

The Effect of Brand Identity on Brand Performance and Employees, Job Satisfaction with the Intermediating Role of Organizational Confidence

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Abstract. The purpose of this study was to do an empirical study on the service sector to investigate the effect of brand identity on brand performance and employees' job satisfaction with the intermediating role of organizational confidence, using Buil et al. (2015) model. In this model, the effect of brand identity on brand performance and employees' job satisfaction is investigated both directly and indirectly through the organizational confidence. A sample of 273 individuals was selected randomly from employees of Pasargad bank branches in Tehran. The data collection instrument was a standard questionnaire with 26 questions whose validity and reliability were confirmed; it was distributed among the statistical population. Data were analyzed using descriptive statistics and inferential statistics. At the level of descriptive statistics, indices such as frequency and frequency percentage were used. The correlation methods, structural equation modeling, and path analysis were used on the level of inferential statistics; LISREL and SPSS software were used for this purpose. The results of the analysis showed the direct and positive impact of brand identity on brand performance, organizational confidence, and job satisfaction. In general, the ability of Pasargad Bank to improve the brand performance, increase the organizational confidence and satisfy its employees, is directly and indirectly related to the brand identity ($p < 0.05$).

Keywords: Brand Identity, Organizational Confidence, Brand Performance, Job Satisfaction.

1. Introduction

Nowadays, considering the impact of brand identity on employees' commitment to organization, the organization's brand performance and the level of satisfaction, organizations must pay particular attention to the brand identity management in large corporates (Buil et al., 2015). Due to the dynamic nature of the environment and its ever-changing nature, the brand identity must also be dynamic and developed over the time (Abedi and Jamaloo, 2017). The goal of an organization brand is to promote the organization in its internal and external environment. Therefore, it can be said that the organizations should focus on the brand identity management in large corporates due to the effect of brand identity on employees' satisfaction and confidence towards their organization and brand performance of organizations and the degree of satisfaction (Buil et al., 2015). In fact, the brand identity and loyalty can act as an intermediating in the relationship between internal branding and the employees' brand performance (Punjaisri K., Wilson, 2011). The common values increase the employees' participation, thereby increase the commitment to the brand of corporate and ultimately improve the employees' performance with a sense of satisfaction with their job (Harris F., de Chernatory; 2011). Therefore, it can be said that satisfied employees have enough energy to express sympathy, understanding and respect and customer attention. Satisfied employees also have the ability to be aware of the resources, training, and responsibilities necessary to understand customer needs, and can also meet these needs (Pantovakis and Borenta, 2013). Therefore, satisfied employees are more productive and more diligent in delivering better services to customers, all of which will significantly increase the profitability and credibility of the organizations (Pantovakis and Borenta, 2013).

2. Literature review

In this section, the literature and theoretical foundations of the research variables are expressed. The identity of the brand is defined by the

brand's basic idea and concept that identifies the brand's unique and valuable aspects. Also, with this idea, the brand communicates with its shareholders and brand strategy it is created and understood by customers (Coleman, 2010). Achieving brand identity brings it to the attention of customers (Claire, 2013). All elements of the brand that create its identity affect the customers 'consciousness and image. Brand elements are commercially available tools that are used to identify and distinguish it. The most important of these elements are the logo, symbols, characters, slogans and internet domains. Brand identity cohesion is closely related to each other's brand identity (Claire, 2013). Over the past few decades, experts have suggested a number of frameworks for brand identity. Some of these frameworks are summarized in the following table. These brand identity frameworks now have no limitations (Colleman et al., 2011). In this research, Buil et al. (2015) model is used. In a research entitled "The Impact of Brand Identity on Brand Performance and Job Satisfaction with the Intermediating Role of Organizational Commitment" in the service corporate, the researcher has designed a model according to figure 1. In the present research model, which is based on Buil et al. (2015) model, organizational confidence has been used instead of organizational commitment, so that the present research has the necessary innovation. Therefore, according to the present research, the effect of brand identity on brand performance and employee satisfaction with intermediating role of organizational confidence is examined; brand identity has been considered as an independent variable, job satisfaction, and brand performance as dependent variable, and the organizational confidence as an intermediating variable.

