The mediating role of customer commitment in explaining word-of-mouth and repurchase intention

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The purpose of this paper is to examine a new model to investigate the impacts of some factors on word-of-mouth and repurchase intention in e-shopping context. Data from a survey of 485 online consumers were used to test the research model. The respondents who had made at least one online LG television purchase were considered qualified for analysis. The questions used in this study were taken from the relevant literature, contained 26 questions addressing all the variables. Each variable was measured using 7-point Likert-scale: pleasure (4 items), customer satisfaction (4 items), attitude (3 items), trust (3 items), commitment (4 items), word-of-mouth (5 items) and repurchase intentions (3 items). Confirmatory factor analysis was conducted to examine the reliability and validity of the measurement model, and the structural equation modelling technique was used to test the research model. Goodness of fit for the structural models of hypothesized model shows promising findings. The analytical results reveal that pleasure has a positive effect on customer satisfaction (38%) and trust (25%). Besides, attitude is positively related to customer satisfaction (36%) and trust (29%). This study shows that the main factor influences commitment is customer satisfaction (48%) and trust has less influence (40%). Finally, the findings illustrate that the most impacts of commitment are on word-of-mouth (44%) and repurchase intention (37%).

Key words: Pleasure, customer satisfaction, attitude, trust, commitment, word-of-mouth, repurchase intention.

INTRODUCTION

One of the most stunning aspects of the past few years has been the speed at which the Internet market has expanded and matured. This rapid rate of Internet adoption has resulted in an extraordinary pace of change in the marketing landscape and opened up a variety of opportunities for marketers (Pollack, 1999). All across Iran and around the world, shopping centers are closing their doors as consumers turn to the Internet for all of their shopping needs. The Internet as the primary on-line marketing channel is now overtaking the commercial on-line services. In fact, all of the on-line service firms now offer Internet access as a primary service. Users can send e-mails, exchange views, shop for products, and access news, food recipes, art, and business information (Armstrong and Kotler, 2000).

Strides in information technology and improvements in networking technology have set the pace of the rapid growth in new application of Internet shopping in a variety of settings. Business-to-business, business-to-customer, customer-to-business, and customer-to-customers, are the most important business channels that have reshaped the marketplaces. Recent trends and forecasting show that no business enterprises can afford to ignore the tremendous potential of these emerging technologies in creating, processing, and distributing the value of business through each channel (Shih and Fang, 2005).

In these days, everyone talks about the e-commerce and e-business revolution and the internet of the new knowledge-based economy. The web allows e-businesses to provide customers with increasingly accurate, timely, and inexpensive information. As a result, customers can immediately compare prices and choose the supplier with the lowest price. However, amount of information or internet presence and price alone do not rule the web (Reichheld and Schefter, 2000; Zeithaml et al., 2002). To be successful in a fierce competitive e-environment, e-companies need to insulate themselves by developing an appropriate differentiating strategy. A key component of such a strategy needs to focus on
services and relationships that demonstrate a company’s appreciation to its customers (Smith, 2000). E-companies must deliver superior service experiences to their customers, if they want to earn their businesses, their repurchase intentions, and eventually their positive word-of-mouth (Dobie et al., 2001).

The rest of this paper is organized as follows. We first develop our conceptual model and associated research hypotheses that address the relationships among pleasure, customer satisfaction, attitude, trust, commitment, word-of-mouth and repurchase intention. We then describe the sample and measures employed in the study. This is followed by an outline of the research method, an analysis of the data with its accompanying discussion of the results.

**Literature review and hypotheses**

**Pleasure, customer, satisfaction and trust**

Customer satisfaction is defined as a judgment that a product or service feature, or the product or service itself, provides a pleasurable level of consumption related fulfillment including the level of under or over fulfillment (Oliver, 1997). Customer satisfaction is also defined as either an overall judgment of satisfaction or given an attribute-specific definition (Cronin and Taylor, 1992).

Trust is a customer’s belief that a firm is reliable, stands by its word, fulfills its promised obligations, and is sincere (Anderson and Narus, 1990). In a resource-sharing context, trust reduces customer vulnerability because they know they can rely on the firm’s personnel and its products and services (Spekman and Carraway, 2006).

Pleasure ranges from extreme pain or unhappiness to extreme happiness or ecstasy (Huang, 2003). Prior research suggests that the level of pleasure during a shopping positively affects consumers’ satisfaction, their overall approach behavior (Eroglu et al., 2003) and their trust (De Wulf et al., 2006). Similarly, Mummalaneni (2005) claims that pleasure influences consumers’ satisfaction, expressed intention of loyalty and the number of items purchased (Manganari et al., 2011).

H1. Pleasure is positively related to customer satisfaction.  
H2. Pleasure is positively related to trust.

