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An empirical research of consumers' trust propensity in CRM successes

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Abstract

Recently companies use CRM strategy to make themselves and their products different from competitors. Consumers do not access the entire information for evaluating the main purpose of company's CRM campaign, as a result, trust propensity may play an important role regarding CRM success. Since different cultures are varied in their level of trust, the study is going to show how trust propensity affects the CRM successes, tactically and strategically as the main aim of the study. The empirical study is carried out by questionnaire in Iran. Our hypotheses are tested by using correlation analysis and structural equation modeling (SEM). The results show that consumer's trust propensity has a direct as well as an indirect effect on the tactical success of CRM (Purchase intention) while regarding strategic success (brand image), the positive relationship between trust propensity and brand image has been fully mediated by ad skepticism. Based on our results, implications for both research and practice are discussed.

Keywords: Trust propensity, CRM brand image, CRM purchase intention, ad skepticism

1. Introduction

One of the popular strategies for gaining competitive advantage is cause-related marketing (CRM) (Webb & Mohr, 1998). CRM is a marketing communication tool which links a company or a brand with a charity and its cause for donating a portion of its revenue to the cause. It can be defined as a special kind of advertising strategy, telling consumers that company is doing something good for the charity. Consumers can perceive the CRM program as cause-beneficial (supporting a cause by altruistic motives of the company), or cause exploitative (abusing a cause by egoistic motives of the company) which the latter leads to consumers' skepticism toward CRM advertisement claim (Ross, Stutts, & Patterson, 2011; Varadarajan & Menon, 1988). Consumers are skeptical whether CRM advertisement claim is true and it is due to its corporate social responsibility for altruistic motives. This may cause skepticism toward the company's intention of CRM campaign (Barone, Miyazaki, & Taylor, 2000) and consumers may consider CRM as a tool for increasing the sales. Scholars argue that a low level of consumer skepticism toward CRM advertisement which results from perceiving cause supportive motives in advertisement claim, positively impacts purchase intention (tactical approach) and brand image (strategic

approach) which are indicators for a successful CRM campaign (Barone et al., 2000; Müller, Fries, & Gedenk, 2014; Webb & Mohr, 1998).

It has been assumed that since the information in the CRM advertisement is not enough for consumers to recognize the main intention of the campaign (altruistic or egoistic), they may refer to their own trust propensity to evaluate the information which is given in the CRM ad claim. Trust propensity means the likelihood that individuals accept information (Gefen, Benbasat, & Pavlou, 2008) or the tendency of a person to accept information which is given by others as true or trustworthy. Trust propensity is a new variable in CRM study which may play a key role in this regard. Because trust propensity may be a highly cultural dependent variable and therefore it is of interest to CRM campaigns in different cultures. In addition, high trust propensity helps consumers trust CRM campaign, even without enough information (Gill, Boies, Finegan, & McNally, 2005; Mayer, Davis, & Schoorman, 1995). Furthermore, it affects positively consumers' purchase intention (Chen, Yan, Fan, & Gordon, 2015) and helps them be more positive regarding different things (Graziano & Tobin, 2002). All these reasons can indicate the importance of trust propensity in CRM successes. In other words, consumers have no information about the true motivation of the CRM campaign. The only way for them to get information is the CRM advertisement claim. In addition, there is a tendency toward disbelieving of advertisements by consumers. As a result, trust propensity may have a significant influence on the perception of consumers toward CRM campaign and individuals with higher trust propensity may perceive altruistic motives of CRM. Consumers who attribute egoistic motives to the CRM advertisement claim rather than altruistic motives may have a less favorable brand image and lower purchase intention (Barone et al., 2000; Müller et al., 2014; Webb & Mohr, 1998).

