

Retail chain cooperation with banking sector in creating value for customers - Polish perspective

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Abstract

In proposed paper it is assumed that cooperation between retail chains and retail banks is particularly significant in strategies of marketing activity of both of these enterprises. Therefore, the aforementioned area (cooperation between retail chains and retail banks) constitutes the subject of the paper. In the paper, the following goals of descriptive and cognitive character are assumed:

- identification of the forms of cooperation between retail chains and retail banks in the sphere of creating value for final customers and also for these entities.
- indication of marketing practices applied by selected retail chains in the sphere of cooperation with retail banks.

The following research methods are applied for the purpose of implementation of assumed goals: critical analysis of the literature of the subject and the case study method that shows the best marketing practices associated with cooperation between examined entities both in the sphere of creating value for final customers, for retail chains and for retail banks. In the study selected retail chains and retail banks operating in Poland are objects of research. Analyses included in the paper concern the years between 2009 and 2014 that were the period of unstable economy development (time range). Presented results of conducted analyses concern Poland (spatial range).

Key words: value for customers, cooperation strategies, retail sector, retail banking

Introduction

Retail chains operating in Poland are searching for competitive advantage. Cooperation with retail banking provides a very good opportunity for them. Such cooperation offers the possibility to create expected value for final customers as well as mutual benefit for retail chains and retail banks. The problem of this cooperation undertaken in the paper is multidimensional and complicated. Cooperation is clearly apparent in many actions e.g. loyalty cards for customers, instalments for retail chains customers as well as opening banks branches in spaces of retail chains. Establishment of banks by retail chains, for example Tesco Finance, is its most developed form here.

The paper is composed of four major parts. The first is focused on the strategies of cooperation as the basis for creation of values for customers. It includes information about the importance of market partners, description of contemporary customers of retail trade chains and degrees of retailers' involvement in creation of customer-centred orientation among others. The second part presents determinants of choice of commercial outpost by customers and benefits resulting from starting the analysed cooperation in tri-lateral structure, involving commercial chains, banks and customers. The third part contains presentation of major forms of cooperation between banks and commercial chains including partnership cards, developed on the basis of analysis of selected examples (case research).

1. Strategies of cooperation as the basis for creation of value for customers

In contemporary reality of market economy, cooperation in distribution channels is increasingly more often started. This allows for achievement of synergy effects. Active participation of all entities functioning within distribution channel is compliant with the concept of value chain through which added value is created. Value chain can be defined as a „horizontal plan of the process during which

value is added to the product; it starts from the moment it is a raw material and finishes when it becomes a final product (including after sale service)” (Lysons, 2004, p.117). For the very purpose of obtaining this added value by an enterprise it is necessary to include partners functioning in the same channel of distribution (and also other entities supporting execution of transaction, so certainly, financial institutions including banks) in their marketing program.

From the point of view of the entities with which an enterprise establishes specific relationships, several models described in the literature of the subject can be indicated. They are the so-called model of 6 markets (Christopher, Payne, 2003, p. 109), in which major current and prospective partners in relationships occur, the model of relationship exchange by R. Morgan and S. Hunt, the model of company and its partnership by P. Doyle and a complex model of 30 Rs by Gummesson (Otto, 2004, p. 54).

In practice, starting cooperation with various entities demands shaping appropriate relationships with them. According to the model of six markets, the key stakeholders include markets of suppliers, intermediaries, customers, potential workers, internal market and market of influential institutions (financial institutions are indicated here).

On the other hand in Morgan and Hunt’s model (the model of relationship exchange), the Authors identify four areas of relationships exchange, including relationships with customers, suppliers, intermediaries and also internal relationships.

In the literature of the subject a method of assessment of significance of market partners for an enterprise can be found. It consists in determination of elements of the environment that have a significant impact on success of an enterprise and on development of ranking of their significance in comparison with every other element (Oblój, Tyrybuchowski, 1995, p. 151). It results from the studies performed by several research agencies that in enterprises that have centralised purchasing structure, their importance is usually large (Bilińska-Reformat, 2011, pp. 237-247). In the case of commercial chains the purchasing function is located centrally, and is directly subordinated to head offices of particular chains (Kardasz, 2011, p. 56).

