agreeing nor disagreeing with the statement that their bank helps me make my mark in the world. With a mean average value of 2.8025, this statement received

the second lowest average response within the components constituting emotional value perception.

As seen in Figure 21 regarding the statement that that their bank helps them make their mark in the world, the distribution of the 319 recorded responses is as follows: 38 (12%) respondents strongly disagreed, 86 (27%) disagreed, 115 (36%) neither agreed nor disagreed, 61 (19%) agreed and 19 (6%) strongly agreed with this statement.

5.4.4. Descriptive statistics of informational value perception

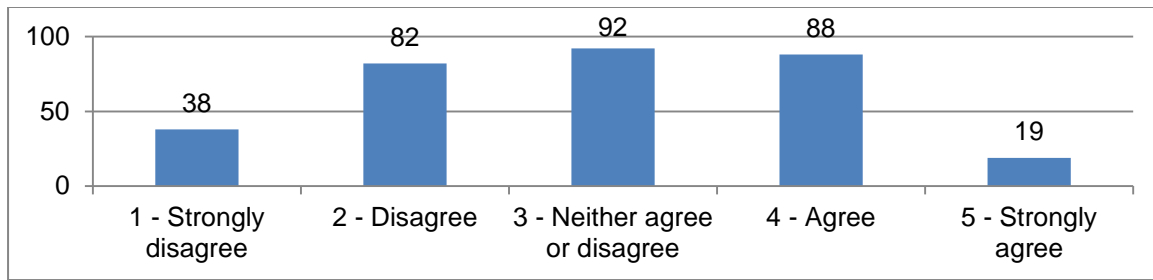
The section which follows, displays the results received for the independent variable construct of epistemic or informational value.

Table 6: Descriptive statistics for informational value perception

	N		Mean	Median	Min	Max
	Valid	Missing				
Provides knowledge to succeed financially	319	0	2.8997	3.0000	1.00	5.00
Provides information to make financial decisions.	319	0	3.0219	3.0000	1.00	5.00
Communicates in a way like to be communicated in	319	0	3.4514	4.0000	1.00	5.00
Is where would prefer to get financial advice from, rather than from the internet, social media or personal networks	319	0	2.9718	3.0000	1.00	5.00

Table 6 above provides an overview of the central tendency in each component of informational value perception, with Figures 22 to 25 below expressing the dispersion of responses on the Likert scale for each question answered within the construct of informational value perception.

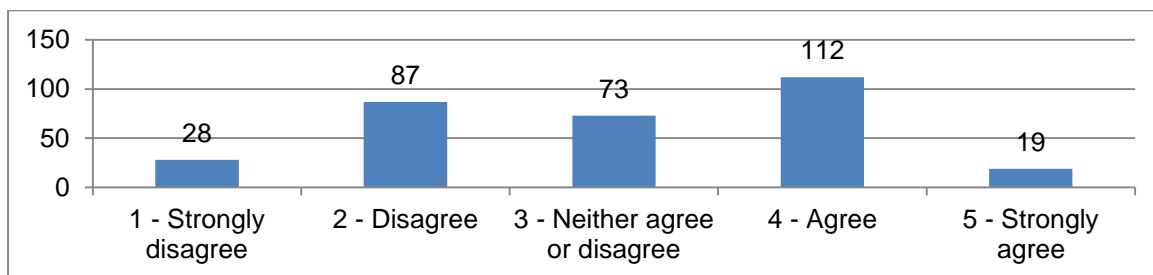
Figure 22: Distribution of responses to informational value: My bank provides me with the knowledge I need to succeed financially



As expressed in Table 6 the responses were clustered centrally around the middle median value of 3, neither agreeing nor disagreeing with the statement that their bank provides me with the knowledge I need to succeed financially. With a mean average value of 2.8997, this statement received the lowest average response within the components constituting informational value perception.

As seen in Figure 22 regarding the statement that that their bank provides me with the knowledge I need to succeed financially, the distribution of the 319 recorded responses is as follows: 38 (12%) respondents strongly disagreed, 82 (26%) disagreed, 92 (29%) neither agreed nor disagreed, 88 (28%) agreed and 19 (6%) strongly agreed with this statement.

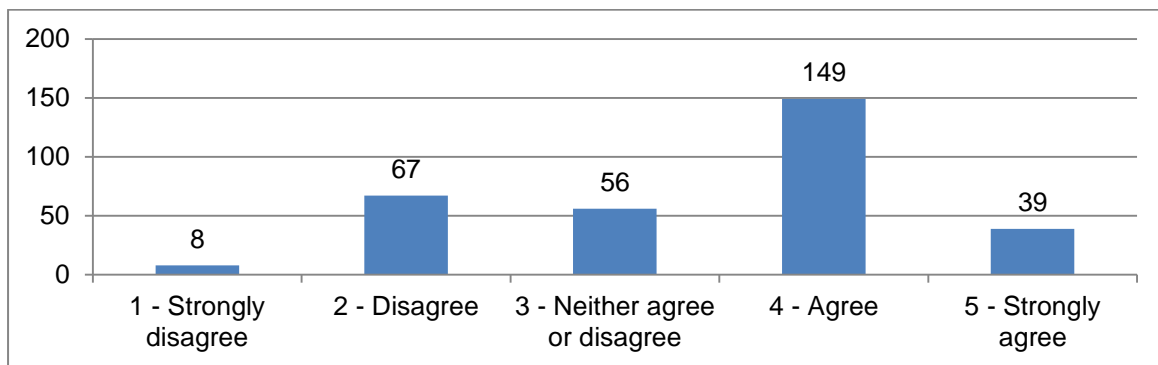
Figure 23: Distribution of responses to informational value: My bank provides me with the information I require to make financial decisions



As expressed in Table 6 the responses were clustered centrally around the middle median value of 3, neither agreeing nor disagreeing with the statement that their bank provides me with the information I require to make financial decisions. With a mean average value of 3.0219, this statement received the second highest average response within the components constituting informational value perception.

As seen in Figure 23 regarding the statement that that their bank provides them with the information I require to make financial decisions, the distribution of the 319 recorded responses is as follows: 28 (9%) respondents strongly disagreed, 87 (27%) disagreed, 73 (23%) neither agreed nor disagreed, 112 (35%) agreed and 19 (6%) strongly agreed with this statement.

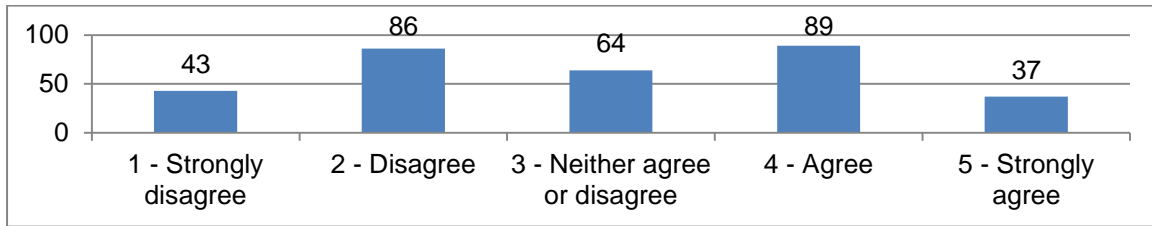
Figure 24: Distribution of responses to informational value: My bank communicates with me in a way I like to be communicated in



As expressed in Table 6 the responses were clustered centrally around the middle median value of 4, agreeing with the statement that their bank provides them with the information they require making financial decisions. With a mean average value of 3.4514, this statement received the highest average response within the components constituting informational value perception.

As seen in Figure 24 regarding the statement that that their bank provides them with the information they require to make financial decisions, the distribution of the 319 recorded responses is as follows: 8 (3%) respondents strongly disagreed, 67 (21%) disagreed, 56 (18%) neither agreed nor disagreed, 149 (47%) agreed and 39 (12%) strongly agreed with this statement.

Figure 25: Distribution of responses to informational value: My bank is where I would prefer to get financial advice from, rather than from the internet, social media or personal networks



As expressed in Table 6 the responses were clustered centrally around the middle median value of 3, neither agreeing nor disagreeing with the statement that their bank is where I would prefer to get financial advice from, rather than from the internet, social media or personal networks. With a mean average value of 2.9718, this statement received the second lowest average response within the components constituting informational value perception.

As seen in Figure 25 regarding the statement that that their bank is where I would prefer to get financial advice from, rather than from the internet, social media or personal networks, the distribution of the 319 recorded responses is as follows: 43 (13%) respondents strongly disagreed, 86 (27%) disagreed, 64 (20%) neither agreed nor disagreed, 89 (28%) agreed and 37 (12%) strongly agreed with this statement.

5.4.5. Descriptive statistics of conditional value perception

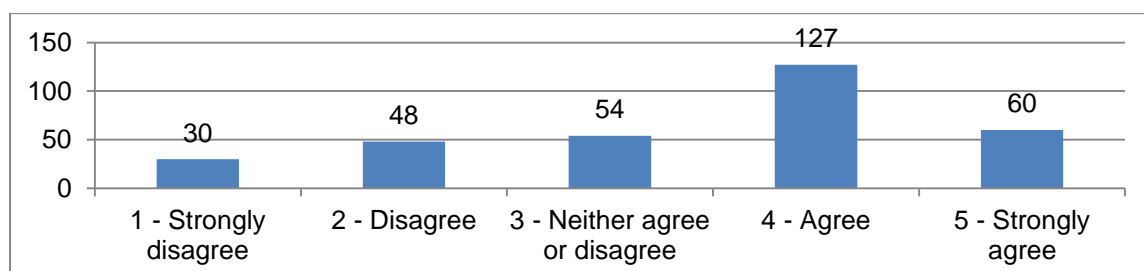
The section which follows reflects the results obtained for conditional value, as an independent variable construct in this study.

Table 7: Descriptive statistics for conditional value perception

	N		Mean	Median	Min	Max
	Valid	Missing				
Prefer to have accounts and loans with a bank than with a technology company like Apple, Google or Microsoft	319	0	3.4357	4.0000	1.00	5.00
Prefer to have accounts and loans with a bank than with a retail company like Amazon, Nike and Mr Price	319	0	3.7367	4.0000	1.00	5.00
Prefer to have accounts and loans with a bank than with a social media company like Whatsapp, Facebook or Twitter	319	0	3.7837	4.0000	1.00	5.00
Prefer to have accounts and loans with a bank than with a telecommunications company like Vodacom, MTN or Cell C	319	0	3.6865	4.0000	1.00	5.00

Table 7 above provides an overview of the central tendency in each component of conditional value perception, with Figures 26 to 29 below expressing the dispersion of responses on the Likert scale for each question answered within the construct of conditional value perception.

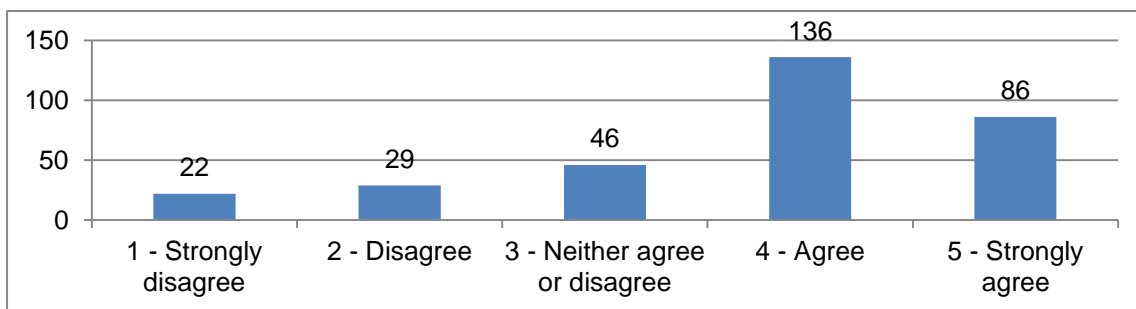
Figure 26: Distribution of responses to conditional value: I would prefer to have my accounts and loans with a bank than with a technology company like Apple, Google or Microsoft, should they offer the same financial services as banks.



