Investigation of the influence of perceived risk dimensions on purchase intention with mediating role of trust in Iranian product

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ABSTRACT

Today, perceived risk is an inevitable factor in global trade and it can be considered as the cause of reverse conclusions of a process or project. Perceived financial risk is resulted from absence of reliability or possibility of losing financial resources. Perceived risk cannot be completely eliminated but it can be predicted, reduced or managed properly. Perceived financial risk can influence on resources, products, services, and customers. This research aims to investigate the influence of perceived risk constructs including financial risk, time risk, performance risk, physical risk on Iranian product purchase intension with mediating role of trust. In terms of target, it is an applied research and in terms of data analysis, it is a quantitative research with descriptive-survey approach. The statistical population of the research included all customers of Iranian clothing and home appliances in Tabriz City, Iran. 377 people were selected as sample members by means of G-power software. A questionnaire was used for to collect data. Structural equations modeling technique in Smart PLS software was used to analyze data. The results show that financial risk and performance risk do not influence on trust but time risk and physical risk have positive impacts on trust. Further, three constructs financial risk, time risk and physical risk do not have any influence on purchase intension and performance risk has a positive impact on purchase intension. Therefore, the constructs of perceived risk do not have generally any influence on trust and they have negative impacts on Iranian product purchase power. Moreover, trust has a positive influence on purchase intension. Contrary to the results of similar studies, the mediating role of trust was not confirmed.

Keywords:

Perceived Risk, Financial Risk, Time Risk, Trust, Purchase Intention.

1. Introduction

Nowadays, risk is an inevitable element in global trade and it can be regarded as the cause of reverse conclusions of a process or project. Perceived risk is resulted from absence of reliability and is present always during the lifetime of an organization and it cannot be eliminated completely but it can be reduced or controlled. Perceived risk can be measured and clarified indefinitely. Risk influences on many commercial factors like resources, products, services, customers and other affiliated organizations. Further, it influences on the society and commercial environments. Many researchers believe that trust plays role only when it clarifies risk. However, risk alone, is a concept which is used in economic and sociological discussions. The main uncertainties in electronic transactions process are risks related to information security, privacy, and quality of products and services presented on web and not being seen. Perceived risk contains uncertainty state and the undesirable results of consumer decision-making (Tom, 2011).

Perceived risk is the possibility of hurting or losing a value and is considered as a customer's understanding of the negative results and outcomes of a problem and its possibility of happening (Resinger and Movando, 2005). Perceived risk is a combination of negative and unclear results and evaluation of perceived risk influences on customer purchase decision-making (Dekerwiller, 2016). The dimensions of perceived risk include performance risk, physical risk, financial risk, social risk, time risk, and psychological risk. they considerably influence on consumer behavior because they are basically comprised of mental expectations on a possible loss (Dekerwiller, 2016). Considering the perceived risk theory, purchasers tend more to reduce their possible risks than maximize their expected profit. Considering the fact that final purchase intension of a consumer is accompanied by reduction of perceived risk, it is clear that there is a negative relationship between perceived risk and purchase intension (Yang, 2015).

Trust has been investigated as a key construct in marketing and is a leading element in commercial relations and specifies the level of trust of each side in promises of the other side (Rousta et al, 2018). Trust has been defined as an important factor in influencing on a customer and developing relationship with supplier of products or services in marketing literature (San, Liu, and peng, 2014). Trust can be defined as certain beliefs of a consumer on a seller's promises. Trust in a purchased brand may be regarded as its influence power which may lead to repeated purchase of the customer (Shahin et al, 2011). Banon (2005) defined trust as: one side's belief on the fact that his/her requirements will be satisfied by the other side in future. He believes that trust will be there when one side believes in the reliability and honesty of the other side of the transaction.

Customers face always with some level of risk in their purchases. In this case of uncertainty, trust-building is a solution to reduce perceived risk by customers. Trust-building is a necessary strategy for confrontation with unclear and uncontrollable future. Perceived risk will have a negative influence on purchase intension. A visitor of a store feels risks towards purchasing from the store because he/she is not confident and aware of the purchase result. The more this perceived risk, the less is the purchase possibility. As the perceived risk about product purchase is reduced, trust in the product and its purchase will be increased.

