

THE INFLUENCE OF CUSTOMER KNOWLEDGE MANAGEMENT ON CUSTOMERS' LOYALTY IN SPORTS' SERVICE INDUSTRY

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Abstract

Making a profit is achieved depending on attracting and keeping the customer. Attracting and keeping the customer is possible with regard to having the necessary knowledge and information. Also, the emphasis on knowledge and information is the most fundamental characteristic of intelligent organizations. Today, it is difficult and sometimes impossible, providing products and services with good quality and economic, without management and correct use of knowledge and if an organization does not know or cannot use their stored knowledge, chance of survival will be low. The purpose of this research was to investigate the influence of customer knowledge management with customers' loyalty in sports' service industry. Research method was correlational. The statistical population consisted of active sports associations' customers in Tehran, of which a statistical sample of 403 subjects was selected by using random sampling. Data collection, from Taherparvar, Esmailpour and Dostar customer knowledge management (2014) and Bodet customers' loyalty (2012) were used; their reliability obtained using the Cronbach's alpha 0.91 and 0.84, respectively. Also, the structure reliability of the scales was evaluated by calculating the average variance extracted and composite reliability based on the results of confirmatory factor analysis, which the structure reliability of the scales was confirmed in all cases. From the structural equation statistical method was used to analyze the data. The results indicated that customer knowledge management had effect on customers' loyalty. Sports centres' managers should protect the importance of customer knowledge and to survive in today's competitive market carry out the necessary investments on practices the acquisition of such knowledge.

Key words: customer knowledge management, customers' loyalty, sport service

Introduction

Making a profit is achieved depending on attracting and keeping the customer. Attracting and keeping the customer is possible with regard to having the necessary knowledge and information. Also, the emphasis on knowledge and information is the most fundamental characteristics of intelligent organizations. Today, it is difficult and sometimes impossible, providing products and services with good quality and economic, without management and correct use of knowledge and if an organization does not know or cannot use their stored knowledge, chance of survival will be low. It is not enough that the organization knows what things have, in addition, organizations should be aware of what they do not know. Identification of what the organization requires is important, the certain insight entails that this is possible by knowledge management (Lopez-Nicolas & Molina-Castillo, 2008). Knowledge is considered as a key competitive factor in the global economy, but for being successful in today's dynamic market an important component of other named customer (Moosakhani, Haghighi, and Torkzadeh, 2012) must also be considered. Customer knowledge is the combination of experience, value, information, and experts' insight that during the exchanges between organization and customer are divided (Paquette, 2006). Customer knowledge management, allowing organizations, is more likely to be able to identify emerging opportunities in the market and increase

their competitive advantage. Customer knowledge management in connection with the customers knowledge acquisition shares and develops in order to benefit between customers and organization (Moosakhani et al., 2012). The effort of marketing science influences methods of consumer behavior. These efforts influence organizations, customers and community. All people are considered clients or consumers at one time (Hawkins, Best, & Coney, 1995). One of these behaviors is loyalty to customers. Loyalty is a deeply held commitment to re-buy or re-patronize a preferred product or service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing despite situational influences and marketing efforts having the potential to cause switching behavior (Oliver, 1997). Loyalty occurs when customers confidently feel the desired organization can meet their needs as best as possible, so the competitors are set out of customers' considerations and only purchase from the organization (Eshghi, Haughton, & Topi, 2007). Uncles, Dowling, and Hammond (2003) claim that the two aims of customer loyalty programs stand out. One bought from the supplier and the second one is more defensive by building. A closer bond between the brand and current customers is hoped to maintain the current customer base. In a study, Moosakhani et al. (2012) found that customer knowledge

management indirectly effect on customer loyalty. In other study, Salavati, Kafcheh, and Salehpour (2011) concluded that relationship is between customer knowledge management and loyalty. Researchers have found that sharing knowledge better goods and services as well as lead to increase the staff marketing capabilities and ultimately will improved customer relations. Intensity of competition in the current situation, the sports service providers picks up which the vital events and their impact review on customer behavior. Sports clubs are the most important sport service providers. Sports clubs connected with different people that persons are active, some in entertainment and some in championship in the field, and all these people are considered as clubs' customers which they value for sports clubs. The clubs should be profitable for effective administration of the relevant fields.

