Brand loyalty and membership retention rates in voluntary professional institutes and associations

Johan Frederik Müller
22600868

Mini-dissertation submitted in partial fulfilment of the requirements for the Degree Masters of Business Administration at the Potchefstroom Business School, Potchefstroom Campus of the North-West University

Supervisor: Prof Christo Bischoff

November 2012

Innovation through diversity ™

NORTH-WEST UNIVERSITY
YUNIBESITI YA BOKONE-BOPHIRIMA
NOORDWES-UNIVERSITEIT
POTCHEFSTROOM CAMPUS ®

ABSTRACT

This dissertation explores both the concepts of brand loyalty and relationship marketing, specifically in a voluntary professional institutes and associations environment, with the assumption that both constructs can influence and improve the membership retention and membership renewal rates of these institutes and associations.

The measuring instrument used is similar to the one used by Moolla in his brand loyalty study in a FMCG environment, but in this case focussing on the services sector, specifically a South African voluntary professional institute, the Institute of Municipal Administration for Southern Africa (IMASA). The 12 brand loyalty influences identified by Moolla was electronically administered to members of IMASA, with 58 members eventually responding (response rate of 31%).

The conceptual research with regard to this study starts off by explaining the tendency of people to assemble in groups due to societal and other reasons, defining group cohesiveness and how this leads to the formation of people on a professional level – the birth of a professional institute and association (PIA). Then the concepts of relationship marketing and brand loyalty are defined, its relevance in a PIA environment discussed, and the 12 influences on brand loyalty also defined. The empirical analysis and results confirm that, with the exception of Culture and to a lesser extent Switching Costs, the constructs impact directly on the brand loyalty and indirectly on the renewal rates of the members of a PIA.

The value and uniqueness of this study are founded firstly in the identification of influences that affects brand loyalty and secondly in the importance of relationship marketing in a PIA environment. The recommendations guide the management of PIAs to ensure that membership levies defaulters are minimized and renewal rates maximised and sustained over time.

Keywords: Brand loyalty, group cohesiveness, professional associations, professional institutes, relationship marketing

Table of Contents

Chapter 1 – INTRODUCTION 1

1.1 INTRODUCTION 1

1.2 PROBLEM STATEMENT 3

1.3 RESEARCH QUESTION 5

1.4 RESEARCH OBJECTIVES 5

1.4.1. Primary Objectives 5

1.4.2. Secondary Objectives 5

1.5 RESEARCH METHODOLOGY 5

1.6 LAYOUT OF THE STUDY 6

1.7 SUMMARY 7

Chapter 2 - LITERATURE STUDY 8

2.1 INTRODUCTION 8

2.2 GROUP FORMATION BY PEOPLE 8

2.3 GROUP COHESIVENESS 9

2.4 PROFESSIONAL INSTITUTES AND ASSOCIATIONS 10

2.5 MARKETING OF PROFESSIONAL INSTITUTES AND ASSOCIATIONS 11

2.6 INSTITUTIONAL IMAGE AND REPUTATION 12

2.7 CRITICISMS AGAINST THE FOUR P'S 13

2.8 UNIQUE RELATIONSHIP CREATION 15

2.9 RELATIONSHIP MARKETING 15

2.10 APPLICABILITY AND RELEVANCE OF RELATIONSHIP MARKETING TO PROFESSIONAL INSTITUTES AND ASSOCIATIONS 21

2.11 BRAND LOYALTY 22

2.12 BRAND LOYALTY MODELS 26

2.12.1. Maritz Multidimensional Loyalty Model 26

2.12.2. Conceptual Model of Back and Parks (2003) 27

2.12.3. Six Constructs Model of Kim *et al.* (2006) 28

2.12.4. Brand Experience and Sustenance Model of Krishnamurthi and Ramji (2007) 28

2.12.5. Nine–constructs brand loyalty model of Punniyamoorthy and Raj (2007) 29

2.12.6. Four-dimensional construct of Li and Petrick (2008) 30

2.12.7. Twelve Dimensional Brand Loyalty Model of Moolla (2010) 31
2.13 MODEL SPECIFIC BRAND LOYALTY DIMENSIONS 34
2.13.1. Customer Satisfaction 34
2.13.2. Switching Costs 35
2.13.3. Brand Trust 36
2.13.4. Relationship Proneness 38
2.13.5. Involvement 39
2.13.6. Perceived Value 40
2.13.7. Commitment 41
2.13.8. Repeat Purchase 42
2.13.9. Brand Affect 43
2.13.10. Brand Relevance 44
2.13.11. Brand Performance 45
2.13.12. Culture 46
2.14 LINKING RELATIONSHIP MARKETING WITH BRAND LOYALTY 47
2.15 SUMMARY 48
Chapter 3 - RESEARCH FINDINGS AND DISCUSSIONS 49
3.1 INTRODUCTION 49
3.2 DATA COLLECTION 49
3.2.1. Sample 49
3.2.2. Questionnaire 50
3.3. RESULTS 51
3.3.1. DEMOGRAPHIC DISTRIBUTION 51
3.3.1.1. Age distribution 51
3.3.1.2. Gender distribution 52
3.3.1.3. Marital status 52
3.3.1.4. Educational level 53
3.3.1.5. Geographical distribution 54
3.3.1.6. Population group profile 55
3.3.1.7. Annual income 55
3.3.2. QUANTITATIVE ANALYSIS 56
3.3.2.1. Descriptive statistics summary 56

3.3.2.2. Reliability 60
3.3.2.3. Removal of certain sub-dimensions 61
3.3.2.4. Gender based results per construct 63
3.3.2.5. Education based results per construct 65
3.3.2.6. Population group based (White versus Black) results per construct 67
3.3.2.7. Age based results per construct 71
3.3.2.8. Income group based results per construct 76
3.3.2.9. Coefficients of correlation (r) and determination (r^2) 81
3.3.2.9.1. Customer Satisfaction 84
3.3.2.9.2. Switching Costs 85
3.3.2.9.3. Brand Trust 87
3.3.2.9.4. Relationship Proneness 87
3.3.2.9.5. Involvement 88
3.3.2.9.6. Perceived Value 89
3.3.2.9.7. Commitment 90
3.3.2.9.8. Repeat Purchase 91
3.3.2.9.9. Brand Affect 92
3.3.2.9.10. Brand Relevance 93
3.3.2.9.11. Brand Performance 94
3.3.2.9.12. Culture 94
3.4. SUMMARY 95
Chapter 4 – CONCLUSIONS AND RECOMMENDATIONS 96
4.1 INTRODUCTION 96
4.2 CONCLUSIONS 96
4.2.1. General Conclusions 96
4.2.1.1. Overall reliability 96
4.2.1.2. Cultural conclusions 97
4.2.1.3. Repurchase decision conclusions 97
4.2.1.4. Age group specific conclusion 98
4.2.1.5. Data analysis conclusion 98
4.2.2. Construct-specific Conclusions 98
4.2.2.1. Customer Satisfaction 98

4.2.2.2. Switching Costs 99
4.2.2.3. Brand Trust 100
4.2.2.4. Relationship Proneness 100
4.2.2.5. Involvement 102
4.2.2.6. Perceived value 103
4.2.2.7. Commitment 104
4.2.2.8. Repeat Purchase 105
4.2.2.9. Brand Affect 105
4.2.2.10. Brand Relevance 106
4.2.2.11. Brand Performance 106
4.2.2.12. Culture 107
4.3 RECOMMENDATIONS 108
4.3.1. General recommendations 108
4.3.1.1. Cultural recommendation 108
4.3.1.2. Age group specific recommendations 108
4.3.1.3. Data analysis recommendation 109
4.3.2. Construct specific recommendations 109
4.3.2.1. Customer Satisfaction 109
4.3.2.2. Switching Costs 109
4.3.2.3. Brand trust 110
4.3.2.4. Relationship proneness 110
4.3.2.5. Involvement 111
4.3.2.6. Perceived value 111
4.3.2.7. Commitment 111
4.3.2.8. Repeat Purchase 112
4.3.2.9. Brand Affect 112
4.3.2.10. Brand Relevance 112
4.3.2.11. Brand Performance 112
4.3.2.12. Culture 113
4.4 LIMITATIONS OF THE STUDY 113
4.5 SUMMARY 113
LIST OF SOURCES 115

APPENDIX A – Categories of relationship marketing 126
APPENDIX B – Agariya and Singh's summary of relationship management definitions 127
APPENDIX C – Switching categories and dimensions 132
APPENDIX D – Brand Loyalty Survey 133

ACKNOWLEDGEMENTS

To my beautiful wife Dawn, thank you from the bottom of my heart for all your support and motivation during the three years – it has been an honour to be married to a person of your calibre for the past 24 years.

To my sons Riaan and Ruben, thank you for understanding that success only comes through hard work and perseverance - even during tough times, continue making the best of all the opportunities that come your way.

To my supervisor, Professor Christo Bisschoff, thank you for your professionalism and your humility at the same time. Your expert guidance, especially through the last year, assisted me immensely and your patience and support during my research year are greatly appreciated.

To Antionette Bisschoff who did the language editing and other ancillary services, thank you very much.

To my employer, the City of Tshwane Metropolitan Municipality for the opportunity to further my studies with your financial support – it is appreciated.

To my Director and friend Meshack Mothupi, for the occasions that I was unable to be at work and you had to handle everything on your own.

To the management of IMASA for allowing me to use the institute as part of my research, and also to each member of IMASA who participated in this study, thank you.

Lastly to our Heavenly Father for making this dream possible and blessing me with the ability and the means to complete this study.

List of figures

Figure 1-1: USA GDP changes versus IIMC membership number changes 2
Figure 2-1: Forms of relationship marketing 17
Figure 2-2: Brand equity asset categories 24
Figure 2-3: Maritz Loyalty Model 26
Figure 2-4: Conceptual Model of Back and Parks 27
Figure 2-5: Six Constructs Model 28
Figure 2-6: Brand Experience and Sustenance Model 29
Figure 2-7: Nine-construct Brand Loyalty Model 30
Figure 2-8: Four Dimensional Construct 31
Figure 2-9: Twelve Dimensional Model of Brand Loyalty 32
Figure 2-10: Categories of trust 37
Figure 2-11: Psychological relationship between involvement, psychological commitment & behavioural loyalty 40
Figure 3-1: Survey response rate 50
Figure 3-2: Age 51
Figure 3-3: Gender 52
Figure 3-4: Marital status 53
Figure 3-5: Educational levels 53
Figure 3-6: Geographical distribution 54
Figure 3-7: Population profile 55
Figure 3-8: Income categories 56

List of tables

Table 2-1: Development of relationship marketing 20
Table 2-2: Dimensions and sub-dimensions of brand loyalty 33
Table 3-1: Descriptive statistics per question 57
Table 3-2: Percentage of responses to questions 59
Table 3-3: Reliability scores (Cronbach Alpha values) 61
Table 3-4: Reliability 2 scores 62
Table 3-5: Impact of gender per construct 64
Table 3-6: Impact of educational level per construct 66
Table 3-7: Impact of population group per construct 68
Table 3-8: Impact of age per construct 71
Table 3-9: Impact of income group per construct 77
Table 3-10: Summary of main differences 81
Table 3-11: Inter-construct Correlations 82
Table 3-12: Inter-construct coefficient of determination 83
Table 3-13: Correlations with Customer Satisfaction 85
Table 3-14: Correlations with Switching Costs 86
Table 3-15: Correlations with Brand Trust 87
Table 3-16: Correlations with Relationship Proneness 88
Table 3-17: Correlations with Involvement 89
Table 3-18: Correlations with Perceived Value 90
Table 3-19: Correlations with Commitment 91
Table 3-20: Correlations with Repeat Purchase 92
Table 3-21: Correlations with Brand Affect 92
Table 3-22: Correlations with Brand Relevance 93
Table 3-23: Correlations with Brand Performance 94
Table 4-1: Summary of effect sizes of relationship proneness 101
Table 4-2: Summary of effect sizes of involvement 102

Chapter 1 – INTRODUCTION

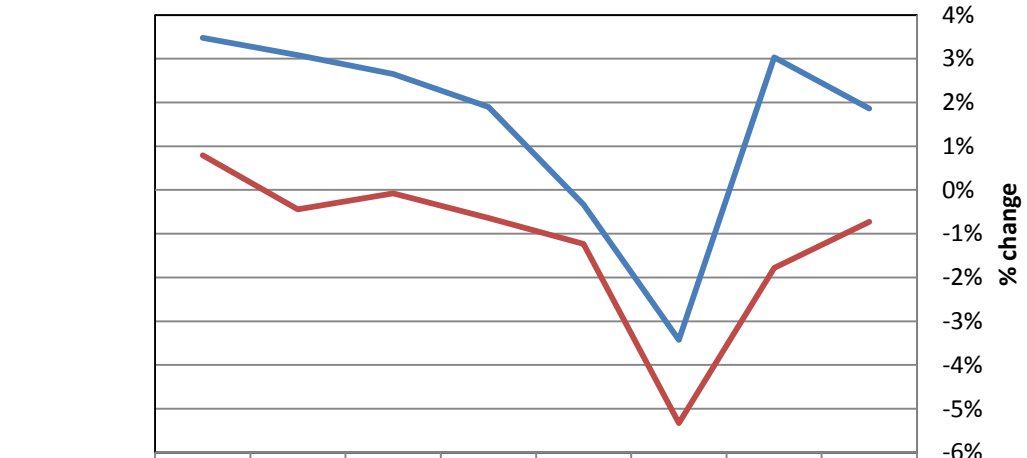
1.1 INTRODUCTION

Voluntary Professional Institutes or Associations (PIA) are non-profit professional organisations where membership is not a prerequisite for employment. There is usually an annual membership fee payable and generally these membership fees are the only source of income to the PIA, making the PIA extremely susceptible to bad debt. According to Faulkner (2005), elements crucial for the survival of voluntary organisations (PIAs) include membership recruitment and retention, volunteer management, participation and fundraising. Falling membership renewal rates are a main concern to the management of PIAs globally, and if the needs of such members are not met, the said associations can easily become obsolete and cease to exist.

The payment of annual membership fees of Professional Institutes or Associations (PIAs) usually forms part of individuals' discretionary spending. In recessionary times, the first expenses that people had to cut back on were those expenses paid from discretionary funds. Therefore annual membership payments to PIAs, being paid from discretionary funding, are usually one of the first casualties when people are faced by affordability decisions. In most cases being a paid-up member is a prerequisite for continued membership of a PIA in order to enjoy membership benefits and privileges. The net result is that defaulting members either resigns from the PIA or their respective membership are eventually revoked by the PIA due to defaulting on their membership fees.

Preliminary research done in this regard (see Figure 1-1 below) on membership changes at the International Institute of Municipal Clerks (IIMC) between 2003 and 2011 shows that there is a statistical significant relationship between the changes in the IIMC's membership numbers and the USA's GDP (f-score of 0.0042).

Figure 1-1: USA GDP changes versus IIMC membership number changes



	2004	2005	2006	2007	2008	2009	2010	2011
Series1	3.48%	3.08%	2.65%	1.90%	-0.33%	-3.43%	3.03%	1.86%
Series2	0.79%	-0.44%	-0.08%	-0.64%	-1.23%	-5.33%	-1.78%	-0.73%

Source: International Institute of Municipal Clerks (2011)

Similar observations were made at other PIAs where membership is not a specific requirement of employment. This volatility of membership numbers of PIAs impact negatively on the long-term sustainability of PIAs - in some cases it can cause serious challenges to the overall life cycle of PIAs. Part of this problem can be ascribed to the fact that PIAs generally have very limited resources at their disposal. In some cases these PIAs even battle to deliver a continuous service to their members, never mind marketing the PIA internally and externally. In a PIA context these limited resources refers to both financial as well as the members' efforts and contributions towards the respective institutes/associations, mainly because the management and operational functions are usually executed by members volunteering their services to the PIAs.

Marketing challenges in PIAs mainly revolves around firstly obtaining and secondly utilizing the abovementioned very limited resources that they have at their disposal in an effective manner (Allred 2005:2). In most cases these institutes are non-profit organisations and do not have the financial resources to appoint permanent marketers, suggesting that since the management of these PIAs are done on a voluntary basis, the marketing is also in all probability done by part-time marketers. Management must therefore take the marketing role upon itself, implying that they need to acquire the

necessary marketing skills to really make a difference in the marketing efforts undertaken by the PIAs.

All of the above directly and indirectly influences members' decisions whether or not to continue with their membership, especially in difficult economic times. When the annual membership fees become due members contemplating their continued membership can easily decide or be convinced to either default on their fees or resign altogether. The very loyal members amongst the membership base are usually those members that will pull the PIA through economic difficult times. The members with lesser loyalty towards the brand of the PIA usually are the ones that easily default on their membership fees and resign as members or be forced by the PIA to resign due to non-payment of their membership fees. This is specifically true in cases where the PIA lacked in their efforts or failed altogether to market itself and its services to their members on a regular basis. The non-establishment of healthy relationships with its members can also contribute to the decreasing loyalty of members towards the PIA as a brand.

1.2 PROBLEM STATEMENT

PIAs have globally been losing members due to various factors, one of which is the influence that the state of the economy in a specific country has on the renewal rates of PIAs (also refer to Figure 1-1). Lenton (2010), postulates that the PIA market is showing signs of declining due to the PIAs' struggling to retain individual members as well as attracting new members. Similarly Seibert (2008:1) notes that many associations constantly struggle to increase their membership base and retain current members. According to Wilson (1997:49) these outflows of members seriously restrain PIAs from executing their roles effectively which in turn leads to the PIAs facing serious challenges retaining current members and attracting new members, especially during challenging economic times.

As indicated in the introduction above, the general prevailing economic circumstances seem to inform/predict the membership turnover rates to some extent. The moment the economic environment becomes strained and excess funds become scarce,

affordability of the membership fees starts kicking in and in some cases the payment of the fees are the first casualties. Whereas employers are in times of economic growth keen to support their employees to belong to PIAs and even pay their membership fees, the opposite is also true when the funds start drying up and the employees are left to pay their own membership fees, which they are not always willing to do. The question that immediately comes to mind is whether these people became members of the PIAs for the correct reasons and how loyal they are towards the PIA as a brand.

However, Seibert (2008:1) argues that not all members of PIAs take up membership for the same reasons. While some members enjoy being involved by attending conferences, taking continued education opportunities and other activities, other members might be content with being a "silent" member. This leads the discussion to the next factor that can influence membership numbers namely, what the PIA offer its members in return, or as Seibert (2008:3) describes it, the relative value that members get from their membership of the PIA compared to other alternatives available to them.

Therefore the second attributable factor that influences membership numbers negatively revolves around the age-old cliché of *"what-is-in-it-for-me".* When some members pay their membership dues, they expect the PIAs to serve them with value-for-money services or products that commensurate to the financial contribution they are making by way of their membership fees. Seibert (2008:1) argues that the better the PIA know what their members value and give the members more of what they value, membership renewal rates should increase and new members can be attracted to the PIA. However, when these products and services do not meet the expectations and/or requirements of such members they can according to Wilson (1997:49), vote with their feet and resign from the said PIA.

Some members of PIAs that are very loyal to the "brand" of their PIA will not let their membership lapse. However, not all members exhibit the same level of loyalty and commitment towards the PIA. In a very broad sense the reasons why people default on their membership can be either ascribed to affordability issues on the one hand and value-for-money on the other.

1.3 RESEARCH QUESTION

The aim of this study is to investigate and determine the loyalty of members of PIAs towards their specific PIA as a brand and whether or not the positive correlation and/or statistical significant relationship exists between the renewal rates of PIAs and the brand loyalty that the PIA exhibits amongst their members.

1.4 RESEARCH OBJECTIVES

1.4.1. Primary Objectives

The prime objective of this study is to measure the brand loyalty of the members of one of the professional institutes and associations in a South African context.

1.4.2. Secondary Objectives

The secondary objectives of this study are to:

- Identify the significant fundamentals of brand loyalty applicable to PIAs;
- Measure the importance of these fundamentals in the PIA marketing environment;
- Determine whether a statistical significant relationship exists between brand loyalty in a PIA context and the decision of the member of the PIA (customer) to renew annual membership (repurchase decision); and
- Propose ways of improving the various relationships within these PIAs, based on the needs of their members.

1.5 RESEARCH METHODOLOGY

Quantitative research through administering a questionnaire to the members of a PIA based in South Africa has been done. It was accomplished by utilising the framework as proposed by the measuring instrument developed by Moolla (2010). This framework focuses on the twelve constructs or factors having an influence on brand loyalty.

However, with the subject of the research being quite different to the subject of the research done by Moolla (fast moving consumer goods as opposed to professional institutes and associations), the questions posed to members of the PIA cannot correspond in totality with the questions of Moolla's instrument. Some of the questions have therefore been adapted to be more relevant to the PIA environment. The questionnaire that has been administered comprises of 36 questions measuring the afore-mentioned twelve factors representing as identified by Moolla (2010) with a five-point Likert-scale being used to quantify the responses on the questions. The questionnaire has been administered electronically, mainly due to the geographical disbursement of the target market throughout the whole country. The results have been summarized electronically before doing statistical analysis on the data with the assistance of Ms Erica Fourie from the Statistical Consultation Services, North-West University, Potchefstroom Campus.

The intention was to utilise a non-probability, convenience sampling method to administer this questionnaire. Whilst Welman *et al.* (2005:69) describes this method as selecting randomly the cases easiest (convenient and inexpensive) to obtain, Levine *et al.* (2008:253) contends that this method is inexpensive and convenient in nature. However, since the total population of IMASA members amounted to 185 members, no sampling could be used and the whole population had to form part of this survey.

1.6 LAYOUT OF THE STUDY

Chapter 1 of this study focuses on an introduction to the problem that PIAs constantly face, namely renewal rates (repurchases) of the PIAs, specifically during difficult economic times. This Chapter comprises of an introduction, a problem statement and a brief discussion on the research objectives. It concludes with an explanation of the research methodology that will be used.

Chapter 2 contains the details of the literature review of this study. It starts off explaining the tendency of modern people to form groups in an attempt to address certain social and other needs. Group cohesiveness, being one of the consequences of

group formation, is then explained. Thereafter the concept of PIAs and its marketing challenges is discussed, followed by the defining of institutional image and reputation. Some of the criticisms aired against the traditional four P's and the resultant developments of relationship marketing are then discussed, which is followed by a discussion on the applicability and relevance of relationship marketing in respect of PIAs. The construct of brand loyalty is thereafter defined in more detail, various brand loyalty models are explained, a specific model is selected and the 12 constructs that form part of the selected model are also discussed in detail. The chapter is concluded by linking the concepts of relationship marketing and brand loyalty.

Chapter 3 contains the empirical research findings of this study and commences by explaining the sampling method employed as well as discussing the measuring instrument. The results of the survey are then analysed through discussions on the various demographic distributions and it concludes by looking in detail at the quantitative analysis of the data, especially the differences between the variables by employing the principles of effect sizes.

Chapter 4 concludes the study by explaining what limitations the study faced and ends with some conclusions and recommendations.

1.7 SUMMARY

This chapter serves as an introduction to the unique challenges that professional institutes and associations face regarding their annual renewal rates being influenced by economic factors. The detailed problem statement, the research objectives and research methodology makes up the rest of the chapter. The next chapter contains the literature study on the topics that this study aims to disseminate further.

Chapter 2 - LITERATURE STUDY

2.1 INTRODUCTION

The previous chapter provided an introduction to PIAs and its challenges as well as how this study aims to address it. The next chapter comprise of a detailed literature study on various concepts and constructs applicable to the study. The literature study will explain firstly the tendency of people to form groups, the cohesiveness of these groups and what is understood with the term professional institutes or associations (PIA).

The second part of the chapter will focus on the challenges faced by PIAs and how crucial relationship marketing efforts are for the sustainability of the PIA. Then the third part of the chapter focuses on brand loyalty - a discussion on some of the brand loyalty models already developed and available in the literature. The literature study continues by selecting a specific model to measure the brand loyalty of a specific PIA operating in South Africa and discussing the dimensions of this model in detail. The chapter concludes by linking relationship marketing with brand loyalty as constructs.

2.2 GROUP FORMATION BY PEOPLE

For centuries people have had the inclination to assemble in groups for various reasons and purposes, whether these groups were motivated or inspired by societal, political, professional, religious, and recreational or any other need. This social behaviour is well known and twenty years ago already Rodenhauser (1991:413) argued that membership in associations are an expected extension generated in and relationships experienced in the nuclear family. According to Backstrom *et al.* (2006), this tendency is an inherent part of the fabric of society and has been the topic of discussion and sociological research for many years.

Since the tendency of people to form groups has now been discussed, the term group cohesiveness is interrogated further.

2.3 GROUP COHESIVENESS

Cohesiveness in a group (Kreitner & Kiniki 2008:319) is a process through which the individual differences of the group are transcended by a sense of unity in the group – this unity materialises because either the group enjoys each other's company or they need each other to accomplish a common goal. Smit and Cronjé (2004:331) suggest that group cohesiveness develops as a result of the attraction that the group holds for the individual, linked to the needs of the said individual. Bass and Avilio (1994:70) define group cohesiveness as the attraction of members to one another and to the group as a whole.

The most widely quoted definition is that of Festinger (1950:274) that states that group cohesiveness can also be described as the resultant forces that act on the group members to remain in the group, recently quoted by amongst others Pillai and Williams (2004:146) and Wang and Huang (2009:382). Similarly Champion *et al*. (1993) describe group cohesiveness as the degree to which members are attracted to each other and motivated to stay in the group, which is subsequently quoted by Zaccaro *et al.* (1995); Pillai and Williams (2004:146); Williams *et al*. (2006:598) and Wang and Huang, (2009:382).

Furthermore, sociologists have identified two types of group cohesiveness namely socio-emotional cohesiveness and instrumental cohesiveness (Kreitner & Kiniki 2008:319), which will now be discussed.

Socio-emotional cohesiveness is a sense of togetherness based on the emotional satisfaction from group participation. The cohesiveness of most of the PIAs in the modern era can be regarded to be socio-emotional cohesive. But the other type of group cohesion namely instrumental cohesiveness, is defined as a sense of togetherness that evolves when members of the group are mutually dependent on each other to get the job done or achieve the group's goal as a group and not as individuals (Kreitner & Kiniki 2008:319). It is my view that only a small minority of PIAs can boast of having this type of cohesiveness in place in their PIAs.

It is paramount for the sustainability of the PIA in the long run to create opportunities from within the PIA for both the socio-emotional and the instrumental cohesiveness of the group to be developed and maintained. Possible ways of achieving this is to amongst others get members actively involved through workgroups/streams dealing with pertinent issues and using their expert knowledge and experience to the benefit of the PIA. Another way will be to develop strong and healthy relationships between the different members and in the process market the PIA to kindle the sense of belonging.

From the above it is evident that there are many types of groupings of people; however the more cohesive a group becomes according to Williams *et al*. (2006:598), the greater the conformity towards group norms and the more motivated the members are to remain part of the group.

The focus of this dissertation is therefore to glance at the formation of groupings of people on a professional level, and specifically membership of PIAs which will be examined later.

The term professional institutes and associations will also be discussed next.

2.4 PROFESSIONAL INSTITUTES AND ASSOCIATIONS

As defined in the introduction above, PIAs are non-profit professional organisations where membership is not a prerequisite for employment with annual membership fees required. Depending on the area of speciality and the industry in which it operates, no two PIAs are similar in all aspects. Some of the functions of professional associations are according to Madden (2008:556) to safeguard and lobby for practitioners' interest and develop their members' professional skills through continued professional development, training research and education to mention a few.

In an attempt to formally define PIAs, the definitions stated below paints a general picture of what is meant by the term "voluntary professional institutes or associations".

However, these definitions should not be regarded as an exhaustive list because many other definitions are available in the literature.

According to Baldwin (2009:3) “a professional body is a group of people in a learned occupation who are entrusted with maintaining control or oversight of the legitimate practice of the occupation”. Grewal and Dharwadkar (2002:85) define PIAs as “normative institutions whose tasks are to support members’ activities and use social obligations to induce accepted behaviours within business networks” also quoted by Webster and Terawatanavong (2007:3334). Professional associations according to Hurd (2001) are voluntary membership organizations governed by democratic procedures, relying heavily on members to handle many organizational functions as unpaid volunteers. Rodenhauser (1991:413) is of the opinion that professional membership and associations are a fundamental part of the modern organisational society. He also believes colonialism that preceded modern society may have been the birth place of modern voluntary associations.

With PIAs defined the next step is to discuss how these PIAs can be marketed.

2.5 MARKETING OF PROFESSIONAL INSTITUTES AND ASSOCIATIONS

According to Wilson (1997:49) the biggest factor challenging PIAs is the willingness and motivation to become involved with physically marketing their institutes/associations. The biggest mistakes that PIAs make are to either not respond to their members’ changing needs, or to assume that the services offered have remained relevant.

Should these PIAs be passionate to remain sustainable in the long run (Allred 2005:2), they should become involved with the marketing of their respective PIA themselves. Allred (2005:2) also cites why it is critical to market PIAs namely, to keep abreast of current matters and give advice to role players in its specific market.

From the above it is evident that marketing of PIAs is an essential tool that could ensure the long-term survival of a PIA, being constantly changing to the needs of its members and remaining relevant in the market.

2.6 INSTITUTIONAL IMAGE AND REPUTATION

According to Nguyen and LeBlanc (2001:303) institutional image encompass two components namely, a functional component and an emotional component. The functional component refers to measurable, concrete attributes whereas the emotional component is related to feelings and attitudes towards an organisation - the more psychologically focussed dimensions. These feelings and ideas are formed by individual experiences that people have with organisations during which these individuals evaluate and contrast the various qualities and characteristics of the organisations.

However, the process of building an institutional image is a protracted process which can be fast tracked through technological breakthroughs but can very easily be ruined by neglecting the needs and expectations of the organisation, according to Dichter (1985) and Herbig *et al.* (1994), as quoted by Nguyen and LeBlanc (2001:304).

After having examined institutional image, the concept of institutional reputation will be discussed next.

According to Nguyen and LeBlanc (2001:304), research regarding institutional reputation mainly focuses around three aspects, namely economics (reputation in terms of the quality and price of a product or service), organisational theory (reputation being a social identity that contributes to an organisation's performance and even survival) and marketing (credibility of the organisation). In defining institutional reputation Nguyen and LeBlanc (2001:304) argues that as is the case with institutional image, reputation is formed through a process of accumulating credible judgements over a period of time. However, what is important to note is that although reputation is built over a long period, the destruction of reputation can happen overnight, especially when an organisation

fails to deliver on its promises to customers/clients – which will result in a negative reputation.

Linking image and reputation Nguyen and LeBlanc (2001:305) propose that both image and reputation deals with external perceptions of the specific organisation. Image is the portrayal of the organisation in the mind of the customer, with reputation being the degree of trust (or distrust) in the ability of the organisation to meet the needs of its customers. This implies therefore that both image and reputation are the result of an aggregate process incorporating various factors used by the customer in determining its perception of the organisation according to Nguyen & LeBlanc (2001:305).

To summarise the discussion of institutional image and reputation, it is quite evident that institutional image and reputation is closely related to brand performance, which will be discussed in detail later.

2.7 CRITICISMS AGAINST THE FOUR P'S

According to Christopher *et al.* (1991:10) the traditional four P's model of McCarthy (1960) has been enshrined in marketing theory but less so in marketing practice. However, the traditional marketing approach of the four P's (price, product, promotion and place) has been widely criticized in literature. Some of these criticisms will be discussed next.

Strydom *et al.* (2004:17) quote Christopher *et al.* (1991:10-11) whom have already proposed in the 90's that additional variables or marketing instruments as some authors coin the four P's namely people, processes and performance of customer service should be an integral part of marketing.

Other examples of these include political power, public opinion formation, participants, physical evidence and process, public relations, probe, partition, position, performance and positive implementation which have all been proposed by intellectualists like Judd

(1987), Kotler (1986), Booms and Bitner (1982) and Baumgartner (1991), all quoted by Harwood *et al.* (2008:8).

As is evident from the examples presented above, the over-emphasis on variables starting with the letter “P” has to an extent derailed the whole research process since many other (sometimes more relevant elements/variables) have been overlooked (Harwood *et al.* 2008:9), such as business to business marketing and inter-organizational marketing. Grönroos (1995:410) was of the opinion that the important aspect is whether the organization is able to manage its resources to create a holistic offering over time that evolves into acceptable customer value.

