Examining Internet Brand Features, Their Websites and Their Impact on Trust and Loyalty of Customers (Case Study: Fossil Group Company)

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ARTICLE INFO	ABSTRACT
	The role of brands, branding and technical factors of website in today's economy that is turned into digital and global form have attracted considerable attention. Today companies have blended perfectly with all elements of the business, including elements of their websites. Their activities in this area are for that Internet network creates an opportunity through which companies can expand their brand. This article tries to express the importance of brand messaging through the website with a study on supply of luxury goods brands such as watches as a case study. Two aims of this paper are the following: first how websites helped reinforcing a brand messages. In addition, it explains the opportunities that Internet has offered for electronic services of companies, to build a relationship with customers. Also, it assists marketing planners to develop and success in branding strategies based on the Internet.

INTRODUCTION

Rapid changes in today's world are faced organizations with different challenges, but in this case those are successful that by help of management tools and new technologies can use the created opportunities to their advantage [17]. One of these tools is e-commerce environment. E-commerce environment that is based on Internet enables customers to search for information and purchase goods and services through direct contact with online stores. Online shopping is not based on actual experience of buying goods, but it is based on external appearances such as image, shape, quality information and advertising the goods. With increasing development of Internet in different parts of life, one of designed topics is to gain customer confidence to perform transactions via the Internet. It is drawn the consideration of many organizations and customers; much research has been done to support the creation of online shopping [12]. In this context, as more customers access to the Internet, it plays an important role for supplier companies. After company's presence on the Internet, it can use the net as a medium for advertising. Thus, it can make a positive reputation for both the company and its products and services. Sale to the customer is the most important aspect of the Internet for businesses. This aspect occurs when the deal was done over the net and corporate had received the customer payments. Companies can use information networks (particularly the Internet) to sell their products; they can create direct channel of new distribution to customer as he/she tends to make the purchase. The Internet caused that even small companies can connect with customers around the world [4].

Today, the Internet has become a wide bed to trading and a strong media to marketing for organizations. Statistics show an increasing number of users and increased willingness to buy and sell via Internet. However, because of being new of this media and relatively little familiarity, public people have different concerns to do transactions over the Internet. Most of these concerns refer to Internet security issues in terms of disclosing personal and financial information, as well as being unsecured financial transactions. Therefore, business owners who have chosen many strategies for online marketing and transactions, have to think about strategies to reduce anxiety and increase confidence in customers. Such actions will increase the trend speed towards e-commerce that will be benefit for both seller and the customer. Reduced trust in providing personal information along with a number of taken frauds leads to business owners select strategies to attract and increase customer confidence [13]. In 2000, when "Berry" studied branding in customers services, the most important thing that he

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found was the meaning of a brand which customers realize the company's services experimentally. In this situation, the company's credit can have a great impact on the buying process. Hence, "Berry" suggested that the companies first focus on brand rather than the product itself. Brand will play a major role in many service markets as well as businesses that need to production technology [3]. Because today we live with the brands, our perceptions are formed based on the brand, we choose based on it and finally our judgment is also based on the brand. Thus, we can say that it epitomizes the thought, idea, identity, creativity, innovation, skill, reputation and ability of the company [10]. So, the organizations should use all their power and initiative to increase the reliability of their brand. In the present age, one of these equipments is using e-commerce tools such as websites.

With intensifying the competition in business, technological rapid changes and also increasing the power and choice of consumers, those companies will be success that are able to understand and identify the customers' expectations and values appropriately and respond properly them [15]. Websites features have effect on customer's behavior. Today's business requires to branding strategy [11]. Due to reasons of importance of professional presence in Internet such as increased reputation, being accessible at any time and place, ease of referring new clients or referral by others, increasing the value of advertising, relationship with potential clients, increasing the credibility and that the website is a powerful sales tool, these attributes are required for a website to attract the customer's trust. Experts have been divided these attribute into six categories, which includes: customer-related factors, factors related to websites, factors related to company, special factors of business model, specific factors of Internet, and ultimately factors related to governmental regulations. From the customer's perspective the properties were divided into three groups consisting of information quality factors, information security and quality of communication [1]. Brand trust is so important to increase customer loyalty to the brand in the network. For example, if there is low confidence in brand while the satisfaction of products and services is high, again this is a neutral satisfaction. In contrast, confidence in brand may turn customers' satisfaction into loyalty [16].

