

# EFFECT OF BRAND TRUST, BRAND AFFECT AND BRAND IMAGE ON CUSTOMER BRAND LOYALTY AND CONSUMER BRAND EXTENSION ATTITUDE IN FMCG SECTOR

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**Abstract** *In this research article we have examined the Effect of Brand Trust, Brand Affect and Brand image on Customer brand loyalty and also cause and effect relationship is established between customer brand loyalty and consumer brand extension attitude in context of FMCG sector. The data was collected from 300 customer of FMCG sector at Gwalior City of Central India. Results are analyzed through Multivariate analysis (MANCOVA). Linear regression was also applied between independent variable and dependent variable.*

**Keywords:** *Brand Trust, Brand affect, Brand Image, Brand Loyalty and Brand Extension Attitude.*

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## 1. INTRODUCTION

For the customers in India Maggi is a most acceptable brand of noodles, especially among kids. Keeping in view the demand and liking of brand we have studied the attitude of customers towards the brand and towards the extension. In the most cases customers were found to be loyal. On the other side of the coin Customer Brand Extension attitude and loyalty has become widely accepted as an important issue for all organization, it is used as a marketing benchmark for the company performance (Bennett & Rundle -Thiele, 2004). In fact we can say that brand image, brand affect and brand trust and customer loyalty all are important for preparing customer brand extension attitude. It is also to be noted that if the customer is loyal then he would be interested to buy another extension product of same brand. In the current study, this conception about customer will be evaluated by using all the important variable such as brand trust, brand affect, brand image, customer loyalty and customer brand extension attitude.

Current study would be very much useful for the retail industry because a Maggi Brand has been chosen for conducting customer study.

## 2. THEORETICAL BACKGORUND

### 2.1. Brand Trust

It is the feeling of security held by the consumer in his/her interaction with the brand, that it is based on the perceptions that the brand is reliable and responsible for the interests and welfare of the consumer. The variability dimension of brand trust has a technical nature because it concerns the perception that the brand can fulfill or satisfy consumers' needs. It is related to the individual's belief that the brand accomplishes its value promise. McAllister (1995) defined as "the degree to which an individual is confident and eager to act on the basis of the words, actions and results of others".

### 2.2. Brand Affect

Brand affect is defined as the potential in a brand to elicit a positive emotional response in the average consumer as a result of its usage (Chaudhuri & Holbrook, 2001; Morgan & Hunt (1994). In another study, brand affect is defined as a brand's potential to elicit a positive emotional response in the average consumer as a result of its usage (Moorman, Zaltman, & Deshpande, 1992).

### 2.3. Brand Image

Brand image is the current view of the customers about a brand. It can be defined as a unique bundle of associations within the minds of target customers. It signifies what the brand presently stands for. **It is a set of beliefs held about a specific brand.** In short, it is nothing but the consumers' perception about the product.

### 2.4. Customer Brand Loyalty

Brand loyalty can be defined as relative possibility of customer shifting to another brand in case there is a change in product's features, price or quality. As brand loyalty increases, customers will respond less to competitive moves and actions. Brand loyal customers remain committed to the brand, are willing to pay higher price for that brand, and will promote their brand always. A company having brand loyal customers will have greater sales, less marketing and advertising costs, and best pricing. This is because the brand loyal customers are less reluctant to shift to other brands, respond less to price changes and self-promote the brand as they perceive that their brand have unique value which is not provided by other competitive brands.

### 2.5. Brand Extension Attitude

When the new extension is launched, consumers evaluate it on the basis of their attitude towards the parent brand and the extension category. If a consumer does not know the parent brand and its products at all, she will evaluate the new extension solely on the basis of her experience with the extension category (Sheinin, 1998). Brand extension attitude formation leads to concrete consumer behavior in the marketplace in terms of intentions, choice and repeat purchase. These experientially based changes in extension attitude give rise to reciprocal effects at different levels. Attitude towards the new extension may affect parent brand attitude in terms of knowledge structure and affect. In a similar vein, attitude to the new extension may influence extension category attitude in terms of knowledge and affect. Both of these reciprocal effects may be moderated by perceived fit.

## 3. REVIEW OF LITERATURE

### 3.1. Brand Trust

Arjun & Morris (2001) narrated that the brand trust is a consumer would like to trust on his/her own initiative, and trust the product that brand provides. Trust can reduce the consumer's uncertainty, because the consumer not only knows that brand can be worth trusting, but also thinks that

dependable, safe and honest consumption scenario is the important link of the brand trusts.

Hiscock (2001) explored the "The ultimate goal of marketing is to generate an intense bond between the consumer and the brand, and the main ingredient of this bond is trust", but trust is an elusive concept. The ultimate goal of marketing is to generate an intense bond between the consumer and the brand, and the main ingredient of this bond is trust. Blackston (1992) defined that trust is one component of consumer relationships with brands.

Rotter (1980) explored that trust is an important variable affecting human relationships at all levels. Deutsch (1973) explained that Trust is also a confidence that makes one brand preferred another. Urban et al. (1996) found that Brand trust is undoubtedly one of the most strongest tools of making the relationships with the customers on internet.

### 3.2. Brand Affect

Chaudhri & Holbrook (2002) suggested that brand affect is a derivation of a positive response of consumer after its usage. Chaudhuri & Holbrook, (2001) narrated that The main difference between brand trust and brand affect is; brand trust is viewed as a long process which can be occurred by thought and consideration of consumer experiences about store while brand affect is consisted of impulsive feelings which can be formed, spontaneously.

