

# Investigating the Role of Components Influencing on Customer Loyalty in B2B Markets

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**Abstract**—In the modern age, paying attention to the growth and development of customer loyalty as an important factor in companies marketing strategy that leads to the maintenance of current customers has increased. Therefore, today one of the most important issues the managers are dealing with is how to provide and extend a better understanding about the relation between the structures like brand and customer loyalty especially in large markets like B2B. Therefore, the aim of this study is investigating the role of components influencing on customer loyalty in B2B markets. The statistical society of this research includes the senior managers and purchase experts in the companies producing food industrials in Khuzestan province that its sample size is determined using Morgan table. The data collecting tool in this study is the questionnaire. The content validity of the questionnaire is determined using convergence validity and to evaluate the stability of the questionnaire we used the Cronbach alpha coefficient that is considered as 0/7. To evaluate the hypothesis and relations between variables of the research we used the structural equation modeling. The findings suggest the positive and meaningful effect of perceived merit, perceived value, the level of sharing information and emotional dependence to the brand on the brand loyalty in B2B markets.

**Keywords**— Loyalty, brand, effective factors, B2B markets.

## I. INTRODUCTION

In the world of today that the possibility of mass production of goods and services has provided the increase in supply rather than demand, there is no way left for producers other than attracting customer satisfaction and we cannot anymore define the market and supply extent with the past limited tools. Experiments suggest that organizations with a traditional point of view on concepts like customer, good, selling, purchase, competition, advertisement and quality, not only have not been successful but also they have lost their funds. Actually by the emergence of competitive economics, concepts like customer orienting and attracting customer satisfaction, are considered as the basis of the task and the organization that pays no attention to it, will be deleted from the market zone. While it should be always considered that today suppliers in industrial, consuming and service good markets encounter with the customers with unlimited demands, less affected by the traditional marketing tools. On the other hand, market products from the point view of customers are not much different, if the desired brand is not available to the customer, he will substitute any other brand easily and it shows the decrease in customer loyalty. The price competition also has lost its former meaning and market and customer orienting organizations consider the maintenance and promotion of

customer loyalty, instead of competing on price (Vazifehdoust 1393). Today this has caused the brand to be increasingly determined as a very important point of difference and a stable form of competitive advantage for B2B marketers. Since the brand is a significant factor in customer's decision making process and performs as an instrument to obtain organizational agreement among many actors involved in buying process (Safarzadeh, 1392). In fact due to the features of industrial markets we can say that the identification of effective dimensions on customer loyalty to the company's brand is an effective step along with the liquidity flow advantage improvement, increase in company's reliability, supply network improvement and increase in entry barriers. While some other experts believe that customer loyalty has many advantages like decreasing the customer attracting costs, decreasing the customer sensitivity to changes and prices, benefits from the customer long life, positive performance by increasing the prediction power and barriers for new rivals (Guy and Colleagues, 2008). In addition, customer loyalty has a competitive aspect in the trademark markets. Especially that in the industrial markets the loyalty of customers to trademarks can warrant a company's life or destroy it. Therefore, marking with the focus on making loyalty contributes to the companies to stabilize them strategically in future and compete effectively with the global giants who have gained the global markets.

Due to what we said, it is essential for companies to be informed of the role of their trademark in customer loyalty to develop and extend their presence in the market and to check the aspects of trademarks which lead to stabilization of this loyalty to trademarks. Therefore, one of the most important goals of brand owners in industrial markets is developing the brand by creating customer loyalty in brands. Since the loyal customers are considered as a safe source of profit for companies and due to lack of trust in the environment, they provide an appropriate immune border for them.

## II. THEORETICAL BASIS OF THE RESEARCH

Today the maintenance and reinforcement of loyalty for companies that have the concern of maintenance and development of their own competitive condition, is considered as a strategic challenge. The companies which are not just looking for short-term sales and put the basis of their efforts obtaining the long-term customer satisfaction by providing more valuable and different goods and services, have more

influence on the target market and more loyal customers than other rivals (Kim, 2004).

Loyalty to the trademark means repeating the purchase and it is due to a mental process. In other words, repeating the purchase is not just an arbitrary reaction but the result of psychological, emotional and normative factors (Hasanzadeh and colleagues, 1392). Actually, the main key to the commercial organization life is the maintenance of customer loyalty to the provided services, since no organization can survive without customer loyalty and satisfaction. In addition, due to the fact that customer expectations are continuously increasing, different philosophers have presented various definitions for loyalty, which is acceptable regarding the multi-dimensional and complicated concept of loyalty.

