

7th International Strategic Management Conference**The Effects of Brand Experiences, Trust and Satisfaction on Building Brand Loyalty; An Empirical Research On Global Brands****Azize Şahin^a, Cemal Zehir^b, Hakan Kitapçı^b, a***^a *Gebze Institute of Technology, Istanbul Cad. No:101, Gebze, 41400, Turkey*^b *Gebze Institute of Technology, Istanbul Cad. No:101, Gebze, 41400, Turkey***Abstract**

Marketing academics and practitioners have acknowledged that consumers look for brands that provide them with unique and memorable experiences. As a result, the concept of brand experience has become of great interest to marketers. The present field study, conducted with actual consumers, addresses the question whether different consumers prefer different experiential appeals and whether experiential types create the relationships between brand experiences, satisfaction, trust and loyalty. Brand experience is conceptualized as sensations, feelings, cognitions, and behavioral responses evoked by brand-related stimuli that are part of a brand's design and identity, packaging, communications, and environments. Brand experience affects satisfaction, trust and loyalty. From the customer viewpoint, brands are relationship builders. In this present research, we propose the effects of brand experiences to build long-lasting brand and customer relationship with brand trust, satisfaction, and loyalty. The study was conducted on 258 respondents. As a result of this study, brand experiences, satisfaction, trust have positively effects brand loyalty.

© 2011 Published by Elsevier Ltd. Selection and/or peer-review under responsibility of 7th International Strategic Management Conference

Keywords; brand experience, brand trust, brand satisfaction, brand loyalty

1. Introduction

The development of consumer-brand relationship has been focus of branding theory in recent years. A brand acts as a mechanism in engaging both buyer and seller in a long-term consumer-brand relationship (Davis, Oliver and Brodie, 2000; Fournier, 1998; Keller 1993, 1998; Rao and Ruekert, 1994). The main input of this relationship is brand experience and the main output of this relationship is brand loyalty.

The traditional method of brand marketing mostly appeals to functional links with consumer, but consumers now wish for a more compelling experience (Schmitt, 1999). Schmitt (1999) indicated that experiential marketing has proven itself to be a good starting point for studies on consumer-brand relationship. Franzen (1999) stated that the consumer-brand relationship is in the final stages of the mental brand responses. He also claimed that the consumer-brand relationship is formed by consumer experience and brand knowledge or brand meanings. Meanwhile, Keller (2001) laid out a series of steps for building brand equity, also suggesting consumer-brand relationship as the final step. The consumer-brand relationship depends on largely on the successful establishment of the brand meanings. These brand

* Corresponding author. Tel.: +9-0532-5205897; fax: +9-0262-6543224.
E-mail address: azize.sahin@gmail.com

meanings can be formed directly from a consumer's experience. As the experience economy unfolds in the 21st century, brand marketers must bond with consumers by staging holistic brand experiences (e.g., Schmitt, 1999; Pine and Gilmore, 1999). Furthermore, brand meanings are becoming crucial mediators between brand experience and consumer-brand relationship.

The present study differs from previous studies in three ways. First, whereas previous studies have focused more on emotional experience (e.g., Babin, Darden and Griffin, 1994; Mano and Oliver, 1993; C. Yoo, Park and MacInnis, 1998) or related experience (e.g., Muniz and Guinn, 2001). This study is the first empirical study focusing on building consumer-brand relationship from the brand experiential view.

Second, although brand trust and satisfaction are very important constructs for brand experience and loyalty in the relational context. Brand experiences result from stimulations and lead to pleasurable outcomes, and consumers want to repeat these experiences. That is, brand experience should affect not only past-directed satisfaction judgments but also future directed consumer loyalty. Consumers should be more likely to buy a brand again and recommend it to others and less likely to buy an alternate brand (Mittal and Kamakura 2001; Oliver 1997; Reicheld 1996).

The main aim of the present study was to test a general framework for building a consumer- brand relationship from an experiential view. In addressing this issue, the present study attempted to perform a test on research hypotheses by empirically cross validating the proposed conceptual model. This paper commences with a discussion of the conceptual framework including literature on brand loyalty, brand experience, satisfaction, trust and the role of previous experience leading to hypotheses development.

2. Literature Review And Research Hypotheses

2.1. Brand Experience

Most of the research on experiences to date has focused on utilitarian product attributes and category experiences, not on experiences provided by brands. Brand experience is conceptualized as sensations, feelings, cognitions, and behavioral responses evoked by brand-related stimuli that are part of a brand's design and identity, packaging, communications, and environments (Brakus et al., 2009). According to Alloza (2008), brand experience can be defined as the perception of the consumers, at every moment of contact they have with the brand, whether it is in the brand images projected in advertising, during the first personal contact, or the level of quality concerning the personal treatment they receive. Brand experience is created when customers use the brand; talk to others about the brand; seek out brand information, promotions, and events, and so on (Ambler et al., 2002).

