The Effect of Brand Credibility and Brand Prestige in Customer Selection Regarding to Emphasis on the Role of Perceived Quality Mediation

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ABSTRACT: The aim of present study was to investigate the effect of brand credibility and brand prestige in clientele selection regarding to emphasis on the role of perceived quality mediation. The methodology used in this research was applied and descriptive correlation method. The statistic community of recent study was the actual customers of 6 Ansar bank in Golestan province which among them, 384 people were selected as statistic community regarding to Morgan table. The study was consisted of 400 individuals of customers and was evaluated by using simple randomized design sampling method. The data were collected using a questionnaire with 0.81 reliability. The data were analyzed using SPSS & AMOS soft-wares by applying structural equation modeling analysis and confirmatory factor analysis regarding to research hypotheses. Also, Cronbach's alpha was used to test reliability and to determine validity. The content credibility was confirmed by supervisor and the idea of some statistical community individuals. The data of confirmative analysis demonstrated that all questions of questionnaire were appropriate indicators to measure the relevant variables. It is accomplished through the results that brand credibility and brand prestige was effective in clientele selection regarding to the role of perceived quality mediation.

Keywords: Brand credibility, Brand prestige, Clientele selection, perceived quality.

INTRODUCTION

In the business world, brands, more than anything was considered as a systematic process of marketing which can lead to growth in market portion with increase in consumer concentration and awareness of a product and to create a sense of belonging and closeness to consumers, leading to a repeat purchase (Fardsabouri et al., 2008). It is a common belief among the managers of multinational companies that advertising plays a crucial role in creating a brand. Developing the new brand is required to strategic thought as the brand tools conduct the promised value perception for consumers and then, ensure the actualize of promised cases (Shokrgozar, 2011). In the recent years, many companies have come to believe that one of their most valuable assets is their brands, products and services (Kotler & Pfoertsch, 2006). One of the responsibilities of senior management in each organization is the creating of strong brands that not only actualize the promision and commitments but also, upgrade their abilities during time. Moreover, marketers create the value beyond the financial profitability for the organization by creating perceptual distinctions between products through branding and increasing customer loyalty, (Asadollah et al., 2011). People who work in the field of trade names; they consider the brand names as assets that are strengths and support point for buyers and consumers in these competitive areas.

The powerful brand can guarantee the organization success in today's competitive markets. Indeed, the today's consumer seeking diversity not only follow the qualitative goods but also they prefer to achieve their favorite brands through buying and try to show their lifestyle and image of themselves to others. They try to draw an image of themselves to others by selecting their favorite brands. From the perspective of many people, the name-brand represents the quality and reliability of a product (Fardsabouri et al., 2008). It is well known that the most important and characteristic features of a brand is as the properties of the product, its reliability and credibility (Erdem & Swait, 2004).

Valid brands are different from some aspects with invalid brands, so that may have an impact on consumer purchase motivations and improve their social status and their existence expression. Compared with invalid brands, valid brands not only have benefits for consumers but also create value by taking luxury consumption and location for
consumers (Baek et al., 2010). A strong brand can be considered as the most valuable asset of a firm. It is largely due to more profit, better cooperation channels and also, achieving other benefits (Oslo, 2008).

It is an interesting fact that brand credibility demonstrates the summary of the relationship between brands and consumers, as well as consumer and brand in the long term because consumers have been associated with the brand and the brand also associated with consumers (Sweeney & Swait, 2008). Trust and specialty in a brand may be based on the impact of all previous marketing strategy and performed functions by a brand. Thus, the brand credibility demonstrates the marketing mixed strategies stability through investing such as advertising about a brand (Baek et al., 2010).

The commercial brand credibility might be show the better and more favorite of the perceived value. The investigation of competitive part but the different perceived value (like the brand prestige) with commercial name credibility will illustrate more balanced and greater image of customer decision process (Simon & Reed, 2007).

The credibility of commercial name concludes two main parts, it means credibility and competence that trust, is the companies tendency according to operate on the basis of the promised. Also, competence is the actual performance of the company's expertise in estimating their promises. While the commercial brand credibility reflects the high positioning of a brand which associated with the product (Bhat & Reddy, 2001). Creating an appropriate credibility for a brand is seen as strategic tool for creating customer loyalty (Haghighi et al., 2007).

**METHODOLOGY**

The below conception model is extracted from Baek et al (2010) article. In this model, there are three variables in this model comprising dependence, independence and mediator. The independence variable includes brand credibility, brand prestige and the independent variable was the purchase intention and the mediator variable was perceived quality. Based on this model, the dependence variables of model namely brand credibility and brand prestige, they were effective on mediator variable. Indeed, the mediator variables had the impact on dependence variable (purchase intention) (Baek et al., 2010).

![Figure 1. The conception model of research (Baek et al., 2010).](image)

This research was descriptive due to data collection method. It is mentionable that due to data collection from population for evaluating population characteristic distribution, this research was correlation survey with applied target which was performed in special time.

