

FACTORS THAT INFLUENCE CUSTOMER  
SELECTION OF A SAVINGS AND  
LOAN ASSOCIATION

By

DANIEL WAYNE HUDGINS

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Northeastern Oklahoma State University

Tahlequah, Oklahoma

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Thesis Approved:

W. J. Ward  
Thesis Adviser

William R. Steng

Lemuel D. Groan

Norman N. Durham  
Dean of the Graduate College

953346

## PREFACE

Perception has been shown to be an important determinant of consumer behavior. The consumer's perception is mediated as much by his own cognitive facets as by the product itself. The purchasing decision is influenced by the perceived image of the product as determined by the consumer's present state of mind and by the advertiser's manipulation of the product attributes to create the desired image, an image that will suit the intended consumer.

Utilizing a perceptual model, this study attempted to identify perceived salient attributes of a savings and loan association which would aid in the development of an advertising appeal targeted to the company's various audiences.

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## TABLE OF CONTENTS

Chapter	Page
I. INTRODUCTION . . . . .	1
Background . . . . .	1
Theoretical Constructs . . . . .	3
Operational Definitions of Variables . . . . .	15
II. METHODOLOGY . . . . .	20
Development of Questionnaire Scale . . . . .	20
Population of the Study . . . . .	22
Analysis Procedure . . . . .	23
III. FINDINGS . . . . .	25
Rank Order of Attributes . . . . .	25
Differences Between Respondents and by Attributes . . . . .	31
Clusters of Attributes . . . . .	38
IV. SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS . . . . .	47
Summary . . . . .	47
Conclusions . . . . .	52
Recommendations . . . . .	57
SELECTED BIBLIOGRAPHY . . . . .	61
APPENDICES . . . . .	64
APPENDIX A - QUESTIONNAIRE . . . . .	65
APPENDIX B - INTERCORRELATIONS OF SEVEN PRIMARY ATTRIBUTES . . . . .	67
APPENDIX C - INTERCORRELATIONS OF SEVEN SECONDARY ATTRIBUTES . . . . .	69
APPENDIX D - INTERCORRELATIONS OF THE 14 PRIMARY AND SECONDARY ATTRIBUTES . . . . .	71

LIST OF TABLES

Table	Page
I. Mean Importance of Seven Primary Attributes . . . . .	26
II. Mean Importance of Seven Secondary Attributes . . . . .	28
III. Mean Importance of the 14 Primary and Secondary Attributes . . . . .	30
IV. Mean Importance of Primary and Secondary Attributes by Sex . . . . .	33
V. Mean Importance of Primary and Secondary Attributes by Geographic Area . . . . .	35
VI. Mean Importance of All Attributes by Sex and Geographic Area . . . . .	36
VII. Mean Importance of Primary and Secondary Attributes by Type of Account . . . . .	37
VIII. Clusters Among Seven Primary Attributes . . . . .	40
IX. Clusters Among Seven Secondary Attributes . . . . .	42
X. Clusters Among the 14 Primary and Secondary Attributes . . . . .	44
XI. Intercorrelations of Seven Primary Attributes . . . . .	68
XII. Intercorrelations of Seven Secondary Attributes . . . . .	70
XIII. Intercorrelations of the 14 Primary and Secondary Attributes . . . . .	72

## CHAPTER I

### INTRODUCTION

#### Background

Much advertising research is designed to gauge what is loosely known as advertising "effectiveness" and brings to mind such response variables as "recall" and "recognition".

However, research should help create advertising and not merely be limited to evaluating advertising after the fact (1). In other words, advertising research can be employed not only in the assessment phase but in the formative phase of advertising as well (2).

During the formative phase of advertising, strategy is developed, and the typical procedure seems to be to establish advertising objectives, to determine a basic advertising appeal which will induce people to take the desired action, and to develop a media plan which most effectively will deliver the campaign to the right people.

This thesis is concerned primarily with the aforementioned second procedure--the development of an appeal--and involves the advertising strategy of Sooner Federal Savings and Loan, a Tulsa-based financial institution. A substantial portion of its advertising budget is devoted to advertising designed to attract new savings accounts. That advertising

must compete not only with a multitude of financial institutions but with virtually anyone who is in the business of soliciting the consumer's disposable income.

Most of the reasons people save money can be classified into one of the four following categories: for emergencies, for retirement, for family needs, and for other purposes (3). These reasons are compared with four more general saving goals: those covering household expenses, consumption-directed saving, security saving, and saving aimed at wealth accumulation.

It is difficult to name all the specific reasons people save because of the degree of abstraction involved. Some people express completely concrete reasons such as the possibility of "buying a car". Others list more abstract goals such as "the satisfaction of being able to give one's children a 'good' start in life," or for the "need of security". Security alone is such an abstract construct that it could have many connotations such as higher standard of living, consumption in old age, saving for inheritance of children, etc. Recent trends in the savings and loan industry indicate a tendency toward saving to acquire experiences, rather than things or objects, another very abstract goal.

This study, then, did not attempt to probe the underlying motivations for saving money because of the considerable abstraction involved and because people are inclined to deny certain motives (4). As an example, few people would admit feelings of insecurity as one of the reasons for



opening a savings account. Furthermore, the issue to be explored is not why a person saves, but why he saves at Sooner Federal. By identifying the most salient of these attributes and noting differences in perceptions among the segments of savers, it is believed that an effective advertising appeal can result.

Therefore, to formulate an advertising appeal aimed at potential savers, it becomes necessary to construct the appeal around attributes which people perceive as important in their selection of a depository. This is tantamount to determining the degree of influence that certain Sooner Federal attributes exert in a person's decision to open a savings account there.

After discovering which attributes are perceived as important, an advertising appeal can be constructed that will emphasize and perpetuate those particular characteristics. Attributes which are most important in influencing purchasing behavior are called "determinant attributes"

(5). (The term "purchase" in this discussion refers to the opening of a savings account.)

#### Theoretical Constructs

The "purchasing" decision is known to be influenced, in large, by the consumer's perception of the product or service to be purchased (6). Perception is the process by which people select, organize, and interpret sensory stimulation into a meaningful picture of the world. What we select,

organize, or give meaning to, however, is based on what we know--what we have previously witnessed or experienced. Briefly, our cognitions--our existing structure of knowledge, beliefs, attitudes, opinions, and images--act as a kind of behavioral matrix through which we filter our perceptions.

Cognition has the same root as recognize, which means "be aware of" and cognizant, which means "apprised of". Cognition, as part of the psychological field, is concerned with knowing and how we come to know (7). Consumer behavior is problem-solving behavior, and it is therefore characterized by large amounts of cognitive activity and information processing.

It is important to understand that the sensory information to which we are exposed (by hearing, seeing, etc.), does not correspond simply to the perception that it elicits because the sensory impulses do not act upon an empty organism. The individual possesses knowledge, previous experience, and prior awareness that are stored cognitive structures. Thus, the sensory input interacts with these stored experiences and knowledge, and what we experience or perceive is the result of that interaction. The consumer, therefore, does not always see or hear just what is in the environment; instead he perceives on the basis of what he brought with him to the observed situation, each perception the beneficiary of all previous perceptions (8, p. 58).

One theory of perception that recognizes the role of past experience in the perceptual process is known as the

transactional theory. This theory looks upon perception as a guide to action, the action being the furtherance of the organism's purposes (9). Perception is described as a transaction which occurs between organism and environment. Neither the activities of the organism nor the nature of the stimulating environment can produce perceptions as such. Only through the transactional functioning of the two can the perceptual process be completed. The organism is the individual in his totality, including past experiences as well as present experiences, and the immediate stimulating environment which is experienced (10). Neither the perception nor the object perceived can exist independently--they must both occur together in the totality of the perceiver's life situation (11).

Dewey and Bentley (12) explain the term "transactional" in terms of the buyer-seller analogy, pointing out that it is impossible to define the functional nature of the buyer as buyer apart from his transaction with the seller, and that it is likewise impossible to define the seller as seller apart from the transactional nature of his relationship with the buyer. The transactional approach stresses the reciprocity and interstimulation of the "transaction" between the perceiver and the perceived object (13). Thus, the transactional approach suggests that the individual indeed participates in the perceptual process in terms of assessments based upon past experience.

