The Causal Model of Brand Personality, Risk Aversion and Customer Loyalty

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Abstract. The purpose of this research was to explain the relationship between the personality of brands with risk aversion and customer loyalty. This research was applied in terms of purpose, descriptive correlation one in terms of information gathering and based on structural equation modeling. The statistical population consisted of all customers with credible brands (5 famous and high-income brands such as Adidas, Nike, Puma, Al-Sport, and Asx) in East Azarbaijan province. With regard to the unlimited statistical population, 384 people were selected as the statistical sample based on Morgan's table. The brand personality standard questionnaire (Jones et al., 2009), Customer loyalty Anismawa (2007), and a researcher-made risk aversion questionnaire were used to collect data. The validity of the questionnaires, in addition to the supervisor's

approval, was confirmed by 10 supervised faculty members and the reliability of the questionnaire was 0.849, 0.867 and 0.957, respectively, using the Cronbach's alpha coefficient. The validity of the questionnaire structure was also confirmed by factor analysis. Data were analyzed using SPSS and Amos software. The results of structural equations showed that the brand personality has a direct and positive effect on risk aversion (factor = 0.359), attitudinal loyalty (factor = 0.575), behavioral loyalty of customers (factor = 0.548). Also, the model's indices show the fitness of the research communication model.

Keywords: Brand Personality, Loyalty, Risk Aversion, Credible Brands.

1. Introduction

The importance of motor activity and brands in today's society is well documented. The synchronization of motor activity and branding brings people together (Hedlund, 2011). So that consumers and brands often form a community. While brand societies today are a popular topic in the business literature, the field of activity is in the early stages of using the idea. That's why the impact of such societies with brands is not well understood. While many executives and marketers are discussing how consumers can meet their needs? Creating, developing, and maintaining a successful relationship between consumers and brands can help them understand them (Sadeqlu, 2015); this is the relationship between brand and customers that is brand loyalty and is one of the important issues of brand management research (Williams, 2010). Brand loyalty is a kind of positive attitude towards a product that is caused by frequent use of it and can be explained by psychological processes. In other words, the repetition of purchasing is not only an optional reaction but a result of psychological, emotional and normative factors (Safarzadeh et al., 2011). Therefore, store managers must always monitor the interaction between themselves and their customers and provide them with a clear understanding of the needs and values of the customers, valuable goods and services, in order to create loyalty with satisfaction (HayatBakhsh, 2015). In this regard Stigle (1961) and Stiglitz (1987) in their research on

products have shown that the brand is valued for consumers for two reasons. 1. Because they reduce the perceived risk of consumption, and 2. Because they save on decision-making costs (Azizi et al., 2012); Hence, consumers are different from the risk that they are willing to tolerate in a given situation. This risk-based consumer attitude is called risk aversion (Mandrik & Bao, 2005). Matzler et al. (2008) have shown that the level of risk aversion has a positive and significant effect on brand loyalty. The researchers also looked at the mediating role of trust in brand names and emotions in relation to brand names, and concluded that consumers' risk aversion has a positive and significant effect on these two components which indirectly absorb consumer loyalty to the brand name. As a result, brands can be considered as a tool to reduce risk. Therefore, highly risk-averse consumers may be more responsive to brands. Brands give them more pleasure and risk-averse consumers generally feel better when using brands (VazifehDoust et al., 2010), or Mishra et al. (2016) in their study of the relationship between risk aversion, trust in the name commercial, brand and loyalty effects based on structural equations and showed that risk aversion is positively associated with customer loyalty. Irfan Tariq (2015) also explored the relationship between risk aversion and loyalty among telecom employees in Pakistan and showed that risk aversion has a positive impact on employee loyalty attitudes, considering the mentioned issues, one of the important factors in the formation of customer loyalty to the products and services of the image that plays the role of the brand in the minds of customers (Azizi et al., 2012). As the brand personality is an important strategic leader for businesses. Hence, many researchers have come to the fore (Louis & Lombart 2010). Aker (1997) has identified brand personality as one of the main dimensions of brand identity and has been identified as the most influential factor in purchasing decision (da Silva & Las Casas, 2017). Lin (2010) also believes that Brand personality is an agent for customer analysis of a brand or products named that brand. The term "personality" is deduced from the durable and stable responses of customers to their environment. Therefore, businesses can connect with their customers and achieve success by creating a distinctive brand personality (Lin, 2010). When brand personality features are active in the minds of customers, it affects the behavior of customers (Vallete et

al, 2011). As Akin (2017), in his research on the brand's personality impact on brand loyalty, showed that brand personality has a positive and strong impact on attitude and behavioral loyalty of customers. In other similar researches,

