BEZPIECZNY
BANK

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Reputation determinants of the banking sector in Poland

Abstract

The objective of this paper is to identify the determinants of reputation of the banking sector in Poland and to segment the society according to the factors that shape the reputation. Banks in Poland have a good reputation. The factors of a good reputation are in clear advantage over the factors of a bad reputation. The most important things in shaping the banks' reputation are the axiological determinants. Their significance is three times as high as the effectiveness determinants linked to the satisfaction with the banking services, and it is much higher than the impact of the normative determinants connected with the institutional aspects of the banking sector. The three selected homogeneous typological groups of consumers differ from each other in terms of normative, axiological and altruistic determinants that shape the reputation. The effectiveness determinants do not diversify the consumers in terms of their impact on the the banks' reputation assessment. The most important touch points that shape the banks' reputation are: consumers' personal experience, customer service attendants in the banks, friends' opinions as well as the opinions of the people who are regarded by the consumers as experts. When modelling the reputation determinants, a structural equation modelling method (SEM) was used. Studies were carried out on a nationwide representative sample of N=1000 residents of Poland using the CAPI method in March 2019.

Key words: banks, reputation, structural equation models (SEM – Structural Equation Models)

JEL: G41; M31; M52; E71; G10

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1. Introduction

Reputation reflects the values and identity of the assessed company, the historical impact, customer experiences as well as the images that had been accumulated over years. A good reputation of a company increases its market chances, and its products and services sell better, and it is recommended to other consumers. Investors are more inclined to invest in companies that have positive public reception. It is even more difficult for the public opinion to acknowledge and accept a negative opinion of a company that has a good reputation[1]. Even if the stakeholders have doubts about some information about the company with a good reputation, they usually interpret this information in favor of the assessed company[2]. Reputation is particularly significant because "...*we live in the era of economics of intangible assets*"[3]. K. Majchrzak regards that a good reputation is more trustworthy which increases the customer loyalty and that its products are recommended to other people [4]. Companies that boast excellent reputation have the ability to acquire capital easier.

Corporate reputation has always been deemed a valuable corporate asset, but only since the late 20th century has it become a business issue of the utmost importance. Corporate reputations are omnipresent, and no longer "seldom noticed until they are threatened"[5]. They are acknowledged as one of the driving forces behind successful businesses. Empirical studies show that even when confronted with negative information, observers resist changing their reputational assessments[6]. Therefore, reputations are valuable intangible assets because they are inertial[7]. While most corporate reputation scholars agree that brand architecture is a part of the multidimensional paradigm of corporate reputation, the significance of its impact has yet to be agreed on[8].

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[1]   M. Gotsi, A.M. Wilson, *Corporate reputation: seeking a definition*, Corporate Communications: An International Journal, 2001, pp. 24–30.

[2]   K. Wójcik, *Wszystko, co chciałabym wiedzieć o public relations i nie boję się zapytać – dylematy PR (Everything, I Want to Know About Public Relations and I Am Not Afraid to Ask – PR Dilemmas)*, [in:] *Public relations – Improving the Communication Process in Public Space*, Studia Ekonomiczne, Zeszyty Naukowe Wydziałowe, Uniwersytet Ekonomiczny w Katowicach, Katowice, 2014, pp. 32–33.

[3]   J. Low, P.C. Kalafut, *Niematerialna wartość firmy (Intangible Value of the Company)*, Oficyna Ekonomiczna, Kraków, 2004, p. 103.

[4]   K. Majchrzak, *Zarządzanie reputacją korporacyjna we współczesnej gospodarce (Managing Corporate Reputation in Contemporary Economy)*, [in:] *Public relations – Current Issues of Art of Communicating in Theory and Practice*, ed. R. Maćkowska, H. Przybylski, Wydawnictwo Akademii Ekonomicznej w Katowicach, Katowice 2009, pp. 291–292.

[5]   C.J. Fombrun, C.B.M. Van Riel, *The Reputational Landscape.* Corporate Reputation Review, 1997, 1(5), p. 5–13. C.J. Fombrun, M. Shanely, *"What's in a name? Reputation Building and Corporate Strategy.* Academy of Management Journal, 1990, 33, pp. 233–258.

[6]   S. L. Wartick, "The Relationship between intense media exposure and change in corporate relationship." Business and Society, 1992, 31, pp. 33–49.

[7]   S. Cramer, T. Ruefli, *Corporate reputation dynamics: Reputation inertia, reputation risk, and reputation prospect*, Paper presented at the National Academy of Management Meetings, Dallas 1994.

[8]   J. Doorley, H.F. Garcia, *Reputation Management*, New York: Routledge, 2007.

In the banking sector, a good reputation takes a special place. On the one hand, it testifies to the stability of the sector and good relations with the stakeholders; and, on the other hand, it is a condition of and secures the stability of the financial system. The stability of the financial system is based on the social agreement between all its users: financial institutions, their customers and stakeholders, personnel and market regulators. The conviction that the banks operate according to the predefined rules of the law and to the good of their customers boils down to the reputation that the banks have among their customers. Individual customers of banks are mostly unprofessional individuals who rarely have the necessary knowledge to professionally evaluate whether the system is actually based on the right foundations and whether their money is truly safe in this system.

The majority (83%) of the Polish society are convinced that the customers' money deposited in banks is safe, and 80% are of the opinion that banks have a stable financial situation. 89% of the consumers think that they do not undertake any or undertake only a small risk when using the banking services, including depositing money in banks[9].

However, the consumers rarely take the effort to personally look for the answers about the sources of security, stability and predictability of the banking system. Barely 7% of the Polish society declare a high or very high knowledge about banks and the financial services, and 67% do not see any need to increase their knowledge about this subject. Instead of that, when evaluating the banking sector, the customers rely on their individual experiences, opinions of other people and overall normative convictions which, to put it simple, boils down to evaluating the banking institutions as regards their reputation. The better the score, the more stable the system is, at least theoretically; and, in consequence, the lower the score of all the experiences, views and judgements about the banks the worse the effect can be in the social perception of the banks' stability[10]. Hence, the perception of the banks and monitoring of this phenomenon in such a way that it enables one to evaluate the changes constitutes a significant point of reference for evaluating the operation of the banking system and its components as well as formulating recommendations regarding the necessary changes.

2. Research Methodology

The objective of this paper is to identify the determinants of the banking sector in Poland and to segment the society according to the factors that affect the banks' reputation. The detailed objectives of this paper are:

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[9] *Reputacja Polskiego sektora bankowego 2019* (Reputation of the Polish Banking Sector 2019), Związek Banków Polskich, Warszawa 2019, p. 17.

[10] *Reputacja…, op. cit.*, p. 46.

- to identify the cause and effect relationships and feedbacks in the group of normative, axiological and altruistic factors and factors of effectiveness,
- to isolate and establish a profile of homogeneous consumer segments based on the factors taken into consideration when evaluating the reputation of the banking sector,
- to rate the force of impact of the different channels and authors of information on the reputation of the banking sector,
- to rate the activities of the institutions working in this sector targeted on influencing the social perception of the banking sector.

This paper is based on the following research project Reputation of the Polish Banking Sector. The image-related studies on the social perception of the banks operating in Poland have been carried out on a constant basis by the Polish Banking Association every year for 12 years. These are the only studies in Europe of this kind. Their objective is to diagnose and monitor the reputation of the banks and to identify the factors that co-occur with the positive and negative ratings in this area. Apart from studying the banks' reputation using the TRI*M scale, the study poses questions about the reputation of the other participants of the financial market or those who render mass services on a similar scale (in a comparative aspects) like SKOK Credit and Savings Unions, loan companies, insurance companies, telecommunication companies and NBP (National Bank of Poland). Apart from that, the study uses batteries of questions aimed at measuring the level of trust in banks in the context of the other institutions on the financial market and standard diagnostic tools, that is to say, PGI (performance gap indicators), ratings of statements, context questions and segmenting questions that enable us to identify the respondents not only in the socio-demographic aspects, but also in the behavioral aspects to a certain extent.

