Brand Knowledge, Trust and Loyalty – A Conceptual Model of Destination Branding

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BRAND KNOWLEDGE, TRUST AND LOYALTY
– A CONCEPTUAL MODEL OF DESTINATION BRANDING

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ABSTRACT

The present study conceptualizes a destination branding model that reflects the process of tourist decision making. The model integrates key sequential concepts such as brand knowledge, brand trust, and brand loyalty. Destination brand knowledge is further defined by its constituents of brand awareness, cognitive brand image, and affective brand image. The concept of brand trust is defined in the context of risk and expectations. Brand loyalty is operationalized as behavioral intention to visit/revisit or make a referral. The conceptual model results from the synthesis of literature in the fields of general branding and marketing, psychology, sociology, and consumer behavior, as well as tourism. Both theoretical and empirical works were consulted in structuring the model and specification of its various concepts. Theoretical contributions of the model are discussed.

Key Words: Branding, Destination Image, Trust, Loyalty, Brand Awareness

INTRODUCTION

The intangibility of tourism products and services and the usually impossible trial consumption indicate that only destinations possessing positive and distinctive images have the probability of being chosen by potential tourists. Thus, the image of a destination, or a tourist’s mental construct or perception of the place, influences the pre-visitation choice process. It also plays an important role after the visitation as it serves as the criterion against which the tourist’s initial perception and actual experience are compared, and thereupon determines tourist satisfaction, repeat visit intention and word-of-mouth communication. The dual functions of destination image—its impact on pre-visitation and post-visitation behaviors—have been widely accepted by researchers (e.g., Beerli & Martin, 2004a; Pike & Ryan, 2004).

The strategic role of destination image has engendered substantial research. Since the early 2000s, approaches to studying destination image were advanced beyond simply understanding visitors’ perceptions as they were. The concept of destination branding has been introduced to provide a broader platform on which destination image can be examined. Destination branding is a relatively recent phenomenon (Blain, Levy, & Ritchie, 2005; Hosany, Ekinci, & Uysal, 2006); and academic investigation in the area is just beginning to emerge. One of the first conceptual destination branding models was proposed by Cai (2002). The model was built on the proposition that “image formation is not branding, albeit the former constitutes the core of the latter. Image building is one step closer, but there still remains a critical missing link: the brand identity (Cai, 2002, p.722).” In this model, destination branding is illustrated as a recursive process of optimizing a consistent brand element mix to uniquely identify and position the destination through positive image building. This understanding incorporates definitions from the general branding literature (e.g., Aaker, 1996; Keller, 1998; Pham & Muthukrishnan, 2002) and emphasizes the role of image building.
Various definitions of destination branding have since been proposed (e.g., Blain et al., 2005; Foley & Fahy, 2004; Hankinson, 2005), all recognizing, to varying degrees, image as an integral part of destination branding due to its determining influence on consumers’ pre-visititation decisions from a set of competitive destinations. However, destination branding literature to date has yet to offer a model that reflects a process of tourist decision-making. The present study attempts to do so by conceptualizing a model of destination branding that integrates such key sequential concepts as brand knowledge including brand awareness and image, brand trust, and brand loyalty.

CONSUMER-BASED BRAND EQUITY

An important contribution to contemporary branding research for destinations is the introduction of the consumer-based brand equity concept by Konecnik and Gartner (2007). Drawing on extant branding literature on consumer goods, they argued that, from consumers’ point of view, destination brand equity should be measured in four dimensions: awareness, image, quality, and loyalty. There has been a rich collection of tourism research on familiarity (e.g., Milman & Pizam, 1995; Baloglu, 2001), image (Gallarza, Saura, & Garcia, 2002; Pike, 2002), quality (e.g., Keane, 1997; Murphy, Prichard, & Smith, 2000), and loyalty (e.g., Loureiro & Gonzalez, 2008).