The largest European retail trade chains operate on Polish market. Expansion of European commercial chains had a remarkable impact on the speed and direction of changes occurring in Polish trade that were additionally determined by demographic structure of Poland. Analysing the structure of foreign retail trade enterprises we can state that the largest activity in conquering new markets is observed among French, British and German commercial chains. Tab. 1 shows the number of retail trade chains operating in various branches in Poland.

Branch in which a commercial chain operates	Number of chains
For kids	14
Markets, shops and building materials warehouses	36
Lighting and interior fittings	7
Furniture shops and showrooms	20
Discounts	5
Local commercial chains	84
Polish commercial chains	18
Foreign chains of super and hypermarkets	7
Jewellery, watches	7
Clothes showrooms and shops	108
Shoe shops	28
Bags and accessories	9
Radio, television and household chains	21
Computer shops	24
Maintenance materials and appliances	1
Alcohols	14

Branch in which a commercial chain operates	Number of chains
Bakeries and confectioneries	100
Coffee, tea and chocolate drinking rooms	9
Gifts and souvenirs	3
Music shops	3
Tea, coffee, alcoholic drinks and tobacco	1
Own food processing	8
Ecological food	4
Health, cosmetics, beauty goods	27

Table 1. Commercial chains in Poland

Source: Own case study on the basis of <http://www.lista.e-sieci.pl> accessed 10.07.2013

Analysing selling formats of foreign retail chain enterprises, it can be stated that all hypermarkets also have their selling outposts in supermarket format. This can prove the wish of these chains to reach various market segments distinguished on the basis of economic criterion (because in its assumption the format of a discount shop determines low level of prices and hypermarkets are often located in shopping centres offering additional profits / values for wealthier customers).

It ought to be added here that the profile of contemporary customer is significantly different from the customers „of the past”. Because of this, commercial chains also have to adjust to new challenges associated with characteristic features of active customers. This is shown in tab. 2. Characteristic features of contemporary active customers bring observation about the necessity of collecting knowledge about them by commercial chains. This knowledge is acquired for the needs of formation of specific commercial offers and for determination of strategies of cooperation with various stakeholders. It is worth indicating that retail trade chains apply in practice activities aiming at better recognition of target customers. Apart from such concepts as CSR (Customer Relationship Management), CSR (Corporate Social Responsibility) or KCMR, CCR concept (Customer Centric Retailing) is gaining importance. CCR represents very strong focus on customer’s needs (Consumer Goods and Retail Insights, 2011, p. 7). Four degrees of retailers’ involvement in creation of customer-centred orientation can be distinguished.

Firstly, it is necessary to create a customer database (initial stage – retailers start to notice the importance of the knowledge they have and apply it in the process of sale and creation of offer). The second stage of development of the concept is sorting information about customers while taking into consideration the criteria associated with transactions (i.e. by means of which channel the sale is made, whether payment was made in cash or by card), demographic criteria and data related to customer’s approach to purchase. In the third stage there occurs approaching data about customers as important cue concerning future sale and integration of knowledge about customers with strategic profile of retailer. In the last stage complete integration of possessed knowledge about the customer with retailer’s strategy takes place. On the basis of possessed knowledge decisions concerning applied distribution channels, sold brands and policy in the sphere of CM are made (Category Management) (Smith, 2009).

	Customers as passive audience			Customers as active players
	Inducing initially defined groups of buyer	Transactions with individual customers	Long-term relationships with individual customers	Customers as co-creators of values e.g. in commercial chains through demanding products of relatively high quality for „reasonable prices” – creation of own labels

