

THE SYNERGETIC EFFECT OF BRAND EXPECTATION AND BRAND EXPERIENCE ON TRUST AND LOYALTY OF HIGH INVOLVEMENT PRODUCTS

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ABSTRACT

Branding the product and attracting the trusted and loyal customers are the most important elements in the contemporary marketing strategies. Consumers recollect the brands which provide them unique experiences and satisfaction. Brand Trust is the consumers' feeling of security, and their readiness to rely on a particular brand. This study examines the influence of brand expectation and brand experience on brand trust and brand loyalty among the customers of high involvement products through a well-structured questionnaire. For these responses were collected from 240 motorcycle owners using non probability sampling namely convenience sampling method in Palakkad District of Kerala. The results derived from descriptive statistics indicate that the customers have high degree of perception in Brand Expectation, Brand Experience which influence the brand trust and brand loyalty.

Key words: Brand Expectation, Brand Experience, Brand Trust, Brand Loyalty

INTRODUCTION

Attaining brand trust and brand loyalty among customers is an important strategy for business. Brand is the most powerful dimension that differentiates the products and services of one company from others which satisfy similar needs (Kotler *et al.*, 2013). A Company's brand name itself acting as a stimulus to induce the customers to purchase the product (Kaushal *et al.*, 2016). Customer perception of a brand's friendliness and integrity is the brand trust; based on the effectiveness of the products and the intensity of their expectations for the company, customers build confidence in a variety of brands (Coelho *et al.*, 2018). Trust creating a valid and important relationship to the brand and trusted customers are always loyal to their brand, ready to pay high price and they share product related information to others (Chaudhuri and Horlbrook, 2001). Customers must trust brands for them to be successful, and those who do so are more likely to succeed than those that do not (Portal *et al.*, 2019).

Customers provide a higher personal importance for the purchase of high involvement products, which involve a comparatively higher degree of risk (Dholakia, 2001). Companies that sell high-involvement products take the required steps to build customer brand awareness, brand trust, and product self-reputation. These internal selection criteria will have a significant impact on the buyer's intention to purchase (KIM *et al.*, 2020). Brand trust is significant in high involvement, premium product markets like automobiles and the stronger brand trust leads to increased purchase and loyalty to the brand (Sahin *et al.*, 2011).

Automobile markets are the most growing retail market; to attract customers and maintain long term relationship with them are the most essential elements in the contemporary customer-oriented marketing. A number of makes and models are entering in to market day by day. As these are high involvement product, customers are highly conscious about brand apart from the features and functional differentiation. Motor cycles are the most demanded forms of transport due to its affordability, easiness to operate and convenience to park. Honda, Hero, Suzuki, Yamaha, TVS, Royal Enfield and Harley Davidson, are the commonly available brands in motor cycle market in India. Companies charging different prices for different models and try to positioning their brand in top of mind of customers.

LITERATURE REVIEW

Brand Trust

Brand Trust is the customers' sense of security towards a particular brand (Delgado and Munera, 2001; and Shin *et al.*, 2019). It indicates customers' degree of expectations about the performance of the brand; perceive the reliability of the brand and to recall while taking repurchase decision (Chaudhuri and Horlbrook, 2001). There are two aspects or dimensions to brand trust. First one is the capacity of brands to meet its promises to customers and; the other dimension comprises of all attributes and intentions of the brand for keeping in mind the customers' interest and welfare. Hence a trust worthy brand is one which consistently keep its promises to customers through its product development, differentiation in production, sales, services and advertisements (Doney and Cannon, 1997; and Gansser *et al.*, 2021). The important further constructs for measuring brand trust are trust, reliability, honesty and safety (Chaudhuri and Horlbrook, 2001). Risk perception, service providers' consistency, sincerity, honesty and employees' fairness are elements of brand trust. (Adewale *et al.*, 2016). Brand trust influences the cognitive and emotional aspects of the customers, and leads to brand development (Zhang *et al.*, 2020). Brand trust helps the customers to reduce difficulties to take purchase decision and the uncertainties of their feelings (Charton-Vachet and Lombart, 2018). Brand trust happens as a result of brand care, brand expectation, brand confidence, brand awareness, brand satisfaction, honesty, brand reliance, brand effort and compensation (Sahin *et al.*, 2011). Hence brand trust performs a crucial role in sustainable customer relationship. The Review of Literature explicitly brought out the factors influencing the brand trust of customers; namely Brand Expectation,