Brand marketers must bond with consumers by staging holistic brand experiences (e.g., Schmitt 1999; Pine and Gilmore, 1999). The marketing activities associated with the brand, effects the consumers "mind-set" with respect to the brand-what they know and feel about the brand. The customer mind-set everything that exist in the minds of customers with respect to a brand; thoughts, feelings, experiences, images, perceptions, beliefs, attitudes and so on, that is, brand equity as defined by Ambler (2000). When consumers search for, shop for, and consume brands, they are exposed to utilitarian product attributes. However, they are also exposed to various specific brand-related stimuli, such as brand-identifying colors (Belizzi and Hite, 1992; Gorn et al., 1997; Meyers-Levy and Peracchio 1995), shapes, typefaces, background design elements (Mandel and Johnson, 2002), slogans, mascots, and brand characters (Keller, 1987); Brakus et al., 2009). These brand-related stimuli appear as part of a brand's design and identity (e.g., name, logo, signage), packaging, and marketing communications (e.g., advertisements, brochures, Web sites) and in environments in which the brand is marketed or sold (e.g., stores, events). These brand-related stimuli constitute the major source of subjective, internal consumer responses, which is referred as "brand experience" (Brakus, et al., 2009). Thus, brand experience is conceptualized as subjective, internal consumer responses (sensations feelings, and cognitions) and behavioral responses evoked by brand-

related stimuli that are part of a brand's design and identity, packaging, communications and environments.

Brand experience is not an emotional relationship concept. Experiences are sensations, feelings, cognitions, and behavioral responses evoked by brand related stimuli. Over time, brand experiences may result in emotional bonds, but emotions are only one internal outcome of stimulation that evokes experience. Thus, because brand experience differs from brand evaluations, involvement, attachment, and consumer delight, brand experience is also conceptually and empirically distinct from personality. Consumer delight is characterized by arousal and positive affect; it can be considered the affective component of satisfaction (Oliver, Rust, and Varki, 1997). In contrast to customer delight, brand experiences do not occur only after consumption; they occur whenever there is a direct or indirect interaction with the brand. Moreover, a brand experience does not need to be surprising; it can be both expected and unexpected (Brakus et al., 2009).

Pine and Gilmore (1999) study "staged experiences" in retail environments and events. For these settings, they distinguish aesthetic (including visual, aural, olfactory, and tactile aspects), educational, entertaining, and escapist experiences. Although, Pine and Gilmore's framework is limited to retail settings and events. Schmitt (1999) proposes five experiences; sense, feel, think, act, and relate. The sense experience includes aesthetics and sensory qualities. Consistent with recent research in consumer behavior, the feel experience includes moods and emotions. The think experience includes convergent/analytical and divergent/imaginative thinking. The act experience refers to motor actions and behavioral experiences, such as relating to a reference group.

Brand experience conceptualization and scale development are very important for understanding and managing brand trust and loyalty concepts (Brakus et al, 2009). Brand experience can be positive or negative, short-lived, or long-lasting. Moreover, brand experience can positively affect consumer satisfaction and brand loyalty, as well as brand trust (Zarantenello and Schmitt, 2000; Ha and Perks, 2005). Brand experience is empirically distinct from other brand and customer-focused concepts including brand attachment, brand involvement, and consumer delight (Zarantenello and Schmitt, 2000). To summarize above mention, the hypotheses for this research are proposed as below:

Hypothesis 1 (H1): Brand experience has a significantly positive effect on brand satisfaction.

Hypothesis 2 (H2): Brand experience has a significantly positive effect on brand trust.

Hypothesis 5 (H5): Brand experience has a significantly positive effect on brand loyalty.

2.2. *Brand Satisfaction*

Satisfaction is defined as an affective response to purchase situation (Babin and Griffin, 1998; Bagozzi et al., 1999; Bennet et al., 2005; Anderson and Narus, 1990). Satisfaction is a positive affective reaction to an outcome of a prior experience (Ganesan 1994). The satisfaction derived and attitude formed as part of a prior experience (Ganesan, 1994) then impacts on subsequent purchases (Oliver, 1980), completing cyclical pattern (Bennett et al, 2005).

Satisfaction has been found to lead to the long-term combination of relationships (Gladstein, 1984; Anderson and Narus, 1990). Brand relationship quality can be defined as the degree to which the consumer views the brand as satisfactory partner in an ongoing relationship; it is the consumer's overall assessment of the strength of his or her relationship with the brand (Algesheimer et al, 2005)

Satisfaction is necessary but not sufficient component of loyalty (Agustin and Singh, 2005). Satisfaction is an antecedent of brand loyalty, with increases in satisfaction leading to increases in brand loyalty (Bennett, 2001; Bolton, 1998); Jones and Suh, 2000; Ringham, Johnson, and Spreng, 1994; Bennett et al, 2005). The notion of satisfaction is considered here as an indirect source of brand loyalty, for two reasons. Although, the marketing literature admits the assumption that satisfaction is linked to

loyalty, the earlier concept seems to explain consumers' buying habits including all of their consistent purchasing behaviors (Van Birgelen et al., 1997; Bennett et al., 2005). Satisfaction with the preferred brand is one of the determinants of brand loyalty. To summarize above mention, the research hypothesis is proposed as below:

Hypothesis 3 (H3): Brand satisfaction has a significantly positive effect on brand loyalty.

2.3. *Brand Trust*

A brand is a trust mark for all intangible trust-generating activity, and absent human touch, it can be a symbol of quality and assurance in building trust (Keller, 1993; Bart, et al., 2005). The importance of the trust construct has already been demonstrated in sustaining buyer and seller relations (Chow and Holden, 1996; Amine, 1998; Morgan and Hunt, 1994; Bart et al., 2005; Agustin and Singh, 2005).

Trust can be defined as a consumer's confident beliefs that he or she can rely on the seller to 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 (Agustin and Singh, 2005). The trust in the purchased brand may be viewed as leverage of its credibility, which in return may reinforce the consumers' repeat buying behavior (Amine, 1998).

