

Organic Food Brand Trust and Brand Loyalty: Evidence from Thailand

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This study investigates the antecedents of trust in organic food brands and the effect of brand trust on brand loyalty. Previous research has addressed brand trust, but none has examined brand trust concerning brand loyalty in organic goods, a developing trend in many nations. A survey was done with 386 Thai consumers of organic foods. Using path analysis, the magnitude and relationships between variables were estimated. The findings indicate that brand competency and generosity increase organic brand trust. Moreover, brand trust was found to influence both attitudes and behaviors about brand loyalty. The study predicts that brand trust inspired 76% of the purchasing behavior loyalty.

Key words: Brand trust, brand loyalty, organic food, brand competency, brand credibility, brand benevolence.

1. INTRODUCTION

As a result of consumers' preference for nutritious, safe, and high-quality foods during the past few decades, the production and consumption of organic foods have expanded considerably worldwide. Thailand, like other nations, has seen an increase in organic food consumption in recent years (Yanakittkul et al., 2020). Organic farming is still in its infancy in Thailand. Hence only a small number of organic food products are produced (Dhiravegin, 2017). Providing farmers with information through the synergy of supply chain partnerships will increase the sustainability of organic vegetable production (Tongkum, 2014).

The administration identified organic agriculture as one of the country's top priorities (Cavite et al., 2022). Thailand's organic vegetable business is still in its infancy. One of the causes is that consumers lack confidence in organic foods and their certification's trustworthiness (Pattweekongka et al., 2019).

Brand confidence is the customer's conviction that the brand will perform as expected. Trust and organic knowledge are significant predictors of organic food selection (Pattweekongka et al., 2019). Their faith in organic companies should facilitate consumers' purchasing of organic food. Brand confidence decreased risk consciousness and lowered skepticism (Bae, 2018). Previous research has demonstrated the correlation between brand trust and loyalty (Akoglu et al., 2021). Developing client trust in a brand is of utmost importance, but our current understanding of how this is accomplished is limited.

Therefore, this research sought to address two primary research questions: (1) What are the precursors of brand trust? (2) How does brand trust impact brand loyalty?

In the present study, organic brands are identified by symbols, logos, trademarks, or brand personalities representing the community or cooperative in which the organic food products are produced. The overall purpose of this research was to inspect antecedents of trust in

organic food brands in Thailand and to explore how that trust impacts brand loyalty.

2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

2.1 Brand loyalty and Brand Trust

Customers may migrate to a different brand if certain conditions, such as a price increase, occur. Brand loyalty is demonstrated by a customer's continuous repurchase of a cherished brand (van der Westhuizen, 2018). Two aspects of brand loyalty can be measured: attitude loyalty and behavior loyalty (Srivastava et al., 2016). Behavioral loyalty, also known as behavior brand loyalty, refers to recurrent purchases of the same brand, whereas attitudinal loyalty, also known as attitude brand loyalty, refers to the intention to continue purchasing the same (Samlejsin et al., 2022; Srivastava et al., 2016). Dimensions of brand trust include credibility, competency, and altruism (Chan-Olmsted et al., 2022)

Previous research demonstrated that brand trust is a significant predictor of customer brand commitment and, consequently, brand loyalty (Pattweekongka et al., 2019). Customers frequently purchase reputable brands because of lower perceived risk (Atulkar, 2020). The measure of a customer's commitment to a particular brand consists of brand trust and brand loyalty (Atulkar, 2020). According to earlier research (Akoglu et al., 2021; Pattweekongka et al., 2019), brand trust significantly affects brand loyalty. Although Hiranrithikorn et al. (2019) discovered that trust has no statistical impact on brand loyalty, this does not mean that trust does not influence brand loyalty.

Therefore, it is hypothesized that:

H1: Brand trust will have a positive effect on attitudinal brand loyalty.

H2: Brand trust will have a positive impact on behavioral brand loyalty.

2.2 Brand Benevolence

Fundamentally, benevolence is connected with the firm that owns the brand, not the product itself (Mal et al., 2018). Customers' consistent favorable experiences with the

company's products may increase their trust in the company over time. Consequently, it is hypothesized that:

H3: A boost in brand benevolence escalates brand trust.

2.3 Brand Credibility

Brand credibility is the capacity and propensity to consistently deliver what has been promised (del Barrio-García et al., 2019). The prior study demonstrates that credibility increases brand confidence (Ngo et al., 2020). Thus, it is hypothesized:

H4: An increase in brand credibility increases brand trust.

2.4 Brand Competence

Brand competence refers to the capacity of a brand's owners to recognize consumer issues and satisfy their demands. Chan-Olmsted & Kim (2022) have shown that competence is crucial to brand trust. The fifth hypothesis thus is:

H 5: An increase in brand competence increases brand trust.

Accordingly, the conceptual foundation of this study (see Figure 1) is that brand kindness, credibility, and competence all contribute to brand trust, which promotes attitude and behavior loyalty.

