The Mediating Effect of Brand Trust Between Brand Experience and Brand Loyalty: An Empirical Research

Dr. Shailja Bhakar¹, Abhay Dubey², Deepa Anwar³, Pinky Sodhi⁴, Ankit Parashar⁵, Nidhi Perpyani⁶ & Ananya Mehta⁷

ABSTRACT

The current research was conducted to evaluate the impact of brand experience on brand loyalty with mediating variable brand trust. The data was collected using non probability purposive sampling technique. Data was collected from 250 car owners of different brands. Cronbach’s alpha reliability coefficient and principle component factor analysis with varimax rotation was applied to check the internal consistency. Confirmatory factor analysis was applied to confirm factors appeared through exploratory factor analysis. Structural equation modeling was applied to test the relationship between brand experience as independent variables, brand trust as mediating variable and brand loyalty as dependent variable and also to test the model. The results indicated significant impact of brand experience on brand trust, as well as significant impact of brand trust on brand loyalty. No significant direct effect of brand experience was found on brand loyalty. Brand trust was found to be a strong mediator between brand experience and brand loyalty.

INTRODUCTION

Branding of products and services has become a necessary step to build consumer brand relationship (Fournier, 1998; Keller 1993). Branding is an important marketing tool to differentiate an organizations product from other organizations. It also helps customers to gather knowledge about the product they want to buy such as where
the product is available, how is it different from competitor’s product. Branding also acts as the core construct of brand loyalty concept. Brand loyalty concept has gained significant attention of researchers (Aaker, 1991; Dick and Basu, 1994) as it brings numerous advantages for the organizations such as repurchase, recommendation, lesser marketing cost. Due to the various benefits that are attached brand loyalty researchers are concentrating on how brand loyalty can be generated, what are the key elements that lead to brand loyalty, how to maintain and increase brand loyalty (Chaudhuri and Holbrook, 2001; Brakus et al, 2009). Dick and Basu (1994) suggest that stronger the consumer brand relationship greater the brand loyalty will be.

Concepts such as brand experience have been recently gaining attention in the area of loyalty. It has been seen in case of consumer brand relationship brand experience acts as the input and the output of which is brand loyalty.

In the era of 21st century consumers are not happy with standard products rather they now wish for a more compelling experience (Schmitt, 1999). Marketer need to create unique and positive experiences for the customers (Pine and Gilmore, 1998; Gilmore and Pine, 2002). Most of the organizations now agree that consumers now days are not happy with basic benefits such as low price, fast delivery rather they are interested in unique brand experiences (Shaw and Ivens, 2002). Brand experience provides competitive advantage over competitors.

Although brand experience plays an important role in generating brand loyalty the success of an organization remains in stability which requires customer trust in the brand. Brand trust has been argued as one of the important predictor of brand loyalty in the marketing literature (Nguyen et al., 2013; Sahin et al., 2011; Belaid & Behi, 2011; Sung & Kim, 2010; Lau & Lee, 1999; Morgan & Hunt, 1994).

The role trust as mediating variable between brand experience and brand loyalty has not been identified in any empirical research. Also, there researchers differ on their opinion on the influence of brand experience and brand trust on customer loyalty (Ueacharoenkit & Cohen, 2013; Mohamed & Musa, 2012; Iglesias et al., 2011; Kim, Magnini, & Singal, 2011; Sahin, Zehir, & Kitapci, 2011). This study posits that a deeper investigation on trust dimensions will provide a better insight on the experience and loyalty relationships. A model with trust as the mediating variable between brand experience and brand loyalty was developed and tested.

LITERATURE REVIEW

Brand Experience

Every person has a different perception and belief system, and since experience is based on individual’s perception and beliefs their experiences are also unique and different then compared to other individuals (Klaus & Maklan, 2007; Gentile et al., 2007). According to marketing researcher’s consumption related experience doesn’t happen at once it happens in three stages that are searching, shopping and receiving
and consuming (Holbrook, 2000; Brakus, et al., 2009). At searching stage experience happens in two ways directly through physical contact with the product and indirectly through multimedia advertisements (Kempf, 1998). Further experience takes place when the customer directly comes in contact with retailer’s employees, store atmosphere, policies and practices (Hui & Bateson, 1991; Kerin, Jain, & Howard, 1992). Finally at consuming stages customer develops an understanding about the products quality features and develops emotions related to the products (Holbrook & Hirschman, 1982).

