

The impact of sensory marketing on customer loyalty in private sports clubs: Using perceived value as the mediating variable

El impacto del marketing sensorial en la lealtad de los clientes en los clubes deportivos privados: Utilizando el valor percibido como variable mediadora

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Abstract: The purpose of this research was to investigate the effect of sensory marketing on customer loyalty of private sports clubs, with the mediating role of perceived value. The sample was composed of 385 people (18 to 65 years old) who attended private sports clubs in Tehran in 2019. The three instruments used were: Sensory Marketing Questionnaire, Perceived Value Questionnaire, Behavioral and Attitudinal Loyalty Questionnaire. The data analysis showed that sensory marketing through perceived value can be effective in the behavioral and attitudinal loyalty of customers of private fitness clubs. Therefore, the managers of sports clubs should go beyond measuring customer satisfaction and the quality of services provided and focus on customer loyalty, because the key to attract and retain customers is to improve their positive attitude towards sports service providers.

Key words: Sensory marketing; perceived value; customer loyalty; private sports clubs.

Resumen: El propósito de esta investigación fue investigar el efecto del marketing sensorial en la lealtad de los clientes de los clubes deportivos privados, con el papel mediador del valor percibido. La muestra estuvo compuesta por 385 personas (18 a 65 años) que acudían a clubes deportivos privados en Teherán en 2019. Los tres instrumentos utilizados fueron: Cuestionario de Marketing Sensorial, Cuestionario de Valor Percibido, Cuestionario de Lealtad Conductual y Actitudinal. El análisis de datos mostró que el marketing sensorial a través del valor percibido puede ser eficaz en la lealtad de conducta y de actitud de los clientes de los clubes deportivos privados. Por tanto, los directivos de los clubes deportivos deben ir más allá de medir la satisfacción del cliente y la calidad de los servicios prestados y centrarse en la fidelización de los clientes, porque la clave para atraer y fidelizar clientes es mejorar su actitud positiva hacia los proveedores de servicios deportivos.

Palabras clave: Marketing sensorial; valor percibido; lealtad del cliente; clubes deportivos privados.

1. Introduction

A new era of marketing is emerging; an era in which companies consider their impact on customers in a new, stimulating, innovative and creative way, regardless of whether they sell traditional goods or provide services. Traditional marketing is slowly disappearing and is being replaced by new methods, such as sensory marketing. Sensory marketing emphasizes the use of the five human senses (sight, hearing, smell, taste and touch), while traditional marketing is two-dimensional and only uses the senses of sight and hearing (Hulten et al., 2012). Today's marketers have expanded the path of marketing development and are focused also on human emotions (Havaseli Ashtiani & Dailami Ma'azi, 2015). A positive buying experience leads to the formation of a pleasant emotional feeling in the person and, in addition to becoming a loyal customer, a buyer can also recommend the products to the others (Smilansky, 2009).

Behavioral intentions are the result of building customer satisfaction (Samadi et al., 2009; Sánchez et al., 2017). In fact,

the concept of customer behavioral intentions includes three dimensions: the intention to buy again the same product, recommend the product to the others and not be sensitive to its price. To earn loyalty, it seems necessary to pay attention to some prerequisites. For instance, it is necessary to be aware of the value perceived by the customer and his level of satisfaction.

Loyalty is the total amount of emotions and attitudes that cause the customer to buy again certain goods and services from the company (Douglas Hoffman & Turley, 2002). Consumer loyalty is an important measure of an organization's success and profitability. The basis of most marketing programs related to customer loyalty is that retaining the current customer is much cheaper than attracting a new customer. For this reason, companies implement a variety of marketing approaches to retain their customers (Han & Ryu, 2009). Various researchers consider customer loyalty as a two-dimensional concept that includes behavioral and attitudinal loyalty (Stevens & Rosenberger, 2012): Behavioral loyalty (frequent behaviors such as buying tickets, attending a sporting event, watching a match on TV, talking about sports, buying sports products, etc.) and attitudinal loyalty (commitment to sport, team, or sports player, insistence on non-change, and cognitive

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complexity) (Mahony, Madrigal, & Howard). In recent years, many studies have been conducted in the field of customer loyalty and customer satisfaction. In this regard, Jalali Farahani et al. (2013) concluded that the quality of service is one of the most important factors underlying customer loyalty.