Konecnic and Gartner’s contribution lies in the aggregation of these dimensions as the constructs that measure the equity of a destination brand. Furthermore, they are overlaid with the cognitive, affective, and conative components of Gartner’s destination image model (1993). In their analysis, the awareness dimension corresponds to the cognitive image component and at the same time is linked to the conative component. The image and quality dimensions influence the affective image component, and are linked to the conative component as well. The loyalty dimension is associated with the conative image component. In other words, conceptually the four dimensions of brand equity of a destination are the same as the three image components of the destination. Empirically, the authors operationalized the three image components by the four-dimension measurements, and translated the findings in the terms of brand equity. Their study has therefore advanced the destination image research by extending it to the platform of destination branding.

The present study approaches the subject of destination branding by asking a fundamental question of why branding matters to both tourists and a destination. For tourists, it matters because they would choose a destination brand only when they can trust it. For a destination, it matters because a trusted brand brings about tourist loyalty. In destination branding research, the concept of loyalty has been discussed, but that of trust remains unexplored. The present study examines these two concepts and the linkages between them, as well as the concept of brand knowledge which precedes brand trust and loyalty in the tourist decision-making process as illustrated in Figure 1.

DESTINATION BRAND KNOWLEDGE

Brand knowledge consists of brand awareness and brand image, which constitute the sources of brand equity. Brand awareness is “reflected by consumers’ ability to identify the brand under different conditions (Keller, 2003, p.64).” In branding literature, the concept of awareness has been widely utilized as a component of brand knowledge (Aaker, 1991; Keller, 1993). In general consumer behavior research, familiarity has also been studied as a component of product knowledge (Cordell, 1997; Park, Mothersonsbaugh, & Feick, 1994). It has been recognized as the first step in purchase behavior models (e.g., Ehrenberg & Goodhardt, 1989; Russ & Kirkpatrick, 1982).

In tourism literature, awareness and familiarity have been used without explicit differentiation. Milman and Pizam (1995) measured the destination awareness by asking the respondents whether they “heard of a vacation destination called Central Florida”. The familiarity was measured by asking the respondents to “indicate which cities or towns they thought comprised the CF geographical area”. Baloglu (2001, p.128) developed a destination familiarity index based on two dimensions: informational familiarity and experiential familiarity. He argued that destination familiarity should be “operationalized as a combination of amount of information and previous...
experience, including multiple visits.” Despite the different definitions of, and absence of differentiation between, destination awareness and familiarity, there is a consensus among tourism scholars that destination awareness or familiarity plays a critical role in the destination selection process. According to Milman and Pizam (1995, p.22), it is “a first and necessary step to repeat purchase,… [but] not a sufficient one.”

Numerous previous studies have also examined the concept of destination awareness and familiarity in relation to the concept of destination image (e.g., Ahmed, 1996; Hu & Ritchie, 1993). Applying Keller’s brand knowledge concept, such image is related to types, favorability, strength, and uniqueness of brand associations. In proposing a destination branding model, Cai (2002) compared Gartner’s three-component image construct (1993) with Keller’s three types of brand associations (1998), and concluded that the two were parallel, and therefore destination image is in tantamount the brand image of the brand knowledge concept.

According to Crompton (1979, p.18), “an image may be defined as the sum of beliefs, ideas and impressions that a person has of a destination”. Destination image may exist prior to actual visitation. Fakeye and Crompton (1991) reported the image difference between prospective, first-time, and repeat visitors to a destination and proposed a framework of image forming process evolving through three stages, organic, induced, and complex. They reported significant image differences among non-visitors, first-timers and repeaters. MacKay and Fesenmaier (1997) specified that destination image is the visitor’s total impression which is formed as a result of the evaluation of various destination elements and attributes. Their definition clearly emphasizes the role of actual experience at the destination in forming the destination image.

