ELEMENTS AFFECTING THE LOYALTY OF SERVICE BRANDS WITH AN APPROACH TO SBL MODEL

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ABSTRACT

What has been studied in this research is the role of various factors on improving customer loyalty in the ATA Air Service Company. This research has been conducted in Iran and in Tehran. The issues that have been studied are the opinions of the brand, the brand's evidence, and the relationship between these two and their effect on customer satisfaction as well as brand attitude and loyalty. This research is a survey based on the structural equation method with using AMOS software and the SBL model has been used as the base model. The statistical population of the research has randomly been selected among all customers and users of the ATA Air Services Company. Ultimately, their number was 384 and the required information was collected through a questionnaire. By investigating the components in this study, we conclude that brand evidence that includes brand name (brand awareness), the employees` manner, feelings, prices, and brand appearance has an impact on customer loyalty, as well as customer satisfaction. Furthermore, customers `satisfaction strongly has direct relationship with customers`loyalty.in other words, perceived quality of services influences customer satisfaction, which can be promoted to loyalty. The results indicate the emphasis on improving customer loyalty, periodic assessment of customer attitudes towards the brand and the strategy for improving the weaknesses from the perspective and attitudes of customers, as well as improving the quality and quantity of distribution channels and facilitating the provision of services.

Keywords: Customers` Loyalty, Customers` Satisfaction, Attitude, Brand, ATA Air Service Company

INTRODUCTION

Nowadays, customers are surrounded by a wealth of products and services provided by manufacturers and organizations, and their variety from a variety of dimensions has led to the fact that the company's manufacturing and service trends cannot guarantee the survival of institutions in the market. Customers and competitors are smarter. If organizations want to survive in this environment, they should focus on the needs of their customers, and by addressing the needs of the consumer and finding ways to satisfy them through innovation, maintaining and improving quality to keep the customers. Because loyal customers can guarantee the profitability and survival of the organization in a competitive market. Many large companies such as GM, Harley Davidson, and Del Monte spend a great deal of money each year to create and maintain loyalty to their customers (Melence et al., 1996; Aaker, D 1991). Many researchers and corporate executives have come to the conclusion that the most valuable asset of a company is to improve the marketing process, customers, and their loyalty to the brand (Dehdashti et al., 2012; Gustafson et al., 2005). Of course, research has shown that customer satisfaction is not

enough, but what matters is to keep customers and increase their loyalty (Ghafari and Eskandari, 2011). Therefore, the issue of brand loyalty has become a concern for organizations as a necessity in today's marketing of the world and especially in mature markets (Hoseini and Rezaei, 2011).

It can be said that loyalty is a relatively biased behavioral reaction (in the purchase or recommendation) that a person shows over time to a brand, and this importance leads to a particular tendency towards that brand among other ones. This response is a function of individual psychological and mental processes (Hawkins et al., 2006). According to Acker (1996), brand loyalty occurs when an affinity for a brand is created in the customer. Brand loyalty plays an important role in creating long-term interests for the organization, because loyal customers do not need extensive promotional activities. They are willing to pay more for the benefits and quality of their favorite brand (Carotti et al., 2008). The reason for the importance of customer loyalty is intense competition in service activities and is now focused on the relationship between customer and organizations (Osaev, 2006). Benet et al. (2007) believe that while most companies have recognized the importance of creating and maintaining loyalty as a factor in ensuring long-term profitability, the creation and maintenance of loyal customers in the competitive environment of today is very difficult. Organizations can gain more market share through brand loyalty, because loyal customers often buy brand and resist rivals `marketing (Yuksel, 2010). Loyalty, in addition to increasing market share, causes the organization to demand higher prices than its competitors, as well as positive mouth-to-mouth advertising among customers (Hassie & Lee, 2007). Brand loyalty reduces marketing costs, satisfies customers at a higher level, raises the prices and maintain market share (Alexander's et al., 2008). Also, customer retention costs are lower than the cost of attracting new customers. Therefore, customer loyalty is a good solution to reduce marketing costs (Crystalis et al., 2014). Considering that there is consensus on the results and the benefits of customer loyalty, this research explains how to enhance customer loyalty to the brand? What factors affect brand loyalty?

