

CHAPTER II

LITERATURE REVIEW

This part will explain about all the variables focused on the research and the hypothesis development. The variables consist of brand quality, brand affection and brand trust as the independent variable and attitudinal loyalty as mediating variable and behavioral loyalty as the independent variable. The explanation of each variable and the hypothesis development were based on the previous researches.

2.1 Brand Trust

Brand trust is created and developed by direct experiences of consumers via brands. According to Frasquet, Descals and Ruiz-Molina (2017), brand trust largely depends on existing attitudes and beliefs built from prior experiences with the offline stores as well as the emergent expectations based on the online operation. In line with the pivotal role of trust in building and maintaining relationships, the literature on the relational outcomes of trust is abundant. The role of trust is based on trust mitigating risks and uncertainty in a business relationship. Consumers' emotional response towards a brand in consequence of having an exact certain brand. A strong and positive response can be associated with high brand loyalty. A brand that can create the feeling of happiness and joy towards its customer, or in other words give a positive vibe, will increase the loyalty to do another purchase, and also the loyalty towards it.

2.2 Brand Affection

Yohanes and Djoko (2016) stated that the increase in brand affection will have an advantage in consumer's attitudinal loyalty towards their preferable brands, this will make companies further develop strong brand messages to the consumer, especially in the form of above the line and below the line promotions. When customers have any feeling to the brand, whether that is favorable or unfavorable evaluation about the brand, the customer may have such connected feeling with the brand. If the feeling is positive, it will make the customer loyal to the brand. In this study, the loyalty is divided into two types which are attitudinal loyalty which has correlation with the attitude of the customers and behavioral loyalty which relates to the customers' behavior

2.3 Brand Quality

Brand quality is defined as the recognition of product quality, which has an influence on consumer purchasing behavior. Based on Soedarto, Kurniawan and Sunarsono (2019) quality is kind of condition that consumers receive information or cues which are processed and considered by the customers through many perspectives. The customers value the products either services or goods through the utility, the functionality, or other measurements based on the customer perspective. Based on Zeithaml (1988), Steenkamp (1997), Fandos & Flavian (2006) the customers also sometimes rate the products they buy into their subjective or objective judgments. Quality is based on the customer perspective.

Fandos & Flavian (2006) stated that the concept of quality, or more exactly the perception of quality, varies depending on a range of factors such as the moment at which the consumer makes the purchase or consumes a product, and the place where it is bought or enjoyed, to name but a few. The quality distinguish into three types of quality:

1. Search quality (quality in the shop). This category refers to intrinsic and extrinsic product attributes that are cued at the moment the purchase is made and are important for quality selection.
2. Experience quality (eating quality). These are intrinsic attributes that become available only when the product is used or consumed and are important for the consumers' perception of organoleptic quality
3. Credence quality. This category represents both intrinsic and extrinsic attributes that are of concern to the consumer but are not cued in the buying or consuming process. The consumer must therefore rely on information transmitted by the media, word of mouth, etc.

2.4 Behavioral Loyalty

Behavioral loyalty means that It reflects the actions of the customer and involves the past purchases measurement of the same brand or the same brand-set and also the measurement of future purchase probabilities of given past purchase behavior. It can be objectively measured and has the advantage of distinguishing store loyalty for various stores. It also has limitations that can easily be used for subjective judgments; however, it is difficult to explain how store loyalty is formed and how it changes. Based on (Ganesh et al., 2000; Han et al., 2011; Liu et al., 2017). (*Chaudhuri and Holbrook, 2001*) define behavioral loyalty as repeat purchase probability, exclusive purchase and share of category requirements, while attitudinal loyalty comprises commitment, positive word of mouth and stated intention to buy.

2.5 Attitude Loyalty

Attitude Loyalty is a preference tendency for showing negative or affirmative, favor or disfavor reactions consistently. For a specified brand, consumers have a favorable attitude but because of various situations they don't always buy that brand. Attitude influences the buying behavior so the loyalty concept is not viewed separately, from the attitude representing psychological tendency of individuals in repetitive buying.