As expressed in Table 7 the responses were clustered centrally around the middle median value of 4, agreeing with the statement that would prefer to have my accounts and loans with a bank than with a technology company like Apple, Google or Microsoft, should they offer the same financial services as banks. With a mean average value of 3.4357, this statement received the lowest average response within the components constituting conditional value perception.

As seen in Figure 26 regarding this statement, the distribution of the 319 recorded responses is as follows: 30 (9%) respondents strongly disagreed, 48 (15%) disagreed, 54 (17%) neither agreed nor disagreed, 127 (40%) agreed and 60 (19%) strongly agreed with this statement.

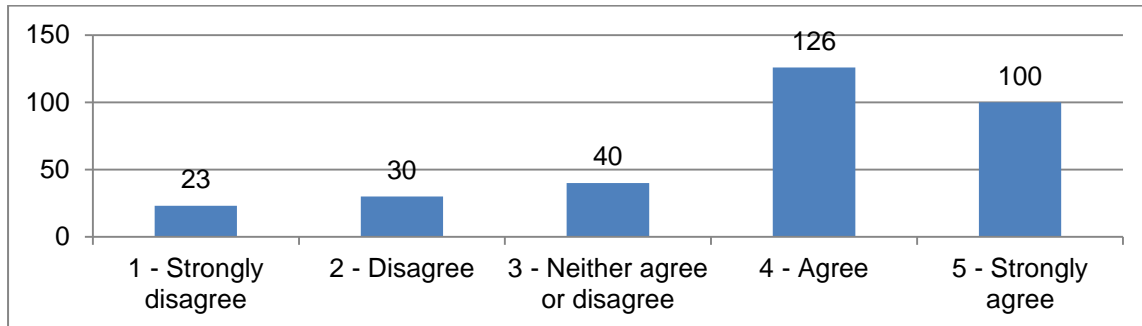
Figure 27: Distribution of responses to conditional value: I would prefer to have my accounts and loans with a bank than a retail company like Amazon, Nike and Mr Price should they offer the same financial services as banks



As expressed in Table 7 the responses were clustered centrally around the middle median value of 4, agreeing with the statement that would prefer to have my accounts and loans with a bank than with a retail company like Amazon, Nike and Mr Price should they offer the same financial services as banks.. With a mean average value of 3.7367, this statement received the second highest average response within the components constituting conditional value perception.

As seen in Figure 27 regarding this statement, the distribution of the 319 recorded responses is as follows: 22 (7%) respondents strongly disagreed, 29 (9%) disagreed, 46 (14%) neither agreed nor disagreed, 136 (43%) agreed and 86 (27%) strongly agreed with this statement.

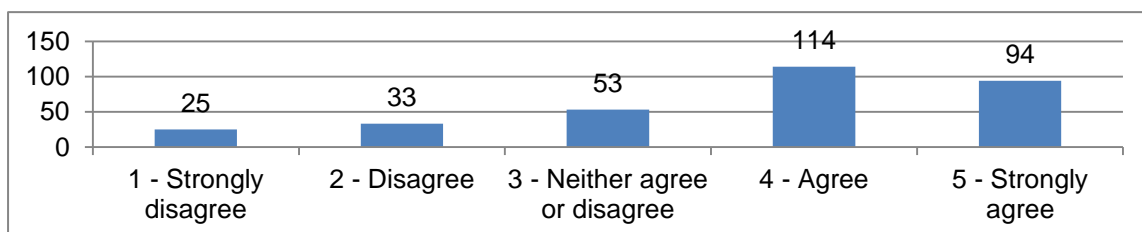
Figure 28: Distribution of responses to conditional value: I would prefer to have my accounts and loans with a bank than with a social media company like Whatsapp, Facebook or Twitter, should they offer the same financial services as banks



As expressed in Table 7 the responses were clustered centrally around the middle median value of 4, agreeing with the statement that would prefer to have my accounts and loans with a bank than with a social media company like Whatsapp, Facebook or Twitter, should they offer the same financial services as banks. With a mean average value of 3.7837, this statement received the highest average response within the components constituting conditional value perception.

As seen in Figure 28 regarding this statement, the distribution of the 319 recorded responses is as follows: analyzed 23 (7%) respondents strongly disagreed, 30 (9%) disagreed, 40 (13%) neither agreed nor disagreed, 126 (39%) agreed and 100 (31%) strongly agreed with this statement.

Figure 29: Distribution of responses to conditional value: I would prefer to have my accounts and loans with a bank than with a telecommunications company like Vodacom, MTN or Cell C should they offer the same financial services as banks.



As expressed in Table 7 the responses were clustered centrally around the middle median value of 4, agreeing with the statement that would prefer to have my accounts and loans with a bank than with a telecommunications company like Vodacom, MTN or Cell C should they offer the same financial services as banks. With a mean average value of 3.6865, this

statement received the second lowest average response within the components constituting conditional value perception.

As seen in Figure 29 regarding this statement, the distribution of the 319 recorded responses is as follows: 25 (8%) respondents strongly disagreed, 33 (10%) disagreed, 53 (17%) neither agreed nor disagreed, 114 (36%) agreed and 94 (29%) strongly agreed with this statement.

5.4.6. Descriptive statistics of consumer relevance perception

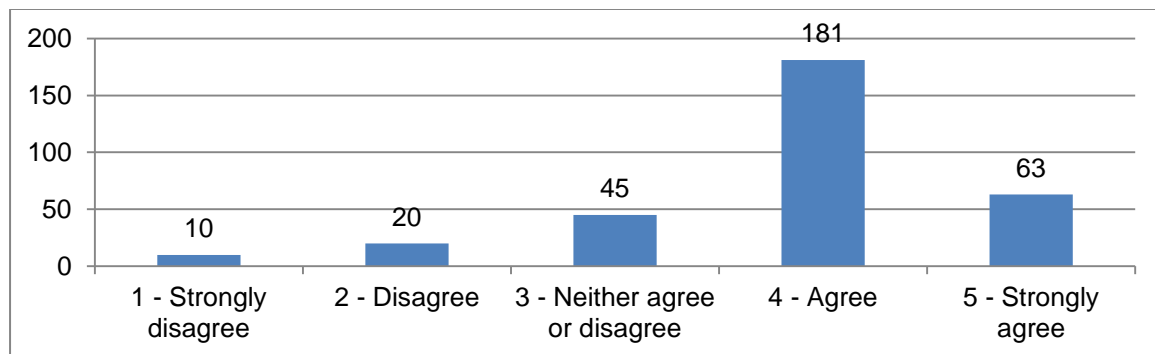
The following section displays the results for consumer relevance, as a dependent variable construct within this study.

Table 8: Descriptive statistics for consumer relevance

	N		Mean	Median	Min	Max
	Valid	Missing				
Bank is important in my life	319	0	3.8370	4.0000	1.00	5.00
Bank is relevant to me	319	0	3.6458	4.0000	1.00	5.00
Will still need a 'bank account' in the future.	319	0	4.0439	4.0000	1.00	5.00
Will still access my money from a bank in the future.	319	0	3.9310	4.0000	1.00	5.00

Table 8 above provides an overview of the central tendency in each component of consumer relevance perception, with Figures 30 to 33 below expressing the dispersion of responses on the Likert scale for each question answered within the construct of consumer relevance perception.

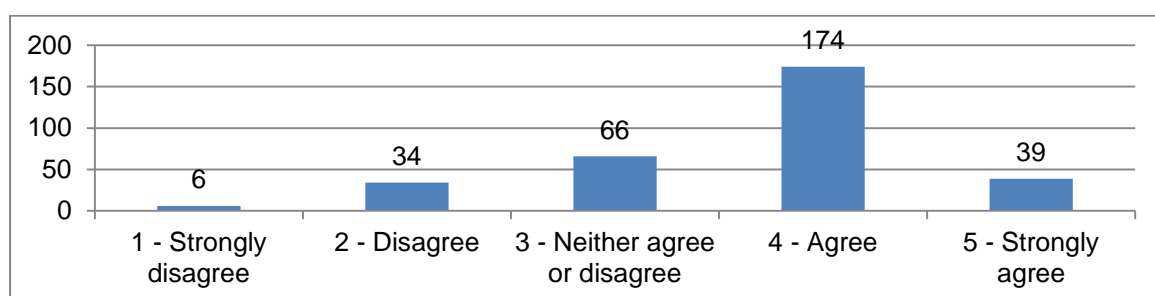
Figure 30: Distribution of responses to consumer relevance: I believe that my bank is important in my life



As expressed in Table 8 the responses were clustered centrally around the middle median value of 4, agreeing with the statement that they believe that their bank is important in their life. With a mean average value of 3.8370, this statement received the second lowest average response within the components constituting consumer relevance perception.

As seen in Figure 30 regarding this statement, the distribution of the 319 recorded responses is as follows: 10 (3%) respondents strongly disagreed, 20 (6%) disagreed, 45 (14%) neither agreed or disagreed, 181 (57%) agreed and 63 (20%) strongly agreed with this statement.

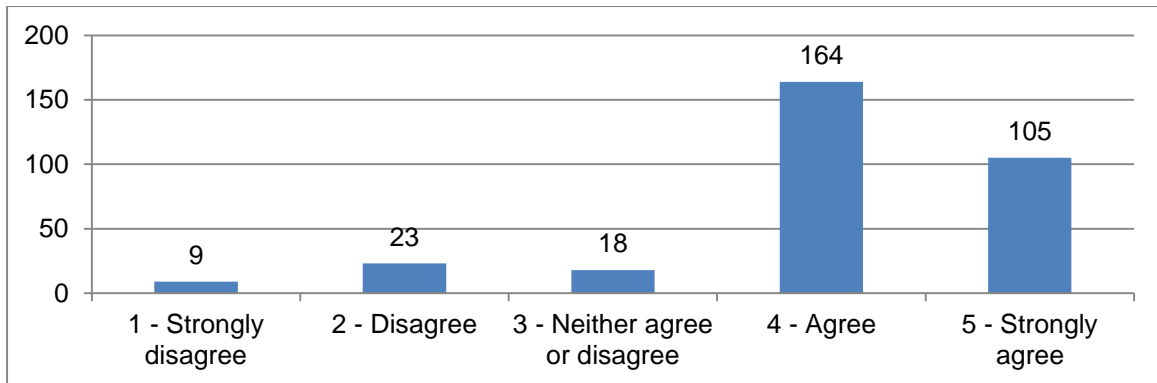
Figure 31: Distribution of responses to consumer relevance: I believe that my bank is relevant to me



As expressed in Table 8 the responses were clustered centrally around the middle median value of 4, agreeing with the statement that they believe that their bank is relevant to me. With a mean average value of 3.6458, this statement received the lowest average response within the components constituting consumer relevance perception.

As seen in Figure 31 regarding this statement, the distribution of the 319 recorded responses is as follows: 6 (2%) respondents strongly disagreed, 34 (11%) disagreed, 66 (21%) neither agreed nor disagreed, 174 (55%) agreed and 39 (12%) strongly agreed with this statement.

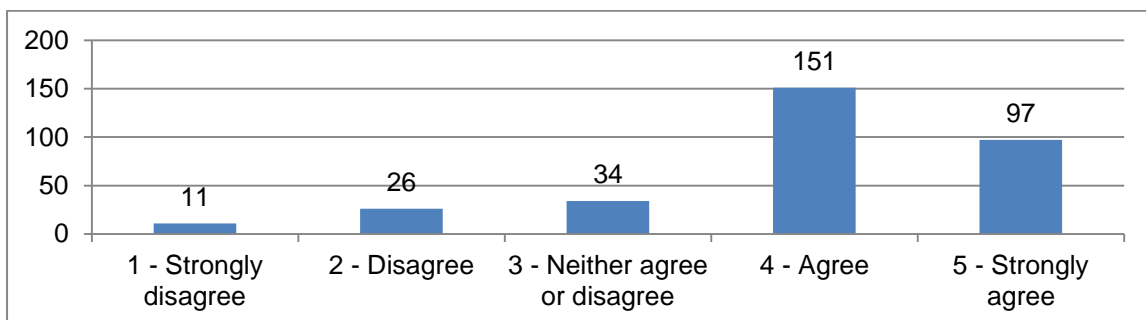
Figure 32: Distribution of responses to consumer relevance: I believe I will still need a 'bank account' in the future



As expressed in Table 8 the responses were clustered centrally around the middle median value of 4, agreeing with the statement that they believe they will still need a 'bank account' in the future. With a mean average value of 4.0439, this statement received the highest average response within the components constituting consumer relevance perception.

