Analyzing the mediating role of Loyalty to Salesperson in the relationship of Retail Satisfaction, Product Quality and Re-patronage Intention

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Abstract

In the present study there is interest in loyalty to customer and it has been joined with relationship marketing in the context of retail marketing. In the scenario of present era majority of the business entities relating to the retail market are trying to improve the service quality significantly and enhance the relationship between salesperson and customer so that the store loyalty may increase. As the result of these practices are becoming more famous among the organizations and the advanced technology assists these organizations to improve the relationship with customers and implement these strategies. Present study was conducted in two big cities Faisalabad and Lahore, Punjab Pakistan. Customers of eleven retail stores are selected as population from which 204 respondents selected as sample. Convenient sampling technique was used to draw the sample. Regression and mediation tests were used to analyze the collected data. Results showed that there is a significant impact of retail satisfaction and product quality on re-patronage intention as the values of R^2 are .184 and .149 respectively. Furthermore, to check the mediating impact of mediator loyalty to salesman the method of Barren and Kenny was used and further analysis showed that the mediator has partially mediate the relationship of independent and dependent variables. This study will help the retailers to develop the long term relations of retailers and customers as well as the relationship of customers with the salespersons.

Key Words: Retail Satisfaction, Product Quality, Loyalty to salesperson, Re-patronage Intentions

Introduction

The current retailer market seeks to improve the quality of service and build inventory inventory by implementing customer relationship management. These efforts are becoming more and more possible as the benefits of communication are better known and the advancement of the technology market allows the company to implement these strategies. In addition, many service providers are aware of the benefits of building relationships, especially in "sales" relationships that consumers often prefer personal services. In short, although we believe that communication will become loyal customers, will spend a lot of money and will have a lot of patience for service failure, the results are usually not checked.

Recently, the interest of honesty research and the marketing market has entered into a retail environment. Previous research in this area focuses primarily on the loyalty of stores that store loyalty leads to results in stores such as participation in the acquisition and the conclusion that business can promote loyalty in stores where they receive special benefits. In an extremely competitive area. However, the prospects for market communications recognize that customers can establish relationships with specific subsidiaries and their own store, and these relationships form the basis of various loyal obligations of traders. Although the concept of relationship marketing can be applied equally in the retail environment, research shows that interpersonal relationships are more important than those in the context of retail

customer satisfaction, personal services and retail has been put on its end.

Recent research shows that in a friendly relationship with business, customer loyalty is important for relationships with retailers rather than the store. The simple reason is that these customers are likely to build stronger relationships with their suppliers than with brands or stores. It is believed that excessive loyalty of the seller and affect the loyalty of customers, because "consumers also feel that there is positive development in society, and with a positive feeling that the company has made progress." This hypothesis has some practical support. So several studies that look at retail contacts suggest that customer relationship is his loyalty to the seller, which has a positive impact on the store's integrity.

However, in the relevant investigation, we found evidence that the impact of customer loyalty on sellers is out of the "flow" to stay true. For example, Macintosh and Lockshin (1997) clearly show that "interactions between individuals and individuals will be related to buyers' behavior beyond the effects of store feelings." This shows that customer loyalty to vendors will lead to extra results in additional stores. Although none of the previous investigations have thoroughly studied the relationship, there are many reasons in other studies that support this claim.

First, customer loyalty efforts are linked to the success of customer loyalty. For example, Dick and Basu (1994) demonstrate that the result of honesty includes positive words of speech, resistance to persuasion and motivation to study. Research shows that in retail conditions, loyalty to vendors and loyalty can directly lead to some key results.

Second, despite the high level of market research, due to the difficulty in conducting research (Macintosh and Lockshin 1997), the number of analytical analyzes is shown. For example, Doney and Cannon (1997) found that confidence in the reliability of suppliers and suppliers was significantly associated with the intention to use future suppliers. Other researchers have found similar infectious effects. Thus, intermediate studies show that analysis level variables (e.g., Individuals) can have a profound effect on variable variables at another level of analysis.

Thirdly, research relations show significant differences between current relationships between one person and one person as well as between individuals. In particular, scientists suggest that loyalty between two individuals as it is built on trust and engagement increasingly influences consumer behavior compared to other relationships or loyalty that can be developed. This may be due to the benefits consumers receive from relationships (such as trust, social care and special treatment) that are positively related to loyalty to services such as the word "service". So this study shows that honesty based on personal relationships can have a direct and significant effect on store results.

Finally, the trader's development and impact on store results is likely to happen in a retail environment where consumers and retailers want to have close relationships. In this context, there is a commitment to trust and engagement that can be established as the basis for personal loyalty (Oliver 1997). In addition, customers build relationships with vendors because they want some social benefits (for example), and these benefits are greater with the personalized service (Gwinner, Gremler and Bitner 1998). For these reasons, the relationship between

vendors and consumers is important - the first product of special clothing or specialized alcohol products (Macintosh and Lockshin, 1997). The research presented here is based on similar approaches.

