

A Study of the Antecedent of Brand Trust: A Case Study of Low Cost Airline in Bangkok, Thailand

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Abstract— This research was investigated about the relationship between service quality, perceived value, customer satisfaction, corporate image, word of mouth and brand trust of AirAsia. Also, the researcher applied the factors such as nationality and monthly income level of the respondents to assess the difference in brand trust based on different nationalities and monthly incomes level of AirAsia's customers. The sample size was 400 respondents of AirAsia's passengers in Bangkok. The findings showed that there was a significant relationship among service quality and perceived value, service quality and customer satisfaction, and corporate image and customer satisfaction. Additionally, perceived value, service quality, customer satisfaction and corporate image had the significant relationship with word of mouth. Moreover, there was a significant relationship between word of mouth and brand trust. Furthermore, the findings of the research displayed that there was a difference in brand trust based on monthly incomes level of AirAsia customers. and also in this research, descriptive analysis was used to analyze demographic data, Pearson correlation coefficient, independent T-test and one way ANOVA .

Keywords—Brand trust, Service quality, monthly incomes level, and word of mouth.

I. INTRODUCTION

IN the past times the airline industry has gone through a significant alteration in its structure. Competition in the airline business is ferocious. Currently, this intense competition forces the whole industry to re-evaluate their service offering and customer trust programs. Therefore, all airlines attempt to develop trust among existing and new customers, while improving customer retention in an endeavor to improve their profitability. Airlines can beat this competitiveness which is by creating brand trust between their potential customers. Generating a strong level of brand trust can offer a competitive improvement to an organization. It is critical for airlines to commence the action and start activities to increase brand trust to make sure they achieve a concrete customer base. Considerable empirical studies in marketing support the associations between commitment and trust in the

field of service marketing. Customers' trust in service companies is one of the issues effective in their future performances. Trust is the propensity in order to conviction in The exchange party, so that one of the parties believes in the other's reputation Moorman et al. (1993) [1]. The studies directed in this field display that customers' trust- whether in the entire organization or the employees- is powerfully affected by their satisfaction Kau and Loh (2006) [2]. This outcome indicates that the higher or lower customer's satisfaction of a business is the higher or lower his trust in the business will be. Trust has an important effect on interactive structures of the customer, particularly on the trend to leave or be loyal to a service provider Singh and Sirdehmukh (2000) [3]. In fact, findings from empirical researches demonstrate that high levels of clients' trust in an organization have a substantial relationship with their higher tendencies to distribute the words of mouth about it Ranaweera and Prانبhu, (2003) [4]. One of the other reasons that word of mouth effects on the trust is its indirect effect through satisfaction. Trust creates the assistances such as a lower nervousness, non-assurance and susceptibility in the exchange for the customers. These assistances effect on satisfaction that effects on the word of mouth to improve trust, mainly in the field of service which is more complex Hennig-Thurau et al. (2002) [5]. Based on this study, the researcher would study, which how word of mouth of AirAisa in effected by perceived quality, service quality, customer satisfaction and corporate image. And how brand trust is affected by word of mouth. The researcher also would examine and analyze the relationship between service quality with perceived value and customer satisfaction, corporate image with customer satisfaction, service quality, perceived value, corporate image and customer satisfaction with word of mouth and also word of mouth with brand trust of AirAsia.

II. LITERATURE REVIEW

A. Brand Trust

Brand trust is defined as the degree to which an individual is confident, and eager to act on the basis of the words, actions and results of others McAllister (1995) [6]. Brand trust is basically the emotional commitment of the customers with brand. Marketers are now days very much interested in trust because mostly it is observed that higher trust ratings are positively related to loyalty Reast (2005) [7]. One of the major aims of building brand trust is to achieve a sustainable

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competitive advantage and thereby enhance a business performance.

B. Word of Mouth

Word of mouth which is defined as informal communication directed to other consumers about the ownership, usage or characteristics of particular goods and services and their sellers Westbrook (1987) [8]. Another definition of word of mouth is the extent, to which a customer informs friends, relatives and colleagues about an event that has created a certain level of satisfaction. Research shows that the impact of word of mouth is particularly important in services Gremler (1994) [9]; Heskett et al. (1997) [10], where consumers are more likely to be dependent on the communication of others.

