Psychologically Examining the Influence of Logo Color on Brand Loyalty (Case Study: Mellat Bank)
Hossein Vazifehdust¹, Sohrab Ahmadvand², Seyed Javad Shahabi Takami³, Ensieh Taheri Bonchenari⁴

1. Professor of Department Executive Management, Science and Research Branch, Islamic Azad University, Tehran, Iran.
2. PhD student in Business Management field of Marketing, Science and Research Branch, Islamic Azad University, Tehran, Iran.
3. Department of Business Management, Qom Branch, Islamic Azad University, Qom, Iran.
4. Department of Business Management E-Campus, Islamic Azad University, Tehran, Iran.

Introduction
The term "psychology" is one of the topics that is considered alongside of graphic design of logo. Typically, choosing the color is one of the psychological processes of logo design. But this process is more than choosing the color. What takes place in “Logo Psychology” is that the logo is divided into different sections and each section can be seen in the form of a characteristic. Choosing the right logo color is one of the important points to create a powerful brand. The color is an important visual communication tool that can subconsciously affect the audience and plays an important role in keeping the brand in the mind of viewers. The color can be a reminder of emotions and memories of people and every one can have personal interpretation of the color which originated from an environment in which people live in or have created in their mind and depends on the factors such as: age, nationality, profession and etc. Color and visual appearance affect more than 80% on purchase or not purchase of a product. In addition, the color increases identification of a brand. Logo is the used graphical component to identify a company, service or product. It is also a sign, symbol or distinctive image (usually for a company or brand name) that is used permanently and typically becoming a brand to differentiate and protect against abuse by other companies.

In recent years due to economic conditions and the emergence of new financial institutions, the competition in the banking industry has increased sharply. In current situation, financial institutions in order to stay ahead of competitors and even for survival require innovative strategies to attract customers. Big global banks have shown that powerful, desirable and unique influence in customers’ mind has an amazing effect on attracting financial resources. One of the basic bases and strategies of brands and visual identity of companies is their logo which can have a significant impact on the knowledge and experience of the firm's customers. This ultimately red ues the costs and increases organizational competitiveness. In such an environment, new marketing leads companies to earn new customers, maintain existing customers and create permanent relationships with customers. Real loyalty requires a psychological relationship with a brand, product or company. Banks should always try to be selected by customers and acquire their satisfaction and loyalty (Hamidi Zadeh et al. 2009).

The brand is originated from a Scandinavian word “Brander” which means burning and was used to specify animals by farmers. Brand is a name, word, design, or a combination of them which is used to specify the seller or group of sellers and differentiate their services from goods or services of competitors (Gilani Nia and Mousavian, 2010). Brand Loyalty is defined as “Creating a deep commitment to repurchase or support of a product or preferred services consistently in the future and regular repeat purchase in contrast to effects and efforts of existing marketing which may change the behaviors”. companies design marketing strategies in order to increase loyalty and maintain market share and more profitability (Hosseini and Rezaei, 2011). Successful brands increase trust in intangible services and products and customers are able to visualize and better recognition of their services (Rahim Nia and Fatemi, 2011). Therefore, the brand role is an indispensable part of marketing strategy of companies (Roh and Choi, 2010). Research shows that the cost of attracting a new customer is at least about 6 times of maintaining of current customers. In addition, loyal customers are willing to pay more for their favorite brand and service and are less sensitive to the price. Also, brand loyalty creates a competitive advantage for the organization (Feiz et al. 2015). Therefore, according to the importance of brand loyalty in today’s competitive markets, one of the most important reasons of huge interest of banks to the

Abstract
Color psychology is a branch of behavior psychology science that studies how the colors affect human behavior. Color is a strong tool for marketing that has a great effect on the willingness of customers and influence on them. Today, the market is noisy and brands should be able to benefit from the advantages of brand awareness. The most important thing that evokes the brand in the people minds is the brand color. This study shows that psychologically logo or brand color affect brand loyalty among the Mellat Bank’s customers. This study in terms of purpose is an applied research and also in terms of data collection it is a descriptive and correlation study. The statistical population of this study is customers of Mellat Bank in Tehran. To calculate sample size, Cochran’s Formula was used for unlimited population and the sample size in this study was specified as 384. In this study, researcher-made questionnaire was used and its validity and reliability was tested. Cronbach’s Alpha coefficient obtained 0.84. Findings show that psychologicaally logo color influence on cognitive, emotional and functional loyalty of customers to Mellat Bank brand.