As seen in Figure 32 regarding this statement, the distribution of the 319 recorded responses is as follows: 9 (3%) respondents strongly disagreed, 23 (7%) disagreed, 18 (6%) neither agreed nor disagreed, 164 (51%) agreed and 105 (33%) strongly agreed with this statement.

Figure 33: Distribution of responses to consumer relevance: I believe I will still access my money from a bank in the future



As expressed in Table 8 the responses were clustered centrally around the middle median value of 4, agreeing with the statement that they believe they will still access their money from a bank in the future. With a mean average value of 3.9310, this statement received the second highest average response within the components constituting consumer relevance perception.

As seen in Figure 33 regarding this statement, the distribution of the 319 recorded responses is as follows: 11 (3%) respondents strongly disagreed, 26 (9%) disagreed, 34 (11%) neither agreed nor disagreed, 151 (47%) agreed and 97 (30%) strongly agreed with this statement.

5.4. Testing the reliability of data

The Cronbach's alpha was conducted on each construct being measured in this study in order to ensure the reliability and consistency of the question item in measuring the applicable construct (Field, 2013).

Table 9: Cronbach's alpha of each construct measured in the consumer relevance scale

Construct	Cronbach's Alpha	No. of Items
Functional value	.842	7
Social value	.823	5
Emotional value	.880	6
Informational value	.847	4
Conditional value	.890	4
Consumer relevance	.806	4

As indicated in Table 9, Cronbach's alpha was performed on the 7 items within the functional value perception construct, returning a value α of .842, which indicates good reliability of the items within the construct, as it is around the 0.8 value mark. It must be noted that the limitation of Cronbach's alpha is that it can be increased due to large number of items, being 7, within the construct. None of the items in the correlation matrix output for *Corrected Item – Total Correlation* were less than 0.3 and hence there are no items which do not correlate well with the overall functional value scale. No items in the *Cronbach's Alpha if Item Deleted* was above the overall α of .842 and hence no items would create a greater Cronbach's α if deleted (Field, 2013).

As indicated in Table 9 Cronbach's alpha was performed on the 5 items within the social value perception construct, returning a α value of .823, which is an indication that there is good reliability of the items within the construct to be measuring the same construct of social value, as it is around the .8 value mark. None of the items hold a value below 0.3 for *Corrected Item – Total Correlation* and hence there are no items which do not correlate well with the overall α . No items in the *Cronbach's Alpha if Item Deleted* was above the overall α of .823 and hence no items would create a greater Cronbach's α for social value if deleted (Field, 2013).

As expressed in Table 9 Cronbach's alpha was performed on the 6 items within the emotional value perception construct, returning a α value of .880, indicating good reliability of the items within the construct of emotional value as the value is above the 0.8 value mark. None of the items indicate a value below 0.3 for *Corrected Item – Total Correlation* and therefore there are no items that do not correlate and fit well with the overall construct of emotional value, in addition, no items if deleted would result in a higher Cronbach's α for the overall construct of social value (Field, 2013).

As expressed in Table 9 Cronbach's alpha was performed on the 4 items within the informational value perception construct, returning a value of .847 indicating good reliability of the items within this construct. No items returned a value below 0.3 for *Corrected Item – Total Correlation* however the item "My bank communicates with me in a way I like to be communicated in" returned a Cronbach's α of .855 which indicates that if this item was deleted the overall Cronbach's alpha of informational value perception would be higher at .855 should this item be deleted and hence this item has been removed from the statistical analysis (Field, 2013).

As expressed in Table 9 Cronbach's alpha was performed on the 4 items within the conditional value perception construct, returning an α value of .890, which indicates good reliability as this value is above .8. No items returned a value below 0.3 for *Corrected Item – Total Correlation* and hence all the items correlate with the overall α for conditional value perception. The item "I would prefer to have my accounts and loans with a bank than with a technology company like Apple, Google or Microsoft, should they offer the same financial services as banks", if deleted would allow the construct to render a higher Cronbach's Alpha of .898 however the researcher decided to leave the item in the calculation of the construct as the overall Cronbach's α provides a sufficient level of reliability as it is above 0.8 and the researcher is confident that the item correlates with the construct (Field, 2013).

As expressed in Table 9 Cronbach's alpha was performed on the 4 items within the consumer relevance construct, returning an α value of .806 which indicates good reliability as it is above the 0.8 level. No items returned a value below 0.3 for *Corrected Item – Total Correlation* and hence all the items correlate with the overall α for consumer relevance perception. In addition, no items if deleted would result in a higher Cronbach's α for the overall construct of consumer relevance (Field, 2013).

In conclusion, reliability analysis measured the consistency of each item within each construct measure, and all constructs displayed good reliability. Factor analysis was then performed to ensure that all items were testing the same underlying constructs as part of consumer relevance and to decrease the size of each construct where possible.

Table 10: Factor analysis of each construct measured in the consumer relevance scale

Construct	Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	Bartlett's Test of Sphericity
Functional value	.786	Sig. .000
Social value	.749	Sig. .000
Emotional value	.858	Sig. .000
Informational value	.666	Sig. .000
Conditional value	.814	Sig. .000
Consumer relevance	.657	Sig. .000

Factor analysis was performed on the functional value construct and the results are displayed in Table 10 above. For the KMO statistic the original value was .788 which is well above the minimum criterion of 0.5 and falls within the range of 'middling' and hence we should be comfortable that the sample size is adequate for factor analysis and it is not necessary to collect more data (Field, 2013). The factor analysis indicated however that two components may be measured in the data, with the item "My bank uses digital technology to offer me better products and services" being identified as measuring a different construct. The researcher decided to therefore remove this item from the data analysis. The new KMO returned a slightly lower KMO of .786. The Bartlett's test indicated that with a value of less than 0.001 there is a significant correlation between components. This is however expected with a large sample size above 300 (Field, 2013).

Factor analysis was performed on both the social value and emotional value constructs returning favourable KMO values of .749 and .858 respectively, as indicated in Table 10. These fall within the range of 'middling' and 'meritorious' respectively (Field, 2013) and

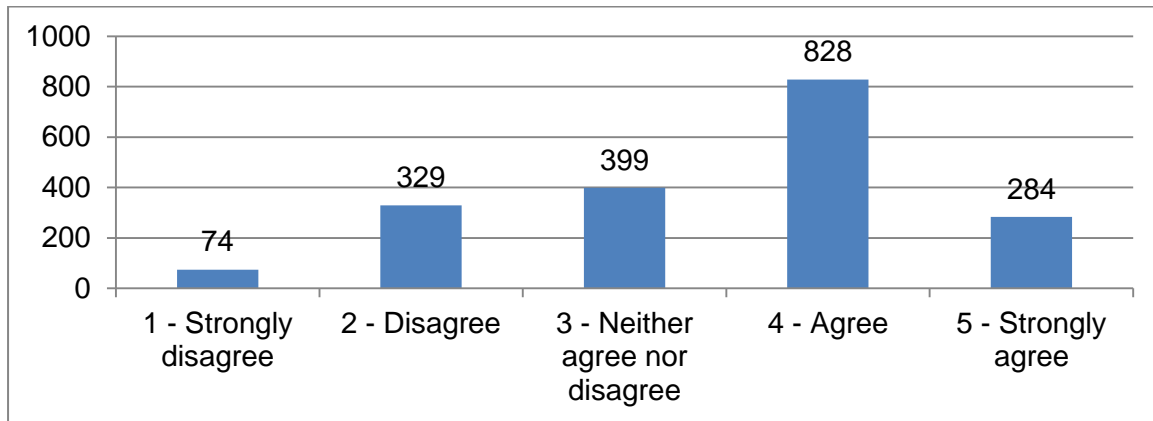
hence there is comfort that the sample size is adequate for factor analysis and no more data needs to be collected. In addition the factor analysis indicated that only one component is being measured by each and there is no need for a reduction in the number of items within these two constructs. The Bartlett's test indicated that with values less than 0.001 that there is a significant correlation between components within each of these constructs (Field, 2013).

Factor analysis was performed on the informational value construct, removing the item statement "My bank communicates with me in a way I like to be communicated in", as this was identified by the Cronbach's alpha as not testing the same underlying construct of informational value. The KMO returned was .666 which is 'mediocre', but above the acceptable level of 0.5, indicating that the sample size is adequate for factor analysis and no more data needed to be collected. Factor analysis on both conditional value and consumer relevance as constructs also produced favourable KMO values of .814 and .657 which were also above the acceptable level of 0.5. The factor analysis further identified that only one component was being measured in each of these constructs and the Bartlett's test indicated that with values less than 0.001 that there was significance in correlations in the item statements.

5.5. Research question one: To what degree does the cohort of the millennial generation perceive traditional retail banks to be relevant or irrelevant to them as a consumer?

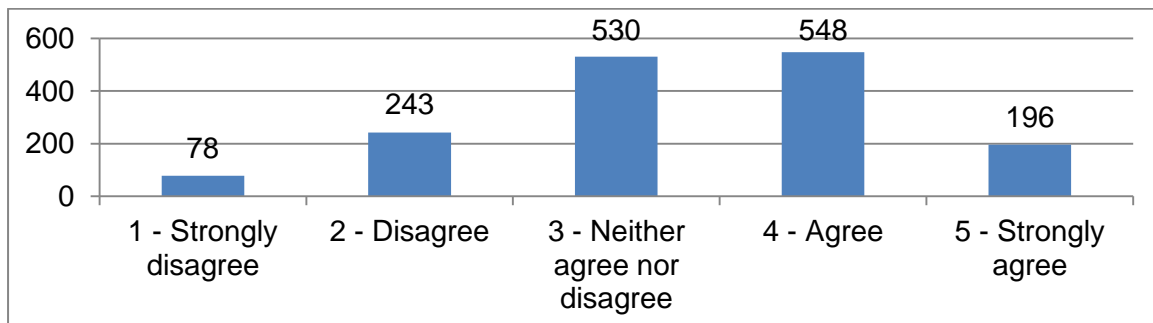
With the assumption that responses of 'agree' and 'strongly agree' provide an indication of relevance being present and 'strongly disagree', 'disagree' and the indifferent neutral response of 'neither agree nor disagree' providing an indication of irrelevance, the five consumer value constructs were analysed to measure relevance. Thereafter these were combined to determine overall consumer relevance of traditional banks to millennials and compared to the direct perception of millennial consumers on consumer relevance to determine if there is a difference and the accuracy of the relevance measure.

Figure 34: Overall distribution of functional value perception responses



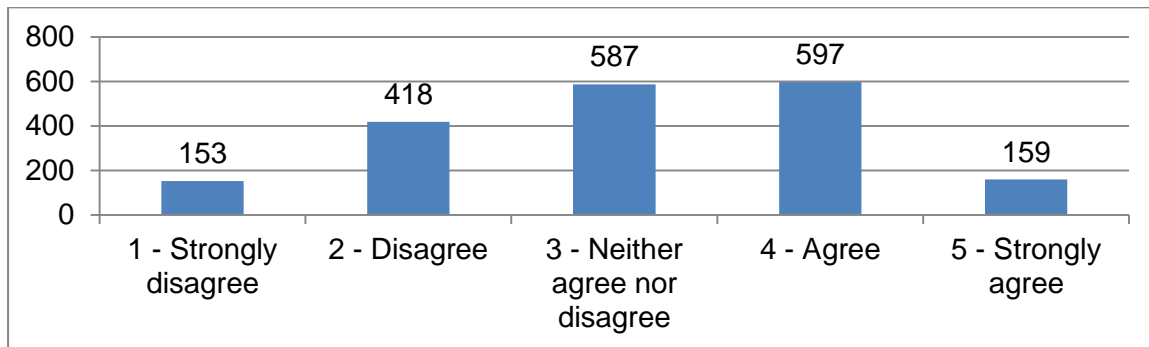
As illustrated in Figure 34 the distribution of the responses from the 319 respondents as to the functional value of traditional banks were as follows: 74 (4%) responses of strongly disagree, 329 (17%) of disagree, 399 (21%) of neither agree nor disagree, 828 (43%) agree and 284 (15%) strongly agree with the functional value of traditional banks. Therefore 58% of responses indicated the functional relevance of banks, and 42% indicated towards an irrelevance.

