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Brand Evaluation, Satisfaction and Trust as Predictors of Brand Loyalty: The Mediator-Moderator effect of Brand Relationships

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Abstract

Purpose – Research has established that trust, satisfaction and the attitude towards the brand contribute to the development of brand loyalty. However, consumers do not see brands only as transaction facilitators, but as relationship partners. The exploration of the role of brands in the development of bonds with consumers is still limited. This paper examines whether the strength of positive brand relationship can mediate between; trust, satisfaction, attitude towards the brand and loyalty or moderates the link between these variables.

Design/methodology/approach – Data were collected from 189 women who are using lipstick in Glasgow Scotland. Respondents were asked to answer a questionnaire having in mind their preferred brand.

Findings – The findings revealed that the strength of the consumer brand relationship is a very strong predictor of brand loyalty. They also suggested that brand relationship does not moderate the relationship between brand trust, satisfaction and brand loyalty, but it mediates the link amongst these constructs.

Research limitations/implications - One product category was examined. The data were collected from females in a big city with non probabilistic sampling. Most of the respondents were younger consumers, who may have different behavior than older consumers.

Practical implications – Managers who want to build loyal consumers need to appreciate the importance of consumer engagement with their brand through positive brand relationships. Therefore, they need to try to develop brand identities and project brand images that will make the brands look as appealing to the consumers as relationship partners.

Originality/value – This paper is adding to the limited literature on brand engagement and brand relationships from a quantitative perspective and is contributing in theory building, since there is no clear theoretical view on whether the brand relationship has a direct effect, mediates or moderates the link between these variables.

Keywords: Brands, Brand relationship, Brand loyalty, Trust, Consumer Satisfaction, Brand Evaluation, Moderators, Mediators

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Introduction

Brands are complicated entities. They serve several valuable functions, including acting as marketers of the offering of the firm by helping customers in their choices and being assets in a financial sense (Keller and Lehmann, 2006). Brand can facilitate customers by reducing their search costs and companies by increasing the probability of repeat purchases that enhance the company's financial performance. Therefore, customer loyalty is one of the most fundamental constructs in marketing and the investigation of factors that drive brand loyalty is a key concern for marketers, especially in an era that consumers do see supposedly different brands as being more and more similar and they increasingly express no preference when evaluating brands in certain product categories (Schultz *et al.*, 2014).

A lot of research in marketing attempts to find the antecedents of brand loyalty, and amongst the significant predictor is customer satisfaction, trust and the view towards the brand (Fornell, 1992; Anderson and Sullivan, 1993; Oliver, 1999; Hes and Story, 2005). However, new concepts are obtaining an increasing interest in the branding literature, such as the degree that consumers develop relationships and engage with brands. The engagement literature has been developed to a large extent by drawing on theory of relationship marketing (Brodie *et al.*, 2011; Dessart *et al.*, 2015) and is conceptualised as a cognitive and affective commitment to an active relationship with the brand as personified by the offer (Mollen and Wilson, 2010). The consumer brand relationship can be seen as an indicator of brand engagement, since the required emotional state and the interactivity with the brand has been captured through the dimensions of brand

relationship, the emotional connection and the communication with the brand (Veloutsou, 2007).

Recent research suggested that brand passion is a good predictor to the willingness to pay more and to brand commitment (Albert *et al*, 2013) and brand love a positive predictor of loyalty and word of mouth (Carroll and Ahuvia, 2006; Batra *et al*, 2012). However, the knowledge on the contribution and the form of the contribution of brand relationships on the development of loyalty is still very limited.

This piece of research attempts to investigate the role of trust, satisfaction and the strength of brand relationships on the development of loyalty. In addition to the direct effect, it provides a specific focus on the role of the strength of brand relationships in the formation of loyalty, since it examines whether brand relationships are mediating or moderating on a previously recognised link between the three constructs of trust, satisfaction, brand evaluation and loyalty. There is very limited and recent research on the possible role of brand relationship, where the brand relationship quality, rather than the brand relationship strength, has been examined as a mediator between various variables and brand loyalty (Valta, 2013; Francisco-Maffezzoli *et al*, 2014; Ramaseshan and Stein, 2014). However, there is no research investigating the ability of brand relationship to act as a moderator. If the link between loyalty and trust, satisfaction and brand evaluation is moderated by the brand relationships strength, then to effectively increase the level of loyalty it is crucial to attempt to support the development of brand relationship to enhance loyalty, since a strong brand relationship will change the nature or the strength of the relationship between other examined variables and secure increased loyalty (Fraser *et al*, 2004). If the brand relationship strength is mediating the link between the examined variables, then this finding might help understanding on what is behind the formation of brand loyalty (Fraser *et al*, 2004) and building strong consumer brand relationships might be seen as a step between some of the constructs, already well-studied in the literature, namely trust, satisfaction and brand evaluation,

and loyalty. Although the managerial implications of the investigation of the moderating and mediating link between the variables is less of a concern for practicing managers, examining the mediating or moderating role of the strength of brand relationship is important due to its contribution to theory building in the area of brand relationships. Thus, the objective of this paper is to investigate which model, moderating or mediating, best fits the link between the variables.

To set the stage for a meaningful discourse, the next section of the paper presents the constructs that are included in this study. This is followed by explaining the theoretical links under investigation, the two research models, outlines the methods used to design the study and reports the findings. It finally provides conclusions followed by recommendations of areas where further research activity is required.

Setting the Scene: Empirical Study Variables

Brand Loyalty

Academics have attempted to define and measure loyalty for a number of years and the literature on the construct is quite extensive (see El-Manstrly and Harrison, 2013). The importance of brand loyalty in the business world is also always highly recognised (Russell-Bennett *et al*, 2007; Han, *et al*, 2008). For example, brand loyalty is considered as one of the key constructs on most conceptualisations of consumer brand equity (see Veloutsou *et al*, 2013). Therefore predicting loyalty has always be a key concern by practicing managers.

In one of the early attempts to conceptualise, loyalty was often seen as the customers' tendency to continue, over time, to exhibit similar behaviours in situations to those previously encountered (Raynolds *et al*, 1974). In more recent times, brand loyalty is seen as "*a deeply held commitment to re-buy or re-patronize a preferred product or service consistently in the future,*

despite situational influences and marketing efforts having the potential to cause switching behaviour” (Oliver, 1997, p. 392).

The conceptualisation and the measurement of loyalty have been approached in many and more complex ways over the years. Some researchers see it as unidimensional, while others see it as multidimensional, but with different types, namely synchrony, sequential with two dimensions and sequential with four phases (El-Manstrly and Harrison, 2013). Loyalty is a concept that goes beyond repurchase repetition; it consists of a behavioural dimension and attitudinal dimension where commitment is an essential feature (Beerli *et al*, 2004) and most researchers see an attitudinal and behavioural component to loyalty (for example Gremler and Brown, 1999; Gounaris and Stathakopoulos, 2004; Bandyopadhyay and Martell, 2007) and are trying to distinguish it from habit (Liu-Thompkins and Tam 2013).

