

Relationship quality factors influencing behavioural intention at a luxury motor vehicle dealership

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ABSTRACT

The luxury motor vehicle industry in South Africa is highly competitive. Significant opportunities have been created through globalisation, and customers today have access to a wide variety of luxury motor vehicle brands. The luxury motor vehicle segment in South Africa is also relatively small, and customers buying luxury motor vehicle brands tend to be highly demanding and difficult to satisfy. To succeed in this competitive environment, luxury motor vehicle dealerships are challenged to do more than just differentiating themselves on the basis of product attributes, such as brand, performance, speed, power and handling. Essentially, all luxury motor vehicle dealerships are selling similar product offerings, and it is relatively easy for one luxury motor vehicle brand to imitate the product qualities of another luxury motor vehicle brand.

A literature investigation has further revealed that about 60% of a luxury motor vehicle dealership's profit is made in the post-purchase service and repair department. Therefore, to maintain a competitive advantage, it may be more beneficial for luxury motor vehicle dealerships to focus on building high quality relationships with customers who take their luxury motor vehicles for a service or repair. While many factors may contribute to the establishment of quality relationships with customers, it appears that customers who are satisfied with the service provided, who trust the dealership and who are committed towards the dealership may be more inclined to demonstrate favourable behavioural intentions in the form of, for example, positive word-of-mouth and repeat visits to the dealership. Of further importance is that commitment is also believed to play a crucial role in strengthening the relationship between customer satisfaction and behavioural intention as well as between trust and behavioural intention.

Despite the potential value of these variables to relationship marketing, though, there appears to be a lack of research on their applicability to luxury motor vehicle dealerships in South Africa. It seems that no studies have been conducted specifically to examine the interrelationships among these variables and their impact on the behavioural intention of customers who have had their luxury motor vehicles serviced or repaired at a given luxury motor vehicle dealership. Accordingly, it was the primary research objective of this study to address the research gap and investigate relationship quality factors influencing behavioural intention at a luxury motor vehicle dealership.

Following an in-depth literature investigation, a number of secondary objectives and research hypotheses were formulated to assist in addressing the primary objective of the study. In the empirical part of the study a descriptive research design was followed, and self-administered questionnaires were distributed to the respondents via email. A list was obtained from a luxury motor vehicle dealership in Gauteng that accurately reflected those customers who had had

their luxury motor vehicles serviced or repaired in the past 24 months. The list contained a total of 1 800 prospective respondents and it was possible to conduct a census of the study population. A total of 301 questionnaires were ultimately analysed. The data analysis strategy included calculating frequencies and descriptive statistics, assessing the reliability and validity of the scales, and lastly performing structural equation modelling (SEM) to test the theoretical model of the study.

From the empirical findings it became evident that the majority of respondents who took part in the study selected Mercedes-Benz and BMW most often as their second vehicle driven or owned. The respondents were mostly male, self-employed, married and 42 years of age or older. The respondents agreed most that their experience with the dealership had been enjoyable and that they were satisfied overall with the service provided. With regard to their level of trust towards the luxury motor vehicle dealership, respondents agreed most that they believed the dealership was trustworthy and had high integrity. Pertaining to respondents' level of commitment towards the luxury motor vehicle dealership, they agreed most that their relationship with the dealership was very important to them and was something they really cared about. Finally, with regard to their level of behavioural intention towards the luxury motor vehicle dealership, respondents agreed most that they would service their motor vehicles at the dealership again and that they would select the same dealership to service or repair their luxury motor vehicles.

The measurement scales for the constructs of customer satisfaction, trust, commitment and behavioural intention all showed very good internal consistency and reliability. It was also possible to establish the content validity, convergent validity, discriminant validity and ultimately construct validity of the measurement model. During the assessment of the structural model, the fit indices confirmed an acceptable model fit. Ultimately, the empirical results obtained from this research study led to the conclusion that customer satisfaction has a significant positive direct effect on both behavioural intention and commitment; commitment has a significant positive direct effect on behavioural intention; and trust has a significant positive direct effect on commitment. Only one mediation relationship realised a large indirect effect, with commitment as the mediator between customer satisfaction and behavioural intention. No indirect effect was realised with commitment as mediator between trust and behavioural intention. Trust also does not have a positive and significant relationship with behavioural intention.

The recommendations of this research study focus mainly on marketing strategies for improving quality relationships with customers at a luxury motor vehicle dealership. More specifically, strategies are recommended that have the potential to foster greater customer satisfaction, trust and commitment towards a luxury motor vehicle dealership, and that may ultimately lead to

behavioural intention initiatives in favour of the dealership. Budget, time, and regional constraints were the main limitations encountered by the researcher. Recommendations for future research include conducting a longitudinal study to identify fluctuations over time in the levels of customer satisfaction, trust, commitment and behavioural intention. A further recommendation is to conduct a comparison study between the luxury motor vehicle segment and the more affordable motor vehicle segment, and to extend this research study to the rest of South Africa. Ultimately, this study could add value to a luxury motor vehicle dealership and assist the dealership in creating and maintaining a competitive advantage in a global business environment that is characterised by fierce competition and highly demanding customers. Although limited in scope, the study also contributes to relationship marketing theory and provides more insight into the importance and application of relationship quality factors in the luxury motor vehicle environment.

OPSOMMING

Die luukse-motor-industrie in Suid-Afrika is hoogs mededingend. Globalisasie het beduidende geleenthede geskep en klante het vandag toegang tot 'n groot verskeidenheid luukse-motor-handelsmerke. Die luukse-motor-segment in Suid-Afrika is ook relatief klein en klante wat luukse-motor-handelsmerke koop, is geneig om uiters veeleisend te wees, asook moeilik om tevrede te stel. Om suksesvol te wees in hierdie mededingende omgewing word luukse-motor-handelaars uitgedaag om meer te doen as om hulself te differensieer slegs op die basis van produkeienskappe soos die handelsmerk, prestasie, spoed, krag en hantering. Op stuk van sake verkoop alle luukse-motor-handelaars soortgelyke produkaanbiedinge en dit is relatief maklik vir een luukse-motor-handelsmerk om die produkkwaliteit van 'n ander luukse-motor-handelsmerk na te maak.

'n Literatuurondersoek het aan die lig gebring dat sowat 60% van 'n luukse-motor-handelaar se inkomste gemaak word in die naverkopediens- en herstelwerkdepartement. Om 'n mededingende voordeel te handhaaf kan dit meer voordelig wees vir 'n luukse-motor-handelaar om te fokus op die bou van hoëkwaliteit-verhoudings met daardie klante wat hul luukse motors vir 'n versiening of herstelwerk neem. Terwyl daar vele faktore is wat bydra tot die vestiging van kwaliteitverhoudings met klante, lyk dit addisioneel of klante wat tevrede is met die diens wat verskaf is, wat die handelaar vertrou en wat toewyding teenoor die handelaar toon meer geneig wees sal om gunstige gedragsbedoelings in die vorm van byvoorbeeld positiewe mondelinge verspreiding en herhaalde besoeke aan die handelaar te demonstreer. Verder is dit ook belangrik dat toewyding glo 'n belangrike rol speel om verhoudings tussen klanttevredenheid en gedragsbedoelings, asook tussen vertroue en gedragsbedoelings te versterk.

Ten spyte van die potensiële waarde van hierdie veranderlikes vir verhoudingsbemarking wil dit voorkom of daar 'n gebrek aan navorsing is oor die toepaslikheid daarvan op luukse-motor-handelaars in Suid-Afrika. Dit lyk asof geen studies onderneem is om ondersoek in te stel na die onderlinge verhoudings tussen die veranderlikes en hul impak op die gedragsbedoelings van klante wat hul luukse motors vir 'n versiening of herstelwerk na 'n bepaalde luukse-motor-handelaar geneem het nie. Daarom was die primêre doelwit van die studie om aandag aan die navorsingsgaping te gee en ondersoek in te stel na verhoudingskwaliteitsfaktore wat gedragsbedoelings beïnvloed by 'n luukse-motor-handelaar.

Na aanleiding van 'n diepgaande literatuurondersoek is 'n aantal sekondêre doelwitte en navorsingshipoteses geformuleer om te help om aan die primêre doelwit van die studie aandag te gee. In die empiriese gedeelte van die studie is 'n beskrywende navorsingsontwerp gevolg en selfgeadministreerde vraelyste is via e-pos onder die respondente versprei. 'n Lys is deur 'n

luukse motor-handelaar in Gauteng verskaf wat akkuraat weerspieël watter klante hul luukse motors in die laaste 24 maande laat versien of herstel het. Hierdie lys het 'n totaal van 1 800 voornemende respondente bevat en dit was moontlik om 'n sensus uit te voer van die studiepopulasie. 'n Totaal van 301 vraelyste is uiteindelik ontleed. Die data-ontledingstrategie het die berekening van frekwensies en beskrywende statistiek, die assessering van die betroubaarheid en geldigheid van die skale en die uitvoer van strukturele vergelykingsmodellering (SEM) ingesluit om die teoretiese model van die studie te toets.

Uit die empiriese bevindinge het dit geblyk dat die meerderheid van respondente wat aan die studie deelgeneem het, Mercedes-Benz en BMW die meeste gekies het as hul tweede voertuig wat hulle ry of besit. Die respondente is verder meestal manlik, selfwerkzaam, getroud en 42 jaar of ouer. Die respondente het ook meestal saamgestem dat hulle ervaring met die handelaar aangenaam was en dat hulle heeltemal tevrede is met die diens wat verskaf is. Wat hul vlak van vertroue in die luukse motor-handelaar betref, het respondente die meeste saamgestem dat hulle glo die handelaar is betroubaar en dat die handelaar hoë integriteit toon. Met betrekking tot respondente se vlak van toewyding aan die handelaar het hulle die meeste saamgestem dat hulle verhouding met die handelaar vir hulle baie belangrik is en dat hulle verhouding met die handelaar iets is waarvoor hulle regtig omgee. Met betrekking tot hul vlak van gedragsbedoeling teenoor die luukse motor-handelaar het die meeste laastens saamgestem dat hulle weer hul motors by die handelaar sal laat versien en dat hulle dieselfde handelaar weer sal kies vir die versiening of herstel van hul luukse motors.

Die metingskale vir die konstruksie "klanttevredenheid", "vertroue", "toewyding" en "gedragsbedoeling" het almal 'n goeie interne konsekwentheid en betroubaarheid getoon. Dit was ook moontlik om die inhoudsgeldigheid, konvergente geldigheid, diskriminante geldigheid en konstrukgeldigheid vir die metingsmodel te bewys. Gedurende die assessering van die strukturele model het die passingsindekse 'n aanvaarbare modelpassing bevestig. Uiteindelik het die empiriese resultate wat uit hierdie navorsingstudie verkry is, gelei tot die gevolgtrekking dat klanttevredenheid 'n beduidend positiewe direkte effek op beide gedragsbedoeling en toewyding het, dat toewysing 'n beduidend positiewe effek op gedragsbedoeling het en dat vertroue 'n beduidend positiewe effek op toewyding het. Slegs een mediasieverhouding het 'n groot indirekte effek tussen klanttevredenheid en gedragsbedoeling getoon met toewyding as die bemiddelaar. Geen indirekte effek het gerealiseer met toewyding as die bemiddelaar tussen vertroue en gedragsbedoeling nie. Vertroue het nie 'n positiewe en beduidende verhouding met gedragsbedoeling nie.

Die aanbevelings van hierdie navorsingstudie fokus meestal op bemarkingstrategieë vir die verbetering van kwaliteitverhoudings met klante by 'n luukse motor-handelaar. Meer spesifiek

word strategieë aanbeveel wat die potensiaal het om groter klanttevredenheid, vertroue en toewyding teenoor 'n luukse motor-handelaar te bevorder wat uiteindelik sal lei tot gunstige gedragsbedoelinginisiatiewe. Begrotings-, tyds- en streeksbeperkings was die hoofbeperkings wat die navorser teëgekome het. Aanbevelings vir toekomstige navorsing sluit in die uitvoer van 'n longitudinale studie om skommeling in die vlakke van klanttevredenheid, vertroue, toewyding en gedragsbedoeling oor tyd te identifiseer. 'n Verdere aanbeveling is om 'n vergelykingstudie tussen die luukse motor-segment en die segment vir meer bekostigbare motors uit te voer, en ook om die studie uit te brei na al die streke van Suid-Afrika. Hierdie studie kan waarde toevoeg tot 'n luukse motor-handelaar en help met die skep en handhawing van 'n mededingende voordeel in 'n globale besigheidsomgewing wat gekenmerk word deur strawwe kompetisie en uiters veeleisende klante. Alhoewel dit beperk is in omvang, kan die studie ook bydra tot verhoudingsbemarkingsteorieë en meer insig in die belangrikheid en toepassing van verhoudingskwaliteitsfaktore in die luukse motor-omgewing voorsien.

LIST OF KEY TERMS

This section offers a concise explanation of the key terms applied in this research study:

Luxury motor vehicle. Keller (2014) defines a luxury motor vehicle in terms of the manufacturer, the brand, the design, the ride quality and the advanced technology that is not found in mass market vehicles. A luxury motor vehicle can also be defined by customers' willingness to pay a premium price for the prestige and status that is associated with owning a certain motor vehicle brand (Keller, 2014; Flint, 2009; Sukhdial *et al*, 1995:10). Thus, what makes a luxury motor vehicle different from a mass market vehicle is that a luxury motor vehicle has a relatively high price, quality, uncommonness, extraordinariness, aesthetics and symbolic meaning (Heine, 2012:56).

Relationship quality. Palmatier *et al* (2005:5) define relationship quality as the overall evaluation of the strength of a relationship that exists between a customer and an organisation. Relationship quality consists of a chain of variables that influence one another, of which the most examined variables include customer satisfaction, trust and commitment (Liu *et al*, 2011:72; De Canniere *et al*, 2008:5).

Customer satisfaction. Oliver (1980:461) defines customer satisfaction as an additive combination of the expectation level and the resulting disconfirmation. Customer satisfaction can also be seen as a mediator for high quality relationship development between a customer and an organisation (Dagger & Sweeney, 2006:6). In other words, customer satisfaction is the perception of customers with regard to the performance of the services delivered in relation to their expectations (Boshoff & Du Plessis, 2009:319).

Trust. Morgan and Hunt (1994:24) define trust as customers' willingness to rely on an organisation in which they place their confidence. Thus, trust reflects the expectation and belief of a customer in an organisation's compassion, honesty and competence to act in the best interest of their business relationship (Gilaninia *et al*, 2012:10722; Walter *et al*, 2010:2).

Commitment. Morgan and Hunt (1994:23) define commitment in terms of a customer who believes that their relationship with an organisation is so important to them that it deserves their maximum efforts to maintain it. Commitment is therefore seen as a customer's lasting desire to maintain their valuable relationship with the organisation (Hazra, 2013:97).

Behavioural intention. Fishbein and Ajzen (1975:288) define behavioural intention as a measurement of the strength of a customer's intention to engage in a specific behaviour. Behavioural intention is a conscious decision made by customers to behave in a specific way,

such as recommending an organisation's product or service to friends and family, positive word-of-mouth, repurchase intentions, and willingness to pay premium prices, to name but a few (Mackay *et al*, 2015:47; Mosavi & Ghaedi, 2012:163).

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CHAPTER 1: INTRODUCTION AND CONTEXTUALISATION OF THE STUDY

1.1 INTRODUCTION

This research study concerns the investigation of relationship quality factors influencing behavioural intention at a luxury motor vehicle dealership. The research process entails the identification of relationship quality factors that may lead towards behavioural intention in favour of a luxury motor vehicle dealership and an exploration of the interrelationships among them.

The aim of this chapter is to provide more insight into the contextual background of the study. The chapter commences with a background discussion, which is followed by a discussion of the research problem and an overview of the South African motor vehicle industry. A literature review of the relationship quality constructs investigated is provided next, which is followed by the development of the research hypotheses and conceptual framework of the study. After the formulation of the research objectives, the final part of this chapter is devoted to an outline of the research methodology that was applied as well as a short description of the remaining chapters of the dissertation.

1.2 BACKGROUND

The South African motor vehicle industry is one of South Africa's main industries with a contribution of 6% to the country's gross domestic product (GDP) and growing at an average rate of 3% in 2015 (Department of Trade and Industry, 2015:4; Naamsa, 2015). The industry is highly competitive, with a large selection of motor vehicle brands and dealerships available in the market. This allows customers a wide choice when it comes to deciding where to buy, service or repair their motor vehicles (Venter, 2013). The luxury motor vehicle industry in South Africa, in particular, is amongst the most diverse and competitive in the world as nearly every major global luxury brand is competing for a piece of this developing market (German Missions in South Africa, Lesotho and Swaziland, 2012). The luxury motor vehicle industry contributes 3% of the country's GDP and as such can be regarded as an important segment within the South African motor vehicle industry (PWC, 2015:4). Owning a luxury motor vehicle offers customers not only prestige but also advanced safety options, top quality entertainment-technology, some of the plushiest interiors and more options for customisations, to name but a few (Elliott, 2009). Keller (2014) defines luxury motor vehicles in terms of the manufacturer, the brand, design, ride quality and advanced technology not found in mass market vehicles. Luxury motor vehicles can also be defined by the premium

price customers are willing to pay for the status associated with certain motor vehicle brands (Keller, 2014; Flint, 2009; Sukhdial *et al*, 1995:10). Therefore it can be deduced that a luxury motor vehicle has certain distinguishing characteristics compared to the general mass-produced motor vehicle. These include having a relatively high price, quality, scarcity, extraordinariness, aesthetics and symbolic meaning (Heine, 2012:56).

Mortelmans (2005:506) associates luxury motor vehicles with three essential characteristics, namely scarcity, extra value and high quality. Firstly, luxury motor vehicles are considered to be relatively scarce as they are usually limited in production and distribution is highly selective (Mortelmans, 2005:506). If luxury motor vehicles were sold on a large scale, it would not only cause the price to drop but also affect the exclusive status of the motor vehicle brand (Keller, 2014; Heine, 2012:56). It is also important that the target group for luxury motor vehicles believe that they belong to a selective group of people who are able to buy these upmarket vehicles (Flint, 2009). Secondly, luxury motor vehicles have added value as they consist of a unique design and advanced functionality, making the experience as smooth and relaxing as humanly possible (Mortelmans, 2005:506). This extra value is usually some kind of added aesthetic value (Heine, 2012:56; Flint, 2009). Lastly, luxury motor vehicles are of a high standard of quality (Mortelmans, 2005:506). A luxury motor vehicle should not suffer from mediocrity as it would then be known as nothing more than a bad imitation, a cheap trick, and even a false luxury brand (Heine, 2012:56; Mortelmans, 2005:506). Therefore, severe quality control is an essential part of producing luxury motor vehicles. Detailed workmanship on a luxury motor vehicle is also a sign of a high standard of quality (Keller, 2014). It is obtained by specialised artisans who ensure that the luxury motor vehicle is perfectly designed and produced (Keller, 2014; Mortelmans, 2005:506).

It further appears that luxury motor vehicle dealerships do not make most of their money by selling vehicles to customers (Henry, 2012). Up to 60% of a luxury motor vehicle dealership's profit is in fact made in the post-purchase service and repair department (Henry, 2012; Kuksov & Xie, 2008:8). Service bays have kept many dealerships afloat during economic hard times (Reed, 2009). It is general knowledge that there is a good chance that a luxury motor vehicle owner will bring the vehicle back for a regular service or repair. The luxury motor vehicle dealership therefore has the strong possibility of continued cash flow from a service relationship (Reed, 2009; Kuksov & Xie, 2008:9). This, however, puts a lot of pressure on providing excellent customer service (Kuksov & Xie, 2008:9).

To obtain a unique competitive advantage it may therefore be more important for luxury motor vehicle dealerships to focus on building quality relationships with customers making use of the option to have their vehicle serviced or repaired at the dealership. Morgan and

Hunt (1999:281) argue that most organisations neglect to investigate the opportunities for sustainable competitive advantage provided by creating long-term relationships with customers. Hunt *et al* (2006:76) state that for an organisation to achieve competitive advantage, it should identify, develop and take care of a relationship portfolio. Building and maintaining quality relationships with customers, contributes to the ability of the organisation to efficiently produce market offerings that have better value for the market segment it operates in when compared to the market offerings of its competitor (Hunt *et al*, 2006:77; Vorhies & Morgan, 2005:83). Through enhancing relationship quality the luxury motor vehicle dealership gets to know its customers better, which in return provides it with advantages in acquiring information with respect to its competitors (Kanagal, 2009:11). The luxury motor vehicle dealership is then able to develop market offerings that are customised more specifically to the tastes and preferences of the individual customer (Kanagal, 2009:11; Hunt *et al*, 2006:77). In other words, relationship quality provides the opportunity for the dealership to better plan for the future (Vorhies & Morgan, 2005:83). For example, in the motor vehicle industry, manufacturers have realised the value of the relationship that exists between their dealerships and customers. The relationship that dealerships build with customers translates into informational resources that manufacturers are able to acquire. This comes in handy when manufacturers are deciding on whether or not to enter a new market segment or even to upgrade existing motor vehicle models. The information gained from the relationships built and maintained with customers by dealerships offers a unique, value-added resource for the development of new or existing motor vehicles (Kanagal, 2009:11; Hunt *et al*, 2006:77).

Furthermore, previous studies have shown that an organisation should consider a number of different aspects when attempting to build quality relationships with their customers, such as firstly attempting to provide services that will satisfy customers (Venter, 2013). Cotiu (2013:70) believes that customer satisfaction is considered one of the most essential factors that results in improved competitiveness and business success. Hanif *et al* (2010:45) are of the opinion that customer satisfaction is able to create a high degree of customer fulfilment, which can be critical for product differentiation and for developing strong relationships with customers. Nelson (2012) has proved that when customers are satisfied with an organisation or service, they are likely to share their experiences with others, and even more so when they are dissatisfied. Customer satisfaction can therefore act as an indicator of repurchase intentions, contribute to relationship marketing in terms of increased loyalty, trust, commitment and customer engagement, and reduce negative word-of-mouth (Beard, 2014; Velnampy & Sivesan, 2012:2; Yao & Khong, 2011:109).

Customer satisfaction however may not be the only important factor in establishing quality relationships. It appears that even though a customer is satisfied with the service or products provided by a specific organisation, they might still make use of another organisation (Hanif *et al*, 2010:47; Naik *et al*, 2010:232; Akbar & Parvez, 2009:25). Additionally, trust and commitment are also regarded as important with regard to the establishment of relationship quality (Brugha, 2011:3). Hennig-Thurau *et al* (2002:236) strongly believe that building a strong foundation of trust in an organisation-customer relationship is the key to reaching profitable success. Trust is believed to entail strong direct contact with the establishment as well as maintenance of long-term relationships (Rehman *et al*, 2012:607). In establishing quality relationships, it has been proven that increased levels of trust are also related to increased levels of customer retention (Van Vuuren *et al*, 2012a:85). The ultimate result is stronger, positive relationships between an organisation and its customers (Rehman *et al*, 2012:607; Brugha, 2011:4). Commitment is also believed to play a crucial role for an organisation to create relationships with customers (Rehman *et al*, 2012:607). It is suggested by Van Vuuren *et al* (2012a:86) that commitment mainly stems from trust, shared values and the belief that to find another organisation that will offer the same value would be difficult. Furthermore, in establishing quality relationships, when commitment exists or develops between an organisation and its customers, it is believed that the relationship will be maintained for a long period of time (Esch *et al*, 2006:100). Thus, commitment can be regarded as the building block for establishing a strong relationship (Rehman *et al*, 2012:607).

It is furthermore suggested by Walter *et al* (2010:1) that relationship quality dimensions such as customer satisfaction, trust and commitment are major determinants of behavioural intention. Behavioural intention refers to customers' belief regarding what they intend to do in a specific situation (Wu, 2009:20). In previous studies, it has been evident that behavioural intention is affected by relationship quality as a higher level of customer satisfaction, trust and commitment tends to lead to favourable behavioural intention (Vesel & Zabkar, 2009:1338; De Canniere *et al*, 2008:5). Favourable behavioural intention refers to word-of-mouth (customers share their experiences with friends and family), socialising (the process of getting individuals comfortable with a particular organisation), purchase intention (intention of customers to purchase a specific product or service in the future), social networking (web-based services allowing customers to express their thoughts and ideas), and price sensitivity (willingness of customers to pay more for getting a particular product or service) (Boyd & Ellison, 2014:1; Eaton *et al*, 2014:4; Nonis *et al*, 2014:21; Khan *et al*, 2012:196; Dellarcas, 2003:1408).

Consequently, the above discussion demonstrates that luxury motor vehicle dealerships could benefit from building high quality relationships with customers who have their vehicles serviced and repaired at the dealership. Customers who are satisfied with the service provided, who trust the dealership and who are committed to the dealership may be more inclined to demonstrate favourable behavioural intentions towards the dealership in the form of, for example, positive word-of-mouth and repeat visits to the dealership. However, despite the importance of these variables, there appears to be a lack of research on their applicability to luxury motor vehicle dealerships in South Africa. It seems that no studies have been conducted to specifically examine the interrelationships among these variables and their impact on the behaviour intention of customers who have had their luxury motor vehicles serviced or repaired at a given luxury motor vehicle dealership.

Insight into these matters may assist luxury motor vehicle dealerships with improving the quality of relationships they build with their customers and lead to more favourable behavioural intentions. Luxury motor vehicle dealerships may be able to identify the weak points in their customer service policies with regard to post-purchase service and repair deliveries. Building customer relationships of high quality and generating positive behavioural intention may further serve as a differentiation tool by luxury motor vehicle dealerships and offer a foundation for providing better value, quality, service, customer comfort, uniqueness and a caring attitude. Ultimately, customers experiencing high relationship quality and who then demonstrate favourable behavioural intentions may contribute towards a greater competitive advantage for the dealership with regard to its post-purchase service offering. As such, it is the aim of this study to address the abovementioned research gap and explore factors influencing behavioural intention at a luxury motor vehicle dealership.

The next section provides more insight into the problem statement for this study.

1.3 PROBLEM STATEMENT

The South African motor vehicle industry is very competitive, particularly in the luxury segment of the market (Venter, 2013; Wesbank, 2013). Globalisation has created significant opportunities but at the same time has also increased pressure on brands to enhance quality, improve styling, increase organisational efficiencies and add innovative features to their products (Wesbank, 2013; Ambe & Badenhorst-Weiss, 2010:2110). Further, the South African luxury motor vehicle segment is relatively small and there are many market offerings available in the new luxury motor vehicle market (Venter, 2013). The wide variety of luxury motor vehicle brands creates an increasingly complex challenge for the industry, as these

brands are all competing for the same type of customer (Simchi-Levi *et al*, 2009:1). Customers driving luxury motor vehicles also have high demands and are difficult to satisfy. Due to fierce competition, fluctuating market demand and increased customer requirements, luxury motor vehicle customers have become more demanding, with stronger preferences than before (Ambe & Badenhorst-Weiss, 2010:2110; Zhang & Cheng, 2006:670).

To succeed in this highly competitive market segment, the challenge for luxury motor vehicle brands therefore is to become more flexible and responsive to consumer demand (Venter, 2013; Zhang & Cheng, 2006:670). Due to similar product offerings, luxury motor vehicle dealerships should focus more on obtaining a competitive advantage by building quality relationships with customers who are making use of the option to have their luxury motor vehicles serviced or repaired at the dealership. This approach may be beneficial, as about 60% of a luxury motor vehicle dealership's profit is made in the post-purchase service and repair department (Henry, 2012; Kuksov & Xie, 2008:8).

Relationship quality constructs, such as customer satisfaction, trust and commitment, can potentially be beneficial for a luxury motor vehicle dealership on several levels, with the ultimate result of long-term profitable customer relationships (Lu *et al*, 2012:226). Firstly, customers are always looking to be satisfied by an organisation's products or services (Adegboda, 2010:15). An organisation that can pride itself on excellent customer satisfaction will have more customers, resulting in increased generation of positive customer relationships (Hattingh, 2007:22). Secondly, customers who trust an organisation will feel less uncertain and vulnerable when considering future purchases. In other words, when customers feel that they can trust an organisation, they will be willing to develop favourable behavioural intentions (Chiari, 2008:19; DeWitt *et al*, 2008:272). Lastly, customers who are committed to an organisation tend to build positive and lasting relationships with the organisation (Wiedmann *et al*, 2007:2). Commitment to an organisation saves a customer the cost of seeking new relations with another organisation (Esch *et al*, 2006:100). Furthermore, commitment has been modelled by various studies as a mediating effect between customer satisfaction and behavioural intention (Chen, 2012:203; Johnson *et al*, 2000:11). According to Morgan and Hunt (1994:25) commitment can also be seen as a critical complement to trust which leads to favourable behavioural intention. Therefore, commitment can also be used as a mediating effect to enhance the relationship between trust and behavioural intention (Mukherjee & Nath, 2007:1174).

Consequently, it can be seen from the abovementioned discussion that the luxury motor vehicle industry in South Africa is relatively small yet very competitive. The luxury motor vehicle dealerships all compete for the same type of customer, which causes a great

challenge for these dealerships to become more flexible and responsive to the demands of customers. If a luxury motor vehicle dealership wishes to succeed under these competitive pressures, it should shift its focus onto building quality relationships with customers whose luxury motor vehicles are serviced or repaired at the dealership. A luxury motor vehicle dealership that makes use of the high quality relationships it builds with the customers whose luxury motor vehicles it services or repairs may enjoy behavioural intention in favour of the dealership. These relationships between relationship quality and behavioural intention require further investigation to test their applicability to the specific context of a luxury motor vehicle dealership.

For the purpose of this research study, the research problem is summarised as follows:

In South Africa the luxury motor vehicle industry is very competitive due to the very small size of the industry, the many market offerings available, and customers who tend to be demanding and difficult to satisfy.

Luxury motor vehicle dealerships need to do more than just differentiating themselves on the basis of product attributes (brand, performance, speed, power and handling). These dealerships should rather base their differentiation on the quality relationships they build with customers who have their luxury motor vehicles serviced or repaired at the dealership.

It has been suggested by extant literature that the relationship quality constructs of customer satisfaction, trust and commitment can positively influence the behavioural intention of customers. Furthermore, it has also been proven that commitment can mediate the relationship between customer satisfaction and behavioural intention, and also the relationship between trust and behavioural intention.

However, these relationships have not yet been fully investigated within the South African luxury motor vehicle industry. Knowledge of these relationships can be used to help identify weak points in a luxury motor vehicle dealership's customer service policies, specifically with regard to post-purchase service and repair. It can also provide better understanding of how increased customer satisfaction, trust and commitment can positively influence the behavioural intention of a luxury motor vehicle dealership's customers.

This study can assist in developing a foundation for enabling all luxury motor vehicle dealerships to provide better value, quality, service, customer comfort, uniqueness and a caring attitude. All of this can improve relationship quality, which may lead to favourable behavioural intention towards the luxury motor vehicle dealership.

As such, an investigation is required into the relationship quality factors influencing behavioural intention in the luxury motor vehicle environment. It may offer valuable guidance to a luxury motor vehicle dealership in improving its practices with regards to the post-purchase service and repair delivery.

The following section provides more insight into the general motor vehicle industry in South Africa.

1.4 THE MOTOR VEHICLE INDUSTRY IN SOUTH AFRICA

1.4.1 Overview of industry growth

The South African motor vehicle industry accounts for a contribution of about 6% to the GDP (which amounts to more than R3.2 billion) and employs about 300 000 people (Wesbank, 2013). Table 1.1 indicates the new passenger motor vehicle sales (in units) in South Africa on a month-to-month basis for 2013 to 2015.

Table 1.1: Monthly passenger motor vehicle sales

Month	2013	2014	2015	% Change from 2013 – 2014	% Change from 2014 – 2015
January	39 964	38 008	36 982	-5.1%	-3.6%
February	36 855	34 414	34 909	-7.1%	1.5%
March	37 772	36 798	35 548	-2.6%	-3.0%
April	34 827	30 882	30 184	-12.8%	-1.9%
May	37 202	32 984	31 201	-12.8%	-5.4%
June	37 188	35 355	33 035	-5.2%	-6.6%
July	40 418	39 945	36 506	-1.2%	-8.8%
August	39 038	37 953	34 885	-2.9%	-7.8%
September	39 938	42 918	37 309	6.9%	-13.2%
October	40 102	40 666	36 175	1.4%	-10.9%
November	34 267	33 278	33 038	-3.0%	-0.6%
December	32 747	35 924	33 025	8.8%	-8.1%
Total	450 318	439 125	412 797	-2.5%	-6.0%

Source: Naamsa (2015)

It is evident from Table 1.1 that new motor vehicle sales in South Africa experienced a small decrease of 2.5% from 2013 to 2014. The new motor vehicle segment also decreased by 6.0% from 2014 to 2015.

Table 1.2 depicts motor vehicle sales turnover by type of activity. New motor vehicle trade sales increased by 4.6% in the three months ending February 2015 compared to the three months ending February 2014 (Stats SA, 2015:3).

Table 1.2: Motor vehicle turnover by type of activity

Type of activity	Dec 2013 – Feb 2014 (R million)	Dec 2014 – Feb 2015 (R million)	% Change for Dec 2013 – Feb 2014 & Dec 2014 – Feb 2015
New vehicle sales	37 234	38 949	4.6
Used vehicle sales	21 622	23 488	8.6
Workshop income	8 182	8 222	0.5
Income from the sales of accessories	21 769	23 421	7.6
Total	88 807	94 080	5.3

Source: Stats SA (2015:3)

The total motor vehicle sales turnover consists of new vehicle sales, used vehicle sales, workshop income, and income from the sales of accessories. Based on Table 1.2, it can be reported that the total motor vehicle sales turnover grew by 5.3% from February 2014 to February 2015. It indicates an increase of R5.2 million (R94 million – R88 million) in the total turnover between the periods December 2013 to February 2014 and December 2014 to February 2015.

Within the luxury motor vehicle industry in South Africa, it seems that luxury motor vehicles are speeding off the showroom floors (Lefifi, 2013). As the number of wealthy individuals in South Africa has increased, so has their love for luxury motor vehicles (African Business Magazine, 2012). Table 1.3 provides insight into luxury motor vehicle sales in units and market share in South Africa during 2014 and 2015.

Table 1.3: Luxury motor vehicle brand sales and market share

Luxury motor vehicle brands	2014 total sales	2014 market share (%)	2015 total sales	2015 market share (%)
Mercedes-Benz South Africa	29 060	32,25%	25 293	31,43%
BMW Group	24 646	27,35%	23 658	29,40%
Audi	18 385	20,40%	15 132	18,80%
Chrysler SA	8 642	9,59%	7 434	9,24%
Jaguar/Land Rover	6 781	7,53%	6 345	7,88%
Porsche	1 146	1,27%	1 469	1,83%
Lexus	1 344	1,49%	1 027	1,28%
Ferrari	82	0,09%	71	0,09%
Maserati	26	0,03%	45	0,06%

Source: NAAMSA (2015)

According to Clark (2013), the three main brands competing in the luxury motor vehicle segment in South Africa are Mercedes-Benz, BMW and Audi. From Table 1.3 it can be seen that Mercedes-Benz held the biggest market share by far at 32.25% in 2014 and maintained its first place at 31.43% in 2015. Mercedes-Benz is followed by BMW with a 27.35% market share in 2014, which increased in 2015 to 29.40%. Audi has the third biggest market share at 20.40% in 2014 and 18.80% in 2015. It can also be observed that premium luxury brands such as Ferrari and Maserati have a very small market share due to their exclusivity. Thus far, the only luxury motor vehicle brands that managed to increase their market share from 2014 to 2015 were BMW (by 2.05%), Porsche (by 0.56%), Jaguar/Land Rover (by 0.35%), and Maserati (by 0.03%).

1.4.2 Luxury motor vehicle dealerships in South Africa

A luxury motor vehicle dealership can be described as a dealership that sells, services and repairs luxury motor vehicles (Kurylko, 2013; Schweinsberg, 2012), such as the vehicles listed in Table 1.3. Most luxury motor vehicle dealerships are awarded a single franchise or a number of franchises to sell one or various luxury motor vehicle brands. For example, BMW Group South Africa and Chrysler South Africa award franchise dealerships across South Africa to different individuals or entities (Rawes, 2014; Ray, 2013). Daytona Group owns various luxury motor vehicle dealerships including Aston Martin, McLaren, Sandton Auto BMW/Mini, Audi Northcliff and Rolls-Royce (Daytona Group, 2015). Other luxury motor vehicle brands, such as Porsche South Africa, are owned by one importer or entity and are

not sold off as a franchise. Some luxury motor vehicle brands are owned privately by a group of investors and are not available for the general public to purchase (Rawes, 2014).

According to Ray (2013), a luxury motor vehicle dealership is further typically structured into various departments. Firstly, a luxury motor vehicle dealership has a sales department, which can be divided into new luxury motor vehicle and used luxury motor vehicle departments. The primary goal in a sales department is to market and sell luxury motor vehicles (Healey, 2013; Ray, 2013; Berndt, 2009:2). Secondly, there is a financial and insurance department that provides financial products to customers who are looking to purchase a luxury motor vehicle (Healey, 2013). Thirdly, the luxury motor vehicle dealership has an accounting department that keeps track of both sales deals as well as service and repair bills, and it also processes warranty claims (Berndt, 2009:2). Fourthly, the service and repair department comprises trained professional technicians who perform repairs and services, service consultants who assist customers, and porters who prepare luxury motor vehicles for delivery (Healey, 2013; Ray, 2013). Lastly, a luxury motor vehicle dealership will also have a parts and accessories department where parts and accessories for repairs as well as for retail sales are stocked (Healey, 2013).

Luxury motor vehicle brands have a history of solid engineering, performance and brand cachet that has the power to convince any buyer it is worth the extra money (Elliott, 2009). Thus, purchasing a luxury motor vehicle depends on what a customer needs and how much he cares about his image (Kurylko, 2013; Elliott, 2009). Not every person who owns a Porsche or a Ferrari cares about how it handles; they just want to be seen driving it (Schweinsberg, 2012). Luxury has become self-centred. It has become all about the customer and how purchasing a luxury motor vehicle will make them feel, as if the product and service were made exclusively for them, and that there are no alternative options (Kurylko, 2013; Schweinsberg, 2012). It is all about the emotional connection that customers have made with a specific brand and how it makes them feel (Elliott, 2009).

However, some customers do care about more than just the prestige offered by luxury motor vehicles (Kurylko, 2013). Luxury motor vehicles tend to offer more safety features than the ordinary mass-produced motor vehicle (Elliott, 2009). Some customers purchase luxury motor vehicles due their reasonably good resale values, which indicate good value for money in the long run (Wright, 2015). Another reason for purchasing a luxury motor vehicle would be its coexistent beauty and comfort, such as the design of a Porsche, Ferrari or Maserati (Kurylko, 2013). Luxury motor vehicles are also popular to purchase due their offering of the latest and greatest state of the art safety features and entertainment technology (Elliott, 2009). Purchasing a luxury motor vehicle also provides customers with

the option to add individual style (Wright, 2015). The Porsche 911, for example, offers custom-painted air intake grilles, specialised aluminium or leather gear levers, coloured ceramic brakes and fine wood trims (Wright, 2015; Kurylko, 2013). Lastly, customers would rather purchase a luxury motor vehicle as they are assured of a perfect mechanical body as well as interior quality (Elliott, 2009).

As customer satisfaction is a critical aspect in the South African motor vehicle industry, all dealerships tend to make use of the Customer Satisfaction Index to measure the extent to which they are succeeding in satisfying their customers' needs. The next section provides more insight into the concept of customer satisfaction and the Customer Satisfaction Index.

1.4.3 Customer Satisfaction Index in the motor vehicle industry

In the South African motor vehicle industry, customer satisfaction is a critical performance indicator and is measured by the Customer Satisfaction Index (CSI). According to Naamsa (2013:8), this index is based upon a survey conducted via Ipsos, a global survey-based market research house. The survey is conducted annually over a 12-month period between January and December. The goal is to survey more than 10,000 passenger motor vehicle owners, including owners driving a luxury motor vehicle in South Africa (IOL Motoring, 2013; Naamsa, 2013:8). According to Ipsos (2014), respondents are interviewed three months after buying their new motor vehicles and are asked to list any problems that they have experienced with the motor vehicle and/or brand during this time. The PP100 problems per 100 vehicles (PP100) score is then calculated, which is used to rank motor vehicle brands within a particular segment of the market. A low PP100 score indicates a high level of customer satisfaction (Ipsos, 2014; IOL Motoring, 2013). Not all the motor vehicle brands are included in the survey, since some manufacturers choose not to participate or the sample that has been surveyed is too small (Naamsa, 2013:8). Table 1.4 provides insight into the rankings of passenger motor vehicle brands in terms of their customer satisfaction scores for 2014.

Table 1.4: Passenger motor vehicle brand CSI rankings for 2014

Entry segment	Motor vehicle model	PP100 score
Gold	Toyota Yaris 1.0	25
Silver	Chevrolet Spark	32
Bronze	VW Polo Vivo Sedan/Hatch	34
Small hatch segment	Motor vehicle model	PP100 score
Gold	Ford Fiesta	22
Silver	Toyota Yaris 1.3	25
Bronze	VW Polo	30
	Peugeot 207	28
Hatch segment	Motor vehicle model	PP100 score
Gold	Audi A1 Sportback	19
Silver	Toyota Auris	20
	Audi A3	21
Bronze	Mercedes-Benz A-Class	39
	Ford Focus	59
Small sedan segment	Motor vehicle model	PP100 score
Gold	Toyota Corolla	28
	Chevrolet Aveo	31
Silver	Chevrolet Sonic	36
Bronze	VW Polo	48
Top sedan segment	Motor vehicle model	PP100 score
Gold	Mazda 3	18
Silver	Toyota Corolla	28
Bronze	Renault Sandero	61
Silver	Mercedes-Benz C-Class	14
Bronze	Volkswagen Passat	58
Compact top executive segment	Motor vehicle model	PP100 score
Gold	Mercedes-Benz E-Class	10
	BMW 5-Series	33

Table 1.4: Passenger motor vehicle brand CSI rankings for 2014 (*continued*)

Sports coupe segment	Motor vehicle model	PP100 score
Gold	Mercedes-Benz C-Class	14
Silver	BMW 1 Series	30
	Audi A6	37
Bronze	VW Scirocco	44
Small recreational segment	Motor vehicle model	PP100 score
Gold	Audi Q5	21
Silver	VW Tiguan	25
	Toyota RAV4	37
	Audi Q5 Kia Sportage	55
Bronze	Nissan Qashqai	60
Large recreational segment	Motor vehicle model	PP100 score
Gold	Audi Q7	18
Multipurpose segment	Motor vehicle model	PP100 score
Gold	Toyota FJ Cruiser	21
	Toyota Avanza	21
Silver	VW Touran	33
	Mercedes-Benz B-Class	25
Bronze	Chevrolet Orlando	23

Source: IOL (2014); Ipsos (2014); Naamsa (2014)

From Table 1.4 it can be seen that the rankings of motor vehicle brands are a clear indication of the significance of customer satisfaction in the motor vehicle industry. A further insight is that the luxury motor vehicle brands typically rank high on the CSI with regard to the sports coupe, compact executive, compact top executive and small recreational segments.

Even though customer satisfaction can be seen as an important indicator of behavioural intention, it cannot be used solely as a means to achieve competitive advantage. As mentioned in Section 1.3, the luxury motor vehicle industry in South Africa is a fiercely competitive environment. This is due to the wide variety of market offerings and the pure fact that all the luxury motor vehicle dealerships are competing for the same type of customer (Simchi-Levi *et al*, 2009:1). Luxury motor vehicle dealerships need to focus more on the level of post-purchase services that they offer to customers. In other words, these dealerships

need to become flexible and responsive to customer demand with regard to their post-purchase services (Venter, 2013; Zhang & Cheng, 2006:670).

Customer satisfaction with regard to post-purchase service is important, but for luxury motor vehicle dealerships to obtain a competitive advantage they need to build quality relationships with customers who are having their luxury motors vehicles serviced or repaired. The focus of this study is on the relationship quality constructs customer satisfaction, trust and commitment. The next section provides more insight into these constructs in order to better understand the concepts being investigated in this study.

1.5 LITERATURE REVIEW

The aim of the literature review study in this section is to provide more insight into relationship marketing, the relationship quality constructs, and behavioural intention.

1.5.1 Relationship marketing and relationship quality constructs

An organisation can establish relationships with customers through relationship marketing practices. Relationship marketing is an organisational strategy designed to direct all the marketing activities of an organisation toward establishing, developing and maintaining successful customer relationships (Palmatier, 2008:3; Berry, 2002:61; Morgan & Hunt, 1994:20). Table 1.5 presents different views of relationship marketing as well as the key findings or outcomes of research related to these views.

Table 1.5: Studies on relationship marketing – perspectives and findings

Authors	Adopted perspectives of relationship marketing (RM)	Key findings or outcomes of relationship marketing (RM)
Morris & Carter (2005)	RM is based on commitment, which in turn is rooted in social exchange theory, which states that customers form relationships with a motor vehicle dealership based on mutual exchange to achieve benefits.	The general outcome of RM is that with the passage of time and the conclusion of mutual benefits achieved, trust and commitment will develop. Social exchange theory is the basis of RM.
Hunt, Arnett & Madhavaram (2006)	RM reflects an ongoing process. RM involves all marketing activities that try to involve as well as incorporate customers, suppliers and other related infrastructural partners into an organisation's development.	RM involves a close long-term relationship between a customer and an organisation establishing satisfaction, trust and commitment.

Table 1.5: Studies on relationship marketing – perspectives and findings (*continued*)

Authors	Adopted perspectives of relationship marketing (RM)	Key findings or outcomes of relationship marketing (RM)
Das (2008)	RM aims to establish, maintain and strengthen relationships that exist between an organisation, its customers and other parties.	RM can be characterised in terms of certain related underlying constructs such as trust, commitment, assistance, intimacy and relationship quality.
Palmatier, Scheer, Evans & Arnold (2008)	The role of RM is to build stronger, more trusting customer relationships.	The main outcome of RM is believed to be trust. A business's RM can deliver benefits for the customer that motivates the customer's trust in a business.
Jahanshahi, Gashti, Mirdamadi, Nawaser & Khaksar (2011)	RM with regard to the motor vehicle industry is believed to focus on the relationship that exists between customer satisfaction and loyalty. Customers who are satisfied tend to be repeat customers who establish a relationship with an organisation.	The relationship between customer satisfaction and loyalty is dependent on the quality of the service provided by a motor vehicle dealership.
Gilaninia, Danesh & Shahmohammadi (2012)	RM is a strategy designed to attract, retain and promote customer relations.	Founded components of RM include trust, commitment, communication, conflict handling and competence.
Lo (2012)	The essence of RM is the maintenance of an existing customer database by strengthening relationships and preserving customer loyalty.	RM is believed to include aspects such as customer satisfaction, trust, high quality customer service, retention and commitment.
Egonsson, Bayarsaikhan & Ly (2013)	The main objective of RM is to offer customers individualised services, customised goods and other benefits.	The foundations of RM lie in the combination of trust, customer satisfaction and commitment.
Arokiasamy & Tat (2014)	The core of RM is customer satisfaction as it has been considered to be based on customer experience of a particular service encounter when visiting a motor vehicle dealership.	RM has to lead to increased service quality, which in turn will increase customer satisfaction. Customers tend to be more pleased with superior quality service, leading to a motor vehicle dealership gaining customer satisfaction, trust and commitment.

The research findings listed in Table 1.5 offer confirmation that many authors believe relationship marketing offers a means for an organisation to build a successful and long-term

relationship with its customers. Secondly, it can be seen from Table 1.5 that various authors agree that customer satisfaction, trust and commitment are important dimensions of relationship marketing. Walter *et al* (2010:1) describe these dimensions as relationship quality constructs that are major determinants of behavioural intention. Other authors such as Madjid *et al* (2013:54), Lo (2012:92), Berndt (2009:3), and Morgan and Hunt (1994:22) are also in agreement that customer satisfaction, trust and commitment remain key dimensions that could have a positive effect on the relationship between customers and their behavioural intentions. Given the aim of this study to investigate factors that can influence behavioural intention, the dimensions of customer satisfaction, trust and commitment were subsequently further explored.

1.5.1.1 Customer satisfaction

Oliver (1980:461) defines customer satisfaction as an additive combination of the expectation level and the resulting disconfirmation. According to Mostaghel (2008:24), customer satisfaction occurs when the expectations of customers have been met or are surpassed by the services or products offered by an organisation. Customers form their expectations from past purchase experiences, friends' advice as well as competitors' information and promises (Adegboda, 2010:13; Mosahab *et al*, 2010:73; Mostaghel, 2008:24). Therefore, if an organisation wants satisfied customers it needs to define its services according to customers' wants and needs (Hattingh, 2007:21).

A luxury motor vehicle dealership can determine the quality of service provided to customers simply by monitoring their satisfaction (Arokiasamy & Tat, 2014:1025). Additionally, by measuring customer satisfaction, a luxury motor vehicle dealership will be able to offer customers an innovative and exceptional ownership experience (Malik, 2012:69; Audi, 2004:3; Anurit *et al*, 2001:5). Luxury motor vehicle dealerships can use the information gained from evaluating customer satisfaction to better understand customers' needs as well as their experiences. This will make it easier for luxury motor vehicle dealerships to make customised offers across the customer lifecycle, driving loyalty and repurchase (Arokiasamy & Tat, 2014:1025; Malik, 2012:69).

Previous studies have found that a significant relationship exists between customer satisfaction and behavioural intention (Pandey & Joshi, 2010:74; Ryu & Han, 2010:323). There is a predominant belief among various researchers that satisfied customers are inclined to be loyal and that they are more willing to engage in repeat business (Pappu & Quester, 2006:7). Mackay *et al* (2015:47) further state that improving and establishing customer satisfaction will lead to behavioural intention in favour of an organisation. This

relationship tends to be associated with several benefits such as customer loyalty, repeat purchases, decrease in price sensitivity, positive word-of-mouth, reduced costs, enhanced reputation and protection against price competition (Mackay *et al*, 2015:47; Pappu & Quester, 2006:7).

1.5.1.2 Trust

Morgan and Hunt (1994:24) define trust as customers' willingness to rely on an exchange partner in whom they have confidence. Gilaninia *et al* (2012:10722) explain that trust indicates that both the customer and organisation involved in a relationship can believe each other's promises. Furthermore, trust is viewed as a two-way relationship (Du Plessuis, 2012:22). Developing trust is an important result of time and effort being invested in a positive customer–organisation relationship (Van Vuuren, 2011:68). Walter *et al* (2010:3) state that trust will exist only when the customer has been self-assured about the organisation's reliability and integrity. When customers have genuine confidence in an organisation, they will be more willing to engage in a long-term relationship (Walter *et al*, 2010:3; Morgan & Hunt, 1994:23). Therefore, trust can be seen as customers' belief in an organisation's compassion, honesty and competence to act in the best interest of their business relationship (Walter *et al*, 2008:7).

It is vital for a luxury motor vehicle dealership to be viewed as reliable by customers during their service and repair experience as this will lead to customers feeling confident and enable them to build trust (Egonsson *et al*, 2013:7). The end result is to enhance customers' loyalty and assist the luxury motor vehicle dealership to build a secure customer portfolio that decreases the risk of ending customer relationships (Egonsson *et al*, 2013:7; Hunt *et al*, 2006:75). In short, when a luxury motor vehicle dealership establishes trust, it leads directly to favourable consumer behaviour that is conducive to relationship marketing value success (Tolmay, 2012:133; Walter *et al*, 2008:7).

Previous research studies have indicated that trust plays a very important role in influencing behavioural intention (Alsajjan, 2014:1093). Trust tends to stimulate a relational bond between a customer and an organisation (Madjid *et al*, 2013:55; Friedman *et al*, 2000:36). In other words, when a customer has high trust in an organisation, this will have a favourable influence on behavioural intention towards the organisation (Gounaris, 2005:130). Van Vuuren *et al* (2012b:96) furthermore state that customers who gain trust in an organisation are more willing to engage in favourable behavioural intention towards that organisation. Consequently, there will be a greater chance that customers will remain in the relationship with the organisation (Rutherford, 2007:15).

1.5.1.3 Commitment

Morgan and Hunt (1994:23) define commitment in terms of customers' belief that an ongoing relationship with an organisation is so important that it deserves their maximum efforts to maintain it. Commitment is considered to be vital for building successful and long-term relationships with customers (Hazra, 2013:98). According to Van Vuuren *et al* (2012a:86), customer commitment stems from trust, shared values and the belief that to find another organisation that can offer the same value will be difficult. Commitment involves an emotional attachment to an organisation or willingness to develop and maintain a relationship with it (Gilaninia *et al*, 2012:10722). Commitment also leads to long-term profitable relationships (Hazra, 2013:97).

The importance of good quality service during a customer's service and repair experience at a luxury motor vehicle dealership is enhanced by the fact that commitment adds value to the customer–dealership relationship (Tolman, 2012:134). It is the nature of customers to be unwilling to commit to a luxury motor vehicle dealership from which they don't receive anything worth adding value to (Hazra, 2013:97; Tolmay, 2012:134). Furthermore, Shuqin and Gang (2012:176) state that commitment is regarded as a key variable which can influence the success of relationship exchanges but at the same time extend relationship duration. Basically, only when trust is established between a luxury motor vehicle dealership and a customer will commitment emerge (Shuqin & Gang, 2012:176).