Perception, it would appear, affects the entire gamut

of consumer decision processes. The particular decision strategy that induces the order or priority of search and information processing is necessarily related to cognitive, motivational, and perceptual phenomena (14). But the search for information is largely a perceptual process involving sophisticated cognitive activities. Explored alternatives involve perceptual activities as do the actual choice decisions. Nature does not produce the consumer with knowledge and strategies ready-made for perceiving the complexities of all the information in the stimulation coming from the world and the man-made information bombarding him as well. These are acquired skills, and they are acquired basically through first-hand as well as vicarious experience.

The information which an individual possesses concerning different courses of action must of necessity derive from the environment in which he finds himself and from the stimuli occurring in that environment. The schematic outline of decision processes will now be placed in a broader framework widely used by psychologists, which is usually termed the S-O-R model (stimulus-organism-response).

The stimuli are communicative messages, or information, from the commercial and social environment. Subjective phenomena, such as past experience, cognitions, and other intervening variables can be regarded as the organism. The choice and execution of one of the courses of action, which then becomes overt action or behavior, may be called reponse.

In order to get a better grasp of the decision process,

it is necessary to examine the role of learning theory in relation to the S-O-R model. Briefly, learning occurs when there is a change in the stable relationship between a stimulus that the individual organism perceives or a response that the organism makes, either covertly or overtly. Learning can be defined as the process by which information is acquired through experience and becomes a part of the organism's storage of facts (cognitions). The results of learning facilitate the additional extraction of information because the stored facts (cognitive structure) become models against which assumptions are made about reality.

In accordance with basic learning constructs, the consumer generalizes his experiences from past purchase ventures to contemporary decision-making processes. Such a procedure tends to facilitate and accelerate the learning process and the retention of information by anchoring it to related material (15).

Much has been done to expand our understanding of the relationship between perception and learning through research of a concept known as perceptual learning. Perceptual learning refers to an increase in the ability to extract information from the environment, as a result of experience and practice with the stimulation coming from it (16). What is reflected in perception is primarily some sort of weighted average of past experiences which functions as prognosis for the future in terms of what the organism is trying to do-- the choices and decisions we make (17, p. 260).

Bruner (18, p. 141) has outlined four stages in a sequence of decision activities:

1. Primitive categorization--This is a kind of tentative or snap judgment. The environmental event is perceptually isolated, filtered, and reacted to but in a tentative and gross fashion.
2. Cue search--The event, object, or the idea is now scrutinized more carefully and a larger number of cues and differentiating suggestions are sought and examined. One continues to scan the environment for additional data in order to find clues that permit a more precise delineation of the object.
3. Confirmation check--The object or event is about to be categorized. This is a near-final trial and check period. The subject begins now to consider reducing the effective input of stimulation and sense data. Openness to more or different sensory input begins to decline.
4. Confirmation completion--This is a "closure" stage of perception. All incongruent messages, information, and sensory input are now avoided, filtered out of the subject's perceptual decision processes. Once the individual's mind is made up, the threshold for recognizing cues contrary to this categorization increase enormously.

After considering the theory of transactional perception, it might now simplify matters to consider basic communication in a similar framework--as transactional--and the relevance of the concept in developing an effective advertising appeal.

Communication is the means by which information is transmitted and processed both within the individual and between the individual and his environment. Communication is intended to affect a consumer's learning and to alter his

response tendencies, in turn, altering his over-all psychological field. The psychological field comprises perceptions, cognitions, and motivations that condition the consumer or predispose him to certain behavior. Communicated information is intended to be extracted from the environment and to be used to order and interpret the events that surround him. It also is intended to provide sense data or knowledge that in turn is said to affect values, attitudes, and beliefs.

The transactional model of communication contends that acceptance of a communication as a basis for behavioral change involves a transaction between the communicator and the recipient, producing influence effects of sufficient magnitude only where there is a fair exchange. Bauer (19, p. 327) put it this way:

Communication and the flow of influence in general must be regarded as a transaction...in the sense of an exchange of values between two or more parties; each gives in order to get. The argument for using the transactional model is that it opens the door more fully to exploring the intention and behavior of members of the audience and encourages inquiry into the influence of the audience on the communication by specifically treating the process as a two-way passage.

The transactional point of view also enforces the notion that, although the communicator, the communication, and the medium, play important roles in the communication process, it is the cognitive set of the audience, in the final analysis, that determines if and to what extent it (the audience) will be influenced. For the audience to be

influenced in the desired manner by a communication, several conditions must be met:

1. The message must reach the sense organs of the people to be influenced. (Perception must occur.)
2. If perception occurs, the message must be compatible with, and accepted as a part of, the person's beliefs, opinions, and knowledge. (A high state of congruence must be present.)
3. To induce favorable behavior by communication, this action must be seen by the person as a path to some goal that he has. (Canalizing or matching means to the ends must be accomplished.)
4. To induce a given action, it is necessary that the consumer's behavior be under the control or influence of appropriate motivation, attitudes, and opinions relating to the purchase decision. (Cognitions must operate to provide behavior insights.)

It is obvious, from viewing the conditions necessary for influence to occur, that the consumer becomes a gatekeeper or decision maker regarding the communication process and its effects. The consumer decides what messages to receive by deciding what kinds of communication messages or media he will expose himself to. He also decides what messages to perceive and what messages to retain on the basis of certain socio-psychological factors. These socio-psychological factors are basically the consumer's predispositions, which are in the nature of anticipatory reactions or conditions of readiness brought about by social and mental phenomena.

Perception is not a passive reception and automatic



interpretation of stimuli but is instead an active and dynamic process by which incoming data are selectively related to the existing cognitive map of the individual. Therefore, it is the matching with, and sorting of, the sensory inputs in relation to the organization of already-existing cognitive elements, that condition and give meaning to the thing perceived.

Because such an extensive amount of sensory stimulation strikes us, and because it amounts to what might best be described as "informational overload", we need a psychology of simplification, a means of eliminating much of the redundancy that surrounds us. As a result, perception is most always selective (20).

It is selective by virtue of the nature and uniqueness of the individual organism. Our predispositions, which are brought about by a multitude of factors, cause us to expose ourselves selectively to the messages that are compatible with those predispositions. We subject ourselves to the messages and appeals that we want to hear or see, resulting to a considerable degree, in a constant reinforcing of our predispositions.

For people to share meaning of a message with the communicator, the communicator and the receiver must have a common field of experience or reference for the symbol, or words, being communicated. In the case of advertising, the message conveyed to the consumer must incorporate something that touches off a stimulus to the cognitive structure, or

else the message will be ignored. For the encoding of advertising, past experience indeed is important.

Though no two persons can have exactly the same meanings for things observed, common experiences tend to produce shared meanings which make communication possible (8, p. 67). Two or more people can never perceive in identical ways, and they perceive similarly only to the extent that their past experiences and purposes are similar (17, p. 260). The message must employ signs which refer to experience common to both source and destination, in order to "get the meaning across". This process is referred to as "canalizing" which means that the sender provides a channel to direct the already existing motives to the receiver.

According to Schramm (21), meaning is shared only when the respective fields of experience overlap. In essence, communication implies the sharing of thoughts, feelings, or apperceptive perception.

Another point to consider in the influence of the various attributes on an individual's selection of Sooner Federal is what is known as the "halo effect". Halo effect is concerned with the tendency to blur one characteristic into another. For example, the display of a few desirable or valued attributes by Sooner Federal may lead a perceiver to believe that most of Sooner Federal's attributes are desirable. Conversely, an unfavorable impression of a single attribute may contaminate one's judgment about other unknown attributes of the company. The tendency toward blanket

generalization of attributes that affect consumer perceptions can either be a help or hindrance, depending, of course, upon the viewpoint involved.

The halo effect in impression formation appears to be the most significant when the perceiver has a minimum amount of information about the thing being perceived, when the perceiver's judgment of the thing perceived concerns moral or ethical evaluation, and when the perceiver is unfamiliar with the traits or attributes he is judging in what he's perceiving (22).

The entire structure of the advertising procedure, then, consists of the firm, its advertisement, the consumer's possible response to it, the interaction between the advertisement and the consumer's predispositions operating or evoked at the time of exposure, the possible decisive formation of an attitude, the possible transformation of this attitude into a motivation, and the possible conversion of this motivation into an act of purchase.

Consumer motivation is not necessarily an end in itself, but is a means to an end. The motives that pass through our unconscious are not in themselves as important as what they stand for, where they lead, and what they ultimately "mean". Consumer motivation is largely social in origin. We learn and acquire motives as a result of the socialization process, such as reinforcement from friends and significant others.