Chaudhuri and Holbrook (2001) define brand affect as "brand's potential to elicit a positive emotional response in the average consumer as a result of its use". In other words it can be described as consumers' emotional response towards a brand in consequence of having an experience with the brand. Therefore we suggest that brand affect occurs under favor of close relationship with brand. Likewise, literature suggests that favorable and positive emotions are associated with high level of brand loyalty (Chaudhuri & Holbrook, 2002).

### 3.3. Brand Image

Keller, (1993) defined brand image as summation of brand associations in the memory of consumer which leads him towards brand perception and brand association including brand attributes, brand benefits and brand attitude. Hsieh, Pan, & Setiono (2004) argued, brand image helps consumer in recognizing their needs and satisfaction regarding the brand, it also distinguishes the brand from other rivals motivating customer to buy the brand. Kotler (2001) defined image as the attitude, thought and feelings of person for a particular thing or object. Roth, (1995) defined that The essential part of company's marketing program is to sustain brand image and strategy of the brand (Keller, 1993; Aaker, 1991). Aaker

(1991) found the Image can create importance and it helps consumer in gathering information, distinguish the brand, creates reason to purchase, and also creates constructive feelings and provides basis for brand extension.

### 3.4. Customer Brand Loyalty

Brown (1952) showed importance of two dissimilar dimensions of brand loyalty: behavioral and attitudinal loyalty. Cunningham (1956) found the Frequency of repeat purchase has been considered as behavioral loyalty or percentage of purchase, and Mellens, Dekimpe & Steenkamp (1996) showed that attitudinal loyalty is defined as, priority, dedication or purchase aim of the consumers. Reichheld and Sasser (1990) found that If customer is loyal to brand then company can increase its productivity by offering brand's further extension without the fear of failure.

Oliver (1999) pointed out that the customer loyalty mainly contains an idea to lie in whether consumer wills keep on purchasing the product of the same shop for a long time or not, that meaning can extend for the shop the competition ability in the market. High loyalty customer has the possibility of attracting more latent customers, therefore most operators usually will promote a brand loyalty to list as a main operation target.

### 3.5. Brand Extension Attitude

Aaker & Keller's (1990) model of consumer brand extension attitude formation has triggered additional brand extension research in various countries. Their exploratory research provided valuable insight into which extension constructs influence the attitude of consumers toward the extended brand. Subsequent replications (Sunde & Brodie, 1993; Nijssen & Hartman, 1994; Bottomley & Doyle, 1996) have yielded inconsistent results, indicating that attitude formation constructs remain elusive. Related studies (Park, Milberg & Lawson, 1991; Brozniarczyk & Alba, 1994; Roux, 1995) incorporated additional concepts into brand extension research, but have failed to clarify which constructs are important to consumer attitude formation.

### 3.6. Relationship between Brand Affect and Customer Loyalty

Fazio and Zanna (1978, 1981) suggested that the effects of direct experiences on behavioral intentions are stronger than are those of indirect experiences. Ringberg & Gupta (2003) indicated that brand loyalty is build due to brand affect.

Chaudhuri and Holbrook (2001) suggested that strong value of the categorized product is directly linked with brand affect and is one of the separate but major factors in building

up the loyalty of a brand. But simultaneously brand affect is considered as a main variable in deriving the loyalty for the brand (Ringberg and Gupta, 2003). Morgan & Hunt, (1994) found that brand affect causes consumers' brand loyalty which is initially viewed as consumers' repurchase intention. Chaudhuri & Holbrook (2002) found that brand affect occurs under favor of close relationship with brand. Likewise, literature suggests that favorable and positive emotions are associated with high level of brand loyalty. Berry & Parasuraman (1991) found that consumers' brand affect plays a significant role between company and consumer relationship.

### 3.7. Relationship between Brand Trust and Customer Loyalty

Beery (1993); Reicheld & Schefter (2000) found that trust is essential for the development of loyalty. To maintain long term relationship trust is considered as one of the key variables. Loyalty is developed if there is an element of trust (Berry, 1993; Reicheld & Schefter, 2000). Arjun & Morris (2001) explored about the foundation of loyalty is an establishment with a continuous and maintenance of the evaluation relation, and brand trust affects the maintenance of the evaluation. Finally, its research proof brand trust will have positive influence to the customer loyalty. Jian (2003) found that brand trust and brand emotion influenced a customer's attitude for brand after studying; its research proof brand trust will have positive influence to the customer loyalty.

### 3.8. Relationship between Brand Image and Customer Loyalty

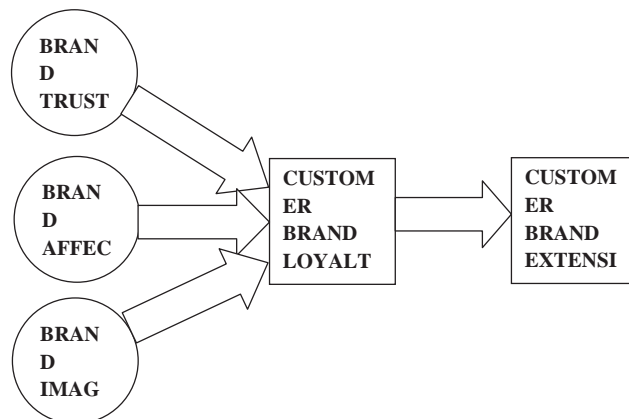
Most of the researcher has indicated that product image/ brand image has significant impact on loyalty intention i.e. customer repurchase intention. According to the Vazquez-Carrasco and Foxall (2006) explained that the social, confident and special brand/ product image has positive impact on loyalty intention, Reynolds and Beatty (1999) found that if the customer received high social benefit from the salesperson then he will be more loyal with salesperson.