TABLE 1. Definitions of customer loyalty.

Definition	research fellow
brand loyalty as an appropriate attitude to a brand and redeem the same brand on a long term horizon.	Rosetter & Press (1987)
Brand loyalty is defined as a deep commitment to re-purchasing products or services provided in the future.	Oliver (1999)
Brand loyalty has been defined according to a behavioral, attitude and choice point of view. While the behavioral view is based on the purchase of a particular brand, An Attitude Perspective refers to consumer preferences and brand-specific tendencies, The selective view is based on the reasons for buying or the factors that may affect the purchase.	Moberg (1997)
Brand Loyalty, under the name of a word called brand breach Which refers to brand customer relationships and serves as a tool for matching brands with consumers. Consumers have a high level of loyalty with proper brand breaks.	Clare (2003)
Three factors of value, trust, and reputation are effective in customer loyalty Customers are loyal to those who help solve problems And they expand their loyalty more than they expect.	Dalton (2003)
Behavioral loyalty is called loyalty to a brand through visible purchases during a course.	Mellens (2004)
Loyalty creates a commitment to the customer to deal with a particular organization and to buy goods and services on a frequent basis. Loyalty includes a psychological process that evaluates different options based on different criteria.	Susannah (2004)

As seen, many loyalists believe that loyalty happens when customers feel confident. The organization can best meet their needs, so that the competitors of the organization leave the set of considerations of customers and only to buy from the organization. In other words, loyalty means the existence of a positive attitude toward a product (brand, service, shop, seller) And supportive behavior of it (Yu, 195: 2000). Therefore loyalty can be defined repeatedly, creating a commitment to the customer to deal with a particular organization and to buy goods and services frequently.

### 2-1. Customer Loyalty Targets

Considering the importance of loyalty in increasing company revenue and reducing the cost of attracting new customers, so far several studies have been done to identify the factors affecting customer loyalty and ways of maintaining

them. According to this study, Table 4 presents four approaches to the concept of loyalty.

TABLE 2. Approaches to the concept of customer loyalty.

Definition	Approach
The loyalty criterion is the behavior of customers and focuses on repeat shopping behavior as an indicator of loyalty. This approach seeks to measure loyalty to the brand and the real behavior of consumer purchases (PantoVacice and Limeropoulos 2008).	Behavioral
It is not enough to explain the true behavior of the consumer in this approach Instead, this behavior must be analyzed. From the attitudinal approach, we can mention such things as preference, intention to buy and the supplier's precedence (Toyn et al., 2008).	Attitude
This approach is the first product or service that comes into the mind of the individual when making a purchase It chooses among its products and services (Caraeo et al., 2003).	Cognitive
In this loyalty approach by customer consumption function, brand tendency, buying frequency, the total purchase price and the newest purchase are measured. Using this method increases the power of accurate customer loyalty prediction (McMullan, 2005).	hybrid

### 2-2. Customer Loyalty Models

So far, several models have been developed to study customer loyalty in marketing topics. Chaudhry and Holbrooke (2001), A model of loyalty to the brand, which states that behavioral loyalty will lead to a greater market share for the brand, while loyalty attitudes leads to higher relative pricing of the brand. Many variables make customer loyalty to a particular brand, including brand trust, Brand satisfaction, good brand experience, and other factors that play an important role in the process of loyalty. Oliver (2003), the factors that create customer loyalty and the importance of organizational change to another organization. He categorized the factors influencing the customer loyalty of the company as follows:

- Factors related to employee competence: Includes all aspects of the personality, behavior and appearance of service providers in a company. These factors take into account all the characteristics of service providers that may affect customer satisfaction and loyalty, such as the type of employee coverage, the intimate relationship between employees and customers, the willingness to respond to customers, and so on.
  - Service related factors: the type and characteristics of the service. When a client visits an organization, it's because of the service that the organization offers It distinguishes it from other channels, such as a variety of services, non-attendance services, and stable service delivery.
  - Physical environment factors: Physical and physical aspects of service delivery, Like the company's interior and exterior, the hours and days of the company.
- Yihua Dong and colleagues (2010) have presented a model in which factors such as trust, Quality of service, perceived value (functional, emotional, social and financial) And the cost of change as factors affecting customer loyalty and customer satisfaction (Hormoz Mehrani, 66: 2016).