Previous studies have confirmed that commitment can have a positive influence on behavioural intention (Saeed *et al*, 2014:217). Lewis (2014:23) states that commitment is a customer's long-term desire to support an organisation which has a favourable influence on behavioural intention, encouraging, for example, referrals, repurchases, and positive word-of-mouth. When customers are committed to building a long-term relationship with an organisation, this shows that they are willing to invest resources to strengthen their relations with the organisation (Gounaris, 2005:128). Thus, commitment developed towards an organisation leads not only to a greater desire to maintain the relationship but also to behavioural intention in favour of the organisation (Pi & Haung, 2010:4407; Morgan & Hunt, 1994:24).

1.5.2 Consumer behaviour and behavioural intention

Kotler and Levy (1973:54) suggest that consumer behaviour includes activities that are necessary for acquiring the ownership or use of products or services from an organisation. According to Schiffman and Kanuk (2013:26) consumer behaviour refers to customers

identifying their need or want, selecting the product or service, and purchasing and consuming of the product or service. This is also known as the consumer decision-making process (Li & Ling, 2015:100; Solomon *et al*, 2006:258).

According to Kigongo (2005:21) consumer behaviour can be determined by customers' behavioural intention. The development of behavioural intention signals the culmination of thought regarding what a customer will do and how hard the customer will try to achieve the desired outcome (Webb & Sheeran, 2006:250). Behavioural intention is a verbal indication of a specific consumer behaviour which is based on the intentions of a customer (Dorresteyn, 2007:27). Fishbein and Ajzen (1975:288) define behavioural intention as a measurement of the strength of a customer's intention to engage in a specific behaviour. Behavioural intention refers to a self-instruction to execute particular behaviour or to obtain certain outcomes (Dorresteyn, 2007:27; Webb & Sheeran, 2006:249). According to Liang *et al* (2008:13), behavioural intention also refers to future behaviour. Webb and Sheeran (2006:250) further suggest that behavioural intention is a continuous process in which ongoing performance is compared with a desired standard, and behaviour is adjusted accordingly.

Behavioural intention can be categorised as either favourable or unfavourable (Lee *et al*, 2010:905; Zeithaml *et al*, 1996:33). Favourable action taken by customers can be associated with an organisation's ability to get customers to increase their positive word-of-mouth, and to recommend its products and services to friends and family (Dellarocas, 2003:1408). The ability of an organisation to make customers feel comfortable can instigate favourable behavioural intention such as socialising (Eaton *et al*, 2014:4). For example, when customers feel comfortable and welcome when visiting an organisation, they are more likely to enjoy a coffee in the coffee shop, shop around or just catch up with their sales or service persons. Another favourable behavioural intention is a customer's intention to purchase again from the same organisation in the future (Nonis *et al*, 2014:21). Customers furthermore enjoy using web-based services to share and express their thoughts or ideas (Boyd & Ellison, 2014:1). Customers feel comfortable with liking a specific organisation on social media and posting their comments about their service experiences online, which can also be evidence of favourable behavioural intention (Boyd & Ellison, 2014:1; Khan *et al*, 2012:196). Lastly, the level of price sensitivity is another example of behavioural intention that could be in favour of an organisation. When customers are satisfied with the product or service provided by the organisation, they will not mind paying a higher premium price in the future (Nonis *et al*, 2014:22).

Due to the growth in consumption of luxury products, it has become essential for luxury brands to understand customers' behavioural intention (Abalkhail, 2015:42). For luxury motor vehicle dealerships it is vital to understand what drives customers' behavioural intention when taking their luxury motor vehicles for a service or repair (Solomon, 2011:45). Understanding what drives behavioural intention can assist luxury motor vehicle dealerships to position their post-purchase services more effectively as well as assist with building a sustainable competitive advantage (Akin, 2011:196).

1.6 PROPOSED THEORETICAL MODEL AND RESEARCH HYPOTHESES

From the previous section it has become evident that luxury motor vehicle dealerships can benefit from establishing and maintaining quality relationships with customers that are long term in nature. The literature review has further demonstrated that customer satisfaction, trust and commitment are viewed as primary dimensions in the establishment of relationship quality and that these factors may lead towards behavioural intention in favour of the organisation.

A direct link between customer satisfaction and behavioural intention has been found in previous studies (Chen, 2012:203; De Canniere *et al*, 2008:6). Various studies have found that when customer satisfaction is improved, it will lead to behavioural intention in favour of an organisation (Alsajjan, 2014:1093). When customers perceive a high level of satisfaction they become increasingly motivated toward the organisation and are more likely to engage in repeat business (Chinomona & Sandada, 2013:440; Tax *et al*, 1998:64). With regard to luxury goods, customer satisfaction has the ability to reinforce customers' decision to make use of a particular luxury product on any given occasion (Bellaïche *et al*, 2012:6; Garbarino & Johnson, 1999:74). When customers are seeking to purchase luxury goods they seek to fulfil a greater need for purpose and satisfaction (Bellaïche *et al*, 2012:6).

Given the previously established relationships between customer satisfaction and behavioural intention, the possibility exists that customer satisfaction may also serve as an antecedent to behavioural intention in favour of a luxury motor vehicle dealership within the context of post-purchase service or repair. This relationship needs further investigation. Consequently, it is firstly hypothesised in this study that:

H1a: Customer satisfaction significantly and positively influences behavioural intention in favour of a luxury motor vehicle dealership.

Relationship marketing literature further suggests that customer satisfaction is a major determinant of commitment (Madjid *et al*, 2013:62; Rutherford, 2007:23; Valenzuela &

Vásquez-Párraga, 2006:19). In order for customers to be committed to an organisation, they must first be satisfied with the product or service offering (Hofmeyr & Rice, 2000:80). Various studies with regard to luxury goods have explained how customers who are satisfied with a luxury brand can develop strong levels of commitment as they build strong connections with a brand (Walsh *et al*, 2010:78). Thus, relationship marketing literature suggests that luxury goods can create customer satisfaction which positively affects commitment to a luxury brand (Walsh *et al*, 2010:78; Rutherford, 2007:23).

Extant literature has also shown that customers who develop commitment to an organisation tend to pay off in favourable behavioural intention (Walter *et al*, 2010:850). The more committed customers are to an organisation, the more likely they are to build long-term relationships, which in turn has a positive effect on behavioural intention (Pi & Haung, 2010:4407). Studies conducted with regard to luxury goods have shown that commitment is viewed as an emotional factor when customers consider purchasing a luxury product (Shuqin & Gang, 2012:176). Luxury goods and services are promoted by high quality and excellent customer service that causes commitment towards these goods to be greater than that towards general goods, resulting in favourable behavioural intention (Shuqin & Gang, 2012:176; Jang *et al*, 2007:3).

As a relationship exists between customer satisfaction and commitment, as well as between commitment and behavioural intention, the possibility exists that commitment can serve as a mediating effect to strengthen the relationship between customer satisfaction and behavioural intention (Madjid *et al*, 2013:55; Nguyen *et al*, 2013:99; Chen, 2012:203; Luarn & Lin, 2003:157). These relationships between customer satisfaction and commitment, commitment and behavioural intention and commitment as a mediator need further investigation in the area of post-purchase service and repair at a luxury motor vehicle dealership. Consequently, it is further hypothesised in this study that:

- H2a: Customer satisfaction significantly and positively influences commitment towards a luxury motor vehicle dealership.
- H3a: Commitment significantly and positively influences behavioural intention in favour of a luxury motor vehicle dealership.
- H4a: Customer satisfaction has a significant positive indirect effect on behavioural intention in favour of a luxury motor vehicle dealership as mediated by commitment towards the dealership.

Literature has further demonstrated that trust is also a strong predictor of favourable behavioural intention (Alsajjan, 2014:1093). Customers who have a high level of trust in an organisation are more likely to display favourable behavioural intention (Madjid *et al*, 2013:55). Studies with regard to luxury goods have found that customers place their trust more clearly in luxury products or services, which leads to favourable behavioural intention when it comes to future purchase decisions (Nelissen & Meijers, 2011:353). Once customers trust a luxury product or service, they feel more comfortable with the organisation, leading to their having a strong urge to revisit that specific organisation in the near future (Sahin *et al*, 2013:46; Turhan & Ozbek, 2013:7).

The relationship between trust and behavioural intention of customers who have taken their luxury motor vehicles for a service or repair at a luxury motor vehicle dealership, however, needs further investigation. Consequently, it is further hypothesised in this study that:

H5a: Trust significantly and positively influences behavioural intention in favour of a luxury motor vehicle dealership.

In the literature, various studies have connected trust to commitment (Rutherford, 2007:24). According to Morgan and Hunt (1994:24) trust and commitment form the cornerstone of all successful and long-term relationships. Garbarino and Johnson (1999:73) state that relationships characterised by trust are deemed so valuable that customers will desire to commit themselves to such a relationship. Even with luxury goods, trust has been considered to be an important determinant of commitment (Loureiro, 2014:2). Trust provides a customer with the ability to face a risk with absolute confidence, which results in commitment to a luxury brand more easily (Loureiro, 2014:2; Uecharoenkit, 2012:87). Apart from a customer's personal belief, a customer's trust in a luxury brand also comes from the brand's reputation for being reliable, honest, credible, consistent, and responsible (Uecharoenkit, 2012:87).

As mentioned before, previous studies have found a positive relationship between commitment and behavioural intention (Gounaris, 2005:126; Ingram *et al*, 2005:241). Due to the relationship that exists between trust and behavioural intention, and between commitment and behavioural intention, a possibility exists that commitment can serve as a mediator to strengthen the relationship between trust and behavioural intention (Mukherjee & Nath, 2007:1174). Trust is a long-term orientation and forward looking in nature (Caceres & Pappadopoulos, 2007:840). It might take time for a customer to display behavioural intention in favour of an organisation (Gounaris, 2005:127). Commitment can serve as a mediator between trust and behavioural intention, because when trust increases, commitment will

increase, which leads to behavioural intention in favour of an organisation (Hsu *et al*, 2010:294; Mukherjee & Nath, 2007:1178; Johnson *et al*, 2006:123).

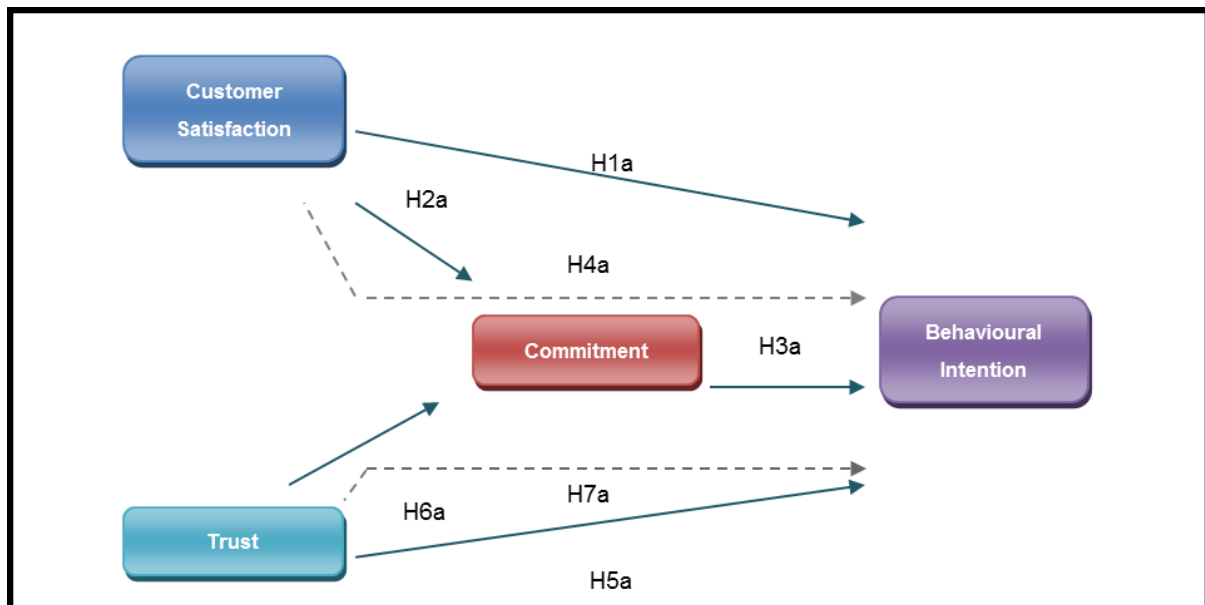
These relationships between trust and commitment, commitment and behavioural intention and commitment as a mediator need further investigation in the area of post-purchase service and repair at a luxury motor vehicle dealership. Consequently, it is finally hypothesised in this study that:

H6a: Trust significantly and positively influences commitment towards a luxury motor vehicle dealership.

H7a: Trust has a significant positive indirect effect on behavioural intention in favour of a luxury motor vehicle dealership as mediated by commitment towards the dealership.

Figure 1.1 provides a summary of the potential interrelationships that may exist between relationship quality constructs and behavioural intention at a luxury motor vehicle dealership. These constructs and proposed relationships are further investigated in the empirical part of the study.

Figure 1.1: Proposed theoretical model



1.7 RESEARCH OBJECTIVES

1.7.1 Primary objective

The primary objective of this research study is to investigate relationship quality factors influencing behavioural intention at a luxury motor vehicle dealership.

1.7.2 Secondary objectives

To support the primary objective, the following secondary objectives are formulated:

Table 1:6: Secondary objectives

Secondary objectives	
Secondary objective 1	To provide an overview of research literature related to: 1a) potential factors influencing behavioural intention in favour of an organisation. 1b) the main constructs of this research study, namely customer satisfaction, trust, commitment and behavioural intention. 1c) the interrelationship of the main constructs of this research study.
Secondary objective 2	To develop a sample profile of customers who have had their vehicle serviced or repaired at a luxury motor vehicle dealership in Gauteng during the past 24 months and who participated in this research study.
Secondary objective 3	To measure the customer satisfaction levels of customers who have had their motor vehicles serviced or repaired at a luxury motor vehicle dealership in Gauteng during the past 24 months.
Secondary objective 4	To measure the levels of trust of customers towards the luxury motor vehicle dealership in Gauteng that had serviced or repaired their motor vehicles during the past 24 months.
Secondary objective 5	To measure the levels of commitment of customers towards the luxury motor vehicle dealership in Gauteng that had serviced or repaired their motor vehicles during the past 24 months.
Secondary objective 6	To measure the levels of behavioural intention of customers in favour of the luxury motor vehicle dealership in Gauteng that had serviced or repaired their motor vehicles during the past 24 months.
Secondary objective 7	To examine the interrelationships of customer satisfaction, trust, commitment and behavioural intention in favour of a luxury motor vehicle dealership.

1.8 RESEARCH METHODOLOGY

1.8.1 Literature study

The literature review of this study is based upon information obtained from secondary sources. Academic textbooks, scholarly journals, previous studies on the subject of this

study, popular journals and Internet articles were consulted. For extant literature in the field, electronic databases such as Emerald, ProQuest, Ebscohost, Google Scholar, Science Direct, SA Publications and Sabinet helped to guide the literature review. The overall purpose of the literature study is to provide insight into how the various constructs of relationship quality and behavioural intention fit into the broader context of the luxury motor vehicle industry. The literature study therefore identifies what is already known about the area of this study (Berndt & Petzer, 2011:32).

1.8.2 Empirical study

1.8.2.1 Research design and method of data collection

The research design is the overall plan designed by researchers to connect the conceptual research problems to the empirical research (Van Wyk, 2011:7). In other words, it is the plan that researchers follow to make sure that they achieve the research objectives. There are three different types of research design, namely exploratory research, descriptive research and causal research (Berndt & Petzer, 2011:32; Van Wyk, 2011:8).

According to Berndt and Petzer (2011:32), descriptive research is a research attempt to describe something. The main objective of descriptive research is to present an accurate and valid demonstration of the factors that are relevant to the research problem (Van Wyk, 2011:10). This type of research is usually applied when a lucid problem statement and hypothesis have been formulated for a study, and also when specific information related to the problem statement is needed (Malhotra, 2010:106). According to Berndt and Petzer (2011:32), exploratory research methods are used when the exact nature of the problem is not clear. This type of research is used when the researcher is searching for insights into the general nature of a problem, the possible decision alternatives, and related variables that need to be considered (Tustin *et al*, 2008:84). Causal research is conducted if an understanding needs to be developed about the relationship between two events (Berndt & Petzer, 2011:32; Creswell, 2008:8). In other words, the researcher uses a causal study to investigate if one variable is causing or determining the value of another variable (Tustin *et al*, 2008:87). For the purpose of this research study, a descriptive research design was chosen, since a clear problem statement and hypotheses had been formulated for the study.

There is, furthermore, a choice to be made between qualitative and quantitative research when selecting a research design (Creswell, 2008:20). A quantitative approach is one in which structured questions are used where the researcher has already predetermined all the possible response actions (Burns & Bush, 2010:235). Quantitative research methods

involves more respondents and the quantity of information is important (Berndt & Petzer, 2011:47). Malhotra (2010:171) states that the aim of quantitative research is to quantify data by generalising the results that were obtained from the sample during the data collection process to the particular population targeted during the research study. Qualitative research is usually exploratory in nature as it aims to help the researcher to better understand the background of the research problem (Berndt & Petzer, 2011:45; Creswell, 2008:16). Furthermore, Malhotra (2010:144) states that qualitative methods uncover underlying motivations as well as ideas of participants. Typical qualitative research methods include group discussions and in-depth interviews (Tustin *et al*, 2008:90). For the purpose of this study, quantitative research was chosen because the aim was to develop a detailed understanding of the influence of previously identified factors on behavioural intention.

Within a descriptive research design, two central methods of obtaining quantitative primary data can be considered, which include questionnaires and observations (Malhotra, 2010:209). Berndt and Petzer (2011:47) define a questionnaire as a set of questions that is used to gather information from individuals, which can be administered by mail, telephone, face-to-face interviews, as handouts or electronically. Tustin *et al* (2008:143) state that in observation the researcher studies the relevant sample and other phenomena, mostly without the knowledge or cooperation of the participants. Relevant facts, actions and behaviours are noted, and the researcher uses them to draw appropriate conclusions (Malhotra, 2010:210; Tustin *et al*, 2008:143). For the purpose of this research study, a self-administered questionnaire was chosen whereby each respondent taking part in the study would complete a questionnaire, because this method offers the researcher the possibility of reaching a large number of potential respondents in a variety of locations, increasing the odds for a greater reaction. Medanth (2012) also states that this type of data collection method allows the researcher to target a larger sample when money and time are limited. The questionnaires would be administered electronically via email. The questionnaire would be accessed via an html link making it easy for respondents to complete the questions by simply clicking on the appropriate field. The completed questionnaire would then be submitted and stored on a backend system hosted by Google Forms, making it easy to pull an Excel report with all the responses.

1.8.2.2 Sampling

- Study population

Berndt and Petzer (2011:164) refer to a population as the total collection of elements about which the researcher wants to make inferences. In other words, sampling is choosing the

entities, such as the individuals and their common activities, to be investigated (Berndt & Petzer, 2011:164; Zikmund *et al*, 2010:39). When the target population is properly defined, the correct database can be identified by the researcher in order to collect proper data (Zikmund *et al*, 2010:390).

For the purpose of this research study, the study population is defined as individuals who had their motor vehicles serviced or repaired at the luxury motor vehicle dealership in Gauteng during the past 24 months. Since this research is descriptive in nature, the study focuses on a single luxury motor vehicle dealership in Gauteng. During the past three years this specific dealership has shown admirable growth in sales despite servicing a small niche market and possessing limited marketing resources (Roussouw, 2013). The results of this study may enable this dealership to make better use of relationship quality dimensions that influence the behavioural intention of customers during their post-purchase service and repair experiences.

- Census

For the purpose of this research study, the researcher decided to conduct a census of the study population. A census involves collecting data from the whole population, and the benefits of using a census method include the fact that accurate quality information will be gathered from the entire study population (Berndt & Petzer, 2011:166).

In this particular study, use of the census method implies that all those who had their motor vehicles serviced or repaired at the luxury motor vehicle dealership in Gauteng during the past 24 months would be included in the study. The researcher was able to obtain a list (sample frame) from the luxury motor vehicle dealership in Gauteng that accurately reflects the study population. The list contained a total of about 1 800 prospective respondents, who were surveyed.

1.8.2.3 Data collection

As mentioned, a self-administered questionnaire was used as the research instrument to collect the necessary data from respondents. The questionnaires were administered electronically via email amongst the respondents. The email consisted of a short introduction to the study, an explanation of the study's objective, rights of respondents, completion instructions and a link to the actual questionnaire. A period of six weeks was given to respondents (who met the requirements of the study population) to complete the questionnaire and send it back to the researcher. Regular reminders were sent to encourage respondents to complete the questionnaire. The aim was to obtain at least 300 usable

responses for analyses, more specifically at least 16.5 per cent of the study population. At least 300 usable responses were needed, as Hair *et al* (2010:606) state that the preferred sample size to effectively evaluate a structural equation model (SEM) should be a minimum of 200 and a maximum of 400 respondents.

1.8.2.4 Measuring instrument

The questionnaire commenced without screening questions as the list obtained was constructed to include only those customers who had bought a luxury motor vehicle or had their luxury motor vehicle serviced or repaired at the luxury motor vehicle dealership in the Gauteng province during the past 24 months. The questionnaire consisted of the following sections (see Appendix A):

- **Section A:** This section would obtain the demographic information of respondents. The majority of these questions were closed-ended questions with predetermined options. Only one question was open-ended, asking respondents to state the year in which they were born.
- **Section B:** This section consisted of two parts. The aim of the first part of this section was to measure the levels of the relationship quality constructs customer satisfaction, trust and commitment of respondents towards the luxury motor vehicle dealership in Gauteng, which serviced or repaired the luxury motor vehicles. Respondents were required to assess the statements on an unlabelled five-point Likert scale (1 for *strongly disagree* and 5 for *strongly agree*). Scales of existing literature were incorporated and/or adjusted to measure these constructs. The aim of the second part of this section was to measure the levels of behavioural intention of respondents towards the luxury motor vehicle dealership in Gauteng which serviced or repaired the luxury motor vehicles. Again an unlabelled five-point Likert scale (1 for *very low* and 5 for *very high*) was used, with respondents being required to assess statements relating to each construct. In this section, too, existing scales from the literature were used and/or adjusted in order to measure the constructs (Chen, 2012:203; Madjid, 2013:52; Mukherjee & Nath, 2007:1192).

1.8.2.5 Analysing and interpreting the data

Marczyk *et al* (2007:11) state that after the study has been conducted and the data gathered, the next step involves analysing the data. Statistical techniques are generally used

to analyse the data. The type of statistical technique used by a researcher mainly depends on the design of the study, the type of data being gathered, and the questions being asked in the questionnaire (Berndt & Petzer, 2011:218; Marczyk *et al*, 2007:11).

The data would be processed and statistically cleaned, coded and edited using the Statistical Package for Social Sciences (SPSS) version 22 and MPlus version 7.4 to test the theoretical model proposed by the study. The data analysis strategy included the following:

Frequencies (counts and percentages) were calculated for variables measuring the demographic profile and patronage habits of respondents.

Descriptive statistics (means and standard deviations) were calculated for each statement measuring the constructs of the study.

Confirmatory factor analysis (CFA) was conducted to confirm the validity of the scales measuring the constructs of the study, and a reliability analysis was conducted, calculating Cronbach's alpha values, to assess the internal consistency reliability of the measurement scales measuring the constructs of the research study.

Once, this was done, the overall mean scores were calculated for each construct of the study, and the proposed theoretical model was tested by means of structural equation modelling (SEM) using MPlus statistical programme version 7.4.

1.9 CHAPTER STRUCTURE

The dissertation is divided into seven chapters. A short description of the chapter layout follows:

Chapter 1 commences this research study by providing the introduction, contextualisation and background of the study, and defining the key terms used. Furthermore, Chapter 1 describes the problem statement and states the primary and secondary objectives of this study, together with a short description of the research methodology that was used for the study. Chapter 1 concludes with an outline of the proposed study.

Chapter 2 provides a detailed discussion on relationship marketing and the relationship quality constructs investigated in this study, namely customer satisfaction, trust and commitment.

Chapter 3 offers more insight into consumer behaviour, which includes a detailed description of the decision-making process as well as the concept of behavioural intentions.

Chapter 4 provides more insight into the literature supporting the research hypotheses and proposed conceptual model of the study.

Chapter 5 focuses on a detailed discussion of the different steps in the research process followed to conduct the study.

Chapter 6 offers more insight into the research findings of this study. The data gathered are statistically analysed and discussed. The main results of this study are also summarised.

Chapter 7 is the final chapter of this study. The focus of this chapter is on the conclusions and possible implications of the results obtained from the empirical research. Recommendations are also made on strategies that a luxury motor vehicle dealership could employ to foster greater behavioural intention in favour of the organisation.

1.10 SUMMARY

Amongst the most diverse and competitive industries in South Africa is the luxury motor vehicle segment (German Missions in South Africa, Lesotho and Swaziland, 2012). The luxury motor vehicle industry is regarded as one of South Africa's most important segments as it contributes 3% of the country's GDP (NAAMSA, 2012). However, dealerships do not make most of their money by selling these luxury motor vehicles (Henry, 2012). Luxury motor vehicle dealerships' profit is mainly made in the post-purchase service and repair department (Henry, 2012; Kuksov & Xie, 2008:8). Furthermore, the luxury motor vehicle industry is relatively small but offers a wide variety of luxury motor vehicle brands that are all competing for the same type of customer (Simchi-Levi *et al*, 2009:1). This puts a lot of pressure on providing excellent and exceptional customer service (Kuksov & Xie, 2008:9).

Due to their similar product offerings, the main challenge for luxury motor vehicle dealerships is to create a sustainable competitive advantage (Zhang & Cheng, 2006:670). Luxury motor vehicle dealerships need to focus on differentiating themselves by building quality relationships with customers who take their luxury motor vehicles for a service or repair (Henry, 2012; Kuksov & Xie, 2008:8). Relationship quality constructs of customer satisfaction, trust and commitment and their effect on behavioural intention can prove to be beneficial to luxury motor vehicle dealerships (Lu *et al*, 2012:226). A luxury motor vehicle dealership that has satisfied customers will enjoy favourable behavioural intention (Hattingh, 2007:22). Customers who feel that they can trust the luxury motor vehicle dealership will more likely engage in favourable behavioural intention (Chiari, 2008:19; DeWitt *et al*, 2008:272). Lastly, customers who are committed to a luxury motor vehicle dealership tend to

build long-term relationships with that dealership, saving the dealership the costs of seeking a new customer base (Esch *et al*, 2006:100).

No formal study in South Africa, however, has investigated the mediating effect of commitment on the relationships between customer satisfaction and behavioural intention, and between trust and behavioural intention, amongst customers who have had a luxury motor vehicle serviced and/or repaired at a luxury motor vehicle dealership. The intention of this study is to address this gap in research that exists within the luxury motor vehicle dealership environment. The research findings may assist luxury motor vehicle dealerships to identify the weak points in their customer service policies with regard to post-purchase service and repair. Better understanding may be provided in terms of how increased relationship quality (such as customer satisfaction, trust and commitment) could positively influence their customers' behavioural intention. This study could also assist to develop a foundation for luxury motor vehicle dealerships to provide better value, quality, service, customer comfort, uniqueness and a caring attitude in order to achieve increased relationship quality which may lead to more favourable behavioural intention.

The next chapter provides an in depth discussion regarding relationship marketing and relationship quality constructs including customer satisfaction, trust and commitment.

CHAPTER 2: RELATIONSHIP MARKETING AND RELATIONSHIP QUALITY CONSTRUCTS

2.1 INTRODUCTION

It was established in Chapter 1 that the purpose of the study is to provide more insight into relationship marketing and the relationship quality constructs that can have an influence on the behavioural intention in favour of a luxury motor vehicle dealership. Relationship marketing refers to a strategy designed to direct all marketing activities toward establishing, building and maintaining successful relationships (Palmatier, 2008:3; Berry, 2002:61; Morgan & Hunt, 1994:20). From an organisational point of view relationship marketing can be linked to benefits such as competitive advantage, increased levels of customer satisfaction, organisational learning, higher acceptance by customers and superior financial performance (Taleghani *et al*, 2011:157; Van Vuuren, 2011:44; Reimann *et al*, 2009:5; Berry, 2002:62). Relationship marketing can also have benefits for customers such as direct one-to-one interactions with an organisation, anticipation of customers' wants and providing customers with sufficient information empowering them to make the correct purchase decision (Nwakanma *et al*, 2007:59; Moller & Halinen, 2000:32).

While there are various factors that could have an impact on forming relationships with customers, Walter *et al* (2010:1), suggest that certain relationship quality dimensions such as customer satisfaction, trust and commitment are major determinants of behavioural intention. Customers who are satisfied will be encouraged to buy more and often, which generates positive behavioural intention (Adegboda, 2010:15). High levels of trust and commitment can also be related to high levels of customer retention, resulting in stronger, positive behavioural intentions (Van Vuuren *et al*, 2012a:85).

To obtain more insight into these matters this chapter commences with an overview of the relationship marketing concept, after which an investigation is conducted into the relationship quality dimensions customer satisfaction, trust and commitment.

2.2 THE RELATIONSHIP MARKETING DOMAIN

According to Palmatier *et al* (2009:1), it is imperative for organisations wishing to achieve success in the long term to build and maintain strong trusting relationships with their customers. In recent years customers have started to dictate how organisations should be organised to better serve their needs (Stone & Jacobs, 2008:116). This is due to the simple

fact that customers want their needs to be met, and to be cared for and delighted (Palmatier *et al*, 2009:1). The existing customers of any organisation are its surest and most reliable source of future revenue as well as the one key asset that can separate one organisation from another (Stone & Jacobs, 2008:116). Thus, for an organisation to be successful, its corporate strategies need to be customer focused (Palmatier *et al*, 2009:1; Stone & Jacobs, 2008:116).

Relationship marketing is the type of marketing that was developed from direct marketing campaigns assisting an organisation with the building and maintenance of long-term relationships with its customers (Olenski, 2013; Berndt, 2009:1). In other words, relationship marketing puts emphasis on customer retention and customer satisfaction (Alander, 2010:10; Berndt, 2009:1). It highlights the value of long-term customer relationships and extends communication between the organisation and its customers, going beyond advertising and promotional messages (Alander, 2010:10). Relationship marketing builds and maintains relationships between an organisation and customers through customer strategies such as loyalty programmes and excellent customer service (Lo, 2012:92; Alander, 2010:10).

The concept of relationship marketing, however, has been defined in various ways. Accordingly it is necessary to first obtain more insight into the nature of relationship marketing and to conclude on a formal definition of relationship marketing for the purpose of this study.

2.2.1 The nature of relationship marketing

Over the past few decades many authors have attempted to formally define the concept relationship marketing. Table 2.1 below provides a summary of some of the most widely used definitions that have been formulated:

Table 2.1: Relationship marketing definitions

Authors	Adopted definition of relationship marketing
Berry (1983:26)	Relationship marketing can be defined as attracting, maintaining and enhancing of customer relationships.
Levitt (1983:88)	Relationship marketing states that the main goals of an organisation should not be limited to its sales but it should rather focus on providing the best customer satisfaction, which is dependent on how well the relationship is managed by the organisation.

Table 2.1: Relationship marketing definitions (*continued*)

Authors	Adopted definition of relationship marketing
Dwyer, Schurr and Oh (1987:20)	To understand relationship marketing, an organisation needs to distinguish between the discrete transaction (which has a distinct beginning, short duration and sharp ending by performance) and relational exchange (which traces to previous agreements and is longer in duration), as it reflects an ongoing process.
Gummesson (1987:14)	Relationship marketing is marketing based on relationships, networks and interaction. Therefore, it can be defined as a method to establish long-term and beneficial relationships between an organisation and its customers in which value is jointly created between the parties involved.
Paul (1988:21)	Relationship marketing consists of a wide range of relational constructs such as trust, commitment, norms, dependence, justice, conflict, cooperation and communication. These constructs are suggested to be instrumental in the development and dissolution of relationships.
O'Neal (1989:57)	Relationship marketing is all about marketing that is orientated towards building and maintaining strong, lasting relationships with individual accounts.
Gronroos (1990:4)	The aim of relationship marketing is to establish, maintain, and enhance relationships between an organisation and its customers as well as other partners involved, at a profit, ensuring that the objectives of the parties involved are met. This is achieved by a mutual exchange and the accomplishment of promises.
Doyle and Roth (1992:59)	To earn the position of preferred supplier by developing trust in key accounts over a period of time is considered to be the main goal of relationship marketing. Therefore, relationship marketing includes all the activities an organisation directs toward establishing, developing and maintaining successful relational exchanges with all parties involved.
Morgan and Hunt (1994:20)	Relationship marketing can be defined in terms of all the marketing activities that are directed toward establishing, developing and maintaining successful customer relationships.
Wilson (1995:2)	Relationship marketing is a marketing strategy that assists with the acceleration of relationship development as organisations strive to create relationships that will help to achieve their goals. Relationships are developed due to the pressure to increase quality, reduce inventory, develop just-in-time systems and decrease time to market.
Hunt (1997:431)	Relationship marketing is the attempt to involve and incorporate customers, suppliers and all other partners into an organisation's developmental and marketing activities. Furthermore, relationship marketing is used to establish, maintain and enhance customer relationships at a profit, ensuring that the objectives of all parties involved are met.

Table 2.1: Relationship marketing definitions (*continued*)

Authors	Adopted definition of relationship marketing
Sheth and Parvatiyar (2002:8)	Relationship marketing is considered to be an ongoing process of engaging in cooperative and collaborative activities with immediate as well as end-user customers in order to create and enhance mutual economic value, at a reduced cost.
Rootman (2006:31)	Relationship marketing can be considered as the activity of building relationships and networks, and ensuring interaction. Attracting, establishing or creating a continuous relationship between an organisation and a customer for their mutual benefit entails relationship marketing.
Palmatier (2008:3)	Relationship marketing can be defined as the process of identifying, developing, maintaining and terminating exchanges with the main goal of enhancing the organisation's performance.
Das (2009:326)	Relationship marketing can be defined as the way in which organisations can establish, maintain and enhance their customer relationships at a profit, but only as long as the objectives of all parties involved have been met.
Reimann, Schilke and Thomas (2009:4)	Relationship marketing can be defined as an organisation's practices to systematically manage their customers in order to maximise value across the relationship lifecycle.
Alrubaiee and Al-Nazer (2010:157)	All the marketing activities that are directed toward establishing, developing and maintaining successful long-term relationship exchanges are known as relationship marketing.
Lo (2012:92)	The essence of relationship marketing is regarded as the retention of existing customers by strengthening relationships as well as preserving their loyalty.
Olenski (2013)	Relationship marketing is a marketing strategy designed to encourage customer loyalty, interaction and long-term engagement. Relationship marketing revolves around developing strong connections with customers.
Jemaa and Tournois (2014:2)	Relationship marketing can be defined as the maintenance and development of successful relationships with customers in the long-term.
Sheth, Parvatiyar and Sinha (2015:123)	Relationship marketing is considered to be an ongoing process of engaging in mutual activities and programs with both immediate and end-user customers with the main aim of creating and/or enhancing mutual economic, social and psychological value, profitably.

From the definitions provided in Table 2.1 it can be observed that there are three generic elements that constitute relationship marketing. The first generic element is that relationship marketing is viewed to be a long-term strategy for building relationships between an organisation and its customers. Alander (2010:11) states that building relationships with customers takes time. Relationship marketing is an ongoing process of attaining new

customers by satisfying their needs or wants and gaining their trust and commitment, as well as holding on to the loyal and profitable customers (Sheth *et al*, 2015:123). Relationship marketing can therefore be regarded as a core long-term business strategy that ultimately integrates internal processes, functions, and external networks in order to create and deliver value to targeted customers, at a profit (Rootman, 2006:31; Gummesson, 2002:39).

The second generic element is that relationship marketing consists of building relationships with customers (Das, 2009:326; Rootman, 2006:30; Gummesson, 2002:39). According to Berry (2002:61) relationship marketing consists of three different phases. The first phase of building a relationship begins with attracting customers to a specific organisation by means of an advertisement, word-of-mouth or some sort of promotional campaign (Das, 2009:326; Berry, 2002:61). The second phase starts once the customer has made use of the organisation's products or services and consists of efforts to develop a long-term relationship between the organisation and the customer for their joint benefit. This is done through various relationship marketing strategies such as loyalty programmes and direct customer mailings (Das, 2009:326). The last phase of relationship marketing is that during which the organisation attempts to maintain and enhance customer relationships, as well as to retain customers by constantly keeping their best interests in mind, and providing excellent customer service and product quality (Das, 2009:326; Palmatier, 2008:3; Berry, 2002:61).

The third and final generic element is that relationship marketing is directed at creating and maintaining mutually beneficial relationships with customers (Lo, 2012:92; Reimann *et al*, 2009:4; Gummesson, 2002:39). In other words, the relationship must be beneficial for both parties involved. Lo (2012:92) believes that customers can be very finicky about the relationships they want to build and maintain. An organisation can get a good idea of consumer behaviour by conducting a thorough study of past experiences, expectations and desires. If customers are kept happy they will almost never leave the organisation, and happy customers in return can help to enhance the organisation's performance (Olenski, 2013; Lo, 2012:92). This, however, makes it necessary for an organisation to monitor certain factors such as customer satisfaction, availability of substitutes, trust, commitment and service quality (Lo, 2012:92; Reimann *et al*, 2009:4; Berry, 2002:62; Hunt, 1997:431).

Consequently, considering the generic elements identified, it is possible to conclude on the following definition of relationship marketing for the purpose of this study. *Relationship marketing is the long-term process of attracting, developing, maintaining and enhancing relationships with luxury motor vehicle customers through mutual exchange and the fulfilment of promises that are beneficial to both the dealership and its customers.*

2.2.2 The origin and development of relationship marketing

Marketing managers have traditionally been trained to attract new customers with established marketing tools such as price, promotions and mass advertising (Verhoef & Langerak, 2002:70). Gronroos (1999:327) states that from the 1970s an alternative approach to marketing was used based on establishing and managing relationships in various contexts of both marketing research and practice. Researchers interested in industrial marketing and marketing channels started to develop frameworks and theories focusing on sustainable relationships between customers and organisations (Moller & Halinen, 2000:32).

The phrase “relationship marketing” was then officially introduced into literature by Leonard Berry in 1983 (Sheth *et al*, 2012:7). He explained the phrase in a conference paper on service marketing as “*attracting, maintaining and, in multi-service organisations, enhancing customer relationships*” (Laurentiu-Dan & Alina, 2006:946). This viewpoint emphasised that relationship marketing implied that the attraction and development of customer relationships were equal to customer acquisition in importance to an organisation (if not of greater importance) in the long term (Sheth *et al*, 2012:7; Laurentiu-Dan & Alina, 2006:946). The relationship marketing perspective was believed to revolve around the idea that as long as customers stay in business with an organisation, they will have continuing business from these customers (Laurentiu-Dan & Alina, 2006:946).

Since Leonard Berry’s introduction, relationship marketing has received widespread attention in the academic press. Dwyer *et al* (1987:12) characterised relationship marketing as longer in duration, reflecting an ongoing process. Relationships should be formed over the long term to ensure that customers are maintained and for organisations to benefit from the value of doing business with them over the long term. A key aspect is to get customers and create transactions on a continuous basis (Sheth *et al*, 2012:7; Gronroos, 1999:328). Building and maintaining long-term relationships with customers encourages continuous buy-in from customers for an organisation (Laurentiu-Dan & Alina, 2006:946).

Building and maintaining relationships became a philosophical cornerstone as it attracted growing attention (Gronroos, 1999:328). The shift was changing to customer retention and customer relationship development, the aim being to maximise customer lifetime value instead of maximising profits (Chen & Popovich, 2003:673; Verhoef & Langerak, 2002:70). In order to maximise customer lifetime value, marketing managers had to turn to customer relationship management (CRM). The shift to CRM then generated the need to find new strategic and tactical methods for adapting business (Chen & Popovich, 2003:673).

Relationship marketing was refined so that it referred to factors such as the nature of the product offered, the customer's buying behaviour and the types of business relationships established between the organisation and its customers (Sheth *et al*, 2012:7; Moller & Halinen, 2000:32).

In more recent years, numerous factors have made a contribution to the rapid development as well as evolution of relationship marketing (Sheth *et al*, 2012:7). An important factor is the growing de-intermediation process due to advance technological development that allows producers to directly interact with the end-consumer (Sheth *et al*, 2012:7; Gummesson, 2002:42). For example, direct marketing tools can give producers the means to individualise their marketing efforts that allow for cancelling out the middleman. Customers are also more likely to undertake some of the responsibilities of direct product ordering, personal merchandising and product use related services with little to no help from producers. This can create a greater emotional bond between an organisation and its customers, which in turn develops the need for maintaining and enhancing the relationship in question (Laurentiu-Dan & Alina, 2006:946).

Another factor contributing to the rapid acceptance of relationship marketing has been the quality movement (Sheth *et al*, 2012:8; Gronroos, 1999:328; Buttle, 1996:5). Organisations embraced the quality management philosophy to improve the quality of products and services offered in order to reduce costs. Implementing the quality management philosophy at all levels of the value chain necessitated the involvement of suppliers as well customers (Sheth *et al*, 2012:8). Close working relationships with both customers and suppliers were needed in order to sufficiently practise total quality management (Stone & Jacobs, 2008:125).

In more modern studies, researchers have directed more of their attention towards the concept of consumer value as one of the major building blocks of relationship marketing (Tolmay, 2012:100). So instead of the tactical use of relationship marketing for promotions, organisations rather started using it for understanding and advocating customers' needs. This change assisted with enhancing customer relationships by creating consumer value in terms of increased customer satisfaction, winning trust and gaining commitment (Stone & Jacobs, 2008:125). Organisations should therefore recognise the importance of consumer value in terms of customer satisfaction, trust and commitment in order to establish relationship value, which in return results in customer retention (Tolmay, 2012:100; Blazevic *et al*, 2013:10;). Customers who are satisfied by the products and services offered by an organisation tend to start trusting the organisation, which will lead to them becoming committed to their relationship with the organisation (Blazevic *et al*, 2013:10; Stone &

Jacobs, 2008:125). Thus, customers who are happy will almost never leave the organisation, and happy customers in turn help to enhance the organisation's performance (Olenski, 2013; Lo, 2012:92). Relationship marketing can assist an organisation to establish itself in a desirable position in order to retain customers and expand business prospects in the future (Osman, 2015).

According to Sheth *et al* (2015:122) relationship marketing should be viewed as a set of generic processes whereby relationships are initiated, maintained and terminated. Relationship marketing includes everything that an organisation does to develop a strong long-term relationship with its customers (Osman, 2015). In addition to this process view, researchers generally accepted that relationship marketing is also concerned with mutual relationships between an organisation and its customers (Osman, 2015; Sheth *et al*, 2015:123). These mutual relationships tend to lead to increased market value, which will benefit both parties engaged in the relationship (Sheth *et al*, 2015:123). For modern customers it has become important to know that the organisation they engage with in a relationship will help to improve product and service quality (Osman, 2015; Jemaa & Tournois, 2014:2). They also want to know the people behind the brand, that the organisation is listening to their concerns, and that the organisation is willing to go beyond satisfying them to the level of exceeding their expectations (Osman, 2015).

2.2.3 Understanding the role, benefits and objectives of relationship marketing within an organisation

There are differences between CRM, relationship management and relationship marketing. Ryals and Knox (2001:538) state that CRM complements the relationship marketing as well as relationship management perspectives. CRM, relationship marketing and relationship management are considered in all organisational practices to focus on customers (Chen & Popovich, 2003:675; Ryals & Knox, 2001:538). CRM is a combination of both organisational processes and technology that seeks to understand an organisation's customers from the perspective of who they are, what they do and what they are like (Ryals & Knox, 2001:539). CRM mainly uses customer databases, statistical decision-support tools and interactive communication techniques to develop and maintain relationships with individual customers (Verhoef & Langerak, 2002:70).

Relationship management consists mainly of building and managing customer relationships on an organisational level (Du Plessis & Boon, 2004:76). This process includes understanding, anticipating and managing customer needs to increase organisational effectiveness, efficiency and profitability. Du Plessis (2012:18) further explains that

relationship management is a commitment from the organisation to identify its individual customers and to create a mutually beneficial relationship between itself and its customers. Thus, relationship management entails a big knowledge management element (Du Plessis, 2012:18; Rootman, 2006:30; Du Plessis & Boon, 2004:76).

Relationship marketing, on the other hand, is where the relationship is built and interaction is ensured. In other words, relationship marketing is the type of marketing that is based on interactions with networks and relationships (Du Plessis, 2012:18). The emphasis is on the establishment and management of long-term relationships with different parties such as suppliers, customers, new recruits, employees or other influential stakeholders (Ryals & Knox, 2001:539). Relationship marketing is applied in an organisation with a focus on long-term profitability in the event of keeping customers for life (Du Plessis, 2012:18; Rootman, 2006:30; Ryals & Knox, 2001:359).

Since the focus of this study is on relationship marketing, the next subsection further investigates the role, benefits and objectives of relationship marketing.

2.2.3.1 The role of relationship marketing

Relationship marketing can play various roles within an organisation. Firstly, relationship marketing can be used to develop and enhance customer loyalty that results in feelings of affection, a sense of belonging to the organisational relationship, and also a sense of indirectly belonging to the organisation (Lo, 2012:93; Sheth, *et al*, 2012:11; Taleghani *et al*, 2011:155). Certain relationship marketing strategies can assist with the development and enhancement of customer loyalty, for example loyalty programs, special acknowledgement programs, affinity programs, community programs and knowledge-building programs (Sheth *et al*, 2012:11; Sorce, 2002:13).

Secondly, relationship marketing can be implemented within an organisation to achieve a competitive advantage (Hunt *et al*, 2006:76). More than ever before, the competition among organisations is stronger, markets are becoming fragmented, product lifecycles are shortening and customers are becoming increasingly aware and complex (Taleghani *et al*, 2011:155). According to Kanagal (2009:1) a competitive advantage strategy has relationship marketing as one of the key functionalities in enhancing organisational performance. Relationship marketing can be applied to various marketing activities that range from customer frequency marketing programs to selling activities that are directed towards building partnerships with customers (Reed *et al*, 2000:11).

Furthermore, relationship marketing also does the job of collecting customer information, which organisations can use to identify their preferred customers and retain them (Lo, 2012:92). This information consists of aspects such as consumer behaviour patterns, customer wants and needs, and changes in customer demand (Lo, 2012:92; Reinartz *et al*, 2004:293). All of this information collected through relationship marketing can assist an organisation to engage continuously with customers, and to provide individual as well as personal attention, helping to improve customer retention (Reinartz *et al*, 2004:293).

Lastly, through relationship marketing and the use of new technologies organisations are able to use customer data to build customised and profitable databases of selected customers who can be provided with preferential treatment, so enhancing relationship commitment, purchases, word-of-mouth and customer feedback (Sheth *et al*, 2012:11). Lo (2012:92) states that relationship marketing is quite comprehensive, with an organisation building relationships at each and every possible point of customer interaction. Building customised and profitable databases can help to identify factors affecting customer relationships as well as to implement strategies to retain customers (Sheth *et al*, 2012:11; Lo, 2012:92).

2.2.3.2 The benefits of relationship marketing

Relationship marketing can also be beneficial for both the customer and the organisation. From the customer's point of view, relationship marketing allows direct one-to-one interactions between them and an organisation whereby they are in a better position to tell an organisation what they want (Nwakanma *et al*, 2007:59). Secondly, relationship marketing also allows an organisation to anticipate customers' wants (Hunt *et al*, 2006:77). Lastly, relationship marketing helps to provide customers with sufficient information to empower them to make correct purchase decisions (Nwakanma *et al*, 2007:59; Moller & Halinen, 2000:32).

Organisations that implement relationship marketing-based strategies recognise the significance of developing and maintaining long-term relationships with customers (Hunt *et al*, 2006:77). From an organisational point of view, successful relationship marketing strategies can be linked to the following benefits:

- Competitive advantage

Relationship marketing can be considered as an important source of competitive advantage. Enhanced customer relationships can lead to greater profitability (Van Vuuren, 2011:55). This is due to satisfied customers exhibiting loyalty towards the organisation and providing positive word-of-mouth, helping with the acquisition of new customers (Reimann *et al*, 2009:5).

- Increased levels of customer satisfaction

Customers develop a social relationship with an organisation which reduces the possibility of switching, even if a customer becomes aware of an alternative organisation that may have a superior product or service offering (Van Vuuren, 2011:44). This leads to greater customer retention and increased loyalty due to increased levels of customer satisfaction (Taleghani *et al*, 2011:157).

- Organisational learning

Berry (2002:60) believes that repeated service to the same customer can offer an organisation learning-curve benefits. Relationship marketing has the potential to help organisations understand consumer behaviour and customer needs in more detail (Reimann *et al*, 2009:5). In other words, it enables an organisation to obtain in-depth information about its customers. This knowledge is then used to adapt the organisation's offerings to meet the needs of its customers in a better way than competitors (Reimann *et al*, 2009:5; Berry, 2002:61).

- Acceptance by customers

Relationship marketing can lead to social benefits being obtained by both the organisation and its customers. Repeated contacts between a customer and an organisation consist of both personal and professional dimensions (Berry, 2002:61). Repeated service can lead to customers forming a friendship with their organisation (Van Vuuren, 2011:44; Berry, 2002:61).

- Superior financial performance

Taleghani *et al* (2011:157) argue that organisations adopting relationship marketing can benefit in terms of reduced marketing costs and greater profits. Over time customers tend generally to spend more each year with an organisation they have a relationship with than they did the previous year (Van Vuuren, 2011:45; Berry, 2002:61). This is because

customers get to know the organisation and are satisfied overall with the service or product when compared to that of its competitors. They tend then to give more of their total spend to the organisation (Van Vuuren, 2011:45).

2.2.3.3 The objectives of relationship marketing

Relationship marketing can be characterised by a genuine concern to either meet or exceed customer expectations, while providing excellent service in an environment of trust and commitment to the relationship (Buttle, 1996:13; Williams & Chinn, 2010:423). To enjoy the benefits of a successful customer–organisation relationship, organisations must intimately understand the expectations of their customers, maintain a detailed customer database and set certain objectives to achieve maximum customer retention (Palmatier, 2008:53).

Relationship marketing is the kind of marketing whereby the key objective is to develop and maintain long-term and trustworthy relationships with customer (Taleghani *et al*, 2011:156; Williams & Chinn, 2010:423). Other objectives of relationship marketing include the following (Taleghani *et al*, 2011:157; Williams & Chinn, 2010:423; Palmatier, 2008:53):

- To acquire new customers and keep existing customers.
- To view customers as partners in order to create mutual value and to retain long-term relationships, generating further business and ultimate profit by ensuring that meaningful relationships develop.
- To retain customers by improving customer communication, customer data collection and customer service quality.

2.2.4 Developing a relationship marketing strategy

According to Palmatier (2008:53) the following three steps can be taken to design and implement the appropriate relationship marketing strategy:

- Step 1: Corporate mission, values and culture

For an organisation to build and maintain strong customer relationships, it needs to reflect a corporate mission, values and culture in line with customer needs and preferences (Renart & Cabré, 2005:7). Customers' trust in an organisation and the mutual satisfaction of each other's needs are essential to the success of a relationship. It can be argued that customers tend to value organisations that display integrity, reliability and trust and that actively seek to meet their needs (Hanley & Leahy, 2008:134; Palmatier, 2008:54). If the core product or

service is not working properly, the organisation will most likely be unable to build and maintain customer relationships (Palmatier, 2008:54).

- Step 2: Designing and implementing the relationship marketing strategy

According to Berry (2002:62) organisations require specific relationship marketing strategies that can assist with the differentiation of their service from competitive offerings on a platform that is meaningful to customers and also difficult for competitors to reproduce. Renart and Cabré (2005:7) state that designing and implementing a relationship marketing strategy consists of executing a set of relationship-building activities that will help an organisation to develop a deeper, more satisfactory relationship with its customers. Relationship-building activities can include networking, provision of necessary information, surveys and feedback, and after-sales support, to name but a few (Berry, 2002:62).

Furthermore, there are three prior considerations to be aware of when designing and implementing a relationship marketing strategy (Berry, 2002:62). The first consideration is relationship potential. An organisation has to bear in mind that a relationship marketing strategy is not equally advantageous for every type of organisation, product and customer (Renart & Cabré, 2005:3). The second consideration includes the interest in a relationship. An organisation needs to understand that relationship marketing is not equally well accepted by all types of customers (Berry, 2002:62). Lastly, an organisation needs to consider the scope and content of the customer relationship (Renart & Cabré, 2005:3). Does the organisation want to identify itself, inform and attract, sell or serve, satisfy, build loyalty or create a community (Berry, 2002:64)? The end objective must be clearly stated for any relationship marketing strategy to be successful.