Keyword: Color, color psychology, logo, brand, loyalty, cognitive loyalty, emotional loyalty, functional loyalty.

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loyal customers is the greater profitability of these customers for the banks.

**Background and literature review**

**Brand**

Definition of brand in America Marketing Association (AMA) is: “A name, word, phrase, sign, symbol or a combination of them to identify the goods and services of one seller or a group of sellers and to differentiate between those from other competitors” (Lorenzini et al. 2011). Brand is also defined as a product, service or specified person and or a completed place in such a way that purchasers or users understand its unique added value and be in consistent with their needs (Sirchuk, 2012).

**Color Psychology in Branding and Brand Logo**

Color psychology in both personal affairs and business affairs is one of the most interesting and most controversial aspects of branding; because today, most of conversations about colors and their fascination include all emotions, evidences and advertisments which propose many claims about “Color and Mind”. Orange color in organizations’ logo is sign of friendship, happiness and trust; yellow color is sign of optimism, clarity and warmth; red color is sign of excitement, youth and courage; purple color is sign of creativity, imagination and intelligence; green color is sign of peace, growth and health; silver color is sign of balance, neutrality and tranquility and blue color is sign of trust and power.

**The Use of Colors of Brand Positioning**

When a firm seeks to introduce a product or service that one of its main features is compatible with psychological effects of colors, it is better to use the right color. To make an effective product or service positioning in the customer’s mind, coordination between all factors related to the position can be more effective in long run. Any action that is consistent with people feelings of product or service’s color can be a better reminder in the minds of people. So, before any action, we should pay attention to the characteristics of the target market. Colors should be used in conjunction with other marketing elements carefully. Among various applications of color in marketing, maintaining visual identity of the brand is the most important because in most of cases, the firm’s main asset is its brand and the most important thing that evokes the brand in the minds of people is the brand color. Colors embody brands helping to remind a brand the minds of people (Mohammadi Far, 2012).

**Brand Loyalty**

One of the reliable and well-known concepts in marketing is brand loyalty which has an important role in creating long-term benefits for the organization; because loyal customers do not need extensive promotional efforts. They pay more tendencies for benefits and the quality of their favorite brand (Glynn, Motion and Brodie, 2007). Organizations can acquire more market share with the help of brand loyalty because loyal customers buy the brand frequently and resist against situational factors and marketing efforts of competitors (Yoo, 2008). Brand loyalty is a positive attitude of customers towards a brand, product, service or seller. It is defined as the degree of customer attachment to a particular brand (Buil, Chernatony and Martinez, 2008).

**Brand Loyalty Types**

All types of brand loyalty are defined in connection with the behavioral, attitudinal, and selective approaches. Behavioral approaches are based on purchasing a particular brand and attitudinal approaches connect consumer preferences and interests about brands. Definitions about selective approach concentrate on the reasons for purchase or factors that may influence the choice (Seyyed Javadin and Shhams, 2007).

Behavioral loyalty is the tendency of a customer to repurchase and continue the relationship with the supplier (Mojoudi, Darzian Azizi and Ghassemi, 2014). Attitudinal loyalty is psychological dependence level of customer and attitudinal support to the supplier (Mojoudi, Darzian Azizi and Ghassemi, 2014). Attitudinal loyalty refers to consumer preferences and interests (Seyyed Javadin and Shhams, 2007) and is related to consumer preferences and attitudes (Bajlan, Mansouri and Shabani, 2014). Attitudinal loyalty is purchase of a brand and commitment to it despite of providing similar services and extensive marketing efforts by competitors (Gilani Nia and Mousavian, 2010), brand preference, purchase intention and long-term commitment of customers to the brand and also their tendency to positive advertising and has indicators such as: commitment, trust and attachment to the brand. Attitude towards the brand is very important; because attitudes are the basis of customer behavior (Cho et al, 2015). A customer, who has a positive attitude towards a brand, will step in loyalty (Heydarzadeh et al, 2011).