Figure 35: Overall distribution of social value perception responses



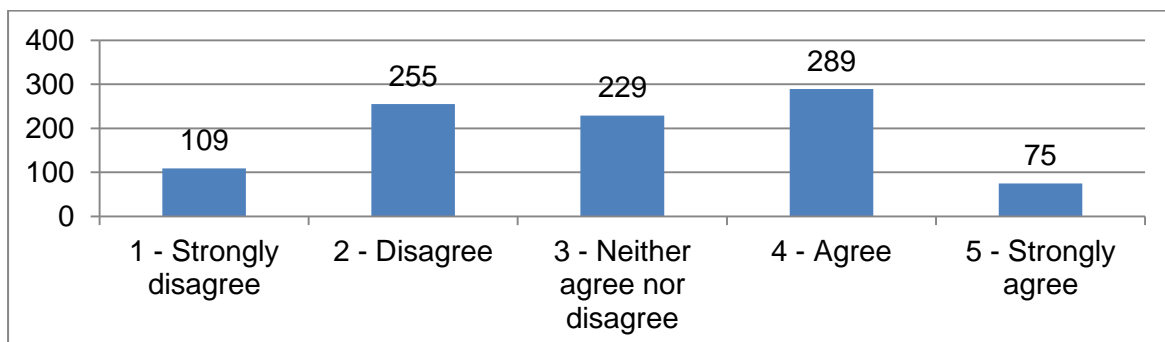
As illustrated in Figure 35 the distribution of the responses from the 319 respondents as to the social value of traditional banks was as follows: 78 (5%) responses of strongly disagree, 243 (15%) of disagree, 530 (33%) of neither agree nor disagree, 548 (34%) agree and 196 (13%) strongly agree with the social value of traditional banks. Therefore 47% of responses indicated the social relevance of banks, and 53% indicated towards an irrelevance.

Figure 36: Overall distribution of emotional value perception responses



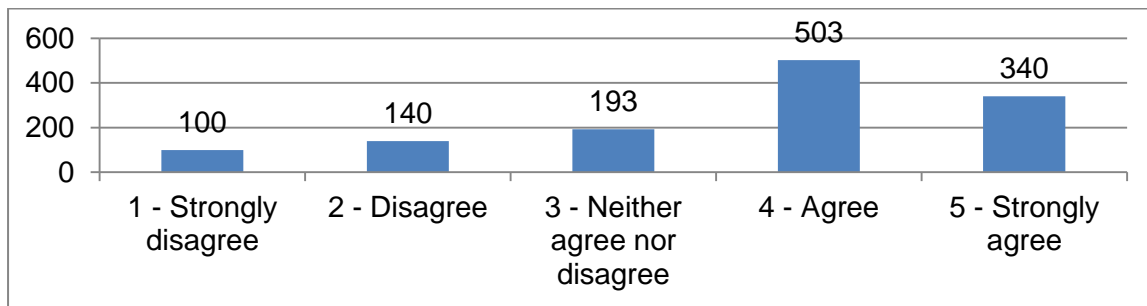
As illustrated in Figure 36 the distribution of the responses from the 319 respondents as to the emotional value of traditional banks were as follows: 153 (8%) responses of strongly disagree, 418 (22%) of disagree, 587 (31%) of neither agree nor disagree, 597 (31%) agree and 159 (8%) strongly agree with the emotional value of traditional banks. Therefore 39% of responses indicated the emotional relevance of banks, and 61% indicated towards an irrelevance.

Figure 37: Overall distribution of informational value perception responses



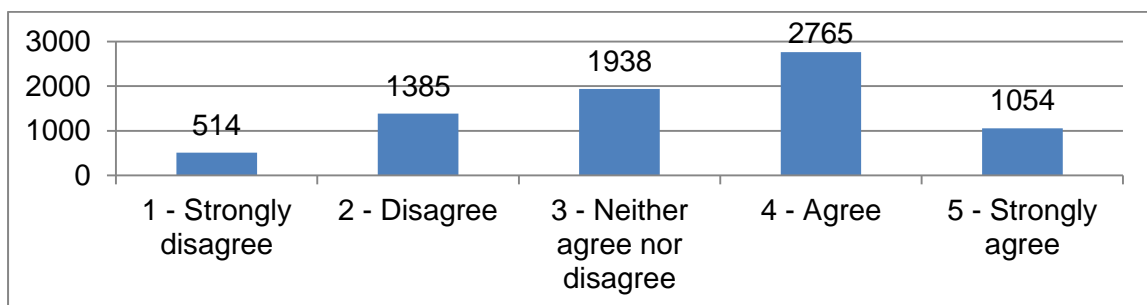
As illustrated in Figure 37 the distribution of the responses from the 319 respondents as to the informational value of traditional banks were as follows: 109 (11%) responses of strongly disagree, 255 (27%) of disagree, 229 (24%) of neither agree nor disagree, 289 (30%) agree and 75 (8%) strongly agree with the informational value of traditional banks. Therefore 38% of responses indicated the informational relevance of banks, and 62% indicated towards an irrelevance.

Figure 38: Overall distribution of conditional value perception responses



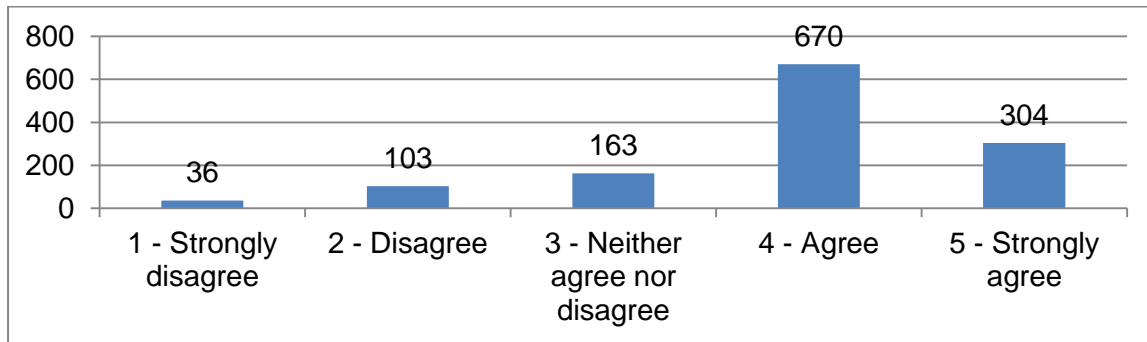
As illustrated in Figure 38 the distribution of the responses from the 319 respondents as to the conditional value of traditional banks was as follows: 100 (8%) responses of strongly disagree, 140 (11%) of disagree, 193 (15%) of neither agree nor disagree, 503 (39%) agree and 340 (27%) strongly agree with the conditional value of traditional banks. Therefore 66% of responses indicated the conditional relevance of banks, and 34% indicated towards an irrelevance.

Figure 39: Distribution of overall consumer relevance score



As illustrated in Figure 39 the distribution of the responses from the 319 respondents as to the combined overall consumer relevance score consisting of functional, social, emotional, informational and conditional value of traditional banks was as follows: 514 (7%) responses of strongly disagree, 1385 (18%) of disagree, 1938 (25%) of neither agree nor disagree, 2765 (36%) agree and 1054 (14%) strongly agree with the overall value of traditional banks. Therefore 50% of responses indicated the overall relevance of banks, and 50% indicated towards an irrelevance.

Figure 40: Distribution of perceived consumer relevance



As illustrated in Figure 40 the distribution of the responses from the 319 respondents as to the perceived consumer relevance is as follows: 36 (3%) responses of strongly disagree, 103 (8%) of disagree, 163 (13%) of neither agree nor disagree, 670 (53%) agree and 304 (24%) strongly agree with the perceived consumer relevance of traditional banks. Therefore 77% of responses indicated the overall relevance of banks, and 23% indicated towards an irrelevance.

Table 11: Pairing of overall relevance score versus perceived consumer relevance

	Paired Differences					t	df	Sig. (2-tailed)
	Mean	Std. Deviation	Std. Error	95% Confidence Interval of the Difference				
				Lower	Upper			
Pair 1 Perceived consumer relevance - Overall relevance score	.54310	.69004	.03863	.46709	.61911	14.057	318	.000

A paired sample t-test was performed on the same sample of 319 respondents to determine if respondents provided the same answers to consumer relevance of traditional banks to them, when asked directly versus indirectly, by comparing the means of both conditions (Field, 2013).

The results of the paired samples test are illustrated in Table 11. It is indicated that the difference in the means is .54310 and hence a difference in response of .54310, with respondents answering .54310 of a point higher on the Likert scale when asked directly whether banks are relevant to them versus when asked indirectly through consumer relevance. The range of the means was from .46709 to .61911, with a standard deviation of .69004.

Of most importance is that the t-statistic is 14.057, with 318 degrees of freedom. The Sig. (2-tailed) indicated that the p-value at a two-tailed test is 0.000 which is less than 0.05 therefore we can conclude from the analysis that there is a significant difference in the responses on relevance between when a millennial consumer is asked directly whether traditional banks are relevant to them versus when asked indirectly through consumer values.

5.6. Research question two: How do the different value factors influence this relevance or irrelevance?

A multiple regression analysis was performed on 'consumer relevance' as the dependent variable and 'functional value', 'social value', 'emotional value', 'informational value' and 'conditional value' as the independent variables, in determining which of the independent variables predict the consumer relevance as perceived by millennial consumers.

Table 12: Multiple regression analysis

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.534 ^a	.285	.274	.64472215

a. Predictors: (Constant), Conditional value, Functional value, Informational value, Social value, Emotional value

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	51.845	5	10.369	24.945	.000 ^b
	Residual	130.104	313	.416		
	Total	181.949	318			

a. Dependent Variable: Perceived consumer relevance

b. Predictors: (Constant), Conditional value, Functional value, Informational value, Social value, Emotional value

Coefficients^a

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.826	.205		8.886	.000
	Functional value	.161	.065	.161	2.458	.015
	Social value	.093	.075	.096	1.240	.216
	Emotional value	.082	.079	.088	1.034	.302
	Informational value	.148	.050	.199	2.969	.003
	Conditional value	.130	.036	.178	3.630	.000

a. Dependent Variable: Perceived consumer relevance

As can be seen in Table 12 the multiple correlation coefficient (R) is .542 which is mid-way between 0 and 1 and hence indicates that the independent variables are only 54.2% successful at predicting the dependent variable. The coefficient of determination (R²) indicates that only 28.5% variance in the dependent variable can be explained by the independent variables. Adjusted R² of 27.4% can be used to eliminate the bias. The p-value (sig.) is .000 and hence as this amount is less than 0.05, as we are testing at a 95% confidence level, the model proposed is a good fit for the data and hence these variables can be used to predict the dependent variable of consumer relevance.

The model equation of the multiple regression of perceived consumer relevance is as follows: 1.826 + .161 (functional value) + .093 (social value) + .082 (emotional value) + .148 (informational value) + .130 (conditional value).

Looking at the p-value (sig.) only functional value (.015), informational value (.003) and conditional value (.000) at present predict consumers perceived consumer relevance, as they are less than 0.05 in value. Social value (.216) and emotional value (.302) do not predict at present millennial perception of perceived consumer relevance of traditional retail banks.

In conclusion, the findings presented in this chapter will be analysed and discussed in light of the literature reviewed in Chapter Two. This analysis will be presented in Chapter Six to follow.