Studying review of literature

Loyalty is one of the key concepts in market management and marketing that plays an important role in creating long-term interests for the organization because loyalty comes from belief in service quality, psychological decision (behavioral intentions) and positive attitude, and it is considered as repetition of Shopping behavior and stability in shopping behavior (Attaf and Mansouri, 2011). A loyal customer is someone who regularly purchases from a vendor, merchandise and service and has a positive attitude towards him, and therefore persistently recommends that store or service to all his acquaintances. Studies show that a 5 percent increase in customer loyalty will increase the company's profit 25 to 85 percent. This rate is called the cost of loyalty (Mohammadi, 2003). Experts believe that loyal customers not only increase the value of business, but also allow businesses to keep their costs stable. In general, one of the most important advantages and outcomes of having loyal customers can be as follows: (Sumaedi, 2012): loyal customers pay more for services, but advertising costs for them are much lower; they are more willing to use new products and services, and also encourage others to buy products and services, and ultimately they show less complaints and discontent after purchase. Hence, brand loyalty becomes important to institutions. Johns and Farquhar (2003) state that if there is a slight customer_orientation, the chances of maintaining customers will be more. As

competition increases, customer loyalty and customer retention become more important (Baek T, 2010). Dalton (2003) considers three factors in customer loyalty to brand: value, trust, and customer satisfaction. Customers are loyal to those who help them to solve their problems, and extend their loyalty are more than expected. Concerning trust, Dalton states, "We have respect for our trustworthy people, those who know that they will come to us and put our interests in the first place." Based on the above mentioned research, which we briefly discuss, a (1394 solar) research study examined the factors affecting the loyalty of banking customers in terms of service quality, mental image, and satisfaction. The research was done at the Tejatat Bank among 400 customers who were selected randomly. Information was collected through a questionnaire. Data were then analyzed using SPSS and LISREL software. The results of the research showed that the quality of services and knowledge of the bank from customers were factors that directly affected customer loyalty.

Further study was conducted in 2015 that investigated the factors affecting customer loyalty in terms of customer service quality and customer satisfaction. This research was descriptive-survey and data were gathered through a standard questionnaire. Data analysis was done using descriptive statistics to describe the variables in the research community. The research was carried out in women's sports clubs and aimed to investigate the factors affecting customer loyalty in these clubs. For this research, a sample of 341 people was selected. The results showed that the quality of services has a significant relationship with improving customer loyalty and customer satisfaction has an impact on their loyalty. Also, among other components, quality, accountability and empathy have, the most impact on customer satisfaction and loyalty.

In 2016, Nidazieo and colleagues explored the role of factors affecting brand loyalty, taking into account the role of management of the relationship with customers and the image of the brand. This research was carried out in Australia and it was a survey type. The results of this research show that among the various components, service quality, customer`s value and customer`s satisfaction had respectively the most impact on improving brand loyalty. In all research relationships, the role of brand image has had an effect on improving loyalty, but this effect has been reported at the perceptual level.

In 2016, Padinetto and his colleagues examined the role of two factors in brand loyalty. Brand affiliation and product attachment. This research was carried out in Italy, and a questionnaire was used as the main tool for doing it. This research was carried out in the industrial field and its statistical population was heavy car owners or active companies, with 217 member randomly selected. The results showed that brand affiliation has an effect on brand loyalty. On the other hand, two other factors were found to have an impact on product dependency: the coordination between the product and the individual's needs, and the reliability of the product. It also emphasized the role of product dependency on brand loyalty.

