Antecedents and Consequences of Brand Trust for Pharmaceutical Drug Products

Falina Gunata, Pramono Hari Adi, Ary Yunanto

Magister Management, Faculty of Economics and Business, Universitas Jenderal Soedirman, Indonesia

Abstract

The health industry potential in Indonesia is not optimal yet because of limited number of players in this industry (Kemenkes, 2017) even if health is an important factor. Based on the 2016 data of the Ministry of Health, there are 214 companies of Pharmaceutical Industry in Indonesia. Compared to total Indonesian population of about 257 million, this indicates the limited number of the industry players (detik.com accessed on March 18, 2019 at 21.00). To be attractive to the public, a business should have competitive advantage and consumers' trust so as to attract consumers and make them willing to pay for what is offered and trust its brand. Consumers' level of trust in brand of pharmaceutical products is lacking or often misguided (Rotfeld, 2009). Researches on brand trust in pharmaceutical products have not been conducted extensively and therefore result in difference between theory and field fact. The author studies brand trust in pharmaceutical products using the Consumer – Brand Characteristics variable as the indicator of Brand Image and Brand Personality, Brand Liking, Brand Experience, Brand Satisfaction, and Peer Support. According to (Matzler, 2016) Brand trust influences customer loyalty. 100 respondents are taken as the samples using a Purposive Sampling technique, which is based on certain criteria for maximum information. This research's criteria are 21 to 60 years old non-health worker. The analysis employs SEM with software SPSS AMOS. The research concludes that Brand Image, Brand Personality, Brand Experience, Brand Satisfaction, and Peer Consumer influence Brand Trust, and Brand Trust influences consumer loyalty.

INTRODUCTION

The potential of health industry in Indonesia is not optimal yet because of limited number of the industry players (Kemenkes, 2017) while health is an important factor. Based on the 2016 data of the Ministry of Health, there are 214 companies of Pharmaceutical Industry in Indonesia. Compared to the total population of Indonesia of about 257 million, this indicates limited number of the industry players (detik.com accessed on March 18, 2019 at 21.00)

A business should have competitive advantage to attract the consumers and make them willing to pay for what is offered and trust in the brand. Consumers' level of trust in brand of pharmaceutical products is still lacking or often misguided (Rotfeld, 2009). According to Shrank, 2009, consumers still believe in the 'ada harga ada kualitas (you get what you pay for)' principle, in which they assume that generic drugs' quality is worth their price. Only few consumers are willing to change to generic drugs. There are two types of drugs in in Indonesia, which are patent medicine and generic drug. Patent medicine is medicine first produced or marketed by Pharmaceutical Industry after conducting various kinds of clinical tests. This medicine is expensive since it has passed various kinds of tests. Generic drug consists of two types, generic drug with logo (OGB) and generic drug with brand. The two have the same active ingredients and efficacy with those of patent medicine. The difference between generic drugs with logo and generic drugs with brand is that the first comes with simple package as provided by the government and the latter comes with package pursuant to producer and also with additional ingredients. Generic drugs with brand are commonly added with additive so as to reduce its smell unpleasant aroma. (Dinkes.kalbarprov.go.id accessed on March 18, 2019 at 23.12)

Shrank, 2009, explains that drugs which have been marketed for a long time are safer than those newly marketed, so that consumers trust in patent medicine more than in generic drugs. According to Lesley, 2010, consumers get confused or are not sure if they are to shift to generic drugs since they are not sure of the quality and efficacy of generic drugs. According to Touzani, 2016, consumers have negative opinion about the quality, efficacy and side effect of generic drugs, so that they tend not to shift to other brand in case a drug is to treat a disease which they assume dangerous.

Marketers should focus on building and maintaining trust in customer relations with a brand through symbol to acquire customers' loyalty to the brand. If a group trusts other groups, the group will be likely to develop some positive behaviors towards the other groups. According to (Lau and Lee, 1999), trust in a brand is affected by Brand Characteristics, Company Characteristics and Consumer-Brand Characteristics. Customers' level of trust in a brand affects the customers' loyalty level. When customers trust in a brand, the customers will show positive or loyal attitude and behavior towards the brand since the brand renders positive result.

Researches on trust in a pharmaceutical brand are not really extensive and there, therefore, are differences between theory and field fact. The author studies brand trust in pharmaceutical products using the Consumer – Brand Characteristics variable with Brand Image and Brand Personality, Brand Liking, Brand Experience, Brand Satisfaction, and Peer Support as the indicators. Brand Characteristics and Company Characteristics are not taken as the variable since drugs used by patients or to be chosen by patients are previously, first selected by physician or pharmacist (Fraeyman, 2015), since they are aware of the side effect, effectiveness, equivalence, etc. (Hussaini, 2018). Brand Image, Brand Personality, Brand Liking, Brand Experience, Brand Satisfaction, and Peer Support influence consumer trust in a product (Lau & Lee, 1999). According to (Stein, 2013), consumer trust in a brand is influenced by Brand Experience. According to (Deheshti, 2016), Brand Image and Brand Personality influence Brand Trust. According to (Munnuka, 2016), peer support also influences Brand Trust.