In short, evolution of past and new market developments suggests that customer loyalty within multiple retailers will increasingly focus on selling and that loyalty to the seller will have a strong effect on honesty. The store, as well as the customer's critical attitude towards the store. However, so far, no research has been transformed into a model of customer loyalty relationships in retail conditions. Reporters knew the difference in our knowledge by asking for an analysis of the impact of vendor loyalty on sales outcomes among clients in relationships (Macintosh and Lockshin 1997).

Objectives of the Study

- To dig out the role of retail satisfaction and product quality on loyalty to sales person
- To analyze the role of loyalty to sales person on re-patronage intentions
- To find out the mediating role of loyalty to sales person between the relationship of retail satisfaction, product and re-patronage intention

Literature Review

Retail Satisfaction: The structure of satisfaction is determined by many researchers as a reaction to the product or service. Accepting satisfaction as a psychological response is in line with the efforts of honesty that prefers loyalty. retail research also confirms store satisfaction as well as the emotional reaction of a person to the assessment of his experience shared with retailers (Zain Saidu, 2016).

Anjum, Kuchun, Abbas, and Shuguan (2017). It is claimed that retail satisfaction is counted as a multidimensional set of two or more sizes. It has been shown that these dimensions include seller satisfaction, product rating, store and other aspects of the business environment. This is in line with the idea that the services provided in the literature and a recent survey that showed that the seller's business may not only be satisfied with the seller but also for distributors / retailers (Paul, Sankaranarayanan, and Mekoth, 2016). Looking at your benefit and a sales outlet, the main ingredient of the retailers' favor is also in line with the idea that a happy solution happens simultaneously at different levels of dissatisfaction. In summary, previous sales and satisfaction studies have shown that satisfaction from sellers and stores is an important aspect of the overall satisfaction of retailers. This seems particularly true in retail.

In this way, the concept of satisfaction for our retailers is based on an integrated and satisfaction and satisfaction from the provider as an important dimension of the overall sense of satisfaction, the relationship with retail customers in retail stores. Anjum et al. (2017). Like other studies of similar high-end buildings, satisfaction reflects the general nature of building a base, and retailing your satisfaction is an important aspect of the seller's benefit in the final atmosphere. Considering this, we define customer satisfaction as a customer who responds to the rating of their experience with retailers and sellers. (Paul et al., 2016).

H₁: Retail Satisfaction has an impact loyalty to salesperson

Product Quality: Kim and Lee (2011) studied the importance of service quality and the relationship between service quality and customer satisfaction, and negotiated with a variety of methods and concluded that a significant part of customer satisfaction was more polite and sensitive to quality and security of the products. In addition, the research confirmed that it is important and costly with customer satisfaction, including passwords, consumer behavior and complaints (Atiyah, 2016). The study encourages manufacturers based on their findings to expand or build the elements and respond to growing customer satisfaction and behavioral goals in order to increase profits or profits to reduce production costs (Kim, Lee, Jiu Yuan, 2014).

Mr. Alvarez, Erans, Jimenez and Kane (2017) suggest that they should always be careful about the ability to apply the knowledge, skills and experience of their skills to create better products that meet customer satisfaction. Producing safe products that will not only respond to customers but also have a greater tendency to reduce the costs of downloading and inadvertently causing product anomalies due to low-quality products and services for consumers (Harper and Porter, 2011). The technical skills and techniques used to produce safe products should explain the unique production of successful products and put new products in the best practices.

Harper and Porter (2011) noted that for many years the US UU. They brought product innovation to a capital market in the global environment produced in the United States. They are governed by a great philosophy and emphasize customer satisfaction. Paul, Sankaranarayanan and Mekoth (2016) showed that the company had to set 10 revised targets above 10%. To be ten times

faster than a tenth, the company needs to look at the situation from a new perspective. The key is the constant flow of innovative products, services and processes that can solve customer problems.

H2: Product quality has an impact on loyalty to salesperson

Loyalty to Salesperson: The evidence provided by the literature, however, shows that seller loyalty and loyalty, although closely related, can be seen as a separate division for many reasons. First, honesty shows that the goals of man's loyalty differ from material to seller and shop. For example, in the industrial market, the idea of the originality of origin may differ to a large extent based on the customer loyalty target, and that loyalty can live together without communication (Tsung-Ju, Yi-Chen-Ching-Sung, 2016). Other studies deal in the same way with the various accessories, even if interconnected, with construction. So honesty shows that loyalty can be very different from one thing to another and does not depend on each other.