Based on the results of the research, models have been developed to illustrate the factors affecting brand loyalty, one of which is the SBL model, in other words, the loyalty of service brands, which seeks to measure the role of different factors from the perspective of brand on loyalty. In the SBL model, brand evidence as well as brand hearsay are considered as two determining factors in predicting loyalty levels. The question that will be discussed in this study is: "Can components of the SBL model have an effect on brand loyalty? And explain it? » One of the most famous models in the field of services is the SBV model that examines the factors affecting customer attitudes towards service brands. This model was developed by Grace et al. In 2005 and examines various

factors affecting customer attitudes toward brands. Later this model was developed by Crystalis et al. (2014) and brand loyalty was added as the final result and the final dependent variable, and thus the SBL model was introduced. As shown in Figure 1, the SBL model of Crystalis and colleagues is considered to be the theoretical basis of this study. In this model, the variables affecting brand loyalty are brand attitudes, satisfaction, branded opinions (including oral communication to Mouth-General news and ...) Brand evidence (including Brand Name, Service Range, Value, Feeling, etc.) The following can be seen in the conceptual model of research developed based on the SBL model.
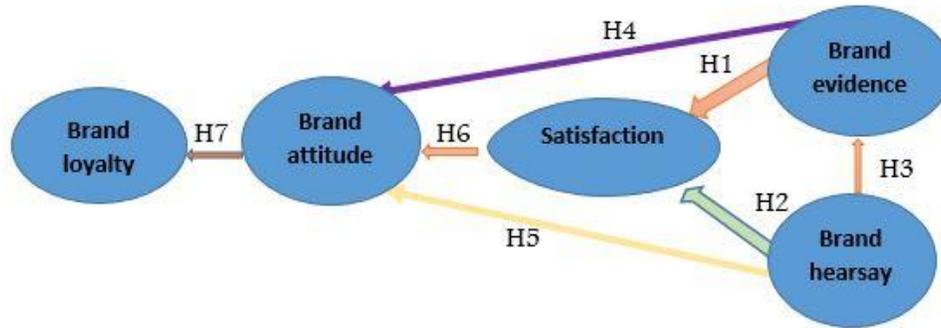

Figure 1: conceptual model

As mentioned above, identification of factors affecting brand loyalty among customers is vital for organizations, and doing such research can improve loyalty

Customers in Iranian companies like ATA Air Services. The research hypotheses are based on this model:

H1: Brand evidence is significant in terms of customer satisfaction.

H2: Brand Hearsay has meaningful effect on the level of customer satisfaction.

H3: Brand Hearsay has meaningful effect on brand evidence.

H4: Brand evidence has meaningful effect on customer attitude toward the brand.

H5: Brand Hearsay has a significant effect on the brand's attitude towards customers.

H6: Customer satisfaction is significantly affecting the attitude of customers to the company brand.

H7: Customer attitudes have a significant impact on customer loyalty to the company's brand.

RESEARCH METHOD

The current research has been conducted in Iran and in Tehran from March to April 2011, and since the results of the research are directly applicable to the ATA Airline Company, it is an applied research. Also, for the purpose of testing the hypotheses, the research is descriptive and correlational. The research method is also survey, and the most important features and benefits of this method is the ability to generalize the results. Data collection was done through a standard questionnaire that has validity and reliability. Two CVR and CVI indicators were used to measure content validity. In this research, for measuring content validity, a questionnaire was distributed among 20 experts including 2 PhD students, 14 graduate students and 4 IT experts. The minimum acceptable number was 0.42. In the present study, after validating, the question was

deleted and finally 23 questions were finalized. The content validity index was obtained using the following formula:

$$CVI = \frac{16.8}{23} = 0.73$$

Therefore, a questionnaire was designed with a CVI value above 0.7 and it was acceptable. For reliability evaluation, 20 questionnaires were distributed among some IT experts and the results of computational reliability are presented in the following table, which indicates the research components are statistically confirmed.

Cronbach's alpha coefficients were higher than 0.7, for all items indicating the reliability of the items being evaluated. Samples from a randomly selected population were used by AMOS software for inferential statistics and generalized results to the community. Data collection, library and field information were used.

Table 1: reliability of research variables

Cronbach's alpha	variable
0.768	The mental image of company
0.864	Organization reputation
0.841	Tend to Internet shopping
0.799	Brand trust

In the demographic section, the characteristic of salary, gender, and age have been taken in to account.