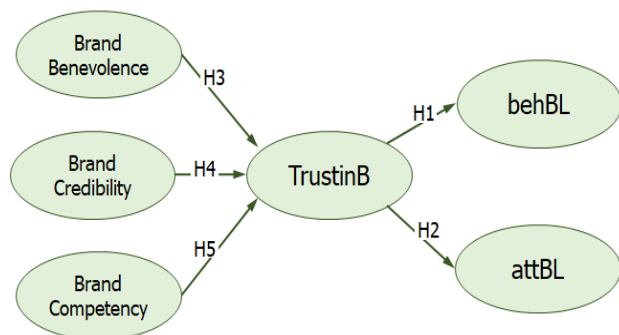


Figure 1. Conceptual framework

Notes: TrustinB = Trust in Brand, behBL = Behavior Brand Loyalty, attBL = Attitude Brand Loyalty

3. RESEARCH METHODOLOGY

3.1 Population and Sampling Technique

According to Aonngernthayakorn and Pongquan (2017), seven provinces make up central Thailand's most influential organic agricultural zone. Consequently, these provinces represent Thai consumers of organic foods in this study. The sample size was calculated to be 386 respondents. They utilize a stratified sample technique by region and organic food distribution route. According to Kateprasit (2018), these four channels include supermarkets, hypermarkets, community markets, and organic-only stores, and each channel has a different percentage of client quotas.

3.2 Questionnaire and Instrument Development

A structured questionnaire was devised to assess brand trust, brand loyalty attitudes, and brand loyalty behaviors.

Metrics for evaluating brand competence, brand trustworthiness, and brand goodwill. All responses were measured on a 7-point scale ranging from 1 (strongly disagree) to 7 (strongly agree) (strongly agree). Checking the research instrument's content validity, item-objective congruence was determined to be 0.89 (IOC). Cronbach's alpha was calculated for all measurements, and the resulting reliability scores ranged from 0.822% to 0.946%. The poll investigated customers' perceptions of a brand's competence, credibility, and altruism, as well as their attitudes and behaviors about brand loyalty. Consequently, the structural model had five variables. The Cronbach's alpha values for all five measurement models (see Table 1) exceeded the 0.70 thresholds that Hair et al. (2018) advised.

Table 1; Reliability of The Measurement Models

Variable	Cronbach's alpha	Number of items
Behavioral Brand Loyalty	0.863	4
Attitude Brand Loyalty	0.825	4
Brand Competency	0.806	2
Brand Credibility	0.802	2
Brand Benevolence	0.885	2

3.3 Data Collection and Statistics Analysis Method

From April to June 2018, surveys were collected utilizing random sampling for data collection. Path analysis was performed on the data using IBM SPSS AMOS software for statistical model fit and hypothesis testing tests. Hair et al. suggested using the goodness-of-fit statistical test (2018). Here, the model-fitting statistical criterion approach was utilized. Normalized chi-square (CMIN/DF), root mean square error of approximation (RMSEA), Normed Fit Index (NFI), Tucker-Lewis Index (TLI), and comparative fit index are five well-known goodness-of-fit metrics (CFI). All indicators utilized in the measurement model were evaluated using comparison criteria indicating the model's adequacy (see Table 3).

4. RESULTS

4.1 Path Analysis Technique

As indicated in Table 2, principal components factor analysis was utilized to uncover the questionnaire's underlying factors. Five structures and fourteen items made up the measuring model. The factor loadings of the item's scales ranged from 0.752% to 0.927%. All of these exceeded the acceptable criterion of 0.7, as stated by Hair et al. (2018). At < p 0.01, all item scales were significant. The variables' squared multiple correlation (SMC) ranged from 0.566 to 0.800. The acceptable dependability requirement is a value greater than 0.5. According to Hair et al. (2018), sufficient convergent validity criteria for the measurement model include composite reliability, CR > 0.70, and average variance extracted, AVE > 0.50. All five measured constructs had CR values of 0.856 or above, suggesting they surpassed the allowed limit. The AVE values varied from 0.655-0.793, indicating that the discriminant validity of all five measurement constructs was satisfactory.

Table 2: Factor Loading, Reliability and Validity of All Measures of Constructs

Construct	code	Questions	Standardized loading	p-value	SMC	Convergent validity CR	AVE
Behavior Brand Loyalty	BB1	I buy my regular organic brand more often than other brands.	0.825	<0.001	0.681	0.912	0.722
	BB3	I buy more categories of products from my regular organic brand.	0.752	<0.001	0.566		
	BB4	The amount of money I spend on my regular organic brand is increasing.	0.884	<0.001	0.781		
	BB8	I am happy to spend time finding my regular organic brand.	0.927	<0.001	0.860		
Attitude Brand Loyalty	BL4	I intend to repurchase my regular organic brand.	0.813	<0.001	0.660	0.883	0.655
	BL1	I will probably repurchase my regular organic brand.	0.853	<0.001	0.728		
	BL11	I consider myself a loyal customer of my regular organic brand.	0.796	<0.001	0.634		
Brand Competency	B1	I will keep buying the same organic brand as long as I am satisfied.	0.772	<0.001	0.595	0.875	0.778
	B2	I believe that my regular organic brand is better than other brands.	0.873	<0.001	0.762		
Brand Credibility	B2	I believe that the manufacturer of my regular organic brand is professional in organic food production.	0.891	<0.001	0.794	0.884	0.793
	B4	I believe that the organic brand I buy has transparent quality information. I think that the label of the organic band I buy has precise information.	0.865	<0.001	0.749		
Brand Benevolence	B3		0.915	<0.001	0.838	0.856	0.749
	B8	I think buying my regular organic brand is a way to participate in helping farmers and society.	0.836	<0.001	0.731		
	B9	I think the organic brand I buy has ethical operation management.	0.894	<0.001	0.776		

