Chapter 13
Corporate Image as an Element of Legitimacy of Chinese Steel Companies

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Abstract The main objective of this article is to make a diagnosis about the connection between relationship marketing and corporate image through the Chinese steel companies. Corporate image has a strong effect on relationship marketing, because a good corporate image eases the achievement of confidence, influences the purchasing decision and is an essential factor in the virtual transactions when the companies catch customer's interest. Relationship marketing is also linked with corporate image because it is a good tool to create and improve corporate image. By this way, an online survey technique has been applied to 302 units: the steel sellers/dealers from different Chinese iron and steel companies. The main findings of this research paper are based on statistical analysis (univariate, bivariate and multivariate techniques). Hence, this research paper achieves understanding about corporate image and relationship marketing from the perspective that they complement each other and can make a mutual support. Therefore, by taking into account the obtained survey results, it can be provided some practical suggestions not only for the quality, performance and attraction, as a part of myriad of the concept of corporate image, but also for some important parts of the relationship marketing, like satisfaction, trust, loyalty and social networks.

13.1 Introduction

Corporate image can be identified by the quality, the performance, the responsibility and the attraction and, mainly, by the good use of online trade techniques and the good use of the relationship marketing by the supplier that can influence the quality of the corporate image. This is due to the fact that the relationship marketing includes more than two objects and easy strategies. It is understood mainly as an opportunity for companies. Our research suggests that the fact of using well the relationship marketing can help clients to remember their corporate image; by this

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way, they can reduce the hazards and improve the opportunities with current and future clients, while they compete with other companies of the field.

It is essential for companies to have a positive corporate image, especially under the economic crisis. The pressure and the products devaluation have encouraged the iron and steel Chinese companies to make decisions and to use intelligent and urgent strategies with regard to virtual trade, and the steel industry is not an exception. However, there are iron and steel Chinese companies which are not conscious that different uses of the relationship marketing have a connection with corporate image. We propose practical ways to look after corporate image and use better the relationship marketing in order to have a relationship with the consumers. This is related to the client's attraction and the maintenance because we are in a society that is very developed in many aspects and mainly on virtual ones.

As the steel is very used and has a lot of competence in the market, the challenge means that the relationship marketing in that industry helps to improve and develop corporate image. We would like to say that the good use of the combination of a good corporate image and relationship marketing allows that many companies negotiate if they wish. The main objective of that article is to make a diagnosis of the connection between relationship marketing and the corporate image through iron and steel Chinese companies.

In the research, we try to answer the following questions: How does the corporate image influence the relationship marketing in the case of the iron and steel Chinese industry? Have the iron and steel companies in their management the prominence of trade techniques of relationship marketing as a support to improve the corporate image? By this way, it is foreseen to do a survey to 302 steel sellers of different iron and steel Chinese companies in the context of the online sale of steel, for the purpose of achieving the desired aim and obtaining conclusions based on the analysed topic.

The reason of this study is based on the exploitation of a good use of the relationship marketing. It is important to have a positive corporate long-term image: the clients prefer to purchase to suppliers who have a good corporate image because it gives security and trust. For this reason, the scope of our research ends with the following picture (Fig. 13.1).

After having seen the mentioned considerations, it is possible to formulate the hypothesis in order to be verified (please see Table 13.1).

Academic Reasons

In the business field, there are many researches undertaken that pretend to explain the trade techniques of relationship marketing and corporate image separately and individually. However, few authors have dealt with the importance of the combination of corporate image and its connection with the relationship marketing of the steel industry of China and give a new fresh air for communication and marketing professionals.
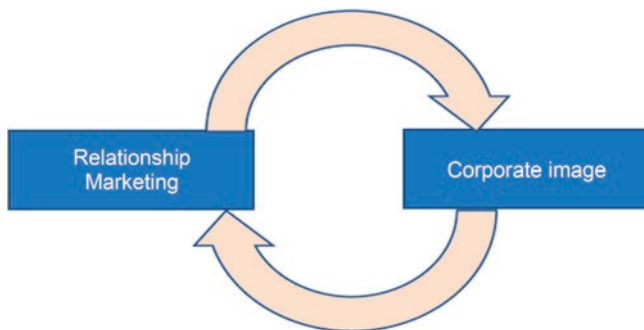
Fig. 13.1 Scope of this research. (Source: Own elaboration (2016))

Table 13.1 Hypothesis

H1	The corporate image influences the relationship marketing
H2	The relationship marketing has influence on the corporate image

Source: Own elaboration (2016)

13.2 Conceptual Framework

Corporate Image

Our professional experience has taught us that an important number of service companies based on the trust and security (finances, insurances, medicine, health services, etc.) are very motivated to attract new clients and their loyalty. It is their corporate image.