Considering the above discussion, it seems necessary to study perceived risk theory in relation to purchase decision of Iranian product. Therefore, the questions of the research can be propounded as: how perceived risk dimensions (financial risk, time risk, performance risk, physical risk) influence on trust and intension for purchasing Iranian product based on perceived risk model? What is the influence of trust, as a mediating construct, on Iranian product purchase intension? According to the questions, ten hypotheses are proposed to answer the questions of the research.

H1: Financial risk has effect on Trust.

H2: Time risk has effect on Trust.

H3: Performance risk has effect on Trust.

H4: Physical risk has effect on Trust.

H5: Financial risk has effect on Purchase Intention.

H6: Time risk has effect on Purchase Intention.

H7: Performance risk has effect on Purchase Intention.

H8: Physical risk has effect on Purchase Intention.

H9: Trust has effect on Purchase Intention.

H10: Perceived risk with the mediating role of trust affects the Purchase Intention.

2. Literature Review

2.1. Perceived risk

Perceived risk of consumer theory was introduced by Boer in 1960, where consumers' choices were classified as risky or risk-avoiding behavior. in this regard, Fredrich and Frella conducted a research to evaluate the influence of perceived risks and moral philosophy on moral decision-making. Contrary to other theories which mainly stress on the positive factors of customers' purchase intension, perceived risk theory also considers negative factors (risks) which are effective in prevention from purchase. Perceived risk of a customer has been regarded as an important and effective factor in customers' behavior (Pavlo, 2003). Researchers have identified perceived risk as a combination of several dimensions which include: performance risk, financial risk, social risk, time risk, physical risk, psychological risk, security risk, privacy and physical risk (Lim, 2003).

A consumer's uncertainty level depends on the fact that whether his/her purchase is valuable or not. When an expensive purchase is made, the perceive risk is higher. Usually, the perceived risk is reduced when a customer collects information on a special product. This research deals with perceived risk about Iranian products. Risk factors play vital role in moral decision-making of a consumer. Perceived risk involves evaluation and assurance of negative consequences of a consumer's behavior. Considering the perceived risk theory, purchasers tend more to reduce their possible risks than maximize their expected profit. For example, Liao and Hesie (2013) found that perceived risk influences on purchasers' intension for purchasing smart cellphones.
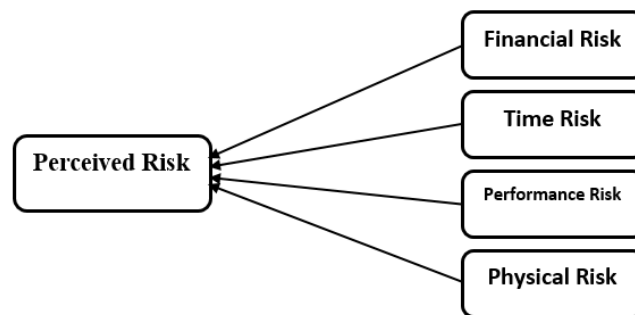

Figure 1: Theoretical model of perceived risk (Boer, 1960)

2.1.1. Perceived Risk Dimensions

Perceived risk, which refers to the level of risk of a situation or its outcomes, has several dimensions in relation to purchasing a product. These include: financial risk, time risk, performance risk, and physical risk (Jao et al, 2010). Any kind of decision and intension to buy a product is highly affected by perceived risk. Purchasers face different risks in the process of purchase decision-making which are discussed below.

Financial Risk

Financial risk is accompanied by the possibility of losing money. It happens when a purchaser's financial situation is endangered by purchase, like fraud in credit cards. This risk refers to customers' worries about financial loss potential and is accompanied by the question "whether the purchased product or service was worth the money?" or the risk of not being worth the price.

Time Risk

The risk of wasting the time and opportunity of looking for a product if the product does not work as expected is referred to as time risk. In this case, the consumer will look for another product. Whether the jamming or bad working of the product increases the opportunity cost of the consumer?

Performance Risk

Performance risk shows that a product cannot work properly as expected and therefore cannot fulfill the promises. Performance risks of a product purchase intension may be also in the form of mismatch of the purchased product with customer needs. Performance risk is high when the purchased product does not have an acceptable performance. Whether the purchased

product will work as expected by the purchaser? (Kotler and Coller, 2014).