Nowadays, health & fitness clubs have become one of the most popular sports venues in the world (González et al., 2020; Nicolás et al., 2020; Sánchez et al., 2019; Yadolahzadeh, 2020). As in other countries, in Iran, the establishment of private clubs contributed to an increased physical fitness and health of the society. The noteworthy point is that the excessive expansion of the number of these centers has led to the formation of a highly competitive environment among private clubs in order to attract customers. Assuming that privatization is associated with competition, and private sports clubs compete with other private sports centers to attract customers and to make more profit, this situation increases the quality of services. Therefore, fitness clubs need to use modern marketing techniques to exceed their customers' expectations. Having this in mind, the purpose of this study was to analyze whether sensory marketing affects the loyalty of customers of private sports clubs.

2. Methods

2.1. Participants

The sample was composed of 385 people (18 to 65 years old) who attended private sports clubs in Tehran in 2019. The participants belonged to 10 different clubs of five areas of Tehran (Central, North, South, West and East).

2.2. Procedure and instruments

The researchers distributed and collected the questionnaires by going to sports clubs and explaining to people the purpose

of the questionnaires. The first part of the questionnaire consisted of demographic information of the participants. The second part was divided in the following three questionnaires:

1. Sensory Marketing Questionnaire (Hosseini, & Purkiyani, 2015), with 24 questions.
2. Perceived Value Questionnaire (Egret, & Olaga, 2008), with 15 questions.
3. Behavioral and Attitudinal Loyalty Questionnaire (Mahony et al., 2000), with 19 questions.

Formal and material validity of the questionnaires were examined from the standpoint of sports management professors. The reliability of the instruments was evaluated using Cronbach's alpha method, and finally the construct validity fitting indices were used in structural equation modeling.

2.3. Statistical analysis

Descriptive statistical methods (frequency, percentage, mean, standard deviation) were used. Also, inferential statistical methods were used to calculate the validity of the questionnaires and to examine the factor structure, based on confirmatory factor analysis (PLS structural equations and path analysis) and using PLS software. The reliability of the questionnaires was calculated with Cronbach's alpha method, calculating the statistical significance of path coefficients and t-scores. Hierarchical multiple regression analysis was performed using PLS software.

3. Results

To investigate the fit of the research model, the structural design software Smart PLS (version three) was used. The result of this study is shown in the software output graph (Figure 1).

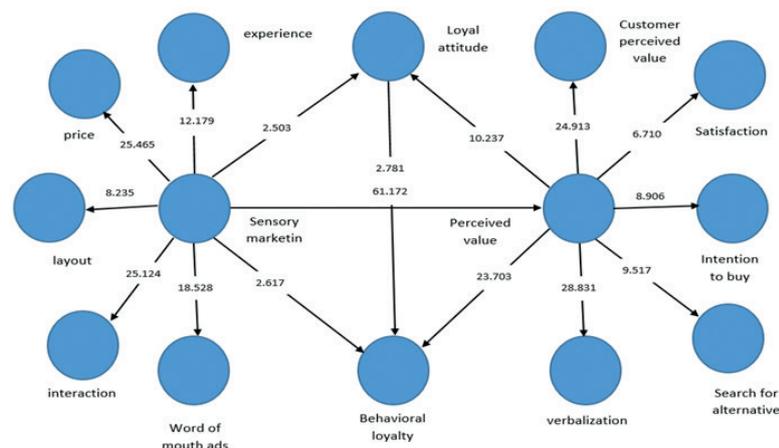


Figure 1. Fit model of research, path coefficient.

3.1. Evaluation of the research model

The estimation method in PLS is non-parametric. Hence, the indicators obtained in PLS show the quality of fit. Among the most important indicators, we can find the validity and reliability indicators of the model, as well as the R² coefficient of determination (Table 1).

Cronbach's alpha coefficient was acceptable in all the indicators (higher than 0.7 in all of them). In PLS modeling, it is recommendable that the mean values of the extracted variance are higher than 0.5, which means that the desired structure explains more than 50% of its variances marker. Therefore, as the AVE coefficient was higher than 0.5 in all the indicators, the validity of the model is also confirmed.