There are some short-term strategies that require their communicative tactics according to their own aims. In addition, there are also global and long-term objectives. If the first ones come from the department management, the second arises from an institutional view. Moreover, the new and important thing in this globalised era is that we understand the existence of this "complementary difference", this "ambivalent synergy", where the individual, punctual and short-term and middle-term objectives come from a company department structure, it will join in a more coherent, synergic actions, both oriented to middle and long terms and that they arise from the highest integrated by the image vector, support both objectives and at the same time, they generate positive synergies that are beyond of achieving such objectives (Costa, 2001:68).

The corporate image is very important to achieve a most permanent place in the consumers' mind and to create most permanent relationships, and it is made up of certain tangible elements and other intangible ones (Carballo, 2001). The corporate

image is made up of daily life company processes. For this reason, it is essential that each action is taken and should be assessed because it is related to the corporate image (Villafañe, 1999: 31).

The Relationship Marketing

The relationship marketing is usually defined by Alet when he states that "it is the social and managerial process for establishing and cultivating relationship with the clients, where benefits for each party are created, such as, the sellers, product advisors, suppliers and each of the main interlocutors in charge of maintaining and taking advantage of the relationship" (Mentioned in De Salas, 2002:80). The relationship marketing decreases the costs and the time of the transactions, and in some cases, it allows to change the negotiated transaction to the simple routine (Kotler et al., 2000). The relationship marketing is a combination between direct marketing and the important relationships between the client and the management through the network (Guzmán, 2013). The relationship marketing is near to the scope of the markets through the networks; it is generic, and it becomes in a network (Mentioned in Guzmán, 2013:55).

The user's trust grows when the system is useful for the user, and there is no important increase in the loyalty of the website. As they state, the consumers' security when they buy online is one of the most important obstacles for developing the transactions in the Internet. In that aspect, the clients' positive experience in the network strengthens the relationships. Trust is an essential element for managing the transactions with the clients of Internet (Guzmán, 2013). In the electronic trade, the security and the reliability refer to the positive trust of the consistence and the guarantee of the trade partner's word and his/her behaviours (Mentioned in Guzmán, 2013:66).

The Relationship Between the Corporate Image and Relationship Marketing

The image has exceptional conditions that cross all the company's long-term dynamics because the corporate image is the only one that provides a true value to all the activities that the company does, executes and communicates. In addition, it is the only one that differentiates a company globally from the others (not only in the services but also in the products). The people do not buy for themselves, or for the trademark, but they buy for the image. This image provides a meaning and values (Costa, 2001:66).

Our professional experience has taught us that an important number of service companies based on the trust and security (finances, insurances, medicines, health services, etc.) have a powerful motivation for acquiring new clients and the loyalty. It is the corporate image (Costa, 2001: 68–77). The consumers' trust allows the online supplier who uses the virtual image to reduce the purchase risk threshold. Moreover, there are more interactions and transactions to generate and maintain relationships (Mentioned in Guzmán, 2013:66).

The marketing objective is to explore the construction of links with the main interested parties of the quality of the relationship: agreement, satisfaction and trust (Mentioned in Guzmán, 2013:55). The opportunities of new transactions depend mainly on the quality of the relationship, both the trust and the satisfaction (Guzmán, 2013).

With regard to the considerations, it seems to deduce that the relationship marketing determines the quality of the corporate image and the corporate image has influenced on the client's trust towards the transaction. For this reason, the corporate image and the relationship are influenced between themselves.