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Time range	1970s and early 1980s	Late 1980s and early 1990s	1990s	Since 2000
Customer's position	Customers are perceived as passive buyers with initially determined purchasing structure			Customers are a part of strong network, co-create and bring out the value of business. They are co-workers, co-authors and co-competitors. Easier communication makes companies struggle for customers on the Internet e.g. presence of chain on Facebook
Managers' convictions	Customer is a statistical mean of the group initially determined by the company	Customer is an individual entity or a statistical entity in a transaction	Customer is a person and the goal is to establish trust and relationships	Customer is not an individuality, but also a part of social and cultural environment
Relationships company – customer and offer development	Traditional market research and surveys; products and services are created without feedback	Shift from sale to helping customers through services and customer service programs; identification of problems allows for changing the offer on the basis of feedback	Reaching customers through observation of users, identifying solutions by leading users, changing offer through thorough offer redevelopment,	Customers co-participate in development of personal experiences. (location in commercial centres that provide experiences). Companies and leading customers jointly perform the role in education, shaping expectations and co-creation of market approval for products and services
Goal and flow of communication	Gaining access to initially determined target groups, unidirectional communication	Marketing based on databases. Bi-directional communication	Relationship marketing: bi-directional communication and access to customers	Active dialogue with customers for the purpose of meeting their demands and to create word-of-mouth marketing. Multiple access and communication
Areas of increased marketing activity of chain	Price-related instruments	Development of commercial marketing-mix	Application of instruments of relationship marketing	Development of new alternative channels of sale e.g. online, increased formation of own labels, search for alternative methods of communication with

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				customers, diversification of assortment offer, creation of own selling formats, employing celebrities in promotional campaigns

Table 2. Characteristics of contemporary customers of retail trade chains

Source: own case study on the basis of Prahalad, C.K. Ramasvamy, V. (2005). *Przyszłość konkurencji [Future of Competition]*. Publisher: PWE. Warsaw.

Providing customers with appropriate service perceived as a result of execution of distribution and sales activities is an important element of expansion of value for customers in operations of commercial chains. Application of network approach is helpful here. It assumes that in executed commercial transactions, apart from suppliers and recipients, other exchange participants also function (Szumilak et al. 2007, p.146). Retail banks are more and more frequently such entities for commercial chains. Cooperation with banks finds specific application within activities of trade associated with providing transactional services to customers that involves the processes of concluding and executing transactions of sale, while taking into consideration information and financial flows. Activities consisting in collecting and transferring information about the offer of value for customer, limiting information gap, establishment of financial terms (e.g. instalment), making orders, concluding payments (e.g. non-cash one) and transaction settlement can be indicated here among others.

2. Customers' needs as the basis for starting cooperation of commercial chains and banking sector

2.1. Determinants of choice of commercial outpost

The major purpose of studies of consumers who buy in commercial chains was to identify customers' behaviour determinants on FMCG market. With reference to this, primary studies were performed in the form of Internet poll in which the survey questionnaire was the tool. Before the performance of measurement was started, a pilot study had been conducted. The questionnaire included 29 substantive questions and 5 questions related to particulars. According to the procedure of Likert's scale construction, a list of expressions reflecting the influence of factors on purchasing behaviours of consumers on food market were developed. A seven-degree ordinal scale of the format of response from 1 – I totally disagree to 7 – I totally agree was attached to the set of nominal divisions. The research was conducted in the period between 5th November 2012 and 12th December 2012 with 1591 respondents who participated in the study.

It also results from conducted studies that food buying behaviours of Polish people are determined by numerous factors that determine attractiveness of particular places, tab.3.

Determinants of selection of a particular commercial outpost	Number of indications	Rate (in %)
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Good location (there is no problem with access to the shop)	1106	69.52
Competitive price offer	1085	68.20
Wide assortment offer (foreign and domestic products)	1036	65.12
The cheapest offer in the closest neighbourhood	901	56.63
Possibility to pay by card or there is a cash point nearby, trolleys are comfortable, there are self-service cash registers, etc.	742	46.64
Constantly extended offer and the offer adjusted to my needs (for example introduction of new assortments to the offer, the shop follows the fashion, traditions, etc.)	603	37.90
I have the possibility to buy goods of Polish producers	579	36.39
Possibility to pay by credit card	526	33.06
There is a wide choice of Polish brands in the assortment	457	28.72
Employees' behaviour corresponds to my expectations, I have the impression that they are trained	411	25.83
Satisfaction of expectations with respect to technical solutions (it has a modern car park)	388	24.39
Clear offer against competitors' offers (price comparison of the so-called purchase basket)	376	23.63
The way of organisation of the sale process meets my needs	373	23.44
Introduction of the category of products that are hardly known in my environment (for example exotic fruit, products of loyal exotic cuisines)	300	18.86
Selling area is changed in the way to make the store look more modern	271	17.03
Categories of products for the poorest (resulting from the global crisis)	246	15.46
Actions that allow for cheaper buying, for example lucky Wednesdays in Real, discounts for pensioners on a particular day of the week, etc.	228	14.33
Innovative solutions in sale of products, i.e. self-service cash registers, possibility of unassisted weighing of products, online sale, etc.	213	13.39
Possibility of getting accurately acquainted with the offer on the Internet	202	12.70
Modern, global look (product display, shop fitting, atmosphere of selling)	196	12.32
Loyalty programs (i.e. loyalty cards, buying vouchers)	196	12.32
Fashionable, global products (the so-called „cool”, „trendy”)	168	10.56
Possibility to return the product	162	10.18
Work offer for local community	158	9.93
Information about promotions (i.e. by e-mail, regular post, text message)	136	8.55
Interest of the shop in acquiring information from customers	119	7.48
In general „being ahead” of the competitors with respect to the so-called innovativeness	113	7.10
Attractive offers associated with particular local traditions, for example horns of plenty in Silesia for children who start education	102	6.41
Activity in aid of local environment (for example charity actions, actions in aid of schools or orphanages)	98	6.16
Worldwide actions in aid of superior ideas, for example nature protection, promoting healthy products	93	5.85
Support for development of local entrepreneurship (for example actions in shopping arcades)	66	4.15
Possibility to take part in interesting events that integrate local community (for example fashion shows, festival of the city, Santa Claus day)	55	3.46
Possibility to purchase on instalments	24	1.51

