

The Effects of Brand Credibility on Customer Loyalty: An Application of Sweeney and Swait Model for Sport Brands

Rasoul Azadi, Bahram Yosefi, Hossein Eydi*

Department of Sport Management, University of Razi, Kermanshah, Iran

Abstract

The present study aimed to investigate the effects of brand credibility on customer loyalty of sportswear from the perspective of physical education students and graduates have been conducted based on the model of Sweeney and White. Method of study was survey. The study investigated the effects among the research variables using structural equation model (SEM) with Lisrel software. The population of the study was the whole country's physical education students, alumni, which 805 respondents were selected based on the purposive sampling, using in person, and online questionnaires were collected from Iran. Based on research findings only two brands of Adidas and Nike alone 72% of brand selected among statistical samples. Path analysis on the model test results showed that the model fitting is good and acceptable. Also variables of customer satisfaction with 72% had greatest impact on loyalty pledge. But between their trust with continued commitment and continuance commitment with the desire to change, no significant effect was observed. Due to financial restrictions for domestic producers recommended, pay special attention to improving the quality of manufactured goods to continuation being in the market and with using periodic surveys, Identify customer needs and requirements, and with create diversity and innovation in the sports apparel design and product design based on customer expectations, draw their consent which increase customer Commitment and loyalty, as a result reducing their willingness to change their brand.

Keywords

Brand Credibility, Satisfaction, Commitment, Customer Loyalty, Customer Behaviour

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1. Introduction

Today, sport and recreation has undergone many changes and from a simple form of games and entertainments transfers to multibillion-dollar industry and one of the largest money making economic segment of this century (Askaryan, 2004). In the past few decades the industry is poised for growth, such that it can be, growth of the clothing and sports equipment named. Sportswear is an important part of the sports products market, which been defined as clothing and shoes made for sports participation. Although now it includes clothing that people wear for everyday activities (ko, et all,

2012). Today, we see that sports consumers are buying sports goods from the stores which all items been supplied (clothing, sports equipment and...). Facing with massive abundance of products that are identical in terms of quality and shape, Consumers' purchasing decisions will be push towards brand without considering the characteristics of the products (Kapferer, 2006). In the markets, which products and services, increasingly overlap and adapt, a strong brand can be the only display characteristic that distinguishes a product or service offerings from competitors (Rafiei et al, 2012). In these circumstances, to obtain the proper place in the mind of the consumer so that consumers are loyal to the company of the major. Scholars have emphasized the different structures of

* Corresponding author

E-mail address: Eydihossein@gmail.com (H. Eydi)

loyalty and to have some prerequisites for loyalty refers. Although there is no agreement on the impact of these factors on loyalty but more or less consensus exists on the impact on loyalty. In most recent internal and external investigations, Satisfaction as the main factor affecting customer loyalty has been recognized. However, none of the perceptual studies in Iran, the reliability of brand loyalty has been studied. The studies that have been done in the world, impact on brand loyalty, brand reputation or image. Brand reliability is different concepts from reputation and brand image. In this context, a model derived from research (Sweeney & Swait, 2008) in a large area of North American banking industry and telecommunications researched and tested.

In this perspective, the brand comes to embody the credibility of the firm (Erdem & Swait, 2004), which can only be built and solidified over time through repeated customer/firm interactions, but can quickly be lost if trust is violated by the firm; this makes brand credibility a firm-wide responsibility that must concern all functions at all times. Building the credibility of a brand is recognized by consumers to be a long-term and continuing investment by the firm; hence, they behave towards the firm as if it were posting a bond that is forfeited when its promises are not kept (Erdem and Swait, 1998).

A few studies have examined the role of brand credibility on retention of current customers. Earlier studies (Selnes, 1993) have related brand reputation to satisfaction and loyalty. This very specific definition of reputation (Ganesan, 1994) is quite different from the brand credibility construct at the heart of this research.

We present in this section a comprehensive model involving six constructs of interest to our research objectives: brand credibility, customer satisfaction, loyalty commitment (LC), continuance commitment (CC), word of mouth (WOM) recommendations and switching propensity. The three hypotheses related to brand credibility comprise the main contribution of this paper. We develop six other hypotheses for two reasons: (1) to better communicate to the reader the reasoning behind our adoption of the entire structure to be presented and (2) to enhance the completeness of the proposed structural model and enable us to ultimately relate brand credibility to behavioural outcomes of direct importance to CRM. We note that two levels of outcomes are addressed; the broader brand perception variables as well as behavioural intentions. The model can be seen in Fig 2.

