The Role of Emotional and Rational Trust in Explaining Attitudinal and Behavioral Loyalty: An Insight Into SME Brands

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Abstract: Brand trust is a powerful asset for Small and Medium size Enterprises (SMEs) to retain good relationships with their loyal customers, to ensure their long term survival. However, SME managers first need to understand the consequences of the two unique emotional and rational components of trust on attitudinal and behavioral loyalty, because both loyalty dimensions have unique consequences for a brand's performance. Hence, this study aims to answer two research issues: (1) Do brand intentions and brand reliability influence both attitudinal loyalty and behavioral loyalty? (2) Which component of trust explains attitudinal and behavioral loyalty more? Data were obtained from 210 customers through the use of an intercept survey method on successful SME brands in the restaurant industry. The findings revealed that emotional and rational trust influenced both attitudinal and behavioral loyalty. Despite that, customers have a higher tendency to exhibit attitudinal and behavioral loyalty when a brand can be relied upon to deliver on its promises.

Abstrak: Kepercayaan atas merek adalah aset yang kuat untuk usaha kecil dan menengah (UKM) untuk mempertahankan hubungan baik dengan pelanggan setia mereka, dan juga untuk memastikan kelangsungan hidup jangka panjang mereka. Namun, manajer UKM harus terlebih dahulu memahami konsekuensi dua komponen kepercayaan emosional dan rasional yang unik terhadap loyalitas sikap dan perilaku, karena kedua dimensi loyalitas tersebut memiliki konsekuensi yang unik pada kinerja suatu merek. Oleh karena itu, penelitian ini bertujuan untuk menjawab dua isu: (1) apakah tujuan dan keandalan merek berpengaruh, baik terhadap sikap loyalitas maupun sikap perilaku?; (2) Apa komponen yang lebih menjelaskan sikap loyalitas dan perilaku? Data diperoleh dari 210 pelanggan melalui penggunaan metode survei *intercept* pada merek UKM yang sukses di industri restoran. Temuan menunjukkan bahwa kepercayaan emosional dan rasional mempengaruhi loyalitas baik sikap maupun perilaku. Namun, pelanggan memiliki kecenderungan lebih tinggi untuk menunjukkan sikap loyalitas dan perilaku ketika sebuah merek dapat diandalkan untuk memenuhi janjinya.

Introduction

The Small and Medium size Enterprises (SMEs) have served as the backbone of the economy for Malaysia. In addition, almost all of the business establishments in Malaysia are SMEs (SME Corp 2012). These SMEs have contributed 32 percent to the nation's Gross Domestic Product (GDP) and more than 50% to employment in 2011 (Department of Statistics 2012; SME Corp 2012). The foodservice industry has always been resilient in contributing toward global growth even during economic recessions. In addition, SMEs in the service industries, especially the foodservice industry, play an important role in contributing toward Malaysia's economy (SME Corp 2012). However, big brands such as McDonald's and KFC have dominated about 70% of the Malaysian foodservice industry (Euromonitor 2013). Such circumstances possess the possibility of wiping out weaker SME brands, because SMEs rely on domestic market revenues for their survival (SME Corp 2012). According to Baldinger et al. (2002), SME brands are more volatile in losing out on market share as compared to big brands. Besides being faced by the common lack of resources which disadvantage the SMEs, brand related issues are another one of the hindrances to SMEs' growth (Centeno et al. 2013). One of the best ways for SME brands to increase their market share is to retain their loyal customers through repeated sales in a trusting relationship (Aaker 1996; Baldinger et al. 2002; Eggers, O'Dwyer et al. 2013; Rauyruen et al. 2009). Prior to that occurring, the SMEs' managers first need to understand the consequences of the two unique emotional and functional components of trust (i.e. brand intentions and brand reliability) on attitudinal and behavioral loyalty, because both loyalty dimensions have unique consequences on brand performance (Chaudhuri and Holbrook 2001; Rauyruen et al. 2009).

For the past few decades, research into the SMEs' branding has sparked interest among academics and practitioners around the world (Ahmad et al. 2012). However, studies done by past researchers each contributed from a different branding aspect. Some studies have tried to investigate branding practices among SMEs (Ahonen 2008), the perception of SME owners or managers about brand building and management (Gundala and Khawaja 2014; Mitchell et al. 2012; Spence and Essoussi 2010), SME branding as a competitive strategy to improve business performance (Abimbola 2001; Agostini et al. 2014; Merriless et al. 2011), the determinants of customer loyalty (Lam et al. 2009), factors of brand equity on SMEs' performance (Asamoah 2014), the differences of micro, small and medium enterprises' practices on branding and marketing (Reijonen et al. 2012), and the ways to build a brand identity and image through websites (Opoku et al. 2007; Vlahvei et al. 2011). This study acknowledged the contributions towards the SMEs' branding literature by the past studies mentioned above. However, there is still a lack of studies into researching the SMEs' brands, as compared to that for the big brands (Centeno et al. 2013; Krake 2005).