Physical Risk

This risk involves purchased product harm to the purchaser or other people. For instance, whether cellphone harms body by harmful waves or is safe? Absence of perceived safety of a product is one of the main barriers ahead of buying an Iranian product. Physical risk and perceived security can be defined as a consumer's thinking about observation, manipulation or storage of their personal information by other people during transactions. Whether purchase or use of a product is harmful to a consumer's health?

2.2. Trust

Trust can be defined as certainty about reliability of a person or system considering a series of outcomes and particular events. Trust is basically related to risk and refers to possible outcomes, either in relation to individual or system performance. For the case of human factors, trust has psychological outcomes because the trust may be hurt morally. Trust can be related to symbolic or specialized signs. Trust is strengthened by acceptable performance of systems and not their real performance. Trust is related to absence of time and place and we do not need to trust in a person whose activities are not seen. Thus, trust is a means to accommodate to others' freedoms but the main precondition for trust is not absence of power but lack of complete information (Gedinz, 2019).

In general, psychologists describe trust as a main part of individual development. Today, specialists of commerce management describe trust processes as an inclusive organizational strategy, participation and behavior in commercial environments (Atkinson, 2013). Trust is the main key in inter-personal relations in different fields. Trust is knowledge or belief and the trusted person or system has a motivation for doing a committed action (Levi, 2012). Roter defined trust as general expectations to rely on others' speech, promises, oral or written promises. Charlton believes that leaders trust in employees to do what they are expected. Leaders need to have the same speech and performance. Management based on trust is a technique which is used by all individuals in their relationships, but it has not been considered as a behavioral technique which can be taught and used in different places (Ahmadi, 2014).

2.3. Purchase Intention

Purchase intension is a kind of behavior based on cognition and many researchers believe that re-purchase intension is a behavioral index of customer loyalty. A consumer's purchase intension reflects predictable behavior of individuals in future purchase decisions (for instance, which product or brand will be purchased in the next time). It shows a consumer's attitudes and helps form future purchase attitude. Intension for buying a particular product is dependent on the attitude towards the product.

According to Reasoned Action Theory of Fishbein & Ajzen, purchase intension is considered as an intermediary variable between individuals' attitude towards the quality of a product and real behavior. Graber (1971) also believes that intension purchase is a link between consumers' response to a product quality and using that product. Timing is important in purchase intension. Purchase intension refers to the possibility of a consumer to purchase a particular product.

Purchase intension is also affected by unpredicted factors. It forms based on factors like family's expected income, expected price and expected benefits of a product. Unpredicted situational factors may change a consumer's decision when he/she wants to do a purchase. Thus, preferences and even purchase intension does not always lead to real purchase. The factors may guide purchase behavior but may not have any result. A consumer's decision to change, postpone, or even prevent a purchase decision is highly affected by mental risk. Many purchases involve accepting a level of risk. Consumers are ignorant of the consequences of their purchase and this causes worry. The level of mental risk depends on cost, uncertainty of the purchase and consumer's self-confidence. A consumer may avoid purchase decision, collect more data, and intend to purchase a national brand or buy products with enough guarantees to reduce risk level.

2.4. Research background

Ziba Baharvand Irannia (2016) conducted a research titled: "the influence of perceived risk and UTAUT model constructs on purchase behavior with mediating role of internet purchase intention and perceived trust and moderating role of gender" to evaluate the influence of perceived risk on internet purchase intention in Digikala company. The results

showed that regardless of the product type, gender moderates relationship between hope for attempt and purchase intension and relationship between social impact and purchase intension. In other words, hope for attempt and social impact has more influence on purchase intension increase in women than men.

Ardakani et al (2017) also conducted a research titled: "the influence of store image on customers' purchase with moderating role of trust and perceived risk" in Yazd City, Iran. their statistical population included all customers of Refah Chain Store in Yazd. Their results revealed that trust has more influence on purchase intension than perceived risk. further, product type had more influence on trust, perceived risk of customers and their purchase intension than other items.

Sentil et al (2012) conducted a research titled: "investigation of relationship between brand special value and purchase intension". They tried to investigate the relationship among different baby soap brands. They picked randomly 200 households from among 7830 households in Sri Lanka and surveyed them by closed-item questionnaires. They analyzed

data by correlation coefficient of the variables. the results revealed a very strong relationship between dimensions of brand special value (awareness of brand, loyalty to brand, brand remembering, perceived quality of brand) and product purchase intension. Perceived quality of brand received the highest point and brand remembering received the lowest point.

