International Academic Institute for Science and Technology

International Academic Journal of Economics
Vol. 1, No. 1, 2014, pp. 67-76.
ISSN 2454-2474

International Academic Journal of Economics

www.iaiest.com

Relationship between Marketing Values on Customer Trust in Chain Stores; Case study: Kurdistan province

Pakhshan Karimi [a], Mansor Irandoost [b]*, Kamran Kasraei [c]

[a] *M.s graduated in Management, Sanandaj Branch, Islamic Azad University , Sanandaj, Iran.*
[b] *Department of management, Sanandaj Branch, Islamic Azad University, Sanandaj, Iran.*
[c] *Department of economic, Sanandaj Branch, Islamic Azad University, Sanandaj, Iran*

Abstract

The aim of this study was to investigate the relationship between marketing values into economic, emotional, social altruism and quantitative values on trust of customers in the store chain of Kurdistan. The present study is an applied research and in terms of how to collect data, descriptive and correlational research. The population of study consisted all customers in the city of Sanandaj, which refer to chain stores to buy goods. Stratified random sampling method was used for sampling. Sample of 300 customers chain stores in the city of Sanandaj through Cochran's formula. For data collection questionnaire used and to analyze the data, structural equation modeling with LISREL software was used Cronbach's alpha of all the variables above 0.7 was also normal data were reported. Results showed that marketing values will affected on consumer trust. Economic and emotional, quantitative and social values has had a significant relationship on consumer trust.

Keywords: marketing values, customers trust, Economic values, emotional values, quantitative values, social values

Introduction:

Traditional value research has taken a functional, utilitarian view with the value construct measured as the net ratio of benefits to costs (Cravens, Holland, Lamb and Moncrieff 1988; Dodds 1991; Dodds et al 1991; Sinha and DeSarbo 1998; Sweeney et al 1999). For this notion of ‘‘value’’, a buyer and seller infer value if the benefits received are greater than what is given up. In other words, both parties feel they are better off because each receives something more useful to him or her than what he or she has relinquished (Sinha and DeSarbo 1998). It has been argued that the utilitarian functional perspective of the value

construct is one of the most salient determinants of purchase intentions and repeat purchase behavior (Chang and Wildt 1994; Zeithaml 1988: souter and Williams, 2009).

Perceived value, a strategic imperative for producers and retailers in the 1990s, will be of continuing importance into the twenty-first century (Vantrappen, 1992; Woodruff, 1997; Forester, 1999). Indeed, from a retailing perspective, Hartnett (1998, p 21) noted that "when [retailers] satisfy people-based needs, they are delivering value, which puts them in a much stronger position in the long term," while Burden (1998, p 2) commented that "successful retailers increasingly target their offers towards two consumer categories: those with an emphasis on value and those for whom time pressure is the key." This move to value in retailing seems to be a global phenomenon as "the most compelling [Asian retail] opportunities are at the value end of the market given that consumers in Asia today are . . . much more value conscious than they were in the mid-1990s" (Treadgold, 1999, p 45). If it is true that retail customers are "value-driven" (Levy, 1999), then managers need to understand what customer's value and where they should focus their attention to achieve this needed market place advantage (Woodruff, 1997). Despite value's importance, however, there has been relatively little empirical research to develop an in-depth understanding of the concept. Even less research has focused on specifying its domain or on developing a practical and operational perceived value scale. The present paper outlines the development of such a scale and begins with a brief discussion of the origins of the consumption value construct before discussing the present study.

A broader theoretical framework of perceived value was developed by Sheth, Newman and Gross (1991a, 1991b), who regarded consumer choice as a function of multiple 'consumption value' dimensions and that these dimensions make varying contributions in different choice situations. They suggested five dimensions (social, emotional, functional, epistemic and conditional value), relating specifically to the perceived utility of a choice, whether at the decision to buy level (buy or not buy), at the product level (product type A or product type B) or at brand level (brand A or brand B). Their work provides the best foundation for extending existing value constructs as it was validated through an intensive investigation of the variety of fields in which value has been discussed, including economics and social and clinical psychology. Functional value was seen to be the key influence on consumer choice. However, Sheth et al. (1991b) found the other value dimensions were also influential in some situations. For example, while functional and social value dominated the decision as to whether to use filtered or unfiltered cigarettes, emotional value was key to the decision to smoke. It is clear that different value dimensions may be important depending on the decision level (e.g., buy/not buy or buy brand A/brand B), as well as on the type of product or service being considered (Sweeney and souter, 2001).