Every time the studies are carried out on a randomly selected group of Poles aged 15+ who meet the criteria of being a representative of the society. The size of the research sample is 1000 people every year. The interviews are carried out using a CAPI method – a direct interview method. In 2019, the research was conducted from March 11 to March 22.

Since 2011, the TRI*M methodology has been used to study the banks' reputation. This is a proprietary technique designed by a global research agency TNS, Kantar at present. The reputation TRI*M index is calculated as a weighted average of response distributions on 5 main indexes in the following areas: a) overall rating of the banking sector, b) rating and quality of products and services, c) affinity (emotional fondness), d) perception of success and e) declared trust. The answers to questions in every area are given on a five-grade scale. The TRI*M reputation index assumes values from -66 points which means an extremely bad reputation to the top value of 126 points which means an excellent reputation. The reputation defined as average is in the range of 22–46 points.

2.1. Reputation in a Theoretical View

Reputation is frequently mistaken for or even identified with an image or overall opinion about a company. In literature on this subject, an image defines a method how a company is perceived, what features are used to characterize and describe it. Overall opinion is a single dimensional assessment of the company. However, in the opinion, among others, of A. Adamus-Matuszyńska[11], there is a difference between the overall opinion and reputation/image. Reputation is connected mainly with the assessment in comparison with the other companies or in comparison with an ideal model. An image is the company's characteristics, and the reputation is an opinion about a company[12]. This approach is represented, among others, by K. Majchrzak[13]. She claims that identity affects the image which, in its turn, shapes the reputation. In her opinion, reputation is a sum of the fragmentary images acquired over time. In the opinion of T. Dąbrowski[14], reputation can also be identified with the image in the long run. In his opinion, reputation is on the outside of a company, and it includes social assessment. The assessment refers to the level to which a company has the ability and is ready in the future to meet the expectations of the stakeholders. T. Dąbrowski defines reputation as "(...) based on the current and consistent operations of the company, shared by the different groups of stakeholders, stable assessment of its abilities and readiness to meet the stakeholders' expectations and to provide specific values"[15]. Reputation is determined by the institution's ability to operate honestly and to communicate with its surroundings.

Walker divided corporate reputation definitions into 5 groups[16]: (1) perceptual definitions which focus on defining corporate reputation as stakeholder's viewpoints about the overall perceptions regarding both internal and external aspects about an organization, (2) aggregate definitions which is a collective perspective which is based on the perceptions of all stakeholder groups about an organization, (3) comparative definitions which compares reputation to other competitors in the market, (4) positive or negative definitions which means that reputation can be either positive or negative, and (5) temporal definitions which means that reputations are time-specific and can change over time.

A bank's reputation can also be interpreted in a broader context of the so-called relational capital. M. Marcinkowska[17] defines relational capital as "an element of

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[11] A. Adamus-Matuszyńska, *Reputacja nieuchwytna wartość firmy (Reputation, Intangible Company Value)*, www.proto.pl, 2012, p. 2.

[12] M. Schwaiger, *Components and Parameters of Corporate Reputation – an Empirical Study*, Schmalenbach Business Review, 56, 2004, p. 47.

[13] K. Majchrzak, *Zarządzanie reputacją korporacyjną...*, *op. cit.*, pp. 291–292.

[14] T. Dąbrowski, *Reputacja przedsiębiorstwa. Tworzenie kapitału zaufania (Company Reputation. Creating Capital of Trust)*, Oficyna Wolters Kluwer, Kraków 2010, p. 75.

[15] T. Dąbrowski, *op. cit.*, p. 81.

[16] K. Walker, *Corporate Reputation Review*, A Systematic Review of the Corporate Reputation Literature: Definition, Measurement, and Theory, 2010 p. 156.

[17] M. Marcinkowska, *op. cit.*, p. 124.

its intellectual capital created by the bank's relations with the stakeholders using human and social resources, and also requiring the involvement of the bank's financial and structural assets." Therefore, this is the total relations to and bank's connections with the stakeholders based on mutual trust. The relational capital is an effect of interdependency and mutual interactions among the entities which are interconnected[18]. Building lasting relations and creating relational capital are based on mutual honesty and responsibility, in other words, the fundamentals of the company's reputation.

M. Marcinkowska justifies that in a broad meaning, the relational capital includes relations with all the identified entities with whom the bank has any relations, in other words first of all, the bank's relations with the society, customers, institutions of the security network, personnel and management, contractors and subcontractors as well as competitors, the state and other groups of interest which the banks finds significant. M. Marcinkowska underlines at the same time that the most effective method of controlling the relations is trust and reputation. Trust is the key element of shaping the relational capital. This is necessary to establish relations and their development which is underlined by P. Paszko[19].

Barnett et al. (2006) categorized the definitions of corporate reputation into three main clusters[20]: (1) reputation as a state of awareness, (2) reputation as an assessment, (3) reputation as an asset. For those definitions that consider reputation as state of awareness, the single most commonly used term for defining corporate reputation in this cluster is "perceptions." Within this cluster, corporate reputation is defined as: an aggregation of perceptions, latent perceptions, global perceptions. This cluster also includes references to corporate reputation as representations of knowledge or emotions since they reflect awareness about a firm. The most common form for defining corporate reputation was those that consider reputation as an assessment. Those definitions referred to corporate reputation as an assessment of the status of a firm. This includes references to corporate reputation as a judgment, an evaluation. The third cluster, reputation as an asset, incorporates those definitions that refer to reputation as something of value and significance to the firm. This group includes references to reputation as a resource or as an intangible, financial or economic asset. Definitions that describe reputation as awareness or as an assessment do not consider that a firm's reputation has real value to an organization. Many have debated this cluster of meaning by proposing that this is more related to the consequences of reputation, than of the meaning of reputation itself.

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[18] W. Danielak, *Kształtowanie kapitału relacyjnego w małym i średnim przedsiębiorstwie (Shaping the Relational Capital in Small and Medium-Sized Enterprises),* Wydawnictwo Uniwersytetu Ekonomicznego we Wrocławiu, Wrocław 2012, p. 286.

[19] P. Paszko, *Czynniki tworzenia kapitału relacji (Factors of Creating the Relational Capital)*, [in:] *Privatization and Effective Financing of a Company*, Duraj J. (ed.), Wydawnictwo Uniwersytetu Łódzkiego, Łódź 2010, pp. 171–172.

[20] R. Bennett, H. Gabriel, *Reputation, trust and supplier commitment: the case of shippingcompany/seaport relations*, The Journal of Business and Industrial Marketing, 16(6), 2001, pp. 424–438.

2.2. Theoretical Concept of Identifying Reputation Determinants

Among the reputation determinants, K. Wójcik recommends an analysis that takes into account two groups of factors: a) the attributes of the given organization and b) the emotional aspect of the social reception of these attributes[21]. The first group includes financial and economic stability, return on investment, management quality, vision and development perspectives, innovativeness and attractiveness of the company for the customers. In the group of the emotional indexes are: ethic and honest conduct, credibility, orientation to the surroundings, sensitivity to social expectations, recognition, good customer relations, customers' affinity, presence in the media.

Based on the literature review a conceptual reputation model is presented by Balmer and Gray. According to this model, reputation relates to six variables: namely, visual identity, corporate communications, corporate behaviour, product lines, technology and location[22].

