

## INVOLVEMENT AND TRUST IN A BRAND AS PREDICTORS OF LOYALTY CATEGORIES

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### Abstract

*Customer loyalty is the most valuable asset for the firm. Several researchs find that customer loyalty is positively related with profitability. The purpose of this research is to investigate the power of involvement and trust in a brand (as cognitive and conative antecedent of loyalty) to predict loyalty categories. Dick and Basu (1994) conceptualization of loyalty is used as the main reference in this research.*

*The object of this research is facial whitening product, and the subjects are women. Data is collected in two central locations in Yogyakarta. The finding of this research indicates that involvement and trust in a brand has a contribution to predict loyalty categories, such as loyal, latent loyalty, spurious loyal, and no loyalty. The results also support that trust in a brand has more important contribution to predict loyalty categories.*

**Keywords:** *involvement, trust in a brand, relative attitude, repeat patronage*

### INTRODUCTION

The central thrust of the marketing activities of a firm is often viewed in terms of development, maintenance, or enhancement of customers' loyalty. Indeed, customer loyalty represents an important basis for developing a sustainable competitive advantage (Dick and Basu, 1994). A loyal customer base can be a valuable asset for any firm. It reduces the need to seek new customers, and may act as a barrier to switching behavior (Ruyter and Bloemer, 1999; Rowley and Dawes, 2000). There is substantial ground for believing that there is a link between loyalty and profitability (Hallowell, 1996; Rowley and Dawes, 1999).

The loyal object might be a brand, product, organizations, or service outlet. However, much of the literature on customer loyalty has looked at brand loyalty (Rowley and Dawes, 1999). Dharmmesta (1999: 75) points out that brand often view as loyal object regarding product or firm identity that easily recognized by customers. With re-

spect to this situation, customer loyalty and brand loyalty terminology in this article has no differences and can be used interchangeably.

The loyalty scheme is familiar in everyday life. However, it is not easy to get real loyal customers. Marketers are often trapped by spurious loyalty. Yet, the "psychology" behind the development of customer loyalty is not well understood. Dick and Basu (1994) have recognized this deficiency and called for studies to explore the antecedents of loyalty. This motivates the author to focus on the antecedents of loyalty, which sufficient by explain how and why customer loyalty are developed and/or modified.

The brand loyalty literature contains a plethora of measures (Dick and Basu, 1994). Traditionally, brand loyalty research has used various behavioral measures drawn from panel data (behavioral approach). These measures include proportion of purchase, purchase sequence, and probability of

purchase (Lau and Lee, 1999; Dharmmesta, 1999). These measures have been criticized as lacking conceptual basis and capturing only the static outcome of a dynamic process. These definitions make no attempt to understand the factors underlying repeat purchase (Dick and Basu, 1994; Dharmmesta, 1999). Consequently, the behavioral definitions are insufficient to explain how and why brand loyalty are developed and/or modified.

Attitudinal measures view brand loyalty as consisting of repeated purchases prompted by a strong internal disposition. From this perspective, purchases that are not guided by concomitant strong attitude but merely by situational exigencies are labeled as spurious loyalty. Thus attention is drawn to characteristics of an individual's attitude and conditions that lead to attitude-congruent purchase behavior. These measures include satisfaction, commitment, and intention (Dick and Basu, 1994; Dharmmesta, 1999).

Lau and Lee (1999) argue that attitudinal measures much more important and beneficial regarding that the attitude drives behavior. While behavioral loyalty is partly determined by situational factors, attitudes are more enduring. However, O'Malley (1998) states that attitudinal measures are poor predictor of behavior. Therefore, it seems that neither attitudinal nor behavioral measures on their own are sufficient to explain or define loyalty. The use of both attitudinal and behavioral measures in loyalty definition substantially increases the predictive power of loyalty (Pritchard and Howard, 1997 as cited by Bowen and Chen, 2001).

