

Role of Brand Trust and Brand Loyalty on Consumers Brand Preference

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Abstract

Because of people's growing concern about their health all across the world, the organic food industry is booming. Regular food products have pesticides and other added preservatives, which has unnerved consumers. As the chief manufacturer of organic food items in the world, India stands to gain significantly from the growth of the organic industry. In this article, we examine the influence that things like brand loyalty and consumer trust in organic products have on the decision to buy organic groceries. The organic food market spans many different regions, and there is rising interest among consumers to purchase these products. This research aims to generalise how consumers feel about organic products. For thousands of years, farmers have relied on organic farming to produce food without resorting to artificial fertilisers etc. Hence this study makes an attempt to analyse how consumers' faith in and loyalty to certain brands affects their desire for organic foods. The study is descriptive in nature as the variables are continuous in nature. Survey method was adopted for the purpose of data collection. Reliable instruments were used for carrying out the survey. A survey of 200 consumers across Bangalore participated in the survey and the findings indicate that there is a positive association between the variables under investigation.

Keywords: *Brand Trust, Brand Loyalty, Consumer Preference, Organic Products.*

INTRODUCTION

The rising global interest in health has resulted in a more thriving market for organic food products than for their conventional counterparts. The consumer's mind has been made uneasy by the presence of pesticides and other additional preservatives in regular food items. Agriculture is a significant part of the Indian economy, contributing around 12.6 per cent to GDP and another 12 per cent to exports in total. As the world's biggest producer of organic food products, India benefits greatly from the expansion of the organic business. In this perspective, we assess the weight that factors like brand loyalty and customer confidence in organic goods have on the selection of organic foods.

"Agricultural products produced through natural rather than synthetic process" (Fisher, 1999) is the definition given to what constitutes organic products. Any food or agricultural item that is grown, processed, packaged, or labelled in compliance with the requirements of the Organic Foods Production Act and its implementing laws is considered to be an organic product. Organic food is one form of organic product that has recently emerged as a market leader. Products are becoming more and more popular among consumers. A consumer's perception of risk is mitigated by the variety of processed and unprocessed options available in the certified organic product market. Certified and branded goods are increasingly sought for by shoppers. The reputation of a brand gives buyers confidence in the product's quality.

There is a huge geographic range in the organic food industry, and there is a growing enthusiasm among consumers to buy organic foods. This study makes an attempt at a generalisation about how customers feel about organic goods. Organic farming is a food production method that has been used by farmers for thousands of years but avoids the use of synthetic pesticides, herbicides, fungicides, bactericides, and other chemicals. "Organic" refers to a kind of environmentally friendly farming that emphasises and rewards things like natural cycles and microbial activity in the soil. It relies on "ecological harmony" management practises that aim to restore, preserve, and improve the natural balance of the farm.

Only a small number of research have looked at what makes organic food items more appealing to customers. These studies mostly focused on North America, Western Europe, and parts of Southeast Asia. Few studies have been undertaken with an attempt to do anything about the many elements that affect Indian consumers' perceptions of organic food items. Looking at anything objectively across several research and finding the weak point in the argument. We consider this current inquiry to be crucial. There has been explosive development in the organic food business in India during the last several years. The present expansion of the organic sector is driven by consumer concerns about their health. Consumers are paying more attention to environmental issues every day. The majority of people's diets consist of industrially produced foods that have been treated with pesticides to eliminate pests. Among Indian customers, knowledge and understanding have grown more restricted.

Trust is an important factor in the purchase of organic foods. Consumers are not entrusted with the responsibility of determining whether or not a product meets the standards of organic production, and they lack the ability to ensure that the food they purchase was produced in accordance with organic standards. Given that trust is a heuristic or shortcut that individuals use to decrease the huge quantity of information that customers need to take into consideration, it may contribute to the explanation of both buying intention and conduct.