Cause and effect determinants of reputation of the banking sector used the concept of the so-called gradation reputation model which included four main types of reputation determinants, that is to say: normative stability, consumers' experiences with banks, the evaluation of the relations between banks and customers on the axiological layer and the evaluation of the relations between banks and customers on the altruistic level (Figure 2). This approach is in compliance with the view of K. Majchrzak[23], who in the light of her studies, claims that there is the following dependency: identity impacts the image which, in its turn, shapes the reputation. Thus, the reputation is the sum of fragmentary images which have accumulated over time[24].

In the context of general opinion and reputation Sztompka selected three categories of expectations: performative, axiological and care-taking. In this light, banks reputation is gradationally diversified depending on the type of the expectations from banks. The discussed grade model of reputation originates from categorizing the customers' expectations from the providers of different types of services. The concept of Sztompka was additionally expanded by the author of this paper by adding a superior category of expectations, the so-called, normative expectations. Each area of expectations was described by statistical indexes adequate for the banking market in Poland.

The normative stability is a response to the normative expectations from the banks. This layer of the determinants of the reputation refers to the rules upheld in the banking system. If these rules are well articulated, consistent, transparent and

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[21] K. Wójcik, *Wszystko, co chciałabym wiedzieć o public relations..., op. cit.*, pp. 32–33.
[22] J. Balmer, E.R. Gray, *Corporate identity and corporate communications: creating a competitive advantage,* Industrial and Commercial Training, 2000, pp. 24–25.
[23] K. Majchrzak, *op. cit.*, pp. 291–292.
[24] P. Sztompka, *Zaufanie. Fundament społeczeństwa* (*Trust. Society's Foundation*), Wydawnictwo Znak, Kraków 2007, p. 87.

legitimate, a feeling of order, predictability, regularity and security emerges. The normative stability means that the rules observed in the banking system are well articulated, consistent, transparent and legitimate. A feeling of order, predictability, regularity and security is created. The normative stability is, among other things, a result of the banks' activities in a specific structural context which includes suitable regulations, monitoring and elimination of potential threats for the security of the whole system. We mean stability, transparency and transparent functioning, durability of the organizational structures and the institution, submitting the banks to the rules of law and procedural framework, consistently exercising the powers and enforcing responsibilities.

The transparency of the system assumes that actions, competence and the results achieved by the system are well visible, easy to understand and controllable. Owing to that, the consumers feel secure (the institutions, professional roles, etc. that make it up). However, when a fast and drastic change occurs which comes abruptly and accidentally without any clear direction and perceivable reason, then the security is undermined. Consistently exercised powers and enforced responsibilities assume the existence of institutions which can be referred to, for example, in order to protect consumer rights and other threatened privileges (courts, tribunals, arbitration) as well as the agencies which consistently enforce the execution of responsibilities (arbitration courts, prosecution, police). This makes the consumers feel protected against abuse, fraud, and crime on the part of the banks.

The performative expectations concern the instrumental properties of the actions undertaken by the banks. This is the answer to the expectations that the activities of the banks will be regular, proper and predictable. The expectations of the competence, efficiency, effectiveness or productivity are already slightly higher. All these cases, however, involve certain formal properties of the activities undertaken by the banks, excluding the deeper semantic layer of these activities. It can be said that the expectations of this type are connected with the organizational aspect of the functioning of the banks and the whole banking system. In this aspect, the rating of bank's reputation is done using a calculating method and sometimes using intuition. This rating frequently concerns people who represent a bank, for example, a bank clerk who serves customers on a daily basis, services rendered by the bank, quality of the customer service as well as the scope of the offer.

The axiological expectations concern special humanistic properties of the banks' activities. Consumer expects that the bank will act responsibly, justly, fairly, strictly by the book, veraciously, etc. This kind of expectations is connected with ethical sphere of the bank functioning. The fourth category includes care-taking expectations connected with such activities where the consumers count that the bank will be selflessly taking care of their matters, that it will be altruistic and that it will provide support. Such expectations are in the area of the functioning of banks which is mythologized by the social consciousness which implies that the underlying principle of the banks' functioning is a definition that "a bank is an institution of public trust; therefore, its superior objective is public interest."

2.3. Empirical Concept of Modeling the Determinants of Reputation in the Banking Sector

For the empirical description of the causative determinants we use a Structural Equation Model method (*SEM*). The SEM models allow one to conduct a multi-dimensional and multi-variable analysis of the empirical data and offer much higher opportunities than those provided by classic statistics[25].

Schematic 1. A schematic of a hypothetical causative model of the structural equation modelling SEM with the unobserved variables
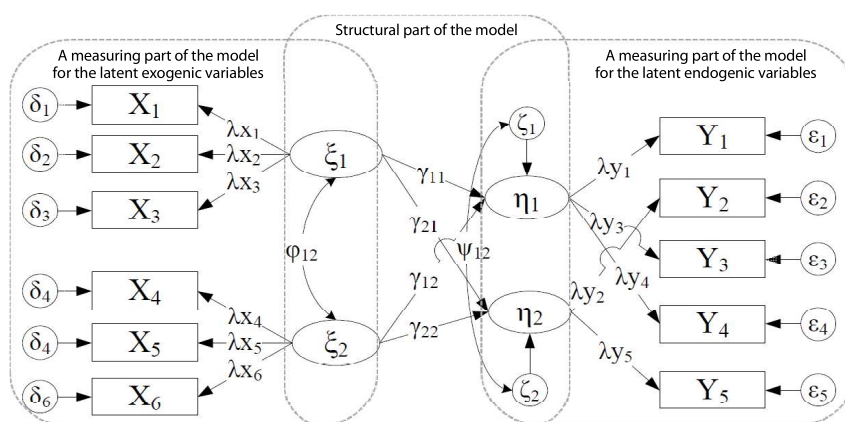
SEM Notations for the latent model:
ξi – latent exogtenic variables (factors),
ηi – latent endogenic variables (factors),
ζi – in equations, errors connected with the latent endogenic variables,
γij – a coefficient referring to the influence of ξi on ηi (the most important direct effect),
φij – covariations among the latent exogenic variables ξi,
ψij – covariations among the ζi errors connected with the measurement of the ηi variables,

Notations for the measurement model:
$Y i$ – observed indexes for ηi,
$X i$ – observed indexes for ξi,
εi – an error connected with the measurement of a specific $Y i$ index,
δi – an error connected with the measurement of a specific $X i$ index,
$\lambda y i$ – a coefficient referring to the influence of ηi on $Y i$,
$\lambda x i$ – a coefficient referring to the influence of ξi on $X i$.

Source: A. Januszewski, *Structural equation models in the methodology of the psychological research. The issues of causality in the structural models and acceptability of the models*.

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[25] The assumtions of the SEM structural models were developed by, among others, Bollen 1989, Kaplan 2000, Pearl 2000. In the Polish literature the following scholars, among others, wrote about SEM: Brzeziński 1996, Gatnar 2003, Osińska 2008, Konarski 2010 and Januszewski 2011.

Structural Equation Modeling (SEM) is a set of procedures of multidimensional statistical analyses which in a classic approach are based on the general linear model. The structural models emerged from the two main techniques: the confirmatory factor analysis[26] and multidimensional regression and path analyses[27]. SEM is a technique of testing and evaluating the causative relationships using the empirical data and qualitative causative assumptions.

The structural models test the linear results of the latent exogenic variables (independent and explanatory) in the scope of the other latent endogenic variables (dependent and explained). Each of the latent variables is measured by an assigned set of measurable empirical variables. The structural models enable one to study at the same time the influence of many sources on the dependent variable[28]. An unquestionable advantage of SEM is the possibility to analyze both direct and indirect relationships. Moreover, the variables included in the models can be measured on different scales[29].