Dick and Basu (1994) attempted to combine both attitudinal and behavioral measures. The framework proposed by Dick and Basu (1994) is particularly useful not only because does it offers more accurate measures of loyalty, but it also results in a

number of different loyalty categories. The author adapts Dick and Basu (1994) framework in defining loyalty. Attitudinal measures are reflected by relative attitude, and behavioral measures are reflected by repeat patronage. Dick and Basu (1994) argue that loyalty is determined by the strength of relationship between relative attitude and repeat patronage. On the basis of attitude-behavior relationship, they propose four conditions related to loyalty; loyalty, latent loyalty, spurious loyalty, and no loyalty. Dick and Basu (1994) conceptualization of loyalty may give contribution for exploring antecedents of loyalty. Affective antecedents received considerable attention are satisfaction (Mittal and Lassar, 1998; Bowen and Chen, 2001; Kandampully and Suhartanto, 2000); image (Kandampully and Suhartanto, 2000); mood (Ruyter dan Bloemer, 1999). Cognitive and conative antecedents are less likely investigated. Therefore, this motivates the author to explore involvement in product categories and trust in a brand as cognitive and conative antecedents of loyalty.

This research differs with previous research in terms of loyalty measurement and loyalty antecedents. On average, previous research use only one measurement approach. However, this research uses both attitudinal and behavioral measures. Previous researchs give more attention to affective antecedents, and this research focus on cognitive and conative antecedents. In particular, the author attempts to investigate the contribution of involvement and trust in a brand to predict four loyalty categories offered by Dick and Basu (1994).

## **BRAND LOYALTY**

Attempting to define brand loyalty is far easier to say than to realize it. In general, there are three distinctive approaches to measure loyalty:

1. Behavioral measurement
2. Attitudinal measurement

3. Composite measurement.

The behavioral measurements consider consistent, repetitious purchase behavior as an indicator of loyalty. One problem with the behavioral measures is that repeat purchases are not always the results of psychological commitment toward the brand (TePeci, 1999 as cited by Bowen and Chen, 2001). Thus, repeat purchase does not always mean commitment.

Attitudinal measurements use attitudinal data to reflect the emotional and psychological attachment inherent in the loyalty. The attitudinal measurements are concerned with the sense of loyalty, engagement, and allegiance (Bowen and Chen, 2001).

The third approach, composite measurements of loyalty combines the first two measurements and measures loyalty by customers' product preferences, propensity to switch, frequency of purchase, recency of purchase, and total amount of purchase. The use of both attitudinal and behavioral measurements in loyalty definition substantially increases the predictive power of loyalty (Bowen and Chen, 2001). The composite approach has been applied and supported by several researchers. Mowen and Minor (1999) as cited by Dharmmesta (1999) define brand loyalty as consisting of repeated purchases prompted by a strong positive

attitude and commitment toward the brand. Pararells with Mowen and Minor, Oliver (1999) defines brand loyalty as a deeply held commitment to rebuy or repatronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior. Dick and Basu (1994) define loyalty as the strength of the relationship between individual's relative attitude and repeat patronage.

The primary contribution of Dick and Basu (1994) lies on relative attitude. Relative attitude not only focuses on attitude toward the brand, but it also incorporates attitudes to alternatives. This encapsulates not only satisfaction measures but also preference measures. The suggestion is that the higher relative attitude between alternatives, the more likely attitude will influence behavior. Dick and Basu (1994) argue that the nature of relative attitude is likely to provide a stronger indication of repeat patronage than attitude toward a brand determined in isolation. This argument is supported by Laroche, Hui, and Zhou (1994); Olsen (2002). They report that someone always does comparative evaluation toward a brand when he/she is in stage of attitude formation.