According to Mayer et al. (1995, p. 712), trust is defined as "the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trust or, irrespective of the ability to monitor or control that other party". For Barney and Hansen (1994, p. 176) trust can be considered as a "source of competitive advantage".

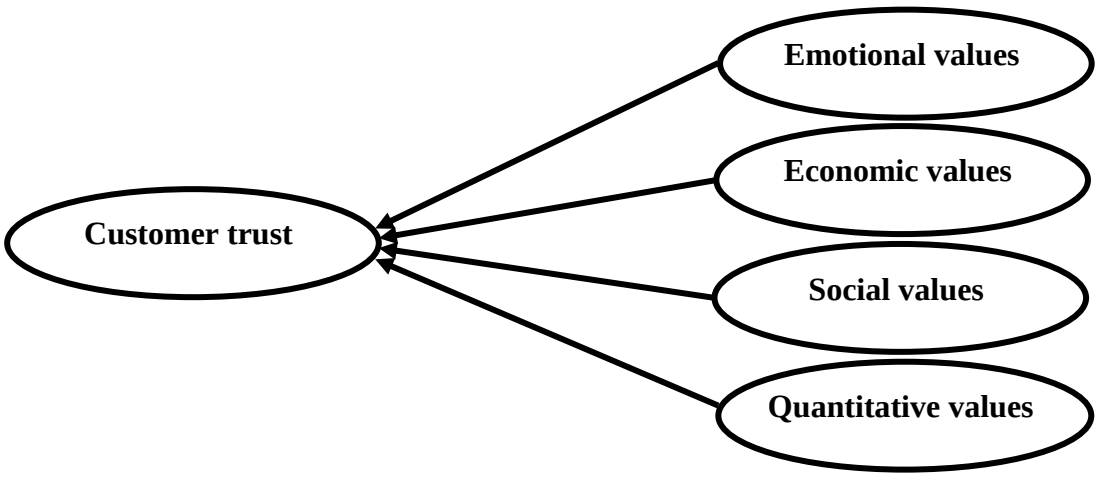
Trust is a multidimensional construct that is often related to characteristics, such as integrity and competence (Gefen et al., 2003). In addition, it was emphasized by Luhmann (1979) that trust is a foundation for all social life. In fact, trust is a fundamental consideration in the commercial world, in which people are influenced by the attitudes and actions of consumers and sellers (McCole et al., 2010).

Early studies into customer value focused on the retailing sector, generally measuring pre-purchase value perceptions and their links with purchase decisions or willingness to buy (Dodds et al 1991; Liljander

1994; Zeithaml 1988; Sweeney et al 1999). It was argued by Woodruff (1997) that value concepts differ according to the circumstances in which customers think about value (i.e., customers could perceive value different before and after purchase). This is important as, if repeat purchase is sought, post purchase value perceptions must be in line with pre-purchase expectations. Woodruff and Gardial (1996) also argued value perceptions are linked to other post-consumption constructs, such as satisfaction and repurchase intentions. Patterson and Spreng (1997) found value's impact on repurchase intentions was not clear, partially because consumers have experience and familiarity on which to base repurchase intentions. However, it seems customer satisfaction is positively influenced by value (Bolton and Drew 1991; Woodruff 1997) and that value is negatively impacted by perceived price (Zeithaml 1988; Chang and Wildt 1994; Sweeney et al 1999).

Conceptual model

The conceptual model of the research has been adapted from the study conducted by walsh et al (2014), souter and Sweeney (2001). In their research, marketing values with customer trust have a direct relationship. Marketing values include social value, emotional value. Economic and quantitative values. Based on the relationship between each variable and other variables. Their indicators have been provided. The questionnaire designed based on this model was tested in their study for the first time and was shown to have a good reliability and validity. Indeed. We combine models and questionnaire.



