CHAPTER V

CONCLUSIONS AND RECOMMENDATIONS

5.1. Conclusions

There is positive relationship between perceived value and brand affect. The conducted test of perceived value on brand affect was proven significant because the probability value was 0.000 ($p < 0.05$) and path estimate was 1.107 (H1 was supported). The greater the perceived value, the greater the brand affect for the overall premium airline's service. In other word, the lower the perceived value, the lower the brand affect for the overall premium airline's service. This was caused by positive perceived value that exceeded the expectation of customer which will develop positive emotional response.

There is positive relationship between perceived value and brand trust. The conducted test of perceived value on brand trust was proven significant because the probability value was 0.000 ($p < 0.05$) and path estimate was 0.907 (H2 was supported). The greater the perceived value, the greater the brand trust for the overall premium airline's service. In other word, the lower the perceived value, the lower the brand trust for the overall premium airline's service. This occurence happened because customers perceived that the quality and the reputation is acceptable. This would help customers develop trust on the premium airline brands.

Brand affect positively influence customer loyalty. The conducted test of brand affect on customer loyalty was proven significant because the probability value was 0.000 ($p < 0.05$) and path estimate was 0.366 (H3 was supported). The greater the brand affect, the greater the customer loyalty for the overall premium airline's service. In other word, the lower the brand affect, the lower the customer loyalty for the overall premium airline's service. This was due to tangible aspects of the premium airlines that would make customers more likely to develop love. Love is considered as attitudinal loyalty of the brand.

Brand trust positively influence customer loyalty. The conducted test of brand trust on customer loyalty was proven significant because the probability value was 0.000 ($p < 0.05$) and path estimate was 0.432 (H4 was supported). The greater the brand trust, the greater the customer loyalty for the overall premium airline's service. Also, the lower the brand trust, the lower the customer loyalty for the overall premium airline's service. Uncertain situations made customers more likely to trust premium airline brands since they could offer more controllable atmosphere. Continous trust would create commitment in the long term.

There is no relationship between brand affect and customer loyalty under the conditions of high price perception. The conducted test of price perception on the relationship of brand affect and customer loyalty was proven not significant because the probability value was 0.555 ($p < 0.05$) and the standardized coefficient was -0.178 (H5 was rejected). Therefore, there was no support and significant influence of price perception on the relationship of brand affect and

customer loyalty. This was due to the negative feelings developed by customer when mentioned about the price of the premium airlines. The negative feeling then would inhibit the development of customer loyalty in return.

The relationship between brand trust and customer loyalty is stronger under the conditions of high price perception. The conducted test of price perception on the relationship of brand affect and customer loyalty was proven not significant because the probability value was 0.039 ($p < 0.05$) and the standardized coefficeint was -0.592 (H6 was supported but not significant). Therefore, the moderating effect of price perception had positive influnce on the relationship between brand trust and customer loyalty. However, the influence was not significant. This occurence happened because price could represent about the brand. But then, high price perception could mislead the customer's perception into dissatisfaction. This might be the reason why high price perception could create trust but also ruin it.

5.2. Limitations

The limitations of the research were as follow:

1. The result of this research is based on collecting random sampling which was relatively large. This might create bias on the result.

2. As independent variables, there were probably other existing variables beside perceived value and price perception that have greater influence on customer loyalty. The basic of perceived value and price perception

were studied in the previous researches and were not studied in this research.

3.   There were also probably other existing research method that could predict more on the influence of customer loyalty than what was used in this research.

4.   Researcher did not limit which airline brands that had been used.

5.3. Recommedations

For empirical research, researcher suggests the future research to examine what factors that may create high price perception hamper the development of customer loyalty. Future research should also investigate in what kind of situation does the phenomenon of high price perception ruining the influence of brand affect and brand trust in developing customer loyalty happens.

In the managerial implication, the empirical findings suggest that marketing practitioner should maximize customer's perceived value in terms of quality, emotional response, monetary price, behavioral price, and reputation. Marketers should also balance the price asked for the service given. The balance of high monetary price and a pleasing service will have customer to stay in one particular brand.