JEMSI (Jurnal Ekonomi, Manajemen, dan Akuntansi) E-ISSN: 2579-5635, P-ISSN: 2460-5891 Volume 9 (5) Oktober Tahun 2023, Hal 2139-2144.

# Analysis of The Influence of Brand Trust and Brand Image on Customer Loyalty of Toyota Family Car Product

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#### Article's History:

Received 10 Agustus 2023; Received in revised form 21 Agustus 2023; Accepted 11 September 2023; Published 1 Oktober 2023. All rights reserved to the Lembaga Otonom Lembaga Informasi dan Riset Indonesia (KITA INFO dan RISET).

#### Suggested Citation:

Sotjipto, N., Dewi, L. K. C., Ratnawita., Ariani, D., Wulandjani, H. (2023). Analysis of The Influence of Brand Trust and Brand Image on Customer Loyalty of Toyota Family Car Product. JEMSI (Jurnal Ekonomi, Manajemen, Dan Akuntansi), 9 (5). 2139-2144. <u>https://doi.org/10.35870/jemsi.v9i5.1560</u>

## Abstract:

This study attempts to examine how customer loyalty is affected by brand trust and image for one of Toyota's bestselling vehicles in Indonesia. The study's sample consists of one city residents in Indonesia who drive vehicles. Data collection for this study has been done using a convenience sample strategy. In this study, there are 100 participants, all of them live in the city and drive vehicles. According to the study's findings, brand loyalty for Toyota cars is significantly influenced by both brand image and brand trust at the same time. Partially, brand trust and image have a big impact on how loyal Toyota automobile buyers are.

Keywords: Customer Loyalty, Brand Trust, Image, Toyota, Automobile

## Introduction

The corporate world is expanding quickly these days. This is a result of original and creative thinking. The marketing notion has also evolved along with this approach. Consumer requirements are increasingly the primary focus of marketing initiatives. Every firm seeks to turn a profit, and marketing efforts are essential to achieving this objective. In order to be more specific about the target audience, marketing itself must be planned out well in advance. Because before deciding on a location that can offer customers the best level of pleasure, potential customers will take into account a variety of criteria, including value aspects, brand image, and confidence in the company. Automotive businesses in Indonesia are offering a growing variety of goods, including both well-known and less well-known brands. Each business strives to distinguish its goods in order to provide them distinctive qualities that make them appealing (Alexander, 2014).

Despite the faltering domestic economy this year, Indonesia's automobile sector is nevertheless expanding and showing promising signs. According to data from the Ministry of Cooperatives and SMEs, more than 1 million cars have been sold in Indonesia during the past two years. Multipurpose Vehicle (MPV) type automobiles, which commanded up to 41.84% of the national market share last year, continue to account for the majority of new car sales. Some of the factors that contribute to Indonesia's high automotive sales include the country's sizable market potential and strong economic fundamentals, including an average per capita income of US\$3600 and a population-to-car ownership ratio of 1000:43, which contribute to Indonesians' strong interest in and purchasing power in the automotive industry (Lumingkewas, 2016).

The middle class in Indonesia, on the other hand, is expected to rise to 104 million people. Many people are encouraged to enjoy an increase in wellbeing and join organizations with increasingly restricted lifestyles as per capita income rises. Third, Indonesia has a sizable human resource (HR) base, which creates several opportunities for the local manufacturing sector to grow and assist the national automotive industry. Basically, individuals purchase vehicles in order to be mobile from place to place and to move items on a daily basis. The tightening of manufacturer-to-manufacturer rivalry in today's highly competitive automotive market forces automakers to continuously improve their goods in an effort to maintain their current market share (Purwantini et al., 2023).