Destination attributes as perceived by tourists were inevitably included in the discussion on destination image components. The early notion of a singular cognitive component (Crompton, 1979) seems to be replaced by a combination of cognitive, affective and conative components (e.g., Gartner, 1993; Pike & Ryan, 2004). It is generally accepted that the knowledge about a destination is the foundation of tourist evaluative responses (Beerli & Martín, 2004b; Sönmez & Sirakaya, 2002). The cognitive component is an antecedent of the affective component, which in turn forms the conative component or attitudinal response or attitude toward the destination (Gartner, 1996; Cai, 2002). Pike (2002:542) asserted that the destination image construct has proven difficult to measure; however, “consumers’ overall perceptions of a destination may be either favourable or unfavourable.” Cai (2002) concluded that destination image is only one part of the destination branding process. For the destination image research to be relevant to today’s challenge of destination branding, it should be examined as part of the brand knowledge and in conjunction with other branding concepts, such as brand trust and loyalty.

A sociological theory of trust proposed by Luhmann (1979) is useful to underline the linkage between brand awareness, brand image, and brand trust. The theory posits that trust is about expectations which consist of three modes: familiarity, confidence, and trust. Familiarity precedes confidence and trust, and trust is only possible in a familiar world (Luhmann, 1979, p.20). Elliott and Yannopoulou interpreted Lunhmann’s confidence as “a mix of cognitive and emotional perceptions” (2007, p.989). Accepting this interpretation, Luhmann’s mode of familiarity is then parallel to brand awareness, and that of confidence to brand image sans the conative component in the context of brand knowledge.

It is easily tempted to equate Luhmann’s third mode of trust to the conative component of image. In closer analyses of destination image studies where the conative component is identified, however, its definition is more aligned with that of attitude and attitudinal loyalty, as is the case in Konecnic and Gartner’s 2007 study. Brand trust is a much more distinct concept, as well as a critical step of tourist decision making in selecting a destination.

**BRAND TRUST AND LOYALTY**

Contemporary marketing philosophy advocates building long-term relationships with targeted customers. “The ultimate goal of marketing is to generate an intense bond between the consumer and the brand, and the main ingredient of this bond is trust (Hiscock, 2001, p.32).” However, there is a remarkable lack of theoretical and empirical research on the consumer-brand relationship, and the concept of consumer’s trust in a brand is missing even in few extant works on such relationship (Delgado-Ballester, Munuera-Aleman, & Yague-Guillen, 2005). Chaudhuri and Holbrook (2001) also noted conceptual and empirical gaps in the much-researched area of brand loyalty. They argued that conceptualizations of brand loyalty emphasize only the behavioral outcome of customers (e.g., purchase frequency and word of mouth), while neglecting factors that precede behavior. They found that brand...
trust and brand affect combined could determine behavioral and attitudinal loyalties. While the brand affect, defined as a brand’s potential to elicit consumers’ positive emotional response, has been touched upon in tourism research, the concept of trust remains a void in the destination image, as well as the emerging destination branding, literature.

The concept of trust is used in social sciences to describe relations over time between two sides: a trustor, the side that places trust; and a trustee, the side being trusted. As Seligman (1997) noted, when trust occurs, there is no empirical way for the trustor to verify the intention or character of the trustee. Trust influences the trustor’s perceptions of risk and benefit associated with the interaction with the trustee (Coleman, 1990). Trust is generally regarded as an expectation about the behavior of others. Lewicki and Bunker (1995) treated it as a state involving confident and positive expectation. Rotter considered it as “a generalized expectancy held by an individual or group that the word, promise, verbal, or written statement of another individual or group can be relied on” (1971, p.444). Chaudhuri and Holbrook (2001) defined brand trust as consumers’ willingness to rely on the ability of a brand to deliver its stated function.

In the present study, brand trust is defined as a tourist’s willingness to rely on his or her perceived ability of the destination brand to deliver its promises and meet or exceed the tourist’s expectations built upon his or her knowledge of the brand. A trusted destination brand has a competitive advantage over alternative destinations in the tourist’s decision making process. Tourists depend on their knowledge of the destination to evaluate whether the brand could satisfy their travel needs. Yet, their purchase decision must include an assessment of risk involved in making such a decision. Such assessment is intertwined with the degree of their trust in the destination, thus making the understanding of trust not only relevant but also essential in studying tourist decision making. Trust does not exist in an environment of certainty; uncertain and risky environment is the condition for its existence (Bhattacharya, Devinney, & Pillutla, 1998). Trust, or lack of it, takes place in the presence of perceived risk on the part of the trustor. Destination selection is inherently uncertain and risky to tourists because of their inability to test drive it before purchase and to return it should the purchase turn sour. They take risks in financial terms and opportunity cost of time, as well as emotional cost of unmet expectations.

