Research Article

INVESTIGATION OF THE ROLE OF COMPETITIVE INTELLIGENCE IN DIRECTING CUSTOMERS TOWARD LOYALTY, SUPPORT AND BEING ORGANIZATIONAL AMBASSADOR

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ABSTRACT
Present work is performed in order to recognize the role of competitive intelligence in moving customers toward increasing and high level loyalty, which lead the customers toward being an ambassador of the organization. This research is descriptive and of correlative type. Statistical community of the research includes all of the public and private banks of the Naghadeh City. To perform research, researchers used census and took all totally 135 managers, deputies and experts of the banks into account. To analyze the data, descriptive statistics techniques (mean and standard deviation) and perceptive statistics (correlation coefficient test, bivariate regression analysis, multivariate regression analysis and Friedman test). Results reveal that in considered statistical community, components of awareness of market opportunities, key vulnerability of the organization and competitors' threats, respectively, play the most important role in moving customers toward being ambassadors of the organization.

Keywords: Public and Private Banks, Organizational Ambassadorship, Ambassador Customers, Customer Loyalty, Competitive Intelligence

INTRODUCTION
In recent years, competitive intelligence has become one of the important concepts of management and is merged into the pioneering companies' culture. Today, companies are successful in competitive environment which have a deeper understanding about their fields of activity and make competitive advantages for themselves (Alizadeh, 2010), so that by improving competitive intelligence, organizations supersede their competitors and take an outstanding position in market. In creating such conditions, information plays a crucial role, so that for a better value and satisfying customers in every aspect, companies require key information. They must have a lot of information regarding competitors, intermediates and other forces and factors which are active in market. In fact, information is regarded to as one of the important strategic assets and marketing tools of today's companies (Cutler and Armstrong, 2000).

In each organization, whether producer or service provider, the most crucial factor of maintaining and growth of the organization are its customers; that is, if the organization succeeds in attracting them, provides the opportunity for its own growth and long term survival.

For this reason and according to more competitive environment of the national banks and daily establishment of a number of private banks and financial and credit institutions and providing various services demanded by customers, the necessity for taking customers' needs and requirements is being felt more than ever and in an environment where customers are aware and are empowered to choose, neglecting their needs is not possible. Therefore, in order to grow and develop in market, it is necessary that banks become aware of the role of competitive intelligence in providing increasing loyalty in customers and the position of ambassador customers. Hence, the main question of the research is addressed as follows: what is the relationship between competitive intelligence and moving customers toward more loyalty (turning current customers into ambassador customers) in public and private banks of Naghadeh?

Research History
In this section, first, the research subject is addressed in the form of theoretical background and then, the experimental background of the research is discussed.

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Theoretical Background
Definition of Competitive Intelligence
Competitive intelligence is a dynamic empirical knowledge for collecting, analyzing and managing information and understanding the concept of competition in company's strategy in order to gain competitive advantage in a commercial environment (business) (Osanka and Diasikora, 2008).

Competitive Intelligence
According to definition of the French school of Management (GTILAB), competitive intelligence is the art of finding, collecting and storing information in order to get access by the personnel for utilizing in all organizational levels so that by forming the future of the organization, the current status of the company can be protected against competitive threats. According to experts of the school, the concept of competitive intelligence can be classified into our basic categories:

1. *Commercial awareness (marketing):* Which mainly includes the information of customers, suppliers, buyers and distributors and analysis of them.

2. *Awareness of the competitors' status:* Focuses on issues such as pricing policies, alternative products and development strategies of the competitors.

3. *Technical and technological awareness:* This type of awareness deals with basic and applied researches, factories, processes, norms and patent.

4. *Strategic and social awareness:* This awareness concentrates on issues including regulations, financial and tax issues, political, economic and social aspects of and human resources (Najafi Haghi, 2004).

Process of Competitive Intelligence
The process of competitive intelligence covers the activities of collecting, analyzing and application of the information corresponding to products, competitors, suppliers, partners and customers for short-term and long-term needs of the organization and is composed of the following four steps:

1. *Planning and direction:* This step includes recognition of the basic environmental factors. Recognition of these factors is performed by means of regular meetings with chiefs and managers of the information division for adjusting competitive intelligence activities for meeting basic and actual needs, managing daily activities, providing a method for adjustment and control of external environment, collecting, sorting and storing information and adjustment and control of activities resulted from actual need.