Branding literature has suggested that brand trust is an important determinant for customer loyalty in the context of the SMEs (Eggers et al. 2013; Rauyruen et al. 2009). However, the construct of trust has been conceptualized and measured in an inconsistent manner with ambiguous definitions (Kantsperger and Kunz 2010). Past studies have often used various, but almost similar,

components in conceptualizing trust, such as altruism, benevolence, credibility, confidence, dependability, fairness, honesty, integrity and reliability (Delgado-Ballester et al. 2003; Moorman et al. 1993; Ganesan 1994; Morgan and Hunt 1994; Garbarino and Johnson 1999; Sirdeshmukh et al. 2002; Grayson et al. 2008). Despite some terminology having an almost similar meaning, it is noteworthy that different reference subjects for trust have different conceptualizations. For instance benevolence, in the context of interpersonal trust between intimate partners or couples, is defined as the intention of a partner to seek personal benefit or togetherness benefit in a relationship (Larzelere and Huston 1980). Meanwhile benevolence, in the context of the interpersonal trust between retailer-vendor, is defined as the extent to which the retailer believes the vendor will have good faith in his/her welfare in a situation where a new commitment has not been made, and when there is a new condition (Ganesan 1994). On the other hand, Delgado et al. (2003) defined benevolence using different terminology, intentions, in the context of trust in a brand. Intentions, in the context of a brand's trust, refers to the consumer's belief that the brand will prioritize the welfare of its consumers when unforeseen issues with product consumption happen. Following this, a consistent conceptualization of trust, according to the reference subject, is important in order to analyze the different components' contribution toward the brand's relationships. Given that the reference subject of this study is the SMEs' brands, trust in this study refers to two distinct components, namely intentions and reliability, as proposed by Delgado et al. (2003) to measure trust in the context of the brand.

This study is different from earlier studies because this study examines the emotional and functional components of trust separately, in the context of a brand on the attitudinal and behavioral loyalties. Besides, Bagozzi (1975) had previously looked into specific social and psychological processes (i.e. trust) that assist in the creation of marketing exchanges. This study acknowledges that past studies have also tested the construct of trust either as a composite variable, (Gurviez and Korchia 2003) or separately, (Delgado-Ballester and Munuera-Aleman 2005; Kantsperger and Kunz 2010). However to the best of our knowledge, there are still no empirical studies to be found examining the components of brand trust (i.e. intentions and reliability) on attitudinal and behavioral loyalty for the SMEs' brands. It is important to study the relationship of these two unique components on SME brand loyalty because the brand management of an SME is different from the brand management of large enterprises. Berthon, Ewing, and Napoli (2008) have found that 9 out of the 10 brand management dimensions recommended in Keller's report card (2000) had significant differences between SMEs and large enterprises. Besides, some brand relationships may have different impacts on SME brands (Baldinger et al. 2002). Researchers have found that not every factor which contributed toward the success of a big firm has the same impact on the SMEs (Caloghirou et al. 2004; Parijat et al. 2011; Shashank et al. 2013).

In developing the conceptual framework, the model builds upon the studies of Chaudhuri and Holbrook (2001), Kuikka and Laukanen (2012), as well as Lin (2010), who studied loyalty as a separate pair of variables, namely attitudinal and behavioral loyalty. The model also received contributions from studies conducted by Delgado-Ballester and Munuera Aleman (2005) and Kantsperger

and Kunz (2010), where components of trust (i.e. benevolence and credibility) were each separately studied. Besides, the literature has argued that emotion based trust tends to be long lasting, compared to common rational based trust (Kantsperger and Kunz 2010; McAllister 1995; Williams 2001). Hence, the result of this study would be useful for SMEs' managers to gain a deeper understanding of these two distinct components of trust on their customers' loyalty in order to execute effective marketing strategies.

Literature Review

Brand Loyalty

Brand loyalty is the loyalty derived from the brand itself, in regard of the value saving a product or service has to offer. Reviews of the available literature have shown that brand loyalty consists of two unique dimensions, namely attitudinal and behavioral loyalty (Aaker 1991; Assael 1998; Day 1969; Jacoby and Kyner 1973; Oliver 1999; Tucker 1964). Following this, brand loyalty in this study refers to the degree of both attitudinal and behavioral loyalty by diners toward a restaurant brand (Chaudhuri and Holbrook 2001). Attitudinal loyalty is defined as the degree of the consumers' commitment, willingness to pay more, and word of mouth recommendation for a particular SME brand. Customers who are loyal attitudinally will have a higher tendency to spread positive word of mouth recommendations among friends and family, have a higher commitment to the brand, and will not be reluctant to pay more for a particular brand (Chaudhuri and Holbrook 2001; Ismail and Spinelli 2000; Lau and Lee 1999; Zhang and Bloemer 2008). Meanwhile, behavioral loyalty is defined as the degree of

the consumers' intention to maintain continuance purchasing of a particular SME brand. Customers who are behaviorally loyal will have a higher tendency to maintain continuance purchasing for a particular brand (Chaudhuri and Holbrook 2001; Lau and Lee 1999; Zhang and Bloemer 2008). Therefore, SME owners/managers should emphasize the importance of both attitudinal and behavioral loyalty separately to achieve their business goals and to sustain their position in the marketplace. Attitudinal loyalty should be emphasized if the objective is to charge higher prices for a particular brand offering, while behavioral loyalty should be more important if the objective is to increase the market share or profits. (Chaudhuri and Holbrook 2001; Rauyruen et al. 2009; Sethuraman and Gielens 2014). In other words, both dimensions of loyalty contribute differently toward a business' revenues and profits.