The structure of the model is made up of a model describing the connections among the latent variables which is called the inner model and the measurement model of unobserved latent endogenic and exogenous variables, which is defined as an outer model[30] [Gatnar 2003]. The outer model represents the results of the factor analysis that allows one to calculate the charges of each factor which affect the latent variables. An inner model presents a path analysis that allows one to determine the cause and effect relationships among the variables. The structural part of this model enables one to test the basic research hypothesis, that is to say, a hypothesis about the lack of formal grounds to reject the proposed theoretical model if the traditional measure which is the result obtained in the chi^2 did not exceed the critical value of distribution (chi^2; $p > 0.05$). In this situation, the H0 verification result constitutes a basis to either accept or reject the research hypothesis on the admissibility of the causality impact of the psychological reality represented by the latent exogenous variables on the reality represented by the latent endogenic variables[31].

3. Evaluation of the Level of and Changes in the Reputation of the Polish Banking Sector

The rating of the reputation measured by the TRI*M Index among all the respondents was 49 points in 2019 which is 5 points more than in the previous year. Thus, the banking sector in Poland for the first time since the application of this methodology

[26] D. Harrington, *Confirmatory Factor Analysis*, Oxford University Press, Oxford 2008.
[27] M. Hollander, D. Wolfe, N*onparametric statistical methods. Wiley series in probability and statistics: applied probability and statistic*, New York: Wiley, 1999.
[28] R. Kline, *Principles and practice of structural equation modeling*, NY: The Guilford Press, 2011.
[29] K.G. Jöreskog, *Structural Equation Modeling with Ordinal Variables Using LISREL*, 2002.
[30] E. Gatnar, *Statystyczne modele struktury przyczynowej zjawisk ekonomicznych* (*Statistical Models of Causal Structure of Economic Events*), AE, Katowice 2003.
[31] A. Januszewski, *op. cit.*, pp. 213–245.

has landed in the area of good reputation among all the respondents. The initial rating of reputation of the banking sector in 2012 was 21 points which means an increase by 28 points in 7 years (Chart 1).
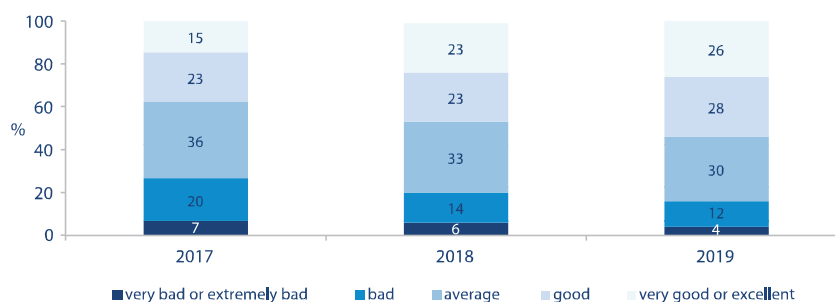
Chart 1. The TRIM Index of the reputation of the Polish banking sector in 2012–2019
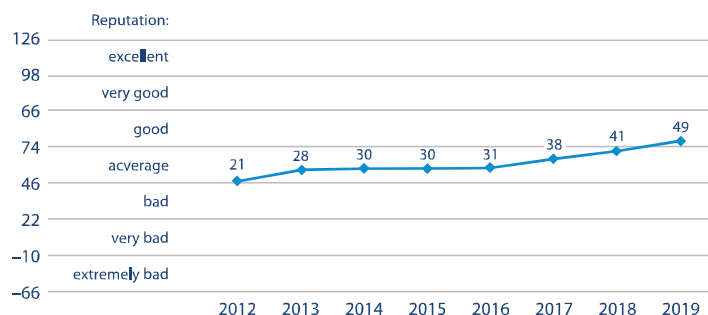
Source: Reputation of the Polish Banking Sector, results from the period of 2007–2019. Polish Banking Association, Warsaw.

In 2019, 54% of the Polish society evaluated the reputation of the banks as good, very good or excellent. 16% of the society were of the opposite opinion. They evaluated the banks' reputation as bad, very bad, or extremely bad (Chart 2). At present, approximately 5m of the residents of Poland evaluate better the banks' reputation than in comparison with 2017.

Chart 2. The structure of the rating of the banks' reputation in the period of 2017–2019

Source: Reputation of the Polish Banking Sector, reports from the period of 2017–2019. Polish Banking Association, Warsaw.

The traditional variables segmenting the population by socio-demographic criteria are unable to identify the factors that diversify the reputation ratings with two exceptions – (a) the performed profession where we can see a difference in the TRI*M rating between the unemployed/jobless (housewives/stay-at-home dads,

retired people and pensioners – low scores-below average) and the people who are professionally active (high scores-above average); (b) the education, where the people with elementary education evaluate the banks on the level of 34 points, whereas the people with vocational, secondary and higher education give the following scores 47, 53 and 51 points respectively. Strong positive correlations occur between self-evaluation of one's financial knowledge (high – 60 points, average – 54 points, rather low – 45 points and very low – 40 points) and self-evaluation of the level of using banking products/services (low – 48 points, average – 54 points and high – 61 points). There is also a significant difference between the customers of banks (52 points) and the so-called Banking Absentees (24 points), in other words, those who simply do not use banking services. The strongest positive correlation, on the other hand, occurs between the evaluation of the reputation and the emotional affection towards the banks. The people with a definitely negative emotional attitude have the TRI*M index on the level of -34 points, and the opposite side is taken by the people with a definitely positive emotional attitude – on the level of 90 points. From the current observations, we can surmise that the evaluation of the banks' reputation is mostly affected through the prism of the content-related competence and the emotional attitudes of the evaluating people, as well as their active experiences with banks.

3.1. Evaluation of the Banks' Reputation Determinants Based on the SEM Model

The reputation analysis can be started with a statement that reputation is not one variable as it was previously considered to be in banking. The definition of the banks' reputation based on security is not complete and inadequate as regards the society's expectations from the banks in the area of reputation. This results from the fact that reputation is much more than just institutional and normative aspects of banking. An additional confirmation of this thesis can be found in the results of an empirical study by implementing the so-called gradation model of reputation, where the institutional aspect of banking was only one of the four which were taken into consideration by the society when evaluating the banks' reputation. The other aspects of the evaluation are: effectiveness, axiological and altruistic determinants. A detailed list of variables which eventually entered the model is presented in Table 1. The initial list included 43 potential variables; however, as a result of statistical verification, the model took into consideration 27 variables which made up a so-called group of measurable variables in the SEM model. A confirmatory factor analysis was performed to identify consistent factors such as: the price, availability, offer, customer service, relations with the customers, banks' communication, and ethical conduct. After that, the groups of normative, effectiveness, altruistic and axiological determinants were specified.

Table 1. A list of measurable variables that make up the latent variables in the SEM model

Latent variable	Variable's symbol	Observed variable
Altruistic determinants	a1	Taking the employee's advice secures one from making bad decisions
	a2	A bank's obligation is to prepare a contract that secures the interests of the bank's customer
	a3	The law in Poland protects the interests of the customers in relations with the banks
Prices	c1	Banks offer affordable prices for their services
Availability of the services	d1	Banks enable convenient access to their service through the network of branches, the Internet and mobile banking
	d2	Banks have services that are available for everyone
Ethical conduct	e1	Banks follow the industry code of ethics
	e2	Banks act honestly towards their customers and the surroundings
	e3	Banks are honest
	e4	Banks are ethical
Banks' communication	k1	Banks communicate in a transparent and open manner
	k2	Banks are credible in their communication with the surroundings
Normative determinants	n1	Banks have a stable financial situation
	n2	Banks started many initiatives to create a safe and stable banking system
	n3	Banks guarantee the safety of their customers' deposits
	n4	Banks are well supervised
	n5	Customers' money is secure in banks
Offer	p1	Banking services are modern and innovative
	p2	The banking offer is complete and sufficient
Customer service quality	q1	Banks have high quality services
	q2	Banks have well-prepared personnel
	q3	Banks have competent personnel
Banks' relations with customers	r1	Banks listen to and take into consideration the remarks and needs of their customers
	r2	Banks respect their customers
	r3	The customers know what they can expect from their banks
	r4	Banks are friendly to their customers
	r5	Banks listen to the opinions of their customers

Source: own study.