Ivo Hong and Houn Cha (2013) conducted a research titled: "mediating role of consumer trust of an online trader in prediction of purchase intension". Trust is widely known as a reducing agent of perceived risk in online transactions in the literature. There are many theoretical reasons for perceived risk as being a barrier ahead of consumer's trust. They found that trust is an important predictor of purchase intension. They also found that performance risk, psychological risk, financial risk and online payment risk had negative impacts on purchase intension. An investigation of the mediating agent revealed that trust has a great impact on performance risk. thus, attempts for reducing different perceived risks increases consumers' trust and finally increases purchase intension and tendency to pay online.
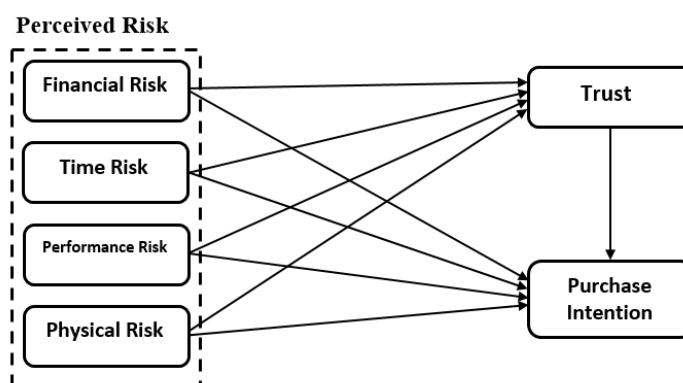

Figure 2: Research conceptual model

3. Methodology

In terms of thought system, this is a positivist research with quantitative approach and descriptive-survey strategy. Moreover, it is a quantitative research tactically. Individuals and customers are surveyed and analyzed in this research. In a quantitative approach, a researcher makes use of different techniques to observe and gather data on a particular subject and after analysis; he/she confirms or rejects scientific hypotheses and presents a model. the statistical

population of the research included all Iranian clothing and home appliances customers in Tabriz City, Iran. 386 respondents were picked as sample members by G-power software. A calculation of sample size in this software is done by statistical tests and equations and values like test power, impact size, scales grading, absence of relationship between sample and population size, different errors, generalizability, and exactness of results, which is a modern scientific method in studies based on structural equations modeling tests.

Questionnaire was used as data gathering instrument and return rate was 94% (377 questionnaires were returned). Five-point Likert scale was used for questions. Structural equations modeling technique (SEM) was used to analyze data and test hypotheses. Smart PLS software was used for screening data by pre-process tests in two external and internal models and for investigation of reliability and validity (convergent and divergent validity) and investigation of the quality of external model. Cronbach's alpha coefficient was used to test reliability and factor analysis coefficient was used to test validity.

Cronbach's alpha coefficient is a method for testing model reliability. According to table 1, it can be seen that research constructs coefficients are greater than 0.7, as approved by Tenhause (2005). This is true for reliability coefficient rh_a or Spearman correlation which should be greater than 0.7, as stated by Ringle (2015). The closest reliability to reality is composite reliability which is the most important one, and should be greater than 0.7 as stated by Henseler (2009). Contrary to the previous three tests, shared reliability test is not similar to them in form and formula type. In this test, each question is monitored separately to assure that whether the results of factor loading of that question has generalizability or repetition from a sample to another or a model to another model. this generalizability is measured by shared index and its average is calculated for every construct and this average must be greater than 0.5 for every construct.

Table 1. Reliability Coefficients of Research Variables

Variables	Cronbach's alpha	rh_a	CR	AVE
Financial Risk	0.943	0.949	0.959	0.854
Time Risk	0.954	0.859	0.925	0.855
Performance Risk	0.935	0.788	0.836	0.896
Physical Risk	0.782	0.846	0.837	0.925
Trust	0.886	0.891	0.921	0.744
Purchase Intention	0.830	0.852	0.887	0.664

A summation of the above indices reveals that the primary external model of the research has construct reliability and now the researcher can evaluate the validity of the model.