Consumers brand choices are influenced by different brand related stimuli’s such as design, color, packaging, identity, communication and environments, shape, mascots etc (Keller, 1987; Gorn et al, 1997; Mandel and Johnson, 2002). According to Bracus et al (2009) brand experience is a theoretical concept having two parts internal and behavioral that can be generated through these brands related stimuli. The internal part of the brand experience consists of three components such as sensory component (includes vision, smell, taste etc), affective component (includes emotions and feelings) and cognitive component (includes mental evaluations) (Brakus, et al., 2009; Schmitt, 1999).

Brand experience has become an important differentiation factor for brands now a days (Brakus, Schmitt, & Zarantonello, 2009). Brand experience reflects knowledge and familiarity of a customer with a brand and brand category, thus it creates stronger meaning and memories in the minds of customer creating stronger brand trust (Alba and Hutchinson, 1987) and literature also indicate a direct positive relationship between brand experience and brand loyalty (Brakus, et al., 2009). Many researchers have tested the empirical relationship between brand experience and brand trust as well as brand experience and brand loyalty. the results of these studies are inconsistent as some studies (Giantari et al., 2013; Lau & Lee, 1999; Sahin, Zehir, & Kitapci, 2011) reported positive relationships between brand experience and brand trust while other studies reported insignificant positive relationships (Lee & Kang, 2012; Ramasehan & Stein, 2014; Taleghani, Largani, & Mousavian, 2011).

Similarly in case of relationship between brand experience and brand loyalty inconsistent findings have been quoted by researchers Han and Li (2012) reported positive relationships between brand experience and brand loyalty in their study focusing on dairy products in China. Similarly, the positive relationship is further supported by Nysveen, Pedersen, and Skard (2013) in the studies focusing on telecommunication sector. Similar results were reported by (Fournier, 1994; 1998; Ching and Chang, 2006, Oliver, 1999). Morrison and Crane, (2007) indicated that brand experiences lead to brand loyalty, active referral of the brand and increased profitability for the brand. Conversely, the positive notion was not supported in the studies of Iglesiasas, Singh, and Batista-Foguet (2011) with varieties of consumer products in Spain. Following past research studies this paper tries to evaluate the relationship between brand experience and brand loyalty in automobile context.
Hypothesis 1 (H1): Brand experience has a significant positive effect on brand trust

Hypothesis 2 (H2): Brand experience has a significant positive effect on brand loyalty

Brand Trust

Some authors believe that the concept of trust was rooted in Aristotle’s age. Trust in Oxford English Dictionary defined as “reliance or confidence in a quality or attribute of a person or a thing or make a statement of fact”. Agustin & Singh (2005) defined trust as a faith of customers on the seller that the seller will deliver promised services, whereas a relational value can be defined as consumer’s perceptions of the benefits enjoyed versus the cost incurred in the maintenance of an ongoing exchange relationship.

Brand trust is a feeling of security customers have with a brand that it will always work in the interest and welfare of the customer and always be reliable and responsible (Delgado-Ballester, 2001). Chaudhuri and Holbrook (2001) defined brand trust as the willingness of the average consumers to rely on the ability of the brand to perform it’s as per the expectations of the customers. When a brand provides better products than competitors keeping in mind the needs of customers the brand can be considered as a trustworthy brand (Borrowing Bainbridge, 1997). Aaker (1996) said that brand trust goes beyond the consumers’ satisfaction with the practical performance of the product and its features.

Trust is essential in building strong consumer brand relationships (Fukuyama, 1995; Gulati, 1995; Lewis & Weigert, 1985; Moorman, Zaltman, & Deshpande, 1992; Fournier, 1998; Urban et. al., 2000). Trust is a key factor for any long term relationship and it is positively related to brand loyalty (Garbarino and Johnson, 1999; Chaudhuri and Holbrook, 2001; Berry, 2000; Lau and Lee, 1999; Chiou, 2004; & Reichheld, 2001). Chiou and Droge (2006) Studied impact of trust on loyalty in case of high involvement, high service product markets and the results indicated significant impact of trust on loyalty. Brand trust also has significance importance for small and medium enterprises in order to retain loyal customers given their small number of customers (Chaudhuri & Holbrook, 2001; Delgado-Ballester & Munuera-Aleman, 2005; Eggers et al., 2013; Rauyruen et al., 2009).

