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Exploring the Impact of Brand Experience and Brand Trust on Brand Loyalty in Palakkad District

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Abstract: Brand experience is conceptualized as sensations, feelings, cognitions, and behavioural responses evoked by brand-related stimuli that are part of a brand's design and identity packaging, communications, and environments. When a customer has positive experience with a particular brand, he is positively satisfied with the brand and to a great extent customer satisfaction leads to Brand Loyalty. Also, a good Brand Experience could make a customer loyal to that particular brand, so that could also be interpreted as Brand Experience directly leads to Brand Loyalty. To get an in-depth information on the study of Brand Experience, Customer Satisfaction and Brand Loyalty, also how they affect each other, the best way would be study them with some particular brands. The main object of this study is to study the relationship between brand experience and customer loyalty. For collecting primary data questionnaire is used to collect samples of 120 consumers were selected through purposive sampling. Hence to ascertain the above-mentioned relationship between Brand Experience, Customer Satisfaction and Brand Loyalty and also to conduct a comparative study the Fast Track brand of watches was used. Fast Track is brand well accepted by the youth coming from the house of Titan. Since the study has included majority of young users the brand that would connect with this population would be Fast Track watches, hence that have been taken into the study in order to get a better picture in the context of the study. It can also be noted that watches are products which are very personal in nature and lead to experience in the user. The study arrived at the conclusion that Brand Experience affects Brand Loyalty to a large extent directly as well as through a mediating effect of Customer Satisfaction between them.

Key words: Brand Loyalty, Brand Experience, Customer Satisfaction

Introduction

Experience design is the practice of designing products, processes, services, events, and environments with a focus placed on the quality of the user experience and culturally relevant solutions, with less emphasis placed on increasing and improving functionality of the design.



An emerging discipline, brand experience attempts to draw from many sources including cognitive psychology and perceptual psychology, linguistics, cognitive science, architecture and environmental design, hazard analysis, product design, information design, information architecture, ethnography, brand management, interaction design, service design, storytelling, heuristics, and design thinking. In its commercial context, brand experience design is driven by consideration of the moments of engagement, or touch points, between people and brands, and the ideas, emotions, and memories that these moments create.

Customer satisfaction, a business term, is a measure of how products and services supplied by a company meet or surpass customer expectation. It is seen as a key performance indicator within business and is very important to measure the success of any particular brand or product. Customer Satisfaction is what makes a product or a service provider a brand. If the customers are satisfied then that is what will lead to repurchase and continuous profits.

Brand loyalty, in marketing, consists of a consumer's commitment to repurchase or otherwise continue using the brand and can be demonstrated by repeated buying of a product or service or other positive behaviours such as word-of-mouth advocacy. Brand loyalty is more than simple repurchasing, however. Customers may repurchase a brand due to situational constraints, a lack of viable alternatives, or out of convenience. Such loyalty is referred to as "spurious loyalty". True brand loyalty exists when customers have a high relative attitude toward the brand which is then exhibited through repurchase behaviour.

In today's fast-paced and increasingly competitive market, the bottom line of a firm's marketing strategies and tactics is to make profits and contribute to the growth of the company. Customer satisfaction, quality and retention are global issues that affect all organizations, be it large or small, profit or non-profit, global or local. Many companies are interested in studying, evaluating and implementing marketing strategies that aim at improving customer retention and maximizing share of customers in view of the beneficial effects on the financial performance for the firm. So, it is important to know how a brand's positive experience leads to Satisfaction in the customer and in turn lead to Loyalty. Now if the experience is positive and the customer becomes loyal, it means the company can reap long term benefits and profits from the consumer. Hence it is important to ascertain whether Brand Experience has a positive effect on Customer Satisfaction and also whether Brand Experience has a direct effect on brand Loyalty. Herein, I am also trying to determine if Customer Satisfaction has a mediating effect on Brand Experience and Brand Loyalty. I am also trying to determine a direct relationship between Brand Experience and Brand Loyalty and also the relationship between Customer Satisfaction and Brand Loyalty.

Hence to ascertain the above-mentioned relationship between Brand Experience, Customer Satisfaction and Brand Loyalty and also to conduct a comparative study the Fast Track brand of watches were used. Fast Track is brand well accepted by the youth coming from the house of Titan. Since the study has included majority of young users the brand that would connect with this population would be Fast Track watches, hence that have been taken into the study in order to get a better picture in the context of the study. It can also be noted that watches are products which are very personal in nature and lead to experience in the user.



Need and Significance

Understanding how consumers experience brands is critical for developing marketing strategies for goods and services. Brand experience seems to be a stronger predictor of actual buying behavior and a better predictor of satisfaction and loyalty.