**Figure 1.** Loyalty Matrix

		Repeat Patronage	
		High	Low
Relative Attitude	High	Loyalty	Latent Loyalty
	Low	Spurious Loyalty	No Loyalty

Source: Dick and Basu (1994)

Cross-classifying the previously developed concept (Dick and Basu, 1994) of relative attitude with repeat patronage (at two levels-high and low of each) leads to the four specific conditions related to loyalty below (Figure 1). Loyalty, the most preferred of the four conditions, signifies a favorable correspondence between relative attitude and repeat patronage. A low relative attitude accompanied by high repeat patronage indicates spurious loyalty. This demonstrates that high repeat patronage probably due to nonattitudinal influences (e.g., subjective norms or situational effects). High relative attitude, with low repeat patronage, reflects latent loyalty. This conditions probably due to marketplace environment where nonattitudinal influences such as subjective norm and situational effects are least equally if not more influential than attitudes in determining patronage behavior. A low relative attitude combined with low repeat patronage signifies an absence of loyalty. There are two possible explanations for this condition. First, low relative attitude might be indicative of a recent introduction and/or inability to communicate distinct advantages. Second, low relative attitude may be due to the dynamics of a specific marketplace where most competing brands are seen as similar.

With regards to earlier explanations that relative attitudes represent attitudinal loyalty and repeat patronage represent behavioral loyalty, the development of loyalty will follow four stages; cognitive, affective, conative, and behavior loyalty (Oliver, 1999; Oskamp, 1991 as cited by Dharmmesta, 1999).

### **INVOLVEMENT**

Generally, someone has a different degree of involvement toward particular object. The objects of involvement include activities, program, product, advertising, purchase decision, etc. However, the con-

sumer behavior literatures frequently have looked at the product and purchase decision. Every customer has different degree of involvement. The level of customer involvement is a continuum from high to low. The position of customer involvement on this continuum will depend on several factors. A customer is likely to be more involved with a product when it is important to the customers, is continually of interest to the customers, has emotional appeal, is identified with the norms of a group, and entails significant risks (Assael, 1998).

Beatty and Kahle (1988) as cited by Assael (1998) have logically attempted to identify that the level of customer involvement depends more on the customer's attitudes toward the products than on products characteristics. Petty and Cacioppo (1981); Zaichkowsky (1985); Richins and Bloch (1986) as cited by Celsi and Olson (1988) argue that the level of customer involvement with an object, situation, or action is determined by the degree to which he/she perceives that concept to be personally relevant. Perceived personal relevance is the extent to which customer perceives it to be self-related or in some way instrumental in achieving their personal goals and values. More specifically, perceived personal relevance of the product is represented by the perceived linkage between customers' needs, goals, and values (self-knowledge) and their product knowledge (attributes and benefits). To the extent that product characteristics are associated with personal goals and values, the customer will experience strong feelings of personal relevance or involvement with the product. This demonstrates that the level of customer involvement is consumer's specific rather than product's specific.

### **TRUST IN A BRAND**

Worchel (1979) as cited by Lau and Lee (1999) defines trust as willingness to

rely on another party in the face of risk. The willingness stems from an understanding of the other party based on past experience. It also involves an expectation that the other party will cause positive outcome, despite possibility that the action may cause a negative outcome. In trusting a brand, the entity trusted is not a person, but a brand. Moorman, Deshpande, and Zaltman (1993) define *trust* as the willingness to rely on an exchange partner in whom one has confidence. An important aspect of both definitions is the notion of trust as a willingness and confidence.

Parrells with Moorman, Deshpande, and Zaltman (1993), Morgan and Hunt (1994) conceptualize trust as existing when one party has confidence in an exchange partner's reliability and integrity. Lewis and Weigert (1985) as cited by Lau and Lee (1999: 343) define trust as the confidence in the face of risk. Boon and Holmes (1991) as cited by Lau and Lee (1999: 343) define trust as a state involving confidence positive expectations about another's motives with respect to oneself in risky situation. Three definitions above highlight the importance of confidence.