Brand trust is defined as 'the willingness of the average consumer to rely on the ability of the brand to perform its stated function (Chaudhuri, and Holbrook, 2001). Brand trust has two dimensions. The first dimension of brand trust, reliability, has a technical or competence-based nature, involving the ability and willingness to keep promises and satisfy consumers' needs. The second dimension comprises the attribution of good intentions to the brand in relation to the consumers' interests and welfare, for example when unexpected problems with the product arise. Consequently, a trustworthy brand is one that consistently keeps its promise of value to consumers through the way the product is developed, produced, sold, serviced and advertised, and even in bad times when some kind of brand crisis arises (Delgado et al., 2003; Doney and Cannon, 1997; Ganesan, 1994; Morgan and Hunt, 1994).

Trust is essential in building strong consumer-brand relationships (Fournier, 1998; Urban, Sultan, and Qualls, 2000), and it is positively related to brand loyalty (Lau and Lee, 1999). Consumers, develop trust in a brand based on positive beliefs regarding their expectation for the behavior of the organization and the performance of products a brand represents (Ashley and Leonard, 2009). Trust reflects cumulative effects over time on loyalty in high-involvement, high-service product markets (Chiou and Droge, 2006). The domain of trust in this study is the brand experience in its entirety (encompassing both product and service aspects offered by the brand's provider) but not focusing on specific attributes. Based on the above literatures, the hypotheses for this research is proposed as below:

Hypothesis 4 (H4): Brand trust has a significantly positive effect on brand loyalty.

2.4. *Brand Loyalty*

Loyalty, as defined by Oliver (1997), is "a deeply held commitment to rebuy or repatronize a preferred product/service consistently in the future, thereby 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). In marketing literature the term loyalty has often been used interchangeably with its operational (measurement) definition to refer to; repeat purchase, preference, commitment and allegiance. In addition, loyalty has been referred to in a variety of market-specific contexts, for example, service, store and vendor loyalty, an contexts that reflect the unit of measurement; customer and brand loyalty (Algesheimer et al., 2005).

The consumer-brand relationship is critical to the building of brand loyalty (e.g., Fournier, 1994; 1998; Ching and Chang, 2006). Brand experiences lead to brand loyalty, active referral of the brand and increased profitability for the brand (Morrison and Crane, 2007). Brand experiences encourage loyalty by creating emotional connections through an engaging, compelling and consistent context. The context is the environment in which the service encounter occurs; it encompasses the physical and relational characteristics of the setting in which the consumer consumes the service as well as everything that the customer interacts within that setting. This definition of context indicates two primary components of context, physical and relational. The physical context is made up of the "clues" generated by the sights, sounds, textures and smells of the environment; the relational context is composed of those "clues" that emanate from people and behaviors in which they engage (Morrison and Crane, 2007).

3. Methodology

An empirical study was designed to test the research framework and the above-mentioned hypotheses. This study focused mainly on brand experience, satisfaction, trust and loyalty in a consumer-brand relationship spectrum. Thus, the appropriate measurement of these constructs was the focus of this research. Overall consideration, durable goods category (automobile) was selected as the exchange context for this research. Data were collected through random questionnaires consumers. The study was based on the development and administration of a self-administered survey. Sample was randomly drawn from the population of consumers who reside within the metropolitan area of a large city in Istanbul. Random sample includes consumers who may lie anywhere on the transactional-relational continuum with the global brands.

An extensive literature review was performed in order to identify the effects of brand experiences to build long-lasting brand and customer relationship with brand trust, satisfaction, and loyalty. Then, questionnaires were developed. The constructs in the study were developed by using measurement scales adopted from prior studies. All constructs are measured using five-point likert scales with anchors strongly disagree (= 1) and strongly agree (= 5).

3.1. Measures

The brand experience: Items for measuring the brand experience were adopted from J.J.Brakus, B.H.Schmitt, and L.Zarantonello (2009). The modified brand experience scale consists of 12 items.

The brand satisfaction: They were drawn from previous audience studies (Grace and O'Cass 2005; Fullerton 2005; Garbarino and Johnson, 1999; Heitmann et al., 2007, Yi and Suna, 2004; Youl-Hong Ha, Perks Helen, 2005; Lyer, Rajesh and Muncy, James A. 2005; Lin, Chin-Tsai, Wang, Su-Man ve Hsieh, Huei-Ying 2003; Methlie B.Leif and Nysveen Herbjorn 1999; McAlexander H.James, Kim K.Stephen, Roberts D.Scott, 2003). The modified brand experience scale consists of 9 items.

The brand trust: They were adapted from a variety of sources (Hsteh and Hiang 2004; Caceres and Paparoidamis 2007; Ballester and Aleman-Munuera 2001; Dixon, Bridson, Evans and Morrison 2005; Chaudhuri and Holbrook 2001, etc.). The modified brand experience scale consists of 9 items.

The loyalty measures: They were adapted from previous studies (Grace and O'Cass 2005; Algesheimer, Uptal and Herrmann, 2005; Fullerton, 2005; Heithman, Lehman, and Herrmann, 2007; Hess and Story, 2005; Johnson, Herrmann and Huber, 2006; Sierra and McQuity, 2005; Zeithaml, Berry and Parasuman, 1996). The modified brand experience scale consists of 14 items.