CHAPTER 6: DISCUSSION OF RESULTS

6.1. Introduction

This chapter interprets the analysis of the results displayed in the Chapter Five, collected using the methodology expressed in Chapter Four. The results will be analysed with reference to how they support, contradict or add to the view provided in the literature reviewed in Chapter Two. The research questions identified in Chapter Three provide a frame of reference for the discussion of the results in order to ensure that the objectives of the study are met.

6.2. Research Question One: The degree of relevance of traditional banks to the millennial generation of consumer

6.2.1. Discussion of findings on direct perceived consumer relevance

Idrees, Hassan and Ghauri (2015) emphasised the importance of relevance in literature as playing a key role in consumer behaviour and decision-making. It was found to be vital for the creation of long-term sustainable growth as it encourages companies to create a 'must-have' appeal for consumers, creating a barrier for competitors in the industry which do not display this appeal (Aaker, 2012). Despite this importance, no clear definition has been provided for the concept of relevance in literature, although descriptions have been made of some of its defining characteristics (Sperber & Wilson, 1986).

Relevance has therefore been described as the relationship link between two items which facilitates the achievement of this goal, with relevance being measured by the degree of the strength of this relationship and this relationship's ability to assist in the achievement of a goal which is important to them (Gorayska & Lindsay, 1993). Literature does not however provide guidance on how this strength and ability can be quantified or determined. For this reason, this research study has considered different options for how to determine this degree of relevance from the perspective of the consumer.

The distribution of the responses of the 319 respondents analysed were expressed in Figure 40 when questioned directly to what extent they agree or disagree that traditional retail banks are relevant to them as millennial generation consumers. These questions were answered positively with 77% responding with agreement or strong agreement. This can be

interpreted as millennial consumers perceiving that banks display 77% degree of relevance to the millennials surveyed. This shows a positive skew to relevance as perceived by millennial consumers. It should be noted that the agreement was positive but not strong as only 31% of these positive responses indicated strong agreement. This perceived consumer relevance finding can be understood in the context of the statements questioned in the questionnaire administered to the sample, in Appendix A. The distribution of the responses to these statements can be seen in Figures 30 to 33.

Importance is described as synonymous with relevance and can also be described as a way to understand consumer relevance (Lehnert, Till & Ospina, 2014). In Figure 30 it was identified that the median response when questioned on the importance of banking in their lives was that they agreed with this statement. In Figure 30 it can be seen that 77% of the respondents indicated that banks were important in their lives. While in Figure 31 it can be seen that 67% of respondents identified that banks are relevant to them. This is not strong agreement; however it does indicate millennials perceive more relevance than not in the context of banks. This is supported by the view in literature, which expresses that consumers view banking services as an important and essential part of their lives but this should be perceived in the absence of other suitable alternatives to fulfil their financial service needs (Avlonitis & Indounas, 2014). Therefore although consumers, including millennials, perceive banks to be important in their lives, this may be in line with the statement by Walker (2014), that banking may be important to consumers, as confirmed in this study, but that it is not banks which are necessary important, it is the services they provide. Millennials may only perceive them as important, given that they do not have the knowledge and experience of other available banking options, as expressed in literature on relevance (Lamberts, 2010; Laven, 2012). Literature has begun in recent years to acknowledge that alternatives may become more available to consumers, with Google Wallet and Apple Pay being readily available in developed markets like the United States (Wouters, 2014) and Facebook investigating their own e-currency. As these new entrants enter the South African market, they will test the perceived importance of banks to especially the millennial generation as they are quick to adopt new technologies, and this may impact on the perceived relevance of banks when questioned (Walker, 2014).

Respondents were questioned as to whether they believed that they would still need a 'bank account' in the future. 84% of respondents indicated, as seen in Figure 32, that they did believe they would still need a bank account. A slightly less belief was shown with regards to respondents expecting that they would still access their money in the same way in future. 77% of respondents indicated in this direction, as expressed in Figure 33.

Both of these perspectives are expressed as agreement, but not a strong agreement. They do however indicate that banking and bank accounts are still perceived to be of relevance to millennial generation consumers, but also indicate that there is an increasing irrelevance being identified, within the South African context. Literature has identified that significantly fewer millennials in the United States believe they still need a bank account, than in this South African study. Only 33% of millennials in the United States believe that they will require a 'bank account' in the future (Nava, Karp & Nash-Stacey, 2014).

The difference in perceived relevance could be due to numerous factors. Firstly, it could be that South African millennials have different perspectives from other millennials due to a lack of exposure to other banking options in South Africa at this time, and hence their perspective of the relevance and importance of the traditional banking model now and into the future is increased (Lamberts, 2010; Laven, 2012). Should this same study be performed within the next two years or once more non-banking companies have entered the South African banking industry, the level of perceived relevance of banks by millennials may have changed. It is therefore suggested that this study is replicated into a longitudinal study in future research to identify a future trend (Saunders & Lewis, 2012). Secondly, an additional possible reason for the difference in view between this study and previous literature could be due to a bias within the respondents. A limitation of this study is that employees of banks were not excluded from this study. Bank employees could hence hold a more positive perspective on the importance and future relevance of banks. This perceived higher relevance, could have influenced the research results (Saunders & Lewis, 2012).

6.2.2. Discussion of findings on consumer relevance as per consumer values

Literature does not provide a tested model for the measurement of consumer relevance; however the work by Kang, Liu & Kim (2013) provides an indication that consumer values could be used as an indication of consumer relevance. Therefore, agreement on statements on consumer values were measured in this research study as a way to gain a perspective on the consumer relevance of traditional banks to the millennials, using the five independent values of the *theory of consumption values* by Seth, Newman and Gross (1991). The discussion below reviews each individual value as it individually contributes to the overall view of consumer relevance.

6.2.2.1. Discussion of findings on functional value

Functional value refers to the performance, price and value that a product or service offers (Lin & Huang, 2012). As illustrated in Figure 34, 58% of responses indicated agreement and strong agreement towards the functional value of banks. This therefore indicated a relevance of banks, although not a strong relevance, with only 26% indicating strong agreement.

With a median of only 3, value of money and reasonability of pricing were seen as providing the least functional value to banks. Figure 6 indicated that there is only 45% agreement that banks provide value for money and that only 43% identified banks as reasonably priced, as seen in Figure 7. Therefore it can be seen that banks do not provide the required pricing and value for money expected by the millennial generation. Figure 10 however shows that millennials believe that banks do offer more cost effective products through the use of digital technology, with a slightly higher relevance score of 54%. This finding adds value to the perspective in literature that millennials expect lower costs as they comfortably make use of technology and expect that the use of technology should make banking more cost effective (Deal, Altman & Rogelberg, 2010). Given the low percentage of relevance identified with regards to the use of digital technology, compared to integration and importance of digital technology in the life of the millennial consumer, this indicates that the use of digital technology is not to the extent that millennial consumers want and expect (Deal, Altman & Rogelberg, 2010). This move towards the use of digital technology is further expressed in Figure 8 where 74% of responses indicated agreement and strong agreement that their bank enables them to interact conveniently with them using the digital technologies provided via mobile phones and the web. This therefore concludes that banks need to focus on not only using digital technology to engage with the millennial consumer but to decrease the costs of banking to the millennial consumer in line with their functional value expectations (Deal, Altman & Rogelberg, 2010).

With medians of 4 and statements of agreement and strong agreement, it is seen that millennial generation consumers have seen most functional value relevance in traditional retail banks through their consistent service and the meeting of their personal needs. In Figure 4 it is expressed that 61% of respondents believed they received consistent service, while in Figure 5 72% of respondents believed that banks met their personal needs. This finding supports literature on relevance of traditional retail banks to millennials in that consistent service is identified as a vital component of service quality models for banks for all consumers (Sangeetha & Mahalingam, 2011). It was also identified as a key determinant of inter-bank selection criteria for millennial consumers in South Africa, with different banks

providing this consistent service (Msweli & Naude, 2015). The risk however exists given the high indication of functional value, that banks may become commoditised and easily traded, and therefore this is not the optimal value to obtain as a bank (Walker, 2014).

6.2.2.2. Discussion of findings on social value

Social value is generated from the benefit for the consumer of being associated with or belonging to a specific group (Lin & Huang, 2012). According to Figure 35 there is an indication of irrelevance of traditional retail banks to millennial generation consumers with regards to social value perception, with only 47% responses positively agreeing or strongly agreeing with the social value of banks. The driving influence within this degree of social relevance is that 33% of responses indicated that there was neither agreement nor disagreement that social value was present, hence indicating that banks are not clear on whether banks add social value to them as millennials (Rowley, 2014).

Three aspects within the social value construct indicated the lack of clarity of opinion through heavy distribution of responses towards neither agreeing nor disagreeing with the status on social value. In Figure 11 only 34% of respondents indicated that banks impact positively on their social status, with 35% of respondents answering neutrally. Although, literature states that African millennials place less emphasis on social status through banking than their millennial counterparts in the United States or United Kingdom (Msweli & Naude, 2015), this lack of association with social status should be a concern for banks. Literature specifically identified the importance of the social reflection of brands for the millennial generation (Lazarevic, 2012). Given the materialistic society which millennials have grown up in and their virtual and group orientation reflected in their use of social media, millennials are more conscious of how their association with companies reflects on them socially than ever before (Lazarevic, 2012). Further to this view, in this study, only 58% of millennials identifying that banks are institutions which they would be proud to be associated with, as illustrated in Figure 12. This adds to literature indicating that banks are not seen to positively contribute to the status of the millennial generation consumer, in line with their status expectations, and only half of millennials would be proud to be associated with traditional retail banks.

The further components of social status which indicated that millennials have not given due consideration to the social value of banks are found through their lack of clarity as to whether banks are environmentally and socially conscious. In Figure 14 it is seen that only 45% of responses indicated that banks were environmentally conscious enough, with 41% of the

sample of 319 respondents neither expressing agreement nor disagreement. Similarly in Figure 15 it was indicated that only 48% of respondents believe that their bank is socially conscious enough, with 33% of respondents neither agreeing nor disagreeing with this view and hence indicating neutrality. This should be of concern to banks as Gurau (2012) indicated that millennials are more dedicated to brands which display environmental and community values. This should be an area of focus for banks to assert environmental and social consciousness effectively through their branding, marketing and communications to consumers from the millennial generation, in order to create more social relevance to them to strengthen their relationship (Gurau, 2012).

With a median response of 3, Figure 13 indicates that only 47% of respondents confirmed or strongly confirmed that they would recommend their bank as an institution to their peers on social media. This adds to literature, indicating an area of development for banks in that they do not provide sufficient social value in the lives of millennial consumers, for these consumers to recommend banks to their larger virtual community. The challenge due to this lack of social value is two-fold. Millennial consumers prefer to follow recommendations on service providers from their virtual peers. As this study indicates that millennials do not intend to recommend banks to each other (Gurau, 2012), this allows even more opportunity for the recommendation of new brand entrants into the banking industry. New technology entrants, such as Google, are especially of concern as literature has indicated that they have already a higher brand affinity with the millennial generation (Winograd & Haid, 2014). Secondly, with millennials not prepared to recommend banks, this will have a negative effect on the NPS score of banks, with a decrease in this score indicating a decreased loyalty of consumers and increased intention of these consumers to move to other providers (Keiningham, 2008).

6.2.2.3. Discussion of findings on emotional value

Emotional value is the ability of a product or service to arouse emotions in a consumer (Seth, Newman & Gross, 1991). As illustrated in Figure 36 only 39% of responses indicated agreement or strong agreement that emotional value of banks was present, indicating emotional irrelevance of banks. This is driven by 31% responses within this construct neither agreeing nor disagreeing with whether emotional value is present, indicating a lack of clarity by respondents as to the emotional value of banks (Rowley, 2014).