### 3.9. Relationship between Customer Brand Loyalty and Customer Brand Extension Attitude

Perceived quality, one of the integral part of brand image, has a relationship with the parent brand and the attitude of the consumer towards the brand extension (Aaker & Keller, 1990). Brand quality however is directly related with the buying pattern of consumer and building of their attitude

towards brand extension (Chen, 2001). Extension of brand is directly affected by the loyalty of a consumer. If the customer is loyal to a parent brand than the chances of adopting the extended brand would be higher by lowering the risks of failures of a new product (Thiele & Mackay, 2001).

#### Proposed Model of Current Study



## 4. OBJECTIVES OF THE STUDY

### 4.1. Main Objective

To evaluate the effect of Brand trust, Brand affect and Brand Image on Customer loyalty and Brand extension attitude in context of Maggi Brand in Fast moving consumer goods sector at Gwalior region.

### 4.2. Other Objectives

- To design and re-standardize measures for evaluating Brand Trust, Brand Affect, Brand Image, Brand loyalty and Customer brand extension attitude in present study's context.
- To identify the factors underlying of Brand Trust, Brand Affect, Brand Image, Brand Loyalty and Customer Brand Extension Attitude.
- To evaluate the effect of Demographics variables on Brand Loyalty and Customer Brand extension Attitude.
- To establish cause and effect relationship between Brand Loyalty and customer extension attitude.
- To open new avenues for future research

## 5. HYPOTHESIS OF THE STUDY

**H0<sub>1</sub>:** There is no effect of Brand Trust on Brand Extension Attitude.

**H0<sub>2</sub>:** There is no effect of Brand Trust on Brand Loyalty

**H0<sub>3</sub>:** There is no effect of Brand Affect on Brand Extension attitude

**H0<sub>4</sub>:** There is no effect of Brand Affect on Brand loyalty

**H0<sub>5</sub>:** There is no effect of Brand Image on Brand Extension attitude

**H0<sub>6</sub>:** There is no effect of Brand Image on Brand Loyalty

**H0<sub>7</sub>:** There is no effect of Gender on Brand extension attitude

**H0<sub>8</sub>:** There is no effect of Gender on Brand loyalty

**H0<sub>9</sub>:** There is no effect of Qualification on Brand extension attitude

**H0<sub>10</sub>:** There is no effect of Qualification on Brand loyalty

**H0<sub>11</sub>:** There is no effect of Age on Brand extension attitude

**H0<sub>12</sub>:** There is no effect of Age on Brand Loyalty

**H0<sub>13</sub>:** There is no effect of Income on Brand Extension attitude

**H0<sub>14</sub>:** There is no effect of Income on Brand Loyalty

**H0<sub>15</sub>:** There is no cause and effect relationship between Customer Brand loyalty and Customer Brand extension attitude

## 6. RESEARCH METHODOLOGY

The study was Casual in nature and the survey method was used for data collection. Sample design consists of size of population, sample element, sampling size and sampling techniques. Population of current study was all the customer of FMCG Sector at Gwalior region for this study.

### 6.1. Sample

Individual customers in the age range of 18 to 60 years old Were selected for the study. Most of them 68 percent were females and the rest were males. An individual customer was treated as element of study. In all 400 questionnaires were distributed and out of them 332 were received. Finally 300 questionnaires were selected as 32 were not filled properly.

### 6.2. Measures

The responses were collected on a Likert type scale of 1 to 5 for all the variables. The measures were tested for reliability and validity. Content validity of measures was established through a panel of judges before using the measure for collecting data for the study.

**Brand Trust** was assessed through the five item scale of adopted from the research of Amber Abraheem Shlash Mohammad (2012). Cronbach's alpha for the scale was reported as 0.811 in the previous research and for the current study it was reported as 0.863 (see table 1). The five items



were taken from the work of (Matzler et al., 2008; Morgan & Hunt, 1994; Ballester and Munuera, 2005; laser et al., 1995; chandhuri and Holbrook, 2001; Hsteh and Hiang 2004; Caceres and Paparoidamis 007; Ballester and Aleman-Munuera 2001; Dixon, Bridson, Evans and Morrison 2005). The items were: "I trust this brand," "I rely on this brand," "This is an honest brand," "This brand meets my expectations," and "This brand is safe."

**Brand Affect** was assessed the seven item scale of adopted from the research of ebru tümer kabadayi alev koçak alan (2012). the cronbach's Alpha for the scale was reported as 0.847 in the previous research and for the current study it was reported as 0.750 (See table no 1.) the seven items were taken from the work of (Izard, 1977; Mano & Oliver, 1993; Richins, 1997). This brand makes me feel happy, This brand makes me feel pleased, This brand makes me feel entertained, This brand makes me aroused, This brand make me feel peace, This brand make me feel love, This brand makes me feel relief.