It should be noted that 400 questionnaires were distributed among the members of statistical society and 16 questions were excluded as a result of statistical error and just 384 questionnaires were analyzed

Table 2: demographic characteristic of respondents

		sex			Marital state				education						age						Income level						
		male	female	Un answered	total	single	married	Un answered	total	Diploma & lower	Associate degree	Bachelor degree	Master degree	PhD	Un answered	total	Less than 30	between 30 and 40	Between 40 and 50	Between 50and 60	More than 60	Un answered	total	Between 750000and 1.5	Between 1.5and 2.250	Between 1.250 and 3	Between 3 and 3.750	More than 3.750	Un answered	total
frequency	abundance	٢٤٩	١٢٨	7	٣٨٤	٢٤٣	١٢١	20	٣٨٤	٣١	٩٩	١٧٠	٨١	١٥	٨	٣٨٤	١١٨	٩٢	٥٩	٥٦	٤٩	١٠	٣٨٤	١١٩	٦٨	٤٦	٢٤	١٨	٩	٣٨٤
		٦٤٫٨٤٣	٣٣٫٣٣٤	١٫٨٢	100%	٦٣٫٢٨	٣١٫٥٠١	٥٫٢١	100%	٨٫٠٧	٢٥٫٥٧	٤٤٫٢٧	٢١٫٠٩	٣٫٩	٢٫٠٨	100%	٣٠٫٧٢	٢٣٫٩٦	١٥٫٣٦	١٥٫٣٦	١٢٫٧٦	٢٫٢٤	100%	٣٠٫٩٩	٤٢٫٧٥	١١٫٩٨	٦٫٢٥	٤٫٦٩	٢٫٢٤	100%

The numbers are in million USD per month

DATA ANALYSIS

The Kolmogorov-Smirnov test was used to investigate the normal distribution of data variables in the research. The purpose of this study is to examine the presented claim for the normal distribution of the data of a quantitative variable. The hypothesis test is as follows: The results show that the distribution of data for all variables is normal, because according to the results, the significance level of Sig for all variables is greater than the significance level of 0.05. Therefore, with 95% confidence, the H0 assumption is confirmed for these variables and the distribution of these data is normal. Also, the Z values are less than the table values that emphasize the normality of the data.

H0: Distribution of data is normal
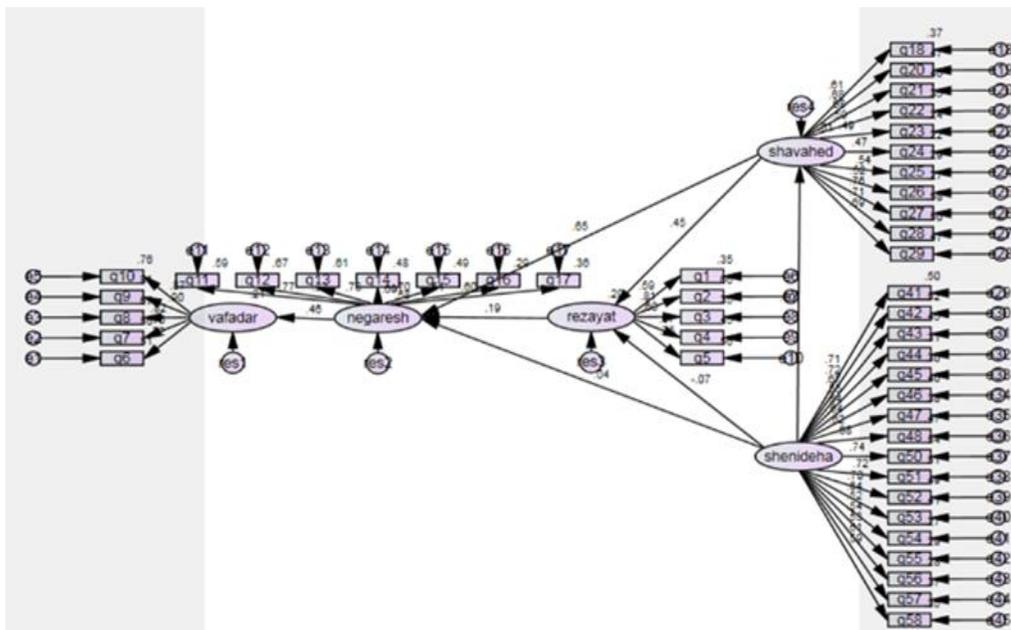**H1: Distribution of data is not normal**

