Analyzing the Impact of Product Quality, Customer Engagement, and Perceived Risk on Perceived Value: The Moderating Role of Customer Trust in Fostering Brand Loyalty

Asif Iqbal *[1], Muskan Elahi [2]

[1]*Lecturer, College of Management Sciences (CoMS), Karachi Institute of Economics & Technology (KIET), Pakistan.

[2]Research scholar, College of Management Sciences (CoMS), Karachi Institute of Economics & Technology (KIET), Karachi, Sindh, Pakistan.

Corresponding author: asif.coms123@gmail.com

This study aims to determine the impact of Product quality, customer engagement, Perceived Experience, and Perceived risk on Perceived value, with Customer trust as a moderating variable. In today's increasingly competitive business environment, identifying the sources of perceived value is an essential step for any brand that aims to improve customer satisfaction and reinforce customer loyalty. For this study, an attempt to analyze data quantitatively is made, and a survey methodology is used to collect data from a sample of 282 respondents who are consumers in various fields of industry. A structured questionnaire was used to collect the relevant data. In the data analysis process, Structural Equation Modeling was utilized to assess the direct impacts of the studied variables. The moderating role of customer trust was analyzed in the relationship between perceived value and brand loyalty. The findings show that product quality, customer engagement, and perceived experience have a strong positive impact on perceived value, which is also significant, while perceived risk results in a significant negative impact on perceived value. At the same time, Customer trust has a positive impact on value while strengthening the positive impacts of product quality, engagement, and experience. Additionally, Customer trust suppresses the negative impact of perceived risk. The results of the study imply that establishing trust is one of the most effective ways of improving the perceived value of a product or service. This study also provides marketing professionals, who are responsible for providing quality, interpersonal emotions, and experience while managing the levels of perceived risk with practical guidelines for value enhancement. The theoretical implications are rooted in certain requirements concerning the further elaboration of the concept of value. The practical implications are connected with the possible development of customer relations as a strategic path leading to enhanced brand loyalty.

1. Introduction

In today's digital economy, a brand's ability to build trust with the customer and create value is more important than ever because the consumer has become more empowered, surrounded with tens and thousands of marketing messages daily, and can switch brands at nearly any time, for nearly any reason (Torres-Moraga & Barra 2023). Understanding the drivers of perceived value is highly critical in today's highly competitive markets for firms that intend to differentiate their offerings and build long-term customer relationships (Kusumawati & Sri Rahayu, 2020; Kwan Soo Shin et al., 2019; Rahi, 2016). Perceived value, defined as the customer's overall judgment of the benefits received in light of the costs incurred, is a critical determinant of purchase behavior, satisfaction, and loyalty (Boksberger & Melsen 2011). Thus, as firms strive to improve the level of perceived value among their customers, a series of influential factors such as product quality, customer engagement, perceived experience, and perceived risk have emerged.

The concept of Perceived value reaches well beyond monetary price and embraces such factors as relative price, convenience, entertainment, and exploration, as well as customer satisfaction (Pratiwi et al., 2021). It is mentioned that, among the key factors that determine perceived value to high-quality products are of prime importance as they facilitate the experience of intrinsic satisfaction by serving customers' requirements in ways that they are prepared for: reliability, durability, and performance. As products are gradually becoming commoditized in a variety of industries, it implies that other factors, such as customer engagement and perceived experience value, must be used by businesses as the basis for deeper, longer-term value. Customer engagement is defined by Harrigan et al. (2018) as the extent of a specific customer is a brand's interaction and engagement on cognitive, emotional, and behavioral levels The dynamism of the modern business environment further conditions the proliferation of such engagement sources as personalized marketing, social media, loyalty programs, and even co-creation. The latter, in particular, appears to be a legitimate method of ensuring customer engagement through deriving value from their input (Chen et al. 2021).

Perceived experience correlates to the sum of an individual's experiences with a brand across different contexts. This encompasses online and in-person experiences, as well as customer service interactions, and support (Akoglu & Özbek, 2022). Positive experiences that resonate with a consumer's emotions lead to a substantial contribution to perceiving value. Thus, when a product performs well and a brand offers memorable experiences, customers believe in a consistent emphasis on loyalty and satisfaction. However, regardless of the product quality, negative experiences diminish perceived value (Boksberger & Melsen 2011). Therefore, a strategy for facilitating seamless, memorable, and emotionally resonating experiences is essential. Perceived risk correlates with elements of uncertainty and the potential downsides of a purchase. Essentially, Miller explained that an individual would consider the risks as a loss that might go unrealized, functional failure of the product, and social disapproval from the community. High levels of perceived risk diminish perceived value as customers are hesitant. The overarching

effect is the orientation towards more secure and safer alternatives. Against these factors, it is important to note that the role of consumer trust is justified regarding the moderating effect.