Consumers have an enormous capacity for acquiring motives, and these numerous motives often manifest themselves

in simultaneous clusters rather than in single-file entities. Thus, the purchase of most products or services probably does not involve a single motive, but because of the complex symbolic significance of the products or services, they are purchased to satisfy multiple motivations. The research in this thesis attempted to identify clusters or combinations of these important determinant attributes.

Consumer behavior is different, not so much because there are differences in what consumers do--what stores they shop in, what things they buy, or what advertising is read--but because experience, needs, values, and learning cause consumers to perceive--to order and interpret, to seek and extract information from their environment--differently. Each market segment has, perhaps, different demand characteristics, many of which are both demographic/economic and behavioral. The segments result from different perceptions, cognitions, and motivations; these behavioral differences emerge largely from different socializing experiences, different lifestyles, different group affiliations, etc.

Since the values and wants for each segment of consumers are likely to differ, each segment should be approached with slightly diverse appeals in order to come close to matching their predispositions. If this matching of appeal and want is accomplished, the more likely will the consumer identify with the advertising and to act as desired. This is the assumption behind selective advertising (23). In this study, for example, a significant difference in value systems (i.e.,

the importance the respondent attaches to certain attributes of Sooner Federal) might be found between males and females. Such a finding could increase the advertiser's efficiency as a communicator, since messages more responsive to the segments could be constructed (24).

Finally, perception--as discussed in this thesis--might best be termed "social" perception and is concerned with the psychology of perception, as contrasted with the physiology or neurology of perception. Almost all humans possess the same physical perceptual apparatus--we have similar sense organs and sensory systems--yet we perceive and understand behavior in highly different ways. So because our structural apparatus for perceiving events is very similar and yet different, the question becomes: What is the basis for the differences that manifest themselves between individuals or even groups?

#### Operational Definitions of Variables

This study included four independent variables--each with potential to generate some meaningful comparisons with the possibility of revealing main and interactive effects (25). The independent variables, believed to account largely for the "differences" among respondents, include:

1. Account Type--The savings account that a customer opens is either a passbook or certificate account. The basic differences between these two types of accounts are the minimum deposit required, rate of interest, and term of the account. Passbook accounts range from a \$5 minimum deposit, 5.25 percent rate of

interest with no minimum term, to a \$100 minimum deposit, 5.75 percent rate of interest, and a three-month term. Certificate accounts all require a minimum \$1,000 deposit and pay an interest rate from 5.75 percent to 7.75 percent with maturity ranging from three months to ten years.

2. Geographic Area--Refers to the geographic location of the customer's (respondent) home. Three levels of this variable are specified, including Tulsa Area (Tulsa and Broken Arrow), Oklahoma City Area (Oklahoma City and Norman), and Non-Metro Area (McAlester, Ponca City, and Newkirk). All areas are located in Oklahoma.
3. Sex--Male or female.
4. Savings and Loan Attributes--Characteristics of Sooner Federal that tend to affect customer perception of the savings and loan association. These attributes are divided among Primary attributes and Secondary attributes. Primary attributes are projected as more influential or important in a customer's decision to open a savings account than Secondary attributes.

The single dependent variable involved in the study was the:

1. Perceived Importance of Savings and Loan Attributes--The relative degree of importance a customer places on the various attributes as to their effect on his decision to open a savings account.

The rationale for the selection and inclusion of the fourteen attributes in this study is reviewed below:

A 1972 study asked financial institution customers which factors were most important in their decision to do business with a particular savings and loan or bank. The factors and percent of mentions for each of the grouped responses was: convenience/location, 27.5 percent; rate of interest, 23.6 percent; friendliness/courtesy of employees, 12.2 percent;

referral/always used, 7.7 percent; services available, 7.1 percent; and other/no answer, 21.9 percent (26). A 1958 study of bank deposits revealed that 38 percent of the respondents indicated "convenience" as the most important factor in bank selection, followed by "security", mentioned by 25 percent, "yield" (interest rate), noted by 21 percent, and "other", 16 percent.

Based on these findings, seven Primary attributes were chosen for this study. Because of the apparent importance of "convenience", five of the seven Primary items were components of this attribute, including "adequate parking", "drive-up teller window", "convenient hours", "branch location close to work", and "branch location close to residence". "Rate of interest", another item of highly perceived importance in earlier studies, is also included as a Primary attribute in this study. The seventh Primary attribute was "recommended by family/friend", the equivalent of "referral" in the previously cited study. In explaining this final Primary attribute, the "influence of others" was believed to be an important factor in persuading or influencing people to action. As explained by Lewin (27), the performance of other members of the group to which one belongs, and his reference groups, influence the subject's aspirations. Some people, such as opinion leaders, are likely to play a more important role as key influentials than others in the transmission of information and as persuaders in certain kinds of consumer behavior. The transactional model of communication

mentioned earlier emphasizes the two-way notion of communication in personal influence--the fact that people trust and listen to their friends.

The remaining seven attributes measured in this study, termed Secondary attributes, were additional items likely to be perceived as important, but perhaps not as influential as the Primary attributes as purchasing determinants. The Secondary attributes included: "premium (gift) offered"--a give-away promotional item for depositors during a given time-frame; "financial counseling by personnel"--advice offered by savings personnel regarding opening an account; "FSLIC insurance of accounts"--accounts are federally insured up to a maximum dollar amount; "saw/heard advertising"--the advertising influence of radio, TV, or print media; "reputation/size of Sooner Federal"--image of Sooner Federal as a large savings and loan; "Sooner Federal's community involvement"--alludes to company participation in civic and community affairs; and "atmosphere of branch"--the physical and anthropomorphic characteristics of a branch office.

All fourteen attributes, both Primary and Secondary, are items which possibly can influence a customer's decision to open a savings account. Although there are doubtless other influences, the attributes included in this study are believed to be among the most important--the majority of the fourteen items conceivably can be advertised or incorporated into an advertising appeal.

Considering, then, the customer's decision to open a



savings account, and the variables in operation, this study addressed the question: If differences in perception occur, are they due to the attributes interacting with the respondent's sex, geographic area of residence, and/or the type of account opened?

## CHAPTER II

### METHODOLOGY

#### Development of Questionnaire Scale

A five-point graphic rating scale was used to measure degrees of importance. No hard and fast rules apply concerning the number of points one should utilize on a rating scale. However, where too few points are used, the scale becomes coarse and potential degree variation among respondents is lost. Conversely, too many steps may be beyond the rater's limited power of observation while requiring more time to respond to (28). Despite this complication, the graphic scale serves the major purpose of a rating instrument--it defines a continuum and does so in terms of equal intervals (29). Descriptive phrases were used at each point on the scale which could help to establish a uni-dimensional continuum in the mind of the respondent (30).

"Importance", the unit of measure, represents only one dimension and therefore when used as a scale must be expressed in a complete dichotomy. The equivalent value of "5" on the scale must be directly opposite from the phrase used to denote point "1" on the scale. The scale, then, was expressed on a continuum ranging from "extremely important" to "not important at all" and constituted a mutually exclusive choice

for the respondent. Phrases utilized for the middle three points on the scale were "highly important", "somewhat important", and "not very important".

The questionnaire itself was a one-page, structured instrument which included the fourteen attributes presumed to influence a customer's decision to do business with Sooner Federal. The customer was asked simply to note the degree of importance that each of the fourteen items represented in his decision to open the savings account. The sequence in which the attributes appeared on the questionnaire was determined by random selection.

The questionnaire was color-coded to delineate the type of account, and number-coded to indicate where the account was opened. It was hoped these procedures would reduce respondent error, since both variables were in effect pre-coded and determined by the savings counselor before presenting the questionnaire. Along with rating the fourteen attributes, the respondent was asked to denote "male" or "female" by checking the appropriate box.

Additionally, an open-ended question was included at the bottom of the questionnaire in case the respondent wished to list another important influence attribute not included among the scale items. Only about five percent of the sample noted other factors. The respondent also was asked if he had another account with Sooner Federal. This portion of the instrument was not included as a part of the study.

To determine the adequacy of the instrument, a pre-test

of the questionnaire was conducted. Respondents seemed to understand sufficiently the instructions and purpose of the scale items. A copy of the questionnaire appears in Appendix A.

#### Population of the Study

Sooner Federal's sixteen statewide branches served as distribution points for the questionnaire. At the time a customer opened an account, he was administered the questionnaire by personnel who had been instructed on the proper procedures.

During November and December of 1975, Sooner Federal opened a total of 2,239 new accounts. Of this total, approximately one of every four customers was sampled, with usable responses obtained from 575 persons. This procedure approximated a systematic sample with the intent of enhancing the representativeness of respondent selection. Assuming population characteristics split 50-50, a simple random sample size of 575 has a tolerated error of less than 5 percent at the 95 percent level of confidence.