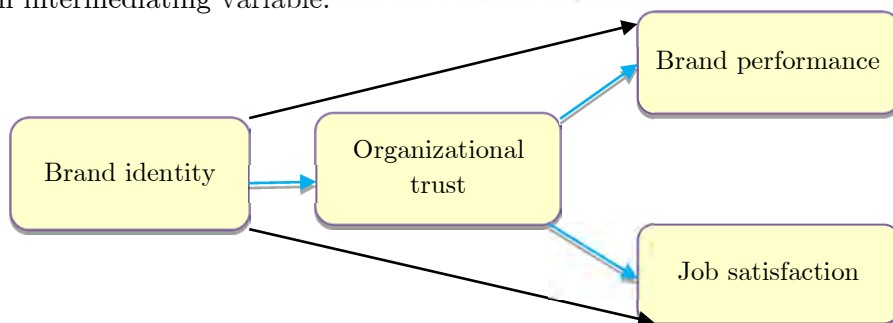


Fig. 1. Conceptual model of research

Main Hypotheses

- Brand identity affects brand performance with the intermediating role of organizational confidence.
- Brand identity affects employees' job satisfaction with the intermediating role of organizational confidence.

Sub-Hypotheses

- Brand identity affects the organizational confidence.
- Brand identity affects the brand performance.
- Brand identity affects the employees' job satisfaction.
- Organizational confidence affects the brand performance.
- Organizational confidence affects the employees' job satisfaction.

3. Method

Considering that the purpose of this research is to determine the effect of brand identity on brand performance and the employees' job satisfaction with the intermediate role of organizational confidence, it is an applied research in terms of the purpose and descriptive survey one in terms of collecting data. Also, considering that structural equation modeling method is used to test hypotheses, this research is a correlation matrix or covariance analysis type one. In this research, the library studies including the internal and external books, internal and external articles, related dissertations, databases, searches in databases (internet) and statistical reports are used in order to obtain the required information in the field of literature review. Also, data analysis in this research is done using descriptive statistics, correlation methods, structural equation modeling and path analysis. For this purpose, SPSS and LISREL software are used.

4. Findings

Since there is an organizational confidence intermediating variable in this study, Baron & Kenny (1986) model is used to test this hypothesis. The structure of this model is that the effect of brand identity on brand performance is tested. Then, the effect of independent variable on dependent variable using the intermediating variable (organizational confidence).

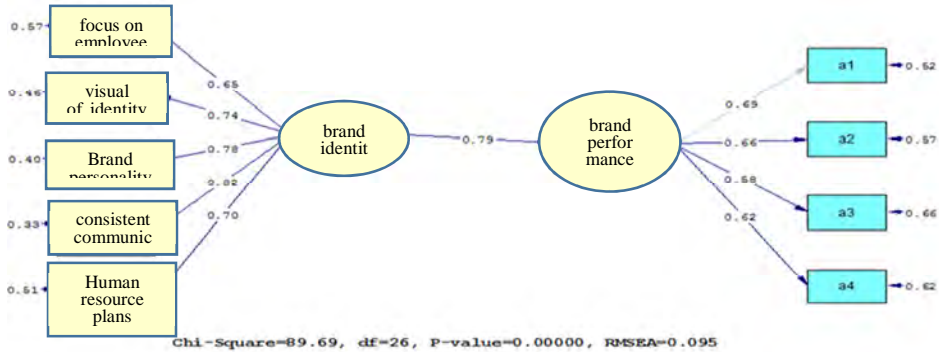


Fig 2. Conceptual model of research (standard approximation)

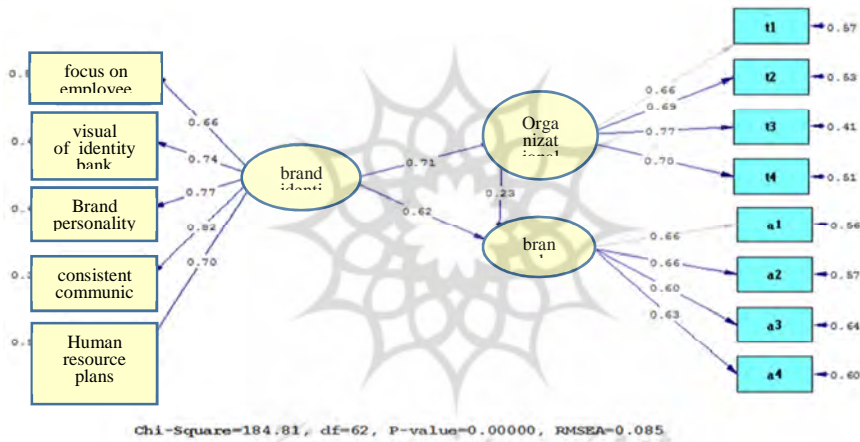


Fig. 3. Organizational confidence mediator model

Table 1. Path coefficients

model	predicator variable	Path coefficient ()	Statistics t
1	Brand identity (without organizational confidence variable)	79/0	**62/9
2	Brand identity (considering the organizational confidence variable)	62/0	*84/5

**p < 0.01 * p < 0.05

As observed in figure 2, the path coefficient between brand identity and brand performance is 0.79. In model 3, due to the role of organizational confidence intermediating variable, the value of path coefficient between

these two variables was reduced to 0.62, it can be said that the intermediating variables have a relative effect on the relationship between these two variables.