Steven et al. (2004) presented their commercial loyalty model under the influence of trademarks. In that, customer loyalty is considered as a function of behavioral loyalty and

attitude. And in such factors as satisfaction, value, resistance to change, feeling, Trust and special value of the trademarks are considered as factors related to trade marks that affect the formation of loyalty of customers in industrial markets. Manydarzi et al. (2017) identified the following four components for customer loyalty in their cluster model:

1. *Perceived merit*: Positive customer assessment of a product or a high perceived quality, Leads the consumer to a brand name relative to other competing brands (Arthagomes, 399: 2012). Perceived quality is the degree and extent of the customer's subjective evaluation of the product and as customer perception is defined as the quality of a product or service. Indices such as elegance and beauty, Charm, good quality of products, good quality of ingredients used in products, Good quality manufacturing, product integrity, durability, reliability and reliability of brand performance, Employee behavior and service quality are measured in this variable (Yoo et al., 2000).

2. *Information sharing level*: The level of sharing refers to the exchange of important and proprietary information among business partners. Knowledge-based information and knowledge sharing in B2B markets plays a key role in increasing the competitive advantage of partners (Chev et al., 2004, Moore and Spekman, 1994). Previous research studies show that timely information exchange, an updated and accurate interface between B2B partners helps to develop and develop long-term relationships and coordination between business partners (Smadre et al., 2006, Jan and Wang, 2012).

3. *Emotional affiliation of the brand*: Emotional dependence of the brand reflects the link that connects the consumer with the brand's brand. And feelings about brand (Maler et al., 2011). In fact, usually when the attachment is strong, feelings are created, because feelings are for the inner brand relationship (Park et al., 2011). Thomson et al. (2005) argue that the affective affinity of the brand is based on three factors: 1. The customer relationship with the brand, 2. Brand comfort,

3. Strong brand tendency. Grossiev Novin (2011), The rational consequence of affective affinity is the maximum resale based on brand loyalty, in spite of all the opportunities and costs possible, and the incentives that give the customer the incentive to replace the brand (baradaran, 47: 1390). Therefore, marketers need to establish brand affiliation as a strategy to achieve a truly rewarding profitability from loyal customers.

4. *Perceived value*: The perceived value is the difference between a customer's assessment of all the benefits and costs of a service or commodity, and even its alternatives; In other words, the perceived value of comparing what the customer loses in deals is in contrast to what he earns (Zaithmal, 21: 1998). The perceived value of the customer was defined by the customer assessment process from what he paid in return for what he had gained (rahi, 2016). Monroe (2003) states that what a customer sacrifices in a transaction can be monetary (such as cost and price) Or non-monetary aspect (such as time and effort), and what the customer gains in the transaction is its expected value. Like the expected quality of the goods. Given different points of view about perceived value and analysis of the general definitions of perceived value, we see two important customer value points. First, perceived value is distinct from product consumption and organizational and individual values. Second, it is understood by customers, and the seller cannot determine it objectively. In general, perceived value is a judgment or assessment by the customer that compares the benefits of a product, Service or communication, and losses or costs (Zaithelham, 1998).

2-3. *Conceptual Model*

In this research, according to theoretical foundations of research, to investigate and identify the factors affecting customer loyalty The following conceptual model, derived from the Manjardzy et al. Model (2017), is suggested:

