Journal of Business Research xxx (2016) xxx–xxx

Contents lists available at ScienceDirect

Journal of Business Research

Reputation and intentions: The role of satisfaction, identification, and commitment

Lujun Su [a], Scott R. Swanson [b,*], Sydney Chinchanachokchai [c], Maxwell K. Hsu [d], Xiaohong Chen [e]

[a] Business School Central South University, Collaborative Innovation Center of Resource-conserving & Environment-friendly Society and Ecological Civilization, Mobile E-business Collaborative Innovation Center of Hunan Province, Changsha, Hunan 41003, China
[b] Management and Marketing Department, University of Wisconsin-Eau Claire, Eau Claire, WI 54701, USA
[c] Management and Marketing Department, University of Wisconsin-Eau Claire, Eau Claire, WI 54701, USA
[d] Department of Marketing, University of Wisconsin-Whitewater, 800 West Main Street, Whitewater, WI 53190, USA
[e] Business School Central South University, Collaborative Innovation Center of Resource-conserving & Environment-friendly Society and Ecological Civilization, Mobile E-business Collaborative Innovation Center of Hunan Province, Changsha, Hunan 41003, China

ARTICLE INFO

Article history:
Received 2 October 2015
Received in revised form 18 February 2016
Accepted 19 February 2016
Available online xxxx

Keywords:
Corporate reputation
Satisfaction
Identification
Commitment
Intentions

ABSTRACT

This study proposes and tests a model that examines three relationship quality constructs as intervening factors between corporate reputation and behavioral intentions. Data were collected from Chinese guests of six different hotels over an eight-week period. The initial results showed that overall customer satisfaction significantly impacted customer–company identification, customer commitment, repurchase intentions, and word-of-mouth intentions. Customer–company identification had a positive influence on customer commitment and word-of-mouth intentions. Customer commitment significantly influenced repurchase intentions. Due to Type I error rate concerns, the Bonferroni-type procedure was applied. Bootstrap analysis and the Bonferroni-adjusted alpha level were utilized, which resulted in the removal of the customer–company identification construct. The updated findings confirm that corporate reputation had a positive influence on customer satisfaction and commitment. Customer satisfaction significantly impacted customer commitment, repurchase intentions, and word-of-mouth intentions. The findings add to our understanding of how corporate reputation contributes to relationship building.

1. Introduction

Relationship marketing aims to build long-term relationships with valued customers. Reputation is a recognition by others of some characteristics or overall quality. Corporate reputation can be considered a valuable strategic resource that contributes to a firm's sustainable competitive advantage (Capozzi, 2005). The current study provides a model that adds to our understanding of how corporate reputation contributes to relationship building.

Consequences of corporate reputation are underexplored empirically (Walsh, Mitchell, Jackson, & Beatty, 2009). In service markets, reputation plays an important strategic role because the pre-purchase evaluation of service quality is vague and incomplete (Wang, Lo, & Hui, 2003). Due to intangibility, the quality of services may be more difficult for customers to evaluate, resulting in service firms being more likely to feel the effects of reputation loss than other types of firms (Walsh et al., 2009).

In this study we investigate the role of three variables, overall customer satisfaction, customer–company identification, and customer commitment, as bridges between corporate reputation and the behavioral intentions of repurchase and word-of-mouth in a hospitality service context. We test a model that probes the underlying mechanism by which corporate reputation impacts customer behavioral intentions. The integrated model examines corporate reputation and customer satisfaction as antecedents of customer–company identification, which is noted to be potentially useful for building stronger customer relationships (Ahearne, Bhattacharya, & Gruen, 2005). Although a social identity perspective has been noted to be potentially useful in establishing the relationship between companies and customers (Bhattacharya & Sen, 2003), few studies have paid attention to identifying antecedents by incorporating them into frameworks (He, Li, & Harris, 2012; Martínez & Rodríguez del Bosque, 2013).

There have been few studies that investigate the customer–company identification construct in a relationship marketing context (Ahearne et al., 2005). The limited research exploring the relationship of customer–company identification and customer commitment is likely due to perceived redundancy of the two constructs by some researchers (Edwards, 2005; Keh & Xie, 2009). In the current study we examine customer–company identification as a relationship marketing construct using discriminant validity testing to distinguish between customer–company identification and customer commitment, thus providing additional empirical evidence in the debate on construct redundancy (Edwards, 2005).

* Corresponding author. Tel.: +1 715 836 5127.
E-mail addresses: sulujunslj@163.com (L. Su), swansosr@uwec.edu (S.R. Swanson), chinchb@uwec.edu (S. Chinchanachokchai), hsum@uww.edu (M.K. Hsu), csu_cxh@163.com (X. Chen).

http://dx.doi.org/10.1016/j.jbusres.2016.02.023
0148-2963/© 2016 Elsevier Inc. All rights reserved.

This paper presents the proposed models based on a number of hypothesized relationships derived from an extensive literature review. The models are then tested in an empirical study. Finally, the paper concludes with a discussion of the findings, implications, limitations, and potential future research directions.

2. Literature review

2.1. Corporate reputation

Corporate reputation can be viewed as a company-centric construct that impacts how people in the organization behave on behalf of the organization (Ettenson & Knowles, 2008). Reputations could be perceived as the attributes that distinguish one firm from another (Barnett, Jermier, & Lafferty, 2006) or as reactions to the firm's services, communication activities, and interactions with the firm and/or its representatives (Walsh & Beatty, 2007).