The population in this research includes all actual clientele of Ansar banks in Golestan province. According to Morgan and Kerjesi table, the sample size was selected which at least 384 individuals (from 100000 people) were selected as samples due to be unlimited the individuals of population. 400 questionnaires were distributed in order to reduce the error. The sampling method was simple randomized sampling. Data collection was performed through standard questionnaire in which all questions were multiple choice question based on Likert five choice questionnaires. The questions were evaluated through answers such as completely disagree, disagree, nither agree nor disagree, agree, completely agree. The reliability and validity of questionnaire was evaluated by Cronbach's alpha coefficient and confirmatory factor analysis.

**RESULTS**

*The correlation among research variables*

The correlation among hidden variables is shown in table 1 according to significant levels of (sig<0.01) and (sig<0.05).
Table 1. Correlation Matrix among variables.

<table>
<thead>
<tr>
<th></th>
<th>BC</th>
<th>BP</th>
<th>PQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>BC</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pearson Correlation</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>388</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BP</td>
<td><strong>0.267</strong></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
<td>0.000</td>
</tr>
<tr>
<td>N</td>
<td>282</td>
<td>282</td>
<td></td>
</tr>
<tr>
<td>PQ</td>
<td><strong>0.429</strong></td>
<td><strong>0.210</strong></td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td>N</td>
<td>282</td>
<td>282</td>
<td>282</td>
</tr>
<tr>
<td>PI</td>
<td><strong>0.320</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
<td>0.000</td>
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<tr>
<td>N</td>
<td>282</td>
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</tbody>
</table>

**Correlation is significant at the 0.01 level (2-tailed).**

According to significant levels of (sig<0.01) and (sig<0.05), the correlation among brand credibility and perceived quality was 0.429 and was significant (P<0.05). The correlation between brand prestige and perceived quality was -0.210 which was significant (P<0.05). Also, the correlation among perceived quality and purchase intention was -0.320 which was significant (P<0.05). Also, it can be noted that the correlation among brand prestige and brand credibility was -0.267 which was significant (P<0.05). In this part, the hypothesis of test will be discussed:

Figure 2. The structural model of research in standard mood.

The table below represents the path coefficient and the significance between variable of research. Also, the results showed that the path coefficient was significant for each four liaison in 0.05 level (t>1.96 and t<-1.96).

Table 2. The results of direct relation and significant coefficient of model hypothesis.

<table>
<thead>
<tr>
<th>Path relation</th>
<th>sign</th>
<th>Path coefficient</th>
<th>p-value</th>
<th>Test result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand credibility→ Perceived quality</td>
<td>PQ---BC</td>
<td>0.42</td>
<td>***</td>
<td>Accepted</td>
</tr>
<tr>
<td>Brand prestige→ Perceived quality</td>
<td>PQ --- BP</td>
<td>0.13</td>
<td>0.049</td>
<td>Accepted</td>
</tr>
</tbody>
</table>
The data in Table (2) indicated that the path coefficient of brand credibility and perceived quality was 0.42. The amount of p-value for this coefficient was less than 0.05. Hence, regarding to positive and significant effect of brand credibility on perceived quality, the first hypothesis of this research was confirmed.

As shown in table 2, the path coefficient was achieved 0.13 for relation between brand credibility and perceived quality. The p-value amount was less than 0.05 for this coefficient. So, it can be argued that the second hypothesis was proofed. In the other words, brand prestige had positive and significant effect on perceived quality. According to achieved path coefficient (0.23) between perceived quality and purchase intention, as far as p-value for this coefficient was less than 0.05. Hence, it implies that the achieved coefficient was significant which the third hypothesis was confirmed. Therefore, it can be concluded that perceived quality had positive and significant effect on purchase intention.

Regarding to aforementioned data, the correlation coefficient between prestige brand and brand credibility was 0.03. Concerning the amount of p-value for this coefficient (<0.05), it can be concluded that the achieved coefficient was significant and the fourth hypothesis was confirmed.

CONCLUSION

This research demonstrates that brand credibility consider as effective component in increasing brand selection. Bank and its complex relation improvement with clientele and providing their satisfaction resulted to bank and related institute developing and all are effective in brand selection increases by client. According to significant relation between brand credibility and perceived quality, it can be envisaged that providing brand credibility and confidence will extol clientele selection and its confidence. This relation can be useful for managers who interested to better function of institutes. It was an interesting fact, that investment and increasing investment will provide the clientele satisfaction therewith institute and related bank progression and consider as an important point in improving investment. Based on the effect of brand prestige on perceived quality, this issue has positive effect in promoting client selection. Client will select spontaneous with understanding the appropriate prestige of brand and trust to its quality. Applicable to other, it can suggest to managers that provide mechanisms in bank in order to brand improving and promoting that finally increase the clientele selection and satisfaction. In essence it can be concluded that perceived quality impacts on purchase intention and valid conception from one product or brand quality can be followed by purchase repetition and more consumption of a product.

REFERENCES