Brand Confidence, Brand Experience, Brand satisfaction and Brand reliance; and which are used for the analysis in this study.

Brand Loyalty

Brand loyalty has become a crucial factor in the success of businesses worldwide (Kumar et al., 2019). In the Indian motorcycle market, brand loyalty has become a significant determinant for the purchase of high-involvement products (Chen and Wu, 2019). This section reviews the literature relating brand loyalty and income class in the Indian motorcycle market. Several studies have investigated the relationship between brand loyalty and customer income in various markets, including the automobile industry. A study by Alshenqeeti (2015) found a positive relationship between brand loyalty and customer income in the Saudi Arabian automobile market. Similarly, Kumar et al. (2019) studied the Indian passenger car market and found that customers with higher incomes tend to exhibit greater brand loyalty towards premium brands. Coelho et al. (2018) explored the determinants of brand loyalty among the Indian automobile industry, and found that the brand trust positively influences customer loyalty and that companies should focus on building and maintaining strong brand trust to retain customers.

A study by Chauhan and Rai (2019) found that brand reputation, price, and product quality were the key determinants of brand loyalty in the Indian motorcycle market. Additionally, Chen and Wu (2019) found that brand image and perceived quality were significant predictors of brand loyalty among Indian motorcycle customers. Overall, as per the literature, brand loyalty is a significant determinant of purchase behavior in the Indian motorcycle market.

Brand expectation

Customer expectation about the performance of a brand is brand trust (Delgado and Munera, 2001). The expectation is the ultimate determinant of brand trust. Customers' expectation on brand will enhance the brand trust (Sahin *et al.*, 2011). This perception is essential for developing future repurchase intention.

As regards to brand loyalty, customer expectation about the performance of a brand is a key driver of brand loyalty (Delgado and Munera, 2001). The expectation of customers on a brand is a critical factor in enhancing brand loyalty (Sahin et al., 2011), and it plays an essential role in developing future repurchase intention. *Therefore, it is proposed the hypotheses*

H₁: Brand expectation has a significant influence on brand trust

H₂: Brand expectation has a significant influence on brand loyalty

Brand Experience

The customers' experience with the brand develop a direct interaction between them; and it is an unavoidable determinants of brand trust (Gurbarino and Johnson, 1999; and Khan and Fatma ,

2019). Brand experience creates a platform to establish strong relationship between brand and customers and to develop brand trust (Sahin *et al.*, 2011). According to Khan *et al.* (2017) Brand experience definitely leads to brand trust.

Brand loyalty is the ultimate goal for any brand as it means that customers are committed to purchasing and advocating for the brand. In the context of the study, brand loyalty can be interpreted as the likelihood of motor cycle owners to stick with their current brand and recommend it to others. Brand Experience and its positive outcomes have significant effects on satisfaction and brand loyalty (de Oliveira *et al.*, 2018). *Hence, it is proposed*