SME brands usually suffer a higher risk of being driven out of the market when customers do not return to make repeat purchases. Aaker (1996) argued that brand loyalty is a vital benchmark for a successful business marketing strategy. Despite that, there is a lack of studies on the context of SMEs' brand loyalty (Berthon et al. 2008; Krake 2005). Furthermore, the determinants of customer loyalty of the big brands are different from those for the SME brands (Rauyruen et al. 2009). Therefore it is important to examine empirically the emotional and rational trust components of both attitudinal and behavioral loyalty to provide owners or managers of SME brands a deeper knowledge of their SMEs' sustainability in the marketplace (Bettman 1973; Gordon et al. 1993).

The argument above led this study to investigate the link between the components of brands' trust, namely the intentions and

reliability on attitudinal and behavioral loyalty. The following section discusses the relationships between the constructs of the proposed model (Figure 1) and the development of the hypotheses for this research.

Brand Trust

Trust in the context of a brand consists of two unique components, namely its intentions and reliability (Delgado et al. 2003). Following this, intentions are defined as the degree of a consumer's belief that a particular SME brand will act in good faith by prioritizing the consumer's interests when a risky situation related to consumption happens (Delgado-Ballester et al. 2003). Meanwhile, reliability is defined as the degree of a consumer's belief that a particular SME brand is reliable in fulfilling its value promise (Delgado-Ballester et al. 2003). In other words, the perception of a brand's good intentions will help to earn the customer's emotional trust, while the perception of a brand's reliability will help to earn customers' rational trust. Hence, this study will look into both components of trust separately, because trust is an important competitive tool for SMEs, which depend highly on their relationship marketing to ensure their survival in the marketplace (Reijonen 2010). In addition, the small customer base of SMEs makes brand trust a vital contributor for continuance revenue streams, through the creation of customer loyalty (Chaudhuri and Holbrook 2001; Delgado-Ballester and Munuera-Aleman 2005; Eggers et al. 2013; Rauyruen et al. 2009). Many researchers have also shown that when customers trust a particular brand, they will tend to develop loyalty toward that brand (Forgas et al. 2010; Lee and Back 2010; Sahin et al. 2011; Zehir et al. 2011). Hence, trust is an important variable because loyalty is the outcome of trust, Lau and Lee (1999) argued

that loyalty develops when consumers trust a brand.

Despite the importance of brand trust on SMEs' survival being acknowledged in the marketing literature, there are several gaps which remain. Firstly, past loyalty studies (e.g. Chaudhuri and Holbrook 2001; Delgado-Ballester and Munuera-Aleman 2005; Eggers et al. 2013; Rauyruen et al. 2009) have mainly been conducted from the perspective of trust as a composite construct. Only a few researchers (i.e. Delgado-Ballester and Munuera-Aleman 2005; Kantsperger and Kunz 2010) have studied the effects of both emotional and rational trust on loyalty. They argued that the distinct dimensions, namely the intentions and reliability of a brand, influence loyalty differently. However, their studies are only applicable to the banking industry and consumer products such as shampoos and beer. Secondly, past research has reported inconsistencies in the findings. Despite a few studies (e.g. Chaudhuri and Holbrook 2001; Matzler et al. 2008; Taylor et al. 2004) which have found a positive effect of brand trust on both attitudinal and behavioral loyalty, there are studies (e.g. Forgas et al. 2010; Rauyruen et al. 2009; Zhang and Bloemer 2008) that fail to support this positive effect of brand trust on both the dimensions of brand loyalty. This sparked our interest to investigate whether both the emotional and rational brand trust components, namely intentions and reliability, influenced both dimensions of loyalty positively for the SME brands in the food service industry. Following the argument above, the current study proposes that intentions and reliability will have a positive influence on SME brand loyalties.

H_1: Customers' trust in a brand's intentions has a positive effect on attitudinal loyalty.

