International Journal of
Business and Economic Sciences
Applied Research

Investigating the Impact of Service Quality Dimensions on Reputation and Brand Trust

Majid Esmaeilpour, Amrollah Sayadi, Mahnaz Mirzaei

Investigating the Impact of Service Quality Dimensions on Reputation and Brand Trust

Majid Esmaeilpour[1],*, Amrollah Sayadi[2], Mahnaz Mirzaei [3]

[1]* *Assistant Professor in Marketing Management, Department of Business Management, Persian Gulf University, Bushehr, Iran*
[2] *M.A, Executive Management and Manager at Imam Khomeini Branch, Bank Saderat Iran, Bushehr, Iran.*
[3] *Master of Business Management, Persian Gulf University, Bushehr, Iran*

* *Corresponding Author*

ARTICLE INFO	ABSTRACT
	Purpose The objective of this study was to investigate the impact of service quality dimensions on brand reputation and brand trust in Iran's Saderat Bank. **Design/methodology/approach:** The present study is applied in terms of objective and results of study and correlational type of descriptive-survey in terms of nature and method of implementation. The Study Population included customers of Iran's Saderat Bank branches in Bushehr city. Since the population size was large, convenient sampling was used and 400 questionnaires were distributed among the customers of the bank. Structural equation modeling was used to analyze the data through Smart PLS software. **Findings:** The findings reveal that all dimensions of service quality (tangible factors, reliability, accountability, trustworthiness, and empathy) have a positive and significant impact on brand trust and brand reputation. **Research limitations/implications**: – The population of the research was limited to Bushehr city (Iran). Other limitations relates to the data collection tool; the questionnaire has some disadvantages that can influence results. Therefore, we should be cautious in generalizing the findings. **Originality/value**:
	This research examines the impact of service quality dimensions and the level of impact of each dimension on brand reputation and trust, in order to identify the dimensions of service quality affecting brand reputation and trust, and to use them in branding. Thus, implementing the suggested actions to enhance the quality of services will have a positive impact on enhancing the brand reputation and brand trust in the banking industry.

1. Introduction

Nowadays, the world of business has become more dynamic and competitive than ever. Moreover, globalization has led to an increase in the speed of changes in the environment and the intensity of competition in the business environment. Thus, we should look towards creating value and competitive advantage, based on the methods that have been used less (Nickols, 2016). Iranian banks have faced many challenges in recent years. The most important challenges in this regard include expanding the scope of competition among them, and increasing the level of knowledge and awareness of customers. This close competition among Iranian banks has increased because of an increasing number of private banks and privatization of some public banks (Dehdashti et al., 2010). In such conditions, banks should seek ways to differentiate themselves from competitors and attract more customers. In order to survive successfully in the banking industry, they require a strategy to maintain and attract more customers in the market (Kasiri et al., 2017).

One of the most important factors to achieve this goal in the service industries is paying attention to service

quality. Service quality management, due to its distinctive characteristics, is a big challenge for organizations providing the service, since large investments and a high volume of organizational activities, affected by low-quality service, can lose its effectiveness (Kotler & Armstrong, 2004).

Service organizations should develop their activities in order to satisfy their customers, so that they can achieve success in a competitive environment (Loke et al., 2011). All organizations are striving to provide quality services to customers to obtain a competitive advantage in their environment and survive. Service quality is one of the most important factors affecting customer decisions. Service quality affects the attitude and behavior of customers towards the organization. However, the question is, how can one differentiate one's self from competitors in terms of service quality? Branding is an applied strategy used to differentiate and acquire a market for products and services (Usakli & Baloglu, 2011).

By investing in brand, the motivation to maintain and enhance the quality of services and to prevent damage to brand reputation will increase and customer confidence will be enhanced (Alam & Yasin, 2010). The customer will show tendency to purchase the brand that they think has a good image (Wu et al., 2011). Brand is one of the most valuable intangible assets. Many researchers believe that branding in the service sector is important. They have stressed that service organizations should consider branding as a successful factor in their activities and they believe that this issue should be base of service marketing in the 21st century (Krystallis & Chrysochou, 2014).

Among various components of brand, brand reputation and trust are considered as an important factor in creating a differentiation for service organizations. When customers trust a brand, they believe that the organization's services have so high a quality that they decrease the unreliability caused by other cases (Han et al., 2015). Reputation and trust play an important role in forming lasting relationships with customers (Lee et al., 2014). It is also associated with reduced unreliability in the environment where consumers are feeling vulnerable. Brand trust plays a key role in improving customer behavioral desires. It means that increasing the customers' satisfaction makes it possible for them to advertise and recommend their banks to others and their tendency to move their business to another bank decreases (Dehdashti et al., 2010).

Much research has been conducted on the effectiveness of brand service and dimensions of brand equity (brand awareness, brand image, brand loyalty and perceived quality), and other components of brand. However, little attention has been paid to the impact of dimensions of service quality on brand reputation and trust (especially in the banking industry) (Herrero et al., 2016). Due to the intangible nature of services, customers' evaluation of brand reputation and trust of service organizations are different from physical products (Krystallis & Chrysochou, 2014). Hence, studies are necessary in this area. This study investigates how consumers perceive the brand, the benefits of brand reputation and trust in banks and which factors (service quality dimensions) are effective in improving the brand.

2. Literature review and background of research

In service companies, customer satisfaction and quality of services provided to them are vital issue. Since the 1990s, the quality of service has become a strategic tool for service companies. In fact, the quality of services is the most powerful competitive weapon used by many of the leading service organizations (Buil et al., 2016). The goal of service organizations is providing satisfying and cost-effective services in accordance with scientific standards in a good way and in the shortest time as possible. In order to understand the dimensions of service quality, the first step is to have a clear understanding of the concepts of service and quality.

2.1. What is service?
The word service has several meanings encompassing a wide range of personal services, to service as a product. Kotler and Armstrong (2016) defined it as an activity or benefit that one side supplies to the other side and it is essentially intangible as it does not involve the ownership of something. Seyed Javadin and Kimasy (2005) consider the service as a process that includes a series of more or less intangible activities occuring in the interactions between customers and employees and/or physical resources or goods and service provider systems to be a solution for customers' problems.