According to signal theory, customers are more likely to believe that highly-regarded companies are competent, act honestly in daily operations, and consider interests of others in the relationship when making decisions (Keh & Xie, 2009). Customers are more willing to associate themselves with companies of high repute as part of self-articulation and self-enhancement. Therefore, corporate reputation is an important strategic resource for creating a firm's positive image and competitive advantage (Fombrun & van Riel, 2003). Consistent with the institutional view, the current study defines corporate reputation as an overall evaluation of the extent to which a firm is substantially "good" or "bad" (Keh & Xie, 2009; Weiss, Anderson, & MacInnis, 1999).

2.2. Customer satisfaction

Payne, Christopher, Clark, and Peck (1995) suggest that attaining high levels of customer satisfaction is the objective of relationship marketing. Oliver (1997) conceptualized customer satisfaction as a judgment that a product provides a pleasurable level of consumption-related fulfillment. In this study, *customer satisfaction* is defined based on Oliver (1997) as an overall level of contentment with the service experience provided. Quality relationships are achieved when customer needs and wants are fulfilled and customers are content with the overall service experience (Caceres & Paparoidamis, 2007).

Researchers have previously identified a positive relationship between customer perceptions of corporate character and satisfaction with airline (Andreassen & Lindestad, 1998), energy (Walsh, Dinnie, & Wiedmann, 2006), and restaurant sectors (Chang, 2013). As an emotional outcome to corporate associations, positive satisfaction is the consequence of favorable corporate evaluation. A positive corporate reputation suggests that customers can expect to receive high-quality goods and services, and these expectations tend to improve the level of customer satisfaction with the firm (Chang, 2013).

H1a. Corporate reputation has a positive influence on overall customer satisfaction.

2.3. Customer–company identification

Social identity theory (Brewer, 1991; Tajfel & Turner, 1985) suggests that people typically go beyond their personal identity to develop a social identity. Ashforth and Mael (1989) conceptualized the person–organization relationship as organizational identification or a person's perception of "oneness or belonging" with an organization. Organizational identification has been found to positively influence both organizational members' loyalty (Mael & Ashforth, 1992) and their co-operative and citizenship behaviors (Bergami & Bagozzi, 2000). Based on social identity theory and organizational identification theory, Bhattacharya and Sen (2003) introduced the concept of customer–company identification, suggesting that some of the strongest customer–company relationships occur when customers identify with the companies that satisfy one or more of their key self-definitional needs.

Corporate reputation can have a positive effect on the development of identification by underscoring the attractiveness of the focal company identity (Fombrun & van Riel, 2003). A favorable reputation directly denotes a greater level of prestige, resulting in corporate reputation being more directly related to the identity attractiveness of a firm (Bergami & Bagozzi, 2000). Customers are willing to identify with reputable companies to facilitate their self-definition process and satisfy the need for self-distinctiveness and self-enhancement (Bhattacharya & Sen, 2003). Ahearne et al. (2005) found that the external image of a company plays an important role in leading to customer–company identification. We predict that corporate reputation will be positively related to customer–company identification in a hospitality context.

H1b. Corporate reputation has a positive influence on customer–company identification.

2.4. Customer commitment

When customers attribute a good reputation to a firm, they are more likely to have feelings of commitment toward the company (Einwiller, Fedorikhin, Johnson, & Kamins, 2006). Commitment has been variously defined as "an implicit or explicit pledge of relational continuity between exchange partners" (Dwyer, Schurr, & Oh, 1987, p. 19) or as "psychological attachment" to an organization (Gruen, Summers, & Acito, 2000, p. 37). Commitment contributes to successful relationships because it leads to cooperative behaviors (Morgan & Hunt, 1994). Following previous literature (e.g. Garbarino & Johnson, 1999; Hennig-Thurau, Gwinner, & Gremler, 2002), this study defines *customer commitment* as an exchange partner's willingness to maintain an ongoing relationship with another. A favorable corporate reputation provides customers with repeated positive reinforcement, which creates commitment-inducing emotional bonds (Bartikowski & Walsh, 2011). Hence, the following hypothesis is proposed:

H1c. Corporate reputation has a positive influence on customer commitment.

Customer satisfaction is important for retaining customers, but the relationship between satisfaction and identification is not clear. Some researchers (e.g. Boenigk & Helmig, 2013; Mael & Ashforth, 1992) suggest that a causal path from satisfaction to organizational identification is correct, while others (e.g. Bhattacharya & Sen, 2003; Martínez & Rodríguez del Bosque, 2013) indicate that the relationship should be from organizational identification to satisfaction. It is argued that greater levels of identification results in customers being more satisfied with the organization due to a stronger affective bond (Chaudhuri & Holbrook, 2001) or by enhancing the perceived value of the brand (He et al., 2012).

Bodet and Bernache-Assollant (2011) investigated the relationship between customer satisfaction, sports team identification, and customer loyalty. They found that team identification is a mediator between customer satisfaction and customer loyalty. Boenigk and Helmig (2013) reported that although "heterogeneity across industries must be taken into account," they found "that the path from satisfaction to identification is dominant and should be conceptualized as such" (p. 12). The causal direction of the relationship between overall customer satisfaction and customer–company identification in the hospitality industry has not previously been tested. Following Bodet and Bernache-Assollant (2011), and the recent Boenigk and Helmig (2013) findings, we predict the following:

H2a. Overall customer satisfaction has a positive influence on ustomer–company identification.

Please cite this article as: Su, L., et al., Reputation and intentions: The role of satisfaction, identification, and commitment, *Journal of Business Research* (2016), http://dx.doi.org/10.1016/j.jbusres.2016.02.023