3.2. Research Model

The authors propose a model that describes the relationship between brand satisfaction, brand trust and brand loyalty taking into account and exploring the effects of brand experience. The study is organized as follows. First, a conceptualization for the study is developed through the exploration and definition of the constructs of conceptual mold. The authors do this by defining each construct of brand experience, brand trust, satisfaction and loyalty. For each construct, its relationship with the other constructs is investigated and research hypotheses are proposed (Figure, 1). Secondly, the sample and measures employed in the study are described, and then the empirical research results are reported. In conclusion, the results are discussed along with the theoretical and managerial implications of the findings.

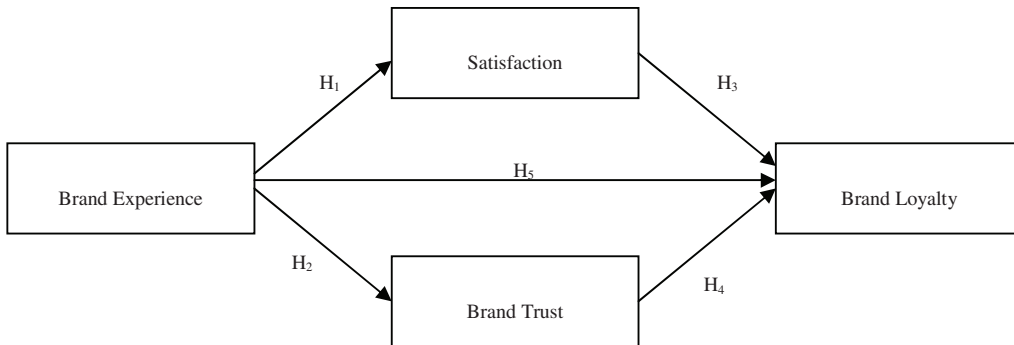


Figure 1: Research Model

The hypotheses in this research:

- Hypothesis 1 (H1): Brand experience has a significantly positive effect on brand satisfaction.
- Hypothesis 2 (H2): Brand experience has a significantly positive effect on brand trust.
- Hypothesis 3 (H3): Brand satisfaction has a significantly positive effect on brand loyalty.
- Hypothesis 4 (H4): Brand trust has a significantly positive effect on brand loyalty.
- Hypothesis 5 (H5): Brand experience has a significantly positive effect on brand loyalty.

3.3. Data Gathering

The research data was collected through the questionnaire. The questionnaire began with an introductory statement that asked respondents to administer their own responses, assured them of confidentiality, and so forth. This was followed by a request for demographic information and the measures.

Overall consideration, automotive industry was selected as the relational exchange context for this research. Data were collected through random questionnaires consumers. The sampling frames consist of randomly selected 258 consumers. The study was based on the development and administration of a self-administered survey and conducted in Turkey.

3.4. Sample

Sample was randomly drawn from the population of consumers who reside within the metropolitan area of a large city in Istanbul, Turkey. Random sample includes consumers who may lie anywhere on the

transactional-relational continuum with the specific global automotive brand. The respondents in this research have the same automobile model and presented their responses according to their brand experiences.

Table 1 presents the description of respondents. The respondents were asked to report their demographic information, including gender, age, marital status and education. The respondents were predominantly males (77,6%), females amount to 22,4%. The median age group of the respondent was 28 to 40 years (56,6%), followed by the age group 17 to 27 (15,9%) and 41-older (27,5%). More than half of the respondents who answered the question indicated education as university (61,3%).

Table 1 Description of the Respondents

VARIABLES		Frequency (Number of People)	Ratio (%)
AGE	17-27	41	15,9
	28-40	146	56,6
	41 and older	71	27,5
GENDER	Woman	57	22,4
	Man	198	77,6
MARITAL STATUS	Married	198	76,7
	Single	60	23,3
EDUCATION	Primary School	30	11,7
	High School	54	21,1
	University	157	61,3
	Graduate	15	5,9

3.5. Factor Analysis and Reliability

To concentrate the effect of variables in research dimensions, every research variables are operated with factor analysis. The scales were submitted to exploratory factor analysis separately. The best fit of the data was obtained with a principal component analysis with a varimax rotation. There are; twenty items for brand experience, eight items for satisfaction, nine items for brand trust, and fourteen items for brand loyalty. The factor loadings of brand experience, satisfaction, brand trust, and brand loyalty are seen in Table 2. The four factors captured all of the variance with 23%, 19%, 16% and 13% of the variance respectively.

Table 2 Factor Analysis

Items	Brand Experience	Satisfaction	Brand Trust	Brand Loyalty
This brand makes a strong impression on my visual sense or other senses.	,671			
I find this brand interesting in a sensory way.	,659			
This brand does not appeal to my senses.	,750			
This brand induces feelings and sentiments.	,719			
I do have strong emotions for this brand.	,727			
This brand is an emotional brand.	,752			
I engage in physical actions and behaviors when I use this brand.	,774			
This brand results in bodily experiences.	,784			
This brand is not action oriented.	,815			
I engage in a lot of thinking when I encounter this brand.	,767			
This brand makes me think.	,609			
This brand stimulates my curiosity and problem solving.	,743			
I am very satisfied with the service provided by this brand		,702		
I am very satisfied with this brand.		,723		
I am very happy with this brand.		,711		
I am very satisfied with the service provided by this brand.		,709		
This brand does a good job of satisfying my needs.		,725		
The service-products provided by this brand is very satisfactory		,724		
I believe that using this brand is usually a very satisfying experience		,683		
I made the right decision when I decided to use this brand.		,680		
I am addicted to this brand in some way		,507		
This brand takes a good care of me			,471	
X meets my expectations.			,689	
I feel confident in X			,602	
X never disappoints me			,504	
X guarantees satisfaction			,720	
X would be honest and sincere in addressing my concerns			,681	
I could rely on X to solve the problem			,749	
X would make any effort to satisfy me			,776	
X would compensate me in some way for the problem with the product			,755	
I intend to buy this brand in the near future				,733
I intend to buy other products of this brand				,746
I consider this brand as my first choice in this category				,752
The next time I need that product, I will buy the same brand				,796
I will continue to be loyal customer for this brand				,776
I am willing to pay a price premium over competing products to be able to purchase this brand again.				,687
I would only consider purchasing this brand again, if it would be substantially cheaper				,677
Commercials regarding to competing brands are not able to reduce my interest in buying this brand.				,670
I say positive things about this brand to other people				,750