Customer trust is defined as the level of trust that a customer perceives in a brand in terms of reliability and integrity, rendering the relationships between product quality, engagement, experience, and risk and perceived value non-linear (Li eta al., 2020). When customers have high levels of trust, negative perceptions can be buffered, while the effects of perceived risk can be decreased, and the positive impact of engagement and experience can additionally be enhanced. In the absence of trust, even high levels of quality may not generate the desire level of perceived value. Customer trust correlates to an individual's belief in an organization's extent of reliability, competence, and integrity. It is essential regarding the relationship's long-term perspective, as a critical factor in establishing loyalty and maintaining repeat business (Honora et al., 2023; Li et al., 2020). The effects of value perception factors are mediated or exacerbated by the level of trust that customers have in the brand. For example, the high level of trust diminishes the effect of perceived risk on perceived value due to the confidence that the brand will meet the consumer where he or she interprets its offerings' benefits (Kaur & Arora, 2020). Similarly, trust accentuates the advantages of perceived quality, engagement efforts, and experiences. In a high trust environment, customers are more inclined to feel utility deriving perceived value (Chakraborty et al., 2022).

Research on how product quality, customer engagement, perceived experience, and perceived risk influence perceived value and how customer trust moderates is rational for a number of reasons. First, it seeks to find out how these factors can individually contribute to perceived value. Secondly, the study will confirm how customer trust can reinforce or weaken their interconnectedness. Although each of these influences is relevant to perceived customer value, the role of customer trust as a moderator deserves heightened attention. The present study examines these constructs and relationships to contribute to a more nuanced understanding of value creation and provide insight for practitioners.

2. Literature Review

2.1 Theoretical Background

2.2 Trust-Commitment Theory

Trust-Commitment Theory was developed by Morgan and Hunt in 1994 and still holds a fundamental role in the development of strong, long-lasting relationships between customers and brands. In the context of perceived value and brand loyalty, the theory posits that trust and commitment act as mediators that enable loyalty. From the perspective of a consumer, trust is their belief that the brand is reliable, honest, and can be depended upon. If customers find any value in the brand's products, be it connected to product quality, service quality, and experience, or value-laden qualities, they will be likelier to trust that they will also gain the value they need in the future (Ghali-Zinoubi 2023). This, in turn, will form a stronger emotional bond, making it more known and thus reducing uncertainty in these future transactions. For what concerns commitment, it refers to the attachment that consumers feel to the brand. The rationale underpinning it is that establishing and maintaining one's relationship with the brand is a meaningful venture (Cahaya et al., 2023). In turn, if trust is

presumed to be high, this should enhance the level of commitment. Both of those factors combined constitute the relationship between perceived value and brand loyalty, which leads to maintaining a long-term relationship with the brand and potentially furthering it. The Trust-Commitment Theory suggests that trust causes commitment and is itself related to value in the relationship with the brand (Wang et al., 2020).

2.3 Perceived Value Theory

According to Perceived Value Theory, customers assess a product or brand in light of the expected value that they will receive versus the cost incurred to obtain it (Zeithaml, 1988). In the context of your topic, whereas Product Quality, Customer Engagement, perceived experience and perceived risk contributes towards this value perception. The advantage the customer takes in the value equation is boosted by high product quality which makes customers see the brand as more trustworthy and beneficial (Kotler & Keller, 2016). Customer engagement also increases the perceived value through its closer involvement with the brand and its interaction inducing loyalty (Lin et al, 2005). Such experiences are considered as emotional values that increase satisfaction and ultimately attract more customers towards the brand (Boksberger & Melsen 2011). As if these facts are not shocking enough, now two miles down the road from this miserable experience is waking up to a band. On the other hand, perceived risk can reduce perceived value due to uncertainty in terms of product quality or reliability of services (Marakanon & Panjakajornsak 2017). In this dynamic, Customer Trust acts as a moderation variable that strengthens the relationship between value and brand loyalty by assuring customers that staying loyal is right decision. Customers confidently believe that a brand will live up to their expectations in the long term when trust is high, which results in an increase of brand loyalty.