There are several types of research about the impact of ad skepticism on CRM purchase intention and brand image in different cultures (Anuar & Mohamad, 2012; Barone et al., 2000; Hammad, El-Bassiouny, Paul, & Mukhopadhyay, 2014; Müller et al., 2014; Webb & Mohr, 1998), but no study considers the importance of trust propensity on CRM successes while the level of trust propensity differs among the cultures, with lower level of trust propensity in more collectivist cultures compared to more individualistic ones (Huff & Kelley, 2003). Based on prior studies about advertisement skepticism and trust propensity, it is assumed that these variables should affect CRM purchase intention and brand image as it is developed in a structural model (figure 1). It is expected that the model applies our empirical data which come from a survey among 260 respondents in Iran. The study provides theoretical and practical results. Theoretically, it develops a more comprehensive understanding of determinants that affect the image of a CRM brand and consumers' purchase intention. Practically, the results will help companies take into consideration of consumers' trust propensity and skepticism toward advertisements when designing CRM campaign in different cultures. Studies about CRM strategy have been carried out in different cultures mainly in western and individualist countries. Since it has

been assumed that trust propensity is lower in collectivistic countries, this variable may play a more influential role in such countries. Therefore, Iranian consumers have been selected as a research population because of their collectivistic culture (Hofstede, Hofstede, & Minkov, 2010).

The paper is organized as follows. In the next section, a review of the literature is provided along with developing of the hypotheses and research model. This will be followed by the research methodology and research results. The paper will complete with a discussion and conclusion.

2. Theoretical background and hypotheses development

2.1. CRM skepticism and CRM purchase intention and brand image

Skepticism toward advertisement is defined as a general distrust toward advertisement claim (Obermiller & Spangenberg, 1998). Advertisement skepticism can lead to rejection of the CRM (Bronn & Vrioni, 2001; Webb & Mohr, 1998) and change the purchasing behavior negatively (Hammad et al., 2014). Researches about advertisement skepticism show that when a person is highly skeptical toward CRM advertisement, they perceive the validity of a CRM claim to be low (Anuar & Mohamad, 2012). Consumers have no information to evaluate the company's motivation for applying CRM campaign, therefore consumers who are skeptical toward advertisement, are going to have doubt about the validity of altruistic motivation that the company communicated in their CRM advertising. They can only judge about the company's motivations as altruistic or egoistic by its advertisement. Altruistic motives refer to the consumers' perception of the company's motivation for doing something good for others while egoistic motives refer to the consumers' perception of the company's motivation for doing something good only for self-interest (Tsai, 2009) or abusing the cause for increasing the sale rather than supporting (Ellen, Webb, & Mohr, 2006). Perception of altruistic rather than egoistic motivations about the company's intention leads to higher purchase intention (Barone et al., 2000; Boenigk & Schuchardt, 2013; Ellen, Mohr, & Webb, 2000) and creates more favorable brand image (Kim, Kim, & Han, 2005; Müller et al., 2014). This is due to the fact that consumers perceive company's motives for conducting such a campaign as altruistic like supporting a cause and being responsible toward the society (Gao, 2009). Therefore, they feel good to participate in a supportive campaign and this feeling positively influences participants' purchase intention (Kim & Johnson, 2013). In contrast, if consumers perceive egoistic motives for making profits by the company, they become skeptical about the communicated altruistic motives in the CRM advertisement (Webb & Mohr, 1998). They may respond negatively to CRM campaign because not only the company is perceived as egoistic but also consumers feel manipulated or deceived (Forehand & Grier, 2003) and assume purchase of CRM brand as an egoistic dimension of the CRM campaign. These

reasons would result in a negative perception of brand image and lead to a lower purchase intention.

Although there are several studies about the influence of advertisement skepticism on consumers' response toward CRM which are mostly related to CRM purchase intention and rarely related to CRM brand image in different countries, studies in collectivist cultures are few (Anuar & Mohamad, 2012). Therefore, to see the influence of advertisement skepticism in collectivistic cultures more broadly as well as the influence of advertisement skepticism on brand image, the first and second hypotheses are postulated as follow:

H1: Skepticism toward CRM ad affects CRM purchase intention negatively.

H2: Skepticism toward CRM ad affects CRM brand image negatively.

