

## **CHAPTER II**

### **REVIEW OF LITERATURE**

The review of literature is an essential element for moulding a foundation for research process. Literature review evinces the collection of earlier studies pertaining to the selected research problem and imparts rationale for the research work undertaken. The literature relevant to the topic “Assessment of Brand Loyalty among Emerging High Networth Individuals on Luxury Segment of Cars” has been discussed and presented as two heads.

2.1 Theoretical background of the study

2.2 Empirical review for the study

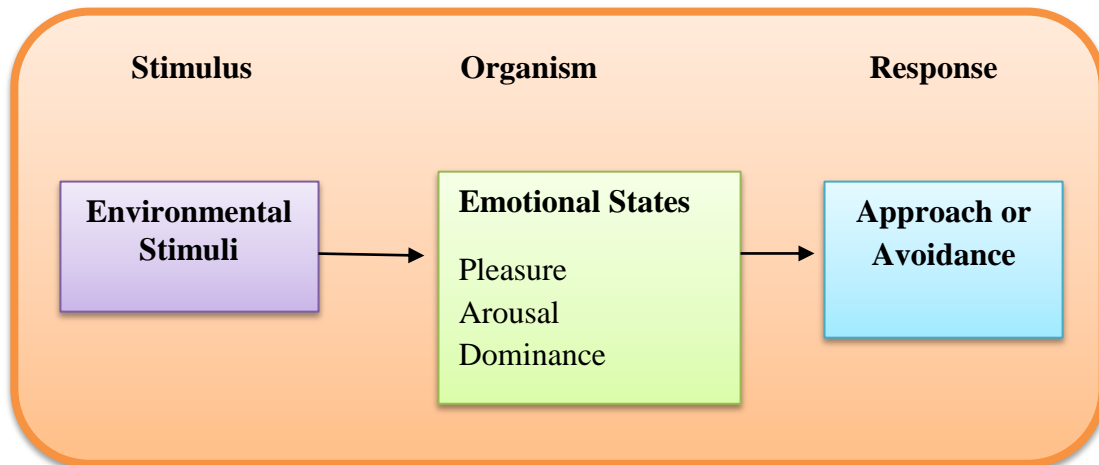
#### **2.1 Theoretical background of the study**

The study followed the Theory of Stimulus-Organism-Response (S-O-R) (Figure.1), propounded by Mehrabian and Russell (1974) and Social Exchange Theory (SET) introduced by Blau (1964).

The S-O-R framework was introduced to focus on Pleasure, Arousal, and Dominance (PAD), which represent the affective and cognitive states and processes that mediate the relationship between a stimulus and an individuals’ behavioural response. The S-O-R model elucidates how organisms mediate the relationship between stimulation and response through various mechanisms that incite individuals’ cognitive and emotional states, which in turn drive behavioural responses (Islam and Rahman, 2017). According to the S-O-R framework, “stimuli” are environmental factors that affect an individual’s cognitive and affective reactions (Eroglu et al., 2001), whereas “organisms” are internal perceptual, physiological, feeling, and thinking activities that intervene between external stimuli and the final actions, reactions, or responses emitted (Vo and Van, 2022). These mediating mechanisms translate environmental stimuli into behavioural responses which are outputs of the process exhibited as consumer behaviours such as purchasing or not (Fernandez et al., 2022). The organism is represented by cognitive and affective intermediary states which reflects the psychological processing (Kim and Lennon, 2013). Finally, the “response” represents customers’ final decisions, which can manifest as approach or avoidance behaviours (Jabeen et al., 2022). Approach behaviours represent positive actions that might be directed toward a particular setting. Hence the basic premise

underlying the S–O–R model is a three-step process that encompasses the stimulus, organism and response reaction and the theory also indicates that the organism can mediate the effect of stimulus on response (Mehrabian and Russell, 1974).

**Figure 1. Stimulus Organism Response (SOR) Model**



Source: Mehrabian and Russell (1974)

The S-O-R theory has been widely applied in marketing contexts in various industries. Anisimova, et al.(2019) conceptualize the SOR framework in the automotive industry by considering corporate brand perceptions as stimulating consumer responses of loyalty via satisfaction(organism). Mas-Machuca et al.(2021) extended the S-O-R theory to the transportation business by including perceived quality as stimuli that affect brand loyalty (response) through trust and customer satisfaction(organisms). Mostafa and Kasamani (2021) demonstrated that the Brand Experience (stimuli) of smartphone customers that guides Emotional Brand Attachment (organism)which in turn determines brand loyalty (response). Wu and Li (2018) found that marketing mix (stimulus) has a significant effect on consumer value (organism), which in turn positively influences customer loyalty(response).Yu et al.(2021) applied the Stimulus-Organism- Response framework to examine the effect of brand involvement on brand loyalty through brand familiarity as a mediator and they explored behavioural and attitudinal loyalty as two major components of brand loyalty. Naqvi et al. (2021) utilized the SOR framework to identify the mediating effect of customer satisfaction in the relationship between customer engagement and brand loyalty.

Stimuli consist of the consumer’s external environment and they are perceived, interpreted, and processed by the consumer organism and result in responsive behaviour

such as the formulation of purchase intention. (Bagozzi, 1986). Anisimova et al., (2019) identified Corporate Brand Perception and Mostafa and Kasamani., (2021) identified Brand Experience as stimuli for analyzing its impact on brand loyalty in automotive industry. The present study considered six brand-related attributes namely Brand Image, Brand Trust, Brand Experience, Perceived Value, Product Differentiation, and Brand Positioning of luxury car owners as representing the stimuli, suggesting that these attributes have a noteworthy impact on customer satisfaction.

The organism component is the intellectual, emotional, and transitional condition of the consumer and includes those procedures that intervene between stimulus and consumer behaviour (Loureiro and Ribeiro, 2011). The cognitive aspect speaks to consumers' psychological processes and involves everything that enters the consumers' cognition regarding obtaining, handling, maintenance and recovery of information (Eroglu et al., 2001). The affective aspect mirrors the feelings communicated by the customer while experiencing the environmental stimulus (Islam and Rahman, 2017), which includes customers' feelings, excitement and joy (Loureiro and Ribeiro, 2011). Anisimova et al., (2019) demonstrated organism by customer satisfaction and its impact on brand loyalty in automotive industry. As cognition and affection are among the main elements of customer satisfaction the present study identified that customer satisfaction as the response factor would be affected by the impact of various brand-related attributes in the vehicle industry.

The response component is the consumers' approach or avoidance practices (Robert and John, 1982). The approach practices encompass the constructive reactions that consumers display by purchasing or engaging in positive interchanges and so forth. The avoidance practices encompass adverse reactions, such as engaging in negative correspondence or expressing no intentions to buy and so forth (Naqvi et al., 2021). Olson and Jacoby (1974) defined brand loyalty as a function of consumers' emotional responses and psychological processes to a brand and as a psychological assessment of the performance of one or more brands over a period of time. The study looked at brand loyalty as the response element. It focuses on the positive emotional response (attitudinal loyalty) and approach behaviours (behavioural loyalty).

The Social Exchange Theory (SET) propounded by Blau (1964) explains an association between clients (consumers) and organizations (providers) that affects the results (Blau, 1964). Clients who are happy with the goods or services the organization

offers, feel committed to responding by expanding their reliability to the products or the brand (Blau, 1964; Chiu-Han and Sejin, 2011; Matonya,2018). When clients use a particular goods or services, their trust will boost with the brands if their needs are fulfilled, in return, purport loyalty increment (Alfakih et al.,2022).