In general, service is an activity or set of activities that have more or less but not necessarily intangible nature, which occurs among customers and service providers to solve customers' problems (Roosta and Madani, 2011). Kotler and Armstrong (2016) have provided four features for service, including intangible and invisible, inseperable, variable, and can not be saved or perishable.

2.2. What is quality?
Quality is a concept of different meanings in the business literature that can be investigated from different viewpoints. From a manufacturer viewpoint, quality is product's ability in performing the tasks designed for it. However, from customer viewpoint, quality refers to characteristics of product or service affecting their satisfaction (Yarimoglu, 2014). From marketing management view, quality is all features that fulfill customer needs. Therefore, any product that has features providing customer needs is a high-quality product (Jalali et al, 2014).

Quality is achieved through understanding the difference between customer expectations and real performance of organization in providing services and reflects on how much the product or service meets the needs and expectations of the customer (Lee et al., 2014). From the customer viewpoint, if expectations are more than perceptions, the received quality is low, followed by customer dissatisfaction. However, if perceptions are more than expectations, the received quality is high, followed by customer satisfaction and loyalty (Kao & Lin, 2016).

2.3. What is service quality?
In the theoretical literature, there is no consensus on the definition of service quality, however, experts in management and marketing have provided various

definitions of service quality. The adaptation of service with the desired characteristics of customers, the degree that service can satisfy customers, a fair equality between price and service value, and finally, the suitability of service for use are four definitions provided for service quality (Roosta and Madani, 2011). Parasuraman et al. (1991) have defined service quality as sustainable adaptation with understanding customer's expectations of particular service.

Gefan (2002) defines service quality as a subjective comparison between the quality of the service that customer receives and what he receives in reality. Service quality is considered as an organizational asset and an important factor in financial and marketing performance of the corporation (Yarimoglu, 2014). Service quality is defined as adaptability to customer needs in providing the services (Wu et al., 2011).

2.4. Dimensions of service quality

To determine the dimensions of service quality, various studies have been conducted. Grönroos (1984) was the first person who developed a service quality model. He considered three dimensions for service quality, including technical quality, task quality, and corporate image. Then, Parasuraman et al. (1988) tried to compare and classify different methods for evaluation of quality. They introduced ten factors as dimensions of service quality, including reliability, sense of responsibility, competency, availability, humility, customer relationship, credibility, security, customer perception, and tangible aspects.

Parasuraman et al. (1991) later reduced ten dimensions of service quality to five dimensions of tangible, reliability, responsiveness, credibility, and empathy factors. Valarie et al. (2004) considers five dimensions as service quality dimensions, including tangible, reliability, responsiveness, competence, and empathy with the customer aspects. The most known scale to measure service quality is Servqual scale presented by Parasuraman et al. (1991). In this model, service quality has standardized components used to measure people's expectations and perceptions about the quality of public services (Esmaeilpour et al., 2016). The model is one of the most common and valid scales to measure service quality, assessing the provided service quality at five dimensions. These dimensions include:

Physical dimensions or tangibility: physical dimensions include the existence of facilities, equipment, personnel, and communicative goods. In other words, these factors include modern equipment, physical facilities, workers with clean and tidy appearance, and ordered documents (such as booklets, ledgers, billing, etc.).

Reliability: it is the ability to perform services in a safe and reliable manner, so that the customer's expectations are satisfied. Reliability factors include performing the task or service promised in a given time, showing an interest in solving customer problems, reforms in services in the first time, and providing and performing service at promised time.

Responsiveness: responsiveness means willing to cooperate and help the customer. This dimension of service quality has an emphasis on showing sensitivity and alertness against demands, questions, and complaints

of customers. These factors include the following cases: employees tell customers what they will do exactly, employees provide immediate services for customers (in the shortest time), employees are always willing to help customers, and employees are always ready to respond to customers' questions.

Assurance: includes competence and the ability of employees to induce the sense of reliability and credibility of organization to customers. Assurance factors include the following cases: the behavior of the employees gradually create trust in customers, customers feel security in their interactions with the organization, employees are always polite in dealing with customers, and employees have enough knowledge to respond customers' questions.

Empathy: means dealing with customers according to spirit of each of them, so that customers are convinced that the organization has understood them and they are important to the organization. The empathy factors include the following cases: personal attention to customers, the business hours appropriate for all of the customers, employees show personal attention to customers, employees are demanding the best interests for customers, and employees understand the unique customer needs (Jalali et al., 2014).

Parasuraman et al. (1991) believe that this tool can be used in a wide range of areas such as financial institutes, libraries, hotels, restaurants, medical centers, banks, tourism industry, hospitals, libraries, transport services, postal services, and the insurance industry. For this reason, Servqual model dimensions were used in this research to investigate the impact of service quality dimensions on brand identity and brand personality.

2.5. Brand

Management and marketing experts have presented different definitions of brand. Brand is name, term, sign, symbol, form, design, or a combination of these used to identify the goods and services of seller or group of sellers and to differentiate them from competitors (Kotler & Armstrong, 2016). Brand is an extract of identity, originality, feature, and difference that accumulates information in one word or sign (Suomi, 2014). Keller (1993) considers brand as a mixture of mental and psychological signs in the consumer that increases the perceived value of service or product (Wijaya, 2013).

Brand is at the forefront of the product and it is the initial vision that allows consumers to identify those products (Haigh & Knowles, 2004). Brand is one of the most valuable assets of any organization, and proper management of it can pave the way to achieve more market share and profitability in any industry (Aaker, 1997). As brand of physical products, with regard to services, it could be stated that the service brand is a base for creating reliable relationships. The strong point of a service brand is that it is determined by organizational features such as the quality of service provided by the corporate employee and the relationships between the corporate and customers (Alexandris et al., 2008).

2.6 Brand reputation

Another concept leads to maintaining a long-term relationship between the corporate and the customer is

brand reputation. Many researchers believe brand reputation has found increasing importance. Thus, the success and profitability of companies depends on positive reputation of brands (Veloutsou & Moutinho, 2009). Reputation highlights the general perception of characteristics of a corporate or brand.