2.2. Trust propensity and CRM purchase intention and brand image

Trust propensity is defined as a general tendency to believe in and willing to depend on others (Mcknight, Cummings, & Chervany, 1998) which is a part of humans' characteristics. People are different in their propensity to trust because of their different experiences, personalities, and cultures (Hofstede, 1980). Researches have proven that people in collectivistic' cultures have a lower trust propensity than people in an individualist culture (Huff & Kelley, 2003). Trust propensity positively affects how individuals perceive people or behaviors as trustworthy (Chen et al., 2015; Grant & Sumanth, 2009; Mayer et al., 1995). Grant & Sumanth (2009) argued that when there is a low confidence in the manager's trustworthiness by employees, it can be compensated by high trust propensity of employees. In the other words, people may use their own high trust propensities to judge about other's trustworthiness which is also supported by Mayer et al. (1995).

The importance of trust propensity in economic and business has been studied (Chen & Barnes, 2007; Chen et al., 2015; Grabner-Kräuter & Kaluscha, 2003). It has been shown that trust propensity influences consumers' purchase intention positively (Chen & Barnes, 2007; Chen et al., 2015; D. J. Kim, Ferrin, & Rao, 2008). Studies assert that consumers with a low level of trust propensity are likely to be more careful or negative in an uncertain situation (Graziano & Tobin, 2002), even when there is no specific reason (Costa & McCrae, 1992). In contrast, consumers with a high level of trust propensity are going to accept things and they are more positive, regardless of the situation (Graziano & Tobin, 2002). The author assumes that integrating trust propensity as a new variable in CRM context would be significant because of following reasons. First, it has been proven that trust propensity helps individuals perceive the trustworthiness of others. This trend can be useful in brand perception as well, like brand image. Because it seems that generally if someone wants to trust others and be more positive toward them, this tendency would be the same for other things (Ridings, Gefen, & Arinze, 2002). Therefore, it should be true for consumers concerning CRM advertisements to perceive it as a more altruistic brand than

6

egoistic. Second, trust propensity shows how much trust someone has for another party without enough information (Gill et al., 2005; Mayer et al., 1995) which is another important factor for CRM. Because the information about the intention of the company for applying CRM is not always clear and available (Hartmann, Klink, & Simons, 2015), so consumers refer to their own trust propensity to judge about the main intention of CRM campaign by its advertisement claim. As a result, consumers with a higher level of trust propensity would perceive the brand as a more altruistic even without enough information about the CRM campaign. Therefore, it is assumed that trust propensity can help consumers perceive a more altruistic motivation about the CRM advertisement which may ultimately result in a higher purchase intention and have a more positive brand image as postulated in the third and fourth hypotheses:

H3: Trust propensity affects CRM purchase intention positively.

H4: Trust propensity affects CRM brand image positively.

2.3. Trust propensity and skepticism toward CRM advertisement

Obermiller & Spangenberg (1998) find that many factors may affect whether a person accepts or ignores an advertisement claim, including characteristics of consumers. Researchers assert that consumers are naturally skeptical toward advertisement (Obermiller & Spangenberg, 1998; Webb & Mohr, 1998) and perceive it as untrustworthy (Obermiller & Spangenberg, 1998). Since trust propensity helps individuals perceive trustworthiness of someone or something (Chen & Barnes, 2007; Grant & Sumanth, 2009; Mayer et al., 1995), this can be true for CRM advertisement claim as well. Researchers claim that perceiving the CRM campaign as trustworthy is a significant factor for consumers which leads to perceiving lower skepticism (Bronn & Vrioni, 2001; Webb & Mohr, 1998). This means that perceived trustworthiness of CRM and low skepticism can be seen interchangeably. Thus higher trust propensity of consumers can strengthen the perception of the campaign's trustworthiness and in the same time reduce skepticism. Therefore, since skepticism towards CRM advertisement results from the cynicism towards the trustworthiness of advertisement (Webb & Mohr, 1998), it has been said that people with a higher tendency to doubt (lower trust propensity), tend to question the motives of an advertisement (Mohr, Eroğlu, & Ellen, 1998) and be more skeptical toward advertisement in general (Singh, Kristensen, & Villaseñor, 2009). As a result, it can be concluded that trust propensity can affect skepticism toward advertisement negatively which means perceiving advertisement claim as trustworthy and the CRM claim as altruistic which is postulated in the fifth hypothesis:

H5: Trust propensity affects skepticism toward CRM advertisement negatively.