**Brand Loyalty** was assessed the twelve item scale of adopted from the research of Anber Abraheem Shlash Mohammad (2012). The cronbach's Alpha for the scale was reported as 0.797 in the previous research and for the current study it was reported as 0.828 (see table no 1). The twelve items were taken from the work of The brand loyalty measures were adapted from previous studies, twelve items were adopted from (Chaudhuri and Holbrook, 2001; Grace and O'Cass 2005; Algesheimer, et.al 2005; Fullerton, 2005; Heithman, et.al 2007; Hess and Story, 2005; Johnson, et.al 2006; Sierra and McQuity, 2005; Zeithaml, et.al 1996). I intend to buy this brand in near future, I intend to buy other product of this brand, I consider this brand as my first choice in this category, The next time i need that product, i will buy the same brand, I will continue to be loyal customer for this brand, I am willing to pay a price premium over competing product to be able to purchase this brand again, I would only consider purchasing this brand again, if it would be substantially cheaper, I say positive things about this brand to other people, I recommend this brand to someone who seeks my advice, I intend to recommend this brand to other people and I consider this brand my first choice in next few year.

**Brand Extension Attitude** was assessed the three item scale of adopted from the research of Fatemehalsadat Madani and Hassan Ghorbani (2011). The Croanbach's Alpha of the current study was found 0.688. the construct of brand extension attitude was taken from Extension attitude (Aaker & Keller, 1990; Pryor & Brodie, 1998). i will give my favor of the extension of magi brand, i will perceive quality of the extension of magi brand and i will surely likelihood of trying the extension.

**Brand Image** was assessed the twelve item scale which was self made based on requirement of the statement. The

croanbach's alpha of the current study in context of brand image was found 0.821. the construct of brand image was constituted using attitude, association and brand personality; Brand aggressive, Brand having simplicity, Relationship with brands, This brands is sentimental, Used in store decoration, Stability in quality, Freshness in raw material, Relationship with the brand, Like flavor, Serve what I want, Brand having responsiveness and Complete knowledge about the brand

## 7. RESULTS AND DISCUSSION

### 7.1. Reliability Test of Brand Trust, Brand Loyalty, Brand Extension Attitude, Brand Affect and Customer Brand Loyalty

Nunnally (1978) recommended that instruments used in basic research have reliability of about 0.70 or better. The reliability was computed by using PASW 18 software. The Croanbach's Alpha reliability test was applied to compute reliability coefficients for all the items in the questionnaire.

No. of variable	Name of Variable	Croanbach Alpha	No. of Items
Variable 1	Brand Trust	0.863	3
Variable 2	Brand Loyalty	0.828	10
Variable 3	Brand Extension attitude	0.688	3
Variable 4	Brand Affect	0.750	7
Variable 5	Brand Image	0.821	12

It is considered that the reliability value more than 0.7 is considered good enough. The Cronbach's Alpha reliability value of Brand Trust, Brand Loyalty, Brand extension attitude, Brand affect and Brand Image were found to be 0.863, 0.828, 0.688, 0.750 and 0.821 which values are higher than the standard value 0.7. therefore, the Questionnaire can be treated as reliable for the study excepting only one measure that was Brand extension attitude but the Cronbach's Alpha reliability value is near to 0.7 therefore it was treated as good measure for the current study.

### 7.2. Factor Analysis

#### 7.2.1. KMO Bartlett's Test of Brand Trust

Kaiser Meyer Olkin measure of sampling adequately indicated KMO value of 0.730 which indicated that the sample size was good enough to for current study. KMO values above 0.5 are considered to be good enough to consider the data as normally distributed and therefore suitable for exploratory Factor analysis.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.730
Bartlett's Test of Sphericity	Approx. Chi-Square	427.997
	Df	3
	Sig.	.000

Bartlett's test sphericity which tested the null hypothesis that the item to correlation matrix based on the responses received from respondents for Brand Trust was an identity matrix. The Bartlett's test was evaluated through chi-square test having Chi-Square value 427.997 which is significant at 0.000 level of significant, indicating that null hypothesis is

rejected. Therefore it is clear that the item to item correlation matrix not an identity matrix and the data were normally distributed and data were suitable for factor analysis.

### 7.2.2. Principal of Component Analysis

The Principal Component Analysis (PCA) was applied on the Brand Trust data collected on Maggi brand to identify the latent factors of Brand Trust. The PCA with Kaiser Normalization and Varimax Rotation converged in One factors after four iterations. The factors was named as Confidence. All the emerged factor were displayed in the table below.

Variable	Eigen Value	Total	Variance	Statement	Loading value
Confidence	2.360	2.360	78.677	I can trust completely	.905
				I can rely	.888
				I feel secure	.868

### 7.2.3. KMO Bartlett's test of Brand Loyalty

Kaiser Meyer Olkin measure of sampling adequately indicated KMO value of 0.884 which indicated that the sample size was good enough to for current study. KMO values above 0.5 are considered to be good enough to consider the data as normally distributed and therefore suitable for exploratory Factor analysis.