C. Perceived Value

Customer perceived value is defined as the consumer's overall assessment of the utility of a product based on perceptions of what is received and what is given Zeithaml (1988) [11]. Perceived value has its root in equity theory, which considers the ratio of the consumer's outcome/input to that of the service provider's outcome/input. Two essential conceptions are established with customer perceived value (CPV). First, Customer Perceived value is a result from the consumers pre-purchase perception (expectation), evaluation during the transaction (expectation versus received), and post-purchase (after-use) assessment (expectation versus received). Second, Customer Perceived Value involves a divergence between the benefits received and sacrifices given.

D. Service Quality

Service quality is customer perception about product/service is based on quality of service or product. the most common definition is the traditional notion that views quality as the customer's perception of services excellence, i.e. quality is the customer's impression of the services provided. The assumption behind this definition is that the customers form a perception of service quality according to the service performance they experienced. It is therefore the customer's perception that rates the service quality of an entity.

E. Customer Satisfaction

Satisfaction can also be a person's feelings of pleasure or disappointment that results from comparing a product's perceived performance or outcome with their expectations. Customer-centered companies have emphasized a better understanding of customer's needs and wants and then translated them into the capability to give customers what they really need and want. When a consumer/customer is contented with either the product or services it is termed satisfaction. As a matter of fact, satisfaction could be the pleasure derived by someone from the consumption of goods or services offered by another person or group of people; or it can be the state of being happy with a situation. Customer satisfaction is the key factor determining how successful the organization will be in customer relationships Reich held (1996) [12], therefore it is very important to measure it.

F. Related Reviewed between Service Quality and Word of Mouth

Cronin and Taylor (1992) [13] stated that there is a great volume of research supporting the fact that service quality is an antecedent of consumer satisfaction which is conducted to word of mouth . Although the above relationships between WOM and service quality have been extensively researched in the past, there is limited research related on the effect that service quality dimensions have on satisfaction and WOM, at the same moment.

G. Related Literature Reviewed between Customer Satisfaction and Word of Mouth

Westbrook and Oliver expressed. That satisfaction includes consumer's evaluation from various experiences of the person from a product or service provider during the time and since this cumulative construct combines with the previous experiences of the person, the cumulative satisfaction construct includes also the element of the consumer's attitude.

H. Related Literature Reviewed between Corporate Image and Word of Mouth.

A number of other researchers have explored word-of-mouth effects and their effect on corporate image evaluations (e.g., Laczniak et al., 2001, Smith and Vogt 1995) [14]. For that reason, marketers and organizations are interested in promoting and stimulating positive word-of-mouth and avoiding negative word-of-mouth, which can be extremely dangerous to the image of a corporation or a brand. Positive word-of-mouth is a powerful tool for companies to promote their business; negative word-of-mouth can have a disastrous impact on a company's image.

I. Related Literature Reviewed between Word of Mouth and Brand Trust

In the field of service marketing, customers' trust in service companies is one of the factors effective in their future behaviors. Trust is the tendency to trust in the exchange party, so that one of the parties trusts in the other's reputation. The studies conducted in this field show that customers' trust-whether in the whole organization or the employees- is strongly affected by their satisfaction .One of the other reasons that trust effects on the word of mouth is its indirect effect through satisfaction. Trust produces benefits such as a lower anxiety, non-assurance and vulnerability in the exchange for the customers. These benefits affect on satisfaction that effect on the word of mouth, especially in the field of service which is more complex.

J. Related Literature Reviewed between Demographic Factors (Nationality and Income) and Brand Trust

Demographics provided some information that could be used to describe individuals but did little upon which marketing strategies could be based in this study, among other demographic factors, the researcher has selected the factors such as nationality and income level to examine the difference among them with brand trust of AirAsia. Nationality is an important demographic variable which influence consumption

patterns. Nationality can determine the values, wants, needs, lifestyle, and characteristics of consumers. Seaton and Bennet found that both in terms of generating regions from which they come and the destination regions at which they arrive, has always been central to tourism analysis and formed the word of mouth about the trust to the organization brand which they experienced it. Prebensen analyzed tourists with different nationalities and knowledge about the brand of company which they intend to trust and experience it. In such a context, brand identity of an organization can serve as a general relational network, which shows historical, national or cultural relationships to acquire the trust of the travelers with different nationalities. *Income*: Level Martin and Marshall stated that on the influence of low and high involvement advertising in the cellular market, price is more important to students than the images created by advertising in order to believe a firm brand. Kress, Ozawa and Schmid stated that consumers will switch to a lower-priced brand if they trust and perceive it to be of better value. Hawkins et al. indicated that different social classes will spend their income differently for the services or products of a brand; individuals in the upper social class will not be price sensitive when buying products or services, while the lower class will be more price-sensitive and will not easily spend disposable income on luxurie.