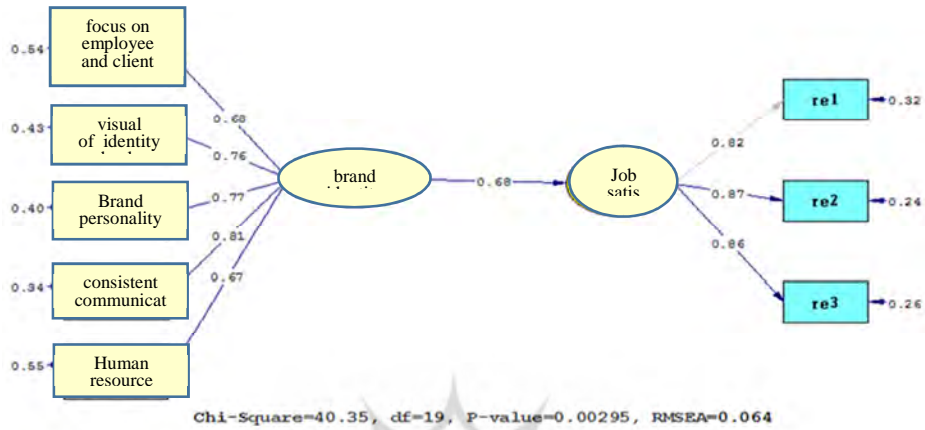


Fig 4. Conceptual model of research (standard approximation)

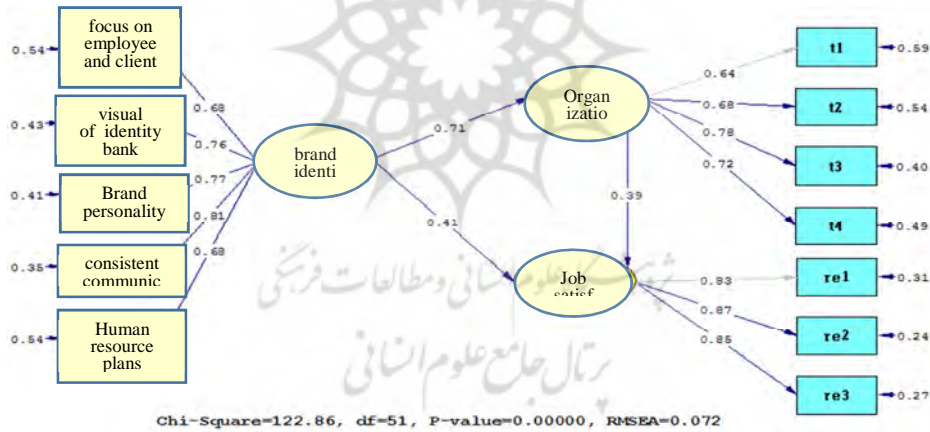


Fig. 5. Organizational confidence intermediating model

Table 2. Path coefficients

model	predicator variable	Path coefficient ()	Statistics t
1	Brand identity (without organizational confidence variable)	68.0	**29/10
2	Brand identity (considering the organizational confidence variable)	41.0	*66/4

** p < 0.01 * p < 0.05

As observed in figure 4, the path coefficient between brand identity and job satisfaction is 0.68. In model 5, due to the role of organizational confidence intermediating variable, the value of path coefficient between these two variables was reduced to 0.41, it can be said that the intermediating variables have a relative effect on the relationship between these two variables. The full equation model of the structural equation includes both the observed and non-observed variables, and the model parameters should be estimated through the link between the variables and the covariance of the observed variables and parameters of the model to specify the fitting level of collected data with the theoretical model.