Bartlett's test sphericity which tested the null hypothesis that the item to correlation matrix based on the responses received from respondents for Brand Loyalty was an identity matrix. The Bartlett's test was evaluated through chi-square test having Chi-Square value 753.638 which is significant at 0.000 level of significant, indicating that null hypothesis is rejected. Therefore it is clear that the item to item correlation matrix not an identity matrix and the data were normally distributed and data were suitable for factor analysis.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.884
Bartlett's Test of Sphericity	Approx. Chi-Square	753.638
	Df	45
	Sig.	.000

### 7.2.4. Principal of component Analysis of Brand loyalty

The Principal Component Analysis (PCA) was applied on the Brand Loyalty data collected on Maggi brand to identify the latent factors of Brand Loyalty. The PCA with Kaiser Normalization and Varimax Rotation converged on Two

factors after Three iterations. The factors were named as **Attitudinal and Behavioral Intent**. All the emerged factor were displayed in the table below.

### 7.2.5. KMO Bartlett's test of Brand Extension Attitude

Kaiser Meyer Olkin measure of sampling adequately indicated KMO value of 0.641 which indicated that the sample size was good enough to for current study. KMO values above 0.5 are considered to be good enough to consider the data as normally distributed and therefore suitable for exploratory Factor analysis.

Bartlett's test sphericity which tested the null hypothesis that the item to correlation matrix based on the responses received from respondents for Brand Extension attitude was an identity matrix. The Bartlett's test was evaluated through chi-square test having Chi-Square value 158.418 which is significant at 0.000 level of significant, indicating that null hypothesis is rejected. Therefore it is clear that the item to item correlation matrix not an identity matrix and the data were normally distributed and data were suitable for factor analysis.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.641
Bartlett's Test of Sphericity	Approx. Chi-Square	158.418
	Df	3
	Sig.	.000

Variable	Eigen Value	Total	Variance	Statement	Loading value
Attitudinal	3.965	2.942	29.422	Recommend to this brand	0.737
				Someone who seek my	0.711
				Intend to buy product of another brand	0.670
				Say positive things about you	
				Intend to buy when it substantially cheaper	0.661
				Consider this brand as my first choice	0.651
Behavioral Intent	1.117	2.140	21.398		0.521
					.868
				Continue to be loyal	0.767
				Willing to pay price premium	0.728
				First choice	0.584
				When I need, I will buy same	0.509

### 7.2.6. Principal Component analysis of Brand extension attitude

The Principal Component Analysis (PCA) was applied on the Brand Trust data collected on Colgate brand to identify the latent factors of Brand Trust. The PCA with Kaiser Normalization and Varimax Rotation converged on Four factors after four iterations. The factors were named as **Perceive Quality**. All the emerged factor were displayed in the table below.

Variable	Eigen Value	Total	Variance	Statement	Loading value
Perceive quality	1.853	1.853	61.756	Surely likelihood its extension	0.835
				Give my favor to extension of this brand	
				Perceive same quality in extension of this brand	0.805
					0.712

### 7.2.7. KMO Bartlett's Test of Brand Affect

Kaiser Meyer Olkin measure of sampling adequately indicated KMO value of 0.778 which indicated that the sample size was good enough to for current study. KMO values above 0.5 are considered to be good enough to consider the data as normally distributed and therefore suitable for exploratory Factor analysis.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.778
Bartlett's Test of Sphericity	Approx. Chi-Square	426.838
	Df	21
	Sig.	.000

Bartlett's test sphericity which tested the null hypothesis that the item to correlation matrix based on the responses received from respondents for Brand Affect was an identity matrix. The Bartlett's test was evaluated through chi-square test having Chi-Square value 426.838 which is significant at 0.000 level of significant, indicating that null hypothesis is rejected. Therefore it is clear that the item to item correlation matrix not an identity matrix and the data were normally distributed and data were suitable for factor analysis.

### 7.2.8. Principal component analysis of Brand Affect

The Principal Component Analysis (PCA) was applied on the Brand Trust data collected on Colgate brand to identify the latent factors of Brand Trust. The PCA with Kaiser Normalization and Varimax Rotation converged on Four factors after four iterations. The factors were named as **Pleasant Feeling and Delighters**. All the emerged factor were displayed in the table below.

### 7.2.9. KMO Bartlett's Test of Brand Image

Kaiser Meyer Olkin measure of sampling adequately indicated KMO value of 0.868 which indicated that the sample size was good enough to for current study. KMO values above 0.5 are considered to be good enough to consider the data as normally distributed and therefore suitable for exploratory Factor analysis.

Variable	Eigen Value	Total	Variance	Statement	Loading value
Pleasant Feeling	2.836	2.030	28.995	This brands make me peace	0.787
				This brands make me love	0.777
				This brands make me feel relief	0.708
				This brands make me arouse	0.463
Delighters	1.164	1.971	28.150	Make me happy	0.794
				Make me pleased	0.747
				Make me feel entertained	0.710

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.868
Bartlett's Test of Sphericity	Approx. Chi-Square	796.955
	Df	66
	Sig.	.000

Bartlett's test sphericity which tested the null hypothesis that the item to correlation matrix based on the responses received from respondents for Brand Image was an identity matrix. The Bartlett's test was evaluated through chi-square test having Chi-Square value 796.955 which is significant at 0.000 level of significant, indicating that null hypothesis is rejected. Therefore it is clear that the item to item correlation matrix not an identity matrix and the data were normally distributed and data were suitable for factor analysis.

### 7.2.10. Principal component analysis of Brand Image

The Principal Component Analysis (PCA) was applied on the Brand Image data collected on Maggi brand to identify the latent factors of Brand Trust. The PCA with Kaiser Normalization and Varimax Rotation converged on Four factors after four iterations. The factors were named as **Cheerful Personality and Accountability**. All the emerged factor were displayed in the table below.