For the purposes of the present study, we are interested in two forms of customer behaviour with respect to relational services: (1) customer retention within the firm's and (2) customer engagement in unprompted and beneficial WOM behaviours', specifically, recommendation of the firm's

services to others (especially those currently outside the firm's customer base). Several related indicate that switching propensity and WOM have certain antecedents that originate from social exchange theory. The decision of whether or not to engage in these outcome behaviours' switching propensity and WOM is theorized to be based on two motivations: (1) a past experience-based one that evaluates the benefits that the consumer receives from the relationship; (2) and a future-oriented one, that considers other sources for relationship maintenance. About how this dual consideration enhances modeling customer retention. This is elaborated upon in the following paragraphs. Considering the more future-oriented motivation, social exchange theory has introduced the concept of commitment, which concerns the factors that drive an individual to a consistent line of behaviours' or cognitions (Pritchard et al, 1999; Sweeney & Swait, 2008). Commitment was first introduced into the business domain via the management literature, through the use of the organizational commitment construct, which has been shown to be highly influential in the context of organizational research: it has been found to be associated with decreased turnover, higher motivation and organizational involvement. Customer relationship commitment has been found to be important in a marketing sense to reduce switching; increase purchases and enhance favourable future intentions, such as customer loyalty (Sweeney & Swait, 2008).

Commitment has been recognized as a complex phenomenon comprising several dimensions. While several components have been proposed, we focus on two aspects loyalty commitment (LC) and continuance commitment (CC) as these two are most relevant for consumer-based contexts (Bansal et al., 2004). These two dimensions are united through their reflection of the underlying notion of the desire to maintain a relationship in the future; however, different motivations underlie this intention (Geyskens et al, 1996). Affective commitment, akin to our LC, is a positive emotional commitment reflecting the psychological attachment to the relationship partner (Sweeney & Swait, 2008). Continuance commitment, in contrast, reflects a cognitive evaluation of the costs associated with leaving a Behavioural intentions broader brand perception variables Brand summary organization and the associated recognition of the need to maintain the relationship considering the perceived switching costs or lack of viable alternatives (Verhoef et al, 2002; Sweeney & Swait, 2008). Also known as calculative commitment, it therefore comprises a more negative, psychologically based motivation that is appropriately distinct from affective or loyalty commitment. These two types of commitments have been found to have differential effects on outcomes. Despite the clear conceptual link between loyalty and affective commitment, empirical

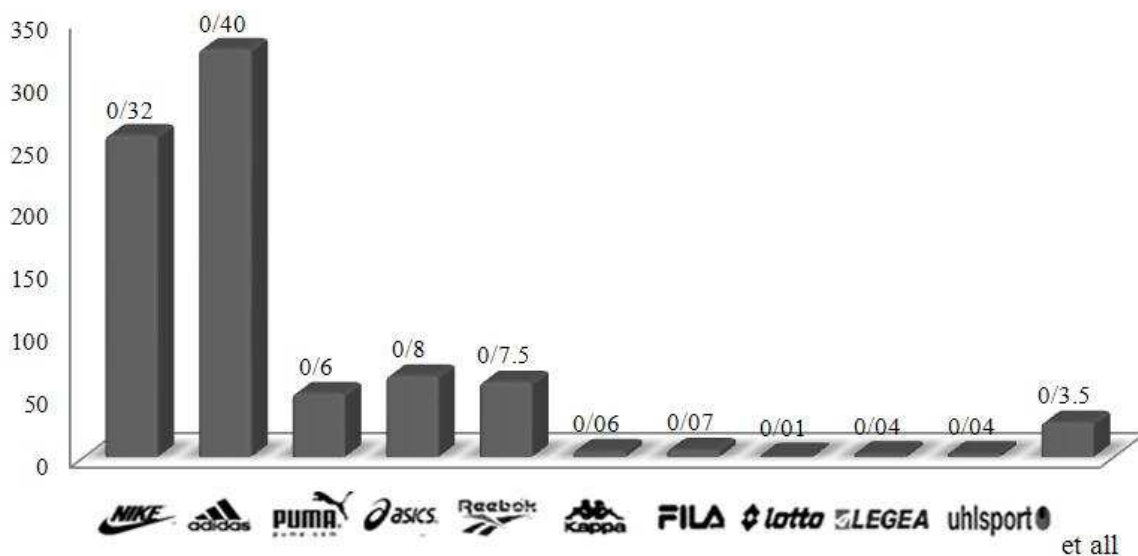
research has produced mixed findings (Bansal et al., 2004). Similarly, recognition of the sunk investment costs associated with “membership” in a service is expected to generate a motivation to obtain output equivalent to their investment (Gassenheimer, 1987), hence we would expect that continuance commitment would reduce switching intentions. Again, however, research about the relationship between these constructs has yielded mixed results (Bansal et al., 2004). Nonetheless, research in organizational behaviour provides support for the relationship between these two types of commitment and important outcomes for the firm, including reduction of employee turnover. Several investigations have been conducted in this field (Sweeney & Swait, 2008) the study presents a new model reported that which the credibility of brand significantly increase customer loyalty and willingness to change behaviour among customers reduce. Through Commitment to customer satisfaction this relationship is created. (Dashtee et al., 2010).

