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CONSIDERING THE ROLE OF ADJUSTMENT OF THE COST OF CHANGE ON RELATIONSHIP BETWEEN SATISFACTION CHAIN, TRUST AND COMMITMENT TO BRAND (CASE STUDY: CUSTOMERS OF MOBILE PHONE IN RASHT)

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ABSTRACT

Current research has been done with the aim of considering the degree of effectiveness of cost of change on relationship between satisfaction, reliance and commitments related to a brand among consumers of mobile phone (Samsung, LG, and Nokia). Research method is descriptive correlation type and statistical society of the research includes customers of mobile phone in Rasht city that by using formula of determining sample volume in unlimited society 384 people were considered as sample by available improbable sampling method and regarding the rate of return, 400 questionnaires were distributed among malls and university units for data collection among which 367 questionnaires were collected. Testing research hypothesis has been done by hierarchical multiple regression method and structural equation modeling by Spss and Lisrel software. The result of structural equation showed that there is meaningful positive relationship between satisfaction and reliance to a brand and also among reliance and commitment to a brand. On the one side hierarchical regression test denotes the existence of relatively weak adjustment effect of change cost in relationship of satisfaction-reliance and reliance-commitment.

Keywords: *Satisfaction, Reliance to a Brand, Commitment to a Brand, Change Cost, Mobile Phone*

INTRODUCTION

Business brand has been identified as one important subject in marketing management since 1990 and is counted as one important and significant dimension in global industry. Powerful business brand provides a set of financial and non-financial benefits for companies. These benefits include more loyalty of customers, more flexibility of company's operations in confrontation with environmental crisis, higher profit margin, and opportunities of development of brand. Research goal that has considered brand regarding perceptions of consumers, has been analysis of their reaction toward brand, their perceptions and total excellence of goods and services in confronting other brands (Abdolvand and Nikfar, 2011). In a marketing district, more committed consumers are affected by factors such as experience at using brand and obtained information in this case. Thus commitment to a brand is one key factor at long-term relationship between members of a channel (Amini *et al.*, 2011). On the one side satisfaction is an effective and positive reaction to the output of previous research and then affects next purchases and complete cycle pattern. Studies have proved that reliance plays important function on customer's commitment to a brand. Reliance to a brand is prior to commitment to a brand. In other word commitment and reliance should be related because reliance is important in exchange of communication and commitment has been established for preserving valuable communications. Also nowadays change cost has taken many attentions in marketing methods (Sahin *et al.*, 2013). Discussion of cost and price in the view of consumers of product and services has high importance. As customers' satisfaction of goods and services is obtained from comparison of cost and benefit and third factor affects their behavioral decisions and has wonderful effect on customers' memory and their loyalty (Ghaffari, 2010). Therefore in current research the degree of effectiveness of cost of change on relationship between satisfaction, reliance and commitment to a brand among customers of mobile phone (Samsung, LG, and Nokia companies) will be considered. Telephone market is one of the most dynamic markets in the world. Mobile phone has been changed from a luxurious good to a good with massive good among consumers. An extensive set of services with value added like contact transfer and internet tools has become as standards now. These

Research Article

changes were accompanied by rapid change of marketing procedures such as operators of mobile phone through any way that search competitive excellence (Sahin *et al.*, 2013).