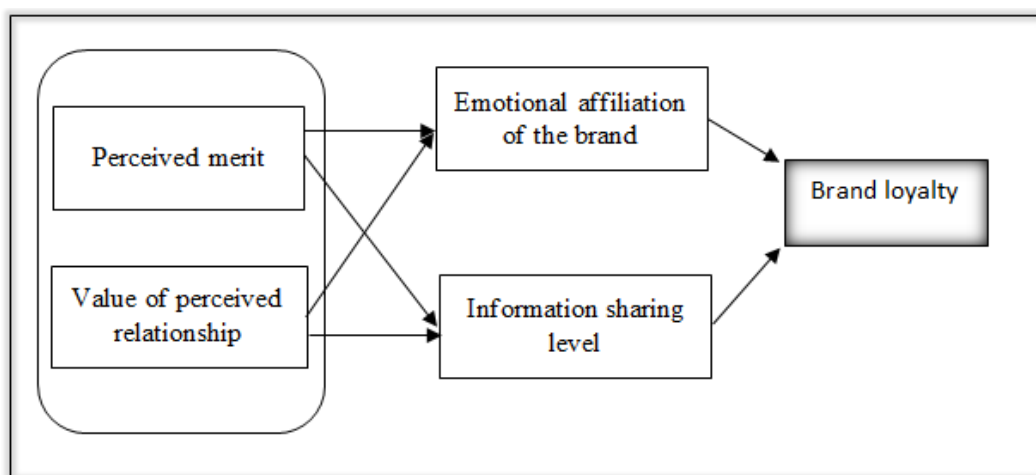


Fig. 1. Conceptual model of research (adapted from model model of Manjardzy et al. (2017).

2-4. *Research Hypotheses*

According to the conceptual model of research, the hypotheses of this research are:

Hypothesis 1: The value of perceived relationship on perceived competence has a significant positive effect.

Hypothesis 2: The value of perceived relationship on the level of information sharing has a significant positive effect.  
 Hypothesis 3: The value of perceived relationships affects the affective affinity of the brand.  
 Hypothesis 4: The perceived competence affects the affective affinity of the brand positively.  
 Hypothesis 5: Perceived competence has a significant positive effect on the level of information sharing.  
 Hypothesis 6: The level of information sharing on brand loyalty has a significant positive effect.  
 Hypothesis 7: Affective affiliation of the brand has a significant positive effect on brand loyalty.

III. RESEARCH METHOD

The purpose of this study was to investigate the types of applied research in terms of obtaining required data from descriptive-correlational research types Based on the structural equation model. The statistical population of the study consists of senior managers and purchasing experts in Khuzestan food industry companies Which is based on the category of the industry, mining and trade organization of this province in the category of other food products (Packaging of dried fruits, grains and saffron, refined salt, processing of agricultural products such as tomato paste, non-meat canned, Spice-making and authorized food additive) are active. The sample size is 123 according to the Morgan table and is a random sampling method. Data gathering tool was a standard questionnaire based on the Likert spectrum. In order to determine the reliability of Cronbach's alpha coefficient, its value for all variables ( $\alpha = 0.7$ ) is at an acceptable level. The Cronbach alpha value for all variables is shown in Table (3). Demographic analysis of SPSS software and also in order to evaluate the validity and validity of the instrument (convergence validity), testing the hypotheses and relationships of the variables using PLS software, the index used to assess the convergence credentials in this software is the AVE index, which varies from 0 to 1. And high values of 0/4 It is accepted. As shown in Table 3, the values of the AVE statistic indicate that the fit is acceptable to the model.

TABLE 3. Calculation of Cronbach's alpha coefficient and convergence validity of research variables.

AVE	Variable	Number of questions	Cronbach's alpha coefficients
0/81	Perceived merit	4	0/7461
0/75	Value of perceived relationship	4	0/8221
0/54	Emotional affiliation of the brand	3	0/7731
0/78	Brand loyalty	5	0/8239
0/78	Total number of questions	16	0/791

IV. RESEARCH FINDINGS

Structural Equation Modeling, A Statistical Model for the Study of Linear Relationships between Variable Variables (Not Observed) and the obvious variables (observed) (Akbari et al., 2013).

4-1. Descriptive Findings

To better understand the context of the statistical society and the variables of research, before analyzing statistical data, the demographic data of the sample members are described (Table 4).

TABLE 4. Frequency percentage of demographic variables in the research.

Frequency	Number	Indicator	Variables
14/63	18	female	Sex
85/36	105	man	
13/82	17	Under 30 years old	age
39/02	48	Between 30 and 40 years	
29/26	36	Between 40 and 50 years	
17/88	22	From 50 years old up	education
19/55	24	Diploma	
51/12	63	Bachelor	
26/29	36	masters degree and higher	
20/32	25	Chief	Organizational position
38/21	47	purchase manager	
41/46	51	purchase expert	work experience
15/44	19	Less than a year	
37/39	46	Between one to three years	
25/20	31	Between three and five years	
21/95	27	Five years up	

As shown in Table 3, 14.63% of respondents are female and 85.36% of women are. Most respondents are between the ages of 30-40 and 40-50. The work experience of most respondents is between 1-3 years and 3 to 5 years. In addition, the highest percentages are in terms of organizational status Purchasing expert and then purchasing manager.