In analysing emotional value of banks to millennials, there are two strong indicators of emotional value within this study, being trust and matching to lifestyle. In Figure 17 it was shown that 69% of respondents indicated towards banks being an institution they can trust, although not strongly agreeing in this regard. This is an indication of relevance to millennial consumers with regards to the security which banks provide. This finding contradicts available literature, where a growing distrust of banks in the United States is identified (Nava, Karp & Nash-Stacey, 2015). This contradiction could be explained in part by the financial regulations put in place by the South African banking industry to protect the South African consumer from the impacts of the 2007 Global Financial Crisis. The United States consumer faced greater financial impact during this crisis, given the bankruptcy and takeovers of numerous large banks in the United States (Esterhuysen, Van Vuuren & Styger, 2011; Mlambo & Naude, 2011). This difference in trust in banks between millennials in South Africa and markets such as the United States is an area for suggested future research.

This trend towards the relevance of traditional banks from the perspective of trust is vitally important for banks to understand and further explore. Literature has extensively expressed the importance of trust in particular for service provider firms such as banks (Avionitis & Indounas, 2014). It indicates experiences of satisfaction and reliability, which will lead to less price-sensitive consumers (Calin, 2013).

Literature has however expressed that there is debate about the relationship between trust and loyalty and this debate is amplified with regards to consumers from the millennial generation (Calin, 2013). Millennials are seen to be less loyal than previous generations (Lub et al, 2012). However, they show greater loyalty if they trust the brand but this loyalty is short-lived in the sense that they will quickly switch brands if their trust is broken (Reisenwitz & Iyer, 2009). This indicates the need for banks to consistently create trust for their millennial consumers. Literature has shown that trust is of greater importance in bank selection for African countries given the socio-economic conditions of the countries in Africa and hence the response towards trust of South African banks is a positive indication for South African banks (Msweli & Naude, 2015).

The degree of emotional value offered by banks is decreased in this study, with some statements rendering a lack of clarity by respondents. As illustrated in Figure 16 only 29% of respondents indicated any form of agreement that banks reflect their personality. Neutrality was expressed by 36% of respondents neither agreeing nor disagreeing with how well banks reflect the personality of millennials. These findings add to the literature which has not previously measured the ability of banks to reflect the millennial personality. This is further

reflected in Figure 19 where only 34% of respondents indicated relevance of banks with regards to recognising them as an individual, and with 29% neither showing agreement nor disagreement with this statement. This creates a challenge for banks due to the shift in individualistic goals and the narcissistic outlook of millennials, as banks are hence need as only catering to the mass, which is not acceptable to the millennial (Lyon, Schweitzer & Ng, 2015).

This further lack of clarity on the emotional value of banks is further expressed in their inability to make millennials feel seen and heard or to empower millennials to make their mark in the work, as seen in Figure 20 and Figure 21 respectively. This lack of emotional relevance by banks, leave millennials open to non-banking brands which have created a greater emotional (Reisenwitz & Iyer, 2009).

6.2.2.4. Discussion of findings on informational value

Informational value is measured by the ability of a product or service to stimulate an interest for knowledge in a consumer (Seth, Newman & Gross, 1991). In Figure 37 it is seen that there is an indication of only 38% relevance of informational value of banks, given that this was the percentage of responses which agreed or strongly agreed with statements on possible informational value. This indicates a lack of relevance for banks from an informational value perspective. This adds to literature on the topic of relevance of banks, as literature has not examined whether banks provide informational value, however the lack of relevance in this regard should be a concern for the banking industry given that the selection of banks is determined by the millennial consumer's understanding and knowledge about financial products (Msweli & Naude, 2015).

Underpinning this analysis of informational value relevance are three statements aligned to informational value in the context of millennial consumers. A fourth statement was removed from the analysis as it did not adequately measure the construct of informational value. This statement identified that 59% of respondents believed that banks communicated to them in the way they would like to be communicated in Figure 24. This showed relevance with regards to the method of information sharing, however the informational value construct explores the value of the information provided by banks, not the method by which it is disseminated.

Of greatest concern to banks is that the three statements of informational value all returned findings of irrelevance. In Figure 22 it was indicated that 67% of respondents did not agree

that banks provide them with the knowledge they need to succeed financially. This is concerning as 29% of respondents expressed no opinion and this could indicate that they potentially have not considered that banks could assist them to be successful financially. This is important to millennials who especially as a generational cohort, want to be viewed as successful and will associate themselves with brands which help them to succeed (Lazarevic, 2012). Similarly it appears in Figure 23 that banks are not perceived to provide millennial consumers with the information they need to make financial decisions, with a 59% irrelevance identified in this regard.

Of most concern with regards to the irrelevance of banks, as indicated by informational value, is shown in Figure 25 that 60% of respondents indicated that they would not prefer to get financial advice from their bank but rather from the internet, social media or personal networks. This irrelevance supports literature which states that millennials would rather be educated on where they can find financial knowledge online, than to receive this information from banks (Cutler, 2015). This constitutes a vital shift in the value of banks that were once seen as trusted financial advisors to consumers (Cutler, 2015). With the millennial generation's access to information through technology, this generational cohort is more inclined to create their own content and share this information (Lazarevic, 2012). The challenge for banks is to increase their informational value by providing information in such a way that it can be vetted and shared between these consumers to increase their validity and relevance (Lazarevic, 2012).

6.2.2.5. Discussion of findings on conditional value

Conditional value is seen as the value provided given the situation (Seth, Newman & Gross, 1991). In Figure 38 it is illustrated that according to the distribution of opinion, 66% of responses indicated positively towards the conditional value relevance of traditional retail banks and that they would still select a bank for the provision of financial services and products even should other entrants into the market provide such services. A concern however remains as to the remaining 40% of responses which indicated towards irrelevance and possible threat that these millennial consumers would move their banking relationships. This risk is heightened as they are more disloyal and critical of companies than compared to previous generations and more prepared to instantaneously change to different providers of products and services should they better align to their needs (Gurau, 2012).

Table 6 indicates this trend towards the relevance in the use of banks for financial products and services, with the median of responses being 4. There is however a difference between the threats posed by different types of providers, as indicated in Table 6. In Figure 27 it is illustrated that 70% of respondents would prefer the services of banks versus the services of retail companies such as Amazon, Nike and Mr Price, with 27% of respondents strongly agreeing in this regard. In Figure 28 it is shown that similarly, 70% of respondents would prefer to use the services of banks above those of social media companies such as Whatsapp, Facebook or Twitter with 31% strongly agreeing with this statement. This shows a strong relevance of traditional banks comparatively to these possible providers. This contradicts the view in literature which suggests that given their comfort with technology and social media, millennial consumers should not suffer the cognitive dissonance and fear of the unknown, experienced by those of previous generations as it relates to the use of new technology. Millennials are seen as more likely to adopt the services of new providers entering the financial services industry from the Information Technology field (Walker, 2014). This difference in cognitive dissonance should therefore be an area for future research, as there may be a local market context within South Africa which could be the cause of this higher cognitive dissonance with regards to social banking (Walker, 2014; Deal, Altman & Rogelberg, 2010).

However, this appears to not be the case within the findings of this research study. An explanation of this could be the difference in social context which according to generational theory would create a difference in perspectives and values within the generational cohort (Lazarevic, 2012). Within the African context, literature expresses that given the socio-economic situation within which the respondents live, safety and security is seen as important to millennial consumers within the context of financial products and services (Msweli & Naude, 2015). Therefore, this could be seen to increase the cognitive dissonance of South African millennial generation consumers.

Figure 29 indicates that less relevance exists in the case of telecommunications providers, where only 65% of respondents identified a preference for banks compared to telecommunications companies should they offer financial products and services. However the greater concern for banks should be that only 59% of respondents indicated that they would prefer the financial products and services of banks versus those of technology companies such as Apple, Google or Microsoft. Given that Google and Apple are seen as some of the most popular brands by millennials (Winograd & Hais, 2014) and that especially these two companies have used digital technology innovation, familiar to millennials, to create new innovative payment products such as Google Wallet and Apple Pay (Wouters,

2014). Hence the threat to banks is the strongest and most urgent from technology companies and hence banks need to urgently understand the comparative difference in relevance that they as banks offer versus these technology companies.

6.2.3. Discussion of difference of findings with regards to relevance

In conclusion, the relevance of banks to the millennial generation measured as per consumer values indicates only 50% relevance as displayed in Figure 39, which is compared to perceived consumer relevance of 76% as shown in Figure 40. The paired sample t-test, with results shown in Table 11 indicated that there was a significant difference in the responses to the consumer relevance expressed, measured under these two conditions (Seth, Newman & Gross, 1991).

The appropriateness of consumer values as a way to measure relevance will be analysed further in research question two. However, the difference in perspective as to how banks assist millennial generations identified in this study, serves as an indication of the highly subjective nature of the concept of relevance given millennials' individual previous experiences (Lamberts, 2010) and hence the perception whether banks have assisted them to meet a goal of importance in their lives (Gorayska and Lindsay, 1993).

6.2.4. Conclusion of findings on degree of relevance

This exploration into the relevance of traditional banks to the millennial generation found an indication of a range of relevance of only 50 – 70%. This has indicated that regardless of the methodology used to measure relevance, that although preference does exist, there is an indication of increasing irrelevance, which should be of concern to banks. The findings explain that banks do not therefore have a 'must have' essential relationship with their customers and have not sufficiently decreased the threat of competition within the financial services industry (Aaker, 2012). Therefore an enhanced threat exists in the form of disintermediation by companies, who have a higher sense of customer-orientation within their IT solutions and these companies are especially appealing to the millennial generation (Alt & Puschmann, 2012).

6.3. Research Question Two: The influence of the different consumer values on the relevance of traditional retail banks to millennial generation consumers.

As stated in the discussion of the degree of relevance of banks above, *the theory of consumption values* by Seth, Newman and Gross (1991) was proposed as a model to be used to measure the relevance of traditional retail banks to the millennial generation of consumers. Given the lack of such a model proposed in literature, as Kang, Liu and Kim (2013) identified that if a company matched the values of the consumer, they would be perceived as relevant. In addition, it is argued in literature that the values of consumers, although highly subjective, hold consistently across situations and provide an appropriate method to analyse a generational cohort of consumers, such as the millennial generational cohort (Krystallis, Vassallo & Chryssohoidis, 2012). As identified in literature, each of the five independent values makes different contributions to the consumer choice in different situations (Seth, Newman and Gross, 1991). Therefore, it is necessary to understand the different values which drive and predict the relevance perceived by millennial consumers.

6.3.1. Significant influencers of perceived consumer relevance

The multiple regression analysis performed on the statistical data, with the results illustrated in Table 12 identified that the consumer values of functional value, informational value and conditional value are the independent variables which are significant predictors of the relevance that millennial generation consumers perceive of traditional retail banks to them.

6.3.1.1. Functional value as an influencer

The independent variable with the most influence on perceived consumer relevance is functional value (with a coefficient of .161). It reflects the key values that millennial consumers find in consistent service; value for money in banking offerings and the ability to interact conveniently with their financial service provider. This aligns to the view in literature that traditionally functional value plays the greatest role in consumer choice and behaviour (Seth, Newman and Gross, 1991). In addition, it should be a concern for traditional retail banks that functional value plays such a key role, as literature as expressed the concern that banks have not succeeded in using technology to decrease costs and improve convenience. Technology companies have however been seen to succeed in this regard (Kelly, 2014).

Therefore it is a concern that functional value plays such a large role in the relevance millennials perceive of banks, given the growing functional value of other banking providers (Kelly, 2014) and given that such a reliance on functional value, may result in banking becoming commoditized and hence easily obtained from numerous sources (Walker, 2014).

6.3.1.2. Informational value as an influencer

The independent variable with the second largest influence on consumer relevance for millennials is informational value (with a coefficient of .148), indicating the importance to millennial consumers in gaining financial knowledge in order to achieve financial success. This is supported by the Ability, Motivation and Opportunity model, where it is explained that consumers with greater financial knowledge are more likely to show an interest in bank products and services (Avlonitis & Indounas, 2014). Of concern however is that in this research study it was proven that there is 62% irrelevance of banks according to informational value, as seen in Figure 37 due to banks not providing the information required by millennial consumers to succeed (Lazarevic, 2012). Additionally, Figure 25 shows that 60% of respondents indicated that they would not prefer to get financial advice from their bank but rather from the internet, social media or personal networks.