The generated revenue attracts customers and those interested in the relevant fields for sports clubs and these customers are loyal to sports fields. In sports clubs it might be said that most customers do not use the services of club after a while or association with the club becomes less and less over time. Perhaps one of the problems furthers sports clubs, in conjunction with the loyal to their customers that this study seeks to provide a model for loyal to customers in the sports' service industry using customer knowledge management. In sports' service industry, further research that has been done on the impact of service quality on customer satisfaction and loyalty. Perhaps of the ways that information can be achieved about the quality of sports services, is customer knowledge management which this information is obtained through customer. Accordingly, research main question is as follows: Is the customer knowledge management connected with customer loyalty in the sports' service industry?

Methods

Sample

The participants of this research were the sport club's consumers. The 420 questionnaires distributed among consumers yielded 403 complete and appropriately responded questionnaires (i.e., 96% overall response rate). A random sample (N = 403) of sport club's consumers were, therefore, recruited from both men (71%) and women (29%). The participants' average age was 23.5 years. 42.1% of those 5 to 10 years, 35.5% less than 5 years, 19.9% those 10 to 15 years, and 2.5% more than 15 years had been using the sport club's.

Instrument and measurements

This section describes the measurement tools used to measure each variable involved in the proposed model of the study. Customer knowledge management was measured by a 15-item scale extracted from Taherparvar, Esmaeilpour, and Dostar (2014). The 3-item customers' loyalty measures were taken from (Bodet, 2012). All items were measured on 5-point Likert scales.

Data analyses

For testing the hypothesized model, a two-step approach was used. First, a confirmatory factor analysis (CFA) was performed to assess the measurement model using the AMOS statistical package. After the CFA was conducted, a general Structural Equation Modeling (SEM) technique was used to examine the structural relationships among customer knowledge management and customers' loyalty constructs. For each scale, internal consistency measures (Cronbach's alpha and composite reliability) were calculated to indicate reliabilities. In addition, the average variance extracted (AVE) value was measured, which demonstrated whether each of the items contributed to the scale's underlying theoretical construct.

Results

Confirmatory Factor Analysis

Table 1 summarizes descriptive statistics, reliability estimate and CFA item statistics of the scales. The descriptive statistics showed that the skewness and kurtosis values of the 21 items were all within ± 1.00 , meeting the criteria suggested by Kline (2005): Customer knowledge management item skewness values ranged from $-.36$ to $-.08$ and item kurtosis ranged from -1.06 to $-.49$. Customer loyalty item skewness values ranged from $-.16$ to $-.05$ and item kurtosis ranged from -1.04 to $-.67$. First, CFA results indicated an adequate fit for the four factor model: $\chi^2 = 279.594$, $df = 129$, $\chi^2/df = 2.167$, $GFI = .93$, $CFI = .98$, $RMSEA = .054$, with a 90% confidence interval between $.045$ and $.063$, satisfying the scientific criteria (Hair, 2009; Hu & Bentler, 1999; Kline, 2005). Second, reliability of the measures was evaluated by computing the average variance extracted (AVE), Cronbach's alpha and composite reliability for each construct. Internal consistency levels were acceptable, ranging from 0.81 to 0.89 ($\alpha \geq .7$; (Nunnally, 1978)). The results indicated acceptable levels of composite reliability for all constructs, ranging from $.77$ to $.86$. Since values exceeded the $.60$ cut-off point ($CR \geq .6$; (Aubert, Rivard, & Patry, 1996; Bagozzi & Yi, 1988)). The AVE values were all above $.50$, which also implied that the scales had good construct reliability, ranging from $.90$ to $.97$ (Fornell & Larcker, 1981). In this study, factor loadings of the construct indicators are all above 0.50 and representing good convergent validity for each of the construct items, ranging from $.86$ to $.94$ (Anderson & Gerbing, 1988; Bagozzi & Yi, 1988). Thus, convergent validity of the measures was achieved.