2.4. Mediation effect of ad skepticism

It has been discussed that trust propensity would have a positive impact on brand purchase intention (tactical activity) and brand image (strategic activity). Also, consumers' skepticism toward CRM advertisement would have a negative effect on brand image and purchase intention while it would be affected by trust propensity as well. This means that consumers with a generally high level of trust propensity are going to be less suspicious about company's motives and perceive the company's motive as altruistic (Youn & Kim, 2008). It seems that people with a higher level of trust propensity should have a less advertisement skepticism which leads to higher purchase intention and having a more favorable brand image. Therefore, although trust propensity would have a positive effect on CRM brand image and purchase intention, the effect of ad skepticism on this relationships could not be ignored. It is supposed that the relationship between trust propensity and brand image could be explained by the influence of skepticism on brand image and the effect of trust propensity on advertisement skepticism. This trend can be the same for purchase intention. The interesting question is that weather skepticism toward advertisement can mediate these relationships fully or partially. If advertisement skepticism partially mediates these relationships, it means that there must be an independent influence of trust propensity on brand image or purchase intention, while they are affected by advertisement skepticism as well. In addition, if advertisement skepticism fully mediates these relationships, it indicates that trust propensity cannot have an independent influence on brand image or purchase intention and its effect is through advertisement skepticism. This would be an important factor regarding CRM successes because it can reveal that if advertisement skepticism mediates these relationships, CRM campaign in cultures with a low level of trust propensity can compensate the negative effect of low trust propensity on CRM successes by reducing ad skepticism. While trust propensity is a personal trait which companies cannot take any special action for increasing its' level. Therefore, the sixth and seventh hypotheses are postulated to show which of the approaches (tactical or strategic) can be independently affected by trust propensity besides skepticism toward advertisement.

H6: Ad skepticism mediates the relationship between trust propensity and purchase intention.

H7: Ad skepticism mediates the relationship between trust propensity and brand image.

2.5. Conceptual framework

The research framework is extended to show the impact of trust propensity and advertisement skepticism on purchase intention and brand image. The model will examine the direct and indirect effects of trust propensity on consumer's intention to purchase and brand image. Fig 1 depicts the theoretical framework of this study.
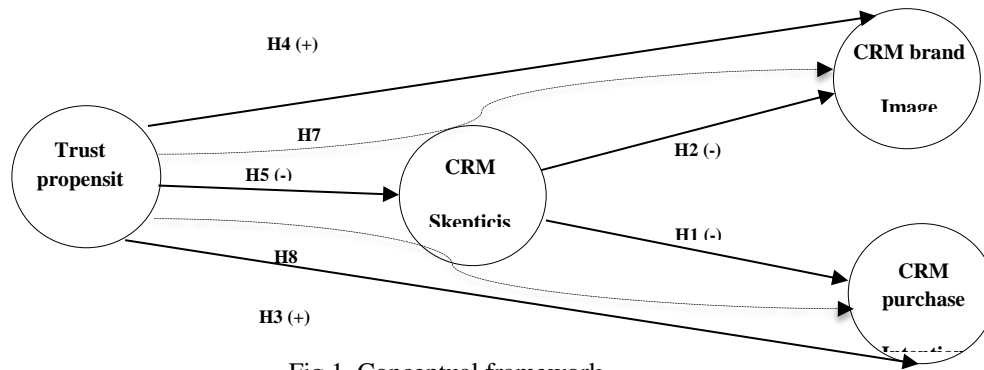
Fig 1. Conceptual framework.