Table 3. Determinants of selection of a particular commercial outpost

Source: Own case study

Analysing determinants of choice of a shopping outpost that the respondents follow while choosing the place to do shopping for FMCG products, we can distinguish four groups of factors. The first

group is composed of determinants that are most frequently indicated by over half of the respondents (more than 50% of indications). It includes: good location (69.52%), competitive price offer (68.20%), broad assortment offer (65.12%) and the cheapest offer in the nearest neighbourhood (56.63%). It arises from the comparison, that in Poland consumers are without any doubts careful about the prices of offered food (indication of two determinants: competitive price offer and the cheapest offer in the neighbourhood). Also, location and the range of offered assortment are very important for the respondents. Therefore indicated determinants constitute key factors of success for retail companies.

The second group includes determinants indicated by over 30% of respondents. They are the possibility to pay by credit card or there is a cash point nearby, and there are facilities in the place: 46.64% indications, constantly expanded assortment offer adjusted to consumers' needs – 37.9% indications and the possibility to pay by credit card – 33.06% indications.

The third group includes determinants indicated by more than 20% of respondents. They are: having Polish brands in the assortment – 28.72% of indications, behaviours of employees meet my expectations, I have the impression that they are trained – 25.83% of indications, satisfaction of expectations with respect to technical conditions – 24.39% of indications, clear offer against the offers of competitors – 23.63% of indications, the method of selling process meets my expectations – 23.44% of indications. Determinants that are found in the third group prove the occurrence of consumer egocentrism in the case of purchase of food in over ¼ respondents. Additionally, they show growing awareness of consumers who want to have knowledge about purchased offer. Consumers also pay attention to the quality of service. Over 1/5 of consumers pay attention to technical conditions related to doing the shopping and the very process of sale.

The fourth group of determinants that are the least important for customers includes: the possibility to buy on instalment plan (1.51%), possibility to participate in interesting events that integrate local community (3.46%), support for development of local entrepreneurship (4.15%) and worldwide actions in aid of superior ideas (5.85%).

2.2. Benefits resulting from cooperation between commercial outposts and banks

On the grounds of conducted studies it can be stated that elements of offers that results from starting cooperation with banking sector are an important determinant increasing attractiveness of commercial outposts. Benefits resulting from commencing this cooperation can be presented in the structure of relationship triad (tri-lateral structure: commercial chains –banks – customers).

Chains and banks are induced to start cooperation because of relatively high profits in comparison with investment expenditures, even though it is difficult to present details here. This is because terms of cooperation are always negotiated individually and they are confidential. Cooperation between banks and chains offers a series of advantages for both involved parties (Kiezel, 2009, pp.355-356). The bank has the chance to increase the sale of cards; additionally, the number and often the size of transactions are also larger as a result of involvements and activity of card holders. This is associated with added value that includes for example collecting points in loyalty program. This translates into increase of profit of the bank. Thanks to such a card the partner, e.g. a commercial chain can acquire new customers, enhance relationships with existing ones through growth of their satisfaction, and increase turnover. It is also important that it is possible to increase effectiveness of promotion. „The third” party in the structure, the customer holding the card, apart from full functionality of a traditional debit card, obtains particular privileges e.g. discounts in stores, greater scope of points collected in loyalty program and access to special offers (Kwiatek, 2007, p.180). Benefits gained in such tri-lateral structure can be divided into groups that are presented as a detailed list beneath (tab. 4).