Brand reputation refers to customer's satisfaction of corporate and evaluation of various audiences of the brand (Fombrun & Rindova, 2000). Companies and brands require positive good reputation to attract customers. Therefore, a brand with a negative reputation cannot achieve its pre-determined goals and marketing signals. Consumers consider the brand as a personality, while managers want to maintain a brand. On the other hand, consumers consider brand as celebrity or personality. Brand reputation refers to customer perceptions of services quality associated with brand name (Veloutsou & Moutinho, 2009).

Previous studies have revealed that brand reputation protects companies against economic crises (Sengupta et al., 2014). Koh et al. (2009) claim that brand reputation brings lasting success for companies during a business crisis. Lange et al. (2011) believe that well-known companies with high brand reputation accept less risk of releasing the negative news on their activities in society. Investors have pessimistic view of these companies when they report lower stock return rate, since they have been able to create sense of trust and loyalty in shareholders in light of their reputation.

This brand reputation is also effective in recruiting employees in the organization and in encouraging consumers to purchase goods. Kapfrer (2008) believes that companies use brand as a tool for creating and maintaining a reputation to support their social status and to achieve the desired goal in the labor markets, especially financial markets and enterprise. A well-known brand can contribute to identifying and validating, leading to the creation of desired business relationships. Brand reputation differentiates one corporate from its competitors. For this reason, reputation can be used as a strategic tool that other competitors cannot imitate, not only due its ability to create value, but also due to its intangible nature (Lin & Huang, 2012).

2.6 Brand trust
Trust is considered as one of the important components in the relationship between the seller and the purchaser, and the role of customer trust enhances as competition increases. Trust means positive belief on trustworthiness and reliability of a person or thing (Lassoued & Hobbs, 2015). Customer trust in the supplier contributes to reduced risk and leads to long-term relationships (Lien et al., 2015). Trust in a brand is the average willingness of the consumer to rely on the brand's ability to perform the specified tasks (Zehir et al., 2011). Yague-Guillen et al. (2003) define brand trust as a sense of security perceived by consumer in his interaction with a brand (Lassoued & Hobbs, 2015). Chaudhuri and Holbrooke (2001) define brand trust as average willingness of the consumer to rely on brand ability to perform its specified functions (Lee et al., 2014).

According to Yague-Guillen et al. (2003), brand

trust involves a degree of brand capacity to satisfy promises given. Customers are willing to understand the identity of brands that have more capability in meeting the promises and creating confidence in them. Brand trust is a multidimensional scale including the two dimensions of brand equity and brand intention.

Brand trust refers to the customer trust that the brand will fulfill its promises and satisfy customer needs. Brand intention dimension refers to the beliefs of the customer that states the considered brand has positive intensions and desires that are in the interests of the customer under any condition (Yague-Guillen et al., 2003). The trustworthiness of a brand is created over several years of activity and through a relationship with customers, meeting and satisfying what has been promised and by providing high quality services and products. Satisfaction and trust has been considered by various researchers as constructs of relation quality (Caceres & Paparoidamis, 2007). Trust is very important, especially in the case of products with high mental involvement, since consumers are subject to costs caused by false selection (Chiou & Droge, 2006).

2.6 Experimental literature of the research
Many studies have been conducted in Iran and other countries on variables of study; we refer here to some that are more recent and relevant with our study. Esmaeilpour and Hosseini (2017) performed a study on the effect of dimensions of service quality on brand identity and brand personality in the insurance industry. Their findings revealed that all five dimensions of the SERVQUAL service quality model have a positive impact on brand identity and brand personality. Esmaeilpour et al. (2016) examined the impact of service quality dimensions on brand equity in the food industry.

The findings of their study indicated that all dimensions of service quality in SERVQUAL have a positive impact on brand equity. Paul et al. (2016) examined the impact of service quality on consumer satisfaction in private and public. This study examined the impact of different variables of service quality on general customer satisfaction by comparing private and public banks in India. The findings suggested that in private banks, product knowledge, response to the need, problem solving, and quick service, fast communication with the client and an effort to decrease waiting time are considered as factors that have positive relationship with general satisfaction, while appearance and help to customer are negatively correlated with customer satisfaction.

On the other hand, in public banks, product knowledge and quick services are factors of positive correlation with satisfaction, while appearance was negatively correlated with satisfaction. Han et al. (2015) referred to the positive impact of brand reputation on brand trust. The findings of their study revealed that brand reputation plays moderating role in the relationship between service quality, brand feelings, brand awareness, and brand trust. Loureiro et al. (2014) investigated the impact of service quality on brand identification and brand personality.

Their findings revealed that brand loyalty, brand identification, trust, brand personality and brand

awareness are the variables having the highest impact on brand equity. Ahmadi and Asghari (2015) examined the relationship between service quality, satisfaction, trust and loyalty among insurance company customers. Results suggest that service quality affects customer satisfaction and customer satisfaction affects brand trust. Alizadeh et al. (2014) examined the role of service quality dimensions in forming brand personality in Sharvand Chain Store.

Findings reveal that five dimensions of the service quality model affect the forming brand personality in the Sharvand Chain Store. Kim (2014) reported that improving service quality has positive relationship with improving brand trust. In another study conducted by Zehir et al. (2011), they investigated the impact of brand communication and service quality on brand loyalty through brand trust. Findings of the study reveal that customer perception of brand service and brand communication as effective factor in brand trust leave positive impact on loyalty.

Seyed Salehi (2013) evaluated the quality of services perceived by the customer in Iranian public banks. Findings revealed that service quality has an impact on brand loyalty through customer satisfaction. Kheng et al. (2010) performed a study on the impact of service quality on customer loyalty at Penang Bank in Malaysia. In this study, the SERVQUAL model was used to reveal that improving service quality might lead to increased customer loyalty to the brand. In this study, customer satisfaction plays the role of the moderating variable.

Caceres and Paparoidamis (2007) also performed a study to examine the relationship between quality of service, customer satisfaction, brand commitment, and brand trust in industrial markets. Findings there suggested that service quality can help in creating a more reliable image. They also stated that service quality and relative satisfaction are two variables predicting brand commitment and brand trust.