- Step 3: Create a genuinely two-way relationship

The third step is to create a genuine two-way relationship between the organisation and its customers (Renart & Cabré, 2005:8). Every relationship-building activity implemented must entail some sort of benefit for both parties (Palmatier, 2008:54). To ensure that customer relationships are successfully maintained, information gathered via the strategy must be shared throughout the entire organisation (Hanley & Leahy, 2008:135). For example, the information gathered by the relationship-building activities should help to provide a guideline for audience segmentation, promotion and communication activities. These activities are important for any organisation to be sustainable and require a deep knowledge of each customer's profile to personalise communication and achieve a high response rate (Berry, 2002:62).

Even though relationship marketing might be a popular buzzword, there are certain challenges that can make it difficult for an organisation to implement its relationship marketing strategy (Ramkumar & Saravanan, 2007:454). These challenges include the following:

- Dispute among loyal customers

Ramkumar and Saravanan (2007:454) argue that despite the benefits, long-term relationships and preferential treatment of an organisation's most profitable customers might pose to be a challenge. It is important for organisations to understand that their preoccupation with their so-called best customers should not hurt the feelings of other loyal customers (Percy *et al*, 2010:2601; Gronroos, 1999:329). For example, certain loyal customers might get punished because an organisation does not declare them valued customers, and in their eyes other customers are given privileged treatment (Ramkumar & Saravanan, 2007:454).

- Seeking direct contact with customers

Relationship marketing is based on the perception of trusting mutual aid between known customers and the organisation (Percy *et al*, 2010:2601). Therefore, it is a necessity for an organisation to know its customers better. Organisations need to develop and implement systems that can provide as much customer information as possible so that activities such as advertising campaigns, sales contacts and complaints can be made as relationship orientated as possible (Gronroos, 1999:329).

Managing customer relationships is vital for many organisations as they engage in various transactions and the needs of customers vary greatly (Percy *et al*, 2010:2601; O'Malley & Tynan, 1998:801). This poses a challenge for small to medium organisations, as they do not always have the resources for such face-to-face contacts, as well as for large organisations with a wide variety of customer needs to consider (Percy *et al*, 2010:2601).

- Creating a customer-orientated service system

Relationship marketing requires an organisation to define itself as a service organisation. Organisations have to understand how to create as well as manage a total service offering (Percy *et al*, 2010:2601). In other words, an organisation should adopt a customer-orientated service system which implies that an organisation should be customer orientated (Ryals & Knox, 2001:538; O'Malley & Tynan, 1998:801). For service organisations, a customer orientation is considered to be an integral feature of the general organisational culture, and

therefore great attention to customer information should be considered along with the basic values and beliefs of the organisation. A focus on the organisation's customers should be essential to the operations of an organisation (Ryals & Knox, 2001:538). This requires a change in working practices so that information is shared between departments to develop a picture of the organisation's total relationship with its customers (Percy *et al*, 2010:2602; Ryals & Knox, 2001:538).

- Finding products for customers

O'Malley and Tynan (1998:801) argue that relationship marketing refers to finding products for customers instead of finding customers for products. Relationship marketing is focused so strongly on combining customer, customer retention and database marketing that it is changing the way of business (Ramkumar & Saravanan, 2007:454). The implication is that customers in long-term relationships may develop a "*what have you done for me lately?*" attitude, making them more sensitive to short-term cost and benefits (Ramkumar & Saravanan, 2007:454; Ryals & Knox, 2001:538).

From the above discussion it is evident that is imperative for organisations to establish relationships of high quality with their customers, which may lead to great benefits for both the organisation as well as the customer. Hennig-Thurau *et al* (2002:234) state that relationship quality can be viewed as a meta-construct, consisting of various key constructs, that reflects the overall nature of relationships between organisations and customers. According to Naudé and Buttle (2000:352) relationship quality can be regarded as the quality of the interaction between a customer and an organisation. It is believed that high relationship quality can contribute to high customer-perceived quality, which enhances the chance for long-term relationships to develop (Hennig-Thurau *et al*, 2002:234; Myhal *et al*, 2001:4). Therefore, it is important for an organisation to focus on relationship quality as it contributes to a lasting bond by offering assurance that the organisation will continue to meet the customers' expectations (Naudé & Buttle, 2000:352). The next section will be devoted to exploring relationship quality in more depth and to examining the key dimensions of relationship quality.

2.3 THE RELATIONSHIP QUALITY DOMAIN

In a highly competitive environment, customers are enhancing their efforts to maintain long-term relationships with certain organisations that will assist with the reduction of transactional costs and the uncertainty of future benefits (Walter *et al*, 2003:160). This is one of the reasons why organisations have been encouraged to develop close relationships with

customers by adopting quality management tools and techniques if they wish to survive and prosper (Fynes *et al*, 2005:339; Walter *et al*, 2003:160).

Many definitions have been formulated about relationship quality. The next section investigates the various relationship quality definitions with the intention of identifying a definition specific for this study.

2.3.1 The nature of relationship quality

Table 2.2 below presents different definitions of relationship quality that have been formulated over the past few decades.

Table 2.2: Relationship quality definitions

Authors	Adopted definition of relationship quality
Gummesson (1987:12)	Relationship quality can be identified as one of four forms of quality encountered by customers. It can be regarded as the quality of the interaction with the customer.
Ravald and Gronroos (1996:22)	Relationship quality is the overall assessment by customers with regard to the usefulness of a product based on a perception of what is received and what is given.
Hennig-Thurau and Klee (1997:737)	Relationship quality can be defined as the degree of suitability of a relationship to fulfil customers' needs.
Naudé and Buttle (2000:352)	Relationship quality is defined as the quality of interaction with the customer where high quality of a relationship contributes to customer-perceived quality, enhancing the chances for a long-term relationship.
Myhal, Buttle and Murphy (2001:4)	Relationship quality is the joint evaluation of business interactions by the organisation and the customer. The evaluation encompasses a comparison with potential alternative interactions of a similar kind which represent comparison standards.
Sheth and Parvatiyar (2002:44)	Relationship quality can be defined as a call to attention that relationships are part of customer-perceived quality.
Hennig-Thurau, Gwinner and Gremler (2002:234)	Relationship quality can be seen as a meta-construct that consists of various components reflecting the overall nature of relationships between customers and organisations.
Palmatier, Dant, Grewal and Evans (2005:5)	Relationship quality is considered to be an overall assessment of the strength of a relationship.

Table 2.2: Relationship quality definitions (*continued*)

Authors	Adopted definition of relationship quality
Walter, Muller, Helfert and Burke (2005:160)	Relationship quality can be considered as a higher-order construct including concepts such as trust and satisfaction.
De Canniere, De Pelsmacker and Geuens (2008:5)	Relationship quality is a chain of variables influencing each other. It commences with product/service satisfaction, overall relationship satisfaction, with additional influences of commitment and trust, moving on to purchasing/loyalty intentions and finally to behavioural intentions and profit.
Liu, Guo and Lee (2011:72)	Relationship quality can be defined as a construct consisting of several components, including satisfaction, trust, commitment and overall quality.
Lin and Chung (2013:6)	Relationship quality is viewed as one of the key indicators that measure the strength of the relationship.
Tehubijuluw (2015:381)	Relationship quality is the development of an individualised, one-to-one relationship with a customer that becomes increasingly relevant and focused as the organisation learns about the customer needs and wants over time. Better relationship quality is accompanied by greater satisfaction, trust and commitment.

It is evident from Table 2.2 that there is no unified definition of relationship quality. Yet a certain generic element does make an appearance. Various authors believe that relationship quality is a chain of variables influencing one another (Liu *et al*, 2011:72; De Canniere *et al*, 2008:5; Walter *et al*, 2005:160; Hennig-Thurau *et al*, 2002:234). In prior studies, the most examined variables of relationship quality include customer satisfaction, trust and customer commitment (Liu *et al*, 2011:72). Ha and Jang (2009:322) strongly suggest that high relationship quality can lead to increased customer satisfaction, which helps to create trust and encourage commitment. Relationship quality can therefore be regarded as a measurement tool of the strength of relationship between an organisation and its customers (Lin & Chung, 2013:6; Myhal *et al*, 2001:4). It is argued that when customers are involved in a high quality relationship with an organisation, they will be satisfied with the service performance and more willing to rely on the organisation (Lin & Chung, 2013:6).

For the purpose of this study and by integrating these three generic elements, the following definition can be formulated: *Relationship quality can be defined as an overall assessment of the strength of the relationship between a customer and a luxury motor vehicle dealership and is reflected by the level of customer satisfaction, trust and commitment.*

2.3.2 Dimensions of relationship quality

Hennig-Thurau *et al* (2002:234) suggest that relationship quality can be regarded as a meta-construct composed of various dimensions that reflect the overall nature of relationships between an organisation and customers. Therefore, customer satisfaction, trust and commitment can be regarded as the key dimensions of relationship quality, as identified in Chapter 1, and are now further examined.

2.3.2.1 Customer satisfaction

Customers expect satisfaction when they use a product or service (Mostaghel, 2008:24). According to Adegboda (2010:13), customer satisfaction occurs when the expectations of customers have been met or are surpassed by the services or products offered by a business. Customers tend to form their expectations from their past buying experiences, the advice received from friends, and competitors' information and promises (Adegboda, 2010:13; Mosahab *et al*, 2010:73; Mostaghel, 2008:24). Therefore, if an organisation wants satisfied customers it needs to define its services according to the wants and needs of customers (Hattingh, 2007:21). Table 2.3 provides a summary of various customer satisfaction definitions that have been developed over the past few decades.

Table 2.3: Customer satisfaction definitions

Authors	Adopted definition of customer satisfaction
Oliver (1980:461)	Customer satisfaction is a preservative combination of the expectation level and the resulting disconfirmation.
Dagger and Sweeney (2006:6)	Customer satisfaction is defined as a mediator for high quality relationship development between a customer and the organisation.
Hattingh (2007:22)	Customer satisfaction can be regarded as the customer's perception of the product/service performance in relation to his or her expectations.
Chen (2008:710)	Customer satisfaction can be viewed as an overall affective response to a perceived inconsistency between preceding expectations and perceived performance after consumption.
Abdallat and El-Emam (2009:1)	Customer satisfaction can be defined as a state of mind in which the needs, wants and expectations of a customer throughout the product/service lifecycle have been either met or exceeded, resulting in future repurchases and loyalty.
Dagger and O'Brien (2010:1534)	Customer satisfaction is defined as the affective state of a customer that results from an overall evaluation of the service experience.

Table 2.3: Customer satisfaction definitions (*continued*)

Authors	Adopted definition of customer satisfaction
Liu, Guo and Lee (2011:72)	Customer satisfaction can be seen as the overall attitude formed by a customer based on the experience after a product has been purchased or a service used.
Van Vuuren (2011:60)	Customer satisfaction is a post-usage evaluation of product/service performance and evaluated against expectations built before consumption.
Gilaninia, Danesh and Shahmohammadi (2012:10723)	Customer satisfaction can be defined as the feelings or attitude of customers towards the products and services that could affect customer buying behaviour.
Malik (2012:69)	Customer satisfaction is the customer's good judgement about pleasure versus displeasure.
Chinomona and Sandada (2013:438)	Customer satisfaction is viewed as a post consumption evaluation of a product/service. Therefore it can be defined as the ability of an organisation to provide a service performance that exceeds the expectations of a customer.
Lin and Chung (2013:6)	Customer satisfaction refers to the degree to which the performance of an organisation meets the customer's expectations.
Chinomona and Dubihlela (2014:25)	Customer satisfaction involves features and characteristics that can satisfy the need or want of a customer.

From the definitions provided in Table 2.3 it is evident that customer satisfaction focuses on whether the product or service meets and/or exceeds the customer's expectations. Customer satisfaction also refers to the cumulative evaluation made by a customer with regard to the purchase and consumption experience which influences how they think and feel about a brand (Siddiqi 2011:16; Yao & Khong, 2011:108). It can also be seen as a short-term emotional reaction to a specific service performance (Agbor, 2011:7; Boshoff & Du Plessis, 2009:319).

For the purpose of this study, customer satisfaction is therefore defined as *the customer's perception of the performance of the services delivered in relation to his or her expectations* (Boshoff & Du Plessis, 2009:319). Within the context of the study, the services delivered refers to the entire process experienced by customers when they bring their luxury motor vehicles for a service or repair at a luxury motor vehicle dealership.

(i) Characteristics of customer satisfaction

The concept of customer satisfaction consists of several characteristics which are described in more detail in this section.

- Customer expectations

When customers purchase a certain product or service they have certain expectations and they know how they feel after using or experiencing the service (Chinomona & Dubihlela, 2014:27). According to (Hattingh, 2007:22) customers will have significantly different expectations. If the performance matches or even exceeds the expectations of a customer, the customer will be satisfied. The opposite is also true – if the performance is below expectations, the customer will be disappointed and negative regarding the organisation (Malik, 2012:69; Van Vuuren, 2011:60). Thus, customer satisfaction is affected by the emotional response of a customer when evaluating the discrepancy between expectation of the service and the actual performance received (Chen, 2008:711). For example, when a customer takes his motor vehicle for a service or repair at a luxury motor vehicle dealership and his experience falls below expectations, he will be dissatisfied, but if his expectations are exceeded by the services provided by the dealership, the customer will be satisfied.

- Post-choice evaluation

Rootman (2006:41) clearly states that customer satisfaction indicates the extent to which the reality of the product or service delivered is different from the customer's expectation. Van Vuuren (2011:61) suggests that the evaluation of satisfaction involves comparing the customer's expectations and his or her perceptions after the product or service has been purchased and used. Customers will therefore evaluate the service received from a luxury motor vehicle dealership after their motor vehicles have been serviced or repaired. In the context of this study, the service received includes everything the customers experienced while their motor vehicles were at the luxury motor vehicle dealership, such as the friendliness and helpfulness of staff, the general atmosphere of the dealership, and the quality of the service or repair, to name but a few.

- A customer's perceived value and quality

Malik (2012:69) argues that customers tend to perceive value through their own individual as well as collective past experiences. Perceived value can be measured in terms of price or perception of service quality (Hattingh, 2007:22). It can be agreed that perceived value is the overall assessment of a customer with regard to the quality of the product or service based

on the perception of what is received (Hattingh, 2007:22; Malik, 2012:69). Abdallat and El-Emam (2009:4) furthermore argue that a direct link exists between perceived quality and total customer satisfaction. Perceived quality is a customer's overall assessment of the usefulness of a product or service based on the perceptions of what is received and what is given (Abdallat & El-Emam, 2009:4; Dagger & O'Brien, 2010:1534). Various studies have suggested perceived quality to be a predictor of both customer satisfaction and a customer's repurchase intentions (Chen, 2008:710). For example, when customers have had their motor vehicles serviced or repaired at a luxury motor vehicle dealership they will evaluate their experience in terms of the service quality received.

(ii) The benefits of customer satisfaction as a dimension of relationship quality

According to Adegboda (2010:15), when the customers are satisfied they will be encouraged to buy more and often. Customers are always looking to be satisfied with the products or services offered to them. As a result, any organisation that prides itself on excellent customer satisfaction will have more customers and generate a positive customer relationship (Hattingh, 2007:22).

Customer satisfaction also allows an organisation to differentiate itself from competitors and assists the organisation in developing strong relationships with customers as it can encourage customer loyalty (Hanif *et al*, 2010:45). In other words, when customers receive good service from an organisation and their expectations are met, they will most likely share their experience with others (Hanif *et al*, 2010:45; Naik *et al*, 2010:234; Boshoff & Du Plessis, 2009:319). Thus it can be suggested that satisfaction with the delivered product and service affects the customer's decision to continue a relationship (Malik, 2012:69).

There is also a close relationship between customer satisfaction and pursuit of owning a luxury motor vehicle (Truong & McColl, 2011:556). Recent studies have often made use of perceived quality as a dimension of customer satisfaction whereby customer expectations are compared with perceptions (Stock *et al*, 2010:35). When customer satisfaction is measured, it has been found that customers' perception of quality is one of the strongest associations of luxury. Thus, it can be assumed that high customer satisfaction will encourage customers to continue their relationship with a specific luxury motor vehicle dealership (Truong & McColl, 2011:556; Stock *et al*, 2010:35).

In the luxury motor vehicle industry it is important for dealerships to understand that customer satisfaction is about attitude (Anurit *et al*, 2001:5). Customer satisfaction becomes an evaluating judgement based on previous experiences with dealerships (Malik, 2012:69).

By understanding customers' needs and their previous experiences, luxury motor vehicle dealerships can benefit from making targeted offers across the customer lifecycle which will drive loyalty and repurchase (Audi, 2004:3). Measuring customer satisfaction can assist a luxury motor vehicle dealership to offer customers an innovative and exceptional ownership experience (Malik, 2012:69; Audi, 2004:3; Anurit *et al*, 2001:5).

2.3.2.2 Trust

According to Van Vuuren (2011:66) relationships based on trust are essential for meeting the demands of changing markets. Building a strong foundation of trust and confidence in brands, products and services is the key to an organisation reaching profitable success (Hennig-Thurau *et al*, 2002:236). Table 2.4 below provides a summary of definitions of trust that have been formulated over the past few decades.

Table 2.4: Definitions of trust

Authors	Adopted definition of trust
Swan and Trawick (1987:82)	Trust is the customer's belief that what the organisation says or promises to do can be relied upon in a situation where the failure of the organisation to be reliable would cause customer problems.
Crosby, Evans and Cowles (1990:69)	Trust is the confident belief of a customer that an organisation can be relied upon to behave in a manner that serves long-term customer interests.
Ganesan (1994:2)	Trust is the willingness of a customer to rely on an organisation in which one has confidence.
Morgan and Hunt (1994:24)	Trust can be defined as the willingness of customers to rely on an exchange partner in whom they have confidence.
Palmatier, Dant, Grewal and Evans (2005:5)	Trust can be defined as the assurance a customer has in an exchange partner's reliability and integrity.
DeWitt, Nguyen and Marshall (2008:272)	Trust is defined as a willingness to rely on an exchange partner in whom one has confidence. Therefore, when exchange partners interact in ways that demonstrate their care for the needs and benefits of others, trust is strengthened.
Dagger and O'Brien (2010:1534)	Trust is defined as the confidence of customers in the reliability and integrity of an exchange partner.
Walter, Mueller and Helfert (2010:2)	Trust constitutes the belief, attitude or expectation of a customer that the organisation's behaviour or its outcomes will be for their own benefit.
Suki (2011:18)	Trust is confidence in the other's goodwill.

Table 2.4: Definitions of trust (*continued*)

Authors	Adopted definition of trust
Van Vuuren (2011:68)	Trust is the customer believing that he/she can rely on the organisation to understand and fulfil his/her needs, and that the organisation is credible and has the necessary experience.
Du Plessis (2012:22)	Trust can be viewed as a customer's belief that the organisation (or vice versa) will perform certain actions that will result in positive outcomes.
Gilaninia, Danesh and Shahmohammadi (2012:10722)	Trust indicates to what extent each person in the relationship can consider the other person's promise.
Van Vuuren, Roberts-Lombard and Van Tonder (2012a:85)	Trust can be defined as an anticipation of positive outcomes. These are outcomes that customers can receive based on the expected action of an organisation.
Singh and Jain (2015:971)	Trust can be defined as the emotional security of customers in terms of fulfilment of expectations and a belief that dealings with an organisation will be reliable, dependable and safe.

From the definitions provided in Table 2.4 it is evident that a customer's trust reflects two general elements. Firstly, trust reflects a customer's willingness to accept vulnerability based on a positive expectation of the service received (DeWitt *et al*, 2008:272). Secondly, trust indicates that both the customer and the organisation involved in a relationship can believe each other's promises (Gilaninia *et al*, 2012:10722). Trust therefore constitutes the belief, attitude or expectation of a customer that the behaviour of an organisation or the outcome of a transaction will be for the customer's own benefit (Walter *et al*, 2010:2). For the purpose of this study trust can be defined as *the expectation of and belief in an organisation's compassion, honesty and competence to act in the best interest of the relationship in question*. In the context of a customer's relationship with a luxury motor vehicle dealership, trust refers to the customer's belief that the dealership will service or repair his luxury motor vehicle to the best of their ability, as well as the belief that the dealership is honest and reliable while acting in the customer's best interest.

(iii) Characteristics of trust

Trust consists of two characteristics, which are described in more detail in this section.

- The customer's confidence in an organisation

Trust refers to the assurance of the dependability of an organisation to act in the long-term interest of its customers (Morgan & Hunt, 1994:23). In other words, the customer believes that the organisation has the capability to act for the benefit of the relationship (Walter et al, 2010:3). Trust will only exist when the customer has confidence in the reliability and integrity of the organisation (Van Vuuren, 2011:68; Walter *et al*, 2010:3). For example, customers who bring their motor vehicles for a service or repair at a luxury motor vehicle dealership place their confidence in the dealership's ability to be reliable and honest.

- A two-way relationship

Morgan and Hunt (1994:23) argue that customers' trust tends to be limited if they believe that the organisation is trustworthy but they are still not willing to rely on that organisation. Customers cannot label an organisation as trustworthy if they are not willing to take actions that otherwise would entail risk (Du Plessis, 2012:22; Van Vuuren, 2011:69; Morgan & Hunt, 1994:23). Van Vuuren (2011:68) furthermore states that the development of trust can be an important result of investing time and effort in a positive customer–organisation relationship. Increased trust can be regarded as critical for a relationship between a customer and an organisation to be successful (Du Plessis, 2012:22; Palmatier *et al*, 2005:5). More simply, if a customer has genuine confidence in an organisation, he or she would be willing to engage in a long-term relationship (Morgan & Hunt, 1994:23). A luxury motor vehicle dealership needs to first prove to customers that it is trustworthy. Thereafter, if customers have confidence in the luxury motor vehicle dealership to perform a high quality service or repair on their luxury motor vehicles, they would be happy to build a long-term relationship with the dealership.

According to Van Vuuren (2011:70) there are certain decisions that can influence trust. When it comes to trust, what matters most to customers is a straightforward practical approach with emphasis honesty, simplicity, fairness, efficiency, initiative, respect and excellence (Suki, 2011:18). Madjid *et al* (2013:54), refer to a few vulnerabilities when it comes to trust and customers:

- Mutual success: Although profit is the main objective for any organisation, it should not be achieved at the expense of customers. The only sure foundation for long-term profitability is to build customer relationships based on trust.

- Complexity can weaken trust: When customers give their trust they expect responsiveness, service and speed in return. This can be jeopardised by complexity, which is why simplicity is needed if trust is to be built in the long run.
- Recognition builds trust: Both the organisation and its customers will respond better when their value is acknowledged. In other words, whether the success is a customer's or of someone serving a customer, acknowledgement of their needs builds understanding, community spirit and trust.
- Communication: Maintaining trust requires listening, valuing, communicating, honesty and learning from customers' comments.
- Be consistent: Organisations have to adopt the "practising what you preach" approach. To maintain customer trust can be very challenging considering the changing nature of customers' needs.

It is unlikely for relationships to be maintained if there is no level of trust between an organisation and its customers (Madjid *et al*, 2013:54; Suki, 2011:18). Therefore it is considered important for organisations to address the above vulnerabilities when building trust. Trust between an organisation and its customers must be developed and regarded as a long-term investment (Du Plessis, 2012:22; Suki, 2011:18; Morgan & Hunt, 1994:23).

(iv) Different types of trust

Some studies have argued that trust comes from factors that are specific to the customer-organisation relationship (Lindgreen, 2003:316). Johnson and Grayson (2005:501) further state that trust is considered to be an important result of investigating the effectiveness of a relationship between customers and an organisation. Increased trust is also considered to be a critical factor for determining relationship success and improving relationship quality with customers (Johnson & Grayson, 2005:501; Lindgreen, 2003:316).

Trust has further been conceptualised as having two dimensions, namely cognitive and affective trust (Zur *et al*, 2012:74). Sonnenwald (2002:3) states that cognitive trust focuses on judgement of competence and reliability. In other words, cognitive trust is the willingness of a customer to rely on a luxury motor vehicle dealership for a service or repair (Zur *et al*, 2012:74; Sonnenwald, 2002:3). Customers may ask questions such as whether the luxury motor vehicle dealership can complete the task of servicing or repairing their motor vehicles, whether the end result will be of sufficient quality, and whether the service or repair will be completed on time, to name but a few. This form of trust arises from an accumulated

knowledge that allows a customer to make predictions with regard to an organisation's likelihood to live up to its obligations (Zur *et al*, 2012:74; Sonnenwald, 2002:3). Furthermore, cognitive trust implies that customers involved in the relationship are familiar with the luxury motor vehicle dealership to some extent and have accumulated a certain level of knowledge which warrants their trust in the dealership (Zur *et al*, 2012:74).

On the other hand, affective trust focuses on interpersonal bonds among customers and organisations (Sonnenwald, 2002:3). In other words, affective trust is the confidence that a customer places in an organisation on the basis of feelings generated by the level of care and concern that is demonstrated by the organisation (Johnson & Grayson, 2005:501). Affective trust is closely related to the perception that a customer's actions are fundamentally motivated (Johnson & Grayson, 2005:501). Affective trust can therefore be characterised by feelings of security and perceived strength of the relationship (Johnson & Grayson, 2005:501; Sonnenwald, 2002:3). Thus this form of trust is subjective in nature, which indicates that the perceived trustworthiness of the luxury motor vehicle dealership is based on the feelings, emotions and moods of the customers (Zur *et al*, 2012:75). It typically emerges from repeated interactions among customers and organisations as well as experiences of reciprocated interpersonal care and concern (Zur *et al*, 2012:74). In other words, as customers participate in the ongoing service delivery process offered by a luxury motor vehicle dealership during a service or repair of a luxury motor vehicle, they become exposed to organisational socialisation that generates positive affect and elicits customer commitment.

For the purpose of this research study, the focus is on cognitive trust. Cognitive trust arises from a customer's accumulated knowledge of a luxury motor vehicle dealership (Johnson & Grayson, 2005:501). Knowledge regarding a luxury motor vehicle dealership is accumulated by a customer during the purchase phase, which allows the customer to make predictions regarding the likelihood that the dealership will live up to its obligations. Measuring the cognitive trust of customers at a luxury motor vehicle dealership allows for the evaluation of customers' willingness to rely on the dealership's competence to ensure that they are looked after.

(v) The benefits of trust as a dimension of relationship quality

Relationships can be seen as a series of transactions that foster an understanding of a shared relationship through trust and commitment (Van Vuuren *et al*, 2012a:85; Morgan & Hunt, 1994:24). Higher levels of trust (and commitment) can be related to higher levels of

customer retention, resulting in stronger, positive relationships as well as higher organisational profitability (Van Vuuren *et al*, 2012a:85).

Furthermore, Hennig-Thurau *et al* (2002:237) and Van Vuuren *et al* (2012a:85) suggest that trust in a relationship can reduce uncertainty and vulnerability. As such, it can be proposed that customers who develop trust in organisations based on their experiences with them will have good reasons to remain in their relationship (DeWitt *et al*, 2008:272). A relationship characterised by trust is so highly valued that both the organisation and its customers will desire to commit themselves to the relationship (Van Vuuren *et al*, 2012a:85; DeWitt *et al*, 2008:272).

Luxury motor vehicle dealerships create promises for customers by promoting values through communication and the products that the customer has already experienced (Chiari, 2008:19). Customers will test the promises themselves. If they think that the product has been good enough to maintain or exceed the promise, they will be willing to contribute to building brand equity (Chiari, 2008:19; DeWitt *et al*, 2008:272). Thus, it can be deduced that if the customers trust the luxury motor vehicle dealership to service or repair their motor vehicles, they will be willing to develop positive behavioural intention and, more precisely, to form a positive relationship with the specific luxury motor vehicle dealership.

2.3.2.3 Commitment

Commitment is considered to be a crucial ingredient for creating successful long-term relationships with customers (Hazra, 2013:97). Commitment is the willingness of a customer to stick with an organisation in the future, which is essentially based on positive experience as well as satisfaction with the past relationship (Walter *et al*, 2008:9). According to Van Vuuren *et al* (2012a:86), commitment stems from trust, shared values and the belief that to find an organisation that can offer exactly the same value will be difficult. Table 2.5 provides a summary of definitions of commitment that have been formulated over the past few decades.

Table 2.5: Definitions of commitment

Authors	Adopted definition of commitment
Morgan and Hunt (1994:23)	Commitment can be described as a customer's belief that an ongoing relationship with the organisation is so important that it deserves maximum efforts to retaining it.
Garbarino and Johnson (1999:71)	Commitment is defined as an ongoing desire to maintain a valued relationship.

Table 2.5: Definitions of commitment (*continued*)

Authors	Adopted definition of commitment
Walter, Mueller, Helfert and Wilson (2002:5)	Commitment can be described as a lasting intention by either a customer or organisation to build and maintain a long-term relationship.
Ingram, Skinner and Taylor (2005:238)	Commitment is defined as an emotional or psychological attachment to an organisation or a brand. It has been identified as a key factor in the success of buyer–seller relationships.
Palmatier, Dant, Grewal and Evans (2005:5)	Commitment is the ongoing desire to maintain a valued relationship.
Soni, Wilson and O’Keeffe (2008:13)	Commitment is the degree to which a partner is committed to the continuance of the relationship.
Dagger and O’Brien (2010:1534)	Commitment reflects the customer’s voluntary willingness to remain in and make efforts towards maintaining a relationship.
Al-Abdi (2010:40)	Commitment is defined as a pledge of continuity between an organisation and a customer based on a belief in the effectiveness of long-term mutual benefits, and is portrayed as an advanced phase of the relationship.
Van Vuuren (2011:79)	Commitment is a desire to develop and maintain a stable relationship with the organisation in which the organisation is the first and only option for future purchase.
Du Plessis (2012:10)	Commitment refers to the belief by both the customer and the organisation that the relationship is worth working on to ensure that it endures for an indefinite period.
Gilaninia, Danesh and Shahmohammed (2012:10722)	Commitment is the intention of a customer to continue a relationship with the organisation.
Hazra (2013:97)	Commitment is defined as an enduring desire of a customer to maintain a valued relationship with an organisation.
Li (2014:44)	Commitment is the desire to continue the relationship and to work to ensure its continuance.
Saleh and Akhavanfar (2015:690)	Customer commitment can be defined as the permanent desire of a customer to stay in a valuable relationship with the organisation.

From Table 2.5 it can be seen that commitment has two general elements. Firstly, commitment involves an emotional attachment or willingness to develop and maintain a relationship with an organisation (Gilaninia *et al*, 2012:10722). Secondly, commitment leads to long-term profitable relationships between customers and an organisation (Hazra,

2013:97). For the purpose of this study customer commitment can be defined as *an enduring desire to maintain a valued relationship with a business*. It is the lasting intention of a customer to build and maintain a long-term relationship with an organisation (Schiffman & Kanuk, 2013:30; Walter *et al*, 2008:3). Within the context of the study, commitment refers to customers being willing to maintain their relationship with the luxury motor vehicle dealerships at which they get their luxury motor vehicles serviced or repaired. In other words, the customer believes that the relationship is worth maintaining.

(vi) Characteristics of commitment

Mutual commitment is regarded as the foundation on which all relationships need to be built (Fullerton, 2003:334). This is due to commitment being the means for differentiating successful relationships from unsuccessful ones (Van Vuuren, 2011:80). Commitment has various characteristics, which are described in more detail in this section.

- Customer retention

Recent research has identified commitment as a powerful determinant of loyalty-related outcomes such as customer retention (Al-Abdi, 2010:40). Customers who are committed to a luxury motor vehicle dealership will be more willing to use it continually when their motor vehicles need a service or repair. Thus, commitment can be viewed as a mediator in customer–organisation relationships showing a strong influence on behavioural intention in terms of continuity expectancy and positive word-of-mouth (Al-Abdi, 2010:40; Fullerton, 2003:334).

- Emotional attachment

Customers tend to develop emotions over time which affect their commitment to an organisation (Pohjanen, 2011:5; Van Vuuren, 2011:80). Over time customers learn about the luxury motor vehicle dealership, which develops expectations and confidence in their relationship with the dealership (Pohjanen, 2011:5). This in turn increases their commitment towards the relationship as they start feeling strong identification with and involvement in the luxury motor vehicle dealership.

Nyadzayo (2010:189) suggests that the greater the customer's commitment towards the relationship, the more the customer feels inclined to remain in the relationship. Also, the commitment to building long-term relationships is demonstrated by the willingness of both the customer and the luxury motor vehicle dealership to invest their resources in strengthening the relationship (Nyadzayo, 2010:189; Fullerton, 2003:334).

- Different types of commitment

If the relationship is important and both the customer and organisation depend on it, they must commit themselves to making it work (Du Plessis, 2012:10). However, certain levels of commitment are required to initiate the relationship, and as the relationship evolves, so does the existence of commitment (Fullerton, 2003:334). It is believed that commitment entails four different dimensions (Walter *et al*, 2008:6; Pohjanen, 2011:6).

- Affective commitment

Affective commitment is defined as the psychological bonds based on emotions that a customer has with the organisation (Pohjanen, 2011:6). It describes the emotional state whereby customers identify with the organisation and enjoy being committed to the organisation (Pohjanen, 2011:6; Walter *et al*, 2008:6). In other words, affective commitment is the positive attitude of customers towards the future existence of their relationship with a specific organisation (Walter *et al*, 2008:6).

- Continuance commitment

Continuance commitment is shown whenever a genuine investment in the relationship between a customer and an organisation is made (Pohjanen, 2011:6). Fullerton (2003:334) states that customers who remain in a continuance commitment will do so only as long as the analyses of costs versus benefits show that it is more cost-effective to stay in the relationship. In other words, these customers will remain committed only while it is rewarding for them to do so.

- Temporal commitment

Temporal commitment is defined as an obligation to stay with an organisation (Fullerton, 2003:334). The customer stays with an organisation only because he or she ought to and also believes that it is the right thing to do (Walter *et al*, 2008:6).

Fullerton (2003:334) believes that commitment can be regarded as a vital result of excellent relational interactions while being affected by the perception of a customer regarding the effort made by the organisation. Thus, commitment is mainly fuelled by the ongoing benefits gained by both the customer and the organisation.

- Cognitive commitment

Cognitive commitment is described as a negatively oriented type of motivation (Ruyter *et al*, 2001:272). It refers to an organisation's motivation to continue the relationship as it cannot easily replace its current customers and obtain the same resources and outcomes outside its current relationship (Pohjanen, 2011:6). Fullerton (2003:335) states that cognitive commitment is calculative in nature as it takes into consideration costs and benefits when examining relationships. From a customer's perspective, cognitive commitment refers to his or her personal knowledge gained through personal organisational experiences (Ruyter *et al*, 2001:272). In other words, a customer will evaluate the decision of whether or not to commit to a specific organisation based on previous experience (Ruyter *et al*, 2001:272; Fullerton, 2003:335).

For the purpose of this study, continuance commitment, temporal commitment and cognitive commitment were taken into consideration when planning the empirical study. Firstly, continuance commitment was considered as it can provide insight into whether customers are prepared to make some sort of continued investment in the luxury motor vehicle dealership regarding the service or repair of their luxury motor vehicles. Secondly, temporal commitment was considered in order to investigate the longevity of a customer's commitment to the luxury motor vehicle dealership when the customer's motor vehicle needed a service or repair. Lastly, cognitive commitment was considered in this study in order to evaluate customers' willingness to commit to the luxury motor vehicle dealership when taking their motor vehicles for a service or repair based on their previous experience with the dealership.

(vii) Benefits of commitment as a dimension of relationship quality

Commitment is an important ingredient in any successful relationship and is a central construct of relationship quality (Hazra, 2013:97; Morgan & Hunt, 1994:23). High levels of commitment in a relationship tend to lead to overall relationship quality as well as loyalty (Walter *et al*, 2008:3). In other words, it reflects a long-term expectation that the relationship will continue (Soni *et al*, 2008:13). In fact, retaining a customer requires the customer to actually be committed to his or her relationship with the organisation. Morgan and Hunt (1994:23) further argue that commitment can be regarded as key to achieving favourable outcomes for both the customer and the organisation, which is why they would be willing to develop and maintain the relationship.

Furthermore, Rehman *et al* (2012:608) argue that commitment is a dimension of relationship quality because if commitment exists or develops between a customer and organisation the relationship will be maintained for a long period of time. In other words, commitment is a building block for strong relationships. For example, customers who are committed to their relationship with a specific organisation might be more likely to act because of their need to remain consistent with their commitment. Customers who are even more committed tend to form a positive overall impression that contributes to strong intentions to stay in the relationship (Van Vuuren, 2011:82; Rehman *et al*, 2012:608).

Esch *et al* (2006:100) state that it has been previously proven that commitment to a luxury motor vehicle dealership saves a customer the cost of seeking new relations with other dealerships. A customer's commitment to a specific luxury motor vehicle dealership strongly reflects how often a luxury motor vehicle was serviced or repaired in the past and will be serviced or repaired in the future (Wiedmann *et al*, 2007:2; Esch *et al*, 2006:100). In other words, customers who are strongly committed to a luxury motor vehicle dealership will more likely be motivated to take their luxury motor vehicles there for a service or repair over and over again (Wiedmann *et al*, 2007:2).

2.4 SUMMARY

This chapter has placed the concepts of relationship marketing and relationship quality in perspective. The different definitions and characteristics of each concept as well as the various constructs of relationship quality have been discussed in detail.

Relationship marketing is a strategy developed to direct all marketing activities of a luxury motor vehicle dealership toward establishing, developing and maintaining successful relationships (Palmatier, 2008:3; Berry, 2002:61; Morgan & Hunt, 1994:20). The benefits of executing a relationship marketing strategy include competitive advantages, increased levels of customer satisfaction, organisational learning, higher acceptance by customers and superior financial performance (Taleghani *et al*, 2011:157; Van Vuuren, 2011:44; Reimann, *et al*, 2009:5; Berry, 2002:75). The main objective of relationship marketing is to put emphasis on customer retention and customer satisfaction (Alander, 2010:10; Berndt, 2009:1).

Relationship quality, on the other hand, is a measurement tool to gauge the strength of the relationship between an organisation and its customers (Lin & Chung, 2013:6; Myhal *et al*, 2001:4). Relationship quality consists of three key dimensions, namely customer satisfaction, trust and commitment. Customer satisfaction occurs when the expectations of

customers have been met or exceeded by the service or repair of a luxury motor vehicle at a luxury motor vehicle dealership (Adegboda, 2010:13). Trust is the expectation of, and belief in, the luxury motor vehicle dealership's compassion, honesty and competence to act in the best interest of the customer. Lastly, commitment is a customer's willingness to stick with a luxury motor vehicle dealership in the future (Walter *et al*, 2008:9).

There are various factors that could have an impact on forming relationships with customers. Walter *et al* (2010:1) suggest that certain relationship quality dimensions, such as customer satisfaction, trust and commitment are major determinants of behavioural intention. Consequently, Chapter 3 is devoted to obtaining more insight into consumer behaviour and the concept of behavioural intention.

CHAPTER 3: CONSUMER BEHAVIOUR AND BEHAVIOURAL INTENTION

3.1 INTRODUCTION

Rutenberg (2003:20) states that the customer is king. Customers use their money to get the things done that they want done. Thus, all marketing decisions are based on assumptions about consumers' behaviour and their behavioural intentions in order to create value for them (Schiffman & Kanuk, 2013:23; Rutenberg, 2003:3). It is important for organisations to realise that the decisions customers make in terms of their behaviour and intentions are not made in isolation (Johnson *et al*, 2009:869). Various factors can influence consumer behaviour, such as customer satisfaction, trust and commitment, which were explored in more depth in Chapter 2.

It is the intention of this chapter now to further explore consumer behaviour and to provide more insight into the concept of behavioural intention, the dependent variable of this study.

3.2 CONSUMER BEHAVIOUR

The field of consumer behaviour is one that covers a lot of ground (Solomon *et al*, 2006:6). All customers are unique. Customers regularly consume food, clothing, shelter, transportation, education, equipment, vacations, necessities, luxuries, and services (Schiffman & Kanuk, 2013:23).

Solomon *et al* (2006:6) believe that there is a growing interest in consumer behaviour. This is due to a growing awareness of the increasing importance of consumption in our daily lives as well as in organisations' daily activities (Schiffman & Kanuk, 2013:23; Solomon *et al*, 2006:6). The purchase decisions made by customers affect the demand for basic raw materials, transportation and production (Schiffman & Kanuk, 2013:23). In order for organisations to succeed in this vibrant and rapidly evolving marketplace, it is necessary for them to know everything about their customers, such as what they want, how they work, what they think, and how they spend their leisure time (Schiffman & Kanuk, 2013:23).

3.2.1 Defining consumer behaviour

Customers are paramount for the economy (Rutenberg, 2003:20). A customer is an individual who identifies a need or desire, makes a purchase decision and then disposes of the product during consumption (Solomon *et al*, 2006:7). In order for an organisation to create value for customers and profits for themselves, marketers need to understand why

customers behave in certain ways towards a variety of products and services offered (Rutenberg, 2003:20). Table 3.1 below provides a summary of some of the definitions that have been formulated with regard to consumer behaviour.

Table 3.1: Definitions of consumer behaviour

Authors	Adopted definition of consumer behaviour
Kotler and Levy (1973:54)	Consumer behaviour includes activities that are necessary for acquiring the ownership or use of goods from an organisation. It may include conscious effort on the part of the customer to organise or influence sources of supply so as to achieve an advantage over other customers and thus to improve his/her bargaining position with the organisation.
Solomon, Bamossy, Askegaard and Hogg (2006:6)	Consumer behaviour is considered to be a study of the processes followed when customers select, purchase, use and dispose of products and services to satisfy their needs and desires.
Hudson (2007:40)	Consumer behaviour is the study of why people buy the products they do and how they make decisions.
Brosekhan and Velayutham (2009:8)	Consumer behaviour is defined as the acts of customers when they obtain, use and dispose of economic goods and services. This includes the decision processes that precede and determine these acts.
Blythe (2013:5)	Consumer behaviour is the activities undertaken by customers when they obtain, consume and dispose of products and services.
Jeddi, Atefi, Jalali, Poureisa and Haghi (2013:20)	Consumer behaviour includes mental, emotional and physical activity that people use during selection, purchase, use and disposal of products and services that satisfy their needs and desires.
Schiffman and Kanuk (2013:23)	Consumer behaviour is defined as the behaviour displayed by customers when they search for, purchase, consume, evaluate, and dispose of products and services that they expect will satisfy their needs.
Khaniwale (2015:280)	Consumer behaviour refers to all the thoughts, feelings and actions that an individual has or takes before or while buying any product, service or idea.

From Table 3.1 it can be seen that there are three generic elements defining consumer behaviour. Firstly, consumer behaviour is motivational (Jeddi *et al*, 2013:20; Khaniwale, 2015:280). This generally refers to the question of why consumer behaviour occurs. Customers behave in a certain manner to fulfil their own needs and demands (Hudson, 2007:40).

The second generic element of consumer behaviour is that it includes many activities (Schiffman & Kanuk, 2013:26). Customers have various ways of thinking, feeling and making

decisions, resulting in a wide variety of activities that they can indulge in, such as viewing certain advertisements, deciding to take action or deciding on how to pay for products (Hudson, 2007:40). It is necessary for marketers to pay attention to the different activities customers involve themselves in when making buying decisions (Khaniwale, 2015:280). Lastly, consumer behaviour is a process (Jeddi *et al*, 2013:21; Hudson, 2007:40). Schiffman & Kanuk (2013:26) state that consumer behaviour includes identifying the need or want, selecting the product or service, purchasing and consuming the product or service.

Considering the generic elements identified, it can be concluded for the purpose of this study that consumer behaviour can be defined as the process undertaken by customers when obtaining, using and disposing of products or services identified to fulfil their needs or wants. In the context of a customer's behavioural intention towards a luxury motor vehicle dealership, consumer behaviour refers to customers identifying their wants, selecting the appropriate luxury motor vehicle, purchasing and making use of the motor vehicle.

3.2.2 The customer decision-making process

Customers are constantly making decisions regarding the choice, purchase and use of products or services (Solomon *et al*, 2006:258). These decisions can often be difficult, as customers are faced with a large number of alternatives which are constantly changing due to new technologies and competitive pressures (Li & Ling, 2015:100). There is also a great amount of information available from many sources such as advertisements, packages, brochures, salespeople and friends (Bray, 2008:2). As if that is not enough, customers are also faced with a risk when purchasing a product or service, as they are often not completely sure how it might perform (Solomon *et al*, 2006:258; Li & Ling, 2015:100).

3.2.2.1 Levels of customer decision making

It can prove to be helpful to first consider the amount of effort that goes into a decision each time it must be made in order to characterise the decision-making process (Bray, 2008:2). Mostert and Lotz (2010:53) further argue that not all customer purchase decisions are equally important, and customers exert different levels of effort when purchasing different products. Customer decision making can be divided into three specific levels, namely extended decision making, limited decision making and routine decision making (Boshoff & Du Plessis, 2009:61).

- Extended decision making

Extended decision making is the most complex form of customer decision making (Mostert & Lotz, 2010:54). Customers will spend a lot of time searching for information to develop criteria they can use to evaluate alternatives before making a final decision (Li & Ling, 2015:100). This is the type of decision making that will usually be applied when a customer is considering buying an expensive, unfamiliar or infrequently bought product (Boshoff & Du Plessis, 2009:61).

- Limited decision making

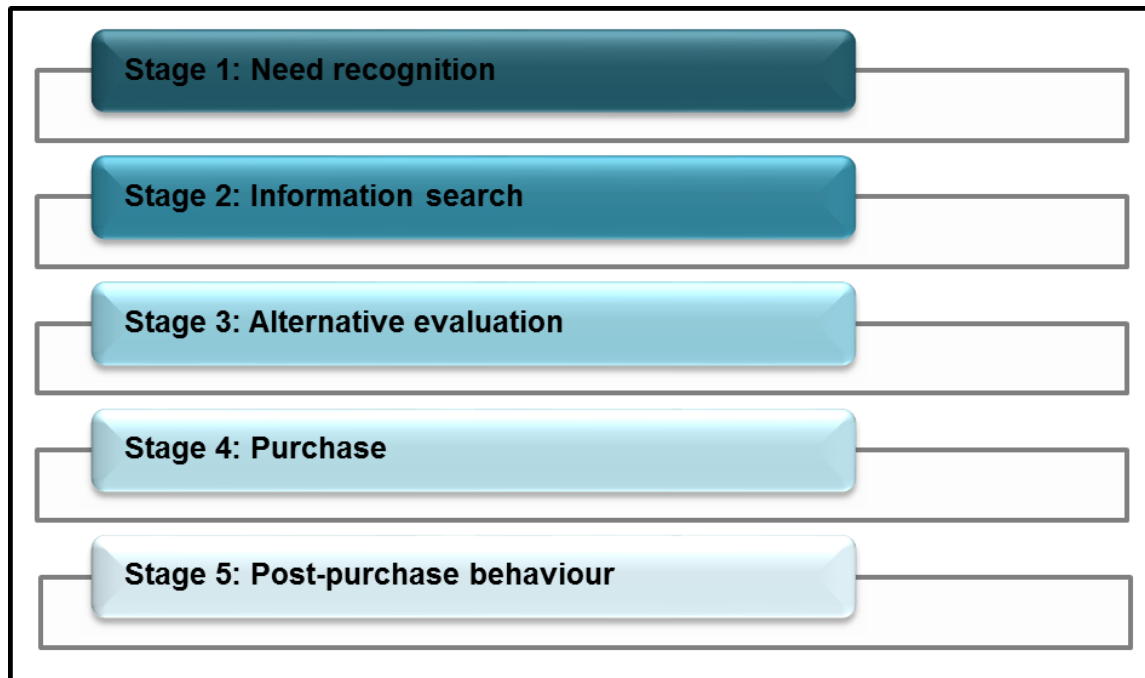
Limited decision making is where customers have already purchased from a specific product category before and therefore have an established evaluation criteria in place (Schiffman & Kanuk, 2013:479). This type of decision making requires a moderate amount of information and time for customers to choose the product they want to purchase (Li & Ling, 2015:100).

- Routine decision making

Routine decision making occurs when customers frequently buy low-cost products (Bray, 2008:3; Du Plessis, 2009:61). Customers already have experience with the product category as well as a well-established set of criteria that they use to evaluate the products or services they consider (Khaniwale, 2015:280). Little time and effort are needed to make a decision.

3.2.2.2 Stages in the consumer decision-making process

A customer's purchase is a response to a problem (Khaniwale, 2015:281; Solomon, *et al*, 2006:258). Customers realise that they want to make a purchase and go through series of steps in order to make it (Jeddi *et al*, 2013:21; Bauer *et al*, 2006:343).

Figure 3.1: Stages in the consumer decision-making process

Source: Mostert and Lotz (2010:55); Bauer *et al* (2006:343)

From Figure 3.1 it can be said that the consumer decision-making process consists of five stages. Mostert and Lotz (2010:55) as well as Bauer *et al* (2006:343) state that a few important points should be noted beforehand. Firstly, the purchase act is only one stage of the decision-making process, and it might not necessarily be the first or the last stage. Secondly, not all decision-making processes lead to a purchase activity as the process can end at any stage. Finally, a specific sequence is suggested but customers do not necessarily always make purchase decisions in the linear order in which the decision-making process is portrayed.

- Need recognition

The first stage of the decision-making process is identifying the need for a product or service (Jeddi *et al*, 2013:21). When a customer experiences a need, they will become motivated to take action in order to satisfy the need (Bray, 2008:3). The recognition of a need can come from an internal or external stimulus (Solomon *et al*, 2006:263).

- Information search

Once a need has been recognised, customers require adequate information to fulfil it (Jeddi *et al*, 2013:21; Khaniwale, 2015:281). The search process consists of two components,

namely internal and external searches (Khaniwale, 2015:281). With an internal search customers will first scan their memories to determine if they have enough information in order to make a choice (Mostert & Lotz, 2010:57; Du Plessis, 2009:64). If internal information proves to be inadequate, customers will conduct an additional information search from their environment which is known as external search (Jeddi *et al*, 2013:21; Du Plessis, 2009:64). External search sources include personal sources such as family and friends, personal marketing sources such as sales personnel, impersonal marketing sources such as advertising and catalogues, public sources such as media reports and ratings, and lastly experiential sources, which are mainly experiences gained while shopping (Schiffman & Kanuk, 2013:485; Du Plessis, 2009:65).

- Alternative evaluation

When customers evaluate potential alternative products or services, they tend to make use of two types of information. Firstly, they will have compiled a list of brands they intend to make their selection from, and secondly a set of criteria that they will use to evaluate each brand (Schiffman & Kanuk, 2013:488). While customers are evaluating the different alternatives, they are also evaluating the different risks associated with their purchase (Mostert & Lotz, 2010:59). This is known as perceived risk, which is the indecision customers face when the consequences of the purchase decision cannot be predicted (Khaniwale, 2015:281; Li & Ling, 2015:100). Some of the different forms of risk that customers perceive are financial, functional, physical and social risks (Mostert & Lotz, 2010:59).

Financial risk occurs when the product under consideration is not worth its cost (Huang *et al*, 2004:43; Simonson & Nowlis, 2000:51). For example, a customer might be concerned when purchasing a new vehicle that a new model with better features and benefits might become available within a few months. Functional risk pertains to a product not performing as expected or failing to perform the functions it was originally purchased for (Simonson & Nowlis, 2000:51; Bray, 2008:3), such as purchasing a sports vehicle to use on track days, but the vehicle ends up breaking after a few laps. Physical risk arises when the product may result in bodily harm (Huang *et al*, 2004:43), for example, if the customer purchases a sports vehicle but is not entirely equipped to handle its power. Lastly, customers might experience social risk when they fear that a poor product choice might lead to embarrassment (Bray, 2008:3). Such a customer wanting to purchase an SUV for himself may be concerned about what his friends might think, as they all drive sports vehicles.

- Purchase

After evaluating alternatives, the customer enters the purchase stage of the decision-making process. Firstly, the customer must decide whether or not to buy a product (Khaniwale, 2015:281). The only possible reasons for a customer not making a purchase include that a product could not be found with the desired attributes, anticipation of a newer model, or the customer's current financial situation (Jeddi *et al*, 2013:21; Li & Ling, 2015:100). When a customer has decided to purchase the product, three possible types of purchase can follow. A fully planned purchase is one where the customer has already decided on both the product and the brand (Schiffman & Kanuk, 2013:497). With a partially planned purchase, the customer may have decided on the product as well as the brand to be purchased but decides what style, colour or quantity to purchase only upon arriving at the store (Solomon *et al*, 2006:277). An unplanned purchase is where the customer decides what product as well as what brand to purchase at the point-of-purchase (Bray, 2008:3; Schiffman & Kanuk, 2013:497).