Harwood *et al.* (2008:7) has also felt that the traditional marketing approach does not encapsulate the essence of ongoing or relational exchanges. To this effect they cite the following criticisms against the traditional marketing mix in that it:

- assumes that all customers are similar and may be treated in a standardized way;
- assumes customers are passive absorbers of marketing information – one way marketing with limited interaction between seller and buyer and between buyers;
- assumes that short term, once-off transactions through an exchange of money – ignores value added in terms of additional services (e.g. relationships) offered;
- oversimplifies the variables required in the marketing context – fails to capture the broader complexity inherent in many markets.

To conclude the matter of the criticisms against the principle of the traditional four P’s of McCarthy (1960), Gummesson (2002:40) feels that although the four P’s will always be important in marketing, the application thereof will be different in terms of the relationship marketing paradigm.

From the above and other criticisms, it is apparent that the four P’s approach is too restrictive to successfully portray the various relationships that are created through marketing as a construct.

2.8 UNIQUE RELATIONSHIP CREATION

The natural progression that the research followed was to interrogate these unique relationships further. In fact Harwood *et al.* (2008:9) quotes Gummesson (1987), Moller (1992) and Grönroos (1994) whom proposed that there was a paradigm shift in marketing away from the traditional (four P's) view towards a more relationship orientated approach and the creation of unique relationships.

According to Garcia de Madariaga and Valor (2007:427) the key success factor needed to survive in mature markets is the creation and sustaining of long-term relationships with all role-players and customers. This view is underlined by Bhardway (2007:57) when stating that in order for any organisation to be successful, the marketing efforts should be focussed on transforming normal customers into loyal customers through the establishment of long-term relationships with these customers.

Since it is apparent from the above that marketing efforts should focus on the creation of long-term and lasting relationships, the term "relationship marketing" will be described next.

2.9 RELATIONSHIP MARKETING

A myriad of definitions of relationship marketing exists in the literature, all emanating from research done by various authors. However, consensus amongst these authors on exactly what defines relationship marketing has not been reached yet.

In an attempt to consolidate the definitions of relationship marketing, Harker (1999:14) came up with seven conceptual categories or categories of relationship marketing namely creation, developing, maintenance, interactive, long term, emotional content and output which he used to classify a number of definitions by well-known authors. The results of this classification are attached as Appendix A.

More recently Das (2009) again reviewed the relationship marketing literature from 1994-2006. Agariya and Singh (2011:206) used Das's analysis as well as the reviews of Harker (1999), Ngai (2005) and Kevork and Vrechoppoulos (2009), to come up with a summary of 72 relationship marketing definitions. Appendix B contains Agariya and Singh's list.

Very early research on the matter of relations were done by McGarry (1950, 1951, 1953 and 1958), Alderson (1965) and Adler (1966), as quoted by Panda (2002). Panda (2002:159) further contends that the earlier work by McGarry was not publicised extensively and his ideas did not cause the same kind of interest caused by the focus on inter- and intra-channel cooperation as proposed by Wroe Alderson (1965) and Adler (1966), both quoted by Panda (2002) that observed the intermediary relationships between firms that were not linked by an established marketer.

Most researchers agree that the term relationship management has first been used at a conference of the American Marketing Association in 1983 by Leonard Berry in a paper presented at the conference. Berry (1983:25) defined relationship marketing as "attracting, maintaining and – in multi-service organisations - enhancing customer relationships" – also quoted by Parvatiyar and Sheth (2001:4). However, Agariya and Singh (2011:206) found that Hammarkvist *et al*. (1982) were in fact the first authors to define the term relationship marketing.

Relationship marketing is viewed by Levitt (1983) as a process consisting of awareness, exploration, expansion, commitment and dissolution. Jackson (1985:120) defines relationship marketing as "marketing concentrated towards strong, lasting relationships with individual accounts" (also quoted by Agariya & Singh, 2011:207).

Christopher *et al*. (1991:7) argues that relationship marketing has a duel focus and is "concerned with both the act of making the offer different and its evaluation by customers over time." It also implies a consideration (Christopher *et al.* 1991:9) of not just better relationships with customer and internal markets but the development and enhancement of relationships with supplier, employee, referral and stakeholder

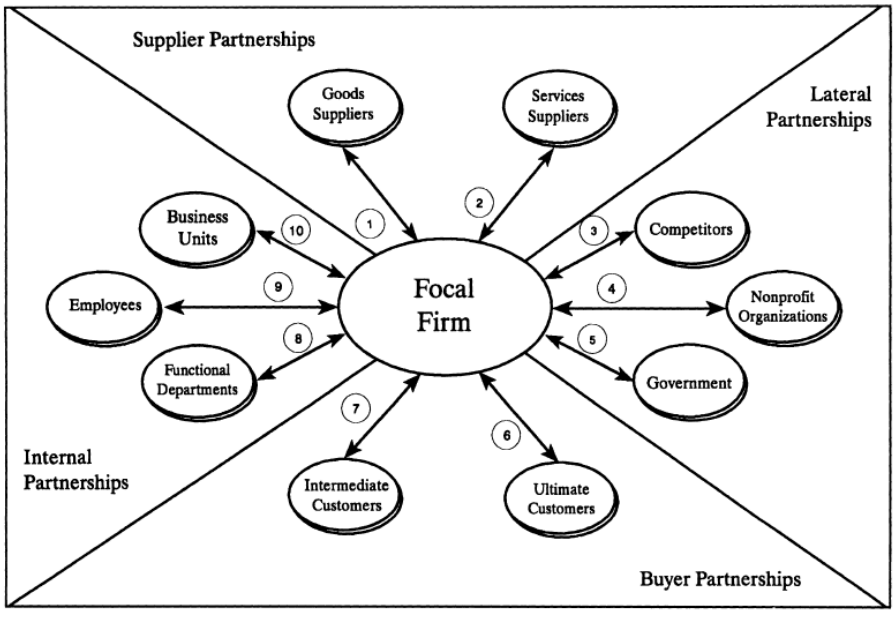
markets. Berry and Parasuraman (1991) agree that relationship marketing comprise the attracting, developing and retaining of customer relationships - also quoted by Brito, (2011:68) and Agariya and Singh (2011:207).

Gummesson (1994:2) argues that relationship marketing is marketing seen as relationships, networks and interaction. Similarly, Morgan and Hunt (1994:22) define relationship marketing as all marketing activities directed toward establishing, developing and maintaining successful relational exchanges.

Brito (2011:69) argues that the Morgan and Hunt definition does distinguish the difference between transactional and relationship marketing, in that with transactional marketing aims to deliver value to the customer whereas relationship marketing tends to focus on the customer being involved in the value creation process.

Morgan and Hunt (1994:21) further categorise relational exchanges in relationship marketing into 4 categories namely supplier partnerships, lateral partnerships, buyer partnerships and internal partnerships. Within these categories they have identified ten forms of relationship marketing, which are furnished in Figure 2-1 below:

Figure 2-1: Forms of relationship marketing



Source: Morgan and Hunt (1994:21)

Berry (1995:236) later outlined five strategy elements, which are further entrenched in later research conducted by Sheth and Parvatiyar (1995), Parvatiyar and Sheth (2001) through which relationship management can be practiced, namely:

- Develop a core service around which a customer relationship can be built;
- Customise the relationship to the individual customer;
- Augment the core service with extra benefits;
- Pricing services to encourage customer loyalty; and
- Marketing to employees so that they will perform well for customers.

Furthermore relationship marketing literature distinguishes relationship marketing activities among three levels, namely:

- Activities that rely mainly on pricing incentives (Berry, 1995:240) or economic incentives (Fruchter and Sigué, 2004:144) to ensure customer loyalty;
- Activities relying mainly on social bonds (Berry, 1995:240) or tactics with social attributes (Fruchter and Sigué, 2004:144) to personalise and customise the relationships and offer social and psychological benefits (feelings of comfort and security) to customers (Panda 2002:164); and
- Activities that rely on structural marketing solutions (Berry, 1995:240; Fruchter and Sigué, 2004:144) to deal with important customers' problems.

According to Nevin (1995:327), Parvatiyar and Sheth (2001:3) and Sheth *et al*. (2012:3-4) there are differing perspectives reflected in relationship marketing, namely:

- Promotional efforts and funds to flow to targeted customers identified through marketing databases of current and potential customers;
- Focussing on individual customers & building close relationships with them;
- Keeping/retaining existing customers through various customer bonding efforts like follow-ups after the initial sale; and
- Putting customer service first – shifting the marketing effort from manipulating the customer towards authentic customer involvement.

Buttle (1996) states that relationship marketing is concerned with the development and maintenance of mutually beneficial relationships with strategically significant markets (also quoted by Agariya and Singh, 2011:207). Grönroos (1996:7), Hunt *et al.* (2006:73) and Brito (2011:68) describe relationship marketing comprehensively as "to identify and establish, maintain, and enhance relationships with customers and other stakeholders, at a profit, so that the objectives of all parties involved are met – this is done by a mutual exchange and fulfilment of promises."

Gruen *et al.* (2000:35) argues that although there are a vast number of different PIAs, they provide that ideal testing ground for the development and testing of theories of membership relations. These relationships are characterized by a formal agreement that entails the payment of an annual membership levy/fee. However, since these PIAs are usually managed by its own members, there are excellent opportunities for co-production by members towards the PIAs (Gruen *et al.* (2000:35)). Raimondo (2000) defines relationship marketing as all those activities that aim to establish, develop and maintain exchange relationships with customers. Gummesson (2002:39) defines relationship marketing as marketing based on relationship, network and interaction, recognising that marketing is embedded in the total management of networks of the selling organisation, the market and society.

There are some basic conditions (core values and beliefs) that forms the basis of relationship marketing according to Gummesson (2002:50-53) which include values like each customer is an individual and the value of long term relationships. Gummesson (2002:54) argues that relationship marketing is geared toward relationships and service values, that includes collaboration and co-production of value; a focus on the individual instead of the masses; long term relationships being more profitable than singular transactions; all parties being winners; and interaction being preferred over one-way communication.

According to Strydom *et al.* (2004:18), relationship marketing demands a broader view of the market, especially the smaller groupings that all have an influence on the marketing effort. They propose that close relationships be built and maintained with

current and potential customers, suppliers, current and potential employees, reference groups (word-of mouth and repeated purchaser) and Influencers/stakeholders (government and NGOs). This definition is emphasized by Alrubaiee and Al-Nazer (2010:157) quoting Badrinarayanan (2005), when they conceptualise a relationship marketing competence as a firm's ability to identify, develop and manage cooperative relationships with key customers characterised by trust, commitment and communication.

The definition coined by Morgan and Hunt (1994:22) that relationship marketing refers to all marketing activities directed toward establishing, developing and maintaining successful relationship exchanges, has recently been quoted by various authors, including Mishra and Li (2008:31) and Sorce (2002:11), who reiterate that Morgan and Hunt was the pioneers to propose that the reason for relationship marketing would be to build trust and commitment with customers and stakeholders.

Lambert (2010:4) describes customer relationship management as a strategic, process-orientated, cross-functional, value creating for buyer and seller, and a means of achieving superior financial performance. Alrubaiee and Al-Nazer (2010:156) suggest that certain aspects of cooperative relationships that characterise successful relational exchanges eventually result in successful relationship marketing.

The development of relationship marketing can be summarized as follows:

Table 2-1: Development of relationship marketing

Year	Author/s	Developments / contribution
1977	Ryans and Wittink	Argues that many service forms does not encourage customer loyalty
	George	Improving performance of service personnel in order to retain customers
1981	Grönroos, Berry	
	Levitt	Intangible products marketed to ensure repeat purchases
1983	Berry	First mention of the term "relationship marketing"
	Grönroos	Customer relationship lifecycle's service risk point identification
1985	Jackson	Differentiation between relationship marketing and transaction marketing
1987	Gummesson	Developing long-term relationships between suppliers and

Year	Author/s	Developments / contribution
		customers, integrating services
1991	Christopher, McKenna	First marketing book on relationship marketing published
1993	Peppers & Rogers	Direct Marketing (one-on-one customer contact)
1995	Sheth & Parvatiyar	Database Marketing
	Nevin	Relationship Marketing in distribution channels
	Wilson	Integrated model of buyer-seller relationship
	Berry	State of relationship marketing in services marketing
	Möller & Wilson	Broadening of interest in networks
1996	Iacobucci	
1997	Woodruff	Next source of competitive advantage
1998	Gwinner *et al.*	Relational benefits in services industries
2000	Buttle	Customer Relationship Management
2001	Du Plessis, Jooste & Strydom, Szymanski & Henard	
2002	Gummesson	Network of relationships
2003	Sharp	Four stages - interaction, analysis, learning & planning
2004	Fruchter & Sigué	Building a relational commitment
2005	Berndt, Herbst & Roux	Customer Relationship Management
2006	Ehigie	Good relationships with customers essential for business continuity
2007	Journal of Public Policy and Marketing	Special issue dealing with the American Marketing Association's new definition of marketing
2008	Ramani & Kumar	Process for developing innovation capability and providing lasting competitive advantage
2011	Brito	Origins of relationship marketing in three areas – distribution channels, industrial marketing and service marketing

Source: Adapted from Ballantyre *et al* (2003:159-160), Berry (1995:236-245), Nevin (1995:327-334), Agariya and Singh (2011:207-211) and Hult and Ferrell (2012:3)

2.10 APPLICABILITY AND RELEVANCE OF RELATIONSHIP MARKETING TO PROFESSIONAL INSTITUTES AND ASSOCIATIONS

According to Gruen *et al.* (2000:34-49) not much research has been done on how membership organizations can use their marketing actions to influence the commitment of their members and their combined relational behaviours. In their research they

conceptualized and researched professional organizations' relationship building efforts, especially the relationships prevailing in these organizations. They found that these relationships are generally characterized by formal agreements which include regular payments and an annual membership renewal (Gruen *et al.* 2000:35). What is most relevant to this study is that they found that ample opportunity exists in professional institutes/associations for coproduction since most of these institutes/associations depend heavily on members to create and deliver much of the benefits that members of these organizations enjoy as part of their membership (Gruen *et al.* 2000:35).

Huang (2009:181) states that membership relations in PIA's form a unique milieu in which relationship marketing efforts are aimed at the preservation of long-term relationships between the PIA and its members.

Research on channel relationships (Brown, Lusch & Nicholson (1995); Kumar, Scheer & Steenkamp (1995); Morgan & Hunt (1994); as quoted by Gruen *et al.* (2000:34)), focus on a small number of customers and the possibility of these customers defecting.

However, the research on membership relationship (Bhattacharya (1998); Blattacharya, Rao and Glynn (1995); also quoted by Gruen *et al.* (2000:34)) the focus is on a relative larger amount of customers and their collective behaviours like membership retention rates, coproduction of members, members volunteering their services and participation in exercising membership benefits (Gruen *et al.* 2000:34).

2.11 BRAND LOYALTY

Defining brand loyalty has been attempted by various authors since the early 20th century, some efforts being more successful than other. Knox and Walker (2001:113) contend that most of the researchers on brand loyalty have focussed on an empirical definition for brand loyalty, instead of a theoretical definition. All of this research has resulted in a myriad of definitions in the literature - the sheer volume of these definitions can be quite bewildering. However, in order to determine what exactly brand loyalty is, it

is very important to clarify the specific location of brand loyalty within the bigger picture of brand management.

Where does brand loyalty fit into branding? According to Kaynak *et al.* (2008:338), brand management is a very important factor in marketing strategies of any company eager to increase the image of its product in the modern, competitive marketplace. In defining strategic brand management, Keller (2003:44) argues that strategic brand management involves the design and implementation of marketing programs and activities to build measure and manage brand equity. He proposes four steps to this effect, namely:

- Identifying and establishing brand positioning and values;
- Planning and implementing brand marketing programs;
- Measuring and interpreting brand performance; and
- Growing and sustaining brand equity.

The terms brand equity and brand loyalty should not be confused. Strydom *et al.* (2004:211) argue that brand equity should be seen as the added value that a brand name brings to a product beyond the product's functional life. Since such value gives the customer a sense of confidence, the product is more likely to be considered and chosen.

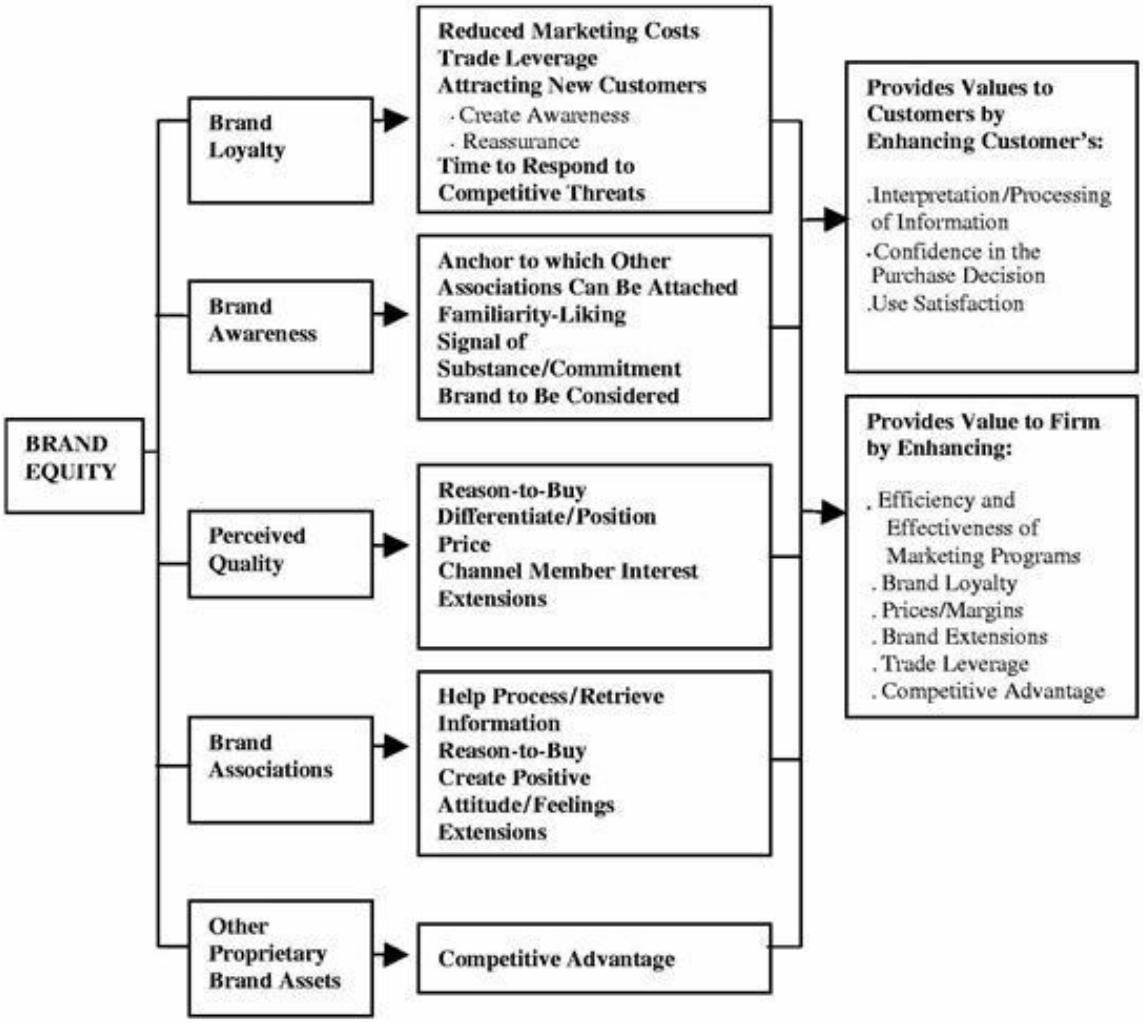
Brand loyalty is not the same as brand equity – brand loyalty, according to Kaynak *et al.* (2008:340), is a sub-component of brand equity. This view is shared by Xu and Chan (2010:182) when they categorise brand equity into attitudinal aspects (brand loyalty) and behavioural aspects (brand knowledge that includes brand awareness and brand association).

Kotler and Armstrong (2010:260) define brand equity as the different effect that knowing the brand name has on customer response to the product and its marketing. Following on the above, Kaynak *et al.* (2008:339) defines brand equity as the total value of the

sentiment towards the brand in the minds of customers, dealers, distributors and competitors over a period of time.

Aaker (1991:9) proposes five major asset categories of brand equity (see Figure 2-2) with brand loyalty being a subcomponent of brand equity, namely:

Figure 2-2: Brand equity asset categories



Source: Kaynak *et al.* (2008:340)

So what is brand loyalty then? Oliver (1999) is quoted by various authors like Li and Petrick (2008:72), Chaudhuri and Holbrook (2001:82) and Sorce (2002:9) when defining brand loyalty as "a deeply held psychological commitment to re-patronise a preferred product/service consistently in the future, thereby causing repetitive same-brand or

same brand-set purchasing despite situational influences and marketing efforts having the potential to cause switching behaviour."

Brand loyalty is one of the strongest measures of a specific brand's value since customers may insist on a particular brand given that the brand is perceived as being good. This was the case with Mercedes Benz for a number of years but the economic meltdown has distorted this to a certain extent, but more about that a little later.

It is an economic fact that customer retention is far cheaper than acquiring new customers from scratch according to Knox and Walker (2001:112), Reichheld and Sasser (1990), Reichheld (1996) and Birgelen *et al.* (1997), and this makes proper economic sense. The success of most businesses is to a greater extent dependent on the ability to firstly attract customers to its product, but secondly and more importantly to retain these customers. According to Kuusik *et al.* (2009:140), several reasons can be cited for rather spending time and money on the retention of loyal customers. These reasons are the reduction of marketing costs, lower customer management costs, increasing purchases, reduction of risks and positive word-of-mouth. Reichheld (1996) shares this view about word-of-mouth referrals and adds that loyal customers are usually willing to pay a premium.

Strydom *et al.* (2004:117) explains that brand loyalty differs from customer to customer according to their differing perceptions of the specific brand. On the one end of the scale you have the so-called "switchers" whom are consumers that show no loyalty towards your brand – they will easily switch to another brand. On the other end of the scale are the "hard-core" loyalist - these customers are very loyal and will stick with your brand even during challenging times. They are the typical customers that do repurchasing and all marketing efforts should be heavily focused towards retaining them.

Now that brand loyalty as construct has been defined, the following discussion will focus on recently developed brand loyalty models.

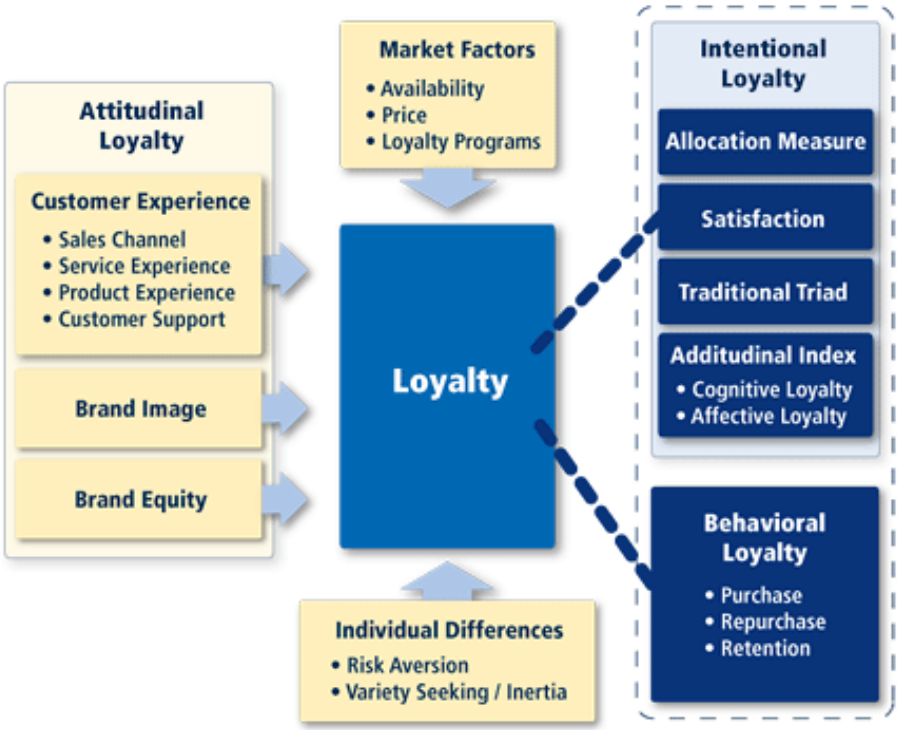
2.12 BRAND LOYALTY MODELS

There are a vast number of loyalty models in the literature. Some of these models will be discussed below.

2.12.1. Maritz Multidimensional Loyalty Model

The Maritz Multidimensional Loyalty Model examines both attitudinal and behavioural loyalty – it investigates attitudinal loyalty from a multidimensional perspective. The model creates a comprehensive view of loyalty by deconstructing it into proven loyalty ingredients including marketplace factors, individual psychographic differences, customer experience attributes and brand factors. It also includes several measures of respondent intentional loyalty that have been shown to be more predictive of customer loyalty than traditional measures. It is then teamed with behavioural information for a total view of customer loyalty.

Figure 2-3: Maritz Loyalty Model



Source: Maritz Institute (2009)

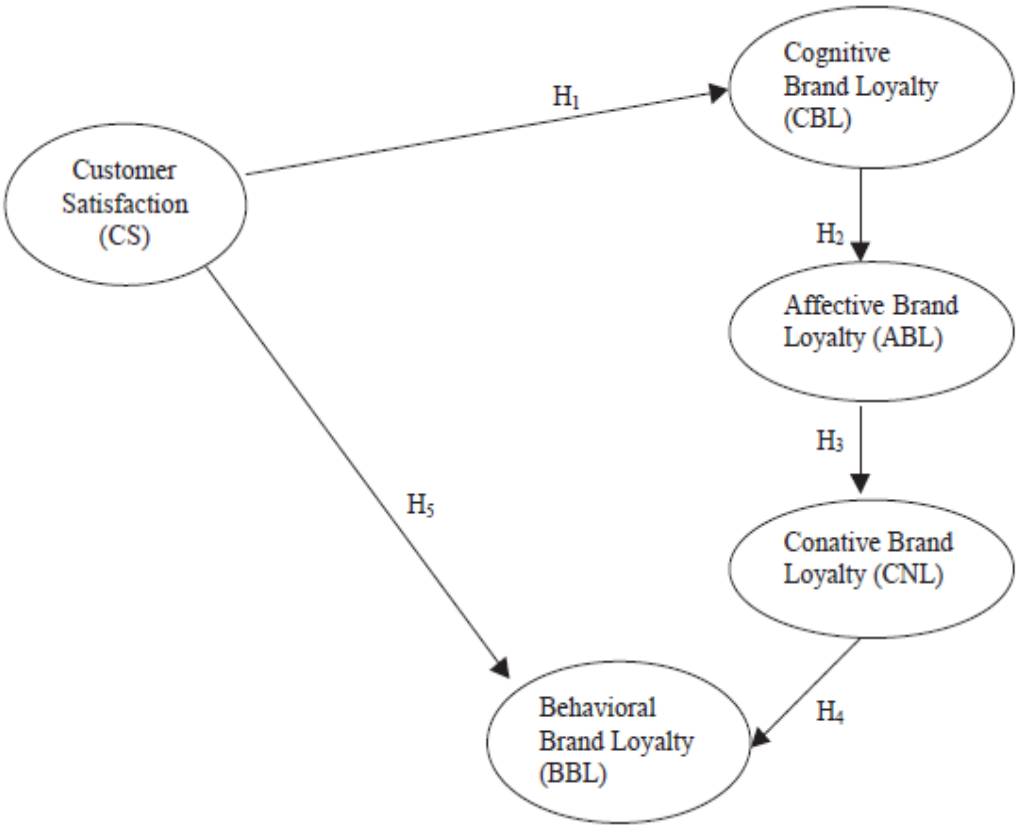
By taking a comprehensive approach to loyalty, the Multidimensional Loyalty Model incorporates both attitudinal and behavioural loyalty – therefore it accurately identifies the most important drivers of loyalty – key drivers to prioritize the strengthening and building of loyal customers.

2.12.2. Conceptual Model of Back and Parks (2003)

The conceptual model that Back and Parks (2003:423) developed through their research explains the relationships between the constructs of customer satisfaction, and attitudinal and behavioural brand loyalty as well as the relationship between cognitive, affective, conative and behavioural brand loyalty.

Figure 2-4 depicts a graphical representation of this model.

Figure 2-4: Conceptual Model of Back and Parks

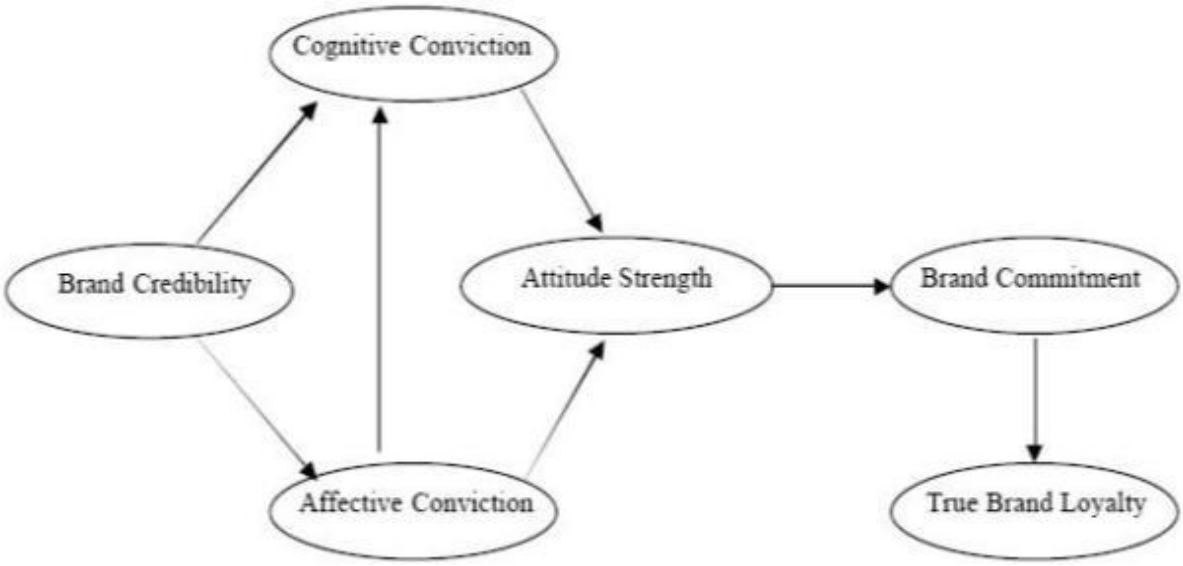


Source: Back and Parks (2003)

2.12.3. Six Constructs Model of Kim *et al.* (2006)

This model was developed by Professors Joo-Young Kim and Jon Morris in 2005. Their research identified five factors that may lead to changes in true brand loyalty namely, brand commitment, attitude strength, cognitive brand conviction, affective brand conviction and brand credibility. They then used the Structural Equation Model to establish the relationships between these factors.