Research Literature

Brands as intangible assets are one valuable asset of companies (Zehir *et al.*, 2011). American marketing association defines brand as a name, word or phrase, symptom, mark, symbol, design or mixture of them that its aim is identifying a product or service that a seller or group of sellers present for discriminating their them from products of competitor company (Kazemi *et al.*, 2013). Commitment points constant tendency for continuing relationship with a brand name. Consumers tend to improve and preserve affective connections with a brand that causes to have enjoyable feeling (Eric *et al.*, 2012). Commitment to a brand starts with consumers who have low level of commitment. These consumers choose and buy brand based on its price. At the second step there are permanent purchasers that are those who prefer an especial brand but by activities of proceeding competitors' sale tend toward them. In the next step there are purchasers who commit themselves to a brand (Abdolvand & Nikfar, 2011). Therefore consumers with commitment of high brand have stronger affective interest to the brand (Ercis *et al.*, 2012). When a consumer in his daily life is following an especial brand for meeting their needs, he is going to find a name that attracts his satisfaction (Veloutsou, 2009) and this is the same relationship between brand and customers that is the most important subject of research in brand management (Huber *et al.*, 2009). When a customer is satisfied, he is committed to that purchased brand and purchases permanently (Ercis *et al.*, 2012). Most companies in combined marketing that is located based on consumers' need have been defeated. These companies have perceived the power of current customers and are not able to assure them. As a result the customer becomes dissatisfied and he may be promised a lot. All these things affect brand reliance and customer reliance directly and indirectly (Alam *et al.*, 2012). The importance of structure of reliance is very effective at preserving customer-brand relationship (Agustin & Singh, 2005). High degree of customer reliance to the presenter of service causes longer and permanent relationship. Reliance is an important mutual relationship and is one of goals of companies for making long-term relationship and acquiring customer reliance. Various researches have mentioned reliance as the main factor of making and developing successful relationship with customers. They explain that a customer need sense of security in his relationship with presenter of service and being certain about their interaction with service presenter has sufficiently certainty so that they trust another party (Rahimnia *et al.*, 2012).

On the one hand, thought of change cost is considered as an effective factor between satisfaction and reliance and also reliance and commitment. High Change cost prevents customers from changing relationship with brand. Therefore increasing change cost leads to the increase of responsibilities against brand. Change cost inevitably affects relationship between satisfaction, reliance and commitment related to the brand. These experimental research present new procedures for perceiving effects of cost of change on relationship between satisfaction, reliance and commitment to the good brand (Sahin *et al.*, 2013).

Therefore in this research it is tried by identification of a total framework for making a consumer-brand relationship assess the degree of effectiveness of change cost on relationship between satisfaction, reliance and commitment to a brand among customers of mobile phone.

Current research has been done in the continue of researches such as Yang & Peterson (2004), Oyeniyi & Abiodun (2009) and Shahin *et al.*, (2013). The relationship between satisfaction and degree of reliance in distributed experimental research has got a lot of attention to itself. Klara and Singhal (2005) emphasized that certainty is completed by the result of previous experiment and primary interactions and Johnson and Garbarino (1994) consider certainty as very organized mental structure that is summarized to the knowledge and experience of customers.

Also researches denote that reliance has important function at customer commitment to a brand. Certainty of brand leads to commitment because it causes exchange of relationship that is valuable. Reliance and high believing due to positive effects that has on customer causes increase of loyalty commitment. One important point about this effect is common experience between a company and customer because a brand is necessarily a statistical abstract of previous experience between these two groups. On the one hand loyalty commitment should be introduction of constant commitment. Therefore in case of proving

Research Article

other conditions, a brand with higher capability has higher constant commitment to a brand with lower capability. In this direction Balster and Alman (2001) proved that reliance to brand plays important function in commitment and loyalty of a customer that affect customer at accepting price to the same order. Also customer satisfaction has direct and positive effect on reliance to brand and when struggles increases this effect get stronger. In another study that the effect of reliance of brand to commitment to a brand has been considered, Shergil and Lii (2005) concluded that reliance has positive effect on customer commitment.

Yang and Peterson (2004) have considered the adjuster effect of increase of change cost on customer loyalty through satisfaction and criteria of perceived value and showed that adjuster effects of increase of change cost in relationship of customer loyalty and customer satisfaction and perceived value when level of customer satisfaction and perceived value is higher than moderate limit is significant. Ayini and Abiodan (2009) have studies relationship of change cost with customer preserve, loyalty and satisfaction in market of telecommunication of Nijeria and found that customer satisfaction has positive effect with customer preserve and increase of change cost has significant effect on level of customer preserve.

