Abstract

The concept of brand loyalty is a very important concept for business practitioners as it directly impacts business profitability. Traditionally, satisfaction has been perceived as a key driver of brand loyalty. However, there are arguments that satisfaction cannot solely build brand loyalty. Consequently, a number of studies have incorporated other variables to examine the concept of brand loyalty. Nevertheless, the body of knowledge is still inadequate.

This research study aimed to provide more understanding on how to retain brand-loyal consumers by focusing on the roles of brand trust and perceived risk in the relationship between consumer satisfaction and brand loyalty. The conceptual framework of this study was constructed with four variables including consumer satisfaction, brand trust, perceived risk and brand loyalty. Brand trust and perceived risk was postulated as mediating variables in the framework.

This research focused on shampoo as the product category for the study. The Sunsilk brand was chosen as tested brand because it was the leader in Thailand's shampoo market. The primary data were collected and analyzed from 397 respondents who were the Sunsilk brand-loyal consumers residing in Bangkok. Two statistical methods consisting of the linear regression analysis and the structural equation modeling (SEM) were employed to test the existences of the relationships between variables in the framework and the model fit respectively. The descriptive statistics

including percentage and frequency were also used to present the characteristics of the research's respondents.

The results indicated that there is a significant relationship between variables in each hypothesis posited. The model fit indices showed that brand trust plays a crucial role as a mediating variable in the relationship between consumer satisfaction and brand loyalty. Although, perceived risk does not play a crucial role as a mediating variable in the relationship between consumer satisfaction and brand loyalty, it is significantly related to brand loyalty as an antecedent. Based on the findings, the author suggests several strategies for businesses to improve brand loyalty amongst their consumers.