Arnett et al. (2003) argue that organizations usually depend on vigorous assurance of the social benefits of their items, and it is essential to pick up a superior comprehension of the components that influence connections that principally incorporate social exchange. SET augments the main concept of companies in the form of allegiance with consumers providing potential benefits to the customers with cost-effective strategies, which leads the associations to prolong over time (Blau, 1964).

Hence, the present study intended to analyse the direct connection between brand attributes and brand loyalty and the mediating impact of customer satisfaction on brand loyalty with regard to the S-O-R framework and Social Exchange Theory by incorporating the brand-related constructs identified from previous literature.

## **2.2 Empirical Review**

Following are the research studies pertaining to the problem selected and constructs identified and grouped under various research constructs of the study.

### **2.2.1 Brand Image**

Brand image is the overall perception held by customers towards a brand which is derived from the associations that exist in customers' experiences and memories (Kirmani and Zeithaml,2013). Brand image is the cognitive picture or the total thought, belief and impression of the customers about the brand (Cretu and Rodie,2007).It is an important instrument to influence customer satisfaction and brand loyalty(Jung et al.,2020)

Liu et al. (2012) examined "Self-congruity, Brand Attitude, and Brand Loyalty: a study on Luxury Brands". The research work analysed the effects of brand users and usage imagery congruity, attitude, and brand loyalty toward luxury fashion brands from two product categories, watches, and sunglasses. Primary data was collected from 264 young affluent customers in Australia. Findings of the Structural equation modeling show that the brand image attributes namely user imagery congruity and usage imagery congruity are the stronger predictors for brand attitude and brand loyalty in the context of the luxury fashion brands. Symbolic benefits and non-product-related attributes are the important motivations behind luxury brand purchases.

Apak et al. (2012) examined “An analytic hierarchy process approach with a novel framework for luxury car selection”, with the aim to identify the most important key factors that influence the choosing of the car brands and to analyse the consumer preferences of luxury car features using Analytic Hierarchy Process(AHP). AHP-based questionnaire was used for data collection from auto dealer executive officers in Istanbul-Turkey. The finding indicated that brand image, flexibility of delivery time and order accessibility are the most important factors influencing luxury brand selection. The findings also provided that preferences, personal judgment and experience are the key attributes to be considered for future decision-making strategy relating to luxury car brand preference.

Panda and Misra (2014) examined “Impact of country-of-origin image on brand equity: A study on durable products in India”. The study investigated the country-of-origin effect on the image and loyalty of durable branded goods. Primary data was gathered from 180 respondents. The findings of multiple regression analysis showed that an ideal country image and durable brand quality make favourable brand image and ultimately enhance brand loyalty. The study recommended that companies to promote the superior image of the brand’s own country thereby enhancing the brand image and developing brand loyalty.

Alhaddad (2015) analysed “Perceived Quality, Brand Image, and Brand Trust as Determinants of Brand Loyalty”. They develop a brand loyalty model to empirically investigate the interrelationship between perceived quality, brand image, brand trust, and brand loyalty. The study was conducted among 473 students from the Higher Institute of Business in Damascus, Syria. From the results of Structural Equation Modelling, it is concluded that the three factors namely perceived quality, brand image, and brand trust have significant positive effects on brand loyalty. Brand Image is the most significant dimension, which leads to brand loyalty.

Mabkhot and Shaari (2017) studied “The influence of brand image and brand personality on brand loyalty, mediating by brand trust: An empirical study”. The objective of this study is to analyse the relationships between brand image, brand personality, and brand loyalty of local automobile brands in Malaysia. This study was carried out among the customers of local automobile brands in Malaysia, applied multistage cluster sampling to select 330 respondents. The Partial Least Squares Structural Equation Modelling (PLS-SEM) was employed for data analysis. The results revealed a significant relationship between brand image and brand loyalty. The study suggests that when customers perceive that the automobile brand has a good brand image, they will be loyal to that brand.

Azizan and Yusr (2019) examined “The influence of customer satisfaction, brand trust, and brand image towards customer loyalty” in the branded computer product industry in Malaysia. The primary data for the study was collected from 269 post-graduate students under the School of Business Management. The results showed that customer satisfaction, brand trust, and brand image have positive and significant influence on customer loyalty. Among the three variables, brand image is the most crucial component that leads to brand loyalty. The long-term success and sustainable reputation of the company influences customer loyalty.

Waluya et al.(2019) examined “How product quality, brand image, and customer satisfaction affect the purchase decisions of Indonesian Automotive customers”. The research examined the influence of product quality and brand image on customer satisfaction and their effects on purchase decisions through the mediation of satisfaction among Indonesian automotive customers. The primary data were collected from 200 respondents, through questionnaires. The results of the statistical analysis showed that product quality and brand image have an effect on customer satisfaction. Additionally, product quality and brand image have an effect on the purchase decisions, mediated by customer satisfaction, of Indonesian automotive customers. The automotive industry should manage its brand image as the most important factor influencing customer satisfaction and purchasing decisions.

Rodrigues et al.(2019) analyzed “Brand Love Matters to Millennials: the relevance of Mystery, sensuality and Intimacy to neo-luxury brands”. The study was conducted among millennial customers of traditional and neo-luxury brand products namely fashion, mobile, watches, and cars. The data collected through an online survey and the results of Structural Equation Modelling and Multi-group analysis proved that brand image elicits a passionate feeling among millennials towards luxury brands. Mystery and Intimacy are the key brand image predictors and brand loyalty is the outcome of brand image.

Jung et al.(2020) examined the “Sustainable marketing activities of traditional fashion market and brand loyalty”.The research work analyzed the relationship between brand image, satisfaction and loyalty. Exploratory and confirmatory factor analyses were used to analyze the data collected from 272 respondents. The result demonstrate that the components of the sustainable marketing activities namely economic, social, environmental and cultural improve the company's brand image and it also showed that brand image has a positive effect on customer satisfaction and the customer satisfaction leads to brand loyalty.

Nazarani and Suparna (2021) conducted a study on “The effect of luxury brand, brand image, and product quality on purchase intention”. Questionnaire used to collect data from 144 Zara product customers in Denpasar City selected through purposive sampling technique. Multiple regression models applied for analysis and the results showed that luxury brand and brand image substantially influence the purchase intention of the customers, by implementing a good brand image, it will ultimately increase their purchase intentions. Hence the brands dealing luxury products ensure the exclusive brand image then the customers rely on the same product.

Rastogi et al.(2024) studied “ Exploring the Nexus between sustainable marketing and customer loyalty with the mediating role of Brand Image”. The study explored the relationship between sustainable marketing, brand image, and loyalty. For this, a mixed method approach was adopted by incorporating descriptive and causal research and the data collected from 302 customers of the durable goods sector in India. As per the results of the study, the sustainable activities of the company and the sustainable outlook develop positive image, which influence the loyalty to company. The study recommends the companies to focus on sustainable practices and communicate them effectively to customers to enhance their brand image and foster loyalty.

### **2.2.2 Brand Trust**

Brand trust identified as an essential tool for customer satisfaction and brand loyalty (Jose, 2020). Brand trust is the awareness of customers about the kindness and integrity of the brand (Coelho et al., 2018). To attain trust, brand should keep integrity and position in the mind of customers, so they can trust and decide to use the brand (Chatterjee and Chaudhuri, 2005).

Zehir et al.(2011) analysed "The effects of brand communication and Service Quality in building brand loyalty through brand trust: the empirical research on Global brand".The study found that brand communication and service quality have positive influence on brand trust;and brand trust has a significant effect on brand loyalty. It was concluded that brand trust has a full mediating role among the relationship between brand communication and brand loyalty of automobile industry.