2. Literature review

Rezaei Kelidbari et al. (2017), Aghazadeh et al. (2016), Sadeghlo (2015) showed that brand identity has a positive and significant effect on customer's loyalty. Considering the above issues, today the popularity of brands is known as a capital and customers are willing to pay any price for their brand. Although there are few vendors on the market, but so few, there are powerful vendors who have been tightly tied up in the market. Famous brands are investing in time and money in order to stabilize their brand identity, maintain the brand's loyalty and popularity, and develop new production lines for motor activity to gain more market share. Customer loyalty and risk aversion study, along with brand personality, allows marketers to identify factors contributing to stabilizing customer behaviors. Although marketing research has a strong background, it is still not available in the brand and the factors influencing its loyalty and risk aversion, and research on brand identity with risk aversion and loyalty to the same form has not been made among the sports brands, however, due to the lack of available research and the lack of research on such variables in sport marketing, and the relationship between these variables has been tested, the researcher will examine these variables according to goals submitted in the research. Therefore, this research seeks to find out whether there is a meaningful relationship between the personality of sport brands with risk aversion and customer loyalty? Based on the description described, the conceptual model of the research can be elaborated as follows:
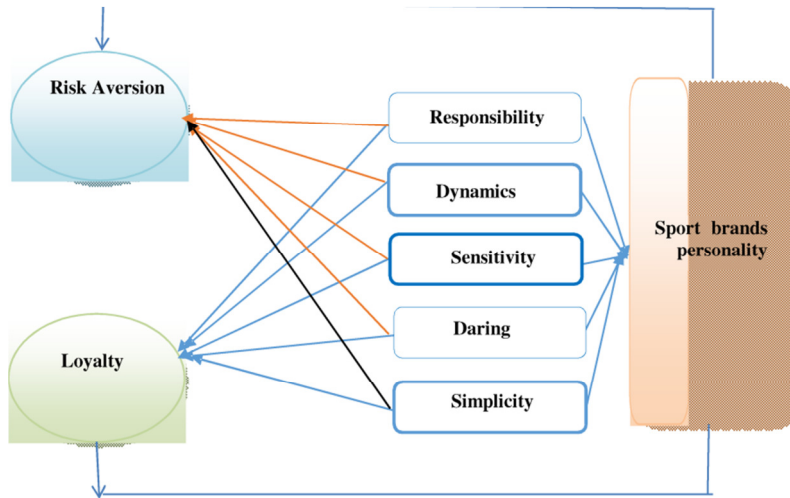
Fig 1. Conceptual model of research

3. Method

The method of this research was applied in terms of purpose and was a descriptive-correlation one. In the first stage, the causal relationships was investigated among the research variables and the drawing of the correlation matrix and in the second stage using the indicators of goodness of fit the model was used to test the conceptual model of the research using the structural equation modeling (SEM) method by Amos software. The statistical population of this research includes all customers of Adidas, Nike, Puma, Al-Sport and Asian Acid stores in East Azarbaijan based on the unlimited population size, 384 people were selected by simple random sampling method based on the Cochran sample estimation formula. On the basis of this, 400 questionnaires were distributed among the clients under review and 385 questionnaires were collected. For data collection, in addition to library studies, the questionnaire has also been used. The brand personality questionnaire was used to measure brand personality in 2009. The questionnaire consists of 12 items and 5 components (accountability, dynamism, sensitivity, daring and simplicity). Also, a researcher-made questionnaire was used to measure risk aversion due to lack of standard questionnaires. The items of the research questionnaire were extracted through previous studies.The questionnaire has 14 questions and to measure the loyalty of

the data, Annismawa customer loyalty standard questionnaire (2007) was used. The scoring system for all three questionnaires is based on the Likert value spectrum 5. The validity and content of the questionnaires were confirmed by supervisor's approval and ten sport management professors; the reliability of the questionnaires was also obtained by Cronbach's alpha coefficient and for brand personality questionnaire 0.894, risk aversion 0.957 and loyalty 0.886 was obtained.

4. Findings

In order to ensure that the data are appropriate, Kayser-Meyer-Oklin measure of sampling adequacy (KMO) was used to determine the adequacy of the data and Bartlett's Test of Sphericity was used to determine the correlation between the variables.

Table 1. Bartlett and KMO test results

		the amount
Kearse-Meyer and Oculine	(Sample Size) (KMO)	0.825
	Chi-Squares (2 x)	6125.587
Bartlett's Curry Test	df	820
	Sig.	0.001

According to the results of Table 1, the KMO value obtained is 0.825. This amount indicates that the number of research samples is sufficient for factor analysis and it is possible to verify the factor analysis for the given data and can reduce the data to a series of hidden factors. Also, the results of the Bartlett test (Sig = 0.001, χ^2 = 6125.587) indicate that there is a high correlation between the points.