I recommend this brand to someone who seeks my advice				,751
I intend to recommend this brand to other people				,757
I consider this brand my first choice in the next few years				,742
They carry products I am looking for				,685
I get good value for my money				,627

Explained total Variance: 71,21%

3.6. Correlation analysis

We computed means and standard deviations for each variable and created a correlation matrix of all variables used in hypothesis testing. Means, Standard deviations, reliabilities, and correlations among all scales used in the analyses are shown in Table 3. The means and standard deviations are within the expected ranges. According to Table 3 most of the respondents expressed the presence of a relatively higher level of brand trust (mean = 3.70). This was followed by satisfaction (mean = 3.69), brand loyalty (mean = 3.41). The lowest item is brand loyalty (mean = 3.25). After analyzing the table 3, we may see that the relations between brand experience, satisfaction, brand trust, and brand loyalty have positive correlations in the level of $P < 0.01$. For exploratory research, a Chronbach α greater than 0.70 is generally considerate reliable (Nunnally, 1978). Chronbach α statistics for the study contracts are 0.95, 0.94, 0.95 and 0.97 for each of the four factors respectively.

Table 3 Mean, Standard Deviation, Cronbach α and Correlation Analysis

		μ	δ	Cronbach α	1	2	3
1	Brand Experience	3,25	,95	.95			
2	Satisfaction	3,69	,89	.94	,635(**)		
3	Brand Trust	3,70	,87	.95	,524(**)	,791(**)	
4	Brand Loyalty	3,41	,99	.97	,580(**)	,772(**)	,765(**)

** $P < 0.01$

3.7. Regression Analysis

We have applied four separate regression analysis via SPSS. In model I, brand experience is independent variable and satisfaction is dependent variable. The regression model was statistically significant ($F=172.780$; $R^2 = .403$; $P=.000$). Regression analysis indicated that, brand experience had significantly positive effect on satisfaction ($P < 0,01$; $\beta=0,635$). Thus, H1, proposing that brand experience is positively related to satisfaction, was supported by our study.

In model II, brand experience is independent variable and brand trust is dependent variable. The regression model was statistically significant ($F=96.918$; $R^2 = .275$; $P=.000$). Regression analysis indicated that, brand experience had significantly positive effect on brand trust ($P < 0,01$; $\beta=0,524$). Hence, H2, proposing that brand experience is positively related to brand trust, was supported by our study.

In Model III, brand experience, satisfaction, and brand trust are independent variable and brand loyalty is dependent variable. The regression model was statistically significant ($F=172.419$; $R^2 = .671$; $P=.000$). Regression analysis indicated that, brand experience; satisfaction and brand trust have significantly positive effect on brand loyalty ($P < 0,01$: $\beta=0,136$; $P < 0,01$: $\beta=0,445$; $P < 0,01$: $\beta=0,414$). Therefore, H3, proposing that satisfaction is positively related to brand loyalty, H4, proposing that brand trust is

positively related to brand loyalty, H5, proposing that brand experience is positively related to brand loyalty was supported by our study.

Variables in the model III are examined; there is a strong and positive correlation between satisfaction and brand trust (Table 3). Multi-collinearity analysis was conducted. In Table 4, VIF values less than 3 and Condition Index Value is smaller than 30. So, the high correlation between satisfaction and brand trust has no effect on regression analysis.

Table 4 Regression Analyses

	Model I Satisfaction		Model II Brand Trust		Model III Brand Loyalty		Collinearity Statistics		
	Beta	Sig.	Beta	Sig.	Beta	Sig.	VIF	Tolerance	Condition Index
Brand Experience H_1, H_2, H_3	,635	,000*	,524	,000*	,136	,004*	1,679	,596	9,779
Satisfaction H_3	-	-	-	-	,445	,000*	3,252	,308	11,383
Brand Trust H_4	-	-	-	-	,414	,000*	2,676	,374	19,284
R^2	0,403		0,275		0,671				
F	172.780		96.918		172.419				
$Sig.$.000		.000		.000				

* $P < 0,01$

4. Discussion

The research was done using a theoretical framework developed based on previous studies. In conclusion, this paper has suggested what is possible, practical, and can be done by marketers in terms of brand experience, brand satisfaction, brand trust and brand loyalty. Marketing managers can interpret these results as helping to justify expenditures on brand and customer related marketing activities that create such long-term effects on consumers as brand experience, brand trust, brand satisfaction and brand loyalty.

