The Impact Salesperson and Dealer on Brand Loyalty

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Abstract: Marketing is the science of influencing customer behavior. In other words, the aim of almost all attempts and programs in marketing is to change the attitude, motivation, knowledge, style and behavior of the customer and prospective buyers. On the other hand, in an eagles eye view, the marketing activities not only affect the consumers but also have an indirect impact and side effects on other parties and influence wide spread changes in human societies. In this research, the researchers have tapped a sample the population of Tehran using washing machines through random sampling procedure, in which 436 individuals purchasing and using washing machines of 6 brand including LG, KENWOOD, SAMSUNG, BOTSC, AZMAYESH& ABSAL were studies. The instrument was research develop questionnaire through which the idea of customer were obtained. Based on the hypotheses raised, the findings sho wed that there was a positive significant relationship between the variables of interactive appropriacy of the seller and their dutifulness with customer satisfaction as well as customer loyalty to the brand also; intrinsic dealer quality and extrinsic dealer quality has a positive effect on loyalty to the brand. It might be concluded that the findings support more attention from the side of the employer in employing the staff attentive to certain issues in facing customers. In other training aspects of the staff regarding how to attend to the customers need, the local setting, timing and a couple of other issues.

Keywords: Brand loyalty, extrinsic dealer quality, interaction competence, intrinsic dealer quality, salesperson task competence, salesperson

INTRODUCTION

So far no empirical research has been done in the field of investigating the impact of sellers’ way of interaction on the customers’ loyalty or satisfaction. Little attention has been paid in researches to the relations between the durability of a brand and the loyalty of agencies. Previous researches have dealt mostly with the consumer-producer, consumer- seller relation and the investigation of their impact on the consumers’ loyalty (Verhoef et al., 2007). Since gaining and maintaining brand loyalty is a key challenge in the present market, most researches emphasize on the critical role of the interaction between consumers and sellers and its impact on consumers satisfaction, creation of favorable view towards the brand, reinforcement of the connection among consumers and loyalty to the brand (Brexendorf et al., 2009). In many markets, producers use agencies as agents to sell. Brand and selling agents, both try to improve their advantageousness. Agencies and decisions about the brand durability are related to each other, since decision about durability might be related to the performance of agencies. Producers usually try to make a close connection with their agencies to make sure about the high level of service quality for the increase of brand durability. In this study, we will investigate the impact of agencies on the durability of a brand (Verhoef et al., 2007). One of the very important points in marketing is to pay attention to the customers’ demand. Since lack of intention to this important issue would make it impossible to continue doing the activities. In markets with strong competition, making loyalty to the brand has several advantages like making obstacles in the way of competitors increasing selling and income, reducing the cost of customers ‘attraction and controlling the sensitivity of customers to the effort of competitors ‘market; therefore sources of brand loyalty and the process of brand loyalty extension, is the main concern of brand management (Verhoef, 2003). After- sale or during- sale services are two of the ways of improvement or advancement of selling which attracts customers’ confidence and lead to the continuous buying. Also the way of interaction between customers and agencies is very important in the customers’ loyalty and finally customers’ loyalty can result in the durability of a brand. Services can retain the customers. For this reason, not having an influential service system may result in the decrease of the market share (Brexendorf et al., 2009). The goal of this study is
to investigate the impact salesperson and dealer on brand loyalty. For this purpose, the indices of the Salesperson Task Competence, Salesperson Interaction Competence, Intrinsic Dealer Quality and Extrinsic Dealer Quality on individuals purchasing and using washing machines of 6 brand including LG, KENWOOD, SAMSUNG, BOTSCH, AZMAYESH and ABSAL are examined.

THEORETICAL FRAMEWORK AND DEVELOPMENT OF RESEARCH CONCEPTUAL MODEL

In this research, sellers’ responsibility and interaction efficiency will be emphasized and the impact of sellers’ skillfulness on the customers will be revealed. Responsibility efficiency refers to the knowledge, ability and concern about exercising responsibility based on the required expertise (Williams et al., 1990; Van Dolen et al., 2002; Homburg and Stock, 2005). Responsibility efficiency is related to the customers’ satisfaction from the seller (Macintosh, 2002). Part of this efficiency like determining the efficiency of the sales person and the interpretation of the salesperson way of interaction by the customer is relative. Previous researches show that customers’ satisfaction form the way of sellers’ interaction influences their satisfaction from the seller (Oliver and Swan, 1989) as well as their satisfaction from the sale (Van Dolen et al., 2002).