13.3 Sample and Methodology

Techniques used for this research is the "online" survey. For our research work, we use the online survey with sale assistants of iron and steel Chinese companies because the way of the surveys has changed forever due to the Internet (McDaniel & Gates Reoger, 2005:162). The main sales belong to online surveys against other techniques, and these are the following (McDaniel & Gates, 2005:162):

– Quick deployment, report in real time
– Very reduced costs
– Easy personification
– High indexes of answers
– Ability to be in contract with people who have difficulties to communicate
– Simplified and improved management of the panel
– Attractive performance for research companies

Particularly, it is used a survey for this research process, and it is carried out with 302 steel sellers of different steel and iron Chinese companies in the trade context of online steel sale, for the purpose of achieving the mentioned aim and obtaining conclusions related to the analysed topic. The questionnaire used for this survey was filtered by a pilot test. The questionnaire is a combination of questions (please see Table 13.2) to obtain information about the survey respondents, and the main objective is to translate researchers' information needs in a combination of specific questions that the survey respondents want and are capable to answer.

For carrying out the research questionnaire, several pilot tests were carried out previously. Now, we will show the results of trust of the pilot test (please see Tables 13.3 and 13.4).

Table 13.2 Questionnaire design used for this research

Block 1	Sociodemographic profile of the survey respondents
Block 2	The corporate image
Block 3	The relationship marketing
Block 4	The relationship between the corporate image and the relationship marketing

Source: Own elaboration (2016)

Table 13.3 Summary of the pilot test processing

	N	%
Valid cases	12	80.0
[a]Excluded cases	3	20.0
Total	15	100.0

Source: Own elaboration
[a]Elimination by a list based on all the variables of the procedure

Table 13.4 Reliability of the pilot test statistics

Cronbach's alpha	Number of elements
0.851	57

Source: Own elaboration

With the results of the pilot test with Cronbach's alpha of 0.851 (the reliability of the questionnaire is very appropriate), they verify that the codes for recording the information are correct, and we modify some words of the questions in easy words for removing ambiguities. Moreover, we reduced the repeated and unnecessary questions. Our questionnaire is made up of structured dichotomous and scale questions. Most of the structured questions that we have chosen for our research are similar to those of the Likert's scale.

Technical Datasheet

After that, all the measures taken related to the methodology for this research will be summarised in the following table (please see Table 13.5):

13.4   Results

In the following lines, we cover the main results of the research related to univariate, bivariate and multivariate analysis.

Table 13.5 Technical datasheet of online survey

Population	According to the census of Chinese iron and steel companies from the biggest digital platform of reading "www.docin.com", which was published by the iron and steel Chinese association, there are 3582 iron and steel Chinese companies
Sample	302 iron and steel Chinese companies (for each company, we choose a sale assistant or a person linked to the marketing and communication department of these companies)
Unit of the sample	302 sale assistants or people linked to the communication of iron and steel Chinese companies
Dimensions	The steel industry in China; the corporate image and the relationship marketing
Technique for recording the information	Online survey
Sampling method	Probabilistic method: simple random sampling
Sampling error	5.4%
Level of reliability	95% p=q = 0.5
Average time to fulfil the questionnaire	9 minutes
Period of sample recording	15th November 2015–21st December 2015
Rate of no answers	0% (all the questions have to be answered to validate the online questionnaire)
Negativity rate	1.7% (62 companies)
Programme to analyse the computer information	IBM/ SPSS V.20

Source: Own elaboration

Univariate Analysis

As it is seen in Table 13.6, the valid surveys have been 302 of a total of 302. The average of this variable is 4.39, and this percentage indicates that most of the survey respondents "agree" or "strongly agree" and that a good corporate image gives security, significance and values to the client in the transactions. In this case, the variance has been 0.625 and it expresses the heterogeneity of the variable.

In Table 13.6, it is seen that the more important result is that the 55.3% (167 of 302 units) of the survey respondents state that they strongly agree, that is, that a good corporate image provides security, significance and values to the client in the transaction. The rest of the results of this variable are the following: 31.8% (96 of 302 units) of the survey respondents agree; 10.3% (31 of 302 units) of the survey respondents are undecided; 2.3% (7 of the 302 units) of the survey respondents disagree; and, lastly, 0.3% (1 of 302 units) of the survey respondents strongly disagree relatively.

As it is seen in Table 13.7, the valid surveys have been 302 of a total of 302. For this variable, the average is 4.32, and this percentage indicates that most of the survey respondents "agree" or "strongly agree". In addition, the communicative

Table 13.6 Does a good image give security, significance and values to the client in the transaction?