III. RESEARCH FRAMEWORK AND HYPOTHESES

The conceptual framework (see Fig. 1) is conceptualized from reference, In this study a conceptual framework is developed based on previous empirical researches. This research is aimed at studying the relationship of the factors with Brand Trust in Air Asia. The purposed investigation also determined to examine a difference in brand trust based on different nationalities monthly income levels. For this conceptual framework, there are 6 independent variables, which are perceived value, service quality, customer satisfaction, corporate image, word of mouth, and demographic characteristics. The dependent variable is Brand Trust. The researcher aims to find effect of the independent variables on dependent variable.

IV. HYPOTHESES

H1o: There is no relationship between service quality and perceived value.
 H2o: There is no relationship between service quality and customer satisfaction
 H3o: There is no relationship between corporate image and customer satisfaction.
 H4o: There is no relationship between perceived value and word of mouth.
 H5o: There is no Relationship between service quality and word of mouth.
 H6o : There is no relationship between customer satisfaction and word of mouth.
 H7o : There is no relationship between corporate image and word of mouth.
 H8o: There is no relationship between word of mouth and brand trust.

H9o: There is no difference in brand trust based on different nationalities.

H10o : There is no difference in brand trust based on different monthly income levels.

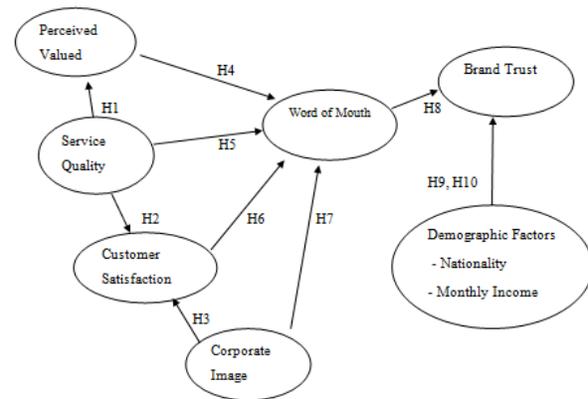


Fig.1 Conceptual Framework of brand trust

V. RESEARCH METHODOLOGY

In this research respondents are the Thai and non-Thai passengers of AirAsia, and the respondents from terminal 1, from the international flights, who come from the arrival parts at Don Muang International Airport. Totally 400 respondents participated cooperated in this survey. In this research, the researcher applied the comprehensive questions in questionnaires to reach the required information from the targeted population. The design of the questionnaire is based on the conceptual framework and previous empirical research.

A. Questionnaires

The questionnaire designed in English and then to Thai version. It includes four parts. Part I includes Screening Question, part II includes Factors Affecting Brand Trust, part III consists Brand Trust and part IV consists Demographic Profile.

B. Methods of Analysis

In this research, descriptive analysis was used to analyze demographic data. Pearson correlation coefficient, independent T-test and one way ANOVA were used to test the null-hypotheses H9o and H10o, respectively.

VI. SUMMARY OF THE FINDINGS

The research indicates the results of the data gathered from AirAsia customers. The whole analysis processes highly depend on the SPSS program. The data will be processed through three parts. First, descriptive analysis of the depend on the SPSS program. The data will be processed through three parts. First, descriptive analysis of the demographic factors is taken to depict the most basic information of respondents. Next, the descriptive analysis of the main variables describes the mean and standard deviation of each component of variables. The final section is hypothesis testing in which the researcher applied the appropriate means of the software

programs. Each of the hypotheses has been tested by using the relevant statistical test.