The influence of this interpretation accompanies with the customers’ satisfaction. Findings show that employees’ ability and efficiency who interact and communicate with customers, help to solve customers’ problems and has a positive influence on dominance and gaining customers’ satisfaction (Bitner et al., 1990, 1994). Efficiency of interaction includes communicative behavior which supports personal behavior (Winsted, 1997; Williams and Spiro, 1997).

Brexendorf et al. (2009) suggests that sellers’ interactive efficiency plays a fundamental role in observation. When a customer considers a seller as a partner who tends greatly to help them and is worried about the proper behavior, they might experience the realization of their inner needs and therefore they will most likely be satisfied from the sellers’ way of interaction. For example, most customers conceive that the seller is listening to them (Ramsey and Sohi, 1997). Based on the above reasons, we can provide the following theories:

Sellers’ knowledge and expertise are usually investigated as important criteria in determining the level of customers’ satisfaction from the seller (Crosby et al., 1990). That is expertise positively influences the quality of communication (Anonymous, 1984) or there exists a positive relation between satisfaction and sellers’ efficiency. On the other hand, using unbalanced selling techniques may spoil customers’ long term satisfaction. Service quality, product quality and moral considerateness of the producer are related to the customers’ satisfaction. In marketing communications, service experiences are key opportunities for the increase of seller-buyer relation and the improvement of trust.

H1: Salesperson Task Competence has a positive relation with Customer encounter satisfaction.

H2: Salesperson Interaction Competence has a positive relation with Customer encounter satisfaction.

Brand loyalty: A lot of researchers have realized that there is a relation between customers’ satisfaction and brand loyalty (Back and Parks, 2003). This relation is bilateral, that is each one has a direct influence on the other one. To realize the effect of customers ‘satisfaction from interaction on brand loyalty, this research introduces two mediate ways. One way refers to the sellers through using sellers’ loyalty as a mediate variable (Bansal et al., 2004), while the second way refers to the brand through using views to the brand as a mediate variable. The situation in which customers have a feeling of commitment to retain because of the positive experience they gained form employees.

During the process of social interaction between the seller and customers’ retention (Goodwin and Gremler, 1996; Price and Arnould, 1999; Butcher et al., 2002), sellers’ way of interaction makes the connection between the seller and customer (Crosby et al., 1990; DeWulf et al., 2001) and customers’ satisfaction form the way of interaction increases loyalty to the salesperson. Having a relation with the sales person having a relation with the sales person may influence decision making procedure (Chow and Holden, 1997). Loyalty to the person influences the loyalty to what s/he emphasizes. For example, loyalty to the customers during the encounter with personnel, leads to the loyalty to the brand (Björkman and Kock, 1995; Halinen and Salmi, 2001). Also previous researchers show a strong relation between the customers and employers interaction in inter-employee level to make a proper relation between the customer and brand (Macintosh and Lockshin, 1997).

This way, customers’ loyalty to the sells person has a lot of positive influences on loyalty to the brand (Selnes and Hansen, 2001; Palmatier et al., 2007).

H3: The salesperson encounter satisfaction with positively associated with brand loyalty: Oliver and Swan (1989) stated that customers ‘satisfaction has a direct influence on the view (Back and Parks, 2003). As the relation between brand satisfaction and views shows, customers’ satisfaction generally results in positive view to the brand (Cronin and Taylor, 1992). If the sellers show the brand satisfaction from selling, interaction may be conveyed to the brand verification.
Brand view refers to the customers’ positive or negative reaction to the brand which stems from the whole understanding and satisfaction from brand stimulant (Day, 1969; Jacoby and Chestnut, 1978; Keller, 1993; Low and Lamb Jr, 2000). Several studies show that there is a strong relation between brand view and loyalty to and protection of brand as a result of brand view (Keller, 1993; Grace and O’Cass, 2005).

**H4:** Customer encounter satisfaction has a positively related with attitude brand.

**Intrinsic dealer quality:**

**Intrinsic quality:** of the agency refers to the inner quality of the service provided by the salesperson. As the customer’s experience shows, the internal quality of the agency has a positive influence on the customers’ loyalty to the salespeople. Salespeople’s’ part for levels of different brands will most likely be different (Zeithaml, 1988).

In a lot of markets producers use agencies as mediators, both brand owners and agencies, elevate their own durability rank. Durability decisions of the brand and agency are related to each other, since customers’ retention decisions, may be related to agencies’ performance (Anderson and James, 1995; Anderson and Martin, 2002; Chu and Preyas, 1995). Brand and agency are related variables based on the previous works on loyalty to the previous brand or loyalty to agencies in mediator marketing, special value of the customer and quality literature with brand owners and agencies (Chauduri and Morris, 2001). Customers don’t see brand and agencies as one but they are related widespread whole.