This study is also using attitudinal and behavioural components to conceptualise and measure brand loyalty.

Brand Evaluation

Consumers assess the brands in their minds and they evaluate them using the general attributes of these brands, various tangible and intangible cues related to the brand as a product and the brand as a person (Gilbert and Hewlett, 2003; Swoboda *et al*, 2012; Puzakova *et al*, 2013a; Puzakova *et al*, 2013b). Although the assessment of a brand can be based on a number of different attributes that are somewhat tailored to the specific assessed brand, in most research projects, a given sub-set of these attributes is use as a basis to assess brands (Gilbert and Hewlett, 2003).

The brand image and the brand reputation can be used as a basis of the brand evaluation. The literature uses the terms brand image and brand reputation inconsistently, while disciplines of

marketing and consumer behavior have developed different and unrelated streams of research using diverse measuring instruments (Stern *et al*, 2001). It is recognised that reputation is the aggregate perception of outsiders on the salient characteristics of companies or brands (Fombrun and Rindova, 2000), while image is the associations and evaluations developed regarding the brand after every interaction, typically from signals emitted by a marketing unit (Stern *et al*, 2001). Thus the brand image is the assessment of an interaction with the brand, while the brand reputation the overall evaluation of a brand. The brand's concept and image, and as a consequence its reputation, are managed via the selection of a brand expression, its introduction in the market and its further expansion, defense and enforcement over time (Herbig and Milewicz, 1995), while the company's actions can even devalue the brand in the eyes of the consumers (Puzakova *et al*, 2013b).

Self-generated beliefs about the brand are developed in the minds of each consumer through controlled signaling and other uncontrollable information that the consumer receives about the brand and shapes the evaluation of the brand or the brand reputation. These beliefs are most likely to be formed in the minds of current or past users of the brand (Romaniuk *et al*, 2012) and are often stronger than explicitly presented company generated information (Puzakova *et al*, 2013a).

In this research consumers were asked to assess the reputation of the brand, as it has been developed in their mind through many encounters.

Satisfaction

The creation of satisfied consumers has become one of the most critical priorities in management (Veloutsou *et al*, 2005). In principle, satisfaction is a fulfilment response/judgment, centred on a good or service, evaluated for one-time consumption or ongoing consumption

(Oliver, 1999) or the contentment of the customer with respect to his or her prior purchasing experience with a given provider (Anderson and Srinivasan, 2003; Christodoulides and Michaelidou, 2011). However, there are several ways that satisfaction has been conceptualised in the literature to date (Ha *et al*, 2010), including the confirmation-disconfirmation approach, the performance-only approach, some technical and functional dichotomy approaches and the overall satisfaction examination (Gilbert *et al*, 2004; Gilbert and Veloutsou, 2006) and there is some discussion on service quality versus service satisfaction (Gilbert *et al*, 2005). In general terms, satisfaction is an affective response, focused on product performance compared to some prepurchase standard during or after consumption (Halstead *et al*, 1994), an overall evaluation of the offer (Fornell, 1992) and this is how it is seen in this research.

Trust

Trust exists when one party has confidence in a partner's reliability and integrity (Morgan and Hunt, 1994). Trust is delicate and subjective, since it is based on consumers' beliefs rather than on hard facts (Yannopoulou *et al*, 2011). Consumers trust brands that they feel that they are secure and reliable and believe that these brands acts in the consumers' best interests (Delgado-Ballester *et al*, 2003).

Trust is still at the early stages of understanding within marketing and consumer research and has been conceptualised in relational exchanges in various ways, from willingness to depend on another party in the belief that this party will not engage in disappointing behaviour, to expectations of the party that one trusts, or even to a psychological state comprising of the intension to accept vulnerability based on the expectations of the other party's behaviour (see Han *et al*, 2008; Yannopoulou *et al*, 2011). In addition to the sometimes inconsistent

conceptualisation that is used in academic researchers (Yannopoulou *et al*, 2011), some see it as similar to other concepts, such as confidence, benefits, or value (see Han *et al*, 2008).

To build trust, both the supplier and the buyer have to keep their promises. A stable brand personality and consistency in the characteristics of the goods or service attributes will reduce the emotional risk that the buyers experience every time they purchase a brand and will increase its credibility. This process can result in the development of trust and satisfaction, especially when customers believe that the brand supports their needs, and eventually to the creation of a bond between the buyer and the brand (Blackston, 1993).

In this study trust is seen as the belief in the reliability, truth, ability and sincerity of the brand.

Brand Relationship

The relationship concept connecting the customer and the brand is the interaction between the attitudes of the two parties (Blackston, 1993). Although some consumers might be unwilling to accept that they form a relationship with brands (Bengtsson, 2003), other consumers perceive an emotional bond with their brands (Fournier, 1998; Smit, *et al*, 2007), develop feelings towards and identify with brands (Dimitriadis and Papista, 2010).

Consumer-Brand relationships exist in various contexts, especially in well-defined groups of consumers and sub-cultures. For example, gay men develop specific relationships with their brands. They identify with some local retail businesses (community members), they have positive emotions and reciprocity towards some brands (political allies), while they have a negative relationship with other brands (political enemies) (Kates, 2000). Even children develop relationships with brands, developing strong links with brands between middle childhood and early adolescence (Chaplin and John, 2005) and these childhood memories influence lifelong brand relationships (Braun-La Tour *et al*, 2007).

Consumers seem to develop dissimilar relationships with brands that have different personalities (Aaker *et al*, 2004) and may be based on self-concept or group-level connections, depending on the brand (Swaminathan *et al*, 2007). They may form attachments with more than one brand in the same category (Fournier and Yao, 1997), or even with the original brands and their counterfeits (Castaño & Perez, 2014), as long as they are familiar with these brands. As it is the case for human relationships, bonds exist and flourish only for a brand consumers are familiar with. However, the antecedents and the outcomes of the relationship are largely unknown. The conceptualisation of the consumer-brand relationship draws from the paradigm of human relationships, and as defined by social psychology, the components of the relationship are considered (Hinde 1981; Falk and Noonan-Warker 1985; Hinde, 1995; 1997). The literature suggests that communication is an important element of the relationship as it captures interactivity – a vital part of brand engagement. (Hollebeek, 2011) In order to develop a relationship with the brand, individuals should have an emotional bond and want to develop two way communication with them (Veloutsou, 2007; Morgan-Thomas and Veloutsou, 2013), as this indicates brand engagement (Hollebeek, 2011), or have emotional and functional connections with the brand (Fetscherin and Heinrich, 2014). Most researchers agree that emotions are components of a relationship and include them in its measurement, including concepts such as immediacy (Aaker *et al*, 2004), brand attachment (Esch *et al*, 2006), or even brand love (Carroll and Ahuvia, 2006; Batra *et al*, 2012; Albert *et al*, 2013). The two way communication dimension indicates that there is engagement with the brand (Hollebeek, 2011).