TABLE I
SUMMARY OF THE NULL-HYPOTHESIS TESTING

Null hypothesis description	Statistical test	Significance	Correlation coefficient	Result
H1o: There is no relationship between service quality and perceive value.	Pearson correlation coefficient	.000	.438**	Reject Ho
H2o: There is no relationship between service quality and customer satisfaction.	Pearson correlation coefficient	.000	.601**	Reject Ho
H3o: There is no relationship between corporate image and customer satisfaction.	Pearson correlation coefficient	.000	.407**	Reject Ho
H4o: There is no relationship between perceive value and word of mouth.	Pearson correlation coefficient	.000	.578**	Reject Ho
H5o: There is no relationship between service quality and word of mouth.	Pearson correlation coefficient	.000	.904**	Reject Ho
H6o: There is no relationship between customer satisfaction and word of mouth.	Pearson correlation coefficient	.000	.814**	Reject Ho
H7o: There is no relationship between corporate image and word of mouth.	Pearson correlation coefficient	.000	.375**	Reject Ho
H8o: There is no relationship between word of mouth and brand trust.	Pearson correlation coefficient	.000	.817**	Reject Ho
H9o: There is no difference in brand trust based on different nationalities.	Independent Sample T-test	.743		Failed to Reject Ho
H10o: There is no difference in brand trust based on different monthly income levels.	One-way ANOVA	.045		Reject Ho

VIII. SUMMARY AND CONCLUSION

For testing the relationship between to variables, Pearson's Correlation analysis was used in this study. From the study results, all null hypotheses 1,2,3,4,5,6,7,8,10 were rejected and hypotheses 9 failed to reject. as all hypotheses significant values at 0.000 were less than 0.01 at the 99 percent confidence level. The results indicated had a moderate positive relationship with perceived value in hypothesis 1, 3, 4 (Correlation coefficient=0.438, 0.407, 0.578, respectively), And strong and positive relationship for hypothesis 2, 5, 6, 8 (Correlation coefficient=0.601, 0.904, 0.814, 0.817) and for hypothesis 7 there was a weak strong positive relationship.

Additionally the ninth hypothesis showed that there is no significant difference in brand trust among Thai and Non-Thai customers of AirAsia and the tenth hypothesis showed that there is a significant difference in brand trust among monthly income levels of AirAsias' customers. Consequently this study is investigated the brand trust of AirAsia in Bangkok. It is followed with a study about the factors effecting brand trust of AirAsia by considering the relationship among service quality and perceived value, service quality and customer satisfaction, corporate image and customer satisfaction. Also, the researcher examined the relationship between perceived value, service quality, customer satisfaction, and corporate image with word of mouth. The research followed with a structure model of the relationships between word of mouth and brand trust. Furthermore, the researcher evaluated a difference in brand trust based on different nationalities and monthly income levels of the customers.

For the demographic factors of the research, the results indicated that most of the customers of Air Asia were female and the aged between 20-29 years old, the most of them had Thai nationality and worked as official employees. In other

words, the AirAsia customers who used the services of this airline were mainly young and Thai female adults and worked as official employees in Bangkok. The AirAsia managers or planner should consider this group of people. They must analyze and understand their requests and desires in order to make them more satisfied and keeping their trust to airline's brand.

VIII. RECOMENDATIONS

Based on hypothesis 1, the researcher found that service quality had a positive relationship with perceived value. AirAsia should improve the quality of its services to get the more perceived value of the company. AirAsia's managers should develop the in-flight services such as seating facilities, meals and drinks to increase the perception of the company's value by the customers. In-flight services will be experienced and perceived at a highly individualistic level, and a passenger is strictly looking for the best value for money (Antonides et al., 1998). AirAsia should improve the quality of its services and make the better image of the company to achieve the more satisfaction of the customers. AirAsia's managers should develop the in-flight services, consistency of ticket prices and the good image of company to increase satisfaction of the customers. In addition, AirAsia's managers should attempt to develop the in-flight services and creating the good image of company to satisfy more their customers in order to increase the word of mouth of the airline and the better advertisements can create the excellent word of mouth of the airline among the customers to improve the brand trust of the airline. But there is a significant difference in brand trust based on different monthly income levels of AirAsia's customers. The most group of customers had the monthly income lower than 30,000 Baht. Then, the managers of AirAsia should focus on

this group of people to keep and increase their trust to airline's brand

IX. FURTHER RESEARCH

In order to improve and develop on the findings, various additional researches can be conducted. This study will help the airline industry. Also, the researcher would like to recommend other future researches based on the study.

First, the researcher studied only the particular variables. In this research, the researcher studied many independent variables such as perceived value, service quality, customer satisfaction, corporate image and word of mouth that affect dependent variable that is brand trust. In further researches, the researchers would like to apply other independent variables to affect brand trust. Second, in this study the researcher studied about the trust from AirAsia's passengers at the arrival section of the Don Muang International Airport in Bangkok. For future study, other researchers should study about other airports, and also other airlines. Third, based on the research only two factors of demographic profile is applied to study in this research. Other researchers may apply other factors of demography such as age levels, gender, and occupation and so on.

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