- Post-purchase behaviour

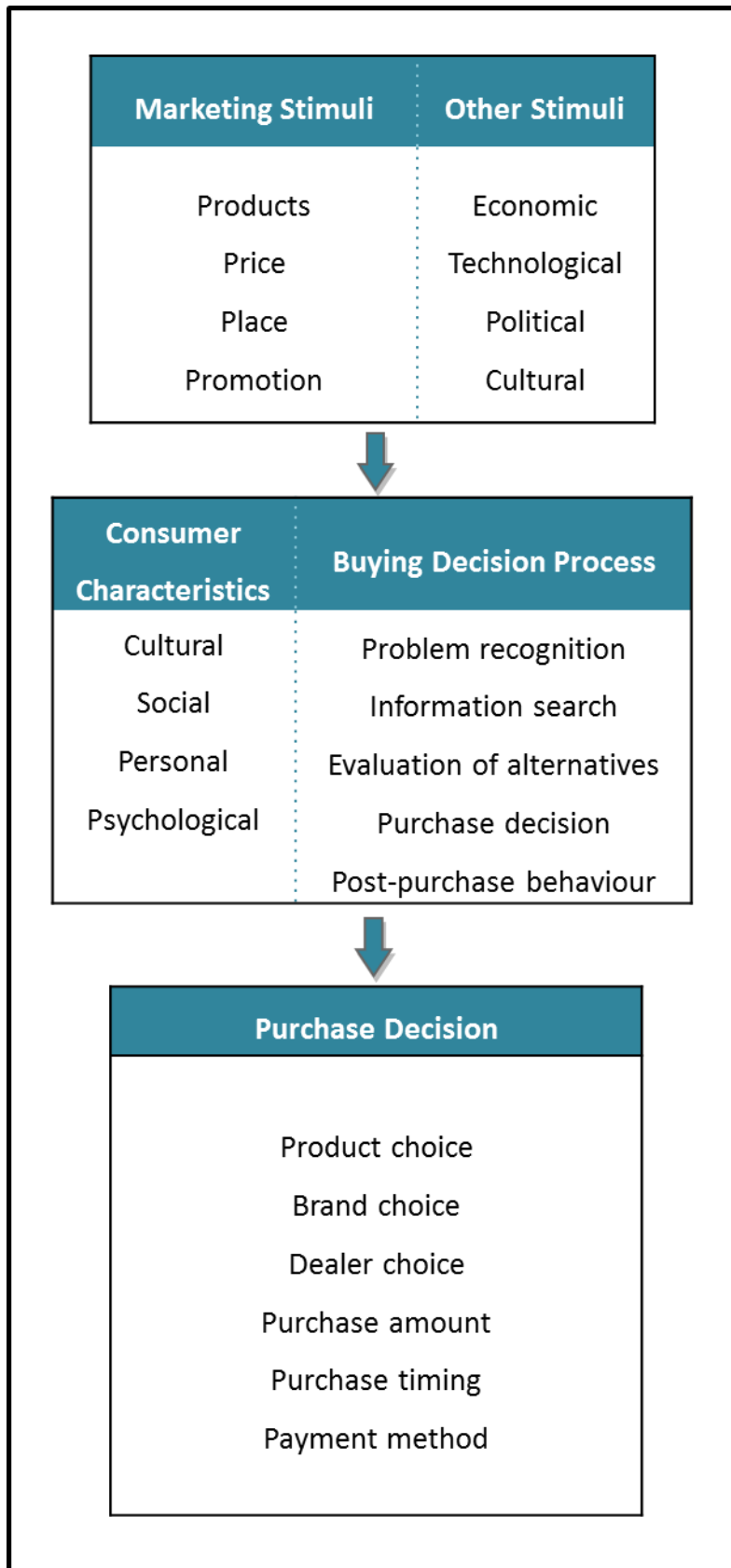
This is the stage at which customers make use of the product and evaluate its performance against their own expectations (Schiffman & Kanuk, 2013:498). Mostert and Lotz (2010:61) argue that the degree of a customer's satisfaction with a product will depend on how closely matched their expectations regarding the product performance are to their experience of its actual performance. There are three possible outcomes for evaluating experience versus actual product performance. The actual performance could match expectations and therefore lead to a neutral feeling. The performance could exceed expectations and cause satisfaction. Or the performance could be below expectations and so make the customer dissatisfied (Li & Ling, 2015:100). According to Mostert and Lotz (2010:62), the implication of a product's performance is that it will directly influence future decision making and buying behaviour.

It is further necessary to consider all the individual and group factors that can influence the consumer decision-making process.

3.2.3 Factors influencing consumer behaviour

Rani (2014:53) believes that by identifying and understanding the factors that can influence customers, an organisation will have the opportunity to develop a strategy more efficiently and more in line with the needs of its target customers.

Figure 3.2: Model of consumer behaviour



Source: Adapted from Kotler & Keller (2006:184); Motus (2012:11)

Kotler (2000:160) states that to understand consumer behaviour it is necessary to first understand the stimulus response as shown in Figure 3.2. From Figure 3.2 it can be seen that the marketing mix and other stimuli enter the thoughts of a customer (Orji, 2013:170; Kotler & Keller, 2006:184; Kotler, 2000:161). The marketing stimuli consist of the four traditional marketing elements of product, price, place and promotion. The marketing stimuli influence customers in such a way that they become willing to purchase and use different products (Kotler & Keller, 2006:185). Other stimuli represent aspects existing in the customer's environment such as economical, technological, political and cultural aspects. Even though customers cannot directly affect these stimuli by action, they are influenced by them, with a consequent impact on their purchase decisions (Orji, 2013:170; Kotler, 2000:161). The psychological processes (motivation, perception, learning and memory), together with certain customer qualities, can also result in the decision process and purchase decisions (Orji, 2013:170; Kotler & Keller, 2006:184; Kotler, 2000:161). It is necessary for organisations to investigate how customers respond to different marketing efforts and how various customer characteristics will affect their purchase behaviour (Kotler, 2000:161).

Figure 3.2 further makes it clear that many different factors can influence consumer behaviour. A vast number of studies have also been conducted with specific regard to the consumer characteristics that may influence the consumer decision-making process, as listed in Figure 3.2.

3.2.3.1 Cultural factors

Kotler and Keller (2006:174) believe that cultural factors have the strongest influence on consumer behaviour. Culture is a crucial factor when it comes to understanding the needs and behaviours of customers (Rani, 2014:55). Hudson (2007:46) defines culture as the norms, beliefs and rituals that are unique to each person. These factors usually influence how people live, communicate, and think about certain things (Rani, 2014:55; Hudson, 2007:46). Culture can also dictate how a customer will act in certain situations (Rani, 2014:55).

Culture can be acquired from family and even from a customer's immediate environment (Lawan & Zanna, 2013:521). It tends to form a boundary within which a customer will think and act. Kacen and Lee (2002:165) state that in terms of self-image and personal satisfaction, individuals will most likely seek to satisfy their desires in a way that fits social norms. Customers tend to feel, behave and think like the other members of the same culture (Lawan & Zanna, 2013:521; Kacen & Lee, 2002:166). Orji (2013:168) strongly believes that

when organisations acknowledge the differences between cultures, they will be in a position to tailor their messages to address cultural issues.

Social class is another cultural factor that influences consumer behaviour (Orji, 2013:168; Kotler & Keller, 2006:174). Rani (2014:54) describes social class as groups more or less homogenous which are ranked against each other according to a form of social hierarchy. In social class groups similar values, lifestyles, interests and behaviours are found in individuals belonging to the same social class group (Lawan & Zanna, 2013:525).

Rani (2014:55) argues that it is important for an organisation to understand how different social classes are identified and how social class is measured, as the customer's behaviour can change according to their social class status. For example, a customer from the lower class will be more focused on price, while a customer from the upper class will be more attracted to elements such as quality, innovation, features and even the social benefits that can be obtained from the product (Rani, 2014:55; Kotler & Keller, 2006:174).

3.2.3.2 Social factors

In addition to cultural factors, social factors such as reference groups, family, social roles and statuses also influence consumer behaviour (Sahney, 2014:5; Kotler, 2000:162). Customers belong to various groups, which mainly involves two or more people who interact to accomplish either individual or mutual goals (Kotler & Keller, 2006:174). In contrast, a reference group refers to any person or group that acts as a point of reference for an individual in forming attitudes and values (Rani, 2014:56). Lawan and Zanna (2013:524) further state that reference groups can influence the image that individuals have of themselves as well as their behaviour.

Sahney (2014:5) and Kotler and Keller (2006:175) identify two types of reference groups. Firstly, there is a membership group, which is where a bunch of individuals belong to one specific group. This type of reference group can be either formal or informal. A formal group is characterised by a defined structure and specified requirements that have to be met to become a member, whereas an informal group is less structured and usually based on friendship or mutual interest (Rani, 2014:56; Lawan & Zanna, 2013:524). Secondly, an individual can be influenced by a group that they do not belong to. These groups are known as either inspirational groups, which an individual may aspire to belong to, and dissociative groups, membership of which is usually avoided (Rani, 2014:56; Lawan & Zanna, 2013:524; Kotler & Keller, 2006:175; Kotler, 2000:163).

The factor that most influences any individual is probably his or her family (Rani, 2014:56; Lawan & Zanna, 2013:524). A family can typically be described as two or more people living together who are related by either blood, marriage or adoption (Mostert & Lotz, 2010:68). A family forms an environment of socialisation in which individuals can evolve, shape their personality and acquire values (Rani, 2014:56).

Kotler and Keller (2006:175) state that it is important for an organisation to take note that there are different roles that family members assume during the decision-making process. Firstly, there is the initiator, the person in the family who will first identify the need. Then there is the role of the gatekeeper, who gathers the necessary information and communicates it to the other family members. The influencer directly or indirectly influences the final decision, as his or her opinion is highly sought after. The decision maker is the person who will actually make the final decision, and the buyer will be the family member to visit the store to buy the product. Lastly, there is the role of the user, the family member who will end up using the product (Sahney, 2015:5; Rani, 2014:56; Lawan & Zanna, 2013:524; Kotler & Keller; 2006:175).

Lastly, social roles and status also have an influence on consumer behaviour. Customers can belong to an assortment of groups such as family, clubs and organisations. The position that customers' enrol with in each group is defined in terms of roles and status (Orji, 2013:169). Kotler and Keller (2006:1811) state that a role is the combination of activities that an individual is expected to execute, and each role also has a status. Products are chosen by individuals in terms of the role or desired status in society it reflects or communicates (Kotler & Keller, 2006:181).

3.2.3.3 Personal factors

The characteristics of a customer can also influence the buying decision process. Customers are characterised by their age and stage in the lifecycle, occupation and economic circumstances, personality and self-concept, lifestyle and values (Kotler & Keller, 2006:181).

Customers buy various products and services over a lifetime (Kotler & Keller, 2006:181). Needs and preferences for different products and services are usually age related (Orji, 2013:169). Solomon (2004:499) suggests that customers who belong to the same age group are more likely to share familiar memories and values, and are also more likely to purchase similar products. Even crucial life events such as marriage, childbirth and illness can cause customer needs to change (Orji, 2013:169; Kotler & Keller, 2006:181).

Occupation and economic circumstances can also influence the buying decisions of customers. Occupational groups are usually targeted by organisations to buy their specific products and services (Sahney, 2014:4). Economic circumstances can have a huge effect on product choices. Depending on the economic direction, organisations can redesign and even redirect their products so that they offer more value to customers (Kotler & Keller, 2006:182).

Personality characteristics can have an enormous impact on consumer behaviour. Kotler and Keller (2006:182) define personality as a set of distinguishable human psychological traits that lead to relatively consistent and enduring responses to environmental stimuli. It is known that customers like to choose brands that have a brand personality that reflects something similar to their own personality and self-concept (Orji, 2013:169). In many cases customers choose a brand based on their ideal self-concept, such as how they would like to view themselves or even how others would see them (Sahney, 2014:4; Orji, 2013:169).

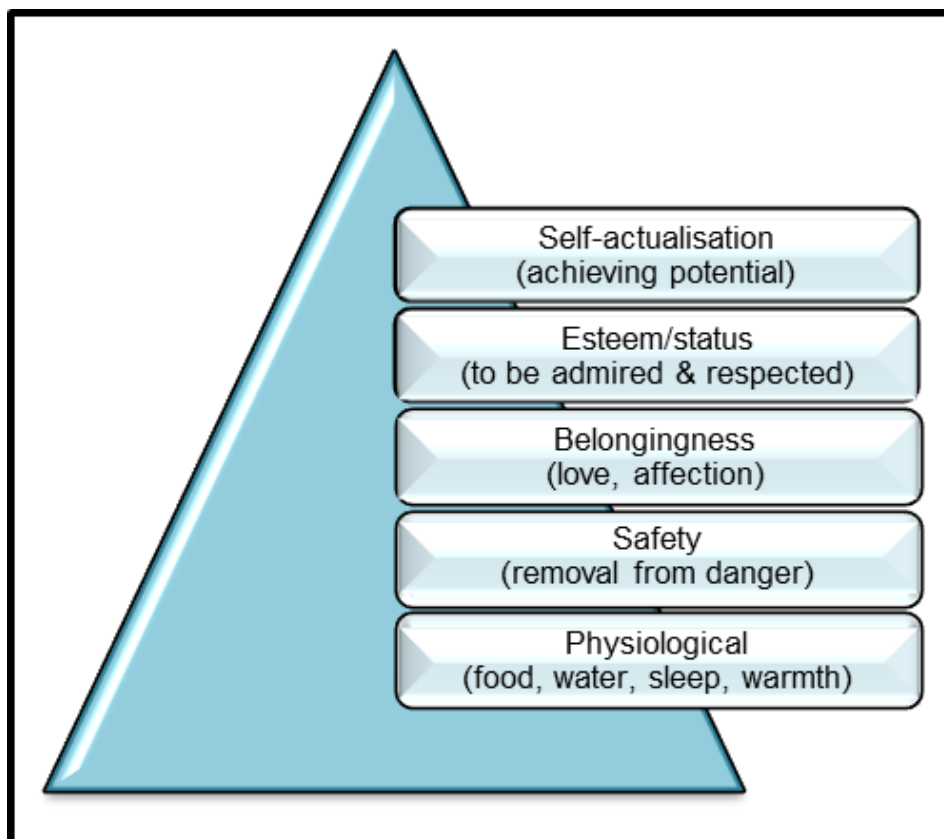
A lifestyle is considered to be an individual's living patterns as expressed in their activities, interests and opinions (Kotler & Keller, 2006:183). Lifestyles are usually shaped according to whether customers are constrained by money or by time (Orji, 2013:169). Core values also influence consumer behaviour. Kotler and Keller (2006:184) define core values as the belief system underlying the attitudes and behaviour of customers. Core values assist with determining the choices and desires of customers over a long period of time (Sahney, 2014:4).

3.2.3.4 Psychological factors

Consumer behaviour is affected by four major psychological factors, namely motivation, perception, learning and memory. Motivations are inner drives that cause people to take action in order to satisfy their needs (Hudson, 2007:42). Durmaz (2014:195) further explains that motives are relatively enduring, strong and persistent internal stimuli that arouse and can direct behaviour toward certain objectives. Central to motivation is the recognition of a need (Durmaz, 2014:195; Hudson, 2007:42). A need is the lack of something useful, and therefore a customer can be motivated to buy a product that will satisfy that need (Kotler & Keller, 2006:181; Kotler, 2000:170). If an organisation knows what creates motivation among its customers, it can develop marketing tactics to influence customers' motivation to think about, be involved with, and process information about their brand (Durmaz, 2014:195; Sahney, 2014:6).

Abraham Maslow suggests that all human needs are arranged in a hierarchy flowing from the most basic needs to the higher level needs (Durmaz, 2014:195; Hudson, 2007:42). Mostert and Lotz (2010:63) state that when the basic needs are satisfied, they will no longer be considered as motivators and customers will start seeking ways to satisfy the higher level needs. The main motivation for customers will be to fulfil needs that remain largely unsatisfied in the next hierarchy level (Durmaz, 2014:195; Hudson, 2007:42). Figure 3.3 shows Maslow's hierarchy of needs.

Figure 3.3: Maslow's hierarchy of needs



Source: Durmaz (2014:196); Hudson (2007:44); Kotler & Keller (2006:185)

Perception is the overall mind-picture of the world which is shaped by information that customers filter and then retrieve (Hudson, 2007:44; Kotler & Keller, 2006:185). Perception is basically how customers understand the world around them based on information received through their senses (Durmaz, 2014:196). Customers subconsciously evaluate their needs, values and expectations in response to certain stimuli and then use that evaluation to select, organise and interpret the stimuli (Kotler & Keller, 2006:185).

No two individuals will interpret information inputs in the same way (Kotler & Keller, 2006:185). Customers will interpret information from the environment by means of selective

perception, which comprises four perceptual processes (Nooraie, 2012:406). Firstly, there is selective exposure, which occurs when customers specifically expose themselves to stimuli they find pleasant or agree with. Customers can also deliberately ignore advertising and messages that they perceive as negative (Sahney, 2014:6). Secondly, selective attention occurs when customers filter the messages exposed to them by paying only selective attention to them (Nooraie, 2012:406). Thirdly, selective interpretation occurs when customers are exposed to a message but do not interpret it in the manner intended. In other words, customers distort the meaning of the message so that it meets with their personal beliefs (Orji, 2013:167; Kotler & Keller, 2006:185). Lastly, there is selective retention, which occurs when customers recall only certain stimuli. This is mainly when customers remember only information that supports their personal feelings and beliefs (Nooraie, 2012:406).

Learning describes the process through which customers gain purchase and consumption experience that will eventually lead to change in knowledge and behaviour (Kotler & Keller, 2006:187). Durmaz (2014:196) reflects that the ability of customers to learn influences the customer decision-making process, and therefore customer learning patterns become important for organisations. When a marketing message is formulated, it is necessary to consider certain principles that will help to enhance customer learning, for example the promise of a reward, unique messages, messages that are easily understandable, and demonstrations used as part of the message (Nooraie, 2012:407).

Lastly, memory is a process of gathering information and storing that information over time so that it will be available when needed (Orji, 2013:167). The memory process includes three stages. Firstly, during the encoding stage, information is positioned in memory. Secondly, during the storage stage, the information is integrated with existing knowledge and stored until needed. Thirdly, during the retrieval stage, the individual can access the desired information (Orji, 2013:168; Solomon, 2004:95).

Solomon (2004:97) argues that memory tends to play an important role in the buying decision process. When customers are considering alternative products, their purchase decisions can strongly depend on what they remember about these products (Orji, 2013:168; Solomon, 2004:95). Organisations can influence the memory process through helping customers to preserve information they have obtained about products or services and trust that it will later be applied when the buying decisions are made (Kotler & Keller, 2006:187).

The next section investigates the trends in consumer behavioural research.

3.2.4 Trends in consumer behaviour

This section first explores the origin of consumer behaviour to initiate better understanding of recent trends in the field of consumer behavioural research.

3.2.4.1 The origin of consumer behaviour

Consumer behaviour is complex in nature (Kollat *et al*, 1970:330). According to Robertson and Kassarian (1990:5) the initial foundations of consumer behaviour can be traced back to economics and motivation research. Through motivation research, the concepts of social sciences such as clinical psychology, sociology and anthropology were introduced into consumer or market research (Fullerton, 2011:62). The focus of motivation research was to uncover underlying motivations. It attempted to explore the inner conditions that play a dynamic role in a customer's decision to buy or not (Fullerton, 2011:62; Sheth, 1992:1).

Only in the 1960s did consumer behaviour research establish itself as a separate scientific discipline (Becker, 2010:2). Researchers were initially concerned about the marketing aspects, influenced mainly by psychologically oriented research, including research on cognition, learning and motivation (Becker, 2010:2; Sheth, 1992:2). Sheth (1992:2) states that as the focus of research started to shift to individual customers in the market place, it was discovered that behavioural sciences could contribute more to the understanding of individuals than social sciences. This was due to the contribution of various seminal authors assisting with the development and evolution of customer behaviour (Fullerton, 2011:67; Becker, 2010:2; Sheth, 1992:2). Table 3.2 provides a summary of some of the historical contributions made by seminal authors of consumer behavioural research.

Table 3.2: Historical contributions made to consumer behavioural research

Authors	Historical contributions made to consumer behavioural research
Applebaum (1951:172)	Studies of consumer behaviour usually deal with identification of customers and their buying behaviour patterns. The aim of these studies is to discover who buys where, what, when and how. These studies also help organisations to learn about customer response to sales promotion activities.
Applebaum (1951:172)	Studies of consumer behaviour usually deal with identification of customers and their buying behaviour patterns. The aim of these studies is to discover who buys where, what, when and how. These studies also help organisations to learn about customer response to sales promotion activities.

Table 3.2: Historical contributions made to consumer behavioural research (*continued*)

Authors	Historical contributions made to consumer behavioural research
Whyte (1953:2)	Consumer behaviour can be determined by a customer's social class status. The influence of a customer's social group on the buying decision is considered as extremely important as they tend to all have similar values and viewpoints.
Smith (1954:25)	Consumer behaviour consists of personality traits and habit systems. Attitudes are considered as important when evaluating consumer behaviour as they can tell not only what customers will accept or reject, but also how something can be presented to them.
Martineau (1957:15)	Consumer behaviour can be associated with a customer's style of life whereby a customer is motivated by subtle reference to their self-ideal. In this yearning for self-expression, customers are attracted to products or services which will be compatible with what they are or what they want to become.
Mabry (1970:213)	Consumer behaviour is a complex research area. Stamina constraints influence choices among activities (goods and services) which are measured in task units utilising quantities of money, time and effort inputs.
Schary (1971:51)	Consumer behaviour is a process where the object is to maximise satisfaction from the consumption of goods or services. Consumer behaviour also involves purchasing decisions where goods and services are evaluated by criteria such as the price charged and accessibility.
Jacoby, Speller and Berning (1974:34)	Consumer behaviour is often viewed as including both the acquisition and the use of goods and services by ultimate customers.
Engel, Blackwell and Kollat (1978:10)	Consumer behaviour is based on the customer's decision process as well as how decisions are made when they have to choose among a list of alternative brands available.
Morgan (1985:94)	Consumer behaviour is a concept influenced by reference groups, status roles, consumer learning and personality types. Research with regard to consumer behaviour should focus on attitudes and changes in attitudes as well as on family and reference group influences.
Engel, Blackwell and Miniard (1986:5)	Consumer behaviour is considered to be those acts of customers directly involved in obtaining, using and disposing of economic goods and services. These acts also include the decision processes that lead and determine these acts.
Mowen (1993:6)	Consumer behaviour is the study of buying units and exchange processes that are involved when a customer acquires, consumes and disposes of products, services, experiences and ideas.
Solomon (1995:7)	Consumer behaviour is the study of all the processes that are involved when a customer or group select, purchase, use or dispose of products and services to satisfy needs and desires.

Table 3.2: Historical contributions made to consumer behavioural research (*continued*)

Authors	Historical contributions made to consumer behavioural research
Schiffman and Kanuk (1997:648)	Consumer behaviour is the behaviour displayed by consumers when they search for, purchase, use, evaluate and dispose of products, services and ideas.
Hoyer and MacInnis (2001:4)	Consumer behaviour is behaviour that reflects the entirety of decisions made by consumers with regard to the acquisition, consumption and disposition of goods, services, time and ideas by decision-making units over time.

From Table 3.2 it is evident that consumer behaviour has proven to be a popular research area (Fullerton, 2011:68). Consumer behaviour is constantly the subject of research when trying to understand the factors that influence and shape customer choice and the customer thought process (Tan, 2010:2821).

3.2.4.2 Important developments in consumer behaviour

Being a successful organisation requires staying on top of market movement and adapting to current trends (Unisource, 2014:1). Consumer behaviour is always changing and evolving due to external factors such as improvements in technology and internal factors such as improvement of consumers' own living standards (Su & Zhang, 2008:1761). In addition to Table 3.2, Table 3.3 provides a summary of contributions made over the past decade to consumer behaviour as a separate discipline.

Table 3.3: Contributions made to consumer behavioural research over the past decade

Authors	Contributions made to consumer behavioural research over the past decade
Ekman (2003:12)	Consumer behaviour can be seen as an emotional process. A customer is influenced by his evolutionary as well as personal past. Consumer behaviour is marked by a set of physiological changes and emotional behaviours that help customers to deal with various situations.
Belch & Belch (2004:125)	Consumer behaviour is noted as a complex process. It involves all the activities customers engage in when they buy, evaluate and dispose of products or services with the main aim of satisfying their needs, wants and desires. It is very important to understanding the process of reaching a purchase decision as it forms the foundation that can be used to analyse any given product or service.

Table 3.3: Contributions made to consumer behavioural research over the past decade (*continued*)

Authors	Contributions made to consumer behavioural research over the past decade
Paterson (2006:10)	Consumer behaviour is viewed as a personal experience. Customers are emotionally involved with their purchases based on previous shopping experiences.
Mostert and Lotz (2010:53)	Consumer behaviour can be explained by the customer buying decision process. The behaviour of a customer is based on the way he or she conducts the decision-making process in different purchasing situations. Consumer behaviour is also influenced by the end result of whether the customer is satisfied or dissatisfied with a product or service.
Schiffman and Kanuk (2013:23)	Consumer behaviour focuses on how individual customers, families or households make decisions on how to spend their available resources, such as time, money and effort, on consumption-related items. In other words, consumer behaviour includes what, why, when, where and how customers buy.
Brodie, Hollebeek, Juric and Ilic (2011:258)	Consumer behaviour is a dynamic and iterative process that reflects a psychological state which occurs due to a customer's interactive experiences with a specific organisation. A customer tends to show different forms of behaviour when put into different types of situations while interacting with a specific organisation.
Blythe (2013:5)	Consumer behaviour includes all activities that lead up to making a purchase. This includes searching for information about products and services, and evaluating all alternative options. In consumer behaviour the basic attitudes of customers are influenced by personal and environmental factors to create actual behaviour.
Shende (2014:7)	Consumer behaviour consists of all human behaviour that goes into making before and post-purchase decisions. An understanding of consumer behaviour enables an organisation to make decisions that are compatible with the needs of customers.
Khaniwale (2015:280)	Consumer behaviour refers to all the feelings, thoughts and actions that an individual has or takes before or while buying any product, service or idea.

These contributions, both historical and recent, demonstrate just how complex consumer behavioural research can be. From Table 3.2 and Table 3.3 it can be concluded that consumer behaviour is formed by the interaction of various factors such as culture, self-perception, emotions and customer needs (Tan, 2010:2828). Organisations that seek to develop products and services that will trigger positive consumer behaviour should redirect their focus to understanding the driving forces behind the customer decision-making process (Fullerton, 2011:68). Organisations should understand why customers purchase and use

products as this is a means to address the concerns and issues of the consuming community (Tan, 2010:2828).

The following trends in consumer behaviour can also be considered as important to organisations:

- More connected customers with higher expectations

Customers are taking more complex paths when buying products (Unisource, 2014:1). The expectation from customers is that the organisations they buy from will be active on these channels day and night, making them accessible 24/7 (Park *et al*, 2006:4). In other words, customers are expecting an immediate response, which makes faster communication between sales and customer service a necessity (Su & Zhang, 2008:1762).

- Changing traditional roles

Park *et al* (2006:4) claim that gender roles are changing within cultures. Organisations need to adapt to this change in traditional roles by considering and understanding who their target market is instead of relying on traditional gender roles, ages or stereotypes out of habit (Unisource, 2014:2).

- Emphasis on sustainability and responsibility

Organisations have usually focused their efforts on delivering products or services by making a profit (Unisource, 2014:3). This will no longer work as customers are becoming more socially conscious when buying products or services (Su & Zhang, 2008:1762). Customers are more likely to support organisations that are more sustainable and have social responsibilities and a greater purpose (Park *et al*, 2006:4). For example, customers tend to be more supportive of organisations that partner with projects supporting the public good, such as using recycled materials and second life packaging.

- Health conscious messages and packaging

Due to rising healthcare costs and the general health–fitness trend among customers, it is expected of organisations to give more incentives when customers make the healthier choice (Park *et al*, 2006:4). For example, an organisation can have a reward system in place whereby discounts or cash back incentives are issued to customers buying certain health products (Unisource, 2014:4).

- Truth and personality in branding

Customers are looking for a brand or organisation that truly stands for something meaningful; no empty promises (Park *et al*, 2006:4). Brand loyalty is decreasing as customers are moving to brands that may not have a big name but earn their trust by appealing to their emotional state (Blythe, 2013:7). Organisations need to keep things simple and genuine instead of commercial or superficial should they want to keep their customers (Unisource, 2014:4; Park *et al*, 2006:5).

Understanding and predicting customers' response to brands will always represent a fundamental issue for marketing as consumer behaviour is always evolving (Park *et al*, 2006:5). Considering the discussion in this section, it is clear that a number of contributions have been made to the theory of consumer behaviour over the past few decades. It has also become evident that the fundamental ground for an organisation is that the customer should be at the centre of everything the organisation does (Rutenberg, 2003:20; Blythe, 2013:7). All marketing decisions are based on assumptions of consumer behaviour (Rutenberg, 2003:20). It is therefore imperative for marketers to obtain a good understanding of the characteristics of their customers and have knowledge of their planned behaviour in order to design their strategies accordingly.

Kigongo (2005:21) further advises that consumer behaviour can be determined by the behavioural intention of an individual to act with certain behaviour, which is then performed in conjunction with the individual's attitude. Mosavi and Ghaedi (2012:163) claim that a strong relationship exists between the attitude of a customer and their behavioural intention, as attitude is a construct that guides future behaviour or causes intention that eventually leads to certain behaviour. Attitude is a learned predisposition for a customer to respond in a consistently favourable or even unfavourable manner with respect to a certain object (Mosavi & Ghaedi, 2012:163; Keh & Xie, 2009:3). For example, the more favourable a customer's attitude is towards shopping, the more likely it is that he or she will intend to shop (Keh & Xie, 2009:3; Kigongo, 2005:21).

Liang *et al* (2008:13) further state that the formation of behavioural intention indicates the culmination of thought about what a customer will do, as well as how hard a customer will try in order to achieve a desired outcome. Webb and Sheeran (2006:250) suggest that behavioural intention is an ongoing process whereby continuous performance is compared with a desired standard, and behaviour is adjusted accordingly. Given the importance of behavioural intention, the following section provides a more detailed discussion of this concept.

3.3 BEHAVIOURAL INTENTION

Various authors have suggested that behavioural intentions can be used as indicators for whether customers will remain with or defect from an organisation (Wu, 2009:20; Dorresteyn, 2007:27). Understanding the reasons why customers stay with a specific organisation and identifying factors that influence consumers' behavioural intentions can prove beneficial to planning effective marketing strategies (Wu, 2009:21).

3.3.1 Defining behavioural intention

Behavioural intention can be viewed as a verbal indication of a specific consumer behaviour that is based on the intentions of customers (Dorresteyn, 2007:27). In other words, behavioural intentions are believed to be people's beliefs about what they intended to do in a specific situation (Wu, 2009:20). Table 3.4 provides a summary of some of the adopted definitions formulated for behavioural intention over the past forty years.

Table 3.4: Definitions of behavioural intention

Authors	Adopted definitions of behavioural intention
Fishbein and Ajzen (1975:288)	Behavioural intention is a measurement of the strength of a customer's intention to engage in a specific behaviour.
Jaccard and King (1977:228)	Behavioural intention is defined as a perceived relation between oneself and some behaviour.
Triandis (1980:195)	Forming a behavioural intention indicates the end of the thought about what one will do and shows how hard the customer is prepared to try, or how much effort the customer will exert, in order to achieve desired outcomes.
Davis (1985:15)	Behavioural intention refers to the intention that a person has prior to an actual behaviour. It is a measure of one's intention to perform a specific behaviour.
Ajzen (1991:179)	Behavioural intention is an indication of the readiness of a customer to perform a given behaviour.
Eagly and Chaiken (1993:10)	Behavioural intention is defined as the conscious plan of a customer to exercise effort to engage in a particular behaviour, with intentions being formed from both a personal evaluative and a normative construct.
Hellier, Geursen, Carr and Rickard (2003:1763)	Behavioural intention is customers' judgement about buying a product or service from an organisation, taking into account their current situation and likely circumstances.
Keh and Xie (2009:3)	Behavioural intention is recognised as signals of customers' actual purchasing choice.

Table 3.4: Definitions of behavioural intention (*continued*)

Authors	Adopted definitions of behavioural intention
Mosavi and Ghaedi (2012:163)	Behavioural intention refers to a customer's subjective probability that he will perform some behaviour.
Mackay, Mostert and Petzer (2015:47)	Behavioural intentions can be described as indicators of customers' willingness to keep a sustainable relationship with the luxury motor vehicle industry.

From Table 3.4 it is clear that behavioural intention consists of two generic elements. Firstly, it is suggested that behavioural intention is a conscious decision made by customers (Chen & Chen, 2009:31; Goode & Harris, 2006:514). Customers usually have an objective they are working to achieve and will act by purchasing a product or service only if it will help to satisfy that objective (Mackay *et al*, 2015:47).

The second generic element is that the end result of behavioural intention is some sort of behaviour (Goode & Harris, 2006:514; Keh & Xie, 2009:3). When customers have a certain objective to achieve or a need to fulfil, their behavioural intention may be expressed in a favourable manner, such as purchasing a product or service from a specific organisation, or in an unfavourable manner by rather searching for alternative options or ending the purchasing process altogether (Mosavi & Ghaedi, 2012:163).

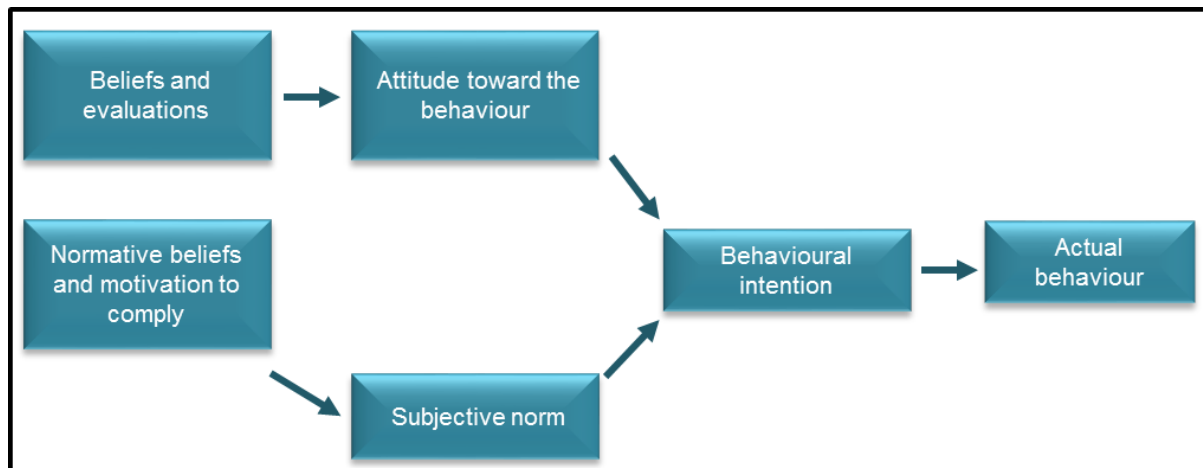
Taking into consideration the generic elements identified, it can be concluded that for the purpose of this research study, behavioural intention can be defined as *a customer's conscious decision to perform a specified behaviour*. Behavioural intention in the context of the luxury motor vehicle industry, refers to the specific behaviour performed by a customer towards a luxury motor vehicle dealership. For example, the conscious decision of a customer to take his luxury motor vehicle for a service or repair at the same luxury motor vehicle dealership where he purchased the motor vehicle.

3.3.2 Origin and development of the behavioural intention construct

Behavioural intention began with the proposal of a theoretical model by Fishbein and Ajzen in 1975 known as the Theory of Reasoned Action (Chuttur, 2009:3; Ajzen & Fishbein, 1977:888). The theoretical model suggested that customers' actual behaviour could be determined by considering their previous intention along with the beliefs that they would have for the given behaviour (Ajzen & Fishbein, 1977:888). This intention that customers have prior to an actual behaviour, Fishbein and Ajzen referred to as the behavioural intention of customers (Vallerand *et al*, 1992:98). Fishbein and Ajzen further proposed that

behavioural intention could be determined by considering customers' attitude towards the actual behaviour as well as the subjective norm associated with the behaviour in question (Chuttur, 2009:3; Ajzen & Fishbein, 1977:888). Thus, the Theory of Reasoned Action proved to provide a useful model that could explain as well as predict the actual behaviour of customers (Chuttur, 2009:3). Figure 3.4 shows the model of the Theory of Reasoned Action as proposed by Fishbein and Ajzen.

Figure 3.4: The Theory of Reasoned Action Model



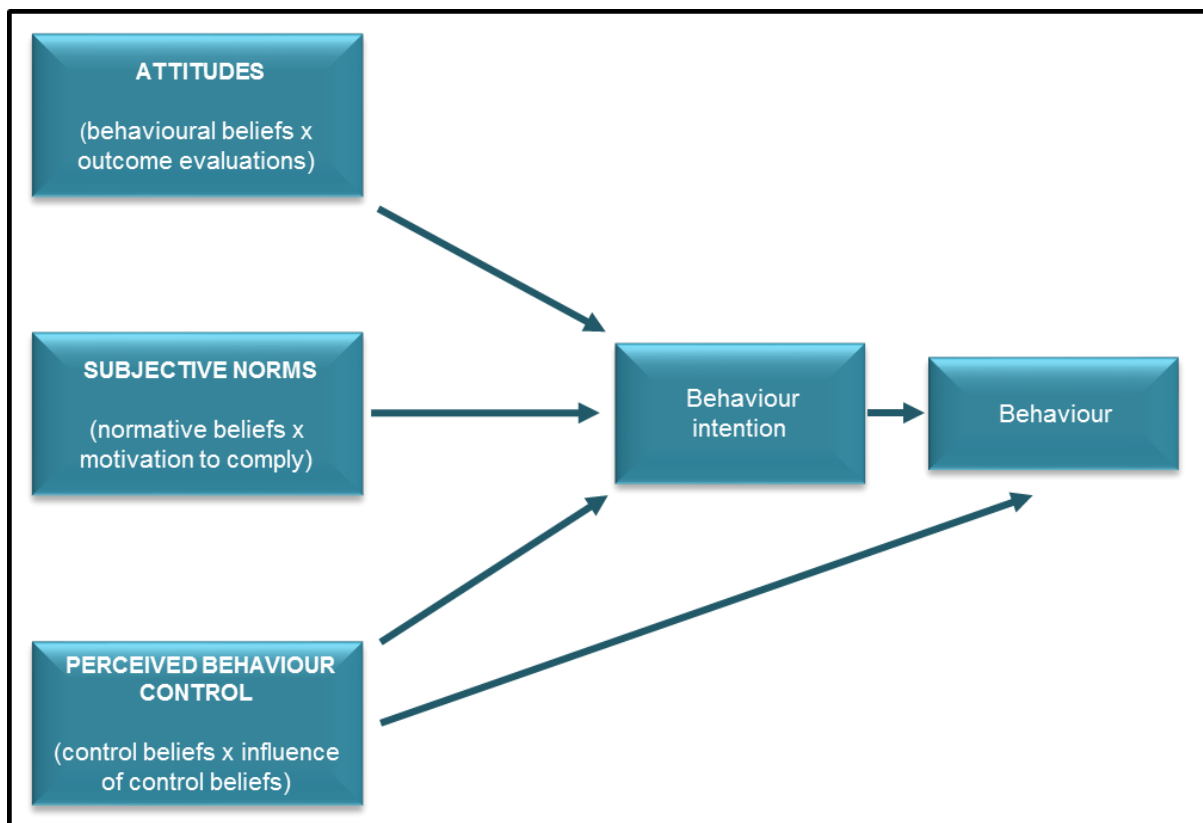
Source: Ajzen and Fishbein (1977:890)

Figure 3.4 suggests that attitude towards a given behaviour can be defined as a person's positive or negative feelings about performing the actual behaviour. This in turn suggests that the attitude of a person towards a specific behaviour can be measured by considering the sum of all salient beliefs about the consequences of performing that behaviour as well as an evaluation of those consequences (Ajzen & Fishbein, 1977:890). On the other hand there is the subjective norm which can be associated with a specific behaviour, as the individual's perception that most people who are important to him think that he should or should not perform the specific behaviour. It was then suggested that subjective norms could be determined by considering the sum of a person's normative beliefs, that is perceived expectations of other individuals and his motivation to comply (Chuttur, 2009:3; Ajzen & Fishbein, 1977:890). Thus, it was concluded that the behavioural intention of a person to engage in a specific behaviour could be calculated as a measure of the attitude toward the behaviour and as a measure of the subjective norm associated with the behaviour considered (Chuttur, 2009:3; Ajzen & Fishbein, 1977:890; Vallerand *et al*, 1992:98).

The Theory of Reasoned Action was related to voluntary behaviour. Later on it became clear that behaviour was not 100% voluntary but rather under control (Armitage & Conner,

2001:472). This resulted in the model being adapted in 1988 by Ajzen to include perceived behaviour control, and it was called the Theory of Planned Behaviour (Caulfield, 2011:10; Ajzen, 1991:181). The theory proposed a model which can measure how human actions are guided (Ajzen, 1991:181). In other words, it predicts the incidence of a specific behaviour only if that behaviour is considered to be intentional (Caulfield, 2011:10). Figure 3.5 presents the three variables suggested by theory to predict the intention to perform a specific behaviour.

Figure 3.5: The Theory of Planned Behaviour



Source: Caulfield (2011:12); Ajzen (1991:182)

According to Figure 3.5, there are three variables in predicting a person's behavioural intention, namely attitude, subjective norms and perceived behavioural control. As with the original Theory of Reasoned Action, the central factor in the Theory of Planned Behaviour is the intention of the individual to engage in a specific behaviour (Ajzen, 1991:181). It is assumed that intentions capture the motivational factors that influence a specific behaviour (Caulfield, 2011:10; Armitage & Conner, 2001:472). These factors are clear indicators of how hard people are willing to try and how much effort they are planning to put in so that they can perform the behaviour (Caulfield, 2011:10; Ajzen, 1991:181). But in most cases

non-motivational factors influence an individual's behaviour intention (Armitage & Conner, 2001:472). These factors represent the actual control of an individual over a specific behaviour. Individuals have both resources and opportunities available to them which to some degree dictate the likelihood of a specific behaviour achieved (Ajzen, 1991:183). Thus, according to the Theory of Planned Behaviour, perceived behaviour control together with behaviour intention can be used to directly foresee behaviour achievement (Ajzen, 1991:184).

In 1998 Ouellette and Wood further contributed to the concept of behavioural intention. According to Ouellette and Wood (1998:54) behavioural intention can be explained through the habits of customers. This was explained in terms of the role that past behaviour played as it could be used as a predictor of future behaviour (Ouellette & Wood, 1998:54; Eagly & Chaiken, 1993:26). Behavioural intention, influenced by the habits of customers, unfolds in response to environmental events and is usually formed without any conscious intent to engage in certain behaviour (Ouellette & Wood, 1998:55; Eagly & Chaiken, 1993:26). On the other hand, Ouellette and Wood (1998:56) also believe that behavioural intention can be consciously directed through controlled reasoning processes, such as a customer trying to satisfy a specific need, want or desire.

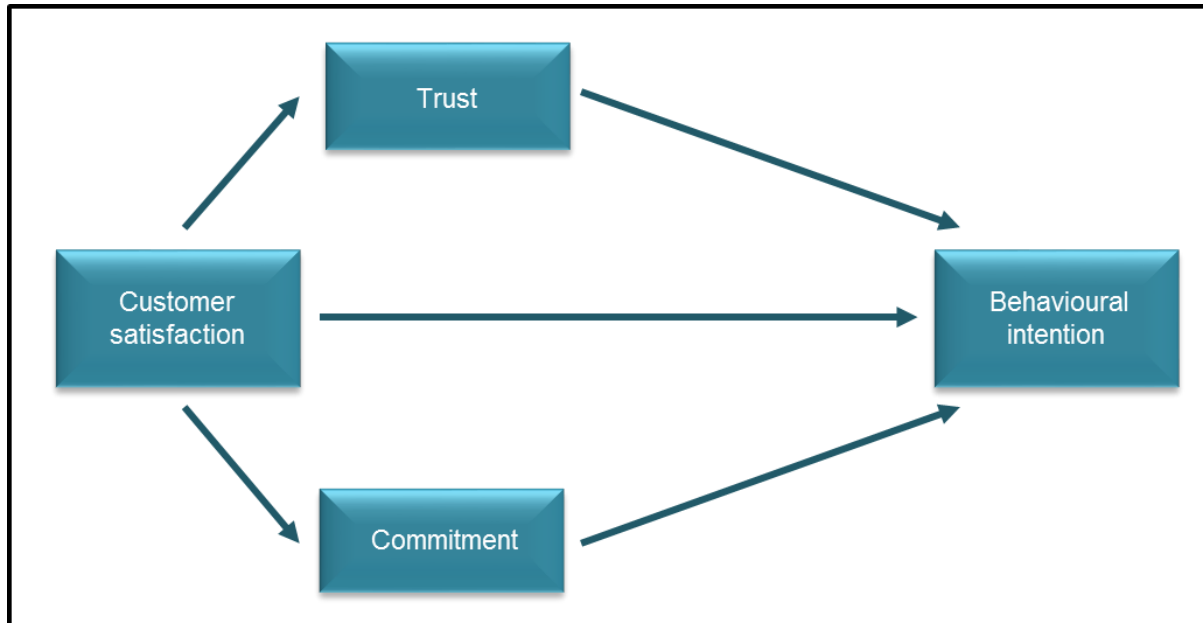
In more recent research, Tomasello *et al* (2005:676) have contributed to behavioural intention research by stating that every customer has the same basic three components when trying to pin-point possible future behaviour. Firstly, customers all have an objective to achieve in the form of a need, want or desire. Secondly, customers have the ability to behave in a certain manner to change their environment. Lastly, all customers have the ability to perceive their environment so as to know when it is the right time to behave in such a manner that their need, want or desire gets fulfilled (Tomasello *et al*, 2005:676).

In 2008 it was stated that behavioural intention always refers to future behaviour (Liang *et al*, 2008:13). Attitude toward behaviour and perceived notion of what other people think of that behaviour will determine a customer's behavioural intention (Chen & Chen, 2009:31; Liang *et al*, 2008:13). Various other authors made contributions towards seeing attitude as having a strong relationship with behavioural intention, believing that understanding the attitudes of customers can help to predict their behavioural intention (Lewis, 2014:14; Mosavi & Ghaedi, 2012:163; Keh & Xie, 2009:2; Goode & Harris, 2006:515).

Another basic model used to explain behavioural intention is the Relationship Quality Model. Reichheld (1996:4) stated that increased levels of relationship quality can result in correspondingly increased levels of purchase intention and behaviour. De Canniere *et al*

(2008:5) has stated that the Relationship Quality Model consists of a chain of variables that influence each other, starting with customer satisfaction being influenced additionally by commitment and trust, and finally leading to behavioural intention. Figure 3.6 illustrates the Relationship Quality Model process.

Figure 3.6: Relationship Quality Model



Source: Adapted from Kim & Han (2008:226); Vesel & Zabkar (2009:1343); Liu, Guo & Lee (2011:74)

Relationship quality is a concept believed to be a multidimensional meta-construct (Vesel & Zabkar, 2009:1336). Numerous authors have used relationship quality constructs such as customer satisfaction, trust and commitment as predictors of behavioural intention (De Canniere *et al*, 2008:5; Zeithaml *et al*, 1996:32; Morgan & Hunt, 1994:24). De Canniere *et al* (2008:6) state that the best approach to understanding the influence of these three relationship quality constructs lies in their combined effects. From Figure 3.6 it is evident that behavioural intention is affected by customer satisfaction, which is additionally mediated by commitment and trust (Morgan & Hunt, 1994:24; Nonis *et al*, 2014:152). Taken all together, this model implies that a better relationship quality should result in an increased level of customer satisfaction, trust and commitment, leading to favourable behavioural intention (Vesel & Zabkar, 2009:1338).

The focus when using the Theory of Planned Behaviour model is usually on newly introduced behaviour, whereas the focus of the Relationship Quality Model is rather on repeat buying behaviour (De Canniere *et al*, 2008:7). The focus of the Relationship Quality

Model is on customer satisfaction, trust and commitment, which are believed to be better predictors of behavioural intention than attitudes or planned behaviour formed without any buying experience (Foxall, 2005:5; Banki *et al*, 2014:49). In other words, the Relationship Quality Model is context-specific, improving the predictive power of the underlying constructs (Foxall, 2005:5). The Theory of Planned Behaviour Model, on the other hand, takes into account a more diversified set of explanatory factors such as attitude, subjective norms and perceived behaviour control, as these factors have been found in previous studies to be formed after a buying experience (De Canniere *et al*, 2008:8; Mosavi & Ghaedi, 2012:163).

Consequently, for the purpose of this study, the elements of the Relationship Quality Model are investigated to predict behavioural intention. A lot of interest has been taken in the concept of relationship quality when trying to predict the behavioural intentions of customers. Previous studies have also found a positive link between relationship quality and behavioural intention (Vesel & Zabkar, 2009:1338; Liu *et al*, 2011:72; Banki *et al*, 2014:49). Additionally, relationship quality is believed to be a better determinant of behavioural intention, as customer satisfaction, trust and commitment occur only after a buying or service experience. As the study focuses on the service or repair of luxury motor vehicles at a luxury motor vehicle dealership, the Relationship Quality Model is therefore more applicable than the Theory of Planned Behaviour Model.

To further understand the influence of relationship quality on behavioural intention, the next section briefly discusses the different types of behavioural intention.

3.3.3 The different types of behavioural intention

Zeithaml *et al* (1996:33) have classified customers' behavioural intentions into two dimensions, namely favourable behavioural intentions and unfavourable intentions. Such favourable or unfavourable behavioural intentions correspond to the following (Lee *et al*, 2010:905):

- the intention to offer positive or negative recommendations;
- the willingness or unwillingness to socialise at the dealership;
- the expression of satisfaction or dissatisfaction on social media platforms;
- the willingness or unwillingness to pay a premium price; and
- the intention to repurchase or switch dealerships.

3.3.3.1 Favourable behavioural dimensions

Favourable behavioural intention is associated with an organisation's ability to get its customers to communicate positive things about the organisation, to recommend them to other customers, to pay premium prices and to remain loyal to them (Nonis *et al*, 2014:20; Zeithaml *et al*, 1996:33). For example, when a customer is satisfied with the service received from a luxury motor vehicle dealership, the customer's behavioural intention is apt to be favourable (Goode & Harris, 2006:514; Zeithaml *et al*, 1996:33). In other words, favourable action taken by customers can be interpreted in terms of positive word-of-mouth, socialising, repurchase intention, social networking and low price sensitivity (Nonis *et al*, 2014:21).

- **Word-of-mouth:** Customers share their experiences with friends and family with regard to the service or repair of their luxury motor vehicles at a luxury motor vehicle dealership (Dellarocas, 2003:1408). Word-of-mouth is thus the flow of information, either positive or negative, about a specific organisation, product or service, based on the use experience of customers (Nonis *et al*, 2014:21).
- **Socialising:** The art and process of getting individuals comfortable with a particular organisation or employees is known as socialising (Eaton *et al*, 2014:4). For example, customers feel comfortable with going to the luxury motor vehicle dealership to enjoy a coffee in the coffee shop, to shop in the selection store or to just catch up with their sales or service persons.
- **Purchase intention:** The intention of customers to purchase a specific product or service is known as purchase intention (Khan *et al*, 2012:196). More specifically, purchase intention is the possibility of customers to plan as well as their willingness to purchase a specific product or service in the future (Goode & Harris, 2006:514). Purchase intention is thus one of the significant predictors of behavioural intention as it will direct customers to take an actual purchase action (Nonis *et al*, 2014:21; Khan *et al*, 2012:196). For example, customers are willing to take their luxury motor vehicles back to the same luxury motor vehicle dealership for a service or repair.
- **Social networking:** Web-based services allow individuals to construct profiles, put together a list of other users with whom they share a connection, and express their thoughts or ideas (Boyd & Ellison, 2014:1). For example, customers feel comfortable with liking a luxury motor vehicle dealership on social media and posting their comments about their service or repair experiences online.

- Price sensitivity: Nonis *et al* (2014:22) define price sensitivity as the willingness of the customer to pay more for getting a particular product or service. Customers tend to be less price sensitive when an organisation provides better service quality, customer satisfaction and perceived value (Nonis *et al*, 2014:22; Zeithaml *et al*, 1996:34). For example, if customers are happy with the services provided by a luxury motor vehicle dealership they would not mind paying a higher premium price next time they bring their luxury motor vehicles for a service or repair.

3.3.3.2 Unfavourable behavioural dimensions

Zeithaml *et al* (1996:34) state that when customers perceive service performance to be inferior, they are likely to show behaviours signalling they are about to leave the organisation or spend less with the organisation. Lobo *et al* (2007:490) further state that unfavourable behavioural intentions include complaining behaviour and contemplating a switch to competitors.

Complaining is viewed as a combination of negative responses that stem from dissatisfaction (Nonis *et al*, 2014:22; Zeithaml *et al*, 1996:34). Even though an unhappy customer will make a complaint, it can also be seen as an opportunity for an organisation to adjust certain factors to achieve a desired outcome based on the customer's evaluation of the service experience (Lobo *et al*, 2007:490). According to Zeithaml and Bitner (2000:54), dissatisfied customers who complain tend to have higher repurchase intention compared to those customers who are dissatisfied but who do not complain.