Interest in contemporary organic food production is rising all around the world as a response to the sustainability issues that threaten our economy, social resources, public health, and environment. Consumers feel that organic foods are healthier for the environment since they are grown using environmentally friendly methods and little synthetic fertilisers and pesticides. The public's opinion of organic foods may be changing because of rising awareness of environmental issues, concerns about food safety, and the availability of better alternatives to foods cultivated using conventional methods. That's why it's so important to forge a deeper link between organic farming and progress in food security, ecological balance, and human wellness. Since the state of the climate is a major factor in determining the long-term viability of the human race, it is crucial that circular economy requirements include modification targets, particularly in their application based on natural processes that maximise the use of environmental capital. Changes in the natural climate occur as a result of biological processes in the environment that provide several advantages to the ecosystem, one of which is environmental management. Interventions focused on the environment not only have positive effects on the ecology, economy, and society, but they also save money.

The need of accomplishing climate objectives at the lowest feasible cost has been emphasised for some time by economists. No effective strategy to combat climate change and achieve climate objectives has been implemented by national governments or international organisations. Failure to communicate the full costs of environmental effects and modification actions is at the heart of the scientific failure that led to the collapse of these policies. This raises questions about the planning behind climate plans, especially on the local level, where a

combination of actions may have been taken. Possible countermeasures have been largely disregarded, devalued, or ignored. However, successful policies with economic incentives have been difficult to design in the absence of a thorough financial analysis of the climatic impact of these initiatives. Indeed, internalising these (positive) externalities may help in the design of climate measures that provide the right market signals to producers and consumers.

China's food market is the second biggest in the world, behind the United States'. The price of organic food is often 10–50% more than that of conventional food. Studies conducted over a decade ago reveal that Chinese consumers were price sensitive when buying fish. This research found that Chinese customers opted for cheaper, unlabelled seafood that was easily available in the market rather than more expensive fish with green labelling. A new research, however, found a clear trend suggesting that Chinese consumers are willing to pay extra for safer food. It was speculated that the widespread coverage of poisoned seafood and other food-related occurrences contributed to this change in diet.

People in the West are becoming smarter about the food they buy. The nationwide movement in the United States to label milk from hormone-treated cows is one such example. However, the public's desire for regulation shows that there is some benefit associated with the dissemination of new approaches to food production. This case exemplifies the American preference for well-informed food choices. Features that ensure the product's safety and any negative impact the production process may have on the environment are two further examples of details that must be disclosed.

The most valuable, strategic, and vital assets of a firm are its brands in today's more competitive market (Martin et al., 2005). In a competitive market, one of the most important tools for marketers is the brand's ability to reduce price sensitivity among buyers. Customers are willing to pay a premium for a name brand if they believe that the brand offers superior quality and benefits compared to alternatives (Jacoby & Chestnut, 1978). To combat this, brand managers seek to create more robust brands (Keller, 1993). Building customer trust in a product or service is a popular tactic used to boost brand recognition. Consumers' confidence in a brand gives a more nuanced prism through which to analyse their actions and reactions. Similarly, the impact that customers' perceptions of a brand have on the connection between a business and its clientele is substantial. Brand loyalty, previously seen as customers' propensity to repurchase, is founded on confidence in the brand. Brand awareness and loyalty seem to be the most important drivers of business success. From a marketing perspective, brand emotion and trust are the bedrock of a successful strategic partnership because they protect the value of the time and money invested in the connection between the company and its clients and customers. They are the foundation of the consumer-business relationship and the driving force behind customer actions and attitudes towards businesses. Both brand loyalty and trust must be effectively managed, according to Berry and Parasuraman (1991).

LITERATURE REVIEW

Many studies (Doney & Cannon, 1997; Moorman et al., 2012) emphasise the importance of consumers' faith in brands. It is seen of as a significant contributor to the firm's performance (Morgan & Hunt, 1994). "The willingness of the average consumer to rely on the ability of the brand to perform its stated function," as defined by Chaudhuri and Holbrook (2001). Customers develop faith in a brand once they've considered the brand's products or services. Consumers will develop a sense of confidence in a company's brand if the company succeeds in instilling in them a sense that the brand is secure, honest, and reliable (Doney & Cannon, 1997).

Consumers' first-hand interactions with companies provide the foundation for and nurture the growth of confidence in those brands.

According to research by Chaudhuri and Holbrook (2001), consumers are more likely to form positive associations with a brand after giving it time to grow on them through thoughtful consideration of their personal experiences with the company. As such, brand trust may be considered a cognitive component (Casalo et al., 2007) that has the potential to elicit an emotional reaction, or brand affect. However, brand trust results in brand loyalty. This is because a reliable brand may help you form important connections with others (Chaudhuri & Holbrook, 2002). This demonstrates how brand loyalty is an outcome of the trust established between a company and its customers over time. Trust in a company's brand has been shown to affect customer loyalty (Berry, 2002). Hypothesis, based on the available literature, is as follows.