Source: walsh et al (2014), souter and Sweeney (2001).

Based on this model, the following hypotheses are made:

Main Hypotheses:

- There is a significant relationship between Marketing values and Customer trust in Chain Stores in Kurdistan province.

Sub Hypotheses:

- There is a significant relationship between social values and Customer trust in Chain Stores in Kurdistan province.
- There is a significant relationship between emotional values and Customer trust in Chain Stores in Kurdistan province.
- There is a significant relationship between Economic values and Customer trust in Chain Stores in Kurdistan province.
- There is a significant relationship between quantitative values and Customer trust in Chain Stores in Kurdistan province.

Methodology

This is a correlational study, an applied research in terms of purpose and a survey - type correlational study in terms of data collection method. The study population consists of all of customer in Chain Stores in Kurdistan province. The population was classified using random sampling method and the sample size was determined 300 customer based on Cochran Formula. Data were collected using a questionnaire due to the nature of the subject under study. Regression coefficient and structural equation model were used to analyze the data and the research hypothesis respectively. The questionnaires were distributed among the customer in Chain Stores in Kurdistan province.

Results:

Reliability of the questionnaire items

Cronbach's alpha was used in this study to determine the reliability of the test. The higher the alpha, the more reliable the scale will be.

Table 1: results of testing the reliability of the items

variable	Number of questions	Cronbach's alpha
Customer trust	5	0/960
Social values	5	0/782
Emotional values	5	0/782
Economic values	5	0/734
Quantitative values	4	0/870
Total	24	0/826

As presented in Table (1), Cronbach's alpha for all of the five constructs is greater than 0.7, which shows high reliability.

Data normality test

Data should first be tested in terms of normality before analysis. The most commonly-used test for this purpose is Kolmogorov-Smirnov Test. This test has also been used in the present study for examining the normality or non-normality of the data used. The results presented in the following table indicates that the data have a normal distribution because the Sig values are higher than 0.05.

Table 2: Data normality test

variable	sig
Customer trust	0.216
Social values	0.118
Emotional values	0.219
Economic values	0.096
Quantitative values	0.112

Data analysis and hypotheses testing

SPSS software is used to analyze the data. The software conducts data analysis at two levels, namely descriptive and inferential. The first level includes frequency, average, standard deviation and statistical tables and diagram. The latter, first, makes use of Kolmogorov – Smirnov test to know that whether the distribution is normal or not, then if the first is the case, Pearson's correlation coefficient and Regression coefficient are employed to do hypotheses testing and assessing size and amount of effects respectively.

Table 3: descriptive statistics

Variables	Type	Frequency	Percent
Gander	male	51	17
	Female	249	83
Age	Below 30	54	18
	31 - 40	90	30
	41 - 50	139	46/3
	Above 50	17	5/7
Education	Diploma	38	12/7
	Associate diploma	26	8/7
	Bachelor	129	43
	Master	104	34/7
	Doctoral	3	0/1

Hypotheses testing:

- **Main Hypothesis:** There is a significant relationship between marketing values and customer trust in chain stores in kurdistan province.

To determine whether there is a correlation between the Marketing values and Customer trust the following hypothesis was made and the following results was obtained:

$$\begin{cases} \mathbf{H_0}: \ \rho = 0 \\ \mathbf{H_1}: \ \rho \neq 0 \end{cases}$$

The first hypothesis suggests that there is not a relationship between the above-mentioned variables.
The second one suggests that there is a relationship between the above-mentioned variables.

Table 4: correlation between marketing values and customer trust

Marketing values and Customer trust	Pearson's correlation coefficient	P = 0.833
	Probability	0.000
	N	300

(Source: research data)

Based on the results shown above the following conclusions are derived: the H_0 is rejected and H_1 (the primary hypothesis suggesting a relationship between Marketing values and Customer is supported. There is a direct relationship between these two variables given the positive correlation obtained through calculation. That is an increase in marketing values will contribute to an increase in the Customer trust in Chain Stores in Kurdistan province.

- **First sub hypothesis:** there is a significant relationship between social values and customer trust in chain stores in kurdistan province.