The second study found that loyalty based on long-term relationships (Tsung-Ju et al., 2016), as well as the relationship between each person per person and from company to company, have a major difference. The retail survey confirms that trade relations are at different levels in retail and show that there is a relationship between retailers and customers, but customers also develop different relationships with shops and stores. Performing brands (Hänninen & Karjaluoto, 2017). In other words, there are fundamental differences in customer loyalty based on the existence or absence of personal relationships between business contacts. That is why research shows that relationship-based honesty can vary from person to person.

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H₃: Loyalty to salesperson has an impact on re-patronage intention

Conceptual Framework

Research Methodology

Research instrument for data collection was well-built questionnaire comprising of different close-ended questions to measure ultimate dependent constructs like; retail satisfaction and re-patronage intention subsequently (Sekaran & Bougie, 2003 p.144). The data were collected from the respondents by the researchers with the help of 04 research assistants, these research assistants were the students of MBA at one of the well-known Public Sector Government College University Faisalabad, Pakistan having utmost interest in Marketing and Business Research. They were belonging to 02 different big cities of Pakistan; Faisalabad and Lahore. These cities are considered as bigger consumer markets.

Table-1: Internal Consistency of constructs

Scale	Developed by	Internal Consistency
Retail Satisfaction	Zain and Saidu (2016)	0.77
Product Quality	Kim, Lee, Joo, & Yuan, (2014)	0.86
Loyalty to Salesperson	Hänninen and Karjaluoto (2017)	0.79
Re-patronage Intention	Harper and Porter (2011)	0.87

Customers of selected retail stores are the population of the study. Sample size of this study was initially targeted to 250, around 125 consumers from each city. Two hundred and fifty consumers were accessed to fill in the questionnaires. Few of those were reporting missing values, which were discarded later. In the last, 204 questionnaires were found useful yielding a response rate of 81.60%. Non-Probability sampling more precisely judgmental sampling and convenient sampling were executed in the pilot study.

Table-2: Constructs adoption and their Definitions

Construct	Definition	Source
Retail Satisfaction	Retailing involves the process of selling consumer goods or Services to customers through multiple channels of distribution to earn a profit. Retailers satisfy demand identified through a supply	Zain and Saidu (2016)

	chain. Digital technologies are also changing the way that consumers pay for goods and services.	
Product Quality	The common element of the business definitions is that the quality of a product or service refers to the perception of the degree to which the product or service meets the customer's expectations. Quality has no specific meaning unless related to a specific function and/or object.	Kim, Lee, Joo, & Yuan, (2014)
Loyalty to Salesperson	Loyalty to the selling firm, as it is typically measured, comingles customer loyalties to the firm and to the salesperson with whom that customer interfaces. If customer loyalty to the selling firm is based in elements inextricably bound to a specific salesperson, that "loyalty" would evaporate should the salesperson leave.	Hänninen and Karjaluoto (2017)
Re-patronage Intention	The impacts of customer satisfaction on customer retention are bringing into being to be momentous and positive. Specially, the customer satisfaction will influence the re patronage intentions	Harper and Porter (2011)

All the constructs were measured by 5-item Likert Scale; (1=strongly disagree, 2=disagree, 3=neutral, 4=agree and 5=strongly agree). All the scales were already developed and established. Few scales were modified little, according-to the purpose. However, internal consistencies of modified ones were checked duly. Linear regression was used to test the hypothesis and data was entered in SPSS 20.0 to run the analysis.

Results

Total sample size comprised of 204 respondents, out of which there were 146 males and 60 were females. Males represented 70.6% of the sample; rest was represented by the females. However, majority of the respondents are between 30 to 40 years of their ages. This majority is representing 36.2% of the users, however, the sizable number (29.0) of the users lie between 41 to 50 years. Respondents above 50 were quite low in number. It is important to highlight that majority of respondents are well educated. 57.8% of the total respondents are having education either up to graduation level or more than that. The total sample size was consisting of 204 respondents; out of which 30.8% visit store once in a month, 43.0% visit store twice in a month, 19.1% visit 3-4 times in a month and remaining 6.8% respondents visit store more than 5 times in a month. The table shows that 16.7% users are earning either or below Rs. 30,000/month, 23.5% users are earning between Rs. 30,000 to Rs. 40,000/month. Monthly income of 26.5% users is between Rs. 40,000 to Rs. 60,000, 28.9% respondents earning between Rs.60,000 to Rs. 100,000. Rests of the users are earning more than Rs. 100,000 a month.