The VIF coefficient, or variance inflation factor, evaluates the intensity of multiple lines in normal regression analysis. In fact, this index indicates how much of the change in the estimated coefficients for alignment has increased. In other

words, as the value of this coefficient increases, the variance of the coefficients increases and thus makes the regression model unsuitable for prediction. According to Table 1, the values of the VIF coefficient are in all cases less than 1, which indicates that the components of the structure do not overlap with each other, so the predictions obtained from the model are reliable.

The R² coefficient measures the relationship between the value of variance described in a latent variable and the total amount of variance. The value of this coefficient also varies from 0 to 1, and larger the values are more desirable. Generally, researchers evaluate values close to 0.67 to be good, close to 0.33 to normal, and close to 0.19 to be poor. The higher R² (which is related to the endogenous structures of a model), the better the model fits. As we can see in Table 1, the value of the R² coefficient for the exogenous variable is zero and for all endogenous variables is higher than 0.60, which indicates a good fit of the obtained model.

Table 1. Reported indicators of the designed model.

Changeable indicator	Cronbach's alpha	Average variance extracted (AVE) coefficient	Variance Inflation Factor (VIF) coefficient	R ² coefficient
Sensory Marketing	0.88	0.67	0.41	0.00
Perceived value	0.76	0.73	0.37	0.667
Attitudinal loyalty	0.74	0.54	0.23	0.619
Behavioral loyalty	0.78	0.76	0.43	0.876

3.2. Overall model fit

The overall fit of the model includes both parts of the model, the measurement part and the structural part, and by confirming the fit of these two parts, the fit check in a model is completed. To evaluate the overall model fit, criteria as stand-

ardized root mean squared residual, softened fit index and goodness of fit index were used. According to the obtained values, the collected data are sufficient to fit the hidden variables and, as a result, the results of estimating the overall model are reliable and trustworthy (Table 2).

Table 2. Overall model fit.

Variables	Acceptable range (Davari and Rezazadeh, 2014)	Observed value	Result
Standardized root mean squared residual	< 0.08	0.051	Proper fit
Softened fit index	> 0.5	0.634	Proper fit
Goodness of Fit Index	> 0.25	0.588	Proper fit

3.3. Investigation of research paths and hypotheses in the presented models

In PLS path models, path significance tests are tested through the self-management method or bootstrap, which is a sam-

pling method. Based on bootstrap, you can test the relevant questions. In the outputs of this test, the path coefficients are displayed along with the extracted t-statistics. Table 3 shows the path coefficients and t-statistic values.

Table 3. The main paths of the model.

Paths	Path coefficients	T-statistics	P-values	Result
Experience -> Sensory marketing	0.455	12.179	<0.001	√
Price -> Sensory marketing	0.527	26.465	<0.001	√
Arrangement -> Sensory marketing	0.326	8.235	<0.001	√
Interaction -> Sensory marketing	0.677	25.124	<0.001	√
Word of mouth ads -> Sensory marketing	0.495	18.528	<0.001	√
Perceived customer value -> Perceived value	0.571	24.913	<0.001	√
Satisfaction -> Perceived value	0.258	6.710	<0.001	√
Intention to repurchase -> Perceived value	0.336	8.906	<0.001	√
Search for alternatives -> Perceived value	0.228	9.517	<0.001	√
Oral expression -> Perceived value	0.594	28.831	<0.001	√
Sensory marketing -> Perceived value	0.816	61.127	<0.001	√
Sensory marketing -> Attitudinal loyalty	0.187	2.503	0.05	√
Sensory marketing -> Behavioral loyalty	0.108	2.617	<0.001	√
Perceived value -> Attitudinal loyalty	0.627	10.237	<0.001	√
Perceived value -> Behavioral loyalty	0.932	23.703	<0.001	√
Attitudinal loyalty -> Behavioral loyalty	0.114	2.281	0.05	√

4. Discussion

Sensory marketing puts the human brain, along with its five senses, at the center of the marketing and shows that companies, vendors, and service and sports venues can have a positive effect on the five senses of the consumer through various sensory cues such as color, aroma, music, taste, texture, etc. In general, the results showed that sensory marketing through perceived value can be effective in behavioral loyalty and attitudes of customers of physical fitness private clubs. It is noteworthy that the results of this study were confirmed by previous studies (Banar et al., 2018; Ghasemi and Rasekh, 2019).