4-2. Testing the Model of Measurement and Structural

After verifying the suitability of the measurement model, we examine and test the structural model. Study of how to fit the model and test the structural pattern in PLS method and also study the research hypotheses It is possible to examine the path coefficients ( $\beta$ ) and the explained variance ( $R^2$ ). The path coefficients represent the effects of a structural or negative structure of another structure. Figures 2 and 3 show a significant relationship between research variables Which is obtained after analyzing the Smart PLS software

Table 5 also shows the meaningfulness of the numbers obtained from the model or the confirmation and rejection of the hypotheses. This research is considered at a confidence level of 0.95 and an error of 0.05. Therefore, for a t test, there will be significant numbers greater than 96/1 + and smaller than 1.96.

As shown in Table 5, the results of the calculations performed for the t-statistic and the path coefficient represent the acceptability of all the research hypotheses.

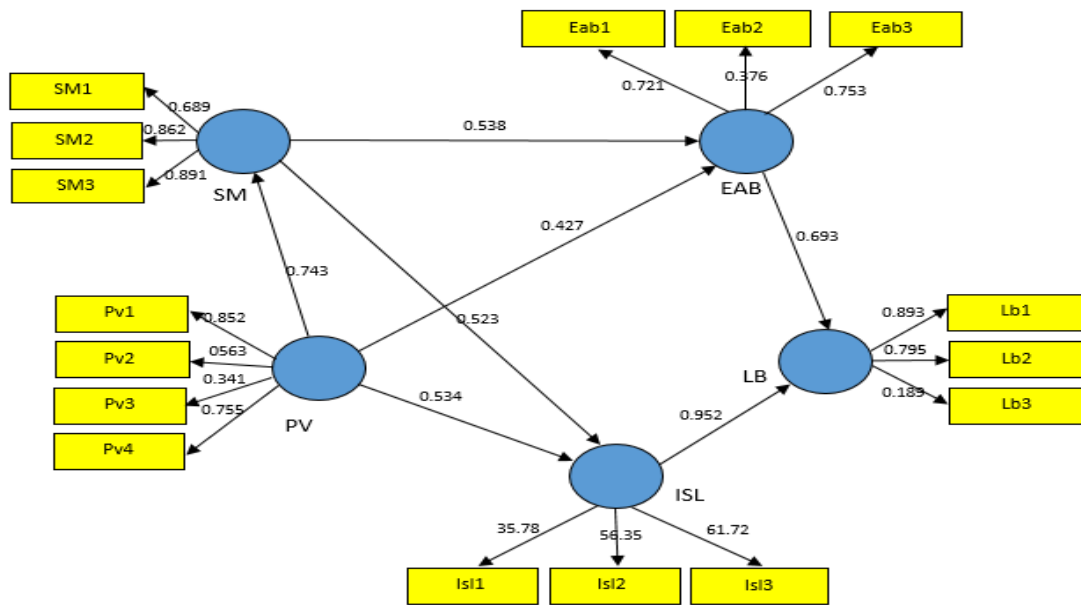


Fig. 2. Route coefficients and factor loads of research variables.