Some examine consumer brand relationships through brand relationship quality. There is no agreement in the dimensionality of the brand relationship quality, while other concepts that do not necessarily describe a relationship, are incorporated in its conceptualisation and measurement. Researchers have conceptualised brand relationship quality as commitment,

satisfaction and self-commitment (Aaker, *et al*, 2004), brand satisfaction and brand trust (Esch, *et al*, 2006), trust, relationship satisfaction and relationship commitment (Valta, 2013), interdependence, intimacy, self-connection, love/passion, partner quality/trust and commitment (Francisco-Maffezzoli *et al*, 2014) or brand attachment, brand commitment and brand trust (Ramaseshan and Stein, 2014). Brand attachment is the long lasting bond between the brand and the consumer and it can be clearly distinguished from other concepts, such as brand attitudes, satisfaction and involvement. (Thomson *et al*, 2005). However, the contribution of other components when the brand relationship is conceptualized is questionable and, as a reflection of this doubt, some researchers are adapting scales measuring brand relationship quality. For example, when the Aaker *et al*'s, (2004) instrument was adapted, only commitment, immediacy, and self-commitment were included (Gaus *et al*, 2006). Others suggests that the strength of the relationship with the brand can be used to measure consumer-brand relationships and it is conceptualised as the emotional connection with the brand and the willingness to communicate with the brand (Veloutsou, 2007; Veloutsou and Moutinho, 2009; Jurisic and Azevedo, 2011; Morgan-Thomas and Veloutsou, 2013; Chen and Lin, 2014).

In this study, the strength of the brand relationship, and thus the engagement with the brand, is measured through the strength of the emotional connection with the brand and the strength of the intended communication with the brand.

Setting the Scene: The Proposed Models

Understanding how corporate image and reputation, impact on customer purchases, is one of the key questions of brand management research currently (Keller and Lehmann 2006).

Customers tend to be more loyal to brands that they evaluate higher and have a good attitude

towards, and brand reputation is one of the antecedents of brand loyalty (Gilbert and Hewlett, 2003; Gounaris and Stathakopoulos, 2004). The brand image plays a key role in the development of brand relationships (Esch *et al*, 2006). Brand loyalty only exists while brands project attractive images for consumers' momentary experiences, amplifying a subversive tendency, which modifies the distinction between daily life and aesthetic ideal (Thompson, 1997). The way that the brand is perceived and evaluated is one of the more important predictors of current purchases (Esch *et al*, 2006). Thus, one could argue that this link between the evaluation of the brand and brand loyalty exists and is positive. In this study it is hypothesised that:

H₁: Positive Brand evaluation has a positive effect on brand loyalty

The level of satisfaction from the existing experience of contact with the company will influence the bond developed. Although evidence reveals that many customers who state that they are satisfied with an offer defect (Chandrashekar *et al*, 2007), some research investigated satisfaction as an outcome of relationship marketing (Evans and Laskin 1994) and consumers develop bonds only with brands and companies that they are satisfied with. Under certain conditions satisfaction contributes in consumer retention and is a key predictor of loyalty (Beerli *et al*, 2004; Voss, *et al*, 2010). Some of the past research even suggests that satisfaction is the most influential factor of the quality of the relationship developed between certain luxury brands and their consumers (Stuart-Menteth *et al*, 2006), while it influences commitment in general and functional relationship connection with brands on its own (Hes and Story, 2005) or as a component of investment (Sung and Campbell, 2009). Satisfaction in various contexts translates into loyalty when satisfaction is really high in various contexts (Harris and Goode, 2004; Chandrashekar *et al*, 2007; Han, Kwornik and Wang, 2008; Christodoulides and Michaelidou, 2011). Therefore, it is hypothesised that:

H₂: Satisfaction has a positive effect on brand loyalty

Researchers suggest that it is necessary to look beyond satisfaction, at variables such as trust, in order to predict loyalty (Szymanski and Henard, 2001; Han, Kwornik and Wang, 2008). Trust is building commitment in general and is mostly building personal connections with brands (Hes and Story, 2005). Trust has been recognised as an important influence on customer commitment and hence on loyalty (Morgan and Hunt, 1994; Gremler and Brown, 1999), especially during and after periods of crisis, where trust can even enhance brand loyalty (Hegner *et al*, 2014). Past research also suggests that trust is one of the key mediators between component attitudes and future intentions for high relational customers (Garbarino and Johnson, 1999) and that it is influencing loyalty both directly and indirectly, through satisfaction (Harris and Goode, 2004). Thus, the hypothesis is:

H₃: Brand trust has a positive effect on brand loyalty

Money cannot buy loyalty, but love can (Pawle and Cooper, 2006). Brands can maximise their bond with consumers by creating strong emotional bonds (Pawle and Cooper, 2006). Consumers may even switch stores, or postpone their purchase, when they cannot find their desired brand in the store where they normally shop. The extent of this behaviour depends on the product brand and the customers, but surprisingly store-loyal consumers tend to switch stores as much as the non store-loyal (opportunistic) consumers when they cannot find the product brand they require (Verbeke *et al*, 1998). Fajer and Schouten (1995), attempted to classify the potential person-brand relationships in a continuum, having as extremes the lower-order relationships and in the other the higher-order (loyal) relationships. In their conceptual work, they identify five potential stages in the friendship: potential friends (brand trying), casual friends (brand liking), close friends (multi-brand resurgent loyalty), best friends (brand loyalty) and crucial friends (brand addiction). When analysing the consumer's perspective, at least fifteen forms of relationship were identified. Their labels vary from an arranged marriage and many types of friendships to

enslavement, resulting in relationships with different quality (Fournier, 1998; Sweeney and Chew, 2002).

The intimacy consumers feel towards specific brands was proven to be the most important factor in terms of influencing purchasing across many product categories (Pawle and Cooper 2006), the strength of the relationship with the brand influences behavioural intention (Gaus *et al*, 2006), brand attachment has been proven to have a high effect on future purchases (Esch *et al*, 2006), the brand relationship quality is a good predictor of the brand loyalty intention (Algesheimer *et al*, 2005; Kressmann *et al*, 2006; Hollebeek, 2011), while consumers who have neither functional or personal connection with the brand generally do not exhibit loyal behaviours (Story and Hess, 2006). Other results that suggest that brand love leads to brand loyalty (Batra *et al*, 2012; Albert *et al.*, 2013; Fetscherin *et al*, 2014), brand commitment (Albert & Merunka, 2013) or purchase intention (Fetscherin, 2014), both for hedonic and self-expressive brands and Carroll and Ahuvia, (2006). Furthermore, the perception of a company's relationship efforts appears to be crucial to the enhancement of consumers' loyalty and commitment (Too *et al*, 2001). Components of brand communication, namely the willingness to learn about the brand, endorse the brand and share information about the brand, are also seen as predictors of brand loyalty in environments with high engagement (Dessart *et al.*, 2015). That indicates that the relationship could lead to a degree of loyalty. In line with existing research, it is hypothesised that:

H₄: The strength of consumer brand relationship has a positive effect on brand loyalty

In most of the existing research the direct effect of brand relationship on loyalty is implied and studied. However, to this moment, researchers have not tested the effect of brand relationship on the link between brand evaluation, brand trust and satisfaction in the formation of brand loyalty. The link between the trust, satisfaction, brand evaluation and brand loyalty are not necessarily

direct. Researchers often use the terms moderator and mediator interchangeably (Baron and Kenny, 1986), but there are certain differences amongst them. One could assume that brand relationships may act as moderator, it might change the link between trust, satisfaction, brand evaluation and loyalty and affect the strength or/and the direction of this link. In this case the mediators are in the same level with regard to the other antecedent variables. However, brand relationships may act as mediators, intervene in the relationship and is a mechanism through which trust, satisfaction and brand evaluation influence brand loyalty (Baron and Kenny, 1986).