If a company considers a brand name just as a name, it will not understand a deep application that it can have in marketing [4]. The results show that brand image has special effect on customers' perceptions of the quality of products and services. Corporate reputation is effective on customer's perceptions and his loyalty. In all studies, the importance of customers' loyalty has been accepted in creating the profitability of corporate. Useful studies have been conducted theoretically and experimentally on the correlation between loyalty and profitability. These studies suggested that the customers' loyalty has positive effects on profitability, both by reducing business costs and by increasing sales to each customer. Decrease of marketing costs happens because the cost of maintaining loyal customers is less than the cost of attracting a customer. Moreover, the cost of after-sales services to former customers is less than new customers. In comparison with many studies done on Internet shopping, empirical research which has addressed the issue of online loyalty is very low. However, conducted studies are involving significant results. Today, contrary to our expectations the Internet is otherwise. Many early Dot com went bankrupt or a small number of them have been able to earn a profit through the web. There are many reasons for these failures [8].

Companies need to pay more attention to the impact of brand image on customer loyalty, and therefore the profitability of the company. They have realized that they must redefine their marketing and branding strategies according to unique features of the Internet and their capacity to change the previous results [5]. A specific brand is sometimes more than a symbol of a service or product, reminder of a particular person, high idea, or a special situation. In this case, the brand is important because the culture and economy of modern postindustrial capital is made a special thing of it. Big brands are "unipolar". It means that the target market is provided for one company and the rest will be eliminated from the competition [9]. So, designing the websites is very important to disseminate the brand; the websites should be considered in terms of two technical and theoretical aspects. In other words, the knowledge of librarians and informed communicators to fundamentals, principles, and standards of websites design along with computer specialists should be applied [7]. Familiarity with e-business principles, identifying methods and procedures for its implementation seem necessary to all agencies and companies. But do leaders of the organization have a good understanding of e-commerce? Do they really follow the specific objectives in establishing their website? What benefits are they looking for? And do they know the way of achieving those benefits [8]? Mental image that a brand will leave behind plays a crucial role in attracting and retaining employees and customers [10]. Websites have great importance in business because they are very influential in promoting the brand image. However, most companies do not have a proper understanding of the principles of e-commerce. The question that arises here is that what factors affect the customer's perceptions of reliable brand in online shopping?

The aim of this study was to determine the effects of Internet brand and websites features on trust and loyalty of luxury goods' customers. Furthermore, according to the results it is presenting a suggestion to the organizations that involved or interested in online sales of their products.

Research hypotheses:
The present study has two main hypotheses and thirteen sub-hypotheses that are as follows.
1. Website technical factors have positive impact on positive attitude and confidence of watches and jewelry shoppers throughout the country.
1-1. Website security has positive impact on positive attitude and confidence of watches and jewelry shoppers throughout the country.
1-2. Website trust seal has positive effect on positive attitude and confidence of watches and jewelry shoppers throughout the country.
1-3. Website browser (the presentation of menus) has positive impact on positive attitude and confidence of watches and jewelry shoppers across the country.
1-4. Website color has positive impact on confidence and positive attitude of buyers of watches and jewelry throughout the country.
1-5. Recommendation in website has positive impact on positive attitude and confidence of watches and jewelry shoppers across the country.
1-6. Completing order in website has positive impact on positive attitude and confidence of watches and jewelry buyers across the country.
1-7. Community in website has positive effect on positive attitude and confidence of watches and jewelry shoppers around the country.
1-8. Layout and composition of web images have positive impact on positive attitude and confidence of watches and jewelry shoppers across the country.
1-9. Website background-image has positive influence on positive attitude and confidence of watches and jewelry shoppers across the country.

2. Brand image features in website have positive impact on positive attitude and confidence of watches and jewelry shoppers across the country.
2-1. the website logo has positive impact on positive attitude and confidence watches and jewelry shoppers across the country.
2-2. graphical clarity of brand in website has positive impact on positive attitude and confidence of watches and jewelry shoppers across the country.
2-3. Text with a logo in the website has positive impact on positive attitude and confidence of watches and jewelry shoppers throughout the country.

Research method and statistical population:
This research is applied research in terms of purpose. Since this study used a questionnaire to collect data, it is also descriptive in terms of methodology. The population of this study includes Internet customers for luxury goods (watches and jewelry throughout the country) in 2014.

Sample and sampling method:
The statistical population in this study is all customers of the products through internet across the country. For a while buying luxury goods takes place via Internet in Iran. After identifying these types of stores, required samples were taken from them. But since the gathering information from all the people of statistical population was not possible in terms of time, cost and other requirements, a sample of the target population was selected. The studied society assumed as an infinite population; a number of 384 samples were calculated from the following formula:

$$n = \frac{\left[Z_{\frac{\alpha}{2}}\right]^2 (pq)}{(d)^2} = \frac{(1.96)^2(0.25)}{(0.05)^2} = 384$$

Among a variety of luxury goods clients (websites of stores which supply products of Fossils Group Company), after choosing stores, elements of the prototype were chosen after several stages of this group. Thus, the sampling method used in this study is the multi-stage sampling. After identifying the sample's number, 384 questionnaires were distributed among the participants then 291 questionnaires were returned. A total of 283 questionnaires were usable that were considered as analysis base.