2. *Data collection:* In this step, seeking and combination of information by means of primary and secondary sources are performed.

a. Primary sources: Interview, communicating with personnel of other divisions, conferences, exhibitions and seminars

b. Secondary sources: Internet, newspapers and magazines, resume of company, valid database, studies and researches, previous researches, seminar outcomes, exhibitions and conferences

3. Analysis: In this step, unrelated and discrete information are transformed into intelligence. This step is a combination of art and science. Simple information leads to intelligence after analysis.

4. Distribution (dissemination): In this step, analyzed information of the previous step are transferred to the decision makers of the organization.

Goals of Competitive Intelligence
Three main missions of the plan of competitive intelligence are:

1. General understanding about the industry and competitive organization

2. Recognizing the vulnerable fields and evaluation of the effect of strategic actions on competitors

3. Recognition of potential organizations which can be a competitors and lead to threatening the position of organization in target market. One of the experts states that "in general, the main goal of the competitive intelligence plan" is to enable us to predict movements of competitors, customers, government and many other issues (Guilad, 2006). At the same time, Viewers believes that the purpose of the competitive intelligence plan is to reduce environmental uncertainty in order to improve managerial decisions (Viewers, 2005).

Customer Loyalty

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Due to importance of the marketing in recent years, especially in services industries and production companies, concepts corresponding to loyalty are more attended.

Many authors emphasize on the positive relationship between customer loyalty and commercial performance.

Oliver (1999) describes the loyalty as follows: "deep and complete commitment of customer to repurchase or persuading to more purchase of the product or suing services in the future." He adds that: "in general, customer loyalty is the result of outstanding production, personnel behavior and product warranties." These statements express the way of evaluating loyalty through repurchase.

Categorization of Customers

Customers of institutions can be classified into various groups and categories, the most common of which is describes as follows:

1. Ambassador: Customers, who actively promote, advertise and praise your products, send letters to newspapers, recommend you to others, and consider themselves as your partner.

2. Supporter: they talk positively about you and approve you against others.

3. Loyal: those who frequently refer to you, purchase repeatedly and purchase your last products even more expensive, give opinion for improving your products and do not simply welcome your competitors.

4. Familiar: those who have heard about you but they do not have a firm belief and they may purchase your products simply purchase your competitors'.

5. Stranger: such customers have no idea regarding you.

6. Sulky: they intend not to collaborate with you.

7. Angry: those who have bad experiences and memories from you and strongly and actively reject you.

8. Killer: these customers are really dangerous. Here, a killer is contributing and is decided to defame you anyway.

Research Experimental Background

The most important researches carried out regarding the subject of this work are as follows:

1. A study entitled "investigation of the effect of competitive intelligence on providing a competitive advantage for companies present in science and research town of Esfahan" is carried out by Rezaei Dowlatabadi in 2011. In this work, by presenting a pattern, the level of effect of competitive intelligence and its components on competitive advantage is evaluated and results demonstrate that using a smart competitive plan leads to achieving a competitive advantage over competitors and ensures the survival of the organization.

2. Competitive intelligence and its relationship with effectiveness of marketing activities of Nigerian great companies are another one the works done in this regard in 2009 by Nuka and Francis. In this work, five variables were attributed to the competitive intelligence including market opportunities, competitor's threats, fundamental assumptions and key vulnerabilities and five ones are defined for marketing activities including customers' satisfaction, marketing information, integrated marketing activities, strategic orientation and operational efficiency.

In this research, 108 companies which are present in Nigerian stock market constitute the statistical community of the work. Results reveal that there is a positive and meaningful relationship between competitive intelligence and effectiveness of marketing activities of great companies.

3. Another research entitled "presenting a model for gaining loyalty of customers using industrial management of customer in national banking industry" by Mousakhani *et al.,* (2011), tried to illustrate the role of knowledge of the banks about the customers in their loyalty through providing a model. Research findings revealed a positive and meaningful relationship between knowledge about customer and the adaptation of perceived value by customer and the value expected by customer.

Research Main Hypothesis

The main hypothesis of research states that there is a positive and meaningful relationship between the competitive intelligence and customers' direction toward high level loyalty in public and private banks of Naghadeh.