2.9 Hypotheses and the research conceptual model
Conducted studies show that each of the researchers used a particular approach to examine the impact of service quality on various components of brand. However, the research literature suggests that in the banking service sector there is a need to investigate the impact of service quality dimensions on brand reputation and brand trust, considering the importance of increasing quality and competition.

The hypotheses of this study were developed after studying the theoretical and empirical experimental literature, and considering the findings of studies conducted by Kasiri et al. (2017), Esmaeilpour and Hosseini (2017), Esmaeilpour et al. (2016), Doherty et al. (2015), Ahmadi and Asghari (2014), Sayed Salehi (2015), Sangupeta et al. (2014), Kim (2014), Loureiro et al. (2014), Yarmoglu (2014), Cheng et al. (2012), Loke et al. (2011), and Zehir et al. (2011).

The conceptual model and framework of this study was developed after determining the main variables of study and establishing the relationship between them through theoretical and empirical backgrounds. The conceptual model of this study was developed by integration the service quality measurement model of Parasuraman et al. (1991), the brand trust model of

Yague-Guillen et al. (2003) and brand reputation model of Han and et al (2015), Sengupta et al (2014) and Koh et al. (2009).

As the objective of this study was to examine the impact of service quality dimensions on brand reputation and trust, the service quality and its dimensions were considered as independent variables, and brand reputation and brand trust were considered as dependent variables. The conceptual framework of this research is illustrated in Figure (1)

Dimensions of Service Quality
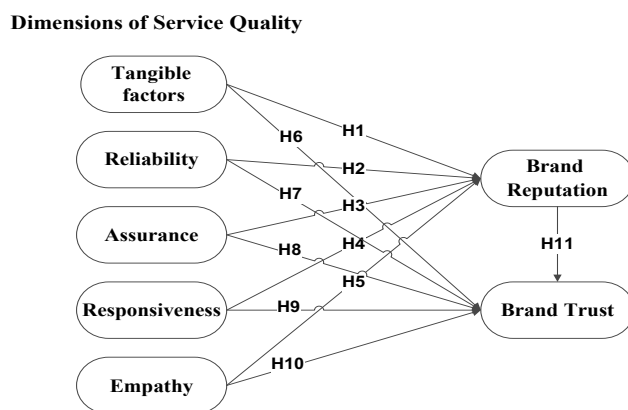
Figure1: Research conceptual model

3- Methodology

This study is applied in terms of objective, and correlational type of descriptive-survey in terms of nature and method of implementation, since the expected findings could be used to improve service quality in order to increase brand reputation and brand credibility in service organizations. It is an analytical-survey since it not only describes the current situation, but also tests hypotheses and uses inferential statistics and structural equations modeling to determine the impact of variables. The population of this study included customers of Saderat Bank branches in Bushehr city. Considering the large size of population and uncertainty in number of members of the population, the population of the study was considered unlimited. A convenient sampling method was used to collect the data. The sample size appropriate for this study was determined to be 385 people among unlimited population based on the Cochran sampling formula and at 95% confidence level, 50% agreement ratio, and 5% sampling error.

A questionnaire was used as tool for collecting data. The questionnaire of this study included three sections: the introduction section, the demographic questions section, and the section including the questions to measure the main variables of the study. In order to measure the main variables of the study, 44 questions were collected through the integration of SERVQUAL service quality assessment questionnaire, brand reputation questionnaire, and brand trust questionnaire.

The scale of variables in this study was based on the five-point Likert (ranging from strongly agree to strongly disagree). In this study, 400 questionnaires were distributed and collected among the customers who received banking services by attending in all branches of

Saderat Bank of Iran in Bushehr city during five days a week.

As this questionnaire was developed based on standard questionnaires whose validity has been measured and confirmed before, it could be stated that the developed questionnaire this has the required validity. However, to determine the validity of the questionnaire of this study, the content validity method was used. For this purpose, the developed questionnaire was given to a number of university professors in the area of marketing management and customers of Saderat Bank of Iran, and they were asked to state their views on the validity of the questionnaire.

After collecting their views, the final questionnaire was developed. Cronbach's alpha coefficient was also used to measure the reliability of the questionnaire. Cronbach's alpha coefficient was higher than 0.7 for all variables and 93% for whole questionnaire that is appropriate coefficient and it suggests that the reliability of this tool of study is at the suitable level.

Table (1) illustrates the required information on development of the questions and the findings of validity and reliability indices for the questionnaire.

Table (1): Variables of research and source of extraction of the items and the results of the reliability of the data collection tool (questionnaire)

Variables and their dimensions		Number of items (questions)	Source of extraction of the items	AVE	Composite reliability	Cronbach's alpha coefficient
Service quality dimensions	Tangible factor	5	(Parasuraman, Zeithaml, & Berry, 1988)	0.77	0.89	0.75
	Reliability	6		0.84	0.91	0.85
	Responsiveness	5		0.79	0.91	0.78
	Assurance	4		0.73	0.76	0.77
	Empathy	5		0.84	0.93	0.87
Brand reputation		10	(Han et al., 2015), (Sengupta et al., 2014), (Koh et al., 2009)	0.88	0.95	0.88
Brand trust		9	(Yague-Guillen et al., 2003)	0.90	0.96	0.80
Entire questionnaire		44				0.93

Source: Provided by authors.

Additionally, average variance extracted (AVE) was used to measure the validity of the questions and composite reliability (CR) was used to measure the reliability of the questionnaire. If the minimum AVE is equal to 0.5, it indicates that the variables have good convergent validity. This means that one latent variable can explain more than half of the variance of indices (observed variables) on average (Hair et al., 2011).

In this research, an average variance extracted is more than 0.5 for all variables, so convergent validity of the model variables is confirmed. Composite reliability and Cronbach's alpha coefficient assess the reliability of measurement tool. As table (2) shows, coefficient of the composite reliability and Cronbach' alpha coefficient for all variables were more than 0.7, so the reliability of the questions of variables included in the questionnaire is at an acceptable level (Hair et al., 2011).