2.4 Product quality and Perceived value

One of the most critical determinants affecting perceived value in consumer decision making is product quality (Govindaraj & Pradeep 2023). Generally, perceived value refers to the customer's evaluation of the overall worth of a product or service regarding the cost of the item. Specifically, the perception of value is tightly linked with the quality of a product, which should be equal to or exceed the customer's expectations. In other words, the higher is the quality of the product, the more value this product will be perceived by the customer (Uzir et al., 2020). The assumption that there is a positive correlation between the quality of the product and the value perceived by the customer is supported by numerous studies (Coelho et al., 2020). Firstly, upon deriving tangible benefits from using a product in the form of better performance, appearance, and durability, the customer will regard this particular product as having more value for the price they paid. Secondly, the quality of the product can be perceived as its subjective characteristic and determined based on the peculiarities of highly competitive markets, where consumers may differentiate between products according to the criterion of quality. Finally, through satisfaction with the quality of products, consumers will also perceive a higher value of the brand, which will encourage their loyalty (Ibrahim & Borhan 2020). Thus, most findings confirm that product quality positively affects perceived value, and, alternatively, high-quality products will lead to willing acceptation by the target customer.

H1: Product quality has a positive impact on Perceived value

2.5 Customer engagement and Perceived value

Customer engagement is a critical factor for evaluating perceived value, which refers to the assessment of the benefits adjusted to the costs (Touni et al., 2022). Customer engagement constitutes a collection of the interactions and emotional connections that a

customer has with a brand, including product usage, social media presence, customer service, and interactions with sales representatives or other types of interactions with the firm. High levels of customer engagement are consistently found to have a positive effect on perceived value resulting in stronger bonds, greater satisfaction, and brand loyalty (Li et al., 2020). In this case, an engaged customer feels increasingly attached and valued by the firm due to their active participation. Moreover, higher levels of engagement allow customers to feel that the product or service is increasingly valuable by providing a closer fit to their needs. Lastly, the successful engagement also allows the firm to offer the consumer a more personalized experience to make the service more valuable through their lens (Honora et al., 2023).

Undoubtedly, the development of brand loyalty leads to higher perceived value; therefore, any improvement that impacts engagement must be beneficial (Dovaliene et al., 2015). When a customer feels more engaged, they are more certain that the brand values them and see the product as more valuable. The opportunities provided to the customer to actively participate in the brand's life solidify the emotional bond and increase the perceived value of the product. Moreover, customer engagement levels are also positively correlated with the likelihood of future interaction; actively engaged customers are more likely to purchase the same product in the future regardless of objective factors, such as the location or availability of alternatives. In addition, a deeply engaged customer is also more likely to feel that they can rely on the product performing as intended; they typically have more product knowledge reflecting in a sense of a better fit with the product (Barari et al., 2021). Finally, customer engagement also decreases perceptions of risk, as an actively engaged customer will have more exposure to the product, increasing ownership and allegiance, and lessening their readiness to consider available alternatives.

H2: Customer engagement has a positive impact on Perceived value

2.6 Brand experience and Perceived value

A brand experience is one of the primary owners to encourage a customer's perceived value (Coelho et al., 2020). The latter refers to the judgment of a product or service in terms of the benefits that are perceived to be brought by the product or service and the associated costs. Brand experience can be regarded as the accumulation of sensory, emotional, cognitive, and behavioral interactions with a brand at contact points, and customers use the strategic signs provided by a brand to guide behavior (Wiedmann et al., 2018). In both online and offline contexts, when customers can experience positive feedback from the performance of a particular brand's product, they will attribute the performance outcomes to the high value of the product and their satisfaction or reaction to the brand. Specifically, online, customers can experience excellent design quality, simple navigation, and high capacity, while offline they can make direct product comparisons at store counters and notice that the packaging of a particular brand looks and feels more "cell phone-pure". Both of these experiences are not just about the functional performance of a product; they also contribute to an emotional design that causes the product to leave an impression that customers will not forget (Pratiwi, et al., 2021).

However, the most important significance of these types of experience for the perceived value of the brand is to provide the customers with an experience, i.e. the brand offers not a mere product but something much more attractive and desirable to customers in terms of emotions or psychology, which ultimately results in the experience from the very product (Mukerjee et al., 2018). In other words, a brand experience is used as a tool through which a customer evaluates perceived benefits of a product. For example, luxury brands effectively enhance the perceived appeal of their products by creating the conditions for an exclusive, personalized service that ensures the status of customers in a special, unique environment (Paulose & Shakeel 2022). The experience from the performance of a particular brand's product is also a way to reduce customers' risk apprehension by the fact that customers know the brand and have previously received a positive evaluation experience. This is why brand experience effects induce predicted value perceptions, mainly concerning the relative functional superiority compared to competitor brands that a customer has no experience of. However, in a broader sense, the most crucial impact of brand experience on perceived value is that a positive experience leads to higher customer loyalty and even brand advocacy (Cynthia et al., 2023). If customers experience the best product through a particular brand and receive long-lasting memories from this experience, they try to share it with other customers and in the end, boost the perceived value of the product in the minds of existing customers and those who have not yet tried the brand. In other words, brand experience has a positive impact on perceived value through the creation of emotional links or customer advocacy effects.