The findings of this study also showed that sensory marketing had a significant effect on perceived value. One of the important goals and principles of sensory marketing is to communicate with consumers and pay attention to the customer satisfaction after the purchase. Traditional marketing principles and models may not be appropriate to today's market and new solutions must be presented, one of which has been presented by sensory marketing. This solution involves the use of empirical programs by organizations and companies to increase, attract and retain customers and create a good and enjoyable feeling and further influence their behavior (Smilansky, 2009).

In fact, because the features of the service are not tangible, service consumers are not able to evaluate the service before consuming it, so consumers tend to evaluate the service by looking at the tangible evidence (Goldkuhl, & Styfvén 2007).

Therefore, paying attention to visual sensory stimuli in clubs can provide a pleasurable sensory experience for consumers. Music, as an important part of the atmosphere, is present everywhere in sales or services and plays an important role in customer perception. The presence of attractive music that fits the nature of the club, as well as the appropriate tone of the coaches and the executive staff, can lead to a pleasant experience and facilitate the process of providing new customer service development in sports clubs. After the sense of hearing, the sense of smell is also important from the customers' point of view. Spreading the scent of the club brand in the club grounds, the fragrance of the membership card, giving towels to customers with the special smell of the club, the lack of oil and iron smell of bodybuilding machines and air conditioning are some of the factors that can create new service and double value in the club.

Also, the results of this study showed that the outward beauty of the club environment, the use of appropriate photos in the club, the design of a website tailored to the nature of the club, the same and beautiful uniforms of the coaches and the executive staff, can be effective in the new service process and, therefore, they could increase customer loyalty. Customer loyalty is a key goal in customer marketing and a key element. Undoubtedly, customer satisfaction and attitudinal and behavioral loyalty as the main essence in marketing, can easily determine the success or failure of service organizations. So that, managers can find out about customer dissatisfaction by preparing a suggestions and complaints fund or through conversations with the club's customers or

through surveys, and finally try to resolve them and guarantee the provision of acceptable services.

The customers also should feel that, in return for the money they have paid, they have received good services that are valuable to them. Some customers also attend the centers due to their social value and presence along with a certain segment of the society. Therefore, managers' attention to service quality promotes various dimensions of perceived customer value. On the other hand, a significant percentage of customers who have long-term relationships with clubs, bring more profitability to clubs than other customers. Furthermore, loyal customers are also likely to engage in positive word-of-mouth communication, which will attract new customers and turn existing customers into loyal customers.

If customers enjoy the sensory, emotional, behavioral and intellectual experience at the same time, they will trust their brand more (Sheikhi et al., 2014). If customers experience a more enjoyable service, their loyalty to the brand is likely to increase. The findings of this paper also showed that the indirect effect of sensory marketing variable on loyalty through perceived value is statistically significant. Ismaili et al. (2014) state that improving the quality of services by increasing cus-

tomers' satisfaction leads to increased customer loyalty and presence in sports centers. That is, when the customers consider themselves committed members of the center, they try to spend most of their free time in that center, and even if others think that the center is not suitable enough, they are willing to use the services of that center permanently, which in fact shows their attitude loyalty.

In general, it can be said that the managers of sports clubs should go beyond measuring customer satisfaction and the quality of services provided and focus on customer loyalty, because the key to attract and retain customers is to improve their positive attitude towards sports service providers. Therefore, improving the quality of service provided increases customer satisfaction - as a mediating factor - which in turn makes customers more likely to re-use the services of the sports club and even recommend the sports club to other people. It is recommendable that, in the first step, sports clubs assess the level of customer expectations from the service by conducting a survey among their clients. Then, a level of quality that exceeds customer expectations should be provided. In this way, the satisfaction and loyalty of the customers can be increased.

5. References

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