Figure 1. **Proposed Model**
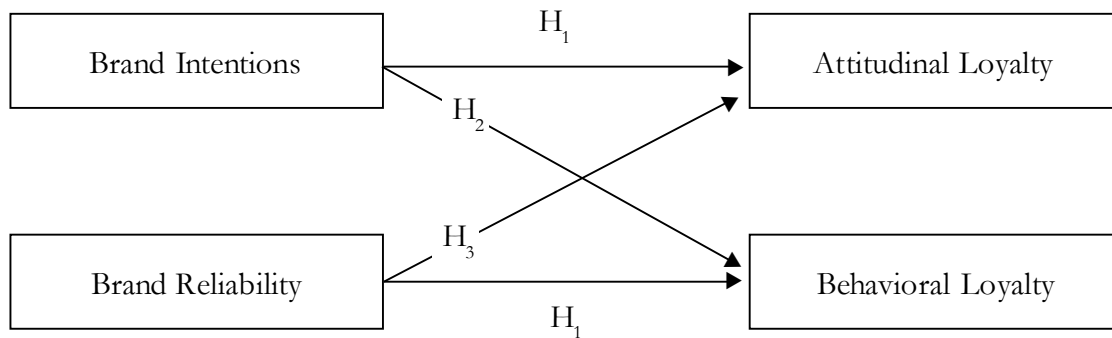
H₂: Customers' trust in a brand's intentions has a positive effect on behavioral loyalty.

H₃: Customers' trust in a brand's reliability has a positive effect on attitudinal loyalty.

H₄: Customers' trust in a brand's reliability has a positive effect on behavioral loyalty.

Research Settings and Subjects

The survey was carried out solely by the researcher himself, with 210 diners who had dined in the particular local chain restaurants. The brands chosen for this study are two successful local SMEs casual dining restaurant chains, that have operated for more than 10 years in Malaysia, and have expanded their operations into the international market. Both these SME brands were selected from the list of companies held by SME Corp. Malaysia (SME Corp. 2014). Both these brands have received the SMEs' Bestbrand awards in recognition for their successful branding (The BrandLaureate 2014). Prior to the data collection, the outlet managers allowed the researcher to do the survey, but with the condition that their brand names were not exposed in any publication. The chosen brands were justified following other loyalty studies

(e.g. Brakus et al. 2009; Lee et al. 2009; Lin 2010; Lin and Huang 2012; Mengxia 2007; Nam et al. 2011; Yoo and Donthu 2000) which had similarly chosen brands which were considered easily recognizable by the public, and had also been established for more than 10 years. The data collection were carried out in several locations within a five week period from early November to early December in the Klang Valley, Malaysia

The sampling procedure used in this study is a multistage area probability sampling, as suggested by Sudman (1980). In the first step, every state in Peninsular Malaysia was clustered into four zones, namely the central, east coast, northern, and southern regions (Ministry of Tourism and Culture 2014). The common goal of any research is to manually collect data that are representative of the population to be studied (Bartlett et al. 2001; Cavana et al. 2001; Hau and Marsh 2004; Krejcie and Morgan 1970). Therefore, the central region was chosen, due to having the largest population number, at 7,209,175 persons (Department of Statistics Malaysia 2011). Next, the central region was clustered into ten districts according to their local authorities, namely Kuala Lumpur City Hall, Putrajaya Corporation, Selayang Municipal Council, Ampang Jaya Municipal Council, Kajang Municipal Council, Klang Municipal

Council, Petaling Jaya City Council, Subang Jaya City Council, Shah Alam City Council, and Sepang Municipal Council. These ten districts were home to the majority of the population within the central region and are also known as greater Kuala Lumpur or the Klang Valley. The Klang Valley is the largest metropolitan area in Malaysia with approximately 6 million people living there, and contributed RM263 billion to the Gross National Income (GNI) in 2010 (Economic Transformation Program 2012; Department of Statistics Malaysia 2011). Next each of the selected SME brands were found to be allocated equally and randomly among the ten districts. One restaurant branch was selected at random in each district, based on its business volume as reported by the outlet's manager. This research used systematic sampling to select the respondents, in which the first of every five diners exiting the restaurant after paying their bill were approached. The questionnaires were distributed on randomly selected weekdays and weekends during the lunch (12pm-3pm) and dinner time (6pm-9pm) periods.

The Partial Least Squares Structural Equation Modeling (PLS-SEM) data analysis technique commonly attains high levels of statistical power, with smaller sample sizes, compared to the Covariance Based Structural Equation Modeling (CB-SEM) (Henseler 2010; Reinartz et al. 2009). In addition, Cohen (1988) suggests that the sample size for PLS-SEM is dependent on the statistical power to be achieved. According to Gefen, Rigdon, and Straub (2011), the minimum acceptable power in social sciences research is 80 percent. Following this, the minimum sample size is determined based on the power analysis using the G*Power program as recommended by Hair et al. (2012). The analysis of the G*Power program suggested that a minimum sample of 68 observations would be required to achieve a significance level of 0.05 and a statistical power of 80 percent for hypotheses testing. Nevertheless, a large sample size is necessary for Structural Equation Modeling (SEM) due to its estimation procedure, and the estimation for the model's fit is based on the assumption of a large sample size (Hair et al. 2006). Kelloway (1998) suggests that the minimum sample size to conduct an SEM would be at least 200 observations. In addition, this minimum sample of at least 200 observations would be subject to complexities in the model (Kline 2011, p. 12). On the contrary, the PLS-SEM works well with a smaller sample size, even for a complex model, as compared to the CB-SEM which required at least 200 observations to avoid non-convergence and improper solutions (Boomsma and Hoogland 2001, p. 8; Hair et al. 2014, p. 108). Given that the model in this study is not complex, the researcher increased the final sample size to 210 observations. In addition, the derivation of 210 observations as the final sample size was also due to the higher non-response rate associated with the intercept survey method used in this study (Gates and Solomon 1982; p 46; Hornik and Ellis 1988, p. 539; Zikmund et al. 2009, p.213).