### 7.3. Multivariate Analysis (MANCOVA)

Multivariate Analysis (MANCOVA) was applied to evaluate the effect of Brand Trust, Brand Affect, Brand Image and

Variable	Eigen Value	Total	Variance	Statement	Loading value
Cheerful personality	4.105	3.066	25.549	Brand aggressive	0.657
				Brand having simplicity	0.650
				Relationship with brands	0.633
				This brands is sentimental	0.622
				Used in store decoration	0.607
				Stability in quality	0.575
				Freshness in raw material	0.519
				Relationship with the brand	0.492
Accountability	1.112	2.151	17.925	Like flavor	0.700
				Serve what I want	0.672
				Brand having responsiveness	0.637
				Complete knowledge about the brand	0.630



Demographics variable, Gender, Educational background, Income & Age as fixed factor and Brand Loyalty and Brand Extension attitude as dependent variables.

Box's Test of Equality of Covariance Matrices <sup>a</sup>	
Box's M	189.758
F	1.275
df1	117
df2	4581.855
Sig.	.025

Tests the null hypothesis that the observed covariance matrices of the dependent variables are equal across groups.

Box's test of equality of covariance matrix indicating the value of 'F' is 1.275 which is significant at 2.5% level of significance, indicating that Null hypothesis is rejected at 5% level of significance. The null hypothesis that the observed covariance matrices of the dependent variables are equal across groups is rejected.

#### Levene's Test of Equality of Error Variances<sup>a</sup>

	F	df1	df2	Sig.
Brandextensionattitude	2.282	48	250	.000
Brandloyalty	1.429	48	250	.043

Tests the null hypothesis that the error variance of the dependent variable is equal across groups.

To select appropriate Post Hoc test Levene's test of equality of error variances was applied. The null hypothesis that the error variance of the dependent variable (Brand extension attitude) is equal across groups was tested using 'F' test. The value of 'F' was found to be 2.282 which is significant at 0% level of significance, indicating that Null hypothesis is rejected at 5% level of significance. The null hypothesis that the error variance of the dependent variable (Brand Loyalty) is equal across group was tested 'F' test. The value of 'F' was found to be 1.429 which is significant at

#### Tests of Between-Subjects Effects

Source	Dependent Variable	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	BRANDEXTENSIONATTITUDE	687.325a	51	13.477	3.233	.000
	BRANDLOYALTY	5019.625b	51	98.424	3.521	.000
Intercept	BRANDEXTENSIONATTITUDE	115.135	1	115.135	27.621	.000
	BRANDLOYALTY	976.948	1	976.948	34.946	.000
BRANDTRUST	BRANDEXTENSIONATTITUDE	3.126	1	3.126	.750	.387
	BRANDLOYALTY	802.237	1	802.237	28.697	.000
BRANDAFFECT	BRANDEXTENSIONATTITUDE	281.777	1	281.777	67.599	.000
	BRANDLOYALTY	1025.634	1	1025.634	36.688	.000
BRANDIMAGE	BRANDEXTENSIONATTITUDE	39.446	1	39.446	9.463	.002
	BRANDLOYALTY	29.419	1	29.419	1.052	.306
GENDER	BRANDEXTENSIONATTITUDE	2.020	2	1.010	.242	.785
	BRANDLOYALTY	115.345	2	57.672	2.063	.129
QUALIFICATION	BRANDEXTENSIONATTITUDE	3.528	2	1.764	.423	.655
	BRANDLOYALTY	3.420	2	1.710	.061	.941
AGE	BRANDEXTENSIONATTITUDE	2.540	3	.847	.203	.894
	BRANDLOYALTY	35.798	3	11.933	.427	.734
INCOME	BRANDEXTENSIONATTITUDE	36.444	3	12.148	2.914	.035
	BRANDLOYALTY	34.541	3	11.514	.412	.745
Error	BRANDEXTENSIONATTITUDE	1029.578	247	4.168		
	BRANDLOYALTY	6905.104	247	27.956		
Total	BRANDEXTENSIONATTITUDE	35177.000	299			
	BRANDLOYALTY	442997.000	299			
Corrected Total	BRANDEXTENSIONATTITUDE	1716.903	298			
	BRANDLOYALTY	11924.729	298			

a. R Squared = .400 (Adjusted R Squared = .277)

b. R Squared = .421 (Adjusted R Squared = .301)

4.3% level of significance, indicating that Null hypothesis is rejected at 5% level of significance. Since the no of groups for the dependent variable are very large ( $2 \times 2 \times 5$ ), the error variance of the dependent variable was in any case likely to be unequal and post hoc tests that available and suitable for equal variances among across group were used.

The Multivariate MANCOVA model fit indicated by Adjusted  $R^2$  which has the value of dependent variable (Brand extension attitude) is 0.277, value of adjusted  $R^2$  of dependent variable of (Brand Loyalty) which has the value of 0.301 for the current model.

Corrected model of (Brand extension Attitude) has been tested for best fit using 'F' test having value of 3.233 which is significant at 0% level of significance that indicating the model with Brand trust, Brand Affect and Brand Image as Independent variable and demographics variable as fixed factors and Brand extension attitude variable has high fit.