Although the choice of the moderation or the mediation hypotheses should be conceptually based on strong theory, unfortunately this is not often the case (Fraser *et al*, 2004) and sometimes researchers have to attempt to build theory rather than test it. Previously, researchers attempted to test whether a construct can act as a moderator or mediator, especially when there is no solid view in the literature concerning variable intervention between constructs (Venkatraman, 1990). There is only some recent evidence that brand relationship quality can act as a mediator between variables such as brand perception and brand loyalty (Valta, 2013) and brand experience and brand loyalty (Francisco-Maffezzolli *et al*, 2014; Ramaseshan and Stein, 2014) and has been examined as a mediator between category similarity and attribute consistency of a brand extension and the evaluation of an extension (Kim, Park and Kim, 2014). All these studies were investigating the potential role of brand relationship quality as a mediator rather than the brand relationship strength. There is also evidence that some of studied constructs are directly linked with brand relationship. Trust appears to be essential in the process of building and maintaining relationships with brands (Yannopoulou *et al*, 2011) and in order to build partnerships with consumers, marketers should understand the trust factors in the relationship (Fournier *et al*, 1998). In an attempt to investigate the manner that brand relationships may interfere in the relationship between trust, satisfaction, brand evaluation and loyalty it is hypothesised that:

H₅: Brand Relationship strength moderates the effects of (a) brand trust (b) satisfaction and (c) brand evaluation on brand loyalty

H₆: Brand Relationship strength mediates the effects of (a) brand trust (b) satisfaction and (c) brand evaluation on brand loyalty

Following the above discussion, this paper examines the effect of satisfaction, trust, brand reputation and brand relationship on the development of loyalty, and tests whether brand relationship is a moderator or a mediator in this link (figure 1 and figure 2).

Take in Figure 1

Take in Figure 2

Methodology

The study was primarily quantitative, with a qualitative phase, which helped the development of the quantitative phase. In total, 10 interviews with students and three focus groups with 5 participants each possessing different profiles (one with students, one with people 25-40 and one with people over 40) were performed. They aimed to identify the most suitable definition of the constructs when a relationship with the brand is investigated and to choose the specific product category for this study. In terms of the construct definition, alternative descriptions of the constructs provided in the literature were presented to the participants and they were asked to rate them for the brands that they seemed to build relationships with as individuals. This led to the final definition of the constructs for this research. In terms of the choice of the product category,

it has been appreciated in the literature that although consumer brand relationships exist in many product categories and are not product category specific (Fetscherin et al, 2014), 'relationship-friendliness' and the intensity of the relationship depends on certain characteristics of market segments and products features (Christy *et al*, 1996) as well as the product category (Fetscherin *et al*, 2014), while others suggest that the development of a relationship is feasible for high involvement products characterised by inelastic demand, where regular interaction with consumers occurs (O'Malley and Tynan 2000). From three broad product categories (clothes, personal care products and cosmetics), one of the products that the informants in the focus groups seemed to use and have a relevant preference and develop relationships with was lipstick. Cosmetics is one of the product categories that has been used to examine consumer brand relationships (Francisco-Maffezzoli *et al*, 2014) and it is argued that consumers increasingly express no preference for (Schultz *et al*, 2014) and therefore studying the formation of brand loyalty in this product category is of importance. Using a product that customers form strong or weak attachment with is a practice that is used in the literature in order to determine an offer, which can help in the measurement of the strength of relationship (Thomson, *et al*, 2005). This product was also convenient, since it was easier for the researcher to approach female respondents.

Given the chosen definitions, scales and statements from the literature and from the qualitative stage that could measure the various constructs were included in a drafted questionnaire. To assess the suitability of the statement for the specific context, the drafted questionnaire that included both the construct definitions and the possible statements and scales to measure the chosen constructs was discussed on a personal basis with a convenience sample of twenty female marketing students in a Scottish university (five of them mature students). This led to the development of the final instrument.

The items used to measure the variables were captured with 7 points scale and are presented in Appendix 1.

The primary data collection for this study was conducted over a period of 6 months in Glasgow, the largest city in Scotland (National Statistics of Scotland, 2014). During the first five months, the research instrument was developed and pre-tested, while in the final month the quantitative data were collected. The respondents were women randomly selected from marketplaces and near a university campus. They were approached as they were having a coffee sitting in a coffee shop and they were asked if they could complete the survey. Screening questions on the number of lipsticks they buy in a year and the use of lipstick were asked. Only consumers who were buying more than 2 lipsticks a year and were using the product more than once a week were included in the analysis. Respondents were asked to complete the questionnaire having in mind their preferred brand of lipstick. In total, there were 189 usable responses collected with convenience sampling (Table 1).

Take in Table 1

Before the performance of any statistical tests, certain computations were performed and the data prepared for the rest of the analysis. All the variables of the study were essentially perceptual and therefore subject to a respondent's filtering process. Objective instruments for the measurement of the constructs were unavailable. Thus, Cronbach's Alpha and principal component analysis with Varimax rotation were used to test for internal consistency of each construct.

In addition to the descriptive statistics, other statistical techniques were used. To identify the

variables predicting the dependent variables, stepwise linear regression analysis was applied. The sample size is sufficient to perform this analysis. When the number of cases is small relative to the number of independent variables in regression, there is risk of finding significant b coefficients just by chance. The number of observations per independent variable should never fall below 5, even for exploratory research (Hair *et al*, 1998). However, this sample size is acceptable, since it is larger than a rule of thumb for testing b coefficients suggested by Tabachnick and Fidell (2001: 117), which is to have $N \geq 104 + m$, where m = number of independent variables.

To control the variables of multicollinearity, which can be a significant obstacle in the analysis of the moderator effect, the variance inflation factor (VIF) was calculated. The degree of multicollinearity was not considered as problematic, since variance inflation factor (VIF) values were all below 10, the benchmark suggested by Neter, Wasserman and Kutner (1990) and Hair, Anderson, Tatham and Black (1998) and the condition indexes in these models were below 30. The mediation and moderation effect was assessed using the Baron and Kenny (1986) approach. Moderation is tested using hierarchical multiple regression (Fraser *et al*, 2004). Although some question the statistical power of the method for testing mediation (MacKinnon *et al*, 2002), it was chosen due to the exploratory nature of the investigation of the role of brand relationships as a factor between the variables.