Also Shahino *et al.*, (2013) have considered the function of change cost in relationship between satisfaction, degree of reliance and commitment related to a brand and showed that satisfaction of a brand has definite effect on its reliance. Also reliance to a brand has positive effect on a brand and change cost as adjuster variable has positive effect on reliance and satisfaction, reliance and commitment to a brand. Therefore by considering observations and findings of the studying subjective literature, in this research a model that has been designed by Shahin *et al.*, (2013) as below will be used:

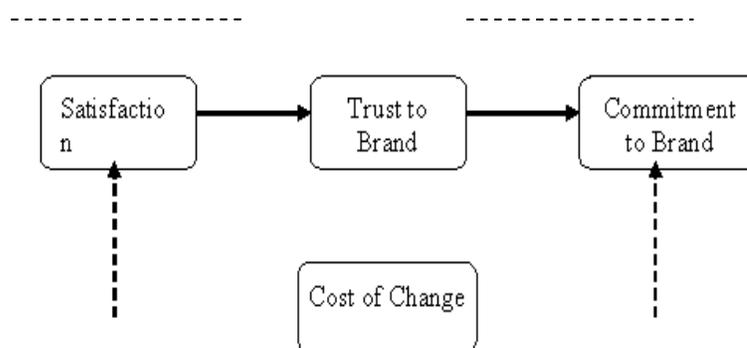


Figure 1: Research conceptual model (Shahin *et al.*, 2013)

Based on above suggestive model hypothesis of research are:

H1: satisfaction of brand has positive and meaningful relationship with reliance to a brand.

H2: Reliance to a brand has meaningful positive relationship with commitment to a brand.

H3: change cost has adjusting effect on relationship between satisfaction and reliance to a brand.

H4: change cost has adjusting effect on relationship between reliance and commitment to a brand.

MATERIALS AND METHODS

Methodology

Current research regarding goal is applied and regarding nature and method of data collection it is descriptive and correlation type. Statistical society of this research is all customers of mobile phone in Rasht city. For determining sample volume Cochran formula has been used and 367 people were chosen as final sample through available improbable method. Main tool of data collection is a questionnaire including 26 questions taken from research of Shahin *et al.*, (2013). Validity of the questionnaire has been considered by using opinion of professors and experts of marketing district and brand and its reliability was calculated by using Cronbach alpha coefficient to the degree of 0.867 that shows proper reliability of the questionnaire. Also amount of reliability coefficient of questionnaire parameters has been mentioned in table 1 in separation.

Research Article

Table 1: Calculating Cronbach alpha

Variable	Alpha coefficient
Reliance to a brand	0.799
Satisfaction of a brand	0.811
Commitment to a brand	0.852
Cost of change	0.809

For data analysis descriptive analysis was done by dispersion indices and for inferential analysis after considering normality of variables by using Kolmogorov-smirnov test, the correlation and maximum likelihood tests that are techniques of structural equation modeling are used. For confirming fitting of applied model in this research confirming factor analysis method has been used.

RESULTS AND DISCUSSION

Research Findings

4-1- Regarding analysis about 56.4% of respondents were male and 43.6% were women. Also 14.7% of respondent were diploma and lower, 32.7% post-secondary, 33.8% bachelor, 18.8% M.A and higher. 23.4% are less than 30 years old, 25.3% between 31-40 years old, 32.4% between 41-50 years old, and 18.8% over 51 years old and higher. Regarding collected data it is observed that 42.2% of people use the brand Samsung, 18.3% use brand LG, 17.4% use brand Nokia and 22.1% use other brands.

