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ASSESSMENT OF THE RELATIONSHIP BETWEEN THE QUALITY OF EXPOSURE TO SERVICE AND CUSTOMER LOYALTY TO THE ORGANIZATION (THE CASE STUDY RAJAEI AND BAHONAR PORT)

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ABSTRACT

The purpose of this study was to investigate the relationship between service exposure quality and customer's loyalty to the organization (the case study: Rajaei and Bahonar port). The present study is an applied research conducted with descriptive approach and survey method. The statistical population of the study consisted of all companies working at maritime transport section, customs clearance companies, exporters and importers that are users of container service as well as documentation service of Bahonar and Rajaiport and Bandar Abbas, the research sample was calculated by simple random sampling which is equivalent to 102 people. The tools used in this research include questionnaire of factors affecting the quality of exposure to service and customer loyalty to the organization. This tool is well validated psychometrically at the end. The data was collected by statistical inferential method and partial correlation coefficient and Pearson regression coefficient. The results show that there is a positive relationship between the customer's perception of quality of service delivery and customer loyalty to the organization and the staff.

Keywords: *Exposure to Service, Customer Loyalty, Commercial Markets*

INTRODUCTION

Taking step forward in the business and competitive areas with other countries to achieving a larger share of international markets requires fundamental transformations in the management of firms (Rahman and others, 2003). To maintain these markets, it should make customers loyal who have become satisfied. Value creation of organizations depends on recipients' and customers' satisfaction. The customer satisfaction also depends on the quality of services being received from staff. Hence, the ability of personnel's servicing in the chain (profit-service) plays a key role; and this factor, in turn, depends on the quality of services received from organizations (Arabs *et al.*, 2003) marketing in the evolution march is in a stage that the marketers do not think about finding new customers, nowadays the purpose of marketing is considered as demand management through growing and pushing up the customer towards the ladder of loyalty to the organizations as level as the maturity. Today, the customers' satisfaction is not sufficient and the companies should be happy of their satisfactory, they should ensure that their satisfied customers are loyal. In this paradigm, the goal of establishing long-term relationships and interactions with stakeholders and, most importantly, customers so that maintain more customers and lose fewer and thus long-term benefits will be obtained that as a result, the company's market share and profitability will be increased (Salari *et al.*, 2003). "The actual policy to achieve full-rival markets is of thinking where the client and customer are regarded as our benefactor and overlord. He was always right, and ultimately making them satisfied has been our duty" (Amraei, 2012).

Today, in most developed marine countries which determine the fate of maritime trade and shipping, it is an evident, well established and mainly admitted politic and philosophy, and each management and service set that act contrary to this thinking is doomed to failure, bankruptcy and unprofitability (Amraei, 2012). We in chapter one intend to provide the general research framework to make a comprehensive insight into the next season. At first, it is decrypted the research and by expressing the importance and necessity of research, it is pointed out the need for to do it that seeking to understand the goals of the research is done

Research Article

easier. At the end of the chapter, the definitions of terminologies, of the limitations of the study are presented.

Framework and Literature

The exposure to service is time framework during which the clients communicate directly with the service providers. This framework includes all physical elements, such as physical equipment, waiting time and service personnel (James, 2012).

Based on James' model (1995), satisfaction with service exposure covers three separate but related stages of disapproval. This model examines how expectations can change over the connection, as well as how differences between clients and the performance of core and periphery affect their consent. The evaluation stages of this model are:

1) First stage, before using the core service; the customers observe peripheral service components and compare their performance with their own expectations, the expectations which at the beginning involve in their passive nature.

Since the initial effects of the service provider get the interactions directed, this stage management is considered as the foundation and base of the customer's ultimate satisfaction (James, 2012).

The peripheral performance of this stage consists of personality pep of one who is a service provider, waiting location cleanliness, or the temperature of the workplace. The symbolic nature of the coating and appearance play a major role in planning for customer's intention of the use of services and for their satisfaction. The peripheral performance at the first stage may be better, the same as or less than expected.