After specifying the determinants, the model was estimated by the most credibile method. The reliability of the received results was tested again by using a procedure of bootstrapping which performs the analysis many times on subsets selected from the base sample, and the results of these analyses are averaged. Because of that, we arrived at the evaluation of the standard error of the parameters and the t-student's distribution. As a result of the analyses, we obtained the parameters of the model with standard errors and t distribution, R^2 values for each latent variable and several measures of the model's quality. All the determinants in the created model of the banks' reputation of banks are significant on the level of p<0.001.

Table 2. Measures of quality of the SEM model of the banks' reputation

| Measure of the classification quality	Measure's value
AIC (Akaike's Information Criterion)	1 114,0
BIC (Bayesian Information Criteria)	1 477,8
CAIC (Consistent AIC)	1 551,8
HQ (Hannan Quinn Criterion)	1 252,2
EN (Entropy Statistic (Normed))	0,48
NFI (Non-Fuzzy Index)	0,50
NEC (Normalized Entropy Criterion)	520,4
R^2 reputation	0,55
R^2 normative determinants	0,87
R^2 effectiveness determinants	0,98
R^2 axiological determinants	0,98
R^2 altruistic determinants	0,52
R^2 relations with the customers	0,90
R^2 banks' communication	0,89

Source: own study.

In the estimated SEM model of the banks' reputations, we can distinguish an inner path structure which describes the cause and effect relationships among the studied variables. Schematic 3 shows measurable variables in the surveyed models which are marked with rectangles.

The number of rectangles testifies to the quantity of the measurable variables that are a part of the latent variables. The estimated model reveals a complex structure of the determinants of the banks' reputations. The role of the direct impact of the latent variables on reputation and the significance of the intermediary variables, the so-called mediators is prominent when interpreting the results. A mediator is a variable that represents a hypothetical process or condition which mediates

between the independent variable (explanatory; the cause) and the dependent variable (explained; the effect). Finding a mediator allows one to clarify the process of relationship between the two phenomena. Determining the mediating factors plays an important explanatory function.The evaluation of the determinants of the banks' reputation can be performed on two levels. The first one among the aspects of the main groups of determinants: normative, effectiveness, axiological and altruistic. The second level concerns the analysis among the aspects of the main factors such as: the offer, quality of the services, availability of the services, relations with the customers, banks' communication, and ethical conduct.

The total effects coefficients present the total impact of a given factor on a banks' reputation. This is a sum of the direct impact and the indirect one through the other categories of assessing the banks' reputation. In the view of the main groups of determinants, the following are of key importance in influencing the banks' reputation: axiological determinants (the total effect is 0.43), the normative ones (the total effect is 0.28), altruistic (the total effect is 0.17), and effectiveness determinants (the total effect is 0.11) (Schematic 2, Chart 3). The axiological determinants constitute the starting point in influencing the banks' reputation. They also have the greatest impact on the assessment of the reputation. Their significance is three times as high as the determinants of effectiveness linked to the satisfaction with the banking services and significantly higher than the normative determinants connected with the institutional aspect of the banking sector.

Schematic 2. A schematic of the SEM structural model of the reputation determinants of the Polish banking sector expressed as the total effects coefficients
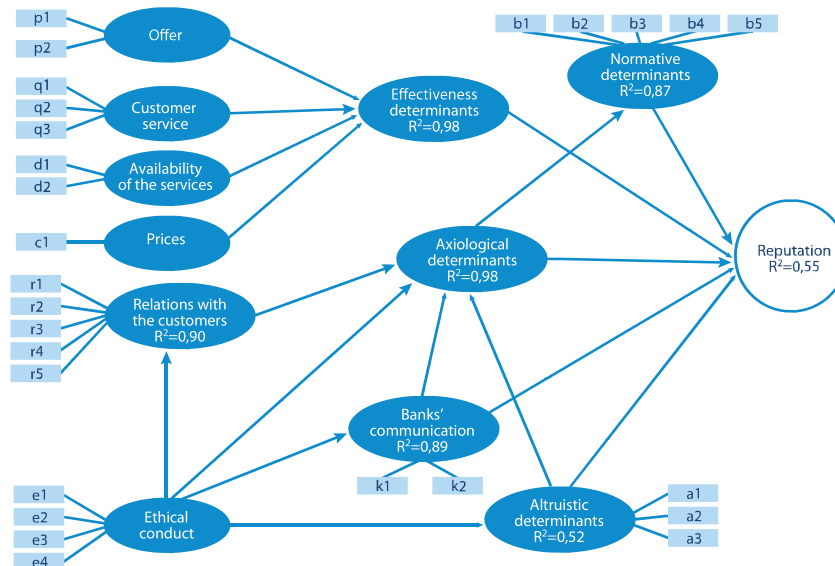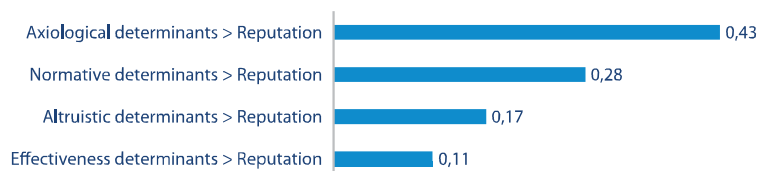

Source: own study.

The altruistic determinants directly affect the reputation assessment, but also indirectly through the mediating variable in the form of the normative determinants (Chart 3). The normative determinants are manifested in upholding the rules of the law, supervising the banks, guaranteeing the deposits, and making sure that the whole financial system of the country is stable.

The normative determinants constitute a mediating variable in the reputation assessment. When assessing the mutual relations, the following fact is also important that the perception of the activities of the sector's institutions BFG (Bank Guarantee Fund), NBP (National Bank of Poland), KNF (Financial Supervision Authority), ZBP (Polish Bank Association), UOKiK (Office of Competition and Consumer Protection) depends on how the banks are rated in the axiological layer. The total effect coefficient is 0.98 in the axiological determinants > normative determinants relationship. At the same time, the perception of the normative determinants mostly results from the evaluation of the banks' relations with the customers, banks' communication and ethical conduct. In this light, the activities of the institutions of the financial security network in Poland determine the rating of the bank's reputation; but, at the same time, the perception of the activities of these institutions originates from the social evaluation of the banks' conduct in relation to the customers and in the area of the ethical values and the banks' communication with the society.

A small influence of the effectiveness determinants on the reputation results from the conviction that the banks offer high quality services; and, at the same time, from the conviction that this is how it is should be. In other words, the consumers, when going to the bank, expect high quality services, and they usually also experience high quality customer services. The quality of the services is the so-called hygienic factor from the "must-have" category. This is a factor which is evaluated high, and its further increase will have little impact on the increase of the reputation. However, if the quality of the customer service drops then there is a risk of a negative impact on the reputation. In such a case, we can talk about non-linear dependency where the terminal increase in the reputation rating in relation to the increase in customer satisfaction is close to zero.