The importance of trust has been examined extensively in the relationship marketing literature (e.g., Bennett, 1996; Lau & Lee, 1999). In particular, Lau and Lee’s study investigated the link between consumers’ trust in a brand and their brand loyalty. Their empirical findings revealed a significant positive association between the two. Chaudhuri and Holbrook’s study (2001) also found a significant relationship between brand trust and behavioral and attitudinal loyalty. In tourism literature, Loureiro and Gonzalez (2008) provided empirical evidence that tourists’ trust has a positive influence on their loyalty toward rural lodging. Lau and Lee (1999) conceptualized loyalty as behavioral intention to buy a brand and to recommend others to buy that brand. Adopting this definition of loyalty, conceptual understanding of the relationship between destination brand trust and brand loyalty can benefit from Bandura’s discussion of expectations (1977) and Fishbein and Ajzen’s theory of planned behavior (1975).

Expectations are the variations of beliefs, and can be classified into efficacy expectation and outcome expectation. An efficacy expectation is “the conviction that one can successfully execute the behavior required to produce the outcomes”, while an outcome expectation is “a person’s estimate that a given behavior will lead to certain outcomes (Bandura, 1977, p.193).” A person can believe that a particular action will lead to some defined outcome but may also doubt that he/she can perform the action successfully. Thus, one can perceive the likely consequences of actions without being able to execute these actions. Brand trust can therefore be operationalized in terms of both types of expectations.

Attitude is defined by Fishbein and Ajzen (1975:10) as “a learned predisposition to respond in a consistently favorable or unfavorable manner with respect to a given object.” One condition set forth by Fishbein and Ajzen (1975) in arousing an individual’s attitude is the perception of the appropriate cues associated with the content of the attitude. In other words, attitude toward an object is a function of beliefs about the object and the implicit evaluative responses associated with those beliefs. To the extent that expectations are the variations of beliefs in a specific context, attitude toward a specific object can be determined by one’s expectation of the object. Extant literature by Higgins (1996) and Olson, Roese, and Zanna (1996) also supported expectations as proxies of beliefs in attitudinal studies (Higgins, 1996; Olson, Roese, & Zanna, 1996). Fishbein and Ajzen’s theory of planned behavior therefore supports the operationalization of brand trust by expectation variables, and provides a theoretical underpinning for linking brand trust and brand loyalty.

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Relationship between expectation and attitude is often examined in service quality and consumer satisfaction studies. In many of these studies, customer attitude results from a global evaluation of the product or service (e.g., Bolton & Drew, 1991; Holbrook & Corfman, 1985), while customer satisfaction refers to a customer’s evaluation of a specific transaction. Therefore, Oliver (1981) argued that satisfaction is an input to attitude. When customer satisfaction is modeled as a function of disconfirmation arising from discrepancies between prior expectations and actual performance, which is typically the case in consumer satisfaction studies (Spreng, MacKenzie, & Olshavsky, 1996), expectation, as a critical antecedent of satisfaction, becomes a determinant of attitude. In the absence of actual purchase, tourists’ expectation becomes an antecedent to attitudinal loyalty or behavioral intention to visit a destination and recommend others to do so. When brand trust is operationalized in terms of a tourist’s expectations, brand loyalty becomes a consequence of trust in a destination brand. As Lau and Lee (1999, p.352) contended “when a consumer places his or her trust in a brand, and shows a willingness to rely on the brand, that consumer is also likely to form a positive buying intention towards the brand.”

THE MODEL AND IMPLICATIONS

The conceptual model of destination branding as illustrated in Figure 2 is expanded from Figure 1. The first block of Brand Knowledge consists of the three sequential concepts or steps of Brand Awareness, Cognitive Brand Image, and Affective Brand Image. Each of them is linked as an antecedent to the next branding block of Brand Trust. Within Brand Knowledge, Awareness affects Cognitive Image and Affective Image, and there exists a hierarchical relationship between the latter two.