Oliver has divided attitudinal approach into three types (Caroline, 2002):

1- Cognitive Loyalty: It leads to customer behavior and is related to customer belief.
2- Emotional Loyalty: It contributes to customer commitment and trust and is related to customer emotions.
3- Functional Loyalty: It is related to the customer intention of purchasing in the future.

Ganj et al. (2011) have provided a model to investigate the effective factors on brand loyalty of customers in banking industry. Their model includes two levels: 1st level includes all variables that affect directly on customer loyalty. These variables are: perceived value of brand, trust in brands and customer satisfaction. 2nd level includes all variables which affect 1st level. These variables are: Risk taking, brand awareness, service quality and corporate image. The results of the structural equations modeling test show that in the field of electronic banking card, perceived value of brands, trust in brands and customer satisfaction directly lead to brand loyalty and also Risk taking, brand awareness, service quality and corporate image indirectly lead to brand loyalty.

Gilani Nia and Mousavi (2010) in their study investigate the effect of brand loyalty (behavioral dimension) on special value of the brand and since brand loyalty can be influenced by the other three dimensions (perceived value, brand awareness and
brand image), they investigate these three factors as effective factors on loyalty. Results show that loyalty, awareness and quality have an effect on special value of the brand and brand awareness is one of the effective factors on customer loyalty.

Reinartz and Comer in their study concluded that a significant percentage of customers who have long-term relationships with companies, have more profitability for companies compared to other customers (Ranjbarian and Barari, 2009). As a result, branding is the first action of organizations which leads to create a long term relationship with customers.

Ballester and Alemán (2005) have conducted a research entitled “Is brand trust important in creating brand value process?” In this study, 271 customers of shampoo and beverages were studied in Southwest Spain. About 137 people were beverage customers and 134 people were shampoo customers. At the first stage of the study, the effect of customer satisfaction on brand trust was investigated and then the effect of brand trust on brand loyalty was investigated and finally the effect of brand loyalty on special value of the brand was investigated. Findings show that customer satisfaction has no direct effect on brand loyalty and brand trust can be used as a moderator in the relationship between these two variables. Further, brand trust has two components of brand reliability and willingness to the brand. Results indicate that customer satisfaction contributes to brand loyalty and creating special value of brand through affecting the two elements of brand trust.

**History and Logo of Mellat Bank**

Mellat Bank was established after the revolution in 1979, in an Act approved on December 1979 of General Assembly of loyalty. Banks by merging 10 other banks and institutions on July 22, 1980 and with No. 38077, it was registered in the Companies Registration Office. In 2008, as the first state-owned bank, it joined the private banks. After the privatization of banks, Changes and signs which indicate the beginning of transformation in the behavior and professional performance of the bank are most evident. One of the main changes in the bank in order to have better competition in private sector is the change of the logo’s color from blue to the red and uniformity of the bank’s external view (see Fig. 1). These changes contributed to be presented a prettier and more attractive image of Mellat bank among other private banks. Today, after 8 years, we want to investigate the effect of color changing of logo on customer loyalty.

**Hypotheses and Conceptual Model**

According to the background and literature review section about the variables, conceptual model of the research was drawn (see Fig. 2). Therefore, one main hypothesis and three secondary hypotheses are provided as follows:

**Main Hypothesis:**
Psychologically, Logo color has an effect on brand loyalty.

**Secondary Hypotheses:**
1- Psychologically, Logo color has an effect on brand cognitive loyalty.
2- Psychologically, Logo color has an effect on brand emotional loyalty.
3- Psychologically, Logo color has an effect on brand functional loyalty.