**Attitude, customer satisfaction and trust**

Allport (1935) referred to attitude as “a mental and neutral state of readiness... exerting... [an] influence upon the individual’s response” (Castañeda et al., 2009).

In this research, attitude refers to consumers’ overall affect-based assessment of the online store based on their shopping experience (Fiore, 2002). That is, the authors have used the global attitude perspective in order to capture consumers’ overall liking or disliking of the online store. In the context of e-shopping, the online atmosphere does indeed have an impact on consumers’ attitude toward the online store, which in turn affects consumers’ satisfaction and approach/avoidance behavior (Eroglu et al., 2001).

Consumers’ attitude is a significant predictor of e-satisfaction (Huang, 2008). In this research line, Martínez-López et al. (2005) showed that attitude is an important determinant of trust in the context of internet shopping. Similarly, Delgado-Ballester and Hernández-Espallardo (2008) found that consumers’ attitude toward the online store, positively affects their initial trust (Manganari et al., 2011).

H3. Attitude is positively related to customer satisfaction.  
H4. Attitude is positively related to trust.

**Customer satisfaction, trust and commitment**

Commitment can be defined as an implicit or explicit pledge of relational continuity between buyers and sellers (Dwyer et al., 1987). Willingness to remain committed assumes that the relationship will produce continued value or benefits to both parties (Hardwick and Ford, 1986).

Morgan and Hunt (1994) identified commitment as another key-mediating variable of relationship marketing. The importance of the commitment construct has been widely acknowledged in the relationship marketing literature. For example, in a service marketing context, Berry and Parasuraman (1991) state that “relationships are built on the foundation of mutual commitment.”

Commitment has been defined “as an enduring desire to maintain a valued relationship” (Moorman et al., 1993). It is based on the belief that a relationships worth the effort to be maintained. Committed relationship partners are unlikely to switch even if a competing supplier outperforms the incumbent’s value offer. Consequently, a high level of commitment helps to stabilize the relationship. Morgan and Hunt (1994) summarize their literature review on the commitment construct as follows:

A common theme emerges from the various literatures on relationships: parties identify commitment among exchange partners as key to achieving valuable outcomes for themselves, and they endeavor to develop and maintain this precious attribute in their relationships.

Mittal and Kamakura (2001) argue that customer satisfaction should be linked to customer commitment because the cost of retaining and maintaining an existing customer is less than the cost of acquiring a new one. So customer satisfaction is widely accepted among researchers as a strong predictor for behavioral variables such as customer commitment (Ravald and Grönroos, 1996; Liljander and Strandvik, 1995).

In some studies, trust is conceptualised as directly influencing commitment (Gabarino and Johnson, 1999; Morgan and Hunt, 1994; Sigauw et al., 1998), while some researchers describe commitment as a precursor to trust in exchange relationships (Gundlach et al., 1995). Trust and commitment are sometimes described as essentially
equal components without a causal relationship between them (Baker et al., 1999; Crosby et al., 1990; Dorsch et al., 1998; Lewin and Johnston, 1997). Consistent with other relationship marketing researchers (Morgan and Hunt, 1994; Tellefsen and Thomas, 2005), trust is modeled as a precursor to commitment (Lacy and Morgan, 2009).

H5. Customer satisfaction is positively related to commitment.
H6. Trust is positively related to commitment.

Word-of-mouth
WOM is a form of interpersonal communication amongst consumers (Richins, 1983, cited in Datta et al., 2003). Practical uses of WOM are embedded in the concept of WOM marketing: “the promotion of a company or its products and services through an initiative conceived and designed to get people talking positively about that company... ” (Kirby and Marsden, 2006). Indeed, the implications of WOM are used to good effect by marketers, as inferred from the concept of “connected marketing” (Kirby and Marsden, 2006). Mangold et al. (1999) support the importance of WOM for services by describing it as “a dominant force in the marketplace”. Word-of-mouth is well understood as a credible source of communications and plays an instrumental role in new customer acquisitions (Reichheld and Sasser, 1990). Committed customers promote the supplying firm through word-of-mouth (Grönroos, 2004). Lacy and Morgan (2009) argued that there is a relationship between committed customers and their word-of-mouth.

H7. Commitment is positively related to word-of-mouth.

Repurchase intention
Repurchase intentions represent the customer’s self-reported likelihood of engaging in further repurchase behavior (Seiders et al., 2005). It is revealing to consider customer intentions for increasing the level of demand for a firm’s products. In the conceptual model, committed customers are not just expected to maintain the business relationship, but to increase both the level and proportion of their purchasing activities over time (Grönroos, 2004). Besibes, Lacy and Morgan (2009) argued that there is a relationship between committed customers and their willingness to repurchase. Figure 1

H8. Commitment is positively related to repurchase intention.