To test the hypotheses and the conceptual model of the research, the structural equations modeling method (the method of partial least squares) through PLS Smart software was used. The reason for using the structural equation model is that this causal model accurately examines the relationships between variables. Thus, the effect of the independent variables can be accessed through this model. In addition, PLS Smart software was used because the collected data does not follow a normal distribution, and the alternative AMOS and LISREL software cannot be used to test the developed conceptual model.

4. Research findings

4.1. Descriptive results of research data

Descriptive statistics was used to analyze the demographic variables. Table (2) is related to the demographic variables, analyzed by collecting 400 questionnair

Table (3): Demographic characteristics of respondents

Demographic variables	Levels	Frequency	Frequency of percentage
Gender	Male	245	61.2
	Female	155	38.8
Education level	High school and lower	97	24.3
	Associate	145	36.3
	Bachelor	117	29.2
	Master and higher	41	10.2

Age	Lower than 25 years		
	26 and 35 years	23	5.8
	36 and 45 years	101	25.3
	46 and 55 years	56	14
	Over 55 years	34	8.5
		31	7.8
The experience of using Iran Saderat Bank services	Lower than one year	42	10.5
	1 to 2 years	44	11
	3 to 5 years	110	27.5
	Over 5 years	204	51

Source: Provided by authors.

As Table (2) illustrates, the highest number of subjects are male (61.2%). Most of the subjects (25.3%) are young, and most subjects of study (36.3%) have associate level of education. In addition, most of subjects (51%) have more than five years of experience in using Iran Saderat Bank's services.

4.1 Test the research conceptual model
The conceptual model and research hypotheses were tested using structural equation modeling and smart PLS software. Structural equation modeling method is multivariate analysis, analyzing the causal relationship between a set of variables. Using structural equation modeling, the consistency of the theoretical model with experimental data can be examined. Structural equation modeling helps the researcher test and examine the theoretical model that consists of different components.

Figure (2) shows the results of the structural equation modeling test along with standardized coefficients (path coefficients) and significance coefficients (t-value). Structural equation model test shows that there is a positive and significant correlation between the elements of various layers of the conceptual model.
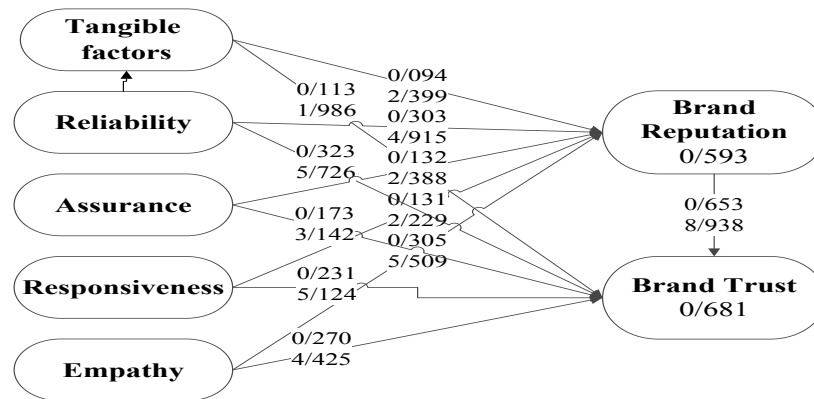

Figure (2): Implementation of structural equation model, along with standardized coefficients (path coefficients) and significance coefficients (t-value)

The relationships defined between variables are the same research hypotheses, and the values in the model relationships (relationships between service quality dimensions and brand reputation and brand trust) reflect standard path coefficients and t-value coefficients. Figure (2) shows different model of research with standardized coefficients (path coefficients) and the state of absolute value of significance coefficients (| t-value |). This model tests all measurement equations and structural equations (path coefficients) using the statistic t. Accordingly, if the value of statistic t is more than 1.96, the path coefficient and factorial load are significant at the 95% level of confidence, and if the value of statistic t for paths is less than 1.96, then the factorial load or path coefficient is not significant. In addition, if the value of statistic t is more than 2.58, the path coefficient and factorial load are significant at the 99% level of confidence.

The values of coefficient of determination (R^2) are given within the circles of brand reputation and brand credibility. R^2 examines in percent, the variance of a dependent variable with the independent variable (variables). Therefore, it is natural that this value be equal to zero for an independent variable and greater than zero for a dependent variable. If its value is higher, the impact coefficient of the independent variables on the dependent variable will be higher. Values higher than 0.3 suggest the fit of the model (Hair et al., 2011).

Determining the indices of model fit is one of the important stages in analyzing structural equation modeling. These indices are used to determine if the model represented by the data confirms the conceptual model. In order to examine the measurement model fit and internal consistency of measurement items, we should consider coefficients such as Cronbach's alpha, composite reliability, and average variance extracted, for which the related data are shown in the table (1).

The GOF index is another index used to assess the overall structural model. The GOF index calculated for

this research model is 0.67, which suggest that the model fit is good. Both measurement and structural model fit indices show a good fit for the model. However, the general approval of the conceptual model of research does not mean that all relationships have been approved in the model. After an overall fit of the model, the relationships

Table (3): Results of the research hypotheses testing

hypot hesis	Independent variable	Dependent variable	Standardized path coefficient	Test statistic (t-value)	Test result
1	Tangible factors	Brand reputation	0.094	2.399	Accepted
2	Reliability	Brand reputation	0.303	4.915	Accepted
3	Assurance	Brand reputation	0.132	2.388	Accepted
4	Responsiveness	Brand reputation	0.131	2.229	Accepted
5	Empathy	Brand reputation	0.305	5.023	Accepted
6	Tangible factors	Brand trust	0.113	1.986	Accepted
7	Reliability	Brand trust	0.323	5.736	Accepted
8	Assurance	Brand trust	0.173	3.142	Accepted
9	Responsiveness	Brand trust	0.231	5.124	Accepted
10	Empathy	Brand trust	0.270	4.425	Accepted
11	Brand reputation	Brand trust	0.653	8.938	Accepted

Source: Provided by authors.