H1: Brand Trust has a positive influence on Consumer Preference of Organic food products.

Our most recent study confirms what many marketers already know—that strengthening brand loyalty may have a beneficial effect on boosting consumer engagement, as stated by Teri Llach, Chief Marketing Officer of Blackhawk Network. "While the abundance of choice that consumers have today is making it tough for companies to connect with customers, our study revealed that nine out of ten consumers polled indicated they interact with brands that they are loyal to, and almost half label themselves as 'very engaged.' By concentrating on areas that are currently driving loyalty, such as establishing a great customer experience and a simple payment procedure, marketers can boost consumer engagement and keep the customers they already have.

According to the "Loyalty pyramid" proposed by Aaker (1991), there are five distinct types of customers: those who aren't particularly invested in the brand at all (the "Non loyal consumers"), those who are merely neutral about the brand (the "Satisfied consumers"), those who would have to pay a price to switch brands (the "Satisfied consumers"), and finally, those who have strong positive feelings about the brand (the "Loyal consumers" The study found that millennials (those between the ages of 18 and 34) are the most brand-loyal of all the generations examined. Gift cards, loyalty points, and targeted offers are all examples of branded value solutions that marketers may use to attract and retain the highly sought-after millennial customer demographic.

Based on the findings of Atulkar and Kesari (2016), retailers must provide customers with a positive shopping experience by providing both tangible and intangible benefits to encourage the purchase and consumption of organic food products. Consumer behaviours and individual tastes influence brand loyalty. True brand loyalists never let factors like price or availability influence their buying decisions. Loyalty programmes (e.g., rewards programmes) and free trials and incentives are only two examples of the many marketing tactics used by businesses to win and keep repeat consumers. Brand ambassadors are consumers who will promote a company's product or service by talking favourably about it online and in person with their friends and family. It's like free advertising for the business, and word of mouth is a powerful tool.

There has been a dramatic uptick in the production and consumption of organic foods throughout the world over the past several decades owing to the increasing demand from consumers. Organic food consumption has grown in recent years around the globe, including

in India (Yanakittkul et al., 2020). The practice of organic agriculture in India is only getting started. This results in a rather low output of organic food items (Dhiravegin, 2017). Tongkum et al. (2014) argues that ensuring the long-term viability of organic vegetable production may be aided by informing farmers of opportunities to collaborate throughout the supply chain. The government has designated organic farming as a high priority (Cavite et al., 2022). The market for organic vegetables in India is only getting started.

Consumers' mistrust in organic food and its certification is a contributing factor. When consumers have faith in a product, they anticipate positive results. Selecting organic foods is significantly influenced by trust and organic knowledge (Pattweekongka et al., 2019). Consumers' willingness to buy organic food may increase as a result of their trust in organic food businesses. Confidence in a brand was associated with less worry and more trust. Trust in a brand is correlated with brand loyalty, according to previous studies (Akoglu et al., 2022). Building consumer confidence in a company's brand is crucial, but we know very little about how to do it.

Hypothesis, based on the available literature, is as follows.

H2: Brand Loyalty has a positive influence on Consumer Preference of Organic food products.

STUDY OBJECTIVES

1. To understand the association between Brand Trust, Brand Loyalty and Consumer preference towards organic products
2. To understand the influence of Brand Trust & Brand Loyalty on Consumer preference towards organic products