Figure 2-5: Six Constructs Model



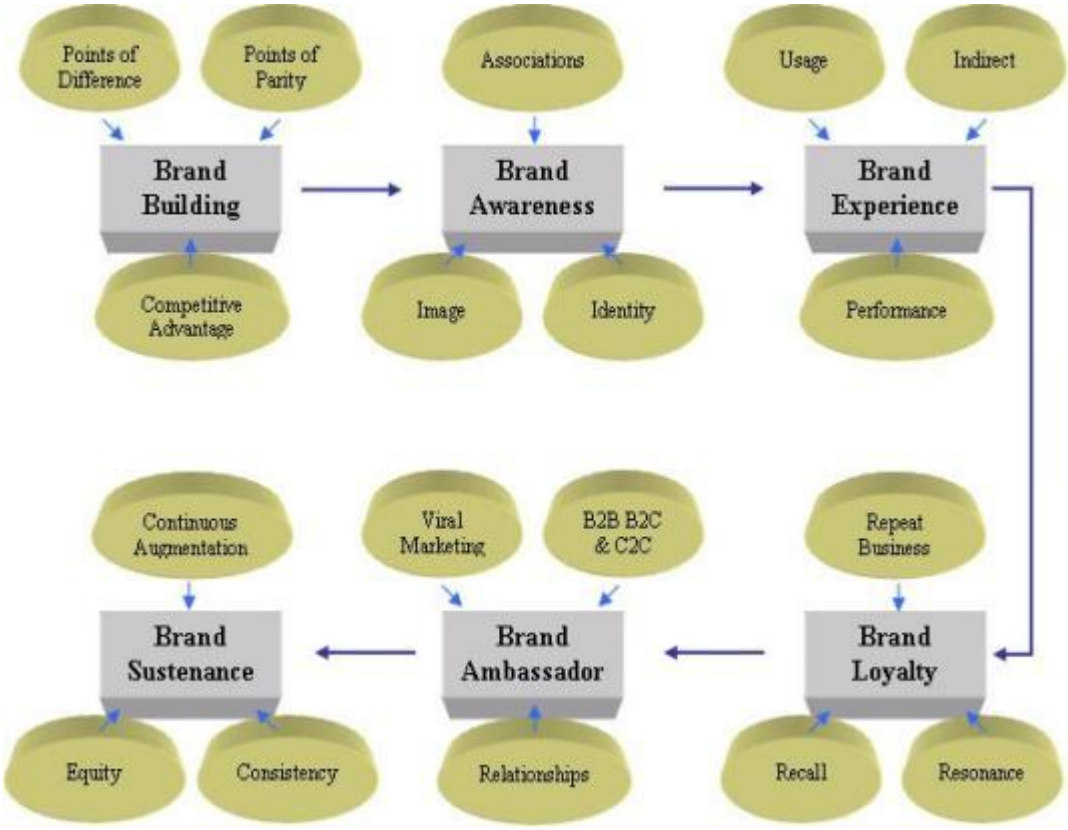
Source: Kim *et al.* (2006)

Note: When presented at the 2006 Annual Academy of Advertising Conference, it was adjudged to be the Best Conference Paper.

2.12.4. Brand Experience and Sustenance Model of Krishnamurthi and Ramji (2007)

This model was developed to have a better understanding of the different parameters that are involved in the creation of brand sustenance.

Figure 2-6: Brand Experience and Sustenance Model



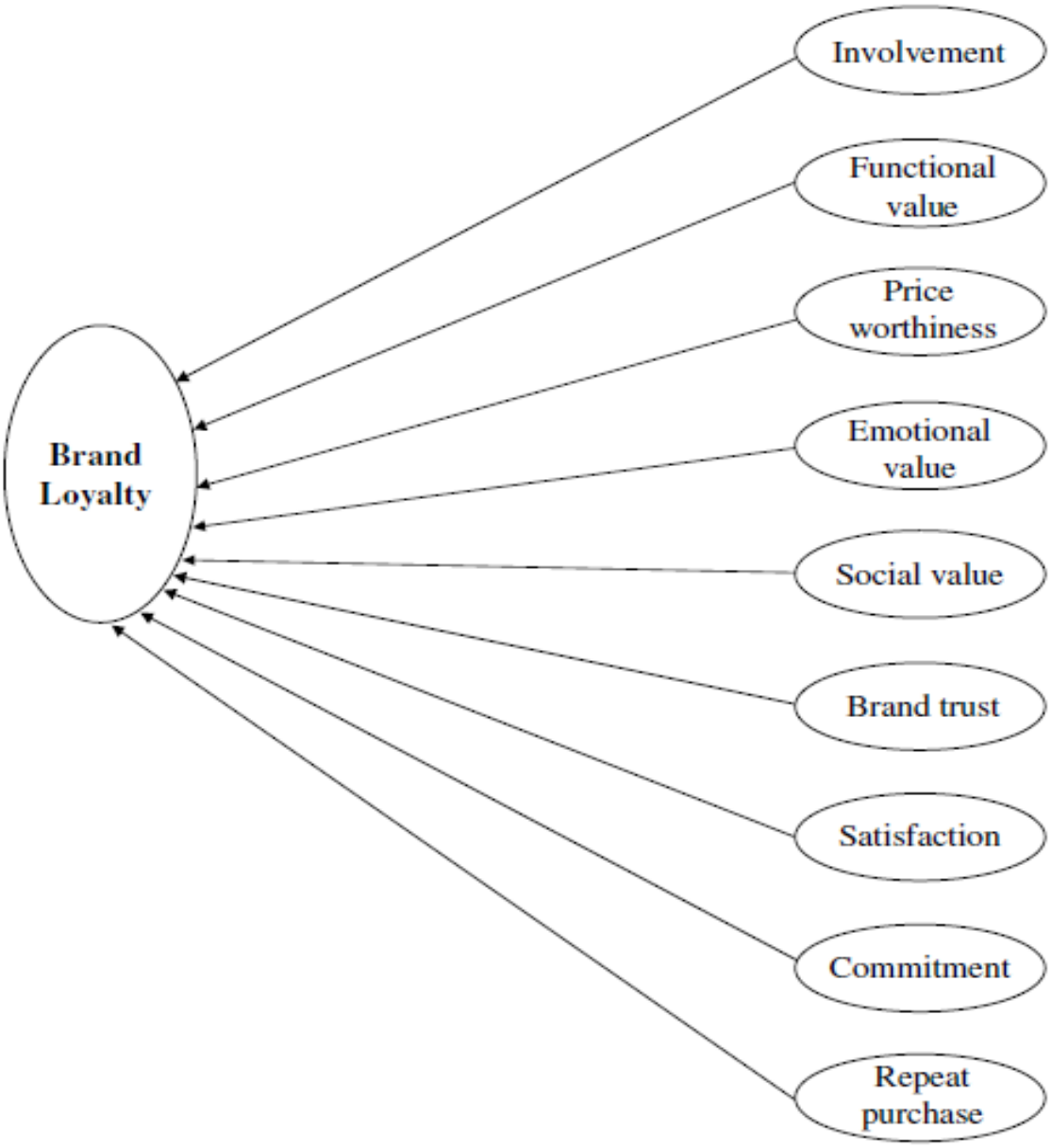
Source: Krishnamurthi and Ramji (2007)

Each of these parameters is "influenced by the consumers and their experience acts as the bridge between building a brand from inception to its sustenance through brand loyalty" (Krishnamurthi and Ramji 2007:1).

2.12.5. Nine–constructs brand loyalty model of Punniyamoorthy and Raj (2007)

The multidimensional nature of brand loyalty is supported by Punniyamoorthy and Raj (2007:226), who proposes that brand loyalty can be measured through the following nine constructs, namely involvement, functional value, price worthiness, emotional value, social value, brand trust, satisfaction, commitment and repeat purchase. The model was developed using previous research on the matter of brand loyalty for example Sweeney and Soutar (2001), Delgado (2003) and Pritchard *et al.* (1999).

Figure 2-7: Nine-construct Brand Loyalty Model

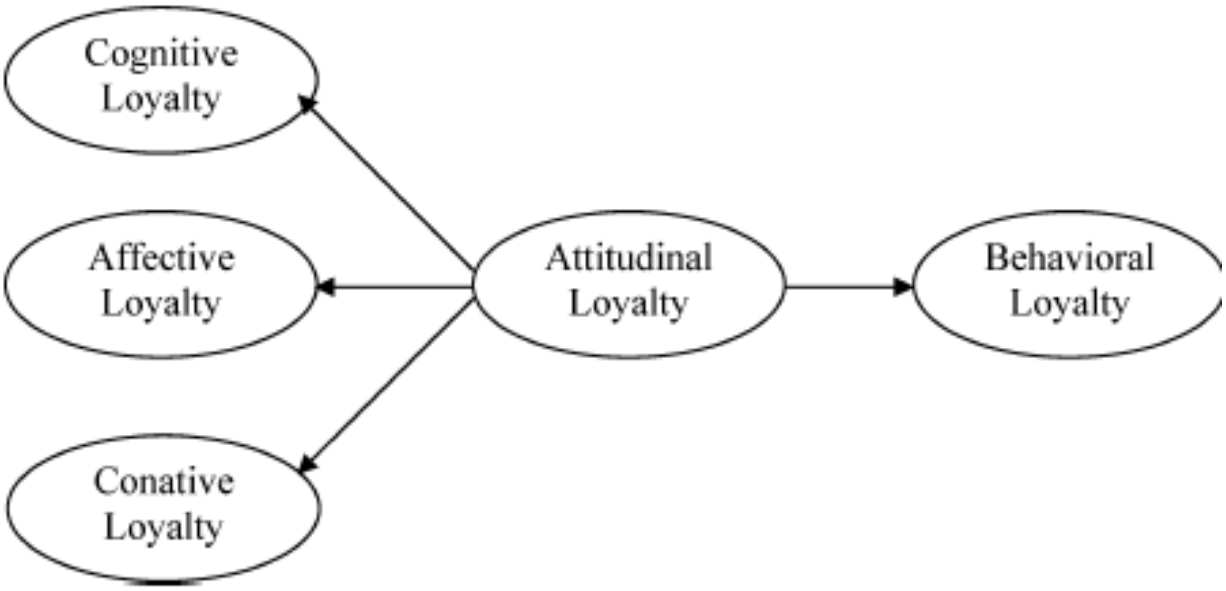


Source: Punniyamoorthy and Raj (2007)

2.12.6. Four-dimensional construct of Li and Petrick (2008)

This model was recently developed (2008) by Li and Petrick. It conceptualizes loyalty as a four-dimensional construct comprising of cognitive, affective, cognitive and behavioural components. The first three as a collective signify a factor attitudinal loyalty which then refers to behavioural loyalty (Li and Petrick (2008:72)).

Figure 2-8: Four Dimensional Construct



Source: Li and Petrick (2008)

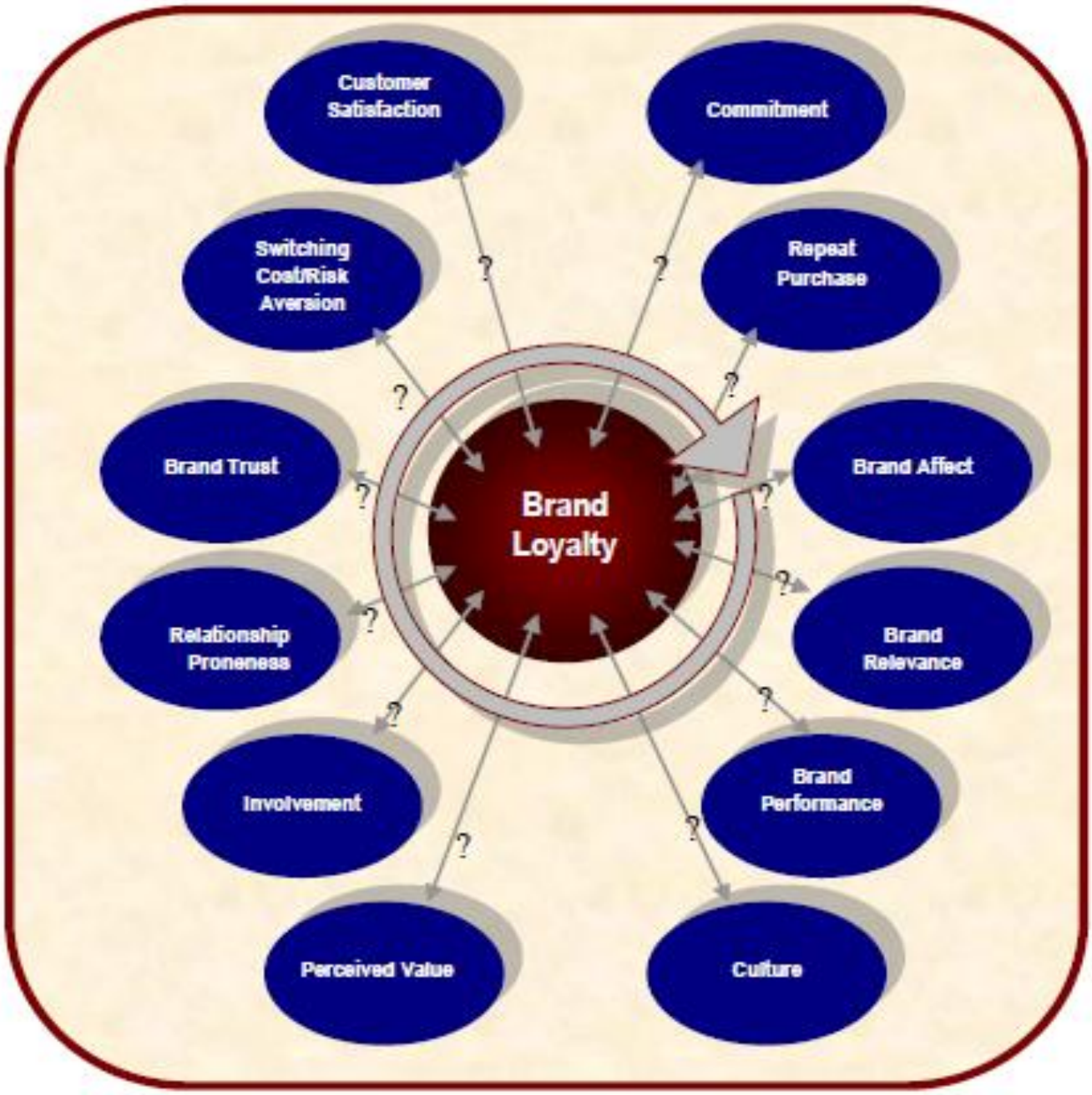
The biggest development that this model proposes is the elevation of attitudinal loyalty to a high-order factor. This means that the model actually incorporates, rather than invalidates the traditional two-dimensional view of loyalty (Li and Petrick, 2008:74).

2.12.7. Twelve Dimensional Brand Loyalty Model of Moolla (2010)

The multi-dimensional model of measuring brand loyalty as proposed by Moolla (2010) comprises of twelve dimensions or influences associated with brand loyalty. These dimensions have been tested through scientific research done by various authors (Moolla, 2010:147) to have a positive impact and influence on brand loyalty as a construct.

The dimensions measured in this model will be defined and discussed in detail below under paragraph 2.13 (Model Specific Brand Loyalty Dimensions) but is depicted graphically in Figure 2-9.

Figure 2-9: Twelve Dimensional Model of Brand Loyalty



Source: Moolla (2010:144)

Moolla has also identified various sub-influences (Moolla 2010:145) for each of the above dimensions which are contained in Table 2-2 below:

Table 2-2: Dimensions and sub-dimensions of brand loyalty

Dimensions	Sub-dimensions
Customer Satisfaction	Contentment, Attributes, Repeat purchase
Switching Costs	High Costs, Effort, Economy
Brand Trust	Confidence, Consistency
Relationship Proneness	Duration, Personality Match
Involvement	Usage, Arousal
Perceived value	Functional Value, Emotional Value, Price Worthiness
Commitment	Brand Community, Substitutes, Price effects
Repeat Purchase	Habitual, Innovate, Loyalty Programmes
Brand Affect	Emotion, Connection
Brand Relevance	Perception, Positive, Symbol
Brand Performance	Communication, Switch on Performance, Top Performance
Culture	Religion, Race, Family

Source: Moolla (2010:145)

Based on the above, a brand loyalty questionnaire was developed comprising of 50 questions, which Moolla administered to 550 post graduate management students.

In the Areas for Future Research of his thesis (Moolla, 2010:221), he mentioned that the services sector might be an area of future research. The intention with this study is to utilise this model developed by Moolla to determine the brand loyalty within a services environment, specifically with respect to the professional institute or association (PIA).

2.13 MODEL SPECIFIC BRAND LOYALTY DIMENSIONS

2.13.1. Customer Satisfaction

One of the core principles in marketing of a product or service to customers has been to ensure that the customer is satisfied with the delivery of the product or service. It has also been generally accepted that satisfied customers usually are the return-purchase customers. Kotler and Armstrong (2010:37) define customer satisfaction as the extent to which a product's perceived performance matches a customer's expectations. Just satisfying your customers might have been sufficient in the past, but in the modern business environment which has become extremely competitive, it has been proven undeniably that mere satisfied customers is no longer enough to remain ahead of your competitors. What therefore is quite evident is that only when a specific customer's expectations are exceeded, the customer will be highly satisfied or delighted with the product or service, and in the process be more loyal to a specific brand.

Danaher and Mattson (1994:5) establish that customers evaluate all the service encounters as an all-encompassing process and not only the actual interactions with the service provider when they determine their satisfaction level. Similarly Punniyamoorthy and Raj (2007:225) quote Westbrook and Olivier (1991) when they argue that customer satisfaction mediate customer learning from prior experiences as well as clarify certain post-purchase actions by customers such as complaints, word-of-mouth, repurchase intent and product usage.

From the above it is apparent that in order to remain focussed and ahead of its competition in a modern environment, it is crucial that customers are kept highly satisfied – building a mutually beneficial relationship is one of the ways of excelling in customer satisfaction and to be economically viable and sustainable in the long run.

Many researchers have in the past used customer satisfaction as one of the myriads of variables to measure brand loyalty (Moolla, 2010) with great success and will also be

used in this study. It is therefore safe to declare that customer satisfaction can be used to measure brand loyalty.

Hypothesis: Higher level of consumer satisfaction will lead to higher brand loyalty.

2.13.2. Switching Costs

Broadly defined, switching costs can according to Jones *et al.* (2002:441) be defined as the perceived economic and emotional costs associated with changing from one alternative to the other – in other words those barriers that keep customers in specific service- or product relationships, which in fact is the level of brand loyalty of these customers. Similarly Dwyer *et al.* (1987:14) argues that a buyer's expectation of incurring high switching costs, should give rise to the buyer's interest in maintaining a quality relationship. The higher the cost of switching brands, the lower the probability that these customers will switch brands.

The following research has also determined that switching costs are multidimensional in nature with consumers incurring various costs when deciding whether or not continued patronage of a specific brand should be considered. Jones *et al.* (2002:442) propose three dimensions of switching costs (detail contained in Annexure B), namely continuity costs (made up of lost performance costs and uncertainty costs), learning costs (divided into pre-switching searching and evaluation costs, post-switching behavioural & cognitive cost and set-up costs) and sunk costs (costs already incurred).

Klemperder (1987:375-376) continues with the multidimensional nature of switching costs by proposing three types of switching costs, namely transaction costs (incurred when switching brands e.g. when closing accounts), learning costs (incurred while learning how to use the product or service) and artificial or contractual costs.

Then Klemperder (1995:517) proceeds by establishing that switching costs result from a physical investment in equipment or in setting up a relationship, an informal investment in finding out how to use a product, an artificially-created investment when buying a

high-priced product and then getting subsequent products at a discounted price or lastly a psychological investment.

Hypothesis: Higher levels of switching cost will lead to higher brand loyalty.

2.13.3. Brand Trust

Chaudhuri and Holbrook (2001:82) define brand trust as the willingness of the average consumer to rely on the ability of the brand to perform its stated function. Furthermore, brand trust is one of the important building blocks for the development of lasting relationships with customers. In the consumer-brand sphere, brand trust is regarded as a significant contributor to lasting long-term relationships (Punniyamoorthy and Raj, 2007:225) between a specific brand and the loyal customer. Raimondo (2000) affirms the above fact that trust is a vital element in developing continuous exchange relationships – in fact trust plays a fundamental role in relationship marketing.

Delgado-Ballester *et al.* (2003:35) are of the opinion that trust can be regarded as the foundation and most desired qualities in a relationship and is the most important attribute that a specific brand can own. Based on research done in the social psychology, sociology, management and marketing disciplines, Delgado-Ballester *et al.* (2003:35) conceptualise brand trust as "the confident expectations of the brand's reliability and intentions in situations entailing risk to the consumer.

Moorman *et al.* (1992:315) define trust as "a willingness to rely on an exchange partner in whom one has confidence". They contend that this definition highlights two approaches in the research towards trust that have developed. On the one hand there is the suggestion that trust is a belief, sentiment or expectation in the mind of one party about the trustworthiness of the other party that results from the other party's expertise, reliability or intentionality.

On the other hand trust can be regarded as a behavioural intention or behaviour that reflects the reliance of one party (being vulnerable and uncertain in the process) on the

other party. Moorman *et al.* (1992:315) argue therefore that both the above components (belief on trustworthiness and behavioural intention) must be present for trust to exist – this view suggests that trust is multidimensional in nature.

Continuing with the multidimensional nature of trust, Andaleed (1992), as quoted by Raimondo (2000) and various others, identified a system of categorising different levels of trust in market relationships by utilising a combination of two dimensions in different ways resulting in different types of trust.

Figure 2-10: Categories of trust

		ABILITY	
		High	Low
MOTIVES	Positive	Bonding trust	Hopeful trust
	Negative	Unstable trust	Distrust

Source: Andaleeb (1992) as quoted by Raimondo (2000)

Similarly Ganesan (1994) as quoted by Raimondo (2000), proposes two similar dimensions of trust, namely credibility (customer's belief that the supplier has the expertise to effectively and reliable carry out his/her role) and benevolence (customer's belief that the supplier performs on the basis of intensions that are advantageous to the customer).

Castaldo (1995) and Busacca and Castaldo (1996) quoted by Raimondo (2000), take the matter of multidimensionality of trust further by proposing a tri-dimensional concept to trust, adding the predictability of the behaviour of the customer to the dimensions proposed by Andaleeb (1992).

Raimondo (2000) concludes by defining trust as the willingness of one party to be vulnerable to the actions of a second party, based on the belief that the second party

will carry out a particular action for the first party, irrespective of the capacity to control the second party.

Hypothesis: Higher level of brand trust will lead to higher level of brand loyalty.

2.13.4. Relationship Proneness

Proneness according to Parish and Holloway (2010:62) refers to the notion that consumers have a general tendency toward something or some activity. They quote Lichtenstein *et al.* (1990) that define loyalty proneness as a consumer‘s inclination to buy the same brands over time rather that switching around to try other brands.

De Wulf and Odekerken-Schrȍder (2001:5) propose that relationship proneness of a buyer/customer is regarded as the behavioural tendency of a customer to actively maintain and enhance a relationship with one particular seller/brand. The relationship proneness of the buyer/customer through its behavioural tendency refers to the efforts of the buyer/customer to maintain and/or enhance the relationship with the seller/brand. The relationship proneness of the buyer/customer is also regarded as an active tendency – more than just a positive response by the buyer/customer. Lastly the relationship proneness is seller/brand specific.

De Wulf *et al.* (2001:38) suggest that customer relationship proneness should be defined within a particular product category. They also underline that customers have a conscious inclination to engage in relationships as opposed to a tendency based on inertia or convenience. Relationship proneness is regarded by Bloemer and Odekerken-Schrőder (2002:69) as a customer’s relative stable and conscious tendency to engage in relationships with retailers of a particular product category. Following on this Bloemer and Odekerken-Schrȍder (2006:252) believe that customers that exhibit a relative stable and conscious inclination to engage in a relationship with a brand are most likely to become a loyal customer. Although relationship-prone customers are according to De Wulf *et al.* (2001:38) more likely to enter into relationships, not all customers/buyers are necessarily willing to enter into relationships with sellers – in fact proneness to

engage in relationships varies across groups of customers (Bloemer and Odekerken-Schrȍder, 2006; Bendapudi and Berry, 1997; Christy *et al.*, 1996).

To conclude the literature study on relationship proneness, Parish and Holloway (2010:68) states that given the direct effect that relationship proneness has on both commitment and trust, future relationship marketing research should consider including relationship proneness in the models developed and used for relationship proneness measurements. Morgan and Hunt (1994:25) confirm the above-mentioned relationship between relationship proneness and commitment and trust. Therefore relationship proneness will have its part to play in this study.

Hypothesis: A higher level of relationship proneness leads to a higher level of brand loyalty.

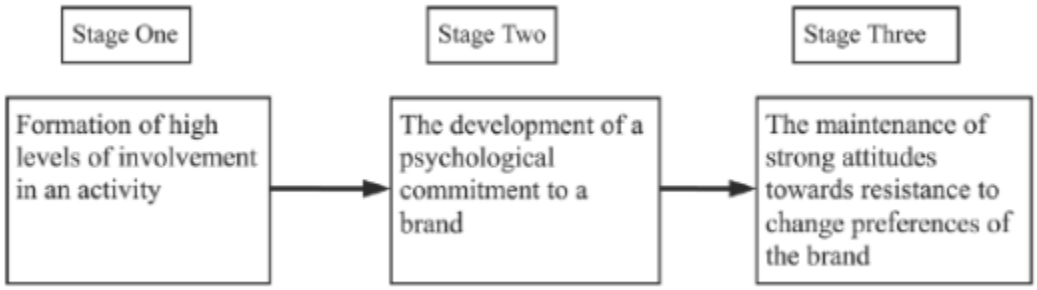
2.13.5. Involvement

Punniyamoorthy and Raj (2007:225) define involvement as an unobservable state of motivation, arousal or intent toward a specific product or service. Bennett *et al*. (2005:99) quote various authors when they define involvement as the general level of interest in the object or the centrality of the object to the person/customer's ego structure (Day, 1970:10), and that it depends on three factors (needs, externally prompted feelings of self-reliance and personal responses to the product/brand (Celsi and Olson, 1988; Engel *et al.,* 1987; Zaichowsky, 1985).

According to Quester and Lim (2003:22) the available literature suggests that if customer are more involved with a particular brand, chances are extremely good that the said customer is also more committed and therefore more loyal to the specific brand. This implies that a close correlation exists between brand involvement and brand loyalty. This correlation between an increase in involvement and an increase in attitudinal brand loyalty was also found by Bennett and Rundle-Thiele (2002) and Mellens *et al.* (1996) as quoted by Bennett *et al*. (2005:99).

However, Iwaski and Haritz (1998) as quoted by Quester and Lim (2003:23), proposed that there is a sequential psychological process to become loyal participants.

Figure 2-11: Psychological relationship between involvement, psychological commitment & behavioural loyalty



Source: Iwasaki and Haritz (1998:256-280) as adapted
by Quester and Lim (2003:23)

Research done by authors like Park (1996) and Kim *et al.* (1997) as quoted by Punniyamoorthy and Raj (2007:225), found that involvement is closely related to intentions and behaviours of customers. According to Gordon *et al.* (1998:447) involvement engenders an ongoing commitment from the customer with regard to thoughts, feelings and behavioural responses to a service or product. They are also of the view that there are opportunities for relationship marketing strategies to strengthen this commitment and conclude by stating that involved buyers are more likely to value the benefits of relationship marketing strategy and respond positively to these tactics.

Hypothesis: Higher level of involvement will lead to higher level of brand loyalty.

2.13.6. Perceived Value

Received value according to Punniyamoorthy and Raj (2007:225) represents a customer's overall assessment of the utility of a product based on perceptions of what is received and what is given - what this mean is that it is a process of comparing the "get" and "give" components of specific products or services. Musa (2005:47) is of the opinion that perceived value is outlined as a positive assessment of this trade-off in the consumption experience.

Previous research on this matter by Dodds *et al.* (1991), Voss *et al.* (1998), Parasuraman and Grewal (2000) as quoted by Punniyamoorthy and Raj (2007:225), have all found that perceived value contributes positively to loyalty and that a strong linkage exists between value and loyalty.

Hypothesis: Higher level or perceived value of the brand will lead to higher level of brand loyalty.

2.13.7. Commitment

Dwyer *et al.* (1987:19) defines commitment as an implicit or explicit pledge of relational continuity between exchange partners. This is the level in a relationship where the exchange partners have achieved a level of satisfaction from the interfaces between the partners that practically prevent other interactions that will deliver similar levels of satisfaction. It characterizes the highest level of relational bonding (Dwyer *et al.,* 1987:23) and in order to be valuable for both parties to remain committed it is described through three measurable dimensions (Dwyer *et al.,* 1987:19), namely:

- Inputs – relative high levels of inputs like economic and other resources are required;
- Durability – the commitment should be sustainable over time; and
- Consistency – the exchanges should be continuous or recurrent.

Since commitment is a key psychological force that links the customer with the seller, it is a crucial factor when marketing relationships with customers are being developed and preserved according to Punniyamoorthy and Raj (2007:226). Commitment further explains the process by which it is presumed that the customers are loyal because of their positive attitude towards the specific brand. Fournier (1998) and Susan (1998) as quoted by Punniyamoorthy and Raj (2007:226), contends that affective commitment would instinctively lie at the heart of a consumer–brand relationship since consumers identify and become involved with many of the brands they frequently consume.

Meyer and Allen (1991:67) conceptualized their infamous Three-Component Framework of organisational commitment, which in their view are rather components of commitment, than types of commitment *per se*. The components of this model are firstly affective commitment (the emotional attachment to, identification with and involvement in the organisation), secondly continuance commitment (awareness of the costs associated with leaving the organisation) and lastly normative commitment (a feeling of obligation to continue employment in the organisation). Various researchers like Bansal *et al.* (2004), Fullerton (2003), Gilliland and Bello (2002), Gruen *et al.* (2000) and Harrison-Walker (2001), all quoted by Fullerton (2005:99), have applied these components with great success to the marketing environment.

Similarly it is also relevant from a brand loyalty perspective that customers firstly *want* to be loyal to a specific brand and do so because of his/her emotional attachment to and identification with an involvement with the brand–affective commitment. Secondly, there are customers that *need* to remain loyal to a specific brand due to the costs associated with leaving the brand–continuance commitment. Lastly there are customers that *ought* to remain with the specific brand due to their obligation towards the specific brand-normative commitment. This link of organisational commitment to brand commitment/loyalty is resonated by Fullerton (2005:99) when he classifies commitment in the very same three components as above, but is of the opinion that normative commitment is highly correlated with affective commitment.

Hypothesis: Higher level of commitment will lead to higher level of brand loyalty.

2.13.8. Repeat Purchase

One of the cornerstones of measuring brand loyalty of customers has for many years been the consistent re-purchase behaviours exhibited by loyal customers over a period of time. Being a purely behavioural construct, Knox and Walker (2001:113) cite a simple definition of repeat purchase in that it refers to the number of times that a given brand is repurchased by customers after experiencing the brand for the first time.

However as was explained above, brand loyalty is a much more complex concept with repeat purchase behaviour being only one of various dimensions of brand loyalty. The focus of many marketing strategies of products and services should be to ensure that once the customer has experienced the product or service for the first time, such customer should then prefer the product or service to such an extent that the customer start repurchasing the specific brand (Know and Walker (2001:112) and ultimately become a brand loyal customer.

Getting back to repurchase behaviour Punniyamoorthy and Raj (2007:226) therefore affirm that the strength of behavioural brand loyalty is a direct function of the repetitive occurrence of purchase or consumption behaviour. The frequency of this behaviour ensures that it becomes an instinctive habit exhibited by the consumer and once this behaviour has been established and grows stronger in the mind of the customer, it becomes extremely difficult to change this bias towards the specific brand.

As has been explained in earlier paragraphs, the customer must be first lured to show interest in the product or service on offer. Once you have created this interest, the customer must start repurchasing the product or service on a regular basis – this can be achieved by creating brand loyalty towards the specific brand through the development of a relationship (marketing) with customers. However East and Hammond (1996) deal with the erosion of repeat-purchase loyalty when customers do change brands. They found that due to the scale of erosion being related to brand order, the market leaders' brand usually presented less erosion than lower-placed brands – implying that the market leader on average possesses the highest level of brand loyalty.

Hypothesis: A repeated purchase pattern over time will lead to higher levels of brand loyalty.

2.13.9. Brand Affect

Brand affect is according to Chaudhuri and Holbrook (2001:82) defined as a specific "brand's potential to extract a positive emotional response in the average consumer as

a result of its use". This is in accordance with the definition cited by Moorman *et al.* (1992:315), Morgan and Hunt (1994:23) defining brand trust as "the willingness of the average consumer to rely on the ability of the brand to perform its stated function" (as quoted by Chaudhuri and Holbrook, 2001:82). Matzler *et al.* (2006:428) argue that the term "affect" refers to both emotions (responses to causal-specific stimuli that are more intense and enduring) and feelings (responses to casual-specific stimuli less intense and more temporary).

Matzler *et al.* (2006:428) further contends that in a branding sense, affect symbolizes a specific category of associations customers may have with a specific brand which can either be an overall favourable (positive) or unfavourable (negative) assessment of the specific brand. This line of thought was started by research done by de Ruyter and Bloemer (1999:324) that states that affect, or mood as they coin the construct, can be typified by two independent dimensions namely a positive and a negative dimension.

Continuing with the above categories of associations, Moolla (2010:133) quotes Clark and Isen (1982) in stating that customers attempt to experience positive affect and avoid negative effect in their interactions with brands. This positive dimension is defined by de Ruyter and Bloemer (1999:324) as the extent to which a customer affirms a zest for life. They also argue that a customer that experiences a positive affect is expected to repeat the service experience and therefore become a loyal customer.