2) Second stage, at the time n (since the main service delivery), perceptual functions in terms of core dimension is compared with customer's active expectations. The core services, such as, whether a plumber has blocked flooding or not, whether his clothes would be dirty and he had unfriendly behavior or not.

Given the nature of the disapproval (comparison of expectations with performance), we conclude that, the core services provided must verify the customer's expectations. Indeed, justifying the purchase of services by the customers gets problematic, if they do not have expected appropriate performance in accordance with their own expectations.

Assessment at this stage could be better, worse or equal to the expectations. Assessment in the second phase has influenced on the expectations of the third stage (after service delivery) and directly affected the overall assessment of exposures to the service. It should be noted that the core services will be assessed at this stage (James, 2012).

3) The third stage: this stage involves the comparison of peripheral expected and perceptual performance after the core service delivery. Assessment at this stage could be better, worse or the expectations and directly affect the overall assessment of the exposures to the service (ibid).

At this stage, the peripheral components of performance include: payment procedures, service provider's pep after delivery and speed of inspection procedures required.

Business Customer Value

Value creation is a key issue in marketing. In fact, the role of marketing is that "helping companies in creating superior value for customers than competitors". Considering the value is necessary such that the satisfied customers due to the goods and services which give value to them remained loyal to the company and their future purchases will have done from the same company. The value that the customer feels to have received would give rise to her/his return more than the satisfactory. The researches, conducted in the field of value and service value, indicate that the superiority value can be a decisive factor of increasing in the customer's loyalty, transactions repetition and changes in the customer's behavior (Anderson *et al.*, 2011). Gross (1997) believes that at the commercial market, it would better utilize the concept of value instead that of satisfaction, because it is able to predict behavioral outcomes. He believes that the concept of satisfaction in commercial markets has been borrowed from consuming markets, which is wrong. Since purchasing managers are buying based on economic reasons - not the emotional ones- perceptual value of the customer must be accounted for as an important aspect of business marketing (Anderson *et al.*, 2011).

Background of the Study on the Value

The marketing research on the value can be divided into three categories:

Research Article

- ✚ Research on the value of customer's consumption
- ✚ Research on perceived value
- ✚ Research on customer value or relative value (ibid)

Research on the value of the customer's consumption, Hirschman and Helberk (1982) believe that the consumption experience after taking the purchase includes the value of experienced consumption (symbolic, aesthetic and pleasure nature of consumption) as well as the rational value of consumption (problem solving and satisfying the need). Therefore, evaluation of the customer value for commercial services could comply with through the exploration of value resources and the key dimensions of value (Anderson *et al.*, 2011).

Perceived value: this research is to investigate the relationship between perceived qualities of price. This is often defined as the customer's overall assessment of what s/he often perceives in lieu of what s/he gives. Zitemel said: all costs for the customer is clear such as monetary and non-monetary price (time and effort) should be considered as the perceived costs and interest components of perceptual value should be considered to involve perceived quality and another inherent and phenomenal characteristics (ibid.) In short, according to this approach, the value is derived of comparing prices with quality. The value increased the intent to re-purchase and upraised possible changes in customer behavior.

Customer's Value: Recent studies focus on the importance of competitive alternatives. Nauman (95) said: increasing competitive alternatives, customers expect more value from their purchase. Likewise, with the increasing number of substitutes, general perceptions about the value increase (Anderson *et al.*, 2011).

Research results indicate that customer's perceptions (of value) would be formed compared to the competitors and by developing plans of customer value (such as maps of the relative quality and relative price).

Existing competition also has a great impact on customer's perceptions. Internal comparison of the benefits and costs along with the competition existence would form an outer comparison and must be integrated when creating customer value (Annieh, 2014).

Conception differences between satisfaction and value: the main differences are:

- ✚ The value results from cognitive comparison process between expectations and performance; against, emotional valuator replies by expression of satisfaction.
- ✚ The satisfactory would be a post-purchase combination, but value is independent of the time the product usage and this is a post- and pre-purchase combination.
- ✚ The satisfactory is of a tactical approach that helps to improve the products and services are available and are dealing with the current clients; but the value is provident and a strategic approach that is going to evaluate how to create value to the customers and meet their needs.
- ✚ It regards former, current and potential customers' value, while the satisfactory focuses on the current customers.

