

Impact Of Perceived Value, Brand Trust And Brand Image On Brand Loyalty - Among Aavin Milk Consumers

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Abstract

Perceived value, brand trust and brand image has been assessed as an imperative predecessor of brand loyalty. Brand loyalty helps companies to attain higher performance that leads to higher market share. The purpose of this research study is to investigate the impact of Perceived value, brand trust and brand image on brand loyalty among aavin milk consumer. The sample of the 664 respondents was taken from tiruchengode region, namakkal District. Through structured questionnaire data were collected and with the help of statistical tools the data was analyzed. The results revealed that brand trust and perceived value make a positive impact on brand loyalty. Hence the companies need to focus on long-term profitability and brand loyalty with the support of brand trust and perceived value. Marketers can employ the findings and develop marketing strategies in order to improve the brand trust and perceived value in more clear-cut manner.

Keywords: Brand image, brand trust, perceived value Profitability, Brand loyalty, competitive advantages, loyal customers.

Introduction

Currently, for secure their long term profitability today businesses are decided to develop, retain and create brand loyalty in such a way to maintain loyal customers, but it is not easy in a unstable and competitive environment. Brand loyalty by any customer not only represent the repeat purchase of that brand but sometimes it also refers to the psychological commitment of that customers toward that brand, therefore, brand loyalty not only mean that customer will not purchase that brand most often but also he or she will refuse to purchase any other brand of same or better quality as compare to the old one he or she is loyal to that brand. Almost the same patterns and techniques of promotion and positioning brand image in the minds of customers are used by companies.

Due to increased competition in dairy industry Perceived value, customer satisfaction, Brand image, brand trust these all factors affects the brand loyalty. Thus, company should look at consumer loyalty and concentrate on factors that determine customer's brand loyalty with the brand and to see differences that exist in consumer brand loyalty indifferent brands. In the present situation, the selection of brand in dairy has been remarkably fast grown in many parts of the world. Against this circumstance this study strives to assist the researcher to investigate different attributes of brand in the context of dairy, and to further address the impacts of Perceived value, customer satisfaction, Brand image, brand trust on brand loyalty.

Statement of the problem

Perceived value, customer satisfaction, Brand image and brand loyalty is a major concern in every sector. Likewise these days dairy sector is rapidly getting more competition hence dairy industry are supposed to focus on Perceived value, customer satisfaction, Brand image and brand loyalty. The literature review has assisted us to notice that these variables had widely been studied in different industry but not in dairy industry as done here. This research aims to analyze these of the quantitatively dairy industry in tiruchengode region

Objectives of the Study

The intention of this research is to study the impact of perceived value ,brand trust ,consumer satisfaction and brand image on brand loyalty among aavin milk consumers and to give some valued ideas to generate and maintain consumer brand loyalty .Hence the research has the following objectives:

- To identify satisfaction level of consumer towards of aavin milk
- To know the factors of Brand image, perceived value, brand trust.
- To analysis the impact of Brand image, perceived value, brand trust on brand loyalty.
- To provide valuable suggestions for the improvement of brand loyalty

Literature Review**Perceived Value**

According to one empirical research it has identified perceived value as a major determinant of customer loyalty in such settings as telephone services (Bolton& Drew, 1991)

The perceived share of the brand serves as a signal to the consumer of the brand's quality (e.g., many consumers buy this brand so it must be good). A higher perceived brand share indicates that significant funds have been invested in the brand, and therefore it is in the brand's own interests to perform at the quality level promised (cf. Doney and Cannon 1997).

Swait and Sweeney (2000) used logic models to analyze the influence of customer perceived value on consumer purchase intention in retailing industry and found that different perceived value customers have different purchase behavior. In fact, many researchers considered perceived value an important factor for marketing companies (Chen and Quester, 2006; Cornin et al., 2000; Pura, 2005). It is because perceived value can be a differentiation and competitiveness to a company.

Brand Trust

Oliver (1999) thinks that the companies hope that the customer can be continuously patronage and keeping honest customer, and supporting a long-lasting relation is the most important, so the honest customer is the most precious property in company, while the benefit brought by each customer loyalty can be measured. This is the mean reason which inquire into the relationship with of brand trust and customer loyalty of this study.