The wide variety of automobile brands available in Indonesia make the auto industry's rivalry more fascinating and encourage automakers to enhance their goods and provide fresh ideas. Toyota is one of the numerous vehicle brands available in this nation and continues to outsell other brands in terms of sales. The most popular Toyota vehicle among people is the Avanza (Lumingkewas et al., 2019). The Toyota Avanza is the top-selling vehicle among all automobile brands in 2014, as can be seen from the data from ZonaMobil.net. Not only in 2014, but also in 2013 the Toyota Avanza was noted as the first automobile that many people purchased, making it the most popular car in Indonesia at the time. At that time, more than 150 000 Toyota Avanza vehicles were sold in Indonesia. This demonstrates that Toyota brand loyalists have purchased the Toyota Avanza automobile.

Loyalty is the main goal of marketers for their products, brands or services, the power of customers as one of the keys to success in business. Customers who are loyal to a particular product will give the first priority in shopping for that product. This can last for a long time and end when there is a mismatch that will break the strong bond between the customer and the product. Trust and brand image have an influence on customer loyalty, because brand trust will determine consumer loyalty to the brand and trust has the potential to create high-value relationships, and a good image of a brand can lead to consumer loyalty to a brand (Sunarno et al., 2022).

## **Literature Review**

Brand image is a key element in the business world that refers to the perception that consumers or stakeholders have of a brand or company. It includes a number of aspects that contribute to the way the brand is understood and recognized by the public. Brand image includes the attributes of the product or service offered, the brand values, the emotions and identity associated with the brand, the brand reputation, as well as the experience that the brand provides to consumers. Product attributes include the physical and functional characteristics of the product or service associated with the brand, such as design, quality, features, and product advantages. Brand values reflect the principles or philosophies held by the brand, such as integrity, innovation, or sustainability. Meanwhile, emotional aspects include how the brand makes consumers feel, such as happiness, confidence, or identification with the brand (Lumngkewas et al., 2019).

Brand reputation is an integral part of brand image and reflects perceptions of a brand's credibility and track record within its community. The consumer experience provided by the brand, whether through products, customer service, or other interactions, also plays an important role in shaping brand image. A strong and positive brand image can be a valuable asset for a company. It helps in differentiating the brand from competitors, increasing customer trust, and influencing purchasing decisions. Companies often work hard to build and maintain a brand image that suits their goals and strive for a positive and consistent image in the eyes of consumers. In an era of globalization and intense competition, a strong brand image can be a key factor in achieving sustainable business success and growth (Tri, 2007).

Brand image plays a very significant role in the automotive industry, especially in the context of car brands. Car brands are one of the best examples of how brand image can influence consumer perception and the success

of a company. In the automotive world, brand image reflects not only the technical quality of the vehicle, but also the brand values, design, and unique brand identity. For example, car brands like Mercedes-Benz are known for their brand image that focuses on quality, safety and prestige. This brand image has influenced consumers' perception of Mercedes-Benz cars as luxurious and reliable vehicles. In contrast, a brand like Jeep may have a brand image more associated with adventure and reliability in difficult terrains. This creates different perceptions in the minds of consumers looking for vehicles with certain characteristics (Palilati, 2007).

Brand image also influences consumers' buying preferences. They tend to choose brands that match the image they want to project or match their values. For example, someone who wants a vehicle that conveys status and prestige may be more likely to choose a luxury car brand, while someone looking for an environmentally friendly vehicle may be more attracted to a brand that is perceived as committed to sustainability. In addition, brand image can have an impact on long-term customer loyalty. Car brands that manage to maintain their positive image over the years tend to have a strong and loyal customer base. Consumers who are satisfied with their experience with the brand are more likely to remain loyal and even recommend the brand to others (Sunarno et al., 2022).

Brand trust, or the level of trust that consumers place in a brand, is a critical component of brand equity and plays a fundamental role in consumer behavior and decision-making processes. It represents the confidence and reliance consumers have in a brand's promises, products, and overall integrity. Trust is established through a combination of consistent positive experiences, reliable quality, and alignment with consumers' values and expectations. Brand trust is built and reinforced over time through various touchpoints, including product quality, customer service, marketing communications, and the brand's reputation. Brands that consistently deliver on their promises and provide excellent customer experiences tend to earn higher levels of trust from consumers (Purwantini et al., 2023).