Corrected model of Brand loyalty has been tested for best fit using 'F' test having value of 3.521 which is significant at 0% level of significance that indicating the model with Brand Trust, Brand affect and Brand Image as Independent variable and demographics variable as fixed factor and Brand loyalty variable has high fit.

#### **H01: There is no effect of Brand Trust on Brand Extension Attitude.**

The effect of Brand Trust on Brand extension attitude was tested through F-test. The value of 'F' is 0.750, which is significant at 38.7% level of significance. Therefore, the null hypothesis is not rejected at 5% level of significance, indicating that the there is no effect of Brand Trust on Brand extension attitude.

#### **H02: There is no effect of Brand Trust on Brand Loyalty**

The effect of Brand Trust on Brand Loyalty was tested through F-test. The value of 'F' is 28.697, which is significant at 0% level of significance. Therefore, the null hypothesis is rejected at 5% level of significance, indicating that the there is strong positive effect of Brand Trust on Brand loyalty.

#### **H03: There is no effect of Brand Affect on Brand Extension attitude**

The effect of Brand Affect on Brand extension attitude was tested through F-test. The value of 'F' is 67.599, which is significant at 0% level of significance. Therefore, the null hypothesis is rejected at 5% level of significance, indicating that the there is strong effect of Brand Affect on Brand extension attitude.

#### **H04: There is no effect of Brand Affect on Brand loyalty**

The effect of Brand Affect on Brand loyalty was tested through F-test. The value of 'F' is 36.688, which is significant at 0% level of significance. Therefore, the null hypothesis is

rejected at 5% level of significance, indicating that the there is strong effect of Brand Affect on Brand loyalty.

#### **H05: There is no effect of Brand Image on Brand Extension attitude**

The effect of Brand Image on Brand extension attitude was tested through F-test. The value of 'F' is 9.463, which is significant at 0.2% level of significance. Therefore, the null hypothesis is rejected at 5% level of significance, indicating that the there is strong effect of Brand Image on Brand extension attitude.

#### **H06: There is no effect of Brand Image on Brand Loyalty**

The effect of Brand Image on Brand loyalty was tested through F-test. The value of 'F' is 1.052, which is significant at 30.6% level of significance. Therefore, the null hypothesis is not rejected at 5% level of significance, indicating that the there is no effect of Brand Image on Brand loyalty.

#### **H07: There is no effect of Gender on Brand extension attitude**

The effect of Gender on Brand extension attitude was tested through F-test. The value of 'F' is 0.242, which is significant at 78.5% level of significance. Therefore, the null hypothesis is not rejected at 5% level of significance, indicating that the there is no effect of Gender on brand extension attitude.

#### **H08: There is no effect of Gender on Brand loyalty**

The effect of Gender on Brand loyalty was tested through F-test. The value of 'F' is 2.063, which is significant at 12.9% level of significance. Therefore, the null hypothesis is not rejected at 5% level of significance, indicating that the there is no effect of Gender on brand loyalty.

#### **H09: There is no effect of Qualification on Brand extension attitude**

The effect of Qualification on Brand extension attitude was tested through F-test. The value of 'F' is 0.423, which is significant at 65.5% level of significance. Therefore, the null hypothesis is not rejected at 5% level of significance, indicating that there is no effect of Qualification on Brand extension attitude.

#### **H10: There is no effect of Qualification on Brand loyalty**

The effect of Qualification on Brand loyalty was tested through F-test. The value of 'F' is 0.061, which is significant at 94.1% level of significance. Therefore, the null hypothesis is not rejected at 5% level of significance, indicating that there is no effect of Qualification on Brand Loyalty.

#### **H11: There is no effect of Age on Brand extension attitude**

The effect of Age on Brand extension attitude was tested through F-test. The value of 'F' is 0.203, which is significant at 89.4% level of significance. Therefore, the null hypothesis is not rejected at 5% level of significance, indicating that

there is no effect of Age on Brand extension attitude.

#### H12: There is no effect of Age on Brand Loyalty

The effect of Age on Brand extension attitude was tested through F-test. The value of 'F' is 0.427, which is significant at 73.4% level of significance. Therefore, the null hypothesis is not rejected at 5% level of significance, indicating that there is no effect of Age on Brand Loyalty.

#### H13: There is no effect of Income on Brand Extension attitude

The effect of Income on Brand extension attitude was tested through F-test. The value of 'F' is 2.914, which is significant at 3.5% level of significance. Therefore, the null hypothesis is rejected at 5% level of significance, indicating that there is strong effect of Income on Brand extension attitude.

#### H14: There is no effect of Income on Brand Loyalty

The effect of Income on Brand loyalty was tested through F-test. The value of 'F' is 0.412, which is significant at 74.5% level of significance. Therefore, the null hypothesis is not rejected at 5% level of significance, indicating that there is no effect of Income on Brand loyalty

## 7.4. LINEAR REGRESSION ANALYSIS

#### H15 – There is no cause and effect relationship between Customer Brand loyalty and Customer Brand extension attitude

The linear regression analysis was applied to establish cause and effect relationship between Customer Brand loyalty and customer Brand extension attitude through PASW 18 software. Here in this regression equation, customer Brand loyalty taken as independent variable and customer brand extension attitude was treated as dependent variable.