Figure 2: Structural equation

Structural equation

Because the data analysis of this research is multivariate, a multivariate analysis (or Amos) was used to examine the relationship between the variables.

Table 3. Non-standard structural model, path coefficients in standard model and hypothesis survey

					Standard model	
Brand evidence of customer satisfaction	0.660	0.151	4.370	***	.449	confirmation
Brand hearsay on the level of customer satisfaction	~0.072	0.086	~0.841	0.400	~.066	disapproval
Brand hearsay on Brand evidence	0.074	0.061	1.199	0.231	.098	disapproval
Brand evidence on customer attitude	0.945	0.149	6.337	***	.655	confirmation
Brand hearsay on customer attitude	0.043	0.065	0.657	0.511	.039	disapproval
customer satisfaction on customer attitude	0.188	0.074	2.531	0.011	.192	confirmation
customer attitude on brand loyalty	0.413	0.076	5.421	***	.461	confirmation

According to the non-standard coefficient table, it can be stated that the first, fourth and seventh hypotheses are confirmed at 0.99% level, because the sig value or the significant level in these hypotheses is smaller than 0.01, and the numbers related to the column t- value is also out of range (2.58 and 2.58). The sixth hypothesis is also confirmed at 0.95%. Because the obtained sig value is less than 0.05 and also the value of t-value obtained is outside the interval (1.96 and 1.96-), but in the case of other assumptions these conditions are not met. Therefore, it can be stated that the second, third and fifth hypotheses are rejected.

According to the above table, brand evidence with a 0.449 coefficient affects the level of customer satisfaction. Brand evidence with 0.655 coefficient affects customers' attitude, and customer satisfaction with 0.192 affects customers' attitude, and finally, customers' attitude with a coefficient of 0.461 affects their loyalty.

DISCUSSION OF THE RESULTS OF OUR RESEARCH

As previously stated, the study included seven hypotheses. After collecting information and examining the hypotheses, four hypotheses were approved and three hypotheses were not approved. The first hypothesis was that brand evidence has a significant effect on the level of customer satisfaction of the ATA Airline Company. The results of this study showed that the effect of brand evidence on customer satisfaction is the path coefficient between this variable 0.0449 which shows the significant, direct and positive effect of brand evidence on customer satisfaction. Brand evidence includes brand names, employees` behavior, feelings, prices, and brand appearance. From the analysis of the research findings, it can be stated that by improving the relationship with customers, they can increase their satisfaction, and having a well-known brand name can affect the satisfaction of customers, moreover, having suitable appearance and reasonable cost can considerable on the level of customer`s satisfaction.

results of the second hypothesis, indicate that the hearsay of the brand does not significantly affect the level of satisfaction of the customers of the ATA Airline Company, because the coefficient of the path between these two variables is 0.066, and due to the fact that it is a very small number and the meaningful level between this variable is greater than 0.05, Therefore, it can be clearly stated that the hearings of the brand do not affect the level of customers` satisfaction. Needless to say that until the customer himself hasn`t experienced something, he can`t touch satisfaction and it is also possible that if the compliments from the brand cannot express the brand and name of the organization properly, it won`t have any effect on customers` satisfaction.

The third hypothesis was that the hearsay of the brand had significant effect on brand evidence of the ATA airline company .According to the result of the research, it can be said that the brand hearsay cannot affect the brand` s evidence, because the path coefficient between these two variables is not meaningful (0.098).therefore, it should be noted that hearings and definitions and advertising are not related to the brand`s reality ,because organizations are better than what they really are at advertising and informing the brand in advertising and informing the brand and that`s why this hypothesis can`t be supported and just by hearing we can`t trust the brand evidence.