Brand trust influences customer loyalty (attitudinal and behavioral) (Matzler, 2016). Customer loyalty has become a benchmark for marketing success. Loyalty bears a strategic meaning for a company related to entry barrier for competitor, improve corporate capability to respond to competitor's threat, enhance sales and income, and make customers less sensitive to efforts made by competitors..

LITERATURE REVIEW
Brand Image and Brand Personality
Brand Image & brand personality are the brand of the product with conformity or similarity to it in evaluating and assessing the brand.

According to (Deheshti, 2016), Brand Image and Brand Personality are correlated with Brand Trust, thus it is necessary to improve the strategy and quality, so that the product's Brand Image will conform to consumer's Brand Image. This way, the higher the Brand Image and Brand Personality, the higher consumers' level of trust in a brand will be.

According to the research conducted by (Chinomona, 2016), Brand Image influences Brand Trust through communication. Consumers trust more in and are more loyal to brand with Brand Image and good reputation.

According to the research conducted by (Xiao, 2017), Brand Personality positively influences Brand Trust. In line with Xiao's opinion, according to (Yongjun, 2010), Brand Personality are strongly correlated with Brand Trust. Consumer perception of the characteristics of a brand personality is highly important to determine consumer trust in a brand (Brand Trust).

Brand Image is the association of a brand with consumer memory. The examples of Brand Personality's characteristics of consumers are age, gender, social and economy with brand. Consumers will assess the brand. In case the brand has similarity to consumers' self-image, they will be likely to trust in the brand (Lau & Lee, 1999).

Brand Liking
Brand Liking means that consumers like a product's brand, so that they may start relationship between company (brand) and customers.

Brand Liking is acquired from previous experience and reference (Smit et al., 2006 in Imronudin et al., 2015). To be attached to a brand, consumers must like the product first (Nazeer, 2015). Salespeople tend to enhance consumers' Brand Trust to build Brand Liking.

When consumers prefer the brand to other brand, this will make consumers trust in the brand (Nazeer, 2015).

Brand Experience

Brand Experience is when consumers learn from their previous experience which may, in this case, give an overview of future behavior. The experience obtained from this brand will result in positive behavior.

According to the research conducted by (Delgado–Ballester, 2001), Brand Experience will influence Brand Trust if consumers are highly involved in the brand. When consumers' involvement in the brand is not dominant, the relation between Brand Experience and Brand Trust is none.

According to the research conducted by (Sahin, 2011), Brand Experience influences Brand Trust. Brand Experience enhances consumer trust in the brand they are going to find, buy and consume.

Brand Experience is correlated with Brand Trust, since when consumers have used the product and are satisfied with it, they will trust the brand (Wardani & Gustia, 2016).

Consumers will learn from their experience and influence the prediction of their future behavior. When consumers have good experience with the brand, their trust in the brand will grow even more Tjahyadi (2006).

Brand Satisfaction

Brand Satisfaction is that consumers get satisfied more than what they have expected after using the product and making evaluation. If the brand fulfills consumer satisfaction and maintain their promise (consistent), consumers will behave positively.

There is positive correlation between Brand Satisfaction and Brand Trust (Ellonen, 2008) and significant correlation between Brand Satisfaction and Brand Trust in brand with high involvement (Jain, 2017)

According to the research conducted by Menidjel (2017), Brand Satisfaction positively influences Brand Trust of brand with high involvement with consumers.

When company fulfills what is promised and consumers are satisfied with the brand used (Lau & Lee, 1999), Company keeps what it has promised, which will influence consumer trust in the brand.

Peer Support

Peer Support is social influence like family, close friends and community which influence consumers to take a stand on the brand.

According to Toivonen (2016), Peer Support influences Brand Trust since with Peer Support, advertisement will be effective reliable Peer Support will lead to positive attitude (trust in) towards the brand.

A person's behavior is highly important to influence others (Lau & Lee, 1999). Good communication in marketing is very important since it will influence others (Peer Support). Consumers will trust a brand that others or other parties have chosen and used or have information of (Lau & Lee, 1999).

Brand Trust and Customer Loyalty

Brand Trust influences consumer loyalty. Consumers' higher trust in a brand will improve their loyalty to the brand. When their trust in the brand is low, their satisfaction and loyalty to the brand will be low (Deheshti, 2016).