Party in the relationship	Description of profits
Benefits for	<ul style="list-style-type: none"> • possibility to activate an additional distribution channel in a place where it would not

Party in the relationship	Description of profits
banks	<ul style="list-style-type: none"> • always be profitable to open a bank branch; • reaching the customers that usually do not use services of a bank as it seems to them too expensive or full of complicated procedures; • access to database of customers of hypermarkets (large commercial chains have even several thousand of them), which constitutes a valuable source of data about customers (information about frequency, location and amount of payment for shopping); • possibility to assess the capacity of a particular market and preparing customers' segmentation by bank analysts; • chance to acquire new customers; • possibility to apply popularity of other brands and trademarks by banks for promotion of their products; • possibility to increase the sale and consequently to generate larger profit.
Benefits for commercial chains	<ul style="list-style-type: none"> • expansion of the shop offer by financial products and consequently additional commission; • way to expand the scope of offered services; • increase in sales and consequently increase in profit thanks to making larger purchases by customers or making them by consumers who do not have their own resources when they make payment; • more accurate monitoring of behaviours and preferences of customers which in turn allows for appropriate adjustment of product and service offer or details of loyalty programs; • possibility to acquire new customers and establishment of commitment and loyalty of current customers thanks to additional functions in the form of loyalty programs or constant discounts; • creation of brand awareness consisting in placing the trademark on the card and marketing materials; • shaping of the image of commercial chain perceived as innovative and offering attractive and modern solutions; • acquiring, from banks, attractive advertising materials prepared individually for each credit offer, thanks to permanent contact between bank and customer; a particular commercial chain also has the possibility to direct offers to selected group of customers more precisely; .
Benefits for the customer	<ul style="list-style-type: none"> • card from hypermarket is available also for people of low incomes; • speed of making decision about providing the card is a distinctive feature of co-branded cards (it is usually a question of several minutes); • credit cards offered in hypermarkets are usually released from fee for holding them in the first year, and in following years of the agreement validity the fee for holding them is usually rather low or cancelled if the monthly turnover on the card is on appropriate level (between PLN 12 to 20 per year); • financial benefits offered by loyalty programs that accompany the cards and are offered by a particular commercial chain (e.g. price discounts, awards for points), but also more and more frequently by many enterprises that are partners involved in the program; • reduction of risk accompanying selection of buying place or source of financing as a result of shaping commitment of customers both to supermarkets and banks; • psychological benefits resulting from belonging to a group of holders of credit cards of a particular hypermarket and bank.

*Table 4. Benefits resulting from commencing cooperation in tri-lateral structure
Source: Own case study*

3. Main forms of cooperation between banks and commercial chains – case research

3.1 Forms of banking cooperation

Cooperation between bank and commercial chain can take the partnership model in which the bank bears the risk of the whole operation and all investment costs. Commercial chain only provides access to space for service-providing outpost of the bank then. Retailers do not bear the risk, but they get a commission. Such a situation occurs in the case of the so-called McBanks, i.e. small premises located in supermarkets and shopping malls (there are often just one or two counters for customer service). Spaces are selected with respect to popularity of the very commercial centre and on the basis on analysis of data about bank customers. Advertising and image aspects of McBanks are also important (Szostak, 2011, pp.138-154). Eurobank that started this type of branches in 2003 was the pioneer in this sphere in Poland. Currently many banks, including Alior Bank that started a chain of mini-branches called Alior Express, operate in commercial centres. On the other hand Getin Bank started installation of self-service Getin Point where customers can take care of majority of financial matters by themselves. Citi Handlowy also started development of branches in commercial chains while establishing modern Smart outposts there.