Trust is particularly important in industries where consumers make significant, high-involvement purchase decisions, such as healthcare, finance, and automotive. In these sectors, consumers often rely on trusted brands to make informed choices. A strong brand trust can also help a company weather crises and maintain customer loyalty when issues arise. In the digital age, brand trust has taken on new dimensions as consumers increasingly rely on online reviews, social media, and peer recommendations to inform their purchase decisions. Building and maintaining trust in the digital landscape requires transparency, responsiveness, and a commitment to addressing consumer concerns. Furthermore, the erosion of brand trust can have serious consequences, including reputational damage and loss of market share. Therefore, companies must be vigilant in safeguarding and enhancing the trust consumers place in their brands (Lumingkewas et al., 2019).

In the automotive industry, brand trust or consumer trust in a car brand has a major impact on purchasing decisions and customer loyalty. Car brands that successfully build a high level of trust tend to have a strong market share and loyal customers. This trust arises through a number of factors, such as product quality and reliability, safety reputation, customer experience, innovation, and environmental issues. Car brands known for high quality and reliability, such as Toyota and Honda, win consumer trust because of their reliable products. Safety is also an important factor, with brands like Volvo, Subaru, or Mercedes-Benz known for their commitment to safety technology. Apart from products, customer experience also plays an important role in brand trust. Good customer service, friendly dealers, and efficient after-sales service can increase consumers' level of trust in the brand. Innovation, especially in automotive technology, also plays a role in winning consumer trust. Lastly, environmental and sustainability issues are increasingly becoming a concern for consumers, so brands that take steps to safeguard the environment, such as electric or hybrid cars, tend to gain more trust from consumers who care about environmental issues (Alexander, 2014).

Customer loyalty is a very important phenomenon in the business world. It refers to the close and loyal relationship between a customer and a particular brand or company. When customers feel satisfied with the products or services they receive, they tend to remain loyal and make repeat purchases. Customer loyalty is not just about making repeat purchases, but also about recommending the brand to others and maintaining a long-term relationship with the brand. In building customer loyalty, customer experience plays a very important role. A positive experience, from the buying process to customer service, can increase customer loyalty. Customers who feel valued and listened to tend to be more loyal and satisfied (Sunarno et al., 2022).

Loyalty programs, such as reward programs or discounts for loyal customers, can stimulate repeat purchases. This provides an incentive for customers to keep choosing a particular brand. Customer loyalty has multiple benefits for companies. Besides increasing revenue from repeat sales, loyal customers tend to be good brand ambassadors. They will speak well of the brand to friends and family, helping in expanding the customer base, and supporting long-term business growth. In the digital age, customer loyalty can be better maintained through online interactions, such as social media and digital loyalty programs. Companies that understand their customers' needs and preferences, and respond to them proactively, will have a better chance of building and maintaining strong customer loyalty. Customer loyalty in the context of car brands is a crucial factor. When someone chooses a car brand and is satisfied with their experience, they are likely to stick with the same brand for their next car purchase. This is not only beneficial for car manufacturers, but also for local dealer networks that benefit from loyal customers. Over time, customer loyalty in the automotive industry can generate a positive impact in the form of brand recommendations to friends and family. This is often more powerful than advertising or promotion, as it comes from personal experience. When someone is satisfied with a particular brand of car, they will proudly talk about it to others and may even bring them to the same dealership (Tri, 2007).

Loyalty and incentive programs such as reward programs or good after-sales service can also play a role in maintaining customer loyalty in the automotive industry. These programs add value to loyal customers and make them feel valued. However, automotive companies also need to adapt to digital trends. Customers today are increasingly connected online and use social media to talk about their experience with a particular car or brand. These interactions play a role in building or destroying customer loyalty. Therefore, car brands that can understand and respond to their customers' preferences in the digital age will have an edge in retaining and strengthening customer loyalty (Alexander, 2014).