Results

Table 2 reports number of items, the descriptive statistics and the internal consistency of the perceptual constructs used in this study. All of the scales used in the study are reliable, since the

dimensions of the constructs measured had Cronbach's Alphas' coefficients in excess of .80, values higher than the anticipated acceptable level of at least .70 (Hinkin 1995), or very high and statistically significant at the .01 level Pearson correlation. To further test the internal consistency of the measures, the inter-correlations of the items loading in the same factor and the item-to-total correlations were also examined (Gerbing and Anderson 1988). A principal component analysis with Varimax rotation clearly separates the two dimensions of Brand Relationship (appendix 2), while for all the remaining constructs all the items are loading on the same factor (appendix 2). The means of the items that belong to each construct is the starting point of the analysis.

Take in Table 2

All the studied variables were correlated and significant at the .01 level (Table 3). As expected, all the correlation values were positive, indicating a positive relationship. Loyalty did have very strong correlations with all constructs, but even higher with the two brand relationship constructs. The two brand relationship constructs were strongly intercorrelated. This might mean that they are not unique dimensions, or they can cause multicollinearity in the regression model. They were deemed as different dimensions from the Principal Component Analysis, while the VIF statistic will determine if their correlation is of a level that they their inclusion in the model should be reconsidered.

Take in Table 3

The data set consists of data collected at the personal level. Moderation was analysed using a

multilevel approach, also known as hierarchical linear modelling, and three nested models. In the literature, when examining moderation, there are two alternative approaches (Baron and Kenny 1986). One method is to dichotomise the moderators and produce a dummy variable (with high and low), which is then used for further calculations. Alternatively continuous variables could be utilised. In the second method, more information is used. The predictor variables in this study were centred on their mean in an attempt to avoid issues with multicollinearity (see Aiken and West, 1991; Hofmann and Gavin, 1998). Therefore, the variable values used for the calculation of the three models presented in the following tables, are the original variable values centred on the mean value of each one of them. Using this approach, all variance inflation factor (VIF) values are below 10 and conditioning indexes below 30, while it does not affect the values of the beta coefficients, but only the position of the regression line, since the alpha value will be the only value that changes. However, since this analysis reports the adjusted betas, rather than means, the choice to use centred values does not have any real effect in the findings.

To interpret the results in table 4, we used an approach that is used extensively in the management literature to explain results of moderation (Ranaweera and Rrabhu, 2003; Aydin *et al*, 2005; Fedon *et al*, 2006; Chandrashekar *et al*, 2007). The first model contains the direct effect of the Brand evaluation, Trust and Satisfaction on Loyalty. The second model also includes the two dimensions of Brand relationships (Two way communication and Emotional exchange), to examine the direct effects of all the independent variables together on Loyalty. The third model is a two parts model and additionally contains the interaction variables to examine the moderator effect of Brand relationship on Brand evaluation, Satisfaction and Trust. The condition indexes for these models are reported in table 5. The findings of the first and the second model are also testing hypotheses 1, 2, 3 and 4.

The results for model 1 indicate that the brand evaluation, trust and customer satisfaction all

have positive and significant effects on loyalty at the .05 level. Therefore, according to this model, Hypotheses 1, 2 and 3 are supported. An inspection of the regression coefficients shows that brand evaluation and brand trust have a relatively higher effect on brand loyalty. Furthermore, the effect of satisfaction on loyalty is also strong.

The situation changes in the next step of analysis. Model 2 results indicate that the two dimensions of brand relationships make a significant contribution to loyalty as the adjusted R^2 for model 2 is higher than that of model 1 by .164 (.358-.194). The significance of this figure can be obtained by comparing the deviances (the RSS statistics) of the nested models (Hutchenson and Sofroniou 1999). The F values reported in table 6 are significant at the .01 level (table 6). Furthermore it suggests that Hypotheses 1 and 4 are supported, but this is not the case for Hypotheses 2 and 3. The links of trust and satisfaction with loyalty are not significant now that brand relationships are included in the model. This result indicates that brand relationships change the relationship of the variables. The following paragraphs investigate the specific nature of the influence of Brand relationships on the previously statistically significant links.

The results of model 3 do not provide a clear answer on the role of Brand relationship as a moderator. The first impression is that the two dimensions of brand relationship appear to have a moderator effect on the relationship between brand, trust and satisfaction and loyalty, since the explanatory power of this model is higher than the explanatory power of model 2 by .034 (.358 - .392). The F values comparing the RSS statistic reported in table 6 are significant at the .01 level (table 6). However, in a closer look at the results, it becomes clear that this support is only partial. Only the moderating effect of emotional exchange between trust and loyalty is statistically significant (stand. $b=.22$, $p=.06$). The other moderating effects do not have a statistically significant link with loyalty, introducing some uncertainty on the support of Hypothesis 5. A strong positive brand relationship will only change the link between trust and loyalty, where

consumers that experience a strong positive relationship with the brand will trust more and will be more loyal to the brand than those with weaker or a negative brand relationship. Therefore, there is no support for Hypothesis 5.

Take in Table 4

Take in Table 5

Take in Table 6

Given the findings presented above, it remains to test the mediator hypothesis. The procedure suggested by Baron and Kenny (1986) and used by other researchers in the past (see Sinnentag and Zijlstra, 2006) was also used here. They clearly define the difference between moderator and mediator variables. According to them, this process is appropriate in order to examine the moderator effect and not the mediator effect.

Baron and Kenny (1986) argue that three conditions demonstrate mediation. First, the presumed independent variables (brand, satisfaction and trust) must have a statistically significant link with the presumed mediators (two way communication and emotional exchange). Second, the presumed mediators (two way communication and emotional exchange) must have a statistically significant link with the presumed dependent variable (brand loyalty). Third, a previously significant relationship between the independent variables (brand, trust and satisfaction) and the dependent variable (loyalty) must no longer be significant when controlling for the mediator (two way communication and emotional exchange).

In table 4 the second and the third conditions are examined in the models 1 and 2. However, there is strong evidence that the two dimensions of brand relationship are dominant mediators, since with the introduction of these variables the previously statistically significant relationships between trust and loyalty and satisfaction and loyalty in model 1 are not proven to be significant in model 2 (Baron and Kenny 1986). From the beta coefficients in model 2 in table 4 it is notable that each one of the two dimensions of brand relationship have a stronger effect on brand loyalty rather than brand evaluation. It is also interesting that the contribution of brand evaluation on the prediction of loyalty stays almost unchanged, suggesting that the brand relationship does not mediate on this link. The examination of the first condition for mediation necessitates two additional regression analyses. In these additional analyses, the dependent variables of the two dimensions of brand relationship (two way communication and emotional exchange) and the presumed independent variables (brand evaluation, trust and satisfaction) were examined (table 7). To keep the approach consistent, the analysis presented in table 5 utilises the centred values of the variables, as was the case previously in table 4.

