



# The Influence of Relationship Quality and Exhibition Brand Image on Customer Loyalty: A Conceptual Model

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## **Abstract**

*Relationship quality is an emerging concept for organizations to retain customers in an ever more competitive marketplace. Relationship quality consists of three dimensions (trust, satisfaction and commitment). In the exhibition industry, exhibition organizers want to improve relationship quality with their customers (exhibitors and attendees). Some studies reported that customer satisfaction enhances brand image. However, some scholars stated that brand image affects customer satisfaction and other dimensions of relationship quality. This study classifies brand image into two stages. Pre-served brand image (pre-image) is the image of an exhibition that exhibitors and attendees perceived before the exhibition. Post-served brand image (post-image) is the image of an exhibition that is built after exhibition. Therefore, pre-image of an exhibition may influence customer satisfaction that may finally affect post-image of that exhibition. Literature review is conducted to explore the interrelationship among pre-image, three dimensions of relationship quality, post-image, as well as their impact on customer loyalty. This study contributes a research model that can be further tested in exhibition sector and other service industries.*

**Keywords:** *relationship quality, brand image, satisfaction, trust, commitment, loyalty.*

## **1. INTRODUCTION**

As the substantial development of the exhibition industry, many destinations throughout the world have made investment on the infrastructure to host exhibitions, which can generate both economic and non-economic benefits (Jin et al., 2012). It was reported that the total indoor exhibition space is up to 32.6million square meter in the world, among which Asia is one of the top three areas with a percentage of 20% (Jin & Webber, 2013). Due to the rapid growth in the past decades, the exhibition sector has become an important part in both international business and tourism industry.



Exhibition organizers are looking for a long-term relationship with their customers (exhibitors and attendees) and trying to improve relationship quality with them. However, there is limited number of research on the relationship between exhibitions and its customers. The current study aims to explore relationship quality in the exhibition context, especially the interrelationship among pre-image, three dimensions of relationship quality, post-image, as well as their impact on customer loyalty.

## **2. RESEARCH BACKGROUND**

### **2.1 RELATIONSHIP MARKETING**

The concept of “relationship marketing” was first introduced by Berry (1983), which emphasized the importance of building long-term relationship with customers to retain customers. Gummesson (1997) stated that the main focus of relationship marketing is to create value for both the organization and the customer. Different definitions have been discussed to explain relationship marketing. Shani and Chalasani (1992) defined relationship marketing as “an integrated effort to identify, maintain, and build up a network with individual consumers and to continuously strengthen the network for the mutual benefit of both sides, through interactive, individualized and value-added contacts over a long period of time”. The definition by Morgan and Hunt (1994) has been widely used, defining relationship marketing as “all marketing activities directed towards establishing, developing, and maintaining successful relational exchanges”.

Many researchers have been interested in the area of relationship marketing and reported that it has positive outcomes and impacts on customer retention (Anderson & Narus, 1991; De Wulf et al., 2001; Verhoef, 2003). As the rapid development of the modern society, more organizations realize the benefits of establishing long term relationship with customers and pay more attention to the customer relationship building, especially the service industry. A limited number of studies have done research on relationship marketing in the context of exhibition. Jin, Weber and Bauer (2012) have investigated the relationship quality in Mainland China’s exhibition industry. They argues that it is the organizers’ responsibility to facilitate the relationship-building with the exhibitors, at different stages of an event: pre-event, on-site, and post-event and organizing company should initiate the relationship marketing effort to strengthen its relationship with exhibitors, which will lead to the exhibitors’ future participation.

### **2.2 RELATIONSHIP QUALITY**

Relationship quality is an important concept in relationship marketing. Crosby et al. (1990) stated that relationship quality has an important impact on the



customer's future interaction in the service industry. It has a long lasting influence on customer's continuance intention (Gustafsson, et al., 2006; Palmatier, et al., 2006; Shabbir, et al., 2007).

Many researchers have identified different components of relationship quality for a variety of industries (see table 1). Although a consensus has not been reached on which dimensions constitute relationship quality, previous literature usually took satisfaction, trust and commitment as constructs to examine relationship quality (Garbarino & Johnson, 1999; Palmatier, et al., 2006; Ulaga & Eggert, 2006; Carr, 2006). Therefore, this study will take trust, commitment, and satisfaction as the three main constructs and exam the relationship among those three factors.