Such location proves change in the attitude of banks to the very customers. Still several years ago to use services of a bank, customers had to visit the branch located at particular address that was not always open in hours convenient for them. Currently, banks make efforts to follow customers' needs and they establish branches and banking kiosks on their everyday „route” or in places they frequently visit. The areas nearby large shops are places where people need money most often. Besides, a lot of consumers spend their leisure time or meet with friends there. Stalls located in the centre of the space of pedestrians' communication routes enjoy large popularity and are available 7 days a week until late opening hours of the shopping centre. Such kiosks in shopping centres are very good places for banks to sell their cash products. However, customers can also take out a fast loan, apply for a card or insurance, pay monthly bills or open a deposit account in this type of outposts (Kieziel, 2009, p.257).

Even better benefits are offered by joint venture cooperation model, where bank and chain invest and take the risk together, and they divide profits according to the share in investment. Sometimes they cooperate on the principles of barter while providing each other services associated with promotional support, and cooperating in customer service. Creation of own banks by commercial chains can be presented here as examples of this type of activity. In Poland such a solution was applied by Tesco chain, that according to verified solutions from Great Britain, initiated activity of Tesco Finance. This entity operates in cooperation with Meritum Bank (after merger in May 2015 with Alior Bank and under the trademark of Meritum Bank). It offers a number of financial products providing complex services also including the possibility of financing current needs, e.g. instalments (without interest, commission or own share), cash loans and consolidation credits, insurance (bicycle, car, house) and the so-called Wygodne Rachunki [*Convenient Bills*] (i.e. the possibility to pay bills for telephone, electricity, gas, etc. together with other shopping) (<http://www.tesco.pl/finanse>). Tesco Finance already planned implementation of personal accounts for Tesco chain customers. In Great Britain paying bills has already been available since 2014 whereas this undertaking was probably shifted in time due to the merger of Meritum Bank and Alior Bank on 30th June 2015.

Some products are accompanied by promotional actions. Promotion „Weź kredyt konsolidacyjny z nagrodą” [*Take a consolidation loan with an award*] conducted between May and August 2013 together with Meritum Bank can be presented as an example here. The customers, who transferred their financial liabilities while taking consolidation loan, received a voucher for purchase in Tesco of the value of PLN 250 or 300. Liabilities of the value of up to PLN 200 000 could be consolidated at the interest rate from 12.9 percent per year with repayment within the maximum of 10 years (http://meritumbank.pl/o_banku/aktualnosci/promocje-kredytow-w-tesco-finanse.html). This action aimed at winning new customers, particularly those who often visit stores of Tesco chain.

The aforementioned Alior Bank actively cooperates with commercial chains. In the summer 2015 it has conducted promotional campaign under the name Rozsądne Konto [*Reasonable Account*] that was free of charge. It is accompanied by benefits in the form of 3% return for shopping in Biedronka chain and many other hypermarkets and grocery shops (this gives even PLN 50 monthly and PLN 400 in a year), free withdrawal of money from cash points and other privileges. This offer concerns payments

made by card issued for a bank account or via iKASA application on the phone (it needs to be emphasised that the service works not only on smartphones but on most telephones available on market) (<http://www.biedronka.aliorbank.pl/>).

Cooperation with commercial chains is established not only by banks but also by card issuers. Visa is an example here. Between 18th May 2015 and 28th June 2015 it conducted promotion under the name „Płać kartą Visa na stacjach Orlen lub w sklepach Biedronka i wybieraj swoje powody do radości!” [*Pay in Orlen petrol stations or in Biedrona stores with Visa and choose your reasons to be happy!*]. Purchase by a customer was awarded with a bonus of promotional codes that allowed for using the offer of one of the partners in promotion, i.e. Allegro service, C&A chain, Cinema City, Intersport, Praktiker, Telepizza and own labels of Orlen including Stop Cafe and Verva fuel. Selection of the discount could be made on promotion website or through sending a text message with a code and appropriate password, i.e. a letter from A to H representing a particular discount (<http://www.nagrody.visa.pl/>):

A – every litre of Verva fuel 10 groszes cheaper (Orlen)

B – the second 210 ml hot drink for PLN 1 (Orlen)

C - 3 pizzas for the price of 1 – for small and medium-sized pizzas with at least 2 ingredients (Telepizza)

D - 25% discount on any selected product but not the one with reduced price (C&A)

E - 20% discount on clothes and shoes but not the ones with reduced price (InterSport)

F – PLN 20 discount at purchase for at least PLN 150 (Praktiker)

G – ticket to the cinema for PLN 15 – the offer applies to all 2D show (CinemaCity)

H – PLN 20 discount for PLN 100 through mobile application (Allegro).