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.372a	.139	.136	2.22928

a. Predictors: (Constant), BRANDLOYALTY

Linear regression analysis was used to establish the cause and effect relationship between customer Brand loyalty and customer Brand extension attitude. Customer Brand loyalty was taken as independent variable and customer Brand extension attitude was treated as dependent variable and the Result of Model summary indicated through  $R^2$  value which was found to be 0.139, indicating that Customer Brand loyalty having 18.1% variance on customer Brand extension attitude.

**ANOVA<sup>b</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	238.423	1	238.423	47.976	.000a
	Residual	1480.963	298	4.970		
	Total	1719.387	299			

a. Predictors: (Constant), BRANDLOYALTY

b. Dependent Variable: BRANDEXTENSIONATTITUDE

The goodness fit for the model was tested using ANOVA and the F-value was found to be 47.976 which is significant at 0% level of significance, indicating that the model is showing good fit.

The contribution of individual independent variable was evaluated through computation of  $\beta$  value for the independent variable Customer Brand loyalty was 0.372 with the T-Test value of 6.926 which was significant at 0.000, indicating

**Coefficients<sup>a</sup>**

Model	B	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		Std. Error	Beta			
1	(Constant)	5.204	.786		6.623	.000
	BRANDLOYALTY	.141	.020	.372	6.926	.000

a. Dependent Variable: BRANDEXTENSIONATTITUDE

that Customer Brand loyalty contribute significantly to the customer Brand extension attitude. Therefore, the Null Hypothesis was rejected, indicating that there is strong positive cause and effect relationship between customer Brand loyalty and customer extension attitude.

## 8. DISCUSSION OF RESULTS

The Main objective of the current study was evaluated the effect of Brand Trust, Brand Affect and Brand Image on Customer brand loyalty and customer brand extension attitude. the other important objective of the current study was to establish the cause and effect relationship between Customer brand loyalty and Customer brand extension attitude.

First objective of the current study was evaluated using Multivariate analysis the result of current study was found to be Mix. And cause and effect relationship between customer brand loyalty and customer brand extension attitude was established using linear regression. Where customer brand loyalty was taken as independent variable and customer brand extension attitude was treated as independent variable. The result indicating that there is strong positive relationship between customer brand loyalty and customer brand extension attitude.

Result of the current study was supported by previous result of the study Result of the current study of Brand affect on Brand loyalty was in line with the finding of Ringberg & Gupta (2003) where researcher indicated that brand loyalty is build due to brand affect. Result of the current study was also in line with the finding of Chaudhuri and Holbrook (2001) where researcher suggested that strong value of the categorized product is directly linked with brand affect and is one of the separate but major factors in building up the loyalty of a brand. But simultaneously brand affect is considered as a main variable in deriving the loyalty for the brand (Ringberg and Gupta, 2003).

Result of the current study of Brand trust on Brand loyalty was in line with the finding of Jian (2003) where researcher found that brand trust and brand emotion influenced a customer's attitude for brand after studying; its research proof brand trust will have positive influence to the customer loyalty. The result of the current study was also in line with the finding of Reicheld & Schefter (2000) where researcher found that trust is essential for the development of loyalty. To maintain long term relationship trust is considered as one of the key variables.

Result of the current study was not in line because result of the current study indicated that brand image variable have no effect on Brand loyalty but the finding of previous research is contradictory because they found significantly brand image effect on brand loyalty as ResuVazquez-Carrasco and Foxall (2006) explained that the social, confident and special brand/ product image has positive impact on loyalty intention, Reynolds and Beatty (1999) found that if the customer received high social benefit from the salesperson then he will be more loyal with salesperson.

Result of the current study was also in line with the finding of Chen (2003) narrating that Brand quality is directly related with the buying pattern of consumer and building of their attitude towards brand extension (Chen,2001). Result of the current study was also consistent with the finding of Thiele & Mackay (2001) where researcher found that Extension of brand is directly affected by the loyalty of a consumer. If the customer is loyal to a parent brand than the chances of adopting the extended brand would be higher by lowering the risks of failures of a new product (Thiele & Mackay,

2001).

## 9. MANAGERIAL IMPLICATIONS

Managers of Retail industry companies must focus on increasing the consumer brand loyalty by focusing on dimensions like brand affect, brand trust and brand image. If brand loyalty increases and sustained than it can have a huge positive impact on consumer brand extension attitude benefitting the organizations in terms of immense upbeat reputation along with increase in revenue generation simultaneously which can always be a huge plus for the organization.

## 10. CONCLUSION

The study resulted in to number of findings. All the variables were found to be consistent reported reliability more then 0.7 in all the cases. The study was intended to study the 'Maggi' brand. Maggi has been a favourite brand since long in Indian society. An impact of variables such as brand trust, image and affect and categorical variables such as age, gender, income and qualification on brand loyalty and brand extension attitude was studied. Since, most of the brands keep on launching their new products. In this research we have tried to find out whether the image, trust and affectivity towards brand also influence the customers to but its extension. Moreover, if the customers are loyal, then also there would be a positive attitude towards the extension of brand. The results reveal that the variable brand trust is showing no relationship with brand extension attitude but other two variables brand image and brand affect were positively significantly associated with extension attitude. However, brand trust and brand affect showed a significant relationship with brand loyalty but brand image was not found to be correlated with brand loyalty. No demographic variables other than income were found to be correlated with brand extension attitude and brand loyalty. It can be concluded that if an organization work on building brand image and trust it will ultimately be going to help in building brand for the new products introduced in its horizontal extension.

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