Influence of Perceived Quality and Brand Awareness on Brand Loyalty: Examining the Mediating Role of Brand Trust within Biscuit Industry in Sri Lanka

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Building and managing consumer brand relationships to foster Brand Loyalty is a challenge for marketers. Investigation on the behavior of consumer brand relationships in the Biscuit Industry is a necessity, as it is a major industry in Sri Lanka. Furthermore, identifying the influencing ability of Perceived Quality on Brand Loyalty is an emergent need in the biscuit industry in Sri Lanka, since there is a growing trend of investments on quality improvements without investigating the effectiveness in terms of Brand Loyalty. By referring to relevant literature and accepted theories, the conceptual framework of this research is developed in order to examine the influence of Perceived Quality and Brand Awareness on Brand Loyalty. The research also examined the mediating effect of Brand Trust on the relationship of Perceived Quality and Brand Loyalty as well as the relationship of Brand Awareness and Brand Loyalty. This research follows deductive approach and cross-sectional time horizon. The study is carried out under quantitative strategy through survey method by using structured questionnaire. Subsequent to the assurance of validity and reliability measures of the scale through pilot study, 389 respondents contributed for the final data collection. The data were analyzed using multiple regression method. The results indicate that, there is no significant positive influence of Perceived Quality on Brand Loyalty, while there is a significant positive influence of Brand Awareness on Brand Loyalty. Similarly, there is a significant positive influence of Brand Trust on Brand Loyalty. In addition, the results emphasize that there is a full mediation effect of Brand Trust on the impact of Perceived Quality on Brand Loyalty, while it engages on the impact of Brand Awareness on Brand Loyalty as a partial mediation. This research contributes to the literature on consumer-brand relationships with empirical evidence from Sri Lanka. Further, this study provides direction for marketers in the Biscuit Industry to enhance Brand Loyalty to become competitive in the market.

Keywords: Brand Awareness, Brand Loyalty, Brand Trust, Mediation, Perceived Quality