There are conflicting results in case of relationship between trust and loyalty. A number of studies have found positive effect of brand trust on customer loyalty (Han & Jeong, 2013; Lee & Back, 2010; Lee & Kang, 2012; Sahin et al., 2011; Ueacharoenkit, 2012). On the other hand, some studies have also indicated no significant effect of brand trust on customer loyalty (Anabila et al., 2012; Haghihi et al., 2012).

Hypothesis 3 (H3): Brand trust has a significant positive effect on brand loyalty

Brand Loyalty

Brand loyalty is considered as the most important concept by marketing researchers (Russell-Bennett et al., 2007; Han et al., 2008). The organizations’ success depends on its
ability to attract and make loyal customer. Brand loyalty provides competitive advantage over competitors and helps in maintaining organizations profitability (Aaker, 1995, 1997; Reichheld, 1996). In a highly competitive market and decreasing differentiation between the brands in terms of features, every company places the brand loyalty at the center of their marketing planning strategies (Fournier and Yao, 1997). Customer’s level of loyalty can vary from person to person (Kandampully & Suhartanto, 2000). Academics have attempted to define and measure loyalty for a number of years and the literature on the construct is quite extensive (El-Manstrly and Harrison, 2013).

Loyalty, as defined by Oliver (1997), is “a deeply held commitment to re-buy or re-patronize a preferred product/service consistently in the future, theory causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior” (Chaudhuri and Holbrook, 2001). Loyalty can be categorized into different categories such as: product, service and store loyalty, customer and brand loyalty (Algesheimer et al., 2005).

Aaker (1997) suggested that brand loyalty has six dimensions which are: consumer intention to re-buy, satisfaction level, premium price, cost of switching the brand, preference over other brands, and commitment to a particular brand. Davis et al (2003) considered loyalty of customers have emotional attachment with the organization, and are the most valuable asset of the organization. Loyalty is visible through consistent pattern of buying the same brand repeatedly and having favorable attitude towards the brand.

Loyal customer usually tends to pay more as well as spreading positive word of mouth among friends and family (Chaudhuri & Holbrook, 2001; Ismail & Spinelli, 2000; Lau & Lee, 1999; Zhang & Bloemer, 2008). Moreover, little marketing efforts are required to attract loyal customers (Blatberg & Deighton, 1996). A brand must offer something of value that attract and keeps the customers to buy its products or services for longer time without preferring any other brand. Including emotional aspect to the building of brand loyalty is also valuable since emotions are memorable increasing loyalty (Mano & Oliver, 1993).

Brand loyalty is the outcome of their observed quality of the brand, not the price. The consumer-brand relationship is an important factor for building the brand loyalty (Chiou & Chang, 2006). Morrison and Crane (2007) stated that the brand loyalty is led by the brand experiences and a positive brand experience leads to stronger brand trust, which in turn will provide a bigger loyalty (Şahin et al., 2011).

**OBJECTIVES**

To re-standardize measures on brand experience, brand trust and brand loyalty

To find out the impact of brand experience and brand trust on brand loyalty

To open new areas for further research
RESEARCH METHODOLOGY

The study was causal in nature with survey method being used to collect the data. The study was conducted on 250 respondents. Data was collected using non probability purposive sampling technique. Standardized questionnaire by Sahin et. al. (2011) on brand experience, brand trust and brand loyalty was used to collect the data. Data was collected on a scale of 1 to 7 where 1 indicated minimum agreement and 7 indicated maximum agreement. Cronbach’s alpha reliability coefficient and principle component factor analysis with varimax rotation was applied to check the internal consistency. Confirmatory factor analysis was applied to confirm factors appeared through exploratory factor analysis. Structural equation modeling was applied to test the relationship between brand experience as independent variables, brand loyalty as dependent variable and brand trust as mediating variable, also to develop a model.