✚ The satisfactory considers only supplier of products, against, the value consider both suppliers and competitors together (Annieh, 2014). Comparison between the value and satisfaction is shown in Fig below.

✚ The aspects of commercial customer value: Annie (2006) after in-depth interviews with managers from 11 industries, three categories of commercial customer value were raised:

✚ The economic value of the supplier: overall assessment of the organizational buyer of benefits and costs of a supplier compared to alternative suppliers. Here, the benefit is related to quality of service and cost (price or monetary terms of service delivery).

The interviews showed that perceptions of quality include the company's reputation, the ability of suppliers to do the job right and on time, and attention to detail.

Through these interviews it became clear that the commercial buyer evaluates economic value of the supplier through mental comparison between quality and prices (Little *et al.*, 2012).

✚ The communication/support value: the service is linked to how the customers to assess the benefits and effectiveness of working relationships with suppliers in comparison with other ones. The research shows that the communication value would be aspects of interpersonal relationships and originate from social

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boundaries between buyers and commercial suppliers. During the interviews, many business buyers insisted on the importance of improving working relationships through communication.

The concept of the communication value: the support encompasses the process of interpersonal working relations in that the parties to find effective ways of doing business will interact with each other.

✚ The technical/core service value: this concept refers to technical and professional functions of who delivers the service in comparison to other suppliers. Because commercial services are provided through technical or personnel consulting, their standardization is more difficult than that of tangible products. As a result, for the suppliers, the training of their service personnel is very important to reduce distortions.

The conception of core service value is the same as cause of action suggested by Sinha and Dsarbv (98). According to the concept, the commercial customer to decide to use the service instead of enjoying the services of competitors the overall performance of the service provider (technical, professional and procedural aspects) compare against industry standards (Little *et al.*, 2012).

Above dimensions is similar to that Anderson and Thompson (97) have risen. They introduced value in commercial markets such that "perceptual value of the customer for money who paid, in monetary terms of the benefits of economic, technical, and social services, in comparison with competitors. The dimensions practice as a basis of the many business services and can be independently employed to identify the significant impact of each of these aspects on the cost of changing customer behavior (ibid).

The Value of Buyer-Seller Relationships

In parallel with the increased focus on the value of products and services, several studies have also associated with the concept of value.

The major basis of this concept is that the buyer and supplier companies do not trade just with each other because what is the exchange will be value of goods and services.

The research on the value of the relationship between the two main streams shows: the first stream is focused on creating value through concentrated communications and the second hinges on some evaluation of the communication value (ibid).

The research of the area is following first to the recognition of the changing nature of marketing and followed by in marketing.

This research shows that managers emphasize greater on the management of relationship, networks and long-term marketing transactions. This is emphasized through internal focus on the staff and external focus on customers of the organizations, suppliers and other market factors are impressive (Lindgreen, 2013).

Such this value creation will not be carried out the communication isolated. Accordingly, the companies' role is transferred from supplier of goods and services to companies designing the active systems, the activities through which the customers themselves can create their intended value.

As previously mentioned, the second stream focuses more on the value of communication. Accordingly, communication is valuable for the buyer because therefore:

✚ Transactions between buyer and supplier become predictable.

✚ Learning and acceptance of the parties (from processes of each other business) leads to create a new product or service (Lindgreen, 2013).

According to the results from study by Walter *et al.*, (2001), the supplier needs to deliver value to the customers and at the same time also needs to reap the benefits of the transactions with the suppliers need customers. ... The suppliers need for to know how create value via communicating with customers (Walter *et al.*, 2011).

As a result, Walter *et al.*, put the model of functions related to customer relationships through relating to these to the value creation. The functions of customer relationship refer to the activities done and the resources used by the customer.

It makes a distinction between two categories of functionality:

✚ Direct functions: the functions are that impact directly on the opposite party (customer). These functions include all suppliers' and the customer's activities and resources that could lead to the creation of value for suppliers, without dependence on other relationships.