A structural equation model was used to investigate the relationship between research variables. In this hypothesis, the personality of sport brands was as independent variables and risk aversion variables of customers, attitudinal loyalty and behavioral loyalty of customers were as dependent variables. In Table 2, the fitting indices of the model have been shown.

Table 2. Fit index of research communication model

Fitting indexes	Desirable amount	Indicator values	Explanation
Chi-square (chi-square)	-	746.274	-
Degrees of freedom	-	240	-
Chi-square ratio to degree of freedom (χ2/df)	Between 2 and 5	3.109	Required
Fit Fitness Index (GFI)	More than 0.9	0.915	Required
Modified Fitness Goodness Index (AGFI)	More than 0.8	0.881	Required
Root Average Estimated Error (RMSEA)	Less than 0.1	0.074	Required
The second root of the average residual squares (RMR)	Less than 0.05	0.044	Required
Adaptive fit index (CFI)	More than 0.9	0.928	Required
Normative Fitness Index (NFI)	More than 0.9	0.903	Required
Incremental Enhancement Index (IFI)	More than 0.9	0.928	Required

The results of model fitting indexes in Table (2) show that the fitting goodness index (GFI) is more than 0.9 which indicates the model's approval. The ratio of Chi square to degree of freedom (3.109) has an acceptable value. Also, the root mean square error estimate (RMSEA) is 0.074. Finally, it can be seen that other fitness indicators (CFI, NFI, IFI) have been shown to be satisfactory.

In Figure 2, the model of the relationship between the character of sports brands with risk aversion, attitude and behavioral loyalty of customers in the mode of standardized regression coefficients is presented. Based on the standardized regression coefficients (factor loads) and the results of verified factor analysis, it can be said that all factor loads (standardized regression coefficients) have acceptable values and show these indices. Measured observational variables are well reflected in hidden variables (sports brands, risk aversion, attitudinal loyalty, and behavioral loyalty).
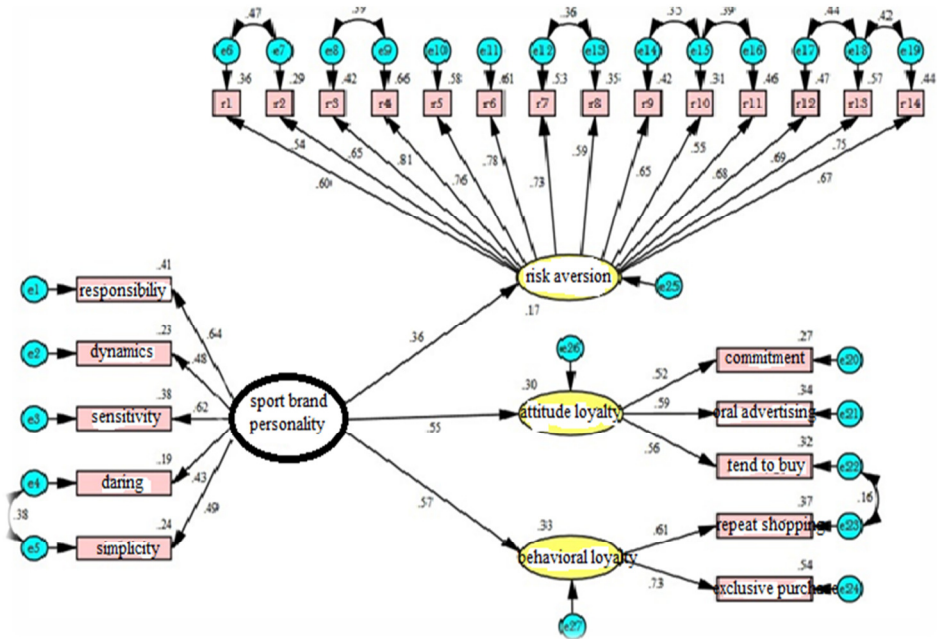
Fig 2. Factor loads (standardized coefficients)

Table 3. Factor load and t values of brand personality relation with risk aversion and loyalty

	Way		Factor load	t	Sig.	value of determination coefficient (R2)
Brand personality	---->	Risk aversion	0.359	2.452	0.004	0.17
Brand personality	---->	Attitude loyalty	0.575	5.381	0.001	0.30
Brand personality	---->	Behavioral loyalty	0.548	5.226	0.001	0.33

According to the results of Table (3) we can say the brand personality has a direct and positive significant effect on the risk aversion of customers. the personality of the brands has a direct and positive significant effect on the customer loyalty attitude. The brand personality has a direct and positive significant effect on customer loyalty behavior.

