İşletme Araştırmaları Dergisi

Customer Satisfaction, Trust and Loyalty Relationships in International Industrial Markets: A Case of Dikkan Firm

Fatih Mehmet SANCAK
Dokuz Eylül University
Graduate School of Social Sciences
PhD Candidate in Business
Izmir, Turkey
orcid.org/0000-0002-6060-9606
fatih.sancak@dikkan.com

Emel YARIMOGLU
Yaşar University
Faculty of Business
Department of Business Management
Izmir, Turkey
orcid.org/0000-0002-0484-5006
emel.yarimoglu@yasar.edu.tr

Extensive Summary

1. Introduction

International industrial markets require industrial firms to develop new strategic moves and relationships in order to survive in a competitive market place. Customer satisfaction is the most important goal for industrial businesses, as well as it is the most important goal for every business. However, in industrial markets satisfying customers is harder than consumer markets since the characteristics and structures of industrial markets (Ford, 1980; Tikkanen and Alajoutsijärvi, 2002). Thanks to customer satisfaction, industrial firms will be able to maintain the relationships with other businesses and get a step forward in international industrial markets.

Expectation Disconfirmation Theory (Oliver, 1977) can be used in measuring satisfaction in industrial markets as well as it has been widely used in consumer markets. There have been some differences between consumer and industrial markets since the culture and buyers' characteristics in industrial markets. These differences should be considered when measuring satisfaction (Webster, 1978). Because of these reasons, Homburg and Rudolph (2001) developed INDSAT to measure satisfaction, and Gounaris (2005) developed INDSERV to measure service quality, which is an important antecedent of satisfaction, in industrial markets.

In industrial marketing literature, it was proved that satisfaction has a positive effect on loyalty and trust (Ping, 1999; Forrester and Maute, 2001). The aim of the research was to analyze the relations of satisfaction with trust and loyalty in international industrial markets. There have been some studies in the literature that show the positive effects of trust on satisfaction (Kelley and Davis, 1994; Tax et al., 1998; Geyskens et al., 1998; Bharadwaj and Matsuno, 2006) and loyalty (Chumpitaz Caceres and Paparoidamis, 2007; Akrout and Diallo, 2017; Paparoidamis et al., 2017). However, in this research only the effects of satisfaction on trust and loyalty were analyzed.

2. Research Methodology

Data were collected from different companies which a Turkish company work with in international markets via e-mail survey technique. The questionnaire comprised two parts. The first part included the scales regarding satisfaction-INDSAT (Homburg and Rudolph, 2001), trust (Erdem and Swait, 2004), and loyalty (Zeithaml et al., 1996; Lam et al., 2004). The second part consisted of demographic questions. The population of the research was 500 customers in international markets of Dikkan Company. The survey was implemented to 217 foreign customers, who work in the companies in international industrial markets, in April-May, 2017. Because of the misunderstanding and missing data, 7 questionnaires were excluded from the research. The main hypotheses of the research were:

H_1: Satisfaction significantly affects trust.

H_2: Satisfaction significantly affects loyalty.

3. Findings

Exploratory factor analyses (EFA) were implemented to the scales. At the end of EFA, five dimensions of satisfaction, one dimension of trust, and one dimension of loyalty were obtained. The dimensions of satisfaction were named as follows: satisfaction with technical services, satisfaction with products, satisfaction with salespeople, satisfaction with information and documents offered, satisfaction with order handling. After EFA, the new hypotheses were created and shown below.

Hypotheses regarding satisfaction and trust:

H_{1-1}: Satisfaction with technical services affects trust.
H_{1-2}: Satisfaction with products affects trust.
H_{1-3}: Satisfaction with salespeople affects trust.
H_{1-4}: Satisfaction with information and documents offered affects trust.
H_{1-5}: Satisfaction with order handling affects trust.

Hypotheses regarding satisfaction and loyalty:

H_{2-1}: Satisfaction with technical services affects loyalty.
H_{2-2}: Satisfaction with products affects loyalty.
H_{2-3}: Satisfaction with salespeople affects loyalty.
H_{2-4}: Satisfaction with information and document offered affects loyalty.
H_{2-5}: Satisfaction with order handling affects loyalty.

After developing the hypotheses, multiple regression analyses were implemented. The results of regression analysis were shown below in Table 1.

Table 1. Regression Analysis Results

Trust $y_g = f(x_1, x_2, x_3, x_4, x_5)$	Beta	T	p
Satisfaction with technical services	0,352	7,612	0,000
Satisfaction with products	0,476	10,292	0,000
Satisfaction with salespeople	0,277	5,995	0,000
Satisfaction with information and documents	0,313	6,771	0,000
Satisfaction with order handling	0,192	4,140	0,000
R^2= 0,563 Adjusted R^2= 0,552 F=52,557 df= 5,204 p=0,000			
Loyalty $y_s = f(x_1, x_2, x_3, x_4, x_5)$	Beta	T	p

Satisfaction with technical services	0,324	6,935	0,000
Satisfaction with products	0,511	10,956	0,000
Satisfaction with salespeople	0,180	3,858	0,000
Satisfaction with information and documents	0,264	5,647	0,000
Satisfaction with order handling	0,296	6,353	0,000
R^2= 0,556 Adjusted R^2= 0,545 F=51,052 df= 5,204 p=0,000			

According to the results; customer satisfaction explained 55,2 % of variance in trust and 54,5 % of variance in loyalty. The research has contributed to the literature in terms of approving the satisfaction-trust relation and the satisfaction-loyalty relation in both international and industrial markets.

4. Conclusion

In the research the relations between satisfaction and trust, and the relations between satisfaction and loyalty were analyzed in international industrial markets. The findings showed that there are positive effects of satisfaction on both trust and loyalty. This result was also supported by the previous studies in the literature (Chumpitaz Caceres and Paparoidamis, 2007; Selnes, 1998; Ping, 1999; Forrester and Maute, 2001; Flint et al., 2011; Sánchez et al., 2011). Since the characteristics and structures of industrial markets, it is harder to measure satisfaction, trust, and loyalty in industrial markets. Because of this reason, particularly the industrial firms that operate in international markets should know about foreign markets' structure and culture. Industrial firms should pay attention to creating value, meeting expectations, and ensuring satisfaction, trust, and loyalty in order to develop their networks in international markets.

There were some limitations in the research. The first one was that the research was only implemented to the international customers of Dikkan Company. The national customers were not included to the research. It was suggested that to analyze national satisfaction, trust, and loyalty relations of the industrial companies that operate in international markets. The second limitation was that the research was only applied to one company's customers. It was advised to the researchers to analyze the relationships among satisfaction, trust, and loyalty in specific industries.