Partitioning each of the variables into their respective levels, the sample of 575 constituted 263 male customers and 312 female customers; 322 passbook account customers and 253 certificate account customers; and 381 Tulsa Area customers, 95 Oklahoma City Area customers, and 99 Non-Metro Area customers (respondents).

### Analysis Procedure

This study design called for a multivariate analysis. Factorial design is the structure of research in which two or more independent variables are juxtaposed in order to study their independent and interactive effects on a dependent variable (30, p. 351-52).

To test the differences between variables and the effect of their interaction, a three-factor analysis of variance with repeated measures on one factor was used. This design indicates the impact of two factors operating simultaneously while revealing differences in repeated measures on the third factor (31).

The mean importance of Primary and Secondary attributes was investigated under the effect of three combinations of independent variables: Sex and Account Type, Sex and Geographic Area, and Account Type and Geographic Area.

Additionally, mean importance scores for Primary savings and loan attributes, Secondary savings and loan attributes, and Primary and Secondary savings and loan attributes combined were rank ordered to ascertain the extent of their influence in comparison with other attributes among their respective groups.

The final phase of the analysis was to determine which attributes clustered together or were perceived as related in meaning space. In other words, were there groups of attributes that were seen as more similar to each other than

they were to other attributes in terms of their degrees of importance? The attributes were intercorrelated, producing coefficients of correlation, which indicated the magnitude and direction of the relation. For this procedure, the Pearson product-moment correlation coefficient ( $r$ ) was used.

An attempt was made to label or identify the items for each set, once the clusters were obtained through elementary linkage-factor analysis (32). An obvious value of identifying clusters of items was to show what combinations of attributes were perceived as important, as opposed to the influence of a single attribute.

## CHAPTER III

### FINDINGS

This study probed the degree of importance that selected attributes represented in customers' decisions to open savings accounts with Sooner Federal Savings and Loan Association. A total of 575 respondents--segmented by Sex, Geographic Area, and Account Type--completed the questionnaire.

The importance of the attributes was measured by a five-point graphic rating scale on a continuum ranging from "extremely important" to "not important at all". The fourteen attributes were divided into predetermined Primary and Secondary categories (seven items in each group) and all responses were tabulated and analyzed accordingly.

The analyses included a simple rank order of attribute mean importance scores, a three-factor analysis of variance with repeated measures on one factor, and an elementary linkage-factor analysis. The results of these computations are depicted in this chapter.

#### Rank Order of Attributes

##### Primary Attributes

Of the seven Primary attributes included in the study (Table I), "interest rate" received the highest mean rating--

4.32 on the 5-point scale--and thus lies on the continuum between "highly important" and "extremely important".

TABLE I  
MEAN IMPORTANCE OF SEVEN  
PRIMARY ATTRIBUTES

Rank Order	Primary Attributes	Mean
1.	Interest Rate	4.32
2.	Convenient Hours	3.67
3.	Adequate Parking	3.61
4.	Branch Location Close to Residence	3.52
5.	Branch Location Close to Work	2.69
6.	Drive-up Teller Window	2.68
7.	Recommended by Family/Friend	2.32
	Mean Total	3.26

The next highest rated Primary attribute was "convenient hours", with a mean importance of 3.67, followed closely by "adequate parking", with 3.61, and "branch location close to residence", which netted a mean importance of 3.52. All three of these Primary items, then, were rated as somewhere



between "somewhat important" and "highly important", but closer to "highly important".

The remaining three attributes in the Primary group were all positioned between "not very important" and "somewhat important". These items and their mean importance scores included "branch location close to work", 2.69; "drive-up teller window", 2.68; and "recommended by family/friend", perceived as the least important of all seven Primary attributes, with a mean importance of 2.32.

The mean importance of the seven Primary attributes was 3.26, indicating that the Primary items, over-all, were viewed as being well above the "somewhat important" classification.

#### Secondary Attributes

Perceived as the most important factor influencing savings and loan selection among the Secondary attributes was "FSLIC insurance of accounts", with a mean importance of 4.14 as shown in Table II. This degree of influence could be interpreted as being a little more than "highly important".

"Atmosphere of branch offices", with a mean importance of 3.62, was the second highest mean score, followed by "reputation/size of Sooner Federal" at 3.42 and "financial counseling by personnel", which received a mean rating of 3.17. These three Secondary items were considered as being notably above the "somewhat important" mark.

The three least important Secondary factors could be described as "not very important" to "somewhat important".

These factors, and their respective mean ratings, included "Sooner Federal's community involvement", 2.79; "saw/heard advertising", 2.37; and "premium (gift) offered", 2.10.

Over-all, the seven Secondary attributes received a mean importance of 3.09, the equivalent of slightly more than "somewhat important".

TABLE II  
MEAN IMPORTANCE OF SEVEN  
SECONDARY ATTRIBUTES

Rank Order	Secondary Attributes	Mean
1.	FSLIC Insurance of Accounts	4.14
2.	Atmosphere of Branch Office	3.62
3.	Reputation/Size of Sooner Federal	3.42
4.	Financial Counseling by Personnel	3.17
5.	Sooner Federal's Community Involvement	2.79
6.	Saw/Heard Advertising	2.37
7.	Premium (Gift) Offered	2.10
	Mean Total	3.09

Table III shows that of all fourteen attributes involved in the study, "interest rate", a Primary item, netted the highest mean importance of 4.32. It was followed by a Secondary attribute, "FSLIC insurance of accounts", with a mean importance of 4.14. These two top items were the only attributes that could be considered as being a "highly important" to "extremely important" influence in customers' decisions to do business with Sooner Federal. Still, both attributes were closer on the continuum to the "highly important" category.

The five attributes comprising the remainder of the top-rated one-half of items all were perceived as being between "somewhat important" and "highly important" influences, and included three Primary and two Secondary attributes. "Convenient hours", with a mean score of 3.67, was third highest in importance, followed by "atmosphere of branch office", 3.62; "adequate parking", 3.61; "branch location close to residence", 3.52; and "reputation/size of Sooner Federal" with a mean score of 3.42 to round out the seven over-all highest influences. It is noteworthy that the mean scores of these five attributes were so close to each other--the range differed by only .25.

Factors comprising the lower 50 percent in importance included four Secondary attributes and three Primary attributes. Only one of these seven items, "financial counseling by personnel", with a mean score of 3.17, could be termed anything more than a "somewhat important" influence.

TABLE III  
 MEAN IMPORTANCE OF THE 14 PRIMARY  
 AND SECONDARY ATTRIBUTES

Rank Order	Attribute	Mean	Attribute Category
1.	Interest Rate	4.32	Primary
2.	FSLIC Insurance of Accounts	4.14	Secondary
3.	Convenient Hours	3.67	Primary
4.	Atmosphere of Branch Office	3.62	Secondary
5.	Adequate Parking	3.61	Primary
6.	Branch Location Close to Residence	3.52	Primary
7.	Reputation/Size of Sooner Federal	3.42	Secondary
8.	Financial Counseling by Personnel	3.17	Secondary
9.	Sooner Federal's Community Involvement	2.79	Secondary
10.	Branch Location Close to Work	2.69	Primary
11.	Drive-up Teller Window	2.68	Primary
12.	Saw/Heard Advertising	2.37	Secondary
13.	Recommended by Family/Friend	2.32	Primary
14.	Premium (Gift) Offered	2.10	Secondary
Over-all Mean Total		3.17	

The other attributes, ranked from eighth to fourteenth in importance, all were rated between "not very important" to "somewhat important". These items and their mean importance scores included "Sooner Federal's community involvement", 2.79; "branch location close to work", 2.69; "drive-up teller window", 2.68; "saw/heard advertising", 2.37; "recommended by family/friend", 2.32; and "premium (gift) offered", 2.10.

The grand mean for all Primary and Secondary attributes was 3.17 and approximated most closely the classification "somewhat important". The fourteen mean scores, ranging from 4.32 down to 2.10, indicated that none of the items was viewed as "not important at all".