**Table 1. Dimensions of Relationship Quality in Previous Researches**

	Crosby et al. (1990)	Mohr and Spekman (1994)	Naude and Buttel (2000)	Rauyruen and Miller (2007)	Jin, Weber and Bauer (2012)
Trust	√	√	√	√	√
Relationship Satisfaction	√		√	√	√
Commitment		√		√	√
Communication		√			√
Coordination		√	√		
Joint problem solving		√			
Investments					
Power			√		
Profit			√		
Service quality				√	√

### **2.2.1. Trust**

One key element for the organization to maintain long-term and stable relationship with customer is the customer trust (Mogan & Hunt, 1994; Garbarino & Johnson, 1999). Trust is the perceived confidence level on service provider's reliability and honesty (Crosby et al., 1990; Moorman et al., 1993; Morgan & Hunt, 1994; Liang & Wang, 2007). Researchers have divided trust into two major dimensions, one is honesty, the belief that the service providers will keep their word and they are capable to do so; the other is benevolence, the belief that the service providers care about customers' well- being (Moorman et al., 1993; Ganesan, 1994; Morgan & Hunt, 1994; Kumar et al., 1995; Doney & Cannon, 1997; Ganesan & Hess, 1997; Garbarino & Johnson, 1999; Singh & Sirdeshmukh, 2000; Roberts et al, 2003; Moliner, et al., 2006).

### **2.2.2. Commitment**



Some researchers regard commitment as the highest level of relation bond (Dwyer et al., 1987). It has been defined as “an exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it; that is, the committed party believes the relationship is worth working on to ensure that it endures indefinitely” by Morgan and Hunt (1994). Two dimensions of commitment have been established by previous studies, one is the affective commitment, which is based on affections, such as the feeling of belong and respect for the service provider, the other is the calculated or cognitive commitment, which is based on economic calculation, such as the economic gains and benefits (Geyskens & Steenkamp, 1995; Geyskens et al., 1996; Wetzels et al., 1998).

### **2.2.3. Satisfaction**

Relationship satisfaction has been identified as a key construct of relationship quality (Morgan & Hunt, 1994; Mohr & Spekman, 1994; Rauyruen & Miller, 2007; Jin, Weber & Bauer, 2012). Westbrook (1981) defined satisfaction as “an emotional state that occurs in response to an evaluation of these interaction experiences”. Another definition by Anderson and Narus (1990) is that “a positive affective state resulting from the appraisal of all aspects of a firm’s working relationship with another firm”. This high-level affective reaction is engendered progressively as the relationship grows (Moliner, et al., 2006).

## **2.3 IMAGE**

Mazursky and Jacoby (1986) has defined image as the overall impression left on the minds of customers. Two major elements of image, functional and emotional, have been identified (Kennedy 1977). This study classifies brand image into two stages, which are pre-served brand image and post-served brand image.

### **2.3.1. Pre-image**

Some researchers stated that perceived image before the service at time<sub>1</sub> ( $t_1$ ) has an impact on the satisfaction of the service (Faullant et al., 2008; Lu & Cai, 2009; Cameran et al., 2010). In this study, the perceived image before the service at time<sub>1</sub> ( $t_1$ ) is defined as the pre-served brand image (pre-image), which is the image of an exhibition that exhibitors and attendees perceived before the exhibition. That image may come from the word of mouth and the advertisement of the exhibition. Aloudat and Rawashdeh (2013) noted that the pre-visit image may include both the organic and induced images.

### **2.3.2. Post-image**

Other studies argued that the satisfaction, together with the actual experience of the service at  $t_1$ , will influence the image at  $t_2$  in return, which will



happen after the service (Faullant et al., 2008). Therefore, this study analyzes exhibition image of two stages, pre-served brand image (pre-image) and Post-served brand image (post-image). Post-served brand image (post-image) here is the image of an exhibition that is built after exhibition based on the actual experience. The post-visit image may refer to the experiential image (Aloudat & Rawashdeh, 2013). Though some studies have researched the pre- and post visits perceived images of the destination (Pearce, 1982; Fakeye & Crompton, 1991; Garter, 1993; Baloglu & Macheraly, 1999; Grosspietsh, 2004; Kim, McKercher, & Lee, 2009; Wang & Davidson, 2010), few researchers have done that in the context of exhibition.