Both regression analyses have a reasonable explanatory power, .307 and .183 respectively, and their F values are significant at the .01 level while there is no issue with collinearity, since the VIF and the Conditioning Index values are acceptable (tables 7 and 8). From the result of this analysis, it seems that the two dimensions of brand relationship mediate between trust and loyalty and satisfaction and loyalty. Given that the path values are very close to 0 (.03 and .01) and the t-values are not significant, the results indicate that there is complete mediation. However, they do not mediate between the perception about the brand and loyalty, since the standardised beta remains almost the same (from .23 to .22) and is significant in both equations. The existence of a brand relationship explains why there is a link between trust and loyalty and satisfaction and loyalty since both trust and satisfaction will help in the development of a stronger positive brand

relationship and this formed consumer-brand relationship will be the most significant contributor to the formation of brand loyalty. Therefore, the results indicated above were confirmed and Hypothesis 6 is supported for two out of the three sub-hypotheses.

Take in Table 7

Take in Table 8

Discussion

Most of the existing research on branding focuses on familiar and well researched concepts associated with branding, such as trust, satisfaction, brand reputation and loyalty. These concepts are always of importance. As we live in a relational era, transactions do not secure long-term benefits for the producers and the consumers (Valta, 2013). Consumers develop relationships with brands (Fournier, 1998; Veloutsou, 2007; 2009), which vary in terms of the communication they would like to have with the brand and the positive emotional bond they develop with the brand (Veloutsou, 2007; Veloutsou and Moutinho, 2009; Jurisic and Azevedo, 2011; Morgan-Thomas and Veloutsou, 2013; Chen and Lin, 2014). Researchers need to further examine the role of the various forms of relationships with brands and the contribution of these relationships to the formation of other well researched constructs in the well-established branding literature.

This paper reports the findings from one of the very few attempts to assess the contribution of brand relationships in the development of loyalty. It examines the direct effect of trust, satisfaction, evaluation of the brand and brand relationship strength in the development of loyalty

as well as the role of brand relationship strength as a mediator or moderator in the link between trust, satisfaction and evaluation of the brand and brand loyalty. Due to the limited research in the mediating or moderating role of brand relationships, this paper is highly exploratory in the attempt to study the mediation or moderation effect and attempts to build theory.

The findings of this study add to the literature by emphasising the contribution of the consumers' assessment of brands in the development of relationships and loyalty. The strength of the relationship that consumers are willing to develop with a certain brand is clearly an outcome of the satisfaction they have from their experiences from the brand and the degree of trust towards the brand. The strength of the relationship with the brand seems to be a key determinant of brand loyalty, while the role of overall evaluation of the brand in the development of brand loyalty is another contributing factor in the development of loyalty.

Although past research suggested that trust (Szymanski and Henard, 2001; Hes and Story, 2005; Han, Kwortnik and Wang, 2008) and satisfaction (Beerli *et al*, 2004; Voss, *et al*, 2010) are key predictors of brand loyalty, the results of this study suggest that brand relationship acts as a mediating variable in the link between trust, satisfaction and loyalty. In this case there are indications that the mediation is complete. The mediating role of brand relationship proposed from the findings is consistent with the findings of recent research suggesting that the consumer brand relationship quality can act as a mediator in the formation of brand loyalty (Valta, 2013; Francisco-Maffezzolli *et al*, 2014). Although these studies examined the link between different variables, brand perception and brand loyalty for Valta (2013) and brand experience and brand loyalty for Francisco-Maffezzolli *et al*. (2014), they supported the mediating role of consumer brand relationship quality in the link between these variables. This study extends the existing knowledge on the role of brand relationships suggesting that the brand relationship strength, and not only the brand relationship quality, can act as a moderator.

Brand relationship is not acting as a moderator of the relationship. The fact that the strength of brand relationship is mediating and not moderating the link between trust, satisfaction and loyalty is not surprising in terms of the statistical interpretation. One should expect mediation in the case of a strong relation between the predictor and the criterion variable, while moderator variables best fit in cases where there is an unexpected or weak link between the predictor and the criterion (dependent) variable (Baron and Kenny 1986). On a more conceptual approach, clearly brand relationships are not changing the nature of the link between *the evaluation of the brand*, trust, satisfaction and loyalty. However, trust and satisfaction appear to be antecedents of loyalty in an indirect manner. This finding is adding to the existing literature on brand management. It implies that brands are relational tools, at least when they are characterised as the “preferred brands”.

Managerial Implications

Product and service providers should consciously try to have brands in their portfolio that individuals are able to develop strong relationships with. Given that the existence of a strong consumer brand relationship is a better predictor of brand loyalty than brand evaluation, trust and satisfaction, producers should engage in activities that will enhance both the communication and the emotional element of the relationship. These are likely to lead to stronger brand loyalty, with all the expected outcomes such as increased purchase intention, sales and profits. Since companies actions influence and can even dilute brand reputation (Puzakova *et al*, 2013b) managerial actions should focus on developing meaningful communication interactions that will be evaluated positively from the market. Producers should also focus on the emotional content of a positive brand relationship, which leads to enhanced brand loyalty.

The findings of this study suggest that strong consumer brand relationship mediate the link between satisfaction, trust and loyalty. Although undoubtedly managerial actions should aim to enhance customer satisfaction and increase brand credibility and trust, there is another lesson to be learned from these findings. Practicing managers often use marketing research data providing figures on consumer satisfaction, the level of trust to a brand and the reputation of the brand as indicators of components that can lead to brand loyalty and better financial results. The findings of this research suggest that the actual direct predictor of brand loyalty might be the strength of the relationship that consumers form with the brand rather than the levels of trust and satisfaction and the reputation of the brand. It becomes obvious that the strength of the personal relationship between the consumer and the brands should be measured and managed effectively over time, and not just the levels of satisfaction, trust, and reputation of the brand. In practice, management teams should adopt systems to measure the strength of the relationship between individuals in the target market and the brand, as this seems to be an indicator of the successful of a brand.

In accordance with the literature that suggests that a supportive corporate culture (e.g. Ind, 1998) and the brand's employees (e.g. Veloutsou, 2007) are facilitating and strengthening the development of consumer-brand relationships, companies need to develop tactics that enable the existence of supportive corporate culture and supportive employees. Companies should try to act in ways that can facilitate the development of supportive culture values (Iglesias et al, 2011) and use human resource management (Iglesias and Saleem, 2015) and internal marketing policies and practice that can facilitate the development of consumer-brand relationships. Recruiting the appropriate employees, communicating with them, promoting, training, evaluating and compensating them effectively can help in the development of stronger consumer-brand relationships. If the internal environment supports the development of consumer-brand relationships then loyalty is expected to be enhanced.

