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## Quality antecedents of brand trust and behavioral intention

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**Abstract**

This paper integrates research relating to service quality perception, merchandise quality perception, brand trust and behavioral intention into one framework. This study sets forth new insights into the quality antecedents of brand trust and behavioral intention relationship. The researchers administer a survey to 94 graduate and undergraduate students in consideration of the restaurant where they had visited lastly. Data analysis was performed using structural equation modeling with AMOS. This study provides data on the following: (1) the effect of service quality perception and merchandise quality perception on brand trust, (2) the effect of service quality perception and merchandise quality perception on behavioral intention and (3) the effect of brand trust on behavioral intention. Managerial implications and future research directions are also discussed.

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*Keywords:* Service quality perception, merchandise quality perception, brand trust, behavioral intention

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## 1. Introduction

Providing high quality of merchandise and services is one of the major objectives of companies in today's competitive environment (Zeithaml, Berry, & Parasuraman, 1996, Zinn & Liu, 2001). Companies, which enrich their marketing offering with high quality and position their brand as a good qualified in their consumers' minds, have a substantial advantage in a fierce battle with their competitors. By the power of quality, companies can increase amount of their consumers, incomes, values, prestige etc. That's why in recent years, there has been a great deal of interest in the conceptualization and measurement of consumer perceived merchandise quality, perceived service quality and their behavioral outcomes by both managers and academicians (Beatty & Ferrell, 1998; Parasuraman, Zeithaml & Berry, 1985). Consumer perceived merchandise quality and service quality have each been the subject of studies and their consumer based behavioral outcomes was examined (Sirohi, McLaughlin, & Wittink, 1998; Walsh, Shi, Hassan, Michaelido & Betty, 2010). These studies mentioned that service quality and merchandise quality perception of consumers are very distinctive predictors of their behavioral outcomes.

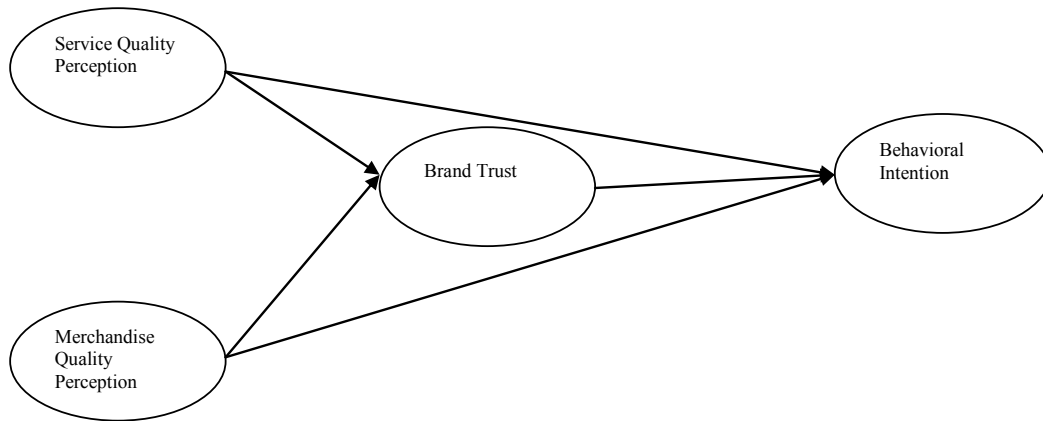
Moreover, it is a well-known fact that brand is an unique and an important driver of consumers behavioral outcomes. Brand can be conceptualized as one of the important strategic and critical assets of companies (Martin, Stewart & Matta, 2005). When a company offer their consumers valuable brand, consumers are inclined to pay more to own that brand, visit frequently that company, say positive things about the brand and recommend that brand to others (Jacoby & Chestnut, 1978; Sichtmann, 2007). Therefore managers of brands make an attempt on creating powerful brands (Kay, 2006). Forming strong brand trust is one of the influential methods for generating incomparable brands. That's why marketing strategist commonly used brand trust as a tool of building strong brand between company and consumer. One of the effective ways to generate brand trust is reinforcing quality perception of consumers'.