Student T test has been used to test the above-mentioned hypothesis and the following results are produced:

Table 5: student T test between social values and customer trust

Variable	Mean	St. deviation	T- student	Df	Sig
Social values and customer trust	4.1837	0.83492	7/643	90	0.000

(Source: research data)

Based on the results shown above the following conclusions are derived: there is significant relationship between social values and customer trust in chain stores in kurdistan province. At 99% level of significance and T- student 7.643. therefore, the H_0 is rejected and H_1 (suggesting a relationship between social values and customer trust in chain stores in kurdistan province is supported.

- **Second sub hypothesis:** there is a significant relation between emotional values and customer trust in chain stores in kurdistan province.

Student T test has been used to test the above-mentioned hypothesis and the following results are produced:

Table 6: student T test between emotional values and customer trust

Variable	Mean	St. deviation	T- student	Df	Sig
Emotional values and customer trust	3.5831	0.74336	7/629	81	0.000

(Source: research data)

Based on the results shown above the following conclusions are derived: there is significant relationship between emotional values and customer trust in chain stores in kurdistan province. At 99% level of significance and T- student 7.629. therefore, the H_0 is rejected and H_1 (suggesting a relationship between emotional values and customer trust in chain stores in kurdistan province is supported.

- **Third sub hypothesis:** there is a significant relation between economic values and customer trust in chain stores in kurdistan province.

Student T test has been used to test the above-mentioned hypothesis and the following results are produced:

Table 7: student T test between economic values and customer trust

Variable	Mean	St. deviation	T- student	Df	Sig
Economic values and customer trust	3.2612	0.69715	6/5133	75	0.000

(Source: research data)

Based on the results shown above the following conclusions are derived: there is significant relationship between economic values and customer trust in chain stores in kurdistan province. At 99% level of significance and T- student 6.5133. therefore, the H_0 is rejected and H_1 (suggesting a relationship between economic values and customer trust in chain stores in kurdistan province is supported.

- **Third sub hypothesis:** there is a significant relation between quantitative values and customer trust in chain stores in kurdistan province.

Student T test has been used to test the above-mentioned hypothesis and the following results are produced:

Table 8: student T test between quantitative values and customer trust

Variable	Mean	St. deviation	T- student	Df	Sig
quantitative values and customer trust	3.5527	0.71935	7/296	66	0.000

(Source: research data)

Based on the results shown above the following conclusions are derived: there is significant relationship between quantitative values and customer trust in chain stores in kurdistan province. At 99% level of

significance and T- student 7.296. therefore, the H_0 is rejected and H_1 (suggesting a relationship between quantitative values and customer trust in chain stores in kurdistan province is supported.
In fact, based on the SPSS software outputs, the hypothesis of the research can be examined. Considering what has been presented in Tables all of hypotheses in our research were accepted.

Conclusion

The results of this study need to be compared with those of the previous studies so that we can achieve strong theoretical foundations and results. In this study results shown that Marketing values and Customer trust has had significant relationship. In this sense, results is consistent with walsh et al (2014), souter and Sweeney (2001) studies. Furthermore, social values, emotional values, economic values and quantitative values with customer trust in customer chain stores in Kurdistan province has had significant. In this sense, results are consistent with walsh et al (2014), souter and Sweeney (2001) studies.
Depending on what terms it can be said that marketing values on customers trust is affected. Marketing value one of the important aspects of marketing for companies is that it is necessary to be felt. Also customers trust is very important for chain stores. On the other hand, between marketing values, social values has had maximum affected on customers trust and economic values has had minimum affected on customers trust. So, chain stores should focus on social values.

Suggestions

- It is necessary to chain stores to promise their promotional efforts in attracting and retaining loyal customers to maintain loyalty of their customers in this way.
- Creating a system of accountability for client service system could have the effect of influencing their trust.
- Increasing speed services to individuals can be effective in creating a sense of advantage in using these services and the increased tendency of people to use this service.
- Organization have always tried to provide the new services. Meaning the new service, the service is not provided so far by competitors.
- Chain store manager should use promotional tactics include public relation and media interview for goods introduce.