Therefore, as banks are no longer seen as trusted advisors, but are still expected to provide informational value, this would suggest that the nature of knowledge relationship between banks is required to change, with banks enabling millennials to create and share their own financial information content (Cutler, 2015).

6.3.1.3. Conditional value as an influencer

The third and last significant influencer on perceived consumer relevance is the conditional value of banks (with a coefficient of .130). This indicates that banks are seen as relevant, given that alternative company models are not yet seen as of more value and interest than the traditional banking model, as quantified in Figure 38. Although it is a favourable insight for banks to be seen as relevant over other alternative providers, this relevance is only at 60% and hence not significantly strong to create an effective barrier to entry for new entrants (Aaker, 2012). In addition, as this study has been executed at a point in time, it may be that at the time of the study, the respondents did not have sufficient knowledge and experience of the alternative financial product and service offers of technology, telecommunications, social media and retail companies, to effectively compare their value relevance against those of banks (Lamberts, 2010; Gorayska and Lindsay, 1993). Further research, of a more practical nature, could allow for better comparison of the relevance of these alternative offerings.

6.3.2. Non-influencers of consumer relevance

The multiple regression analysis in Table 12 further illustrated that the consumer values of emotional value and social value were not significant predictors of the perceived relevance that millennial consumers saw in traditional retail banks to themselves. The reason for this could be two-fold. Firstly, the statements posed under each construct may have not adequately measured these constructs, given the subjectivity of the researcher in their selection (Saunders & Lewis, 2012). Secondly, the results could be an indication that millennials did not perceive emotional or social value as applicable to banking, previously and hence did not have the previous experience required to adequately judge the relevance of banks in this regard (Gorayska & Lindsay, 1993).

Seth, Newman and Gross (1991) argues that not all independent consumer values necessarily influence consumer relevance but given the focus on the role of social media and technology in the lives of millennial consumers (Bolton et al, 2013), it does influence how information is shared, financial decisions are made (Avlonitis & Indounas, 2014) and how they express their individualism (Lyons, Schweitzer & Ng, 2015). All other consumer values are influenced by social media. Thus it can be advised that social values should be emphasised and used to improve the consumer relevance of banks to the millennial generation of consumers. The same could be assumed for emotional value and the individualistic nature of millennials, given that this emotional trait forms a key differentiator between millennials and other generational cohorts (Lyons, Schweitzer & Ng, 2015).

6.3.3. The appropriateness of the consumer values model in measuring relevance

As can be seen in Table 12 the multiple regression analysis indicates that 54.2% of consumer relevance as the dependent variable can be predicted by the five consumer values as independent variables. With a p-value of less than 0.05, the model of consumer values is confirmed as a good fit to predict the dependent variable of consumer relevance. However, only 28.5% variance in consumer relevance as the dependent variable can be explained by the five consumer values as independent variables and with a constant of 1.8 before the influence of consumer values are analysed. This indicates that there are additional factors which could be used to measure and understand consumer relevance of the traditional bank to the millennial generation. These factors have not been identified within the theory of consumer relevance and this is necessary in order to comprehensively evaluate and measure consumer relevance.

6.4. Conclusion of results analysis

In conclusion, Chapter six discussed the findings presented in Chapter five and the implications of these findings in the context of the literature reviewed in Chapter two, in line with the research questions posed in Chapter three.

The findings revealed that there is only quantifiably 50 – 70% relevance in the relationship between traditional retail banks and the South African millennial generation consumer. It can be deduced that there exists a concern regarding the relevance of banks and their continued profitability. According to the theory of consumer values by Seth, Newman and Gross (1991) used explain consumer choice and behaviour throughout the study, banks show more than 50% relevance with regards to functional value (58%) and conditional value (60%), with a lack of relevance in social (47%), emotional (39%) and informational (38%) value. These findings added to literature which has never previously measured the relevance of banks to millennial consumers. However, given the perspective on values provided in literature as well as literature on generational theory and the traditional bank model, a greater threat would have been expected of non-traditional banks in the form of social media companies. These companies pose a threat because of the prominent role that social media plays in the lives of millennial consumers. The threat of technology companies such as Google and Apple was however emphasised in literature.

The research findings indicated that the functional, informational and conditional value that millennial consumers place on banks, can significantly predict the relevance to them as consumers, while emotional and social value provide no indication. The greatest challenge identified is that at present banks show a trend towards informational value irrelevance (62%) and this has a significant impact on the overall relevance perceived of banks by millennial consumers.

The final finding is that consumer values provide an adequate base for the prediction of consumer relevance in the relationship between traditional retail banks and the millennial generation of consumers. However, there is a substantial proportion (72%) which is not explained by the consumer relevance models and further research is required to create a model in this regard.

CHAPTER 7: CONCLUSION

7.1. Introduction

This chapter presents a conclusion of the findings discussed in Chapter Six, against the two research questions presented in Chapter Three. The recommendations will specifically target the managers and executives responsible for creating consumer strategies of traditional retail banks in South Africa. This chapter will further discuss in detail the limitations of this study and future areas of research.

7.2. Principal findings

The research problem stated in this study was that the future most economically important customer was the most at risk of finding little relevance in traditional retail banks, hence threatening the future business performance and sustainability of traditional retail banks (Nava, Karp & Nash-Stacey, 2015).

The objective of this study was therefore to gain a quantitative understanding of how relevant traditional retail banks are at present to the South African millennial generation of consumer. The study further aimed to gain an understanding of the possible factors driving this relevance, so as to assist banks to create customer strategies to ensure future business performance and sustainability. The study made use of the theory on relevance, *theory of consumption values* by Seth, Newman and Gross (1991) and generational theory, to measure relevance and to identify factors which influence consumer relevance. The scope of the study included an investigation of relevance within the South African context only, as it pertained to the relationship between millennial consumers and the five large traditional retail banks in South Africa.

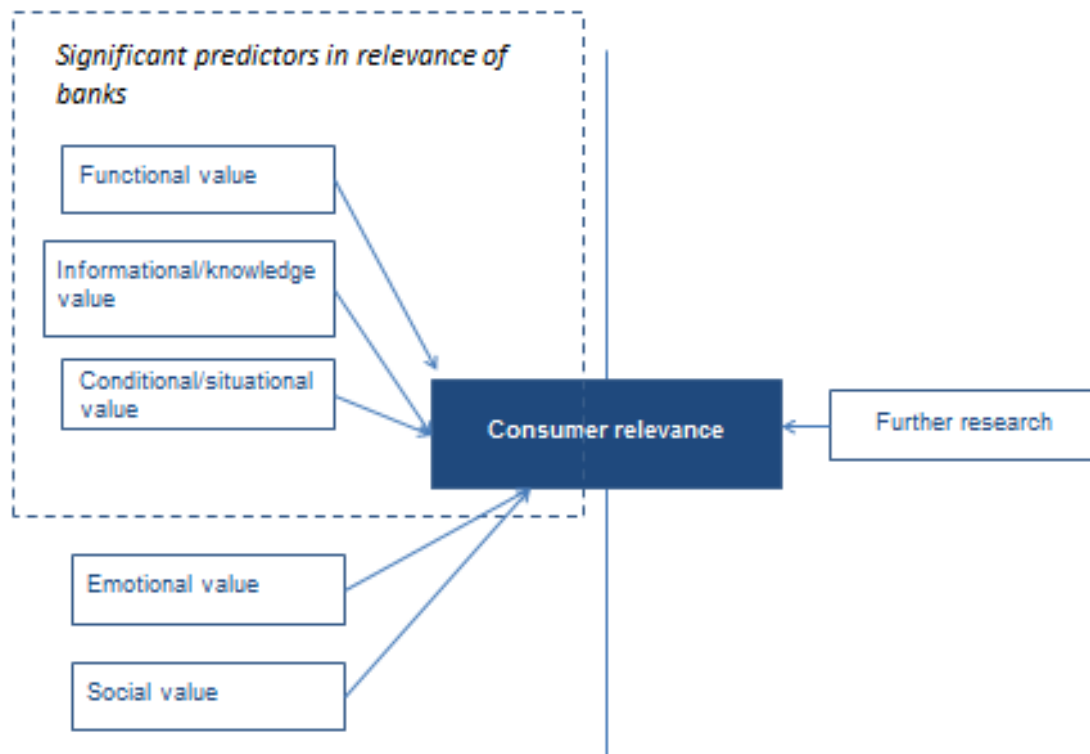
The key findings of this research include a quantification of the relevance of traditional banks to the millennial generation within the South African context, at present. This study found that a degree of only 50 – 70% relevance exists for millennial consumers. Key additional findings were that millennials trust banks in South Africa, more than they trust banks in the United States, given the different impact of the financial crisis on millennials within these countries (Esterhuysen, Van Vuuren & Styger, 2011; Mlambo & Naude, 2011). Secondly, it was identified that millennials in South Africa show a higher level of resistance to social banking through companies such as Facebook, than do other millennials. Millennials in South Africa were as inclined as their international counterparts to move to technology companies, should they offer banking services (Walker, 2014).

This research therefore indicated that regardless of the methodology used to measure relevance the relevance of banks is at significant risk. This indicates that banks do not at present offer a 'must have' essential relationship with consumers and are greatly at risk of having to now compete with new entrants into the financial services industry, with regards to acquiring millennial consumers (Aaker, 2012). Therefore it was found that there is an enhanced threat of disintermediation by companies, who have a higher sense of customer-orientation within their IT solutions, which appeal specifically to the millennial generation consumers' perspective (Alt & Puschmann, 2012).

The finding on research question two identified the consumer values of functional value, informational value and conditional value are the independent variables which are significant predictors of the relevance that millennial generation consumers perceive of traditional retail banks to them. Emotional and social values play no significant role in this regard. Although the independent values mentioned in the *theory of consumption values* by Seth, Newman and Gross (1991) do not all have to play a role in predicting consumer choice, in the case of the millennial consumer, emotional and social values play a key role in defining this generational cohort. It can be seen that the lack of these values is a driving force in the growing irrelevance of banks, as millennials do not associate banks as assisting them to achieve these values (Gorayska and Lindsay, 1993)

With regards to the suitability of the *theory of consumption values* (Seth, Newman and Gross, 1991) being used as a measurement tool for relevance, 54.2% of consumer relevance of banks can be predicted by the five consumer values. Although this study confirms this theory as a good fit for the measurement of relevance, only 28.5% variance in consumer relevance can be explained by the five consumer values. This indicates that there are additional factors which could be used to measure and understand consumer relevance of traditional banks to the millennial generation. Given the findings of this research, Figure 41 illustrates a suggested consumer relevance adapted from *theory of consumption values* (Seth, Newman and Gross, 1991), indicating that research is necessary to identify the remaining factors which constitute consumer relevance.

Figure 41: Consumer relevance model adapted from *theory of consumption values* by Seth, Newman & Gross (1991)



In conclusion, this research has succeeded in proposing a model for consumer relevance which will assist banks to measure their relevance to millennial consumers, so as to create customer-centric strategies for increased business performance in the face of increased banking industry competition (Day and Moorman, 2013)

7.3. Implications for management

The results of this study pose numerous implications for the managers and executives of banks within South Africa, in light of the motivation for business to take interest in this study, expressed in Chapter One.

The growing irrelevance of traditional retail banks in South Africa to the millennial generation poses great challenges to the South African banking industry as it indicates that their most sizable and potentially financially active future customer (Lazarevic, 2012), shows signs of choosing new entrants into the banking industry for their banking services above those of

banks, as they become available in the South African market (Avlonitis & Indounas, 2014). Managers and executives of traditional retail banks therefore need to urgently create a heightened customer focus on consumer relevance to the millennial consumer to avoid that all of their future business performance and sustainability becomes under threat (Day and Moorman, 2013).