The effects of brand experiences: The study shows that brand experience has positive effects on brand satisfaction, trust and loyalty. These findings are supported by Brakus et al., (2009), Zarantenello and Schmitt, (2000); Ha and Perks, (2005). Brand experience creates and develops trust-based relationship platform between brand and customer. Brand experiences arise in a variety of settings when consumers search for, shop for, and consume brands. In this study, brand experience is conceptualized as subjective consumer responses that are evoked by specific brand-related experiential attributes in such settings.

The effects of brand satisfaction: As research results show, brand satisfaction has a significantly positive influence on brand loyalty. This results were supported by those of previous studies done by other researchers (Ganesan 1994; Olive, 1980; Agustin and Singh, 2005; Bennett, 2001; Bolton, 1998; Jones and Suh, 2000; Ringham, Johnson, and Spreng, 1994; Bennett et al, 2005; Van Birgelen et al., 1997). Previous studies found that brand satisfaction has a significant influence on online brand loyalty. Satisfaction with the preferred brand is one of the determinants of brand loyalty.

The effects of brand trust: The results show that brand trust has a significant effect on brand loyalty. These results were supported by the earlier findings Moorman, Zaltman, and Deshpande (1992); Chaudhuri and Holbrook (2001); Morgan and Hunt (1994). Brand trust leads to brand loyalty (Chaudhuri and Holbrook, 2001). Because, trust creates exchange relationships between brand and customer (Morgan and Hunt, 1994). Thus, loyalty underlies the ongoing process of continuing and maintaining a valued and

important relationship that has been created by trust (Chaudhuri and Holbrook, 2001). 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). Trusted brands should be purchased more often. Higher brand trust working through higher purchase loyalty to the brand. Trust is important in many high-involvement; premium product markets because consumers are exposed to costs associated with adverse selection and moral hazard, both agency costs.

In light of the above, the ultimate marketer's goal in brand-relationship development is a customer who is loyal towards the brand. Although numerous studies focusing on brand loyalty exist, the operationalisation of the loyalty construct is still under discussion.

This study was designed to investigate the effects of brand experiences on brand loyalty through brand satisfaction and trust in durable goods industries (e.g. the automobile industry). Automobile industry was chosen for several reasons. First brand involvement is very high in automobile brands. Second, as a product automobile consists of all brand experience dimensions. Third, brand satisfaction is very important for automobile customers. Fourth, brand trust and loyalty are very important for the automobile manufacturers. Automobile brands have experiential and relational aspects (Chiou and Droge, 2006). Understanding and managing brand loyalty is especially important in durable goods industries (e.g. the automobile industry), in which products involve large profit margins on the hand but involve long placement cycles for buyers on the other hand. The latter issue makes it challenging for automobile manufacturers to ensure that consumers will repeat-purchase within the same company when it is time to replace their automobile (Che and Seetharaman, 2009).

5. Limitations and Future Direction

This study and their results have several limitations and also indicate directions for further research. The sample size itself is relatively small. The study can be strengthened by increasing the sample size and including participants in other geographical areas. With an increased sample size, a more detailed empirical analysis among the independent variables and the variables that have multiple categories can be performed.

The study uses self-reported measures, which may not be the most accurate way to assess affect or future behavior. The current research indicates strong empirical support for the relationships among brand experience, brand satisfaction, trust, and loyalty. The primary limitation of this research is that it explores only one-product/service categories, potentially limiting the generalizability to other domains. In general, these findings should be replicated with different product categories and brands. Also, the present study did not examine personal factors, brand involvement, brand associations and brand personality. Overall, we still need to develop a more detailed understanding of the relationship between brand loyalty and other relationship marketing related variables. Brand experience conceptualization and scale development are very important for understanding and managing brand trust and loyalty concepts (Brakus et al, 2009). The present study did not examine such personal factors as product involvement, variety seeking, impulsiveness, and so forth. Overall, the more detailed understanding of the effects of brand experiences, brand satisfaction, trust on building brand loyalty.

Further research should focus on the antecedents and long-term consequences of brand experiences. For example, regarding antecedent, how exactly are brand experience dimensions evoked by brand-related stimuli? In addition, direct and indirect brand experiences should be explored. Brand experiences affect customer lifetime value (Rust, Zeithaml, and Lemon 2000; Vogel, Evanschitzky, and Ramaseshan 2008). That is, can brand experience build customer equity, and how should marketers manage brands to create experiences that build such equity? (Brakus, et al., 2009).