N	Valid	302			
	Lost	0			
Measure		4.39			
Variance		0.625			
		Frequency	Percentage	Valid percentage	Cumulative percentage
Valid	Strongly disagree	1	0.3	0.3	0.3
	Disagree	7	2.3	2.3	2.6
	Undecided	31	10.3	10.3	12.9
	Agree	96	31.8	31.8	44.7
	Strongly agree	167	55.3	55.3	100.0
	Total	302	100.0	100.0	

Source: Own elaboration

Table 13.7 The relationship marketing reduces the costs and the time of the transactions

N	Valid	302			
	Lost	0			
Average		3.95			
Variance		0.822			
		Frequency	Percentage	Valid percentage	Cumulative percentage
Valid	Strongly disagree	4	1.3	1.3	1.3
	Disagree	11	3.6	3.6	5.0
	Undecided	74	24.5	24.5	29.5
	Agree	119	39.4	39.4	68.9
	Strongly disagree	94	31.1	31.1	100.0
	Total	302	100.0	100.0	

Source: Own elaboration

actions of marketing influence the corporate image of the company. In this case, the variance has been 0.585 and it expresses the variable heterogeneity.

As it is seen in Table 13.7, the valid surveys have been 302 of a total of 302. The average of this variable is 3.95, and this percentage points out that most of the survey respondents are "undecided" or "agree". Moreover, the relationship marketing reduces the costs and the time of the transactions. In this case, the variance has been 0.822 and it expresses the variable heterogeneity.

In Table 13.7, it is seen the most meaningful results: 39.4% (119 of 302 units) of the survey respondents agree that the relationship marketing reduces the costs and the time of the transactions. The rest of the results of this variable are the following: 31.1% (94 of 302 units) of the survey respondents strongly agree; 24.5% (74 of the 302 units) of the survey respondents are undecided; 3.6% (11 of 302 units) of the survey respondents disagree; and, lastly, 1.3% (4 of 302 units) of the survey respondents strongly disagree.

Table 13.8 Summary of the analysis of the Pearson's correlation

		A good corporate image provides security, meaning and values to the client in the transaction	The communicative marketing actions influence on the corporate image of the company	The trust is an essential factor for virtual transactions	The corporate image influences on the client's purchasing decision
A good corporate image provides security, meaning and values to the clients in the transaction	Pearson's correlation	1	0.496[a]	0.463[a]	0.465[a]
	Sig. (bilateral)		0.000	0.000	0.000
	N	302	302	302	302
The communicative marketing actions influence on the corporate image of the company	Pearson's correlation	0.496[a]	1	0.516[a]	0.575[a]
	Sig. (bilateral)	0.000		0.000	0.000
	N	302	302	302	302
The trust is an essential factor for virtual transactions	Pearson's correlation	0.463[a]	0.516[a]	1	0.473[a]
	Sig. (bilateral)	0.000	0.000		0.000
	N	302	302	302	302
The corporate image influences on the client's purchasing decision	Pearson's correlation	0.465[a]	0.575[a]	0.473[a]	1
	Sig. (bilateral)	0.000	0.000	0.000	
	N	302	302	302	302

[a]The correlation is meaningful to a level 0.01 (bilateral). Source: Own elaboration

Bivariate Analysis

It can be proved (please see Table 13.8) that the variable "A good corporate image provides security, meaning and values for the clients in the transaction" has a positive correlation with the variable (1) "The communicative actions of the relationship marketing influences on the corporate image of the company", with a Pearson's coefficient of 0.496 (**), (2) "The trust is an essential factor in virtual transactions" that got a Pearson's coefficient of 0.463 (**) and (3) "The corporate image influences on the client's purchasing decision" that got a Pearson's coefficient of 0.465 (**). In Table 13.8, it is shown that the variable "The communicative actions of the relationship marketing influence on the corporate image of the company" has a positive correlation with the variable (1) "The trust is an essential value for virtual transactions" where it got a Pearson's coefficient of 0.516 (**), and (2) "The corporate image

influences on the client's purchasing decision" where it got a Pearson's coefficient of 0.575 (**).