3. Methodology

3.1. Questionnaire design

The questionnaire was designed to measure all the constructs in the conceptual model to investigate the hypotheses of the research. The questionnaire consists of two parts. The first part of the questionnaire was related to the measurement of the research constructs by using existing measures from the previous researches. Brand image was adopted from the study of Kwun & Oh (2007) which they have focused on the concept of one-dimensional brand image in the form of overall perception about the brand. The scale applies three adjectives "favorable", "good", and "likable". Purchase intention was measured by three items which two items were adopted from Baker and Churchill (1977) scale as cited in Bearden et al. (1993) (Bearden, Netemeyer, & Mobley, 1993). In addition, one item was added to questions related to the purchase intention by the author. The items to measure ad skepticism were adapted from Mohr et al. (1998) including four questions. Finally, four items related measuring trust propensity were adapted from Koufaris & Hampton-Sosa (2004). All the items were measured using a five-point Likert scale. The second part of the questionnaire was related to the respondents' demographic information.

3.2. Sample design and data collection

The study was carried out in Iran using the above-mentioned questionnaire with 14 items. The questionnaire was translated into the Persian language by the author. Iranian consumers have been selected because of their collectivistic culture and also Iran is a developing country. Iran can be a good representative for other developing and collectivistic countries. By applying the convenient sampling technique, totally 260 questionnaires were valid for the measurements. The data was gathered from the university students. All respondents were volunteers and no incentive was offered for the respondents' participation. They were asked to read a short story about a fictitious CRM detergent brand and answer the questions regarding their personal opinion. Bigne-Alcaniz et al. (2009) suggested that to avoid consumers' evaluations that may come from previous knowledge

related to the specific brand, it is better to use a fictitious rather than real brand (Bigné-Alcañiz, Currás-Pérez, & Sánchez-García, 2009). The respondent profile is summarized in Table 1.

Table 1. Respondent profile

Demographic characteristics		Frequency	%
Gender	Male	116	44.6
	Female	144	55.4
Age	18-20	97	37.3
	20-25	83	31.9
	25-30	35	13.5
	30-35	45	17.3

4. Empirical results

4.1. Measure reliability and validity

This study focused on convergent and discriminant validity for evaluating the reliability and validity of the constructs.

Convergent validity: Convergent validity means that different items belonging to a specific construct should converge or have a high proportion of variance in common (Hair, Black, Babin, Anderson, & Tatham, 2010). Three main indicators of convergent validity were supported by researchers including factor loadings, average variance extracted (AVE), and construct reliability (CR) (Fornell & Larcker, 1981; Hair et al., 2010). The validity of an item is significant when its factor loading is greater than 0.50 (Hair et al., 2010). All the items of the study were entered into a principal component analysis with varimax rotation to investigate the underlying structure of the scales. After considering the eigenvalues larger than 1, the items are loaded onto four underlying factors that explained 67% of the total variance. Factor loadings and Cronbach α are shown in Table 2.

The factor loadings of all the items ranged from 0.620 to 0.871. This supports an acceptable convergent validity at the item level. Also, Cronbach's coefficient alpha for each construct is higher than 0.7 which showed a high internal consistency of the items. In addition, the average variance extracted (AVE) of 0.50 or higher, or a construct validity (CR) of 0.70 or above, can be a good sign for adequate convergence at the construct level (Hair et al., 2010). The AVE and CR are presented in Table 3 by running confirmatory factor analysis using Amos software. Although CRM skepticism construct showed relatively low AVE value, the construct has been accepted, because Fornell and Larcker said that if AVE is less than 0.5, but construct reliability is higher than 0.6, the convergent validity of the construct is acceptable (Fornell & Larcker, 1981).

Table 2. Factor loadings and Cronbach α

Items	CRM Brand image	CRM Purchase Intention	CRM Advertisement skepticism	Trust Propensity	Cronbach α
Brand image1	.834				
Brand image2	.857				0.847
Brand image3	.871				
Purchase intention1		.828			
Purchase intention2		.831			0.796
Purchase intention3		.785			
CRM skepticism1			.620		
CRM skepticism2			.810		0.713
CRM skepticism3			.666		
CRM skepticism4			.808		
Trust propensity1				.829	
Trust propensity2				.790	0.838
Trust propensity3				.847	
Trust propensity4				.772	

Note. Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

Table 3. Statistics for the validity of the study constructs.