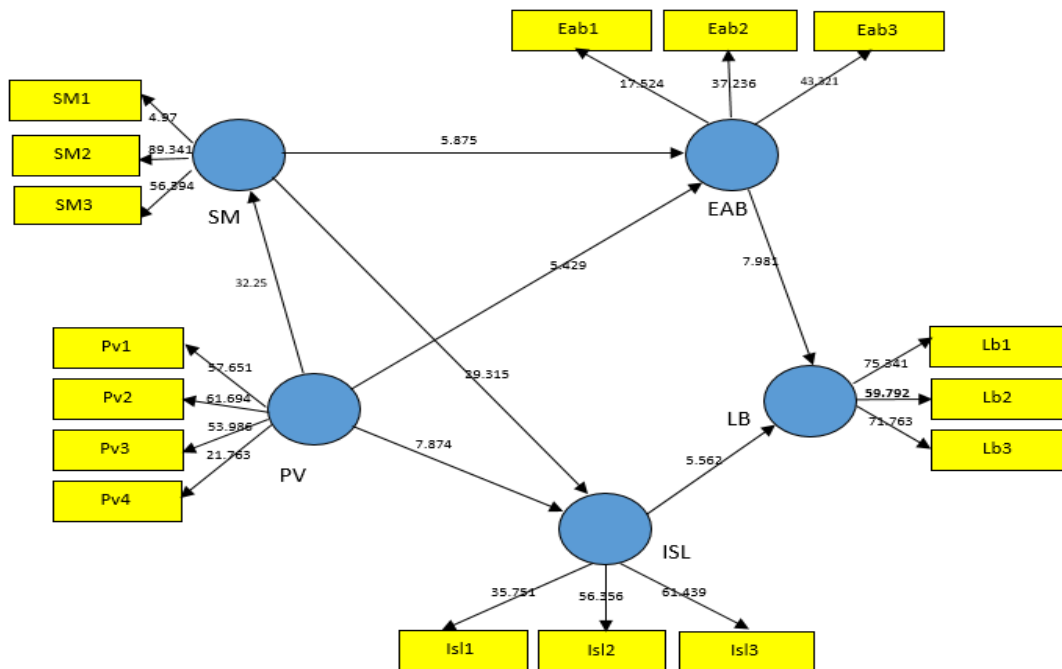


Fig. 3. Significance map of the paths.

TABLE 5. Test results of hypotheses.

The coefficient of determination $R^2$	The result of the hypothesis	Statistics t	Path coefficient ( $\beta$ )	Research hypotheses
0/702	Confirmation	32/25	0/531	The value of perceived relationship has a significant positive effect on perceived competence.
	Confirmation	7/874	0/367	The value of perceived relationship on the level of information sharing has a significant positive effect.
	Confirmation	5/429	0/427	The value of the perceived relationship has a significant positive effect on affective affinity of the brand.
	Confirmation	5/875	0/374	Perceived merit has a significant positive effect on affective affinity of the brand.
	Confirmation	29/315	0/523	Perceived competence has a significant positive effect on the level of information sharing.
	Confirmation	7/891	0/925	The level of information sharing on brand loyalty has a significant positive effect.
	Confirmation	7/981	0/354	Affective affiliation of the brand has a significant positive effect on brand loyalty.

## V. DISCUSSION AND CONCLUSION

The purpose of this study was to investigate the role and understanding of perceived competence and level of information sharing, Emotional dependence on emotional brand and value of perceived communication are perceived as positive predictors of brand loyalty in B2B markets. The findings of the present study reinforce existing literature. Structural Model in the present Study In examining the first and second hypotheses, the positive and significant effects of perceived competence were influenced by the effect on emotional dependence Brand and level of information shared by brand loyalty are confirmed. This finding is consistent with the results of Monroe's (2003) and Manijardzi et al. (2017) studies. Hesa's results confirmed the results of the fourth hypothesis of the effect of perceived value on perceived employee competence. This conclusion is consistent with the findings (rahi, 2016). Meanwhile, based on the results of the fourth and fifth hypotheses The positive and perceptive effect of the perceived value change variable on loyalty was confirmed through two variables of emotional dependency on the brand and the level of information sharing. This finding is consistent with the research done by Gutai et al. (2015), Nidausiu et al. (2015). In the sixth and seventh hypotheses of the structural model, this study demonstrates the direct effect of emotional affection on the brand and the importance of the level of information sharing on brand loyalty. These findings are consistent with the results of studies by Maler et al. (2011), Grossiev Novin (2011), Smader et al. (2006) Yang and Wang (2012), Vivana et al. (2014), and Maniardzi et al. (2017). Therefore, according to the findings of the research, the following suggestions are presented:

- ✓ Development of Brand Management Strategies to Create Effective Communication Channels;
- ✓ Supporting the exchange and sharing of market and product information with customers while ensuring privacy and the lack of exchange of confidential customer information;
- ✓ Investing in KM systems to facilitate the exchange and sharing of information among business partners;
- ✓ Due to the positive effect of brand perceived quality on loyalty, it can be achieved by increasing brand quality Increases customer loyalty and this loyalty reduces marketing costs and attracts new customers. And ultimately reducing company costs;
- ✓ To carry out promotional and promotional activities, increase their loyalty by strengthening the brand's attitude towards customers.

## VI. RESEARCH RESTRICTIONS

Each research has some limitations. Some limitations relate to the researcher and contribute to the time constraints,

financial and human resources. Which cannot read the broader community, and since the research is done at a specific time, the behavior of the sample is measured only at that time.

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