

Impact of Corporate Brand on Customer's Attitude towards Repurchase Intention

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Abstract: *With the changing of the competition rules, increase in global business, merging of new players in the market, homogenization of products, applying of new concepts of marketing and shifting from product brand to the corporate brand, all these factors create some challenges for companies such as keeping their ranking in the market share quota and retaining their customers. Beside that the complex names of the companies makes problems for consumers in remembering the companies' names. Therefore the companies have to follow new marketing concept such as corporate brand to differentiate them self than other competitors, keep their names in consumers mind and retaining customers. Many studies indicate that an improvement of 5 percent in customer retention leads to an increase of 25 percent to 75 percent in profit. And to cost more than five times as much to obtain a new customer, thus it is better for companies to pay effort for retaining customer rather than getting new one, and give more attention to such factors that effecting repurchase intention. There for this paper will aim to find out to what extent the corporate brand dimensions affects on repurchase intention depending on the theory of planned behavior intention approach.*

Keywords: Corporate brand, Image, TPB, Repurchase intention

1. Introduction

The fierce competition in the today markets represents a real challenge for companies to survive, due to the changing in the competition which is not just confined to potential customers, but extended to existing customers. Therefore, the companies need to rethink in the current marketing concepts and to seek for applying modern marketing concepts that affecting customer's attitude to keep their customers and to prevent customer's shifting to others competitors. Corporate brand is becoming an important and effective factor that attaining sustainable competitive advantage to the companies [17].

According to [18] corporate brand creates differentiate, attract and encourage the both the external and internal stakeholders and the interested parties to feel that they belong to the company. [15] indicated that the strong corporate brand lead to positive consumer perception of the current and new products in the future. The initial attention to the value of strong corporate brands has been extended to investigate the roles of corporate brands in overall company success [9]. [29] suggested that the establishing of successful corporate brand management practices relied upon the two factors which are the mix of variables those constitute the corporate brand and the development of a brand management system. The corporate brand term has attracted the attention of many researchers such as [11,19,12].

Although the growing researches in corporate branding [36, 16,12,8, 5,24, 9,32], agreement about the advantages of corporate brand [15,19,17] and the important role in building a sustainable relationship between the company and its consumers [9]. however, there is a lack on research in the domain of the impact of corporate brands on customer's attitude towards repurchase intention. This study tries to contribute in filling this gap.

2. Corporate Brand Concept

The corporate brand concept was emerged in 1970[24]. and one of the first academic studies in 1980s related to corporate branding concept was happened in 1980s which was investigated in the affect of corporate advertising on corporate image (Winter, 1989, as cited in [24]. According to [26]. the researchers Bernstein, 1989 and King, 1991 are the first academic who used the term company brand.

Although the corporate branding was studied in different subjects such as economics and marketing but the corporate brand term is considered new [16]. Corporate brand concept might be defined throughout difference perspective: From The accounting view, the corporate brand is an intangible asset not presently recorded in financial statements assets [25]. From organizational view the corporate brand was seen as a powerful contract between an organization and its key stakeholder which can be compared to what is promised and expected to deliver [12]. In addition to that the corporate brand defined as expressions and images of an organization's identity [5], which conform with the view of [19] who state that the corporate brand contributes to both customer-based images of the organization and the images formed and held by all its stakeholders. Finally from communications' view, corporate brand according to [19] is defined as a set of Symbols that allow stakeholders to make their own meaning. Corporate brand orientation was found to have favorable effects on public perceptions [25]. Corporate brand defines the organization that will deliver and stand behind the offering that the customer will buy and use [2]. According to [17] with the good corporate brand, the company can easily enter new market, set high price and speed up adoption of the new products. According to [11] a corporate brand involves the conscious decision by senior management to make a clearly defined branding proposition through communicating, Differentiating and enhancing the brand.

2.1 Corporate Image

Corporate image is an important tool for any successful company to protect its market share among the competitors and to get high level of profits through retained customers, obviously the customers are directed to buy goods and services from a company with good corporate image to reduce the decision making consequence risk.