Generally studies concentrate on effect of merchandise quality perception and service quality perception of consumers' behavioral intention (Laroche, Teng, Minchon & Chebat, 2005). But studies are scarce regarding to fully investigate their effects on brand trust and behavioral intention of consumer from company- consumer relationship in one integrated framework. To fill this research gap, the present study objective is to focus on three subjects ; (1) How consumers' merchandise quality perception and service quality perception effects on brand trust?, (2) How consumers' merchandise quality perception and service quality perception effects their behavioral intention? and (3) What is the effect of brand trust on consumers' behavioral intention?

We first review the relevant literature and establish a conceptual framework. On the basis of this, research hypothesis are given. Next we indicate the methodology in detail and show the findings. Then we make an inference regarding theoretical as well as managerial implications. Finally, we give the limitations of this study and propose for future researches.

## 2. Research Question and Conceptual Model

Figure 1 presents the conceptual model linking service quality perception, merchandise quality perception, brand trust and behavioral intention. This model shows that consumer perception of service quality and merchandise qualities have an impact on brand trust and behavioral intention. Moreover behavioral intention is influenced by brand trust. We review the key constructs of our conceptual framework and define the theoretical background supporting the relationships contained therein.

**Figure 1- Conceptual Framework**

### 2.1. Effects of Service Quality Perception

Service quality perception of consumer can be broadly defined by Parasuraman, Zeithaml, and Berry, (1988) as "a global judgment, or attitude, relating to the superiority of the service". In similar vein, many researchers in this context agree with this definition (Boulding, Kaira, Staelin & Zeithaml, 1993). Service quality literature has stated that consumers make a comparison between the performance of the product or service and their expectancy (Spreng & Mackoy, 1996). If products or services satisfy their expectations, consumers are prone to continue being consumer of this company. In similar vein, prior research has determined some evidence that service quality perceptions significantly affect behavioral intentions of consumers (Bitner, 1990). As an example, many studies have mentioned a positive link consumers' perceptions of service quality and their behavioral intention. Superior service is likely to encourage affirmative behavior (Parasuraman, Zeithaml & Berry, 1991). Boulding, Kalra, Staelin and Zeithaml (1993) also found that service quality is an significant predictors of behavioral intentions.

When consumers build up brand trust, they can use many explicit and implicit cues concerning the company (Chiou & Droge, 2006). Their service quality perception evaluation is among these cues (Singh & Sirdeshmukh, 2000). Therefore in our study, we expect consumers behavioral intention and brand trust is positively influenced by consumers' service quality perception. Thus, we hypothesize:

*H1: Service quality perception will exert positive effects on brand trust*

*H2: Service quality perception will exert positive effects on behavioral intention*

## 2.2. Effects of Merchandise Quality Perception

Merchandise quality, which is one of the most important attributes for consumer evaluation of company, refers the overall quality perceptions of merchandise (Majumdar, 2005). While making a decision, consumers not only evaluate service quality, but also consider merchandise quality (Walsh et al., 2010). Prior research in marketing has supported the relationship between merchandise quality and behavioral intentions (Cronin, Brady & Hult, 2000; Chebat & Michon, 2003).

As mentioned before, brand trust is influenced according the informational cues gathered in consumers' mind (Chiou & Droge, 2006). Consumers make inferences regarding companies' offerings based on cues regarding merchandise quality (Keng, Huang, Zheng & Hsu, 2007). Based on literature in our study, we assume that, consumers' behavioral intention and brand trust is positively influenced by consumers' service merchandise quality perception. Thus, we hypothesize:

*H3: Merchandise quality perception will exert positive effects on brand trust*

*H4: Merchandise quality perception will exert positive effects on behavioral intention*