The structural equation model test indicates a positive and significant relationship between the elements of various layers of the conceptual model. Based on the findings obtained from the standard path coefficients and significance coefficients or statistic t (Figure 2), and according to what was presented in Table 3, it could be stated that the dimensions of service quality (Tangible factors, Reliability, Responsiveness, Assurance, and Empathy) have a positive and significant impact on brand reputation and brand trust, with 95% and 99% confidence level. In addition, the brand reputation variable has a positive and significant impact on brand trust, with 99% confidence level.

Moreover, five dimensions of service quality (Tangible factors, Reliability, Responsiveness, Assurance, and Empathy) on the whole (0.593) could explain the variance of the brand reputation variable. The residual percentage is related to other factors affecting this variable that were not considered. Additionally, five dimensions of service quality (Tangible factors,

of the model must also be tested to determine if the relationships defined in the model are approved or not. After extracting data from the structural equation model, we can test our research hypotheses. The results of the main research hypothesis are shown in Table (3).

Reliability, Responsiveness, Assurance, and Empathy) on the whole could explain (0.681) the variance of brand trust. The residual percentage is related to other factors affecting this variable that were not considered in this study. Thus, the values reported in Figure (2) and Table (3) indicate that the presented model has high ability to explain or predict the impact of service quality dimensions on brand reputation and brand trust.

5. Discussion

Intensified competition between private and public banks and an increased level of knowledge and awareness has raised the expectations of the services provided by banks. On the one hand, the level of service quality in banks is very important since it can differentiate a given bank from its competitors. On the other hand, brand reputation and brand trust play a key role in enhancing the brand preference, feeling toward brand, and brand loyalty.

Thus, it seems to be necessary to conduct a study to investigate the impact of quality services dimensions (Tangible factors, Reliability, Responsiveness, Assurance, and Empathy) on brand reputation and brand trust. Accordingly, this study was conducted to investigate the impact of service quality dimensions and the level of impact of each of them on brand reputation and brand trust in order to determine the influential dimensions of service quality on the brand reputation and brand trust of the banks and use them in branding. After reviewing the theoretical literature of study, hypotheses and the conceptual model of the study were developed. Then, data were collected via a questionnaire. The conceptual model and hypotheses of study were also tested using structural equation modeling via Smart Plus software.

The findings of the study revealed that five dimensions of service quality (Tangible factors, Reliability, Responsiveness, Assurance, and Empathy) have a positive and significant impact on the brand reputation and brand trust in Saderat Bank of Iran. As Table (3) illustrates, results show a positive and significant relationship between the tangible factors of service on brand reputation and brand trust. Findings of the studies conducted by Lewireiro et al. (2014) and Yarmoglu (2014) also confirm this hypothesis. Thus, given the positive impact of tangible factors on brand reputation and brand trust, it is recommended that Saderat Bank managers use modern equipment and physical facilities in their branches. It is also recommended that employees have a professional appearance and a neat working environment.

According to the findings extracted from Table (3), it can be stated that reliability has a positive and significant impact on brand reputation and brand trust. Results of studies conducted by Kasiri et al. (2017), Sangupetta et al. (2014) and Loureiro et al. (2014) are in line with findings of this hypothesis. Thus, it is recommended that the employees of Saderat Bank maintain the credibility and

reliability of their bank and branch by performing the tasks within the specified time. Employees should always solve the customer problems honestly and satisfy their expectations to increase credibility and reliability.

Based on the findings extracted from Table (3), this study revealed that Assurance has a positive and significant impact on brand reputation and brand trust. Findings of the studies conducted by Kim (2014), Cheng et al. (2012) and Loke et al. (2011) also confirm the findings of this hypothesis. Thus, it is recommended that Saderat Bank managers provide safe services thought to increase the sense of security in the interactions with the bank. It is also recommended that they select employees with the necessary knowledge to fully inform customers.

Another result of this study also shows that responsiveness of the bank's employees to their customers has a positive and significant impact on brand reputation and brand trust. Studies carried out by Loureiro et al. (2014), Seyed Salehi (2015) and Zehir et al. (2011) also confirm finding of this hypothesis. Thus, it is recommended that managers and employees of the Saderat Bank enhance the willingness for cooperation and to help their customers, since customers expect faster and better responsiveness from managers and employees of the bank in exchange for the costs they pay. Employees and managers at Saderat Bank should show more sensitivity to the demands and complaints of their customers. In other words, customers expect a proper understanding of their expectations and effective communication between managers and employees when they communicate with the bank. Since past customer experiences of banking services also affect the quality of the services, managers and employees should have adequate patience to meet customers' expectations and needs. Considering the findings of this study, it is recommended that managers at Saderat Bank pay more attention to the recruitment of personnel with a higher sense of responsiveness in providing banking services.

The findings of this study showed that manager and employee empathy with their customers has a positive and significant impact on brand reputation and brand trust. Studies conducted by Doherty et al. (2015), Loureiro et al. (2014), and Ahmadi and Asghari (2015) also confirm findings of this hypothesis. In order to enhance the brand reputation and brand trust in Saderat Bank through empathy with provided services, it is recommended that managers and employees of Saderat Bank be humble in providing services, allocate enough time for customers, and respond to their demands, and guide them in choosing the type of banking services providing the best interests for customers.

Also, the findings of this study revealed that Saderat Bank's brand reputation has a positive and significant impact on brand trust. Studies conducted by Han et al.

(2015) also confirm findings of this hypothesis. They also reported the positive impact of brand reputation on brand trust in their studies. Findings of their studies revealed that brand reputation plays a moderating role in the impact of service quality, brand feelings, and brand awareness on brand trust. Based on the results of this study, it is recommended that managers and employees of Saderat Bank enhance reputation of the bank by improving the dimensions of their service quality in order to enhance the customers' trust in brand .

6. Conclusions

Implementing research activities always faces some limitations that can influence findings of the research and decrease its generalizability, and this study is not an exception in this regard. This study suffers from limitation in collecting primary data. The population of this study was limited to branches of the Saderat Bank in Bushehr City, Iran. Another limitation of this study is related to the tool used to collect data. The use of a questionnaire as a tool for collecting data has some disadvantages that can affect the findings. The important disadvantage of using it is an unreal view by respondents. Some respondents usually refuse to state real views, which can result in reduced accuracy of the findings and decreased their generalizability.