As it can be seen in Table 13.8, the variable "The trust is an essential factor for virtual transactions" has a positive correlation with the variable (1) "A good corporate image provides security, meaning and values to the client in the transaction". It got a Pearson's coefficient of 0.463 (**). The variable (2) "The communicative marketing actions influence on the corporate image of the company" got a Pearson's coefficient of 0.516 (**). The variable (3) "The corporate image influences on the client's purchasing decision" got a Pearson's coefficient of 0.473 (**). In Table 13.8, it can also be observed that the variable "The corporate image influences on the client's purchasing decision" has a positive correlation with the variable (1) "A good corporate image provides security, meaning and values to the client in the transaction". It got a Pearson's coefficient of 0.465 (**). The variable (2) "The communicative actions of the relationship marketing influence on the corporate image of the company" got a Pearson's coefficient of 0.575 (**). The variable (3) "The trust is an essential factor for virtual transactions" got a Pearson's coefficient of 0.473 (**).

Multivariate Analysis

Based on Table 13.9, it is foreseen that the dependent variable "The corporate image influences on the client's trust" will be influenced by (1) The trust is an essential factor for virtual transactions; (2) A good corporate image gives security, meaning and values to the client in the transaction; (3) The corporate image influences on the client's purchasing decision (with a statistical meaning lower than 0. 05).

13.5   Discussion and Conclusion

The corporate image and the relationship marketing influence themselves because a corporate image provides security, meaning and values to the clients in virtual transaction. In addition, a good corporate image eases the trust achievement and it influences on the purchasing decision. Moreover, it is essential in the virtual transactions in order to catch the client's interest. The construction of satisfactory relationships is the aim of the relationship marketing, and all of these aspects can reduce the costs and the time of transactions.

The relationship marketing is linked with the corporate image. The communicative marketing actions influence on the corporate image, but the trust is an essential factor in virtual transactions. By this way, the basis for selling in online transaction is to keep clients satisfied and maintain durable relationships with them.

The main results of the research project show that using relationship marketing in a correct way can help diverse companies to create and improve corporate image before the clients' eyes. In this sense, the use of relational marketing can reduce

Table 13.9 The forecast of the dependent variable "The corporate image influences on the client's trust"

Summary of the model[a]

Model	R	Squared R	Corrected square R	Standard error of the estimation
1	.552[b]	0.305	0.298	0.682

[a]Dependent variable: The corporate image influences on the client's trust

[b]Predictor variable: (Constant), The trust is an essential factor in virtual transactions. A good image provides security, meaning and values to the client in the transaction. The corporate image influences on the client's purchasing decision

ANOVA[a]

Model		Sum of squares	Gl	Quadratic average	F	Sig.
1	Regression	60.794	3	20.265	43.534	.000[b]
	Residual	138.716	298	0.465		
	Total	199.510	301			

[a]Dependent variable: The corporate image influences on the client's trust

[b]Predictor variable (Constant): The trust is an important factor in virtual transactions. A good corporate image provides security, meaning and values to the clients in the transaction. The corporate image influences on the client's purchasing decision

Coefficient[a]

Model		Non standardised coefficient		Typified coefficient	t	Sig.
		B	Standard error	Beta		
1	(Constant)	1.287	0.267		4.817	0.000
	The corporate image influences on the client's purchasing decision	0.226	0.059	0.222	3.847	0.000
	A good corporate image provides security, meaning and values to the clients in the transaction	0.194	0.059	0.188	3.280	0.001
	The trust is an essential factor for virtual transactions	0.266	0.056	0.275	4.758	0.000

[a]Dependent variable: The corporate image influences on the client's trust

Statistics about the remainders[a]

	Minimum	Maximum	Average	Standard deviation	N
Predicted value	1.97	4.72	4.28	0.449	302
Residual	−2.071	1.461	0.000	0.679	302
Typified predicted value	−5.143	0.962	0.000	1.000	302
Typified remainder	−3.036	2.141	0.000	0.995	302