Soedarto, Kurniawan and Sunarsono, (2019) find that attitudinal loyalty which is associated with attitudinal preference and commitment toward particular brand will form the behavioral loyalty which is observed through some activities like repeat purchase to the same brand, positive word of mouth, lower brand switching and several others. For considering a customer to be loyal both behavioral and attitudinal loyalties need to exist. Loyalty should always consist of intentions and repeat-buying and favorable attitudes. Khan, Humayun, Sajjad (2015) define loyalty as both union of behavioral loyalty and attitudinal loyalty which stated "favorable attitude and repetitive purchase of consumers so that the concept can be comprehensively understood"

2.6 Previous Study

Table 2. 1
Previous study

No	Title/Author	Hypothesis	Method	Result
1	THE PARCELING OF LOYALTY: BRAND QUALITY, BRAND AFFECT, AND BRAND TRUST EFFECT ON ATTITUDINAL LOYALTY AND BEHAVIORAL LOYALTY.	H1: Brand trust is positively related to brand affect. H2: Brand trust is positively related to attitudinal loyalty. H3: Brand trust is positively related to behavioral loyalty. H4: Brand affect is positively related to attitudinal loyalty.	Structural Equation Model (SEM) with Partial Least Square (PLS) software. The sample technique used is accidental sampling	H1-Accepted H2-Accepted H3-Rejected H4-Accepted H5-Accepted H6-Accepted H7-Accepted H8-Accepted

	Soedarto, Kurniawan and Sunarsono, (2019)	<p>H5: Brand affect is positively related to behavioral loyalty.</p> <p>H6: Brand quality is positively related to attitudinal loyalty.</p> <p>H7: Brand quality is positively related to behavioral loyalty.</p> <p>H8: Attitudinal loyalty is positively related to behavioral loyalty.</p>		
2	<p>Understanding loyalty in multichannel retailing:the role of brand trust and brand attachment.</p> <p>Frasquet, Descals and Ruiz-Molina (2017)</p>	<p>H1: The greater the loyalty to the offline channel the greater the loyalty towards the online channel of the multichannel retailer.</p> <p>H2: The greater the retail brand trust the greater the loyalty towards the offline channel of the multichannel retailer.</p> <p>H3: The greater the retail brand trust the greater the loyalty towards the online channel of the multichannel retailer.</p> <p>H4: The greater the retail brand attachment the greater the loyalty towards the offline channel of the multichannel retailer.</p> <p>H5: The greater the retail brand attachment the greater the loyalty towards</p>	Measured on five-point Likert scales.	<p>H1: Accepted</p> <p>H2: Accepted</p> <p>H3: Accepted</p> <p>H4: Accepted</p> <p>H5 Accepted</p> <p>H6 Accepted</p> <p>H7a: Rejected</p> <p>H7b: Rejected</p> <p>H8a: Rejected</p> <p>H8b: Rejected</p>

		<p>the online channel of the multichannel retailer.</p> <p>H6: The greater the retail brand trust the greater the retail brand attachment to the multichannel retailer.</p> <p>H7a: The relationship between retail brand trust and offline loyalty is stronger for Spanish than for British consumers.</p> <p>H7b: The relationship between retail brand trust and online loyalty is stronger for Spanish than for British consumers.</p> <p>H8a: The relationship between retail brand attachment and offline loyalty is stronger for Spanish than for British consumers. H8b: The relationship between retail brand attachment and online loyalty is stronger for Spanish than for British consumers.</p>		
3	<p>The Effect of Brand Trust and Affection on the Attitudinal and Purchase Loyalty of Cellular Telecommunication Customers in East Kalimantan – Indonesia. Yohanes and Djoko (2016)</p>	<p>H1: Brand trust has positive effect towards purchase loyalty.</p> <p>H2: Brand trust has positive and significant effect towards attitudinal loyalty.</p>	<p>Utilized pretest on the questionnaire. structural equation model (SEM)</p>	<p>H1: Accepted H2: Rejected H3: Rejected H4: Accepted H5: Rejected</p>

		<p>H3: Brand affection has positive significant effect towards purchase loyalty.</p> <p>H4: Brand affection has positive significant effect towards attitudinal loyalty.</p> <p>H5: Attitudinal loyalty has positive significant effect towards purchase loyalty.</p>		
4	<p>Effect of Brand Image, the Quality and Price on Customer Satisfaction and Implications for Customer Loyalty PT Strait Liner Express in Jakarta.</p> <p>Subaebasni, Henny, and Arie (2018)</p>	<p>H1: There is influence on price satisfaction of PT strait liner express customers</p> <p>H2: There is the effect of brand image, service quality and simultaneous prices on PT strait liner express customer satisfaction</p> <p>H3: There is the influence of brand image on customer loyalty of PT strait liner express</p> <p>H4: There is the influence of service quality on customer loyalty of PT strait liner express</p> <p>H5: There is Influence of price on customer loyalty PT strait liner express</p> <p>H6: There is an influence of customer satisfaction to customer loyalty PT strait liner express</p> <p>H7: There is the influence of brand image, service</p>	<p>The research method used in this research is descriptive verification. Statistical techniques used are structural equation modeling (SEM) statistical techniques (SEM) with multiple regression analysis.</p>	<p>H1: Accepted</p> <p>H2: Accepted</p> <p>H3: Accepted</p> <p>H4: Accepted</p> <p>H5: Accepted</p> <p>H6: Accepted</p>