The concept of corporate image initially started to be explored in the beginning of the 1950s [30].Corporate image is defined as a set of perceptions about a brand the consumer forms as reflected by brand associations [28].[11]define the corporate image as the immediate mental perception of the organization held by an individual, group or network. On other hand [27]stated that corporate image consisted of two main components the first is functional such as the tangible characteristics that can be measured and evaluated easily and emotional such as attitudes, feelings and beliefs the one have towards the organization. Therefore, the corporate image is defined as the sum of ideas, beliefs, and impressions that a public has of the company [39].

[30]further proposed that corporate image and intentions are intertwined and that when consumers hold favorable attitudes towards a company, their behavioral intentions tend to be favorable. We argue that there are some steps should be followed to build and keep a good corporate image such as: firstly studying the consumer’s perception about the company and its product when building the corporate brand, secondly: treating the corporate image as a financial resource, thirdly: going on offering high quality of products and finally: create a measurement for customer’s perception continuously about the corporate image. However, [13] argue that Image can be shaped but not controlled by an organization because factors such as media coverage, governmental regulations and surveillance, industry dynamics and other external forces also influence impressions of the firm.

2.2 Corporate Familiarity

The familiar corporate for customers is representing the solid rock they stand on to feel trust and to avoid the risk of decision making. Consumers who are familiar with a category of product tend to trust more in the name of the brand when evaluating the product and when making their choice [21].Therefore corporate name measures how the corporate brand is and to what extent this awareness affects customer attitude [31].According to [1]Awareness can affect perceptions, attitudes and reflects the salience of the brand in the customers mind; in addition to that there are levels of awareness, which include: Recognition, Top-of-Mind, Recall, , Brand Knowledge ,Brand Dominance, and Brand Opinion. Familiar brand names were expected to have a competitive advantage over less familiar brands because of superior recall of information about familiar brands [10].This view is supported by [3]who argue that corporate, brand influences consumers’ assessment of the brand in a way that is different from products’ brands.

2.3 Corporate Reputation

The good corporate reputation is a chance for the companies to achieve successful sustained superior performance[34].The good corporate reputation has many benefits to the firms such as attracting the investment [7] . Furthermore, the favorable corporate reputation helps in building consumers’ commitment to the company [12].Therefore, corporate reputation is considered as one of the valuable corporate intangible asset and has received unprecedented attention from both academics and business community [42]. Despite of the importance of the corporate reputation there is no consensus about corporate reputation definition among the researchers due to the different researcher’s views to corporate reputation.From internal and external stakeholder’s perspective, corporate reputation is defined as a stakeholder’s overall evaluation of an organization over time [5].Moreover, [34] defined reputation as ‘a perceptual representation of a company’s past actions and future prospects that describe the firm’s overall appeal to all its key constituents when compared to other leading rivals.

[13] defined corporate reputation as observers collective judgments of a corporation based on assessments of the financial, social, and environmental impacts engaged with the corporation over time .on other hand [13] state that the there is difference between corporate reputation, corporate image, identity, and reputation capital definitions, corporate identity defined as a collection of symbols, image defined as observers ’ general impressions of a corporation ’ s distinct collection of symbols and reputation capital defined as the economic and intangible asset quality that is often attributed to reputation.

3. Corporate Brand Versus Product Brand

Due to the changing from product brand to corporate brand there is growing awareness to the corporate brand which can increase the company’s visibility, recognition and reputation which is not fully appreciated by product-brand thinking [19].despite the roots of corporate brand emerged from product brand, there are several difference aspects between the concepts two concepts [19] as shown below in table (1)

Table (1)

	Product brands	Corporate brands
Managed by	Middle management	CEO
attention on	Product performance	Corporate identity
targeting	customer	Multiple stakeholder
Brand life	Short (life of product)	Long (life of organization)
Importance to company	functional)	Strategic

Sources: Adapted from [19] and [11].

The first difference, the product brand is managed by the middle management and responsibility of marketing department, while the corporate brand involves the conscious decision by senior management and responsibility of the whole organization [11].The second differences, the product brand focus attention on the product performance, while the corporate brands focus on corporate identity. The third difference, the product brand targeting customers, while corporate brand mainly targeting multiple stakeholder such

as suppliers, shareholder, investors and others related parties. The fourth difference, the Product brands life is short parallel with the life of the product, while the corporate brand is long with life of organization. Finally, the product brand is important for the company functionally, while corporate brand represent a strategic perspective.