Additionally, unwillingness of some respondents to respond to questions constitutes another limitation. The data required for this study were collected in branches of Saderat Bank by completing the questionnaire. Thus, respondents may be affected by the bank environment when completing the questionnaire. Thus, we should generalize the findings of the study with caution. Results of this study revealed that five dimensions of service quality (Tangible factors, Reliability, Responsiveness, Assurance, and Empathy) in total could explain 0.593 of variance in the brand reputation variable and 0.681 of variance in the brand trust variable. In addition, residual percentage was related to other factors affecting these variables, which were not considered in this study. Given the importance of the subject of study, it is recommended for researchers to investigate the impact of other dimensions of service quality on these two variables, based on service quality models provided by other researchers. It is also recommended that the impact of dimensions of service quality on other dimensions of the brand, such as brand image, brand awareness, brand credibility, brand identity, brand satisfaction, and brand loyalty, be explored.

References

Aaker, J. (1997). Dimensions of Brand Personality. Journal of Marketing Research, 34(1), pp. 347-356.

Ahmadi, A., & Asghari, H. (2015). Examining the relationship between quality of service, satisfaction, trust and loyalty among customers. *Quarterly of Management Development,* 7(23): 11-20. (In Persian)

Alam, S., & Yasin, N. (2010). Antecedents of online brand trust: malaysian evidence. Journal of Business, Economic & Management, 11(2): 210–226.

Alexandris, K.; Douka, S.; Papadopoulos, P., & Kaltsatou, A. (2008). Testing the role of service quality on the development of brand associations and brand loyalty.

Managing Service Quality 18(3): 239–254. https://doi.org/10.1108/09604520810871865

Buil, I.; Catalán, S., & Martínez, E. (2016). The importance of corporate brand identity in business management: An application to the UK banking sector. BRQ Business Research Quarterly, 19(1), pp. 3-12. https://doi.org/10.1016/j.brq.2014.11.001

Caceres, R., & Paparoidamis, N. (2007). Service quality, relationship satisfaction, trust, commitment and business-to-business loyalty. European Journal of Marketing, 41(7/8): 836-867. https://doi.org/10.1108/03090560710752429

Chaudhuri, A., & Holbrook, M. (2001). The Chain of Effects from Brand Trust and Brand Affect to Brand Performance: The Role of Brand Loyalty. Journal of Marketing, 65(2): 81-93.

Chiou, J., & Droge, C. (2006). Service Quality, Trust, Specific Asset Investment, and Expertise: Direct and Indirect Effects in a Satisfaction-Loyalty Framework. Journal of The Academy of Marketing Science, 34(4): 613-627.

Dehdashti, Z., Taghavi Fard, M., & Rustami, N. (2010). A model for measuring the impact of brand trustworthiness of banks on the commitment and loyalty of customers. *Journal of Iranian Management Science*, 5(20): 69-88. (In Persian)

Doherty, N., Shakur, M., & Chadwick, F. (2015). The role of e-service quality management in the delivery business value. Journal of Retailing and Consumer Services, 27(3): 52-62. https://doi.org/10.1016/j.jretconser.2015.07.002

Esmaeilpour, M., & Hoseini, M. (2017). Explaining the Impact of Service Quality on Identity and Brand Personality. Polish Journal of Management Studies, 16(1): 37-47.

Esmaeilpour, M.; Mohamadi, M., & Rajabi, A. (2016). Effect of Dimensions of Service Quality on the Brand Equity in the Fast Food Industry. Studies in Business and Economics, 11(3): 30-46.

Fombrun, C., & Rindova, V. (2000). The road to transparency: reputation. Management at RoyalDutch/Shell. Oxford: Oxford University Press, 7(1): 7-96.

Gefan, D. (2002). Customer loyalty in e-commerce, Journal of the Association of Information System, 3(1), pp. 27-51.

Hair, J., Ringle, C., & Marko, S. (2011). PLS-SEM: Indeed a Silver Bullet. Journal of Marketing Theory and Practice, 19(2), pp. 139–151.

Han, S., Nguyen, B., & Lee, T. (2015). Consumer-based chain restaurant brand equity, brand reputation, and brand trust. International Journal of Hospitality Management, 50(3): 84–93. https://doi.org/10.1016/j.ijhm.2015.06.010

Herrero, Á., Martín, H., los Salmones, M., & Collado, J. (2016). Examining the hierarchy of destination brands and the chain of effects between brand equity dimensions. Journal of Destination Marketing & Management, 57(2): 1-10. https://doi.org/10.1016/j.jdmm.2016.05.001

Haigh, D., & Knowles, J. (2004). What's in a brand? How to define your brand and determine its value. Marketing Management, 13(3), pp. 44-57.

Hair, F., Ringle, M., & Sarstedt, M. (2011). PLS-SEM: Indeed a Silver Bullet. *Journal of Marketing Theory and Practice*, Vol. 19, No. 2, 139–152.

Kao, W., & Lin, W. (2016). The relationship between perceived e-service quality and brand equity: A simultaneous equations system approach. Computers in Human Behavior 57(1): 208-218. https://doi.org/10.1016/j.chb.2015.12.006

Kapferer, J. (2008). The New Strategic Brand Management: Advanced Insights and Strategic Thinking. Kogan Page, Market-leading book.

Kasiri, L., Cheng, K., & Sambasivan, M. (2017). Integration of standardization and customization: Impact on service quality,customer satisfaction, and loyalty. Journal of Retailing and Consumer Services, 35(1): 91–97. https://doi.org/10.1016/j.jretconser.2016.11.007

Keller, K. (1993), Conceptualizing, measuring, and managing customer-based brand equity, Journal of Marketing, 57(1), pp. 1-22.

Kheng, L., Mahman, O., & Ramayah, T. (2010). Impact of service quality on customer loyalty: a study of banks in Penang, Malaysia. International Journal of Marketing Studies, 2(2), pp. 57-66.