Limitations and Further Research

This study has certain shortcomings. Some of them are related to the nature of the sample, others to the methodological choices. In terms of the nature of the sample, the data were collected in a big city and the geographic area was limited. The sampling procedure was not probabilistic, with no quota. All respondents were women, while a great proportion of the respondents are younger consumers, who might have different behavior than consumers with a different profile. Surveying a larger, more diverse pool of respondents would allow further generalization of the findings. The respondents chose their preferred brand of product, which may have resulted in having reports of stronger relationships between respondents and the selected brands. Therefore, the results may not be valid for contexts where weaker relationships with the brands are evident, or for brands that the consumer may not wish to include in their consideration sets. Researchers might want to replicate the study in other cultural contexts since intercultural differences may lead to different relationship expectations.

In terms of the methodological choices, data were collected for only one product category of a very specific nature, lipstick, rather than a wider range of products.

The respondents were asked to answer the questionnaire having in mind their preferred brand. Although this choice is common when brand relationship is researched (Fetscherin *et al*, 2014), to increase the variance in future projects researchers might want to ask respondents to answer the questionnaire having in mind the brand that they last purchased. In this study, loyalty is conceptualised in a relatively simple manner. Other researchers may want to replicate and extend the study, using a more sophisticated way to measure loyalty, incorporating various dimensions

of loyalty in the measurement. Due to the exploratory nature of this study, the analysis was performed using nested models. Other studies could use other statistical analysis methods, possibly structural equation modeling.

The paper reports findings of an exploratory study. Future research can try to address all these issues, including a study that could investigate the attitudes of consumers that choose a specific brand versus those who have to choose from a preselected set of brands when they are answering the questionnaires. The identification of the predictors of brand relationships is an important task because of the relational approach that is increasingly adopted in all fronts of business life. Since the possible contribution of brand relationships in the formation of various constructs has not been investigated in depth, further research could examine other factors that could be antecedents and outcomes of brand relationships, such as other dimensions of brand equity.

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Appendix 1 - SCALES

CONSTRUCT AND ITEMS	MEASUREMENT
<p>Loyalty</p> <p>The quality of my preferred brand of lipstick is superior to other brands When I am asked about lipstick brands, the name of my preferred brand comes to mind immediately If I receive information contradicting my choice of lipstick, I would still buy my current preferred brand I am willing to pay more to buy my preferred brand of lipstick If my preferred brand of lipstick is unavailable in a particular store I would look elsewhere for it If my preferred brand is of lipstick unavailable in a particular store I would buy an alternative I always purchase my preferred brand of lipstick I am willing to buy new brands of lipstick I consider myself loyal to my preferred brand of lipstick</p>	<p>Items chosen during the qualitative phase of the project - Likert scale</p>
<p>Brand Evaluation</p> <p>Bad - Good Outmoded - Advanced Not as good as competing brands - As good as competing brands Not useful - Useful Not a good value - A good value</p>	<p>Mahesawran and Sternhal (1990) - semantic differential scale</p>
<p>Trust</p> <p>I have a complete faith in the integrity of my preferred brand of lipstick Promises made by my preferred brand of lipstick are reliable The brand's communications do not make false claims My preferred brand of lipstick is not trustworthy My preferred brand of lipstick is credible My preferred brand of lipstick is sincere about its products I feel safe when I buy me preferred brand of lipstick My preferred brand of lipstick is genuinely committed to my satisfaction</p>	<p>Items chosen during the qualitative phase of the project - Likert scale</p>
<p>Satisfaction</p> <p>Is as good as I expected Was worth the price I paid for it Entirely fulfils my needs Usually meets my expectations</p>	<p>MacKenzie and Olshavsky (1996) - semantic differential scale</p>

CONSTRUCT AND ITEMS	MEASUREMENT	
<i>Brand Relationship</i>		
<u>Two Way Communications</u>		
<p>I want to be informed about this brand</p> <p>I am more willing to learn news about this brand than for other brands</p> <p>I listen with interest to information about this brand</p> <p>If leaflets are sent to me from this brand, I get annoyed</p> <p>I will be willing to be informed about this brand in the future</p> <p>I am willing to give feedback to the manufacturer of this brand</p>	Veloutsou (2007) - Likert scale	
<u>Emotional Exchange</u>		
<p>I care about the developments relevant to this brand</p> <p>This brand and I complement each other</p> <p>This brand is like a person with whom I am close to</p> <p>Both this brand of lipstick and I benefit from our link</p> <p>Over time this brand becomes more important to me</p>		

Appendix 2 - Factor analysis results

Brand Evaluation	F1
bad evaluation vs good evaluation	0.82
outmoded vs advanced	0.74
not as good as competing brands vs as good as competing brands	0.78
not useful vs useful	0.74
not good value vs good value	0.70
Eigenvalue	2.87
% of variance explained	57.33

Trust	F1
I have complete faith in the integrity of this brand	.79
Promises made by this brand are reliable	.86
The brand's communications do not make false claims	.75
This brand of lipstick is not trustworthy *	.62
This brand is credible	.77
This brand is sincere about its products	.84
I feel safe when I buy this brand	.78
This brand is genuinely committed to my satisfaction	.74
Eigenvalue	4.77
% of variance explained	59.7
* reverse value	

Satisfaction	F1
Is as good as I expected	0.92
Was worth the price I paid for it	0.90
Entirely fulfils my needs	0.85
Usually meets my expectations	0.80
Eigenvalue	3.03
% of variance explained	75.68

Brand Relationship	F1	F2
I want to be informed about my preferred lipstick brand	0.25	0.77
I am more willing to learn news about my preferred brand of lipstick than for other brands	0.45	0.60
I listen with interest to information about my favourite lipstick brand	0.51	0.69
If leaflets are sent to me from my preferred lipstick brand, I get annoyed*	-0.02	0.73
I will be willing to be informed about my preferred brand of lipstick in the future	0.13	0.84
I am willing to give feedback to the manufacturer of my preferred lipstick brand	0.34	0.49
I care about the developments relevant to my preferred brand of lipstick	0.72	0.40
My preferred brand of lipstick and I complement each other	0.74	0.23
My preferred brand of lipstick is like a person with whom I am close to	0.86	0.06
Both my preferred brand of lipstick and I benefit from our link	0.73	0.13
Over time my preferred brand of lipstick becomes more important to me	0.77	0.23
Eigenvalue	5.27	1.51
% of variance explained	47.89	13.70
* reverse value		

Loyalty	F1
The quality of my preferred brand of lipstick is superior to other brands	0.68
When I am asked about lipstick brands, the name of my preferred brand comes to mind immediately	0.58
If I receive info contradicting my choice of lipstick , I would still buy my current preferred brand	0.69
I am willing to pay more to buy my preferred lipstick brand	0.68
If my preferred lipstick brand is unavailable in a particular store I would look elsewhere for it	0.69
I always purchase my preferred lipstick brand	0.77
I am willing to buy new brands of lipstick*	0.56
I consider myself loyal to my preferred brand of lipstick	0.81
Eigenvalue	3.77
% of variance explained	47.06
* reverse value	