Measurement

This study adapted existing scales for all the constructs. Brand intentions scales were measured using the 4 items developed by (Delgado-Ballester et al. 2003). Brand reliability scales were measured using the 4 items also developed by (Delgado-Ballester et al. 2003). Attitudinal loyalty scales were adapted from items developed by Chaudhuri and Holbrook (2001), Ismail and Spinelli (2000), Lau and Lee (1999), Zhang and Bloemer (2008). Behavioral loyalty scales

were adapted from items developed by Chaudhuri and Holbrook (2001), Lau and Lee (1999), Zhang and Bloemer (2008). All the statements were measured with a six-point Likert scale (1=strongly disagree and 6=strongly agree). According to Garland (1991), the presence of a five-point Likert scale with a middle point of '3' "neither agree nor disagree" would interfere with the findings of the study due to its social desirability bias. He further argued that respondents would answer based on the content of the questions when given an even number of responses on the scale. Additionally, respondents from Asian countries tend to choose the middle category response, as opposed to respondents from Western countries (Mitchell 1999; Si and Cullen 1998). It was also found that both validity and reliability tended to be higher for an even number response scale, when compared to an odd number response scale (Birkett 1986; Coelho and Esteves 2007). Following this, the use of the six-point Likert scale in this study is justified. The questionnaires were translated following methods suggested by Brislin (1970) to minimize any translation problems. The final questionnaires were bilingual, namely in English and Malay. In addition, Malhotra et al. (2002) suggested that a sample size of between 15 to 30 respondents would be required for a pilot test. Therefore, 30 questionnaires were distributed to diners at both the selected SME brands' restaurants in Penang. According to the Department of Statistics Malaysia (2014), Penang recorded the second highest GDP per capita in Peninsular Malaysia. In other words, Penang was chosen because consumers there have high purchasing power. In addition, the service sector including foodservices is the largest contributor towards Penang's economy (Penang Economic Indicators 2015). Consequently, 15 questionnaires were

allocated to each brand. The breakdown of the 15 respondents from each outlet was as follows: Ten of the respondents used the convenience sample while 5 respondents used the systematic sample. Based on the pilot study feedback from the respondents, certain words were reconstructed to provide a better understanding of the questions. The result suggested that all the Cronbach's alpha values were greater than 0.90 which indicates that the measurements were reliable (Nunnally 1978).

Data Analysis Technique

Partial Least Squares (PLS) version 2.0 (Ringle, Wende, and Will 2005) was used as the technique to analyze the data for hypotheses testing in this study. Besides this, a bootstrapping method of 500 re-samples was carried out in order to determine the significance levels for the loadings and path coefficients (Chin 1998).

Analysis

Profile of respondents

A total of 210 questionnaires were received at the end of data collection process. There was no missing value in all the usable questionnaires. This may be due to the effort by the researcher to inform the respondents that upon returning the questionnaire a free gift will be given as a courtesy for participating in the study. Hence, the researcher ensured all the questions were answered correctly, prior to giving out a free pen to the respondents. The number of questionnaires was sufficient to proceed to the data analysis stage, given that the minimum number of sample observations required for this study to achieve a significance level of 0.05 and

statistical power of 80 percent for the hypotheses testing had been obtained. The profiles of the respondents were analyzed according to gender, age, education, and occupation as summarized in Table 1. All the respondents were Malaysian.

From the total of 210 respondents, a total of 154 (73%) were female while 56 (27 percent) were male. This result is also consistent with other restaurant survey studies (Chang 2013; Kim et al. 2012; Lee et al.

2009). One plausible reason for the female dominant response is due to the higher likelihood of females answering surveys compared to men (Gannon et al. 1971; Green 1996). The age groups of 21-30 (36%) and 31-40 (38%) accounted for the biggest portion of the sample, meanwhile the age group of less than 21 years old (4%) was the smallest in the sample. Only 6 percent of respondents had a postgraduate degree. Most of the respondents were in work as employees (72%).