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Research Secondary Hypotheses

According to five basic components of competitive intelligence, following secondary assumptions are addressed for research:

1. There is a positive and meaningful relationship between market opportunities and making customers ambassador.
2. There is a positive and meaningful relationship between competitors' threats and making customers ambassador.
3. There is a positive and meaningful relationship between competitors' dangers and making customers ambassador.
4. There is a positive and meaningful relationship basic organizational assumptions and making customers ambassador.
5. There is a positive and meaningful relationship between key vulnerability and making customers ambassador.

MATERIALS AND METHODS

To perform the current research, descriptive correlative method has been used. Statistical community of research includes all banks of Naghadeh. Since in this work, all of the statistical community is used by means of census, sampling method is not applied and the volume of the sample equals the whole statistical community.

Research Tool

To collect data, two types of questionnaires are used. Questionnaire of competitive intelligence is derived based on the indices of Fahey (2007) and questionnaire of customer loyalty is provided based on components including satisfaction, value, truth, resistance to change and the value of brand. Considered indices are reviewed by corporation of aware experts and elites and used items of the questionnaire are fitted to specific characteristics of the research environment and ultimately, a questionnaire with a 5 option scale of Likert varying from very low to very high was prepared.

Validity and Stability of Research

Validity of research is approved by experts, including professors, managers and experts of the university. To determine the stability of research questionnaire, Cronbach alpha coefficient test was performed. This coefficient for questionnaire of competitive intelligence and customer loyalty are 85 and 91%, respectively which totally demonstrates the relatively high validity and stability of the used tools.

Research Data Analysis

To perform analysis on statistical data, descriptive statistical methods such as computation of average and standard deviation and for perceptive analysis, appropriate statistical tests such as correlative coefficient and step by step bivariate and multivariate regression analysis are used. Moreover, to determine the importance of components of competitive intelligence and loyalty, Friedman ranking test is used.

RESULTS AND DISCUSSION

Expressing the First Hypothesis

H_0: There is no positive and meaningful relationship between market opportunities and making customers ambassador in public and private banks of Naghadeh.

H_1: There is a positive and meaningful relationship between market opportunities and making customers ambassador in public and private banks of Naghadeh.

To test hypotheses, correlation coefficient and regression analysis were used. Correlation coefficient between awareness of market opportunities and customer loyalty is 60% which is meaningful in 5 level. The value of determination factor is 36% and shows that 36% of the changes in loyalty and being ambassador can be explained by market opportunities. Therefore, the regression line equation corresponding to the process can be written as follows:

Making customer ambassador: 37.327+0.36 (awareness of market opportunities)

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Expressing Second Hypothesis

H_0: There is no positive and meaningful relationship between competitors' dangers and making customers ambassador in public and private banks of Naghadeh.

H_1: There is a positive and meaningful relationship between competitors' dangers and making customers ambassador in public and private banks of Naghadeh.

Correlation coefficient between awareness of competitors' dangers and making customer ambassador is 43.6% which is meaningful in 5 level. The value of determination factor is 19% and shows that 19% of the changes in loyalty and being ambassador can be explained by competitors' dangers. Therefore, the regression line equation corresponding to the process can be written as follows:

40.618 Making customer ambassador: 0.19 (awareness of competitors' dangers)

Expressing Third Hypothesis

H_0: There is no positive and meaningful relationship between competitors' threats and making customers ambassador in public and private banks of Naghadeh.

H_1: There is a positive and meaningful relationship between competitors' threats and making customers ambassador in public and private banks of Naghadeh.

Correlation coefficient between awareness of competitors' threats and making customer ambassador is 50.3% which is meaningful in 5 level. The value of determination factor is 25.3% and shows that 25.3% of the changes in loyalty and being ambassador can be explained by competitors' threats. Therefore, the regression line equation corresponding to the process can be written as follows:

32.461 Making customer ambassador: 0.253 (awareness of competitors' threats)

Expressing Fourth Hypothesis

H_0: There is no positive and meaningful relationship between awareness of basic assumptions and making customers ambassador in public and private banks of Naghadeh.

H_1: There is a positive and meaningful relationship between awareness of basic assumptions and making customers ambassador in public and private banks of Naghadeh.