3.3.4 The value of behavioural intention for an organisation

According to Cao (2010:1) behavioural intention is considered to be a key entity in understanding the driving forces of a customer's behaviour, interest and decision-making processes. Organisations can employ behavioural intention studies for complex problem solving in terms of buying pattern analysis and improving "CRM" (Cao, 2010:2; Abraham & Sheeran, 2003:495). For example, behavioural intention analysis can be used "CRM" to develop a deeper understanding and caring for an organisation's customers, boosting operations and enhancing business intelligence (Cao, 2010:2).

Organisations can further focus on behavioural intention to examine whether or not customers are ready to engage in a given behaviour (Turhan & Ozbek, 2013:7). According to Armitage and Conner (2001:477) behavioural intentions are assumed to capture motivational factors that lead to an influence on behaviour, helping organisations to predict how hard

customers are willing to try or how much effort they would exert to perform a given behaviour.

In recent years there has been a need to understand customers' behavioural intention towards luxury products due to growth in the consumption of luxury products worldwide (Abalkhail, 2015:42). For luxury brands it has become vital to understand what drives customers' behavioural intention towards purchasing luxury products (Solomon, 2011:45). Various research studies have shown that customers tend to value luxury products differently based on their cultural features of collectivism and individualism (Akin, 2011:195; Abalkhail, 2015:42). It has become vital for luxury brands to understand what drives customers' behavioural intention towards luxury products in order to position these products more effectively (Akin, 2011:196).

3.4 SUMMARY

This chapter has given a detailed examination of the concepts of consumer behaviour and behavioural intention. The different concepts were defined and characteristics of each concept were discussed in detail. Firstly, it is clear that consumer behaviour is a process undertaken by customers to locate, use and dispose of products or services that fulfil a specific need, want or desire. Consumer behaviour can largely be explained by evaluating the customer decision-making process. Solomon *et al* (2006:258) strongly believe that customers are constantly making decisions regarding the choice, purchase and use of products or services, resulting in their behaving in a certain manner. On the other hand, behavioural intention is considered as customers' measuring the strength of their intention to behave in a certain manner (Kigongo, 2005:7). This concept is based strongly on the idea that customers form intentions toward certain behaviours they believe will increase their satisfaction (Mosavi & Ghaedi, 2012:163; Kigongo, 2005:8).

It can also be seen from this chapter that even though there is a clear difference between the concepts of customer behaviour and behavioural intention, there is also a direct link between the two concepts (Wu, 2009:20; Goode & Harris, 2006:514). Webb and Sheeran (2006:249) suggest that the formation of behavioural intention signals a result of thought about what a customer will do, as well as how hard a customer will try in order to achieve a desired outcome, initiating consumer behaviour. Behavioural intention can be either favourable or unfavourable. Favourable behavioural intention refers to positive word-of-mouth, socialising, continuous purchase intention, social networking and low price sensitivity (Nonis *et al*, 2014:21). On the other hand, unfavourable behavioural intention refers to customers' complaining and considering to switch to competitors. Behavioural intention also

holds certain value for an organisation, namely assisting with buying pattern analysis and improving “CRM” (Cao, 2010:2; Abraham & Sheeran, 2003:495). Organisations can also use behavioural intention to capture motivational factors that may influence a type of behaviour, which can assist with predicting how hard customers are willing to try or how much effort they would exert to perform a given behaviour (Turhan & Ozbek, 2013:7).

Chapter 4 will further examine the relationships between the relationship quality dimensions and behavioural intention. The aim of the discussion will be to provide more clarity on the conceptual framework that will be further tested in the empirical part of this research study.

CHAPTER 4: MODEL CONCEPTUALISATION

4.1 INTRODUCTION

Chapter 2 investigated the importance of relationship marketing and the relationship quality constructs of customer satisfaction, trust and commitment. Chapter 3 focused on consumer behaviour and behavioural intention. The discussion revealed that consumer behaviour can largely be examined by evaluating the customer decision-making process. It has been proven that the purchase decisions made by customers can affect the demand for basic raw materials, transportation and production. Thus, for luxury motor vehicle dealerships to be successful they need to know everything they can about their customers, including what they want, how they work, what they think, and how they spend their leisure time. Furthermore, it was shown in Chapter 3 that behavioural intentions can be used as indicators for whether customers will remain with or defect from an organisation. This is due to the fact that behavioural intention is a customer's way of measuring the strength of their intention to behave in a certain manner. Behavioural intention is in fact a customer's decision to act. Thus, behavioural intention is based on the idea that customers will form certain intentions toward certain behaviours they believe will increase their satisfaction.

The purpose of this chapter is to provide more insight into the interrelationships of the constructs that have been explored in the literature review, namely customer satisfaction, trust, commitment and behavioural intention. The aim of the discussion is to provide greater clarification into the research hypotheses that were formulated in Chapter 1 as well as the proposed theoretical model that is further investigated in the empirical part of this study.

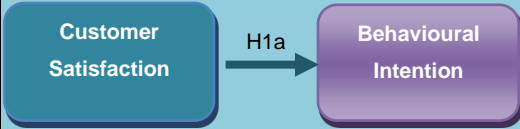
4.2 INTERRELATIONSHIPS OF CONSTRUCTS

This section provides a summary of existing literature that supports the interrelationships of the relationship quality constructs customer satisfaction, trust and commitment, as well as behavioural intention.

4.2.1 Relationship between customer satisfaction and behavioural intention

The proposed relationship between customer satisfaction and behavioural intention is presented in Table 4.1 and then discussed.

Table 4.1: Proposed relationship between customer satisfaction and behavioural intention

Proposed relationship between constructs	Contributing authors	Industry contribution
	Fishbein and Azjen (1975:288)	Marketing research
	Oliver (1980:461)	Services
	Woodside, Frey and Daly (1989:5)	Health care
	Bloemer and Lemmink (1992:355)	Motor vehicle industry
	Garbarino and Johnson (1999:74)	Retail
	Caruana (2000:816)	Banking
	Cronin, Brady and Hult (2000:193)	Retail
	Seiders, Voss, Grewal and Godfrey (2002:41)	Retail
	Tian-Cole, Crompton and Willson (2002:5)	Tourism
	Dagger and Sweeney (2006:6)	Services
	Rutherford (2007:11)	Cellular
	De Canniere, De Pelsmacker and Geuens (2008:6)	Marketing research
	Kiyani, Niazi, Rizvi and Khan (2012:497)	Luxury motor vehicle industry
	Alsajjan (2014:1093)	Cellular
Chinomano and Dubihlela (2014:25)	Retail	

Customer satisfaction has been a key construct predicting the behavioural intention of customers (Garbarino & Johnson, 1999:74, Zeithaml *et al*, 1996:38, Anderson *et al*, 1994:59). Basically customer satisfaction portrays the way in which customers evaluate an organisation's products and services. It tells whether their needs have been satisfied or not, which ultimately results in favourable or unfavourable behavioural intentions (Turhan & Ozbek, 2013:7). Customer satisfaction is then evaluated by the expectations of customers, as the latter serve as a standard against which the performance of a product or service is

judged, helping one to better understand and predict a customer's behavioural intention in the future (Sahin *et al*, 2013:46).

Previous studies have revealed a direct link between customer satisfaction and behavioural intention (Chen, 2012:203; De Canniere *et al*, 2008:6). Garbarino and Johnson (1999:74) argue that even though customer satisfaction and behavioural intention are not the same, they are related. The outcome of satisfaction may support the decision of a customer to make use of a particular organisation on any given occasion (Garbarino & Johnson, 1999:74). Therefore, it is believed that customer satisfaction is a more practical consideration of whether or not customers will return to an organisation and even recommend it to others (Shpetim, 2012:18).

Customer satisfaction remains essential to the success of an organisation (Rutherford, 2007:11). Madjid *et al* (2013:55) argue that the basic aim of any organisation is to create customer satisfaction. Alsajjan (2014:1093) found that improving the level of customer satisfaction will eventually lead to behavioural intention in favour of the organisation. Customers who experience a high level of satisfaction are likely to be more motivated toward the organisation and also more willing to exhibit repurchase intentions (Chinomona & Sandada, 2013:440; Tax *et al*, 1998:64). Thus, it is evident that customer satisfaction is the key antecedent to behavioural intention (Chinomona & Dubihlela, 2014:26; Caruana, 2000:816).

When customers are seeking to purchase luxury goods they seek to fulfil a greater need for purpose and satisfaction (Bellaïche *et al*, 2012:6). Various studies have found that when it comes to luxury goods, a strong positive relationship exists between customer satisfaction and behavioural intention (Kazakeviciute & Banyte, 2012:532). In other words, behavioural intention can be measured in terms of a customer's level of satisfaction with a specific luxury brand. Customer satisfaction with regard to luxury brands tends to end in brand attachment, which is a key antecedent of favourable behavioural intention (Esch *et al*, 2006:103). Satisfied customers will communicate positive traits about the luxury brand to friends and family members, and they will be willing to recommend the luxury brand to others (Kazakeviciute & Banyte, 2012:532; Bellaïche *et al*, 2012:6). Customer satisfaction, therefore, has a favourable effect on behavioural intention for luxury goods or service organisations.

Based on the findings of previous research studies, it can therefore be argued that customers who are satisfied with the servicing or repairing of their luxury motor vehicle might also develop behavioural intentions in favour of the luxury motor vehicle dealership.

Consequently hypothesis 1 was formulated to test the relationship within the luxury motor vehicle environment.

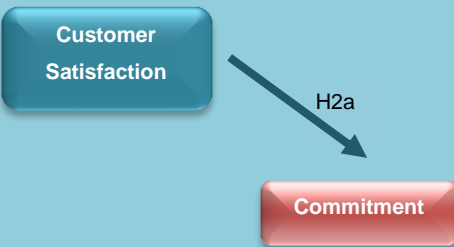
Hypothesis 1

H1a: Customer satisfaction significantly and positively influences behavioural intention in favour of a luxury motor vehicle dealership.

4.2.2 Relationship between customer satisfaction and commitment

The proposed relationship between customer satisfaction and commitment is presented in Table 4.2 and subsequently discussed.

Table 4.2: Proposed relationship between customer satisfaction and commitment

Proposed relationship between constructs	Contributing authors	Industry contribution
	Morgan and Hunt (1994:23)	Retail
	Tax, Brown and Chandrashekar (1998:64)	Digital
	Garbarino and Johnson (1999:71)	Retail
	Luarn and Lin (2003)	Ecommerce
	Valenzuela and Vásquez-Párraga (2006:19)	Tourism
	Hattingh (2007:22)	Manufacturing
	Rutherford (2007:23)	Retail
	Terblanche (2008:71)	Luxury motor vehicle industry
	Afsar, Rehman, Qureshi and Shahjehan (2010:1045)	Banking
	Walter, Mueller and Helfert (2010:1)	Retail
	Madjid, Hadiwidjojo, Surachman and Djumahir (2013:62)	Banking
	Hanaysha and Hilman (2015:459)	Motor vehicle industry

Walter *et al* (2010:1) argue that commitment is a vital ingredient for successful long-term relationships between an organisation and its customers. Customers aim to commit to a specific organisation in the future based on their positive experience as well as positive evaluation of their past relationships (Walter *et al*, 2010:4; Tax *et al*, 1998:64). From an organisational point of view, commitment develops when an organisation makes an effort to attend to their customer relationships by maintaining high standards of corporate values and allying themselves with customers who have similar values (Ingram *et al*, 2005:238; Morgan & Hunt, 1994:34). Commitment can thus be seen as psychological in nature as it represents the power of the relationship that exists between the customer and an organisation (Terblanche, 2008:72).

It is suggested by relationship marketing literature that customer satisfaction is a major determinant of commitment (Rutherford, 2007:23). Johnson *et al* (2001:129) have found in a sales setting that satisfaction with a salesperson increases the customer's commitment to the relationship. In other words, if an organisation makes customers happy, joyful or affectionate, it will prompt commitment (Luarn & Lin, 2003:159). Terblanche (2008:70) also found that it is possible for customers to experience high levels of customer satisfaction in the motor vehicle industry, leading to higher levels of customer commitment. Furthermore, Hess and Story (2005:315) stated that customer satisfaction does indeed provide the conditions necessary to achieve customer commitment. According to Hofmeyr and Rice (2000:80), customers must be satisfied with a product or service in order to be perfectly committed to an organisation. Thus, the conclusion to be drawn is that customer satisfaction is an antecedent of commitment (Terblanche, 2008:71; Rutherford, 2007:23; Hess & Story, 2005:315).

In the luxury goods industry customer satisfaction alone does not provide any useful information about how customers will respond to competitive offers, price competition or even service failure (Terblanche, 2008:71; Hess & Story, 2005:315). Customer satisfaction leading to commitment can indirectly have a positive effect on customer retention, giving luxury goods or service organisations more information to work with when predicting consumer behaviour (Terblanche, 2008:71). Various studies have been performed to examine how customer satisfaction can affect a customer's commitment towards a specific luxury brand (Hanaysha & Hilman, 2015:459; Moya, 2012:117). Customers who are satisfied with a specific luxury brand develop strong levels of commitment as they tend to see strong connections between themselves and the brand (Walsh *et al*, 2010:78). Therefore, relationship marketing literature makes the suggestion that luxury goods can create customer satisfaction, which positively affects commitment to that specific luxury brand.

Based on the findings of various authors, it can be argued that customer satisfaction has a significant and positive influence on commitment towards an organisation. Consequently, hypothesis 2 is formulated on the basis of the foregoing discussion concerning the relationship between customer satisfaction and commitment.

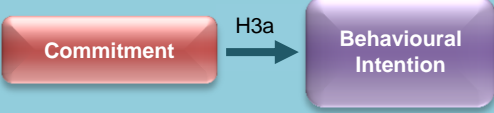
Hypothesis 2

H2a: Customer satisfaction significantly and positively influences commitment towards a luxury motor vehicle dealership.

4.2.3 Relationship between commitment and behavioural intention

The proposed relationship between commitment and behavioural intention is presented in Table 4.3 and thereafter discussed.

Table 4.3: Proposed relationship between commitment and behavioural intention

Proposed relationship between constructs	Contributing authors	Industry contribution
	Fornell (1992:10)	Retail
	Moorman, Deshpande and Zaltman (1993:90)	Retail
	Blanchard and Galloway (1994:12)	Banking
	Morgan and Hunt (1994:22)	Marketing
	Harrison-Walker (2001:65)	Services
	Pepper and Rogers (2004:105)	Retail
	Gounaris (2005:127)	Services
	Rutherford (2007:16)	Retail
	Jang, Ko and Koh (2007:3)	Luxury motor vehicle
	Pi and Huang (2010:4407)	Airline
	Shuqin and Gang (2012:176)	Motor vehicle industry
	Saeed, Rehman, Akhtar and Abbas (2014:217)	Petroleum sector

Commitment has been described by many authors as a notion that includes strong preference for a specific organisation, developing cooperative sentiments and propensity for the continuance of their business relationship (Gounaris, 2005:126). A customer who is committed to an organisation believes and accepts the goals and values of that organisation, expresses genuine interest in the organisation's welfare, desires to remain a member, and provides considerable effort on its behalf (Ingram *et al*, 2005:241). It is evident that developing a customer's commitment in a business relationship will pay off in willingness to recommend, word-of-mouth, increased profits and customer retention; which are also known as behavioural intentions (Walter *et al*, 2010:850).

Various authors have confirmed that commitment has a positive effect on behavioural intention (Saeed *et al*, 2014:217; Pi & Huang, 2010:4407). Pi and Huang (2010:4407) did a study providing evidence that the more committed customers are, the more willing they are to build long-term relationships. Such a relationship shows that commitment can have a positive effect on behavioural intention (Pi & Huang, 2010:4407; Gounaris, 2005:127). Keh and Xie (2008:3) add that customer commitment with regard to a specific organisation can also affect behavioural intentions. Commitment is considered as customers' long-term desire to support a specific organisation, having a favourable influence on behavioural intention and encouraging outcomes such as referrals and repurchases (Lewis, 2014:23; Keh & Xie, 2008:2). Other factors that can influence the behavioural intentions of customers include perceived value, which refers to the *value for money* aspect, expectations of customers prior to the purchase and to the use of an organisation, and a customer's attitude towards an organisation (Lewis, 2014:23; Mosavi & Ghaedi, 2012:165).

Rutherford (2007:16) found commitment to be a predictor of behavioural intention. Simply put, the level of commitment shown by customers affects their behavioural intention (Rutherford, 2007:16; Gounaris, 2005:127). For example, if customers' commitment towards an organisation increases, the more positive the behavioural intention becomes (Saeed *et al*, 2014:217; Rutherford, 2007:16; Morgan & Hunt, 1994:24). Gounaris (2005:128) states that the commitment to building long-term relationships is demonstrated by the willingness of customers to invest resources to strengthen their relations with an organisation. Thus, their commitment towards an organisation should lead not only to greater desire to maintain the relationship with the organisation, but also to a much more positive behavioural intention (Pi & Huang, 2010:4407; Morgan & Hunt, 1994:24).

Studies done in the luxury goods industry have revealed a positive correlation between commitment and behavioural intention (Wang & Foosiri, 2014:8; Shuqin & Gang, 2012:176; Dowling, 2002:92). Commitment is considered to be a process resulting in favourable

behavioural intention towards luxury goods and services (Shuqin & Gang, 2012:176). This is due to commitment being a motivational factor for customers when they consider purchasing luxury goods (Jang *et al*, 2007:3; Shuqin & Gang, 2012:176). Quality of products as well as customer service are highly emphasised for promoting luxury goods; therefore customer commitment towards a specific luxury brand is greater than that toward the general brand, resulting in positive behavioural intention (Wang & Foosiri, 2014:8). It is clear that there may be a significant *brand component* that drives customer commitment and choice.

Based on the findings of the aforementioned research, it can be argued that commitment has a significant and positive influence on behavioural intention in favour of an organisation. Thus, hypothesis 3 is formulated on the basis of the preceding discussion concerning the relationship between commitment and behavioural intention.

Hypothesis 3

H3a: Commitment significantly and positively influences behavioural intention towards a luxury motor vehicle dealership.

4.2.4 Mediating effect of commitment on the relationship between customer satisfaction and behavioural intention

It was mentioned in Chapter 1 that as customer satisfaction has a relationship with commitment, and commitment has a relationship with behavioural intention, the possibility exists that commitment can serve as a mediator to strengthen the relationship between customer satisfaction and behavioural intention. This relationship has been proven by various other studies. The proposed mediating effect of commitment on the relationship between customer satisfaction and behavioural intention is presented in Table 4.4 and afterwards discussed.

Table 4.4: Proposed mediating effect of commitment on the relationship between customer satisfaction and behavioural intention

Proposed relationship between constructs	Contributing authors	Industry contribution
<p>H4a</p>	Rotter (1967:655)	Psychology
	Morgan and Hunt (1994:22)	Marketing
	Selnes (1998:310)	Retail
	Chaudhuri and Holbrook (2001:84)	Retail
	Gurviez and Korchia (2002:47)	Retail
	Tellefsen and Thomas (2005:28)	Services
	Dillard and Bates (2010:84)	Luxury motor vehicle
	Luarn and Lin (2003:157)	Ecommerce
	Chen (2012:203)	Retail
	Madjid, Hadiwidjojo, Surachman and Djumahir (2013:55)	Banking
	Nguyen, Leclerc and LeBlanc (2013:99)	Retail

The original idea was that customer satisfaction led to behavioural intention (Walsh *et al*, 2010:76). However, it is not sufficient to only have satisfied customers, as satisfying customers is not enough to keep them loyal (Dillard & Bates, 2010:84; Jang *et al*, 2007:3; Oliver, 1999:34). Various studies have demonstrated that the distinction between customer satisfaction and behavioural intention towards an organisation can be mediated by the effect of commitment (Dillard & Bates, 2010:84). Further findings by Luarn and Lin (2003:157) and Afsar *et al* (2010:1042) also demonstrated that commitment with regard to a specific organisation can have a positive and significant effect on the relationship between customer satisfaction and behavioural intention.

Commitment has therefore been modelled by various studies as a mediating effect between customer satisfaction and behavioural intention (Chen, 2012:203; Johnson *et al*, 2000:11). If there is no high commitment among customers, they will not be satisfied or show favourable behavioural intention (Madjid *et al*, 2013:55; Nguyen *et al*, 2013:99; Chen, 2012:203; Luarn & Lin, 2003:157). As such, Madjid *et al* (2013:54) also believe that commitment mediates the influence of customer satisfaction on behavioural intention.

Based on the findings of previous research studies, it can be argued that commitment has a mediating effect on the relationship between customer satisfaction and behavioural intention. Consequently, hypothesis 4 is formulated on the basis of the foregoing discussion with regard to the mediating effect of commitment on the relationship between customer satisfaction and behavioural intention.

Hypothesis 4

H4a: Customer satisfaction has a significant positive indirect effect on behavioural intention in favour of a luxury motor vehicle dealership as mediated by commitment towards the dealership.

4.2.5 Relationship between trust and behavioural intention

The proposed relationship between trust and behavioural intention is presented in Table 4.5 and then discussed.

Table 4.5: Proposed relationship between trust and behavioural intention

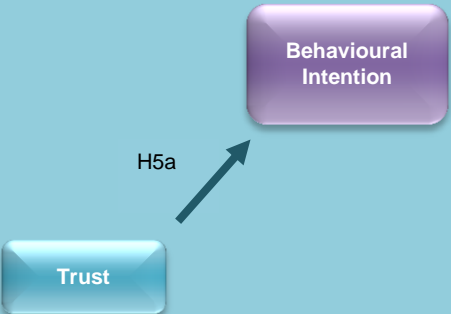
Proposed relationship between constructs	Contributing authors	Industry contribution
	Jaccard and King (1977:328)	Psychology
	Fishbein and Azjen (1975:288)	Marketing research
	Swan and Trawick (1987:82)	Manufacturing
	Crosby, Evans and Cowles (1990:70)	Retail
	Azjen (1991:179)	Marketing research
	Ganesan (1994:4)	Retail
	Morgan and Hunt (1994:23)	Marketing

Table 4.5: Proposed relationship between trust and behavioural intention (*continued*)

	Ballester and Aleman (2005:190)	Motor vehicle
	Gounaris (2005:127)	Services
	Kiyani, Niazi, Rizvi and Khan (2012:491)	Luxury motor vehicle
	Van Vuuren, Roberts-Lombard and Van Tonder (2012b:96)	Optometric practice
	Madjid, Hadiwidjojo, Surachman and Djumahir (2013:55)	Banking
	Sahin, Turhan and Zehir (2013:47)	Luxury motor vehicle
	Alsajjan (2014:1093)	Cellular
	Chinomona and Dubihlela (2014:25)	Retail
	Saeed, Rehman, Akhtar and Abbas (2014:215)	Petroleum sector

According to Koschate-Fischer and Gartner (2015:171) trust is at the heart of customer–organisation relationships. Trust towards an organisation is considered as very important because it shows that the relationship between an organisation and its customers goes beyond customer satisfaction (Koschate-Fischer & Gartner, 2015:171; Hess & Story, 2005:315). Trust suggests that the relationship is worth more than just a transaction (Hess & Story, 2005:315). When customers trust an organisation, they believe it has a specific set of qualities that make it consistent, competent, honest and responsible (Chinomona & Dubihlela, 2014:25). Consequently, a trustworthy organisation is one that keeps its promises of value through the way the product or service is developed, produced, sold, serviced and advertised; even during bad times when some sort of product or service crisis arises (Delgado-Ballester & Munuera-Aleman, 2005:188).

Recent research has indicated that trust plays a critical role in influencing behavioural intention directly and/or indirectly (Alsajjan, 2014:1093; Madjid *et al*, 2013:55; Friedman *et al*, 2000:36). With respect to literature, it has been demonstrated that trust is a strong predictor of favourable behavioural intention (Alsajjan, 2014:1093). This is due to the assumption that trust is based on prior experience, which plays an important role in facilitating customers' further repurchase intentions (Chinomona & Dubihlela, 2014:25; Saeed *et al*, 2014:215). Furthermore, Gounaris (2005:130) notes trust to be a critical factor influencing behavioural

intention as it stimulates a relational bond between a customer and the organisation. In other words, behavioural intention tends to become more favourable if a customer has a high level of trust in an organisation (Madjid *et al*, 2013:55).

Sahin *et al* (2013:46) further explain that trust can have an effect on the behavioural intentions of customers. Trust is a factor referring to the customer's feeling of confidence towards an organisation as well as their willingness to rely on that organisation during their seller–buyer relationship (Mosavi & Ghaedi, 2012:164). Rutherford (2007:15) also suggests a positive relationship between a customer's trust and his behavioural intention. For customers to make a purchase decision, they must determine the extent to which they can trust an organisation (Gounaris, 2005:127; Morgan & Hunt, 1994:23). Consequently, it can be expected that the chances are greater that customers will then remain in the relationship with the organisation (Gounaris, 2005:129). Thus, if a customer develops trust in an organisation, the customer is more likely to develop a positive behavioural intention towards the organisation (Van Vuuren *et al*, 2012b:96).

Studies investigating the luxury industry have found that customers who purchase luxury goods clearly place their trust in the luxury brand, which is more likely to lead to favourable behavioural intention when it comes to future purchase decisions (Nelissen & Meijers, 2011:353). Trust in a luxury brand is a long-term process (Sahin *et al*, 2013:47; Ballester & Aleman, 2005:189). A brand that is trustworthy cares about the expectations of its customers, fulfils promises and values customers, which eventually leads to customers trusting the luxury brand, which leads in turn to favourable behavioural intention (Kiyani *et al*, 2012:491; Ballester & Aleman, 2005:189). High quality brands tend to stretch further than the average quality brands (Reast, 2005:5). It has been proven that once customers trust a luxury brand, they feel more comfortable with the brand, leading to their having a strong urge to repurchase that specific brand in the future (Sahin *et al*, 2013:46; Turhan & Ozbek, 2013:7; Mosavi & Ghaedi, 2012:164; Nelissen & Meijers, 2011:353).

Based on the findings of various research studies, it can be argued that trust in an organisation can be positively related to behavioural intention. This study investigates the strength of the relationship between trust and behavioural intention. Therefore, hypothesis 5 is formulated on the basis of the foregoing discussion regarding the relationship between trust and behavioural intention.

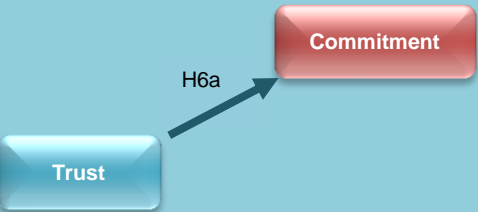
Hypothesis 5

H5a: Trust significantly and positively influences behavioural intention in favour of a luxury motor vehicle dealership.

4.2.6 Relationship between trust and commitment

The proposed relationship between trust and commitment is presented in Table 4.6 and then discussed.

Table 4.6 Proposed relationship between trust and commitment

Proposed relationship between constructs	Contributing authors	Industry contribution
	Dwyer, Schurr and Oh (1987:13)	Services
	Berry and Parasuraman (1991:50)	Services
	Moorman, Zaltman and Deshpande (1992:316)	Marketing research
	Morgan and Hunt (1994:24)	Retail
	Garbarino and Johnson (1999:73)	Retail
	Gounaris (2005:128)	Services
	Rutherford (2007:24)	Retail
	Walter, Mueller and Helfert (2010:5)	Retail
	Piderit, Flowerday and Von Solms (2011:4)	Luxury motor vehicle
	Van Vuuren, Roberts-Lombard and Van Tonder (2012b:96)	Optometric practice
	Shuqin and Gang (2012:176)	Motor vehicle
	Saeed, Rehman, Akhtar and Abbas (2014:217)	Petroleum sector
	Hanaysha and Hilman (2015:462)	Motor vehicle

Trust is a very important factor in the development of business relationships (Hanaysha & Hilman, 2015:462). According to Kiyani *et al* (2012:491) trust is the emotional commitment of customers towards an organisation. Trust has the ability to reduce the uncertainty in an environment where customers might feel vulnerable, leading customers to rely on the trusted organisation and being more willing to commit to that organisation (Van Vuuren *et al*, 2012b:96). Moreover, trust reduces the transaction costs of using expensive control mechanisms. Lower costs lead to an increased possibility that customers will continue with their relationship with the organisation in the future and increase their commitment to the relationship (Walter *et al*, 2010:96).

Trust has been linked to commitment within various literatures (Rutherford, 2007:24). Morgan and Hunt (1994:24) state that trust and commitment are the foundation of all successful long-term relationships. Gounaris (2005:128) states that trust reflects a customer's confidence and positive expectations about an organisation. Relationships that are characterised by trust are so highly valued by customers that they will desire to commit themselves to such relationships (Garbarino & Johnson, 1999:73; Morgan & Hunt, 1994:24; Moorman *et al*, 1992:316). Thus, trust can be regarded as a major determinant of commitment (Van Vuuren *et al*, 2012b:96; Gounaris, 2005:128; Morgan & Hunt, 1994:24). Further research done by Walter *et al* (2010:5) has proven trust to have a direct and positive influence on commitment as trust has the ability to diminish the perceived risk as well as exposure in a relationship and leads to higher commitment to the relationship.

In the case of the luxury goods, trust has been considered to be an important determinant of commitment (Hanaysha & Hilman, 2015:462; Piderit *et al*, 2011:4). In other words, trust is an ability to face a risk with confidence, resulting in a customer committing to a specific luxury brand more easily (Loureiro, 2014:2; Shuqin & Gang, 2012:176; Uecharoenkit, 2012:87). A customer's trust in a luxury brand does not come only from personal belief but also from the reputation a brand holds for being reliable, honest, credible, consistent and responsible (Hanaysha & Hilman, 2015:462). It is thus suggested that trust in a luxury brand will lead to commitment to that specific brand (Piderit *et al*, 2011:4; Saeed *et al*, 2014:217; Rutherford, 2007:24).

Based on the findings of previous research studies, it can be argued that trust has a significant and positive influence on commitment. Thus, hypothesis 6 is formulated on the basis of the foregoing discussion with regard to the relationship between trust and commitment.

Hypothesis 6

H6a: Trust significantly and positively influences commitment towards a luxury motor vehicle dealership.

4.2.7 Mediating effect of commitment on the relationship between trust and behavioural intention

In Chapter 1 and this chapter it is mentioned that trust has a relationship with commitment, and commitment has a relationship with behavioural intention. This creates the possibility that commitment can serve as a mediator to strengthen the relationship between trust and behavioural intention. Various other studies have proven this mediating effect. Table 4.7 presents the proposed mediating effect of commitment on the relationship between trust and behavioural intention and is thereafter discussed.

Table 4.7: Proposed mediating effect of commitment on the relationship between trust and behavioural intention

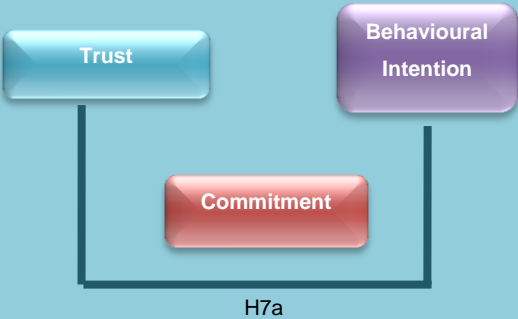
Proposed relationship between constructs	Contributing authors	Industry contribution
 <p>H7a</p>	Morgan and Hunt (1994:25)	Retail
	Gundlach, Achrol and Mentzer (1995:80)	Market research
	Delgado-Ballester and Munuera-Aleman (2001:1224)	Retail
	Gounaris (2005:128)	Service
	Johnson, Herrmann and Huber (2006:123)	Tourism
	Valenzuela and Vásquez-Párraga (2006:19)	Tourism

Table 4.7: Proposed mediating effect of commitment on the relationship between trust and behavioural intention (*continued*)

Proposed relationship between constructs	Contributing authors	Industry contribution
	Caceres and Papparoidamis (2007:840)	Service
	Mukherjee and Nath (2007:1178)	Retail
	Dillard and Bates (2010:84)	Luxury motor vehicle
	Hsu, Liu and Lee (2010:294)	Internet
	Chinomona and Dubihlela (2014:26)	Retail

Trust was originally believed to lead to behavioural intention (Mukherjee & Nath, 2007:1174). The impact of trust on behavioural intention still needs to be clarified as researchers are coming up with different results (Chinomona & Dubihlela, 2014:26). Trust is a long-term orientation and forward looking in nature, indicating that it will take some time for a customer to display favourable behavioural intention (Caceres & Papparoidamis, 2007:840). However, it has been proven by previous studies that trust is indeed a critical factor influencing behavioural intention as it stimulates a relational bond between the organisation and the customer (Gounaris, 2005:127).

To further enhance the relationship between trust and behavioural intention, commitment has been demonstrated by previous studies to act as a mediator (Mukherjee & Nath, 2007:1174; Valenzuela & Vásquez-Párraga, 2006:19). Commitment is believed to mediate the influence of trust on behavioural intention (Hsu *et al*, 2010:294; Mukherjee & Nath, 2007:1178; Johnson *et al*, 2006:123). According to Amani (2015:149) commitment tends to mediate the effect of trust on customers' response to an organisation, which ultimately can lead to favourable behavioural intention such as recommendations, positive word-of-mouth and repurchase.

Based on the findings of previous research studies, it can be argued that commitment has a mediating effect on the relationship between trust and behavioural intention. Consequently, hypothesis 7 is formulated on the basis of the foregoing discussion relating to the mediating effect of commitment on the relationship between trust and behavioural intention.

Hypothesis 7

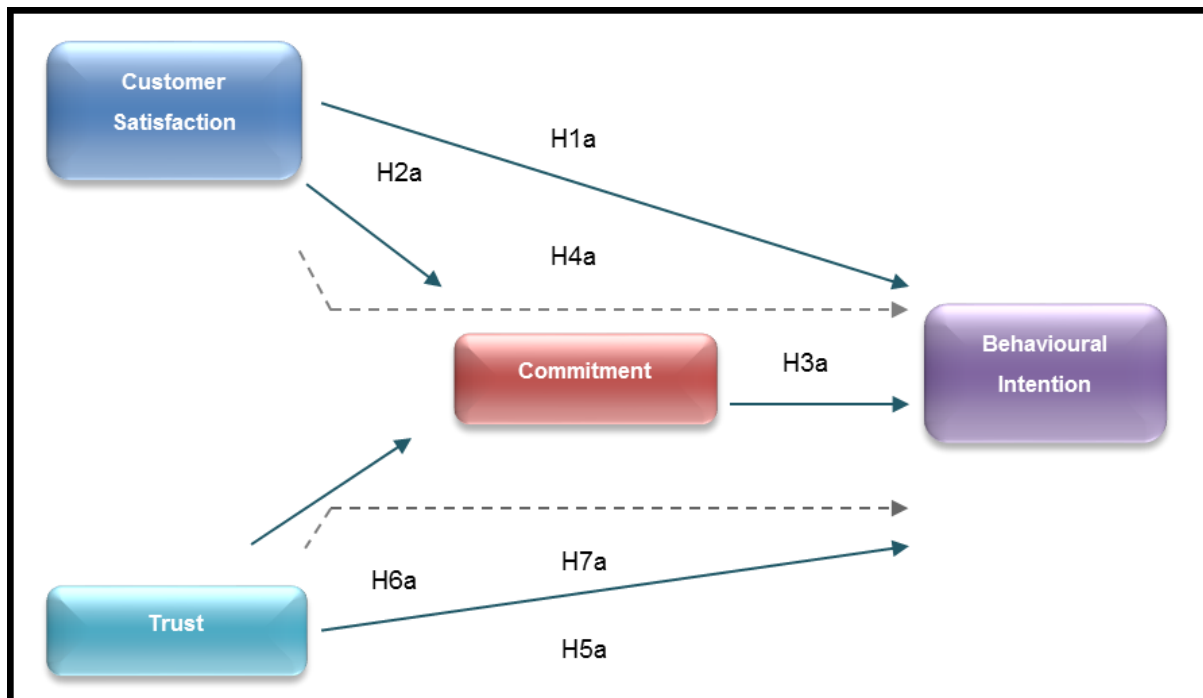
H7a: Trust has a significant positive indirect effect on behavioural intention in favour of a luxury motor vehicle dealership as mediated by commitment towards the dealership.

4.3 THE PROPOSED THEORETICAL MODEL

Figure 4.1 presents the conceptual model of this research study. The model provides a summary of the potential interrelationships of the research constructs that were identified from the literature review.

These relationships and their relevance to the service or repair offering of a luxury motor vehicle dealership are further tested in the empirical part of the study. Ultimately the research findings will assist in addressing the aim of this study, namely to investigate relationship quality dimensions influencing behavioural intention at a luxury motor vehicle dealership.

Figure 4.1: Proposed theoretical model



4.4 SUMMARY

This chapter has provided greater clarification of the research hypotheses and the proposed theoretical model that has been developed in order to attend to the research objectives as presented in Chapter 1. The purpose of the next chapter is to provide more insight into the research methodology of this research study that was followed to complete the empirical part of the investigation. The discussion focuses mainly on the selected research design, data collection method, sample plan and statistical techniques used to test the proposed theoretical model.

CHAPTER 5: RESEARCH METHODOLOGY

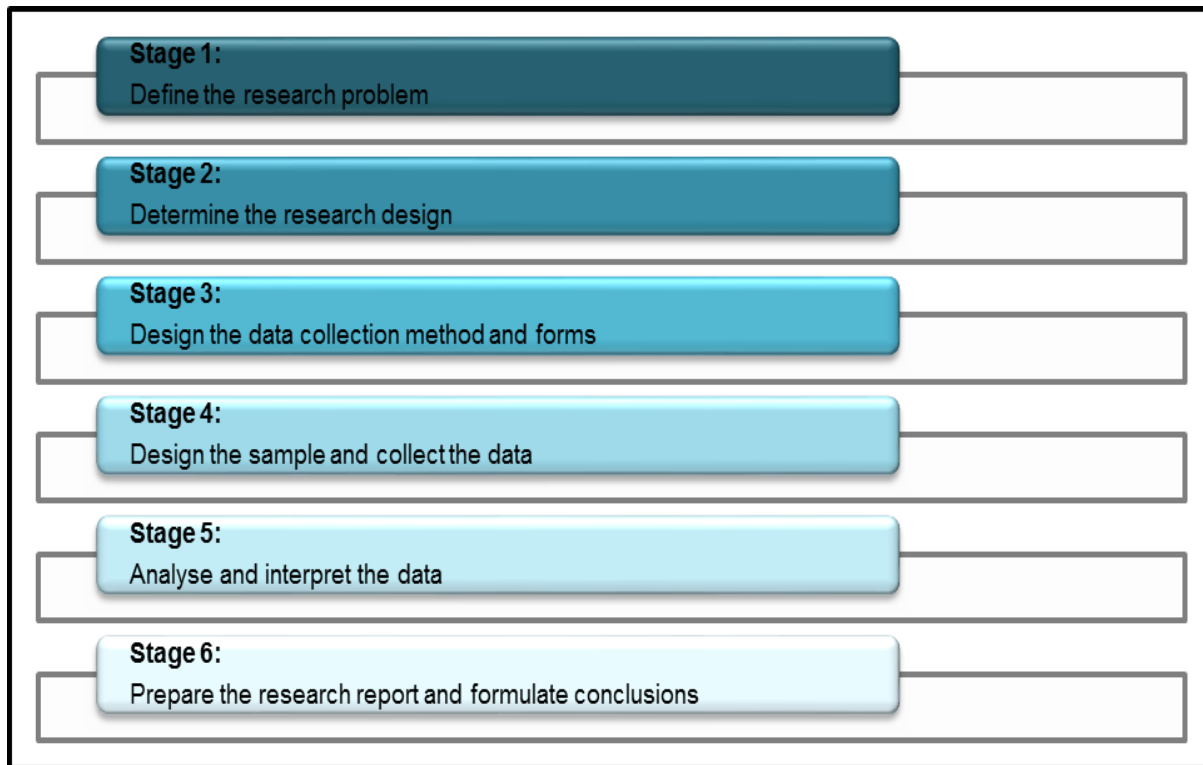
5.1 INTRODUCTION

Chapters 1 to 4 conducted a comprehensive literature investigation into the concepts of relationship marketing, relationship quality, consumer behaviour and behavioural intention. The literature investigation provided more insight into the research topic, which is further investigated in the empirical part of the study. Different opinions and studies were presented and evaluated, which led to the identification of relationship quality factors that could possibly have an influence on the behavioural intention of customers who have had their luxury motor vehicles serviced or repaired at a luxury motor vehicle dealership. These possible factors and their relationships are summarised in Figure 4.1 in Chapter 4.

The focus of Chapter 5 is to provide insight into the research path followed in the remaining part of this study in order to address the research problem. The research methodology is discussed with particular reference to the data collection, the sample and questionnaire design that were used, and analysis methods.

5.2 THE MARKETING RESEARCH PROCESS

Marketing research generally covers a wide range of phenomena. The purpose of conducting marketing research is to provide knowledge regarding the organisation, the market, the economy, or another area of uncertainty (Zikmund *et al*, 2010:5). Marketing research is a process or series of activities that must be performed (Smith & Albaum, 2012:2). Berndt and Petzer (2011:24) define the marketing research process as a way in which researchers go about conducting research, and it consists of a number of stages. Researchers must make decisions at each of the stages in the marketing research process (Zikmund *et al*, 2010:5). The different marketing research stages followed in this study are presented in Figure 5.1.

Figure 5.1: The stages in the marketing research process

Source: Adapted from Berndt and Petzer (2011:25); Fourie (2014:110)

According to Fourie (2014:111), following a scientific method that guides the stages in the marketing research process ensures an outcome of a logical, objective, reliable and valid research process. The marketing research process chosen for this study consists of six stages as presented in Figure 5.1. These stages include defining the research problem and research objectives, determining the research design, designing the method of data collection, designing the sample plan, analysing and interpreting the data, and lastly preparing the research report.

5.3 STAGE 1: DEFINE THE RESEARCH PROBLEM

The first step of the research process involves the identification of a marketing problem or opportunity (Tustin *et al*, 2005:77). In other words, it is necessary for an organisation to have a clear picture of what the problem is, and to be able to formulate specific research objectives (Berndt & Petzer, 2011:27). A research problem refers to the topic the researcher would like to address, investigate, or study (Tuckman & Harper, 2012:22). It is basically the focus or reason for engaging in a research project (Tuckman & Harper, 2012:22; Tustin *et al*, 2005:77). Berndt and Petzer (2011:27) further state that the end result of the research problem process is to determine what the research question is that needs to be answered.

Thus, the research problem is important as it is the basis for all other activities, such as determining the research objectives.

The research problem for this study was described in Section 1.3 and was mainly identified as a gap in existing research investigating the influence of relationship quality constructs on behavioural intention, specifically in the area of post-purchase service and repair of luxury motor vehicles at a luxury motor vehicle dealership. The luxury motor vehicle industry in South Africa is very small and very competitive. Luxury motor vehicle dealerships face the challenge of becoming more flexible and responsive to consumer demand, as all these dealerships are competing for the same type of customer. Thus, for a luxury motor vehicle dealership to succeed under the competitive pressure, the focus should rather be on building quality relationships with customers who have their vehicles serviced or repaired at the dealership. It has been proven that the post-purchase service department can greatly contribute to the profits of a dealership. High quality relationships with customers making use of this service may further lead to behavioural intention in favour of the dealership. These relationships, however, require further investigation to test their applicability to the context of a luxury motor vehicle dealership. The contextualisation of the research problem is summarised in Table 5.1.

Table 5.1: The research problem of this study

The luxury motor vehicle industry in South Africa is very competitive. This is due to the industry being very small, the many market offerings available in the luxury motor vehicle industry, and the nature of luxury motor vehicle customers, who are demanding and difficult to satisfy. Therefore luxury motor vehicle dealerships have to do more than just offering new and used products to their customers and differentiating themselves only on the basis of product attributes such as brand, performance, speed, power and handling. These dealerships should rather differentiate themselves by building quality relationships with customers having their vehicles serviced or repaired at the dealership. Extant literature suggests that relationship quality dimensions such as customer satisfaction, trust and commitment can positively influence the behavioural intention of customers. It has also been established that commitment could mediate the relationship between customer satisfaction and behavioural intention as well as the relationship between trust and behavioural intention.

These relationships, however, have not yet been investigated within the South African luxury motor vehicle environment. Knowledge of these relationships could assist dealerships to identify the weak points in their customer service policies with regard to post-purchase service and repair. Better understanding could be provided in terms of how increased customer satisfaction, trust and commitment can positively influence the behavioural intentions of a luxury motor vehicle dealership's customers. This study may assist to develop a foundation for luxury motor vehicle dealerships to provide better value, quality, service, customer comfort, uniqueness and caring attitude in order to achieve increased relationship quality, which may lead to behavioural intention in favour of the dealership.

5.3.1 Primary objective

Following the identification of the research problem, the main objective of this study is to investigate relationship quality factors influencing behavioural intention at a luxury motor vehicle dealership. Thus, based on this aim, the following secondary objectives were developed to assist in accomplishing the primary objective of the study.

5.3.2 Secondary objectives

To support the primary objective, the following secondary objectives are formulated.

Table 5.2: Secondary objectives of this study

Secondary objectives	
Secondary objective 1	To provide an overview of research literature related to: <ul style="list-style-type: none"> 1a) potential factors influencing behavioural intention in favour of an organisation. 1b) the main constructs of this research study, namely, customer satisfaction, trust, commitment and behavioural intention. 1c) the interrelationship of the main constructs of this research study.
Secondary objective 2	To develop a sample profile of customers who have had their vehicle serviced or repaired at a luxury motor vehicle dealership in Gauteng during the past 24 months and who participated in this research study.
Secondary objective 3	To measure the customer satisfaction levels of customers who have had their motor vehicles serviced or repaired at a luxury motor vehicle dealership in Gauteng during the past 24 months.
Secondary objective 4	To measure the levels of trust of customers towards the luxury motor vehicle dealership in Gauteng that had serviced or repaired their motor vehicles during the past 24 months.
Secondary objective 5	To measure the levels of commitment of customers towards the luxury motor vehicle dealership in Gauteng that had serviced or repaired their motor vehicles during the past 24 months.

Table 5.2: Secondary objectives of this study (*continued*)

Secondary objective 6	To measure the levels of behavioural intention of customers in favour of the luxury motor vehicle dealership in Gauteng that had serviced or repaired their motor vehicles during the past 24 months.
Secondary objective 7	To examine the interrelationships of customer satisfaction, trust, commitment and behavioural intention in favour of a luxury motor vehicle dealership.

5.4 STAGE 2: DETERMINE THE RESEARCH DESIGN

The prime purpose of the research design is to develop a plan for the study to realise the research objectives (Zikmund *et al*, 2010:6; Tustin *et al*, 2005:82). The research design guides the researcher in terms of the data that is required for the study, the methods that are going to be used to collect and analyse the data, and how all of this is going to resolve the research problem (Van Wyk, 2012:4). There are three types of research designs that can be used, namely exploratory, descriptive or causal/experimental designs (Van Wyk, 2012:4; Berndt & Petzer, 2011:31).

5.4.1 Exploratory research design

Exploratory research is usually used when a research project addresses a subject with high levels of uncertainty and the research problem is not very well understood (Van Wyk, 2012:8). In other words, the researcher is not really sure what the exact nature of the research problem is (Berndt & Petzer, 2011:32). Typically there is very little prior knowledge for a researcher to build a research study on (Tustin *et al*, 2005:84). This research design is highly flexible, unstructured and qualitative in nature. An exploratory research design is mainly useful for establishing priorities among the research questions. It can also be used as an introductory research method that will help to provide an explanation of the nature of the research problem (Smith & Albaum, 2012:15).

5.4.2 Descriptive research design

A descriptive research design is usually used when a researcher wants to describe something (Smith & Albaum, 2012:16). The researcher also already knows or understands the underlying relationships of the research problem. This design is constructed to answer the “*who, what, when, where and how*” questions (Smith & Albaum, 2012:16; Tustin *et al*, 2005:86). The research methods used with a descriptive research design are usually structured and quantitative. Descriptive approaches typically include in-house personal

interviews, intercept surveys, landline telephone interviewing, regular mail surveys, and web-based and email surveys (Tustin *et al*, 2005:86; Kothari, 2004:2). The main advantage of using a descriptive research design is that a lot of information can be acquired through description (Sherratt, 2014:1). It is also useful for identifying variables and hypothetical constructs, and descriptions can be used as an indirect test of a theory or model of some behaviour or situation that cannot be studied any other way (Sherratt, 2014:1; Smith & Albaum, 2012:16).

5.4.3 Causal or experimental research design

When a researcher is interested in the relationship between two events, a causal or experimental research design is used (Berndt & Petzer, 2011:32). In other words, a researcher investigates whether one variable determines or even causes the value of another variable (Tustin *et al*, 2005:87). This type of research design is mostly used to assess attitudes both before and after an experiment (Creswell, 2003:20). The data can be collected on an instrumental scale that measures specific attitudes, and this information is then analysed using statistical procedures and hypothesis testing (Smith & Albaum, 2012:17; Kothari, 2004:39; Creswell, 2003:20).

A descriptive research approach was chosen for this study after taking into consideration the research objectives of the study. A descriptive research design is considered suitable as the main aim of this study is to determine the influence of relationship quality dimensions, such as customer satisfaction, trust and commitment, on the behavioural intention of customers who have had their luxury motor vehicles serviced or repaired at a luxury motor vehicle dealership in Gauteng. Based on the aforementioned, this study is structured and pre-planned with a clear problem statement as well as formulated hypotheses (Malhotra, 2010:106). Furthermore the aim of this research study is to uncover certain characteristics of luxury motor vehicle customers in terms of their satisfaction, trust, commitment and behavioural intentions toward a luxury motor vehicle dealership. Thus, the statements mentioned above support the use of a descriptive research design (Smith & Albaum, 2012:15; Malhotra, 2010:106).

5.5 STAGE 3: DESIGN THE DATA COLLECTION METHOD AND FORMS

Following stage 2, attention needs to be given to the data collection method and forms (Berndt & Petzer, 2011:33; Kothari, 2004:95). When deciding on a data collection method, it is important for a researcher to remember that each research project should be considered to be unique in nature, and therefore the most suitable data collection method should be

selected for this research study in order to gather the correct data (Stewart, 2005:116). There is a wide variety of data sources available to researchers, as well as ways in which to gain access to them (Tustin *et al*, 2005:88). These data sources are mainly categorised into two groupings, namely primary and secondary data sources (Berndt & Petzer, 2011:33; Kothari, 2004:95).

Secondary data sources are items of information that have already been collected, being available in published or electronic form (Curtis, 2010:1). Secondary data can be used to address the research problem at hand but will always be used in conjunction with primary data sources (Tustin *et al*, 2005:88). A primary data collection method is followed to collect original data when secondary data methods prove to be insufficient and unable to meet the research objectives (Curtis, 2010:2; Kothari, 2004:95).

A comprehensive literature investigation was conducted in the first part of this research study to obtain more insight into the research topic. A variety of academic sources were consulted including marketing journals such as the *Journal of Marketing*, *Journal of Marketing Research*, *Journal of Product and Brand Management* and textbooks. Factors that could possibly influence the behavioural intention of customers who had their luxury motor vehicles serviced or repaired at a luxury motor vehicle dealership in Gauteng include customer satisfaction, trust and commitment. As such, previous research with regard to relationship marketing (Chapter 2), relationship quality dimensions (Chapter 2), consumer behaviour (Chapter 3), and behavioural intention (Chapter 3) was investigated.

The primary data collection method and forms selected for the empirical part of this study are motivated in the following two subsections.

5.5.1 The data collection method

The most suitable research approach (either qualitative or quantitative research) and the most suitable primary data collection method must be selected when conducting primary data collection (Tustin *et al*, 2005:89). Berndt and Petzer (2011:45) distinguish between the two research approaches by stating that qualitative research methods are exploratory in nature, helping the researcher to better understand the background of the research problem, whereas quantitative research is either descriptive in nature or lends itself to determining causal relationships between variables.

A qualitative research approach is designed to best reflect an individual's experience in the context of their everyday life (Van Wyk, 2012:11). Kothari (2004:3) states that qualitative research usually aims at discovering the fundamental motives and desires of respondents.

Researchers usually use a qualitative research approach when they seek insights through a more flexible, less structured approach (Tustin *et al*, 2005:90). Thus, qualitative research methods tend to involve fewer respondents, and the quality of the information gathered is very important (Van Wyk, 2012:11; Creswell, 2003:18). Typical qualitative research methods include strategies such as narratives, phenomenology, ethnographies, grounded theory studies or case studies (Creswell, 2003:18).