Construct validity is the most important section of analysis in every statistical and quantitative analysis. In other words, a researcher must be sure that he/she has measured the constructs properly before investigation of mutual impacts and relationships. Validity means to measure what must be measured (Delavar, 2006). Construct validity is made up of convergent and divergent validity. Convergent validity means indices of a construct must be correlated in reflective model towards each other and divergent (discriminative) validity refers to discrimination of indices of every construct towards indices of another construct.

Hensler (2009) believed that average variance extracted (AVE) for each construct should be greater than 0.5 and Sarsted et al (2016) stated that the second condition for a convergent validity to hold is that composite reliability (CR) be greater than AVE for every construct.

Table 2. Comparison Test between AVE and CR

Variables	AVE	CR
Financial Risk	0.854	0.959
Time Risk	0.855	0.925
Performance Risk	0.896	0.836
Physical Risk	0.925	0.837
Trust	0.744	0.921
Purchase Intention	0.664	0.887

According to the information in Table (2), convergent validity preconditions hold and it can be said that the research has convergent validity and all questions within the model have convergence with each other.

To investigate divergent validity indices, we formed a table out of correlation table and AVE table. This new table is called Forner-Larker table. Square root of AVE is placed on the main diagonal of the table and the square root of AVE for each construct should be greater than the correlation of that construct with other constructs.

According to table 3, it can be observed that divergent validity of the constructs is confirmed by Forner-Larker test.

Another important index in investigation of reliability and validity is Heterotrait-monotrait ratio Test (HTMT) which was introduced in 2015 by Henseler. In this test, divergent validity of a semantic block from another semantic block is measured

simultaneously. In this test, every construct is a trait and every question is a method and divergent validity of each semantic block is measured against another blocks mutually.

Henseler considered a critical point of 0.9 for this index. As it can be seen in table 4, all construct pairs of the present research have values less than 0.9 and are very appropriate.

Construct common cross-validity index (CV com) was used to investigate the quality of external model and construct redundancy cross-validity index (CV red) was used to investigate the quality of internal model. Common cross validity index evaluates the quality of external model of every semantic block and

redundancy cross-validity index evaluates the quality of structural or internal model. Structural model quality means that to what level the model exogenous constructs predict the behavior of endogenous constructs. Henseler (2009) stated the three values (2009) for CV com and CV red indices (0.02, 0.15, and 0.35 respectively for weak, moderate, and strong quality).

According to table 5, the results of the two indices of quality evaluation are very greater than 0.35 for every construct and it can be said that the measurement model and structural model are of a high quality.

Table 3. Fornell larcker

Variables	Financial Risk	Time Risk	Performance Risk	Physical Risk	Trust	Purchase Intention
Financial Risk	0.924					
Time Risk	0.262	0.925				
Performance Risk	0.548	0.328	0.946			
Physical Risk	0.672	0.418	0.754	0.961		
Trust	0.602	0.319	0.659	0.815	0.862	
Purchase Intention	0.545	0.328	0.677	0.330	0.655	0.814

Table 4. Heterotrait-monotrait ratio Test (HTMT)

Variables	Financial Risk	Time Risk	Performance Risk	Physical Risk	Trust	Purchase Intention
Financial Risk						
Time Risk	0.279					
Performance Risk	0.586	0.362				
Physical Risk	0.754	0.465	0.675			
Trust	0.672	0.368	0.752	0.436		
Purchase Intention	0.575	0.353	0.727	0.356	0.335	

Table 5. CV com and CV red

Variables	Q^2 or CV com	CV red
Financial Risk	0.684	
Time Risk	0.523	
Performance Risk	0.423	
Physical Risk	0.604	
Trust	0.429	0.323
Purchase Intention	0.681	0.459

4. Results

The structural or internal model investigates the causal relationship between latent constructs, which are the very research hypotheses. This model is comprised of a set of tests which deal with the quality of prediction of endogenous constructs behavior in addition to path coefficients and their significance.