Brand trust, affect and loyalty together can increase the market share of an organization as it develops the willingness to pay amongst the consumers (Chaudhury and Holbrook,2001) and therefore their impact shall be studied on consumer brand extension attitude along with brand image.

Brand Image

According to Hsieh, Pan, and Setiono (2004), "a successful brand image enables consumers to identify the needs that the brand satisfies and to differentiate the brand from its competitors, and consequently increases the likelihood that consumers will purchase the brand" (p. 252).

Zooming into Keller's (1993) conceptualization of brand image, it is considered a perception about a brand as reflected by the brand associations held in consumers' memory. He suggested that "brand associations " comprise of brand attributes, brand benefits, and overall brand attitudes consumer

Consumer Satisfaction

Oliver (1997) defined satisfaction as "the consumer's fulfillment response. It is a judgment that a product or service feature, or the product or service itself, provided (or is providing) a pleasurable level of consumption-related fulfillment, including levels of under- or over-fulfillment" (p. 13).

Szymanski and Henard (2001) noted that previous research on consumer's satisfaction focused primarily on the effects of expectations, disconfirmation of expectations, performance, affect, and equity on satisfaction.

Brand Loyalty

Hong-Youl Ha(2011) his study focused on effects of customer perceptions ,advertising spending, store image, perceived quality and satisfaction on brand loyalty. Primary data for this study was collected from the banking and discount store services in South Korea. Using various statistical tools the collected data is analyses and interpreted as advertising spending has positive effects on brand loyalty, with mediating roles played by store image, perceived quality and satisfaction both in banking and retail services.

Chaudhuri and Holbrook (2001) suggest that strong value of the categorized product is directly linked with brand affect and is one of the separate but major factors in building up the loyalty of a brand. But simultaneously brand affect is considered as a main variable in deriving the loyalty for the brand. (Ringberg and Gupta, 2003).

Theoretical Framework

This theoretical framework shows the relationship among the three important independent variables such as perceived value, brand trust and Brand image in this research study. Customer satisfaction is the moderate variable as it has a contingent effect on the dependent independent relationship. In addition to the above at the end examine the impact of those variables on brand Loyalty.

Brand Loyalty and Dairy Industry

Today, in all sector it is an agreed statement that for securing long term prosperity every company should sustain and build brand loyalty in order to uphold loyal customers for their business. However building brand loyalty is very tricky in these competitive market environments. The word loyalty is connected with a sense of dedicated attachment and affection. As of commercial perspective the term 'brand loyalty' is very essential for capturing the market.

Milk and milk products become one of the common and essential food items for everyone that gives necessary vitamins for the consumer. Hence the consumers are very conscious in buying milk and milk products.. In the current situation, in selection milk brand consumers have wide choice so aavin should focused on factors that lead to brand trust and brand loyalty. With the background of strong brand loyalty aavin can gain more market share in dairy industry for long run..

Research Methodology & Data Collection Method

The target population for this research is aavin milk consumer. Keeping in view the time and money constraints. The research was conducted from 664 respondents from different place of triuchengode region. For this research data was collected through structured questionnaire from sample of 664 respondents they are selected by convenience sampling.

Data Analysis and Intrepretation**Perceived value****Table 1 : Friedman's test – Perceived value relating to Aavin milk**

Perceived value	Mean	SD	Mean Rank
Aavin brand is less priced	3.15	1.02	4.64
Aavin is a bit costly but offers value for the money	3.38	0.86	4.64
Aavin milk is available in different price level	4.08	0.41	7.80
Thickness of milk is very good	4.28	0.52	9.02
Smell & taste of Aavin milk is superior	4.20	0.78	8.86
It is economy to purchase Aavin	4.25	0.73	9.04

Aavin milk is available in different quantity	4.08	0.36	7.79
Aavin milk is good in packing	3.91	0.66	7.10
Aavin milk packet is convenient for carrying	3.68	0.83	6.27
Detailed information is given on packet	3.97	0.47	7.27
Logo , Color & Design is attractive	4.01	0.41	7.40
Milk is packed in a hygienic way	3.94	0.50	7.06
Available both in the morning and evening	4.29	0.55	9.11
Aavin milk is available in most retail shops	4.24	0.68	9.00

In order to identify the factor which is more influencing the respondent towards attitude the Friedman's test analysis was used and the results were given in table. It could be noted from the above table that among the 14 factors "Available both in the morning and evening" was ranked first. It is followed by the "It is economy to purchase Aavin". "Thickness of milk is very good" was ranked third.