Absent from Morgan and Hunt; Lewis and Weigert; Boon and Holmes definition of trust is the behavioral intention of "willingness" incorporated by Moorman, Deshpande, and Zaltman (1993). Moorman, Zaltman, and Deshpande (1992) argue that this behavioral intention is a critical facet of trust's conceptualization because if one believes that a partner is trustworthy without being willing to rely on that partner, trust is limited. Morgan and Hunt (1994) argue that willingness to act is implicit in the concep-

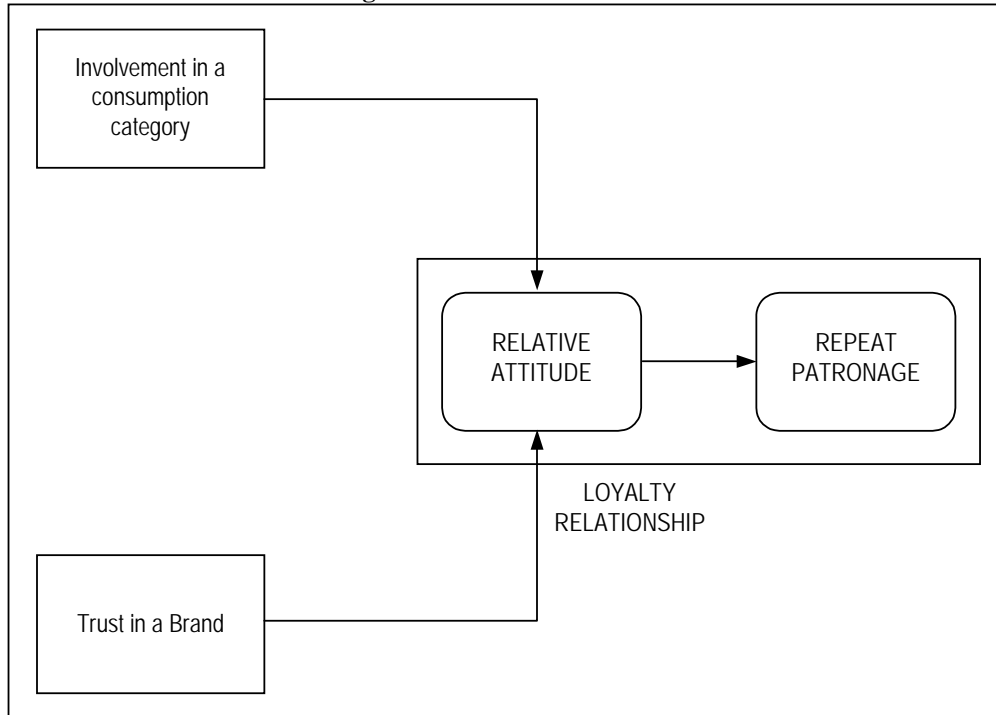
tualization of trust, therefore, one could not label a trading partner as "trustworthy" if one were not willing to take actions that otherwise would entail risk. More simply, genuine confidence that a partner can rely on another indeed will imply the behavioral intention to rely. Thus, stated willingness in the definition of trust is unnecessary or redundant in its definition. Therefore, just as behavioral intention is best viewed as an outcome of attitude and not part of its definition (Fishbein and Ajzen, 1975 as cited by Zineldin and Jonsson, 2000), willingness to rely should be viewed as a potential indicator of trust, not as part of definition.

The author has the same argument with Morgan and Hunt (1994), incorporated willingness in trust definition will cause redundancy. Thus, trust in a brand exists when a consumer has confidence in a brand's reliability and integrity.

## **RESEARCH FRAMEWORK AND HYPOTHESIS**

The proposed research framework (see Figure 2) is adapted from Dick and Basu (1994). The level of customer involvement and trust in a brand are antecedents of relative attitude. Repeat patronage, which reflects behavioral loyalty is the outcome of involvement and trust in a brand. Thus, relative attitude, which reflects attitudinal loyalty have the role as a mediator of involvement-repeat patronage relationship and trust in a brand-repeat patronage relationship. Referring to the loyalty conceptualization of Dick and Basu (1994), cross-classifying relative attitude with repeat patronage leads to development of four loyalty categories.