The fourth hypothesis stated that brand evidence significantly influences the attitude of customers towards the brand of the ATA Airline Company. The results of the research show that this is so and brand evidence has a significant effect on the attitude of the customers towards the

brand, as the path coefficient number between these two variables is 0.655 and given that the resulting number is a large number, it can be stated that brand evidence has a strong influence on the attitude of the customers. That is, employees `manner, quality, appearance, and price can have a positive impact on the brand's brand and customer's ideas and views.

The fifth hypothesis states that hearing from the brand significantly influences customers' attitudes toward the brand of the ATA Airline Company. According to the results obtained from the analysis of this hypothesis, it can be said that the opinions of the brand have a significant effect on the attitude of the customers because the path coefficient number between these two variables is very small (0.039), which indicates that the hearing from the brand does not customers `attitude forwards the brand. The rejection of this hypothesis means that hearing from the brand, including oral-to-mouth communication, advertising through the media and news, and any other kind of advertisement, cannot change the attitude and opinion of customers towards the brand.

In the sixth hypothesis, customer satisfaction significantly influenced customers' attitude toward the brand of the ATA Airline Company, and analysis of the findings showed that customer satisfaction with the 0.192 path coefficient affects customer attitudes. The path coefficient number between these two variables is a small number, indicating that customer satisfaction from single and multiple purchases can change the attitude of the customers, but one cannot expect that the customer has always had a positive and good attitude due to previous purchases. This means that a customer who is satisfied with the quality and service of the organization will revisit the organization, but due to the small path coefficient obtained, this recourse and re-purchase are not carried out with full confidence because customers at any moment are waiting for a defect in the provision of services.

With regard to the seventh hypothesis that customer attitude significantly influences the loyalty of customers to the brand of ATA Airline Company, the positive attitude of customers towards services and brand can have a direct effect on their loyalty. This means that if the customer has been satisfied with the quality and services provided by the organization at a previous purchase, as well as the manner in which the service was provided and the variety of services is favorable and customer-friendly, the customer will repeatedly use the good service of the organization. He may also introduce the organization to other people and attract customers to the organization.

CONCLUSION AND SUGGESTION

Findings of data analysis indicated that brand evidence has an effect on improving customer satisfaction and attitude. Based on this, brand evidence was recognized as an effective factor in customer loyalty, but the brand's opinions did not improve customer satisfaction and attitude, and its role was not confirmed by customer loyalty. The results emphasize the improvement of customer loyalty, the periodic evaluation of the attitude of the customers towards the brand and the strategy to improve the weaknesses from the perspective and attitude of the customers and to improve the quality and quantity in the distribution of services and facilitate the provision of services in the air service system. Furthermore, the ATA can benefit from the results of the research in the field of branding and the improvement of service standards in light of the policy of diversification of the prices and the increasing frequency of competition among airlines. In addition, it can help instilling a sense of tranquility in to travelers by conducting training courses on how to deal with customers, or doing things. For example, it can be treated appropriately,

appropriate reception, customer feedback, information provision Timely, etc. ... make such a sensation in the customer. It can also use communication channels that are directly linked to the end-user, such as social networks, TVs and billboards. Also, according to the results, it is suggested that workers' clothes and service templates such as gifts, catering, etc. will have the same color and concept function, which will be the cause of mental associations for customers. This association of customers affects their level of satisfaction. On the attitude of our customers, brand evidence has a great effect, so it is also recommended that special staff t respond to customers` questions. These employees should treat politely with clients. It is recommended to develop any item that will help to improve brand evidence.

Proposal for future research

What can help to improve customer loyalty is another research with more variables in this category. Performing exploratory studies to identify the effective factors on improving customer attitudes toward airline service brands. Investigating the effective factors on improving customer satisfaction in other air travel companies and comparing their results with the results of this research. Comparing these factors and their impact on manufacturing and service companies.

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