Hypothesis: A higher level of positive affect leads to a higher level of brand loyalty.

2.13.10. Brand Relevance

Brand relevance is a common and well-used term in the literature but it has not been defined in detail and researchers only started recently to focus on it. Hammerschmidt *et al.* (2008:49) define it as the degree to which the specific brand plays a key role in customers' selection process for a product in a given product category – the more powerful the brand is against other purchase decision criteria like price and quality, the more relevant the brand becomes. Similarly Backhaus *et al.* (2011:1083) contend that

the term brand relevance refers to the decision weight of a specific brand, in relation to other product benefits in a category. Backhaus *et al.* (2011:1082) interpret brand relevance as the overall role of brands in customers' decision making.

Moolla (2010:133) argues that a brand needs to stand for something that actually matter in the fierce competition. He also argues that a brand should have freshness about it and portray positive significance, in the process becoming more relevant to the customer and ultimately lead to higher levels of brand loyalty. Branding of the specific product or service (and in this case the services of professional institutes and association), has become more important in the modern environment. The marketing efforts aimed at promoting a specific product or service should be focussed on creating value and meaning in the eyes of the target market. By achieving this, the relevance of the brand is increased.

Backhaus *et al.* (2011:1083) site three reasons why it is important to assess brand relevance, namely that the relevance of brands differ across product categories, investing in brands with lower brand relevance is a waste of money and only brands that influence decision making can be strong brands. Continuing with the argument that brand relevance differs across product categories, Mudambi (2002:530) defines three consumer groups namely "highly tangible", "branding receptive" and "low interest" customers that correlates with the respective levels of brand relevance.

Hypothesis: The higher the brand relevance of a specific brand, the higher the brand loyalty.

2.13.11. Brand Performance

Musa (2005:47) defines perceived performance as a customer's evaluation of product or service performance following the consumption of the product or service. Product or brand performance is further defined (Musa, 2005:47) as a subjective evaluation of the core product comprising both intrinsic and extrinsic characteristics.

According to Wong and Merrilees (2008:375), brand performance refers to how successful that specific brand is in the market by measuring the strategic achievements of the brand. Since there are generally various choices available to the customer to make when the purchase decision is made, the inclination from the customer is to rather buy brands that have proven themselves in the past, i.e. performed well as brand at prior purchases.

Measuring performance is according to Rajagopal (2008:30) very important and is usually integrated with brand measurement systems. Effective brand measuring systems assist management to understand how the brand is performing within the framework of customer values and competing brands. There are also various brand performance indicators, amongst others brand awareness, acquaintance, association, allegiance and appraisal spread over perceptional, performance and financial factors - Rajagopal (2008:30).

As alluded to earlier in the chapter, institutional reputation and image is closely related to brand performance, with both reputation and image being a process of repeatedly succeeding in fulfilling its promised performances/actions (Nguyen and LeBlanc (2001:304).

Hypothesis: The better the brand performed in the past the better the specific brand loyalty.

2.13.12. Culture

Culture, according to Kotler and Armstrong (2010:161), is defined as a set of basic values, perceptions, wants and behaviours learned by a member of society from family and other important institutions - being the basic cause of a customer's behaviour, various cultural influences impacts differently for different types and groups of customers. Strydom *et al.* (2004:91) similarly describe culture as a complex system of values, norms and symbols which have developed in a society over a period of time and in which all its members share.

Strydom *et al.* (2004:91) define family as a nuclear group whose members live in close contact with one another and act as decision-making unit when they attempt to satisfy individual needs from one shared source of income. There are various social and cultural influences that positively or negatively influence consumer behaviour. One of the social factors or influences according to Kotler and Armstrong (2010:164), is family influences, the other being small groups, social roles and status. Family influences in certain circumstances are very strong influences that effect consumer behaviour (Kotler & Armstrong, 2010:164) either positively or negatively and extensive research has been done in this regard.

Delener (1994:36) contends that religion as a facet of culture also has considerable influence on customers' values, habits and attitudes and ultimately affects the customer's decision behaviour. There are, according to Delener (1994:36,) basically two ways that it influences behaviour, namely:

- Serving to define the way that people do things and provides a series of tools and techniques for social behaviour; and
- Either fosters or frowns on a particular choice behaviour.

For the purpose of this study of cultural influences on customer behaviour, the focus will be on the influence that family and religious values have on the decision of the choice of PIA. The feeling is that there will not be any or alternatively a very small correlation of religion and family values when deciding upon membership of a PIA.

Hypothesis: The effect of culture, race & family values do not correlate with brand loyalty.

2.14 LINKING RELATIONSHIP MARKETING WITH BRAND LOYALTY

Throughout the relationship marketing and brand loyalty literature constructs it is evident and quite apparent that in order to get to a stage in the life cycle of either a product or a service of whatever nature where your customers start exhibiting loyalty

towards your brand, proper and strong relationships between either parties is of crucial importance for future sustainability of the brand as Parish and Holloway (2010:63), Delgado-Bullester (2003), Fournier and Yao (1997) and Fournier (1998) as quoted by Delgado-Bullester (2003), Gordon *et al.* (1998), Raimondo (2000), Quester and Lim (2003) and Dwyer *et al.* (1987:21) explain, to name only a few.

From the preceding literature it has been determined that both trust and commitment is a predictor of brand loyalty, showing positive correlations in most cases (Dwyer *et al.* (1987:19), Meyer & Allen (1991:67), Fullerton (2005:99), Raimondo (2000), Moorman *et al.* (1992:315), Delgado-Ballester *et al.* (2003:35), Punniyamoorthy & Raj (2007:225), Chaundhuri & Halbrook (2001:82), Morgan and Hunt (1994) and Parish & Holloway (2010)).

As discussed earlier, Park (1996), Gordon *et al.* (1998) and Kim *et al.* (1997) to name a few contend that involvement (being a direct forecaster of loyalty) is closely related to customer behaviours and intentions and that involvement stimulates commitment (also a direct affecter of loyalty) from the customer's thoughts, feelings and behaviour responses to a specific brand.

Quester and Lim (2003:22) contends that the general feeling in the literature examining the relationship between brand loyalty and brand involvement, is that buyers who are more involved with a specific brand are more committed to the brand and hence lore loyal to the brand. Therefore it is established that there is a direct link between brand loyalty and relationship marketing, in fact the one cannot be achieved without the other.

2.15 SUMMARY

This chapter comprised of the detailed literature study on various constructs, amongst others group formation, group cohesiveness, relationship marketing and brand loyalty measurements and models. The next chapter will discuss the research findings and discussions around these findings.

Chapter 3 - RESEARCH FINDINGS AND DISCUSSIONS

3.1 INTRODUCTION

The previous chapter contained a detailed literature study on various constructs. In this chapter the research findings and discussions around the findings will be discussed in detail.

Being a professional member of the Institute of Municipal Administrators for Southern Africa (IMASA) itself, the questionnaire was administered to the members of IMASA.

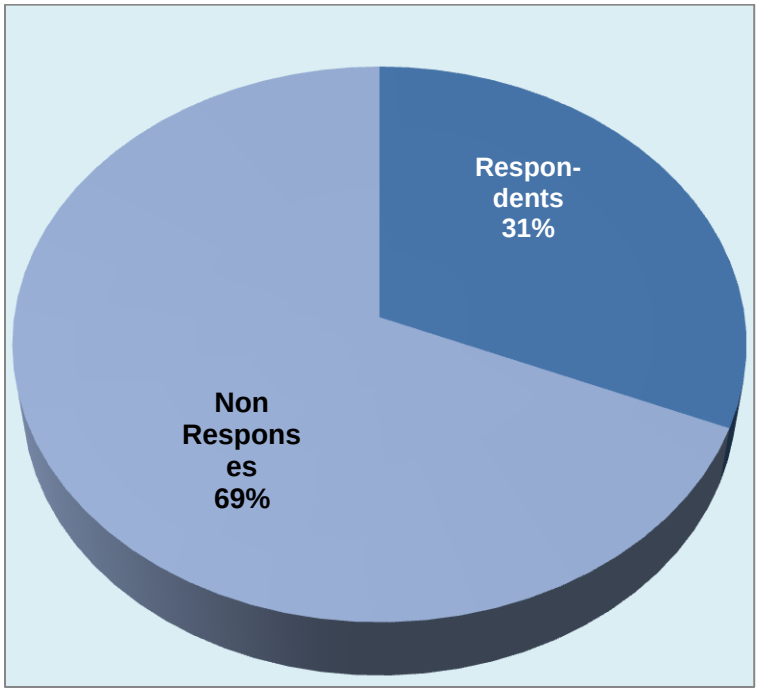
3.2 DATA COLLECTION

3.2.1. Sample

As mentioned in the first chapter, the intention was to use a non-probability, convenience sampling method to administer the measuring instrument to the members of the Institute of Municipal Administration for Southern Africa. According to Welman *et al.* (2005:69) the convenience sampling method can be described as the method easiest to randomly select the subjects (convenient and inexpensive). Furthermore Levine *et al.* (2008:253) contends that since this method of sampling is so inexpensive or convenient to sample, it delivers large amounts of data quickly and easily.

Welman *et al.* (2005:71) however argues that when the sample size of any survey is determined, the population size should be born in mind. The total population of members of IMASA comprises of 185 members and they were all invited via emails to complete the survey. Of these a total of 58 responded, resulting in a 31% response rate. It is therefore clear that since the size of the whole population of IMASA members amounted to only 185 members, a convenience sample could not be drawn and the whole population had to be approached to be part of this survey.

Figure 3-1: Survey response rate



3.2.2. Questionnaire

As described in Chapter 2, a number of models to measure brand loyalty were researched, but in the end the choice of a model fell on Moolla's (2010) Twelve Dimension Model, which focuses on the 12 constructs to measure brand loyalty.

Since the subject of the current research differs substantially from the subject of Moolla's research (PIAs as opposed to FMCG brands), some of the questions had to be adapted to be more relevant within the PIA environment. The questionnaire has also been shortened to measure responses to the twelve constructs mentioned above with three questions per construct, resulting in 36 questions in total.

The questionnaire was administered electronically using a five-point Likert-scale to quantify the responses to the questions. The decision to administer the questionnaire electronically was mainly taken due to the geographical disbursement of the target market throughout the whole country, which made much more logistical sense. A copy of the questionnaire used is attached as Appendix D.

3.3. RESULTS

The results of the study will be furnished in two parts; the first of the parts containing the demographic distributions of the participants where after a detailed quantitative analysis of the data gathered in this study will be furnished. The statistical analyses used in this study have been expertly done by the University of North-West Statistical Consultation Service using the SPSS program (SPSS Inc., 2011).

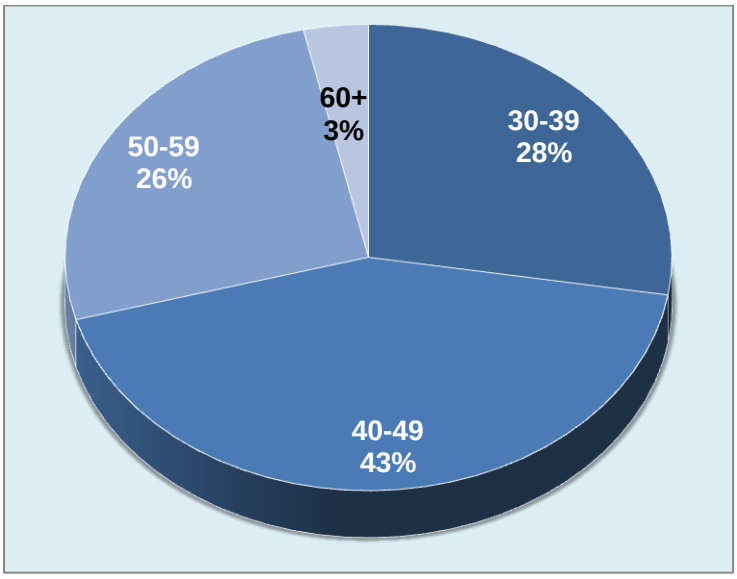
3.3.1. DEMOGRAPHIC DISTRIBUTION

The first part of the survey comprised of a number of demographic questions on the age, gender, marital status, educational level, geographical distribution, population group and annual income. The details of these factors will be discussed next.

3.3.1.1. Age distribution

The bulk of the respondents (43%) fall in the age group 40 – 49 years. The age groups 30 – 39 years (28%) and 50 - 59 years (26%) shares almost identical responses with the over 60 age group at 3% contributing the rest. No responses were received from the 20 – 29 years age group.

Figure 3-2: Age

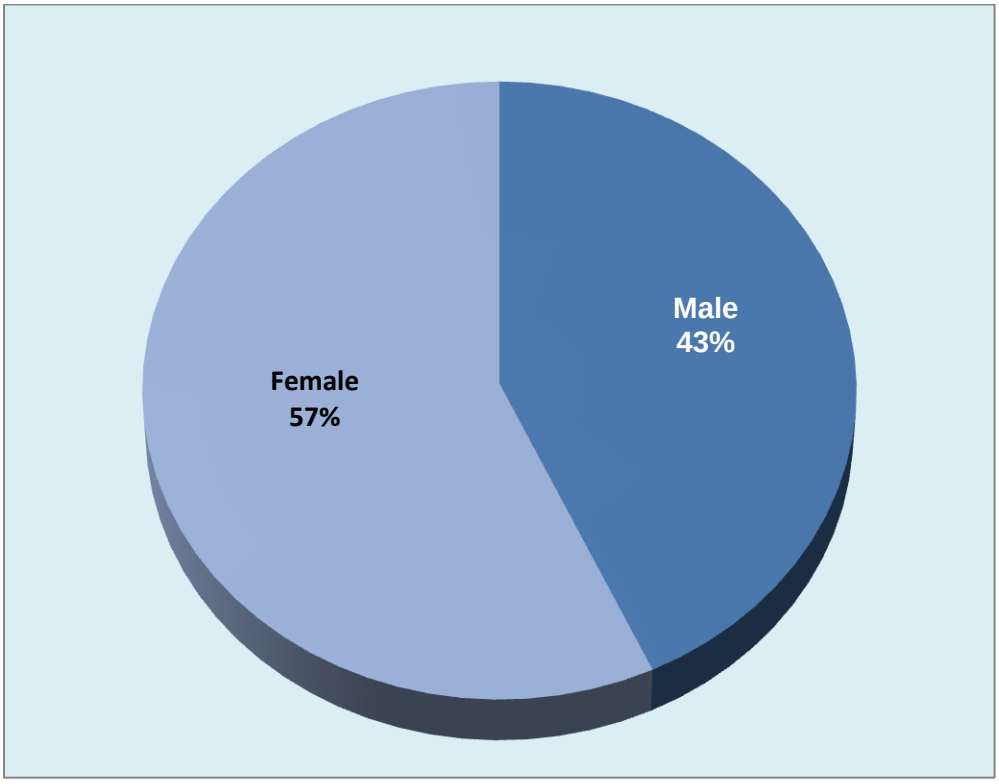


One of the reasons why no 20 - 29 year old respondents have been noted can be the fact that IMASA does not have a good representation in the specific age group. Another reason might be that they actually refrained from participating altogether.

3.3.1.2. Gender distribution

The majority of the questionnaires were completed by females (57%) as opposed to the 43% of males that responded.

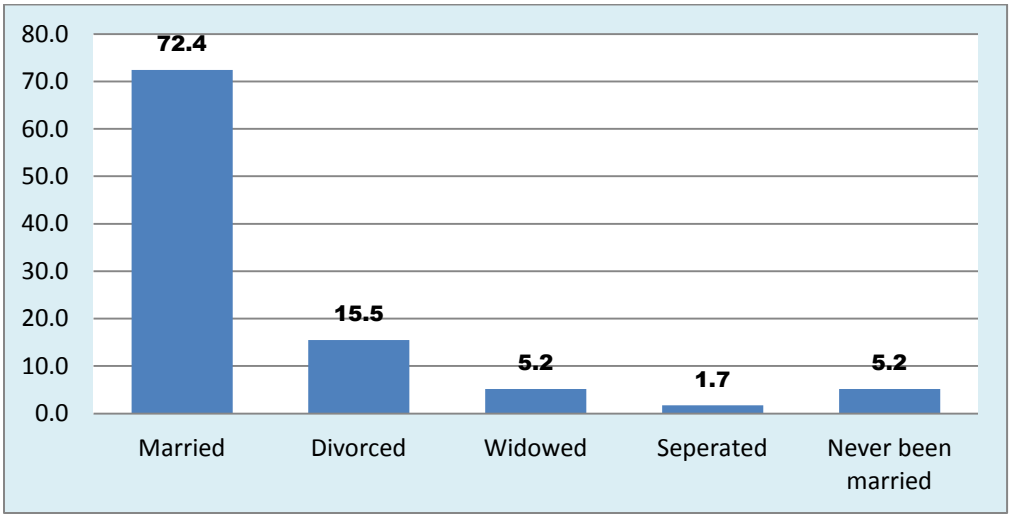
Figure 3-3: Gender



3.3.1.3. Marital status

The bulk of the respondents indicated their marital status as being married (72%) with the rest of the statuses making up the rest of the numbers. Except for assuming that the majority of respondents being married, having stable lives, there is not a lot further that can be read into these statistics.

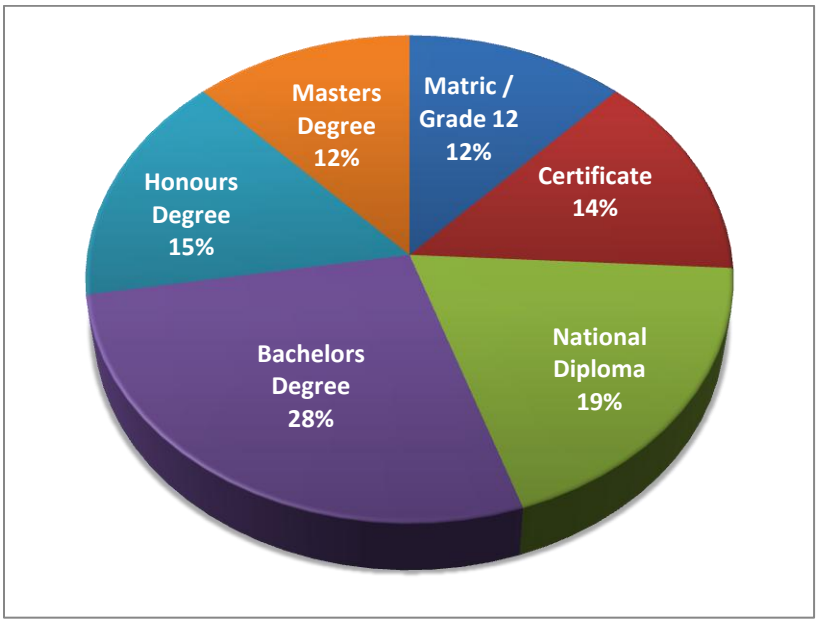
Figure 3-4: Marital status



3.3.1.4. Educational level

What is quite evident from the educational levels of the respondents is that only 12% of the respondents indicated that they only have a Matric/Standard 10/Grade 12 qualification. Of the remainder, the larger proportion (47%) of the respondents indicated that they possess a NQF6 qualification with the honours and master's degrees coming in at 15% and 12% respectively.

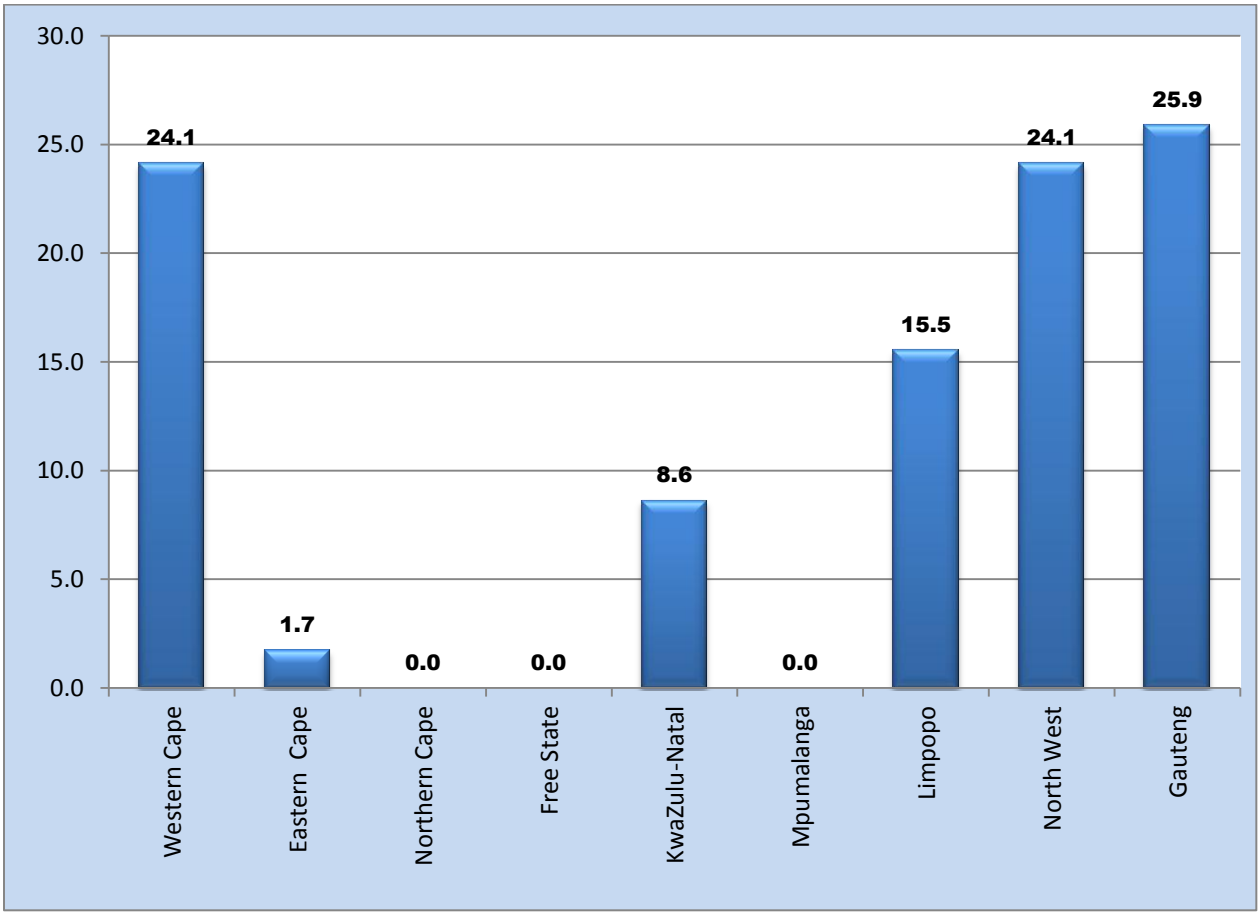
Figure 3-5: Educational levels



3.3.1.5. Geographical distribution

The questionnaire allowed a selection of the geographical area of the respondents based on the nine provinces of South Africa, but unfortunately not all provinces responded on the survey. Three of the nine provinces (Western Cape, North West Province and Gauteng) contributed approximately 75% of the responses with the remaining 25% made up by Limpopo, KwaZulu-Natal and the Eastern Cape. However, the non–response rates of three of the provinces (Northern Cape, Free State Province and Mpumalanga) implies that no real and meaningful conclusions and/or recommendations can be drawn from the provincial statistics, apart from stating the percentages of the provinces that did show a response of some sort.

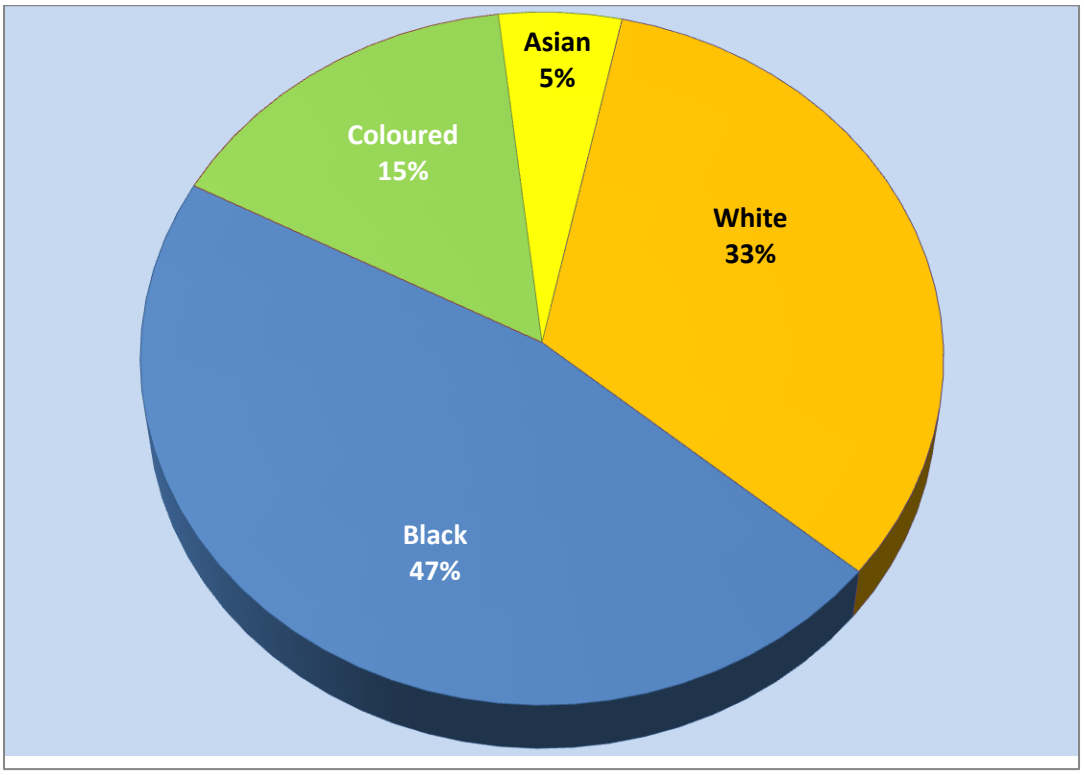
Figure 3-6: Geographical distribution



3.3.1.6. Population group profile

The black population group was in the majority when it came to responding on this survey at 47% of total respondents. The other population groups came in at 33% Whites, 15% Coloured and 5% Asians. Although this profile might not be exactly indicative of the general population group distribution in the general South African public, it closely resembles it.

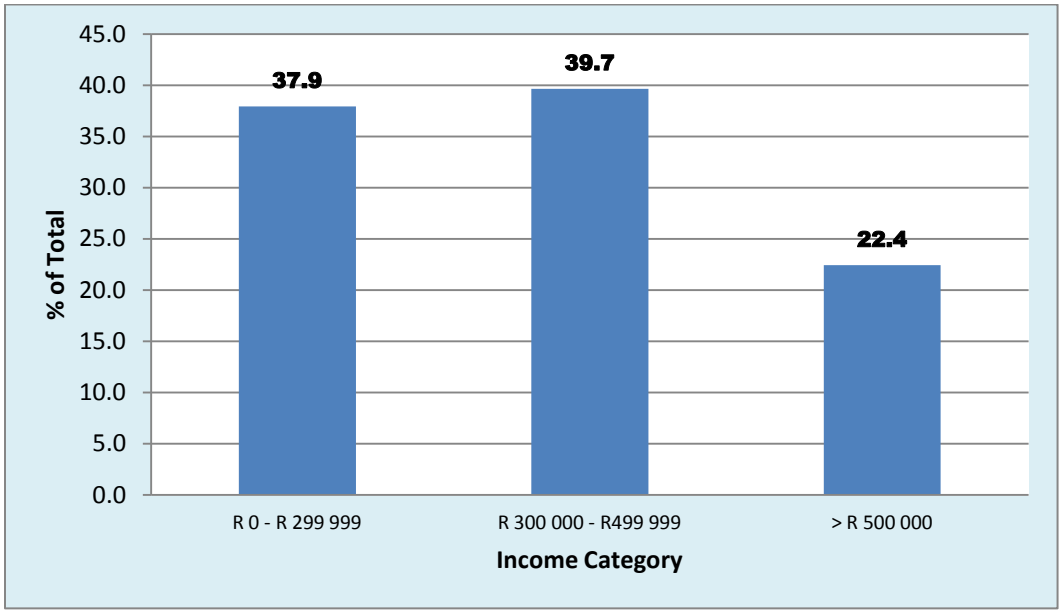
Figure 3-7: Population profile



3.3.1.7. Annual income

Although the survey comprised of 15 income categories, ranging from <R50 000 to R700 000+, the data was grouped for analysis purposes into three broad categories namely, <R300 000, R300 000 – R499 999 and R500 000+. Roughly, this grouping can be classified as low, middle and high income groups and this categorisation will be used further in the analysis of the data in Chapter 3 and 4.

Figure 3-8: Income categories



3.3.2. QUANTITATIVE ANALYSIS

3.3.2.1. Descriptive statistics summary

There are various ways of using descriptive statistics to analyse data. In this part of the analysis the following will be calculated namely, the Mean, Standard Deviation, Variation and the Coefficient of Variation.

According to Levine *et al.* (2008:97), the arithmetic mean ($\bar{x}$) is the most common measure of central tendency in which all the values play an equal role. The standard deviation (*S*) and the variance (S^2) takes into account in its measurement how all the values are distributed (Levine *et al.,* 2008:106) - the higher the standard deviation, the further the values are from the mean. The coefficient of variation (*CV*) according to Levine *et al.* (2008:110), is a relative measure of variation expressed as a percentage and measures the scatter in the data relative to the mean – the smaller the CV the closer the majority of the value are to the mean.

The detailed questions are contained in Appendix D, but the descriptive statistics returned by each of the 36 questions contained in the questionnaire are as follows:

Table 3-1: Descriptive statistics per question

	N	Minimum	Maximum	$\bar{x}$	*S*	*CV*	S^2
CUS1	58	3	5	4.05	0.575	14.2%	0.331
CUS2	58	2	5	3.52	0.863	24.5%	0.745
CUS3	58	2	5	3.72	0.744	20.0%	0.554
SWC1	58	1	5	3.14	0.945	30.1%	0.893
SWC2	58	1	5	2.79	0.789	28.3%	0.623
SWC3	58	2	5	3.48	0.883	25.4%	0.780
BRT1	58	2	5	3.62	0.721	19.9%	0.520
BRT2	58	2	5	3.76	0.733	19.5%	0.537
BRT3	58	2	5	3.62	0.745	20.6%	0.555
REP1	58	2	5	4.10	0.583	14.2%	0.340
REP2	58	2	5	3.93	0.746	19.0%	0.557
REP3	58	2	5	3.62	0.914	25.3%	0.836
INV1	58	2	5	3.76	0.657	17.5%	0.432
INV2	58	2	5	3.67	0.685	18.7%	0.470
INV3	58	1	5	3.24	0.961	29.6%	0.923
PEV1	58	2	5	3.29	0.749	22.8%	0.562
PEV2	58	3	5	3.95	0.633	16.0%	0.401
PEV3	58	2	5	3.86	0.605	15.7%	0.367
COM1	58	2	5	3.86	0.661	17.1%	0.437
COM2	58	2	5	3.86	0.661	17.1%	0.437
COM3	58	2	5	4.14	0.760	18.4%	0.577
RPU1	58	2	5	3.84	0.523	13.6%	0.274
RPU2	58	1	5	2.60	1.270	48.8%	1.612
RPU3	58	2	5	4.09	0.601	14.7%	0.361
BRA1	58	2	5	3.72	0.670	18.0%	0.449
BRA2	58	2	5	3.47	0.681	19.6%	0.464
BRA3	58	3	5	4.00	0.459	11.5%	0.211
BRE1	58	2	5	3.84	0.616	16.0%	0.379
BRE2	58	2	5	3.10	0.852	27.5%	0.726
BRE3	58	2	5	2.93	0.915	31.2%	0.837
BRP1	58	2	5	3.52	0.655	18.6%	0.430
BRP2	58	2	4	3.36	0.667	19.9%	0.446
BRP3	58	1	4	2.22	1.009	45.4%	1.019
CUL1	58	1	5	1.91	1.048	54.7%	1.098
CUL2	58	1	5	1.78	1.044	58.8%	1.089
CUL3	58	1	5	1.50	0.863	57.6%	0.746

From the calculations done in Table 3-1 above, there are five questions in this survey that have returned a $\bar{x}$ of four and above. This means that the respondents in effect agreed and in some cases even strongly agreed with the specific statement made in the questionnaire. What is also interesting is the fact that these five questions all originates from different constructs.