**Figure 2.** Research Framework



Source: adapted from Dick and Basu (1994)

**Hypothesis**

Someone who personally involved with particular product category is motivated to do active information searching and processing. Active information processing leads to better brand evaluation, which in turn, attitude formation toward focal brand is stronger. It generates high relative attitude (Dick and Basu, 1994). High relative attitude corresponds to commitment in every repurchase behavior. Loyal customers always have commitment in their repurchase behavior. In line with this logic, Krugman (1965) as cited by Pinson and Roberto (1973) argues that in the high involvement condition, attitude is formed before behavior. Thus, high involvement is more likely leads to loyalty formation, minimum latent loyalty formation. In opposite direction, in the situation of low involvement, behavior is

formed before attitude. This condition contributes on spurious loyalty because high repeat patronage is not followed by commitment.

**H<sub>1</sub>:** Involvement in category product has positive contribution on loyalty formation.

When someone trust someone else in personal relationship, he/she will rely himself/herself to the other side, and he/she will have commitment to maintain the relationship. If the trusted entity is brand, he/she has intention to maintain his/her relationship with the brand. It is represented by being loyal toward the brand. Parrarells with the author argument, Doney and Cannon (1997); Lau and Lee (1999); Chaudhuri and Holbrook (2001) report that trust in a brand is conative antecedent of loyalty. Thus, trust in

a brand positively contributes on loyalty formation.

**H<sub>2</sub>:** Trust in a brand has positive contribution on loyalty formation.

**RESEARCH METHOD**

**Sample**

The sampling frame of this research consists of all women in Yogyakarta. Women who are included as respondents in this research must be ever used Ponds whitening product with the consideration that behavioral measurement instead of attitudinal measurement of loyalty is used in this research. The research object is facial whitening products with specific brand of Pond's.

**Data Collection Procedure**

Data are collected by central location-survey at UGM campus and Malioboro Mall. Of the 450 questionnaires distributed, 398 are returned. After careful examination, including incomplete responses, monotonic answers, and outliers, only 338 responses are usable.

**Measures**

The question items used to operationalize the constructs are adapted from

previous research, with several changes in wording appropriate for the research context. Specifically, 20 items on involvement are adapted from Zaichkowsky as cited by Bruner dan Hensel (1992); 8 items on trust in a brand are adapted from Zineldin and Jonsson (2000); Lau and Lee (1999); Doney and Cannon (1997); Morgan and Hunt (1994); 9 items on relative attitude are adapted from Dharmmesta (1999); Lau and Lee (1999); Pritchard, Havitz and Howard (1999); 2 items on repeat patronage are adapted from Pritchard, Havitz and Howard (1999). All items are measured using seven-point interval scale with the exception of involvement, using seven-point semantic differential scale.

**DATA ANALYSIS and RESULTS**

**Measurement Model Fit**

Results obtained from the structural equation modeling analysis suggest that the measurement model exhibits a quite satisfactory overall fit. Normed chi-square (CMIN/df) and root mean square residual (RMSEA) values are exceeding recommended level, but the values of adjusted goodness of fit index (AGFI), Goodness of fit index (GFI), comparative fit index (CFI) slightly below recommended level (see Table 1).