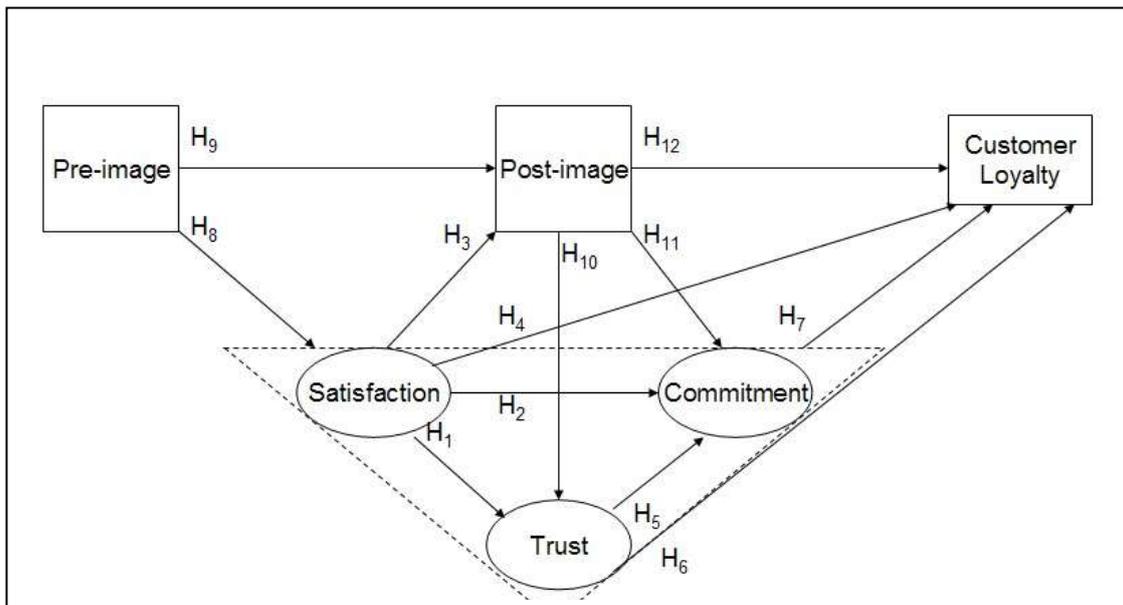
#### **2.4 CUSTOMER LOYALTY**

Gee et al. (2008) defined customer loyalty as “A deeply held commitment to rebuy or repatronize a preferred product or service consistently in the future, despite situational influences and marketing efforts having the potential to cause switching behaviour”. Some researchers have identified the positive relationship between relationship quality and customer loyalty, which is regarded as the behavioural outcome of relationship management (Wong & Sohal, 2002; Roberts et al, 2003; Lin & Ding, 2006; Mirpuri & Narwani, 2012). This study looks into whether relationship quality and brand image are antecedents to customer loyalty.

#### **3. RESEARCH MODEL AND HYPOTHESES**

To examine the influence of relationship quality and exhibition brand image on customer loyalty, a research model is developed as shown in Figure 1. Based on the research framework, 12 hypotheses are established.

**Figure 1. Structural Model**



*Customer satisfaction* is considered as a signal of the quality of relationship and an antecedent of both customer trust and customer commitment to the supplier (Garbarino & Johnson, 1999; Singh & Sirdeshmukh, 2000; Moliner, et al., 2006). The greater the customer satisfaction, the more trust and the higher level of commitment to supplier are generated. Satisfaction may positively influence customer loyalty (Johnson et al., 1996). Some studies reported that customer satisfaction enhances brand image after the service (Lu & Cai, 2009). Based on this evidence, we propose that:

**H1: Customer satisfaction is positively related to trust.**

**H2: Customer satisfaction is positively related to commitment.**

**H3: Customer satisfaction is positively related to post-image.**

**H4: Customer satisfaction is positively related to customer loyalty.**

*Customer trust* and *customer commitment* have been studied on as the dimensions of relationship quality by previous literatures (Kramer, 1999; Moliner et al., 2006). Moliner et al. (2006) stated that a higher level of customer's trust leads to greater customer commitment to the supplier. Some researches also show that commitment has a mediating role in formation of customer loyalty (Morgan and Hunt, 1994; Garbarino and Johnson, 1999). Accordingly, the following hypothesis is advanced:

**H5: Customer trust is positively related to commitment.**

**H6: Customer trust is positively related to customer loyalty.**



**H7: Customer commitment is positively related to customer loyalty.**

*Pre-image* of an exhibition may influence customer satisfaction that may finally affect *post-image* of that exhibition (Faullant et al., 2008). Some researchers have reported positive significant relationships between image and customer commitment (Kandampully & Suhartanto, 2000; Mosavi & Ghaedi, 2012). Previous literatures consider image has an impact on customers' buying behavior (Osman, 1993). Some studies support the idea that image directly influences customer loyalty (Martineau, 1958; Sirgy & Samli, 1985; Tepeci, 1999; Lu & Cai, 2009). As such, we hypothesize that:

**H8: Pre-image is positively related to satisfaction.**

**H9: Pre-image is positively related to post-image.**

**H10: Post-image is positively related to trust.**

**H11: Post-image is positively related to commitment.**

**H12: Post-image is positively related to customer loyalty.**

#### **4. CONCLUSIONS**

The proposed research model represents a contribution to understand the relationship between the relationship quality and exhibition brand image on customer loyalty. This study reveals other additional factors like brand image (pre-image & post-image) that may influence the customer's behavioural intention. In order to validate the proposed relationship quality model, a further study will be conducted in Macau.

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