Structural Equation Modelling

The results of the proposed model 1 revealed an excellent fit of the model to the data. The fit indices were as follows: $\chi^2 = 536.07$, $df = 129$, $\chi^2/df = 2.167$, $GFI = .93$, $CFI = .98$, $RMSEA = .054$, with a 90% confidence interval between $.045$ and $.063$, satisfying the scientific criteria (Hair, 2009; Hu & Bentler, 1999; Kline, 2005). As can be observed in Figure 1, the model results support all of the three

hypotheses. Customer from knowledge was found to significantly influence customers' loyalty ($\beta = .96$, $p < .05$; H1 supported). Customer about knowledge was found to significantly influence customers' loyalty ($\beta = .94$, $p < .05$; H2 supported). Customer for knowledge was found to significantly influence customers' loyalty ($\beta = .95$, $p < .05$; H3 supported). The results of the proposed model 2 revealed an excellent fit of the model to the data.

The fit indices were as follows: $\chi^2 = 292.663$, $df = 131$, $\chi^2/df = 2.234$, $GFI = .93$, $CFI = .98$, $RMSEA = .055$, with a 90% confidence interval between .047 and .064, satisfying the scientific criteria (Hair, 2009; Hu & Bentler, 1999; Kline, 2005). As can be observed in Figure 2, the model results support of the hypothesis. Customer knowledge management was found to significantly influence customers' loyalty ($\beta = .89$, $p < .05$; H4 supported).

Table 1. Descriptive statistics, reliability estimate and CFA item statistics of the scales

Variables	M	SD	α	CR*	AVE	SKEWNESS	KURTOSIS	FACTOR LOADING
Knowledge from customer	3.85	1.02	.89	.95	.84			
KFRC1	3.90	1.11				-.772	-.123	.93
KFRC2	3.85	1.05				-.680	-.142	.92
KFRC3	3.88	1.48				-.801	.028	.90
KFRC4	3.78	1.10				-.594	-.301	.92
Knowledge about customer	3.82	1.00	.86	.97	.85			
KAC1	3.77	1.06				-.736	.037	.93
KAC2	3.84	1.10				-.693	-.119	.91
KAC3	3.86	1.06				-.832	.176	.92
KAC4	3.77	1.07				-.634	-.151	.92
KAC5	3.90	1.07				-.722	.004	.93
KAC6	3.80	1.08				-.693	-.241	.93
KAC7	3.83	1.08				-.626	-.147	.90
Knowledge for customer	3.81	1.02	.81	.96	.86			
KFOC1	3.80	1.09				-.707	.032	.93
KFOC2	3.79	1.09				-.738	-.028	.94
KFOC3	3.84	1.08				-.619	-.218	.93
KFOC4	3.81	1.07				-.677	-.175	.92
Customers' Loyalty	3.81	0.95	.84	.90	.77			
CL1	3.83	1.03				-.725	.097	.88
CL2	3.81	1.04				-.671	-.064	.89
CL3	3.79	1.04				-.705	.138	.86

Note: * composite reliability

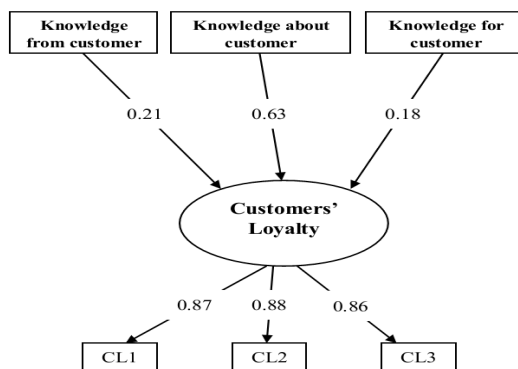


Figure 1. Standardized Weights for the Structural Model 1

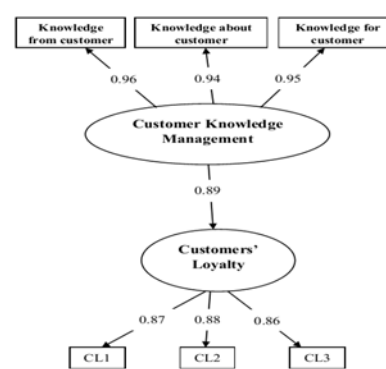


Figure 2. Standardized Weights for the Structural Model 2

Discussion and conclusion

Although the customer has been identified as an important source of knowledge, scholars have devoted little attention to customer knowledge. Areas related to knowledge management such as marketing and CRM have concentrated primarily on transactional data and anthropological studies that ignored the potential of simple personal interaction. CKM is not a tool (like CRM), but a process that is