#### Differences Between Respondents and by Attributes

As previously mentioned, the author dealt with four independent variables or factors--three assigned and one experimental, as shown below:

##### Factor I: Attributes

1. Primary
2. Secondary

##### Factor II. Account Type

1. Passbook
2. Certificate

Factor III: Sex

1. Male
2. Female

Factor IV: Geographic Area

1. Tulsa
2. Oklahoma City
3. Non-Metropolitan

By using a three-factor variance analysis with repeated measures on the Primary and Secondary attribute factor, the three assigned variables or factors were rotated, so as to juxtapose them on to the repeatable attribute factor two at a time. In essence, the author completed three variance analyses:

1. Sex and Account Types on Primary and Secondary attributes.
2. Sex and Geographic Areas on Primary and Secondary attributes.
3. Account Types and Geographic Areas on Primary and Secondary attributes.

In turn, findings from each of these three-factor variance analyses were broken down and analyzed two variables at a time.

Sex-by-Account Type-by-Attributes

This first three-factor variance analysis showed two

significant main effects, as indicated by mean importance scores in Table IV.

TABLE IV  
MEAN IMPORTANCE OF PRIMARY AND SECONDARY ATTRIBUTES BY SEX

Sex	Attributes		Mean Total Importance
	Primary	Secondary	
Male	3.09	3.02	3.06
Female	3.23	3.12	3.18
Mean Total	3.16	3.07	3.12

Females perceived both types of attributes as having greater mean importance than did Males (3.18 v. 3.06,  $F=7.63$ ,  $df=1/571$ ,  $p<.01$ ). This difference between Males and Females did not depend significantly on whether Primary or Secondary attributes were being judged, though Females tended to place more relative importance on Primary than on Secondary factor attributes than did Males.

The difference between the perceived mean importance of Primary and Secondary attributes in Table IV (3.16 v. 3.07) also exceeded chance expectations ( $F=34.98$ ,  $df=1/571$ ,  $p<.01$ ).

Mean importance scores assigned by Males and Females

and Type of Account customers to attributes are not reported in table form. Sex, for example, was not significantly related to the Type of Account opened. Nor was the Type of Account opened related to the importance placed on Primary v. Secondary attributes.

The author is willing to say that Passbook Account customers tended to view Primary attributes as more important than Secondary attributes (3.24 v. 3.06), while Certificate customers saw the two variables as "equal" in importance.

#### Sex-by-Geographic Area-by-Attributes

When account customers were categorized by Sex and Geographic Area, Females, as noted previously, saw the fourteen attributes as more important than did Males. Additionally, Geographic Areas of residence were related to importance placed on influence of attributes, as depicted in Table V.

Differences in perceived mean importance of attributes by customers' Geographic Area of residence were significant ( $F= 5.71$ ,  $df= 2/569$ ,  $p<.01$ ), with Tulsa Area customers rating them highest (3.22), followed by Non-Metro (3.11) and Oklahoma City residents (3.01).

These over-all mean importance ratings, however, depended on the type of attribute (interaction  $F= 8.54$ ,  $df= 2/569$ ,  $p<.01$ ). For example, when Tulsa and Oklahoma City residents are compared, one can see from Table V that the higher over-all mean importance of 3.22 placed on attributes by Tulsa residents was due mostly to the relatively higher



rating of Primary attributes (3.34). This same high rating of Primary attributes also contributed most to the higher over-all importance assigned by Tulsa residents over Non-Metro residents.

TABLE V  
MEAN IMPORTANCE OF PRIMARY AND SECONDARY  
ATTRIBUTES BY GEOGRAPHIC AREA

Geographic Area	Attributes		Mean Total Importance
	Primary	Secondary	
Tulsa	3.34	3.10	3.22
Oklahoma City	3.08	2.94	3.01
Non-Metropolitan	3.05	3.17	3.11
Mean Total	3.16	3.07	3.11

Further study of Table V indicates that differences between the importance of Primary attributes registered by Oklahoma City and Non-Metro residents probably were not significant (3.08 v. 3.05), but that Non-Metro residents tended to see Secondary attributes as more important than did Oklahoma City residents (3.17 v. 2.94).

Though the perceived importance of Primary and Secondary attributes was not related differentially to Sex, the

importance of the two types of attributes, combined, was related to the different Sexes' Areas of residence, as shown in Table VI.

TABLE VI  
MEAN IMPORTANCE OF ALL ATTRIBUTES BY SEX AND GEOGRAPHIC AREA

Sex	Geographic Areas			Mean Total Importance
	Tulsa	OKC	Non-Metro	
Male	3.15	2.93	3.08	3.05
Female	3.29	3.09	3.14	3.17
Mean Total	3.22	3.01	3.11	3.11

Males from Oklahoma City are shown in Table VI to place less emphasis relative to importance on the fourteen attributes than Females (2.93 v. 3.09), while the two Sexes from Non-Metro Areas tended not to differ significantly (3.08 v. 3.14). Also, from Table VI, the reader can see that Females from Tulsa placed higher relative importance on the attributes (3.29) than did those from the Non-Metro Area (3.14), while Males from the two areas probably did not differ.

Thus, the combination of Females with Tulsa Area residence tended to be associated with a relatively higher importance placed on attributes.

Account Type-by-Geographic Area-  
by Attributes

With the difference in attributes and Geographic Areas, along with their interaction, already established, the author's main concern in this third variance analysis involved differences in importance of attributes as registered by Passbook and Certificate customers by Geographic Area. Table VII shows the relative importance placed on each type of attribute by each Type of Account customer.

TABLE VII  
MEAN IMPORTANCE OF PRIMARY AND SECONDARY  
ATTRIBUTES BY TYPE OF ACCOUNT

Type of Account	Attributes		Mean Total Importance
	Primary	Secondary	
Passbook	3.23	3.06	3.14
Certificate	3.08	3.08	3.08
Mean Total	3.16	3.07	3.11

No significant differences were found between the perceived importance of either attribute by Passbook and Certificate customers. Table VII does indicate a tendency,

however, for Passbook customers to have been more impressed with Primary than by Secondary attributes.

The only other question in this analysis was: Did any combination of Area of Residence interact with Type of Account opened to reflect differentially on the perceived importance of Primary and Secondary attributes?

The answer is "no." No significant interactions were present. However, Non-Metro residents who opened Certificates tended to see the fourteen attributes as less important than did Tulsa residents, while Passbook customers from Tulsa and Non-Metro Areas saw the attributes as "equally" important.

On the other hand, when Non-Metro residents were compared with those from Oklahoma City, the former who opened Passbooks considered the attributes as more important, while Certificate customers from these two areas were equally impressed with the attributes.

#### Clusters of Attributes

McQuitty's Elementary Linkage and Factor analysis was utilized to determine which attributes were perceived as similarly important in customers' selection of Sooner Federal.

McQuitty's procedure involves a redefinition of a correlation matrix through the magnitude of correlations. The resulting "factor matrix" yielded groups of attributes viewed as similarly important by the respondents.

Elementary linkage-factor analysis defines the linkage as the largest index of association which a variable has with a composite of all the characteristics of the members of a cluster. Therefore, the largest coefficient in each column of the matrix is selected as the index of association since it is the most representative of all. This typical representative often forms the basis for naming the cluster.

In interpreting the magnitude of the correlations in this study, about one-half the correlations, between  $r=.20$  and  $r=.40$ , could be considered definite, but small. The remaining one-half, which fell between  $r=.40$  and  $r=.70$ , could be termed moderate, but substantial.

In discussing the many advantages of factor analysis, Kerlinger (30, p. 659) points out:

Factor analysis serves the cause of scientific parsimony. It reduces the multiplicity of tests and measures to greater simplicity. It tells us, in effect, what tests or measures belong together--which ones virtually measure the same thing, in other words, and how much they do so. It thus reduces the number of variables with which the scientist must cope. It also (hopefully) helps the scientist to locate and identify unities or fundamental properties underlying tests and measures.

When the seven Primary attributes in Table VIII were intercorrelated (Appendix B), only one cluster of attributes emerged. All the primary items, then, were perceived as related to each other in importance since they formed only one group. "Convenient hours" and "adequate parking" were the highest related attributes.

Over-all, the cluster had a mean importance of 3.26,

indicating that its items were slightly more than "somewhat important" in influencing customers to open savings accounts at Sooner Federal.

TABLE VIII  
CLUSTERS AMONG SEVEN PRIMARY ATTRIBUTES

Cluster	Attributes	Mean Total
I	Interest Rate	4.32
	Convenient Hours	3.67
	Adequate Parking	3.61
	Branch Location Close to Residence	3.52
	Branch Location Close to Work	2.69
	Drive-up Teller Window	2.68
	Recommended by Family/Friend	2.32
	Mean Total	3.26
	Grand Mean Total	3.26

Of the seven attributes, "interest rate", netted the highest mean score, but a convenience-related item--"convenient hours"--was most representative of the group which included four other items with the concept of "convenience" as the common denominator. "Recommended by family/friend",

the only remaining attribute, had the least impact of any of the items in the cluster.