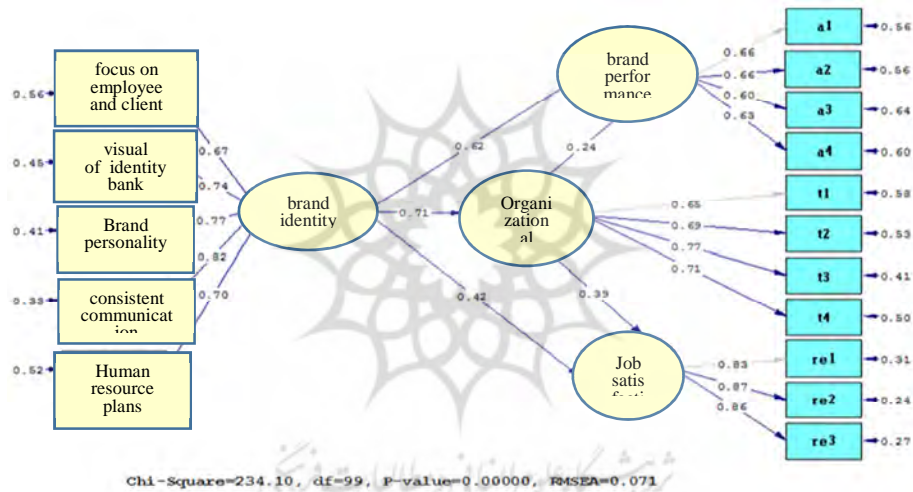


Fig. 6. Conceptual model of research (standard approximation)

In general, in working with the LASER program, any of the indices obtained for the model alone is not the reason for the fitting of model. Instead, the indices should be interpreted together. Table 7 shows the most important of these indices, the values of all indices indicate a suitable and acceptable fitting of the conceptual model of the research. Therefore, based on the fitting of the conceptual model of the research, the consistency of the conceptual model with the collected data is confirmed.

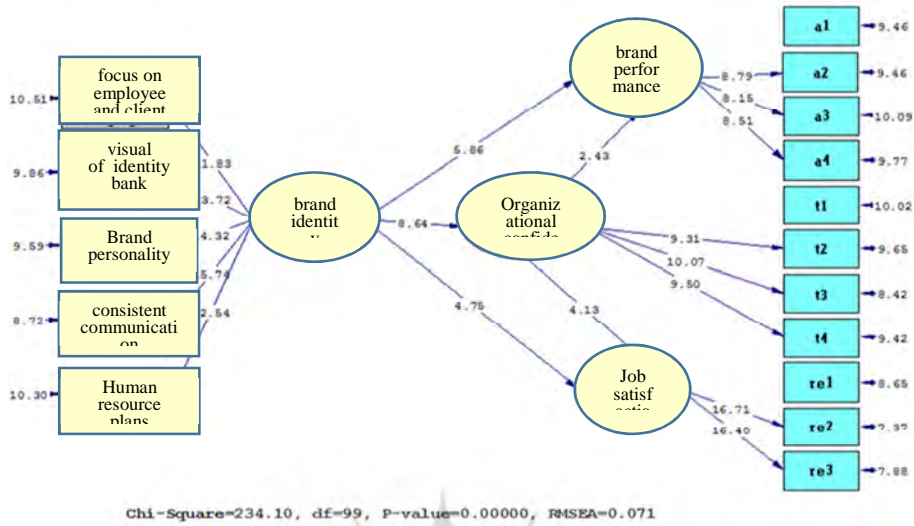


Fig. 7. Conceptual model of research (significance of coefficients)

Table 3. Fitting indices of the model

Index name	Limit level	The obtained value
X2/df	Less than 3	44/2
GFI (goodness of fit)	Greater than 0.9	90/0
RMSEA (root mean square error approximation)	Less than 0.8	071/0
(comparative fitting index - adjusted) CFI	Greater than 0.9	97/0
(adjusted goodness-of-fit index) AGFI	Greater than 0.9	97/0
(normalized fitting index) NFI	Greater than 0.9	96/0
(non-normalized fitting index) NFII	Greater than 0.9	97/0

According to the figures 6 and 7, the results of the following hypotheses are expressed:

Table 4. Path coefficients

Predicator variable	Path coefficient ()	Statistics t	The significance level	Confirmation of hypothesis
Brand Identity - Organizational confidence	71/0	**64/8	000/0	confirmed
Brand identity - brand performance	62/0	**86/5	000/0	confirmed
Brand Identity - Job Satisfaction	42/0	**75/4	000/0	confirmed
Organizational trust - Brand performance	24/0	**43/2	000/0	confirmed
Organizational Trust - Job Satisfaction	39/0	**13/4	000/0	confirmed

5. Conclusions

The present research, which was done among employees of Pasargad bank branches in Tehran, indicates a direct and indirect relationship between the brand identity and job satisfaction and brand performance with the intermediating role of organizational confidence. In general, it emerged that Pasargad Bank's ability to satisfy its employees and improve its brand performance is directly and indirectly related to brand identity and organizational confidence. Brand identity has the most impact on organizational confidence. In fact, whatever a brand is well-known, the employees of that organization will have more trust in the organization. After organizational confidence, brand identity has the most impact on brand performance.

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