## Methodology

This research uses a quantitative approach with an associative research type. The research was conducted in one city in Indonesia and had 100 respondents who were taken using non-probability sampling and was a combination of purposive sampling and accidental sampling techniques. The data in this study are divided into two, namely primary data taken through questionnaires, interviews, and observations. Meanwhile, secondary data were obtained through literature studies and documentation studies. The questionnaire in this study was previously tested for validity and reliability first. The data in this study were analyzed using multiple linear regression which previously tested classical assumptions and then presented in descriptive statistics.

#### Results

Before leading to the main hypothesis testing, the data in this study were processed in the classical assumption test to fulfill the requirements of linear regression analysis. In the normality test, it was found that the significant value of this research was obtained at 0.905 > 0.05, which means that the data is normally distributed and has met the normality requirements in the regression model. Through P-Plot testing, it is obtained that the points follow and approach the diagonal line, meaning that the regression model fulfills the normality assumption.

Based on multicollinearity, it is known that the tolerance value of all independent variables is > 0.10 and the VIF value of all independent variables is < 10.00 with details of the tolerance value for Brand Image of 1.000 and Brand Trust is also 1.000, whose value is greater than 0.10. As well as the VIF value for the Brand Image environment of 1,000 and Brand Trust is also 1,000 whose value is less than 10.00. So based on the results of the above calculations it can be concluded that the regression equation model does not have multicolonierity problems and can be used in this study. Meanwhile, based on the results of heteroscedasticity, it is known that there are no points that form a certain pattern, and the points spread above and below the number 0 on the Y axis, so there is no heteroscedasticity. Based on the results of multiple linear regression tests, a multiple linear regression equation can be obtained, namely Y = 11.233 + 0.146.X1 + 0.419.X2 + e

The regression equation above shows a constant value of 11.233. This states that if the brand image and brand trust variables are considered constant or worth 0 (zero), then customer loyalty will increase. The regression coefficient on the brand image variable is 0.146, this means that if the brand image variable increases by one unit, the customer loyalty variable will increase. The regression coefficient on the brand trust variable is 0.419, this means that if the brand trust variable will increase.

Based on the table, the tcount value on the brand image variable (x1) is 2.077 with a significance level of 0.042. Because the tcount value is 2.077> t table 2.000 and the significance level is 0.042 < significant probability  $\alpha = 0.05$ , then H0 is rejected and Ha is accepted. This means that the brand image variable individually has a significant effect on customer loyalty. The results of this study are in accordance with research conducted by

Prabowo which also states that the brand image variable has an influence on customer loyalty for Nokia brand cellphones in Kebomas Gresik District.

Based on the results of the t test, the tcount value of the brand trust variable ( $x^2$ ) is 4.364 with a significance level of 0.000. Because the tcount value is 4.364> ttable 2.000 and the significance level is 0.000 < significant probability  $\alpha = 0.05$ , then H0 is rejected and Ha is accepted. This means that the brand trust variable individually has a significant effect on customer loyalty. The results of this study are in accordance with research conducted by Alexander which also states that the brand image variable has a significant effect on brand loyalty, the brand trust variable has a significant effect on brand loyalty.

From the ANOVA test or F test above, the fcount value is 11.716 with a probability of 0.000 because the fcount is 11.716> ftabel 3.1588 and the probability is much smaller than 0.05, H0 is rejected and Ha is accepted. This means that the variables of brand image and brand trust together have a significant effect on customer loyalty. The results of this study are in accordance with research conducted by Alexander which also states that the variables of brand image and brand trust together have a significant effect on brand loyalty. Based on the table above, the correlation value between the dependent variable and all independent variables in general (R) is 0.540. The amount of adjusted  $R^2$  is 0.291, this means that 29.1% of the variance in customer loyalty can be explained by the variance of the two independent variables, namely. While the remaining 70.9% (100% - 29.1%) is explained by other causes.