5. Conclusion

A structural equation model was used to investigate the relationship between research variables. Based on the standardized regression coefficients (factor loads) and the results of verified factor analysis, it can be said that all factor loads (standardized regression coefficients) have acceptable values and show these indices. Measured observational variables are well reflected in hidden variables (branding, risk aversion, attitude and behavioral loyalty). Brand personality has a direct and positive effect on customer risk aversion, attitude loyalty and customer loyalty behavior. Finally, the results of the fitting-research indices showed acceptable values and indicated that the model of communication was desirable. The results are somewhat consistent with Shimp and Bearden findings (1982); Stinkump et al. (1999), Bao et al. (2003), Marilyn Giroux et al. (2017), Akin (2017) and Su & Tong (2016), Rezaei Kelidbari et al. (2017)) Yaqubi and Mohammad Daoudi (2017) and Goa (2003). Mishra et al. (2016) investigated the relationship between risk aversion, brand confidence, brand effectiveness and loyalty based on structural equations, and showed that risk aversion is positively correlated with customer loyalty and the proposed model of fitting research or Erfan (2015) explored the relationship between risk aversion and loyalty among telecom employees in Pakistan based on Amos software and the results of structural equations indicated that they are affecting the components. Goa (2003) explored the relationship between personality traits and brand personality. The result showed that all five dimensions of the Big Five model have a positive relationship with brand equity. In explaining the results associated with model analysis and the impact on the risk aversion of specific brands of motor activity, it can be argued that high-risk individuals refuse to buy products and goods for motor activity with branded brands that are new and new, why mentality creates an unknown person. For this reason, they are basically using brands and goods that have old experiences from them, and that they have the right personality and personality traits in their brand. Hence, people with high risk aversion refuse to try to buy new products, so that other experiences indicate that the product is worth the risk. In other words, based on the results of the research, it can be stated that if the brand identity of the mentioned goods has been specified for the

individual and that the personality traits of the brand have been confirmed for the individual times and for the customer, then the risk is negative for the individual. In fact, the risk aversion is rising and the risk among customers is reduced. In fact, risk-averse individuals are more likely to feel negative to credible products and brands. In other words, it can be argued that if goods and merchandise whose promise of commitment, stability, dynamism, and product innovation have been proven to customers in the past, they have a higher risk aversion to the brand; that is, they have a negative attitude toward. That is, they had a negative attitude toward risk taking against this commodity despite this specification. This makes it a pleasure to buy and own products and have the opportunity to think about buying new products with this type of brand. As a result, risk averse clients tend to stay in good and credible brands that have already been approved by their brands in order to prevent the financial losses of unknown brands (Bao et al., 2003). So, Joker (2014) in his research on the impact of personality characteristics on risk aversion of investors showed that there is a strong relationship between personality and risk aversion. Generally, consumers with a high level of risk aversion use a simple strategy and are loyal to the brand. The brand's impact can be seen as a desirable or undesirable consumer brand assessment. The brand's impact is the brand's capacity to get a positive reaction from customers that they understand as a result of its use. Brands can be considered as tools to reduce risk. Therefore, highly risk-averse consumers may be more responsive to brands. Brands give them more pleasure, and risk aversion users are generally better off using brands. In situations with mental conflicts over customers, the decision making process becomes more complex. People with a high level of conflict in a given product or brand are more involved with processing information and more arguments. In this regard, Gonaris and Statakapolis (2004) examined the risk aversion on brand loyalty, which showed that risk aversion is effective on loyalty that this loyalty is greater in risk aversion consumers and have proved in their research that consumer risk-taking leads to loyalty and their dependence on a brand name. On the other hand, brand loyalty is one of the implications of brand personality. Brands that have a unique character in the minds of customers, they are distinct from competitors,

and they attach strong links with the client which ultimately leads to brand commitment and loyalty to the brand (Arora et al., 2009). Researchers believe brand loyalty and brand preferences increase customer purchases and make the customer continually buy a brand (Yoo et al., 2000). Because customers are personally closer to the brand they choose, they define their personality and brand loyalty and buy it continuously through a brand they use (Park & John, 2011). So Yaqoobi and Mohammad Davoudi (2017) investigated the relationship between brand personality and customer loyalty and showed that there is a significant correlation between brand personality and loyalty. Therefore, if a brand has a personality in the minds of a customer, it strengthens customer relationship with brand, trust, preferences and brand affection. Brand personality is an important factor for brand success in its preference and selection, which will lead to customer loyalty to the brand and increase risk aversion among customers. Brand loyalty is considered to be the behavioral intention of the brand or the actual pattern of buying behavior, or both. Because of the intense competition in many markets, consumers are saturated with the same product offering and are tired of contradictory marketing messages, and consumers are looking to reduce risk and look for methods that can be named of brand. Because the brand personality is a way of interacting with the decision making process and the behavior of customers, customers can buy and loyal their products with confidence and confidence. Because brand loyalty customers has been considered as the best strategy for risking certain products and services. Brand loyalty is important for customers and consumers for motor activity stores to achieve competitive advantage in strategic terms. Because stores provides more protection than competition and increase their control over marketing plans.

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