	CR	AVE	MSV	ASV
CRM brand image	0.848	0.651	0.203	0.090
Trust propensity	0.839	0.566	0.115	0.055
CRM Purchase intention	0.798	0.569	0.203	0.119
CRM skepticism	0.725	0.403	0.046	0.039

According to above explanation, all constructs expressed satisfactory construct reliability as well as acceptable validity.

Discriminant validity: Discriminant validity is used to measure the degree that each construct differs from other constructs. At the construct level, it is considered to be acceptable when Maximum shared squared variance (MSV) and Average shared squared variance (ASV) are less than AVE (Hair et al., 2010). As a result, discriminant validity seems to be acceptable at the construct level which is shown in Table 3. Generally, the results show the acceptable convergent validity and discriminant validity for each construct.

The result of confirmatory factor analysis (CFA) with AMOS makes the model valid. The CFA results indicates a model fit with acceptable fit indices: CMIN=130.366, df= 71; GFI=0.934; AGFI=0.903 TLI=0.940; CFI=0.954; RMSEA=0.057. It is considered to be a

good fit between the hypothesized model and the observed data when values of CFI, GFI are above 0.90 and RMSEA is below 0.08 (Hu & Bentler, 1999).

4.2. Correlation analysis

The first five hypotheses were evaluated through an examination of bivariate correlations between variables using SPSS 24. All the hypotheses were supported by the examination of the correlations between the constructs (see Table 4).

Table4. Pearson Correlation

Hypotheses	correlation	Significance level	Result
H1: skepticism toward CRM ad affects CRM purchase intention negatively.	-0.178	0.004**	supported
H2: skepticism toward CRM ad affects CRM brand image negatively.	-0.174	0.005 **	supported
H3: trust propensity affects CRM purchase intention positively.	0.274	0.000 ***	supported
H4: trust propensity affects CRM brand image positively.	0.123	0.048 *	supported
H5: trust propensity affects skepticism toward CRM ad negatively.	-0.153	0.013 *	supported

Note. Ns (not significant); *** (p<0.001); ** (p<0.01);* (p<0.05)

4.3. Structural model results and mediation test

To explain the complex relationships between variables and considering framework (fig 1) as a whole and take ad skepticism as a mediator, structural equation modeling (SEM) is applied by using AMOS 24.0. The structural model showed a good fit with the data in comparison of fit criteria. The fit values were CMIN=160.511, df= 72; GFI=0.921; TLI=0.912; CFI=0.931; RMSEA=.069 which all are in acceptable ranges. Also it worth to note that 7% variance for brand image and 14% variance for purchase intention are determined by these factors.

A mediation mechanism of ad skepticism has been proposed between trust propensity and CRM brand image and CRM purchase intention. The mediation effect of ad skepticism has been determined through Mathieu & Taylor (2006) decision tree which is based on Baron & Kenny (1986) logic as shown in figure 2 which is also summarized in Table 5. Table 5 displays all of the structural relationships among the studied constructs; regression weights and their level of significance. As indicated in Table 5, ad skepticism partially mediates the relationship between trust propensity and purchase intention, also it fully mediates the relationship between trust propensity and brand image. Therefore hypotheses H6 and H7 were supported.
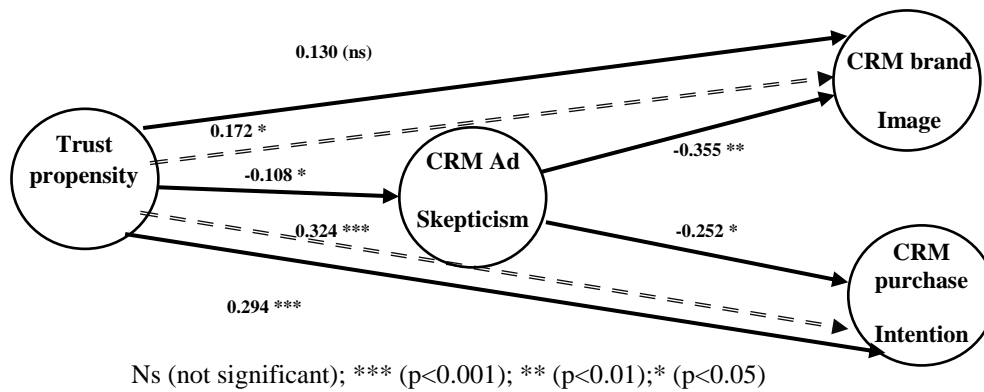
Ns (not significant); *** (p<0.001); ** (p<0.01);* (p<0.05)