Testing Hypothesis

For considering first and second hypothesis structural equation modeling has been exploited by using Lisrel 8.8 software. Regarding figure 2 t-test for independent and dependent variables have been shown that as calculated t-value is bigger than 1.96 and smaller than -1.96 denotes existence of relationship and if it is in range(1.96, -1.96) shows lack of existence of relationship. As it was shown both first and second hypothesis are confirmed.

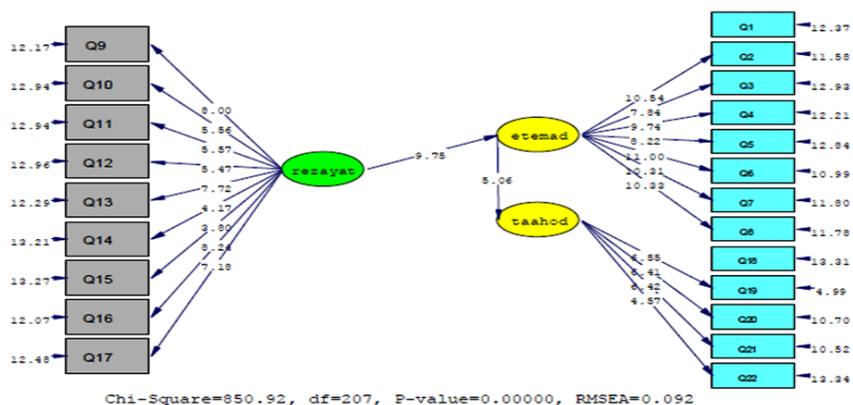


Figure 2: Research structural model in meaningfulness number mode

In this section for considering the effect of adjusting change cost on relationship of satisfaction-reliance and reliance-commitment hierarchical multiple regressions is used during 3 steps. At the first step, satisfaction variable (or variable of reliance to a brand) enters regression model (Model 1) and its effect on reliance to a brand (or commitment to a brand) is considered. At the second step, adjusting variable of change cost and satisfaction (or reliance to a brand) enter regression model together (model 2) and their effect on reliance to a brand (or commitment to a brand) is considered. At the third step, adjusting variable is independent variable and interaction among them enters regression mode (model 3 and their effect on reliance (or commitment) is considered. Due to this comparison, adjusting function of adjusting variable is confirmed or rejected. For decreasing hidden co-linear between modification of interaction and

Research Article

its constructive variables the suggestion of Aykin and West have been used for concentrating independent variables involve in interaction (in this research change cost and satisfaction (or reliance to a brand)). As it is observed in table 2, at the first step satisfaction has the power of predicting reliance variable and explains 24.2% of reliance variable but at the second step by adding change cost and based on obtained Beta coefficient, satisfaction relationship (with Beta coefficient of 0.451) was more powerful than change cost (with Beta coefficient of 0.186) although adjusting function of change cost hasn't been confirmed yet. At the third step by entrance of variable of change cost and interaction between these two variables with satisfaction, percent of modified determination coefficient increases to the degree of 0.01(0.283-0.273) that this subject regarding meaningfulness percent less than 0.05 confirm adjusting role of change cost(of course the weak function of its adjusting) in relationship of satisfaction-Trust. Therefore hypothesis H3a is accepted.

Table 2: Total result of hierarchical regression for adjusting function of change cost in relationship of satisfaction-Trust

Step	R ²	Adjusted R ²	F	Sig.	Beta
First: satisfaction	0.244	0.242	118.082	0.000	0.494
Second: satisfaction	0.277	0.273	69.803	0.000	0.451
Change cost				0.000	0.186
Third:	0.289	0.283	49.238	0.000	0.579
Satisfaction				0.000	0.478
Change cost				0.014	-0.362
Satisfaction* change cost					

As it is observed in above tables, at the first step reliance has the power of predicting commitment variable and explains 12.2 percent of commitment variance but at the second step by adding change cost and based on obtained Betta coefficient, the relationship of reliance (with Betta coefficient 0.331) comparing to change cost (with Betta coefficient 0.077) was more powerful although adjusting function of change cost has not been confirmed yet. At the third step by entrance of change cost and interaction between these two variables with reliance, percent of adjusted determination coefficient increases to the degree of 0.01(0.135-0.125) that this subject regarding meaningfulness percent lower than 0.05 confirms adjusting role of change cost(of course its weak adjusting) in relationship of reliance-commitment. Therefor hypothesis H_{3b} is confirmed.