RESULTS

Reliability

Cronbach’s Alpha reliability test in PASW 18 was applied to identify the reliability of the questionnaires and the results are as follows:

<table>
<thead>
<tr>
<th>S No</th>
<th>Variable</th>
<th>Cronbach’s Alpha</th>
<th>No. of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Brand Experience</td>
<td>.706</td>
<td>8</td>
</tr>
<tr>
<td>2</td>
<td>Brand Trust</td>
<td>.840</td>
<td>9</td>
</tr>
<tr>
<td>3</td>
<td>Brand Loyalty</td>
<td>.851</td>
<td>7</td>
</tr>
</tbody>
</table>

If the computed reliability of a measure is greater than 0.7 the measure is considered reliable. The brand experience, brand trust and brand loyalty reliability as indicated by Cronbach’s alpha coefficient in the table above was 0.706, 0.840 and 0.851 hence the measures used for collecting data on brand experience, brand trust and brand loyalty were highly reliable.

Kaiser-Meyer Olkin Measure of Sampling Adequacy and Bartlett’s Test of Sphericity:

KMO and Bartlett’s test of sphericity was calculated using PASW 18 to identify sampling adequacy as well as sphericity in the data collected on all the measures

<table>
<thead>
<tr>
<th>S No</th>
<th>Variable</th>
<th>KMO</th>
<th>Bartlett’s Test of Sphericity (Chi Square Value)</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Brand Experience</td>
<td>.729</td>
<td>231.872</td>
<td>.000</td>
</tr>
<tr>
<td>2</td>
<td>Brand Trust</td>
<td>.862</td>
<td>558.322</td>
<td>.000</td>
</tr>
<tr>
<td>3</td>
<td>Brand Loyalty</td>
<td>.848</td>
<td>525.582</td>
<td>.000</td>
</tr>
</tbody>
</table>

Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy: The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy was applied to check the sampling adequacy for factor analysis. Since the KMO values for all three questionnaires was higher than 0.5 the sample was adequate for factor analysis.

Bartlett’s test of Sphericity: Bartlett’s test of sphericity was applied to check whether
the item to item correlation matrix of the questionnaire is an identity matrix. In other words, the item to item correlation matrix is an identity matrix; each variable correlates perfectly with itself \((r = 1)\) but has no correlation with the other variables \((r = 0)\). Since the chi square value for all three questionnaires was significant at 0% level of significance, indicating that the item to item correction matrix is not an identity matrix the data on brand experience, brand trust and brand loyalty was suitable for factor analysis.

**Factor Analysis Table (Brand Experience)**

Principle component factor analysis with varimax rotation was applied to find out the underlying factors of the image congruence questionnaire and all the questions for the brand experience measure converged on two factors after 6 iterations as indicated in the table below.

<table>
<thead>
<tr>
<th>S No</th>
<th>Factor Name</th>
<th>% of Variance</th>
<th>Eigen Value</th>
<th>Items</th>
<th>Item Loads</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Cognitive</td>
<td>23.883</td>
<td>1.911</td>
<td>11. This brand makes me think</td>
<td>.809</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2. I find this brand interesting in sensory way</td>
<td>.696</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1. This brand makes a strong impression on my visual sense and others</td>
<td>.544</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>10. I engage in a lot of thinking when I encounter this brand</td>
<td>.487</td>
</tr>
<tr>
<td>2</td>
<td>Sensible</td>
<td>23.884</td>
<td>1.907</td>
<td>4. This brand induces feelings and sentiments</td>
<td>.746</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5. I do have strong emotions for this brand</td>
<td>.723</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>8. This brand results in bodily experiences</td>
<td>.639</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>7. I engage in physical actions and behaviours when I use this brand</td>
<td>.569</td>
</tr>
</tbody>
</table>

**Factor Analysis:** Principle component factor analysis with varimax rotation was applied to find out the underlying factors of the questionnaires on brand trust and brand loyalty all the questions for the measure converged on one factor only therefore the measures can be used as it is for future researches.