Fig2. Direct and Indirect effects (mediation test)

As it can be seen, the direct relationships between trust propensity and CRM purchase intention are both statically significant with and without presenting ad skepticism as a mediation variable. Furthermore, the relationship between trust propensity and ad skepticism as well as the relationship between ad skepticism and CRM purchase intention are still significant in the presence of the mediator. As a result, based on Baron& Kenny, (1986) logic, ad skepticism partially mediate the relationship between trust propensity and CRM purchase intention.

Regarding CRM brand image, the direct effect between trust propensity and CRM brand image is significant in the absence of ad skepticism (mediator) which is depicted by dash lines in figure 2, while by adding the mediation effect, the direct relationship between trust propensity and CRM brand image is not significant anymore. Moreover, the relationship between trust propensity and ad skepticism and also the relationship between ad skepticism and CRM brand image are still significant. As a result, the relationship between trust propensity and CRM brand image is fully mediated by ad skepticism.

Table 5. Mediation test of skepticism

hypotheses	Direct effect (without mediation)	Trust propensity-ad skepticism	Ad Skepticism-CRM brand image (direct)	Ad Skepticism-CRM purchase intention (direct)	Direct effect (with mediation)	Result
A	0.324 (0.000)***	-0.108 (0.029)*	----	-0.252 (0.039)*	0.294 (0.000)***	Partial mediation, (H6 supported)
B	0.172 (0.023)*	-0.108 (0.029)*	-0.355 (0.01)**	----	0.130 (0.088) ns	Full mediation (H7 supported)

Note. Ns (not significant); *** (p<0.001); ** (p<0.01);* (p<0.05)
A= Trust propensity-Ad skepticism-CRM purchase intention
B= Trust propensity-Ad skepticism-CRM brand image

5. Discussion and Conclusions

5.1. Discussion

Nowadays CRM can be used not only as a strategic tool to gain competitive advantage but also as a tactical tool to increase sales. In different parts of the world, CRM has become an important marketing tool for both companies and charities. The primary purpose of this paper is to determine whether trust propensity may influence the consumers' perception of CRM brand image and purchase intention. In particular, is the success of a CRM strategy affected by trust propensity of consumers? This would be an important factor for companies which are going to apply CRM strategy in different cultures because trust propensity varies in different cultures.

The results show that consumers with a high level of skepticism toward advertisement tend to respond negatively toward CRM both for purchase intention and brand image, in contrast to consumers with a low level of ad skepticism. The findings support other studies' results about the negative influence of advertisement skepticism on consumer responses to CRM (Bronn & Vrioni, 2001; Webb & Mohr, 1998). As it is depicted in figure 2, the effect of ad skepticism is stronger for brand image than purchase intention which explains 5.8% of the variance for brand image and 5.2 % for purchase intention. This means that CRM strategic approach is more vulnerable by ad skepticism than CRM tactical approach. It seems that consumers are more affected by advertisement skepticism when it comes to having an overall attitude about the CRM brand which can lead to a less favorable brand image. As a result, considering the level of consumers' skepticism toward advertisement in different cultures would be a significant factor when companies apply CRM strategy with a long-term orientation.