On the other hand, quantitative research refers to testing objective theories by examining the relationship between variables. These variables can in turn be measured on instruments so that numbered data can be analysed using statistical procedures (Creswell, 2008:4). Kothari (2004:3) suggests that quantitative research refers to the measurement of quantity or amount. This research approach mainly involves the collection of primary data from a large number of individuals, with the intention of projecting the results onto a wider population (Tustin *et al*, 2005:89). Quantitative research employs strategies such as experiments and surveys, collecting data on predetermined instruments that yield statistical data (Creswell, 2003:18). The aim of quantitative research is to provide the researcher with sufficient information, based on the results obtained from a representative sample, to be able to generalise about a specific population (Creswell, 2008:4; Tustin *et al*, 2005:89). Thereafter the findings provided can be subjected to statistical manipulation that assists with producing broadly representative data of the total population and also provides forecasts of future events under different conditions (Tustin *et al*, 2005:89).

For the purpose of this research study a quantitative research approach was chosen, as the aim is to develop a detailed understanding of the influence of the relationship quality dimensions of customer satisfaction, trust and commitment on the behavioural intention of luxury motor vehicle customers who have had their motor vehicles serviced or repaired at a luxury motor vehicle dealership in Gauteng. Consequently, the focus of this study is on making predictions and providing insights on the influence of relationship quality on behavioural intention in the area of post-purchase service and repair of luxury motor vehicles. This also includes the validation of relationships between the constructs identified for this study as well as testing hypotheses of these predetermined constructs.

Furthermore, the quantitative research approach is used in conjunction with a descriptive research design, which is the chosen research design for this research study. The purpose is to provide and describe the characteristics of luxury motor vehicle customers. Due to time and money constraints, this study further aims to obtain information from a relatively large number of respondents by means of predetermined questionnaires, which further supports the choice of a quantitative research method (Creswell & Clark, 2011:185).

5.5.2 The data collection form

The next step is to select an appropriate data collection form (Craig & Douglas, 2005:295). Researchers have a choice between an observational, experimental or survey data collection form. According to Marshall (2006:98) observation is mainly the systematic noting and recording of specific events, behaviours and objects in a social setting chosen for a study. In other words, with observation research the researcher is able to record patterns in customers' behaviour as they interact with products, people and their physical surroundings while in a natural environment (Graeff, 2010:51; Marshall, 2006:98). In experimental research the researcher measures the effect of an experiment which is conducted intentionally (Craig & Douglas, 2005:42; Kothari, 2004:120). It provides a systematic, logical method for answering the question, "What will happen if this is done when certain variables are carefully controlled and/or manipulated?" (Kothari, 2004:120). A survey data collection method is designed with the purpose of collecting data from people (Berndt & Petzer, 2011:132). A survey method can usually be repeated over time to determine how market conditions or customer segments change, and help to establish specific market trends (Curtis, 2010:2). Researchers also tend to use a survey method in a descriptive study when collecting quantitative primary data (Berndt & Petzer, 2011:132; Curtis, 2010:2).

Survey methods are the most popular method of data collection used when conducting research studies (Curtis, 2010:2; Burns & Bush, 2003:237). The survey method, in comparison to observation and experimental research methods, allows for significant amounts of data to be collected in an economical and efficient manner (Curtis, 2010:2). Surveys are usually conducted in the case of descriptive research studies, with the purpose of collecting relevant data so as to make data comparable, to minimise biases and to motivate participants to participate in the survey (Marshall, 2006:125; Kothari, 2004:120). A survey method further helps to make inferences about a large group of people based on data gathered from a relatively small number of individuals in that group (Marshall, 2006:125). The basic aim of using a survey method is to describe and explain statistically the variability of certain aspects in a population (Oschman, 2009:203; Marshall, 2006:125). Consequently, for the purpose of this research study, a survey method was chosen because data was gathered from a relatively small representative population of the luxury motor vehicle industry in Gauteng. The survey method assisted with describing and explaining statistically the variability of the influence of relationship quality on the behavioural intention of customers towards a luxury motor vehicle dealership. Also, the survey method helped to make the data gathered relevant to and comparable for this study.

Using survey methods further has five advantages, namely standardisation, ease of administration, ability to tap the “unseen”, suitability for tabulation and statistical analysis, and sensitivity to subgroup differences (Finn & Jacobson, 2008:56; Burns & Bush, 2003:238). Table 5.3 provides a description for each of the five advantages of using survey methods.

Table 5.3: Advantages of survey research methods

Advantage	Description
Standardisation	All respondents react to questions worded identically and presented in the same order. The response options or scales are also the same.
Administration ease	Questions can be read and recorded quickly and easily as respondents can complete the surveys themselves.
Tapping of the “unseen”	Questions can be asked about motives, circumstances, sequences of events and mental deliberations.
Tabulation or analysis	Computer processing and large sample sizes allow quick tallies, cross-tabulations, and other statistical analysis.
Subgroup differences	Respondents can be divided into subgroups for comparisons in the search for meaningful differences.

Source: Adapted from Finn and Jacobson (2008:56); Burns and Bush (2003:238)

Survey methods also have a few disadvantages. Respondents may not complete the survey resulting in a low response rate; items may not have the same meaning to all respondents; surveys are unable to probe for additional information; and good survey questions are hard to write and take time to develop and perfect (Finn & Jacobson, 2008:56; Burns & Bush, 2003:237). These disadvantages can be overcome to some extent. For the purpose of this study respondents could be reminded regularly to complete the survey, ensuring a good enough response rate, and it was possible to ensure that the questions developed for this study included all the information necessary to reflect a clear picture of respondents' feedback.

The survey data collection method consists of three categories, namely interviewer-administered surveys, telephone-administered surveys, and self-administered surveys (Marshall, 2006:126). According to Berndt and Petzer (2011:136) interviewer-administered surveys are in the form of a conversation where two people (the interviewer and interviewee) discuss an issue by means of a dialogue. Telephone-administered surveys are conducted by the researcher calling individuals and having them answer questions over the phone (Curtis, 2010:2; Marshall, 2006:125). A self-administered survey is one where the respondent is able

to complete and submit a questionnaire without the assistance of the researcher (Berndt & Petzer, 2011:141). When surveys are conducted, factors such as their relative cost, the target population, the type and length of the survey, and time constraints largely determine the choice of survey to be used (Curtis, 2010:2; Marshall, 2006:125; Craig & Douglas, 2005:295).

Using a self-administered survey method differs from other survey methods in that there is no one administering the survey (Touvier *et al*, 2011:288; Roberts, 2007:1). It allows the respondent to read the questions and respond directly on the survey (Touvier *et al*, 2011:288). The respondent can go at his or her own pace, select the place and time to complete the survey, and also decide when the survey will be returned (Burns & Bush, 2003:243). Self-administered surveys have been found to provide more insightful information in comparison to other survey data collection methods (Touvier *et al*, 2011:288; Burns & Bush, 2003:243). For the purpose of this research study, self-administered surveys were used to obtain opinions of respondents in a structured manner. Respondents selected for this study were wealthy, successful and influential people with limited time. Distributing self-administered surveys allowed respondents to complete and return the survey at their own pace.

Self-administered surveys further have three important advantages. Firstly, self-administered surveys reduce cost as the need for an interviewer is eliminated. Secondly, they allow for respondent control, which indicates that respondents can control the pace at which they respond so that they do not feel rushed. Lastly, there is no interviewer-evaluation apprehension so respondents have no need to feel apprehensive when answering questions (Touvier *et al*, 2011:288; Roberts, 2007:1). Self-administered approaches make respondents feel more at ease by taking the administrator, the human or the computer out of the picture (Roberts, 2007:1).

There are also a few disadvantages to using self-administered surveys. As self-administered surveys place the control of the survey in the hands of prospective respondents, they create the possibility that respondents will leave the survey incomplete, will answer questions erroneously, will not respond in a timely manner or will refuse to return the survey at all (Burns & Bush, 2003:245; Roberts, 2007:2). To overcome this disadvantage, respondents can be reminded regularly to complete and return the survey. Also, by ensuring that more surveys are completed than the required sample size, provision could be made to disregard surveys completed in erroneous ways. Another disadvantage of self-administered surveys is that since there is no interviewer the burden of respondents' understanding of the questions falls on them (Touvier *et al*, 2011:290; Roberts, 2007:2). In order to overcome this

disadvantage, the survey was designed to have very clear instructions and easy, short, understandable questions.

The quality of data gathered is largely determined by the design of the questionnaire and the questions it contains (Ganassali, 2008:21). Various studies have found that the first thing respondents look at is how long the questionnaire is, as that will represent the level of effort required to complete it (Ganassali, 2008:21; Healy *et al*, 2005:2). A lengthy questionnaire is bound to get a low response rate. The questionnaire was therefore designed to be clear and short to ensure question clarity while keeping the objectives of the research study in mind (Siniscalco & Auriat, 2005:31).

The next section discusses various criteria that were taken into consideration when the self-administered questionnaire was designed.

5.5.3 Questionnaire as a data collection form

A questionnaire can be defined as a primary data collection instrument that sets out the questions in a formal way that will ensure the gathering of the desired information (Mathers *et al*, 2009:9; Postlethwaite, 2005:3). According to Marshall (2006:3) a questionnaire comprises several questions that have structured response categories. A questionnaire is declared as standardised when each respondent is exposed to the same questions and to the same system of coded responses (Postlethwaite, 2005:3). The aim of a standardised questionnaire is to ensure that differences in responses to questions can be interpreted to reflect differences among respondents instead of differences in the processes that produced the answers (Mathers *et al*, 2009:9; Postlethwaite, 2005:3). Thus, questionnaires should always have a definite purpose that can be related to the objectives of the study (Phellas *et al*, 2011:184).

The following sections provide more insight into the process that was followed to design the questionnaire for the empirical part of the study.

5.5.3.1 Question response formats and measurement levels

(i) Open-ended and fixed alternative questions

Question response formats in questionnaire design can take two formats, namely open-ended questions and fixed-alternative questions (Siniscalco & Auriat, 2005:26). Open-ended questions are also known as unstructured questions, and ask for a response in the respondent's own words (Craig & Douglas, 2005:267). No set of alternative responses is provided (Siniscalco & Auriat, 2005:26). For example, "*What type of luxury motor vehicle do*

you prefer to own?” or *“What is the colour of your current luxury motor vehicle?”* Open-ended questions can also be structured in a probed and unprobed format (Reja *et al*, 2003:161). Researchers use a probed format when they want to probe for a more comprehensive answer from respondents by asking, for example, if they can think of anything more to add. An unprobed format is used when no additional information is wanted from respondents (Burns & Bush, 2003:271; Reja *et al*, 2003:161).

The main reason for using an open-ended question is that it creates the possibility of adding new information on a topic about which very little information is available (Mathers *et al*, 2009:20). Open-ended questions allow respondents to interpret them in their own way (Siniscalco & Auriat, 2005:26; Burgess, 2001:5). The main disadvantage of this is that the researcher will receive a variety of answers which might be difficult and time consuming to code (Mathers *et al*, 2009:20; Craig & Douglas, 2005:267).

According to Craig and Douglas (2005:267) fixed alternative questions are usually associated with quantitative research. Fixed alternative questions provide respondents with limited options when choosing an answer. These questions could be as simple as requesting a *Yes* or *No* answer or could require a respondent to choose among several answer options (Siniscalco & Auriat, 2005:23). Fixed alternative questions can be divided into two basic forms. The first type of format requires the respondent to make one or more choices from a list of possible responses. The second type of format involves the use of a rating scale whereby respondents are given a range of labelled categories that represents the available response options (Burgess, 2001:5). Fixed alternative questions can be categorised into three formats, namely dichotomous, multiple-choice and scaled responses.

Dichotomous questions are the simplest form of fixed alternative question. They allow only two possible responses (Burns & Bush, 2003:271; Reja, 2003:165). For example, responses will only include options such as *Yes/No* or *Male/Female*. Multiple-choice questions offer a respondent more than two fixed alternative responses (Burgess, 2001:5). Respondents could be asked to choose only one alternative that correctly states their opinion, or they could indicate all the alternatives that they consider to be valid (Siniscalco & Auriat, 2005:24). For example, the alternative given to the question *“How old are you?”* may include categories such as *younger than 20 years* or *20–29 years* or *30–39 years*, or *40 years and older*.

Lastly, scale questions allow a researcher to measure the intensity of a respondent's answers to multiple-choice questions (Craig & Douglas, 2005:267). A Likert scale is usually used as it asks respondents to evaluate only one statement at a time on a scale ranging

from one extreme point to the other (Bertram, 2012:1; Jamieson, 2004:1217). For example, the respondent is asked to answer a specific question by choosing on a scale of 1 to 4, where 1 is equal to *never* and 4 is equal to *often*. Boone and Boone (2012:2) further indicate that Likert scales can be divided into two types, namely intensity scales and frequency scales. Levels of agreement, liking or satisfaction are tested using intensity types of Likert scale. Frequency types of Likert scale tends to measure how often a respondent performed a specific action.

For the purpose of this research study, the questionnaire was designed using mostly fixed alternative questions. These questions are very easy to answer, do not require a lot of effort, lead to lower levels of interviewer bias and increase the ease of analysis (Malhotra, 2010:50). All three fixed alternative question formats were used in the questionnaire (dichotomous, multiple-choice and scale questions). The questionnaire designed for this study contained one unprobed open-ended question asking respondents to indicate in which year they were born. In addition, an intensity type of Likert scale was used in order to efficiently measure the level of respondents' agreement with given statements measuring the study's constructs (customer satisfaction, trust, commitment and behavioural intention).

(ii) Measurement levels

Measurement levels can be defined as the assignment of numbers to objects (Mathers *et al*, 2009:10). There are four basic measurement levels, namely nominal, ordinal, interval and ratio (Phellas *et al*, 2011:196). The four scales of measurement differ in accordance with the relationships assumed to exist between objects having different scale values (Phellas *et al*, 2011:196; Mathers *et al*, 2009:10). Table 5.4 provides a summary of each level of measurement.

Table 5.4: Levels of measurement

Level of measurement	Description
Nominal	A nominal measurement scale involves placing respondents into separate categories, for example, gender (male or female), language (Afrikaans, English, Setswana, Sesotho, isiXhosa, isiZulu), or marital status (married, single, widowed, divorced). Nominal questions should be used when the potential answers are categorised and the respondent must fit into only one category.

Table 5.4: Levels of measurement (*continued*)

Level of measurement	Description
Ordinal	An ordinal measurement scale mainly indicates less than or greater than. In other words ordinal measurement scales involve the notion of order or rank between categories. For example, a respondent can be asked to rank a statement according to certain provided categories such as strongly agree, agree, disagree, strongly disagree.
Interval	Interval measurement scales are generated when variables are arranged in a sequence and the intervals between the values have numerical significance. The interval measurement scale implies continuous data as the zero point is decided by the developer of the scale. For example, a respondent can be asked to measure a statement according to 5-point scale where 5 is equal to strongly agree and 1 is equal to strongly disagree.
Ratio	Ratio measurement scales consist of all the properties of interval measurement scales but with a true zero point. It can be used to measure data very accurately as the number zero has a definite meaning. Examples include height, weight, age, annual income, time duration, and heart rate, to name but a few.

Source: Berndt and Petzer (2011:220); Phellas *et al* (2011:196)

For the purpose of this research study, nominal, ordinal and interval measurement scales were used during the design of the questionnaire. The fixed alternative questions allowed respondents to choose number response alternatives which produced nominal data. The nominal data was used to achieve the objective of obtaining descriptive statistics, such as being able to develop a detailed demographic profile of luxury motor vehicle customers. The intensity type of Likert scale gave order to the responses but with no definite interval or point of zero, which offered ordinal data. The ordinal data was used to help calculate summary statistics that could assist with determining the position and magnitude of differences between relationship quality constructs. Lastly, the open-ended question used to determine the birth (age) of respondents provided nominal and ordinal data.

Question sequence, content, phrasing and layout

Additionally, the researcher had to pay careful attention to the sequence of the questions asked as well as the question content, phrasing and layout. The recommendations described in the next section were implemented to ensure that the correct procedures were followed.

(iii) Question sequence and content

According to Acharya (2010:10) and Brancato *et al* (2006:9) the following basic guidelines can be applied for sequencing a questionnaire:

- Ensure that topics flow in a logical order, as well as the questions within a specific topic. Ideas should flow effortlessly from one question to another.
- Commence the questionnaire with an easy, non-threatening question and interesting question.
- If there is a likelihood that the response to one question could influence the response to another question, then these questions should be separated.

The sequence of the questionnaire should encourage respondents to answer the questions as accurately as possible (Burgess, 2001:7). They should have the feeling that completing the questionnaire is an interesting and diverting task. Additionally, Sarantakos (2005:269) states that questions should be sequenced in a logical order which allows a smooth transition from one topic to the next. This logical order can be accomplished by grouping related questions together under a short heading describing the theme of the section (McGuirk & O'Neill, 2005:150). This will ensure that respondents understand the purpose of the research conducted and they will carefully answer the survey questions (Bird, 2009:1310; Sarantakos, 2005:269). The approach of skip patterns can be used in a questionnaire, which entails asking respondents a varied number of questions in different sequences. Skip patterns should be straightforward to avoid any confusion among interviewers (McGuirk & O'Neill, 2005:150).

Krosnick and Presser (2010:264) suggest that when question content is considered, the respondent should have all the relevant data to provide and should also agree to disclose the data. All the information collected in a questionnaire should be applicable to the study (Bird, 2009:1312). Questions should be asked only if the answer would assist with the objectives of the study (Krosnick & Presser, 2010:264; Bird, 2009:1312). Also, researchers should avoid using double-barrelled questions (involving two questions in one) in a questionnaire as it will create confusion among respondents (Krosnick & Presser, 2010:264).

(iv) Question phrasing

Phrasing questions involves translating the desired content into words and phrases which the respondents will be able to understand easily (Kellermann, 2007:2). Brancato *et al*

(2006:5) advise that leading questions should be avoided when phrasing questions. If a certain response is suggested by a question, the respondent is likely to present that particular answer (Krosnick & Presser, 2010:264). Wording used when phrasing questions should be simple and understandable to respondents (Brancato *et al*, 2006:5). If alternatives are provided in a question and assumptions implied, these should all be clearly stipulated for respondents (Krosnick & Presser, 2010:264). Questions can be evaluated using several criteria in order to prevent confusing mistakes, namely assessing each question to determine whether it has another meaning, and using simpler wording when phrasing questions (Kellermann, 2007:2).

(v) Questionnaire layout

A good questionnaire layout is crucial in order for a researcher to generate data contributing to the objectives of the study (Bird, 2009:1310). Questionnaire layout refers to elements such as the length of the questionnaire and output. These elements need to be considered to ensure reliability, validity and sustained engagement with respondents (McGuirk & O'Neill, 2005:150). Bird (2009:1312) further states that a researcher should keep in mind that a questionnaire should take no longer to complete than the time respondents are willing to spend to answer it.

Acharya (2010:12) suggests that a few key elements should be taken into consideration when designing the layout of the questionnaire, such as spacing, quality of production and coding or analysis requirements. Firstly, sufficient spacing between questions should be provided. Enough spacing for an adequate answer should also be provided for open-ended questions (Acharya, 2010:12; Brancato *et al*, 2006:5). Secondly, high quality printing together with a good quality of paper can enhance the professional look of the questionnaire (Acharya, 2010:12; McGuirk & O'Neill, 2005:150). Thirdly, the individuals involved with coding and analysing the questionnaire should also be consulted on the best layout and design requirements to ensure that the data can be processed effectively (Acharya, 2010:12; Krosnick & Presser, 2010:264).

Siniscalco and Auriat (2005:35) state that the instructions given in a questionnaire should always be simple and clear. Understandable instructions should be given on how to complete the questionnaire in order to avoid any uncertainty or confusion (Burgess, 2001:8). Finally, each question in the questionnaire should be numbered, and breaking questions up across pages should be avoided (Siniscalco & Auriat, 2005:35).

5.5.3.2 Pilot testing

The last step in designing a questionnaire is to pilot or test it with a small number of respondents prior to conducting the actual research (Phellas *et al*, 2011:197). A pilot stage will enable a researcher to ensure that all the relevant issues are included, that the topic order is correct, ambiguous or leading questions are identified, that the pre-codes are correct, and that no issues important to respondents have been forgotten or omitted (Mathers *et al*, 2009:30; Rattray & Jones, 2007:237).

As part of the pilot study, the questionnaire was pretested amongst 10 respondents from the target population. The researcher interviewed the 10 respondents face to face to ensure that problem areas and topics of confusion were easily identified (Rattray & Jones, 2007:237). Tested in the pilot study were questionnaire aspects, such as question content, wording, sequence, form and layout, question difficulty and instructions for each section. A number of corrections were made based on the feedback obtained from the respondents.

An overview of the final questionnaire that was used in the empirical part of the research study is provided in the following section.

5.5.4 Overview of final questionnaire

The final questionnaire consisted of two sections (Section A and B). These two sections followed just after the introduction to the questionnaire. Appendix A presents the final questionnaire used in this study.

(i) Section A: Demographic questions

Section A consisted of five questions. The main objective of the first section of the questionnaire was to obtain the demographic information of respondents, such as the current luxury motor vehicles they drive or own, gender, employment status, marital status and the year they were born.

(ii) Section B: Relationship quality constructs and behavioural intentions

Section B consisted of two main categories, namely statements related to the relationship quality constructs and statements related to behavioural intentions. The main objective of the first category in Section B was to measure luxury motor vehicle customers' reactions with regard to the various relationship quality constructs, including customer satisfaction, trust and commitment. In total, eighteen statements were adopted from various research studies conducted previously concerning the relationship quality constructs. Respondents had to

indicate their level of agreement on a five-point unlabelled Likert scale where 1 = strongly disagree and 5 = strongly agree.

The main objective of the second part, in Section B, was to measure luxury motor vehicle customers' behavioural intention towards the luxury motor vehicle dealership. Ten statements were generated from previous studies. Again, respondents had to indicate their level of agreement on a five-point unlabelled Likert scale where 1 = very low and 5 = very high.

A summary of the statements developed for this research study's questionnaire in relation to the sources used is presented in Table 5.5. (All the statements were adapted for the purpose of the study.) The table further provides an indication of the relevant response format and level of measurement that was used for each statement. Where applicable, the table also highlights the relevant objective and hypothesis findings that each statement assisted in addressing.

Table 5.5: Summary of questions and statements in relation to sources used, response format, measurement level, secondary objectives and research hypotheses

Question/statement number	Question/statement	Source	Response format	Level of measurement	Secondary objective	Research hypothesis
Section A: Demographic information						
Section A, Question 1	In addition to driving a Porsche, what other model of car do you drive/own?	Self-generated	Multiple-choice	Nominal	Secondary objective 2	~
Section A, Question 2	Please indicate your gender.	Self-generated	Dichotomous	Nominal	Secondary objective 2	~
Section A, Question 3	Which one of the following options best describes your employment status?	Self-generated	Multiple-choice	Nominal	Secondary objective 2	~
Section A, Question 4	Please indicate your marital status.	Self-generated	Multiple-choice	Nominal	Secondary objective 2	~
Section A, Question 5	In which year were you born?	Self-generated	Open-ended	Nominal and ordinal	Secondary objective 2	~
Section B: Perceptions regarding research constructs						
Customer Satisfaction						
Section B, Question 1.1	My choice to use this dealership was a wise one.	Dagger & O'Brien (2010:1551)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objectives 3 & 7	H1a, H2a, H4a
Section B, Question 1.2	I am always delighted with the dealership's service.	Dagger & O'Brien (2010:1551)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objectives 3 & 7	H1a, H2a, H4a

Table 5.5: Summary of questions and statements in relation to sources used, response format, measurement level, secondary objectives and research hypotheses (*continued*)

Section B, Question 1.3	Overall I am satisfied with the service provided.	Dagger & O'Brien (2010:1551)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objectives 3 & 7	H1a, H2a, H4a
Section B, Question 1.4	I did the right thing when I decided to use this dealership.	Dagger & O'Brien (2010:1551)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objectives 3 & 7	H1a, H2a, H4a
Section B, Question 1.5	I feel good about using this dealership.	Dagger & O'Brien (2010:1551)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objectives 3 & 7	H1a, H2a, H4a
Section B, Question 1.6	I feel that my experience with this dealership has been enjoyable.	Brady & Robertson (2001:54)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objectives 3 & 7	H1a, H2a, H4a
Trust						
Section B, Question 1.7	This dealership can be trusted.	Dagger & O'Brien (2010:1551)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 4 & 7	H5a, H6a, H7a
Section B, Question 1.8	This dealership can be counted on to do what is right.	Dagger & O'Brien (2010:1551)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 4 & 7	H5a, H6a, H7a
Section B, Question 1.9	This dealership has high integrity.	Dagger & O'Brien (2010:1551)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 4 & 7	H5a, H6a, H7a
Section B, Question 1.10	This dealership is trustworthy.	Dagger & O'Brien (2010:1551)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 4 & 7	H5a, H6a, H7a

Table 5.5: Summary of questions and statements in relation to sources used, response format, measurement level, secondary objectives and research hypotheses (*continued*)

Section B, Question 1.11	This dealership keeps its promises.	Dagger & O'Brien (2010:1551)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 4 & 7	H5a, H6a, H7a
Commitment						
Section B, Question 1.12	My relationship with this dealership is something that I am very committed to.	Dagger & O'Brien (2010:1551)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 5 & 7	H2a, H3a, H4a, H6a, H7a
Section B, Question 1.13	My relationship with this dealership is very important to me.	Dagger & O'Brien (2010:1551)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 5 & 7	H2a, H3a, H4a, H6a, H7a
Section B, Question 1.14	My relationship with this dealership is something I really care about.	Dagger & O'Brien (2010:1551)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 5 & 7	H2a, H3a, H4a, H6a, H7a
Section B, Question 1.15	I believe the dealership and I are both committed to the relationship.	Dagger & O'Brien (2010:1551)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 5 & 7	H2a, H3a, H4a, H6a, H7a
Section B, Question 1.16	I have a strong sense of loyalty to this dealership.	Dagger & O'Brien (2010:1551)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 5 & 7	H2a, H3a, H4a, H6a, H7a
Section B, Question 1.17	This dealership is prepared to make short-term sacrifices to maintain our relationship.	Dagger & O'Brien (2010:1551)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 5 & 7	H2a, H3a, H4a, H6a, H7a
Section B, Question 1.18	I believe this dealership and I view our relationship as a long-term partnership.	Dagger & O'Brien (2010:1551)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 5 & 7	H2a, H3a, H4a, H6a, H7a

Table 5.5: Summary of questions and statements in relation to sources used, response format, measurement level, secondary objectives and research hypotheses (*continued*)

Behavioural intention in favour of the dealership						
Section B, Question 2.1	The likelihood that I will share my satisfaction with this dealership with friends and family.	Bock, Zmud, Kim & Lee (2005:99)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 6 & 7	H1a, H3a, H4a, H5a, H7a
Section B, Question 2.2	The likelihood that I will highly recommend others to make use of the services provided at this dealership.	Bock, Zmud, Kim & Lee (2005:99)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 6 & 7	H1a, H3a, H4a, H5a, H7a
Section B, Question 2.3	The likelihood that I will continue to bring my motor vehicle to this dealership even if I have to pay more for a service or a repair.	Chiou (1998:306)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 6 & 7	H1a, H3a, H4a, H5a, H7a
Section B, Question 2.4	The likelihood that I will pay a higher price than competitors charge for the benefits I currently receive from this dealership.	Tsaur, Lin & Wu (2005:55)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 6 & 7	H1a, H3a, H4a, H5a, H7a
Section B, Question 2.5	The likelihood that I will use social media platforms to express how satisfied I am about this dealership.	Boyer & Hult (2006:145)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 6 & 7	H1a, H3a, H4a, H5a, H7a

Table 5.5: Summary of questions and statements in relation to sources used, response format, measurement level, secondary objectives and research hypotheses (*continued*)

Section B, Question 2.6	The likelihood that I will socialise at this dealership due to the extra services provided by Carrera Cafe.	Hausknecht (1990:10)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 6 & 7	H1a, H3a, H4a, H5a, H7a
Section B, Question 2.7	The likelihood that I will defend this dealership to critics.	Boyer & Hult (2006:145)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 6 & 7	H1a, H3a, H4a, H5a, H7a
Behavioural intention in favour of the dealership						
Section B, Question 2.8	The likelihood that I will service my car at this dealership again.	Boyer & Hult (2006:145)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 6 & 7	H1a, H3a, H4a, H5a, H7a
Section B, Question 2.9	The likelihood that I will recommend this dealership's services to a friend.	Tsaur, Lin & Wu (2005:55)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 6 & 7	H1a, H3a, H4a, H5a, H7a
Section B, Question 2.10	The likelihood that I will select the same dealership to service or repair my car.	Boyer & Hult (2006:145)	Multi-item scale – unlabelled Likert-type scale	Interval	Secondary objective 6 & 7	H1a, H3a, H4a, H5a, H7a

5.6 STAGE 4: DESIGN THE SAMPLE AND COLLECT DATA

Established so far is the research problem for this study, a suitable research design has been developed, and a proper data collection method and form. Developing a suitable plan for collecting data is the next step in this study's research process.

5.6.1 The study population

The study population can be defined as the total group of individuals that the researcher wishes to examine, study or collect information from (Mathiyazhagan & Nandan, 2010:44; Ross, 2005:2). Johnston and Sabin (2010:39) explain that for the study population to be complete, it should be described in terms of elements, sampling units, extent and time. An element refers to the body from which information will be collected. The extent is the geographical boundaries within which the research will be conducted. A sample unit is the means by which access will be gained to the element. Time refers to the period in which a specific act was performed by the respondents (Johnston & Sabin 2010:39; Ross, 2005:2).

The population for this study was specified using the definitions provided by Johnston and Sabin (2010:39) and Ross (2005:2). Thus, the study population includes luxury motor vehicle owners (the element) in Gauteng (the extent) who had taken their motor vehicles for a service or repair at a luxury motor vehicle dealership (sample unit) during the past 24 months (time).

5.6.2 Selecting the sample

A sample is considered to be the subgroup of a population (Latham, 2007:1). Sampling is selecting a portion of the study's population which will represent the whole population (Landreneau & Creek, 2007:1). The researcher has to decide between using a sample-based method or a non-sample-based method (Molenberghs, 2013:45). A sample-based method can be defined as an act, process or technique used to select a suitable representative part of a population for the purpose of determining characteristics of the whole population (Chaturvedi, 2014:5; Berndt & Petzer, 2011:165; Latham, 2007:1; Mugo, 2002:1). A non-sample-based method refers to a census, which can be defined as the collection of data from the entire population (Molenberghs, 2013:45; Berndt & Petzer, 2011:166).

For the purpose of this research study a census of the study population was conducted. The reason a census method was used is that a complete sample frame had been obtained from a luxury motor vehicle dealership in Gauteng that accurately reflected the study population.

Indicated in Section 1.7.3, the sample frame selected for the study consisted of 1 800 luxury motor vehicle owners who had had their motor vehicles serviced or repaired at a luxury motor vehicle dealership in Gauteng during the past 24 months. This was a complete list obtained from a particular luxury motor vehicle dealership, including all of their luxury motor vehicle owners residing in Gauteng who had had their luxury motor vehicles serviced or repaired in the past 24 months. Using a census method provided the benefits of conducting an intensive study on the research problem and a higher degree of accuracy in quality data gathered (Berndt & Petzer, 2011:166).

5.6.3 Collecting the data

Zikmund and Babin (2013:64) state that each available research technique requires different methods of data collection, making it vital to ensure the appropriate selection, supervision, training and evaluation of fieldworkers, which will reduce any possible data collection errors. Data collection refers to the task of actually collecting the responses from the study population (Berndt & Petzer, 2011:202). The most desirable approach with regard to selecting a data collection method is dependent on the nature of the research problem as well as on the time and resources available to the researcher (Kothari, 2004:113).

In this study, self-administered questionnaires were distributed by the researcher electronically through email to the list of customers at the luxury motor vehicle dealership from the 1st of August 2015 to 7th of September 2015. The email was constructed to address each prospective respondent on the list personally. Furthermore, the email consisted of a short introduction to the study, an explanation of the study's objective, the rights of respondents, completion instructions and a link to the actual questionnaire. The prospective respondents were given three weeks to submit the completed questionnaire. A reminder was sent by the researcher once every week to encourage prospective respondents to complete and submit the questionnaire.

Like other statistical techniques, the structural equation model (SEM) requires an appropriate sample size to produce reliable estimates (Muthen & Muthen, 2009:600). Hair *et al* (2010:606) recommend that the preferred sample size should be at least 200 respondents but should not exceed 400 in order to effectively test the SEM. If the sample size were to exceed 400 or 500 respondents, the SEM analysis would become too sensitive, making the goodness-of-fit measure show poor fit (Hair *et al*, 2010:606; Muthen & Muthen, 2009:600). A good sample size for SEM research studies should therefore be a minimum of 200 and maximum 400 respondents (Hair *et al*, 2010:606). The aim was to obtain at least 300 usable responses for analysis (16.5% of the study population).

5.7 STAGE 5: ANALYSE AND INTERPRET DATA

The next step in the research process is to analyse and interpret the data. De Smith (2014:21) states that data is analysed in order to create data structures that are useful to decision makers. Before data can be analysed, researchers should start with data processing, which implies that data must first be edited, coded, transcribed and cleaned (Bird, 2009:1315; Kothari, 2004:22). Editing is done to ensure relevance, completeness, legibility, comprehensibility, consistency, uniformity and accuracy (Rattray & Jones, 2007:239). Incomplete responses are cleaned up and data is coded, which implies that raw data is assigned codes for capturing (Bird, 2009:1315). According to Malhotra (2010:454) coding consists of assigning numbers or scores to each possible response in the questionnaire. Editing and coding assist with more accurate data analysis (De Smith, 2014:22; Malhotra, 2010:454).

For the purpose of this research study, data was checked for accuracy, completeness and validity. StatCS, the Statistical Consultation Service of the North-West University of Potchefstroom, entered the data into a statistical computer program called SPSS (Statistical Package for the Social Sciences) version 22 to proceed with data editing, coding, transcribing, cleaning and analysis. The following editing, coding, transcribing and data cleansing processes were considered for this study and implemented where relevant:

- Editing: Checking for completeness of the questionnaires and omitting all questionnaires with missing pages, sections or questions that had not been completed.
- Coding: Pre-coding all the fixed alternative questions by assigning number codes, and coding open-ended question as soon as the questionnaires were edited.
- Transcribing: Capturing the coded data from the questionnaire directly into the computer is known as transcribing (Malhotra, 2010:458). StatCS would enter the data into the statistical computer program SPSS version 22 in order for the data cleaning process to commence.
- Data cleaning: Consistency checks and treatment of missing responses is known as data cleaning (Malhotra, 2009:459). Checking consistency assists with identifying data that is out of range or logically inconsistent, as well as for data that has extreme values (De Smith, 2014:24). Missing responses usually occur when respondents refuse or are unable to answer specific questions (Malhotra, 2009:459).

Once the data had been edited, coded, transcribed and cleaned, the data analysis process could be done. In the rest of this section the data analysis strategy followed in this study is briefly discussed.

5.7.1 Reporting the descriptive and inferential statistics

The first step in a data analysis process is to describe the data that has been collected (Taylor-Powell, 2012:1). According to De Smith (2014:50), descriptive analysis provides a very useful examination of the raw data. Various descriptive statistical techniques can be used by the researcher in order to analyse raw data gathered from the study population (Chambliss & Schutt, 2012:155). Table 5.6 presents the descriptive statistical techniques that were used in this study.

Table 5.6: Descriptive statistical techniques used in this study

Descriptive statistical techniques	Definition	Descriptive statistical techniques' application in this study's results
Mean	The mean (arithmetic average) is defined as the sum of a set of values divided by their number (Chambliss & Schutt, 2012:164; Taylor-Powell, 2012:3).	Table 6.3 Table 6.4 Table 6.5 Table 6.6 Table 6.12
Percentage	A percentage is calculated to show the likelihood per 100 that something will occur (Chambliss & Schutt, 2012:169)	Table 6.1 Table 6.2
Frequency (count)	Frequencies or counts show how many times something occurred or how many responses fit into a particular category (Taylor-Powell, 2012:1).	Table 6.2
Standard deviation	The standard deviation measures the degree to which individual values vary from the mean. It is the average distance the score lies from the mean (Chambliss & Schutt, 2012:167). A high standard deviation means that the responses vary greatly from the mean, whereas a low standard deviation indicates that the responses are similar to the mean (Taylor-Powell, 2012:5; Allen & Bennett, 2010:24).	Table 6.3 Table 6.4 Table 6.5 Table 6.6

For the purpose of this research study, the mean and standard deviation were calculated for each statement measuring the relationship quality constructs customer satisfaction, trust,

commitment and behavioural intention. When determining the census realisation rate and census profile, percentages were calculated. The frequency (count) was calculated to present the census profile.

5.7.2 Assessing reliability and validity of scales

Ideal for a researcher would be that the measurement method is both reliable and valid (Weiner, 2007:6). Reliability refers to the extent to which an experiment, test or any measuring procedure yields the same results on any repeated trials (Golafshani, 2003:598; Carmines & Zeller, 1979:11). According to Preston and Colman (2000:4), reliability is basically the ability of the questionnaire to produce the same results under the same conditions. McDaniel and Gates (2010:251) furthermore indicate that reliability is the degree to which a measure is free from random error and consequently indicates the internal consistency of the measure.

The reliability of a questionnaire can be assessed using three general techniques, such as the following (Malhotra, 2010:284; Kember & Leung, 2008:345; Weiner, 2007:6; Field, 2003:3; Preston & Colman, 2000:4):

1. **Test-retest** reliability is where the stability of results is measured. It is used to determine whether the results are consistent when the same questionnaire is provided to the same respondent at different times. A correlation coefficient is then calculated, which assists with determining whether the results are similar. The results are considered to be more reliable when the correlation is higher.
2. **Alternative-forms** reliability refers to two corresponding sets of scales that are measured among the same group of respondents at two different time intervals.
3. **Internal consistency** reliability measures the ability of a scale to fabricate similar results when different samples are used to measure a phenomenon during the same time period. This test is based on the concept that the various statements in the scale measure some aspect of the construct and that these statements should also be consistent in measuring the construct. In other words, this reliability test focuses on the level of internal consistency between the structure of statements and the complete scale. The internal consistency tests available include the split-half reliability test and the coefficient alpha. The split-half method randomly splits the scale into two halves and correlates the results with one another. A scale is viewed as reliable when the researcher expects a respondent's score to be the same on both the scales so that the two halves correlate perfectly. The coefficient alpha or Cronbach's alpha coefficient

test calculates an average for all the possible split-half coefficients by splitting the scale statements in different ways (Kember & Leung, 2008:345; Weiner, 2007:16; Preston & Colman, 2000:4).

For the purpose of this study, the reliability of the constructs customer satisfaction, trust, commitment and behavioural intention were measured by calculating the Cronbach's alpha values. If the Cronbach's alpha value exceeds 0.7, the scale of the construct will be deemed reliable (Weiner, 2007:16; Golafshani, 2003:598; Carmines & Zeller, 1979:11).

The validity of a measure is the degree to which any measurement instrument succeeds in describing or quantifying what it is designed to measure (De Smith, 2014:45). In other words, validity is established if a measuring instrument actually provides a measure of what it was supposed to measure (Kember & Leung, 2008:342). The main objective of validity is to reflect those errors in measurement that are systematic or constant (Kember & Leung; 2008:342). The following approaches can be used to establish validity (Pallant, 2010:7; Farrell & Rudd, 2009:2; Kember & Leung; 2008:342):

- **Content validity** determines whether the items on a questionnaire relate to the construct being measured. In other words, content validity is the ability of a measure to capture adequately the most important aspects associated with a construct. Content validity can be improved by using a systematic process of developing the items used to measure a construct (Kember & Leung, 2008:342). The process involves a literature review to determine what measures of a construct have been used by other researchers. Items that cover all the aspects of the construct are then developed to be refined later, ensuring that all aspects of the construct are covered (Pallant, 2010:7).
- **Construct validity** is the degree to which a measure actually measures the construct and shows correlation with other items in the questionnaire. Construct validity refers to whether the content structure of the questionnaire makes sense. In order to establish construct validity, a measure is required to demonstrate convergent validity (highly positive correlation with other measures of the same construct) and discriminant validity (not high positive correlation with other related constructs) (Farrell & Rudd, 2009:2; Field, 2003:2).
- **Criterion validity** indicates whether the questionnaire measures what it claims to measure. Criterion validity verifies the relationship between scale scores and some specified, measurable criterion. The aim of criterion validity is to predict whether the current behaviour of a respondent will be repeated (Pallant, 2010:7).

For the purpose of this research study, content and construct validity were assessed. With regard to content validity, the questionnaire was developed by adapting scales used by other authors that were discovered through the literature review in Section 2.3. Additionally, the questionnaire was pilot tested as discussed in Section 5.5.3.3. To evaluate construct validity, a confirmatory factor analysis (CFA) was used. CFA is theory driven, and therefore the analysis is driven by theoretical relationships among the observed and unobserved variables (Schreiber *et al*, 2006:323). More specifically, a CFA was used to confirm the convergent validity and discriminant validity of the constructs.

(i) Conducting a confirmatory factor analysis (CFA)

CFA is used to examine the relationships between a set of measured variables and a smaller set of factors that might account for the variables (Brown & Moore, 2013:2). CFA makes use of a more sophisticated set of techniques to confirm the structure underlying a set of variables (Hoyle, 2000:465). The main purpose for conducting a CFA analysis is to verify the factor structure of a set of observed variables (Brown & Moore, 2013:2; Hoyle, 2000:466). Thus, for the purpose of this study, the MPlus statistical program version 7.4 was used to conduct the CFA analysis.

In order to determine the fit-of-the-measurement model, several statistical tests can be utilised in CFA. For the purpose of this study, a combination of the fit indices considered is shown in Table 5.7.

Table 5.7: List of fit indices

Category of fit indices	Types of fit indices	Defined	Recommended cut-off value
Absolute fit indices	Relative chi-square ratio (χ^2/df) (chi-square / degrees of freedom)	An alternative measure to the χ^2 statistic. It measures the ratio of χ^2 in relation to the degrees of freedom (df) in order to overcome the restrictiveness of the model χ^2 (Hooper, et al, 2008:53; Barrett, 2007:816).	≤ 5.00 Wheaton, Muthen, Alwin and Summers (1977:85)
	RMSEA	The RMSEA is one of the most informative fit indices as it presents the average amount of misfit for a model per degree of freedom (Hooper et al, 2008:54)	< 0.05 = good fit ≤ 0.08 = acceptable fit ≤ 0.10 = average fit McDonald and Ho (2002:72)

Table 5.7: List of fit indices (*continued*)

Category of fit indices	Types of fit indices	Defined	Recommended cut-off value
Incremental fit indices	CFI	The CFI is an indicator of the relative non-centrality between a hypothesised model and the null-model of modified independence in which error variances are solely estimated (Hooper et al, 2008:55).	≥ 0.90 Hu and Bentler (1999:27)
	TLI	The TLI assesses the model by comparing the χ^2 value of the model to the χ^2 of the null model. Worst case scenario is the null/independence model, as all measured variables are then specified as uncorrelated (Hooper et al, 2008:55).	≥ 0.90 Hu and Bentler (1999:27)

(ii) Assessment of convergent validity

Factor loadings, variances extracted and construct reliability are considered during the assessment of convergent validity. Convergent validity criteria suggest that the factor loadings in the measurement models should be significant as well as equal to .50 or higher, but ideally equal to .70 or higher (Hair *et al*, 2010:46; Tellis *et al*, 2009:10). The idea behind the .70 or higher factor loading ideal is that when a factor loading is .71 it equals .50, indicating that the factor explains half of the variation in the measurement item (Hair *et al*, 2010:46). Thus, the average variance extracted (AVE) percentage should be .50 or higher (Fornell & Larcker, 1981:45). The AVE can be calculated as follows:

$$AVE = \frac{\sum_{i=1}^n \lambda_i^2}{n}$$

Where:

λ = standard factor loading

n = the number of items

According to Hair *et al* (2010:46) the construct reliability (CR) value of each latent variable should be equal to .70 or higher to indicate a strong internal consistency or adequate convergence. The CR value in a measurement model can be calculated as follows:

$$CR = \frac{(\sum_{i=1}^n \lambda_i)^2}{(\sum_{i=1}^n \lambda_i)^2 + (\sum_{i=1}^n \delta_i)}$$

Where:

λ = standard factor loading

n = the number of items

δ = error variance for an item

(iii) Assessment of discriminant validity

The assessment of discriminant validity assists with establishing whether the constructs in the measurement model are truly distinct from one another (Zait & Berteau, 2011:218). According to Fornell and Larcker (1981:45), in order to test for discriminant validity, the average variance extracted for each construct should be compared to the shared variance between the constructs. The shared variance between two constructs is calculated as the squared correlation between the two constructs (Zait & Berteau, 2011:218). For discriminant validity to be present, average variance extracted for both constructs must be higher than the shared variance between the two constructs (Zait & Berteau, 2011:218; Fornell & Larcker, 1981:45). Thus, for the purpose of this research study, discriminant validity was assessed by using the method introduced by Fornell and Larcker (1981).

5.7.3 Performing structural equation modelling (SEM) to test the theoretical model of the study

Among researchers of various research fields, structural equation modelling (SEM) is a very popular technique of choice (Hooper *et al*, 2008:53). SEM is a tool for analysing multivariate data and is known to be especially appropriate for theory testing (Savalei & Bentler, 2010:1). The main purpose of SEM is to provide a way to test the specified set of relationships that exist among observed and latent variables as a whole (Bowen & Guo, 2011:3). SEM furthermore allows theory testing even when experiments are not actually possible (Hooper *et al*, 2008:53). According to Pallant (2010:105) SEM provides researchers with the opportunity to evaluate the importance of every independent variable in the model, and to determine the overall fit of the model with the collected data through the use of multiple regression and factor analytic techniques.

SEM creates a correlation matrix once a theoretical model has been developed and the relationships between variables have been hypothesised (Bowen & Guo, 2011:17). A

maximum likelihood estimation procedure is used to determine the relationship between variables in the model (Meyer *et al*, 2006:614). Thereafter, a comparison is made between the proposed theoretical model and the relationships of the observed data (the correlation matrix). SEM then evaluates how the predicted relationships between the variables match the interrelationships of the observed variables (Bowen & Guo, 2011:17; Meyer *et al*, 2006:614). According to Bowen and Guo (2011:73) SEM is also seen as the union of confirmatory factor analysis (Boomsma, 2000:464). SEM was conducted with the aid of the MPlus statistical program version 7.4.

The goodness-of-fit results determine the measurement model's validity. Researchers should take note that the fit measures in SEM need to be cautiously interpreted, as similar fit measures are employed for SEM as for CFA. For the purpose of this study, a combination of fit measures has been interpreted. The root mean squared approximation of error (RMSEA) should have values of ≤ 0.08 , but no greater than 0.2 (Hooper *et al*, 2008:54; McDonald & Ho, 2002:72). The comparative fit index (CFI) should be greater than 0.90 to indicate a good fit (Bowen & Guo, 2011:17; Hu & Bentler, 1999:27). The Tucker-Lewis Index (TLI) should be greater than 0.90 to indicate a good fit (Hooper *et al*, 2008:54; Hu & Bentler, 1999:27). Additionally, the relative Chi-square ratio or X^2/df ratio should be less than 5.0, indicating a good fit (Barrett, 2007:816; Wheaton *et al*, 1977:85).

After determining the goodness-of-fit for the model, the next step in the SEM analysis is to analyse the paths among the variables in order to determine the statistical significance of paths. Standardised regression weights (also known as standardised path coefficients) should be used to determine the strength of relationships among the variables, which range between -1 and $+1$ (Garson, 2008:2; Meyer *et al*, 2006:590). Statistical significance can be achieved at a significance level of 0.05 ($p\text{-value} < 0.05$) (Garson, 2008:2; Moreira, 2002:258). Once the statistical significance of the standardised paths is examined, the researcher can continue to investigate the strength of relationships among the variables (Garson, 2008:3). Ideally the standardised regression weights should be greater than 0.30 or at least 0.20 to even be considered as meaningful (Chin, 1998:8). Garson (2008:3) further states that standardised regression weights with an absolute value of less than 0.10 indicate a small effect, while a medium effect is indicated by values around 0.30, and values greater than 0.50 indicate a large effect.

5.8 STAGE 6: PREPARE THE RESEARCH REPORT AND FORMULATE CONCLUSIONS

Berndt and Petzer (2011:34) explain that the research report is basically the report a researcher puts together with the research conducted and its findings. In Chapter 6 the results and main results of this research study are reported, which is then followed in Chapter 7 by the recommendations and conclusions drawn for this research study.

5.9 SUMMARY

The empirical research methodology of this research study has been presented in this chapter by discussing each stage of the marketing research process. The marketing research process was firstly defined and presented by means of the six different stages involved. The methodology process used in each stage was then communicated and sufficient reasons were provided for the approach selected. Chapter 6 presents the results and main results that were obtained from the field study.

CHAPTER 6: DISCUSSION AND INTERPRETATION OF RESULTS

6.1 INTRODUCTION

Chapter 5 provided a detailed explanation of the research methodology of the study. This chapter reports and discusses the results that were obtained from the field survey. The chapter initially addresses the sample realisation rate, followed by a demographic profile of the respondents who took part in the study, and then the descriptive results for each section of the questionnaire are discussed. The validity and reliability of the measurement sets used to measure the main constructs of the study are assessed next. The overall mean scores for each main construct of the study are then presented and are followed by a discussion of the findings of the structural equation model (SEM) analysis and a conclusion on the hypotheses that were formulated for the study.

6.2 RESPONSE REALISATION RATE

This study was conducted among respondents who had taken their luxury motor vehicles for a service or repair at a luxury motor vehicle dealership in Gauteng during the past 24 months. The sample frame for this research study consisted of 1 800 respondents in the Gauteng area. A complete list was obtained from a particular luxury motor vehicle dealership representing only those respondents who had had their luxury motor vehicles serviced or repaired at the dealership during the past 24 months.

A census was conducted and the questionnaire was distributed to all 1 800 respondents on the list. It was the aim to obtain a final realised sample of 300 respondents because a minimum of 200 and maximum of 400 respondents is required to effectively test the structural equation model (SEM).

Table 6.1 provides a summary of the number of respondents contacted and the final realisation rate that was obtained.

Table 6.1: The response realisation rate

Total number of respondents contacted to complete the survey	1 800
Respondent refusals	1 499
Number of completed questionnaires	301
Response rate: $301/1800 \times 100$	16.72%

Table 6.1 indicates that a total of 1 800 respondents were contacted to participate in the field study. Only 301 completed questionnaires were returned. It was not necessary to reject any questionnaires due to uncompleted questions. A response rate of 16.27% was thus obtained.

The realised sample of 301 respondents, however, falls within the minimum sample range as recommended by Hair *et al* (2010:606) for conducting an analysis with four constructs. The 301 completed questionnaires returned were consequently deemed adequate for the purpose of this study.

The sections that follow provide a summary of the results that were obtained from the completed questionnaires.

6.3 DEMOGRAPHIC PROFILE

It is vital to create a demographic profile of respondents who took part in the study as it will assist in obtaining a comprehensive understanding of the research findings. Therefore, the demographic information of those respondents who participated in the study is presented in this section. The demographic profile presents respondents' vehicle ownership, gender, employment status, marital status and age. Table 6.2 provides an indication of the counts (n) and percentages (%) (n/301) that was obtained for the demographic variables measured in this study.

Table 6.2: Demographic profile

Demographic variables	Count (n)	Percentages (%)
Vehicle ownership*	n	%
BMW	88	29.2
Audi	37	12.3
Ferrari	16	5.3

Table 6.2: Demographic profile (*continued*)

Demographic variables	Count (n)	Percentages (%)
Jaguar / Land Rover	39	13.0
Maserati	7	2.3
Mercedes-Benz	108	35.8
Chrysler	6	2.0
Lexus	6	2.0
Bentley	2	0.6
Other:	123	40.8
Alfa Romeo	1	0.3
Aston Martin	2	0.6
Chevrolet	3	1.0
Citroen	2	0.6
Datsun	1	0.3
Fiat	1	0.3
Ford	9	3.0
Honda	5	1.7
Hyundai	3	1.0
Isuzu	2	0.6
Jeep	1	0.3
Kia	2	0.6
Lamborghini	1	0.3
Mazda	4	1.3
McLaren	1	0.3
MG	2	0.6
Mini	5	1.7
Mitsubishi	4	1.3
Nissan	5	1.7
Noble	1	0.3
Oldsmobile	1	0.3
Opel	2	0.6
Peugeot	1	0.3
Renault	1	0.3

Table 6.2: Demographic profile (*continued*)

Demographic variables	Count (n)	Percentages (%)
Saab	1	0.3
Subaru	7	2.3
Toyota	32	10.6
Volkswagen	20	6.6
Volvo	3	1.0
Gender	n	%
Male	239	79.4
Female	62	20.6
Employment status	n	%
Self-employed	163	54.2
Full-time employed by an organisation	98	32.6
Part-time employed by an organisation	2	0.7
Full-time student	2	0.7
Housewife or househusband	5	1.7
Retired	27	9.0
Unemployed	1	0.3
Other:	3	1.0
CEO	1	0.3
Semi-retired	2	0.7
Marital status	n	%
Single	38	12.6
Married	220	73.1
Living with a partner	19	6.3
Divorced or separated	18	6.0
Widowed	6	2.0
Age	n	%
22 years to 31 years	14	4.7
32 years to 41 years	46	15.3
Vehicle ownership*	n	%
42 years to 51 years	94	31.2
52 years to 61 years	86	28.6
62 years to 71 years	50	16.6

Table 6.2: Demographic profile (*continued*)

Demographic variables	Count (n)	Percentages (%)
72 years to 81 years	10	3.3
82 years to 91 years	1	0.3

* Respondents were allowed to select more than one option

From Table 6.2 it can be seen that Mercedes-Benz (35.8%) and BMW (29.2%) were selected most often as a second vehicle driven or owned by the respondents. (The selected motor vehicle dealership studied sells Porsche cars to the public. Hence all respondents who participated in the study are driving a Porsche as their first vehicle of choice). With regard to the gender of respondents, a higher number of males (79.4%) than females (20.6%) participated in this study. The majority of respondents were either self-employed (54.2%) or employed full-time by an organisation (32.6%), which constitutes 86.8% of the sample population. Furthermore, the majority of the respondents who took part in this study were married (73.1%). In terms of age, the sample consisted of 80.1% of respondents who were 42 years of age and older. Therefore, the first main result of this study is as follows:

Main result 1: The majority of respondents who took part in the study selected Mercedes-Benz and BMW most often as their second vehicle driven or owned. Mostly male respondents took part in the study who were self-employed, married and 42 years of age and older.