Table 1. **Respondent Profile**

Demographic Characteristics	Frequency	%
Gender		
Male	56	27
Female	154	73
Age		
< 21	8	4
21-30	75	36
31-40	81	38
41-50	25	12
>50	21	10
Education		
Primary school	5	2
Secondary school	36	17
College (Certificate/ Diploma/ Advanced Diploma)	71	34
Bachelor degree	85	41
Postgraduate degree	13	6
Occupation		
Student	18	9
Employee	152	72
Self-employed	17	8
Unemployed/ Housewife	23	11

Non Response Bias

This study also tested the non-response bias using an extrapolation method as suggested by Armstrong and Overton (1977). This method assumes that respondents who answered in an unprepared condition are similar to non-respondents. This unprepared condition refers to respondents answering later or answering after receiving more reminders (Armstrong and Overton 1977, p. 397). Moreover, they suggested the independent t-test with an assumption of equal and unequal group variances in order to test the mean score differences between early and late respondents. The data collection were conducted over a period of five weeks from early November to early December 2014. Lindner et al. (2001) suggest that statistical powers will be reduced if unequal sizes of early and late respondent are used in comparison. They further recommend that a minimum of 30 late respondents are required for the comparison. Therefore, the first 50 responses received were compared with the last 50 to test whether their mean scores differed. The result showed that there was no difference between both groups, because the mean for every variable in the study exceed the 0.05 significance level between both groups (Pallant 2010). Therefore, the issue of non-response bias did not occur in this study.

Table 2. **Result of Measurement Model**

Model Construct	Measurement Item	Loading	CR[a]	AVE[b]
Attitudinal loyalty	Attitudinal loyalty 1	0.835	0.919	0.656
	Attitudinal loyalty 2	0.878		
	Attitudinal loyalty 3	0.876		
	Attitudinal loyalty 4	0.834		
	Attitudinal loyalty 5	0.787		
	Attitudinal loyalty 6	0.620		
Behavioral loyalty	Behavioral loyalty 1	0.840	0.915	0.643
	Behavioral loyalty 2	0.831		
	Behavioral loyalty 3	0.809		
	Behavioral loyalty 4	0.649		
	Behavioral loyalty 5	0.807		
	Behavioral loyalty 6	0.856		
Intentions	Intentions 1	0.845	0.912	0.721
	Intentions 2	0.858		
	Intentions 3	0.792		
	Intentions 4	0.898		
Reliability	Reliability 1	0.883	0.934	0.781
	Reliability 2	0.884		
	Reliability 3	0.858		
	Reliability 4	0.908		

Note: [a]Composite Reliability (CR) = (square of the summation of the factor loadings)/{(square of the summation of the factor loadings) + (square of the summation of the error variances)}; [b]Average Variance Extracted (AVE) = (summation of the square of the factor loadings)/{(summation of the square of the factor loadings) + (summation of the error variances)}

This study used the two-step approach as recommended by Anderson and Gerbing (1988). Firstly, convergent validity and reliability were evaluated as shown in Table 2. In order to achieve convergent validity, loadings must be greater than 0.5 (Bagozzi and Yi 1991), composite reliability must be greater than 0.7 (Gefen et al. 2000), and the Average Variance Extracted (AVE) must be greater than 0.5 (Fornell and Lacker 1981). As shown in Table 1, the measures achieve sufficient convergent validity and reliability because they achieve the criterion stated above.

Next, the discriminant validity is evaluated as shown in Table 3. In order to achieve this discriminant validity, the average variance shared between each construct and its measures should be greater than the variance shared between the construct and the other constructs (Fornell and Lacker 1981). The measures achieve sufficient discriminant validity because the correlation values for each construct (including row and column) is lower than the square root of the AVE by the indicators measuring that construct, which is displayed on the diagonal. Hair et al. (2014, p. 105) suggest that the loadings of measurement items should be higher than the cross loadings to achieve sufficient discriminant validity for PLS-SEM analysis. As shown in Table 4, the loadings of all constructs satisfy this criterion. Thus, the discriminant validity is achieved.

Table 3. **Discriminant Validity of Constructs**

Constructs	Attitudinal Loyalty	Behavioral Loyalty	Intentions	Reliability
Attitudinal loyalty	**0.810**			
Behavioral loyalty	0.795	**0.802**		
Intentions	0.601	0.689	**0.849**	
Reliability	0.627	0.730	0.808	**0.884**

Note: Value on the diagonals represents square root of the AVE while the other entries represent the correlations value.