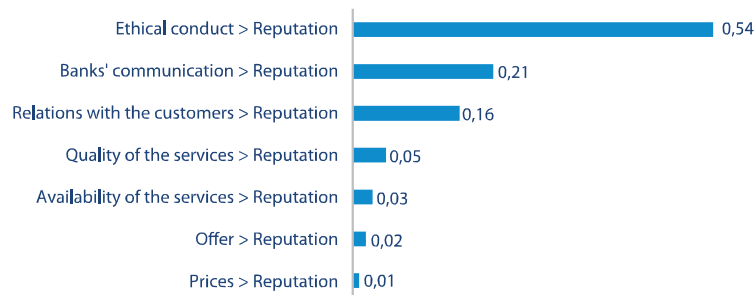**Chart 3. Impact of the main groups of determinants on the banks' reputation expressed as the total effects coefficients**

Determinant	Coefficient
Axiological determinants > Reputation	0,43
Normative determinants > Reputation	0,28
Altruistic determinants > Reputation	0,17
Effectiveness determinants > Reputation	0,11

Source: own study.

When analyzing the reputation determinants in the aspect of the main factors, the ethical conduct is of key importance (the total effect is 0.54). The impact of this factor is higher than the sum of impacts of the relations with the customers (the total effect is 0.16), the bank's communication (the total effect is 0.21), the quality of the customer service (the total effect is 0.05), the availability of the services (the total effect is 0.03), the evaluation of the offer (the total effect is 0.02), or the price level (the total effect is 0.01) (Chart 4).

Chart 4. Impact of the main factors on the banks' reputation expressed as the total effects coefficients.

Factor	Coefficient
Ethical conduct > Reputation	0,54
Banks' communication > Reputation	0,21
Relations with the customers > Reputation	0,16
Quality of the services > Reputation	0,05
Availability of the services > Reputation	0,03
Offer > Reputation	0,02
Prices > Reputation	0,01

Source: own study.

Structural equation modelling (SEM) also enables one to evaluate the inner relations among the individual variables (Table 3). The effectiveness determinants are mostly affected by the evaluation of the customer service quality (the total effect is 0.52) and the availability of the services (the total effect is 0.40). On the other hand, the effectiveness determinants alone have little impact on the evaluation of the banks' reputation (the total effect is 0.10). The evaluation of the ethical conduct has a high impact on the assessment of the banks' communication (the total effect is 0.56); whereas, the banks' communication has a moderate impact on the evaluation of the banks' reputation (the total effect is 0.21). The ethical conduct has a high influence also on the evaluation of the banks' relations with the customers (the total effect is 0.61). However, the relations with the customers have little direct impact on the evaluation of the reputation (the total effect is 0.16).

Table 3. Inner determinants among the factors and groups of determinants of the banks' reputation expressed as the total effect coefficient

		Effectiveness determinants	Axiological determinants	Altruistic determinants	Prices	Availability of the services	Ethical conduct	Banks' communication	Normative determinants	Customer service	Offer	Relations with the customers
Main groups of determinants	Normative	–	–	–	–	–	–	–	–	–	–	–
	Effectiveness	–	–	–	–	–	–	–	–	–	–	–
	Axiological	–	–	–	–	–	–	–	0.98	–	–	–
	Altruistic	–	0.21	–	–	–	–	–	0.14	–	–	
Main groups of factors	Prices	0.17	–	–	–	–	–	–	–	–	–	–
	Availability of the services	0.40	–	–	–	–	–	–	–	–	–	–
	Ethical conduct	–	0.86	0.31	–	–	–	0.56	0.93	–	–	0.61
	Banks' communication	–	0.25		–	–	–	–	0.17	–	–	–
	Customer service	0.52	–	–	–	–	–	–	–	–	–	–
	Offer	0.25	–	–	–	–	–	–	–	–	–	–
	Relations with the customers	–	0.44	–	–	–	–	–	0.36	–	–	–

Source: own study.

3.2. Typological classification of the consumers according to the determinants of the reputation assessment of the banking sector

Structural equation modelling (SEM) allows one to recognize complex determinants that shape the banks' reputation. On the other hand, the analysis of the path coefficients and the total effect values with the use of the FINMIX classification technique provides one with the possibility to isolate homogeneous groups of consumers in terms of the factors that they take into consideration when evaluating the banks' reputation. In the course of the analysis of the path coefficients and the total effect coefficients we isolated three homogeneous consumer segments in

terms of the factors that they take into consideration when evaluating the banks' reputation. Segment 1 and 3 constitute 30% of all the respondents respectively; whereas segment 2 constitutes 40% of the respondents. The obtained values of the R-Squared coefficients for each latent variable in the typological groups are presented in Table 4.

Table 4. R-Squared latent variables in segments

	Segment 1 (R-Squared)	**Segment 2 (R-Squared)**	**Segment 3 (R-Squared)**
Normative determinants	0.897	0.437	0.915
Effectiveness determinants	0.999	0.998	0.999
Axiological determinants	1,000	1,000	1,000
Altruistic determinants	0.520	0.297	0.325
Banks' communication	0.906	0.310	0.829
Relations with the customers	0.904	0.376	0.815
Reputation	0.684	0.471	0.531

Source: own study.

The three isolated groups of consumers which are internally consistent and homogeneous differ from each other in terms of the determinants that shape the reputation. The statistically significant differences among the total effect coefficients occur in the case of the normative, axiological and altruistic determinants (Table 3). The impact of the effectiveness determinants on the reputation is the same in all three segments. The normative determinants play the most important role in the first segment. In the third segment their significance is three times lower, and in the third segment their role is twice as low as in the second segment and almost five times lower than in the first segment. The axiological determinants are of key importance for the first segment. Their significance for the third segment is almost half as low in comparison with the role that they play in the first segment. The altruistic determinants are equally important for the first and the third segments; but, at the same time they play a marginal role in shaping the banks' reputation in the second segment.

The residents of Poland are divided into three typological segments in terms of the factors that they take into consideration when evaluating the banks' reputation. The first segment consists of 30% of the society. This segment can be defined as the banks' customers who are uncommitted and immature in terms of competence. These are the people who diversify the assessment of the banks' reputation in terms of the institutional and formal security of banks and the money deposited there by the customers (Table 5). They frequently formulate their reputation assessment

based on the conviction that the security of the deposits and guarantees as well as the properly rendered banking services are a sufficient reason to evaluate that a bank has a good reputation. Axiological determinants are very important for the people from this segment. This comes from the fact that people from this typological group frequently try to overcome their low competence and low knowledge about the financial services and the banks' activities with the conviction of the high trust and high evaluation of the reputation. Such an attitude allows one to use the banking services without questioning them; and, at the same time, to be convinced that the bank will not mislead the customer; and, additionally, that the bank will take good care of the customer's business and security. Because of this reason, we can see in the first segment, as the only one, the altruistic determinants behind which there is a conviction that even if the customer has any problems with the relations with the bank, the bank will, nevertheless, solve the customer's problems and will take care of the good of the customer. The first segment reveals the moral hazard attitudes, assuming that the institutions of the financial security network in Poland in case of danger, first of all, will undertake actions to secure the customers' deposits, and in crisis situations protect the customers against the consequences. Such an attitude has three sources: the first one is that the consumers do not suffer the consequences of their decisions when using the banking services; secondly, the institutions of the banking sector provide evidence that the system is completely safe by taking care of the security and stability of the banking system in Poland; and in the case of problems they will undertake suitable preventive actions; and thirdly, the consumers do not have any motivation to increase their financial competence and to consciously use the banking services.

Table 5. Impact of the main groups of determinants on the banks' reputation in the typological segments

	Segment 1 30%	Segment 2 40%	Segment 3 30%	Significance of differences in total effects coefficients
	Total effects coefficient value			
Effectiveness determinants > Reputation	0,112	0,084	0,101	p = 0,343
Normative determinants > Reputation	0,284	0,107	0,063	p < 0,001
Altruistic determinants > Reputation	0,177	0,032	0,159	p < 0,001
Axiological determinants > Reputation	0,433	0,384	0,249	p < 0,001
The importance of factors		very important important moderately important not important		

Source: own study.