According to the information related to Figure (3) structural model in the case of estimating standard coefficients and Figure (4) structural model in the case of significance of coefficients, it is quite clear what the values of path coefficients are and what results the significance of path coefficients leads to the present research hypotheses.
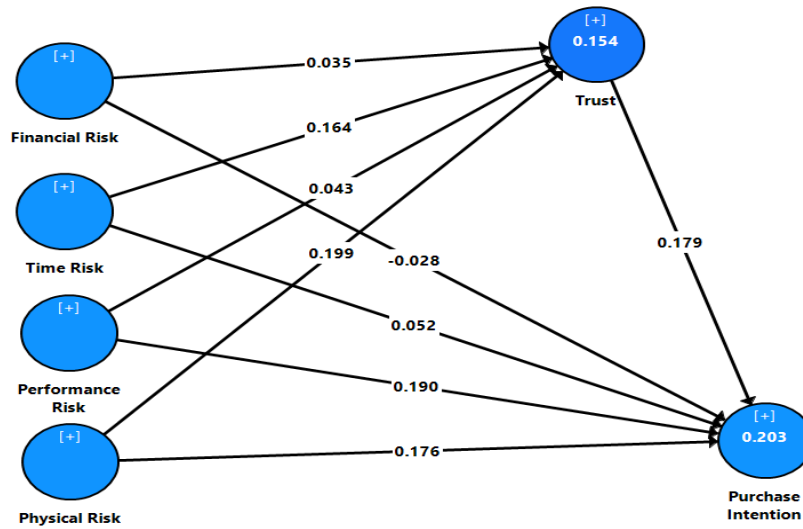
Figure 3: Structural (internal) Model in Standard Coefficient Estimation
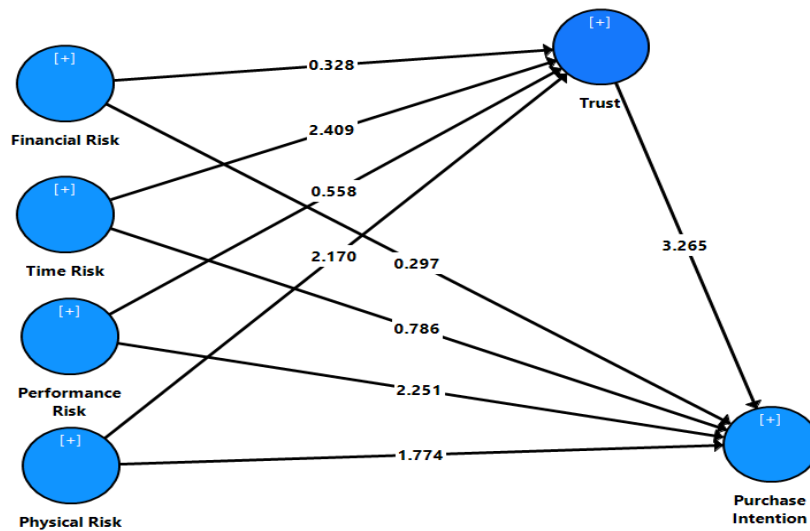

Figure 4: Structural (internal) Model in Significant Coefficient

Table 6. Research Hypothesis Result

Hypothesis	T-value	P- value	(β)	Result
Financial Risk on Trust	0.338	0.736	0.035	Not Support
Time Risk on Trust	2.495	0.013	0.164	Support
Performance Risk on Trust	0.536	0.592	0.043	Not Support
Physical Risk on Trust	2.160	0.031	0.199	Support
Financial Risk on Purchase Intention	0.277	0.782	-0.028	Not Support
Time Risk on Purchase Intention	0.753	0.452	0.052	Not Support
Performance Risk on Purchase Intention	2.231	0.026	0.190	Support
Physical Risk on Purchase Intention	1.888	0.060	0.176	Not Support
Trust on Purchase Intention	3.222	0.001	0.179	Support

4.1. Research Hypotheses analysis

The first hypothesis deals with the influence of financial risk on trust. As sig value is greater than 0.05 and T value is within (-1.96, 1.96) interval, financial risk does not have a significant influence on trust.

The second hypothesis deals with the influence of time risk on trust. As sig value is smaller than 0.05 and t value is out of (-1.96, 1.96) interval, time risk has a significant influence on trust in 95% certainty level. Further, as B_2=0.164, the direction of influence is positive and its intensity is equal to 0.164. in other words, trust will change as much as 0.164 units as time risk changes as much as 1 unit.

The third hypothesis deals with the influence of performance risk on trust. As sig value is greater than 0.05 and t value is within (-1.96, 1.96) interval, performance risk does not influence trust.

