

## The Intention to Repurchase Paradox

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The intention to repurchase paradox: A case of the health and fitness industry: Leigh Robinson and Alain Ferrand  
The retention of customers is fundamental to the success of sport organisations primarily because of the cost of obtaining new customers in comparison to retaining existing customers (Zeithaml, Berry, & Parasuraman, 1996). In addition, the longer a customer stays with the organisation the more profitable they become as they use more of an organisation's services (McIlroy & Barnett). This research aimed to establish the relationships between a number of variables and customers' intentions to repurchase their membership of a health and fitness organisation. It had as its underpinning assumption that there is a positive relationship between satisfaction and intention to repurchase (Murray & Howat, 2002, Zins, 2001) and also tested the relationships between satisfaction and service attributes (Alexandris, Zahariadis, Tsorbatzoudis, & Grouios, 2004; Costa, Tsitskari, Tzetzis, & Goudas, 2004); satisfaction and brand associations (Beccarini & Ferrand, 2006; Ferrand & Vecchiadini, 2002) and intention to repurchase and commitment (McIlroy & Barnett, 2000, Soderland, 2006).

The research was carried out with the customers of Cub Med Gym in Grenoble, France. Interviews with customers developed a list of service attributes and brand associations that was subsequently refined through content analysis. The identified attributes and associations were then included in a questionnaire piloted on 120 customers. Satisfaction with service attributes was expressed using a Likert scale, ranging from "fully satisfied" to "fully unsatisfied". The strength of the brand associations was expressed using a similar Likert scale. Using a Principal Component Analysis, the internal structure of each construct was analysed and the main factors and the reliability of their measurement variables were selected using Cronbachs' alpha. The final questionnaire included the attributes and associations identified in the first stage of the research, plus five other variables: Frequency of attendance, Commitment to the Gym, Overall satisfaction with the Gym and Intention to repurchase. The analysis above was repeated, adding a confirmatory factor analysis (N= 264).

The measurement construct for satisfaction with service attributes had five key dimensions: Services, Perceived value, Security, Nice to use and Comfort. The factor analysis explained 65% of the variance. Two dimensions were associated with the Club Med Gym brand: Promoted image and Additional benefits. This analysis explained 59.52% of the variance. The overall chi-square statistic for the measurement model was significant (Chi-Square = 51.30,  $p < 0.00$ ) and the other fit measures indicated good fit to the sample data (GFI = 0.97, AGFI = 0.90, CFI = 0.97, RMSEA = 0.05). The percentage of variance that was explained by the relevant set of predictors was 36% for overall satisfaction and frequency of attendance and 11% for intentions to repurchase.

Using Lisrel, structural equation modelling was employed in order to examine the relationships between intention to repurchase, global satisfaction, weekly frequentation, loyalty, expense, the five dimensions of club's service features and the two dimensions of the club's brand associations. This showed that three constructs impacted positively on customers' global satisfaction. Two were related to satisfaction with Club Med's service attributes and were the Services offered by the club (.31) and the Security of the club (.16). The third construct was the Promoted image of the club (.22). The attributes that made up the Perceived value of the club (.31) customer commitment to the club (.18) and their frequency of weekly attendance had a direct effect on intention to repurchase. Finally, global satisfaction had a slight positive impact on frequency of attendance (.11)

Commitment to the club positively influenced intention to repurchase and thus it would appear logical to attempt to increase commitment by taking note of the chain that leads to repurchasing found in this research. Attributes relating to staff were important, as were the feeling of security customers had about the gym. These factors should lead to investment in qualified staff, staff training, equipment and maintenance. This, alongside, the promotion of an appropriate image will lead customers to be satisfied with the service and visit more frequently. Increased frequency leads to intention to repurchase and repurchasing leads to commitment and future intention to repurchase.

The findings of the research however present a paradox for managers. Encouraging customers to increase their frequency of attendance will increase the number of people in the club on a regular basis. An inevitable consequence of this is a greater demand on staff time, competition for personalised programmes, competition for services and decreases in the quality of equipment, or a corresponding increase in the maintenance required. Thus, the Services and Security factors that impact on satisfaction are likely to decline. It seems reasonable to suggest that a decline in these service attributes will lead to a

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corresponding decline in perceived value - a factor that directly impacts on intentions to repurchase. Thus, these research findings are problematic for managers who need to balance the need to increase frequency of attendance with the need to deliver the service attributes that affect satisfaction and intention to repurchase at a level of high quality.

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