## 2.3. Effects of Brand Trust

Brand trust subjected to studies as a key antecedent of different behavioral outcomes (Doney & Cannon, 1997; Moorman, Zaltman & Deshpande 1992). It can be defined as a powerful factor in the firm success (Morgan & Hunt, 1994). Chaudhuri and Holbrook (2001) conceptualized brand trust as a concept of "the willingness of the average consumer to rely on the ability of the brand to perform its stated function". Brand trust revealed after consumers' assessment regarding the companies' offerings (Kabadayı & Alan, 2012). Doney and Cannon stated that companies, which provides their consumer beliefs of safety, honesty and reliability about their brands, has long term relationship between their consumers. Therefore it can be assume that brand trust has an important effect on consumers' behavioral intention.

*H5: Brand trust will exert positive effects on behavioral intention*

## 3. Methodology

Data were collected from graduate and undergraduate students from a university, located in Kocaeli. The questionnaire contained 15 questions divided into four parts to conduct to certify the reliability of the scales, and some modifications were made based on feedbacks. The survey was conducted on consumers who have experience in the restaurant. Participants were asked to answer questions in consideration of the restaurant where they had visited lastly. Convenience sampling technique was used to select the participants. Consequentially 94 respondents were emerged. The demographic characteristics of the sample are presented in Table1. Respondents consisted of 44,7% male and 55,3% female. In terms of age, 87% of the respondents were between 20–30 years old and 27% were less than 20 years old. Most of the respondents (44%) visited the restaurant s more than 2-3 times per month. Moreover the majority of the respondents (38%) had less than 500€ monthly income. After a week of data collection period, 94 surveys were obtained, with a response rate of approximately 90 percent. The demographic characteristics of the sample are presented in Table 1.

**Table 1-** Demographic characteristics of sample (n=94)

Characteristics		N	%
Gender	Male	42	44,7%
	Female	52	55,3%
Age	Less than 20	12	13,0%
	20-30	82	87,0%
Educational level	~College	44	46,8%
	University	50	53,2%
Visiting frequency in a month	1	35	37,2%
	2-3	44	46,8%
	4-	15	16,0%
Monthly income	Less than 500 €	38	40,4%
	500-1500 €	26	27,7%
	1500-2500 €	25	26,6%
	More than 2500 €	5	5,3%

### 3.1. Measures

To measure the constructs, five-point Likert scales with anchors 1=strongly disagree and 5=strongly agree were used. For the measurement of service quality perception; Berry and Parasuraman's (1991) scale was used as base guidelines and items in these scale were adapted.. Similarly, three items for the measurement of merchandise quality perception; Baker, Parasuraman and Grewal's (2002) scale was used. Four items were used for the measurement of brand trust adapted by Lau and Lee's scale (1999). Behavioral intention is measured using three items (Lau & Lee, 1999; Zeithaml, Berry & Parasuraman, 1996). Measurement items are presented in Table 2.

### 3.2. Measure assessments

In line with Anderson and Gerbing's (1988) two-step approach confirmatory factor analysis consisting of service quality perception, merchandise quality perception, brand trust and behavioral intention using the maximum likelihood estimation technique. Table 2 also represents factor loadings and reliability estimates for each construct. Observe that composite reliability (CR) scores range from 0.76 to 0.88, and Cronbach's alpha estimates range from 0.72 to 0.87, all indicate that measures are reliable (Fornell & Larcker, 1981; Nunally, 1978). In addition, all factor loadings are large and significant which is a signal of convergent validity. Discriminant validities of the measures are evaluated by regarding average variance extracted (AVE), providing evidence for discriminant validity (Fornell & Larcker, 1981). Moreover the measurement model fits good to the observed data ( $\chi^2=694.20$ ;  $\chi^2/df=1.68$ ; RMSEA=0.04; CFI=0.94; GFI=0.92; AGFI=0.90; IFI=0.95).