The fourth hypothesis deals with the influence of physical risk on trust. As sig value is smaller than 0.05 and t value is out of (-1.96, 1.96) interval, physical risk has a significant influence on trust in 95% certainty level. Further, as B_4=0.199, the direction of influence is positive and its intensity is equal to 0.199. In other words, trust will change as much as 0.199 units as physical risk changes as much as 1 unit.

The fifth hypothesis deals with the influence of financial risk on purchase intension. As sig value is greater than 0.05 and t value is within (-1.96, 1.96) interval, financial risk does not influence purchase intension.

The sixth hypothesis deals with the influence of time risk on purchase intension. As sig value is greater than 0.05 and t value is within (-1.96, 1.96) interval, time risk does not influence purchase intension.

The seventh hypothesis deals with the influence of performance risk on purchase intension. As sig value is smaller than 0.05 and t value is out of (-1.96, 1.96) interval, performance risk has a significant influence on purchase intension in 95% certainty level. Further, as B_7=0.190, the direction of influence is positive and its intensity is equal to 0.190. In other words, purchase intension will change as much as 0.190 units as performance risk changes as much as 1 unit.

The eighth hypothesis deals with the influence of physical risk on purchase intension. As sig value is greater than 0.05 and t value is within (-1.96, 1.96) interval, physical risk does not influence purchase intension.

The ninth hypothesis deals with the influence of trust on purchase intension. As sig value is smaller than 0.05 and t value is out of (-1.96, 1.96) interval, trust has a significant influence on purchase intension in 95% certainty level. Further, as B_9=0.179, the direction of influence is positive and its intensity is equal to 0.179. In other words, purchase intension will change as much as 0.179 units as trust changes as much as 1 unit.

4.2. SRMR Fit Test

Fit means matching the observed model in the sample with the expected model in real society. Only SRMR index has enough stability and reliability to match the observations with the realities of the society from among all fit indices presented for PLS. Ringle (2016) proposed a less than 0.08 value for this index. The results of the present research indicate that this index value is equal to 0.043. Therefore, fit is confirmed by this test.

Table 7. SRMR fit test

Saturated Model	Fit Index
0.043	SRMR

4.3. Goodness of Fit Test

Goodness of fit index is used to sum up the two external and internal models. Tenhause introduced it in 2005 and stated that if its value is greater than 0.36, the general PLS model and its values have a precision of 97% of covariance of the axes. Of course, he proposed three values 0.01, 0.25, and 0.36 for general weak, moderate, and strong quality respectively.

$$\text{GOF} = \sqrt{\text{average (Communality)} \times \text{average } (R^2)}$$
$$\text{GOF} = \sqrt{0/782 \times 0/534}$$
$$\text{GOF} = 0/646$$

According to the formula above, GOF value is equal to 0.646, which is very greater than 0.36. thus, the general PLS model is very strong and it can be said that the quality and precision of the results is 97% of covariance of the axes.

4.4. Mediator role of Trust

A mediating construct is one which passes all or part of the relationship between an independent and a dependent variable (Baron and Coni, 1986). By

mediation analysis, we mean first: whether the considered construct is a mediator or not? And second: is it a complete or partial mediator in case of being a mediator. In general, mediation analysis is conducted by Baron and Coni and boostrapping methods. The first method is appropriate for models of covariance-based software and the latter is suitable for variance-based software models. Therefore, the bootstrapping method was used because of execution of the model in PLS software. For this analysis, every mediating triangle should be interpreted based on algorithm (1) and algorithm stages should be followed one by one for every triangle. In a mediating triangle, c is the direct path, a*b is the indirect path and a*b+c is total path. In the modern bootstrapping model, the direct path is significant when c is significant and the indirect path is significant when both a and b are significant. We should calculate a new index called VAF (variance accounted for). According to figure 5, the model can be observed in coefficients significance state.