Brand Trust has significant effect on Brand Loyalty (Sahin, 2011). The higher the consumers' level of trust in a product, the higher their loyalty to the brand will be (Sahin, 2011). Trust is something important in influencing customer loyalty to items with high involeemtn with consumers (Sahin, 2011).

Customer loyalty to a brand is based on consumers' level of trust in the brand, since they have used and are satisfied with it. Furthermore, consumers tend to buy repeatedly and recommend others of the brand or company (Lau & Lee, 1999).

METHOD

This quantitative research employs survey, of which data are the samples of the total of population. The research's samples are 70 people with criteria of 21–60 years old non-health workers. The data interval instrument is employed to measure the data. The Likert scale is employed, which is designed to determine the extent of subject's influence with 5 points of scale with agree and disagree statements.

RESULTS AND DISCUSSION

This research model consists of 5 (five) constructs: Brand Image and Brand Personality (X1), Brand Liking (X2), Brand Experience (X3), Brand Satisfaction (X4), Peer Support (X5), Brand Trust (Z) and Brand Loyalty (Y). The measurement model evaluation is the phase of testing the validity and reliability of a construct.

Construct Validity Test

Construct validity test is aimed to examine whether or not the indicators used to measure latent variable are valid. The validity of each indicator in measuring latent variable is shown

by the extent of loading factor. An indicator is declared valid if the loading factor of an indicator is positive and higher than 0.5. The validity test results are presented in the Table 1.

Table 1. Validity Test

Variable	Indicator	Estimate	Cut Off	Remark
Brand Image and Brand Personality	X1_1	0.920	0.5	Valid
	X1_2	0.946	0.5	Valid
Brand Liking	X2_1	0.916	0.5	Valid
	X2_2	0.940	0.5	Valid
	X2_3	0.938	0.5	Valid
Brand Experience	X3_1	0.997	0.5	Valid
	X3_2	0.912	0.5	Valid
Brand Satisfaction	X4_1	0.970	0.5	Valid
	X4_2	0.988	0.5	Valid
	X4_3	0.886	0.5	Valid
Peer Support	X5_1	0.731	0.5	Valid
	X5_2	1.009	0.5	Valid
Brand Trust	Z1_1	0.847	0.5	Valid
	Z1_2	0.817	0.5	Valid
Brand Loyalty	Y1_1	0.698	0.5	Valid
	Y1_2	0.602	0.5	Valid
	Y1_3	0.711	0.5	Valid
	Y1_4	0.743	0.5	Valid

Based on the table, we may observe that all of the question indicators used to measure the Brand Image and Brand Personality (X1), Brand Liking (X2), Brand Experience (X3), Brand Satisfaction (X4), Peer Support (X5), Brand Trust (Z) and Brand Loyalty (Y) variables have loading factor value higher than 0.5. Therefore, the indicators are declared valid to measure the variables.

Construct Reliability Test

Construct reliability test is conducted using Cronbach's Alpha technique. The test criteria state that if Cronbach's Alpha coefficient ≥ 0.6, we may state that the construct is reliable or the indicator is consistent to measure the variables. The summary of reliability test results is presented in the Table 2:

Table 2. Reliability Test

Variable	Cronbach's Alpha	Cut Off	Remark
Brand Image and Brand Personality	0.923	0.6	Reliable
Brand Liking	0.948	0.6	Reliable
Brand Experience	0.947	0.6	Reliable
Brand Satisfaction	0.959	0.6	Reliable
Peer Support	0.848	0.6	Reliable
Brand Trust	0.952	0.6	Reliable
Brand Loyalty	0.931	0.6	Reliable

Based on the table, we may observe that the Cronbach's Alpha value of the Brand Image and Brand Personality (X1), Brand Liking (X2), Brand Experience (X3), Brand Satisfaction (X4), Peer Support (X5), Brand Trust (Z) and Brand Loyalty (Y) variables are higher than 0.6. Therefore, based on Cronbach's Alpha calculation, all indicators to measure the Brand Image and Brand Personality (X1), Brand Liking (X2), Brand Experience (X3), Brand Satisfaction (X4), Peer Support (X5), Brand Trust (Z) and Brand Loyalty (Y) variables are declared reliable.

Model Fit and Proper Test

Construct (model) fit and proper test is aimed to observe whether or not the construct formed is appropriate (fit). There are some test indexes in SEM analysis, which are RMSEA, GFI, AGFI, TLI and CFI. The criteria using RMSEA state that if RMSEA value ≤ cut off value (0.08), the construct formed is appropriate (fit). Finally, the criteria using GFI, AGFI, TLI, and CFI state that if goodness of fit value ≥ cut off value (0.90), the model formed is appropriate (fit). The summary of model fit and proper test results is presented in the Table 3.