METHODOLOGY
Sample description
An online survey was conducted to obtain data. It was published from 1 to 27 November 2011. All participants were volunteers, but only the respondents who had made at least one online LG television purchase were considered qualified for analysis. The online survey ensured the completeness of data by asking respondents to fill out any uncompleted parts of the questionnaire before their responses were accepted.

Six respondents in which all rankings were equal were excluded because they appeared to have been filled out without consideration. This produced a final analyzable sample of 485 respondents, with no missing data. The sample included 230 (47.4%) males and 255 (52.6%) females, all of whom make at least one LG television purchase.

Data analysis method
Following Anderson and Gerbing’s (1988) work, the models are tested using a two-stage structural equation model. First, we performed Confirmatory Factor Analysis (CFA) to evaluate construct validity regarding convergent and discriminant validity. In the second stage, we performed path analysis to test the research hypotheses empirically. The path-analytic procedure is becoming common in studies (Li and Calantone, 1998; Chaudhuri and Holbrook, 2001). All measures used for the constructs in the model are shown in table 1 and 7-point scales are used throughout the constructs.

Overall model evaluation
The values for CFI, NNFI, root mean square error of approximation (RMSEA), and standardized root mean residual (SRMR) are acceptably close to the standards suggested by Hu and Bentler (1999): 0.95 for CFI and NNFI, 0.06 for RMSEA, and 0.08 for SRMR. Given that these series of overall goodness-of-fit indices were accurate and that the model was developed on theoretical bases, and given the high level of consistency across samples, no re-specifications of the model were made. This enables us to proceed in evaluating the measurement and structural models.

Measurement model evaluation
We assessed the quality and adequacy of our measurement efforts by investigating unidimensionality, convergent validity, reliability, discriminant validity, and metric equivalence. According to Anderson and Gerbing (1988), convergent validity can be assessed by determining whether each indicator’s estimated pattern coefficient on its proposed underlying construct is significant (greater than twice its standard error). An examination of the indicator loadings indicated that all factors loadings for constructs were significant. Besides, an inspection of the Cronbach’s alpha coefficients reveals that, among the seven alpha coefficients of each department, all constructs are greater than 0.70, which demonstrates acceptable reliability (Nunnally, 1978). These results provided supports for the unidimensionality of the scales.

Furthermore, high discriminant validity was also demonstrated by the fact that the square root of AVE of
Table 1. Measurement model and confirmatory factor analysis

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Loading</th>
<th>Standardized</th>
<th>t-value</th>
<th>Cronbach’s alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pleasure</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Happy – Unhappy</td>
<td>0.88</td>
<td></td>
<td>31.50</td>
<td>0.736</td>
</tr>
<tr>
<td>Bored – Relaxed</td>
<td>0.71</td>
<td></td>
<td>22.49</td>
<td></td>
</tr>
<tr>
<td>Pleased – Annoyed</td>
<td>0.87</td>
<td></td>
<td>30.37</td>
<td></td>
</tr>
<tr>
<td>Contended – Melancholic</td>
<td>0.76</td>
<td></td>
<td>26.82</td>
<td></td>
</tr>
<tr>
<td><strong>Attitude</strong></td>
<td></td>
<td></td>
<td></td>
<td>0.831</td>
</tr>
<tr>
<td>I like the online store that I saw</td>
<td>0.71</td>
<td></td>
<td>24.78</td>
<td></td>
</tr>
<tr>
<td>I think it is a good store</td>
<td>0.83</td>
<td></td>
<td>29.03</td>
<td></td>
</tr>
<tr>
<td>I think it is a nice store</td>
<td>0.69</td>
<td></td>
<td>18.15</td>
<td></td>
</tr>
<tr>
<td><strong>Customer satisfaction</strong></td>
<td></td>
<td></td>
<td></td>
<td>0.930</td>
</tr>
<tr>
<td>I enjoyed visiting this store</td>
<td>0.68</td>
<td></td>
<td>21.85</td>
<td></td>
</tr>
<tr>
<td>I was satisfied with my shopping experience at the store</td>
<td>0.80</td>
<td>26.91</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I would recommend the store to other people</td>
<td>0.83</td>
<td>30.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am willing to “go the extra mile” to visit this web site again</td>
<td>0.75</td>
<td>27.90</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Trust</strong></td>
<td></td>
<td></td>
<td></td>
<td>0.855</td>
</tr>
<tr>
<td>This brand gives me a feeling of trust</td>
<td>0.77</td>
<td>26.82</td>
<td></td>
<td></td>
</tr>
<tr>
<td>This brand gives me a trustworthy impression</td>
<td>0.89</td>
<td>38.43</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I have trust in this brand</td>
<td>0.90</td>
<td></td>
<td>46.11</td>
<td></td>
</tr>
<tr>
<td><strong>Commitment</strong></td>
<td></td>
<td></td>
<td></td>
<td>0.894</td>
</tr>
<tr>
<td>I feel loyal to this brand</td>
<td>0.65</td>
<td></td>
<td>17.55</td>
<td></td>
</tr>
<tr>
<td>I am a loyal LG television service user</td>
<td>0.80</td>
<td>27.59</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LG television services have a great deal of personal meaning for me</td>
<td>0.88</td>
<td>31.70</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My preference for this brand would not willingly change</td>
<td>0.79</td>
<td>26.16</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Repurchase intention</strong></td>
<td></td>
<td></td>
<td></td>
<td>0.967</td>
</tr>
<tr>
<td>I have intention to repurchase this brand</td>
<td>0.68</td>
<td>22.88</td>
<td></td>
<td></td>
</tr>
<tr>
<td>It is likely that I will repurchase this brand</td>
<td>0.73</td>
<td>24.70</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I expect repurchase this brand in the future</td>
<td>0.72</td>
<td>24.31</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Word-of-mouth</strong></td>
<td></td>
<td></td>
<td></td>
<td>0.912</td>
</tr>
<tr>
<td>I am willing to encourage individuals to do business with this brand</td>
<td>0.83</td>
<td>23.79</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am willing to recommend this brand whenever anyone seeks my advice</td>
<td>0.71</td>
<td>21.64</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am willing to recommend the brand to my peers</td>
<td>0.84</td>
<td>24.77</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My recommendations about this brand would have been positive</td>
<td>0.60</td>
<td>16.23</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I have only good things to say about this brand</td>
<td>0.75</td>
<td>26.16</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Each construct is higher than the correlations between that construct and any other construct in the model. The square roots of AVE for each construct are reported on the diagonal in Table 2. Thus, the constructs are both conceptually and empirically distinct from each other (Fornell and Larcker, 1981).