Hur et al.(2014) explored “The role of brand trust in male customers' relationship to luxury brands. Psychological reports”. In their research work they presented the antecedents and cosequences of brand trust. A sample of 400 men in South Korea who had purchased

luxury brand and non-luxury brand suits were selected. The results showed that the hedonic value has a greater impact on brand satisfaction and brand trust, and the brand trust significantly influence brand loyalty for luxury brands as compared with non-luxury brands. The brand trust is the key determinant of brand loyalty for luxury brands than non-luxury brands.

Hanaysha and Abdullah (2015) analysed “The impact of product innovation on relationship quality in automotive industry: Strategic focus on brand satisfaction, brand trust, and brand commitment”. The primary data were collected from 384 passenger car users in Northern Malaysia following systematic sampling technique. The data were analyzed using SPSS and structural equation modeling. The findings revealed that product innovation has significant positive effect on relationship quality dimensions namely brand trust, brand commitment, and brand satisfaction. The results shows the significant positive influence of brand satisfaction on brand trust, and the significant impact of brand trust on brand commitment. Product innovation is the key determinants for brand trust.

Kwan Soo Shin et al.(2019) analysed “Brand trust and brand loyalty: A moderation and mediation perspective”. The study empirically tested the effect of brand trust on brand commitment and brand loyalty among the customers. The structural equations modeling was used for analysis. The results of the study show that brand trust and brand commitment positively and significantly influence brand loyalty. Brand trust is significantly related to brand commitment and brand commitment mediates the relationship between brand trust and brand loyalty. The study also found the moderating role of brand reputation on the relationship between brand trust and brand commitment.

Nasir et al.(2020) examined “Brand Trust for Creating Brand Loyalty in Automotive Products” The study analyzed the effect of brand trust on brand loyalty and to analyze the effect of brand reputation, brand competence, company reputation, brand satisfaction, perceived credibility, consumer expectation, and service quality on brand loyalty with brand trust as the intervening variable, on Honda motorcycles in Solo Raya. The owners of Honda motorcycles in this region became the population. The questionnaire was distributed to 255 respondents. Structural Equation Modeling (SEM) was used to explain the structural relationships and factorial relationships of the model. The findings of this study indicate that all variables, i.e., brand reputation, brand competence, company reputation, brand satisfaction, perceived credibility, consumer expectation, and service quality, partially have

a significant effect on brand trust. The results also confirmed that brand trust significantly affects the brand loyalty of Honda Motorcycle.

Mas-Machuca et al.(2021)examined “The unexplored potential of trust to boost customer loyalty for transport platforms”.The purpose of this research is to test empirically the relationship between quality, trust (digital and driver trust), satisfaction(platform and driver satisfaction) and loyalty. A sample of 429 respondents selected from four European countries and primary data collected. The findings shows that quality ie, responsiveness of the platform and the tangible factors related to the drivers have an impact on trust, satisfaction, and loyalty. Service quality is mandatory for obtaining an acceptable outcome which develop trust and satisfaction and eventually results in loyalty

Dhanny et al.(2021) conducted a study on “Investigation of Perceived Quality and Brand Trust Antecedents and their Consequences on Brand Loyalty of Toyota Avanza Vehicle in East Kalimantan Province, Indonesia’’. Data were collected from 170 customers of the Toyota Avanza. The SEM through SPSS and AMOS used for analysis and the results show the positive and significant effect of brand prestige and country of origin image on perceived quality, brand personality and brand awareness on brand trust. Also revealed that the brand awareness perceived quality and brand trust are the significant predictors of brand loyalty. If the brand trust is increased, it will increase the brand loyalty.

Suhan et al. (2022) studied “Exploring the sustainable effect of mediational role of brand commitment and brand trust on brand loyalty: An empirical study”, analysed the role of self-expressive branding, brand love, brand trust and brand commitment on brand loyalty; also analysed the mediating effect of brand commitment and brand trust in the automobile sector. One hundred one customers from Kochi and Manipal districts at Kerala and Karnataka state of India were surveyed by using a systematically-designed questionnaire. PLS-SEM approach used for analysis. The results proved that brand trust significantly related to brand loyalty and it is a significant mediator between brand love and brand loyalty.

Ghosh and Bhattacharya (2022) analysed “Investigating the antecedents of luxury brand loyalty for Gen Z consumers in India: a PLS-SEM approach, collected data from 230 respondents selected through snowball sampling technique. Findings reveal that luxury brand trust significantly enhances brand loyalty among Indian Generation Z customers. Luxury brand attributes, product attributes and social media attributes are the main

antecedents of brand trust and the luxury brand trust significantly mediates the relationship between attachment and loyalty.

### **2.2.3 Brand Experience**

Brand experience is the interaction between an individual and a tangible or intangible product. These are part of a brand's design and identity, packaging, communications, and environments. Brand experience has four different dimensions namely sensory, affective, behavioural, and intellectual (Brakus et al., 2009). It is found as the key predictor of customer satisfaction and brand loyalty (Sayed, 2015)

Brakus et al.(2009) examined "Brand experience: What is it? How is it measured? Does it affect loyalty?". It is an exploratory qualitative study to define and conceptualise the brand experience constructs and to develop brand experience dimensions. For this literature reviews in various disciplines were collected. Their responses gathered from 25 graduate level business students by asking to describe their experience with a brand of their choice in an open ended way. They distinguished a fairly consistent set of experience dimensions: Sensory, Affective, Intellectual and Behavioural. The twelve items for the brand experience scale were captured in a reliable and stable manner. The study investigated that brand experience positively affect consumer satisfaction and loyalty.

Sahin et al.(2011) analysed "The effects of brand experience, trust and satisfaction on building brand loyalty- An empirical research on Global brands". The study proposed to analyse the effect of brand experience to brand building and customer relationship among automotive industry. The study attempted to test research hypotheses through empirical cross validation of the conceptual model. Brand experience, satisfaction, trust and brand loyalty are the variables for hypotheses development. The study conducted on the basis of a self-administered survey. Random sampling technique was adopted to select 258 respondents, and the research data were collected through a questionnaire. Descriptive statistics, factor analysis, correlation and regression analysis were used as the techniques for analysis. The results of the study demonstrated that brand experience has a positive influence on satisfaction and brand trust, and these three factors have a significant positive effect on brand loyalty.

Zhang et al.(2011) studied "Research on brand equity of automobile industry-based on customer experience and modern service". In this study they examined the influence of customer experience on brand asset valuation. The primary data for the study was collected

from 342 customers of nine typical brands of car, representing medium, large, and compact cars in China. The findings show that customer experience is the most important dimension to measure brand equity of the automobile industry. Comprehensive automobile services based on customer experience enhance brand loyalty.

Maheshwari et al.(2014) examined the “Determinants of Brand Loyalty: A study of the Experience-Commitment-Loyalty Constructs”, explored the relationship between brand experience and brand loyalty in the automotive sector. The mediated effect of continuance and affective commitment were also analyzed. For this research data were collected from car owners between the age of 40 and 70 years. Quota sampling was used for the study and the sample size was 232. Questionnaire was used as a tool for data collection. The study measures brand experience by analyzing four dimensions namely sensorial, affective, behavioural and intellectual. The results of Confirmatory Factor Analysis reveal a strong connection between brand experience and brand loyalty as regards to automotive sector. The study also suggested that the organization should establish an emotional connection between the customer and the brand.