Correlation coefficient between awareness of awareness of basic assumptions and making customer ambassador is 281% which is meaningful in 5 level. The value of determination factor is 7.9% and shows that 7.9% of the changes in loyalty and being ambassador can be explained by awareness of basic assumptions. Hence, the regression line equation corresponding to the process can be written as follows:

Making customer ambassador= 51.402+0.079 (awareness of basic assumptions)

Expressing Fifth Hypothesis

H_0: There is no positive and meaningful relationship between awareness of key vulnerabilities and making customers ambassador in public and private banks of Naghadeh.

H_1: There is a positive and meaningful relationship between awareness of key vulnerabilities and making customers ambassador in public and private banks of Naghadeh.

Correlation coefficient between awareness of awareness of key vulnerabilities and making customer ambassador is 54.1% which is meaningful in 5 level. The value of determination factor is 29.3% and shows that 29.3% of the changes in loyalty and being ambassador can be explained by awareness of key vulnerabilities. Hence, the regression line equation corresponding to the process can be written as follows:

Making customer ambassador= 38.121+0.293 (awareness of key vulnerabilities)

Expressing the Basic Hypothesis of Research

H_0: There is no positive and meaningful relationship between competitive intelligence and making customers ambassador in public and private banks of Naghadeh.

H_1: There is a positive and meaningful relationship between competitive intelligence and making customers ambassador in public and private banks of Naghadeh.

According to performed tests, correlation coefficient between competitive intelligence and making customer ambassador is found to be 63.5% which is meaningful in 5 level.

Therefore, null hypothesis is rejected and we can predict direction of customers toward increasing and high level loyalty according to competitive intelligence in 5% meaningfulness level. Therefore, the regression line equation corresponding to this prediction can be written as follows:

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Making customer ambassador= 19.059+0.635 (competitive intelligence)

In this work, in order to investigate the simultaneous effect of five aspects of competitive intelligence on making ambassador customers, multivariate regression was used and predictor variables are input step by step.

According to obtained results, we can say that in the first step by step regression, component of awareness of market opportunities can provide a meaningful prediction of making a customer an ambassador for the company. In second step, component of awareness of key vulnerabilities and in the third step, awareness of competitors' dangers can provide a meaningful prediction of directing customers toward high level of loyalty. Standard β for components of awareness of market opportunities, key vulnerabilities and competitors' dangers are 0.378, 0.262 and 0.171, respectively and constant value is computed to be 22.37. According to above information, multiple regression equation for predicting direction of customers towards increasing loyalty and transforming them into a qualified ambassador, according to components of competitive intelligence for the institute is as follows:

$$Y=22.370+0.378(X_1) +0.262(X_2) +0.171(X_3)$$

Where, Y is making customers ambassadors, X_1 is awareness of market opportunities, X_2 is awareness of key vulnerabilities and X_3 is awareness of competitors' dangers.

Moreover, to explain the importance of competitive intelligence components in directing customers toward being organization ambassadors, awareness of market opportunities, competitors' dangers, basic assumptions and key vulnerabilities, respectively, have the most importance in competitive intelligence of managers of bank branches.

Among components of high level loyalty, trust, affection, satisfaction, value, brand value and resistance to change have more importance in directing customers toward an ideal loyalty and making ambassadors for bank branches.

Conclusion

Research findings show that competitive intelligence is a key factor in directing customers toward ideal loyalty and can make them an ambassador for the organization; that is, by increasing the score of competitive intelligence, direction of customers toward being ambassador increases as well. This is in agreement with findings of Javid (2009) and Pirayesh (2011). In another part of the study, which uses multiple regression for assessing the simultaneous effect of dimensions of competitive intelligence on directing customers toward ideal loyalty, results reveal that three out of five aspects of competitive intelligence (awareness of market opportunities, key vulnerabilities and competitors dangers) can predict customers' direction in a meaningful manner. Basic assumptions and competitors' threats were removed from the model. In other words, results confirm that there is a positive and meaningful relationship between competitors' dangers and customers direction and therefore, first, third and fifth hypotheses were approved. However, second and fourth hypotheses which state that there is a positive and meaningful relationship between competitors' threats and customer's direction toward loyalty were rejected.

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