Table 3: Total result of hierarchical regression for the role of adjusting change cost in relationship of Trust-commitment

Step	R ²	Adjusted R ²	F	Sig.	Beta
First: Trust	0.125	0.122	51.993	0.000	0.353
Second:	0.130	0.125	27.209	0.000	0.331
Trust				0.135	0.077
Cost change					
Third: Trust	0.142	0.135	20.067	0.000	0.424
Cost change				0.008	0.390
Trust*cost change				0.024	-0.369

Conclusion and Discussion

This research is considering the relationship between satisfaction, reliance and commitment to a brand and the role of adjustment of change cost in chain of these relations. Regarding increasing competition among different brands of mobile phone and challenge of attracting new customers and saving current customers and making them committed in such competitive environment and also regarding result of descriptive statistics of current research, based on using 42 percent of people of the society of the research

Research Article

target from Samsung brand, this brand should identify effective factors on loyalty and commitment of customers and implementing necessary strategies in this field. As it was considered in this brand, reliance to a brand and satisfaction is one important factor of creating and increasing customers' commitment. On the one hand constructors of Samsung brand can increase customers' commitment by creating change cost for customers and therefore decrease their tendency to change their brand.

As the result of research shows satisfaction has inevitable effect on reliance to a brand. This conclusion adapts with the result of previous done by other researchers such as Chadhoori and Holborg (2001), Foltren (2005), Zahir *et al.*, (2010) and Shahin *et al.*, (2011). On the other hand the result of this research denoted that there is meaningful relationship between reliance to a brand and commitment to a brand. This finding is supported by researchers such as (1993), Balster and Alman (2001), Shergil and Lee (2005).

Also the result of research showed that change cost plays adjusting role at the relationship between satisfaction-reliance and reliance-commitment that this subject was confirmed by Piting (1993) and Shahin *et al.*, (2013).

Therefore regarding the result of this research and subjects that were discussed, for increasing customers' commitment to a brand the following suggestions are introduced:

Perception of this subject that a brand plays significant role at preserving and development of the right of customer's selection, management should be directed toward the way that seriously concentrate this subject to avoid any activity that cause customer satisfaction in any form. Attempt for reducing the degree of reducing customer satisfaction through tactical activities (such as discounts, excuses) leads to positive effects. Also making a network of exchanging customer's opinions and constant evaluation of people's viewpoint about the degree of their satisfaction of product and presented services and attempt at using critical and constructive opinion of customers will be useful.

Regarding that the result of current research shows that customer reliance to a brand has direct relationship with his commitment to a brand, companies possessing brand should try for creating and preserving reliance to the brand.

A company not just by relying on compatibility and satisfaction of consumer but by displaying credit and benevolence as important dimensions of reliance should lead to more personal belonging and therefore commitment of consumer. Therefore managers of companies should pay attention to strategies and criteria that helps reliance to a brand such as strategies of organizations; identity and trade and personal communications.

Regarding the result of research based on the importance of function of cost of change at chain of satisfaction-reliance-commitment, companies producing mobile phone should by making decisions such as increasing interpersonal relation between themselves and customers and benefiting positive effects of such relations like: personal identification, especial discount, saving time and customer management, try to prevent changing their brand by customers. Because change cost is more in relationship with learning the way of applying user connector, operating system and features of a new mobile phone, attempt and spent cost for identification of replacing brands and therefore the probability of changing brand by a customer decrease at the realm of long-term relations and presenting significant service of the company.

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Research Article

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