The second segment includes 40% of the residents of Poland, and we can define them as mature bank customers. Its distinguishing feature is focusing on upholding the ethical values both in activities as well as in communication with the customers. In this segment, the normative determinants connected with security as well as the effectiveness determinants connected with the quality of the services are treated as axioms. In other words, an institution that is a bank should be and is secure, and its activities are legitimized by the institutions of the financial security network in Poland. Moreover, this segment assumes that it is expected of the banks to provide high quality services, and these services are rendered on a high level. Both the normative as well as effectiveness determinants are evaluated high, and the marginal growth of change in reputation is close to zero. The banks achieve high scores of reputation as a result of actions that are fair, fundamental and principal, veracious, open communication and providing evidence of respect to the customers. The customers from this segment expect an interaction with the bank as a partner who provides financial services. The people from this segment do not expect the banks to take responsibility for the negative results of their own financial decisions.

The third segment constitutes 30% of the Polish society. This is a typological segment that requires the banks to be ethical in their conduct which is manifested in providing comprehensive customer service. This is the segment of customers who when assessing the reputation are driven by the conviction that the role of the bank is to completely secure the customer against the negative consequences of the customer's relations with the bank. In the case of this segment, calming down the customers' emotions is of key significance. In this segment, just like in the second segment, the normative determinants are treated as the factors from the "must-have" category if you are a bank.

Table 6. Impact of the main factors on the banks' reputation in the typological segments

	Segment 1 30%	Segment 2 40%	Segment 3 30%	Significance of differences in total effects coefficients
	Total effects coefficient value			
Prices > Reputation	0,015	0,014	0,014	p = 0,322
Offer > Reputation	0,022	0,021	0,022	p = 0,862
Availability of the services > Reputation	0,036	0,028	0,029	p = 0,753
Quality of the services > Reputation	0,058	0,044	0,051	p = 0,752
Relations with the customers > Reputation	0,164	0,168	0,106	p < 0,001
Banks' communication > Reputation	0,120	0,209	0,399	p < 0,001
Ethical conduct > Reputation	0,545	0,363	0,588	p < 0,001
The importance of factors		very important important moderately important not important		

Source: own study.

Table 7. Inner determinants between the factors and the groups of determinants of banks' reputation expressed as the total effect coefficients in the typological segments

	Effectiveness determinants	Axiological determinants	Altruistic determinants	Normative determinants	Banks' communication	Relations with the customers
Segment 1						
Normative determinants						
Effectiveness determinants						
Axiological determinants				0,947		
Altruistic determinants		0,149		0,141		
Prices	0,134					
Availability of the services	0,319					
Ethical conduct		0,982	0,721	0,931	0,952	0,951
Banks' communication		0,182		0,173		
Quality of the services	0,523					
Offer	0,2					
Relations with the customers		0,38		0,36		
Segment 2						
Normative determinants						
Effectiveness determinants						
Axiological determinants				0,661		
Altruistic determinants		0,21		0,139		
Prices	0,172					
Availability of the services	0,339					
Ethical conduct		0,857	0,311	0,567	0,557	0,613
Banks' communication		0,224		0,148		
Quality of the services	0,526					
Offer	0,251					
Relations with the customers		0,437		0,289		
Segment 3						
Normative determinants						
Effectiveness determinants						
Axiological determinants				0,957		
Altruistic determinants		0,186		0,178		
Prices	0,137					
Availability of the services	0,29					
Ethical conduct		0,948	0,354	0,907	0,911	0,903
Banks' communication		0,224		0,214		
Quality of the services	0,503					
Offer	0,22					
Relations with the customers		0,428		0,409		

The importance of factors:
- very important
- important
- moderately important
- not important

Source: own study.

When analyzing the main groups of the reputation determinants, the consumer do not differ among themselves in terms of the role of the price level of the banking services in shaping the banks' reputation (Table 6). At the same time, the prices of the services among all the analyzed factors in all the three typological segments are of the lowest significance in shaping the banks' reputation. The offer of the banks, just like the prices, has little significance in shaping the banks' reputation; and, at the same time, the role of this area is the same in all the analyzed segments. The significance of the availability of the banking services is low and similar in all the three segments. The quality of the services also does not diversify the consumers in terms of the influence on the evaluation of the banks' reputation. The three key factors that are taken into consideration on a different level by the consumers when evaluating the banks' reputation are: relations with the customers, banks' communication with the customers and the ethical conduct. Each of these areas shapes the banks' reputation with a different strength in individual typological groups. Ethical conduct is of key significance and the most important in shaping the assessment of the banks' reputation in the first and third segments. Its significance is lower in the second segment. This means that the people who represent the second segment pay attention to the ethical conduct of the banks to a much lower extent than the consumers from the first and third segments. The impact of the banks' communication on the reputation assessment is important in the third segment, moderately important in the second segment and unimportant in the first segment. The relations with the customers play a low role in the third segment and a moderate one in the first and second segments.

5. The impact of institutions, sources of information and channels of communication on the reputation score

The analysis of factors determining the reputation in different theoretical approaches is usually done on the basis of expectations expressed by the consumers towards banks on one hand and how these expectations are met by the banks on the other. These expectations are usually characterized by factors described in a gradation model. The concept of a gradation reputation model describes which substantive factors determine the reputation, however it doesn't answer the question about the circumstances present during the constitution of a reputation score. In other words, it is not known how, where and when does the reputation score form, while the knowledge about such circumstances may be crucial in the process of managing this phenomenon as well as explaining the causes of changes in reputation. The answer to that question lies in the analysis of contact points between the consumer and the bank.

Points of contact are defined as all places where a consumer can directly experience the impulses shaping her evaluation of a bank and also all places where a consumer is exposed towards all information regarding banks. These points of contact are related to so called "moments of truth", which essentially are the most significant

points of contact or intermediaries by which shaping of the reputation evaluation on the consumer's side takes place.

The consumers experience all varieties of contact points which influence the forming of their reputation evaluation with different potency, at different times and occasions, usually in a heavily disorderly manner. The first and most crucial step allowing the assessment of impact all individual contact points have on the shaping the reputation is their mapping, which requires their identification. The second step is the assessment of their significance in shaping reputation and the third – the assessment of impact they may have on the reputation which may be positive, neutral or negative.

While evaluating banks' reputation, consumers function within the system comprising many sources of information about banks, all of them regarded as more or less important. In situations, when a particular source of information is not regarded as important to the customer, the direct impact of the output form that source on reputation, even if intensive, will be marginal to the consumer's score. Consequently, outputs form sources regarded as important will have a significant impact in the process of reputation evaluation. Depending on the distribution of these variables in the consumers' mind, we can expect a different reaction based on the influence of a particular source of information. The third crucial variable within this framework is the sentiment of the information coming from a particular source. It can be either positive, negative or neutral. Combining all of these factors gives us a glimpse at the causal character of circumstances shaping the reputation evaluation process.

During our study, we divided the points of contacts into three categories. First of them is represented by the institutions which are the source of information about the banks. The second category comprises authors of the information and the third – channels by which information about banks is passed to the consumers. The group of institutions is composed of entities that typically have a stake at communicating their statements and opinions on matters concerning banking sector or are considered go-to sources of information regarding banks. This list includes the government, National Bank of Poland, Financial Supervisory Authority, Office of Competition and Consumer Protection, Bank Guarantee Fund, Polish Bank Association, banking sector, consumer's main bank, credit unions and department of justice. Among the authors of information, we'll find CEO's of banks or their board members, banks' spokespeople, journalists, financial experts, academics, social media influencers, politicians, celebrities, economists, banks' customer service employees, friends and relatives, colleagues actively working or who have worked for the banking sector in the past, FX mortgage owners, and people similar to the respondent. The identified channel's list includes traditional newspapers, tv and radio, social media and conversations via social media tools, internet search engines, banks' official www profiles, banks' press releases, banks' social media profiles, banks' commercials, direct conversations with friends and relatives, direct (own) experience with banks and their services. We then asked our respondents to

state whether they experienced contact with any of these institutions, channels or authors of information, how important these sources are for them and how do they interpret the information coming from them, be they positive, negative or neutral.

