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The Study of the Relationship of Trust on Loyalty in Service Companies

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Abstract

The aim of this study was to determine the relationship of trust on customer loyalty in service companies. The aim of this research in terms of causal and functional. The sample included 351 people from future insurance customers protect producers who have been selected for sampling. To collect data from the questionnaire and the analysis of data, structural equation modeling with LISREL software used has been conducted. The results of this analysis show that the propensity to trust and consent of both the goodwill and reputation (of trust), impact. The results show the relationship of benevolence on customer loyalty is more than the credit.

Keywords: Trust, Goodwill, Reputation, Satisfaction, Loyalty

Introduction:

With advances in technology and becoming more competitive market conditions in various parts of the manufacturing and services, the company's loyal customer as the main capital each. Marketing includes growing the customer in today's perspective, the customer perspective and attention to customer loyalty and satisfaction and quality of effective communication with him, in result, companies are trying to be loyal customers. Due to the fact that in the service sector wider interpersonal relations between service provider and customer loyalty in this sector is an important role there. Customer loyalty to the brand can increase the firm's market share and market share and profitability are closely related to the rate of return

on investment. While most researchers in the field of loyalty, repeat purchase of consumer goods focus on the concept of loyalty in the service sector is also important.

The complex nature of services due to the characteristics of intangibility, being perishable, high customer involvement, simultaneous production and consumption is heterogeneous. One of the factors that can lead to loyalty, trust consumers and customers to the provider organization which is also affected by many other factors. Pay particular attention to the organization's trust can help in the realization of loyalty. While the classic transactional marketing focuses on the interaction of individual, relationship marketing, creating and maintaining trust as a tool for mutual beneficial relations purposes are considered the parties involved. Some scholars even argue that "relationship marketing is built on trust" and "trust is the core of a successful relationship marketing" (Kantsprgr and Koons, 2010). The trust as a key mediator in relations service has been accepted. Despite the undisputed importance of trust, this term is very different conceptualization and measurement, and there is no single definition of it.

In previous work, trust is associated with a wide range of different structures. Commitment-trust theory, trust as a mediating variable is defined in the customer relationship (Plamatyr et al, 2006). As explained above, the risk of opportunistic behavior by providing trust services and thus reduce transaction costs between the different sides exchanged decreases. Customer trust to provide your service is, the more likely their relationship remains committed. Mediating role of trust in the relationship between satisfaction and loyalty has been shown in previous studies (Soraao et al, 2002, Plamatir et al, 2006). In addition, because the credibility and the trust of benevolence are two main aspects of this research, it believes that the credibility and benevolence of the relationship between customer satisfaction and loyalty make adjustments (Delgado- Blaster et al., 2003).

Two-dimensional concept of trust can lead to more different understanding of customer service relations. Previous research found that on the one hand we trust requires a certain degree of commitment that is a central element in working relationships. General obligations indicate which one party tends to be absolved errors and is motivated to maintain that relationship, even if something is wrong at the same time due to lack of competence (Moorman et al, 1992). This means that credit is weak in some cases without any damage to customer loyalty.

On the other hand, long-term beneficial relations based on the principle of reciprocity. Obviously, the norm of reciprocity by showing opportunistic behaviors and lack of benevolence are violated. If the consumer knows that the hidden agenda is not to provide services to customer interest, the principle of consumer confidence and a sense of injustice he hit the (Gergoyr and Fisher, 2008). From the perspective of social psychology, the desire and willingness of an individual to rely on a general tendency to rely on other people or partners explained. Many researchers showed that willingness to trust has a positive effect on the level of individual trust. Moreover, the willingness to levels of interpersonal trust is not limited necessarily. This may be important in the field of organizational trust. The willingness to trust, especially when reliable information about the other partner is rarely available, is important (Kantsperger and Koons, 2010).

In the analysis, the Trust is divided into two parts, benevolence and credibility as a mediator in the relationship between trust and satisfaction and customer loyalty tends to be considered. At the heart of this study relies primarily divided into two parts, benevolence and credibility and as a mediator in the relationship between trust and satisfaction and customer loyalty tends to be considered.

Conceptual Model of Research

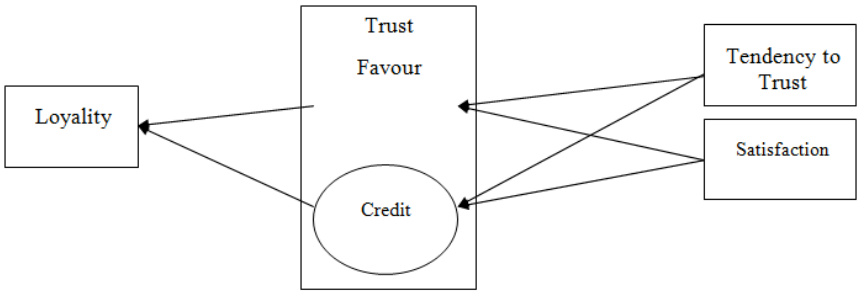

Fig 1: A conceptual model Source: (Kantsperger and Koons, 2010).