Brand Trust

Table 2 : Friedman's test – Brand Trust related to Aavin milk

Brand Trust factor	Mean	SD	Mean Rank
I trust Aavin milk	4.01	0.62	4.51
Aavin milk is safe for my family health	4.15	0.80	4.85
Aavin milk is prepared in a hygienic way	4.19	0.77	4.94
Aavin milk contains necessary vitamins, minerals and fat for healthy life	4.19	0.69	4.93
No harmful chemicals are added	3.41	0.92	3.22
My parents used to buy Aavin milk so I trust	3.19	1.13	3.03
Other products of Aavin give the same quality	2.98	1.07	2.53

In order to identify the factor which is more influencing the respondent towards attitude the Friedman's test analysis was used and the results were given in table. It could be noted from the above table that among the 7 factors "Aavin milk is prepared in a hygienic way" was ranked first. It is followed by the "Aavin milk contains necessary vitamins, minerals and fat for healthy life". "Aavin milk is safe for my family health" was ranked third.

Satisfaction level

Table 3 : Friedman's test – Satisfaction level relating to Aavin milk

Factors	Mean	SD	Mean Rank
Price	3.71	0.88	5.48
Quantity	3.94	0.41	5.93
Thickness	4.14	0.54	6.91
Nutrition	3.88	0.50	5.62
Taste	4.04	0.76	6.62
Freshness	4.10	0.49	6.63
Hygiene	3.91	0.50	5.81
Smell	4.08	0.70	6.74

Availability	4.08	0.64	6.68
Variety	3.67	0.61	4.68
Packing	3.58	0.89	4.90

It could be noted from the above table that among the 6 factors “Thickness” was ranked first. It is followed by the “Smell”. “Availability” was ranked third.

Brand Image

Table 4 : Friedman’s test – Brand Image related to Aavin milk

Brand Image factor	Mean	SD	Mean Rank
Aavin is a government company	4.11	0.36	4.00
Aavin is one of the leading milk companies in Tamil Nadu	4.56	0.55	5.26
The name Aavin is very impressive & easy to pronounce & Remember	3.77	0.80	3.37
Other people judge me by the kind of brand I use	2.86	0.97	1.81
Aavin is well known brand	4.27	0.51	4.45
Aavin milk is nutritious and hygienic	4.23	0.61	4.40
Aavin milk has a good long term credit among consumers	4.33	0.75	4.71

It could be noted from the above table that among the 7 factors “Aavin is one of the leading milk companies in Tamil Nadu” was ranked first. It is followed by the “Aavin milk has a good long term credit among consumers”. “Aavin is well known brand” was ranked third.

Regression Analysis

In this section multiple regression analysis is used to explain the variation in the Overall Satisfaction score (dependent variable) based on the variation over the variables (independent variable) Brand image, Brand trust, Perceived Value. Therefore the multiple regression equation becomes

$$Y = b_0 + b_1X_1 + b_2X_2 + b_3X_3$$

Dependent variable Y = Overall Satisfaction score

Independent variables are X₁ = Brand image

X₂ = Brand trust

X₃ = Perceived Value

First we look at the correlation of the variables with each other. The correlation table is shown in Table . The values in the correlation table are standardized and range from -1 to +1. The correlation table shows that the Overall Satisfaction score have significant correlation with the dependent variables of ‘Brand image, Brand trust, Perceived Value

Over All Overall Satisfaction.