Kim, G.-J. (2014). Applying service profit chain model to the Korean restaurant industry. International Journal of Hospitality Management, 36(1): 1–13. https://doi.org/10.1016/j.ijhm.2013.07.008

Koh , Y., Lee, S., & Boo, S. (2009). Impact of brand recognition and brand reputation on firm performance:U.S.-based multinational restaurant companies' perspective. International Journal of Hospitality Management, 28(4): 620–630. https://doi.org/10.1016/j.ijhm.2009.04.002

Kotler, P., Armstrong, G. (2016). *Principles of Marketing*. Pearson; Student Value Edition, 16th Edition.

Krystallis, A., & Chrysochou, P. (2014). The effects of service brand dimensions on brand loyalty. Journal of Retailingand Consumer Services, 21(2): 139–147. https://doi.org/10.1016/j.jretconser.2013.07.009

Jalali, M., Gholizadeh, M., & Taleghani, M. (2014). Investigating the quality of services in the insurance industry and its relationship with customer loyalty. *International Conference on Management*, Tehran: Mobin Cultural Ambassadors Institute, pp. 382-400. (In Persian)

Lange, D., Lee, P., & Dai, Y. (2011). Organizational reputation: An overview. Journal of Management, 37(1): 153–184.

Lassoued, R., & Hobbs, J. (2015). Consumer confidence in credence attributes: The role of brand trust. Food Policy, 52(1): 99-107. https://doi.org/10.1016/j.foodpol.2014.12.003

Lee, D., Moon, J., Kim, Y., & Yi, M. (2014). Antecedents and consequences of mobile phone usability: Linking simplicity and interactivity to satisfaction, trust, and brand loyalty. Information and Management, 52(3): 295-304. https://doi.org/10.1016/j.im.2014.12.001

Lien, C., Wen, M., Huang, L., & Wu, K. (2015). Online hotel booking: The effects of brand image, price, trust and value on purchase intentions. Asia Pacific Management Review, 20(4): 210-218. https://doi.org/10.1016/j.apmrv.2015.03.005

Lin, Y., & Huang, P. (2012). Effects of big five brand personality dimensions on repurchase intention: using branded coffee chains as examples. Journal of Food Services Business Research, 15(1): 1-18. http://dx.doi.org/10.1080/15378020.2012.650509

Loke, S.-P., Taiwo, A., & Salim, H. (2011). Service Quality and Customer Satisfaction in a Telecommunication Service Provider. International Conference on Financial Management and Economics, IACSIT Press, Singapore, (11): 24-29.

Loureiro, S., Lopes, R., & Kaufmann, H. (2014). How brand personality, brand identification and service quality influence service brand equity. Cogent Business & Management, 1(1), pp. 1-12.

Nickols, N. (2016). Competitive Strategy and Industry Analysis. Distance Consulting. Available at: http://www.nickols.us/porterbasics.pdf

Parasuraman, A., Zeithaml, V., & Berry, L. (1988). SERVQUAL: a multiple-item scale for measuring consumer perceptions of service quality. Journal of Retailing, 64(1), pp. 12-40.

Parasuraman, A., Zeithaml, V., & Berry, L. (1991). Refinement and reassessment of the SERVQUAL scale. Journal of Retailing, 67(4), pp. 420-50.

Paul,j., Mittal, A., Srivastav, G., (2016). Impact of service quality on customer satisfaction in private and public sector banks, International Journal of Bank Marketing, 34(5), pp. 606 – 622.

Rusta, A., Madani, F. (2010). Examining the impact of customer service quality and decision making on the identifier equity. *Business Management Perspective*, 1(1): 59-75. (In Persian)

Sengupta , A., Balaji , M., & Krishnan, B. (2014). How customers cope with service failure? A study of brand reputation and customer satisfaction. Journal of Business Research, 68(3): 665-674. https://doi.org/10.1016/j.jbusres.2014.08.005

Seyed Javadin, R., & Kimasi, M. (2015). Service Quality Management. First edition, Tehran: Negah-e Danesh Publications. (In Persian)

Seyed Salehi, A. (2013). Developing a model assessing the quality of services perceived by customer in Iranian public Banks. *Quarterly of Management Development*, 5(14): 31-38. (In Persian)

Suomi, K .(2014). Exploring the dimensions of brand reputation in higher education .Journal of Higher Education Policy and Management, 36(6), pp. 646-660.

Usakli, A., & Baloglu, S. (2011). Brandpersonality of tourist destinations: An application of selfcongruity theory. Tourism Management, 32(1): 114-127. https://doi.org/10.1016/j.tourman.2010.06.006

Valarie, A.; Zeithaml, A., & Parasuraman, A. (2004). Service quality. Cambridge, Mass: Marketing Science Institute.

Veloutsou, C., & Moutinho, L. (2009). Brand relationships through brand reputation and brand tribalism. Journal of

Business Research, 62(3): 314-322. https://doi.org/10.1016/j.jbusres.2008.05.010

Wijaya, B. (2013). Dimensions of Brand Image: A Conceptual Review from the Perspective of brand communication. European Journal of Business and Management, 5(31), pp. 55-65.

Wu, P., Yuh Yeh, G., & Hsiao, C.-R. (2011). The effect of store image and service quality on brand image and purchase intention for private label brands. Australasian Marketing Journal, 19(1): 30–39. https://doi.org/10.1016/j.ausmj.2010.11.001

Yague-Guillen, M.; Munuera-Aleman, J., & Delgado-Ballester, E.; (2003). Development and validation of a brand trust scale. International Journal of Market Research. 45(1): 35–53.

Yarimoglu, E. (2014). A Review on Dimensions of Service Quality Models. Journal of Marketing Management, 2(2): 79-93.

Zehir, C., Sahin, A., Kitapçı, H., & ÖzSahin, M. (2011). The Effects of Brand Communication and Service Quality In Building Brand Loyalty Through Brand Trust; The Empirical Research On Global Brands. Procedia Social and Behavioral Sciences 24(1): 1218–1231. doi:10.1016/j.sbspro.2011.09.142