Review of Literature

Ram Kulkarni and Dilip Belgaonkar (2012), in their article "Purchase Behavioural Trends and Brand Loyalty of Indian Youth with Special Reference to Nasik City", found that 72% youth using Colgate brand of tooth paste, 14% uses Pepsodent, 8% uses close-up, only 6% is the market share in youth consumer for other brands. Even though close-up is advertised as a youth brand is not popular in Indian youth with special reference to Nasik city. They also found that Youths are giving top priority to quality factor of the Brand. Indian youth purchase behaviour is more favourable for trusted brands and the brands having consistency in their quality.

Amber. Virani (2013) in her article "Consumer personality trait, brand persona and brand loyalty: a pragmatic study of Colgate toothpaste buyer", the major findings suggest that there is a significant positive relationship between conscientiousness personality traits on excitement brand personality. On the other positive significant influence of personality trait extroversion, neuroticism and openness on brand personality excitement. In addition excitement and sophistication brand personality traits have a significant positive influence on both affective and action loyalty and conscientiousness, extroversion, neuroticism and openness personality traits have a significant positive influence on both action and affective loyalty. It is suggested that brand personalities of the users of Colgate toothpaste in Karachi are excitement and sophistication.

Akabogu, Okey Christopher (2013), in their paper, "Application of the Brand -Choice Sequences Theory to measure Brand Loyalty to Toothpaste Brands in Nigeria", the results from the study indicated that, generally, there is no significant undivided brand loyalty among the regular toothpaste consumers. There are significant variations in brand loyalties across the brands of toothpaste studied, but the brand loyalties are between unstable to, at best, divided. Across the socioeconomic and demographic segments, the study did not find any significant variations in brand loyalties to the toothpaste brands.

Statement of the Problem

It is important to know how a brands positive experience leads to Satisfaction in the customer and in turn lead to Loyalty. Now if the experience is positive and the customer becomes loyal, it means the company can reap long term benefits and profits from the consumer. Hence it is important to ascertain whether Brand Experience has a positive effect on customer Satisfaction and also whether Brand Experience has a direct effect on Brand Loyalty.

Objectives of the Study

- To study the relationship between brand experience and customer satisfaction.
- To study the relationship between brand experience and customer loyalty.

- To study the relationship between customer satisfaction and customer loyalty.
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Hypothesis:

H₀: There is no significant relationship between brand experience and customer satisfaction.

H₀: There is no significant relationship between brand experience and customer loyalty.

H₀: There is no significant relationship between customer loyalty and customer satisfaction.

H₀: There is no gender wise preference towards brand loyalty and brand experience.

Methodology

The present research is based on the primary and secondary data which is descriptive in nature. For collecting primary data questionnaire is used to collect samples of 120 consumers were selected through purposive sampling. The secondary data were collected from various sources such as books, journals and internet. The tools for analysis were mean, chi square and t-test.

Analysis and Interpretation**Table 1: Age of respondents**

	Frequency	Percent	Valid Percent	Cumulative Percent
Less Than 20	15	12.5	12.5	12.5
21 - 40	52	43.3	43.3	55.8
41-60	27	22.5	22.5	78.3
Above 60	26	21.7	21.7	100.0
Total	120	100.0	100.0	

Source: Primary Data

The above table shows that majority of the users of Fastrack watch is between the age group of 21-40 and it indicates that most preferred persons are youth.

Table 2 : Brand makes a strong impression on visual sense

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	8	6.7	6.7	6.7
Disagree	30	25.0	25.0	31.7
Neutral	21	17.5	17.5	49.2
Agree	33	27.5	27.5	76.7
Strongly agree	28	23.3	23.3	100.0
Total	120	100.0	100.0	

Source: Primary Data

The above table diagram shows that majority of responded strongly agree or agree to the statement that brand makes a strong impression on my visual sense. But some of the

responded disagree to this statement and some are neutrally agreeing to the statement. The mean is 3.36 and the standard deviation is 1.269.

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	10	8.3	8.3	8.3
Disagree	27	22.5	22.5	30.8
Neutral	18	15.0	15.0	45.8
Agree	52	43.3	43.3	89.2
Strongly agree	13	10.8	10.8	100.0
Total	120	100.0	100.0	

Source: Primary Data

The above table shows that most of the responded agree that this brand is interesting in a sensory way. Only 30 % of the respondents disagree to the statement. The mean is 3.26 and the standard deviation is 1.17.

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	34	28.3	28.3	28.3
Disagree	30	25.0	25.0	53.3
Neutral	27	22.5	22.5	75.8
Agree	16	13.3	13.3	89.2
Strongly Agree	13	10.8	10.8	100.0
Total	120	100.0	100.0	

Source: Primary Data

The above table shows that most of responded disagree to the statement that the brand does not appeal to their visual sense. A small percent of respondents agrees to this statement. The mean is 2.53 and the standard deviation is 1.322.