Table 4. **Cross loadings of Constructs**

	Attitudinal Loyalty	Behavioral Loyalty	Intentions	Reliability
Attitudinal loyalty 1	**0.835**	0.703	0.584	0.650
Attitudinal loyalty 2	**0.878**	0.647	0.475	0.497
Attitudinal loyalty 3	**0.876**	0.650	0.456	0.486
Attitudinal loyalty 4	**0.834**	0.605	0.418	0.460
Attitudinal loyalty 5	**0.787**	0.650	0.485	0.495
Attitudinal loyalty 6	**0.620**	0.580	0.461	0.400

Table 4. **Continued**

	Attitudinal Loyalty	Behavioral Loyalty	Intentions	Reliability
Behavioral loyalty 1	0.739	**0.840**	0.606	0.638
Behavioral loyalty 2	0.736	**0.831**	0.612	0.650
Behavioral loyalty 3	0.590	**0.809**	0.575	0.573
Behavioral loyalty 4	0.487	**0.649**	0.398	0.376
Behavioral loyalty 5	0.594	**0.807**	0.502	0.563
Behavioral loyalty 6	0.641	**0.856**	0.585	0.656
Intentions 1	0.481	0.559	**0.845**	0.689
Intentions 2	0.533	0.582	**0.858**	0.739
Intentions 3	0.416	0.503	**0.792**	0.561
Intentions 4	0.590	0.678	**0.898**	0.738
Reliability 1	0.533	0.636	0.688	**0.883**
Reliability 2	0.568	0.622	0.690	**0.884**
Reliability 3	0.527	0.607	0.692	**0.858**
Reliability 4	0.585	0.710	0.780	**0.908**

Table 5. **Path Coefficients and Hypothesis Testing**

Hypothesis	Relationship	Std Beta	Std Error	t-value	Supported
H1	Brand Intentions → attitudinal loyalty	0.271	0.101	2.670**	Yes
H2	Brand Intentions → behavioral loyalty	0.287	0.067	4.297**	Yes
H3	Brand Reliability → attitudinal loyalty	0.408	0.088	4.655**	Yes
H4	Brand Reliability → behavioral loyalty	0.499	0.070	7.105**	Yes

Note: *p < 0.05 (1.645); **p < 0.01 (2.33) one tail

Structural Model

The results of the structural model for this study are shown in Table 5 and Figure 2. *Firstly*, intentions ($\beta = 0.271$, p < 0.01) are found to exert a positive influence on attitudinal loyalty. Therefore, H1 is supported. *Secondly*, the result also showed that intentions ($\beta = 0.287$, p < 0.01) positively influenced behavioral loyalty. Therefore, H2 is supported. Next, reliability ($\beta = 0.408$, p < 0.01) is a significant predictor of attitudinal loyalty. Hence, H_3 is accepted. *Lastly*, the result shows that reliability ($\beta = 0.499$, p < 0.01) is a significant predictor of behavioral loyalty. Thus, H_4 is accepted.

Figure 2 exhibited both Q^2 values and R^2 values for the respective endogenous variables. The R^2 values are 0.419 and 0.562 respectively which suggest that the modeled variables can explain 41.9 percent on attitudinal loyalty and 56.2 percent on behavioral loyalty. Table 5 shows all the hypotheses were fully supported. In addition, the Q^2 values for attitudinal loyalty ($Q^2 = 0.260$) and behavioral loyalty ($Q^2 = 0.353$) are both greater than value of zero suggesting that the model has predictive relevance (Fornell and Cha 1994).

Discussions

The aim of this study was to test whether intentions and reliability exert a direct and positive influence on both attitudinal and behavioral loyalty. The result of this study found that both brand intentions and brand reliability have a direct positive relationship on both attitudinal and behavioral loyalty. This empirical evidence supports the findings in the literature from different research contexts, that brand intentions and brand reliability have positive effects on brand loyalty (Delgado-Ballester and Munuera-Aleman 2005; Kantsperger and Kunz 2010). If a brand is reliable, but has bad intentions, such as ignoring customers' welfare by earning profits, customers will distrust that brand when they find out. On the other hand, customers will similarly distrust a brand even if the brand has good intentions but is unreliable, such as never fulfilling their promises towards their customers. Hence, both intentions and reliability are important factors for SMEs' brands to enhance their profits through the repurchasing loyalty of their customers. Besides that, reliability seems to have a stronger influence on both attitudi-