**Confirmatory Factor Analysis (Brand Experience)**

Confirmatory factor analysis test was conducted on the questionnaire of brand experience and the results are as follows:

<table>
<thead>
<tr>
<th>Criteria Obtained</th>
<th>(\chi^2)</th>
<th>P</th>
<th>Df</th>
<th>Absolute fit measures</th>
<th>Incremental fit measures</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(\chi^2/df)</td>
<td>GFI</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(\geq 0.9)</td>
<td>RMSEA (\leq 0.08)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(\geq 0.9)</td>
<td>NFI (\geq 0.9)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(\geq 0.9)</td>
<td>CFI (\geq 0.9)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(\geq 0.9)</td>
<td>TLI (\geq 0.9)</td>
</tr>
</tbody>
</table>

\(\chi^2\)=Chi square; \(df=\)degree of freedom; GFI = Goodness of fit index; RMSEA=Root mean square error of approximation; NFI = Normated fit index; CFI = Comparative fit index; TLI= Tucker Lewis Index

First of all goodness of fit indices were evaluated to test the model. Chi square value was found to be 8.131 significant at 0.321 indicating that the model was having a good fit. Similarly the \(\chi^2/df\) value was 1.162 which was falling between 1 and 3 indicating
that the model was a good fit. The value of other goodness of fit indices such as GFI was $0.987 \geq 0.9$ as well as NFI, CFI, TLI were all above 0.9 indicating a good fit. The badness of fit index RMSEA $0.029 \leq 0.05$ also indicated model fit.

![Image of a diagram showing a network of variables and paths]

**Validity**

Convergent and discriminant validity were measured to check the validity of the questionnaire and the results are as follows:

**Convergent Validity**

<table>
<thead>
<tr>
<th>S No</th>
<th>Factors</th>
<th>Reliability</th>
<th>Estimate</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Cognitive</td>
<td>0.741872</td>
<td>0.676</td>
<td>0.316432</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>0.508</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>0.484</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Sensible</td>
<td>0.729624</td>
<td>0.544</td>
<td>0.333750667</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>0.696</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>0.47</td>
<td></td>
</tr>
</tbody>
</table>

**Discriminant Validity**

<table>
<thead>
<tr>
<th></th>
<th>F1</th>
<th>F2</th>
</tr>
</thead>
<tbody>
<tr>
<td>F1</td>
<td>0.316432</td>
<td>0.505521</td>
</tr>
<tr>
<td>F2</td>
<td>0.505521</td>
<td>0.333750667</td>
</tr>
</tbody>
</table>

It can be seen from the above table of convergent validity that reliabilities of both the factors was more than .5 i.e. 0.74 and 0.73 as well as the factor loads were all more than 0.4 but the AVE values were slightly less than 0.5 therefore it can be said that convergent validity for brand experience questionnaire was somewhat achieved. On the other hand brand experience questionnaire did not achieve discriminant validity as the AVE values were less than the square of inter-correlation between the factors.
Structural Equation Modeling

Structural equation modeling was applied to test the model having brand experience as independent variable, brand trust as mediating variable and brand loyalty as dependent variable. First impact of brand experience was calculated on brand trust and then impact of brand trust was checked on brand loyalty where brand image was acting as a mediating variable also direct impact of brand experience on brand loyalty was checked.

<table>
<thead>
<tr>
<th>Criteria Obtained</th>
<th>$\chi^2$</th>
<th>P</th>
<th>df</th>
<th>Absolute fit measures</th>
<th>Incremental fit measures</th>
<th>Parsimony fit measures</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$\chi^2$/df</td>
<td>GFI</td>
<td>RMSEA</td>
</tr>
<tr>
<td></td>
<td>77.065</td>
<td>.068</td>
<td>60</td>
<td>1&lt; $\chi^2$/df&lt;3</td>
<td>0.945</td>
<td>0.038</td>
</tr>
</tbody>
</table>

Note: $\chi^2$=Chi square; df=degree of freedom; GFI = Goodness of fit index; RMSEA=Root mean square error of approximation; NFI = Normated fit index; CFI = Comparative fit index; TLI= Tucker Lewis Index; PNFI=Parsimony normated fit index; PCFI=Parsimony comparative fit index

First of all goodness of fit indices were evaluated to test the model. Chi square value was found to be 77.065 significant at 0.068 indicating that the model was having a good fit. Similarly the $\chi^2$/df value was 1.284 which was falling between 1 and 3 indicating that the model was a good fit. The value of other goodness of fit indices such as GFI was 0.945 ≥ 0.9 as well as NFI, CFI, TLI were all above 0.9 as well as the parsimony values i.e. PNFI and PCFI were higher than 0.5 indicating a good fit. The badness of fit index RMSEA 0.038 ≤ 0.05 also indicated model fit.