Based on the summary of goodness of fit, we may observe that the TLI, NFI, CFI and RMSEA approaches employed results in fit model conclusion, thus the theory hypothetical test may be continued.

Hypothesis Test

Hypothesis test is aimed to test whether there is direct influence of exogenous variable on endogenous variable. The significance may be found out through p value. The test criteria state that if p value < level of significance (alpha (α=0.05)), then exogenous variable significantly influences endogenous variable. The analysis results may be observed in the summary presented in the Table 4.

Table 3. Goodness of Fit Test Result

Index	Goodness Of Fit	Cut Off Value	Remark
NFI	0.652	Close to 1	Marginal of Fit
TLI	0.616	Close to 1	Marginal of Fit
CFI	0.676	Close to 1	Marginal of Fit
RMSEA	0.280	≤ 0.10	Marginal of Fit

Table 4. Hypotheses Test

Hypothesis	Exogenous	Endogenous	Coef.	C.R	p value	Remark
H1	Brand Image and Brand Personality	Brand Trust	0.495	8.924	0.000	Significant
H2	Brand Liking	Brand Trust	0.247	5.253	0.000	Significant
H3	Brand Experience	Brand Trust	0.527	9.517	0.000	Significant
H4	Brand Satisfaction	Brand Trust	0.476	8.448	0.000	Significant
H5	Peer Support	Brand Trust	0.383	6.091	0.000	Significant
H6	Brand Trust	Brand Loyalty	0.997	8.032	0.000	Significant

The Table 4 informs that:

1. The test of influence of Brand Image and Brand Personality on Brand Trust results in C.R (Critical Ratio) of 8.924 and *p* value of 0.000. The test result shows that *p* value < level of significance (alpha = 0.05), which means that Brand Image and Brand Personality significantly influence Brand Trust. The Coefficient is positive 0.495, indicating that Brand Image and Brand Personality positively influence Brand Trust. This means that higher Brand Image and Brand Personality tend to improve Brand Trust.

2. The test of influence of Brand Liking on Brand Trust results in C.R (Critical Ratio) of 5.253 and *p* value of 0.000. The test result shows that *p* value < level of significance (alpha = 0.05), which means that Brand Liking significantly influences Brand Trust. The Coefficient is positive 0.247, indicating that Brand Liking positively influences Brand Trust. This means that higher Brand Liking tends to improve Brand Trust.

3. The test of influence of Brand Experience on Brand Trust results in C.R (Critical Ratio) of 9.517 and *p* value of 0.000. The

test result shows that *p* value < level of significance (alpha = 0.05), which means that Brand Experience significantly influences Brand Trust. The Coefficient is positive 0.527, indicating that Brand Experience positively influences Brand Trust. This means that higher Brand Experience tends to improve Brand Trust.

4. The test of influence of Brand Satisfaction on Brand Trust results in C.R (Critical Ratio) of 8.448 and *p* value of 0.000. The test result shows that *p* value < level of significance (alpha = 0.05), which means that Brand Satisfaction significantly influences Brand Trust. The Coefficient is positive 0.476, indicating that Brand Satisfaction positively influences Brand Trust. This means that higher Brand Satisfaction tends to improve Brand Trust.

5. The test of influence of Peer Support on Brand Trust results in C.R (Critical Ratio) of 6.091 and *p* value of 0.000. The test result shows that *p* value < level of significance (alpha = 0.05), which means that Peer Support significantly influences Brand Trust. The Coefficient is positive 0.383, indicating that Peer Support positively influences Brand Trust. This means that higher Peer Support tends to improve Brand Trust.

6. The test of influence of Brand Trust on Brand Loyalty results in C.R (Critical Ratio) of 8.032 and *p* value of 0.000. The test result shows that *p* value < level of significance (alpha = 0.05), which means that Brand Trust significantly influences Brand Loyalty. The Coefficient is positive 0.997, indicating that Brand Trust positively influences Brand Loyalty. This means that higher Brand Trust tends to improve Brand Loyalty.

CONCLUSION

Based on the research results discussed above, we may conclude that: 1. Brand Image and Brand Personality positively influence Brand Trust. This means that better Brand Image and Brand Personality tend to improve Brand Trust. 2. Brand Liking positively influences Brand Trust. This means that higher Brand Liking tends to improve Brand Trust. 3. Brand Experience positively influences Brand Trust. This means that higher Brand Experience tends to improve Brand Trust. 4. Brand Satisfaction positively influences Brand Trust. This means that better Brand Satisfaction tends to improve Brand Trust. 5. Peer Support positively influences Brand Trust. This means that better Peer Support tends to improve Brand Trust. 6. Brand Trust positively influences Brand Loyalty. This means that higher Brand Trust tends to improve Brand Loyalty.

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