CONCEPTUAL FRAMEWORK

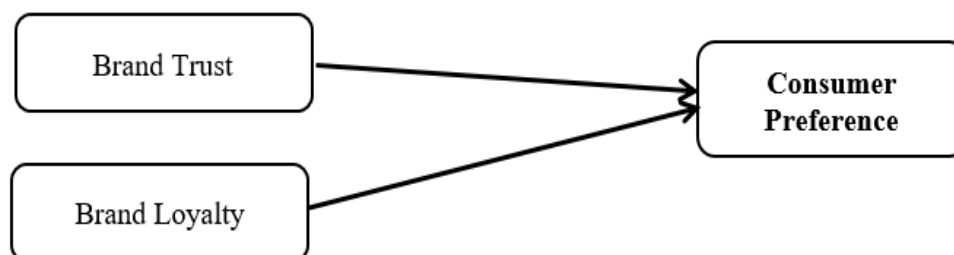


Figure 1: Conceptual Model

RESEARCH DESIGN

The research design is descriptive in nature. The questionnaire has been self-prepared based on the literature review. The questionnaires were administered to 200 consumers including across Bangalore. The questionnaire was shared both in person as well in the form of a Google form to obtain the data. Once the data was gathered, responses were tabulated and data analysis and interpretation was done using SPSS package.

SOURCES OF DATA COLLECTION

Primary Data: Primary data was collected from the respondents using survey method with the help of structured questionnaire. The scale used to measure Brand Trust was the 4-item “Lau and Lee scale” (1999). Each item is measured using a 5-points Likert scale ranging from SD to SA. Cronbach alpha = 0.865. The scale used to measure Brand Loyalty was developed by Lau & Lee (1999). Each item is measured using a 5-points Likert scale ranging from SD to SA. Cronbach alpha = 0.853. The scale used to measure consumer preference was developed by Khan & Bano (2019). Each item is measured using a 5-points Likert scale ranging from SD to SA. Cronbach alpha = 0.728.

Secondary Data: Information from secondary sources like journals, research papers, magazines, would also be considered for the study.

RESULTS

Respondent’s Profile

The sample comprised of 66 per cent females and 34 per cent males. Almost 40 per cent of them were between the age group of 18 to 30 years while 60 per cent of them were between 30 and 50 years of age. 30 per cent of the respondents were self-employed while the remaining 70 per cent of them were private sector employees.

Table 1: Correlation between Brand Trust, Brand Loyalty & Consumer Preference

	Brand Trust	Brand Loyalty	Consumer Preference
Brand Trust	1		
Brand Loyalty	.493	1	
Consumer Preference	.793	.882	1

From the above correlation table, it can be seen that there is a noteworthy association between all the variables of the study. Both Brand Trust and Brand Loyalty have a positive association with consumer preference towards organic products. The strongest correlation was between Brand Loyalty and Consumer Preference (0.882) following which was the correlation between Brand Trust and Consumer Preference (0.793). The Pearson’s correlation coefficients were found to be significant at 1 per cent significance level.

H1: Brand Trust has a positive influence on Consumer Preference of Organic food products.

Table 2: Descriptive Statistics, Model Summary, Analysis of Variance (ANOVA) and Coefficient values of Brand Trust and Its Influence on Consumer Preference

		Brand Trust	Consumer Preference
	Mean	4.70	4.08
	SD	0.69	0.62
Model Summary	R ²	0.432	
ANOVA	F	149.82	
	Sig	0.000	
Coefficient	B ₀	0.159	
	B _(Brand Trust)	0.286	
	t	14.479	
	Sig	0.000	

When regression analysis was done to determine the influence of Brand Trust on Consumer Preference of Organic food products, the R^2 value was found to be 0.432. Hence 43.2 per cent of variance in consumer preference towards organic food products was attributed to the Brand Trust of the consumers.

H2: Brand Loyalty has a positive influence on Consumer Preference of Organic food products.

Table 3: Descriptive Statistics, Model Summary, Analysis of Variance (ANOVA) and Coefficient values of Brand Loyalty and Its Influence on Consumer Preference

		Brand Loyalty	Consumer Preference
	Mean	4.55	4.21
	SD	0.75	0.57
Model Summary	R^2	0.481	
ANOVA	F	134.82	
	Sig	0.000	
Coefficient	B_0	0.163	
	$B_{(\text{Brand Loyalty})}$	0.245	
	t	12.479	
	Sig	0.000	

When regression analysis was done to determine the influence of Brand Loyalty on Consumer Preference of Organic food products, the R^2 value was found to be 0.481. Hence 48.1 per cent of variance in consumer preference towards organic food products was attributed to the Brand Loyalty of the consumers.