		quality and price and customer satisfaction simultaneously towards customer loyalty of PT strait liner express		
5	Effects of Brand Quality, Brand Prestige on Brand Purchase Intention of Mobile Phone Brands: Empirical Assessment from Kenya. <i>Josphine Chepchirchir</i> , Mark Leting (2019)	H1: Brand Quality has a positive effect on consumer brand purchase intention in Kenya. H2: Brand Prestige has a positive effect on consumer brand purchase intention in Kenya.	Measured using items adapted from the original Paurav, (2009). Measured using five-point Likert scale. Multiple Regression Analysis	H1: Accepted H2: Accepted
6	The chain of effects from brand trust and brand affect to brand performance: The role of brand loyalty <i>Chaudhuri, Arjun; Holbrook, Morris B.</i> (2001)	H1: Brand trust is positively related to both (a) purchase loyalty and (b) attitudinal loyalty. H2: Brand affect is positively related to both (a) purchase loyalty and (b) attitudinal loyalty. H3: Market share increases as purchase loyalty increases as purchase loyalty increases. H4: Relative price increases as attitudinal loyalty increases .	Brand-specific data from three different survey. brand valuation techniques	H1: Accepted H2: Accepted H3: Accepted H4: Accepted

7	<p>The Relationship between Brand Trusts, Brand Affect, Attitudinal Loyalty and Behavioral Loyalty: A Field Study towards Sports Shoe Consumers in Turkey.</p> <p>Fatih Geçi & Hayrettin Zengin (2013)</p>	<p>H1: Brand trust has a positive effect on brand affect.</p> <p>H2: Brand trust has a positive effect on attitudinal loyalty.</p> <p>H3: Brand trust has a positive effect on behavioral loyalty.</p> <p>H4: Brand affect has a positive effect on attitudinal loyalty.</p> <p>H5: Brand affect has a positive effect on behavioral loyalty.</p> <p>H6: Attitudinal loyalty has a positive effect on behavioral loyalty</p>		<p>H1: Accepted</p> <p>H2: Accepted</p> <p>H3: Accepted</p> <p>H4: Accepted</p> <p>H5: Rejected</p> <p>H6: Accepted</p>
8	<p>The impacts of brand experiences on brand loyalty mediators of brand love and trust</p> <p>Chao-Chin Huang (2017)</p>	<p>H1a: Sensory experience has positive effects on brand love.</p> <p>H1b: Intellectual experience has positive effects on brand love.</p> <p>H1c: Behavioral experience has positive effects on brand love</p> <p>H2a: Sensory experience has positive effects on brand trust.</p> <p>H2b: Intellectual experience has positive effects on brand trust.</p>	<p>quota sampling technique, drawing from Taiwan's population distribution</p>	<p>H1b: Rejected</p> <p>H1b: Rejected</p> <p>H1c: Rejected</p> <p>H2a: Rejected</p> <p>H2b: Rejected</p> <p>H2c: Rejected</p> <p>H3a: Rejected</p> <p>H3b: Rejected</p>

		<p>H2c: Behavioral experience has positive effects on brand trust.</p> <p>H3a: Brand love has positive effects on behavioral loyalty.</p> <p>H3b: Brand love has positive effects on attitudinal loyalty</p> <p>H4a: Brand trust has positive effects on behavioral loyalty.</p> <p>H4b: Brand trust has positive effects on attitudinal loyalty.</p> <p>H5: Brand love has mediating effects on the relationships between brand experience and brand loyalty.</p> <p>H6: Brand trust has mediating effects on the relationships between brand experience and brand loyalty.</p>		<p>H4a: Rejected</p> <p>H4b: Rejected</p> <p>H5: Rejected</p> <p>H6: Rejected</p>
9	<p>Intrinsic and extrinsic quality attributes, loyalty and buying intention: an analysis for a PDO product</p> <p>Carmina Fandos and Carlos Flavia'n (2006)</p>	<p>H1. The perceived quality of the intrinsic attributes of a PDO product has a positive and significant impact on consumer loyalty.</p> <p>H2. The perceived quality of the intrinsic attributes of a PDO product has a</p>	7-point Likert scale	<p>H1: Rejected</p> <p>H2: Accepted</p> <p>H3: Accepted</p> <p>H4: Rejected</p> <p>H5: Accepted</p>