Research method and tools for collecting data:
In order to collect the required information the field method was used. Data collection tools included an anonymous questionnaire to assess the research questions. Questionnaire questions containing 13 items are organized based on ordinal scale and five-point Likert scale that includes 5 ranges of very low, low, medium,

high and very high. For validation of test tools, questionnaire content which is regulated based on theoretical principles, particularly applying questionnaires used by "Flavia" and "Ahn", confirmed by a number of academic experts familiar with e-commerce issues. To ensure that there is no ambiguity in the questions as well as naturalizing the scales and adaptability as much as possible with statistical population, preliminary studies and determining the reliability of the questionnaire were conducted. So, the questionnaire was experimentally distributed among a sample of 20 participants. In this study, Cronbach's alpha was used to measure the reliability of questionnaire. The value of Cronbach's alpha obtained for this questionnaire is 0.84 that indicates the appropriate reliability of it.

Analyzing the data:

In order to test the research hypotheses, SPSS statistical software has been used. For the analysis of data obtained from the study, statistical methods were used such as chi-square test to goodness of fit, Binominal test to prove test hypotheses and Friedman test to ranking effective factors. So, the following results were obtained respectively:

Hypothesis 1: website technical factors have positive impact on positive attitude and confidence of watches and jewelry shoppers across the country.

$$\begin{cases} H_0 : P \leq 0.6 \\ H_1 : P > 0.6 \end{cases}$$

The reason of comparing the ratio with 0.6 is that the ratio of 3 options to 5 options will be equal to $\left(\dfrac{3}{5}\right)0.6$. When this is greater than 0.6 the effectiveness of factors increases. To prove this ohm hypothesis, 10 sub-hypotheses are designed. The results of processing data relating to these 10 hypotheses are presented in table (1).

Table 1: Statistical results of evaluating sub-hypotheses of first main hypothesis.

hypothesis	Independent variable	Dependent variable	Chi-square	Binominal (sig)	df	sig	result
1-1	Security	Confidence and loyalty	92.446^a	0	2	0	confirmed
1-2	trust seal	Confidence and loyalty	1.847^b	0	3	0	confirmed
1-3	Browser	Confidence and loyalty	$1.321E2^b$	0	3	0	confirmed
1-4	Color	Confidence and loyalty	$1.607E2^c$	0	4	0	confirmed
1-5	Recommendation	Confidence and loyalty	$1.211E2^c$	0	4	0	confirmed
1-6	Error-free	Confidence and loyalty	$1.448E2^c$	0	4	0	confirmed
1-7	Completing order	Confidence and loyalty	$1.852E2^c$	0	4	0	confirmed
1-8	Layout and composition of images	Confidence and loyalty	$1.406E2^c$	0	4	0	confirmed
1-9	Background-image	Confidence and loyalty	$1.457E2^c$	0.001	4	0	confirmed

At significance level of 0.05

According to the results of statistical tests of these assumptions, we can say that according to chi-square and Binominal tests at significance level of 0.05, and since sig of all effective technical factors are less than five percent, the H_0 is rejected and the claim of effectiveness of all effective technical factors is confirmed. In general, the main hypothesis, "the efficacy of technical factors of website on positive attitude and confidence of jewelry and watches buyers across the country", is confirmed. It is because of approval of all sub-hypotheses and being smaller amount of sig (significance level) in both chi-square and Binominal tests than considered error rate (table 2).

Table 2: Statistical results of evaluating the first main hypothesis.

hypothesis	Independent variable	Dependent variable	Chi-square	Binominal (sig)	df	sig	result
1	Technical factors of website	Confidence and loyalty	1442.638^a	0	4	0	confirmed

Second hypothesis: brand image features in website have positive effect on positive attitude and confidence of watches and jewelry shoppers across the country.

$$\begin{cases} H_0 : P \le 0.6 \\ H_1 : P > 0.6 \end{cases}$$

To prove this main hypothesis, three sub-hypotheses are designed. The results of processing the data related to these three hypotheses are presented in table (3). According to results of statistical tests of these assumptions, we can say that according to chi-square and Binominal tests at significance level of 0.05, and since sig of all brand image features are less than five percent, the H_0 is rejected. But, the claim of effectiveness of all effective technical factors is confirmed. Generally, the second main hypothesis of the effectiveness of brand image features in website on positive attitude and confidence of watches and jewelry shoppers across the country is confirmed. It is due to proving sub-hypotheses and being smaller amount of sig in both chi-square and Binominal tests than considered error rate (table 4).