According to figure 5, because t value for direct path (dimensions of perceived risk and purchase intension) is within (-1.96, 1.96) critical interval, the direct path is not significant and trust does not have a mediating impact.
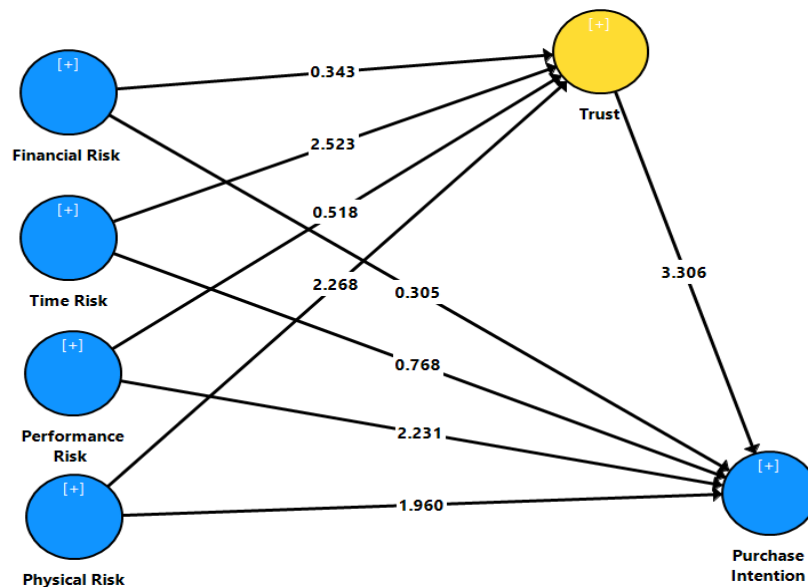

Figure 5: Structural Model of Mediating Analysis in Significant Coefficient Mode

4.5. Mediating hypotheses Analysis

The influence of perceived risk with mediating role of trust on purchase intension was the mediation hypothesis of the present research. As t value for the direct path (dimensions of perceived risk on purchase intension) is not within (-1.96, 1.96) interval, the direct path is not significant and trust does not have a mediating influence.

5. Discussion and Conclusions

The results of the research revealed that financial risk does not have a positive and direct influence on customers' trust and purchase intension, in other words, as financial risk increases, trust and purchase intension of Iranian product is decreased. An increase in financial risk reduces customers' trust in Iranian products and a high financial risk also lowers purchase intension. If Iranian products have transparent information and have high levels of quality, performance and safety, and durability, customers will have tendencies to purchase them. Time risk had a positive and direct influence on trust, in other words, an increase in time risk will increase trust but it does not have a positive and direct influence on customers' purchase intension. This means an increase in time risk reduces intension for purchasing Iranian product. in general, it can be said that changes in time risk can increase customers' trust but time risk does not lead to

consumer's purchase intension and no purchase will take place even if trust is improved. Performance risk shows that a product will not have possibly the expected performance. The results revealed that performance risk does not influence on trust but has a positive and direct influence on purchase intension. Performance risk may directly lead to purchase intension but it cannot lead to purchase intension via trust building. Numerous factors can be recognized as harmful performance impacts via trust in a product: a customer's expected product not matching the purchased one, and so on. Thus, performance risk increases when the purchased product does not have an appropriate performance and this in part results in absence of trust and purchase. The results also revealed that physical risk of Iranian product has a positive impact on trust but does not influence purchase intension. Customers of Iranian products believe that the possibility of a purchased Iranian product to be harmful for them and others is high. Therefore, absence of perceived safety of Iranian products is a barrier against intension for purchasing Iranian product. Although physical risk creates trust but it does not result in purchase intention.

Trust in Iranian product will result in purchase intension. However, trust in Iranian product is insignificant and this small amount of trust is not enough to cause purchase intension. This is while trust has been proved as an important factor for purchase intension. Furthermore, the results of analyses revealed that trust cannot act as a partial or complete mediating construct between the independent and dependent constructs. Therefore, trust does not play a mediating role in the model.

1. Recommendation

The products considered in this research included Iranian home appliances and clothing. Future researchers are recommended to conduct similar investigations on other products like car, food and so on.

The product type in this research was general and not differentiated between different brands. Future researchers are proposed to conduct studies on specific brands of home appliances like Emersan, Snowa, Absal, Pars Khazar, Pakshouma, and Himalia and specific brands of clothing ike LC man, Hakoupian, and Patan Jameh.

Considering the importance of production and consumption of internal products in growth and development of national economy, future researchers are recommended to conduct similar studies in all Iranian provinces in teams to generalize the findings to the whole country and reflect the role of national products more in economic indices.

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