Research Article

✚ Indirect functions: it has ambiguous effect on the opposite party (customer) because they are linked to other relationships directly or indirectly. The functions have left relevant impact on future relations and/or other relationships. Indirect functions are important because they have a positive impact on other relationships.

Direct functions include:

✚ Function of profit: suppliers for long-term survival should have the profitable relation with the customer as well.

✚ Function of size: the suppliers, when making concessions on price, manage their relations with those customers who buy a large proportion of products supplied.

✚ The function of shield: by formation of uncertainty in competitive markets, the suppliers use the communications with customers as their protector. This function improves the supplier's cost (Walter *et al.*, 2011).

Indirect functions include:

✚ Function of innovation: the suppliers communicate with the customers who are leader in terms of technology or have great expertise about the product.

✚ Function of Market: only great clients and gentlemen who used precise criteria to choose their supplier may have the effect of valuable reference.

✚ Function of fugleman: the customers who are herald of collecting and providing information on the market expansion.

✚ Function of access: the customers' experience of least terms in the markets of business (B2B) can help the commercial supplier considerably (Walter *et al.*, 2011).

MATERIALS AND METHODS

Methodology

The present study is an applied and survey-descriptive one in terms of objective and data collection, respectively, that was conducted in the field manner. "The research universe includes all shipping companies, customs clearance companies, exporters and importers that utilize container services, as well as documentation service of Bahonar and Rajaeiport and Bandar Abbas port.

The total number is of 380.

The statistical sample is sized by 77. But to ensure more the results, and since an increasing number of customers ports are available, and the possibility that some of the subjects did not cooperate, the number increased to 102. In this study, the number of samples required is derived from four categories of customer as follows:

Table 1: Selected sample of companies in Bandar Abbas

Company	Frequency	Percent
Clearance	32	31.4
Shipping	13	12.7
Importer	44	43.1
Exporter	13	12.7
Total	102	100

RESULTS AND DISCUSSION

Findings

Due to the normal distribution of data, to test hypotheses, Pearson's correlation coefficient is used. It should be noted that all statistical calculations were performed using SPSS software.

The Main Hypotheses Testing

The main hypothesis suggests that there is a positive relationship between the customer's perception of service delivery quality and customer's loyalty to the organization and the staff.

Research Article

Null hypothesis: there is no positive relationship between the customer's perception of service delivery quality and customer's loyalty to the organization and the staff.

Hypothesis 1: there is a positive relationship between the customer's perception of service delivery quality and customer's loyalty to the organization and the staff.

- 1. $H_0: p \leq 0$
- 2. $H_1: p > 0$

The First Hypothesis Testing

The hypothesis 1 states that there is a positive relationship between the customer's perception of service delivery quality and customer's perception of service quality.

The needed data to test the hypothesis is extracted from answers by the subjects to questions 6 to 19. To test this hypothesis, we performed research in the following way:

Statistical Hypothesis

Null hypothesis: there is no positive relationship between the customer's perception of service delivery quality and customer's perception of service quality.

Hypothesis 1: there is a positive relationship between the customer's perception of service delivery quality and customer's perception of service quality.

- 1. $H_0: p \leq 0$
- 2. $H_1: p > 0$

Determining the Test Statistic and Critical Value

Table 2: Statistical measures for testing hypothesis 1

Significance level	Correlation coefficient of Pearson	P statistics	Variables
0.95	0.881	0.000	Service delivery quality and service quality

Decision-makings

By comparing the calculated statistics ($P = 0.000$), it can see that this value is less than the error level (0.05), it becomes clear that the test statistic is not depending on H_0 , therefore null hypothesis is rejected at the level of confidence of 95%.

In other words, the first research sub-hypothesis is that there is a positive relationship between the customer's perception of quality of service and that of service quality." At the error level of 5%, it is confirmed.

The Second Hypothesis Testing

The second research hypothesis states that "there is a positive relationship between the customer's perception of service delivery quality and customer's satisfaction", the needed data to test the hypothesis is extracted from answers by the subjects to questions 12 to 22. To test this hypothesis, we performed the research in the following way:

Statistical Hypothesis

Null hypothesis: there is no positive relationship between customers' satisfaction and their perceptions of service delivery quality.