Nadzri and Musa (2014) analysed “Focus group method an aid to explore brand experience and contextual factors”. The study was conducted in the Malaysian automobile sector and explored the customer experience and emotion on national car brand purchases. The primary data were collected from 20 urban young adults. The results show that the customers consider the quality of the product attributes rather than emotional experience. Brand experience facilitates and develops customer relationships and it will lead to customer satisfaction and loyalty.

Sayed (2015) studied “Does Brand Experience Build Customer’s Satisfaction and Loyalty in the Automobile Industry”. The study investigated how satisfaction and loyalty are influenced by brand experience through the dimensions: sensory, affective, intellectual, behavioural and relational. The data were collected from 511 car owners in the Kingdom of Bahrain using questionnaire. The results indicate that brand experience is a key predictor of both satisfaction and loyalty among the customers of automobile industry. The highest correlation coefficient was found in the super luxurious car classification in terms of brand satisfaction and brand loyalty.

Khan and Fatma (2017) examined “Antecedents and outcomes of brand experience: an empirical study” and they developed a brand experience model. For these they initially

provided a theoretical background of the brand experience concept and moved to present the conceptual model. The model includes antecedent variables and outcome variables. The hypotheses were formulated and data were collected from 386 University level students through qualitative interviews. The Partial Least Square(PLS)was used to analyse the data. The Path estimates and t-statistics applied to test hypotheses. The result supports the significant positive impact of brand experience on customer satisfaction and brand loyalty both purchase and attitudinal. The customer satisfaction was found to influence only attitudinal brand loyalty.

De Oliveira Santini et al.(2018) studied “The brand experience extended model: A meta-analysis”. The research provides a comprehensive overview of the brand experience effects and proposes an extension to the brand experience model. The findings revealed empirical generalizations about the relationship between brand experience and the relevant constructs. The findings of the brand experience extended model indicate that the direct relations were significant. There is a positive and significant relationship between the brand experience and the brand satisfaction. Brand satisfaction and brand loyalty also had a positive relationship. The results indicate that brand satisfaction, as in traditional contexts, tend to evoke repeat purchases and, therefore, generate brand loyalty.

Mathew and Thomas (2018) analyzed “Direct and indirect effect of brand experience on true brand loyalty: role of involvement”. The research investigated direct and indirect effect of brand experience on brand loyalty under different levels of involvement. For this car was selected as a high involvement product. The sample size was 1101 car owners. The findings revealed that the direct effect of brand experience is the significant contributor to true brand loyalty. Brand experience is a significant factor for the high involvement group. In this high involvement-high subject segment, all three antecedents namely brand experience, brand credibility and affective commitment contribute to the development of true brand loyalty.

Hwang and Han (2018) examined “A study on the application of the experience economy to luxury cruise passengers”. The objective of the study was to identify the influence of the experience economy on brand prestige and loyalty in the luxury cruise industry. The data collected from 312 luxury cruise passengers in U S. The study suggested four dimensions of the experience economy namely education, entertainment, esthetics, and escapism. The results of the analysis showed that all the four dimensions of the experience

economy have a positive influence on brand prestige and education experience is the most influencing factor. Brand prestige positively affects social value and develop brand attachment and brand loyalty.

Wang et al.(2018) analysed “Dynamic effects of customer experience levels on durable product satisfaction: Price and popularity moderation”. They examined the dynamic effects of customer experience levels on satisfaction among the online automobile community in China. The sample size was 657300 reviews, extracted from Autohome using Web Crawler technology. The findings show that customer experience level is an important determinant of customer satisfaction, price and popularity significantly moderate the relationship between customer experience and satisfaction and satisfaction is higher for higher-priced cars. Customer experience increases customer relationship management and assures customer loyalty.

Su et al.(2020) analysed “Factors affecting user satisfaction with new energy vehicles: A field survey in Shanghai and Nanjing”.The research identified the potential factors that influence user satisfaction with new energy vehicles (NEVs) in China and to analyse the moderating effect of Persona Environmental Awareness. For this data were collected from 335 early drivers of new energy vehicles. The results of analysis show that experienced usefulness, experienced ease-of-use, total cost, driving range, and infrastructure readiness are important determination of satisfaction. Persona Environmental Awareness strengthen the positive effects of experienced usefulness, experienced ease-of-use, driving range, and infrastructure readiness on early-driver satisfaction.

Mostafa and Kasamani (2021) studied “Brand experience and brand loyalty: is it a matter of emotions”. The research explored the impact of brand experience (BE) on brand loyalty, with the mediation effect of emotional brand attachment attributes namely brand passion, self-brand connection and brand affection. The primary data for the study was collected from 278 customers in Lebanon. The findings revealed that brand experience develop long-lasting brand loyalty through building. Brand passion and brand affection fully mediates the Brand Experience and loyalty association.

Murshed et al.(2023) in their research work “Brand authenticity building effect of brand experience and downstream effects” aimed to analyse the influence of brand experience on customer loyalty intentions through perceived quality. The survey method adopted to collect primary data from 405 new car owners. The results of hypotheses testing

proved that brand experience and experiential marketing influence the loyalty intentions of customers directly and through the mediating effect of perceived quality. Customers search for brands that provide proper communication and behaviour.

#### **2.2.4 Perceived Value**

Perceived value is the benefit availed from the service or products relative to the perceived sacrifice or cost, Perceived value involves intrinsic, extrinsic features and perceived quality (Boksberger and Melsen., 2011). Perceived value is the key determinant of satisfaction and loyalty (Fazal et al.,2017).

Moosa and Hassan (2015) studied "Customer Perceived Value associated with Automobile and Brand loyalty "The study analysed the influence of the five components of Customer Perceived Value on customer satisfaction and brand loyalty. For this a sample size of 198 respondents were selected from Jeddah, Saudi Arabia through convenient sampling. Questionnaire was used to collect the data. Descriptive statistics and factor analysis show that the functional value, conditional value and emotional value significantly influenced customer satisfaction and brand loyalty, and customer satisfaction significantly correlated to brand loyalty. The results proved that the functional value is considered as the most important Customer Perceived Value , associated with automobile customers.

Chung et al.(2019) analysed the “Effects of mergers and acquisitions on brand loyalty in luxury Brands: The moderating roles of luxury tier difference and social media”. The study investigated the effect of mergers and acquisitions on consumers' beliefs and the influence of perceived luxury values on brand loyalty. They focused on the consumption values derived from luxury brand: economic, symbolic and experiential value. The results of factor analysis showed that perceived luxury values had positive effect on brand loyalty and the enhanced brand loyalty will have positive effect on consumers' repurchase and recommendation intentions. The relationship between perceived values and brand loyalty will be stronger when the acquiring brand is from a higher luxury tier. The findings suggested that the sustainability of the brand and perceived luxury values are essential to increase brand loyalty and to encourage repurchase.

Anisimova et al.(2019) studied “The influence of corporate brand perceptions on consumer satisfaction and loyalty via controlled and uncontrolled communications: a multiple mediation analysis”,the research investigated the influence of corporate brand perceptions on satisfaction and brand loyalty among the customers of Automobiles in

Australia. Sample size determined as 271 customers. The structural equation modelling applied for analysis and the results show a direct association between corporate level attributes and customer satisfaction and consumer brand loyalty. Customer satisfaction significantly influence the brand loyalty and strongly mediate the relationship between corporate brand perceptions and brand loyalty.

Simanjuntak et al.(2020) explored “Enhancing customer retention using customer relationship management approach in car loan business” the study analysed the effects of customer perceived value, corporate image, and service quality on customer satisfaction, and to analyse the effect of customer satisfaction on customer retention. The primary data collected from 310 Indonesian customers, having car loans and the results of Structural Equation Modelling indicated that customer-perceived value, corporate image, and service quality have a significant effect on customer satisfaction and the customer satisfaction has a significant impact on customer retention. For improving the customer-perceived value, companies must increase the value of additional benefits, trust and enhance interactions with customers.