High degree of involvement of banks and commercial chains is observed at issuing co-branded credit cards. Petrol stations, media, mobile phone operators or other financial partners (in developed markets co-branded cards form over 60 percent of the portfolio of credit cards issued by banks) are also increasingly more often partners here. Payment cards are an important product for banks that purposely allows for reaching selected segments. They have remarkable potential of strengthening cooperation with specific group of customers; they significantly contribute to establishment of the image of dynamic and modern entity and also to maintain loyalty.

3.2 Partnership cards as a result of cooperation of banks and commercial chains – case research

Tesco Finanse offer includes credit card MasterCard Tesco Clubcard (before the merger of Alior Bank and Meritum Bank it was Visa card). This card is linked with a large loyalty program of Tesco chain. When shopping is done, it allows customers to collect points that are later exchanged for money voucher to be cashed in Tesco chain stores. The customer receives 1 point for every PLN 2 spent in Tesco. In practice, the value of awards amounts to 0.5 percent of the value of purchase made in Tesco with the use of Clubcard, on condition that a single value of vouchers calculated on the basis of obtained points may not be higher than PLN 760. Payment cards offer their holders more privileges than regular Clubcard loyalty cards. Beside standard payment and credit functions, holders of MasterCard also collect points for payments made outside Tesco chain. Additional ratio is applied, i.e. every PLN 4 spent, represents 1 point. Therefore, MasterCard Clubcard holders actually receive 50 percent more points for payment in Tesco and the same number of additional points for payments outside Tesco. Additional benefits may include:

- vouchers of the value of PLN 30 to be cashed in Tesco chain or vouchers for fuel in Tesco fuel stations at card issuance,

- 1000 Clubcard points awarded „for the start”,

- possibility to pay for the purchase made with the use of card in 5 or 10 interest-free instalments (no commission),

- refuelling the car with a discount in Tesco petrol stations (5 groszes discount per litre at purchase in Tesco, for the amount of at least PLN 100; additional 5 groszes is obtained by the customer while paying for the fuel with MasterCard Clubcard – even if they do not spend PLN 100).

Cards are issued by Alior Bank through Tesco Finance stalls located in several Tesco hypermarkets. The customers undergo only standard procedure of checking in BIK [*Credit Information Bureau*] (which takes only around 15 minutes). They are non-personalised plastic cards because there is no name or surname of the card owner on the face. Only after the card is expired, the bank sends a new plastic card with engraved holder's name. The card has the option of proximity payment (Visa did not have it) and is open to make payments online. After the issuer had been changed, conditional fee for the card slightly increased; since 1st August 2015 it has been PLN 10 monthly (previously PLN 8), but it is cancelled after transactions over PLN 400 (previously PLN 300) are conducted (<http://prnews.pl/hydepark/mastercard-przejmuje-karty-kredytowe-tesco-clubcard-6551016.html>).

Attractiveness of Tesco Clubcard offer translated into positive reaction of customers. Its success is proved by results of the studies performed by ARC Rynek i Opinia [*ARC Market and Opinion*] according to which in 2012 it was one of the most well-known loyalty program. It gained even more popularity in comparison with previous year (by 10 percentage points). Such rapid growth in knowing it may be a result of good organisation of the program and appropriate marketing communication. The most popular categories of loyalty programs coincide with frequency of doing shopping in a particular place. Therefore supermarkets and hypermarkets are the most popular category in loyalty programs. Beside Tesco Clubcard, four out of the five best-known loyalty programs, allow for collecting points in grocery chains. They were respectively PAYBACK, popularity on the level of 16%, Carrefour Rodzinka – 14%, and Skarbonka Auchan – 9%. (Monitor Programów Lojalnościowych [*Monitor of Loyalty Programs*] 2012, ARC Rynek i Opinia [*ARC Market and Opinion*], August 2012).