Therefore, this cluster of influences would have to be labeled a "Convenience" cluster.

As illustrated in Table IX, three clusters of attributes were extracted from the intercorrelations (Appendix C) of seven items comprising Secondary attributes.

Cluster I, involving "FSLIC insurance of accounts" and "reputation/size of Sooner Federal", had the highest mean of the groups of attributes forming Secondary clusters. This cluster, with a combined mean of 3.78, was labeled "Security" since both the attributes tended to connote a trustworthy disposition among depositors, particularly "FSLIC insurance of accounts", the highest rated of the two. Cluster I was interpreted as a "somewhat important" to "highly important" influence.

The second most influential cluster included "financial counseling by personnel" and "atmosphere of branch office" with a total mean of 3.40. Respondents valued the latter attribute as more important while viewing these two items as similarly persuasive in their decision to do business with Sooner Federal. Classification of Cluster II is difficult but it might be described a "Hospitality" cluster since it suggests favorable treatment by employees in an apparent favorable environment. This group was regarded as definitely above "somewhat important" in terms of influence.

The least important of the three Secondary clusters

TABLE IX  
CLUSTERS AMONG SEVEN SECONDARY ATTRIBUTES

Cluster	Attributes	Mean Total
I	FSLIC Insurance of Accounts	4.14
	Reputation/Size of Sooner Federal	3.42
	Mean Total	3.78
II	Atmosphere of Branch Office	3.62
	Financial Counseling by Personnel	3.17
	Mean Total	3.40
III	Sooner Federal's Community Involvement	2.79
	Saw/Heard Advertising	2.37
	Premium (Gift) Offered	2.10
	Mean Total	2.42
	Grand Mean Total	3.09



incorporated three attributes with a mean of 2.42, about midway between "not very important" and "somewhat important". This group was formed by "Sooner Federal's community involvement", which tended to have the most perceived impact, "saw/heard advertising", and "premium (gift) offered". It is likely the latter two factors were perceived similarly since the offer of a premium (gift) for opening an account would be extended through some form of advertising to be seen or heard. Yet, because of the presence of the community involvement attribute, Cluster III was only cautiously labeled as an "Advertising" cluster, even though "saw/heard advertising" constituted the typical representative.

The intercorrelations (Appendix D) of all fourteen attributes resulted in the isolation of the four groups of items in Table X which were seen as similarly important in customers' selection of Sooner Federal.

The cluster with the over-all highest mean importance comprised three attributes with a mean of 3.96, translated as very near "highly important". Cluster I was most typified by "FSLIC insurance of accounts" and was labeled "Secure, Sound Investment", similar to Cluster I of the Secondary attributes. The group comprised the top-rated "interest rate", "FSLIC insurance of accounts", and "reputation/size of Sooner Federal". The latter two attributes were Secondary items.

It appears the cluster with the second highest over-all mean importance was identical to Cluster II of the Secondary

TABLE X  
 CLUSTERS AMONG THE FOURTEEN PRIMARY  
 AND SECONDARY ATTRIBUTES

Cluster	Attributes	Mean Total
I	Interest Rate	4.32
	FSLIC Insurance of Accounts	4.14
	Reputation/Size of Sooner Federal	3.42
	Mean Total	3.96
II	Atmosphere of Branch Office	3.62
	Financial Counseling by Personnel	3.17
	Mean Total	3.40
III	Convenient Hours	3.67
	Adequate Parking	3.61
	Branch Location Close to Residence	3.52
	Branch Location Close to Work	2.69
	Drive-up Teller Window	2.68
Mean Total	3.23	
IV	Sooner Federal's Community Involvement	2.79
	Saw/Heard Advertising	2.37
	Recommended by Family/Friend	2.32
	Premium (Gift) Offered	2.10
Mean Total	2.40	
Grand Mean Total		3.17

items. "Atmosphere of branch office" and "financial counseling by personnel" denote a "Hospitality" orientation by the respondents. A mean importance of 3.40 out of a possible 5.00 put Cluster II between the "somewhat important" and "highly important" point on a five-point continuum.

Five Primary attributes formed the largest over-all group and netted the third highest over-all mean score. This cluster was definitely a "Convenience" cluster, since all five items were derived from the convenience dimension and represented by "convenient hours" (also the highest rated mean in this group) as was the case in Cluster I of all Primary attributes. With a mean rating of slightly more than "somewhat important" (3.23), Cluster III attributes included "convenient hours", "adequate parking", "branch location close to residence", "branch location close to work", and "drive-up teller window".

Cluster IV, with the lowest over-all mean importance (2.40), was nearest to "not very important" as a group influence on customers' decisions to do business with Sooner Federal. This cluster, including a mixture of one Primary and three Secondary attributes, was referred to as an "Advertising" cluster. "Saw/heard advertising", the item most characteristic of this group, "premium (gift) offered" (through advertising), and "recommended by family/friend" (a form of word-of-mouth advertising) were all advertising related factors. "Sooner Federal's community involvement",

a seemingly unrelated factor, was the top-rated attribute in this cluster.

## CHAPTER IV

### SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

#### Summary

Communication studies involving consumer behavior are based upon concepts and methodologies borrowed from such disciplines as economics, statistics, sociology, psychology, and social psychology. The consumer is a bio-psychosociological being affected by many diverse and ambiguous stimuli. His behavior remains to be explained in terms of psychological and sociological factors, as well as biological and physiological phenomena (33).

Consumer behavior, which itself is a form of complex social behavior, can be understood only through an understanding and a consideration of the so-called mental phenomena, such as perception, learning, and motivation. These are cognitive functions, and they lead to the formation and/or reorganization of cognitive structures, such as ideas, attitudes, beliefs, values, and images. We analyze these functions and their resultant structures because we believe that consumer behavior is a function of what consumers know or what they think they know. Cognition is seen as a central underlying and unifying aspect of

consumer behavior because of the information-processing nature of consumer goal-striving and problem-solving.

Advertising information disseminated through an ad agency reaches the consumer through his complex sensory receptors as some form of sensory stimulation. Sensory stimulation carries information in the form of messages, and consumer perception is that activity whereby such information is extracted from the environment, interpreted, and organized on the basis of known perceptual principles and utilized in the interests of consumer goals or motives. A large amount of advertising communication must function either to reinforce existing attitudes and behavior or to accelerate or stimulate the behavior sequences of consumers who are already predisposed to act in a given manner.

Some of the gaps in present knowledge of the influence of various savings and loan attributes on depository selection may be explained by the fact that apparently few researchers have employed a general model of the total perceptual process as a framework. The general stimulus-organism-response model described in this study was intended to provide an outline of the perceptual process and its impact upon consumer behavior.

For years, communication researchers and advertisers have studied how the audience is influenced and persuaded by information. The process of communication was viewed primarily as a one-way street, with the advertisers doing the influencing and the consumers being persuaded. The newer

viewpoint on information handling is that consumers participate actively in the communication process. Consumers will acquire, transmit, and process advertising messages in relation to their information needs.

One's model, explicit or implicit, of how the marketplace works goes far in explaining one's attitude toward advertising and its role. The concept of marketplace models basically involves the interface between advertisers and consumers, including how advertising works in terms of the consumer behavior it is intended to affect, as well as how that influence occurs. The model derived from communications research that portrays the marketplace relationship in more of a give-and-take fashion is known as the transactional model. Consumers trade time and attention to advertising for the information and entertainment in the ads; consumers trade money for services that provide them with functional and/or psychological satisfactions. The transactional model posits a somewhat sophisticated consumer, at least in terms of his or her individual purchasing criteria.

While there is no doubt that advertising affects purchase behavior, data show that it first affects attitudes; that when attitudes change, behavior then changes. A substantial body of consumer behavior research tells us that the consumer is hardly a helpless pawn manipulated at will by the advertiser. Consumers are very selective in what advertising they attend, perceive, evaluate, and remember--

let alone act upon. This process on the part of the consumer varies considerably with the characteristics of the individual.

Attitudes long have been the object of investigation by behavioral scientists, and a considerable body of knowledge has resulted from their studies and models. When one refers to an attitude, he means that a person's past experiences predispose him to respond in certain ways on the basis of certain perceptions. Attitude, therefore, may be viewed as a variable which links psychological and behavioral components (34).