These questions are:

- I will remain committed to the IMASA brand despite increased fees, difficult economic times or decreased recognition (Commitment);
- I prefer to maintain a long-term relationship with the IMASA brand (Relationship Proneness);
- I will continue to be a loyal member of IMASA (Repeat Purchase);
- Generally I am satisfied with my decision to become a member of IMASA (Customer Satisfaction); and
- The bond that I have formed with the IMASA brand should continue into the future (Brand Affect).

The questions with the lowest $\bar{x}$ are the three questions regarding Culture which means that the majority of the respondents disagreed and strongly disagreed that their decisions to join the PIA was informed and assisted by religious beliefs and principles and their specific population group's views.

There are four questions that have returned a standard deviation of less than 0.60 which means that most of the respondents felt relatively the same (S close to $\bar{x}$), namely:

- The bond that I have formed with the IMASA brand should continue into the future (Brand Affect);
- Since IMASA supports me, it is only right that I should support the IMASA brand through my continued membership (Repeat Purchase);

- Generally I am satisfied with my decision to become a member of the IMASA (Customer Satisfaction); and
- I prefer to maintain a long-term relationship with the IMASA brand (Relationship Proneness).

What is quite interesting is the fact that three of the four questions that returned a standard deviation above 0.60, are also three of the five questions that have $\bar{x}$ of four and above. The constructs from which these questions originate are Brand Affect, Customer Satisfaction and Relationship Proneness. It is, therefore, clear that the majority of respondents felt that they are satisfied with their decision to become a member of IMASA, that they have formed a strong bond with the IMASA brand and that they are eager to maintain this bond through a long-term relationship with the IMASA brand. Following the discussion of the results of the analysis of the data above, the detailed responses per question is stated in Table 3-2 below.

Table 3-2: Percentage of responses to questions

Code	Strongly disagree	Disagree	Neither disagree nor agree	Agree	Strongly Agree
CUS1	0%	0%	13.8%	67.2%	19.0%
CUS2	0%	13.8%	31.0%	44.8%	10.3%
CUS3	0%	5.2%	29.3%	53.4%	12.1%
SWC1	3.4%	19.0%	46.6%	22.4%	8.6%
SWC2	5.2%	25.9%	55.2%	12.1%	1.7%
SWC3	0%	15.5%	31.0%	43.1%	10.3%
BRT1	0%	5.2%	36.2%	50.0%	8.6%
BRT2	0%	3.4%	31.0%	51.7%	13.8%
BRT3	0%	8.6%	27.6%	56.9%	6.9%
REP1	0%	1.7%	6.9%	70.7%	20.7%
REP2	0%	3.4%	20.7%	55.2%	20.7%
REP3	0%	10.3%	36.2%	34.5%	19%
INV1	0%	1.7%	31.0%	56.9%	10.3%
INV2	0%	1.7%	39.7%	48.3%	10.3%

Code	Strongly disagree	Disagree	Neither disagree nor agree	Agree	Strongly Agree
INV3	1.7%	22.4%	34.5%	32.8%	8.6%
PEV1	0%	13.8%	46.6%	36.2%	3.4%
PEV2	0%	0%	22.4%	60.3%	17.2%
PEV3	0%	1.7%	20.7%	67.2%	10.3%
COM1	0%	5.2%	13.8%	70.7%	10.3%
COM2	0%	3.4%	19.0%	65.5%	12.1%
COM3	0%	3.4%	12.1%	51.7%	32.8%
RPU1	0%	1.7%	17.2%	75.9%	5.2%
RPU2	20.7%	37.9%	8.6%	25.9%	6.9%
RPU3	0%	1.7%	8.6%	69.0%	20.7%
BRA1	0%	3.4%	29.3%	58.6%	8.6%
BRA2	0%	5.2%	48.3%	41.4%	5.2%
BRA3	0%	0%	10.3%	79.3%	10.3%
BRE1	0%	3.4%	17.2%	70.7%	8.6%
BRE2	0%	27.6%	37.9%	31.0%	3.4%
BRE2	0%	41.4%	27.6%	27.6%	3.4%
BRP1	0%	5.2%	41.4%	50.0%	3.4%
BRP2	0%	10.3%	43.1%	46.6%	0%
BRP3	24.1%	46.6%	12.1%	17.2%	0%
CUL1	43.1%	36.2%	8.6%	10.3%	1.7%
CUL2	53.4%	27.6%	8.6%	8.6%	1.7%
CUL3	65.5%	25.9%	3.4%	3.4%	1.7%

3.3.2.2. Reliability

The reliability measure that was used to determine the questionnaire's reliability is the Cronbach Alpha measure. According to Santos (1999:1), Cronbach's Alpha determines the internal consistency, reliability or average correlation of items in a survey instrument to gauge its reliability. The generally accepted guideline is a Cronbach Alpha value of above 0.7, but values of above 0.5 can be used but should then be interpreted with

caution. Table 3-3 below contains the Cronbach Alpha values of each of the 12 constructs measured in this research.

Table 3-3: Reliability scores (Cronbach Alpha values)

Construct	Reliability	
Customer satisfaction	0.803	
Switching costs	0.410	←
Brand trust	0.811	
Relationship proneness	0.785	
Involvement	0.553	←
Perceived value	0.648	
Commitment	0.678	
Repeat purchase	0.151	←
Brand effect	0.719	
Brand relevance	0.836	
Brand performance	-0.490	←
Culture	0.813	

From the data listed in Table 3-3 it is clear that the majority of constructs have returned acceptable Cronbach Alpha values with Brand Relevance (0.863), Culture (0.813), Brand Trust (0.811) and Customer Satisfaction (0.803) having returned reliability scores of 0.800 and more. However there were 4 constructs that returned low Cronbach Alpha values, namely Switching Costs (0.410), Involvement (0.553), Repeat Purchase (0.151) and Brand Performance (-0.49), which means that the reliability of these constructs are not acceptable.

3.3.2.3. Removal of certain sub-dimensions

As mentioned above, all the constructs have been scrutinised carefully per question in order to determine how the reliability of these constructs can be improved upon. During this process 4 of the sub-dimensions or questions namely SWC3, INV3, RPU2 and BRP3 have been identified being the main cause of the low reliability scores stated in

Table 3-3 above. It was then determined that by removing these questions from the applicable constructs, the reliability of the affected constructs could be greatly improved upon.

Table 3-4 below contains the results of the adjustments, clearly indicating the effect that the removal of the 4 questions had on the reliability of the constructs.

Table 3-4: Reliability 2 scores

Construct	Original reliability values	Reliability without the problematic sub-dimensions	Mean	Standard deviation
Customer satisfaction	0.803	0.803	3.76	0.624
Switching costs	0.410 →	0.688	2.97	0.760
Brand trust	0.811	0.811	3.67	0.624
Relationship proneness	0.785	0.785	3.89	0.635
Involvement	0.553 →	0.808	3.72	0.615
Perceived value	0.648	0.648	3.70	0.510
Commitment	0.678	0.678	3.95	0.542
Repeat purchase	0.151 →	0.601	3.97	0.475
Brand effect	0.719	0.719	3.73	0.489
Brand relevance	0.836	0.836	3.29	0.698
Brand performance	-0.490 →	0.617	3.44	0.563
Culture	0.813	0.813	1.73	0.843

The 12 constructs as mentioned above, with the exclusion of the removed questions, will henceforth be discussed in detail with the removed questions to be dealt with separately.

After the above adjustment, all the constructs returned reliability values greater than 0.600. The lowest reliability value was returned by Repeat Purchase at 0.601 which

although low, is still regarded as reliable and acceptable for further extrapolation. The highest value was returned by Brand Relevance at 0.836.

With the reliability issue addressed, the next step will be to determine whether there are differences per construct regarding the level of loyalty on a gender basis, which will be done through analysing the effect sizes of the constructs.

According to Ellis and Steyn (2003), effect sizes of less than 0.2 indicate that there is a small effect, with practical non-significant differences between the subjects under investigation. An effect size around 0.5 however indicates that that there is a medium effect and a practically visible difference between the subjects. Lastly, effect sizes around 0.80, indicates a large effect and a practically significant difference between the subjects.

3.3.2.4. Gender based results per construct

Table 3-5 below contains the results of this analysis. Figure 3-3 above stated that the survey responses comprised of 57% females and 43% males, a total of 58 responses.

The p-values are reported just for comprehensiveness, because a non-probability, convenience sample was used and not a random sample and will therefore not be interpreted as such.

The standard deviations returned shows that males are much more varied in their views with a SD of almost double that of the females – in other words the female responses are much more concentrated around the mean (most of the females feel the same). This observation of the SD of males being bigger than that of the females is relevant to all the constructs except with repeat purchase and brand effect. However, to determine the practical significance of these differences between male and female, the effect size as described above in detail, is employed as statistical indicator (Ellis and Steyn, 2003).

Table 3-5: Impact of gender per construct

Construct	Gender	Mean	Standard deviation	Effect size	p-value
Customer satisfaction	Male	3.84	0.67440	0.20	0.427
	Female	3.71	0.58783		
Switching costs	Male	2.84	0.89815	0.25	0.278
	Female	3.06	0.63440		
Brand trust	Male	3.73	0.73283	0.16	0.484
	Female	3.62	0.53438		
Relationship proneness	Male	4.03	0.65912	0.38	0.141
	Female	3.78	0.60477		
Involvement	Male	3.96	0.64420	0.67	0.007
	Female	3.53	0.52944		
Perceived value	Male	3.75	0.57959	0.14	0.559
	Female	3.67	0.45644		
Commitment	Male	3.92	0.66165	0.09	0.681
	Female	3.98	0.44048		
Repeat purchase	Male	3.92	0.42525	0.16	0.531
	Female	4.00	0.51539		
Brand effect	Male	3.73	0.48113	0.01	0.963
	Female	3.73	0.50315		
Brand relevance	Male	3.43	0.80806	0.29	0.203
	Female	3.19	0.59530		
Brand performance	Male	3.44	0.63443	0.00	0.997
	Female	3.44	0.51170		
Culture	Male	2.15	0.97221	0.75	0.001
	Female	1.41	0.56538		

Based on the effect size scores regarding gender returned by the survey, there are mainly two constructs with a large effect size namely Culture (0.75) and Involvement (0.67), which means that there is a practically significant difference between the views of males and females.

Culture

It is specifically apparent how different the two genders felt about the effect of culture on brand loyalty. The mean of males amounts to 2.15 with females coming in at a mean of 1.41. This means that although the males disagreed quite strongly about the impact of culture on brand loyalty of the PIA, females disagreed even more.

Involvement

The difference between males and females at this construct was not that big as with Involvement, since the effect size score that it returned was 0.67. However, there still is a visible to significant difference between males (mean of 3.96) and females (mean of 3.53). This means that females are more inclined towards being neutral regarding involvement within the PIA, whereas males tend to agree more that involvement at a PIA plays a role in creating loyalty towards the brand of the PIA. However, the SD of males that is bigger than that of females means that more women have similar views than males.

Relationship Proneness

Relationship Proneness is the only other construct that returned a practical visible difference between the genders with an effect size of 0.38. In this case males returned a mean of 4.03 whereas females returned 3.78. Again males felt that long-term relationships with the PIA brand are more important in creating brand loyalty. Males also felt more passionate and emotionally attached to the PIA brand and are more inclined to "go the extra mile" for the PIA than females. The rest of the constructs returned small effect sizes meaning that the two genders felt fairly similar on the effects of the specific constructs on their brand loyalty towards the PIA.

After having looked at the differences between the views of males versus females above, the differences (if any) regarding the impact of educational level on the loyalty of the respondents towards the PIA, will now be analysed and discussed.

3.3.2.5. Education based results per construct

The educational levels of the respondents can be classified into two broad categories, namely those with a National Diploma and lower (< University) and those with a Bachelor's Degree and higher (University). The impact of the educational level of the respondents on their view of the 12 constructs will be analysed and the results thereof is contained in Table 3-6 below.

Table 3-6: Impact of educational level per construct

Construct	Educational level	Mean	Standard deviation	Effect size	p-value
Customer satisfaction	< University	3.53	0.51789	0.67	0.008
	University	3.96	0.64341		
Switching costs	< University	3.00	0.56569	0.07	0.759
	University	2.94	0.89578		
Brand trust	< University	3.65	0.54553	0.03	0.889
	University	3.68	0.69036		
Relationship proneness	< University	3.71	0.47448	0.46	0.051
	University	4.03	0.71522		
Involvement	< University	3.60	0.51028	0.32	0.185
	University	3.81	0.68096		
Perceived value	< University	3.77	0.50569	0.24	0.364
	University	3.65	0.51457		
Commitment	< University	4.00	0.44222	0.14	0.565
	University	3.92	0.61638		
Repeat purchase	< University	3.98	0.36002	0.05	0.828
	University	3.95	0.55879		
Brand effect	< University	3.68	0.43697	0.17	0.485
	University	3.77	0.53170		
Brand relevance	< University	3.17	0.79582	0.29	0.217
	University	3.40	0.60130		
Brand performance	< University	3.46	0.44549	0.06	0.792
	University	3.42	0.64894		
Culture	< University	1.44	0.66513	0.59	0.015
	University	1.97	0.90542		

The p-values are reported just for comprehensiveness, because a non-probability, convenience sample was used and not a random sample and will therefore not be interpreted as such. However, to determine the practical significance of these

differences between male and female, the effect size as described above in detail, is employed as statistical indicator (Ellis and Steyn, 2003).

Customer Satisfaction

The only construct that has resulted in a relative high effect size score, is Customer Satisfaction, with an effect size of 0.67 which means that there is a practically significant difference between the ways that people with an university education (a mean of 3.96) seems to be more satisfied with the service that they receive from the PIA as brand as their colleagues without a university degree (a mean of 3.53).

Culture

A similar situation exists at Culture (effect size of 0.59), which again indicates towards a visible to significant difference between those respondents with a Bachelor's degree (mean of 1.97) versus those without a university degree (mean 1.97).

Relationship proneness and Involvement

There are a further two constructs namely Relationship Proneness (effect size of 0.46) and Involvement (effect size of 0.32) and in both constructs the university graduates tend to be agreeing more than those without a Bachelor's degree.

The rest of the constructs exhibits no practical significant differences between the university graduates and those without a degree.

3.3.2.6. Population group based (White versus Black) results per construct

Due to the fact that this survey did not get a huge response from the Coloured and Asian communities, Table 3-7 below contains only a comparison between the Black and the White population groups.

Table 3-7: Impact of population group per construct

Construct	Population group	Mean	Standard deviation	Effect size	p-value
Customer satisfaction	Black	3.5802	0.48563	0.67	0.007
	White	4.1053	0.77820		
Switching costs	Black	3.0000	0.60447	0.19	0.404
	White	2.7895	1.08418		
Brand trust	Black	3.5185	0.49210	0.49	0.046
	White	3.9123	0.80770		
Relationship proneness	Black	3.6296	0.48334	0.99	0.000
	White	4.3333	0.71146		
Involvement	Black	3.4444	0.46685	0.85	0.001
	White	4.0789	0.75024		
Perceived value	Black	3.6790	0.37532	0.13	0.568
	White	3.7719	0.71191		
Commitment	Black	3.9259	0.37363	0.07	0.747
	White	3.9825	0.78939		
Repeat purchase	Black	3.9259	0.35905	0.30	0.207
	White	4.1053	0.59111		
Brand effect	Black	3.6543	0.32662	0.29	0.191
	White	3.8596	0.70550		
Brand relevance	Black	3.0247	0.51412	0.79	0.002
	White	3.6491	0.78939		
Brand performance	Black	3.4259	0.43198	0.03	0.002
	White	3.4474	0.74339		
Culture	Black	1.4198	0.76008	1.10	0.001
	White	2.2632	0.76642		

The p-values are reported just for comprehensiveness, because a non-probability, convenience sample was used and not a random sample and will therefore not be interpreted as such. However, to determine the practical significance of these differences between male and female, the effect size as described above in detail, is employed as statistical indicator (Ellis and Steyn, 2003).

Of the 12 constructs there are four constructs that returned large effect sizes, indicating towards a practically significant difference between the way that Blacks and Whites responded.

Culture

This construct returned the highest effect size at 1.10, which means that Blacks disagreed far more than Whites with regards to the role that ethnic background, religious beliefs and principles and family choices played in their decision of and loyalty towards the PIA.

Relationship Proneness

The second highest effect size was realized by Relationship Proneness at 0.99. This construct dealt with matters like the maintenance of a long-term, passionate and emotional relationship with the PIA as well as “going the extra mile” to remain with the same PIA. Again there was a practically significant difference in the way that Blacks and Whites responded to this construct. The mean response of Blacks worked out as 3.6 whereas Whites agreed far more with the statements by returning a mean of 4.3, which is significant difference. This means that Whites are far more inclined to sustain long term relationships with their PIA. They are also far more emotionally attached to and feel passionate about the PIA and are more willing to go the extra mile for the PIA.

Involvement

This is the construct with the third highest effect size at 0.85 which also indicates a practically significant difference between Black and White respondents. Again Blacks tended towards neither disagreeing nor agreeing whilst Whites returned a definite agree-with vote with a mean of 4.08. Since INV3 was removed due to reliability concerns, the other remaining questions measured to what extent involvement with the IMASA brand, intensified the respondent’s excitement and interest towards the IMASA brand, but also whether the respondent’s loyalty increases as he/she becomes more involved with the IMASA brand. With Whites agreeing more with these statements than Blacks it means that becoming more involved with the IMASA brand Whites become more loyal towards IMASA.

Brand Relevance

The fourth highest effect size belongs to brand relevance. As was the case with some of the other constructs, Whites agreed more with the statements or questions of the survey. This construct measured to what extent the IMASA brand is relevant to issues that matter, the freshness of the brand, IMASA portraying a positive significance and whether the IMASA brand are constantly being renewed and improved to remain relevant. Although the difference between Blacks (mean of 3.2) and Whites (mean of 3.65) seems to not being that big, the effect size of 0.79 indicates that the difference is in fact a practically significant difference and need to be taken note of.

Customer Satisfaction and Brand Trust

Some of the other constructs have returned medium differences through its respective effect sizes. These constructs are Customer Satisfaction (effect size = 0.67) and brand trust (effect size = 0.49) which are indicative of practically visible differences between the responses of Blacks and Whites. This means that the White respondents are on average more satisfied with their decision to become members of IMASA and use word-of-mouth methods to inform other people of their interactions with IMASA. The Whites are also more satisfied and content that the services that IMASA offer are actually what they (the members) need. Furthermore, Whites on average agree more than Blacks that IMASA as brand does not disappoint, that IMASA's reputation is key to maintain loyalty towards the PIA. Lastly Whites also had more confidence in the IMASA brand than Blacks.

The remaining constructs have effect sizes around the 0.20 level, which is indicative of a small effect with no practically significant differences. In this context it means that Blacks and Whites share on average very similar views on these constructs.

After looking at the differences in views of the Blacks and Whites in this section, the next topic for discussion is whether there are different views within the age groups in the survey.

3.3.2.7. Age based results per construct

The next topic to be discussed is the impact of the age of the respondent on the way that he/she responded to the survey.

Table 3-8: Impact of age per construct

Construct	Age group	Mean	Standard deviation	Effect sizes			p-value
				30-39 vs 40-49	30-39 vs 50+	40-49 vs 50+	
Customer satisfaction	30 - 39	3.3958	0.44253	0.88	0.82	0.32	0.007
	40 - 49	3.8000	0.46148				
	50+	4.0588	0.80997				
Switching costs	30 - 39	2.8750	0.53229	0.36	0.01	0.18	0.485
	40 - 49	3.0800	0.57155				
	50+	2.8824	1.12541				
Brand trust	30 - 39	3.5208	0.50139	0.26	0.35	0.20	0.452
	40 - 49	3.6533	0.48572				
	50+	3.8235	0.86697				
Relationship proneness	30 - 39	3.6458	0.53705	0.33	0.74	0.50	0.068
	40 - 49	3.8267	0.54535				
	50+	4.1961	0.74590				
Involvement	30 - 39	3.5313	0.46435	0.13	0.71	0.61	0.058
	40 - 49	3.6000	0.52042				
	50+	4.0588	0.74755				
Perceived value	30 - 39	3.5625	0.31549	0.50	0.24	0.02	0.210
	40 - 49	3.7600	0.39110				
	50+	3.7451	0.75947				
Commitment	30 - 39	3.9167	0.11587	0.18	0.01	0.10	0.802
	40 - 49	4.0000	0.34694				
	50+	3.9216	0.81248				
Repeat purchase	30 - 39	3.9375	0.30957	0.05	0.11	0.07	0.928
	40 - 49	3.9600	0.49833				
	50+	4.0000	0.58630				
Brand affect	30 - 39	3.5417	0.31914	0.63	0.39	0.01	0.075
	40 - 49	3.8000	0.40825				
	50+	3.8039	0.67761				
Brand relevance	30 - 39	2.8958	0.55403	0.79	0.83	0.29	0.014
	40 - 49	3.3467	0.57317				
	50+	3.5882	0.83773				
Brand performance	30 - 39	3.3125	0.51235	0.37	0.20	0.04	0.480
	40 - 49	3.5000	0.40825				
	50+	3.4706	0.78004				
Culture	30 - 39	1.3333	0.57090	0.19	1.51	1.34	0.000
	40 - 49	1.4667	0.71362				
	50+	2.4902	0.76483				

Due to the low response rate by the sixty and over age group, its results have been incorporated into the results of the 50 – 59 age group for analysis purposes, and renamed as the 50+ age group. Since the 20-29 age group did not respond at all, there will for analysis purposes only be differentiated between three age groups, namely 30 – 39, 40 – 49 and 50+.

The p-values are reported just for comprehensiveness, because a non-probability, convenience sample was used and not a random sample and will therefore not be interpreted as such. However, to determine the practical significance of these differences between male and female, the effect size as described above in detail, is employed as statistical indicator (Ellis and Steyn, 2003).

In general it is evident from the details contained in Table 3-8 above that the 30-39 age group has returned the lowest means of all the age groups, followed by the 40-49 age group. Then with the exception of a few constructs, the means of the 50+ age group was also higher than the 40-49 age group. This means that the 40-49 age group's brand loyalty is on average higher than that of the 30-39 age group and the 50+ age group's brand loyalty is on average higher than that of the 40-49 age group.

The results of the analysis on age will be discussed in three parts, namely those constructs with:

- a large effect size around 0.80 - therefore a practically significant differences;
- a medium effect size around 0.50 – therefore a practically visible difference; and
- a small effect size around 0.20 – therefore no practically significant difference.

Customer Satisfaction

Starting with the large effect size constructs, it is apparent from the details contained in Table 3-8 above that there are practically significant differences at Customer Satisfaction between the 30-39 age group and the other two age groups with both effect sizes being over 0.80. The mean calculated with regard to the 30-39 age group tends towards being undecided (3.4), whereas the other two age groups have similar

fairly means (3.8 and 4.1) respectively. This construct deals with matters like being satisfied with the decision to become a member, being satisfied with the services that the IMASA brand offers and telling other people about the interactions with IMASA.
The fact that there is such a significant difference between the views of the younger members (30-39 age group) in relation to the other (older) age groups, means that they are less loyal to the IMASA brand. Reasons for this can be found in the survey questions of customer satisfaction, namely that they may not be that convinced that it was the right decision to become a member, they might feel that the services that IMASA as a brand offer are not what they need and they might not to tell other people about their interactions with IMASA.

However, the other side of the coin is that the older people tend to be more satisfied with their decisions to join the PIA, are more content with the IMASA brand and the services that it offers and the interactions that they have with the brand, and lastly that they are more inclined to market the PIA through word-of-mouth. The effect size of the 40-49 age group, vs 50+ age group on 0.32 is small and it is assumed that there are no practically significant differences between the two age groups.

Relationship Proneness

With this construct there are differences between all three the age groups with means of 3.6, 3.8 and 4.2 respectively. This construct deals typically with the maintenance of passionate and emotional long-term relationships with the PIA, but also “going the extra mile” to remain with the PIA when needed.

What is clear from this analysis is that the older the member of the PIA are, the more inclined the member is to enter into a mutually beneficial relationship with the PIA. This assumption also means that the loyalty of the older members tend to be positively related to the age of such member.

Involvement

This construct measured whether the respondents felt that their loyalty increased as they became more involved with the IMASA brand and whether their involvement intensified their excitement and interest towards the IMASA brand. Similarly to the trend at relationship proneness the responses obtained at this construct differed substantially between the 3 age groups analysed, namely the 30-39 age group (mean = 3.5), the 40-49 age (mean = 3.6) and the 50+ age group (mean = 4.1). The analysis of the 30-39 versus 40-49 age groups returned an effect size 0.13, the 30-39 versus 50+ age groups an effect size of 0.71, and the 40-49 versus 50+ age groups an effect size of 0.61.

From the aforementioned means and effect sizes it is clear that the 50+ age group agreed on average more than the other age groups that their involvement with the IMASA brand increases their loyalty towards and intensified their excitement and interest in the IMASA brand.

Brand Relevance

This construct measured whether the IMASA brand stands for issues that actually matters, such as whether the IMASA brand has freshness about it and whether it portrays positive significance and whether the IMASA brand is constantly renewing and improving to remain relevant. As can be seen from the details in Table 3-8, the effect sizes of the 3 age groups are particularly large when comparing the 30-39 versus 40-49 age groups (effect size = 0.79), as well as when comparing the 30-39 versus 50+ age groups (effect size = 0.83), which means that there is a practically significant difference between the age groups as mentioned.

This means that the 30-39 age group to a lesser extent agree with the statements mentioned above than the 40-49 and 50+ age groups do. This also means that the 30-39 age group are less loyal to the IMASA brand than the other age groups.

Culture

In concluding the discussion on the practically significant differences it is noted that the culture construct returned big differences in the way that the 50+ age group responded to the culture-related questions (mean = 2.5) in relation to the 30-39 age group (mean = 1.3) and the 40-49 age group (mean = 1.5). Although the 50+ age group on average disagrees that their ethnical background and religious beliefs and principles influenced their choice of PIA and loyalty towards such PIA, the younger generations, the 30-39 and 40-49 age groups, feel much stronger that these factors played a role in their decision of PIA.

Perceived Value

Moving onto the constructs that returned medium effect sizes, the first construct to be discussed is Perceived Value with the 30-39 versus 40-49 age group comparison realising an effect size of 0.50. This construct measured whether the value added by the IMASA brand has generated a feeling of safety, security and belonging, whether the value acquired from the IMASA brand is greater than the financial contribution made by the way of the annual membership levy and lastly that membership of IMASA will be of future value to the member.

This means that the 40-49 and 50+ age groups agree more than the 30-39 age group that the IMASA brand has more value now and in future than what they as members have to contribute as annual membership levies. This however also means that the 30-39 age groups feels that they do not get as much value from the IMASA brand as the other age groups.

Brand Affect

A similar scenario to the scenario at Perceived Value is evident with regard to Brand Affect, where the 30-39 age groups' responses differ significantly from the responses that were obtained from the 40-49 and 50+ age groups. The 30-39 versus 40-49 age

groups comparison shows an effect size of 0.63, whilst the 30-39 versus 50+ comparison, return a 0.39 effect size. As was the case with Perceived Value this means that the 30-39 age groups are less brand loyal than the 40-49 and 50+ age groups.

In conclusion, the rest of the constructs have returned small effect sizes which indicate no practical significant differences between the different age groups.

3.3.2.8. Income group based results per construct

The grouping of the income brackets into 3 income categories (< R300, R300 - R499 and R500+) that was used earlier, will again be used for this analysis, where the impact of the income levels of respondents on the way that they viewed the 12 constructs measured in this study, will be determined.

The p-values are reported just for comprehensiveness, because a non-probability, convenience sample was used and not a random sample and will therefore not be interpreted as such. However, to determine the practical significance of these differences between male and female, the effect size as described above in detail, is employed as statistical indicator (Ellis and Steyn, 2003).

Looking at the details of this analysis in Table 3-9 below, it is evident that on average, the differences between the income categories can be regarded as medium differences (practically visible differences). There are only two constructs, namely Switching Costs and Culture that have returned large effect sizes (practical significant differences). On the other side of the range there are also only two constructs that have returned small effect sizes (no practically significant differences), namely Involvement and Brand Performance, where respondents shared similar views irrespective of their income brackets. The other eight constructs have all returned medium effect sizes. The focus of this discussion will therefore be on the large and medium effect sizes.

The detailed results of this analysis are contained in Table 3-9 below.

Table 3-9: Impact of income group per construct

Construct	Income Group (x1000)	Mean	Standard deviation	Effect size			p-value
				< R300 vs R300 – R499	< R300 vs R500+	R300 – R499 vs R500+	
Customer satisfaction	< R 300	3.6212	0.65300	0.34	0.34	0.03	0.399
	R300 – R 499	3.8421	0.50146				
	R 500 +	3.8627	0.70768				
Switching costs	< R 300	3.2727	0.66775	0.41	0.80	0.51	0.008
	R300 – R 499	3.0000	0.50000				
	R 500 +	2.5294	0.92653				
Brand trust	< R 300	3.6212	0.57547	0.26	0.02	0.21	0.675
	R300 – R 499	3.7719	0.54493				
	R 500 +	3.6078	0.77491				
Relationship proneness	< R 300	3.8485	0.64017	0.12	0.30	0.41	0.385
	R300 – R 499	3.7719	0.56713				
	R 500 +	4.0588	0.69956				
Involvement	< R 300	3.6818	0.62765	0.05	0.13	0.08	0.918
	R300 – R 499	3.7105	0.60818				
	R 500 +	3.7647	0.64026				
Perceived value	< R 300	3.6515	0.36337	0.14	0.14	0.04	0.841
	R300 – R 499	3.7193	0.50016				
	R 500 +	3.7451	0.68241				
Commitment	< R 300	3.9697	0.47038	0.14	0.18	0.27	0.570
	R300 – R 499	4.0351	0.44298				
	R 500 +	3.8431	0.71800				
Repeat purchase	< R 300	3.8636	0.51598	0.32	0.29	0.01	0.452
	R300 – R 499	4.0263	0.31063				
	R 500 +	4.0294	0.57202				
Brand affect	< R 300	3.6364	0.36960	0.24	0.30	0.11	0.487
	R300 – R 499	3.7544	0.49494				
	R 500 +	3.8235	0.61371				
Brand relevance	< R 300	3.1515	0.62342	0.23	0.39	0.18	0.415
	R300 – R 499	3.3158	0.72413				
	R 500 +	3.4510	0.76323				
Brand performance	< R 300	3.4545	0.50965	0.07	0.02	0.03	0.983
	R300 – R 499	3.4211	0.44917				
	R 500 +	3.4412	0.74755				
Culture	< R 300	1.5152	0.6062	0.05	0.83	0.88	0.003
	R300 – R 499	1.4737	0.78815				
	R 500 +	2.2941	0.93454				

Switching Costs

Starting with the constructs that returned the biggest effect sizes, Switching Costs measured to what extent members of the PIA avoided switching between PIA's due to the high cost involved on the one hand and the risk associated with such a switch. The results of the analysis of the < R300 versus R300 – R499 categories have resulted in an effect size of 0.41, the < R300 versus R500+ categories an effect size of 0.80 and lastly the R300 – R499 versus R500+ categories an effect size of 0.51.

What is also interesting is the fact that there is a negative correlation between the means and the income of the respondents (the means decrease when the income increases). Due to the depressing global economic situation, many of the PIA's members have to pay their annual membership levies from their own pockets – employers have paid these levies in the past. In all probability the answer for the decreasing means can be found in this – the effect of paying the membership levies from their own pockets is much higher at the lower income brackets where the disposable income is not that huge in times of economic turmoil. In fact the R500+ income bracket's mean is only 2.5, which means that the respondents have disagreed on average with the statements because the costs associated with such a switch are not that problematic to them as it would be with the lower income respondents.

Culture

This construct measured to what extent the ethnical background, values, religious beliefs and principles or the respondents have influenced the choices of and loyalty towards a specific PIA. The responses in Table 3-9 of the < R300 and R300 – R499 income categories are effectively similar to an effect size of 0.05. However, there is a marked difference when the <R 300 versus R500+ and R300 – R499 versus R500+ income categories are compared (effect sizes of 0.83 and 0.88 respectively).