References

Bolton, Ruth N. and James H. Drew (1991). "A Multistage Model of Customers' Assessments of Service Quality and Value," Journal of Consumer Research, 17(March), 375–384.

Burden, Stephen (1998). "Current Trends and Issues in the Retail Sector," European Venture Capital Journal, (November 1), 1–5.

Cravens, David W., Charles W. Holland, Charles W. Lamb Jr. and William C. Moncrieff (1988). "Marketing's Role in Product and Service Quality," Industrial Marketing Management, 17(November), 285–304.

Dodds, William B., Kent B. Monroe and Dhruv Grewal (1991). "Effects of Price, Brand, and Store Information on Buyers' Product Evaluations," Journal of Marketing Research, 28(August), 307–319.

Forester, Murray (1999). "Deja vu Discussion Delivers Message Emphasizing Value," Chain Store Age, 75(April), 12.

Gefen, D., & Straub, D. W. (2000). The relative importance of perceived ease of use in IS adoption: A study of e-commerce adoption. Journal of the Association for Information Systems, 1(8), 1–30

Hartnett, Michael (1998). "Shopper Needs Must be Priority," Discount Store News, 37(May), 21–22.

Levy, Michael (1999). "Revolutionizing the Retail Pricing Game," Discount Store News, 38(September), 15.

Liljander, V. 1994 Modeling Perceived Service Quality Using Different Comparison Standards. Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior 7:126–142.

Mayer, R. C., Davis, J. H., & Schoorman, F. D. (1995). An integrative model of organizational trust. Academy of Management Review, 20, 709–734.

Sheth, Jagdish N., Bruce I. Newman and Barbara L. Gross (1991a). Consumption Values and Market Choice. Cincinnati, Ohio: South Western Publishing

Sheth, Jagdish N., Bruce I. Newman and Barbara L. Gross (1991b). "Why We Buy What We Buy: A Theory of Consumption Values," Journal of Business Research, 22(March), 159–170.

Sinha, I., and W. S. DeSarbo 1998 An Integrated Approach Toward the Spatial Modelling of Perceived Customer Value. Journal of Marketing Research 35(2):236–249.

Sweeney, J. C., & Soutar, G. N. (2001). Consumer-perceived value: The development of a multiple item scale. Journal of Retailing, 77(2), 203–220.

Sweeney, J. C., and G. N. Soutar 2001 Consumer Perceived Value: The Development of a Multiple Item Scale. Journal of Retailing 77(1):203–220.

Sweeney, Jillian C., Geoffrey N. Soutar and Lester W. Johnson (1999). "The Role of Perceived Risk in the Quality-Value Relationship: A Study in a Retail Environment," Journal of Retailing, 75(1), 77–105.

Treadgold, Alan (1999). "The Outlook for Asian Retailing," Discount Merchandiser, 39(May), 45–46.

Vantrappen, Herman (1992). "Creating Customer Value by Streamlining Business Processes," Long Range Planning, 25(February), 53–62.

Walsh, G., & Mitchell, V. -W. (2014). Consumers' intention to buy private label brands revisited. Journal of General Management, 35(3), 3–24.

Williams, A. P., and G. N. Soutar 2005 Close to the Edge: Critical Issues for Adventure Tourism Operators. Asia Pacific Journal of Tourism Research 10(3):247–262.

Woodruff, R. 1997 Customer Value: The Next Source of Competitive Advantage. The Journal of the Academy of Marketing Science 25(2):139–153.

Woodruff, R., and S. F. Gardial 1996 Know Your Customer: New Approaches to Customer Value and Satisfaction. Cambridge, MA: Blackwell.

Woodruff, R., E. Cadotte, and R. Jenkins 1983 Modelling Consumer Satisfaction Processes Using Experience-based Norms. Journal of Marketing Research 20(August):296–304.

Woodruff, Robert B. (1997). "Customer Value: The Next Source for Competitive Advantage," Journal of the Academy of Marketing Science, 25(2), 139–153.

Zeithaml, Valarie A. (1988). "Consumer Perceptions of Price, Quality and Value: A Means-End Model and Synthesis of Evidence," Journal of Marketing, 52(July), 2–22.