Research methodology

field method is used. The data collection tool to collect data in this research study used a questionnaire is required. The questionnaire used in this study, with 25 questions. This study, based on questionnaires and questionnaires Kantsperge -Koons (2010) has been designed. At the beginning of the questionnaire, questions have been raised in the features of the demographic population. Indicators to assess a five-item Likert scale used in the questionnaire, which is one of the most common is the measurement scale. The population of the study, consumers, insurance companies are the future builders, Hafez in the city of Arak. Act now to protect future makers of general insurance and the welfare system and social security, was established in 2001 and has been able to cover more than three million people have assumed insured. Because of the questionnaire is 25, the minimum sample must be between 125 and 375.this study is to investigate the relationships among components of the model of structural equation modeling was used. The researchers used structural equation modeling confirmatory factor analysis is in order. Using LISREL software was used to analyze the hypothesis.

Research Findings

In this study, the data obtained using descriptive and inferential statistical methods will be analyzed, therefore, descriptive analysis of the frequency distribution, central tendency, dispersion and graphs using statistical software SPSS21, and statistical techniques in inferential analysis, structural equation modeling (path analysis confirmed) using LISREL software is used.

Results of Research Hypotheses

Table 1: Results of first hypothesis

Result	sig	Compared with critical values	t	Standard coefficient	hypothesis
H_1 confirmed	Significant	1.96>2.57	2.57	0.29	1

Based on the results shown in the table above, this relationship is supported by data and the way that these two variables are positive and significant in general.

Table 2: Results of second hypotheses

Result	sig	Compared with critical values	t	Standard coefficient	hypothesis
H_1 confirmed	Significant	1.96>3.57	3.57	0.36	2

Based on the results shown in the table above, this relationship is supported by data and the way that these two variables are positive and significant in general.

Table 3: Results of thirty hypotheses

Result	sig	Compared with critical values	t	Standard coefficient	hypothesis
H_1 confirmed	Significant	5.42>1.96	5.42	0.61	3

Based on the results shown in the table above, this relationship is supported by data and the way that these two variables are positive and significant in general.

Table 4: Results of frothy hypotheses

Result	sig	Compared with critical values	t	Standard coefficient	hypothesis
H_1 confirmed	Significant	5.70>1.96	5.70	0.58	4

Based on the results shown in the table above, this relationship is supported by data and the way that these two variables are positive and significant in general.

Table 5: Results of fifthly hypotheses

Result	sig	Compared with critical values	t	Standard coefficient	hypothesis
H_1 confirmed	Significant	9.65>1.96	9.65	0.58	5

Based on the results shown in the table above, this relationship is supported by data and the way that these two variables are positive and significant in general.

Table 6: Results of sixty hypotheses

Result	sig	Compared with critical values	t	Standard coefficient	hypothesis
H_1 confirmed	Significant	6.79>1.96	6.79	0.39	6

Based on the results shown in the table above, this relationship is supported by data and the way that these two variables are positive and significant in general.

Conclusion:

The results indicated that when dealing with the problems people are interested, consult with others and get help from others. If service organizations (such as insurance and banking) have dealt honestly with people and their problems are responsible to know their customers, clients also rely organization. The tendency of people to be more confident, more reliable and more accurate organization knows and are more likely to see (or investment) will have on the organization. Tends to be negatively correlated with trust and credibility. The results of the research are in parallel with Kantsperger and Koons (2010).

The results also show that if the tendency is to trust in customers, customers' capabilities enable the organization to meet the needs of clients they see, believes that an organization's ability to solve customers' problems and views of the staff is also positive.

Satisfaction has a positive relationship with benevolence. The results of the research are in parallel with Kantsperger and Koons (2010).

It follows from the results that the organization is satisfied when a customer, its decision concerning the choice of the correct assessment. This causes his assessment of staff accountability, integrity and reliability of the organization increases and will have good experience of the service organization in mind.

Positive relationship between satisfaction with reliability. The results of the research are in parallel with Kantsperger and Koons (2010).

The results show that when customers see the organization with honest and be able to trust it and the entire organization and its employees have their own benevolent, recommend it to others and frequent use of its services. It is thus building customer loyalty.

Credit has a positive relationship with loyalty. The results of the research are in parallel with Kantsperger and Koons (2010).

Survey results show that if your organization's ability to meet customer needs, to give up on us and suggestions and make appropriate recommendations to their clients in critical situations offer, the increased credibility in the eyes of the customer and gives the organization more satisfied customers to buy their products and services. This makes the customer more referrals to organizations and valid because the organization knows their problems, be loyal to the organization.

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