Programs involving several companies within one program are also an effective loyalty tool (Kieźel, 2012, p. 259; Wiechoczek, 2011). In September 2009 a multipartner Program **PAYBACK** that links large companies of high incomes was started. Points can be collected at over 130 partners including Allegro, BP, BZ WBK, Fly.pl, Kolporter, Mix Electronics, Orange, Telekomunikacja Polska and Grupa Hotelowa Orbis i Real. The form of the program assumes progressing increase in the chain of partners. This program was started in Germany and gained extensive popularity there. The interest is proved by the fact that 60% of all households have PAYBACK card and 83% of German people know this brand. Since 2011 American Express is the owner of PAYBACK and the PAYBACK itself functions in various forms in many countries all over the world. Currently it is the largest program in Poland that is used by 15 million Poles (692 million purchases have been conducted with the use of PAYBACK card) (<https://www.payback.pl/welcome>). In Poland, beside a regular membership card, customers can have a debit or credit MasterCard PAYBACK card issued by Bank Zachodni WBK. A classical PAYBACK bonus card, which is used by customers while shopping at many offline and online partners, allows for collecting points on the card. Apart from the possibility to gather points in the accounts of Partners cooperating with the program, the second type of the card allows for performing payment transactions and withdrawal of money from cash point free of charge. Points collected thanks to the program have no time limit and are not annulled. Both types of card are issued for free and their use does not require spending a determined minimum amount. For customers' comfort PAYBACK cards can be obtained in selling outposts of partner companies involved in the program or customers can order them on PAYBACK website and on websites of partners in the program. Participants in the program can exchange collected points for discount vouchers realised in selling outposts of partners, exchange them for awards or give them for charity purposes. As it is seen, the range of possibilities offered to users at any stage of using the program is really extensive and flexible, and it provides a lot of benefits to all involved parties. Popularity of the program and satisfaction of customers may be proved by the fact that in 2015 the program was awarded as The Best Loyalty Programme of the Year.

Syigma Bank is one of the largest issuer of credit cards in Poland. It occupies the first or second position in various rankings and is the leading player on the market of consumer credits. It intensively develops discount program intended for all users of credit cards it issued. **Syigma Bonus** is a part of a common program developed by Syigma Bank for its customers. There are two lines of benefits offered by the bank to its customers within this program. Apart from price reductions, discounts and special

offers prepared for users of Sygma Bank credit cards, every transaction conducted with the card of the bank gives accumulation of points that can be later exchanged for awards. Therefore the platform has both the nature of a loyalty and discount program. Conducting transactions with such cards they have the right to obtain discounts from the partner in the program. The total number of partners is higher than 40 companies from various trades, both smaller as well as large commercial chains. This represents the possibility to obtain discounts in over 1800 commercial outposts all over Poland. To take advantage of the discount, the customer has to inform the seller about the wish of using a particular promotion and has to pay for the purchase with Sygma Bank credit card. The discount is automatically calculated. Sygma Bank updated internet service of the platform and placed all information about benefits for credit card holders in one place. The bank is planning to acquire more partners for the program and implement new forms of communication allowing the customers to obtain discounts easily. They are to include sending personalised vouchers or implementation of QR codes (Ziąber, 2014).

Conclusions

Research shows that in analysed sectors large activity of commercial chains and retail banks is observed in conducting cooperation. This serves increasing the value for customers. In Poland development of joint loyalty programs (sometimes involving many entities) is a popular practice. They are accompanied by issuing payment cards that also have the function of collecting points. Banks conduct activity in customer service points in areas of hypermarkets and some commercial chains are involved in formation of their own banks. Giving loans to customers from own resources of commercial chains or creation of the system of sale on the principle of financial enclaves (i. e. with zero price for the customer), provision of services in financial intermediation directly by commercial chains or taking payments made on the telephone can be mentioned among conducted activities.

Presented studies also show that the subject of cooperation between commercial chains and banking sector is an interesting area for research because its scope is constantly expanding. Relations in creation of mobile payments, issues associated with ensuring security and sharing risk between participants offering these possibilities can become such areas. Identification of bank units working in providing services to particular chains e.g. functioning of SBU only for the needs of its implementation can become another area associated with this cooperation.

The paper presents only selected aspects of conducted cooperation which results in its limitations. Identification of the degree of importance of cooperation with banks for the purpose of implementation of goals of commercial enterprises against the background of their cooperation with other market partners is an interesting trend of research that ought to be undertaken in the future.

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