Due to the characteristics of sports clothing, the importance of brand equity is very high in these products and usually product selection in the industry is based upon the brand made. Therefore according to prominent role of branding in the field of sport (in country) and its importance in the sports clothing industry, the necessity of such a market research in clothing and sports equipment is visible. Because in this industry, due to large industrial manufacturers and increase the quality and innovation every day, customers prefers

famous and powerful brands in the market to other brands (Azadi, 2014). Therefore, this study can be help for domestic producers and the answer to the reasons for their failure compared with imported brands.

2. Research Methodology

Method of research was descriptive survey, which was based on Structural Equation Model (SEM). The population of the study was the whole physical education students and alumni Iran, which 805 respondents were selected based on the Purposive Sampling using in person, and online questionnaires from all the provinces of Iran. Furthermore, Tehran, Kermanshah, and Isfahan have formed the largest number of respondents. Questionnaire contains 35 questions, in which Likert scale of five scores has been used. Questionnaire to collect data from Sweeney & Swait (2008) was used, the validity of the formal approval professors of sport management and reliability of Cronbach's alpha, which was a factor of 0.87. Moreover, confirmatory factor analysis was used to test all questions with factor loadings above 0.5 validated the questionnaire. The study investigated the effects of the research variables using path analysis with SPSS 20 software and structural equation model (SEM) with Lisrel 8.80 software.



Source: Azadi (2014)

Figure 1. The frequency and frequency selective brands.

3. Results

The sample consisted of 805 respondents, which were 48% male and 52% female respondents that 82% were married

and 18% were intended to marry soon. The age of the sample shows that 9% of the subjects were less than 20 years, 56% between 21-25 years, 24% between 26-30 years, and over 30 years were the 11%. The study also found that those subjects had Diploma 11%, BA 49%, MA 35%, and PhD 5%. The

largest were 394 individuals, which were associated with a master's degree.

Figure (2) contains the top 10 international famous sports brand in the world. In this question, the respondents were asked, which of the foreign brands they prefer (choosing one option). As is evident in Figure 1, the two are foreign brands Adidas and Nike alone accounted 72% selected brands

The research hypothesis testing, analysis of structural equation was used. Significance level of the test standard coefficient T is determined. degri T standard is more than

1.96, meaning hypothesis was at 95%. According to LISREL output in Figure (2) it is clear that the variables, and continuous commitment to customer satisfaction with the greatest impact on 84% and 72% commitment puts loyalty. But the trusted brand with an ongoing commitment, and the continued commitment by the desire to change, no significant effect was observed and the results were rejected. Other hypotheses were confirmed with high confidence. Standardized regression weights, the study is shown in Figure (2).