designed to capture, create and integrate knowledge about and for customers dynamically. Thus, organizations need to think differently about themselves and how they are viewed by their customers. Gathering, managing, and sharing customer knowledge can be a valuable competitive tool that companies and scholars have not yet considered. The purpose of this research was to investigate the Influence of customer knowledge management with customers' loyalty in sport

service industry. The results showed that customer knowledge management and its components had influenced on customer loyalty. The findings confirms results' Salavati et al. (2011).

Customer Knowledge Management seeks directly information for protection and maintenance from customers, and competitive advantage gain based on knowledge that gained from our customers. Norouzi, Rahmandoust, Barkhordar, Mad shah, and Norouzi (2011) in their study experience of customer knowledge management concluded that Customer Knowledge Management is a way of benchmarking which the organization's position shows in relation to competitors based on customers' demands and due to identification limits of acceptable improvement in compared to competitors. Also, managing the customer knowledge, organizations are sensitive likely more than emerging market opportunities before competitors and economic value create faster for organizations, shareholders and at the end for customers that this leads to their loyalty (Gebert,

Geib, Kolbe, & Brenner, 2003). Form better understanding of the customer, organizations will have a greater understanding of customer needs and expectations. The organization that acquires knowledge, it will help in innovation and improving product / service. Hence, an organization that a better understanding has from the expectations and needs of customers which it would be able in the improvement of customer service and thereby achieving customer satisfaction, retention and loyalty him. Based on the results to sports services center managers suggest that the customer query about the current sports service quality and work towards improve the quality of services based on customers' ideas and needs, The consciousness be gained from customers' demands and requests and apply towards practical them and resolve the existing problems. For future studies suggested that the researchers propose a conceptual framework for the typology of customer knowledge in the sports service industry and also, customer knowledge management challenges examine in the sports service industry.

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UTJECAJ UPRAVLJANJA ZNANJEM KUPACA NA ODANOST KUPACA U INDUSTRIJI SPORTSKE USLUGE

Sažetak

Stvaranje profita se postiže ovisno o privlačenju i zadržavanju kupca. Privlačenje i zadržavanje kupca moguće je s obzirom na posjedovanje potrebnog znanja i informacija. Također, naglasak na znanje i informacije najosnovnija je karakteristika inteligentne organizacije. Danas, teško je i katkad nemoguće pružiti ekonomične proizvode i usluge dobre kvalitete bez upravljanja i pravilnog korištenja znanja i ako organizacija ne zna ili ne može koristiti svoje pohranjeno znanje, šanse preživljavanja biti će niske. Svrha ovog istraživanja bila je istražiti utjecaj upravljanja znanjem kupaca s odanošću kupaca u industriji sportske usluge. Metoda istraživanja bila je korelacijska. Statistička populacija sastojala se od potrošača aktivnih sportskih udruga u Teheranu, od kojih je statistički uzorak od 403 ispitanika odabran koristeći nasumično uzimanje uzorka. Korišteni su skupovi podataka iz Taherparvarovog, Esmaeilpourvog i Dostarovog upravljanja znanjem kupaca (2014) i Bodetove odanosti kupaca (2012); njihova pouzdanost zadobivena koristeći Chronbachovu alfu 0.91 i 0.84, respektivno. Također, pouzdanost konstrukcija ljestvica procijenjena je proračunavanjem prosječne izvađene varijacije i kompozitne pouzdanosti zasnovane na rezultatima potvrdne analize faktora. Pouzdanost konstrukcija ljestvica potvrđena je u svim slučajevima. Iz strukturalne jednadžbe, statistička metoda korištena je za analizu podataka. Rezultati su ukazali da upravljanje znanjem kupaca ima učinak na odanost kupaca. Upravitelji sportskih centara trebali bi zaštititi važnost znanja kupaca, preživjeti na današnjem natjecateljskom tržištu i provesti potrebna ulaganja u stjecanje takvog znanja.

Ključne riječi: upravljanje znanjem kupaca, odanost kupaca, sportske usluge

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