The brief outlook of the mapped sources of information with regard to their importance to customers as well as their exposure to particular source is depicted at the schematic 3. Contrary to some popular beliefs, various media, journalists or politicians are not the most important sources of opinions and information about banks in general to majority of the customers, although a lot of them declares exposure to these sources. In fact those categories are similar to bank commercials – hardly anyone declares lack of exposure to the commercials, but only a fraction of people admit they are important factors determining their opinion about banks in general.

Schematic 3. Level of exposure and significance of various sources of information about banks
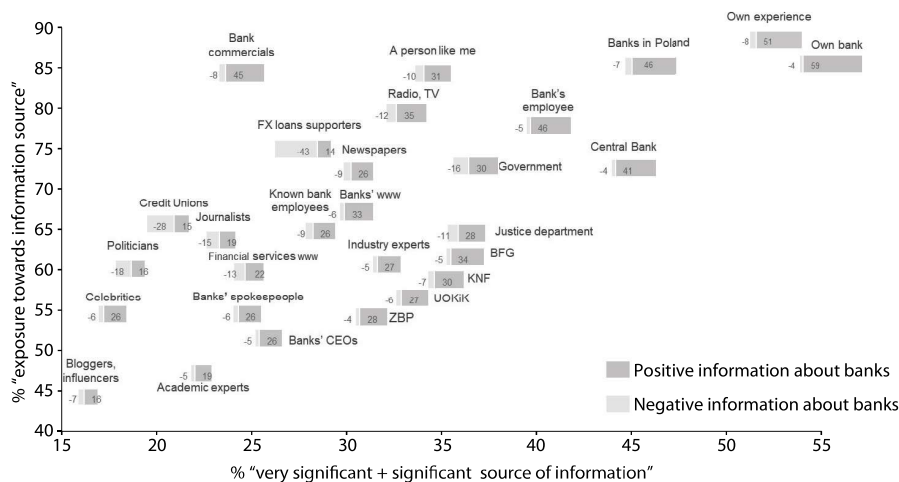
Source: own study.

There are a lot of sources deemed as very significant or significant from which customers draw their conclusions regarding opinions about banks, but it is quite clear that the most important are their main banks (institution) and their own experience (channel). In both cases, over 50% of population regards these sources as very significant and significant with the level of exposure at 85% of the population. It is also worth noting, that majority of the information coming from these sources is also positive in nature. These findings lead to a conclusion that the most important intermediary in the process of evaluating current reputation of banks in Poland is a generally positive personal experience with an institution. In this case personal experience with one's main bank can be described as said "moment of truth", where one can confront information from other sources with reality. This is also a very important observation for the banks, because it shows they can do a lot in

customer experience area to improve the sector's reputation. The importance of banks in general as well as the customer's main bank as a source of information is further explained by to correlation between TRI*M score and opinion people have on those sources. The study shows enormous discrepancy between consumers who evaluate banks in general and their main bank in a positive manner and those who have negative opinions about these entities. In former case, TRI*M scores amount to 78 and 66 respectively while in the latter, they drop to −11 and −6. At the same time, in the group of people how do not come into contact with information about banks from these sources, TRI*M scores are at the level of 19 and 26. A similar relation, although with not such a high magnitude, can be observed in case of Bank Guarantee Fund, Polish Banking Association and Financial Supervisory Authority. These institution are regarded as a competent source of information about banking sector and positive opinion about them among consumers translates to significantly higher evaluation of banking sector's reputation.

As for the individual experience, the study also shows a significant negative correlation between TRI*M reputation score and the critical incidents reported between customers and banks. In this case, exposure to various negative incidents translates to lower TRI*M scores all across the board. Consequently – the absence of critical incidents in general improves the average reputation.

6. Summary

Banks in Poland have a good reputation. The factors of a good reputation are in clear advantage over the factors of a bad reputation, and in 2018 approximately 5m Poles assessed the banks' reputation better than a year before.

The banks' reputation is shaped within the normative, effectiveness, altruistic and axiological aspects. The definition of the banks' reputation based on security is incomplete and inadequate for the society's expectations from the banks as regards their reputation. The starting point in shaping the banks' reputation are the axiological determinants. They also have the greatest impact on the evaluation of the reputation. Their significance is three times as high as that of the effectiveness determinant linked to the satisfaction with the banking services and significantly higher in comparison with the normative determinants connected with the institutional aspects of the banking sector. The normative determinants are manifested in upholding the rules of the law, supervising the banks, guaranteeing the deposited money, taking care of the stability of the whole financial system in the country and the evaluation of the institutions of the financial network security in Poland. The mediating variable belongs to the normative aspects. It can be interpreted as a filter which helps to evaluate the banks' reputation in the axiological aspect. The perception of the operations of the sector's institutions, such as: BFG, NBP, KNF, ZBP, UOKiK, depends on how the banks are evaluated in the axiological layer. When assessing the reputation in the effectiveness aspects,

the consumers take into consideration their own experiences with the banks, evaluation of the offer, availability, costs of the services, quality of the services as well as a very important aspect of the ethical evaluation of the banks, namely their communication. The low impact of the effectiveness determinants on the reputation is based on the conviction that the banks already have high quality of services; and, at the same time, that this is how it should be. The quality of the services is the so-called hygienic factor – a feature of the "must-have" category. This is a factor which is evaluated high, and its further increase will have little impact on the increase of the reputation.

The three isolated groups of consumers which are internally consistent and homogeneous differ from each other in terms of the normative, axiological and altruistic determinants that shape the reputation. The effectiveness determinants do not diversify the consumers in terms of their impact on the evaluation of the banks' reputation. The segment that constitutes 30% of the Polish society can be described as uncommitted and immature customers of banks in terms of competence. These are the people who diversify the assessment of the banks' reputation in terms of the institutional and formal security of banks and the money deposited there by the customers. The second segment includes 40% of the residents of Poland, and we can define them as mature bank customers. Its distinguishing feature is focusing on upholding the ethical values both in activities as well as in communication with the customers. The third segment constitutes 30% of the Polish society. This is a typological segment that requires the banks to be ethical in their conduct and altruistic behavior, which are manifested in providing comprehensive customer service. This is the segment of customers who when assessing the reputation are driven by the conviction that the role of the bank is to completely secure the customer against the negative consequences of the customer's relations with the bank.

The normative determinants play the most important role in the first segment; whereas in the second segment their significance is three times lower. In the third segment, on the other hand, their role is twice as low as in the second segment and almost five times as low as in the first segment. The axiological determinants are of key importance for the first segment. Their significance for the third segment is almost half as low in comparison with the role that they play in the first segment. The altruistic determinants are equally important for the first and the third segments; but, at the same time they play a marginal role in shaping the banks' reputation in the second segment.

The most significant sources of information that constitute the circumstances in which the reputation of banking sector is formed are strongly related to the substance of banking, being consumer's own bank and their own experience, banks in general, official websites, bank employees, the central bank and the entities constituting the network of financial stability – government, justice department, BFG, KNF and ZBP. Significance of other sources varies and positive or negative experience or opinion about these sources influences reputation scores to some degree.

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