Alinezhad et al.(2022) studied “Designing and validating the consumers attitude model of foreign luxury cars with the approach of theme analysis and interpretive structural modeling” and they developed a model for measuring the attitudes of consumers of foreign luxury cars in Iran. The data were collected from 400 customers of foreign luxury cars through semi-structured interviews and questionnaires. Theme analysis method, interpretive structural modeling and partial least squares were used for analysis. The results showed that customer experience management and parts quality management and safety of luxury cars are independent variables and these variables influence the brand perceived value and marketing of luxury cars. These will increase customer engagement, customer trust and satisfaction.

Rao and Ko (2021) examined “Impulsive purchasing and luxury brand loyalty in WeChat Mini Program”. The study explored factors influencing consumers' behaviours and brand loyalty towards luxury brands in WeChat Mini Program. The primary data for the study were collected through online survey among Chinese participants who experienced WeChat Mini Program and luxury brand purchase. Sample size was 200 customers. The findings of Structural Equation Modelling indicated that the factors influencing perceived value include luxury consumption-related factors, task-related factors and mood-related factors. Perceived value attributes namely perceived experience and perceived usefulness

will develop brand loyalty. Extrinsic benefit and hedonic functions of the products lead to perceived values and brand loyalty.

Das et al.(2022) conducted a study “Inspired and engaged: Decoding masstige value in engagement”. The study examined the role of desire and perceived value in inculcating inspiration and engagement related to mass-prestige and luxury brand. For this data were gathered from 381 NEXA car buyers. The findings from the Structural Equation Modelling indicated that the affective desire and the perceived value dimensions namely functional, emotional and social values shape the cognitive, affective and behavioural engagement of the customers in the case of masstige luxurious brands.

Femina and Santhi (2024) analysed “Effects of perceived value dimensions on customer brand loyalty towards luxury cars”. The research examined the direct effect of perceived value dimensions of luxury cars namely functional, economic, symbolic and hedonic values on attitudinal and behavioural loyalty of the customers and the indirect effect on behavioural loyalty through attitudinal loyalty. The results of structural equation modelling based on the data were collected from 120 luxury car owners revealed a highly significant effect of hedonic value on attitudinal loyalty and economic value on behavioural loyalty. The result also showed the effect of symbolic value on both attitudinal and behavioural loyalty.

### **2.2.5 Product Differentiation**

Product differentiation refers to offer something to customers, more than competitors do and offer. As customers are highly responsive and give value to differentiated products and services, It is more important to design appropriate differentiation as per customers perspective (Pehrsson, 2012). Murphy (2007) states that successful differentiation enables the companies to increase sales and gain buyer brand loyalty.

Tremblay and Martins-Filho (2001) analysed “A model of vertical differentiation, brand loyalty, and persuasive advertising”. The research developed a duopoly model in which firms compete in price, quality and persuasive advertising. Customers accurately observe the product quality but differ in their willingness to pay for brands of different quality. The model predicts that the high-quality firm will advertise more intensively than the low-quality firm and the firms should differentiate themselves vertically and use persuasive advertising to create subjective differentiation and to enhance loyalty.

Bennett and Rundel-Thiele (2005) Studied “The brand loyalty life cycle: Implications for marketers”. The research work proposes brand loyalty life cycle consisting of five eras and aimed to provide implications of loyalty for marketers. The findings of the study revealed that in the modern era, brand used as a symbol of aspirations, values and goals and brand loyalty are the results of emotional and symbolic connection of the customers. Differentiation is the key driver of loyalty and can be formed by including product quality, innovation, product features and attributes. Marketers should focus on customer experience and positioning strategies to achieve differentiation and loyalty.

Dirisu et al.(2013) studied “Product differentiation: A tool of Competitive advantage and Optimal Organizational Performance: A study of Unilever Nigeria PLC. The research focused on how customer satisfaction and competitive advantage can be achieved through product differentiation strategy. Research data were collected through questionnaire and the sample size fixed as 323 based on simple random sample technique. The results of regression analysis revealed that the product innovation and unique product features are the key drivers for customer satisfaction. It shows the significant positive relationship among the product differentiation and customer satisfaction

Srivastava (2013) analysed “Brand Positioning of Automotive Lubricant in Indian Market” Multiple dimensional scaling and multiple regression analysis were applied to identify the important attributes of brand positioning and to examine the relationship between the attribute of brand positioning and consumer buying behaviour. Responses were collected from 400 owners and drivers of four wheelers. As per the findings it is indicated that price and consumer benefit are the two important brand positioning attributes. The result also showed the significant effect of brand positioning attributes namely price, accessibility and consumer benefit on customer purchase decision and buying behaviour.

Kumar et al.(2015) examined “Enhancing consumers' affection for a brand using product design”. The research conducted among the customers of U.S automotive market, aims to develop a conceptual framework for connecting product design related values to brand affection by incorporating brand loyalty as moderator. The sample size was 712 customers. The results of Confirmatory Factor Analysis and Structural Equation Model shows that Product design is a strategic tool for generating long term relational outcomes such as loyalty and commitment. Loyal customers feel more affection towards the product than disloyal customers and the emotional value at the product level has higher impact on brand affection.

Reddy and Kavitha (2019) studied “Determination of customer based brand equity and its impact on loyalty for apparel brands”. The study attempted to prove the impact of brand awareness, perceived quality, brand association, brand relevance, and brand differentiation. For this 273 samples were collected from Chennai City, India and the Pearson Correlation and Structural Equation Modeling were used as the tools for analysis. The findings approved that perceived quality and brand association are significant predictors of brand loyalty, and brand differentiation will lead to purchasing a brand again and again.

Kato (2021) analysed “Factors of loyalty across corporate brand images, products, dealers, sales staff, and after-sales services in the automotive industry” in Japan. The target brands were mass and luxury brands. The mass brands includes Toyota, Nissan, Honda and luxury brands include BMW, Mercedes-Benz, and Lexus. The sample size was 200 owners of cars from each brand, for a total of 1,200. The results of multi-sample structural equation modeling shows that product contributed the most to loyalty, followed by Staff and Brand Image. As a result, the product related attributes namely design, usability, safety and attractiveness are overwhelmingly considered by the customers of automobile market.

Ishola (2022) examined “The effect of Brand Differentiations on Firms Competitive Advantage”. The research aimed to analyse the effect of brand differentiation on firms’ competitive advantage and brand loyalty. The primary data were collected from 360 respondents, The results of regression analysis shows that brand differentiation has significant effect on competitive advantage and brand loyalty. As brand differentiation is a part of product differentiation, it is essential for organisations to differentiate the product from other producers to meet the ever changing buying motives and pattern of the customers.

Dixit and Bhatnagar (2023) analyzed “An Investigation into the impact of Product Differentiation Marketing Strategies on Consumer Decision-Making in the Consumer Durable electronic Goods industry”. The study considered tangible, intangible attributes, branding, packaging, pricing and innovations as differentiation factors and investigated the impact of the product differentiation on customer decision making while purchasing durable goods. Responses were collected from 491 customers. The results of linear regression and anova revealed that product differentiation affect the perceived value

proposition and there is a positive relationship between product differentiation and customer decision making.

### **2.2.6 Brand positioning**

Brand positioning is the act of designing the company's offering and image to occupy a distinctive place in the mind of the target market" form strong brand associations in the minds of target customers are used to differentiate a brand from its competitors' (Keller et al., 2002).