H₃: Brand experience has a significant influence on brand trust

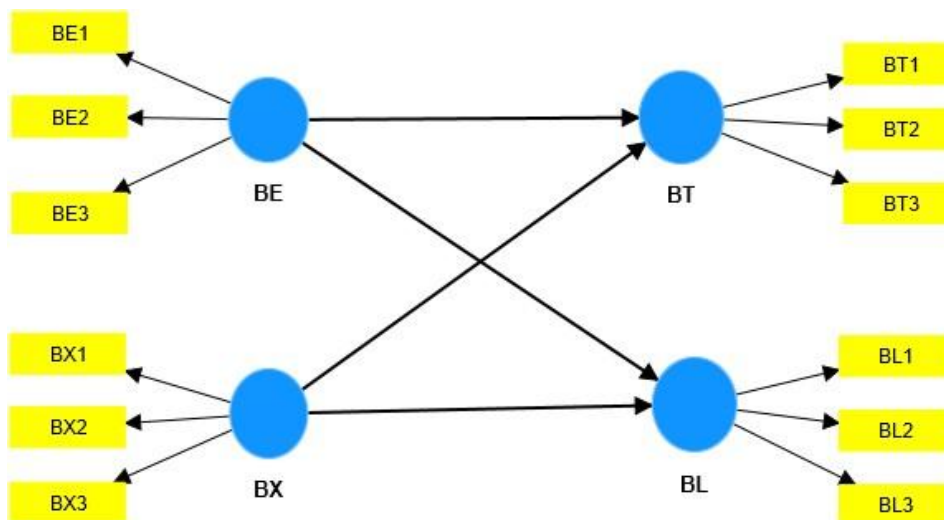
H₄: Brand Experience has a significant influence on brand loyalty

OBJECTIVES OF THE STUDY

The objectives of the study are

- To identify the most preferred motor cycle brands among the respondents;
- To analyze the influence of brand expectation and experience on brand trust, and
- To examine the influence of brand expectation and experience on brand loyalty.

Figure 1: Conceptual Model



DATA AND METHODOLOGY

Methodology

This study focuses on the Ernamkulam District in Kerala. The data used in the study was collected from customers who are registered at randomly selected motorcycle dealers throughout the district. sample size of 240 respondents.

The questionnaire used for the survey was designed on the basis of literature review. The questionnaire included three sections. The first section deals with the demographics of the respondents. The second section aimed to identify the brand of motor cycles owned by the respondents. The third section included the attributes on brand trust, prepared based on Sahin *et al.*(2011). The items were evaluated using a five-point Likert scale with agreement levels, ranging from strongly disagree-1 to strongly agree-5.

Demographic profile of the respondents

The table 1 presents the demographic profile of the 240 respondents who participated in the study. The data is organized into four categories: Gender, Age, Education, and Occupation. For each category, the table provides the number of respondents and the percentage of the total sample size. In terms of gender, 196 respondents (or 82%) were male, while 44 respondents (or 18%) were female. For age, the respondents were divided into four categories: 18-30 years, 31-40 years, 41-50 years, and above 50 years. The majority of respondents (106, or 44%) were between the ages of 18-30 years. The second largest age group was 31-40 years (62, or 26%), followed by above 50 years (44, or 18%) and 41-50 years (28, or 12%). In terms of education, respondents were classified as school-educated, graduate, or postgraduate. The highest percentage of respondents (86, or 36%) had a postgraduate degree, while 78 respondents (or 32%) had completed school education, and 76 respondents (or 32%) had completed graduation. Finally, the respondents were also categorized according to their occupation: government employee, private employee, or business owner. The largest group of respondents (100, or 42%) were business owners, followed by private employees (84, or 35%) and government employees (56, or 23%). Overall, this table provides a clear and concise summary of the demographic characteristics of the respondents and their distribution across different categories.

The demographic characteristics were analyzed on the basis of respondents' gender, age educational qualification and occupation; and the results are shown in Table 1.

Table: 1 Demographic profile of the respondents

Variables	Categories	No. of Respondents (n=240)	Percentage
Gender	Male	196	82
	Female	44	18
Age (in Years)	18-30	106	44
	31-40	62	26
	41-50	28	12
	Above 50	44	18
Education	School	78	32
	Graduate	76	32
	Post Graduate	86	36

Occupation	Government Employee	56	23
	Private Employee	84	35
	Business	100	42

Source: Primary Data

Study identified the brands of two-wheelers owned by the respondents. Of the 240 respondents, 19% owned Royal Enfield motorcycles, while 23% owned Honda and Yamaha motorcycles each. Four other brands were owned by 17% of the respondents each: Suzuki, Hero, TVS, and Harley Davidson. Only 7% of the respondents owned Harley Davidson motorcycles.