Since attitudes reflect perceptions, they inevitably indicate predispositions. Thus, they permit advertising strategists to design advertising inputs which will affect perceptions and thereby change predispositions to respond or behave.

In the case of this study, once attitudes concerning importantly perceived savings and loan attributes can be isolated, advertising messages more adequately and appropriately can be constructed. To the extent that messages are compatible with the existing belief systems of the audience and, to the extent that they address an established need at the time they are sent, they are likely to be effective (35). The relative success of any advertising based on the findings of this study hinged upon the relationship between perception and behavioral intention (36).

This study sought to determine the degree of importance



certain savings and loan attributes exerted in respondents' selection of Sooner Federal Savings and Loan Association as a savings depository. The resulting mean importance scores of the fourteen items were rank-ordered to compare their perceived influences relative to each other. The attributes were grouped into Primary and Secondary items, and their perceived importance was analyzed in terms of the customer's Sex, Geographic Area of Residence, and the Type of Account opened.

To ascertain if the independent variables were related to perceived importance, repeated measures were taken on the Primary and Secondary attributes via a three-factor analysis of variance, according to three-variable combinations.

Further, groups of similarly-perceived attributes were isolated by elementary linkage-factor analysis. Resulting clusters were identified as to their commonalities and labeled thusly.

A one-paged, structured questionnaire utilizing a five-point graphic rating scale was employed to measure the degrees of importance for each attribute. The dimension of importance was expressed along a continuum ranging from "extremely important" to "not important at all". Five hundred seventy-five customers comprised the sample. Respondents at sixteen statewide Sooner Federal branches completed the questionnaire after opening savings accounts.

## Conclusions

Over-all, the Primary attributes were perceived as slightly more important than their Secondary counterparts. Primary items netted a mean importance rating of 3.26, compared to 3.09 for Secondary attributes. Responses of the "somewhat important" variety were dominant in the study, with the average attribute importance of 3.17, falling a little above the midway point on the five point scale. The inclusion of all the attributes in the study was merited, since none was viewed as "not important at all".

The two most importantly-perceived attributes were directly concerned with the customers' accounts. "Interest rate", with a mean score of 4.32, and "FSLIC insurance of accounts", with a mean importance of 4.14, were the only items among the fourteen which could be termed anything more than "highly important" influences in respondent selection of Sooner Federal. These two items also clustered together, as will be pointed out later.

"Atmosphere of branch office", categorized as a Secondary attribute, made its way unexpectedly into the top-rated items, with a mean importance of 3.62. The atmosphere of a business establishment apparently was an effective "purchasing determinant" in its role as an attention-getting and message-creating medium. It can be inferred that "atmospherics" give assent to the subjectivities of aesthetics and comfort in one's social status.

Perhaps an equally surprising finding was the low perceived importance of the influence of family/friend. Classified as a Primary attribute, this item was rated 2.32 and ranked thirteenth in over-all importance. Although influential persons are presumed to be influenced by the mass media and the significant others by these influentials, it must be noted the significant others also are wired in to the network of mass media, and the media messages tend to act as secondary reinforcers of the messages and opinions of the key influentials. Communication and influence are facilitated by both the mass media and the key influentials. This contention, evidently at operation in this study, was aptly expressed by Klapper (37, p. 72).

Personal influence may be more effective than persuasive mass communication but at present mass communication seems the most effective means of stimulating personal influence.

A similar rationale helps to explain the somewhat miniscule importance (a mean rating of 2.37) attached to the attribute "saw/heard advertising" by those customers surveyed. The data lend credibility to a conclusion that advertising conditions decision-making. If this conditioning is subconscious, the consumer is, by definition, unaware of the process (38). If conscious, the consumer tends to reject admission due to the recognition of the very fact of conditioning.

The "reputation/size of Sooner Federal", "financial counseling by personnel", and "Sooner Federal's community

involvement",--all Secondary attributes--were ranked seventh, eighth, and ninth, respectively, in terms of their perceived importance, and signified an influence rating of "somewhat important".

The remaining five attributes included in the study were all Primary items which centered on the concept of "convenience." Three of these attributes, including "convenient hours", "adequate parking", and "branch location close to residence" were rated in the top 50 percent of the 14 attributes. The other two, "branch location close to work" and "drive-up teller window" were included in the lower one-half of the importance hierarchy. The latter two attributes were viewed as notably less important in the Non-Metro Area than they were in the metropolitan geographic regions. This explains, in part, their appearance among the lower-rated items.

The seven postulated Primary attributes, then, did not emerge all-conclusively as such, since three of the items among the over-all top rated one-half comprised Secondary attributes.

The Primary attributes specified in the study largely comprised convenience-related factors. The Secondary attributes, then, generally could be described as non-convenience items, or at least, a set of hybrid influences.

In considering the three assigned variables under study--Geographic Area, Sex, and Account Type, the following "surface" observation can be made concerning the popularity of the Primary and Secondary attributes.

Primary attributes were rated higher than Secondary attributes by both Males and Females, Passbook and Certificate customers, and Tulsa Area and Oklahoma City Area respondents. The Non-Metro Area segment comprised the only group to perceive the Secondary attributes as more important than the Primary items. Therefore, the Primary attributes were viewed more importantly regardless of the customers' Sex, Geographic Area of Residence, or Account Type, with the exception of the one noted discrepancy.

In summarizing results of the three-factor analysis of variance, in which the interactive effects of variables taken two at a time was tested, it appears the perceived importance of attributes depended upon the particular combination of variables involved.

Mutual interplay between two independent variables alone did not alter respondents' perceived importance of the attributes in any of the three pairings of the variables.

The importance of Primary or Secondary attributes was shown, however, to depend upon the Geographic Area of Residence. This variable, when combined with either Sex or Account Type, generated a definite impact upon customers' perceptions. Tulsa Area respondents tended to rate the attributes as more important in their decision to open a Sooner Federal savings account than did Non-Metro Area respondents or Oklahoma City Area respondents, who were least influenced by the attributes. Further, Tulsa Area and Oklahoma City Area customers viewed the Primary attributes

as more important than the Secondary attributes, as contrasted with the Non-Metro Area customer who rated Secondary higher than Primary attributes.

The diverse, significant responses among the Geographic Areas accounted for the only interactive effect upon respondents (beyond chance) by the Primary and Secondary attributes. A relation was established, then, between the Geographic Area of Residence and the customer's perception of attribute importance.

Over-all, Females were more influenced by the attributes than were Males and Primary attributes were perceived as significantly more important than the Secondary.

The Type of Account opened, either Passbook or Certificate, alone or in combination with other factors, made no difference in the manner in which customers perceived the importance of the attributes. Passbook account customers tended to perceive both Primary and Secondary items as more influential than did the Certificate Account customers, but the disparity was negligible.

A linkage-factor analysis of the Primary attributes, Secondary attributes, and Primary and Secondary attributes, combined, yielded several clusters of attributes viewed as similarly important.

When all Primary items were clustered, only one group of attributes emerged, rendering the Primary attributes as a rather homogeneous set of influences. The mean total of this cluster was 3.26, equated as "somewhat important".

Clustering of Secondary attributes resulted in the formation of three distinct groups. The most important cluster consisted of two items--"FSLIC insurance of accounts" and "reputation/size of Sooner Federal"--with a mean importance of 3.78.

The intercorrelations of all fourteen attributes isolated four groups of items. Among these over-all influences, the dominant cluster comprised the two attributes incorporating the most important Secondary cluster with the addition of "interest rate", a Primary attribute. With a mean total of 3.96, this group was very near the "highly important" mark in influencing customer selection of Sooner Federal.

#### Recommendations

Based on the findings of this study, several suggestions concerning advertising strategy are made for the consideration of Sooner Federal.

Since customer perceptions are diverse, the larger the number of people one tries to satisfy with a single appeal, the poorer the fit will be. Conversely, if one attempts to "be all things to all people", by stressing a broad spectrum of appealing attributes, one may wind up being everyone's second choice. Moreover, the larger the potential audience, the more likely it is that competition already is strongly entrenched with services designed to fill that segment's wants structures.

One "perfect" combination of attributes would not likely prove successful for all potential customers, but advertising can be used to isolate and stress "determinant" attributes.

Arbitrarily, any attribute, or combination of attributes, which received a mean importance rating above the "somewhat important" category would seem worthy of advertising. Yet, "interest rate" and "FSLIC insurance of accounts", the two top-rated items, are difficult to compete with because government-imposed guidelines regulate, to a large degree, the fluctuation of both. The account rate, maturity, and deposit size can be manipulated somewhat, but not to the degree of providing a unique competitive advantage.