References

- [1] Algesheimer, Rene, Dholakia, Uptal M., Herrmann, Andreas (2005), "The Social Influence of Brand Community; Evidence From European Car Clubs", *Journal of Marketing*, Vol.69, p.19-34.
- [2] Anderson C. James & Narus A. James, (1990), "A Model of Distributor Firm and Manufacturer Firm Working Partnerships", *Journal of Marketing* Vol.54 (January 1990), p.42-58.
- [3] Amine Abdelmajid, (1998), "Consumers' True Brand Loyalty: The Central Role of Commitment", *Journal of Strategic Marketing*, 6, p. 305-319.
- [4] Agustin Clara and Singh Jagdip, (2005), "Curvilinear Effects of Consumer Loyalty Determinants in Relational Exchanges", *Journal of Marketing Research*, XIII
- [5] Ambler Tim. (1997), "How Much of Brand Equity is Explained By Trust?", *Management Decision* 35/4 (1197) p.283-292.
- [6] Ambler Tim, Bhattacharya C.B., Edell Julie, Keller Kevin Lane, Lemon Katherine N, Mittal Vikas, (2002), "Relating Brand And Customer Perspectives On Marketing Management", *Journal of Service Research* 5.
- [7] Anderson, Eugene, W. and Sullivan, Mary W., (1993), "The Antecedents and Consequences of Customer Satisfaction for Firms", *Marketing Science*, Vol.12, No.2, p.125-143.
- [8] Ashley, Christy And Leonard, Hillary A.. (2009), "Betrayed by The Buzz? Covert Content and Consumer-Brand Relationships", *Journal of Public Policy and Marketing*, Vol.28, 2, p.212-220.
- [9] Alloza, Angel, (2008), "Brand Engagement and Brand Experience At BBVA, The Transformation of a 150 Years Old Company", *Corporate Reputation Review*, Vol.11, Number 4, S.371-381.
- [10] Holbrook, Morris B.(2001), "On the Conceptual Link Between Mass Customization and Experiential Consumption; an Explosion of Subjectivity", *Journal of Consumer Behavior*, Vol.1, 1, 50-66.
- [11] Anderson C. James & Narus A. James, (1990), "A Model Of Distributor Firm and Manufacturer Firm Working Partnerships", *Journal of Marketing* Vol.54 (January 1990), 42-58.
- [12] Bagozzi P. Richard, Warshaw R. Paul, (1990), "Trying To Consume", *Journal of Consumer Research*, Vol.17 (September 1990).
- [13] Bagozzi, Richard P. and Todd F. Heatherton (1994), "A General Approach to Representing Multifaceted Personality Constructs; Application to State Self-Esteem.", *Structural Equation Modeling*, 1 (1), p.35-47.
- [14] Bagozzi P. Richard, (1975), "Marketing As Exchange", *Journal of Marketing* Vol.39 (October) p.32-39.
- [15] Bellizzi, Joseph A.; Hite, Robert E.. (1992), Environmental Color, Consumer Feelings, and Purchase Likelihood, *Psychology & Marketing*, Sep/Oct92, Vol. 9 Issue 5, p.347-363.
- [16] Bennet, Rebekah, Rundle-Thele Sharyn. (2002), "A Comparison of Attitudinal Loyalty Measurement Approaches," *Brand Management*, Vol 9, No.3, January, p.193-209
- [17] Bennet, Rebekah, Hartel, C.J.H, and Mccoll-Kennedy, J.R.(2005). Experience as a Moderator of Involvement and Satisfaction on Brand Loyalty in a Business-to-Business Settings, *Industrial Marketing Management*, 34, 97-107.
- [18] Bennett Rebekah, Thiele Sharyn Rundle, (2005), "The Brand Loyalty Life Cycle: Implications for Marketers", *Brand Management* 12 No:4 250-163.
- [19] Brakus, J.J., Schmitt, B.H. and Zarantonello L. (2009), "Brand Experience; What Is It? How Is It Measured? Does It Affect Loyalty?", *Journal Of Marketing*, May 2009, 52-68.
- [20] Chaudhuri Arjun, Holbrook B. Moris, (2001), "The Chain of Effects From Brand Trust and Brand Affects to Brand Performance: The Role of Brand Loyalty", *Journal of Marketing* Vol.65, p.81-93
- [21] Che, Hai and Seetharaman, P.B.(Seethu), (2009), "Speed of Replacement": Modeling Brand Loyalty Using Last-Move Data", *Journal of Marketing Research*, Vol. XLVI, p.494-505
- [22] Cannon, Joseph P. and Homburg Christian, (2001), "Buyer-Supplier Relationships and Customer Firm Costs", *Journal of Marketing*, Vol.65, January-2001, p.29-43.
- [23] Chiou, Jyh-Shen and Shen Chi-Chung, (2006), "The Effects of Satisfaction, Opportunism, and Asset Specificity On Consumers' Loyalty Intention Toward Internet Portal Sites", *International Journal Service Industry Management*, 17, 1, p.7-22.
- [24] Delgado-Ballester, Elena, Jose L. Munuera-Aleman And Maria J., Yagüe-Guillen (2003), "Development and Validation of a Brand Trust Scale", *International Journal of Market Research*, 45 (1), 35-53.