6.4 RELATIONSHIP QUALITY AND BEHAVIOURAL INTENTION

The main purpose of Section B of the questionnaire was to obtain information from respondents regarding the relationship quality and behavioural intention constructs.

6.4.1 Relationship quality

The aim of the first part of Section B was to measure the relationship quality constructs. The question contained eighteen individual statements measuring respondents' level of customer satisfaction, trust and commitment. To determine respondents' level of agreement with each statement, a five-point Likert scale was used where 1 represents *strongly disagree* and 5 represents *strongly agree*.

Respondents' level of customer satisfaction was measured with six individual statements. Table 6.3 represents the mean and standard deviation (SD) realised for each statement measuring customer satisfaction.

Table 6.3: Respondents' level of customer satisfaction

	Statement	Mean	SD
1.1	My choice to use this dealership was a wise one	4.14	1.05
1.2	I am always delighted with the dealership's service	4.03	1.12
1.3	Overall I am satisfied with the service provided	4.16	1.04
1.4	I did the right thing when I decided to use this dealership	4.13	1.05
1.5	I feel good about using this dealership	4.15	1.04
1.6	I feel that my experience with this dealership has been enjoyable	4.17	1.07

From Table 6.3 it can be seen that respondents agreed most with statement 1.6, "I feel that my experience with this dealership has been enjoyable" (mean = 4.17; SD = 1.07) and statement 1.3, "Overall I am satisfied with the service provided" (mean = 4.16; SD = 1.04). The statements with which respondents agreed least include statement 1.2, "I am always delighted with the dealership's service" (mean = 4.03; SD = 1.12) and statement 1.4, "I did the right thing when I decided to use this dealership" (mean = 4.13; SD = 1.05).

The following main results can be reported pertaining to respondents' level of customer satisfaction towards a luxury motor vehicle dealership:

Main result 2: Pertaining to respondents' level of customer satisfaction towards a luxury motor vehicle dealership, respondents agreed most that they felt their experience with the dealership had been enjoyable and that they were satisfied overall with the service provided.

Main result 3: Pertaining to respondents' level of customer satisfaction towards a luxury motor vehicle dealership, respondents agreed least with feeling delighted with the dealership's service and that they did the right thing when they decided to use the dealership.

The respondents' level of trust was measured with five individual statements. Table 6.4 presents the mean and standard deviation (SD) realised for each statement measuring trust.

Table 6.4: Respondents' level of trust

	Statement	Mean	SD
1.7	This dealership can be trusted.	4.15	1.03
1.8	This dealership can be counted on to do what is right.	4.00	1.08
1.9	This dealership has high integrity.	4.17	0.99
1.10	This dealership is trustworthy.	4.19	0.95
1.11	This dealership keeps its promises.	4.11	1.09

It is evident from Table 6.4 that respondents agreed most with statement 1.10, "This dealership is trustworthy" (mean = 4.19; SD = 0.95) and statement 1.9, "This dealership has high integrity" (mean = 4.17; SD = 0.99). In comparison, respondents agreed least with statement 1.8, "This dealership can be counted on to do what is right" (mean = 4.00; SD = 1.08) and statement 1.11, "This dealership keeps its promises" (mean = 4.11; SD = 1.09).

The following main results can be reported regarding respondents' level of trust towards a luxury motor vehicle dealership:

Main result 4: Regarding respondents' level of trust towards a luxury motor vehicle dealership, respondents agreed most that they believed the dealership was trustworthy and that the dealership had high integrity.

Main result 5: Regarding respondents' level of trust towards a luxury motor vehicle dealership, respondents agreed least with the dealership being counted on to do what is right and that the dealership kept its promises.

The respondents' level of commitment was measured with seven individual statements. Table 6.5 presents the mean and standard deviation (SD) realised for each statement measuring commitment.

Table 6.5: Respondents' level of commitment

	Statement	Mean	SD
1.12	My relationship with this dealership is something that I'm very committed to.	3.99	1.08
1.13	My relationship with this dealership is very important to me.	4.18	1.04
1.14	My relationship with this dealership is something I really care about.	4.06	1.12
1.15	I believe the dealership and I are both committed to the relationship.	3.97	1.12
1.16	I have a strong sense of loyalty to this dealership.	3.99	1.13
1.17	This dealership is prepared to make short-term sacrifices to maintain our relationship.	3.67	1.17
1.18	I believe the dealership and I view our relationship as a long-term partnership.	3.98	1.15

As can be seen from Table 6.5, respondents agreed most with statement 1.13, "My relationship with this dealership is very important to me" (mean = 4.18; SD = 1.04) and statement 1.14, "My relationship with this dealership is something I really care about" (mean = 4.06; SD = 1.12). Respondents agreed least with statement 1.17, "This dealership is prepared to make short-term sacrifices to maintain our relationship" (mean = 3.67; SD = 1.17) and statement 1.15, "I believe the dealership and I are both committed to the relationship" (mean = 3.97; SD = 1.12).

The following main results can be reported pertaining to respondents' level of commitment towards a luxury motor vehicle dealership:

Main result 6: Pertaining to respondents' level of commitment towards a luxury motor vehicle dealership, respondents agreed most that their relationship with the dealership was very important to them and that their relationship with the dealership was something they really cared about.

Main result 7: Pertaining to respondents' level of commitment towards a luxury motor vehicle dealership, respondents agreed least that the dealership was prepared to make short-term sacrifices to maintain their relationships and that the dealership and they were both committed to the relationship.

6.4.2 Behavioural intention

The aim of the second part of Section B was to measure behavioural intention. The question contained ten individual statements measuring respondents' level of behavioural intention. To determine respondents' level of agreement with each statement, a five-point Likert scale was used where 1 represents *very low* and 5 represents *very high* to help determine respondents' level of agreement with each statement. Table 6.6 represents the mean and standard deviation (SD) realised for each statement measuring behavioural intention.

Table 6.6: Respondents' level of behavioural intention

	Statement	Mean	SD
2.1	The likelihood I will share my satisfaction with this dealership with friends and family.	4.16	1.068
2.2	The likelihood that I will highly recommend others to make use of the services provided at this dealership.	4.10	1.103
2.3	The likelihood that I will continue to bring my motor vehicle to this dealership even if I have to pay more for a service or a repair.	3.80	1.175
2.4	The likelihood that I will pay a higher price than competitors charge for the benefits I currently receive from this dealership.	3.33	1.178
2.5	The likelihood that I will use social media platforms to express how satisfied I am about this dealership.	2.92	1.490
2.6	The likelihood that I will socialise at this dealership due to the extra services provided by Carrera Café.	3.45	1.330
2.7	The likelihood that I will defend this dealership to critics.	3.80	1.195
2.8	The likelihood that I will service my car at this dealership again.	4.31	0.998
2.9	The likelihood that I will recommend this dealership's services to a friend.	4.16	1.090
2.10	The likelihood that I will select the same dealership to service or repair my car	4.22	1.028

According to Table 6.6, respondents indicated that they agreed most with statement 2.8, "I will service my car at this dealership again" (mean = 4.31; SD = 0.99) and statement 2.10, "I will select the same dealership to service or repair my motor vehicle" (mean = 4.22; SD = 1.02). "I will use social media platforms to express how satisfied I am about this dealership" (mean = 2.92; SD = 1.49) and statement 2.4, "I will pay a higher price than competitors charge for the benefits I currently receive from this dealership" (mean = 3.33; SD = 1.17).

The following main results can be reported regarding to respondents' level of behavioural intention towards a luxury motor vehicle dealership:

Main result 8: Regarding respondents' level of behavioural intention towards a luxury motor vehicle dealership, respondents agreed most that they would service their motor vehicles at the dealership again and that they would select the same dealership to service or repair their luxury motor vehicles.

Main result 9: Regarding respondents' level of behavioural intention towards a luxury motor vehicle dealership, respondents disagreed that they would express their satisfaction with the dealership on social media platforms and had a low level of agreement that they would pay a higher price than competitors charged for the benefits they were receiving from the dealership.

6.5 RELIABILITY AND VALIDITY ASSESSMENT

When using structural equation modelling (SEM), data analysis preparation requires that all the measures used in the research study be refined so that it contains only those items that are most relevant, valid and reliable. Reliability tests and a confirmatory factor analysis (CFA) were performed to ensure that the data set would be valid and reliable and therefore appropriate for SEM analysis.

6.5.1 Reliability test

The consistency or dependability of a measure over time or over questionnaire items is referred to as the reliability of the scale (Allen & Bennett, 2010:209; Kerlinger & Lee, 2000:35). To measure the reliability of the data, a Cronbach's alpha reliability coefficient was determined for each construct. Cronbach's alpha is a measure of internal consistency, used to evaluate the extent to which a set of questionnaire items are actually measuring a single underlying construct (Allen & Bennett, 2010:209). In other words, Cronbach's alpha was used to measure the reliability of the results obtained for this study. The instrument is considered to be reliable if the value of the coefficient alpha is between .60 and .80, whereas higher than .80 is considered to be highly reliable (Sekeran, 2000:61). The results as presented in Table 6.7 show that the variables of customer satisfaction, trust, commitment

and behavioural intention measures were deemed as highly reliable because the associated reliability coefficients were greater than .80.

Table 6.7: The Cronbach's alpha values

Construct	Cronbach's alpha values
Customer satisfaction	.98
Trust	.98
Commitment	.98
Behavioural intention	.93
Overall Cronbach's alpha value	.95

Main result 10: All the measurement scales measuring the constructs of customer satisfaction, trust, commitment and behavioural intention can be considered as highly reliable as they all exhibit very good internal consistency reliability.

6.5.2 Confirmatory factor analysis (CFA)

A confirmatory factor analysis (CFA) was conducted to assess the measurement model properties of the underlying constructs of the theoretical model, namely customer satisfaction (CS), trust (T), commitment (C) and behavioural intention (BI), and also to determine their validity.

- Model fit

Table 6.8 displays the fit statistics that were obtained for the four-construct measurement model.

Table 6.8: Model fit analysis

Model	χ^2	df	χ^2/df	TLI	CFI	RMSEA
1232.106		344	3.58	.98	.98	.070
Suggested value			<5	>.90	>.90	<.08

The CFA results indicated that the chi-square/degrees of freedom (χ^2/df) ratio was 3.58, which is less than the maximum cut-off value of 5.00 as suggested by Wheaton *et al* (1977:85) and Chin and Todd (1995:238). The chi-square test is mainly a statistical method

used to evaluate models whereas a fit index is more descriptive than statistical (Moslehpour *et al*, 2014:101). The purpose of a fit index is to describe and evaluate the residuals that result from fitting a model to the data (Chin & Todd, 1995:73).

As such, a number of fit statistics were determined to assess the model. Firstly, as indicated in Table 6.8, the Tucker-Lewis Index (TLI), measuring the incremental fit of the model, was shown to be .98. According to Hair *et al* (2010:92), the incremental fit of a model is considered good when $TLI > 0.90$; therefore the TLI calculated for this study indicated a good fit. According to Hu and Bentler (1999:27), a good model-to-data fit is also obtained if the comparative fit index (CFI) is equal to or greater than .90. As indicated in Table 6.8, the CFI statistic for the measurement model is .98, which was considered to be a superior fit. Additionally, if the root mean square error of approximation (RMSEA) is less than or equal to .08, it suggests that there is adequate fit (Hair *et al*, 2010:93; McDonald & Ho, 2002:72). For this study, RMSEA was .07 ($<.08$), which supported an adequate model fit. Consequently, the main result that can be derived from the measurement model fit statistics is as follows:

Main result 11: The CFA fit statistics calculated for the four-component measurement model provide confirmation that a good to acceptable model fit was obtained.

- Convergent validity

Table 6.9 below provides an indication of the standardised factor loadings that were obtained for the measurement items as well as the standard error (SE) of the effect sizes and p-value for each statement. Table 6.10 offers a summary of the composite reliability and AVE values that were obtained for each construct.

Table 6.9: Factor loadings of measurement items

Latent variable	Measurement items	Factor loading	S.E	p-value*
Customer satisfaction	My choice to use this dealership was a wise one	0.96	0.00	0.001
	I am always delighted with the dealership's service	0.93	0.01	0.001
	Overall I am satisfied with the service provided	0.95	0.00	0.001
	I did the right thing when I decided to use this dealership	0.95	0.00	0.001
	I feel good about using this dealership	0.95	0.00	0.001
	I feel that my experience with this dealership has been enjoyable	0.94	0.00	0.001
Trust	This dealership can be trusted	0.96	0.00	0.001
	This dealership can be counted on to do what is right	0.95	0.00	0.001
	This dealership has high integrity	0.93	0.01	0.001
	This dealership is trustworthy	0.96	0.00	0.001
	This dealership keeps its promises	0.95	0.00	0.001
Commitment	My relationship with this dealership is something that I'm very committed to	0.92	0.01	0.001
	My relationship with this dealership is very important to me	0.88	0.01	0.001
	My relationship with this dealership is something I really care about	0.92	0.01	0.001
	I believe the dealership and I are both committed to the relationship	0.97	0.01	0.001
	I have a strong sense of loyalty to this dealership	0.94	0.01	0.001

Table 6.9: Factor loadings of measurement items (*continued*)

Latent variable	Measurement items	Factor loading	S.E	p-value*
Commitment (<i>continued</i>)	This dealership is prepared to make short-term sacrifices to maintain our relationship	0.85	0.02	0.001
	I believe the dealership and I view our relationship as a long-term partnership	0.95	0.01	0.001
Behavioural intention	I will share my satisfaction with this dealership with friends and family	0.92	0.01	0.001
	I highly recommend others to make use of the services provided at this dealership	0.97	0.01	0.001
	I will continue to bring my motor vehicle to this dealership even if I had to pay more for a service or a repair	0.79	0.02	0.001
	I will pay a higher price than competitors charge for the benefits I currently receive from this dealership	0.79	0.02	0.001
	I will use social media platforms to express how satisfied I am about this dealership	0.39	0.05	0.001
	I will socialise at this dealership due to the extra services provided by Carrera Café	0.65	0.03	0.001
	I will defend this dealership to critics	0.92	0.01	0.001
	I will service my car at this dealership again	0.94	0.01	0.001
	I will recommend this dealership's services to a friend	0.96	0.01	0.001
	I will select the same dealership to service or repair my car	0.94	0.01	0.001

*Note: $p < 0.001$

Standardised factor loadings offer an indication of the relationship between the latent constructs and the respective measurement variables, i.e. the items. From Table 6.9 it is evident that all factors loaded significantly onto their respective constructs ($p < 0.001$). All values (except BI statement 5 – “I will use social media platforms to express how satisfied I

am about this dealership”) were above the 0.50 cut-off value as suggested by Hair *et al* (2010:612), thereby indicating acceptable loadings. However, even though the factor loading for BI statement 5 was low, it was not discarded as the factor is still significant ($p < 0.05$) and the latent variable behavioural intention explained 15% of the variance in the measurement item. The factor loadings of the measurement items for each latent variable were significant for convergent validity, and accordingly all the statements were retained in the model.

Main result 12: The standardised factor loadings confirmed that all measurement items are loaded significantly on the corresponding factors and could be retained in the model.

Table 6.10 further indicates that the composite reliability (CR) value for each latent variable is between 0.96 and 0.98. When a CR value is greater than or equal to 0.6 it is suggestive of strong internal consistency (Fornell & Larcker, 1981:45; Malik, 2012:70). All CR values listed are above the minimum cut-off value and therefore indicative of strong internal consistency.

Main result 13: The CR values calculated gave evidence of strong internal consistency of each latent variable.

Finally the average variance extracted (AVE) values were determined to measure the degree of explained variance attributable to the measurement items of the latent variables (Moslehpour *et al*, 2014:101). The AVE values were ranged from 0.84 to 0.93. All of these AVE values exceeded the suggested criterion of 0.50 (Fornell & Larcker, 1981:45). Therefore, based on these findings as well as the findings from the factor loadings and the construct reliabilities, it can be concluded that the latent variables of customer satisfaction, trust, commitment and behavioural intention have strong reliability and convergent validity.

Main result 14: All four constructs of the measurement model (customer satisfaction, trust, commitment and behavioural intention) have strong reliability and convergent validity.

Table 6.10: Test of composite reliability and convergent validity

Variable	CR	AVE
Customer satisfaction	0.98	0.92
Trust	0.98	0.93
Commitment	0.97	0.84
Behavioural intention	0.96	0.85
Accepted value	>0.60	>0.50

- Discriminant validity

For the purpose of this research study, discriminant validity was tested to help determine whether each construct in the measurement model is truly distinct from the others. The findings in Table 6.11 show the covariance matrix (or shared variances) with the AVE values for each measured construct.

Table 6.11: Covariance matrix for the latent variables with AVE on the diagonal

Variable	CS	T	C	BI
Customer satisfaction (CS)	(0.92)			
Trust (T)	0.90	(0.93)		
Commitment (C)	0.82	0.82	(0.84)	
Behavioural intention (BI)	0.81	0.79	0.74	(0.85)

Note: AVE on the diagonal in brackets; AVE > 0.50

From Table 6.11 it can be seen that the AVE of customer satisfaction (0.92) and trust (0.93) were greater than the shared variance between them (0.90). The same conclusion can be made for the AVE results of the remaining constructs. This provides support for claiming that customer satisfaction can be distinguished from trust, trust from commitment and commitment from behavioural intention. Thus, the four constructs of the measurement model indicate discriminant validity.

Main result 15: The results obtained from the covariance matrix and AVE values indicated that the four constructs of the measurement model all have discriminant validity.

- Summary of model validity

According to Barlas (1996:18) the validity of the results obtained in a model-based study are very much dependent on the model's validity. Determining the validity of a model refers to building the right model for the study (Dodig-Crnkovic, 2006:2). Thus, assessing model validity is determining whether or not the model is an appropriate representation of the reality based on the specified objectives of a study (Dodig-Crnkovic, 2006:2; Barlas, 1996:19). For the purpose of this study, face validity and construct validity were examined.

Face validity reflects the extent to which a measurement item reflects what it is intended to measure (Hardesty & Bearden, 2004:99; Nunnally & Bernstein, 1994:64). For the purpose of this study, face validity has been achieved as measurement items were adopted from existing studies that have already proven that the scale is valid and reliable. Also, a pilot study was conducted to ensure that the measurement items measure what they were intended to measure (refer to Section 5.5.3.3).

According to Kimberlin and Winterstein (2008:2279) construct validity examines the relationship between the measurement items being evaluated with variables that are known to be related to the construct measured by the scale. In other words, construct validity is a judgement based on existing studies that have used the same specific measurement item or scale (Kimberlin & Winterstein, 2008:2279; Hardesty & Bearden, 2004:99). To establish construct validity, a measurement items needs to demonstrate convergent validity as well as discriminant validity (Farrell & Rudd, 2009:2). Construct validity was evaluated using a confirmatory factor analysis (CFA) which indicated that the model for this study has good fit statistics (refer to Table 6.8). The CFA was also used to confirm convergent validity and discriminant validity of the constructs.

Main result 16: Face validity proved that the measurement items measured what they were intended to measure.

Main result 17: Construct validity proved that the indicators for each construct measured have a high proportion of variance in common with the respective constructs and that the four constructs can also be clearly distinguished from each other.

6.6 OVERALL MEAN SCORES

Table 6.12 presents the overall mean scores for the final constructs.

Table 6.12: Overall mean scores

Construct	Statements	Overall mean score
Customer satisfaction	Statements 1.1 –1.6	4.13
Trust	Statements 1.7 – 1.11	4.13
Commitment	Statements 1.12 – 1.18	3.98
Behavioural intention	Statements 2.1 – 2.10	3.83

The overall mean scores for the constructs vary between 3.83 and 4.13. The overall mean scores for all the constructs are relatively positive, taking into consideration that all the constructs were measured on a five-point Likert scale where 1 represented *strongly disagree* and 5 *strongly agree*.

Main result 18: The overall mean score for respondents' level of customer satisfaction towards a luxury motor vehicle dealership is above the mid-point of the measurement scale, which indicates that respondents are satisfied overall with the dealership that serviced or repaired their luxury motor vehicle.

Main result 19: The overall mean score for respondents' level of trust towards a luxury motor vehicle dealership when taking their motor vehicles for a service or repair is above the mid-point of the measurement scale, which indicates that respondents do indeed display trust towards the dealership.

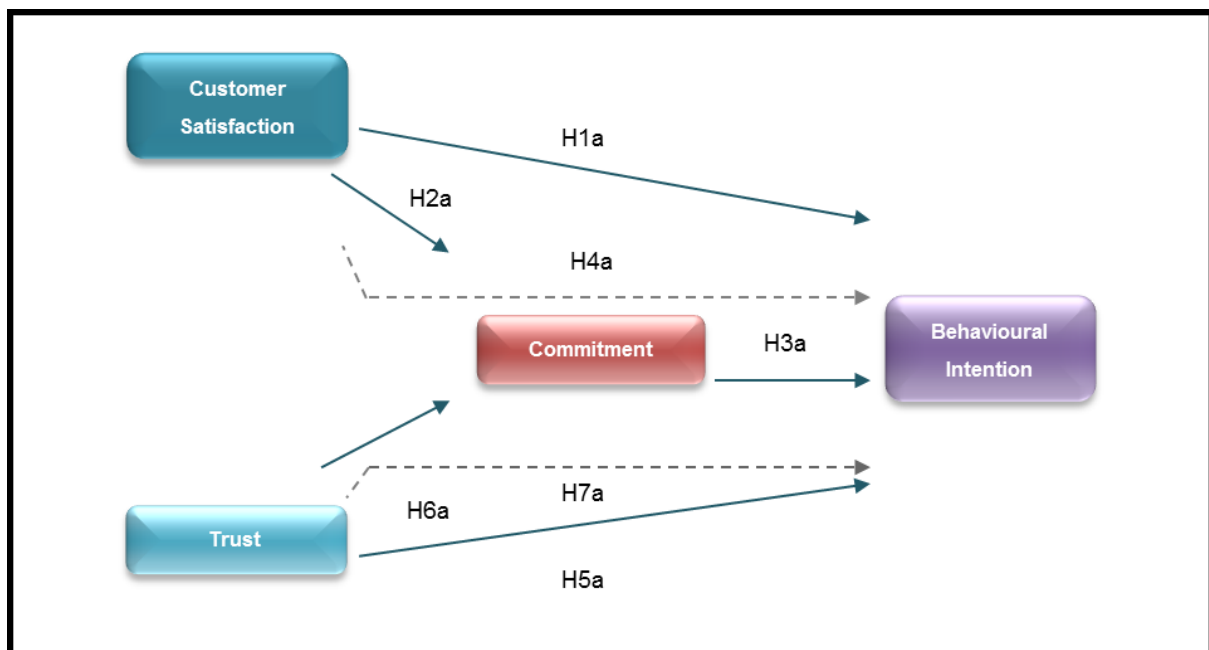
Main result 20: The overall mean score for respondents' level of commitment towards a luxury motor vehicle dealership when taking their motor vehicles for a repair or service is above the mid-point of the measurement scale, suggesting that respondents are positively committed to the dealership.

Main result 21: The overall mean score for respondents' level of behavioural intention towards a luxury motor vehicle dealership is above the mid-point of the measurement scale, indicating that respondents show positive behavioural intention towards the dealership that serviced or repaired their luxury motor vehicle.

6.7 STRUCTURAL EQUATION MODELLING (SEM)

As presented in Chapter 4, the theoretical model was tested by means of structural equation modelling (SEM), making it possible to test the interrelationship of constructs and to describe the causal model (Hooper *et al*, 2008:53; Bowen & Guo, 2011:3). Using the preferred estimation method in SEM, namely the maximum likelihood estimation method, the estimates of the relationships among the model's four constructs, namely customer satisfaction, trust, commitment and behavioural intention, were determined. This section is dedicated to reporting the findings regarding the SEM model. For ease of reference Figure 6.1 and Table 6.14 provide a summary of the proposed interrelationships that were included in the conceptual model.

Figure 6.1: The proposed theoretical model



Presented in Table 6.13 are the resultant alternative hypotheses for this study.

Table 6.13: Hypotheses formulated for SEM

Hypotheses for SEM	
H1a	Customer satisfaction significantly and positively influences behavioural intention in favour of a luxury motor vehicle dealership.
H2a	Customer satisfaction significantly and positively influences commitment towards a luxury motor vehicle dealership.
H3a	Commitment significantly and positively influences behavioural intention in favour of a luxury motor vehicle dealership.
H4a	Customer satisfaction has a significant positive indirect effect on behavioural intention in favour of a luxury motor vehicle dealership as mediated by commitment towards the dealership.
H5a	Trust significantly and positively influences behavioural intention in favour of a luxury motor vehicle dealership.
H6a	Trust significantly and positively influences commitment towards a luxury motor vehicle dealership.
H7a	Trust has a significant positive indirect effect on behavioural intention in favour of a luxury motor vehicle dealership as mediated by commitment towards the dealership.

6.7.1 Structural model assessment

The findings of the CFA analysis demonstrated that all four constructs investigated have strong reliability as well as convergent and discriminant validity. It is therefore suitable to continue with the SEM analysis.

As discussed in section 5.7.3, SEM is used to test the overall goodness-of-fit of the research model and assist with determining the relationships among the constructs.

Table 6.14: Results of SEM analysis

Model	χ^2	df	χ^2/df	TLI	CFI	RMSEA
1232.106		344	3.58	.98	.98	.07
Suggested value			<5	>.90	>.90	<.08

From Table 6.14 it can be seen that the value of χ^2/df is 3.58, which indeed does comply with the criterion of <5.00 as suggested by Wheaton *et al* (1977:85) and Chin and Todd (1995:238). This establishes that the model fits to the data obtained (Moslehpour *et al*, 2014:101). Hair *et al* (2010:92) suggest that incremental fit of a model can be considered good when TLI > .90. As the TLI calculated for this study is .98, it indicates a good fit. Hu and Bentler (1999:27) suggest that the model is a good fit if the CFI is equal to or greater

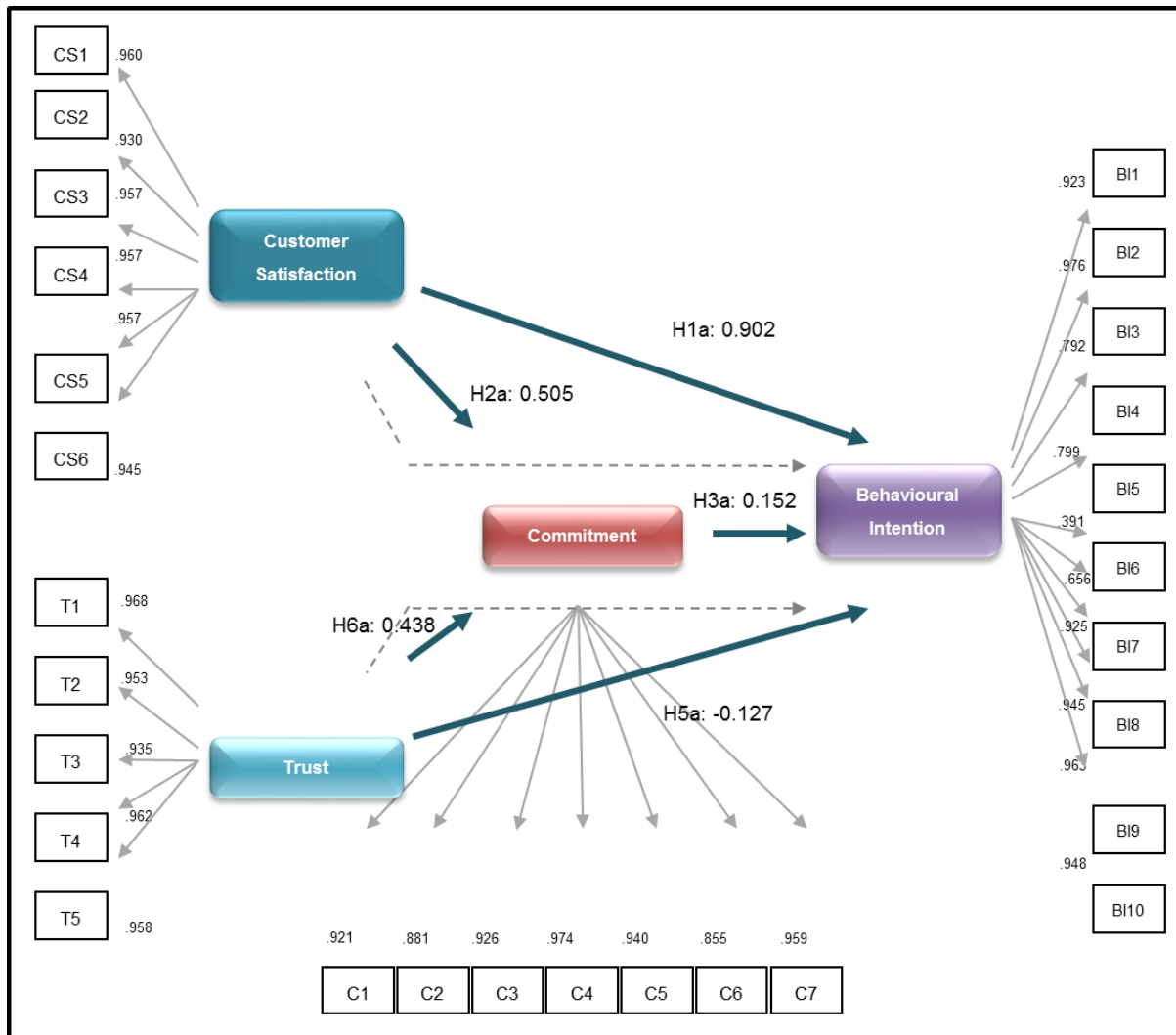
than .90. As the CFI calculated for this study is .98, a good model fit is shown. Lastly, if the RMSEA is less than or equal to .08, an adequate model fit is suggested by Hair *et al* (2010:93) and McDonald and Ho (2002:72). For this study the RMSEA was .07, which indicates an adequate model fit. Thus, the results obtained from SEM analysis as presented in Table 6.15 indicate that the model does indeed fit the observed data reasonably well.

Main result 22: According to the assessment of the structural model it can be concluded that the fit indices indicate an acceptable model for this study.

6.7.2 Hypothesis testing

Now that model fit has been established, the model and the tests of the seven hypotheses can be examined.

Figure 6.2 provides a diagram of the standard regression weights (β) obtained for each specified relationship.

Figure 6.2: The structural model estimation

In order to evaluate the relationships between the various constructs in the measurement model, Table 6.9 indicates the significant factor loadings for all the statements above the recommended cut-off points. According to Hoe (2008:79) it is important to illustrate the strength of alternative hypothesised relationships between constructs, which is referred to as the standard regression weights (β). Table 6.15 presents the alternative hypothesised relationships (H_{1a} , H_{2a} , H_{3a} , H_{5a} , and H_{6a}) with their relevant beta coefficient (β weights), the standard error (S.E) and the statistical significance (p-value). According to Bradfield (2003:47) the β weights are evaluated to specify the strength of the relationships between the constructs. Table 6.16 follows with the indirect effects regarding the mediating alternative hypothesised relationships (H_{4a} and H_{7a}) between the constructs of this study.

Table 6.15: Hypothesis testing: the direct effects

Hypothesis	Relationship	β weight	S.E	p-value
H _{1a}	Customer satisfaction → Behavioural intention	0.90***	0.11	0.001
H _{2a}	Customer satisfaction → Commitment	0.50***	0.12	0.001
H _{3a}	Commitment → Behavioural intention	0.15**	0.05	0.009
H _{5a}	Trust → Behavioural intention	-0.12	0.11	0.279
H _{6a}	Trust → Commitment	0.43***	0.12	0.001

Note: ***Relationship is statistically significant at $p < 0.001$; ** Relationship is statistically significant at $p < 0.01$

Table 6.15 shows that most of the standardised regression weights of the alternative hypothesised relationships between the constructs are positive, ranging from 0.15 to 0.90. However, there is one exception where the standardised regression weight of the alternative hypothesised relationship between trust and behavioural intention (H_{5a}) is negative. This suggests that H_{5a} is rejected as it indicates that trust does not have a significant and positive influence on behavioural intention when a customer is having a luxury motor vehicle serviced or repaired at a luxury motor vehicle dealership. However, the standard regression weights of the alternative hypothesised relationships for H_{1a}, H_{2a}, H_{3a} and H_{6a} are positive and prove to be statistically significant at $p < 0.001$ or $p < 0.01$.

With respect to hypothesis 1, customer satisfaction had a significant positive direct influence on behavioural intention (β weight = 0.90; $p < .001$). Similarly, with hypothesis 2 customer satisfaction had a significant positive direct influence on commitment (β weight = 0.50; $p < .001$). Regarding hypothesis 3, the direct effect of commitment on behavioural intention is also significant and positive, with β weight = 0.15 and $p < .01$. Lastly, hypothesis 6 was supported, as the direct effect of trust on commitment was also significant and positive, with a β weight of 0.43 and $p < .001$. It can therefore be concluded that H_{1a}, H_{2a}, H_{3a} and H_{6a} can be accepted.

Table 6.16: Hypothesis testing: the indirect effects

Hypothesis	Relationship	β weight	S.E	p-value
H _{4a}	Commitment mediates the relationship between customer satisfaction and behavioural intention	0.07*	0.03	0.010
H _{7a}	Commitment mediates the relationship between trust and behavioural intention	0.06	0.03	0.064

Note: *Relationship statistically significant at $p < 0.05$

From Table 6.16 it can be seen that customer satisfaction has a significant positive indirect effect on behavioural intention in favour of a luxury motor vehicle dealership, as mediated by commitment towards the dealership, with β weight = 0.07 and $p < .05$. According to Zhao *et al* (2010:201), if both the indirect effect and the direct effect are positive and statistically significant, the mediation can be classified as complementary mediation model (synonymous to partial mediation). Consequently, based on the results obtained from the direct effect between customer satisfaction and behavioural intention as well as the indirect effect, as mediated by commitment, it can be concluded that H_{4a} should be accepted and that complementary mediation was obtained. From Table 6.16 it can further be seen that trust, however, does not have a significant positive indirect effect on behavioural intention in favour of a luxury motor vehicle dealership, as mediated by commitment towards the dealership. The β weight = 0.06, but $p > .05$. Given the fact that the relationship between trust and behavioural intention was also not significant it can be concluded that H_{7a} should be rejected and that no mediating effect was evident (Zhao *et al*, 2010:201).

A summary of the main result with regard to the alternative hypotheses for the correlation analysis is presented in Table 6.17.

Table 6.17: Summary of main results with respect to the hypotheses

Hypotheses for SEM		Finding
H _{1a}	Customer satisfaction significantly and positively influences behavioural intention in favour of a luxury motor vehicle dealership.	Do not reject
H _{2a}	Customer satisfaction significantly and positively influences commitment towards a luxury motor vehicle dealership.	Do not reject
H _{3a}	Commitment significantly and positively influences behavioural intention in favour of a luxury motor vehicle dealership.	Do not reject

Table 6.17: Summary of main result with respect to the hypotheses (*continued*)

Hypotheses for SEM		Finding
H4a	Customer satisfaction has a significant positive indirect effect on behavioural intention in favour of a luxury motor vehicle dealership as mediated by commitment towards the dealership.	Do not reject
H5a	Trust significantly and positively influences behavioural intention in favour of a luxury motor vehicle dealership.	Reject
H6a	Trust significantly and positively influences commitment towards a luxury motor vehicle dealership.	Do not reject
H7a	Trust has a significant positive indirect effect on behavioural intention in favour of a luxury motor vehicle dealership as mediated by commitment towards the dealership.	Reject

Therefore, the following main result can be reported with regard to the alternative hypotheses formulated for this study.

Main result 23: Customer satisfaction has a significant and positive influence on behavioural intention in favour of a luxury motor vehicle dealership.

Main result 24: Customer satisfaction has a significant and positive influence on commitment towards a luxury motor vehicle dealership.

Main result 25: Commitment has a significant and positive effect on behavioural intention in favour of a luxury motor vehicle dealership.

Main result 26: Commitment has a significant positive mediating effect on the relationship between customer satisfaction and behavioural intention in favour of a luxury motor vehicle dealership.

Main result 27: Trust does not have a significant and positive influence on behavioural intention in favour of a luxury motor vehicle dealership.

Main result 28: Trust has a significant and positive effect on commitment.

Main finding 29: Commitment does not have a significant positive mediating effect on the relationship between trust and behavioural intention in favour of a luxury motor vehicle dealership.

6.8 SUMMARY OF MAIN RESULTS

A summary of all the main results formulated in this chapter is presented in this section.

6.8.1 Main results according to research objectives

All the main empirical research findings are structured according to the secondary objectives formulated for the purpose of this study (refer to Chapter 5, Section 5.3.2). Secondary objective 1 was previously accomplished by conducting a theoretical background investigation as presented in Chapter 2 and 3. Thus, Table 6.18 commences with the main **results** related to secondary objectives 2 to 7.

Table 6.18: A summary of the main empirical research findings according to the secondary objectives of this study

Secondary objective 2: To develop a sample profile of customers who have had their vehicle serviced or repaired at a luxury motor vehicle dealership in Gauteng during the past 24 months and who participated in this research study.	
Main result 1	The majority of respondents who took part in the study selected Mercedes-Benz and BMW most often as their second vehicle driven or owned. Mostly male respondents took part in the study who are self-employed, married and 42 years of age and older.

Table 6.18: A summary of the main empirical research findings according to the secondary objectives of this study (*continued*)

Secondary objective 3: To measure the customer satisfaction levels of customers who have had their motor vehicles serviced or repaired at a luxury motor vehicle dealership in Gauteng during the past 24 months.	
Main result 2	Pertaining to respondents' level of customer satisfaction towards a luxury motor vehicle dealership, respondents agreed most that they felt their experience with the dealership had been enjoyable and that they were satisfied overall with the service provided.
Main result 3	Pertaining to respondents' level of customer satisfaction towards a luxury motor vehicle dealership, respondents agreed least with feeling delighted with the dealership's service and that they did the right thing when they decided to use the dealership.
Secondary objective 4: To measure the levels of trust of customers towards the luxury motor vehicle dealership in Gauteng that had serviced or repaired their motor vehicles during the past 24 months.	
Main result 4	Regarding respondents' level of trust towards a luxury motor vehicle dealership, respondents agreed most that they believed the dealership was trustworthy and that the dealership had high integrity.
Main result 5	Regarding respondents' level of trust towards a luxury motor vehicle dealership, respondents agreed least with the dealership being counted on to do what is right and that the dealership kept its promises.
Secondary objective 5: To measure the levels of commitment of customers towards the luxury motor vehicle dealership in Gauteng that had serviced or repaired their motor vehicles during the past 24 months.	
Main result 6	Pertaining to respondents' level of commitment towards a luxury motor vehicle dealership, respondents agreed most that their relationship with the dealership was very important to them and that their relationship with the dealership was something they really cared about.
Main result 7	Pertaining to respondents' level of commitment towards a luxury motor vehicle dealership, respondents agreed least that the dealership was prepared to make short-term sacrifices to maintain their relationships and that the dealership and they were both committed to the relationship.
Secondary objective 6: To measure the levels of behavioural intention of customers in favour of the luxury motor vehicle dealership in Gauteng that had serviced or repaired their motor vehicles during the past 24 months	
Main result 8	Regarding respondents' level of behavioural intention towards a luxury motor vehicle dealership, respondents agreed most that they would service their motor vehicles at the dealership again and that they would select the same dealership to service or repair their luxury motor vehicles.

Table 6.18: A summary of the main empirical research findings according to the secondary objectives of this study (*continued*)

Secondary objective 6: To measure the levels of behavioural intention of customers in favour of the luxury motor vehicle dealership in Gauteng that had serviced or repaired their motor vehicles during the past 24 months (<i>continued</i>)	
Main result 9	Regarding respondents' level of behavioural intention towards a luxury motor vehicle dealership, respondents disagreed that they would express their satisfaction with the dealership on social media platforms and had a low level of agreement that they would pay a higher price than competitors charged for the benefits they were receiving from the dealership.
Secondary objective 7: To examine the interrelationships of customer satisfaction, trust, commitment and behavioural intention in favour of a luxury motor vehicle dealership.	
Main result 10	All the measurement scales measuring the constructs of customer satisfaction, trust, commitment and behavioural intention can be considered as highly reliable as they all exhibit very good internal consistency reliability.
Main result 11	The CFA fit statistics calculated for the four-component measurement model provide confirmation that a good to acceptable model fit was obtained.
Main result 12	The standardised factor loadings confirmed that all measurement items are loaded significantly and could be retained in the model.
Main result 13	The CR values calculated showed evidence of strong internal consistency of each latent variable.
Main result 14	All four constructs of the measurement model (customer satisfaction, trust, commitment and behavioural intention) have strong reliability and convergent validity.
Main result 15	The results obtained from the covariance matrix and AVE values indicated that four constructs of the measurement model all have discriminant validity.
Main result 16	Face validity proved that the measurement items measured what they were intended to measure.
Main result 17	Construct validity proved that all four constructs of the measurement model are highly positively correlated and that these constructs can also be clearly distinguished from each other.
Main result 18	The overall mean score for respondents' level of customer satisfaction towards a luxury motor vehicle dealership is above the mid-point of the measurement scale, which indicates that respondents are satisfied overall with the dealership that serviced or repaired their luxury motor vehicle.

Table 6.18: A summary of the main empirical research findings according to the secondary objectives of this study (*continued*)

Secondary objective 7: To examine the interrelationships of customer satisfaction, trust, commitment and behavioural intention in favour of a luxury motor vehicle dealership (continued).	
Main result 19	The overall mean score for respondents' level of trust towards a luxury motor vehicle dealership when taking their motor vehicles for a service or repair is above the mid-point of the measurement scale, which indicates that respondents do indeed display trust towards the dealership.
Main result 20	The overall mean score for respondents' level of commitment towards a luxury motor vehicle dealership when taking their motor vehicles for a repair or service is above the mid-point of the measurement scale, suggesting that respondents are positively committed to the dealership.
Main result 21	The overall mean score for respondents' level of behavioural intention towards a luxury motor vehicle dealership is above the mid-point of the measurement scale, indicating that respondents show positive behavioural intention towards the dealership that serviced or repaired their luxury motor vehicle.
Main result 22	According to the assessment of the structural model it can be concluded that the fit indices indicate an acceptable model for this study.
Main result 23	Customer satisfaction has a significant and positive influence on behavioural intention in favour of a luxury motor vehicle dealership.
Main result 24	Customer satisfaction has a significant and positive influence on commitment towards a luxury motor vehicle dealership.
Main result 25	Commitment has a significant and positive effect on behavioural intention in favour of a luxury motor vehicle dealership.
Main result 26	Commitment has a significant positive mediating effect on the relationship between customer satisfaction and behavioural intention in favour of a luxury motor vehicle dealership.
Main result 27	Trust does not have a significant and positive influence on behavioural intention in favour of a luxury motor vehicle dealership.
Main result 28	Trust has a significant and positive effect on commitment.
Main result 29	Commitment does not have a significant positive mediating effect on the relationship between trust and behavioural intention in favour of a luxury motor vehicle dealership.

6.9 SUMMARY

The empirical research results for this research study were discussed in this chapter. The chapter started with presenting the sample realisation rate, followed by the demographic or sample profile of respondents who took part in this study. This was followed by the empirical results gathered from the remaining sections of the questionnaire with regard to

respondents' levels of customer satisfaction, trust, commitment and behavioural intention. Included in the statistical analysis results reported in this chapter were frequencies and percentages, means and standard deviations, Cronbach's alpha coefficients to test internal consistency reliability, model fit analysis, factor loadings, face, convergent and discriminant validity through CFA, overall mean scores, direct and indirect effects. Furthermore, the SEM was tested in order to compare the proposed theoretical model with the gathered data. This chapter concluded with a summary of all the main result of this study, which were presented according to the secondary objectives formulated for the purpose of this study. Chapter 7 provides conclusions as well as recommendations for this research study.

CHAPTER 7: CONCLUSIONS AND RECOMMENDATIONS

7.1 INTRODUCTION

Chapter 7 completes this research study by drawing conclusions and making recommendations from the empirical findings discussed in Chapter 6, as well as from the preceding background presented in Chapters 2 and 3, and the model conceptualisation in Chapter 4. This chapter commences with an overview of the study, which serves as a background to the rest of the chapter. In the next section conclusions are drawn, implications are highlighted and recommendations are proposed for each secondary objective formulated. A table is then presented linking the research objectives, theoretical background chapters, the questionnaire sections, hypotheses, main results, and the conclusions and recommendations formulated for this study. The final part of this chapter is devoted to an acknowledgement of the limitations of this research study. A list of recommendations is also provided that may be considered for further research on this topic.

7.2 OVERVIEW OF THE STUDY

The South African luxury motor vehicle industry is very diverse and highly competitive (German Missions in South Africa, Lesotho and Swaziland, 2012). Customers have a wide choice of a selection of luxury motor vehicle brands and dealerships available in the country (Venter, 2013). Overall the luxury motor vehicle is considered as an important segment within the South African motor vehicle industry as it contributes 3% of the country's GDP (Department of Trade and Industry, 2015:4; NAAMSA, 2015).

It further appears that within the luxury motor vehicle industry, customers have become even more demanding, with increased preferences, due to the fierce competition, fluctuating market demand and rising customer requirements (Ambe & Badenhorst-Weiss, 2010:2110; Zhang & Cheng, 2006:670). To succeed in this highly competitive market segment, the challenge for luxury motor vehicle dealerships is to improve on their post-purchase service offering. A luxury motor vehicle dealership can make up to 60% of its profits in the post-purchase service and repair department (Henry, 2012). There is usually a good enough chance that when customers purchase a luxury motor vehicle from a specific luxury motor vehicle dealership, they will return for a regular service or repair (Reed, 2009; Kuksov & Xie, 2008:9). This puts a lot of pressure on luxury motor vehicle dealerships to provide excellent, or even exceptional, customer service (Kuksov & Xie, 2008:9). In order for a luxury motor vehicle dealership to obtain a unique competitive advantage, it is vital to place focus on building quality relationships with customers who bring their motor vehicles for a service or

repair. For a luxury motor vehicle dealership to achieve such a competitive advantage, it should be willing to identify, develop and take care of its customer relationship portfolio (Hunt *et al*, 2006:76). Building and maintaining this customer relationship portfolio will assist a luxury motor vehicle dealership to efficiently produce market offerings that will have better value for customers in comparison to that of its competitors (Hunt *et al*, 2006:77; Vorhies & Morgan, 2005:83).

Chapter 1 of this research study provides an introduction and background for this research study. It is demonstrated that building high quality relationships with customers who have had their luxury motor vehicles serviced or repaired at a luxury motor vehicle dealership may prove to be beneficial for the dealership in terms of favourable behavioural intention (Walter *et al*, 2010:1). This chapter further argues that even though research has investigated the interrelationships of customer satisfaction, trust, commitment and behavioural intention, there appears to be a lack of research on the applicability of these variables to luxury motor vehicle dealerships in South Africa. Thus, the theoretical model as presented in Figure 1.1 (Chapter 1) has not yet been proposed in terms of the South African luxury motor vehicle industry.

A research problem was then formulated for the purpose of this research study. The research problem for this study proposes that it has become vital for luxury motor vehicle dealerships to differentiate themselves on other platforms than the basis of product attributes. A luxury motor vehicle dealership should rather place their focus on differentiating themselves on the basis of the quality relationships built with customers who are servicing or repairing their luxury motor vehicles at the dealership. The relationship quality dimensions of customer satisfaction, trust and commitment, as suggested by extant literature, can have a positive influence on the behavioural intention of customers. Commitment has furthermore been proven to act as a mediator to strengthen the relationship between customer satisfaction and behavioural intention, as well as the relationship between trust and behavioural intention. These relationships have, however, not yet been fully investigated within the context of luxury motor vehicle dealerships in South Africa. Therefore, the primary objective of this research study is to investigate relationship quality factors that influence behavioural intention at a luxury motor vehicle dealership (Chapter 1, Section 1.7.1). The primary objective is supported by several secondary objectives (Chapter 1, Section 1.7.2).

7.3 CONCLUSIONS, IMPLICATIONS AND RECOMMENDATIONS FOR SECONDARY OBJECTIVES

The conclusions, implications and recommendations resulting from the theoretical background as well as the empirical results obtained are presented by means of the secondary objectives formulated for this research study.

7.3.1 Secondary objectives 1a to 1c

Secondary objectives 1a to 1c are presented in Table 7.1.

Table 7.1: Secondary objective 1

Secondary objective 1	
To provide an overview of research literature related to:	
1a)	potential factors influencing behavioural intention in favour of an organisation.
1b)	the main constructs of this research study, namely customer satisfaction, trust, commitment and behavioural intention.
1c)	the interrelationships of the main constructs of this research study.

Secondary objectives 1a to 1c of this research study were achieved as follows:

- Secondary objective 1a, which relates to the potential factors that can influence behavioural intention in favour on an organisation, is addressed in Chapter 1 (Section 1.5).
- Secondary objective 1b, which relates to the main constructs of this research study, is addressed in Chapter 2 and Chapter 3. Chapter 2 discusses customer satisfaction (Section 2.3.2.1), trust (Section 2.3.2.2) and commitment (Section 2.3.2.3). Chapter 3 provides in-depth insight into behavioural intention (Section 3.3).
- Secondary objective 1c, which relates to the interrelationships that exist among the main constructs of this research study, is addressed in Chapter 4, where the proposed theoretical model is conceptualised.

There were no main results formulated for secondary objectives 1a to 1c. However, the insights obtained from achieving these secondary objectives serve to assist with the development of conclusions and recommendations for the remaining secondary objectives for this research study.

7.3.2 Secondary objective 2

Secondary objective 2 is presented in Table 7.2.

Table 7.2: Secondary objective 2

Secondary objective 2
To develop a sample profile of customers who have had their vehicle serviced or repaired at a luxury motor vehicle dealership in Gauteng during the past 24 months and who participated in this research study.

To achieve secondary objective 2, demographic information was obtained from Section A of the questionnaire. This section of the questionnaire reflected respondents' second vehicle driven or owned, gender, employment status, marital status and year of birth.

The main result regarding the demographic information obtained for this study can be derived from Section 6.3 (main result 1). It states that the majority of respondents who took part in the study selected Mercedes-Benz and BMW most often as their second vehicle driven or owned. Mostly male respondents took part in the study who are self-employed, married and 42-years of age and older.

In addition to the main result from Section 6.3, the following main conclusion, implication and recommendation can be noted:

Main conclusion 1 is that the typical respondent who participated in this research study most likely drives or owns more than one luxury motor vehicle. They are males, at a more mature stage in their lifecycle (42 years of age and older), who are married and tend to work independently (self-employed).

The **implication** is that these respondents are from an older generation who have grown up with marketing and advertising. They have also profited from social mobility, increased property values and decent employment pensions, making them relatively wealthy, but they are also picky, with high standards, and they are unlikely to switch luxury brand allegiance. This is also a group of experienced customers, making it difficult to promote luxury post-purchase services and repairs to them.

Recommendation 1: Luxury motor vehicle owners have high standards which make them feel entitled to live the good life. In terms of post-purchase service or repair, a luxury motor vehicle dealership needs to appeal to these owners by developing a strategy that uses all of the dealership's resources to effectively implement actions that will assist the dealership to

be consistent in delivering excellent customer service. Luxury motor vehicle owners see excellent customer service by a luxury motor vehicle dealership as the delivery of more than what it promised during the service or repair experience. A luxury motor vehicle dealership can enhance this experience by training their aftersales (service and repair) employees to smile and truly welcome customers when they bring their luxury motor vehicles for a service or repair. The general attitude of the luxury motor vehicle dealership should be one of friendly service and honest interest in the customer. This will make luxury motor vehicle owners feel uniquely special and comfortable, putting their minds at ease and reassuring them that their luxury motor vehicles will be looked after by the dealership as if they were their own.