Figure 2. **Results of the Structural Model Analysis**
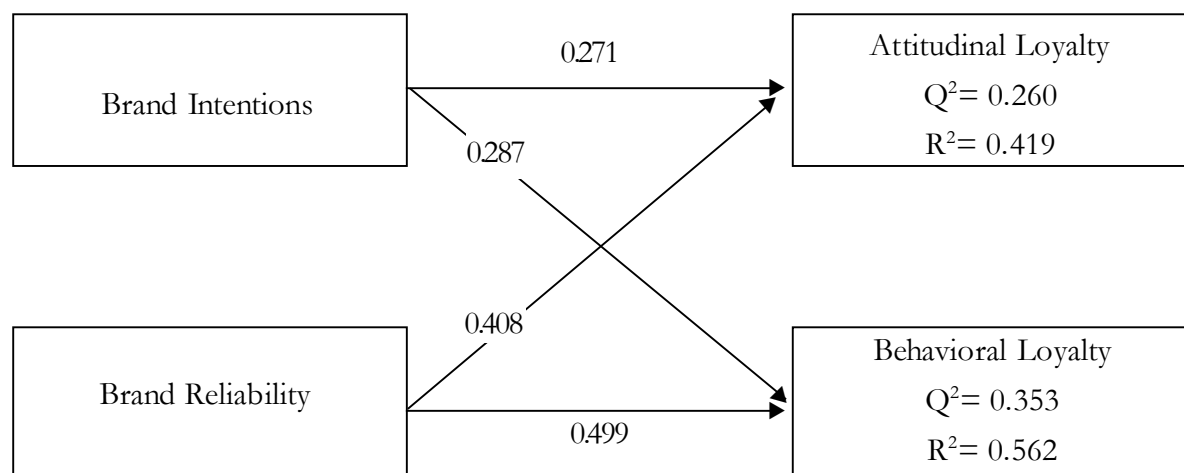
nal and behavioral loyalty as compared to intentions in the foodservice context. This explains that successful Malaysian SME brands tend to retain their customers by earning their trust rationally (i.e. consistently serving the meals exactly as they are shown in their promotional promises to their customers, with marketing gimmicks). In addition, to the best of our knowledge, this is a new empirical discovery for the brand intentions, brand reliability, attitudinal loyalty, and behavioral loyalty relationships from the perspective of the SMEs' brands. Given that the current literature has only examined such notions from the perspective of certain global brands, this study believes that it is also crucial to examine such relationships from the perspective of the SMEs' brands. Such findings will provide insights, for the managers or owners of SMEs in the foodservice industry, into the contributions of both emotional and rational trust, namely for brand intentions and brand sustainability for the SMEs' brands in earning their customers' loyalty from both attitudinal and behavioral perspectives.

Implications

From a theoretical view, the findings contribute to the literature by providing empirical evidence of the relationships between brand intentions, brand reliability, attitudinal loyalty, and behavioral loyalty. The literature had urged that more studies to examine emotional trust be done, given that it has received little attention in the past (Das et al. 2014). Our best understanding is that there is not yet a study examining the influence of both the emotional and rational trusts separately, on both attitudinal and behavioral loyalty. The empirical findings suggest that both emotional and rational trust does positively influence customers' attitudinal and behavioral

loyalty. However, this study revealed that customers' trust in a brand's reliability has a higher influence on both the attitudinal and behavioral loyalty. This finding provides an insight into the literature on trust, in line with the call of Bagozzi (1975) who urged someone to look into the specific social and psychological processes (i.e. emotional and rational based trust) that assist in the creation of marketing exchanges. Hence from a practical view, the findings suggest that the owners or managers of the SMEs' brands should emphasize this to strengthen their customers' trust in their brand's intentions and reliability in order to earn their customers' loyalty both attitudinally and behaviorally. Communication strategies are vital in enhancing this perception in the minds of customers, because it helps to inform customers of the brands' anticipated actions should unexpected risky situations occur in the future (Delgado-Ballester and Munuera-Aleman 2005; Kantsperger and Kunz 2010). Following this, managers must utilize the medium of communications to inform their customers of their good intentions in taking care of their customers' welfare when risky situations arise. For instance, managers can inform their customers via mobile text messages or their websites, as to how their brands act in good faith to ensure that their sources for their ingredients, such as chicken, are fresh and safe to consume during bird flu outbreaks. On the other hand, customers' trust in the brand's reliability is derived from their past encounters with the brand (Delgado-Ballester and Munuera-Aleman 2005). As such, managers should ensure that their brand fulfills every promise made to their customers. For instance, avoid gimmicks in its lunch or dinner meal promotions by providing exactly what is shown in its advertising. Notably, the findings of this study are generalized only for the

respondents in the selected SME restaurant brands where this survey took place (Zikmund 1994, p. 98).

Limitation and Future Research

Although the current study provides interesting findings into the influence of intentions and reliability on both attitudinal and behavioral loyalty, it has several limitations. *Firstly*, the results of this study are obtained from data from only two successful Malaysian SME brands in the casual dining industry. Therefore, the results should be generalized with a caveat, because the findings could be different if the data were collected from other successful SME brands from different industries such as Flipper and Coveithci, in the footwear industry (The BrandLaureate 2014). This study strongly urges more research to be undertaken into other SMEs' brands to further validate our findings. Moreover, the literature has indicated there is a dearth of branding studies in the context of SME brands in comparison to the global/big brands (Agostini et al. 2014; Asamoah 2014; Reijonen et al. 2012; Spence and Essousi 2010). *Secondly*, the systematic sampling method resulted in a skewed dominant female response over male respondents. Perhaps a quota sampling of equal numbers of male and female respondents might provide a different outcome for the model tested in this study. *Thirdly*, this study intercepted the first of every five people who left the restaurant, to use as their respondents, because the outlet managers prohibited the survey from being conducted inside their outlets. This method resulted in a higher non-response rate. Future studies may try to conduct the drop and collect method to gain more responses in order to further validate the findings. In addition, it would be interesting to enhance the current model with the inclusion of other antecedents, such as a brand's reputation, image, and effect, to study their relationships on both the attitudinal and behavioral loyalty.

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