		<p>positive and significant impact on consumer buying intention.</p> <p>H3. The perceived quality of the extrinsic attributes of a PDO product has a positive and significant impact on consumer loyalty.</p> <p>H4. The perceived quality of the extrinsic attributes of a PDO product has a positive and significant impact on consumer buying intention.</p> <p>H5. Consumer loyalty toward a PDO product has a positive and significant effect on the consumer's buying intentions.</p>		
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2.7 Hypothesis Development

2.7.1 The effect of brand trust toward brand affection

Based on the findings of the previous research of Soedarto, Kurniawan and Sunarsono (2019) brand trust influence brand affection. This is supported by Fatih Geçti & Hayrettin Zengin (2013) that mention brand trust influence brand affection.

Therefore according to the support of previous research above the hypothesis proposed:

H1. Brand trust significantly affect the brand affection

2.7.2 The effect of brand trust towards attitudinal loyalty

Based on the findings of the previous research of Soedarto, Kurniawan and Sunarsono (2019) brand trust influence attitudinal loyalty. This is supported by Yohanes and Djoko (2016) that shows brand trust influence attitudinal loyalty. Chaudhuri, Arjun; Holbrook, Morris B. (2001) also supported this statement in its research that stated brand trust influence attitudinal loyalty.

Therefore according to the support of previous research above the hypothesis proposed:

H2. Brand trust significantly affect attitudinal loyalty

2.7.3 The effect of brand trust on behavioral loyalty

Based on the findings of the previous research of Soedarto, Kurniawan and Sunarsono (2019) brand trust influence behavior loyalty. This is supported by Yohanes and Djoko (2016) that shows brand trust influence behavioral loyalty. Both in the research journal of Fatih Geçti & Hayrettin Zengin (2013) and Chaudhuri, Arjun; Holbrook, Morris B. (2001) also supported this statement.

Therefore according to the support of previous research above the hypothesis proposed:

H3. Brand trust significantly affect behavior loyalty

2.7.4 The effect of brand affection on attitudinal loyalty

Based on the findings of the previous research of Soedarto, Kurniawan and Sunarsono (2019) brand affection influence attitudinal loyalty. This is supported by Yohanes and Djoko (2016) that shows brand affection influence attitudinal loyalty. Both in the research journal of Fatih Geçti & Hayrettin Zengin (2013) and Chaudhuri, Arjun; Holbrook, Morris B. (2001) also supported this statement.

Therefore according to the support of previous research above the hypothesis proposed:

H4. Brand affection significantly affect attitudinal loyalty

2.7.5 The effect of brand affection on behavioral loyalty

Based on the findings of the previous research of Soedarto, Kurniawan and Sunarsono (2019) brand affection influence behavioral loyalty. This is supported by Yohanes and Djoko (2016) that shows brand affection influence behavioral loyalty. Both in the research journal of Fatih Geçti & Hayrettin Zengin (2013) and Chaudhuri, Arjun; Holbrook, Morris B. (2001) also supported this statement.

Therefore according to the support of previous research above the hypothesis proposed:

H5. Brand affection significantly affect behavioral loyalty

2.7.6 The effect of brand quality on attitudinal loyalty

Based on the findings of the previous research of Soedarto, Kurniawan and Sunarsono (2019) brand quality influence attitudinal loyalty. This is supported by Zeithaml (1988), Steenkamp (1997), Fandos & Flavian (2006) that shows the perceived quality influence attitudinal loyalty.

Therefore according to the support of previous research above the hypothesis proposed:

H6. Brand quality significantly affect attitudinal loyalty

2.7.7 The effect of brand quality on behavioral loyalty

Based on the findings of the previous research of Soedarto, Kurniawan and Sunarsono (2019) brand quality influence behavioral loyalty. This is supported by Zeithaml (1988), Steenkamp (1997), Fandos & Flavian (2006) that show the perceived quality influence behavioral loyalty. Josphine Chepchirchir, Mark Leting (2019) also shows that brand quality influence customer purchase intentions.