The hypothesis 1: there is no positive relationship between customers' satisfaction and their perceptions of service delivery quality.

- 1. $H_0: p \leq 0$
- 2. $H_1: p > 0$

Determining the Test Statistic and Critical Value

Research Article

Table 3: The statistical measures to test the second hypothesis

Significance level	Correlation coefficient of Pearson	P statistics	Variables
0.95	0.804	0.000	Customer's satisfaction and quality of exposure to service

Decision-makings

By comparing the calculated statistic (P =0.000), it can see that this value is less than the error level (0.05) and it becomes clear that the test statistic is not depending on H₀, therefore null hypothesis is rejected at the level of confidence of 95%.In other words, the third research sub-hypothesis is that there is a positive relationship between the customer's perception of service delivery quality and customer's satisfaction." At the error level of 5%, it is confirmed.

The Third Hypothesis Testing

The third research hypothesis states that "there is a positive relationship between the customer's perception of service quality and customer's satisfaction", the needed data to test the hypothesis is extracted from answers by the subjects to questions 12 to 22. To test this hypothesis, we performed the research in the following way:

Statistical Hypothesis

Null hypothesis: there is no positive relationship between customers' satisfaction and their perceptions of service quality.

The hypothesis 1: there is no positive relationship between customers' satisfaction and their perceptions of service quality.

1. H₀: p ≤ 0
2. H₁: p > 0

Determining the Test Statistic and Critical Value

Table 4: The statistical measures to the third hypothesis testing

Significance level	Correlation coefficient of Pearson	P statistics	Variables
0.95	0.872	0.000	Customer's satisfaction and service quality

Decision-makings

By comparing the calculated statistic (P =0.000), it can see that this value is less than the error level (0.05) and it becomes clear that the test statistic is not depending on H₀, therefore null hypothesis is rejected at the level of confidence of 95%.In other words, the third research sub-hypothesis is that there is a positive relationship between the customer's perception of service quality and customer's satisfaction." At the error level of 5%, it is confirmed.

The Fourth Hypothesis Testing

The fourth research hypothesis states that "there is a positive relationship between the service quality and customer's loyalty to the organization", the needed data to test the hypothesis is extracted from answers by the subjects to questions 19 to 22. To test this hypothesis, we performed the research in the following way:

Statistical Hypothesis

Null hypothesis: there is no positive relationship between service quality and customer's loyalty to the organization.

The hypothesis 1: there is a positive relationship between service quality and customer's loyalty to the organization.

1. H₀: p ≤ 0
2. H₁: p > 0

Research Article

Determining the Test Statistic and Critical Value

Table 5: Statistical measures to test the fourth hypothesis

Significance level	Correlation coefficient of Pearson	P statistics	Variables
0.95	0.862	0.000	Customer's loyalty to the organization and service quality

Decision-makings

By comparing the calculated statistic (P =0.000), it can see that this value is less than the error level (0.05) and it becomes clear that the test statistic is not depending on H₀, therefore null hypothesis is rejected at the level of confidence of 95%. In other words, the fourth research sub-hypothesis is that there is a positive relationship between the service quality and customer's loyalty to the organization." At the error level of 5%, it is confirmed.

The Fifth Hypothesis Testing

The fifth research hypothesis states that "there is a positive relationship between the customer's satisfaction and customer's loyalty to the staff", the needed data to test the hypothesis is extracted from answers by the subjects to questions 23 to 26. To test this hypothesis, we performed the research in the following way:

Statistical Hypothesis

Null hypothesis: there is no positive relationship between the customer's satisfaction and customer's loyalty to the staff.

The hypothesis 1: there is a positive relationship between the customer's satisfaction and customer's loyalty to the staff.

- 1. H₀: p ≤ 0
- 2. H₁: p > 0

Determining the Test Statistic and Critical Value

Table 6: Statistical measures to test the fifth hypothesis

Significance level	Correlation coefficient of Pearson	P statistics	Variables
0.95	0.837	0.000	Customer's loyalty to the staff and customer's satisfaction

Decision-makings

By comparing the calculated statistic (P =0.000), it can see that this value is less than the error level (0.05) and it becomes clear that the test statistic is not depending on H₀, therefore null hypothesis is rejected at the level of confidence of 95%.