Table 3: Demographic Profile of the Respondents (N-204)

		Frequency	Percent
Gender	Male	144	70.6
	Female	60	29.4
Age	20-30	39	19.1
	30-40	74	36.2
	41-50	59	29.0
	51-60	33	16.2

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Frequency to visit Store	Once in a month	63	30.8
	Twice in a month	89	43.0
	3-4 times in a month	39	19.1
	More than 4 times	14	06.8
Occupation	Business	108	52.9
	Job	63	30.8
	Others	33	16.2
Education	Higher Secondary	48	23.5
	Graduation	118	57.8
	Post-Graduation	38	16.6
Income	Less than 30K	33	16.7
	30K to 40K	48	23.5
	40K to 60K	54	26.5
	60K to 100K	59	28.9
	Above than 101K	11	5.4

The table-3 corresponds to the respondent's preference which compels them to employ FMCGs in their daily life. The result implies that people are conscious about their health and they are very sensitive about their monthly earning and purchasing some low price but quality products. It also amplifies the fact that our people will employ any tool to earn routine products in their monthly income. It further indicates that retail satisfaction have pivotal role to determine good products in cheaper rates.

Regression Analysis

Regression analysis was run to test all the direct and indirect relationships. All the relationships present significant values which are less than alpha value (α=.05). The results shown in the table 4 showed that predictor retail satisfaction on re-patronage present value of R square as R^2=.184 which means 18.4 percent variation in re-patronage intention is explained by independent variable retail satisfaction. Furthermore, second predictor product quality on re-patronage intention showed value of R square is .149 which describes that 14.9 percent variation in re-patronage intention is explained by product quality. Along with that both the predictors present the R^2 value for dependent variable are .438 and .221 and another dependent variable i.e. loyalty to salesman are .448 and .237 respectively in the table 4.12. Loyalty to salesman as predictor indicates value of R square is .175. Table 4 showed the values of regression coefficients that the beta value for retail satisfaction is .270 and product quality is .196 on re-patronage intention. From both the predictors, retail satisfaction is the stronger predictor for dependent variable re-patronage intention with value of .270 and product quality represents lesser influence. The overall relationships are reasonable and showed significant results.

Table 4: Regression Analysis

Predictors	Loyalty to Salesman		Re-patronage Intention		
	β	R^2	B	R^2	β
Retail Satisfaction	.331*	.448*	.714*	.184*	.270*
Product Quality	.293*	.237*	.419*	.149*	.196*
Loyalty to Salesman				.175*	.213*

*Results significant as their alpha value is less than α=.05

Mediation Analysis

Table 5: Mediating role of loyalty to salesperson in relationship of retail satisfaction and Re-patronage Intention

	Re-patronage Intention			
	B	R^2	R^2Change	P-value
Main Effects				
Retail Satisfaction	.270	.184		.000
Mediation-1				
Step-1 Loyalty to Salesman	.213	.175	.175	.000
Step-2 Retail Satisfaction	.113	.234	.059	.002

To investigate the hypothesis regression analysis is used. The table 5 presents values in first step (X on M) that R square is .184 which describes that 18.40% variance of loyalty to salesperson is explained by independent variable retail satisfaction. The value R^2=.175 in second step (M on Y) indicates that 19.6% variance of re-patronage

intention is explained by loyalty to salesperson and loyalty to salesperson as independent variables. Similarly, in third step (X on Y) R square value showed R^2=.234.

The significant p-values showed in first, second and third steps of table 5 which is less than alpha .05.

Table 6: Mediating role of loyalty to salesperson in relationship of product quality and Re-patronage Intention

	Re-patronage Intention			
	B	R^2	R^2Change	**P-value**
Main Effects				
Product Quality	.196	.149		.000
Mediation-1				
Step-1 Loyalty to Salesman	.213	.175	.175	.000
Step-2 Product Quality	.113	.223	.048	.002

To investigate the hypothesis regression analysis is used. The table 6 presents values in first step (X on M) that R square is .149 which describes that 14.9% variance of loyalty to salesperson is explained by independent variable product quality. The value R^2=.175 in second step (M on Y) indicates that 17.5% variance of re-patronage intention is explained by loyalty to salesperson and loyalty to salesperson as independent variables. Similarly, in third step (X on Y) R square value showed R^2=.223. The significant p-values showed in first, second and third steps of table 6 which is less than alpha .05.

Conclusion

Retailers in the retail market today are focusing on building sales and customer relationships by recognizing the strategic approach that the key to building long-term customer loyalty in more settings. The Customer Relationship Management Training Program should be integrated into the industry. Explore the direct effects of product satisfaction and quality at the store level. Many customers in the service sector are recognized as being important in terms of connections, especially in the "retail" atmosphere, especially in the case of customer needs serving the personality or requirements.

Retail satisfaction is an emotional response to a product or service experience. This is a global phenomenon and today, one day that customers are emotionally related to the

product and the emotional response is in line with the findings, so he is faithful to expressing satisfaction that creating effective loyalty (Dick and Basu, 1994). Retail satisfaction is a multidimensional design that is greater than two or more. These indicators show that they favor sellers. Sales and store preferences are a major part of retail satisfaction. Sales preferences include seller satisfaction and store satisfaction.

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