Therefore according to the support of previous research above the hypothesis proposed:

H7. Brand quality significantly affect behavioral loyalty

2.7.8 The effect of attitudinal loyalty on behavioral loyalty

Based on the findings of the previous research of Soedarto, Kurniawan and Sunarsono (2019) attitudinal loyalty influence behavioral loyalty. This is supported in Yohanes and Djoko (2016) and Fatih Geçti & Hayrettin Zengin (2013) research journal that shows attitudinal loyalty influence behavioral loyalty.

Therefore according to the support of previous research above the hypothesis proposed:

H8. Attitudinal loyalty significantly affect behavioral loyalty

2.7.9 The effect of brand trust on behavioral loyalty mediating through attitudinal loyalty

Based on the findings of the previous research of Soedarto, Kurniawan and Sunarsono (2019) brand trust influence behavioral loyalty with attitudinal loyalty as a mediating variable. This is supported by Fatih Geçti & Hayrettin Zengin (2013) that shows brand trust influence behavioral loyalty with attitudinal loyalty as a mediating variable.

Therefore according to the support of previous research above the hypothesis proposed:

H9. Brand trust significantly affects behavior loyalty with attitudinal loyalty as mediating variable

2.7.10 The effect of brand quality on behavioral loyalty mediating through attitudinal loyalty

Based on the findings of the previous research of Soedarto, Kurniawan and Sunarsono (2019) brand trust influence behavioral loyalty with attitudinal loyalty as a mediating variable. This is supported by Fandos & Flavian (2006) which shows that quality of a brand will influence behavioral loyalty through attitudinal loyalty as mediating variable.

Therefore according to the support of previous research above the hypothesis proposed:

H10. Brand quality significantly affects behavior loyalty with attitudinal loyalty as mediating variable

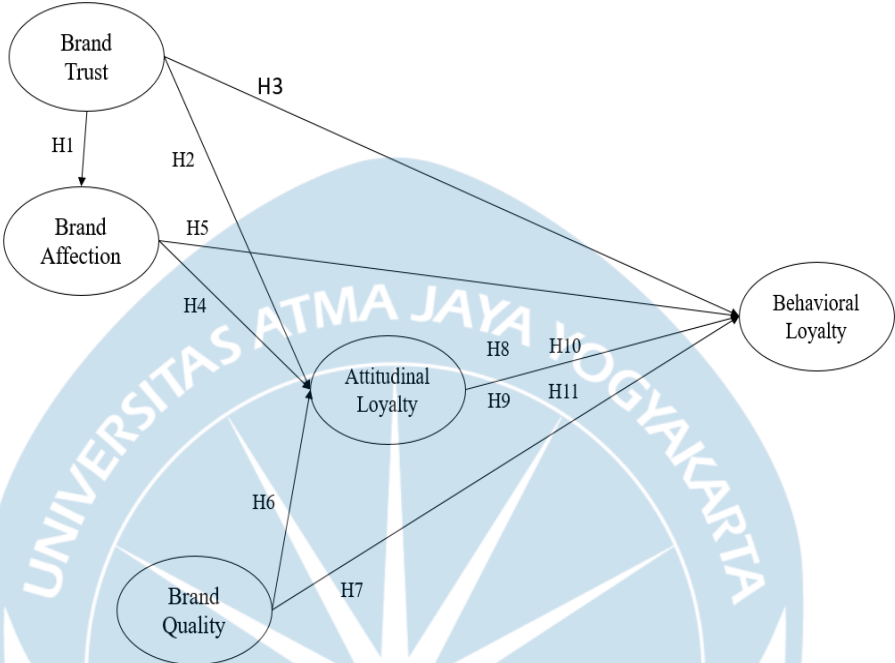
2.7.11 The effect of brand affection on behavioral loyalty mediating through attitudinal loyalty

Based on the findings of the previous research of Soedarto, Kurniawan and Sunarsono (2019) brand trust influence behavioral loyalty with attitudinal loyalty as a mediating variable. This is supported by Yohanes and Djoko (2016) that shows brand trust influence behavioral loyalty with attitudinal loyalty as a mediating variable

Therefore according to the support of previous research above the hypothesis proposed:

H11. Brand affection significantly affects behavior loyalty with attitudinal loyalty as mediating variable

2.8 Research Framework



Source: Soedarto, Kurniawan and sunarsono (2019)

Figures 2. 1 Research Framework