When faced with emphasizing an important but generic quality, or a somewhat less important but differentiating quality, the latter alternative seems to be the most viable. This type of positioning would tend to be most effective with persons who appear to be more inclined in their perceptual judgments and symbolic manipulations to overlook similarities and accentuate differences.

Three convenience factors were rated as more than "somewhat important". And all five convenience components were viewed as similarly important when the fourteen attributes were intercorrelated. Therefore, a "convenience package" of sorts could be advertised in the two geographic areas (Tulsa Area and Oklahoma City Area) where convenience was perceived as particularly important. This approach



underscores the importance of channeling separate advertising messages to separate audiences. It also is noted that the convenience factors, such as parking facilities and hours of operation, possess a degree of flexibility in that they can be altered to match predispositions concerning their perceived importance.

It further is recommended that another high-rated attribute--"atmosphere of branch office"--be given due attention. According to a recent study, "atmospherics" becomes a relevant marketing tool as the number of competitive outlets increases in industries where service offerings and/or price differences are small. In atmospheric planning, the decision-maker must answer the following questions:

1. Who is the target audience?
2. What is the target audience seeking from the the purchasing experience? and,
3. What atmospheric variables can fortify the beliefs and emotional reactions the customers are seeking (39)?

The concept of atmospherics can be considered in the subjectivity of customers' attitudes, beliefs, and perceptions. A customer's subjectivity includes his interpretation of the financial institution, of its significance to him and his self-image--in essence, not only the practical values of the institution but its symbolism as well. The institution's actions are not just events in themselves, but are abstracted symbolic occurrences.

Symbolic analyses can seem ludicrous, contrived or regarded as "Freudian nonsense". Nevertheless, people are

affected by the symbolic meanings they experience. Thus, it is suggested that future research into the types of factors that affect perception, interpretation, and the assignment of meaning to savings and loan attributes be segmented along emotional and intellectual lines, in addition to the customary lines of demography. After the familiar and relative objective categories of Sex and Geographic Area have been explored, the provocations of personality, life styles, etc. remain as possible sources of illumination.

The perspectives expressed above are designed to foster the savings and loan's attention to customers by insisting on complex and dynamic analyses of human behavior in the financial institution marketplace. The diversity of customers, and the force of their subjective viewpoints in their perception of a depository is, to an extent, symbolic in nature. These components need qualitative interpretation, if advertisers are to become aware of them and to find them useful in making decisions concerning the formulation of an advertising appeal.

Finally, it is recommended that Sooner Federal continue the transactional practice of transmitting and receiving information through research efforts such as this one. As the company utilizes its feedback channels, it better will understand the perceptions of its audience and, consequently, encode more effective advertising messages. This should serve to enhance the over-all effectiveness of communications.

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**APPENDICES**

APPENDIX A

QUESTIONNAIRE

# Sooner Federal QUESTIONNAIRE

Do you have another savings account with Sooner Federal?  Yes  No

When you made your decision to open a savings account at Sooner Federal — whether this account or a previous account — certain factors may have influenced you.

For each of the factors listed, below, please check the box which shows how important each factor was to you in your decision to open a savings account. Please indicate if each factor was "Not Important At All;" "Not Very Important;" "Somewhat Important;" "Highly Important;" or "Extremely Important."

Please check only one box for each of the 14 items (below), but please check **one** box for each item.

	Extremely Important	Highly Important	Somewhat Important	Not Very Important	Not Important At All
1. Branch Location Close to Residence	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Financial Counseling by Personnel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Atmosphere of Branch Office	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. FSLIC Insurance of Accounts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Adequate Parking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Branch Location Close to Work	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Recommended by Family/Friend	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Premium (Gift) Offered	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Reputation/Size of Sooner Federal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Interest Rate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Sooner Federal's Community Involvement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Saw/Heard Advertising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Convenient Hours	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Drive-up Teller Window	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

A. Please check the appropriate box, below:

Male

Female

B. If there were other important factors in your decision to open a savings account with us other than the ones mentioned, above, please list those here.



APPENDIX B

INTERCORRELATIONS OF SEVEN  
PRIMARY ATTRIBUTES

TABLE XI  
 INTERCORRELATIONS OF SEVEN  
 PRIMARY ATTRIBUTES\*

	1	5	6	7	10	13	14
1		.337	.133	.102	.192	.350	.110
5	.337		.115	.096	.325	.477	.283
6	.133	.115		.192	-.004	.216	.231
7	.102	.096	.192		.028	.104	.107
10	.192	.325	-.004	.028		.323	.157
13	.350	.477	.216	.104	.323		.409
14	.110	.283	.231	.107	.157	.409	

\*Primary Attributes:

1. Branch Location Close to Residence
5. Adequate Parking
6. Branch Location Close to Work
7. Recommended by Family/Friend
10. Interest Rate
13. Convenient Hours
14. Drive-up Teller Window

APPENDIX C

INTERCORRELATIONS OF SEVEN  
SECONDARY ATTRIBUTES

TABLE XII  
 INTERCORRELATIONS OF SEVEN  
 SECONDARY ATTRIBUTES\*

	2	3	4	8	9	11	12
2		.462	.292	.215	.220	.288	.265
3	.462		.309	.230	.263	.359	.317
4	.292	.309		.085	.383	.233	.146
8	.215	.230	.085		.126	.202	.259
9	.220	.263	.383	.126		.366	.299
11	.288	.359	.233	.202	.366		.410
12	.265	.317	.146	.259	.299	.410	

\*Secondary Attributes:

2. Financial Counseling by Personnel
3. Atmosphere of Branch Office
4. FSLIC Insurance of Accounts
8. Premium (Gift) Offered
9. Reputation/Size of Sooner Federal
11. Sooner Federal's Community Involvement
12. Saw/Heard Advertising

APPENDIX D

INTERCORRELATIONS OF THE 14 PRIMARY  
AND SECONDARY ATTRIBUTES

TABLE XIII  
 INTERCORRELATIONS OF THE 14 PRIMARY  
 AND SECONDARY ATTRIBUTES

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1		.170	.238	.178	.337	.133	.102	.159	.221	.192	.207	.104	.350	.110
2	.170		.462	.292	.275	.080	.123	.215	.220	.265	.288	.265	.152	.114
3	.238	.462		.309	.355	.068	.075	.230	.263	.234	.359	.317	.268	.138
4	.178	.292	.309		.396	-.026	-.010	.085	.383	.470	.233	.146	.312	.134
5	.337	.275	.355	.396		.115	.096	.139	.242	.325	.296	.161	.477	.283
6	.133	.080	.068	-.026	.115		.192	.177	.038	-.004	.180	.195	.216	.231
7	.102	.123	.075	-.010	.096	.192		.203	.227	.028	.220	.326	.104	.107
8	.159	.215	.230	.085	.139	.177	.203		.126	.171	.202	.259	.163	.182
9	.221	.220	.263	.383	.242	.038	.227	.126		.301	.366	.299	.303	.147
10	.192	.265	.234	.470	.325	-.004	.028	.171	.301		.244	.089	.323	.157
11	.207	.288	.359	.233	.296	.180	.220	.202	.366	.244		.410	.301	.170
12	.104	.265	.317	.146	.161	.195	.326	.259	.299	.089	.410		.278	.163
13	.350	.152	.268	.312	.477	.216	.104	.163	.303	.323	.301	.278		.409
14	.110	.114	.138	.134	.283	.231	.107	.182	.147	.157	.170	.163	.409	

VITA

Daniel Wayne Hudgins

Candidate for the Degree of

Master of Science

Thesis: FACTORS THAT INFLUENCE CUSTOMER SELECTION OF A  
SAVINGS AND LOAN ASSOCIATION

Major Field: Mass Communication

Biographical:

Personal Data: Born in Tahlequah, Oklahoma,  
July 28, 1951, the son of Mr. and Mrs.  
Clifford Hudgins.

Education: Graduated from Stilwell High School,  
Stilwell, Oklahoma in May, 1969; received  
Bachelor of Science degree in Business  
Administration from Northeastern Oklahoma  
State University, Tahlequah, Oklahoma, in  
May, 1973; enrolled in Master's program at  
Oklahoma State University, Stillwater,  
Oklahoma, August, 1974; completed require-  
ments for the Master of Science degree at  
OSU in July, 1976.

Professional Experience: Marketing/Advertising  
Research Analyst, Sooner Marketing Services,  
Tulsa, Oklahoma, 1973-74; Public Information  
News Writer, OSU, 1974-76.