**Table 2-** Factor Loadings and Reliability Scores

Construct	Standardized loadings	Cronbach's Alpha	CR	AVE
<b>Service Quality Perception</b> (adapted from Berry and Parasuraman, 1991)		.78	.85	.53
Employees give you individual attention	.58**			
When employees promise to do something by a certain time, they do so	.66**			
Employees tell you exactly when services will be performed	.83**			
Employees are always willing to help you	.77**			
Employees have the knowledge to answer your questions	.76**			
<b>Merchandise Quality Perception</b> (adapted from Baker et al., 2002)		.83	.84	.63
This restaurant has high quality coffee	.72**			
This restaurant has high quality foods	.83**			
This restaurant has high quality other beverages	.83**			
<b>Brand Trust</b> (adapted from Lau and Lee, 1999)		.87	.88	.64
I trust this restaurant	.78**			
I feel that I can trust this restaurant completely	.85**			
I can rely on this restaurant	.88**			
I feel secure when I go to this restaurant because I know that it will never let me down	.68**			
<b>Behavioral Intention</b> (adapted from Lau and Lee, 1999; Zeithaml et al., 1996)		.72	.76	.51
I use this restaurant whenever I go to a restaurant	.73**			
I would strongly recommend this restaurant to anyone	.68**			
I would like to come back to this restaurant in the future	.74**			

Note: CCR: composite construct reliability.  $\chi^2=105,13$  (df=84) ,p<0.001;  $\chi^2/df=1.25$ ; Root mean squares error approximation (RMSEA)= 0.05; comparative fit index (CFI)=0.94; incremental fit index (IFI)=0,97, \*\*p<0.001.

### 3.3. Hypothesis testing

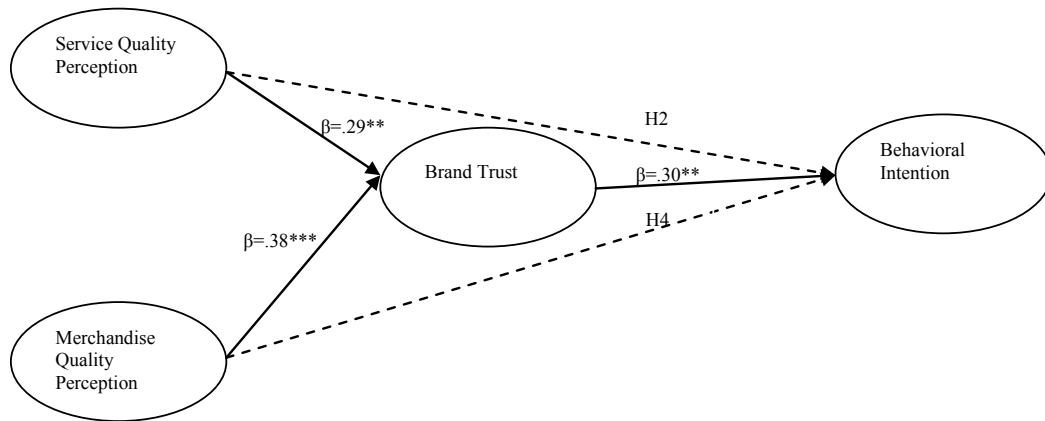
Table 3 presents the descriptive statistics of and intercorrelations between the four constructs in the study. An assessment of the bivariate correlations indicates that all correlations are significant and are in the expected direction.

**Table 3-**Descriptive Statistics and Correlations estimates

	Mean	Std Deviation	1	2	3	4
1-Service Quality Perception	3.97	0.55	1.00			
2-Merchandise Quality Perception	4.04	0.34	.42(**)	1.00		
3-Brand Trust	3.85	0.60	.43(**)	.46(**)	1.00	
4- Behavioral Intention	3.92	0.57	.17(**)	.23(**)	.36(**)	1

Note: \*\*Correlation is significant at  $p < 0.001$ (2-tailed).