**Table 1.** Fit Statistics of Measurement Model

	Recommended Value	Measurement Model
$\chi^2$		1930.214
Degree of freedom (df)		623
P value	> 0.05	0.000
CMIN/df	< 5	3.098
GFI	> 0.9	0.740
AGFI	> 0.9	0.706
RMSEA	< 0.08	0.079
CFI	> 0.9	0.878

The chi-square value is also large and significant. Model chi-square is the most common fit test, and its respective value should not be large and significant if there is a good model fit, while a significant chi-square indicates lack of satisfactory model fit. However, for model with more than 200 sample sizes, the chi-square is almost always statistically significant (Kenny, 2002). Because of this reason, many researchers who use structural equation modeling believe that if other fit tests indicate good approximate fit, the significant of the chi-square test may be discounted and that a significant chi-square is not a reason by itself to modify the model (Kenny, 2002). Large and significant chi-square of the research model may be related with the sample size. The sample size of this research is more than 200. However, just two indices, CMIN/DF and RMSEA show good approximate fit, and three remaining indices, GFI, AGFI and CFI show marginal approximate fit. Therefore, it indicates a problem of goodness of fit, and it may become the weakness of this research. Thus, the author suggests the reader to interpret the result cautiously due to the weakness.

### Reliability

Reliability is assessed using construct reliability and Cronbach's alpha. In order to achieve better reliability, two items from involvement are deleted. Most of the investigated constructs exhibited a construct reliability and alpha values greater than 0.70 (see Table 2), suggesting a reliability exceeding the common acceptable level (Hair, *et al.* 1998).

### Validity

Generally, validity is considered to be satisfactorily established when measurement items loads highly on their respective constructs. Table 2 summarizes the results. Following Hair *et al.* (1998) recommendation, factor loadings greater than 0.40 is considered very significant. All of the factor loadings of the items in the research model are greater than 0.4, with most of them above 0.60. Each item loads significantly ( $p < 0.01$ ) in all cases on its underlying constructs. The average variances extracted of all constructs, except for involvement, are above the recommended level 0.50 (Hair *et al.* 1998). In summary, the measurement model demonstrates adequate convergent validity.

### Respondent Profile

Among the respondents, 82.8 percent respondents are single and approximately 17.2 percent married. Most of them (74.3 percent) have senior high school education background and 15.4 percent have undergraduate degree. 59.8 percent respondents are undergraduate students. On average, respondents are around 18 and 25 years old.

### Loyalty Category

Following loyalty matrix from Dick and Basu (1994), the results find 109 loyal respondents (high relative attitude and repeat patronage), 100 latent loyal respondents (high relative attitude and low repeat patronage), 6 spurious loyal respondents (low relative attitude and high repeat patronage), 123 non-loyal respondents (low relative attitude and repeat patronage).



**Tabel 2.** Indikator, *Factor Loadings*, dan *Construct Reliability*

Konstruk & Indikator	Standardized Loadings	Cronbach Alpha	Composite Reliability	Variance Extracted
<b>Involvement:</b>		0.9410	0.9410	0.480
IV1	0.618			
IV2	0.673			
IV3	0.617			
IV4	0.666			
IV5	0.735			
IV6	0.635			
IV7	0.667			
IV8	0.669			
IV10	0.797			
IV11	0.701			
IV13	0.783			
IV14	0.767			
IV15	0.710			
IV16	0.453			
IV17	0.549			
IV18	0.724			
IV19	0.738			
IV20	0.816			
<b>Trust in a Brand</b>		0.9452	0.9457	0.6870
T1	0.695			
T2	0.739			
T3	0.864			
T4	0.768			
T5	0.836			
T6	0.879			
T7	0.923			
T8	0.898			
<b>Relative Attitude:</b>		0.9571	0.9582	0.7190
RA1	0.784			
RA2	0.750			
RA3	0.895			
RA4	0.916			
RA5	0.883			
RA6	0.893			
RA7	0.788			
RA8	0.861			
RA9	0.846			
<b>Repeat Patronage:</b>		0.9292	0.9301	0.8690
RP1	0.905			
RP2	0.959			

**The Prediction of Loyalty Category: Discriminant Analysis**

In order to predict loyalty category of the respondents, the authors use discriminant analysis. Specifically, the discriminant function is written as:

$$D_i = d_{i1} \text{ INVOLVEMENT} + d_{i2} \text{ TRUST IN A BRAND}$$

The basic assumption of discriminant analysis is all independent variables should have normal distribution (Sharma, 1996). Kolmogorof-smirnov test for both involvement and trust in a brand show that they have normal distribution (see Table 3).