Jalkala and Keränen (2014) examined "Brand positioning strategies for industrial firms providing customer solutions". A qualitative research methodology was employed to identify the possible brand positioning strategies which lead to customer satisfaction. Multiple case study method was adopted and primary data was collected from 22 business managers from the four case companies by using semi-structured interviews. The findings provide the impact of the four identified positioning strategies on customer solutions and brand building, among them the long-term service partner strategy is the most significant positioning strategy which utilizes wide range of services to manage customers' long-term support and maintenance.

Azmat and Lakhani (2015) analyzed the "Impact of Brand positioning strategies on consumer standpoint (A consumer's Perception)". The research examined the impact of three strategies of positioning ie. beneficial positioning, surrogate positioning and competitive positioning on consumers' perceptions. The survey method was used to collect the data by using questionnaires from 250 consumers of various brands in television commercials selected through unrestricted non-probability sampling. The results of one sample t-test showed that surrogate positioning has a positive impact on consumer standpoint and satisfaction.

Liu and Meng (2017) studied "Innovation model analysis of new energy vehicles: taking Toyota, Tesla and BYD as an example" The research conducted a detailed comparison and analysis of the various aspects of the new energy vehicle. The findings of the study indicated the Business model innovations of Toyota, Tesla and BYD. Technological innovation is the driving force for the upliftment of new energy vehicles. BYD places importance to environmental protection and deal with the problem of air pollution. Tesla has an outstanding design style, and interior materials, positing in high-level luxury and brand car. Toyota's main hybrid-pushing car is the world's hybrid technology car and in the top of the new energy technology expert.

Bartikowski et al.(2019)explored “Luxury cars Made-in-China: Consequences for Brand Positioning” ad analysed the effect of Country of Brand Origin image and Consumer Culture Positioning Strategies. Data were collected from 177 Chinese premium car buyers through the questionnaire. The findings show that the Country of Origin label acts as a positive cue, which enhances brand attitude in the luxury car market, also revealed that the effect of Consumer Culture Positioning Strategies are contingent on Brand Origin image, which are high for high-image countries namely Germany, and Italy.The brand attitudes are significantly higher for Foreign Consumer Culture Positioning Strategies than for Global Consumer Culture Positioning Strategies and Local Consumer Culture Positioning Strategies.

Kirca et al.(2020) examined “The interactive effects of product and brand portfolio strategies on brand performance: Longitudinal evidence from the US automotive industry. The study analysed how product portfolio and branding decisions affect brand performance. The primary data were collected from 1925 automotive retailers, suppliers, and manufacturers in the U.S. automotive market. Findings reveal that brand portfolio attributes namely portfolio depth and innovativeness have a significant influence on brand performance. Also, brand positioning in auto industry enhances brand performance jointly with product portfolio breadth, depth, and innovativeness. Finally, the study discovers critical managerial trade-offs between product and brand portfolio decisions, a careful examination of the product and brand portfolio characteristics seems to be maximized by brand performance.

Mehraj and Qureshi (2022) investigated “Does green brand positioning translate into green purchase intention?: A mediation–moderation model”. The study considered emotional positioning, green positioning and functional positioning as the dimensions of green brand positioning and examined the influence of Green brand positioning on attitude towards brand and purchase intention. For this data was collected from 494 respondents aged between 18 and 34 years. The findings revealed that green brand positioning positively influences customer attitude towards the brand and thereby enhances brand knowledge and purchase intention.

### **2.2.7 Customer Satisfaction**

Satisfaction is the positive emotional response of the customers and it is the outcome of previous experience (Paulssen and Birk ,2007). It reflects the extent to which the

customer is satisfied with a brand, which enables to analyse of the relationship of customers with that brand (Algesheimer et al., 2005). Customer satisfaction is identified as the key predictor of brand loyalty (Han et al., 2018).

Shirin and Puth (2011) examined “Customer satisfaction, brand trust and variety seeking as determinants of brand loyalty”. The direct and indirect effects of brand loyalty, customer satisfaction, perceived value, trust and variety seeking were analysed. A stratified random sampling technique was used to select 1068 respondents from the passenger vehicle owners in South Africa. The results of the Confirmatory Factor Analysis and Chi square test show that Customer Perceived Value has a bigger impact on the attitudinal loyalty through directly and through brand trust as a mediating factor. Customer satisfaction is the focal point to loyalty. Variety seekers are also brand advocates. Findings explored that automotive customers are less price-sensitive, customer satisfaction and customer value are the main notions of loyalty.

Koch and Mkhitarian (2015) examined “Consumer’s brand choice behaviour for luxury cars in China”. The quantitative approach is used for the investigation. The data was gathered from 200 luxury car owners in five cities of China owning BMW, Mercedes-Benz, Lexus, and Volvo brands of Luxury cars. The investigation provides several recommendations to multinational corporations intending to enter the Chinese luxury automobile market. The findings revealed that high-quality materials, safety and social media presence leads to customer satisfaction and brand trust and satisfaction and trust have a significant positive impact on customer loyalty; Customer satisfaction is the most influencing determinant of customer loyalty in the Chinese luxury automobile sector.

Jorgensen et al.(2016) analysed" Brand loyalty among Norwegian car owners" The study examined the influence of characteristics of car owners and satisfaction on brand loyalty. The survey focused on satisfaction with the car dealer and the after-sales services. The respondents are owners of the cars. From the logit model, it is clear that older customers and males exhibit higher brand loyalty and also show that the quality of the dealer and satisfaction have a significant influence on brand loyalty, but the location and the quality of the car not influence brand loyalty. For this two loyalty indicators namely Consecutive purchases and Returning customers are utilized in the study.

Vera and Trujillo(2017) examined“Searching most influential variables to brand loyalty measurements exploratory study”, The study identified the key antecedent of brand

loyalty among the three groups of measurements namely customer involvement, perceived value and customer satisfaction. For this 649 respondents were divided into six product categories. The results of regression analysis for each product category and for each loyalty measurement shows that perceived brand value has a higher impact on brand loyalty measurements. Customer satisfaction has a greater impact on product categories and loyalty measurements.

Chu et al.(2019) analysed “Psychological and Behavioural Factors Affecting Electric Vehicle Adoption and satisfaction: A comparative study of early adopters in China and Korea”.The study identified the factors influencing usage satisfaction among the customers of the EV automobile market. Data was collected from the two EV adaptor groups from China and Korea. Sample size were determined as 204 customers in China and 177 in Korea. The results of the analysis show that usage satisfaction was higher among the customers of Korea than China. Innovativeness of vehicles and economic motives are the most important factors for Korean customers, but environmental concerns and product quality and innovation are being important for Chinese customers.The product innovation is the most important determinant of satisfaction in the pooled sample

Kataria and Saini (2020) studied “The mediating impact of customer satisfaction in relation of brand equity and brand loyalty: An empirical synthesis and re-examination”. The study investigated the mediating role of customer satisfaction between the dimensions of customer-based brand equity and brand loyalty. For this, the theoretical model was tested through the Structural Equation Model and the data was gathered from 250 respondents in New Delhi, India. The findings revealed that the perceived value of cost, perceived quality and brand trust are significantly related to customer satisfaction, customer satisfaction influences brand loyalty and it mediates the relationship between the perceived value of cost, perceived quality and brand trust with brand loyalty.