The first 2 income categories have strongly disagreed with the statements posed by the survey, meaning that culture (as defined in this sense) played no role in their decision of

and loyalty towards the PIA. However, the R500+ category on average did not feel that strong (disagreed to a lesser extent) to the role that culture played in the abovementioned decision process.

Customer Satisfaction

Moving onto the constructs that returned medium effect sizes (a practically visible difference) the first construct to be discussed is Customer Satisfaction. This construct measured to what extent respondents are satisfied with their decisions to become members of the PIA, being satisfied with the services that IMASA as brand offers, and to what extent the respondent use word-of-mouth to market the IMASA brand and their interactions with such brand. As can be seen from the detailed results in Table 3-9 above there is a medium effect size (practically visible difference) between the means of the <R300 versus R300 – R499 (effect size = 0.34) and the R300 versus R500+ (effect size = 0.34). The means of the R300 – R499 and R500+ categories are actually almost the same at 3.8 and 3.9 respectively with the <R300 category returning a lower mean of 3.6.

The difference is, as mentioned above, not significant, but this does mean that the lower income categories are on average less satisfied with the services that the IMASA brand offers and are also less willing to tell other people about their interactions with the IMASA brand.

Relationship Proneness

The second construct that returned medium effect sizes is Relationship Proneness. This construct measured whether the respondents prefer to maintain a passionate and emotional long-term relationship with the IMASA brand. It also measured whether the respondents are willing to “go-the-extra-mile” to remain with the same PIA.

The effect sizes returned is 0.30 for the <R300 versus R500+ analysis and 0.41 for the R300 – R499 versus R500+ income category. Since the mean of the R500+ category of

4.1 is higher than the other income categories' means, the conclusion that can be drawn from it is that the respondents falling in the R500+ category agree more than the other categories with the maintenance of long term, passionate and emotional relationships with the IMASA brand.

Brand Relevance

This construct measured whether IMASA as a brand has freshness about it, whether it portrays positive significance, whether the IMASA brand stands for issues that actually matters and whether the IMASA brand is continuously renewing and improving to remain relevant. The biggest effect size of 0.39 is at the <R300 versus R500+. The higher income group's mean is calculated as 3.5 as opposed to the lower income group's mean of 3.2, and although this is not a big difference, it can still be regarded as a medium effect around 0.50 as a practically visible difference.

The relevance of and constantly improving IMASA brand is therefore more important to the higher income respondents.

Brand Trust

Then moving to the small event sizes, only one construct will be discussed, since the differences are so small at the rest of the constructs that it need no mentioning (no practical difference). Brand Trust measured whether the IMASA brand can be trusted, whether the respondents have confidence in the brand and whether the reputation of the IMASA brand is crucial for maintaining loyalty towards the IMASA brand. The means of the <R300 and R500+ groups are quite similar (both means = 3.6) but the R300 – R499 group is higher at 3.8.

The discussions regarding the effect sizes and the resultant differences between specific variables like gender, educational levels, population groups, age- and income groups, can be summarized as follows:

Table 3-10: Summary of main differences

	Gender	Education	Population groups	Age	Income
Construct	Culture	Culture	Culture	Culture	Culture
	Relationship Proneness	Relationship Proneness	Relationship Proneness	Relationship Proneness	Relationship Proneness
	Involvement	Involvement	Involvement	Involvement	
		Customer satisfaction	Customer Satisfaction	Customer Satisfaction	Customer Satisfaction
			Brand Relevance	Brand Relevance	Brand Relevance
			Brand Trust		Brand Trust
					Switching Costs
				Perceived value	
				Brand Affect	

3.3.2.9. Coefficients of correlation (*r*) and determination (r^2)

Table 3-11 below contains the inter-construct coefficients of correlation (*r*) of the 12 constructs that have been used to measure the brand loyalty of the members of IMASA, while Table 3-12 contains the coefficients of determination (r^2) of the same constructs.

Table 3-11: Inter-construct Correlations

Inter-construct Correlation Coefficients

	CUS	SWC	BRT	REP	INV	PEV	COM	RPU	BRA	BRE	BRP	CUL	SWC3	INV3	RPU2	BRP3
Customer satisfaction		0.238	0.719	0.530	0.658	0.474	0.473	0.394	0.523	0.806	0.601	0.314	0.402	0.358	0.224	-0.247
Switching costs	0.238		0.192	-0.055	0.282	0.082	0.223	0.048	0.059	0.270	0.127	0.278	0.041	0.036	0.203	-0.033
Brand trust	0.719	0.192		0.548	0.607	0.547	0.634	0.546	0.504	0.659	0.641	0.103	0.431	0.404	0.044	-0.361
Relationship proneness	0.530	-0.055	0.548		0.615	0.430	0.474	0.461	0.491	0.584	0.455	0.347	0.525	0.298	0.096	-0.221
Involvement	0.658	0.282	0.607	0.615		0.484	0.407	0.334	0.462	0.616	0.602	0.368	0.417	0.214	0.218	-0.240
Perceived value	0.474	0.082	0.547	0.430	0.484		0.678	0.521	0.705	0.552	0.604	-0.045	0.520	0.304	-0.104	-0.427
Commitment	0.473	0.223	0.634	0.474	0.407	0.678		0.544	0.706	0.500	0.562	-0.055	0.405	0.261	0.008	-0.432
Repeat purchase	0.394	0.048	0.546	0.461	0.334	0.521	0.544		0.444	0.410	0.337	-0.070	0.296	0.248	-0.059	-0.287
Brand affect	0.523	0.059	0.504	0.491	0.462	0.705	0.706	0.444		0.583	0.617	-0.008	0.485	0.357	-0.038	-0.339
Brand relevance	0.806	0.270	0.659	0.584	0.616	0.552	0.500	0.410	0.583		0.602	0.372	0.350	0.297	0.143	-0.162
Brand performance	0.601	0.127	0.641	0.455	0.602	0.604	0.562	0.337	0.617	0.602		0.132	0.554	0.311	0.158	-0.393
Culture	0.314	0.278	0.103	0.347	0.368	-0.045	-0.055	-0.070	-0.008	0.372	0.132		0.009	0.240	0.528	0.289
SWC3	0.402	0.041	0.431	0.525	0.417	0.520	0.405	0.296	0.485	0.350	0.554	0.009		0.208	-0.165	-0.239
INV3	0.358	0.036	0.404	0.298	0.214	0.304	0.261	0.248	0.357	0.297	0.311	0.240	0.208		0.054	-0.003
RPU2	0.224	0.203	0.044	0.096	0.218	-0.104	0.008	-0.059	-0.038	0.143	0.158	0.528	-0.165	0.054		0.146
BRP3	-0.247	-0.033	-0.361	-0.221	-0.240	-0.427	-0.432	-0.287	-0.339	-0.162	-0.393	0.289	-0.239	-0.003	0.146	

Table 3-12: Inter-construct coefficient of determination

Inter-construct Coefficients of Determination

	CUS	SWC	BRT	REP	INV	PEV	COM	RPU	BRA	BRE	BRP	CUL	SWC3	INV3	RPU2	BRP3
Customer satisfaction	1.000	0.057	0.517	0.281	0.433	0.225	0.224	0.155	0.274	0.650	0.361	0.099	0.162	0.128	0.050	0.061
Switching costs	0.057	1.000	0.037	0.003	0.080	0.007	0.050	0.002	0.004	0.073	0.016	0.077	0.002	0.001	0.041	0.001
Brand trust	0.517	0.037	1.000	0.300	0.368	0.299	0.402	0.298	0.254	0.434	0.411	0.011	0.186	0.163	0.002	0.130
Relationship proneness	0.281	0.003	0.300	1.000	0.378	0.185	0.225	0.213	0.241	0.341	0.207	0.120	0.276	0.089	0.009	0.049
Involvement	0.433	0.080	0.368	0.378	1.000	0.234	0.166	0.112	0.213	0.379	0.362	0.135	0.174	0.046	0.048	0.057
Perceived value	0.225	0.007	0.299	0.185	0.234	1.000	0.460	0.271	0.497	0.305	0.365	0.002	0.270	0.092	0.011	0.182
Commitment	0.224	0.050	0.402	0.225	0.166	0.460	1.000	0.296	0.498	0.250	0.316	0.003	0.164	0.068	0.000	0.187
Repeat purchase	0.155	0.002	0.298	0.213	0.112	0.271	0.296	1.000	0.197	0.168	0.114	0.005	0.088	0.062	0.003	0.082
Brand affect	0.274	0.004	0.254	0.241	0.213	0.497	0.498	0.197	1.000	0.340	0.381	0.000	0.235	0.127	0.001	0.115
Brand relevance	0.650	0.073	0.434	0.341	0.379	0.305	0.250	0.168	0.340	1.000	0.362	0.138	0.123	0.088	0.021	0.026
Brand performance	0.361	0.016	0.411	0.207	0.362	0.365	0.316	0.114	0.381	0.362	1.000	0.017	0.307	0.097	0.025	0.154
Culture	0.099	0.077	0.011	0.120	0.135	0.002	0.003	0.005	0.000	0.138	0.017	1.000	0.000	0.058	0.279	0.084
SWC3	0.162	0.002	0.186	0.276	0.174	0.270	0.164	0.088	0.235	0.123	0.307	0.000	1.000	0.043	0.027	0.057
INV3	0.128	0.001	0.163	0.089	0.046	0.092	0.068	0.062	0.127	0.088	0.097	0.058	0.043	1.000	0.003	0.000
RPU2	0.050	0.041	0.002	0.009	0.048	0.011	0.000	0.003	0.001	0.021	0.025	0.279	0.027	0.003	1.000	0.021
BRP3	0.061	0.001	0.130	0.049	0.057	0.182	0.187	0.082	0.115	0.026	0.154	0.084	0.057	0.000	0.021	1.000

According to Levine *et al.* (2008:128) the coefficient of correlation (*r*) measures the relative strength of the linear relationship or association between 2 numerical values. The strength of the relationship can either range from -1 (the perfect negative correlation) to 1 (the perfect positive correlation). In the middle of these extremes, namely at zero, no correlation exists between the subjects being analysed. Therefore the closer the coefficient of correlation is to zero, the weaker the relationship. The inverse thereof is that the stronger the linear relationship, the closer the value will be to either 1 or -1, depending on whether the relationship is positive of negative.

The coefficient of determination (r^2) measures according to Levine *et al.* (2008:526) the proportion of the variation in a dependent variable that is explained by an independent variable.

In the case the dataset being analysed in this study, it is quite apparent from Table 3-11 that overall there is strong positive linear relationships or associations between the 12 constructs, with the exception of Switching Costs and Culture where the inter-construct coefficient of correlations is generally weaker.

After discussing the inter-construct correlations on a broad basis, the inter-construct correlations of each of the 12 constructs will now be analysed and discussed in detail, starting with Customer Satisfaction.

3.3.2.9.1. Customer Satisfaction

The inter-construct coefficients of correlation (*r*) of Customer Satisfaction with the other 11 constructs are depicted in Table 3-13 below. From this it is apparent that there is generally a strong linear relationship between Customer Satisfaction and the majority of the 11 other constructs, except Switching Costs (r = 0.238) and to a lesser extent Culture (r = 0.314). The construct that shows the strongest linear relationship with Customer Satisfaction is Brand Relevance (r = 0.806), which is indicative of a very strong linear (positive) relationship. The second strongest linear relationship is observed at Brand Trust (r = 0.719). As mentioned above, the weakest linear relationship is

exhibited by Switching Costs (r = 0.238), with the second weakest linear relationship being Culture (r = 0.314). The rest of the constructs returned coefficients of correlation of between 0.394 (Repeat Purchases) and 0.658 (Involvement).

Therefore with the exception of Switching Costs, a strong linear relationship is observed between Customer Satisfaction and the other constructs.

Table 3-13: Correlations with Customer Satisfaction

Customer Satisfaction	Coefficient of correlation (r)	Coefficient of determination (r^2)
Switching costs	0.238	0.057
Brand trust	0.719	0.517
Relationship proneness	0.530	0.281
Involvement	0.658	0.433
Perceived value	0.474	0.225
Commitment	0.473	0.224
Repeat purchase	0.394	0.155
Brand affect	0.523	0.274
Brand relevance	0.806	0.650
Brand performance	0.601	0.361
Culture	0.314	0.099

In addition to the coefficient of correlation (r), the coefficient of determination (r^2) for Customer Satisfaction is stated in Table 3-13 as well. The construct with the highest r^2 value is Brand Relevance. This means that 65% of the variation in Customer Satisfaction is explained by the variation in Brand Relevance. Similarly 51.7% of the variation in Customer Satisfaction is explained by the variation in Brand Trust.

3.3.2.9.2. Switching Costs

As highlighted in the overview of the inter-construct correlations, Switching Costs does not exhibit a strong linear relationship with the other constructs in this study (see Table 3-14 below). In fact, the overall picture is one that tends to indicate that there is actually no or a very weak linear relationship between Switching Costs and the other constructs of this study.

When the coefficient of correlation is close to zero, there is no linear relationship between the subjects. In this regard there are four constructs that exhibits a very small coefficient of correlation, close to zero namely Relationship Proneness (r = -0.055), Perceived Value (r = 0.082), Repeat Purchase (r = 0.048) and Brand Effect (r = 0.059). For the purpose of this research these constructs can be regarded as having no linear relationship with Switching Costs.

The other seven constructs exhibit very weak linear relationships with Switching Costs and ranges from a very weak 0.127 coefficient of correlation for Brand Performance to Involvement returning a somewhat stronger, but still weak linear relationship with a coefficient of correlation of only 0.282.

Table 3-14: Correlations with Switching Costs

Switching Costs	Coefficient of correlation (r)	Coefficient of determination (r^2)
Customer satisfaction	0.238	0.057
Brand trust	0.192	0.037
Relationship proneness	-0.055	0.003
Involvement	0.282	0.080
Perceived value	0.082	0.007
Commitment	0.223	0.050
Repeat purchase	0.048	0.002
Brand affect	0.059	0.004
Brand relevance	0.270	0.073
Brand performance	0.127	0.016
Culture	0.278	0.077

None of the coefficient of determination (r^2) values of Switching Costs are worth mentioning, and are just included in Table 3-14 above for completeness.

In summary, Switching Costs exhibits a very weak to no linear relationship or association with the other eleven constructs.

3.3.2.9.3. Brand Trust

Table 3-15 depicts the correlations of Brand Trust with each of the other 11 constructs. With the exception of Switching Costs (r = 0.192) and Culture (r = 0.103) the other constructs all show a strong linear relationship with Brand Trust with the coefficients of correlation ranging between 0.504 for Brand Affect to 0.719 for Customer Satisfaction. It is therefore safe to assume that a strong linear relationship exists between Brand Trust and the bulk of the other constructs.

Table 3-15: Correlations with Brand Trust

Brand trust	Coefficient of correlation (r)	Coefficient of determination (r^2)
Customer satisfaction	0.719	0.517
Switching costs	0.192	0.037
Relationship proneness	0.548	0.300
Involvement	0.607	0.368
Perceived value	0.547	0.299
Commitment	0.634	0.402
Repeat purchase	0.546	0.298
Brand affect	0.504	0.254
Brand relevance	0.659	0.434
Brand performance	0.641	0.411
Culture	0.103	0.011

The coefficient of determination (r^2) values obtained with regard to Brand Trust, are stated in Table 3-15 above. The construct with the highest r^2 value is Customer Satisfaction. This means that 51.7% of the variation in brand trust is explained by the variation in Customer Satisfaction.

3.3.2.9.4. Relationship Proneness

The inter-construct coefficients of correlation (r) between Relationship Proneness and the other 11 constructs with the exception of Switching Costs (r = -0.055), illustrate relative strong linear relationships. Of these 10 constructs, the strongest linear relationship is demonstrated by Involvement (r = 0.615). The second strongest

association with Relationship Proneness is with Brand Relevance (r = 0.584), followed by Brand Trust (r = 0.548) and Customer Satisfaction (r = 0.530). The remainder of the constructs reported coefficient of correlations of 0.491 for Brand Affect right down to 0.347 for Culture.

Both the coefficient of correlations and coefficients of determination are stated in Table 3-16 below. None of the coefficient of determination (r^2) values of Relationship Proneness are worth mentioning, with the highest being the 0.378 of Involvement. It is therefore included in Table 3-16 below just for completeness.

Table 3-16: Correlations with Relationship Proneness

Relationship Proneness	Coefficient of correlation (r)	Coefficient of determination (r^2)
Customer satisfaction	0.530	0.281
Switching costs	-0.055	0.003
Brand trust	0.548	0.300
Involvement	0.615	0.378
Perceived value	0.430	0.185
Commitment	0.474	0.225
Repeat purchase	0.461	0.213
Brand affect	0.491	0.241
Brand relevance	0.584	0.341
Brand performance	0.455	0.207
Culture	0.347	0.120

3.3.2.9.5. Involvement

There is a relative strong linear relationship between Involvement and most of the other constructs, with the exception of Switching Costs (r = 0.282), Repeat Purchases (r = 0.334) and Culture (r = 0.368). The rest of the constructs have returned fairly high correlation coefficients, the highest of this being Customer Satisfaction (r = 0.658), Brand Relevance (r = 0.616), Relationship Proneness (r = 0.615), Brand Trust (r = 0.607) and Brand Performance (r = 0.602). All of these relative correlation coefficients are above the 0.60 level which indicates towards a relative strong linear relationship with Involvement. However there are another 3 constructs that have returned r-values

lower than 0.50, namely Perceived Value (r = 0.484), Brand Affect (r = 0.462) and Commitment (r = 0.407) and then the aforementioned 3 constructs that have been returned the lowest correlation coefficients of lower than 0.40.

Table 3-17: Correlations with Involvement

Involvement	Coefficient of correlation (r)	Coefficient of determination (r^2)
Customer satisfaction	0.658	0.433
Switching costs	0.282	0.080
Brand trust	0.607	0.368
Relationship proneness	0.615	0.378
Perceived value	0.484	0.234
Commitment	0.407	0.166
Repeat purchase	0.334	0.112
Brand affect	0.462	0.213
Brand relevance	0.616	0.379
Brand performance	0.602	0.362
Culture	0.368	0.135

Similarly to the above, the construct that returned the highest coefficient of determination is Customer Satisfaction (r^2= 0.433) which means that 43.3% of the variation in Involvement can be explained by the variation in customer satisfaction.

3.3.2.9.6. Perceived Value

Of the values returned with regard to the correlation coefficient of Perceived Value with the other 11 constructs, two of the constructs have no linear relationship with Perceived Value, namely Switching Costs (r = 0.082) and Culture (r = -0.045). The highest correlation coefficients returned are that of Brand Affect (r = 0.705) followed closely by Commitment (r = 0.678), Brand Performance (r = 0.604), Brand Relevance (r = 0.552) Brand Trust (r = 0.547) and Repeat Purchase (r = 0.521). The rest of the correlation coefficients returned are all below 0.50.

Table 3-18: Correlations with Perceived Value

Perceived Value	Coefficient of correlation (r)	Coefficient of determination (r^2)
Customer satisfaction	0.474	0.225
Switching costs	0.082	0.007
Brand trust	0.547	0.299
Relationship proneness	0.430	0.185
Involvement	0.484	0.234
Commitment	0.678	0.460
Repeat purchase	0.521	0.271
Brand affect	0.705	0.497
Brand relevance	0.552	0.305
Brand performance	0.604	0.365
Culture	-0.045	0.002

The highest value returned by the coefficient of determination is the r^2 = 0.497 of Brand Affect, which means that 49.7% of the variation in perceived value can be explained by the variation in brand affect. The rest of the coefficient of determination is lower than 0.49.

3.3.2.9.7. Commitment

Yet again with Commitment two of the correlation coefficients results returned point towards a very weak or actually no linear relationship. These constructs are Switching Costs (r = 0.223) and Culture (r = -0.055). The top three constructs regarding correlation coefficients are Brand Affect (r = 0.706), Perceived Value (r = 0.678) and Brand Trust (r = 0.634), followed by another three constructs with r values between 0.50 and 0.60, namely Brand Performance (r = 0.562), Repeat Purchase (r = 0.544) and Brand Relevance (r = 0.500). The rest of the r values are below 0.50.

Similarly, the highest coefficient of determination was returned by Brand Affect (r^2 = 0.498) which means that 49.8% of the variation in Commitment can be explained by the variation in Brand Affect. All the other r^2 values are 0.46 and lower.

Table 3-19 below show the inter-construct coefficients of correlation and determination.

Table 3-19: Correlations with Commitment

Commitment	Coefficient of correlation (*r*)	Coefficient of determination (r^2)
Customer satisfaction	0.473	0.224
Switching costs	0.223	0.050
Brand trust	0.634	0.402
Relationship proneness	0.474	0.225
Involvement	0.407	0.166
Perceived value	0.678	0.460
Repeat purchase	0.544	0.296
Brand affect	0.706	0.498
Brand relevance	0.500	0.250
Brand performance	0.562	0.316
Culture	-0.055	0.003

3.3.2.9.8. Repeat Purchase

Overall the coefficients of correlation returned by Repeat Purchase are substantially lower than some of the other constructs discussed. In fact, it is apart from the correlations of Switching Costs and Culture the construct that returned the lowest coefficient of correlation of all 12 the constructs measured in this survey.

The highest of these *r* values is Brand Trust (*r* = 0.546) followed by Commitment (*r* = 0.544) and Perceived Value (*r* = 0.521). The rest of the constructs returned *r* values of less than 0.50 with the two lowest r values, as with various other inter-construct correlations, Switching Costs (*r* = 0.048) and Culture (*r* = 0.070). The above means that there are not a strong linear relationship between Repeat Purchase and the other constructs.

Table 3-20 below states the inter-construct correlation coefficients (*r* values) as well as the coefficients of determination (r^2 values). Due to the low r values mentioned above, the coefficients of determination are even lower, and are only stated in Table 3-20 below for the sake of completeness.

Table 3-20: Correlations with Repeat Purchase

Repeat Purchase	Coefficient of correlation (*r*)	Coefficient of determination (r^2)
Customer satisfaction	0.394	0.155
Switching costs	0.048	0.002
Brand trust	0.546	0.298
Relationship proneness	0.461	0.213
Involvement	0.334	0.112
Perceived value	0.521	0.271
Commitment	0.544	0.296
Brand affect	0.444	0.197
Brand relevance	0.410	0.168
Brand performance	0.337	0.114
Culture	-0.070	0.005

3.3.2.9.9. Brand Affect

The inter-construct correlation coefficients of Brand Affect are some of the higher values returned in this study (see Table 3-21 below).

Table 3-21: Correlations with Brand Affect

Brand Affect	Coefficient of correlation (*r*)	Coefficient of determination (r^2)
Customer satisfaction	0.523	0.274
Switching costs	0.059	0.004
Brand trust	0.504	0.254
Relationship proneness	0.491	0.241
Involvement	0.462	0.213
Perceived value	0.705	0.497
Commitment	0.706	0.498
Repeat purchase	0.444	0.197
Brand relevance	0.583	0.340
Brand performance	0.617	0.381
Culture	-0.008	0.000

Three constructs have returned *r* values higher than 0.60 namely Repeat Purchase (*r* = 0.706), Perceived Value (*r* = 0.705) and Brand Performance (*r* = 0.617). As was also the case with most of the other inter-construct correlations, Switching Costs (*r* = 0.059) and

Culture (r = -0.008) are the lowest r values returned, meaning that with these constructs there are no linear relationship with Brand Affect.

The noticeable highest r^2 values of the coefficients of determinations are that of Perceived Value (r^2 = 0.497) meaning that 49.7% of the variation in brand affect can be explained by the variation in perceived value and Commitment (r^2 = 0.498) meaning that 49.8% of the variation in brand affect can be explained by the variation in commitment.

3.3.2.9.10. Brand Relevance

Table 3-22 contains the inter-construct correlation coefficients (r values) as well as the coefficients of determination of Brand Relevance in relation to the other 11 constructs.

.

Table 3-22: Correlations with Brand Relevance

Brand Relevance	Coefficient of correlation (r)	Coefficient of determination (r^2)
Customer satisfaction	0.806	0.650
Switching costs	0.270	0.073
Brand trust	0.659	0.434
Relationship proneness	0.584	0.341
Involvement	0.616	0.379
Perceived value	0.552	0.305
Commitment	0.500	0.250
Repeat purchase	0.410	0.168
Brand affect	0.583	0.340
Brand performance	0.602	0.362
Culture	0.372	0.138

As can be seen from Table 3-22 this construct returned the highest inter-construct correlation coefficients of all the constructs. Indicative of this is the fact that four of the eleven constructs having scored r values in excess of 0.60. These constructs are Customer Satisfaction (r = 0.860), Brand Trust (r = 0.659), Involvement (r = 0.616) and Brand Performance (r = 0.602). There are a further four constructs that returned r values between 0.50 and 0.60, with the rest of the constructs being below 0.50, including Culture (r = 0.372) and Switching Costs (r = 0.270).

The coefficients of determination (r^2 value) of Customer Satisfaction are the highest of all the constructs with regard to Brand Relevance at 0.650, which means that 65% of the variation in Brand Relevance can be explained by the variation in customer satisfaction.

3.3.2.9.11. Brand Performance

Table 3-23: Correlations with Brand Performance

Brand Performance	Coefficient of correlation (r)	Coefficient of determination (r^2)
Customer satisfaction	0.601	0.361
Switching costs	0.127	0.016
Brand trust	0.641	0.411
Relationship proneness	0.455	0.207
Involvement	0.602	0.362
Perceived value	0.604	0.365
Commitment	0.562	0.316
Repeat purchase	0.337	0.114
Brand affect	0.617	0.381
Brand relevance	0.602	0.362
Culture	0.132	0.017

Table 3-23 above indicates that six of the 11 constructs have returned *r* values greater than 0.60, which is indicative of a fairly strong linear relationship with Brand Performance. These constructs are Brand Trust (r = 0.641), Brand Affect (r = 0.617), Perceived Value (r = 0.604), Involvement and Brand Relevance (both r = 0.602) and Customer Satisfaction (r = 0.601). Commitment (r = 0.562) and Relationship Proneness (r = 0.455) are between 0.40 – 0.50. The rest of the *r* values are less than 0.40. However, none of the coefficients of determination have noticeable r^2 values and are just reported in Table 3-23 for the sake of completeness.

3.3.2.9.12. Culture

The inter-construct correlation coefficients and coefficients of determination regarding the construct Culture construct has returned very low r values, indicating a very weak

linear relationship with the other constructs, while in some cases there is no linear relationship at all.

3.4. SUMMARY

In this chapter the discussion on the research findings started off by explaining the sample type, size and response rate. The origin of the questionnaire was then discussed, where after a detailed discussion on the demographics of the respondents followed. The main part of the chapter was spent on the discussions on the quantitative analysis of the data, starting with some descriptive statistics, reliability testing, effect size testing with regard to gender, educational, race, age and income and ending off with inter-construct correlations.

The last chapter will deal with some concluding remarks and recommendations.

Chapter 4 – CONCLUSIONS AND RECOMMENDATIONS

4.1 INTRODUCTION

The previous chapter presented some empirical results of the study. It started off by elucidating on the type of sample that was used, the size of the sample and the response rate achieved through this study. An explanation followed to explain the source of the questionnaire used in the survey and how it was adapted to meet the specific needs of this survey to measure the brand loyalty of members of PIAs.

The second part of the previous chapter was devoted to discuss the quantitative analysis of the data gathered through descriptive statistics, reliability testing, effect size testing on various variables and ended by explaining and interpreting the biggest correlations between variables and constructs.

The fourth and last chapter will discuss some conclusions that can be drawn from the data, explain some of the limitations of the study and will end off by proposing some recommendations.

4.2 CONCLUSIONS

4.2.1. General Conclusions

4.2.1.1. Overall reliability

Although the original questionnaire developed by Moolla (2010) had to be shortened and adapted to be more relevant in a PIA environment, it can be concluded that the instrument still returned acceptable reliability scores through the use of the Cronbach-Alpha reliability values, after four sub-dimensions were removed to address its overall reliability.

4.2.1.2. Cultural conclusions

The reliability score of Culture as construct amounts to 0.813 which is acceptable, but on average the construct scored very low (the means being less than 2.0) with regard to all three questions. In fact most of the respondents (54% on average) in Table 3-2 above strongly disagreed with the statements that ethical, religious convictions and principles have played a role in their loyalty towards a PIA.

The specific construct will be discussed in more detail below, but what is evident from the above is that Culture, as defined in this study, does not play a distinctive role in improving the brand loyalty in a PIA environment.

4.2.1.3. Repurchase decision conclusions

One of the objectives of this study was to determine whether a statistical significant relationship exists between brand loyalty and the Repurchase Decision (renewal of membership in a PIA environment). The construct that can best describe this possible relationship is Repeat Purchase. However, one of the questions (RPU2) returned a high standard deviation of 1.270 and one of the highest CV's of all the questions in the survey at 48.8%. This means that the values are further from the mean than the other questions and relative close to the mean the values are more widely scattered. In order to improve the construct's reliability, this question was removed from the data.

The remaining questions on average scored well with means of 3.8 and 4.1, whilst the CV's are very low namely 13.6% and 14.7%, with the revised reliability being an acceptable Cronbach Alpha value of 0.601. None of the effect sizes at the variables like age, income and race returned a visible difference between the categories of these variables.

It can therefore be concluded that most of the people agreed and agreed strongly that they will support the IMASA brand through their continued membership and they should continue to be loyal members of IMASA.

4.2.1.4. Age group specific conclusion

One of the worrying factors that transpired was that the 20-29 age group have not responded at all. This might be indicative of a total apathy from this age group towards the survey, but it can also mean that the PIA does not have a proper footprint of membership in this age group. It is therefore concluded that serious attention should be given to this specific age group to improve their loyalty towards IMASA.

Another general observation made was that on average the 30-39 age group have returned the lowest scores of all the age related categories in terms of the different constructs without exception (see Table 3-8). Since this age group is regarded as the next generation that will take the PIA into the future, it is concluded that their loyalty towards IMASA as brand is critical for the sustainability and future success and existence of the PIA.

4.2.1.5. Data analysis conclusion

The data analysis of this study was done similar to the approach followed by Moolla (2010:209 & 212), namely firstly analysing the demographical profiles (age, gender, marital status, education, geographical distribution, race and income) and as was the case with Moolla's study, the geographical distribution was not analysed further since some of the provinces did not respond at all. Secondly a detailed quantitative analysis which included some linear relationship analyses by using effect sizes and then calculating inter-construct coefficients of correlation and determination.

4.2.2. Construct-specific Conclusions

4.2.2.1. Customer Satisfaction

As highlighted in the literature study in Chapter 2, Customer Satisfaction is regarded as one of the core principles in the marketing of a product or service. It has also been established that satisfaction only is no longer enough, but that the customer's expectations must be exceeded in order to be highly satisfied and therefore become

brand loyal. The overall reliability score of 0.803 is in itself a very good indication of the importance of Customer Satisfaction, specifically in this study.

Regarding the differences between the specific categories within the demographic variables as measured by the effect sizes at customer satisfaction it is apparent that the following people are satisfied with their decision to join IMASA, market IMASA through word of mouth and are satisfied that the services offered by IMASA is in fact what the members need:

- People with an university education;
- White people;
- People older than 40; and
- More affluent people (the middle and high income groups).

4.2.2.2. Switching Costs

Since the survey with its 12 constructs is measuring brand loyalty in a PIA environment, the non-existence of any real form of linear relationship with the other 11 constructs as measured by the coefficient of correlation (see Table 3-14) suggests that switching costs in a PIA environment, especially with regards to IMASA, does not prevent members to switch between PIA and therefore does not contribute significantly to maintain and improve brand loyalty in the specific environment.

Regarding effect sizes the only demographic variable that returned a meaningful effect size is the income variable (also see discussion at par 3.3.2.8) where it was observed that a negative correlation exists between the means and the income of the respondents. This means that paying membership levies in a depressed global economy has a bigger effect or influence on people in the lower income categories and to a lesser extent on people in the high income category. Therefore it is concluded that brand loyalty towards the IMASA brand is lower at the lower income category (see the third objective of this study).

4.2.2.3. Brand Trust

As was the case with customer satisfaction, the reliability score of Brand Trust as construct in this survey came out at 0.811, which is regarded as a very good score. The mean of the construct also works out at 3.67, which is one of the highest means returned by any construct.