![Fig. 1: Mellat bank’s Logo](image)

![Fig. 2: Conceptual Model of the research](image)
Methodology
This study in terms of purpose is an applied research and also in terms of data collection, it is a descriptive and correlation study. The statistical population of this study is customers of Mellat Bank in Tehran. In this study, the random sampling method was used. Thus, the questionnaire was distributed among the customers of Mellat Bank and they were asked to read the questionnaire and answer to the items carefully. To calculate sample size, Cochran’s Formula was used for unlimited population and the sample size in this study was specified as 384 people (Sarmad et al. 2013).
Due to the nature of this study, the researcher-made questionnaire was used to collect data. In this study, the content validity was used to evaluate the validity of the questionnaire. To assess the reliability, Cronbach’s Alpha method was used. This coefficient was obtained as 84%. In the analysis of the collected data, in order to assess the correlation and normality of data distribution, One-Sample Kolmogorov-Smirnov Test was used and in order to assess the relationships between the variables, Pearson Correlation Test was used. In this study, the collected data was analyzed using SPSS.22 software.

Inferential Analysis of Data
Kolmogorov-Smirnov Test
Kolmogorov-Smirnov Test was used to evaluate the normality of the variables. Since the significance level of these variables obtained more than 0.05, so we can say that the data distribution is normal.

Hypotheses Testing
In this section, we conducted hypothesis testing for each hypothesis of the research.
1-Psychologically, Logo color has an effect on brand cognitive loyalty.

Table 1: Kolmogorov-Smirnov Test results

<table>
<thead>
<tr>
<th>Variable</th>
<th>Logo Color</th>
<th>Brand Cognitive Loyalty</th>
<th>Brand Emotional Loyalty</th>
<th>Brand Functional Loyalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Z</td>
<td>0.830</td>
<td>0.733</td>
<td>0.677</td>
<td>0.605</td>
</tr>
<tr>
<td>Significance Level</td>
<td>0.493</td>
<td>0.652</td>
<td>0.746</td>
<td>0.856</td>
</tr>
</tbody>
</table>

Table 2: Correlation Matrix between Logo Color and Brand Cognitive loyalty Cognitive Loyalty

<table>
<thead>
<tr>
<th>Variable</th>
<th>Logo Color</th>
<th>Brand Cognitive Loyalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Logo Color Correlation Coefficient</td>
<td>1</td>
<td>0.792</td>
</tr>
<tr>
<td>Significance level No.</td>
<td>384</td>
<td>384</td>
</tr>
<tr>
<td>Brand Cognitive Loyalty Correlation Coefficient</td>
<td>0.792</td>
<td>1</td>
</tr>
<tr>
<td>Significance level No.</td>
<td>384</td>
<td>384</td>
</tr>
</tbody>
</table>
Discussion

In this section, according to the findings derived from previous section, we attempt to compare our finding with those achieved by other authors, separately for each hypothesis.

In this study, we found that psychologically logo color influence on brand cognitive, emotional and functional loyalty of customers of Mellat bank.

In terms of first hypothesis of the research, our finding is consistent with some previous findings (e.g. Seyyed Javadin and Amini, 2010). In terms of second hypothesis, our finding is consistent with Shah Hosseini, Ekhlasi and Rahmani (2011). In terms of third hypothesis, no research history was found. In terms of fourth hypothesis, our finding is consistent with some previous findings (e.g. Moradi and Zarei, 2011).

Conclusion

Undoubtedly, banking industry is one of powerful basis of economy in any country. The banking system factors of dynamism, effectiveness and capability not only benefit the banking business environment but they also have many effects on external environment, macroeconomic and business environment. A good commercial logo is effective on customer commitment to the brand and firm’s performance. Customers can have a meaningful and deep relationship with a brand and this leads to less sensitivity of customers to the price and reduces the costs of marketing. Colors are important in creating symbols and signs. International brands and product’s name often have problems with language, pronunciation, meaning, cultural considerations and non-discursive gestures. As a result, the color has great effect on brand efficiency. Also, brand loyalty plays an important role in creating long-term benefits; because loyal customers do not need the extensive promotional efforts. They pay more tendencies to benefits and the quality of their favorite brand.

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