

Abstract

Kotler, (1997), defined brand loyalty as the degree to which consumers consistently purchase the same brand within a product class. The objective of this research is to examine the trust and brand loyalty creating factors that affect consumers. Mainly, the research focused on the following aspects;

1. To determine whether Trust in a Brand has a significant relationship with Brand Loyalty among consumers of Nestlé's Cerelac in Chennai, India.
2. To determine whether a significant relationship exists between the factors that create Trust in a brand on Brand Loyalty.

The respondents were all 21 years or older and purchasers of Nestle's Cerelac. Questionnaires were distributed to 400 respondents in Chennai, India at 4 locations. The samples were chosen on convenience basis and analysis was carried out using frequency analysis, descriptive analysis and bi-variate testing (Pearsons' correlation). The results concluded that trust in a brand has a significant relationship with brand loyalty. Moreover, the factors that create trust also have a significant relationship with brand loyalty although at differing levels. These factors are Product Quality, Price, Trust in the company, Satisfaction, Awareness, Availability of substitutes and Perceived Risk.

The most important conclusion of this research is that trust in a brand has a significant impact on brand loyalty. Previous models were studied and also discussed with regard to their implications on this research. Marketers can therefore utilize this study to improve trust in the buyer-seller relationship and hence build brand loyalty.