Figure 1. Hypotheses 1-4

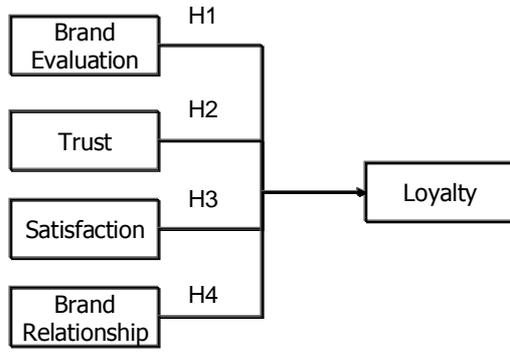


Figure 2. Hypotheses 5 and 6

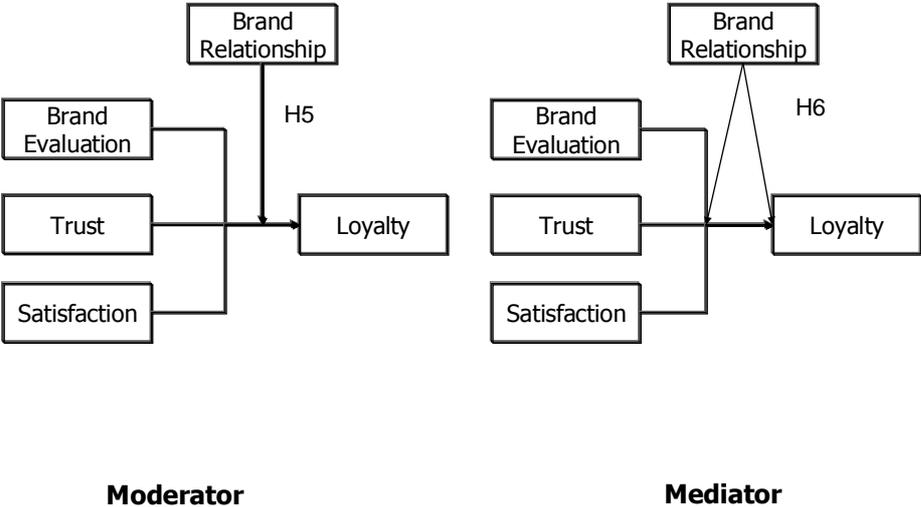


Table 1. Sample Characteristics

		No	%
Age	-20	27	14.29
	21-25	50	26.46
	26-30	21	11.11
	31-35	39	20.63
	36-45	28	14.81
	46+	24	12.70
Education	High school	24	12.70
	Higher National Diploma/Certificate (HND/HNC)	30	15.87
	Undergraduate	53	28.04
	Graduate	44	23.28
	Postgraduate	38	20.11
Total		189	100.00

Table 2. Mean scores and *reliability* analysis for the study's variables

	No of items	Mean	sd	Cronbach Alpha
Brand evaluation	5	5.75	0.81	.80
Satisfaction	4	5.64	0.89	.93
Trust	8	5.36	0.92	.90
Two way communication	6	4.40	1.12	.84
Emotional exchange	5	3.87	1.26	.86
Loyalty	9	4.34	1.11	.85

Table 3. Pearson correlations

	1	2	3	4	5
1 Brand evaluation	1				
2 Satisfaction	.32 *	1			
3 Trust	.38 *	.46 *	1		
4 Two way communication	.23 *	.45 *	.51 *	1	
5 Emotional exchange	.21 *	.38 *	.37 *	.58 *	1
6 Loyalty	.36 *	.33 *	.36 *	.50 *	.51 *

* significant at .01

Table 4. Results of OLS regression analysis of drivers of consumer loyalty

	Model 1				Model 2				Model 3			
	Stand. B	t	p	VIF	Stand. B	t	p	VIF	Stand. B	t	p	VIF
brand evaluation (BR)	.23	3.19	.00	1.21	.22	3.41	.00	1.21	.16	2.25	.03	1.58
Trust (T)	.20	2.62	.01	1.37	.03	.43	.67	1.59	.08	1.08	.28	1.71
Satisfaction (S)	.16	2.17	.03	1.30	.01	.21	.84	1.44	.04	.64	.52	1.54
Two way communication (TWC)					.25	3.16	.00	1.85	.28	3.48	.00	1.96
emotional exchange (EE)					.30	4.12	.00	1.57	.23	2.97	.00	1.78
TWC * BR									-.02	-.20	.84	2.76
TWC * T									.02	.15	.88	3.49
TWC * S									.03	.36	.72	2.53
EE * BR									-.06	-.54	.59	3.70
EE * T									.22	1.96	.05	3.95
EE * S									.03	.33	.74	2.84
F Value	16.1				21.9				11.9			
Residual sum of squares	182.76				144.16				132.08			
Degrees of Freedom	185				183				177			
R ²	.207				.375				.428			
Adjusted R ²	.194				.358				.392			

Table 5. Condition Indexes for the three OLS regression analyses models of drivers of consumer loyalty

Model 1			Model 2			Model 3		
No	Eigenvalue	Condition Index	No	Eigenvalue	Condition Index	No	Eigenvalue	Condition Index
1	1.77	1.00	1	2.58	1.00	1	3.82	1.00
2	1.00	1.33	2	1.00	1.61	2	2.66	1.20
3	0.69	1.60	3	0.89	1.70	3	1.35	1.68
4	0.53	1.82	4	0.61	2.06	4	0.89	2.07
			5	0.54	2.18	5	0.76	2.23
			6	0.38	2.62	6	0.65	2.42
						7	0.52	2.71
						8	0.42	3.02
						9	0.38	3.18
						10	0.28	3.71
						11	0.15	5.06
						12	0.12	5.68

Table 6. Measures of deviance for the three OLS regression analyses models of drivers of consumer loyalty

	Residual Sum of Squares (RSS)	Degrees of Freedom	RSS _{diff}		F Value	
Model 1	182.76	185	38.6		24.49*	
Model 2	144.16	183				
Model 3	132.08	177		12.08		2.69*

* significant at .01

Table 7. Results of OLS regression analysis of drivers of brand relationship

	Two Way Communication				Emotional Exchange			
	Stand. B	t	p	VIF	Stand. B	t	p	VIF
brand total	0.00	-0.05	0.96	1.21	0.04	0.49	0.62	1.21
Trust	0.38	5.39	0.00	1.37	0.24	3.13	0.00	1.37
satisfaction	0.28	3.98	0.00	1.30	0.26	3.44	0.00	1.30
F Value	28.7				15.0			
R ²	.318				.196			
Adjusted R ²	.307				.183			

Table 8. Condition Indexes of OLS regression analysis of drivers of brand relationship

Two Way Communication			Emotional Exchange		
No	Eigenvalue	Condition Index	No	Eigenvalue	Condition Index
1	1.77	1.00	1	1.77	1.00
2	1.00	1.33	2	1.00	1.33
3	0.69	1.60	3	0.69	1.60
4	0.53	1.82	4	0.53	1.82