Regression Weights: (Group number 1 - Default model)

<table>
<thead>
<tr>
<th></th>
<th>Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
<th>Label</th>
</tr>
</thead>
<tbody>
<tr>
<td>BrTrust &lt;---</td>
<td>BrExperi</td>
<td>.334</td>
<td>.062</td>
<td>5.404</td>
<td>***</td>
</tr>
<tr>
<td>BrLoyalty &lt;---</td>
<td>BrExperi</td>
<td>.056</td>
<td>.123</td>
<td>.455</td>
<td>.649</td>
</tr>
<tr>
<td>BrLoyalty &lt;---</td>
<td>BrTrust</td>
<td>.899</td>
<td>.311</td>
<td>2.894</td>
<td>.004</td>
</tr>
</tbody>
</table>

The regression value between brand experience as independent variable and brand trust as dependent variable was 0.334 as well as brand trust as independent variable and brand loyalty as dependent variable was .899 both significant at p value of 0.000 and 0.004. Thus there was a significant cause and effect relationship between brand experience and brand trust as well as brand trust and brand loyalty. On the other hand regression value between brand experience and brand loyalty was 0.056 significant at p value of 0.649 indicating no significant impact of brand experience on brand loyalty.

Impact of brand experience was checked in two ways with mediating variable brand trust as well as without mediating variable brand trust and the table below shows that the impact of brand experience on brand loyalty changed when brand trust was
introduced as mediating variable therefore it can be said that brand trust acts as a strong mediator between brand experience and brand loyalty.

<table>
<thead>
<tr>
<th>Variables</th>
<th>With mediation</th>
<th>Without mediation</th>
</tr>
</thead>
<tbody>
<tr>
<td>BE-BL</td>
<td>0.056, .649</td>
<td>.364, .000</td>
</tr>
</tbody>
</table>

**DISCUSSION AND CONCLUSION**

The research was done based upon the concepts and relationships developed by earlier researches. Standardized questionnaire on brand experience, brand trust and brand loyalty were used for collecting data. These questionnaires were standardized using reliability and factor analysis. The questionnaires were found reliable and suitable for current study. Factors on brand experience questionnaire were confirmed through confirmatory factor analysis.

Significant cause and effect relationship was found between brand experience and brand trust. The results are supported by studies of (Sahin et al 2011; Ong et. al. 2015; Delgado-Ballester & Munuera Aleman, 2005; Kantsperger & Kunz, 2010). Brand experience takes place in three stages during information gathering stage, at purchasing stage and post purchase. A positive experience at all these three stages will lead to stronger brand trust.

Further results indicate significant cause and effect relationship between brand trust and brand loyalty supported by the results of (Moorman et.al. 1992; Ismail et. al. 2012; (Bowden, 2009; Hong-Youl & Perks, 2005). Delgado-Ballester and Munuera-Aleman (2001) found that the antecedents and consequences of brand trust are predominantly based on the level of involvement a consumer has with a brand. Since the study was done on high involvement products such as cars trust has significant impact on loyalty. Customers don’t want to invest in high priced products such as cars without having trust over the brand. A consumer who trusts in the brand is more willing to remain loyal to it, to pay a premium price for it, to buy new products introduced under it in the existing and in new categories, and to share some information about his or her tastes, preferences, and behavior (Chaudhuri and Holbrook, 2001)

Few significant coefficients appear between brand experience and brand loyalty opposing the findings of (Şahin et al., 2011), suggesting brand trust mediated most of the effects of the brand experience dimensions on brand loyalty supported by (Ong et. al. 2015). It means a positive brand experience will first lead to high brand trust and further developing brand loyalty in case of high involvement products such as cars.

Finally from the result we can conclude that organizations manufacturing cars should help customers in gaining positive brand experiences with their brands at every level of brand experience pre purchase, purchase and post purchase, which will lead to high trust towards the brand and finally leading to brand loyalty. Brand loyalty is very important for manufacturers of cars as this involves lot of investment and is a purchase which customers will not go for every now and then. Therefore if once brand
loyalty is achieved customers will buy the same brand again and again leading to high profitability to the organizations.

REFERENCES


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