The only real difference between the demographical variables as measured by the effect sizes are on population group level, where Whites on average trust the IMASA brand more ($\bar{x}$ = 3.9) than Blacks ($\bar{x}$ = 3.5). This means that IMASA's reputation is more important to Whites in order to maintain their loyalty to the brand. Whites also have more confidence in the IMASA brand.

With regard to the inter-construct correlations between brand trust and the other constructs, the discussion in par. 3.3.2.9.3 has concluded that a strong linear relationship exists between brand trust and the other constructs in this study, with the exception of Switching Costs and Culture).

4.2.2.4. Relationship Proneness

The reliability score of this construct (as measured through the Cronbach Alpha measurement) is one of the highest of all the constructs at 0.785 and an overall mean of 3.89 - in fact it is the third highest mean of all the constructs.

It is therefore clear that on average the respondents prefer to maintain a long term relationship with the IMASA brand ($\bar{x}$ = 4.10 and *CV* = 14.2%), regard themselves as willing to go the extra mile to remain a member of the PIA ($\bar{x}$ = 3.93 and *CV* = 19%) and lastly to a lesser extent have a passionate and emotional relationship with the IMASA brand ($\bar{x}$ = 3.62 and *CV* = 25.3%).

Table 4-1: Summary of effect sizes of relationship proneness

Variable	Category	$\bar{x}$	Effect size
Gender	Male	4.03	0.38
	Female	3.87	
Education	< university	4.03	0.46
	university	3.71	
Population group	Black	3.63	0.49
	White	4.33	
Age	30-39	3.65	*30–39 vs 40-49* = 0.33
	40-49	3.83	*40-49 vs 50+* = 0.61
	50+	4.20	*30-39 vs 50+* = 0.74
Income	< R300	3.85	*< R300 vs R300–R499* = 0.12
	R300–R499	3.77	*< R300-R499 vs R500+* = 0.41
	R500+	4.06	*< R300 vs R500+* = 0.30

As can be seen in Table 3-10, relationship proneness is one of only two constructs where the all the demographic variables differ within, as there are practical visible and significant differences (medium and high effect sizes) between gender, education, population group, age and income.

From the above it is concluded that the following categories of members of IMASA prefer to maintain a long term relationship with the PIA, are willing to go the extra mile to remain a member of the PIA and lastly have a passionate and emotional relationship with the PIA:

- Males;
- People with a university degree;
- People older than 40 years;
- People earning more than R300 000 p.a.

It is therefore concluded that the people fitting the above categories therefore are more loyal to the IMASA brand than the rest of the respondents.

4.2.2.5. Involvement

The reliability of this construct started off at a low 0.553, which means that the results of the construct were not acceptable. However, one of the questions (INV3) was removed, which improved the reliability of the remaining questions of this construct to a high 0.808, which is according to the Cronbach Alpha method regarded as acceptable. The overall means of the remaining questions amount to 3.72, with a standard deviation of 0.615. After the above adjustment, the construct measured whether the loyalty towards the IMASA brand increases when the involvement of members with the brand increases and whether this increased involvement with the brand intensifies the excitement and interest towards the IMASA brand.

Table 4-2 below summarises the effect sizes of involvement as construct compared to the demographic variables. It must however be noted that of the five variables, involvement has returned practical visible and significant differences between the categories of the variables with the exception of income.

Table 4-2: Summary of effect sizes of involvement

Variable	Category	$\bar{x}$	Effect size
Gender	Male	3.96	0.67
	Female	3.53	
Education	< university	3.60	0.32
	university	3.81	
Population group	Black	3.44	0.85
	White	4.08	
Age	30-39	3.53	*30–39 vs 40-49* = 0.13
	40-49	3.60	*40-49 vs 50+* = 0.61
	50+	4.06	*30-39 vs 50+* = 0.71

It is furthermore apparent from Table 4-2 that the biggest differences occurred at the Population Group variable where Whites agreed much more about their involvement with the IMASA brand than Blacks (effect size = 0.85) as well as people of 50+ years (effect sizes = 0.61 and 0.71). On a gender basis Males have agreed more than Females (effect size = 0.67 and 0.61) with the above loyalty statements relevant to this construct. The differences between people with a university education as opposed to

those without a university degree, was practically not as big as those above, but are still visible differences (effect size = 0.32).

Although the income variable did not return any real differences between the three income categories, the means of the categories range between 3.7 – 3.8, which are in the context of this study substantial.

On the matter of the inter-construct correlations, it is concluded that the strong linear relationship shown by this construct with the other constructs (except with Culture and Switching Costs), is indicative of the positive effect that involvement with the brand plays in improving the brand loyalty towards IMASA.

Based on the above findings, it is concluded that involvement with the brand played a definite role to increase the loyalty towards the IMASA brand, especially in the cases of White members, people over 50 years, Males and lastly people with an university degree. The above findings and conclusions are also in line with the research findings stated earlier in par 2.13.5 of Park (1996), Gordon *et al*. (1998), Kim *et al.* (1997) Quester and Lim (2003) and Punniyamoorthy and Raj (2007).

4.2.2.6. Perceived value

The reliability scores according to the Cronbach Alpha calculations for this construct came out at 0.648. As stated in par 3.3.2.2, reliability scores below 0.70 but above 0.50 can be accepted, but these values should be interpreted with caution.

Six of the constructs returned correlation coefficients with involvement above 0.50 (Brand Affect, Commitment, Brand Performance, Brand Relevance, Brand Trust and Repeat Purchase).

The only demographic variable that showed a practical visible difference between the categories of the specific variable is the Age variable. Here the 30-39 age group ($\bar{x}$ = 3.6) returned a medium effect size of 0.50 with the 40-49 age group ($\bar{x}$ = 3.76), which

means that the 40-49 age group agreed more that the value that the IMASA brand generates is greater than the monetary value thereof (membership levies) and that it will still be of value in the future.

Mindful of the fact that the reliability score of 0.648 necessitated cautionary interpretation, the value of the results the construct returned a mean of 3.7, which in the context of this study is relatively high. The standard deviation of 0.510 is indicative of the fairly close concentration of the values around the mean and the majority of the demographical variables returned fairly similar values within its respective categories.

Based on the above, it is safe to conclude that most of the respondents agreed that the IMASA brand generated firstly positive emotions (safely, security and belonging), secondly greater value than the monetary value of the membership levies and lastly will be of value to them in the future.

4.2.2.7. Commitment

Similar to the reliability of the previous construct, the Commitment construct's reliability score of 0.678 is not exceptionally high and as with the previous interpretation, it will again be done with caution.

The mean of $\bar{x}$ = 3.95 is one of the highest values of all the constructs part of this study, with the overall standard deviation being relative small at 0.542, meaning that the respondents had on average fairly similar views about the questions. A further indication thereof is the similar demographical values returned by the categories of the demographical variables. On the matter of the inter-construct correlations Brand Affect had the highest correlation with Commitment at a value of r = 0.706).

Based on the above, it is therefore concluded that commitment towards the IMASA brand is very important to the majority of respondents and that their loyalty towards there IMASA brand is increased in the process.

4.2.2.8. Repeat Purchase

Initially this construct returned a very low reliability score of 0.151, but with the removal of one of the questions (RPU2), a substantial improvement in the reliability was achieved to a more acceptable score of 0.601. As was the case with the previous two constructs, cautionary interpretation is again applicable in this regard due to the relative low reliability score.

The mean worked out to 3.97 and being the second highest mean of this survey, it means that the respondents strongly agreed about continued membership (repeated purchase) and their continued loyalty towards IMASA. There is also no medium to large effect sizes, meaning that most of the respondents (irrespective of the categories of the demographical variables), held similar views about the questions part of this survey.

Based on the above, it can be concluded that most respondents concurred that continued membership and loyalty towards the IMASA brand is crucial to them.

4.2.2.9. Brand Affect

This construct has returned a high reliable score with a Cronbach Alpha score of 0.719 without the need to adjust it by removing some of the questions. The mean of 3.73 is also high and the overall standard deviation of the construct amounts to 0.489,which is also good being indicative of the closeness of the responses.

The only demographical variable that indicate medium effect is the Age variable where the 30-39 age group ($\bar{x}$ = 3.54) showed an effect size of 0.63 with the 40-49 age group at ($\bar{x}$ = 3.80). Three of the 11 constructs measured through the inter-construct correlation coefficients returned high correlations of over 0.60, namely Repeat Purchase, Perceived Value and Brand Performance.

It can therefore be concluded that the majority of respondents agreed that the IMASA brand elicit a positive emotional response from them, makes a difference in their lives and that the bond formed with the brand will be sustainable in future.

4.2.2.10. Brand Relevance

This construct has returned the most reliable scores from all the constructs with an outright Cronbach Alpha score of 0.836 without the need to remove any question to improve the reliability of the construct.

The overall mean for the construct of 3.29 is however not particularly high, and the standard deviation tends to be big at 0.698, meaning that the responses are quite varied. It also indicates that the respondents on average did not particularly agree that the IMASA brand stands for issues that actually matters. Similarly the respondents did not agree that the brand has a freshness about it, that it portrays a positive significance, and that the brand is constantly renewing to remain relevant.

The above observations are particularly relevant at the following demographical variables, namely:

- Blacks ($\bar{x}$ = 3.02) agreed less than Whites ($\bar{x}$ = 3.65) with an effect size of 0.79;
- The 30-39 age group ($\bar{x}$ = 2.90) tended towards disagreeing about the brand's relevance compared to the 40-49 age group ($\bar{x}$ = 3.35) and the over 50 age group ($\bar{x}$ = 3.59) with effect sizes of 0.79 and 0.83 respectively; and
- The lower income group ($\bar{x}$ = 3.15) versus the middle income group ($\bar{x}$ = 3.32) and the lower income group ($\bar{x}$ = 3.15) versus the higher income group ($\bar{x}$ = 3.45) with effect sizes of 0.29 and 0.39 respectively.

The conclusion that can be drawn from the above is that the abovementioned groups of members feel marginalised from the IMASA brand regarding the relevance of the brand.

4.2.2.11. Brand Performance

Initially this construct returned a negative Cronbach Alpha reliability score of -0.490, but after determining which question caused the low reliability, the identified question

(BRP3) was removed and the reliability of the construct improved to a more acceptable 0.617 and although still relatively low, it is bigger than 0.50 which is the cut-off for interpretation purposes. However, the interpretation of the results should be done with the necessary caution.

The mean returned by the construct ($\bar{x}$ = 3.44) is relative to the other means returned by this survey in the upper echelon. The effect sizes on the demographical variables' categories are all very small, in fact there seems to be no difference between the scores obtained by the different categories, with the exception of the Age variable, where an effect size of 0.37 is observed between the 30-39 age group ($\bar{x}$ = 3.31) and 40-49 age group ($\bar{x}$ = 3.50). When comparing the coefficients of correlation of the other constructs with brand performance, six of the 11 constructs have returned *r* values greater than 0.60 (Brand Trust, Brand Affect, Perceived Value, Involvement and Brand Relevance). This is indicative of a strong linear relationship of these constructs with Brand Performance.

The conclusion that can be drawn from the above discussion is that the performance of the IMASA brand in the past and the solid reputation that it has built up, informs the current loyalty of the members to the IMASA brand.

4.2.2.12. Culture

This construct has returned a very good outrights reliability score of 0.813 and no adjustment was needed to improve its reliability. The overall mean of the construct is a low 1.73, which means that the majority of the respondents disagreed and strongly disagreed that cultural influences determined their choice of PIA. Although the effect sizes returned were on average quite high between the categories of the demographical variables, the fact is that the majority of respondents disagreed with the statements made in the culture related questions and that cannot be disputed. Furthermore, the construct returned insignificant low *r* scores (also see 3.3.2.9.12). As indicated above, it is concluded that Culture does not play a distinctive role in improving the brand loyalty specifically in a PIA environment.

4.3 RECOMMENDATIONS

4.3.1. General recommendations

4.3.1.1. Cultural recommendation

The conclusion that was drawn from the results of the cultural construct in this study was that it did not play a distinctive role in improving the brand loyalty in the PIA environment. However, the way that it was defined in this study focussed only on ethical, religious convictions and principles. It is therefore recommended that future research could define culture from a different perspective, which might result in different outcomes.

4.3.1.2. Age group specific recommendations

It is recommended that the 20-29 age group is specifically targeted through marketing campaigns on the one hand to improve IMASA's footprint in this age group and on the other hand develop a long term relationship with these members. Recommendations to achieve this can be to develop a marketing strategy focussed on current students at universities and other educational institutions to become student members of the PIA, with the universities possibly sponsoring the membership levies of these students. Then to start building the relationships with these students, it is recommended that specific interventions, network opportunities and general interactions with professionals currently employed in the local government like holiday work, shadowing, mentoring and subject-specific educational sessions should be developed and implemented.

Similar to the above, the responses obtained from the 30-39 age group indicate without exception lower scores than the other age groups in all the constructs analysed. This means that overall the loyalty of the 30-39 age group is substantially lower than the rest of the age groups. It is therefore recommended that the marketing strategy eluded to the above should also include a strategy on how to improve the loyalty of this age group.

4.3.1.3. Data analysis recommendation

The method of data analysis employed in this study as described in par 4.2.1.5 is based on the recommendation cited by Moolla (2010:212). This structured way of conducting the data analysis ensured a progression from mere frequency distributions and demographical profiles to a detailed quantitative analysis on how the variables impacted on the 12 constructs.

4.3.2. Construct specific recommendations

4.3.2.1. Customer Satisfaction

Regarding Customer Satisfaction it is recommended that rigorous efforts be put in place to ensure that members of IMASA become more satisfied with their decision to become members market the IMASA brand through word of mouth and generally be content with the IMASA brand. This is especially true of the following groupings of members and a focussed marketing effort should be developed and done on:

- People without an university education;
- Black people;
- Members younger than 40 years; and
- The lower income bracket of members (earning less than R300 000 p.a.).

4.3.2.2. Switching Costs

One of the recommendations in this regard is that the costs to switch between PIAs be increased or elevated to a level that the members will lose too much by switching. This can be achieved by working towards making membership a prerequisite for employment at senior level, similar to the engineering, medical and other professional fraternity, where membership of a PIA is required. In achieving the above, the risks of switching will be slightly higher to even consider. However, before increasing the Switching Costs, it should be remembered that the lower income category is on average less loyal than

the other income categories and any increases in costs will have a negative effect on renewal rates.

In order to give effect to both scenarios mentioned above, it is therefore proposed that membership levies be determined based on the income level of members (lower income category members paying lower membership levies) as opposed to the flat rates charged annually by PIAs. An alternative proposal that can be considered is to subsidise the membership levies of lower income category members through other income sources.

4.3.2.3. Brand trust

It is concerning that there is such a big difference (effect size = 0.49) between Whites and Blacks regarding the trust shown in the IMASA brand. In the literature study it was confirmed that brand trust is one of the building blocks in developing lasting and strong relationships with customers, and in the case of PIAs with its members.

It is recommended that specific marketing efforts be employed to earn the trust of the specifically the black members of IMASA. Special care should also be taken when engaging with black members on different matters and at different forums to be mindful of the cultural and other differences that are applicable to interracial relations.

4.3.2.4. Relationship proneness

Again, as was the case with the previous constructs, certain groupings of people seem to have been marginalised within IMASA over time. Of particular relevance to this construct, members falling within the following categories have to some degree responded more negatively to the questions than the other respondents falling outside these categories:

- Females;
- Members without an university degree;

- Members younger than 40 years; and
- Lower income category.

It is therefore recommended that the marketing strategy mentioned above take into account the areas of concern or categories mentioned above.

4.3.2.5. Involvement

Based on the conclusion reached in par. 4.2.2.5 it is recommended that the involvement with the IMASA brand be improved at those areas where the respondents did not agree that their involvement would necessarily increase their loyalty. These categories are black people, females, people younger than 50 years, and people without university education.

Similar to the recommendation for relationship proneness, it is also recommended that the marketing strategy mentioned above take into account the areas of concern or categories mentioned above.

4.3.2.6. Perceived value

Unlike the other constructs discussed so far, this construct has returned mean scores of between 3.6 - 3.8 throughout the demographical variables, which is in the context of this survey not a bad score.

One area of concern is the lower score by the question measuring the value added by the brand to generate a feeling of safety, security and belonging. This is not an overnight effort and will need careful planning to address successfully.

4.3.2.7. Commitment

On average this construct returned fairly similar results between all the demographic variables with means between 3.9 and 4.0 which is excellent scores. It is therefore

recommended that cognisance be taken of the high level of commitment expressed by members in this survey and that the PIA makes use of this commitment when new initiatives are implemented.

4.3.2.8. Repeat Purchase

The scores returned by the construct are similar between the categories of the demographical variables and fairly high. It is also recommended that cognisance be taken of the high scores returned by this construct and that the PIA utilise these strengths to its best advantage.

4.3.2.9. Brand Affect

Similarly to previous constructs, it is recommended that cognisance be taken of these strengths and that the PIA utilise these strengths to its best advantage.

4.3.2.10. Brand Relevance

In this case those groups of members that feel they have been marginalised must receive special attention should the PIA wish to remain relevant in future and in the process be sustainable.

These groups of members are the future of the organisation. Particular attention should be given by IMASA to address their needs and meet their wants. If not addressed properly, these members will not renew their membership and the PIA will die a slow death.

4.3.2.11. Brand Performance

In this regard it must be recommended that IMASA take note of the impact that its present day performance may have on the reputations that it is building up in the market and how this affects the future existence of the PIA – it can make or break the PIA, depending on the successes that it achieves.

4.3.2.12. Culture

Based on the discussion on this matter in par 4.3.1.1, it is recommended that future redefining the questions of this construct from a different perspective, might result in different outcomes.

4.4 LIMITATIONS OF THE STUDY

Various limitations exist in this regard. Firstly the vast number of PIAs that exist in South Africa but also internationally made it impossible to research all these organisations in one study. A selection had to be made on which of these PIAs the study would be done.

Furthermore, the physical locations of these organisations made it impossible and not cost effective to do personal interviews with the management and members of these PIAs and the electronic mediums available to modern researchers had to be employed.

The willingness of the PIAs and their members to participate in this research had to be carefully managed, since most of these people are volunteers offering their services to the institutes or associations and depending on their workload at the time of the survey, their willingness or ability to respond might be problematic.

Then there might be a slight bias inherent in any brand loyalty research in general in that the loyal people will most probably be more willing to participate in a survey of this nature than people that are less loyal towards the brand.

4.5 SUMMARY

A comprehensive literature review was done as part of this study, which started off by explaining the notion of group formation by people for various reasons. It was then explained that the formation of and belonging to PIAs have evolved from the abovementioned notion. The history of relationship marketing was then discussed in detail where after its applicability and relevance to PIAs was explained. Brand loyalty

was defined, including some background on seven brand loyalty models developed over the years. As part of the opportunities for further research of his model on brand loyalty, Moolla identified the services sector as potential application of the model. The 12 constructs identified in Moolla's model were researched in detail as part of this study where after the linkages between relationship marketing and brand loyalty were discussed.

With slight changes to make it more relevant to a PIA environment, Moolla's measuring instrument (including all 12 constructs of brand loyalty) was administered on members of IMASA. The results of this survey were analysed in detail and certain conclusions drawn and recommendations made.

LIST OF SOURCES

Aaker, D.A. 1991. *Managing Brand Equity: Capitalizing on the Value of a Brand Name*. New York: The Free Press.

Agariya, A.K. & Singh, D. 2011. What really defines relationship marketing? A review of definitions and general and sector-specific defining constructs. *Journal of relationship Marketing,* 10(4):203-237.

Allred, G.K. 2005. Marketing the profession, some strategies that work (paper delivered at the FIG Working Week 2005 and GSDI-8, Cairo, Egypt 16-21 April 2005.10p

Alrubaiee, L. & Al-Nazer, N. 2010. Investigate the impact of relationship marketing orientation on customer loyalty: The customer's perspective. *International Journal of Marketing Studies.* 2(1):155-174

Andaleeb, S.S. 1992. The trust concept: research issues for channel distribution. *Research in Marketing,* 11:1-34

Back, K.J. & Parks, S.C. 2003. A Brand Loyalty Model Involving Cognitive, Affective and Conative Brand Loyalty and Customer Satisfaction. Journal of Hospitality & Tourism Research, 27 (4):419-435.

Backhaus, K., Steiner, M. & Lügger, K. 2011. To invest, or not to invest in brands? Drivers of brand relevance in B2B markets. *Industrial Marketing Management,* 40(7):1082-1092

Backstrom, L. Huttenlocher, D. Kleinberg, J. Lan, X. 2006. Group formation in large social networks: Membership, growth and evolution. Paper presented at the Twelfth ACM SIGKDD International Conference on Knowledge Discovery and Data Mining (KDD 2006) August 20-23, Philadelphia, Pennsylvania, USA. Available on http://www.cs.cornell.edu/~lars/kdd06-comm.pdf Last accessed: 20 January 2012.

Baldwin, P. 2009. The role of professional bodies in corporate governance. Paper presented to CIS Corporate Governance Conference Southern Africa. Available on http://www.icsa.co.za/index.php?option=com_content&view=article&id=17&Itemid=272 Date of last access: 13 January 2012

Ballantyre, D. Christopher, M. & Payne, A. 2003. Relationship marketing: looking back, looking forward. *Marketing Theory, 3.* P159-166

Bass, B.M. & Avolio, B.J. 1994. Improving organizational effectiveness through transformational leadership. First ed. California USA: Sage Publications Inc.

Baumgartner, J. 1991. Nonmarketing professional need more than 4Ps. *Marketing News,* 22:28

Bendapudi, N. & Berry, L.L. 1997. Customers' motivations for maintaining relationships with service providers. *Journal of Retailing,* 73(1):15-37

Bennett, R., Härtel, C.E.J & McColl-Kennedy, J.R. 2005. Experience as a moderator of involvement and satisfaction on brand loyalty in a business-to-business setting. *Industrial Marketing Management.* 34:97-107

Bennett, R. & Rundle-Thiele, S. 2002. Measuring attitudinal brand loyalty. *Journal of Brand Management,* 9(3):193-209.

Berry, L.L. 1995. Relationship marketing of services – growing interest, emerging perspectives. *Journal of the Academy of Marketing Science,* 23(4):236-245

Berry, L.L. & Parasuraman, A. 1991. Marketing services. The Free Press, New York, N.Y.

Berry, L.L., Shostack, G.L. & Upah, G. 1983. Relationship marketing. Emerging perspectives on services marketing. Paper presented the American Marketing Association, Chicago, Illinois, USA.

Bhardway, D. 2007. Relationship marketing in context to the IT Industry. *VISION – The Journal of Business Perspective*. 11(2):57-66

Birgelen, M., Wetzels, M. & De Ruyter, K. 1997. Commitment in service relationships: An empirical test of its antecedents and consequences. EMAC Conference Proceedings, University of Warwick, Warwick, 20-23 May:1255-1271.

Bloemer, J. & Odekerken-Schrȍder, G. 2006. The role of employee relationship proneness in creating employee loyalty. *International Journal of Bank Marketing*, 24(4):252-264

Bloemer, J., Odekerken-Schrȍder, G & Kestens, L. 2003. The impact of need for social affiliation and consumer relationship proneness on behavioural intentions: an empirical study in a hairdresser's context. *Journal of Retailing and Consumer Services,* 10:231-240.

Bloemer, J. & Odekerken-Schrȍder, G. 2002. Store satisfaction and store loyalty explained by customer- and store related factors. *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behaviour,* 15:68-80

Brito, C. 2011. Relationship marketing: old wine in a new bottle? *Innovative Marketing,* 7(1):66-77.

Buttle, F. 1996. Relationship Marketing. Relationship marketing theory and practice. Paul Chapman, London

Celsi, R.L. & Olson, J.C. 1988. The role of involvement in attention amd comprehension processes. *Journal of Consumer Research*, 15:210-224

Champion, M.A., Medsker, G.J. & Higgs, A.C. 1993. Relations between work group characteristics and effectiveness: Implications for designing effective work groups. *Personnel Pshychology,* 46:823-850.

Chaudhuri, A. & Holbrook, M.B. 2001. The chain of effects from brand trust and brand affect to brand performance: The role of brand loyalty. *Journal of Marketing,* 65:81-93

Christopher, M. Payne, A. & Ballantyne, D. 1991. Relationship marketing: Bringing quality customer service and marketing together. Centre for Services Management, Cranfield School of Management

Christy, R., Oliver, G. & Penn, J. 1996. Relationship marketing in consumer markets. *Journal of Marketing Management,* 12(1):175-187

Clark, M.S. & Isen, A.M. 1982. Toward understanding the relationship between feeling states and social behavior. *Cognitive Social Psychology* Elsevier, New York, p73-108.

Danaher, P.J. & Mattson, J. 1994. Customer satisfaction during the service delivery process. *European Journal of Marketing*, 28(5):5-16

Das, K. 2009. Relationship marketing research (1994 – 2006): An academic literature review and classification. *Marketing Intellegence & Planning,* 27(3):326-363.

Day, G.S. 1970. Buyer attitudes and brand choice. New York: Free Press

Delener, N. 1994. Religious contrasts in consumer decision behaviour patterns: Their Dimensions And Marketing Implications. *European Journal of Marketing,* 29(5): 36-53

Delgado, B.E. 2003. Development and validation of a brand trust scale. *International Journal of Market Research,* 45(1):35-54.

De Madariaga, J.G. & Valor, C. 2007. Stakeholders Management Systems: EMphirical Insights from Relationship Marketing and Market Orientation Perspectives. *Journal of Business Ethics*. 71:425-439

De Ruyter, K. & Bloemer, J. 1999. Customer loyalty in extended service settings: the interaction between satisfaction, value attainment and positive mood. *International Journal of Science Industry Management, 10*(3):320-336

De Wulf, K. & Odekerken-Schröder, G. 2001. The influence of seller relationship orientation and buyer relationship proneness on trust, commitment, and behaviour loyalty in a consumer environment. *Journal for the Theory of Social Behaviour,* 31(1):1-27

De Wulf, K., Odekerken-Schröder, G. & Iacobucci, D. 2001. Investments in consumer relationships: A cross-country and cross-industry exploration. *Journal of Marketing,* 65(4):33-50

Dodds, W.B., Monroe, K.B., & Grewal, D. 1991. Effects of price, brand and store information on buyers' product evaluations. *Journal of Marketing Research,* 28(3):307 – 319.

Dwyer, F.R., Schurr, P.H. & Oh, S. 1987. Developing buyer-seller relationships. *Journal of Marketing,* 51(2):11-27

Ehigie, B.O. 2006. Correlates of customer loyalty to their bank: a case study in Nigeria. *International Journal of Bank Marketing*. 24:494-508.

Ellis, S.M. & Steyn, H.S. 2003. Practical significance (effect sizes) versus or in combination with statistical significance (p-values), *Management Dynamics,* 12(4):51-53.

Engel, J.F., Washaw, M.R. & Kinnear, T.C. 1987. Promotional strategy: Marekting communications process. Homewood. Illinois, USA.: Irwin

Faulkner, M. 2005. Will demographic trends transform association membership? *Journal of Association Leadership,* Winter 2005. Available on http://www.asacentre.org/Resources/JALArticleDetail.cfm?itemnumber=16134 Date of access 16 January 2012.

Festinger, L. 1950. Informal social communication. *Psychological Review,* 57(5):271-282.

Fournier, S. 1998. Consumers and their brands: Developing relationship theory in consumer research. *Journal of Consumer Research,* 24:343 – 373.

Friedman, A. & Afitska, N. 2007. Professionalism and sustainability in the professional associations Sector: UK and Ireland. Professional Association Research Network. Bristol.

Fruchter, G.E. & Sigué, S.P. 2004. Managing relational exchanges. *Journal of Service Research,* (7)2:142-154.

Fullerton, G. 2005. The impact of brand commitment on loyalty to retail service brands. *Canadian Journal of Administrative Sciences,* 22(2):97-110

Garcia de Madariaga, J. & Valor, C. 2007. Stakeholders management systems: Empirical Insights from relationship marketing and market orientation perspectives. *Journal of Business Ethics,* 71(4):425-439.

Gordon, M.E., Mckeage, K. & Fox, M.A. 1998. Relationship marketing effectiveness: The role of involvement. *Psychology & Marketing,*15(5):443-459

Grewal, R. & Dharwadkar, R. 2002. The role of institutional environment in marketing channels. *Journal of Marketing.* 66(July):82-97

Grönroos, C. 1996. Relationship Marketing: Strategic and Tactical Implications. *Management Decision.* 34(3):5-14

Grönroos, C. 1995. The rebirth of modern marketing: Six propositions about relationship marketing. Swedish School of Economics and Business Administration. Working Paper, p307. Helsinki

Grönroos, C. 1994. Quo Vadis, Marketing? Towards a relationship marketing paradigm. *Journal of Marketing Management,* 10:347-360.

Gruen, T.W. Summers, J.O. & Acito, F. 2000. Relationship marketing activities, commitment and membership behaviours in professional associations. *Journal of Marketing,* 64(3)

Gummesson, E. 2002. Relationship marketing in the new economy. *Journal of Relationship Marketing,* 1(1):37-57.

Gummesson, E. 1994. Making relationship marketing operational. *International Journal of Services Industry Management.* 5(5):5-20.

Gummesson, E. 1987. The new marketing – developing long term, interactive relationships. *Long Range Planning*, 20(4):10-20

Hammerschmidt, M., Donnevert, T. & Bauer, H.H. 2008. Brand efficiency and brand relevance: introducing and linking both concepts. American Marketing Association, Winter: p48-57:

Harker, M.J. 1999. Relationship marketing defined? An examination of current relationship marketing definitions. *Marketing Intelligence & Planning.* 17(1):13-20

Harwood, T.G. Garry, T. Broderick, A. 2008. Relationship Marketing. McGraw-Hill Education. p1 - 24

Huang, M.H. 2009. Dyadic interactions within professional memberships. *International Journal of Electronic Business Management.* 7(3).181-189.

Hult, G.M.T. & Ferrell, O.C. 2012. A tribute to fourty years of top-level marketing research. *Journal of the Academy of Marketing Science,* 40:1-7.

Hunt, S.D., Arnett, D.B. & Madhavaram, S. 2006. The exploratory foundations of relationship marketing theory. *Journal of Business & Industrial Marketing,* 21(2):72-87.

Hurd, R. 2001. Thirst for knowledge: associations, information and professional development. *New Economy Information Services E Bulletin*. 1 (2) Available on: http://www.newecon.org/HurdThirstforKnowledge.html Date of access: 12 January 2012

Iwasaki, Y. & Havitz, M.E. 1998. A path-analytical model for the relationships between involvement, psychological commitment and loyalty. *Journal of Leisure Research*, 30(2):256-280.

Jackson, B.B. 1985. Build customer relationships that lasts. *Harvard Business Review.* 63. November/December. p120-128

Jones, M.A., Mothersbaugh, D.L. & Beatty, S.E. 2002. Why customers stay: measuring the underlying dimensions of services switching costs and managing their differential strategic outcomes. *Journal of Business Research,* 55:441-450.

Judd, V. 1987. Differentiate with the 5th P:People. *Industrial Marketing Management,* 2:145-154.

Kaynak, E. Salman, G.G. Tatoglu, E. 2008. An integrative framework linking brand associations and brand loyalty in professional sports. *Brand Management*. 15(5):336-357.

Keller, K.L. 2003. *Strategic* Brand Management: Building, Measuring and Managing Brand Equity . Englewood Cliffs, New York: Prentice-Hall. P44

Kevork, E.K. & Vrechoppoulos, A.P. 2009. CRM literature: Conceptual and functional insights by keyword analysis. *Marketing Intelligence & Planning,* 27(1):48-85

Kim, J. Morris, J.D. & Swait, J. 2006. "The six-construct model of true brand loyalty," Paper read at the 2006 Annual American Academy of Advertising (AAA) Conference, Reno, Nevada. Available on: http://www.adsam.com/media/Articles/1st_Rev%20True_Brand_Loyalty_%20Distilled%20for%20Newsletter_022607.pdf
Date of access: 18 February 2011

Kimm, S.S Scott, D. & Crompton, J.L. 1997. An exploration of the relationships among social psychological involvement, behavioural involvement, commitment and future intentions in the context of bird watching. *Journal of Leisure Research,* 23:320-341

Klemperer, P. 1995. Competition when Customers have Switching Costs: An Overview with Applications to Industrial Organization, Macroeconomics and International Trade. *Review of Economic Studies,* 62:515-539.