## Discussion

A strong and positive brand image is a key factor in influencing customer loyalty. When consumers have a positive perception of a brand, they are more likely to maintain a long-term relationship with that brand. This is because the brand image creates positive expectations in customers' minds about the quality, reliability and experience they will get when choosing the brand. It is important to remember that customer loyalty not only means making repeat purchases but also contributing to the endorsement of the brand. Loyal consumers will be more likely to recommend the brand to others, strengthen the brand image, and generate organic growth through positive recommendations. In addition, a strong brand image can act as a barrier to the influence of competing brands. Consumers who have built an emotional connection with a particular brand may feel less inclined to try an unknown competing brand. They are more likely to choose a brand that they already know and trust.

On the other hand, a good brand image can also help companies overcome challenges or crises that may occur. Consumers who have built strong trust in the brand will be more willing to give the benefit of the doubt, allowing the brand to recover more quickly from a difficult situation. In the digital age, where information is easily accessible to consumers, a positive and consistent brand image is becoming increasingly important. Consumers have more tools to research brands, and a poor or inconsistent brand image can quickly destroy customer loyalty.

Psychologically, the relationship between brand image and customer loyalty can be explained through several cognitive and emotional concepts and mechanisms that affect consumer behavior. First of all, we can understand the influence of brand image on customer loyalty through perception theory. Consumers form a brand image based on their personal experience with the brand, the information received, and their perception of the brand. A positive brand image creates the perception that the brand's products or services are of good quality, which influences purchase decisions and the intention to stick with the brand. Then, the concepts of identification and psychological affiliation also play a role in shaping customer loyalty. Consumers tend to form emotional bonds with brands with which they personally identify or affiliate. This could mean that the brand reflects values, lifestyle, or aspirations that match the consumer's identity or desires. They feel that the brand reflects who they are and what they value. This identification reinforces loyalty as consumers want to maintain a relationship with something they perceive as an extension of themselves.

From an emotional standpoint, brand image can trigger positive feelings such as satisfaction, trust, and loyalty. When consumers feel satisfied with a particular brand's products or services, they tend to develop positive feelings towards the brand. This creates an emotional bond that influences subsequent purchase decisions. Trust also plays an important role in building customer loyalty. Consumers who believe in a brand will feel more comfortable in maintaining a relationship with that brand and are more likely to respond to the brand's offers and promotions. In addition, social psychology also plays a role in shaping customer loyalty. Recommendations from friends, family or business associates have a strong impact on purchasing decisions. Consumers often feel

compelled to remain loyal to brands recommended by people they trust. This creates a network effect that strengthens customer loyalty.

Brand trust has a significant impact on customer loyalty from a psychological point of view. When consumers feel trust in a brand, they are more likely to maintain a long-term relationship with that brand. This reminds us of the basic principle of psychology that trust is the cornerstone of human relationships. In a business context, consumers will tend to remain loyal to a brand they trust because they feel that the brand is reliable, safe, and meets their expectations. One of the key aspects of Brand Trust psychology is consistency. Brands that are consistent in providing positive experiences to consumers will strengthen trust. Consumers create expectations based on past experiences with the brand, and when the brand consistently meets or even exceeds those expectations, consumers feel that the brand is reliable.

In addition, trust in brands is also related to perceptions of quality and integrity. Consumers tend to associate brands they trust with high-quality products or services and strong ethical principles. This belief in quality and integrity influences customer loyalty as consumers want to remain loyal to brands that deliver consistent value. Furthermore, brand trust can lead to deep customer satisfaction. When consumers feel trust in a brand and are satisfied with their experience, these positive feelings are likely to trigger loyalty. This is related to the psychology of emotions and the strong bond between positive experiences and brand trust. Finally, another psychological aspect is the link between trust and consumer identity. When consumers identify themselves with a brand and feel proud of the affiliation, they are more likely to remain loyal to the brand. This creates a deeper connection between the brand and the consumer, which has a positive impact on loyalty.

## Conclusion

From the discussion described above and based on the results of the data obtained by the authors from the research as described in this thesis, it can be concluded that brand image has a partial effect on car customer loyalty. Brand trust has a partial effect on car customer loyalty. Brand image and brand trust simultaneously affect customer loyalty for the toyota avanza brand car. Minority of customer loyalty variants can be explained by variants of the two independent variables, while the remaining is explained by other causes outside the model.

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