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	10	8.3	8.3	8.3
Disagree	30	25.0	25.0	33.3
Neutral	28	23.3	23.3	56.7
Agree	26	21.7	21.7	78.3
Strongly Agree	26	21.7	21.7	100.0
Total	120	100.0	100.0	

Source: primary Data

The above table shows that they are equally agreeing and disagreeing to the statement this brand induces feelings and sentiments. The mean is 3.23 and the standard deviation is 1.275.

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	5	4.2	4.2	4.2
Disagree	12	10.0	10.0	14.2
Neutral	40	33.3	33.3	47.5
Agree	32	26.7	26.7	74.2
Strongly Agree	31	25.8	25.8	100.0
Total	120	100.0	100.0	

Source: primary Data

For majority of people this brand is an emotional brand is shown in this pie diagram. The mean is 3.60 and the standard deviation is 1.103.

Testing of Hypotheses

H₀: There is no significant relationship between brand experience and customer satisfaction.

Test Statistics

	Brand Experience	Customer Satisfaction
Chi-Square	66.917 ^a	20.083 ^a
Df	4	4
Asymp. Sig.	.000	.000

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 24.0.

The calculated value of Chi-square is significant at 5% level of significance. Hence Null Hypothesis is rejected. This means that there is significant relationship between brand experience and customer satisfaction.

H₀: There is no significant relationship between brand experience and customer loyalty.

Test Statistics

	Brand Experience	Customer Loyalty
Chi-Square	66.917 ^a	61.333 ^a
Df	4	4
Asymp. Sig.	.000	.000

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 24.0.

The calculated value of Chi-square is significant at 5% level of significance. Hence Null Hypothesis is rejected. This means there is significant relationship between brand experience and customer loyalty.

H₀: There is no significant relationship between customer loyalty and customer satisfaction.

Test Statistics

	Customer loyalty	Customer satisfaction
Chi-Square	61.333 ^a	20.083 ^a
Df	4	4
Asymp. Sig.	.000	.000

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 24.0.

The calculated value is significant at 5% level of significance. Hence Null Hypothesis is rejected. This means that there is significant relationship between customer loyalty and customer satisfaction.

H₀: There is no gender wise preference towards brand loyalty and brand experience.

Group Statistics

	Gender of respondents	N	Mean	Std. Deviation	Std. Error Mean
Brand Experience	Male	52	3.88	.943	.131
	Female	68	3.87	.862	.105
Brand Loyalty	Male	52	3.92	1.186	.164
	Female	68	4.00	1.007	.122

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper	
Brand experience	Equal variances assumed	1.243	.267	.103	118	.918	.017	.165	-.311	.344
	Equal variances not assumed			.101	104.563	.919	.017	.167	-.315	.349
Brand loyalty	Equal variances assumed	1.124	.291	-.384	118	.702	-.077	.200	-.474	.320
	Equal variances not assumed			-.376	99.723	.708	-.077	.205	-.483	.329

The above table shows Group Statistics for the gender wise preference towards brand loyalty and brand experience. The above table shows the Independent Samples Test-t-test for



Equality of Means. The result is insignificant at 5% level of significance. Here Null Hypothesis is accepted that is there is no gender wise preference towards brand loyalty and brand experience.

Findings, Conclusion and Suggestions

Findings

From the above study undertaken, the following findings and suggestions have been arrived at:

1. There is significant relationship between Brand Experience and Customer Satisfaction.
2. It can be seen that Brand Experience affects Customer Loyalty significantly and positively.
3. There is significant relationship between customer loyalty and customer satisfaction.
4. There is no gender wise preference towards brand loyalty and brand experience.
5. Majority of the respondents replied that they are satisfied with the brand Fastrack watches.
6. Most of the users of Fastrack watches are youths between the age group of 21 – 40.
7. In the case of Fast Track watches, it has been noted that sensory and affective factors have less effect has compared to behavioral factor which has the most impact on Brand Loyalty.
8. The study has determined that Brand Experience affects Brand Loyalty directly as well as indirectly through Customer Satisfaction.

Suggestions

1. More designs for the age group of people above 40years can be introduced.
2. Fastrack watches are short cycle products which are expensive too. So the company can make more trendy and affordable watches.
3. More outlets can be open to reach more people.

Conclusion

It can be interpreted from the study that Brand Experience affects Brand Loyalty to a large extent directly as well as through a mediating effect of Customer Satisfaction between them. In the case of Fastback Watches, it has been noted that Brand Experience leads to Customer Satisfaction and has a significant effect on it. Also, Customer Satisfaction leads to Brand Loyalty significantly and Brand Experience leads to Brand Loyalty. Also seen is that among the factors of Brand Experience, behavioural factor has no impact on Brand Loyalty whereas sensory has the most effect. It has been noted that in the case of Brand Experience there is a mediating effect of Satisfaction, a good experience can lead to satisfaction and also a good experience can lead to loyalty but it has been proved that a good experience leads to satisfaction leads to loyalty. Hence the study has determined that Brand Experience affects Brand Loyalty directly as well as indirectly through satisfaction.



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