Notes: SMC = squared multiple correlation, CR = composite reliability, AVE = Average variance extracted

Table 3: Goodness-of-Fit Metrics for The Measurement Model

	CMIN/DF	RMSEA	NFI	TLI	CFI
Measurement model (df=63)	2.850	0.069	0.957	0.959	0.972
Criterion for indices (Hair et al., 2014)	< 3.00	< 0.07	>0.90	> 0.95	> 0.95
Interpretation	(Adjust for n > 250) GF	GF	GF	GF	GF

Notes: GF = good fit, CMIN/DF = normalized chi-square, RMSEA = root mean square error of approximation, NFI = Normed Fit Index, TLI = Tucker-Lewis Index, CFI = comparative fit index, and n = 386

Table 4: Correlations among the Constructs

Paths method	Standardized estimates	Hypotheses	Interpret		
TrustinB	beta				
	behBL	0.756	<0.001	H1	Accepted
TrustinB	attBL	1.066	<0.001	H2	Accepted
Benevolence	TrustinB	0.232	0.005	H3	Accepted
Credibility	TrustinB	-0.316	0.097	H4	Rejected
Competence	TrustinB	0.900	< 0.001	H5	Accepted

Notes: TrustinB = Trust in Brand, behBL = Behavior Brand Loyalty, attBL = Attitude Brand Loyalty

All five indices suit the measurement model's good-of-fit metrics well (see Table 3). These measures demonstrate how effectively the theoretical model captured the data. The standardized path estimates and hypothesis tests are summarized in Table 4. All predictions came true. It was confirmed that H1, H2, and H3 were statistically significant. With estimate values of 0.756 and 1.066, respectively, brand trust strongly predicted both behavioral brand loyalty and attitudinal brand loyalty ($p < 0.01$). As a result, attitudinal brand loyalty had a higher estimate than behavioral brand loyalty. On average, 76% of consumers can predict brand loyalty based on behavior. Brand benevolence and perceived brand competence, both of which had estimated values of 0.232 ($p = 0.005$) and 0.900 ($p < 0.01$), respectively, strongly predict brand trust. Brand trust, however, is not considerably impacted by brand credibility.

5. CONCLUSION AND DISCUSSION

We looked at the causes of brand loyalty and the impact of brand trust on organic food brands. According to the findings, perceived brand competency and kindness boost brand trust. Our investigation, however, showed that brand trust is not significantly impacted by brand credibility. The results showed that behavioral and attitudinal loyalty were both influenced by the brand trust.

Organic buying habits are driven by attitude, brand loyalty, and reputation (intention to buy). In other words, consumers who trust an organic brand are likely to remember it and plan to purchase it. However, just 76% of consumers still make purchases based on a product's intended use throughout the decision-making stage (behavioral loyalty).

Thai consumers are more likely to repurchase an organic food brand because they firmly believe it. Manufacturers should strengthen brand competency and brand benevolence to increase brand trust. Customers should have the chance to try out marketers' organic brands. This can be accomplished by improving brand competency through consumer happiness with their brands, swift delivery, and accuracy of the food served. This brings to mind a prior study by Yu et al. (2021) using an evolutionary game technique, which suggested a more effective state when the organic retailers shared knowledge more promptly.

In addition to brand benevolence, organic brand producers should practice Corporate Social Responsibility (CSR), which includes taking the initiative to address issues affecting their employees and the environment. Since people believe organic food is better for their health and the environment, organic food businesses can market their brand's altruism by protecting the environment and taking care of their employees. According to prior research, customer happiness will result from CSR for the environment and employees (Jermisittiparsert et al., 2019).

As the significant success that makes an organic food firm more sustainable, brand competence, brand benevolence,

and brand trust are elements discovered in the current research as the antecedents of brand loyalty in intention and buying behavior. Organic food products must undergo frequent quality monitoring that the consumer directly notices. Consumers' favorable opinions of organic food goods must build up over time until they feel a sense of loyalty toward the brand.

Another crucial element is that brand loyalty will give organic food firms fresh prospects. Market competitiveness, global dynamics, and the Covid-19 epidemic may make it possible for organic food businesses to profit from the global difficulties being experienced. Due to consumers' confidence and loyalty towards the organic brands they frequently purchase, their decisions to buy these brands are not influenced by concerns about the prices of the items, as their buying behavior for organic food has become automatic.

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Declaration of ownership

This research is my original work.

Conflict of interest

None

Ethical clearance

This study was approved by my institution.