

ASSESSMENT OF BRAND LOYALTY AMONG EMERGING HIGH NETWORTH INDIVIDUALS ON LUXURY SEGMENT OF CARS

Abstract

Developing and sustaining loyal customer is the most crucial strategy of the marketers to keep customers devoted to their brands and to keep the business growing and competitive. Organizations exercise extreme caution in regards to brand loyalty, it could serve as a barometer of brand relationship. The boom in country's wealthy class is evolving in terms of lifestyle associated symbolic consumption. Attracting this high-income category of customers and developing loyalty towards a brand is the most essential factor for the manufacturers of high-end luxury products, especially the cars. It is important to understand the influence of various hedonic and brand-related elements on brand loyalty of luxury cars among this high-income segment.

The present study intend to analyse the effect of various factors of luxury cars namely Brand image, Brand experience, Perceived Value, Product differentiation and Brand positioning on brand loyalty, through the mediation effect of customer satisfaction and to examine the moderating effect of brand trust between customer satisfaction and loyalty, among a particular segment called Emerging High Networth Individuals. The study is both descriptive and analytical in nature. The locale of the study is Ernakulam district in the state of Kerala, India which is selected purposively as it is the luxury car hub of Kerala. The sample size of the study is 380 and the questionnaire used to collect the data, The rank analysis applied to identify the most preferred features of the luxury brand car. Chi-Square test is applied to find the significant association between select variables. Analysis of Variance and t test for testing the significant mean difference existed between select constructs and Structural Equation Modelling (SEM) to test the influence of brand related attributes of luxury cars on brand loyalty of EHNI car owners with mediating effect of customer satisfaction and the moderating effect of brand trust on brand loyalty.

The results indicated that a significant positive correlation exist between perceived value, brand image, brand experience and brand loyalty. But the effect of product differentiation and brand positioning on brand loyalty is not statistically significant. The study found a strong correlation between all brand related attributes and customer

satisfaction; and there is a significant correlation exists between customer satisfaction and brand loyalty. The mediating effect of customer satisfaction between brand-related attributes and brand loyalty were analysed and the test results indicate that all the mediation effect in these paths is statistically significant. Brand Trust reinforces and strengthen the relationship between Customer satisfaction and attitudinal loyalty rather than behavioural loyalty. Even though hedonic aspects are significant in influencing brand loyalty towards luxury cars, marketers should also concentrate on the technical aspects and the quality of dealer service as it plays a momentous role in influencing brand loyalty through customer satisfaction.

Keywords: Brand Image, Brand Experience, Perceived Value, Product Differentiation, Brand Positioning, Brand Loyalty, Attitudinal Loyalty, Behavioural Loyalty