**H 5:** Intrinsic Dealer Quality has a positive influence on the loyalty to brand.

**Extrinsic dealer quality:** Extrinsic Dealer Quality refers to the customers’ evaluation of a store. Therefore, this depends on the atmosphere and environment of the store (Grewal et al., 2003). The store environment influences the customers’ interpretation of the factors of store selection like quality and cost and the interpretation itself influences the customers’ intention of buying (Baker et al., 2002). In other words, to create a strong proportion between the brand and the seller, salespeople are required to provide a high external quality, otherwise consumers’ evaluation of brand or seller may be weakened, as the consumers may feel they paid a high cost for the services to the seller. The interpretation from the environment of a no agreeable relation between the brand and seller may most likely be against the sellers’ retention (Hsee and France, 1998).

**H 6:** Extrinsic Dealer Quality has a positive influence on the brand loyalty.

**METHODOLOGY**

**Statistical sample:** This research has been done on different districts of Tehran. The researcher has chosen 436 of laundry machine customers from six companies LG, Kenwood, Samsung, Bosh, Azmayesh and Absal through random cluster sampling and has gained enough information about the customers’ ideas and beliefs through questionnaires. Since the main axis of this research is the value of and brand loyalty, the researcher decided to observe the impacts of considered variables in the conceptual model on these items. Therefore, the researcher considered Tehranese customers and users of laundry machines provided by the six companies: LG, Kenwood, Samsung, Bosh, Azmayesh and Absal as the sample of the research. This study was performed in september 2011 year.
In this research, to consider the literature of the subject, the library method and to figure out the customers’ point of view, the field method has been used. The instrument for gathering data is also a questionnaire.

Validity and reliability: Regarding the use of variables provided by Muhlmeir, Tomczak and Eisend, in this research and the use of Mittal et al. (1999) questionnaire to measure the internal and external quality of agencies, we can conclude that the used questionnaire as one of the data gathering instrument of this research has a proper validity being gained conceptually. Based on the above results, preliminary sampling has taken place twice in this research. The first time 50 questionnaires were given to the customers, the vague question in the views of answerers have been clarified and on this basis, the questionnaire has been reforms and sampling took place for the second time on the same amount of members. After becoming sure about the clearness of the questions to the answerers, the main sampling took place and the reliability of the research was calculated through Cronbach’s alpha (Table 1).

Hypotheses test: In the analysis of these theories, Pearson Correlation Coefficient has been used. Investigating the results of Table 2 shows that the relation between variables is significantly less than $\alpha = 0.05$, therefore the relation between variables were significant and positive and all the theories have been verified.

To investigate this Hypothesis of research that there is a significant difference between variables based on gender, T-test was used for independent groups. The analysis result showed that there is a significant difference between variables based on gender with $\alpha = 0.05$ by considering the means of two groups we can conclude that the mean score of women is bigger than men (Table 3 and 4).

RESULT

Findings of the research support the important role of individual way of interaction with customers on brand loyalty. Although great deal of attention is paid to this matter, scientific research on this issue is scarce. This study shows that positive experiences of a suitable selling interaction can be conveyed to a brand and finally the increase of brand loyalty.
H1: Salesperson Task Competence has a positive relation with Customer encounter satisfaction. The gained results of this research is agreeable with Ramsy and Sohi’s (1977) idea.


H4: Customer encounter satisfaction has a positively related with attitude brand and is agreeable with Zeithmal’s ideas.

H5: Intrinsic Dealer Quality has a positive influence on brand loyalty and is agreeable with Grewal et al. (2003), Hsee and France (1998) and Bansal et al. (2004) ideas.

H6: Extrinsic Dealer Quality has a positive influence on the brand loyalty and is agreeable with Brexendorf et al. (2009) and Verhoef et al. (2007) ideas.

Finding this study showed important role of the salesperson task competence, sales interaction competence, intrinsic dealer quality and extrinsic dear quality and link that with brand loyalty. In additional showed which experience a fit encounter of customer can transfer to brand and finally lead to increase customer loyalty. Dealers and salesperson have many opportunity to motivation, encourage and customer retention. Managers can elevate their customer loyalty with concentration on satisfaction and customer encounter. Cooperation between sell managers can be help to elevate customer satisfaction and high loyalty.

REFERENCES