It has been argued that advertisement skepticism negatively affects purchase intention. In addition, the data shows that trust propensity has a strong impact on purchase intention. The positive relationship between trust propensity and purchase intention is also supported by others' findings (Chen & Barnes, 2007; Chen et al., 2015). The data shows that 12% of the variance in purchase intention is merely explained by trust propensity while only 5.2% by ad skepticism. As the mediation analysis revealed, advertisement skepticism partially mediated the strong relationship between trust propensity and purchase intention. Both variables have a significant impact on purchase intention separately, also in the presence of advertisement skepticism as mediation, the effect of trust propensity on purchase intention has been reduced slightly which indicates the significant role of trust propensity on purchase intention. These variables totally explain 14% of the variance in purchase intention. Although CRM tactical approach is affected both by trust propensity and advertisement skepticism, as the data shows trust propensity plays a stronger role. It seems that consumers rely on their trust propensity more than their skepticism toward advertisement when it comes to taking a decision. As a result, it can be concluded that in

cultures with relatively low trust propensity, the tactical approach would be much more vulnerable, that should be considered by the companies before applying CRM campaign in such cultures.

Regarding strategic approach, the data shows that although trust propensity positively affects brand image, in the presence of consumers' ad skepticism it cannot play a significant role anymore and advertisement skepticism fully describes this relationship. It means that consumers' attitude toward brand image depends on their level of ad skepticism and trust propensity affects indirectly through ad skepticism. These variables can describe 7% of the variance in brand image. The finding demonstrates that higher trust propensity helps consumers be less skeptical toward advertisement and in turns, generate more favorable CRM brand image by reducing the consumers' ad skepticism. Meanwhile, trust propensity negatively affects advertisement skepticism, but it can only describe 3% of the variance in ad skepticism. Therefore, there should be other important factors that can affect consumers' skepticism toward advertisement which should be considered by companies.

5.2. Conclusions and implications

The results of this study clarify some important issues related to the CRM strategy and consumers' behaviors that have not been addressed in previous studies. The study helps CRM literature by providing empirical evidence about the impact of the level of consumer trust propensity and the level of ad skepticism on consumer behavior in Iran.

This finding is particularly important for managers who are intended to use CRM strategy in different cultures. It suggests that managers should consider consumers' behavior and cultural differences more deeply when they are going to apply CRM marketing strategies. Companies which use CRM campaign in different cultures should have a good understanding of the level of consumer' trust propensity and skepticism toward advertisement before implementing CRM campaigns. This understanding is important especially in collectivistic cultures, such as Iran. Because consumers with a high level of trust propensity perceive the altruistic claim of CRM advertisement as trustworthy which would be a critical factor in CRM successes especially tactical success. In cultures with a relatively low trust propensity, tactical approach is threatened by low trust propensity of consumers, because it has a strong direct effect as well as the indirect effect on purchase intention through ad skepticism. Although trust propensity is an influential factor that affects purchase intention more than advertisement skepticism, it cannot be controlled by managers. As a result, the way to increase purchase intention in such cultures is to reduce ad skepticism and try to recognize consumers with a higher level of trust propensity and focus on them as targeted consumers. Moreover, since brand image is affected by trust propensity completely through advertisement skepticism, managers should focus again on reducing ad skepticism to gain strategic success of CRM. This can happen by increasing

the awareness via using the media and communicating the details of their CRM campaigns with consumers.

There are some limitations to this study which can be interesting questions for future researches. First, there are several factors that affect CRM successes, like consumers' gender (Wu & Wang, 2014), cause fit (Barone, Norman, & Miyazaki, 2007; Gupta & Pirsch, 2006), personal values (Lavack & Kropp, 2003), type of causes (Cui, Trent, Sullivan, & Matiru, 2003) or cultural differences (Kim & Johnson, 2013). In this study, the only focus was on trust propensity that has not been studied before and ad skepticism as the main factors which influence CRM success. However, considering other factors besides trust propensity may bring different results to see if trust propensity will still remain as an important factor affecting purchase intention and verifying the research model much more comprehensive. Second, the survey was carried by using convenient sampling from university students. Further researches by using a larger random sample from a more diverse population would make the results more strong.

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