[a]Dependent variable: The corporate image influences on the client's trust

Table 13.9 (continued)
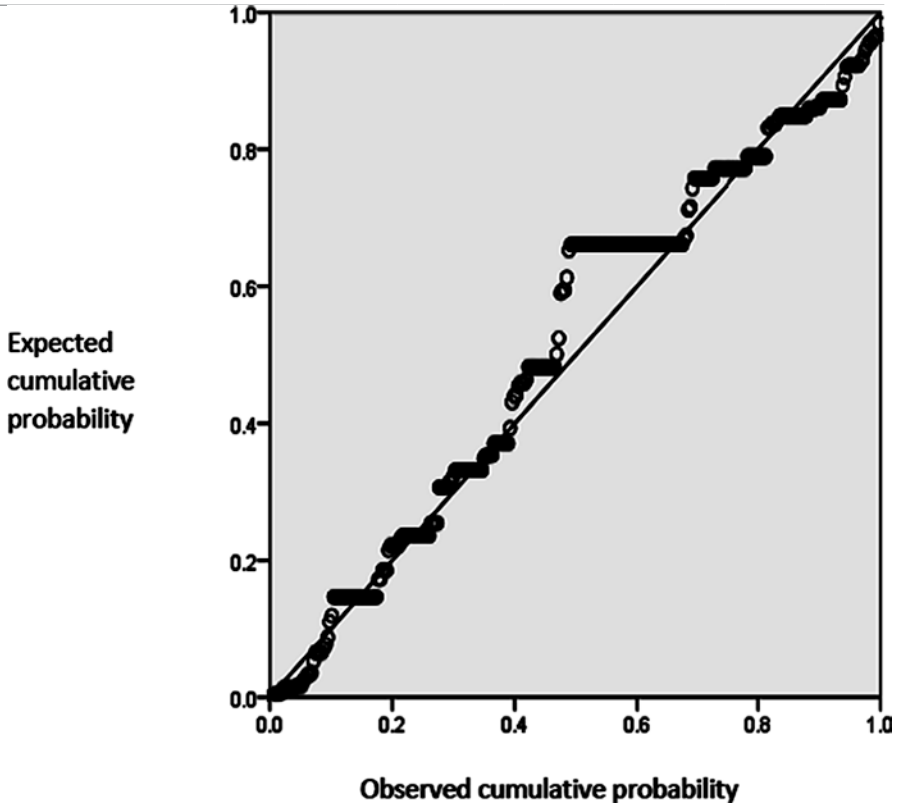
Graphics P-P standard regression. Typified remainder
Dependent variable: The corporate image influences on the client's trust.
[On the left side: Expected cumulative probability]
Observed cumulative probability

Source: Own elaboration

potential threats and maximise opportunities with existing and future customers, while it is possible to compete with other companies in the industry. In addition, the corporate image can also be identified by quality, performance, responsibility and attraction and above all by the good use of relationship marketing by the supplier's side.

13.6   Hypothesis Acknowledgement

In the following table, the hypothesis validation from the analysis of three techniques in research samples is explained (Table 13.10).

Table 13.10 Acknowledgement of the hypothesis of this research

	Hypotheses	Contrasts (accepted or rejected)
H1	The corporate image influences the relationship marketing	It is detected that the relationship marketing is influenced by the corporate image. It is proved by the univariant analysis (please see Tables 13.6 and 13.7), bivariant analysis (please see Table 13.8) and the multivariant analysis (please see Table 13.9). For this reason, the proposed hypothesis is accepted
H2	The relationship marketing has influenced the corporate image	This hypothesis is agreed. Proofs of this hypothesis can be the following: the univariate analysis (please see Tables 13.6 and 13.7), bivariate analysis (please see Table 13.8) and multivariate analysis (please see Table 13.9). By this way, it is proved that the proposed hypothesis is agreed

Source: Own elaboration (2016)

13.7 Contributions

This research provides a description of the features of the production of the steel Chinese industry and the good performance of the relationship marketing. They are important tools to show the corporate images and they favour the company transactions. By this way, the creation of a good corporate image can improve the company's productivity. The results of the research can be the starting point for future research lines, such as studies focused on the relationship between the corporate image and the relationship marketing.

13.8 Research Limitations/Implications

Certainly, this research project has some limitations that should be mentioned for the final findings interpretations. First of all, this investigation is only focused (obtained primary data) on steel manufacturers of China, and it is neither focused on its final users nor other country's steel manufacturer included in this study. Secondly, the representativeness of sampling units is limited (only 302 companies have participated in a survey technique). Therefore, the future investigations could be developed by enlarging the amount of sampling units from other countries and the analysis of steel customers.

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