Kohli and Singh (2021) examined “An assessment of customers’ satisfaction for emerging technologies in passenger cars using Kano model”. The study analysed the acceptability of emerging technological features and the influence of these on customer satisfaction in the automobile market. The study was conducted in Northern India using the Kano model. The results revealed that all the emerging technological features namely integration with smartphones, rearview camera, heated and cooled seats, automated window cleaning etc. are found to be attractive and result in more customer satisfaction. The study

also recommends the manufacturers to inculcate the voice of customers while designing new technologies to improve their profitability and to level of satisfaction of customers.

Gupta and Raman (2022) analysed “After-sale service experiences and customer satisfaction: An empirical study from the Indian automobile industry”. The study investigated the satisfaction of customers with after-sales experience in the automobile sector. For this data were collected from 400 customers in Bangalore, India through convenience sampling and employee behaviour, service lead time, service quality, service cost and service process are considered as the factors of after-sales services. The results indicated that the service interaction and after sales service experiences have a substantial influence on customer satisfaction

### **2.2.8 Brand Loyalty**

Loyalty is the deeply held commitment to re-buy and support products or services (Kotler and Keller, 2012). According to Chaudhuri and Holbrook (2001), Brand Loyalty has two key dimensions namely behavioural loyalty expressed in terms of frequent brand purchases and attitudinal loyalty through moral commitment in terms of the consumer’s mood.

Punniyamoorthy and Prasanna Mohan Raj (2007) conducted a study on “An empirical model for brand loyalty measurement”. The model has been developed by using factor analysis, multiple regression analysis and the analytical hierarchy process (AHP) model. It describes the results of a survey of 180 respondents in three dominant cities of India. The model has been built based on the factors found which influence loyalty. The study suggested that loyalty is a multidimensional construct and identified the highly influencing constructs of loyalty; they are involvement, perceived value, trust, customer satisfaction and commitment.

Malliari and Sirkeci (2017) examined the “Performance of direct mail in building customer loyalty in the Greek automotive sector during the financial crisis”. The research analyzed the influence of Direct Mail on satisfaction, attitudinal loyalty and behavioural loyalty. Satisfaction includes Direct Mail satisfaction and Overall satisfaction. The data was collected from 383 customers of Toyota Hellas. The results of Variance, Covariates and Mediated regression analysis show that Direct mail or the announcements and offers about product attributes significantly influence Direct mail satisfaction and lead to behavioural

loyalty, Direct Mail has an effect on attitudinal loyalty, but the overall satisfaction of the customers significantly influence the attitudinal loyalty of automotive customers.

Atulkar (2020) analysed “Brand trust and brand loyalty in mall shoppers”. The study focussed on some major constructs of emotional attachment that help in creating brand trust and brand loyalty. Structural equation modelling using Smart PLS 2.0 software has been utilised to analyse 332 responses from the age group between 16 and 30 years, as they are highly brand-conscious and willing to purchase branded products. The findings show that brand loyalty is not only directly or indirectly influenced by emotional attachment antecedents such as perceived quality, perceived value, customer satisfaction and perceived differentiation but also directly affected by brand trust. Moderating analysis on different income group structures shows that the high-income group customers are highly brand conscious and loyal towards a particular brand.

Azizan and Yusr (2019) analysed “The influence of Customer Satisfaction, Brand Trust and Brand Image Towards Customer Loyalty”. It is a quantitative study, where descriptive and cross-sectional methods were adopted to collect the data and achieve the study’s objectives. In this regard, 269 post-graduate students of the School of Business Management, University Utara Malaysia participated in the survey. SPSS was used to analyse the data. The results showed that customer satisfaction, brand trust, and brand image have a positive and significant influence on customer loyalty. This study proved that the long-term success and sustainable reputation of a branded product company depended on customer loyalty. The study recommends fulfilling customer expectations is the main priority to retain and enhance customer loyalty.

Dhasan and Aryupong (2019) examined the “Effects of product quality, service quality and price fairness on customer engagement and customer loyalty” in the automobile industry. For this data was collected from 224 existing car owners, in Bangkok. The results of the Confirmatory Factor Analysis and Structural Equation model revealed the significant relationship of perceived value factors such as product quality, service quality and price fairness on customer loyalty. Consumer engagement shows a direct effect on customer loyalty and also mediate the relationship between service quality and brand loyalty.

Arslan (2020) studied “The importance of creating customer loyalty in achieving sustainable competitive advantage”. It is qualitative research examines the relationship between the value offered to the customer and customer satisfaction and identifies the

factors developing customer loyalty through the literature review method. To achieve customer satisfaction businesses adopt a customer-oriented organizational culture, develop relationships based on trust and value sharing, offer personalized products tailored to each customer and follow customer retention strategies. The factors determine customer loyalty include customer satisfaction, service quality, market share, customer value, brand image and replacement cost.

Zhang et al.(2020) analysed the impact of brand relationship types on brand loyalty in his research “Expressive brand relationship, Brand Love and Brand Loyalty for Tablet PCs; Building a sustainable brand”. The cross-sectional study was conducted among 383 metropolitan customers who use tablet PCs. A well-structured questionnaire was used to collect data. The study explored that customers' positive perceptions of the brand develop long-term relationships with the brand. This relationship enhances attitudinal and behavioural brand loyalty. It is concluded by stating that customers are willing to purchase products at a premium price when they are loyal to the brand and the brand trust strengthens the loyalty and plays an important role in the cognition, emotion and action model. Hence the managers should adopt differentiation and positioning strategies to establish trust and competitive advantage.

Diputra and Yasa (2021) examined “The influence of product quality, brand image, brand trust on customer satisfaction and loyalty”. The primary data were collected from 185 Samsung smartphone customers in Denpasar City through a purposive sampling technique. The data were analyzed using path analysis techniques using Structural Equation Modeling. The results from the analysis show that product quality is a significant predictor of brand image, brand trust and customer satisfaction, brand image and brand trust have a positive and significant effect on satisfaction. Customer Satisfaction leads to customer loyalty. product quality is found to be the main factor in increasing customer satisfaction and brand loyalty.

Haralayya (2021) studied “Effect of Branding on Consumer Buying Behaviour at Vijay Bharat Motors Pvt Ltd, Bidar”. The study was conducted to determine the level of effect of Branding on consumer buying behaviour, and to examine the interactive role of those factors on brand image and loyalty. The data were collected through a questionnaire from a sample of 50 Ford car users. They were selected through the convenience sampling method. The result was clearly identified that the premium segment is predominantly influenced by the brand's images of quality, luxury and style, and their buying decision and

brand loyalty are coordinated through the symbolic status, Brand Experience and Customer satisfaction

Liu et al.(2021) investigated “How trust mediates the effects of perceived justice on loyalty: A study in the context of automotive recall in China”.The research examined the influence of perceived justice dimensions on trust and brand loyalty among the customers of the automotive industry in China. The primary data were collected from 469 customers and the results from Structural Equation Modelling show that distributive and procedural justice had significantly influence on cognitive trust; interactional justice had a positive effect on affective trust. Both cognitive and affective trust significantly influence attitudinal loyalty; but only cognitive trust has a positive effect on behavioural loyalty.

Alfakih et al.(2022) studied “Determinants of the Malaysian Cars Brand Loyalty: Mediating Effect of Brand Satisfaction”, and investigated the relationship between various brand-related attributes and brand loyalty of Malaysian cars. For this 319 responses were collected through questionnaires, and PLS-SEM was applied to analyse the data. The results of the study revealed that brand image, brand trust and brand advertisement are significantly associated to brand loyalty; and it also confirmed that brand satisfaction mediates the effects of brand image, brand trust and brand prices toward brand loyalty.