In addition to luxury motor vehicle owners having high standards, they also tend to be busy people in terms of their private and work lives. To successfully appeal to luxury motor vehicle owners, it is vital for the luxury motor vehicle dealership to develop a training strategy ensuring that aftersales employees have thorough knowledge of the product to effectively assist customers during the service or repair process. A luxury motor vehicle dealership should also train its aftersales employees to always show respect for customers and for their time by being on time for appointments and consistently quick to respond, and by keeping them well informed during the service or repair process. Furthermore, a luxury motor vehicle dealership should implement a strategy to provide luxury motor vehicle owners with a platform to give their opinion and feedback regarding their service or repair process. This will show customers that the dealership truly values their comments, compliments and observations especially if these are used to improve the quality of service it provides to customers.

7.3.3 Secondary objective 3

Secondary objective 3 is presented in Table 7.3.

Table 7.3: Secondary objective 3

Secondary objective 3
To measure customer satisfaction levels of customers who have had their motor vehicles serviced or repaired at a luxury motor vehicle dealership in Gauteng during the past 24 months

In Chapter 2 the literature review revealed that customer satisfaction mainly focuses on whether a product or service has met or exceeded a customer's expectations. It is vital for luxury motor vehicle dealerships to understand that customers have significantly different

expectations (Hattingh, 2007:22). If the performance of a luxury motor vehicle dealership in terms of a service or repair matches or exceeds a customer's expectations, the customer will most definitely be satisfied. The customer will be disappointed and negative towards the luxury motor vehicle dealership should the performance be below expectations (Malik, 2012:69). Customers also tend to evaluate their choice of dealership when taking their luxury motor vehicles for a service or repair by comparing their expectations with the actual service quality received (Truong & McColl, 2011:556). The actual service received will include everything customers experience while their luxury motor vehicles are at the luxury motor vehicle dealership, for example, the friendliness and helpfulness of the staff, the general atmosphere of the dealership, and the quality of the service or repair.

According to (Hattingh, 2007:22) any luxury motor vehicle dealership that can pride itself on excellent customer satisfaction will have more customers and be able to generate more positive customer relationships. Customer satisfaction furthermore has the ability to affect customers' decision to continue their relationship with a luxury motor vehicle dealership, depending on the dealership's ability to satisfy their needs or wants (Malik, 2012:69, Truong & McColl, 2011:556).

The following main results regarding customer satisfaction can be derived from the literature review:

- In order for customers to be truly satisfied, a luxury motor vehicle dealership should meet or surpass customer expectations of the post-purchase service or repair offered by a luxury motor vehicle dealership.
- Customers like to compare their actual experience with a luxury motor vehicle dealership during a service or repair of their luxury motor vehicle to their perceived expectations.
- Excellent customer satisfaction can lead to a luxury motor vehicle dealership having improved customer relationships.
- Customers will be more likely to use a luxury motor vehicle dealership again if the dealership is able to satisfy customers' needs and wants during a service or repair visit.
- Customer satisfaction can assist a luxury motor vehicle dealership to offer an exceptional ownership experience to customers.

In addition to the main results from the literature review, a number of important findings were also identified from the empirical part of the study. The main results of this research study

indicate that with regard to respondents' level of customer satisfaction towards a luxury motor vehicle dealership, respondents agreed most that they felt their experience with the dealership had been enjoyable and that they were satisfied overall with the service provided (main result 2, Chapter 6, Section 6.4.1). Respondents also agreed least with feeling delighted with the dealership's service and that they did the right thing when they decided to use the dealership (main result 3, Chapter 6, Section 6.4.1). With respect to main result 3, the mean value for the two statements, however, is still above 4, indicating that although these statements were rated slightly lower, overall the respondents were still satisfied with the service provided.

The third secondary objective was to measure customer satisfaction levels of customers who had had their motor vehicles serviced or repaired at a luxury motor vehicle dealership in Gauteng during the past 24 months. To address this objective, the main results from the literature review as well as the empirical part of the study will be integrated in order to assist in arriving at the main conclusion, implication and recommendation for this objective.

The literature review revealed that for luxury motor vehicle owners to be truly satisfied, the luxury motor vehicle dealership should either meet or exceed their expectations with regard to the post-purchase service or repair process. According to the empirical research, luxury motor vehicle owners agreed that they were satisfied overall with the service provided by the luxury motor vehicle during the service or repair of their luxury motor vehicles. This is a clear indication that when customers' expectations have been met or exceeded, they tend to be satisfied overall. The literature review further indicated that customers tend to compare their actual experience with their perceived expectations regarding the service or repair of their luxury motor vehicles. With regard to the empirical research, it was revealed that luxury motor vehicles did find their actual experience with the luxury motor vehicle dealership to be enjoyable. This indicates that what luxury motor vehicle owners expected from the luxury motor dealership before the service or repair of their luxury motor vehicles was fulfilled to some extent by the dealership during and after the actual service or repair, leading to owners being satisfied with their experience.

The literature review also indicated that customers who are satisfied will be more likely to use the luxury motor vehicle dealership again. The empirical research confirmed that while the respondents overall agreed with this view, some respondents were more hesitant to indicate that they were delighted with the dealership's service, and would make use of the dealership again for servicing and repairing their motor vehicles. Therefore, even though it has been statistically proven that luxury motor vehicle dealerships need to conduct research to determine what drives satisfied customers to return to the dealership for the next service

or repair. The dealerships can also employ customer satisfaction as a strategy to improve the exceptional ownership experience they promise to their customers.

Therefore, based on the main results from the empirical results, the following main conclusion, implication and recommendation can be noted:

Main conclusion 2 is that when the expectations of luxury motor vehicle owners are met, they agree to feel satisfied overall with the service received from the luxury motor vehicle dealership and they also enjoy their actual experience with the dealership. However, although luxury motor vehicle owners tend to feel satisfied overall with the service, some do not necessarily feel delighted with the service or that choosing the dealership was the right thing to do. Customer satisfaction therefore does not necessarily guarantee a continued relationship between the customer and the dealership.

The implication is that luxury motor vehicle dealerships need to employ strategies to effectively facilitate customer satisfaction.

Recommendation 2: Luxury motor vehicle dealerships have to be equipped to meet high customer expectations. Customers who own a luxury motor vehicle will be disappointed to receive entry level motor vehicle service. Meeting customer expectations is all about the level of the service provided to luxury motor vehicle owners. The service should be consistent in the way employees handle queries, the language used to interact with customers, and how issues are escalated to management level. Customers should be ensured of feeling comfortable, proud and good about choosing the dealership to service or repair their luxury motor vehicles. This requires a luxury motor vehicle dealership to provide adequate training to frontline employees and managers, leading to revisits for another service or repair, referrals and positive word-of-mouth.

Luxury motor vehicle dealerships can also use customer satisfaction to differentiate themselves from competitors. Customer satisfaction assists in developing strong customer relationships that will encourage customer loyalty. Therefore, a luxury motor vehicle dealership should assess its customer satisfaction levels continuously by comparing customers' experience with their expectations in terms of customer service when they take their luxury motor vehicles for a service or repair. Customer satisfaction can be assessed by hiring and/or training professional employees capable of asking customers for feedback regarding their current service or repair experience at the luxury motor vehicle dealership. Areas where customer satisfaction levels are low can be identified, and marketing strategies can be developed and implemented to improve these areas.

7.3.4 Secondary objective 4

Secondary objective 4 is presented in Table 7.4.

Table 7.4: Secondary objective 4

Secondary objective 4
To measure the levels of trust of customers towards the luxury motor vehicle dealership in Gauteng that had serviced or repaired their motor vehicles during the past 24 months

In Chapter 2 the literature review revealed that to reach profitable success, it is important to build a strong foundation of trust as well as confidence in the dealership (Hennig-Thurau *et al*, 2002:236). According to Egonsson *et al* (2013:68) trust will exist once customers have confidence in the luxury motor vehicle dealership's reliability and integrity. Increased trust is also regarded as critical for a relationship between a luxury motor vehicle dealership and its customers to be successful (Tolmay, 2012:133). Thus, if customers have genuine confidence in a luxury motor vehicle dealership's ability to perform a high quality service or repair, they would be more than happy to build a long-term relationship with the dealership.

The following main results with regard to trust can be derived from the literature review:

- Trust refers to the confidence customers have in a luxury motor vehicle dealership to act in their best interest in the long term.
- Trust is a two-way relationship in which both the customer and the luxury motor vehicle dealership need to invest time and effort to create and maintain a positive relationship.
- Trust in a luxury motor vehicle dealership is developed on the basis of customers' previous experience with the dealership.
- Customers who trust the luxury motor vehicle dealership to service or repair their luxury motor vehicles tend to be more willing to develop positive behavioural intentions.

In addition to the main results from the literature review, a number of important findings were also identified from the empirical part of the study. With regard to respondents' level of trust towards a luxury motor vehicle dealership, it was found that respondents agreed most that they believed the dealership was trustworthy and that the dealership had high integrity (main result 4, Chapter 6, Section 6.4.1). It was also found that respondents agreed least with the dealership being counted on to do what is right and also that the dealership was capable of keeping its promises (main result 5, Chapter 6, Section 6.4.1). With respect to main result 5,

the mean value for the two statements was still above 4, indicating that overall the respondents did have trust in the dealership.

The fourth secondary objective was to measure the levels of trust of customers towards the luxury motor vehicle dealership in Gauteng that had serviced or repaired their motor vehicles during the past 24 months. To address this objective, the main results from the literature review and from the empirical part of the study will be integrated in order to assist in arriving at the main conclusion, implication and recommendation for this objective.

The literature review indicated that trust refers to confidence placed in the luxury motor vehicle dealership to act in the best interest of its customers. The empirical research revealed that luxury motor vehicle owners believed the dealership to be trustworthy. Luxury motor vehicle owners base the level of confidence they place in a dealership on their past experiences with the dealership. If the luxury motor vehicle dealership has provided customers with positive past experiences, they are more likely to have a higher level of confidence in the dealership, leading them to believe the dealership is trustworthy. Additionally, the literature review indicated that trust should entail a two-way relationship between the customer and the luxury motor vehicle dealership. According to the empirical research, the majority of respondents agreed that the luxury motor vehicle dealership had high integrity, yet some respondents also rated the dealership lower in terms of their perception that the dealership could not be counted on to do the right thing and that it was capable of keeping its promises. Although the luxury motor vehicle dealership is believed to have high integrity, it appears that not all luxury motor vehicle owners have high confidence in the dealership's ability to follow through and actually do what is right as well as what it promised. As mentioned, trust entails a two-way relationship. Both the luxury motor vehicle dealership and the luxury motor vehicle owners should prove themselves by investing time and effort to create a relationship. A luxury motor vehicle dealership should investigate why some of its customers feel they cannot completely trust the dealership and accordingly employ strategies that build secure customer portfolios to decrease the risk of losing customers to other dealerships.

Therefore, based on the main results from the empirical results, the following main conclusion, implication and recommendation can be noted:

Main conclusion 3 is that a marginal majority of respondents showed trust in a luxury motor vehicle dealership's ability to service or repair their luxury motor vehicles, as the dealership portrayed qualities such as honesty and consistency of character (high integrity). However, some doubt was also displayed in the ability of a luxury motor vehicle dealership to do the

right thing when servicing or repairing their luxury motor vehicles. Some respondents were also hesitant about the ability of the dealership to keep the promises it makes during the service or repair process. Trust is based on previous experiences, and luxury motor vehicle dealerships that have provided excellent past experiences are more likely to enjoy the benefits of having customers who place high levels of confidence in them to service or repair their luxury motor vehicles.

The **implication** is that customers make the choice of whether or not to extend trust to the luxury motor vehicle dealership. Trust evolves incrementally over time as it involves an ongoing process of relationship building, communication and action. Building trust depends greatly on whether the luxury motor vehicle dealership actually does what it promised it would do for its customers when they brought their luxury motor vehicles for a service or repair. When actions and words do not match, trust is breached and the luxury motor vehicle dealership ends up losing its customers.

Recommendation 3: Luxury motor vehicle dealerships should be honest and straightforward with customers who bring their luxury motor vehicles for a service or repair. It is critical for luxury motor vehicle dealership never to over-promise and under-deliver, as customers will test the promises made by dealerships. Only if customers find that the luxury motor vehicle dealership fulfils or exceeds its promises will they be willing to contribute to building a relationship with the dealership.

Luxury motor vehicle dealerships should furthermore make it easy for customers to complain or provide adequate feedback. Phone numbers, feedback email access and any other ways for customers to notify the dealership when there is a problem should be provided. It is vital for a luxury motor vehicle dealership to measure the trust levels of customers in relation to customer service and to the dealership itself when customers are having their luxury motor vehicles serviced or repaired. Areas where trust levels of customers are low can be identified and marketing strategies can be developed and implemented to improve these areas.

A luxury motor vehicle dealership can, for example, implement a marketing strategy that consists of a few small actions. Firstly, employees should be encouraged to rather focus on doing their job well and to put their energy into delivery the best customer service possible. Secondly, employees should be encouraged to be transparent about their mistakes by being as direct and open about it to customers. Employees should own up to mistakes immediately and share with customers what they are doing to correct it, and follow through. Lastly, employees should be encouraged to stay vigilant over time to prove over and over

again that customers can trust the luxury motor vehicle dealership to look after them and their luxury motor vehicles.

7.3.5 Secondary objective 5

Secondary objective 5 is presented in Table 7.5.

Table 7.5: Secondary objective 5

Secondary objective 5
To measure the levels of commitment of customers towards the luxury motor vehicle dealership in Gauteng that had serviced or repaired their motor vehicles during the past 24 months

In Chapter 2 the literature review revealed that commitment is customers' willingness to stick with a luxury motor vehicle dealership in the future. Commitment is also a customer's lasting intention to build and maintain a relationship with the luxury motor vehicle dealership (Schiffman & Kanuk, 2013:30). Fullerton (2003:334) further states that mutual commitment can be regarded as the foundation on which all successful relationships need to be built. This is due to customers developing emotions over time which affect their commitment to a luxury motor vehicle dealership (Pohjanen, 2011:5). Commitment furthermore can be viewed as a mediator in relationships between customers and a luxury motor vehicle dealership as it has a strong influence on behavioural intention with regard to continuity expectancy and positive word-of-mouth (Al-Abdi, 2010:40; Fullerton, 2003:334).

The following main results regarding commitment can be derived from the literature review:

- Commitment is considered to be the building block of a positive and successful relationship between customers and luxury motor vehicle dealerships.
- Commitment towards a luxury motor vehicle dealership is affected over time by customers' emotions as they learn more about the dealership, creating expectations of and confidence in their relationship with the dealership.
- Commitment can be a powerful determinant of favourable behavioural intentions towards a luxury motor vehicle dealership, leading to such benefits as customer retention, revisits for another service or repair, and recommendations.

- A customer's commitment towards a luxury motor vehicle dealership can reflect how often their luxury motor vehicle was serviced or repaired in the past and will be serviced or repaired in the future.

In addition to the main results from the literature review, a number of important findings were also identified from the empirical part of the study. With regard to respondents' level of commitment towards a luxury motor vehicle dealership, it was found that respondents agreed most that their relationship with a luxury motor vehicle dealership was very important to them and that their relationship was something they really cared about (main result 6, Chapter 6, Section 6.4.1). On the other hand, respondents agreed least that the dealership was prepared to make short-term sacrifices to maintain their relationship, and that both the dealership and they were committed to the relationship (main result 7, Chapter 6, Section 6.4.1). With respect to main result 7, the mean values for the two statements were above 3.65, indicating that overall the respondents tend to be committed to the dealership.

The fifth secondary objective was to measure the levels of commitment of customers towards the luxury motor vehicle dealership in Gauteng that had serviced or repaired their motor vehicles during the past 24 months. To address this objective, the main result from the literature review as well as the empirical part of the study will be integrated in order to assist in arriving at the main conclusion, implication and recommendation for this objective.

The literature review argued that commitment is considered to be the building block for creating positive and successful relationships. The empirical research indicated that the luxury motor vehicle owners felt that their relationship with the dealership was important to them and also that the relationship was something they truly cared about. According to the literature review, commitment is affected over time by the emotions of customers due to their learning more about the dealership, which then creates expectations as well as confidence in the dealership. The empirical research indicated that some luxury motor vehicle owners did not feel confident that the dealership was prepared to make short-term sacrifices to maintain their relationship or that both the dealership and they were committed to the dealership. All relationships need a foundation, and mutual commitment from both a luxury motor vehicle owner and the luxury motor vehicle dealership can develop just that. A luxury motor vehicle dealership cannot expect its customers to commit to continually taking their luxury motor vehicles for a service or repair if the dealership is not willing to commit to looking after its customers' well-being. Luxury motor vehicle dealerships need to conduct research that will assist with measuring luxury motor vehicle owners' level of commitment towards the dealership, as this would provide an indication of how often owners bring their luxury motor vehicles for a repair or service.

Thus, based on the main results from the empirical results, the following main conclusion, implication and recommendation can be noted:

Main conclusion 4 is that respondents who are committed to a luxury motor vehicle dealership value the relationship they have with the dealership. However, some respondents show doubt in the ability of the luxury motor vehicle dealership to make necessary sacrifices to maintain their business relationship when they bring their luxury motor vehicles for a service or repair. Furthermore, some respondents were less confident in believing that both the dealership and they are committed to the relationship. Commitment develops over time as it is based largely on customers' previous experiences with the luxury motor vehicle dealership as well as their level of satisfaction and trust. Customers need to get to know the luxury motor vehicle dealership and see efforts by the dealership to get to know them before they are willing to commit to continually make use of the dealership's service or repair facilities.

The **implication** is that commitment towards a luxury motor vehicle dealership is a choice every customer makes when considering where to take their luxury motor vehicles for a service or repair. Commitment is linked to the convenience of the service or repair process, the ability of a luxury motor vehicle dealership to meet or exceed expectations, the reputation a dealership holds and excellent customer service.

Recommendation 4: For a luxury motor vehicle dealership to improve its customers' level of commitment, the dealership needs to convey professionalism by being confident and knowledgeable and by displaying organisational pride through its actions and appearance. A luxury motor vehicle dealership should also prove to customers that it sincerely cares about their concerns whilst working quickly and efficiently to resolve any issues customers might have.

Luxury motor vehicle dealerships should furthermore remember that commitment is the building block of a successful and beneficial relationship. Luxury motor vehicle dealerships sometimes need to be willing to make short-term sacrifices, but only when this proves to be beneficial for both the dealership and the customer. In doing so, the luxury motor vehicle dealership proves that it is committed to its customer relationships and as a result encourages customers to commit to their relationship with the dealership. The commitment levels of customers in relation to the dealership should be measured when customers have their luxury motor vehicles serviced or repaired. For example, sending customers a survey two days after their luxury motor vehicles have been for a service or repair asking whether they are satisfied with the service received and if they would return to the dealership in the

future for another service or repair. Areas where commitment levels of customers are low can be identified and marketing strategies can be developed and implemented to improve these areas. For example, employees should be taught to establish personal relationships with each customer that brings his luxury motor vehicle for a service or repair. Getting to know a customer on a personal level will encourage them to remain committed to the luxury motor vehicle dealership as they believe that have developed a genuine yet mutually beneficial relationship. Another example is for a luxury motor vehicle dealership to modify its post-purchase marketing campaigns to better reflect customers' needs and wants. As the service or repair of a luxury motor vehicle can be very expensive, a luxury motor vehicle dealership can provide a service clinic twice a year where customers can bring their luxury motor vehicles for a free health check over. This can also improve customer commitment towards a luxury motor vehicle dealership as it shows the dealership is making an effort to connect with its customers.

7.3.6 Secondary objective 6

Secondary objective 6 is presented in Table 7.6.

Table 7.6: Secondary objective 6

Secondary objective 6
To measure the levels of behavioural intention of customers towards the luxury motor vehicle dealership in Gauteng that had serviced or repaired their motor vehicles during the past 24 months

In Chapter 3 the literature review revealed that behavioural intention is a verbal indication of a specific consumer behaviour that is based on the intentions of customers. Behavioural intention is a conscious decision made by customers to perform some sort of behaviour (Chen & Chen, 2009:31; Goode & Harris, 2006:514). Furthermore behavioural intention can be categorised as favourable or unfavourable, with the focus being on favourable behavioural intention for this research study.

The following main results regarding behavioural intention can be derived from the literature review:

- Behavioural intention is a conscious decision made by customers to engage in some sort of behaviour, such as recommendations, word-of-mouth, or repurchase intentions.
- Behavioural intention is driven by motivational factors.

- Investigating behavioural intention provides a luxury motor vehicle dealership with the ability to predict whether or not customers are ready to engage in a given behaviour.
- Understanding what drives customers' behavioural intention can assist luxury motor vehicle dealerships to position their products and services more effectively.

In addition to the main results from the literature review, a number of important findings were also identified from the empirical part of the study. With regard to customers' level of behavioural intention, it was found that respondents agreed most that they would service their luxury motor vehicles at the luxury motor vehicle dealership again and select the same dealership in the future for a service or repair (main result 8, Chapter 6, Section 6.4.2). It was also found that respondents disagreed with expressing their satisfaction with a luxury motor vehicle dealership on social media and had a low level of agreement with the willingness to pay a higher price than competitors charged for the benefits they were receiving from the dealership (main result 9, Chapter 6, Section 6.4.2). With respect to main finding 9, the mean values for the two statements measured were lower than 3.5, indicating that overall the respondents did not agree with these statements.

The sixth secondary objective was to measure the levels of behavioural intention of customers towards the luxury motor vehicle dealership in Gauteng that had serviced or repaired their motor vehicles during the past 24 months. To address this objective, the main results from the literature review as well as the empirical part of the study will be integrated in order to assist in arriving at the main conclusion, implication and recommendation for this objective.

According to the literature review, behavioural intention is a customer's conscious decision to engage in some sort of behaviour. The empirical research indicated that luxury motor vehicle owners were willing to return for a service or repair at the luxury motor vehicle dealership as well as make a conscious decision to select the dealership in the future. Behavioural intention is driven largely by motivational factors. Luxury motor vehicle owners that feel their experience was great will be driven to engage with the dealership in the future, make recommendations, spread positive word-of-mouth or even purchase another luxury motor vehicle. The literature review further indicated that behavioural intention can provide a luxury motor vehicle dealership with the ability to predict customers' willingness to engage in a given behaviour. The empirical research indicated that most luxury motor vehicle owners, however, were not likely to express their satisfaction with the dealership on social media platforms or even pay a higher price than competitors. Thus, investigating behavioural intention will provide insight for a luxury motor vehicle dealership into what other behaviours

luxury motor vehicle owners will be willing to engage in and thereby enable the dealership to employ strategies to attract owners to revisit the dealership continually. Luxury motor vehicle dealerships can also benefit from understanding behavioural intention as it can assist with the effective positioning of its products and services.

Therefore, based on the main results from the empirical results, the following main conclusion, implication and recommendation can be noted:

Main conclusion 5 is that respondents are willing to choose the same luxury motor vehicle dealership again and again to service or repair their luxury motor vehicles. Behavioural intention is driven by motivational factors which indicate that when luxury motor vehicle owners enjoy their experience with the luxury motor vehicle dealership, this will encourage them to engage in some sort of future behaviour. However, respondents are not willing to pay a higher price than competitors charge to get their luxury motor vehicles serviced or repaired at the luxury motor vehicle dealership. Respondents will also refrain from expressing their satisfaction on social media. Thus, understanding and continuously investigating behavioural intention can assist a luxury motor vehicle dealership to identify other behaviours its luxury motor vehicle owners are willing to engage in and develop strategies accordingly to ensure that they return for future services or repairs.

The **implication** is that behavioural intention is influenced by customers' previous experience with the luxury motor vehicle dealership. As behavioural intention is driven by motivational factors, luxury motor vehicle dealerships are faced with the challenge of providing customers with a feasible reason to engage in favourable behavioural intentions.

Recommendation 5: Luxury motor vehicle dealerships need to engage in an investigational study to determine, beyond repeat visiting intention, what drives the behavioural intention of customers when they bring their luxury motor vehicles for a service or repair. This would assist the dealership to better position its post-purchases service offerings in the future. Furthermore, a behavioural intention analysis should be conducted in order to examine customer relationships and develop a deeper understanding of consumer behaviour, the interests of customers and the consumer decision-making process. This could assist with boosting customer operations and enhance business intelligence.

A luxury motor vehicle dealership should continuously measure the level of customers' behavioural intention towards the dealership. This would assist the luxury motor vehicle dealership to determine whether customers intend to return for another service or repair, and even if they intend to purchase another luxury motor vehicle in the future. To gain access to

such information, a luxury motor vehicle dealership could develop an online survey or even an in-the-dealership questionnaire. Also, a luxury motor vehicle dealership could improve customers' behavioural intention by having convenient operating hours, and pick-up and drop-off services, offering a courtesy vehicle during an extended repair period, and having trained staff on hand who know all about the product and could easily assist with customers' questions. Lastly, a luxury motor vehicle dealership could encourage favourable behavioural intention by promoting special offers on services or repairs, tyres, and holiday checkovers.

7.3.7 Secondary objective 7

Secondary objective 7 is presented in Table 7.7.

Table 7.7: Secondary objective 7

Secondary objective 7
To examine the interrelationships of customer satisfaction, trust, commitment and behavioural intention in favour of a luxury motor vehicle dealership

In Chapter 4 the literature review revealed the interrelationships that exist among the constructs of customer satisfaction, trust, commitment and behavioural intention. Structural equation modelling (SEM) analysis was applied in order to investigate the interrelationships of customer satisfaction, trust, commitment and behavioural intention. It also assisted with determining the relative importance of each construct used in the theoretical model as well as the overall fit between the observed data and the proposed theoretical model of this research study (Chapter 5, Section 5.7.3).

The following main results regarding behavioural intention can be derived from the literature review. In general:

- Customer satisfaction has a significant and positive influence on behavioural intention.
- Customer satisfaction has a significant and positive influence on commitment.
- Commitment has a significant and positive influence on behavioural intention.
- Commitment has a mediating effect on the relationship between customer satisfaction and behavioural intention.
- Trust has a significant and positive influence on behavioural intention.
- Trust has a significant and positive influence on commitment.

- Commitment acts as a mediator for the relationship between trust and behavioural intention.

In addition to the main results from the literature review, a number of important findings were also identified from the empirical part of the study:

Main results 10 to 29 were formulated with regard to secondary objective 7 of this research study. The measurement scales used to measure the constructs of customer satisfaction, trust, commitment and behavioural intention are considered to be highly reliable as they show very good internal consistency reliability (main result 10, Chapter 6, Section 6.5.1). The empirical results obtained for this research study show by means of a confirmatory factor analysis (CFA) that the measurement properties of the proposed theoretical model confirm a good to acceptable model fit (main result 11, Chapter 6, Section 6.5.2 and main result 22, Chapter 6, Section 6.8.1). The standardised factor loadings furthermore confirmed that all the measurement items are loaded significantly, as the factor loadings were above the recommended cut-off point, and could be retained in the theoretical model (main result 12, Chapter 6, Section 6.5.2). According to the composite reliability (CR) values calculated, there is strong internal consistency for each latent variable (main result 13, Chapter 6, Section 6.5.2). By determining the average variance extracted (AVE) values, it was found that all four constructs of the measurement model (customer satisfaction, trust, commitment and behavioural intention) have strong reliability and convergent validity (main result 14, Chapter 6, Section 6.5.2). The covariance matrix and AVE results indicated that the four constructs of the measurement model also have discriminant validity (main result 15, Chapter 6, Section 6.5.2). The four constructs of the measurement model furthermore also proved to have face and construct validity (main result 16 and 17, Chapter 6, Section 6.5.2). The overall mean scores were determined for the four constructs and indicated that all the constructs are relatively positive (main result 18, 19, 20 and 21, Chapter 6, Section 6.6).

After statistical analyses were performed, the empirical results indicated that customer satisfaction has a significant and positive influence on behavioural intention in favour of a luxury motor vehicle dealership (main result 23, Chapter 6, Section 6.7.2), customer satisfaction has a significant and positive influence on commitment towards a luxury motor vehicle dealership (main result 24, Chapter 6, Section 6.7.2), commitment has a significant and positive effect on behavioural intention in favour of a luxury motor vehicle dealership (main result 25, Chapter 6, Section 6.7.2), commitment has a significant positive mediating effect on the relationship between customer satisfaction and behavioural intention in favour of a luxury motor vehicle dealership (main result 26, Chapter 6, Section 6.7.2), trust does not have a significant and positive influence on behavioural intention in favour of a luxury motor

vehicle dealership (main result 27, Chapter 6, Section 6.7.2), trust has a significant and positive effect on commitment towards a luxury motor vehicle dealership (main finding 28, Chapter 6, Section 6.7.2), and commitment does not have a significant positive mediating effect on the relationship between trust and behavioural intention in favour of a luxury motor vehicle dealership (main result 29, Chapter 6, Section 6.7.2).

The seventh secondary objective was to examine the interrelationships of customer satisfaction, trust, commitment and behavioural intention in favour of a luxury motor vehicle dealership. To address this objective, the main results from the literature review and the empirical part of the study will be integrated in order to assist in arriving at the main conclusion, implication and recommendation for this objective.

The literature review indicated that customer satisfaction should have a significant and positive influence on behavioural intention and on commitment. The empirical research proved that customer satisfaction does indeed have a significant and positive influence on both the constructs behavioural intention and commitment. It is apparent that the outcome of customer satisfaction supports the conscious decision of luxury motor vehicle owners on whether or not they are to exhibit behavioural intention in favour (such as repeat visiting intention) of a luxury motor vehicle dealership. It can furthermore be seen that luxury motor vehicle owners tend to see a strong connection between themselves and the luxury motor vehicle dealership, which instigates high levels of commitment, but only if the owners are truly satisfied with the service or repair of the luxury motor vehicles.

According to the literature review, commitment can have a significant and positive influence on behavioural intention. The empirical research proved that commitment does indeed have a significant and positive influence on behavioural intention in favour of a luxury motor vehicle dealership. The more committed luxury motor vehicle owners are to the luxury motor vehicle dealership, the more favourable their behavioural intentions will become.

The literature review further indicated that trust could have a significant and positive influence on behavioural intention and on commitment. The empirical research did not fully support the findings of the literature review as it proved that trust has a significant and positive effect only on commitment. Trust does not have a significant and positive relationship with behavioural intention. Thus trust can lead to luxury motor vehicle owners being more willing to commit to the luxury motor vehicle dealership, but does not have a direct effect on behavioural intention.

Lastly, the literature review indicated that commitment can have a mediating effect on the relationship between customer satisfaction and behavioural intention, as well as the relationship between trust and behavioural intention. According to the empirical research, commitment proved to have a significant positive mediating effect on the relationship between customer satisfaction and behavioural intention in favour of a luxury motor vehicle dealership. Thus it appears that, in addition to ensuring customer satisfaction, a luxury motor vehicle dealership would also need to focus on gaining commitment, as it seems to have the potential to enhance the relationship between customer satisfaction and behavioural intention towards the dealership. The empirical research furthermore indicated that commitment does not have a significant positive mediating effect on the relationship between trust and behavioural intention. Trust therefore only appears to be important to gain commitment towards the dealership.

Main conclusion 6 is that significant and positive direct relationships exist between all of the constructs of this research study, except for the relationship between trust and behavioural intention. Commitment acts as a mediator in the relationship between customer satisfaction and behavioural intention, but not in the relationship between trust and behavioural intention.

The **implication** is that it appears to be imperative for the luxury motor vehicle dealership to focus on the dimensions of relationship quality in the post-purchase service offering of the dealership. Customer satisfaction and trust are important antecedents to gain commitment towards the dealership. The relationship between customer satisfaction and behavioural intention can be further strengthened by adding commitment as a mediator.

Recommendation 6: In order for the luxury motor vehicle dealership to maintain favourable behavioural intention, the dealership should invest its resources to enhance the three aspects of relationship quality, which are customer satisfaction, trust and commitment. Specifically, the dealership should first ensure that the post-purchase service and repair offered to owners are of such standards as to ensure customer satisfaction. Next, the dealership needs to enhance owners' trust by promoting the dealership's trustworthiness as well as the owners' trust in the dealership to take excellent care of their motor vehicles during a service or repair. Lastly, to enhance commitment, the dealership should focus on providing excellent service systems, proving to owners that it is committed to taking care of their motor vehicles during a service or repair, and in return encouraging owners to commit to the dealership. Overall, maintaining relationship quality will ensure that the luxury motor vehicle dealership enjoys favourable behavioural intention.

7.4 LINKS BETWEEN THE RESEARCH OBJECTIVES, THEORETICAL BACKGROUND, QUESTIONNAIRE SECTIONS, HYPOTHESES, MAIN RESULTS, CONCLUSIONS AND RECOMMENDATIONS

This section is dedicated to linking the secondary objectives formulated for this research study to the main results to determine whether the primary objective of the research study has been accomplished. Illustrated in Table 7.8 are the links between the research objectives, theoretical background, questionnaire sections, hypotheses, main results, conclusions and recommendations.

Table 7.8: Links between the research objectives, theoretical background chapters, questionnaire sections, hypotheses, main results, conclusions and recommendations

	Objective	Theoretical background	Questionnaire section	Hypotheses	Main result	Main conclusion	Recommendation
Primary Objective	Secondary objective 1a	Chapter 1 Section 1.5				The conclusions and recommendations formulated for secondary objectives 2 to 7 are informed by the theoretical background as presented in Chapter 1 to 4	
	Secondary objective 1b	Chapter 2 Section 2.3.2.1 Section 2.3.2.2 Section 2.3.2.3					
	Secondary objective 1c	Chapter 3 Section 3.3 Chapter 4		The formulation of hypotheses 1 to 7 was due to the theoretical background presented in Chapter 4			
	Secondary objective 2		Section A		Chapter 6 Section 6.3 Main result 1		Main conclusion 1
	Secondary objective 3	Chapter 2 Section 2.3.2.1	Section B Statements 1.1 to 1.6		Chapter 6 Section 6.4.1 Main results 2 and 3	Main conclusion 2	Recommendation 2

Table 7.8: Links between the research objectives, theoretical background chapters, questionnaire sections, hypotheses, main results, conclusions and recommendations (*continued*)

	Objective	Theoretical background	Questionnaire section	Hypotheses	Main result	Main conclusion	Recommendation
Primary Objective (continued)	Secondary objective 4	Chapter 2 Section 2.3.2.2	Section B Statements 1.7 to 1.11		Chapter 6 Section 6.4.1 Main results 4 and 5	Main conclusion 3	Recommendation 3
	Secondary objective 5	Chapter 2 Section 2.3.2.3	Section B Statements 1.12 to 1.18		Chapter 6 Section 6.4.1 Main results 6 and 7	Main conclusion 4	Recommendation 4
	Secondary objective 6	Chapter 3 Section 3.3	Section B Statements 2.1 to 2.10		Chapter 6 Section 6.4.2 Main results 8 and 9	Main conclusion 5	Recommendation 5
	Secondary objective 7	Chapter 4	Section B Statements 1.1 to 2.10	Hypotheses 1 to 7	Chapter 6 Section 6.5 to 6.8 Main results 10 to 29	Main conclusion 6	Recommendation 6

Based on the information displayed in Table 7.8 it can be concluded that both the primary and the secondary objectives formulated for this study have been met.

7.5 LIMITATIONS

All research studies have some sort of limitation that may have an impact on the research findings. Limitations related to the literature review and the empirical phase of this study is noted below:

7.5.1 Limitations of the theoretical background

- To the best knowledge of the researcher, no studies have been conducted to specifically examine the interrelationships among customer satisfaction, trust, commitment and behavioural intention in the post-purchase service and repair scenario within the South African luxury motor vehicle industry. This meant that the researcher had to depend largely on theoretical background based on other industries.
- In relation to relationship quality, the researcher did not focus on the full variety of constructs as identified by different authors (Tehubijuluw, 2015:381; Walter *et al*, 2008:160; Hennig-Thurau *et al*, 2002:234). Only the most relevant or most used constructs were considered in the context of this particular research study.

7.5.2 Limitations of the empirical research

- The researcher elected to conduct research based on a luxury motor vehicle dealership in the Gauteng province, and the results obtained cannot be generalised to other geographical regions, since these results are limited only to Gauteng. The typical South African customer bases their decisions and actions very much on their cultural background, and because South Africa is such a diverse country, generalising the results obtained from this research study to the other provinces is very difficult (Rani, 2014:55; Lawan & Zanna, 2013:523).
- This research study conducted a census of the study population as a complete sample frame had been obtained from a luxury motor vehicle dealership in Gauteng that accurately reflected those customers who had had their luxury motor vehicles serviced or repaired in the past 24 months. Thus, this research study is not representative of the entire population of luxury motor vehicle owners, and generalisation of the main results to other luxury motor vehicle owners should rather be avoided.
- The questionnaire was distributed via email to about 1 800 respondents, and the responses were completely anonymous. This made the researcher extremely reluctant to send out

reminders for respondents who had not yet completed the questionnaire, for fear of bombarding and upsetting those who had already submitted their feedback.

- This research study did not take into account customers' previous experience with luxury motor vehicle dealerships in Gauteng. Customers with a negative past experience tend to differ significantly from other customers with a positive past experience in terms of both relationship quality and behavioural intention (Gilaninia *et al*, 2012:10722).
- Relationship quality and behavioural intention constructs relate to long-term measurements, which imply the use of cross-sectional data in this study. In future studies it would be preferable to examine longitudinal data to determine whether the interrelationships of the constructs investigated in this study still hold or vary and to what extent.

7.6 RECOMMENDATIONS FOR FUTURE RESEARCH

The following recommendations can be made for future research:

- Despite the limitations mentioned in Section 7.5, this research study should be viewed as a step towards filling a gap in marketing research in the South African luxury motor vehicle industry. This research study could be used as a foundation for future research studies in the luxury motor vehicle industry, as there is a general need for more research on the influence of relationship quality on behavioural intention towards a luxury motor vehicle dealership.
- Future research should include more antecedents of relationship quality and behavioural intention so as to include customers' previous experiences with luxury motor vehicle dealerships during a service or repair of their luxury motor vehicles.
- A comparative study could be conducted to investigate the influence of relationship quality factors on behavioural intention towards both luxury motor vehicle dealerships and the more affordable motor vehicle dealerships. It would be interesting to determine whether statistically significant differences exist between the different types of dealerships.
- Since this research study, like various other research studies, has investigated relationship quality in terms of customer satisfaction, trust and commitment, it might be worthwhile to find a new and more relevant perspective of measuring relationship quality. Consumer behaviour and even customers themselves are constantly changing, which could mean that customer satisfaction, trust and commitment may not be enough to effectively and accurately predict behavioural intention (Tehubijuluw, 2015:381; Johnson & Grayson, 2005:501).

- This research study could be conducted using a longitudinal perspective, as this could help identify the fluctuation in levels of customer satisfaction, trust, commitment and behavioural intention over time.

7.7 SUMMARY

This chapter provides a conclusion to this research study. The chapter commences with a short overview with regard to the focus for this research study. It continues by addressing the main conclusions, implications and recommendations for each secondary objective formulated for this research study. Table 7.8 follows, presenting the links found between the research objectives, theoretical background chapters, questionnaire sections, hypotheses, main results, conclusions and recommendations. Limitations are then listed for both the literature review and the empirical study conducted for this research study. Finally, this chapter concludes this research study by providing recommendations for possible future research.

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APPENDIX A

FINAL QUESTIONNAIRE

BEHAVIOUR INTENTION STUDY

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Dear Respondent,

I am an MCom student at the North-West University in Potchefstroom. As part of the requirements for my degree, I need to conduct a study to investigate the behavioural intention of customers who have had their luxury motor vehicle serviced or repaired at Porsche Centre Johannesburg in Gauteng during the past 24 months.

It would be greatly appreciated if you could kindly take 10 minutes of your time to complete this questionnaire. Taking part in the survey is completely voluntary. Your responses will be kept confidential.

Should you have any further questions about the study, you are welcome to contact me at:

karlien@porsche.co.za

072 522 0496

Sincerely,


Karlien van Zyl

Section A

		Answer in this column (x)
1. In addition to driving a Porsche, what other model of car do you drive/own? (More than one option may be selected.)	BMW	
	Audi	
	Ferrari	
	Jaguar/Land Rover	
	Maserati	
	Mercedes-Benz	
	Chrysler	
	Lexus	
	Bentley	
	Other (please specify):	
2. Please indicate your gender	Male	
	Female	
3. Which ONE of the following options best describes your employment status?	Self-employed	
	Full-time employed by an organisation	
	Part-time employed by an organisation	
	Full-time student	
	Housewife or househusband	
	Retired	
	Unemployed	
4. Please indicate your marital status	Single	
	Married	
	Living with a partner	
	Divorced or separated	
	Widowed	
5. In which year were you born?	19 _____	


SECTION B

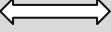
1. On a scale of 1 to 5, where 1 is “strongly disagree” and 5 is “strongly agree”, indicate the extent to which you agree with each of the following statements, thinking of Porsche Centre Johannesburg at which your car has been serviced or repaired recently:

Statements	Strongly disagree  Strongly agree				
	1	2	3	4	5
1.1 My choice to use this dealership was a wise one.					
1.2 I am always delighted with the dealership's service.					
1.3 Overall I am satisfied with this service provided.					
1.4 I did the right thing when I decided to use this dealership.					
1.5 I feel good about using this dealership.					
1.6 I feel that my experience with this dealership has been enjoyable.					
1.7 This dealership can be trusted.					
1.8 This dealership can be counted on to do what is right.					
1.9 This dealership has high integrity.					
1.10 This dealership is trustworthy.					
1.11 This dealership keeps its promises.					
1.12 My relationship with this dealership is something that I'm very committed to.					
1.13 My relationship with this dealership is very important to me.					
1.14 My relationship with this dealership is something I really care about.					
1.15 I believe the dealership and I are both committed to the relationship.					
1.16 I have a strong sense of loyalty to this dealership.					
1.17 This dealership is prepared to make short-term sacrifices to maintain our relationship.					
1.18 I believe the dealership and I view our relationship as a long-term partnership.					

2. On a scale of 1 to 5, where 1 is “very low” and 5 is “very high”, please rate the following statements, thinking of Porsche Centre Johannesburg at which your car has been serviced or repaired recently:

The likelihood that I will:

Statements	Very low  Very high				
	1	2	3	4	5
2.1 Share my satisfaction with this dealership with friends and family is:					
2.2 Highly recommend others to make use of the services provided at this dealership is:					
2.3 Continue to bring my motor vehicle to this dealership even if I had to pay more for a service or a repair is:					
2.4 Pay a higher price than competitors charge for the benefits I currently receive from this dealership is:					
2.5 Use social media platforms to express how satisfied I am about this dealership is:					

Statements	Very low  Very high				
2.6 Socialise at this dealership due to the extra services provided by Carrera Cafe is:					
2.7 Defend this dealership to critics is:					
2.8 Service my car at this dealership again is:					
2.9 Recommend this dealership's services to a friend is:					
2.10 Select the same dealership to service or repair my car is:					

Thank you for taking the time to complete this survey!

APPENDIX B

ETHICAL APPROVAL



Private Bag X6001, Potchefstroom
South Africa 2520

Tel: 018 299-1111/2222
Web: <http://www.nwu.ac.za>

Ms K van Zyl
PO Box 1143
FOCHVILLE
2515

WorkWell Research Unit
Tel: 018 299-1369
Fax: 087 231-5396
Email: 10937803@nwu.ac.za

11 April 2015

ETHICAL CLEARANCE

This letter serves to confirm that the research project of Karlien van Zyl, with the title "*Relationship quality factors influencing behavioural intention at a luxury motor vehicle dealership*" has undergone ethical review. The proposal was presented at a Faculty Research Meeting and accepted. The Faculty Research Meeting assigned the project number EMS14/10/18-01/01. This acceptance deems the proposed research as being of minimal risk, granted that all requirements of anonymity, confidentiality and informed consent are met. This letter should form part of your dissertation manuscript submitted for examination purposes.

Yours sincerely

Louise
Jansen van
Rensburg

Digitally signed by Louise Jansen van Rensburg
DN: cn=Louise Jansen van Rensburg, ou=North West University, ou=WorkWell Research Unit,
email=11930497@nwu.ac.za,
c=ZA
Date: 2014.09.11 10:51:22 +0200

Mrs L Jansen van Rensburg

Administrative officer: WorkWell Research Unit

Original details: Louise Jansen van Rensburg(11930497) C:\Users\11930497\Documents\Workwell Dokument\Briewe\Etiese goedkeuring met nommer.docm
8 September 2014



Laai asb. die nuutste weergawe van Adobe Acrobat Reader hier af voor u hierdie vorm invul.



NORTH-WEST UNIVERSITY
YUNIBESITHI YA BOKONE-BOPHIRIMA
NOORDWES-UNIVERSITEIT
POTCHEFSTROOMKAMPUS

FAKULTEIT EKONOMIESE- EN BESTUURSWETENSKAPPE

Studenteverklaring rondom navorsingsetiek

(word voltooi as deel van die voorleggingskollokwium)

Naam en Van: Karlien van Zyl

Studentenommer:

2	1	6	1	8	3	0	5
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Beantwoord asseblief elke vraag deur die korrekte blokkie met 'n regmerk te merk¹:

	Ja	Nee
1. Behels die studie deelnemers wat spesifiek kwesbaar ² is of wat nie ingeligte toestemming kan gee nie? (bv. kinders, mense met leer of ander geestelike of fisiese gebreke, mense wat in die tronk is, werkloos of anders gekomprimeerde persone wat moet reageer op u vrae)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. Gaan dit vir deelnemers nodig wees om aan die studie deel te neem sonder dat hulle op daardie stadium daarvan kennis dra of hul toestemming gegee het? (bv. koverte waarneming van mense)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. Gaan die studie die bespreking van, of vrae oor 'n sensitiewe onderwerp behels? (bv. seksuele aktiwiteite, dwelmmisbruik, misdad, teistering, geweld)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. Word dwelms plasebo's of ander middels (bv. voedsel, vitamienes) aan deelnemers aan die studie geadministreer, of behels die studie ingrypende, indringende of potensieel skadelike prosedures van enige aard of enige fisiese, psigologiese of sosio-ekonomiese intervensies?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5. Gaan bloed- of weefselmonsters van die deelnemers verkry word?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. Kan die studie fisiese, psigologiese of sosiale stres of angstigheid induseer, of kan die studie leed of negatiewe resultate veroorsaak wat meer is as die risiko's ³ wat in die normale gang van die lewe ervaar word?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7. Gaan die studie die identifisering van individue vir opvolg-evaluasie vereis? (i.e. deur middel van name en vanne, identiteits- of personeelnummers)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8. Gaan finansiële instrumente (anders as aanvaarbare uitgawes en kompensasie vir tyd) of oordingsmiddele van enige aard aan deelnemers aangebied word?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
9. Is dit moontlik dat die beeld van die NWU, die relevante akademiese departement, u werkgever, of enige ander instelling insover hul betrokke is of geaffekteer kan word deur die projek, negatief geaffekteer word deur hierdie navorsing, of in 'n slegte lig geplaas word?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Wanneer die volgende twee vrae beantwoord word, oorweeg die klassifikasie van die navorsing volgens die risikovlak – geen, lae, medium of hoë risiko – volgens die NWU-riglyne. <u>Heg die dokumentasie aan waarin u, u motivering vir hierdie klassifikasie uitlig/beskryf.</u></p>		
10. Beplan u om van NWU-studente en/of direkte en/of sekondêre/gekontraakteerde personelede as proefpersone in hierdie navorsing gebruik te maak? Toon ook asseblief die verwagte risikovlak aan:	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p> <input checked="" type="radio"/> Geen risiko <input type="radio"/> Lae risiko <input type="radio"/> Medium risiko <input type="radio"/> Hoë risiko </p>		

1. Aangepas uit Economic and Social Research Council (2005). Research Ethics Framework (REF). (REF). www.esrc.ac.uk

2. Kwesbare groepe opmer spesiale sake rakende ingeligte toestemming en potensiële risiko. 'Kwesbare' deelnemers word nie duidelik gedefinieer nie, maar daar is reeds genoem dat die volgende ingesluit word: "... kinders, gevangenes, swanger vroue, geestelik-versteurde persone, ekonomies of opvoedkundig benadeelde persone". (Common Federal Policy, 1991). Weijer en Emanuel (2000) anvaar deelnemers om kwesbaar te wees indien hulle nie in die posisie is om ongeligte toestemming te verleen nie waens hul posisie (soos om in die tronk te wees), of dat hul nie oor genoegsame intellektuele beskik nie (soos kinders of die geestelik-versteurdes). 'Kinders' word hier gedefinieer as deelnemers jonger as 18 jaar oud.

3. Risiko: Hierdie moontlike risiko's word beskou as 'n stand van privaetheid, verlies aan konfidensialiteit, psigologiese trauma, indirekte fisiese leed, verleenheid, stigma, en groepstereotipering (Delas, 2002), sowel as risiko's opelewer aan 'n proefpersoon se persoonlike stand, privaetheid, persoonlike waardes en oortuigings, hul bande met familie en die vyer gemeenskap, sowel as hul posisie binne beroepsomgewings en die vermalende gevolge geassosieer met die openbaring van inligting wat te doen het met onwettige, seksuele of ehoekende gedrag (Economic and Social Research Council (ESRC), 2005: 21). Minimale risiko kan gedefinieer word as wanneer die waarsynlikheid en omvang van leed of ongemak wat in die voorgename navorsing vermag word nie inherent groter is as die wat normaalweg in hul daaglikse bestaan ervaar word nie (Code of Federal Regulations, 2005).

Navorsingskollokwiumpaneellede

Naam en van:

Naam en van:

Naam en van:

Naam en van:

Naam en van:

Naam en van:

Naam en van:

STUUR

UITVEE

PRINT

STOOR

APPENDIX C

STATISTICAL ANALYSIS CONFIRMATION



NORTH-WEST UNIVERSITY[®]
YUNIBESITHI YA BOKONE-BOPHIRIMA
NOORDWES-UNIVERSITEIT
POTCHEFSTROOMKAMPUS

Privaat sak X6001, Potchefstroom

Suid-Afrika, 2520

Tel: 018 299-1111/2222

Web: <http://www.nwu.ac.za>

28/03/2016

Re: Statistical Analyses for Karlien van Zyl (21618305)

To whom it may concern,

This is to confirm that I, Dr. Leon T. de Beer, was a statistical consultant for the above mentioned student's manuscript. A variety of techniques were implemented which included: Structural equation modeling methods (measurement and structural models) in the Mplus software package.

Yours sincerely,

Dr Leon de Beer

Senior Lecturer

Industrial Psychologist

WorkWell Research Unit

Potchefstroom Campus



NORTH-WEST UNIVERSITY
YUNIBESITHI YA BOKONE-BOPHIRIMA
NOORDWES-UNIVERSITEIT

Dr Leon de Beer

Senior Lektor

Bedryfsielkundige

WorkWell Navorsingseenheid

Potchefstroom Kampus

APPENDIX D

LANGUAGE EDITING CONFIRMATION

Keith Richmond

Editor

2 Glen Eden Park

520 Town Bush Road

Montrose

Pietermaritzburg 3201

DATE: **20 March 2016**

TO: **Ms Karlien van Zyl**

Marketing Specialist – Customer Focus

Porsche Centre South Africa

Corner Witkoppen and Wroxham Roads

Paulshof 2191

RE: **Editing of your master's thesis**

This is to record that I have edited your thesis for the degree of Master of Commerce in Marketing titled "Relationship quality factors influencing behavioural intention at a luxury motor vehicle dealership".

My editing was done electronically in MS Word, using change-tracking mode, and included the following:

- checking spelling and punctuation;
- adhering to conventions of diction, grammar and syntax used in written English;
- checking consistency of capitalisation and abbreviation;
- checking numbering and headings of sections, subsections, tables and figures;

- modifying language to enhance the expression of intended meaning where possible;
- making marginal notes in comment boxes with queries or suggestions;
- checking consistency of formatting, including of reference entries; and
- checking in-text citations against details in the list of references.

I did not alter the substantive content of your research in any way.

Keith Richmond

BA Hons in Applied Linguistics (University of South Africa)

MA in English Literature (University of Natal)

MPhil in Adult Education (University of Cape Town)

Higher Diploma in Library Science (University of Natal)

Full Member of the Professional Editors' Guild

APPENDIX E

TECHNICAL EDITING CONFIRMATION



Tegniese Versorging / Technical Editing

PO Box 2272
Potchefstroom
2520

Ms Karlien van Zyl
Marketing Specialist – Customer Focus
Porsche Centre South Africa
Corner Witkoppen and Wroxham Roads
Paulshof 2191

Dear Ms van Zyl

TECHNICAL EDITING OF YOUR DISSERTATION

This letter serves to confirm that we edited your dissertation for the MCom in Marketing titled

“RELATIONSHIP QUALITY FACTORS INFLUENCING BEHAVIOURAL INTENTION AT A LUXURY MOTOR VEHICLE DEALERSHIP”.

This editing included the following:

- figures,
- tables,
- graphs and
- the layout of the text as well as
- the aspects of the contents.

Sincerely

EP Beukes
E Oosthuizen
April 2016