Table 3: Statistical results of evaluating sub-hypotheses of second main hypothesis.

hypothesis	Independent variable	Dependent variable	Chi-square	Binominal (sig)	df	sig	result
2-1	Logo	Confidence and loyalty	$1.207E2^c$	0	4	0	Confirmed
2-2	Graphical clarity	Confidence and loyalty	$1.060E2^c$	0	4	0	Confirmed
2-3	Text and advertisement with logo	Confidence and loyalty	$1.456E2^c$	0	4	0	Confirmed

At significance level of 0.05

Table 4: Statistical results of evaluating the second main hypothesis.

hypothesis	Independent variable	Dependent variable	Chi-square	Binominal (sig)	df	sig	result
2	Technical factors of website	Confidence and loyalty	353.727^a	0	4	0	confirmed

Significance level of 0.05

7. Prioritization of components:
In order to prioritize the research components, the Friedman test was used.

$$\begin{cases} H_{0:} \\ H_{1:} \end{cases}$$ Priorities of factors effecting on confidence and loyalty of customers in buying products via Internet are similar.
Two priorities are at least different.

To prioritize the effective factors, first the H_0 is measured. Because the sig is less than five percent that is considered error rate, H_0 hypothesis that is equality of priorities is rejected and H_1 that is the assumption of inequality of priorities is confirmed. The results of the data processing are presented in table 5.

Table 5: Statistical results of equality of effective factors impact.

Number of each variable data	Number of factors	Chi-square	df	sig	result
283	13	416.605	12	0	confirmed

Significance level of 0.05

According to chi-square statistics, its degrees of freedom and the amount of significance level (sig = 0.00) and by considering $\alpha = 0.05$ the assumption of equality of means is rejected. So, we can prioritize the factors that the results of prioritization are shown in table (6). At significance level of 0.05 there is difference between rank means of the effective components. According to the result of Friedman test, preference of effective components on trust and loyalty of customers in buying watches and jewelry via the Internet are security, trust seals, browser, error-free, community, completing order, logo, color, graphical clarity, text and advertisement with the logo, recommendation, layout and composition of images and background-image, respectively.

Discussion and conclusion:
According to the data analysis results show that websites characteristics and Internet brand in general and each of their elements have positive influence on positive attitude and customers' trust based on analytical model of investigation. Based on this result it is recommended that:

Table 6: Ranking effective factors by Friedman test.

Effective factors	Ranks mean
security	9.47
browser	9.14
color	7.65
recommendation	6.24
error-free	5.94
completing order	7.64
community	7.45
layout and composition of images	7.53
Background-image	5.76
logo	5.57
graphical clarity	6.41
text and ads with the logo	6.20
trust seal	9.14

At significance level of 0.05

Due to rapid changes in the business world and organizations' more tendency towards e-commerce, they should use created opportunities to their advantage. Also, they can surpass their competitors by investment and more attention to factors influencing positive attitude and confidence of customers.

Designing a suitable website according to the criteria listed in this survey can help companies to attract and retain customers. And thus it contributes much to more profitability as one of the capabilities and important organizational assets. Moreover, it can create sustainable business advantage compared to other companies. Therefore, organizations need to design an appropriate website by considering the technical factors of websites and related indexes.

Web design should be ideal for customers; so organizations have to survey their special customers about every index of parameters considered in analytical model then design their website.

The results indicate that among websites features and Internet brand affecting on positive attitude and confidence of customers the measures of security, trust seal, browser, error-free, community, completing order, logo, color, graphical clarity, text and ads with logo, recommendation, layout and composition of images and background-image have priority, respectively. It is therefore suggested that:

According to demand of customers who have arranged the criteria of security, trust seal and error-free of website in a higher priority, organizations are recommended by taking this demand into account and culture of Iranian customers consider the security, retaining customers data and infallibly in web design more than anything else.

Organizations to better use this tool, do necessary investments to design their website according to supply websites' attributes and indexes in preference order. This means that they should not worry about spending money on proper design of the website.

Since the formation of positive experience in first purchasing is very important, customers who purchase the company's products for the first time should be of particular interest. Therefore, it is recommended that when companies trying to communicate with their customers, they create a positive experience in their mind. Familiarity of customer with website could be his first encounter; in this case the website with desirable features is very important.

Considering all the priorities in website design and building an Internet brand is a complex task. Thus, organizations must also use experienced designers in the field of website and experts in the field of brand image and its features in addition to using the clients' opinion.

The effect of applying appropriate color in website is not only approved in this research, but also it is proven in numerous studies. Furthermore, since this case has special effect on all other indexes, it is necessary that every organization has special attention on it according to the type of product and its customers.

Because the website environment is an important communication tool and its value will be added every day that it will be one of the most important communication channels with customers in the future. Thus, presence of a favorable environment in website with regularity and apparent beauty, good brand image with proper advertisement, all can be effective in making a positive and enjoyable experience for customers.

By necessary investments given the prioritization in web design, the organizations can encourage their customers to repurchase through Internet by creating a good image of their online brand and building an appropriate website with respect to its features.

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