### **Research Gap**

Previous research found a positive relationship between brand image and brand loyalty among automotive brands (Apak et al., 2012; Mabkhot and Shaari ,2017); Waluya et al., 2019) and in luxury brands (Liu et al., 2012; Rodrigues et al., 2019). The international research reviews showed that brand image of high-involvement products among customers has occurred due to the factors namely mystery, intimacy, user image congruity, usage image congruity, the long-term success of the brand, sustainable reputation, and sustainable marketing activities, whereas national studies brought out brand quality, country of origin image, sustainable marketing activities and sustainable outlook of the company as the factors of brand image. All these studies developed the dimensions of brand image by considering the symbolic benefits of the products. Since luxury products are purchased for symbolic reasons it is expected that the brand image of luxury cars derives symbolic benefits to the buyers.

Various studies emphasized the significant and positive relations of brand trust and brand loyalty in the automotive sector (Zehir et al., 2011; Hanaysha and Abdullah, 2015;

Nasir et al., 2020; Mas-Machuca et al., 2021; Dhanny et al., 2021; Suhan et al., 2022) and in luxury brands (Hur et al., 2014; Ghosh and Bhattacharya,2022). Innovation through continuous improvement of product features is taking place with regard to luxury cars and brand trust is used to position the products among customers. The international research reviews revealed that brand trust can be developed through brand communication, quality of service, product innovation, company reputation, perceived credibility, satisfaction, brand love etc. whereas national studies considered brand attributes, product attributes and social media attributes as the main antecedents of brand trust. Brand trust would contribute to greater loyalty in luxury cars and the current study is built on the multi dimensions of trust namely Intentions and Reliability suggested by Delgado Ballestar (2004) and Sahin et al (2011).

A strong relationship exists between brand experience and brand loyalty in the vehicle industry (Sahin et al., 2011; Zhang et al., 2011; Maheshwari et al., 2014; Nadzri and Musa 2014; Sayed, 2015; Mathew and Thomas,2018; Wang et al., 2018; Su et al., 2020) and in luxury brands (Hwang and Han, 2018). Brand experience dimensions namely Sensory, Affective, Behavioural, and Intellectual, and the dimensions of experience economy namely education, entertainment, esthetics, and escapism also product, shopping, service and consumption experiences are considered in international research reviews, whereas national studies brought out event marketing, brand clues, marketing communication, Sensory, Affective, Behavioural and Intellectual dimensions of experience as the factors of brand experience. Brakus et al.(2009) emphasized the four dimensions of brand experience namely Sensory, Affective, Behavioural, and Intellectual. The study considers these dimensions, as these are the key predictors of satisfaction and loyalty as per the literature.

The studies in the vehicle industry revealed that perceived value has a positive effect on brand loyalty (Moosa and Hassan, 2015; Anisimova et al., 2019; Simanjuntak et al., 2020). Studies in luxury brands also shows this relationship (Chung et al., 2019; Alinezhad et al., 2022; Rao and Ko, 2021). The international research reviews indicated that perceived value is measured through perceived experience, perceived usefulness, and various dimensions of perceived value namely functional, conditional, emotional, symbolic, hedonic, social, financial and economic, whereas in national studies perceived cost, perceived value for money, functional, emotional, social, hedonic, symbolic and economic values used as the dimensions of perceived value. Perceived value for the

present study is measured through the attributes namely Economic Value, Symbolic Value, Hedonic Value (Chung et al., 2019) and Functional Value (Moosa and Hassan ,2015) .

Product Differentiation always offers something new to customers and helps the companies gain customer loyalty. The impact of product differentiation on brand loyalty is widely studied (Tremblay and Martins-Filho, 2001; Bennett and Rundel-Thiele,2005; Dirisu et al., 2013; Reddy and Kavitha, 2019; Ishola, 2022) and the same are applicable to the automotive sector (Kumar et al., 2015; Kato, 2021). The international research reviews considered product quality, innovation, unique product features, usability, safety, and attractiveness as the factors to measure product differentiation, whereas brand differentiation, tangible attributes, and intangible attributes including branding, pricing and innovations were used in National studies. In the case of the luxury cars segment the product differentiation is carried out through Product innovation, Product Quality, and Unique Product features.

Brand Positioning occupies a distinctive place in the mind of the target customers and influences customer satisfaction and brand loyalty in the automotive industry (Liu and Meng,2017; Kirca et al., 2020; Bartikowski et al., 2019) and in multiple case companies (Jalkala and Keränen ,2014; Azmat and Lakhani ,2015;Liu et al., 2022). The international research reviews indicated that brand positioning of high-end products among customers has occurred due to beneficial positioning, surrogate positioning, competitive positioning and through cultural positioning strategies whereas national studies indicated that positioning occurred through emotional positioning, green positioning, and functional positioning. Attribute, benefit, surrogate, and competitive positioning strategies are the dimensions applicable to luxury car segments also and considered in the present study.

Customer satisfaction is the main notion of brand loyalty in automotive industry (Shirin and Puth ,2011; Jorgensen et al., 2016; Chu et al., 2019) and satisfaction has significant impact on brand loyalty among the customers of luxury cars (Koch and Mkhitarian ,2015). Satisfaction with material quality. After sales service, dealer satisfaction, safety, and social media presence are used as the attributes of satisfaction in international research, whereas the level of satisfaction on technological features, quality of service, service cost, service lead time, employee behaviour and price taken as the attributes of satisfaction in national research. The multi dimensions of satisfaction namely satisfaction on Technical attributes, Non-technical attributes and satisfaction on Dealer Service Quality are considered to analyze the customer satisfaction towards luxury brand cars.

As regards to brand loyalty, various studies are conducted on automobiles and vehicle industry (Sahin et al., 2011; Alhaddad,2015; Moosa and Hassan,2015; Jorgensen et al.,2016); Haralayya,2021; Alfakih et al.,2022; Suhan et al.,2022).While considering international research reviews the loyalty towards the brand is examined through cognitive and affective loyalty and through repurchase intention. Research reviews at the national level identifies whether the customers are loyal to the brand. Brand loyalty extended to its two dimensions Attitudinal and Behavioural loyalty (Pride et al., 2006) to analyze whether the customers of luxury car exhibit repetitive buying behaviour or positive attitude toward their brand.

The present study bridges the gap in the literature by incorporating the hedonic variables namely Perceived value, Brand Image, Brand trust and Brand Experience as the key variables that influence brand loyalty of automobiles. Further, Product Differentiation and Brand Positioning ultimately create customer retention and prerequisites for achieving brand loyalty.

- As the empirical evidence related to attitudinal and behavioural loyalty of luxury cars in the Indian context was limited, the study incorporated behavioural and attitudinal dimensions of brand loyalty
- The dearth of studies held in analysing the brand loyalty of High Networth Individuals(HNIs) especially Emerging High Networth Individuals(EHNIs), which is the growing segment of customers in India
- Among the literature explored, it is found that customer satisfaction is a powerful mediator, but a holistic study of the mentioned brand-related factors to brand loyalty and the mediation effect of satisfaction are not found in literature, and the study incorporated technical, non-technical factors and dealers' services for understanding customer satisfaction
- The study also included the effect of product differentiation and brand positioning on brand loyalty to make it very comprehensive and fill the gaps in studying brand loyalty on the luxury segment of cars among a particular segment of customers namely Emerging High Networth individuals(EHNIs)

Thus, by following the Stimulus-Organism-Response Theory and Social Exchange Theory, a research model incorporated in the study to examine the determinants of brand loyalty towards luxury cars by focusing on brand-related variables such as Brand image,

Brand experience, Perceived Value, Product differentiation, and Brand positioning. In addition, the mediation effect of customer satisfaction and the moderating effect of brand trust were incorporated in this study.