Figure 2 presents the research model with estimated path coefficients for the hypothesized effects. The model fits well to the observed data ( $\chi^2=122,67$  (df=87),  $\chi^2/df=1.41$ ; RMSEA= 0.07; CFI=0.94; IFI=0,94). In addition, three out of five of the hypothesized effects are supported, and the model explains both statistically.

**Figure 2-** Structural equation model with parameter estimates

Note: Parameter estimates \* $p < 0.05$  \*\*  $p < 0.01$  \*\*\* $p < 0.001$

Concerning the hypothesized effects, H1 hypothesizes a positive effect of service quality perception on brand trust, and this hypothesis is supported by the statistical tests ( $\beta$ , Standardized Path Coefficient=.29;  $t=2.91$ ;  $p < .01$ ). The result is evidence if employee of restaurant gives customer individual attention, delivers his/her promise to customer on certain time, performs customer's request appropriately and has enough knowledge to answer customer's question, high degree of brand trust will be occurred in customer mind.

Concerning effects of merchandise quality perception; H3, which predicts positive effects of it on brand trust is supported ( $\beta=.38$ ;  $t=3.31$ ;  $p < .001$ ). When a restaurant offers its customers high quality of coffee, foods and beverages, the level of trust of its customers would be increase.

However, H2, which suggests a positive relationship between service quality perception and behavioral intention, and H3, which predicts positive effects of merchandise quality perception on behavioral intention, is not supported. The reason of this can be low sampling size and manner of application of questionnaire. In this study, participants were asked to answer questions in consideration of the restaurant but sometimes it could be difficult to imagine all attributes of a store when it has not been visited recently.

Finally, H5 which suggest positive effects of brand trust on behavioral intention is supported ( $\beta=.30$ ;  $t=2.25$ ;  $p < .01$ ). It is due to the fact that when a customer trusts a store and feel secure when spending time in this store, he/she would like to visit this store again. All parameter estimates are displayed in Table 4.

**Table 4-** Structural parameter estimates

Hypothesized path	Standardized estimates	t-value	Results
H1: Service Quality Perception → Brand Trust	.29	2.91**	Supported
H2: Service Quality Perception → Behavioral Intention	.09	.16	Not Supported
H3: Merchandise Quality Perception → Brand Trust	.38	3.31***	Supported
H4: Merchandise Quality Perception → Behavioral Intention	.11	.47	Not Supported
H5: Brand Trust → Behavioral Intention	.30	2.25**	Supported

Note: Note: CCR: composite construct reliability.  $\chi^2=122,67$  (df=87),  $\chi^2/df=1.41$ ; Root mean squares error approximation (RMSEA)= 0.07 comparative fit index (CFI)=0.94; incremental fit index (IFI)=0.94, \*p<0.05 \*\* p<0.01 \*\*\*p<0.001

#### 4. Conclusion

This study tries to propose a model which furthers the understanding of service quality perception, merchandise quality perception, brand trust and consumers' behavioral intention in a comprehensive model. Three major outcomes of the study can be implied from the results. First service quality is an important predictor of brand trust. Marketing managers need to focus that fact and they can improve their company' marketing strategy regarding it. If their employees give individual attention to the consumers, do what they promised, have the knowledge to answer consumer' questions and are always willing to help them; brand trust can be formed. Second, merchandise quality is a powerful influential of brand trust. In this point, companies can offer high quality of products which would meet the expectations of their consumers. Third, consumer's behavioral intention has been affected by brand trust. So consumers, who trust a company, feel secure at every turn, would have positive behavioral intentions towards a company.

From a managerial perspective, this research is intended to help managers take a more strategic approach to merchandise quality and service quality and branding strategies to guide managerial decision making. Armed with this information and knowing customer's expectation, a company can achieve long term consumer value and relationship.

This study takes into consideration of only one category of service providers. Further studies would be focusing on different service providers such as coffee stores, hotels etc. The main limitation of this study is using convenience sampling technique and focus on graduate and undergraduate students. This limitation prevents to generalize the findings. Because of that fact, future studies will be enhancing sample size by covering different age groups.

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