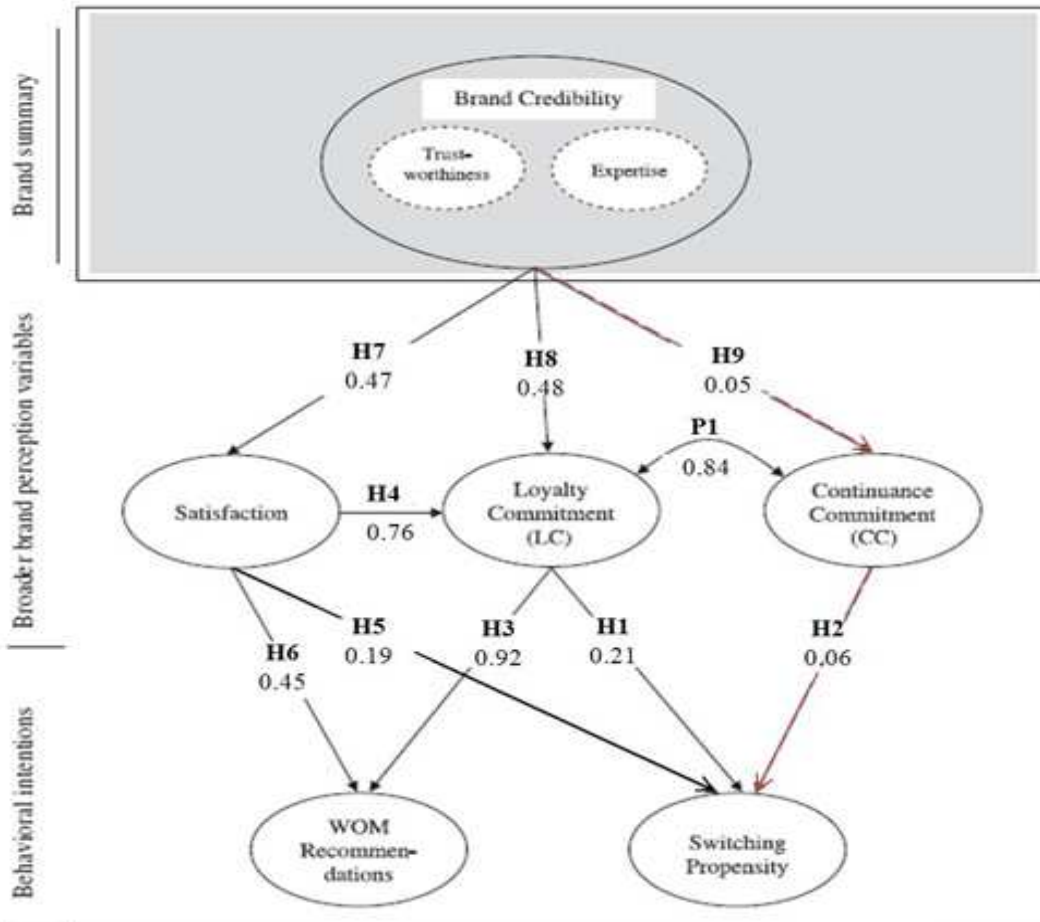


Figure 2. brand valid path analysis model of customer's loyalty Table.

Table 1. Test for goodness of fit research.

fit indices	χ^2/df	RMSEA	RMR	NFI	NNFI	CFI	GFI	AGFI
acceptable	5<	0.1<	0.1<	0.9>	0.9>	0.9>	0.9>	0.9>
Value	4.86	0.024	0.082	0.97	0.92	0.97	0.96	0.90

Given the values of the indicators proposed for this model in Table (1), as can be seen, the value of χ^2 the degree of freedom it was less than 5, the model confirmed. The fit indices NFI, NNFI, CFI, IFI and GFI greater than 0.9, RMSEA, and RMR is smaller than 0.08, which confirmed the validity of this model.

4. Discussions and Conclusions

Increase the number of sports brands, increase the competition between brands in the business market share, increased presence of foreign brands in the sports clothing in local market and on the other hand Iran's market attractiveness is the factors that challenged the existence of

local sports brands and unfortunately, despite the large manufacturers manufacturers in Iran country, we see demand excessive imports of foreign brands which result to increase sales of foreign brands among adolescents and young people and Isolation of local products. Therefore, manufacturers should seek to identify factors influencing customer loyalty and execution strategies which are needed in this area. Brand reliability is the most important factor to create and increase customer loyalty commitment. The present study aimed to investigate the effects of brand validity and reliability of Sports clothing in customer loyalty based on the model of Sweeney and White (2008); the most widely accepted model in this field is conducted.

As in Figure 1 is clearly been showed in the foreign brands, two brands of Adidas and Nike alone have %72% of brand selected among statistical samples. Also results also showed that from 805 samples 100% was using foreign brands, this number was 66% for Iranian brands which show that the foreign brand users are more satisfied.

Path analysis on the model test results showed that the model fitting is good and acceptable and can be used in future research (Table 1). The LISREL output in Figure 2 it is clear showed which among the variables, continuous commitment and customer satisfaction had greatest impact with 84% and 72% on loyalty commitment. But between brands reliability with continued commitment, continuous commitment and willingness to change and the effect was observed.

The study found that the validity and reliability of the brand in the Sports Garments industry play a key role in improving the customer's behavioral tendencies. This means that increasing customer satisfaction cause that they advertise and recommend the brands which they are using and also tendency to change brands, reduced. Due to financial constraints for domestic manufacturers recommended, pay special attention to improving the quality of manufactured goods for the continuation of the market and using periodic surveys, Identify customer needs and requirements, with diversification and innovation in sports apparel design and product design based on customer expectations and satisfaction they draw their consent which increase customer commitment and loyalty result's positive word of mouth advertising and thus reduce tendency to change their brands.

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