Table 5: Pearson Correlation - Over All Overall Satisfaction

	Perceived Value	Brand image	Brand trust
Overall Satisfaction	0.571**	0.295**	0.567**
Perceived Value	1	0.257**	0.501**
Brand image	-	1	0.410**
Brand trust	-	-	1

** Highly Significant

Descriptive Table provides the mean and the standard deviation for each variable in the analysis. The variables entered and removed from the model are listed and the following goodness-of-fit statistics are displayed: multiple R.

Descriptive statistics

variables	Mean	Std. Deviation	R ²
Overall Satisfaction	19.998	3.702	0.433**
Perceived Value	55.453	3.938	
Brand image	28.111	2.446	
Brand trust	26.111	4.124	

The table also reports the strength of the relationship between the model and the dependent variable. R, the multiple correlation coefficients, is the linear correlation between the observed and model-predicted values of the dependent variable. Its large value indicates a strong relationship.

The ANOVA Table reports a significant F statistic, indicating that using the model is better than guessing the mean. As a whole, the regression does a good job of modeling Overall Satisfaction score. The ANOVA table tests the acceptability of the model from a statistical perspective.

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Regression	3937.25	3	1312.42	168.27	< 0.001**
Residual	5147.748	660	7.80		
Total	9084.998	663			

The Regression row displays information about the variation accounted for the model. The Residual row displays information about the variation that is not accounted for the model. The regression sum of square is greater than residual sums of squares, which indicates that nearly eighty seven percent of the variation in Overall Satisfaction score is explained by the model. The significance value of the F statistic is less than 0.01, which means that the variation explained by the model is not due to chance.

Even though the model fit looks positive, the first section of the coefficients Table shows that predictor Brand Image is non-significant coefficient, indicating that these variables do not contribute much to the model.

Regression Coefficients

	B	Std. Error		t	p
(Constant)	-10.33	1.81		-5.69	< 0.001**
Perceived Value	0.36	0.03	0.38	11.19	< 0.001**
Brand image	0.08	0.05	0.05	1.62	0.107
Brand trust	0.32	0.03	0.35	9.87	< 0.001**

a Dependent Variable: Overall Satisfaction score

This table shows the coefficients of the regression line. It states that the expected Overall Satisfaction score is equal to

$$Y = -10.33 + 0.36X_1 + 0.08X_2 + 0.32X_3$$

Looking at the significance values we see that Brand trust, Perceived Value are significant (P < 0.01) in predicting the Overall Satisfaction scores.

Finding

It is observed from the study aavin milk satisfied both old and young generation with these three factors 'Economy', 'Quality' and 'Convenience'. It implies that aavin milk fulfil the requirement of all class consumers .

The study shows that the overall satisfaction score has significant correlation with the dependent variables of 'Brand image, Brand trust, Perceived Value. Brand Image is non-significant coefficient, indicating that these variables do not contribute much . Brand trust , Perceived Value are significant in predicting the Overall Satisfaction scores.

This makes it clear that, brand trust and perceived value about the quality are the major factors which result in brand satisfaction and there by result in brand loyalty.

Conclusion

The study reveals that perceived value, brand trust, customer satisfaction, brand image have an effect on brand loyalty. The findings of this study show that the perceived value, brand trust have direct path and significantly affects the brand loyalty. The recognition of recompense of the brand image will support the marketers to generate successful marketing strategies. It is very important to gain knowledge of the perception of the customer about the perceived value, brand trust, brand image and whether these perceptions are aligned with their needs and goals. In order to build a successful brand the marketers must give special concentration to construct brand trust, brand image apart from their branding strategies. Hence brand trust, perceived value, brand image play a vital role in determining the brand popularity and brand loyalty.

Recommendations

- The purpose of this study has been enlighten to pay more attention on brand trust and perceived value for better brand loyalty.
- It is recommended that aavin give more attention to customer satisfaction and maintaining and promoting the product quality, product variety, considering customers' tastes can help company to reach good position in the customer's mind.
- Aavin may concentrate more on diversify and attractiveness (innovation) of product and try more in this field in order to retain the loyal customer.
- Aavins' involvement in CSR activities will change the consumer's mind toward the brands and improve the brand image.

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