- [25] □Doney, Patricia M. And Joseph P. Cannon, (1997), "An Examination of the Nature of Trust in Buyer-Seller Relationships," *Journal of Marketing*, 61 (April), 35-51.
- [26] Fullerton Gordon, (2005), "The Impact of Brand Commitment on Loyalty to Retail Service Brands", *Canadian Journal of Administration and Sciences* 22(2), 97-110.
- [27] Fournier Susan & Mick Glen David, (1999), "Rediscounting Satisfaction", *Journal of Marketing* Vol.63 (October 1999), 5-23.
- [28] Garbarino & Johnson S.Mark, (1999), "The Different Roles of Satisfaction, Trust, and Commitment In Customer Relationships", *Journal of Marketing* Vol.63 (April 1999), 70-87
- [29] Gorn, Gerald J.; Chattopadhyay, Amitava; Tracey Yi; Dahl, Darren W., (1997), "Effects of Color As An Executional Cue in Advertising: They're In The Shade.", *Management Science*, Oct97, Vol. 43 Issue 10, p.1387-1400.
- [30] Grace, Debra And O'cass, Aron (2005), "Examining the Effects of Service Brand Communications on Brand Evaluation", *The Journal of Product and Brand Management*. Santa Barbara: 2005. Vol. 14, Iss. 2/3; p. 106.
- [31] Heitmann, Mark, Lehman, Donald R.,And Herrmann, Andreas, 2007, Choice Goal Attainment and Decision and Consumption Satisfaction, *Journal of Marketing Research*, Vol.Xliv, May 2007, p.234-250.
- [32] Ha Youl-Hong, Perks Helen, (2005), "Effects of Consumer Perceptions of Brand Experience on The Web: Brand Familiarity, Satisfaction and Brand Trust", *Journal of Consumer Behaviour* Vol. 4,6, p.438-42.
- [33] Hess Jeff, Story John, (2005), "Trust-Based Commitment: Multidimensional Consumer-Brand Relationships", *Journal of Consumer Marketing* 22/6, p.313-322,
- [34] Keller, Kevin L. (1987), "Memory Factors In Advertising; The Effects of Advertising Retrieval Cues on Brand Evaluations.", *Journal of Consumer Research*, 14 (December), p.316-33.
- [35] Mano, Haim; Oliver, Richard L. (1993), "Assessing the Dimensionality And Structure of The Consumption Experience: Evaluation, Feeling, and Satisfaction.", *Journal of Consumer Research*, Dec93, Vol. 20 Issue 3, p.451-466.
- [36] Morgan M.Robert & Hunt D. Shelby, (1994), "The Commitment-Trust Theory of Relationships Marketing", *Journal of Marketing*, Vol.58 (July 1994), p.20-38.
- [37] Moorman, Christine, Deshpande, Rohit And Zaltman, Gerald, (1993), "Factors Affecting Trust in Market Research Relationships", *Journal of Marketing*, Vol.57, p.81-101.
- [38] Mittal, Vikas; Kamakura, Wagner A., (2001), "Satisfaction, Repurchase Intent, and Repurchase Behavior: Investigating the Moderating Effect of Customer Characteristics.", *Journal of Marketing Research* (Jmr), Feb2001, Vol. 38 Issue 1, p.131-142.
- [39] Mittal, Vikas; Kumar, Pankaj and Tsiros, Michael, (1999), "Attribute-Level Performance, Satisfaction, and Behavioral Intentions Over Time; A Consumption-System Approach", *Journal of Marketing*, Vol.63, p.88-101.
- [40] Mohr, Jakki; Nevin, John R..(1990), "Communication Strategies in Marketing Channels: a Theoretical Perspective.", *Journal of Marketing*, Oct90, Vol. 54 Issue 4, p.36-51.
- [41] Morrison, Sharon and Crane, G. Frederick, (2007), "Building the Service Brand by Creating and Managing an Emotional Brand Experience", *Journal of Brand Management*, 14, 410-421.
- [42] Mandel, Naomi; Johnson, Eric J.. (2002), "When Web Pages Influence Choice: Effects of Visual Primes on Experts and Novices.", *Journal of Consumer Research*, Sep2002, Vol. 29 Issue 2, p.235-245.
- [43] Mandel, Naomi; Nowlis, Stephen M., (2008), "The Effect of Making A Prediction About the Outcome of a Consumption Experience on The Enjoyment of That Experience", *Journal of Consumer Research*, Jun2008, Vol. 35 Issue 1, p. . 9-20.
- [44] Mandel, Naomi; Petrova, Petia K.; Cialdini, Robert B.. (2006), "Images of Success and The Preference for Luxury Brands.", *Journal of Consumer Psychology* (Lawrence Erlbaum Associates), 2006, Vol. 16 Issue 1, p.57-69.
- [45] Muniz, Albert and Quinn, Thomas C., (2001), "Brand Community", *Journal of Consumer Research*, Vol.27, p.412-434.
- [46] Oliver, Richard L.; Rust, Roland T..(1997), "Customer Delight: Foundations, Findings, and Managerial Insight", *Journal of Retailing*, Fall97, Vol. 73 Issue 3, p.311-336.
- [47] Oliver, Richard L., (1980), "A Cognitive Model of The Antecedents and Consequences of Satisfaction Decisions.", *Journal of Marketing Research* (Jmr), Nov80, Vol. 17 Issue 4, p.460-469,
- [48] Pine, Joseph B., And James H. Gilmore (199), *The Experience Economy; Work is Theatre and Every Business a Stage*, Cambridge, Ma; Harvard Business School Press.
- [49] Reichheld, Frederic F. (1996), "*The Loyalty Effect: The Hidden Force Behind Growth, Profits And Lasting Value*". Boston: Harvard Business School Press.

- [50] Schmitt, Bernd, (1999), “Experiential Marketing”, *Journal of Marketing Management*, Vol.15, p.53-67.
- [51] Yi Youjae And Suna La, (2004), “What Influences The Relationship Between Customer Satisfaction And Repurchase Intention? Investigating The Effects of Adjusted Expectations and Customer Loyalty”, *Psychology & Marketing* Vol. 21(5): p..351-373 (May 2004).
- [52] Youl Hong Ha; Perks, Helen, (2005), “Effect of Consumer Perceptions of Brand Experience on The Web; Brand Familiarity, Satisfaction and Brand Trust”, *Journal of Consumer Behavior*, Vol.4, 6, p.438-452.
- [53] Zarantenello, Lia and Schmitt, Bernd H., (2000), "Using the Brand Experience Scale to Profile Consumers and Predict Consumer Behavior", *Brand Management*, Vol.17, No.7, p..532-540.