Klemperer, P. 1987. Markets with consumer switching costs. *The Quarterly Journal of Economics*, 102(2):375-394

Knox, S. & Walker, D. 2001. Measuring and Managing Brand Loyalty. *Journal of Strategic Marketing,* 9:111-128

Kotler, P. & Armstrong, G. 2010. Principles of Marketing. 13th Ed. New Jersey, USA: Pearson Prentice Hall.

Kotler, P. 1986. Megamarketing. *Harvard Business Review*. March – April:117-124

Krishnamurthi, P. Ramji, L.. 2007. The brand experience & sustenance model. Available: http://fmcg-marketing.blogspot.com/2007/07/brand-experience-sustenance-model.html. Last accessed 11 February 2011.

Kreitner, R. & Kinicki, A. 2008. Organizational Behaviour, 8'th edition. McGraw-Hill/Irwin, New York, United States

Kuusik, A. Abas, R. Tiru, M. 2009. "Analysing repeat visitation on country level with passive mobile positioning method: An Estonian Case." Paper read at the Doktorantide Suvekool 2009 held at the University of Tartu, Faculty of Economics and Business Administration from 27 – 30 July 2009 Tartu, Estonia. Available on: http://mattimar.ee/publikatsioonid/majanduspoliitika/2009/07_Andres_Kuusik_Rein_Ahas_Margus_Tiru.pdf Date of access: 18 February 2011

Lambert, D.M. 2010. Customer relationship management as a business process. *Journal of Business & Industrial Marketing,* 25(1):4-17.

Li, X. & Petrick, J.F. 2008. Re-examining the dimensionality of brand loyalty: A case of the cruise industry. *Journal of Travel & Tourism Marketing.* 25(1):68–85.

Lenton, C.T. 2010. Strategic marketing for professional bodies. Lenton & Associates

Levine, D.M. Stephan, D.F. Krehbiel, T.C. Berenson, M.L. 2008. Statistics for Managers. 5th Ed. New Jersey, USA: Pearson Education. P1-857.

Levitt, T. 1983. The marketing imagination. New York, NY: Free Press

Madden, T.V. 2008. Today's UL professional association library and information service: Challenges and best practice. *Aslib Proceedings: New Information Perspectives,* 60(6):556-569

Matzler, K., Bidmon, S. & Grabner-KrÄuter, S. 2006. Individual Determinants of Brand Affect: the Role of Personality Traits of Extraversion and Openness to Experience. *Journal of Product & Brand Management*, 15(7):427-434

Maritz Institute. 2009. Multidimensional Loyalty Model.
Available on: http://www.maritzresearch.co.uk/multidimensionalLoyalty.html
Last accessed 18 February 2011.

McCarthy, E.J. 1960. *Basic Marketing.* Homewood Ill. Irwin.

Mellens, M., Dekimpe, M.G. & Steenkamp, J.B.E.M. 1996. A review of brand-loyalty measures in marketing. *Tijdskrift voor Economie en Management,* 41(4):507-533.

Meyer, J.P. & Allen, N.J. 1991. A three-component conceptualization of organizational commitment: Some methodological considerations, *Human Resource Management Review*, 1:61-98

Mishra, K.E. & Li, C. 2008. Relationship marketing in fortune 500 U.S. and Chinese web sites. *Journal of Relationship Marketing*. 7(1):29-43.

Moorman, C., Zaltman, G. & Deshpande, R. 1992. Relationships between providers and Users of Market Research: The dynamics of trust within and between Organisations. *Journal of Marketing Research,* 29(3):314-328

Moolla, A.I. 2010. A Conceptual Framework to measure brand loyalty. Potchefstroom: NWU. (Thesis, PhD)

Morgan, R.M. & Hunt, S.D. 1994. The commitment-trust theory of relationship marketing. *Journal of Marketing,* 58(3):20-38

Mudambi, S. 2002. Branding importance in business-to-business markets. Three Buyer Clusters. *Industrial Marketing Management*, 31(6):525-533

Musa, R. 2005. A proposed conceptual framework of satisfaction-attitudinal loyalty-behavioural loyalty chain: exploring the moderating effect of trust. Paper published in Australian and New Zealand Marketing Academy 2005 Conference Proceedings, p44–51

Nevin, J.R. 1995. Relationship Marketing and distribution channels: Exploring fundamental issues. *Journal of the Academy of Marketing Science.* 23(4):327-334

Ngai, E.W. 2005. Customer relationship management research (1992 - 2002): An academic literature review and classification. *Marketing Intelligence & Planning*, 23:582-605

Nguyen, N. & Leblanc, G. 2001. Image and reputation of higher education institutions in students' retention decisions. *The International Journal of Educational Management,* 15(6):303-311.

Oliver, R.L. 1999. Whence consumer loyalty? *Journal of Marketing*. 63(5):33-44.

Parvatiyar, A. & Sheth, J.N. 2001. Customer relationship management: emerging practices, processes and discipline. *Journal of Economic and Social Research,* 3(2):1-34.

Panda, T.K. 2002. Creating customer life time value through effective CRM in financial services industry. *Journal of Services Research,* 2(2):157-171.

Parasuraman, A. & Grewal, D. 2000. The impact of technology on the quality value-loyalty chain: A research agenda. *Journal of the Academy of Marketing Science,* 28(1):168–174.

Parish, J.T. & Holloway, B.B. 2010. Consumer Relationship Proneness: A Re-examination and Extension Across Service Exchanges. *Journal of Services Marketing*, 24(1):61-73

Park, S.H. 1996. Relationships between involvement and attitudinal loyalty constructs in adult fitness programs. *Journal of Leisure Research,* 18(4):233–250.

Pels, J., Coviello, N. & Brodie, R. 2000. Integrating transactional and relational marketing exchange: a pluralistic perspective. *Journal of Marketing Theory and Practice,* 8(3):11-20

Pillai, R. & Williams, E.A. 2004. Transformational leadership, self-efficacy, group cohesiveness, commitment, and performance. *Journal of Organisational Change Management,* 17(2):144-159.

Popkowski Leszczyc, P.T.L. & Gönül, F., 1996. Multiple Ways of Measuring Brand Loyalty. *Canadian Journal of Economics,* 29(2):S494-S497.

Pritchard, M.P., Havitz, M.E. & Howard, D.R. 1999 Analysing the commitment-loyalty link in service contexts. *Journal of Academy of Marketing Science, 27(3):333-348.*

Punniyamoorthy, M. & Raj, M.P.M. 2007. An empirical model for brand loyalty measurement. *Journal of Targeting, Measurement and Analysis for Marketing*, 15(4):222-233.

Quester, P. & Lim, A.L. 2003. Product involvement / brand loyalty: is there a link? *Journal of Product & Brand Management,* 12(1):22-38

Rajagopal. 2008. Measuring brand performance through metrics application. *Measuring Business Excellence,* 12(1):29-38

Raimondo, M.P. 2000. The measurement of trust in marketing studies: A review of models and methodologies. 16th Annual IMP Conference, Bath University, Bath 7-9 September

Reast, J.D. 2005. Brand trust and brand extension acceptance: the relationship. *Journal of Product and Brand Development,* 14(1):4-13

Reichheld, F.F. 1996. The loyalty effect. *Boston: Harvard Business School Press*

Reichheld, F.F. & Sasser, W.E. 1990. Zero Defections: quality comes to services. *Harvard Business Review.* (5) September – October:105-111

Rodenhauser, P. 1991. The Life Cycles of Professional Associations: Organizational and Administrative Dynamics. *Administration and Policy in Mental Health*, 18(6):411-420.

Seibert, L.J. 2008. What members value in their decision to join or renew their association membership. *Loyalty Research Centre.* Available on: http://bettertogether.willowmarketing.com/media/Member_Value.pdf
Date of access: 25 July 2012

Sheth, J.N., Parvatiyar, A. & Sinha, M. 2012. The conceptual foundations of relationship marketing: review and synthesis. Economic Sociology_the European Electronic Newsletter.

Smit, P.J. & Cronjé, G.J. de J. 2004. Management principles: A contemporary edition for Africa. Third ed. Juta Ltd. Cape Town

Sorce, P. 2002. Relationship Marketing Strategy. Rochester Institute of Technology. September 1-26. Available on https://ritdml.rit.edu/bitstream/handle/1850/2858/PASorceMonograph09-2002.pdf?sequence=1 Date of access: 14 October 2012.

SPSS Inc. 2011. IBM SPSS Statistics Version 20, Release 20.0.0,Copyright© IBM Corporation and its licensors. http://www-01.ibm.com/software/analytics/spss/

Strydom, J.W. Jooste, C.J. & Cant, M.C. 2004. Marketing Management. Juta & Co. Ltd.

Susan, F. 1998. Consumers and their brands: Developing relationship theory in consumer research. *Journal of Consumer Research,* 24:343–348.

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

Voss, G.B., Parasuraman, A. & Grewal, D. 1998. The roles of price, performance and expectations in determining satisfaction in service exchanges, *Journal of Marketing,* (62)4:46–61.

Webster, C.M. & Terawatanavong, C. 2007 organisational members' commitment to professional associations. Paper delivered at the Australian and New Zealand Marketing Academy Conference (ANZMAC) held from 3-5 December 2007, Dunedin, New Zealand). http://comferences.anzmac.org/ANZMAC2007/papers/CWebster_1.pdf Date of last access: 13 November 2011.

Welman, C. Kruger, F. & Mitchell, B. 2005. *Research Methodology*. South Africa: Oxford University Press Southern Africa (Pty) Ltd.

Westbook, R.A. & Oliver, R.P. 1991. The Dimensionality of Consumption Emotion Patterns and Consumer Satisfaction. *Journal of Consumer Research*, 18(1):84-94.

Williams, E.A., Duray, R. & Reddy, V. 2006. Teamwork orientation, group cohesiveness, and student learning: A study of the use of teams in online distance education. *Journal of Management Education,* 30(4):592-616.

Wilson, A. 1997. Marketing Professional Associations. *Management Decision,* 34(1):49-52.

Wang, Y.S. & Huang T.C. 2009. The relationship of transformational leadership with group cohesiveness and emotional intelligence. *Social behaviour and personality,* 37(3):p379-392.

Wong, H.Y. & Merrilees, B. 2008. The performance management benefits of being brand-orientated. *Journal of Product & Brand Management,* 17(6):372-383.

Xu, J.B. & Chan, A. 2010. A conceptual framework of hotel experience and customer-based brand equity. *International Journal of Contemporary Management,* 22(2):174-193.

Zaichowsky, J.L. 1985. Measuring the involvement construct. *Journal of Consumer Research,* 12:341-351.

Zaccaro, S.J., Blair, V., Peterson, C. & Zazanis, M. 1995. Self efficacy, adaptation, and adjustment: Theory, research, and application. Plenum Press. New York, NY. P305-328.

APPENDIX A – Categories of relationship marketing

Seven conceptual categories of relationship marketing with words used by authors that fall within each classification

Author	Birth	Developing	Maintenance	Temporal	Interaction	Outputs	Emotional content	Row total
Ballantyne, 1994	Creating	Developing	Sustaining, continuous, stable	Continuous	Exchange			5
Berry, 1983	Attracting	Enchancing	Maintain					3
Berry and Parasuraman, 1991	Attracting	Developing	Retaining	Retaining	Relations			5
Bennett, 1996, A	Establish, create	Strengthen	Solid	Long-term, permanent, lasting	Co-operative, fair-dealing		Commitment, trust, openness, sacrifice	6
Bennett, 1996, B		Development	Maintain	Lasting	Mutually involvement	Rewarding, profit	Total integration,	6
Bennett, 1996, C	Establish	Development					Commitment, trust, promises, bonds, obligation	4
Christopher *et al.*, 1991	Getting	Keeping						2
Grönroos, 1991		Development		Long-term				2
Grönroos, 1996b	Establish	Nurture, enhance			Exchange	Profit	Promises	5
Grönroos, 1990	Establishing	Enhance	Maintain				Promises	4
Grönroos, 1989, 1990 1994, 1997	Establish	Enhance	Maintain		Exchange	Profit	Promises	6
Grönroos, 1994, 1995	Establish	Enhance	Maintain		Exchange	Profit, *terminate*	Promises	6
Gummesson, 1990		Building	Maintain	Long-term	interactive	*Liquidation*		5
Gummesson, 1994				Long-term	Interactive	Profit		3
Gummesson, 1994, 1997					Network interaction			1
Hammarkvist *et al.*, 1982		Build, develop	Maintain		Relations			3
Jackson, 1985		Build	Maintain	Lasting		Profit		4
Matthyssens *et al.*, 1994		Build, support, extend	Supporting	Extend				3
Morgan and Hunt, 1994	Establish	Develop	Maintain		Exchange			4
O'Malley *et al.*, 1997	Initiation	Enhance	Maintain		Exchange	*Dissolution*	Promises	6
Paravatiyar, 1996					Co-operating	Productivity, efficiency, effectiveness		2
Pathmarajah, 1993				Over-time	Mutually	Profit		3
Ravald and Grönroos, 1996	Create		Maintain	Long-term	Mutually	Profit	Loyalty	6
Sheth, 1994				Ongoing	Collaborative			2
Takala and Uusitalo, 1996	Establish	Strengthen, develop		Long-term, enduring		Profit, commercialisation		4
Tzokas and Saren, 1996		Develop, nurturing	Nurturing		Dialogue		Understanding, confidence, respect	4
Column totals	14	19	17	13	19	12	10	

APPENDIX B – Agariya and Singh's summary of relationship management definitions

No.	Author and Year	Definition
1.	Hammarkvist et al. (1982)	It comprises all the activities by the firm to build, maintain, and develop customer relations.
2.	Berry et al. (1983)	It is all about attracting, maintaining, and enhancing customer relationships in multiservice organizations.
3.	Levitt (1983)	It can be viewed as a process consisting of five stages, namely awareness, exploration, expansion, commitment, and dissolution.
4.	Hallen & Wiedersheim-Paul (1984)	It can be defined as a process that consists of four stages, namely pre-contact, initial interaction, development, and mature relationship.
5.	Jackson (1985)	It refers to the marketing activities oriented toward strong, lasting relationships with individual accounts.
6.	Turnbull & Wilson (1989)	It is defined as the formation of long-term buyer–seller relationships through the creation of structural and social bonds between companies.
7.	Gronroos (1990)	It is concerned with the establishment, maintenance, and enhancement of relationships with customers and other stakeholders at a profit so that the objectives of all the parties involved are met. This is done by a mutual exchange and fulfilment of promises.
8.	Gummesson (1990)	It can be viewed as the building, maintenance, and liquidation of networks and interactive relationships between the supplier and the customer, often with long-term implications.
9.	Berry & Parasuraman (1991)	It is defined as a process of attracting, developing, and retaining customer relationships.
10.	Christopher et al. (1991)	It is viewed as having the dual focus of getting and keeping customers.
11.	Pathmarajah (1991)	It is the process whereby the seller and the buyer join in a strong personal, professional, and mutually profitable relationship over time.
12.	Shani & Chalasani (1991)	It attempts to involve and integrate customers, suppliers, and other infrastructural partners into a firm's developmental and marketing activities.
13.	Webster (1992)	It is a process of understanding and managing profitable customer relationships by delivering superior customer value, service, and satisfaction.
14.	Barney & Hansen (1994)	It is the activity in which routine development of prescriptive behaviour has been linked to decreased transaction costs resulting from bargaining and monitoring behaviour, increased innovation, building positional advantage, and enhancing performance.
15.	R. Morgan & Hunt (1994)	It is defined as all marketing activities directed toward establishing, developing, and maintaining successful relational exchanges.

No.	Author and Year	Definition
16.	Evans & Laskin (1994)	It is defined as a process that includes inputs (understanding customer expectations, building service partnerships, empowering employees, and total quality management), outcomes (customer satisfaction, customer loyalty, increased profitability, and quality products), and ongoing assessment (customer feedback, integrating relationship marketing into the firm's strategic planning framework).
17.	Cravens & Piercy (1994)	It is the understanding, explanation, and management of the ongoing collaborative business relationship between suppliers and customers.
18.	Matthyssens & Van den Bulte (1994)	It is not directly aimed at immediate transactions but is based on building, supporting, and extending customer relationships.
19.	Gummesson (1994)	It is a process of gathering information about customers and then deciding with whom to develop a dialogue; it allows buyers and sellers to work together in joint problem solving, easing the pressures on the buyer. It uses customer retention as a measure of marketing success in place of market share.
20.	Sheth & Parvatiyar (1995)	It is about developing close interactions with selected customers, suppliers, and competitors for value creation through cooperative and collaborative effort.
21.	Cravens (1995)	It is the strategy for business organizations to enter into long-term associations with customers and to counter the effects of increased customer demands and intensifying global competition.
22.	Perrien & Ricard (1995)	It is defined as an asymmetrical and personalized marketing process that takes place in the long run, results in some bilateral benefits, and rests on an in-depth understanding of customer needs and characteristics.
23.	Ravald & Gronroos (1996)	Its main goal is focusing on relations and the maintenance of relations between the company and the actors in its micro-environment with the prime objective to be first and foremost to create customer loyalty so that a stable, mutually profitable, and long-term relationship can be enhanced.
24.	Takala & Uusitalo (1996)	It has its main stress on establishing, strengthening, and developing customer relations while keeping the focus on the profitable commercialization of customer relationships and the pursuit of individual and organizational objectives by long-term and enduring relationships with customers.
25.	Tzokas & Saren (1997)	It is the process of planning, developing, and nurturing a relationship climate that will promote a dialogue between a firm and its customers that aims to imbue an understanding, confidence, and respect of each other's capabilities and concerns when enacting their role in the marketplace and in society.
26.	Anton (1996)	It is a comprehensive business and marketing strategy that integrates technology, process, and all business activities around the customer.
27.	Buttle (1996)	It is concerned with the development and maintenance of mutually beneficial relationships with strategically significant markets.

28.	Paravatiyar (1996)	It is the process of cooperating with customers to improve marketing productivity through efficiency and effectiveness.
29.	Jolson (1997)	It is a strategic approach developed by a supplier willing to establish long-term and mutually profitable relationships with its customers.
30.	Bendapudi & Berry (1997)	It is centred on understanding and satisfying consumer needs.
31.	Ballantyne (1997)	It is an emergent disciplinary framework for creating, developing, and sustaining exchanges of value between the parties involved, whereby exchange relationships evolve to provide continuous and stable links in the supply chain.
32.	O'Malley et al. (1997)	It involves the identification, specification, initiation, maintenance, and (where appropriate) dissolution of long-term relationships with key customers and other parties through mutual exchange, fulfilment of promises, and adherence to relationship norms in order to satisfy the objectives and enhance the experience of the parties concerned.
33.	Morris et al. (1998)	It is a strategic orientation adopted by both the buyer and seller organizations that represents a commitment to long-term, mutually beneficial collaboration.
34.	Srivastava et al. (1998)	It addresses all aspects of identifying customers, creating customer knowledge, building customer values, and shaping customers' perceptions of an organization and its products.
35.	Gummesson (1999)	It is marketing based on interaction within networks of relationships.
36.	Harker (1999)	It is a process of identifying and establishing, maintaining and enhancing, and when necessary terminating relationships with customers (and other parties) so that the objectives of all parties regarding economic and other variables are met. This can be achieved through a mutual making and fulfilling of promises.
37.	Galbreath & Rogers (1999)	It is about the management of technology, processes, information resources, and people needed to create an environment that allows a business to take a 360-degree view of its customers.
38.	Brown (2000)	It is the key competitive strategy that business organizations need to stay focused on the needs of customers and to integrate a customer-facing approach throughout the organization.
39.	Chatterjee & Prasad (2000)	It is a discipline that focuses on automating and improving the business processes associated with managing customer relationships in the area of sales, management, customer service, and support.
40.	Payne (2000)	It is concerned with the creation, development, and enhancement of individualized customer relationships with carefully targeted customers and customer groups, resulting in maximizing their total customer lifetime value.
41.	Rust et al. (2000)	It is the process whereby the firm selects its best customers and develops stronger, deeper, and more intimate relationships with them, creating customer equity.
42.	Parvatiyar & Sheth (2001)	It is a comprehensive strategy and process of acquiring, retaining, and partnering with selective customers to create superior value for the company and the customer.

No.	Author and Year	Definition
43.	Bryan (2002)	It is the dynamic process of managing a customer–company relationship such that customers elect to continue mutually beneficial commercial exchanges and are dissuaded from participating in exchanges that are unprofitable to the company.
44.	Langford-Wood & Salter (2002)	It is all about establishing long-term relationships with customers and thereby improves customer retention and profitability for the company.
45.	Rigby et al. (2002)	It is the process of addressing attractive customers, decreasing the cost of serving customers, and increasing customer retention by providing tailored offerings to existing and new customers.
46.	Rao & Perry (2002)	It is not a paradigm shift but rather an appropriate marketing approach when management considers product/service, customer, and organization factors.
47.	Anderson & Kerr (2002)	It is a comprehensive approach for creating, maintaining, and expanding customer relationships.
48.	Hennig-Thurau et al. (2002)	It is a meta-construct involving several key dimensions, reflecting the overall nature of relationships between companies and consumers.
49.	Gummesson (2002)	It is marketing based on relationships, networks, and interaction, recognizing that marketing is embedded in the total management of the networks of the selling organization, the market, and society. It is directed toward long-term win–win relationships with individual customers, and value is jointly created between the parties involved.
50.	Sharp (2003)	It can be defined as a process consisting of four stages, which include interaction, analysis, learning, and planning.
51.	Greenberg (2003)	It is an enterprise-wide mindset, mantra, and set of business processes and policies that are designed to acquire, retain, and service customers.
52.	Henning et al. (2003)	It focuses on allocating resources to supportive business activities in order to gain competitive advantages and on managing the relationship between a company and its current and prospective customer base as a key to success.
53.	Kincadid (2003)	It is the strategic use of information, processes, technology, and people to manage the customer's relationship with the company across the whole customer life cycle.
54.	Kotorov (2003)	It is a strategy, not a solution, and can provide enormous competitive advantage if implemented in a cooperative environment.
55.	Chen & Popovich (2003)	It is a combination of people, processes, and technology that seeks to understand a company's customers. It is an integrated approach to managing relationships by focusing on customer retention and relationship development.
56.	Kotler & Armstrong (2004)	It is the overall process of building and maintaining profitable customer relationships by delivering superior customer value and satisfaction.

57.	Zablah et al. (2004)	It is an ongoing process that involves the development and leveraging of market intelligence for the purpose of building and maintaining a profit-maximizing portfolio of customer relationships.
58.	N. A. Morgan et al. (2004)	It is the combination of processes that reflect the firm's skills at systematically and routinely establishing, maintaining, upgrading, and reestablishing beneficial relationships with customers.
59.	Bolton (2004)	It is a technique to underpin organizational performance improvement in improving customer retention, satisfaction, and value.
60.	Lambert (2004)	It is being viewed as strategic, process oriented, cross-functional, and value-creating for buyer and seller.
61.	Arnett & Badrinarayanan (2005)	It is all about the ability of business organizations to identify, develop, and manage cooperative relationships with key customers characterized by trust, relationship commitment, and communication.
62.	Boulding et al. (2005)	It not only builds relationships and uses systems to collect and analyze data, but it also includes the integration of all of these activities across the firm, linking these activities to both firm and customer value, extending this integration along the value chain, and developing the capability of integrating these activities across the network of firms that collaborate to generate customer value while creating shareholder value for the firm.
63.	Sin et al. (2005)	It is a comprehensive strategy and process that enables an organization to identify, acquire, retain, and nurture profitable customers by building and maintaining long-term relationships with them.
64.	Hoots (2005)	It means developing a comprehensive picture of customer needs, expectations, and behaviours and managing those factors to affect business performance.
65.	Payne & Frow (2005)	It is about enhanced opportunities to use data and information to understand customers and co-create value with them. This requires a cross-functional integration of processes, people, operations, and marketing capabilities that is enabled through information, technology, and applications.
66.	Ehigie (2006)	It is based on the premise that maintaining good relationships with customers is essential for business continuity. Business begins and ends with customers; it begins with identifying consumers needs and ends with satisfying them.
67.	Peng & Wang (2006)	It can be defined as all marketing activities directed toward building customer loyalty (keeping and winning customers) by providing value to all parties involved in the relational exchanges.
68.	Blery & Michalakopoulos (2006)	It is a strategy that can help companies to build long-lasting relationships with their customers and increase profits through the correct management system and the application of customer-focused strategies.
69.	Mishra & Li (2008)	It refers to all marketing activities directed toward establishing, developing, and maintaining successful relationship exchanges.
70.	Meng & Elliott (2008)	It is a strategy for retaining customers in a highly competitive environment.
71.	Ramani & Kumar (2008)	It is a process for developing innovation capability and providing a lasting competitive advantage.
72.	Lambert (2010)	It is being viewed as strategic, process oriented, cross-functional, and value-creating for buyer and seller and as a means of achieving superior financial performance.

APPENDIX C – Switching categories and dimensions

Descriptions, correlates and strategic implications

Category	Dimension	Description	Potential correlates	Potential strategic implications
Continuity costs	Lost performance	Perceptions of the benefits and privileges lost by switching	• Service quality • Interpersonal bonds • Repurchase intentions	• Focus on augmented service • Frame benefits to switching as current losses
	Uncertainty costs	Perceptions of the likelihood of lower performance when switching	• Heterogeneity of service outcomes • Intangibility of service • Repurchase intentions	• Provide tangible quality cues • Encourage positive word-of-mouth • Provide service guarantees
Learning costs	Pre-switching search and evaluation costs	Perceptions of the time and effort of gathering and evaluating information prior to switching	• Geographic dispersion • Limited alternatives • Low brand awareness • Intangibility of service • Repurchase intentions	• Increase number/visibility of locations • Increase availability of information via various media outlets (e.g. internet) • Provide tangible quality cues • Encourage positive word-of-mouth
	Post-switching behavioral and cognitive costs	Perceptions of the time and effort of learning a new service routine subsequent to switching	• High customization • Detailed service scripts • High customer involvement • Repurchase intentions	• Create efficient and logical service routines • Provide adequate information regarding service roles and routines
	Setup costs	Perception of the time, effort and expense of relaying needs and information to provider subsequent to switching	• High customization • Cumbersome information-gathering procedures • Repurchase intentions	• Create efficient and effective modes of communication between customer and service personnel • Use information technology to enhance information flow
Sunk costs	Sunk costs	Perceptions of investments and cost already incurred in establishing and maintaining relationship	• Length of patronage • Interpersonal bonds • High customer involvement • Repurchase intentions	• Promote fast, easy and low-cost translation between providers • Frame sunk costs an minor compared to the steal of future performance benefits lost by not switching

Source: Jones *et al.* (2002:442)

APPENDIX D – Brand Loyalty Survey

BRAND LOYALTY SURVEY

Potchefstroom Business School

SECTION 1 – DEMOGRAPHICS

Age group	
20 - 29	
30 – 39	
40 – 49	
50 – 59	
60 +	

Gender	
Male	
Female	

Marital status	
Married	
Divorced	
Widowed	
Separated	
Never been married	
Unmarried couple	
Other	

Education level	
Some High School	
Matric / Grade 12 / Standard 10	
Certificate (up to NQF 5)	
National Diploma (NQF 6)	
Bachelor's Degree (NQF 6)	
Honours Degree (NQF 7)	
Master's Degree (NQF 8)	
Doctorate Degree	

Province	
Western Cape	
Eastern Cape	
Northern Cape	
Free State	
KwaZulu-Natal	
Mpumalanga	
Limpopo	
North West	
Gauteng	

Population Group	
Black	
Coloured	
Asian	
White	

Annual salary	
Less than R 50 000	
R 50 000 - R 99 999	
R 100 000 - R 149 999	
R 150 000 - R 199 999	
R 200 000 - R 249 999	
R 250 000 - R 299 999	
R 300 000 - R 349 999	
R 350 000 - R 399 999	
R 400 000 - R 449 999	
R 450 000 - R 499 999	
R 500 000 - R 549 999	
R 550 000 - R 599 999	
R 600 000 - R 649 999	
R 650 000 - R 699 999	
R 700 000 and more	

SECTION 2 – BRAND LOYALTY

Please select the option that best describes your view of the issues mentioned below by using the following scale:

	Code	Question	strongly disagree	disagree	neither disagree nor agree	Agree	strongly agree
1	CUS1	Generally I am satisfied with my decision to become a member of the IMASA	1	2	3	4	5
2	CUS2	I tell other people how satisfied I am with the interactions that I have with the IMASA brand	1	2	3	4	5
3	CUS3	I am content with the IMASA as brand, offering the services that I need	1	2	3	4	5
4	SWC1	I do not switch from / between professional institute or association because of the high cost implication of such a switch	1	2	3	4	5
5	SWC2	I avoid switching professional institute or association due to the risks involved with such a switch	1	2	3	4	5
6	SWC3	It would be exceptionally difficult to discontinue patronage of the IMASA as an institute	1	2	3	4	5
7	BRT1	The IMASA as a brand is a brand that never disappoints	1	2	3	4	5
8	BRT2	I have confidence in IMASA as brand that I am loyal to	1	2	3	4	5
9	BRT3	The reputation of the IMASA as brand is a key factor in me maintaining brand loyalty	1	2	3	4	5
10	REP1	I prefer to maintain a long-term relationship with the IMASA brand	1	2	3	4	5
11	REP2	Generally, I regard myself as being someone who is willing to “go the extra mile” to remain with the same professional institute	1	2	3	4	5
12	REP3	I have a passionate and emotional relationship with IMASA as brand to which I am loyal to	1	2	3	4	5
13	INV1	My loyalty towards the IMASA brand increases the more I am involved with it	1	2	3	4	5
14	INV2	Involvement with IMASA as brand intensifies my excitement and interest towards IMASA as brand	1	2	3	4	5
15	INV3	My choice of professional institute or association is influenced by the involvement others have with the IMASA brand	1	2	3	4	5
16	PEV1	The value added by the IMASA brand generates a feeling of safety, security and belonging to my life	1	2	3	4	5
17	PEV2	The value that I acquire from the IMASA brand is far greater than the financial contribution that I must make annually as membership levy	1	2	3	4	5
18	PEV3	I believe that my membership of IMASA will be of specific value to me in future	1	2	3	4	5
19	COM 1	If the services that the IMASA delivers to its members remains the same, I am likely to remain committed to the IMASA brand	1	2	3	4	5
20	COM 2	The more committed I become to the IMASA, the more my loyalty towards the IMASA brand increases	1	2	3	4	5
21	COM 3	I will remain committed to the IMASA brand despite increased fees, difficult economic times or decreased recognition	1	2	3	4	5
22	RPU1	Since the IMASA supports me, it is only right that I should support the IMASA brand through my continued membership	1	2	3	4	5
23	RPU2	When my annual membership fees become due, the IMASA have to remind me to renew my membership	1	2	3	4	5
24	RPU3	I will continue to be a loyal member of the IMASA	1	2	3	4	5
25	BRA1	I elicit a positive emotional response through the association with the IMASA brand	1	2	3	4	5

	Code	Question	strongly disagree	disagree	neither disagree nor agree	Agree	strongly agree
26	BRA2	The IMASA brand that I am loyal towards makes a difference in my life	1	2	3	4	5
27	BRA3	The bond that I have formed with the IMASA brand should continue into the future	1	2	3	4	5
28	BRE1	The IMASA brand that I am loyal towards stands for issues that actually matters	1	2	3	4	5
29	BRE2	The IMASA brand that I am loyal towards has a freshness about them and portray positive significance	1	2	3	4	5
30	BRE3	The IMASA brand that I am loyal towards is constantly renewing and improving in order to remain relevant	1	2	3	4	5
31	BRP1	My loyalty towards the IMASA brand is informed by the performance of the brand in the past	1	2	3	4	5
32	BRP2	Through the past, IMASA as a brand has built a solid reputation in the market that it serves	1	2	3	4	5
33	BRP3	Should I find a better performing professional institute or association, I will switch to that institute or association	1	2	3	4	5
34	CUL1	My ethnic background (race group) and the values associated with it are some of the influential factors of choosing a professional institute or association	1	2	3	4	5
35	CUL2	My religious beliefs and principles plays a role in my choice of and loyalty towards a specific professional institute or association	1	2	3	4	5
36	CUL3	My loyalty towards the IMASA brand is based on the choice of professional institute or association of which my family is/was members of.	1	2	3	4	5