4. Concept of Repurchase Intention

Repurchase intentions is divided as one of behavior intention categories [41]. According to [6] Behavioral intention is a predictor of future behavior. [20] defines repurchase intention as the individual's judgment about buying again a designated service from the same company. Repeat-purchase intention is the degree to which customers are willing to purchase the same product or service [35]. Customers' repurchase intent depends on the value obtained in their previous transactions [14].

4.1 Customer's Attitude Towards Repurchase Intention

According [6] attitude, subjective norm and perceived behavioral control consist the theory of planned behavior which represents the three conceptually independent determinants of predicting intention and have a significant impact on intentions. Repurchase intention may be the result of customer attitude and commitment towards repurchasing a particular product (Akbar, 2009 cited in [4]. A positive corporate brand image is not only help companies to increase competition but also encourage consumers to re-purchases (Porter & Claycomb, 1997 as cited in [40]. The intention to perform a specific behavior is determined by person's attitude toward that behavior. Moreover, a person's attitudes toward a specific behavior will be determined by individual's beliefs [38, 23].

Different approaches and explanations have been proposed by a few scholars, who have attempted to study the effects of a corporate brand on consumer perception. Most of such studies focused the way that companies set their branding strategies. Here we are going to explain the relationship between corporate brand and repurchase intention.

4.2 Corporate image and repurchase intention

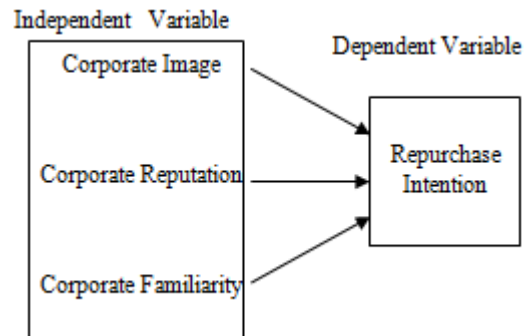
Corporate images are the subjective attitudes and feelings derived by consumers according to these enterprises and their performances [22]. According to [6] Attitude if defined as the degree to which a person has a favorable or unfavorable evaluation of the behavior. Corporate image is a resource which is most difficult to imitate [33].

4.3 Corporate reputation and repurchase intention

Corporate reputation is a concept related to image (Bennett and Rentschler, 2003 as cited in [39]. [25] add that the corporate reputation is the overall standard in which a company is held by its constituents. [12] argue that the corporate reputation helps in building consumers' commitment to the company.

4.4 Corporate Familiarity and Repurchase Intention

Corporate familiarity which means the display of the corporate name on the company's products may involves the products' image and consequently has certain influences on consumer evaluation [31]. This view is supported by [3] who argue that corporate, brand influences consumers' evaluation of the brand in a way that is different from products' brands.



The model links individual beliefs and attitudes towards the corporate brand, and repurchase intention.

5. Conclusion and Suggestions

Companies in all industries are searching for new sources of competitive advantage since the competition in their marketplace is becoming increasingly intensive. The corporate brand can add value to its product and corporate. In competitive environment the only way to stay alive, is to adapt to the shifting from product brand to corporate brand. Throughout this paper, which have highlighted the significant relationship between the corporate brand and repurchase intention and the importance of the corporate brand and the needs for a clearer focus on the mechanisms and processes that enable the top management to develop their brand more effectively. Due to this complicated process there should be more intention to corporate brand contribution in forming the customer attitude and perception. And as it is mentioned above and obviously, clear that the corporate brand has a significant relationship with repurchase intention, there should be more investigating on the factors that may strengths this relationship such as relationship quality. Also it is suggested to make more investigation to overlap the challenges concern corporate brand which faces both academic and managerial.

In conclusion, companies have roles to play in forming the customer attitude and perception to repurchase intention through building strong corporate brand. Which will help the companies to be in track with the high competitive.

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