DISCUSSIONS

In the above correlation and regression analysis, the association and influence of the Brand Trust and Brand Loyalty on Consumer Preference towards organic products was analysed. The vast majority of academics, businesses, and customers today are aware of the significance and influence of brands. From the perspective of the customer, brands have become the focal point around which consumer behaviour is planned. According to Escalas and Bettman (2003), consumers utilize brands to forge a link between their own sense of identity and the brand's image. When done well, a company's brand may help it stand out from the crowd and boost its marketing's efficiency (Sung & Kim, 2010).

Market share and relative pricing are two brand-related outcomes that assist businesses stand out from their rivals and get an edge in the market (Keller, 1993). This suggests that customers are more likely to repurchase a brand if it has a large share of the market and a reasonable relative pricing (Ehrenberg et al., 2003). Brand trust and brand impact, which foster brand loyalty (Iglesias et al., 2011), are the subject of a large body of research that emphasizes their significance. Similarly, our findings highlight the significance of brand trust and brand affect in cementing customer loyalty. Consumers' dedication to a brand may be affected by both of these factors. The marketing benefits of brand trust and brand influence include lower marketing costs, increased new customer acquisition, more bargaining power in trade, effective word-of-mouth promotion, and resistance to the marketing campaigns of rivals. Therefore, marketing managers may defend their spending on promotions if they want to preserve both of these concepts throughout time. They may also keep their customers' faith in the company and their positive feelings about the product at the forefront of their minds by focusing on communication and merchandising.

These crucial elements work together to provide valuable brand results. Consumers' experiences with a brand are the primary source of confidence in and emotional attachment to that brand. Before eating a brand, customers generate no individualized opinions about it. That's why it's so important for businesses to concentrate on giving customers memorable interactions with their products.

Advertising, pricing, packaging, symbols, logos, slogans, and even the physical location of a business may all influence a customer's perception of a brand. Additional studies should account for the many ways in which product category features affect consumer commitment to a particular brand. In addition, future studies will concentrate on other product categories, services, and brands, such as luxury items, hotels, etc., to generalize our results. Finally, this study's fundamental limitation is that it relied on a self-selected sample of graduate and undergraduate students. Thus, it is essential for future studies to expand the age range of participants.

IMPLICATIONS

Traders and marketers can have the greatest impact on consumers' knowledge and attitudes toward organic foods if they use a variety of channels to spread the word, including their websites, newsletters, magazine and store ads, event sponsorship, product sampling, and media appearances. If a greater number of men are the store's walk-in consumers, marketers should make obvious use of the "Consumer ideology" component of perception. In terms of "Health Benefits" and "Free from Chemicals," marketers may use the same approach for their campaigns directed at both men and women. Attitude, brand loyalty, and purpose to purchase all play a role in what economists call "organic" consumer behaviour.

That is to say, prospective customers who have established organic brand trust are more likely to remember the brand name and make a deliberate purchase decision. Indian customers are more inclined to repurchase a certain organic food brand because of the positive feelings they have for that particular brand. Manufacturers may increase brand trust by working to improve both the competence and the kindness of their brands. Promoters should make it easy for consumers to try their organic products. Increased client satisfaction with the brands themselves, speedy service, and accurate portions all contribute to this goal.

CONCLUSION

We investigated what makes consumers loyal to a certain brand and how brand trust affects organic food manufacturers. The results suggest that consumers are more likely to trust a company when they have positive impressions of it. However, our research shown that trustworthiness in the brand does not greatly affect confidence in the brand. Brand trust was shown to have a significant impact on both the attitudes and actions of loyal customers. Thai customers have stronger faith in organic food brands and are more inclined to repurchase such brands. Businesses may improve brand trust by emphasizing both brand competence and brand generosity.

Organic products should be available for consumers to sample. This may be achieved by increasing the quality of the brand's products, the speed with which they are delivered, and the precision with which the cuisine is prepared. This reminds us of an earlier research by Yu et al. (2021) that used an evolutionary game method to imply that organic shops were more productive when they communicated information quickly.

Organic brand manufacturers should also engage in Corporate Social Responsibility (CSR), which involves taking the lead on employee and environmental concerns, in addition to brand kindness. Organic food firms may promote their brand's altruism by safeguarding the environment and caring for their staff, capitalizing on consumers' beliefs that organic food is better for their health and the environment. Previous studies have shown that CSR for both the natural world and workers leads to happier customers.

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