RESULTS AND ANALYSIS

The Structural Equation Modelling through SMART PLS was utilized for analyzing the data. Brand Expectation and Brand Experience are independent variables; Brand Trust and Brand Loyalty are dependent variables. In the first stage Measurement model examined for its validity and reliability; Table 2 and Table 3 presenting the values.

Table: 2 Accuracy Analysis Statistics

Variables	Research Constructs	Factor Loading	Cronbach's alpha	Composite Reliability	Average Variance Extracted (AVE)
Brand Expectation (BE)	BE1	0.898	0.873	0.886	0.798
	BE2	0.847			
	BE3	0.933			
Brand Experience (BX)	BX1	0.722	0.918	0.921	0.860
	BX2	0.942			
	BX3	0.916			
Brand Trust (BT)	BT1	0.912	0.855	0.860	0.774
	BT2	0.860			
	BT3	0.867			
Brand Loyalty (BL)	BL1	0.939	0.828	0.871	0.749
	BL2	0.902			
	BL3	0.940			

For evaluating the internal consistency of the constructs, values of Cronbach's alpha and Composite reliability were used (Table 2). The generally acceptable values for these two is 0.7 (Fornell, & Larcker, 1981). In the study Cronbach's alpha value is higher for Brand Experience ,0.918 and of Brand Loyalty shows the lowest value of 0.828 which is beyond 0.7, as per the acceptable value also proposed by Nunnally & Bernstein, (1994). All the indices for the

composite reliability were greater than the necessary cut off value of 0.70. Thus, the constructs have adequate internal consistency. The study also measured convergent and discriminant validity by performing the tests of Factor loading and Average Variance Extracted. As per Fornell and Larcker (1981), the factor loading of more than 0.7 for each measure confirms the convergent validity. and the values Average Variance Extracted (AVE) should be greater than 0.5. The factor loading of items ranged between 0.722 to 0.942 were shown above 0.7 indicates a percentage of convergent validity. The Average Variance extracted (AVE) of Brand loyalty is the lowest value 0.749 which cover the recommended value 0.5, statedby Fornell, & Larcker, (1981) which confirms the existence of discriminant validity. These results indicate and ensure the reliability and validity of the measurements.

Table: 3 Correlation Matrix of Select Constructs (Squares of AVE)

Variable	BE	BL	BT	BX
BE	0.893			
BL	0.836	0.927		
BT	0.715	0.692	0.880	
BX	0.708	0.579	0.771	0.866

The discriminant validity also analysed through the criteria framed by Fornell, & Larcker, (1981). The square root of the values of AVE should be greater than the correlation estimates of the inter constructs. As per the results of the study (Table 3), the square root of the AVE of each construct is higher than the square of each pair of correlation. These confirm that the variables are distinct and mutually exclusive.

Evaluation of Research Relationship

The t-statistics and path co-efficient obtained through SMART PLS software is used to test the significance of parameters in the model. If the t-statistics is higher than 2(1.96), the relationship is statistically proved as significant; and Standardized path co efficient are expected to be at least 0.2 (Chin ,1998). Figure 2 and Table 4 presenting the results of model fit and hypotheses tests.