As seen in Table 3, four loyalty categories have significant mean differences of involvement and trust in a brand. Test of equality of covariance matrices shows that every loyalty category has equal covariance.

In addition, the correlation between involvement and trust in a brand relatively low, 0.323, the tolerance level is 0.8957, above the recommended level, 0.001 (Sharma, 1996). These demonstrate that there is no multicollinearity between involvement and trust in a brand. Therefore, discriminant analysis is continued to the next step, discriminant function formation. There are two discriminant functions (see Table 4). However, there is only one significant discriminant function (function 1). The canonical correlation of function 1 is 0.652. It shows that 42.51 percent variation of four loyalty categories can be explained by function 1. Further, the discriminant function can be written as:

$$D = -6,306 + 0,098 \text{ Involvement} + 1,350 \text{ Trust In a Brand}$$

**Table 3.** Assumption Test of Discriminant Analysis

	Test of Normality		Test of Equality of Group Means			Test of Equality of Covariance Matrices		
	Kolmogorof-Smirnof Z	Sig.	Wilks' Lambda	F	Sig.	Box's M	F	Sig.
Involvement	0.903	.389	0.881	14.988	.000	17.773	1.858	0.054
Trust in a Brand	1.621	.010	0.576	81.799	.000			

**Table 4.** Discriminant Function

	Function 1				Function 2			
	Canonical Correlation	Wilks' Lambda	Sig.	Coefficients	Canonical Correlation	Wilks' Lambda	Sig.	Coefficients
Involvement	.652	.566	.000	.098	.124	.985	.000	1.113
Trust in a brand				1.350				-.598
Constant				-6.306				-2.790

**Table 5.** Standardized Canonical Discriminant Function Coefficients and Structure Matrix

	Standardized Canonical Discriminant Function Coefficients	Structure Matrix
Involvement	0.093	.405
Trust in a Brand	.966	.996

The value of standardized canonical discriminant function coefficient of involvement is smaller than trust (see Table 5). It shows that in predicting loyalty category of the respondents, the relative importance of trust is higher than involvement. Loadings value of trust is 0.996, above the recommended level, 0.5 (Sharma, 1996). In opposite direction, involvement has marginal loadings value, 0.405, slightly below 0.5. It implies that trust has greater contribution than involvement.

Furthermore, 60.4 percent four loyalty categories are correctly predicted by involvement and trust in a brand. This level is above 50 percent, practically recommended level (Sharma, 1996). Instead of that, in the biggest group (no loyalty group, 123 respondents), correctly predicted respondents are also greater than other groups, 100 respondents correctly predicted. This result indicates that practically, trust and involvement have the power to predict loyalty category.

Statistically, the power of trust and involvement can be tested by two formulations below (Sharma, 1996):

$$Z_g^* = \frac{(O_g - E_g)(N_g)^{1/2}}{\{E_g(N_g - E_g)\}^{1/2}}$$

$$Z_g^* = \frac{(O - E)(N)^{1/2}}{\{E(N - E)\}^{1/2}}$$

- $Z_g^*$  = the statistics for group g
- $O_g$  = the number of correct classification for group g
- $E_g$  = the expected number of correct classification due to chance for group g
- $N_g$  = the number of observation in group g
- $O$  = total number of correct classifications
- $E$  = the expected number of correct classifications due to chance for the total sample
- $N$  = the total number of observation.