The path model and hypothesis testing

Table 3 presents the assessment of the overall model fit and the testing of hypotheses. For our conceptual model, the estimated structural paths are visualized in Figure 2 and show the hypothesized relationships between constructs and their corresponding standardized paths.
The analytical results showed that pleasure positively affects customer satisfaction ($\beta = 0.38$, $p < 0.001$) and trust ($\beta = 0.25$, $p < 0.01$) providing support for H1 and H2. From H3 and H4, attitude shows a strong positive relationship with customer satisfaction ($\beta = 0.36$, $p < 0.01$) and trust ($\beta = 0.29$, $p < 0.01$). Thus, H3 and H4 were supported. Customer satisfaction ($\beta = 0.48$, $p < 0.01$) and trust ($\beta = 0.40$, $p < 0.001$) have a strong positive effect on commitment therefore, H5 and H6 were supported. Finally, commitment was found to significantly affect word-of-mouth ($\beta = 0.44$, $p < 0.01$) and repurchase intention ($\beta = 0.37$, $p < 0.01$), so H7 and H8 were supported.

DISCUSSION AND CONCLUSION
The empirical study generally confirms the hypothesized model and the relevant theory from which the model’s hypotheses were derived. The analytical results reveal that pleasure has a positive effect on customer satisfaction and trust. Besides, attitude is positively related to customer satisfaction and trust. This study shows that the main factors influencing commitment is customer satisfaction and trust. Finally, the findings illustrate that the most impacts of commitment are on word-of-mouth and repurchase intention.
The results of this study indicated that customer’s commitment in e-shopping is strongly influenced by customer satisfaction. The influences of customer satisfaction on commitment were statistically significant (Wang, et al., 2004).

The study results also reveal a positive relationship between trust and commitment. In e-context, trustworthy service providers play crucial role in customer’s commitment to them. As trust increases, commitment tends to get stronger. This finding supports the view that successful commitment cannot be achieved without trust being established between two parties (Garbarino and Johnson, 1999; Morgan and Hunt, 1994). Once trust is established, customers are more likely to commit themselves to the website.

Owing to the importance of both customer retention and new customer attraction to a firm’s sustainability, we also assessed the influence of customer commitment on customer behaviors that help support new customer attraction, word-of-mouth. The results also demonstrated that committed customers are more likely to engage in positive word-of-mouth.

According to the tested model, committed business customers are not just expected to maintain purchasing activities, but to anticipate increasing both the level and proportion of its purchasing activities over time (Gro¨nroos, 2004). Marketing managers are advised to supplement conventional metrics that calculate a business customer’s total purchases and use estimated product category purchases as the dominant to determine share-of-customer, with a second measure of business customer’s intentions to increase portion of product category purchases from the selling firm over a defined time period into the future. This expanded view of customer retention measurement would allow managers to take into account not only current share-of-customer at an individual business customer level but projected probability to increase current share levels. (Lacey, Morgan ; 2007).

REFERENCES