Figure: 2 Validated Research Model (Structural Equation Model)

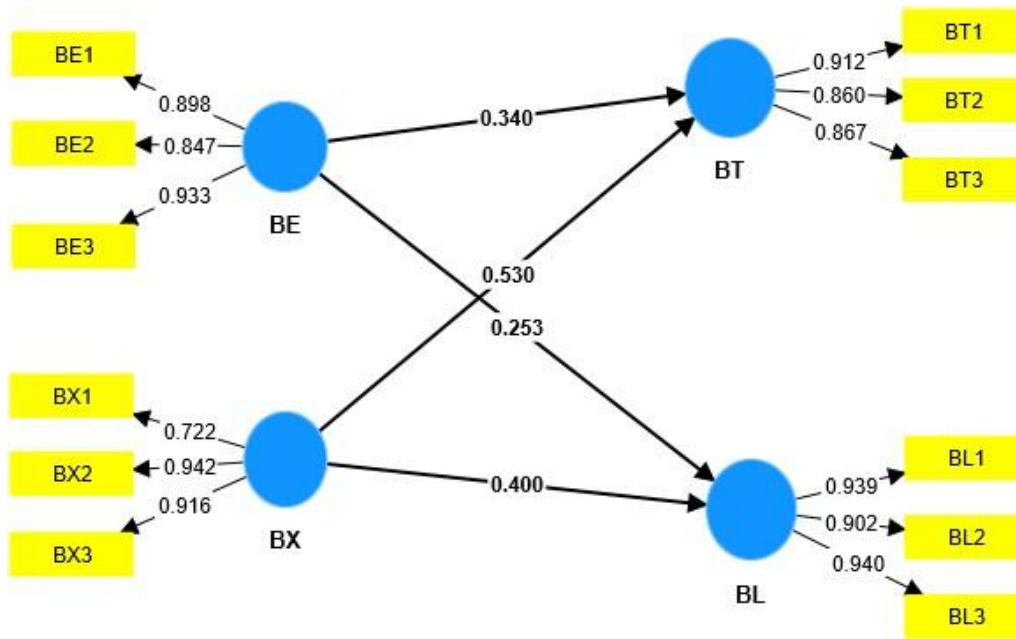


Table: 4 Hypotheses test results

Hypotheses	Path	Path Coefficient	T-Statistics	P values	Results
H ₁	BE ->BT	0.340	2.118	0.034	Supported
H ₂	BE -> BL	0.253	2.652	0.008	Supported
H ₃	BX-> BT	0.530	2.974	0.003	Supported
H ₄	BX -> BL	0.400	3.78	0.000	Supported

The Testing of hypotheses and the Structural Equation Model (Figure 2) revealed that the results supported all the four hypotheses with path coefficient of 0.340, 0.253, 0.530 and 0.400 respectively with the requisite path coefficient value of above 0.2. The results also indicate that the brand Experience has a stronger effect on Brand Trust (0.530) and Brand loyalty(0.400)., It is the stronger predictor of trust and loyalty

IMPLICATIONS OF THE STUDY

The customers exhibit high levels of expectations and experience towards their brand of motor cycle and both these attributes have significant influences on their brand loyalty.

Brand trust significantly varies according to the brand expectations of customers. The implementation of advanced technology, improvement of product performance and differentiation from other brands enhance the customer expectation and strengthen the trust towards the brand, while purchasing motor cycle.

The brand experience is also a key factor for determining the brand trust of high involvement product. Brand experiences create a platform for developing strong relationship among brand and customers. Brand experience arises in different situations; while search for the product, while shopping and while consuming the brand (Sahin *et al.*, 2011). Hence the marketers of motor cycles should adopt positioning strategies by understanding their expectations and try to increase the customers' attachment towards the brand. Customers are less inclined to switch brands when there is a high level of brand trust.

CONCLUSIONS

The findings indicate brand trust and brand loyalty are highly influenced by brand expectation and brand experience. The results have significant implications for marketers and Managers of Companies. Companies need to focus on creating a strong relationship with customers by meeting their needs and wants. This will enhance their satisfaction, which in turn will positively influence brand trust and reliance, ultimately leading to higher levels of brand loyalty. The findings suggest that building brand loyalty requires a comprehensive approach that considers the interplay between brand expectation and brand experience. The study provides insights for marketers and policy makers to develop effective branding strategies that can foster stronger relationships with customers and promote trust and loyalty.

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