Therefore, bank managers and executives should employ an analysis of the driving factors of relevance. They should focus on functional and informational values to better improve and capitalise on these. Additionally, they should aim to understand the conditional value they provide against different categories of disruptive market entrants, in order to create defensive strategies. Further banks should create an understanding in the mind of the millennial consumer of the emotional and social value they provide. In the absence of these actions, banks could become obsolete in the form they presently exist in (Day & Moorman, 2013).

7.4. Implications for academics

This research study has added to numerous fields of academic literature. An extensive body of work has been generated on generational theory, especially as it relates to millennials (Parry & Urwin, 2011; Reisenwitz & Iyer, 2009). This research added to literature on relevance through the adaption of *theory of consumption values* by Seth, Newman and Gross (1991) to create an initial suggested model of consumer relevance, as seen in Figure 41. This has provided a solid initial basis for further research on the measurement of relevance and elevated the presence of relevance in literature.

This study further added to literature on the banking industry, in the field of consumer behaviour. Little research has previously investigated the banking industry beyond a focus on the impact of technology on the banking industry as a whole (Laven, 2013).

Lastly consumer values have been extensively researched in consumer studies across numerous industries to understand consumer behaviour (Lin & Huang, 2012), however consumer values have never previously been explored within the context of the relationship between millennials and the banking industry.

7.5. Limitations of the research

Through the analysis and discussion of the results of this research, limitations in this study have been added to those which were identified as part of the research methodology employed in Chapter Four.

The first set of limitations was found within the sample collected. The sample did not include millennials under the age of 18, due to ethical issues (Saunders & Lewis, 2012). In addition, the sample data collected had an under representation of millennial consumers between and including the ages of 18 to 23 years of age. These millennials constituted 65% of the size of the samples collected between ages 24 and 29 as well as 30 and 35 years of age. This is illustrated in Table 1. Although the sample of 77 respondents should be sufficient to provide a representative voice to this millennial within the greater sample, the impact of this underrepresentation on the results of the study cannot be ignored (Rowley, 2014).

The second set of limitations relate to the demographics of the millennial generation of consumer, who was likely to complete the research questionnaire. As the research questionnaire was only distributed in English, respondents who do not speak this language would not have been able to answer this questionnaire and by implication have been excluded from this study (Rowley, 2014; Saunders & Lewis, 2012). In addition, the study suffered from a sampling bias in that those who did not have access to internet or mobile technology and were not on social media may not have been selected for the sample and hence their opinions were not represented in the sample (Baltar & Brunet, 2012). Finally the employees of banks were not excluded from this study and hence the impact of their relationship with banks on the results of the study cannot be identified (Saunders & Lewis, 2012).

The final major limitation of this study was that only one theory was tested. As Smith and Colgate (2007) identified that numerous theories on value exist, and hence it is not possible to place excessive reliance on the results of this study, with regards to relevance without pursuing tests on additional value theories.

7.6. Suggestions for future research

As this study was exploratory, it provided an initial guideline as to the relevance of traditional retail banks to the millennial generation in South Africa, requiring further research to understand the topic in greater detail.

As identified in this research study, perceived consumer relevance was significantly higher than that identified in literature as well as that identified when consumer relevance was questioned through consumer values. Further research is required to unpack the possible reasons for this, as a way to better understand the measurement of relevance within the banking and millennial relationship. As inclusion of the millennial generation of employee is included in the study, there is the potential that these millennials could have increased the measurement of perceived relevance. Therefore there is an opportunity for future research to look at the impact of the millennial employee in the relevance of traditional retail banks and whether they can be used effectively as ambassadors in this regard. This could add to the body of knowledge on millennial employee literature (Parry & Urwin, 2011).

This research study has identified a difference between the trust in banks displayed by South African millennials, as researched in this study and the trust seen in United States banks. The reasons for this difference in trust that goes beyond a need for socio-economic safety and security in banking is not researched and explained in literature (Msweli & Naude, 2015). This provides an opportunity for future research which could add to the field of trust in brands. This could assist banks in South Africa to leverage this trust to create greater relevance and competitive advantage in the banking industry in light of competitive threats (Aaker, 2012; Day & Moorman, 2013).

The generational cohort is 20 years in age range and hence there may be very different needs and values between an 18 year old university student and a 30 year old millennial with a family (Nava, Karp & Nash-Stacey, 2015). It is suggested that this difference is further explore in future research. An investigation into the difference in relevance within the millennial generational cohort or the differences between those living in different social contexts was not within the scope of this research study and is suggested for future research as a way to ensure that managers are aware of different segmentation models for consumer acquisition and retention (Day & Moorman, 2013).

With established business models being questioned due to proven growing irrelevance of banks, and the emergence of IT-based innovations in the banking industry (Alt & Puschmann, 2012), this allows room for research on future business models. These new

business models could be implemented by banks to enable them to better align to the new behaviours of digital native consumers (Alt & Puschmann, 2012).

As identified in the results of this research study, there is an indication that there may be a difference in perceived relevance between countries where banking IT innovations are more prevalent and other markets where these are not at present well known in the market. This is therefore seen as an area for future study to firstly test the difference between perceived relevance by millennials in these more IT innovative markets and those not, as well as to test relevance of banks in future years, as these innovations become more evident in the South African market.

Finally, according to Smith and Colgate (2007) there are numerous models which could be used to measure values and therefore relevance. Although the theory used provides an indication of relevance, there are still additional components which need to be added to the model. Additional models could be tested in future research, such as the values described by Park, Jawarski and MacInnis in Smith and Colgate (2007), such as symbolic needs, experiential needs and some functional needs, related to values, as a way to create a more complete model (Smith & Colgate, 2007).

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APPENDIX A: Online Survey

Relevance of retail banks to millennials

Introduction

I am currently studying towards a Master of Business Administration degree at the Gordon Institute of Business Science (GIBS) and am conducting research on the relevance of retail banks to the millennial generation.

I invite you to refer to your knowledge and experience of retail banks in South Africa and complete a survey about how relevant retail banks are to you as a customer.

This survey will take you no more than 10 minutes to complete and there are no costs to you. Your participation is voluntary and anonymous. You can withdraw at any time without penalty. All data will be kept confidential. By completing the survey, you indicate that you voluntarily participate in this research.

If you have any concerns, please contact me or my supervisor. Our details are provided below.

Researcher

Name: Adrienne Rossouw

Email: adriennerossouw@gmail.com

Phone: 083 360 7263

Research Supervisor

Name: Luisa Mazinter

Email: luisa@themarketingsite.com

Phone: 082 654 4021

Thank you for your time, contribution and insight.

Demographics

Age	18 - 23	24 - 29	30 - 35
1. Please indicate your age:			

Gender	Male	Female
2. Please indicate your gender:		

Education	Matric	Diploma	Undergraduate	Postgraduate
3. Please indicate your highest level of education				

Meaning of “Bank”

For the purposes of answering the questions which follow, reference to “bank” means a bank that provides financial services to individual consumers. Services offered include savings and transactional accounts, home loans, personal loans, debit cards, and credit cards.

For the purposes of this study, “bank” refers to any of the following five retail banks in South Africa:

- ABSA
- Capitec
- FNB
- Nedbank
- Standard Bank

Bank Relationship	Yes	No
Do you use any of the services offered by a bank? <i>(Straßheim, 2010).</i>		
Have you used the services of a bank within the last 5 years? <i>(Straßheim, 2010).</i>		

Functional Value Perception

Below are several statements that you may agree or disagree with. Please indicate your agreement with each item by selecting the appropriate choice next to that item.

My bank.....	Strongly disagree	Disagree	Neither agree or disagree	Agree	Strongly agree
offers me the consistent service I expect. <i>(Lin & Huang, 2012; Sangeetha & Mahalingam, 2011)</i>					
offers products and services that meet my personal needs. <i>(Lin & Huang, 2012)</i>					
offers me value for my money. <i>(Lin & Huang, 2012)</i>					
offers me products and services that are reasonably priced. <i>(Avlonitis & Indounas, 2014).</i>					
enables me to interact with them conveniently on my phone or on the web. <i>(Sangeetha & Mahalingam, 2011)</i>					
uses digital technology to offer me better products and services. <i>(Kelly, 2014; Laven, 2012)</i>					
uses digital technology to offer me more cost effective products. <i>(Kelly, 2014; Laven, 2012)</i>					

Social Value Perception

Below are several statements that you may agree or disagree with. Please indicate your agreement with each item by selecting the appropriate choice next to that item.

I believe my bank...	Strongly disagree	Disagree	Neither agree or disagree	Agree	Strongly agree
impacts positively on my social status <i>(Lin & Huang, 2012)</i>					
is an institution I am proud to be associated with <i>(Wang, Yu, & Wei, 2012).</i>					
is an institution I would recommend to my peers on social media <i>(Wang, Yu, & Wei, 2012).</i>					
is environmentally conscious enough. <i>(Gurau, 2012).</i>					
is socially conscious enough <i>(Gurau, 2012).</i>					

Emotional Value Perception

Below are several statements that you may agree or disagree with. Please indicate your agreement with each item by selecting the appropriate choice next to that item.

My bank.....	Strongly disagree	Disagree	Neither agree or disagree	Agree	Strongly agree
reflects my personality <i>(Suddin, Samsinar & Kenny, 2014)</i>					
is an organization I can trust <i>(Calin, 2013).</i>					
matches my lifestyle <i>(Gurau, 2012)</i>					
recognizes me as an individual <i>(Gurau, 2012)</i>					
makes me feel seen and heard <i>(Gurau, 2012)</i>					
helps me make my mark in the world <i>(Lazarevic, 2012)</i>					

Information Value Perception

Below are several statements that you may agree or disagree with. Please indicate your agreement with each item by selecting the appropriate choice next to that item.

My bank....	Strongly disagree	Disagree	Neither agree or disagree	Agree	Strongly agree
provides me with the knowledge I need to succeed financially <i>(Lazarevic, 2012).</i>					
provides me with the information I require to make financial decisions <i>(Avlonitis & Indounas, 2014).</i>					
communicates with me in a way I like to be communicated in <i>(Avlonitis & Indounas, 2014).</i>					
is where I would prefer to get financial advice from, rather than from the internet, social media or personal networks. <i>(Jahn & Kunz, 2012; Wang, Yu, & Wei, 2012).</i>					

Conditional Value Perception

Below are several statements that you may agree or disagree with. Please indicate your agreement with each item by selecting the appropriate choice next to that item.

I would prefer to have my accounts and loans with a bank.....	Strongly disagree	Disagree	Neither agree or disagree	Agree	Strongly agree
than with a technology company like Apple, Google or Microsoft, should they offer the same financial services as banks <i>(Wouters, 2014)</i>					
than with a retail company like Amazon, Nike and Mr Price should they offer the same financial services as banks <i>(Laven, 2012)</i>					
than with a social media company like Whatsapp, Facebook or Twitter should they offer the same financial services as banks <i>(Walker, 2014; Laven, 2012)</i>					
than with a telecommunications companies like Vodacom, MTN or Cell C should they offer the same financial services as banks <i>(Lin, 2011)</i>					

Consumer Relevance

Below are several statements that you may agree or disagree with. Please indicate your agreement with each item by selecting the appropriate choice next to that item.

I believe that....	Strongly disagree	Disagree	Neither agree or disagree	Agree	Strongly agree
my bank is important in my life <i>(Lehnert, Till, & Ospina, 2014).</i>					
my bank is relevant to me <i>(Gorayska and Lindsay, 1993)</i>					
I will still need a 'bank account in future' <i>(Walker, 2014)(Nava et al, 2014)</i>					
I will still access my money from a bank in the future <i>(Walker, 2014)(Nava et al, 2014)</i>					

Thank you for participating in this survey!

APPENDIX B: Ethical Clearance Notification

Gordon Institute of Business Science University of Pretoria

Dear Adrienne Rossouw

Protocol Number: Temp2016-01488

Title: **Relevance of Traditional Retail Banks to Millennials**

Please be advised that your application for Ethical Clearance has been APPROVED.

You are therefore allowed to continue collecting your data.

We wish you everything of the best for the rest of the project.

Kind Regards,

Adele Bekker