Following two formulations stated above, the value of Z of loyal, latent loyal, spurious loyal, and non-loyal groups are 6.1297; 2.0626; -0.329; 10.3524. Aggregately, the value of Z is 10.9687. The value of Z for each group and for the whole group are greater than 1.96, with the exception for spurious loyal group. This result demonstrates that statistically, trust in a brand and involvement have the capability to predict loyalty category.

**Table 6.** Classification Results

			Predicted Group Membership				Total
			Loyal	Latent loyal	Spurious loyal	No loyalty	
Original	Count	Loyal	65	33	0	11	109
		Latent loyal	37	39	0	24	100
		Spurious loyal	1	2	0	3	6
		No loyalty	5	18	0	100	123
	%	Loyal	59.6	30.3	.0	10.1	100.0
		Latent loyal	37.0	39.0	.0	24.0	100.0
		Spurious loyal	16.7	33.3	.0	50.0	100.0
		No loyalty	4.1	14.6	.0	81.3	100.0

a 60.4% of original grouped cases correctly classified.

### Discussion

The discriminant function, which is formed by trust in a brand and involvement have statistically and practically significant value, above the recommended level. It has practically significant value 60.4 percent, greater than 50 percent. In addition, it has statistically significant Z value 10.9687, greater than 1.96 (Sharma, 1996). Thus, it can be implied that involvement and trust in a brand have the ability to predict loyalty categories.

As seen in Table 4, trust in a brand is the best variable for predicting loyalty categories. Positive coefficient of trust in a brand does confirm that trust in a brand has positive contribution of loyalty formation. Involvement has lower prediction power than trust in a brand. Further, it also has positive contribution of loyalty formation. Thus, it can be concluded that  $H_1$  and  $H_2$  are supported.

When the prediction power of trust in a brand and involvement are take into account, trust in a brand has greater prediction power than involvement, because standardized canonical discriminant function of trust in a brand is greater than involvement. These results are consistent with Chauduri and Holbrook (2001). They also point out that trust in a brand leads to positive affect toward the brand, which in turn, influence relative attitude. Moreover, involvement only has indirect effect on affect through cognition. Someone who personally involved with particular category product is motivated to do information processing. Active information processing leads to better brand evaluation, which in turn, attitude formation toward focal brand is stronger. It generates high relative attitude (Dick and Basu, 1994). Thus, the involvement-relative attitude path is longer than trust in a brand-relative attitude path. Further, relative attitude influence repeat patronage. The strength of relative attitude-repeat patronage

relationship is affected by situational factors (Dick dan Basu, 1994). Someone who has high trust toward focal brand, is not easily affected by situational factors. As a result, relative attitude-repeat patronage relationship becomes stronger. However, someone who has high involvement is more vulnerable to situational influences. As a result, high involvement does not ensure someone free from situational influences. It maybe the possible reason for explaining why involvement has lower contribution in predicting loyalty categories than trust in a brand.

### Limitations and Implications for Further Research

The author uses only one product category and brand as research object. As a result, the generalization of this research is relatively low. The generalization results of this research are limited on facial whitening product. Therefore, the author suggests further research must be considered to use more than one product category.

Large and significant chi-square, marginal approximate fit of AGFI and RMSEA indicate a problem of goodness of fit, and it may become the weakness of this research. Thus, the author suggests the reader to interpret the result cautiously due to the weakness.

The results of discriminant analysis show that the prediction accuracy is 60.4 percent, slightly above the recommended level, 50 percent. Thus, further research should find another variables for predicting loyalty categories.

Most especially, the results suggest trust in a brand has significant contribution on loyalty formation. Therefore, trust in a brand one interesting research agenda for further research, especially for exploring antecedents of trust in a brand.

## CONCLUSION

Involvement and trust in a brand are predictors of four loyalty categories, which are proposed by Dick and Basu (1994). Involvement and trust in a brand are found have positive contribution on loyalty

formation. The results also indicate that the contribution of trust in a brand on loyalty formation is much more stronger than involvement. With respect to these results, trust in a brand cultivation must be stressed by marketer.

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