In other words, the fifth research sub-hypothesis is that there is a positive relationship between the customer's satisfaction and customer's loyalty to the staff."

At the error level of 5%, it is confirmed.

The Sixth Hypothesis Testing

The sixth research hypothesis states that "there is a positive relationship between the customer's loyalty to organization and customer's loyalty to the staff", the needed data to test the hypothesis is extracted from answers by the subjects to questions 23 to 28. To test this hypothesis, we performed the research in the following way:

Statistical Hypothesis

Null hypothesis: there is no positive relationship between the customer's loyalty to organization and customer's loyalty to the staff.

Research Article

The hypothesis 1: there is a positive relationship between the customer’s loyalty to organization and customer’s loyalty to the staff.

- 1. $H_0: p \leq 0$
- 2. $H_1: p > 0$

Determining the Test Statistic and Critical Value

Table 7: Statistical measures to test the sixth hypothesis

Significance level	Correlation coefficient of Pearson	P statistics	Variables
0.95	0.845	0.000	Customer’s loyalty to the staff and customer’s loyalty to the organization

Decision-makings

By comparing the calculated statistic ($P = 0.000$), it can see that this value is less than the error level (0.05) and it becomes clear that the test statistic is not depending on H_0 , therefore null hypothesis is rejected at the level of confidence of 95%. In other words, the sixth research sub-hypothesis is that there is a positive relationship between the customer’s loyalty to the organization and customer’s loyalty to the staff." At the error level of 5%, it is confirmed.

Conclusion

The study entitled "assessment and analysis of the impact of the service exposure quality (SEQ) on customer’s loyalty (Case study Bandar Abbas)" was conducted, the dimensions of service exposure quality was investigated. A professional marketing of services would confront to the quality and how to make interactions between customers and the staff who are service providers sensitively. Therefore, the top managers of such organizations seek to achieve sustainable competitive advantage through acquiring customer’s satisfaction and thus their loyalty, and they are awarded to the importance of successful and optimal interactions with their own customers. One of the main ways that an organization can make itself distinguished from other competitors when using it in this field would be regular assessment of the quality of interpersonal interactions between customers and staff, and upgrading it to competitors.

This is of special important in business services organizations (BB), because these organizations with more professional customers become more powerful, and also the organizations confront the rivals who are vigilant. Thus, many of these organizations are recognized that shaping interactions more successfully can bring a powerful and strong competitive advantage for them and will lead to the higher profit and sales for the company and more customers’ satisfaction and loyalty. It is therefore essential that the organizations which are business service providers make their efforts to improve the quality of service exposure, or the same quality of the interactions between customers and employees, based on the understanding of the expectations and needs of their customers and analysis of their weaknesses in the system.

In this study, to evaluate the quality of service exposure and its relation with the customer’s loyalty, the hypotheses were developed based on the research conceptual models and background studies. Then, the theoretical contexts and literature were also exposed, as well as the definitions and characteristics of quality of service exposure, the models and quality dimensions were described in this section. The statistical population of the study includes customers from Radjai and Bahounarports in four categories that had enjoyed the port services (documents and container) of the organization. Given the limitations of the study, a random sample of 102 individuals was elected from the statistical population in the city of Bandar Abbas, and the questionnaire was completed by face-to-face visiting the customer. In this study, the information needed to formulate the hypotheses was gathered from library resources and the research conceptual model and then to test them, the research data collected through questionnaires was used in two levels, including descriptive and inferential analyses. Descriptive analysis level involves in the descriptive analysis of demographic data (type of activity, age, gender, education level of the customer and duration of the customer relationship with the client ports) and descriptive analysis of research-specific data (frequency,

Research Article

percentage of frequency, mean and standard deviation) and it was discussed in the inferential analysis using statistical hypothesis tests relevant to the analysis of data to confirm or reject the hypotheses of the study.

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