![Figure 2. A Conceptual Model of Destination Branding](image)

Brand Knowledge forms a basis for Brand Trust. The present study defines it as a tourist’s willingness to rely on his or her perceived ability of the destination brand to deliver its promises and meet or exceed the tourist’s expectations built upon his or her knowledge of the brand. Extant theories and literature support the operationalization of the trust concept by tourists’ expectations. Because trust is reversely related to perceived risk, the measurement of expectations should include a risk component. Brand Loyalty is the consequence of Brand Trust. The present study defines it as a tourist’s behavioral intention to visit a destination brand and to recommend others to do the same. While this understanding of brand loyalty is rooted in attitudinal approach, it implies behavior – although actual visitation is not required. The implications of such treatment will be discussed below.

The conceptual model resulted from the syntheses of literature in the fields of general branding and marketing, psychology, sociology, and consumer behavior, as well as tourism. Both theoretical and empirical works were consulted in structuring the model and specification of its various concepts. It is differentiated from extant destination branding models, conceptual or empirical, in four aspects. First, the model’s conceptualization is framed at the outset on key branding blocks. It adopts findings from extant destination image research as an integral part, instead of merely extending it to branding with the latter as an afterthought. Second, the model conceptualization is guided by the process thinking of consumer decision-making, from tourists’ awareness of a destination to their behavioral intention to visit. This approach not only follows the principles of consumer-based brand equity which destination branding researchers begin to embrace, but also highlights the strategic importance of branding. Insteading of treating branding as a marketing tool or tactic, the first two features of the model promote that branding is a strategic concept, and should be examined and practiced as such.
The third unique feature of the conceptual model is the introduction of brand trust and loyalty as two distinct yet causally-related branding blocks, and as the consequences of brand knowledge. Although loyalty has been adequately investigated in marketing literature, it is only a recent phenomenon to consider trust and its relationship to brand knowledge and loyalty in consumer branding research. No destination branding literature has employed it as a distinct construct. This is perhaps due to its elusive nature and difficulty in measurement. The present study suggests that it can be operationalized by tourists’ expectations which should include their perceived risk.

The fourth contribution of the model is its applicability to potential, first-time, and repeat tourist markets. This is achieved by defining brand loyalty as tourists’ behavioral intention to visit a destination without requiring actual or repeat visit. Extant tourism literature on loyalty does not allow such flexibility. In the model, the effects actual or repeat visit can be captured by one or more of the concepts. For example, the causal linkage between brand awareness and brand trust could be stronger for repeat tourists because they have a higher level of familiarity with a destination. Their prior experience could also enable them to more efficiently assess risks associated with revisitation and therefore affect their willingness to rely on the destination’s ability to deliver its promises and meet or exceed their expectations. When applied to repeat markets, however, it would be valuable to examine differences between the pre-trip and post-trip perceptions, as well as the effect of post-trip perceptions on brand awareness.

As a conceptual model, empirical applications are warranted to test its viability. While there are existing measurements for the individual concepts included in the model, pilot and experimental studies are useful to generate or refine measurements holistically for the model and its constructs. Cases studies of destinations that have implemented branding strategies will inform the practicality of the model. Modifications and improvements are expected in empirical setting. Additional concepts and sub-concepts may evolve. For example, it may be more appropriate to identify perceived risk as a separate concept from that of trust to fully reflect the relationship between them and with other concepts. Destination branding affords tourism researchers a fertile field to engage in productive and rigorous academic inquiries, not only to accumulate a much-needed knowledge on destination branding but also to guide the practice of it. As an increasing number of destinations jump on the bandwagon of branding by investing solely in creative advertising, they must be reminded that while sensational and catchy slogans may impact the awareness of destination brands, the winning brands will only come about when consistent brand knowledge is translated to the formation of an emotional bond between tourists and brands. Brand trust and loyalty are the core manifestations of this bond.

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