H3: Brand experience has a positive impact on Perceived value

2.7 Perceived Risk and Perceived value

Perceived risk is a key factor that decreases perceived value. Perceived value is a customer evaluation of the benefits relative to the cost of a product or service (Kaur& Arora, 2020). Perceived risk occurs when consumers are not sure about what bad things might happen when they buy or use a certain product. All risks are different: financial (one could lose money), psychological (stress or remorse), social (people could lose their image), or functional (a thing may not work properly). When perceived risk is high, the value that customers see in the product becomes lower (Xie et al., 2020). Therefore, customers are less likely to buy it. This effect has been shown in a large number of consumer behavior studies. If people think that the potential cost of buying a product is higher than its benefit, they do not regard the products as valuable. The perceived risk of any negative outcomes becomes almost the only thing that the customer thinks about.

It is especially true for the products in industries where it is crucial to avoid any potential mistakes. For example, perceived risk in innovative technology reduces value because people are afraid that the technology will behave inadequately (Şen et al., 2020). The perceived risk in pharmacology also decreases epidemics, and they will be less effective because of the concerns of side effects. Additionally, perceived risk is a reason for the customer to worry about the quality of a product. When a customer is not sure when a customer is going to buy and whether it is reliable, they do not see it as valuable. These tendencies illustrate the importance of perceived risk in decreasing the value that customers

see in products. Moreover, when perceived risk is high, customers pay more attention to whether other customers provide testimonials and reports on the reliability of a concrete brand.

H4: Perceived Risk has a negative impact on Perceived value

2.8 Perceived value and brand loyalty

Perceived value is one of the most important aspects affecting brand loyalty because it represents consumers' overall assessment of the utility /value they get in relation to what they must give up to receive it. Customer experience is reflected through merely two perspectives: if a brand gives more, in principles of high quality product range offered by the brand itself, combined with customer service or overall firm experience, customers are likely to become loyal towards such brands. Perception of value increases customer satisfaction which is a prerequisite to loyalty (Devi, & Yasa 2021).

The strong relationship between perceived value and brand loyalty highlights its influence in shaping consumers' attitude toward a favorable or an unfavorable assessment of the brand in future purchase intentions (Ashraf et al., 2018). Emotional connection with a brand develops stronger in customers who feel that the value is always delivered (Lin et al, 2017). Moreover, in the competitive markets where customers have several choices to choose from, perceived value becomes important as a greater perceived value distinguishes the brand among other brands and retains customer loyalty even under competition (Li et al., 2021). The perception of value impacts customer satisfaction and loyalty associated with a brand leading to both emotional and concrete brand attachment. Brands in pursuit of long-term loyalty must ensure that perceived value is maintained and even elevated.

H5: Perceived value has positive impact on brand loyalty

2.9 Customer trust as a moderator

Customer trust represents an important factor in fostering the relationship between perceived value and brand loyalty. Perceived value is usually considered as a prominent driver of brand loyalty, interpreting a customer's assessment of the benefit s/ price relation inherent to a particular product or service (Alqasa et al., 2022). However, the level of this relationship may fluctuate depending on the customer's trust for a brand. Specifically, customer trust as an impact factor in moderating the perceived value-and brand loyalty is performance relationship interprets as the confidence of the customer in the reliability and honesty of the brand. Trust among customers increases perceived value and brand loyalty by enhancing the customer's willingness to commit to this brand (Honora et al., 2023). Thus, when a customer demonstrates trust for the company, perceived value is more likely to be interpreted positively, leading to the growing level of loyalty with time (Puspaningrum, 2020). The factor of trust is especially relevant in terms of averting perceived risks and uncertainties, which makes it easier for both parties to stick to the current brand despite other competitors with similar value performance. The literature in this respect indicates that customer trust becomes a certain buffer against negative experiences like product failure or price increase as long as the perceived value will be high. In this situation, trust will magnify the degree of loyalty displayed by the customer, contributing considerably to the long-term customer's engagement (Guo et al., 2023). Overall, businesses that aim to increase the level of brand loyalty between them and their customers should dwell more on managing perceived value and success in building and preserving customer trust.

H6: Customer trust positively moderates the relationship between perceived value and brand loyalty

Figure No 1: The Conceptual Framework
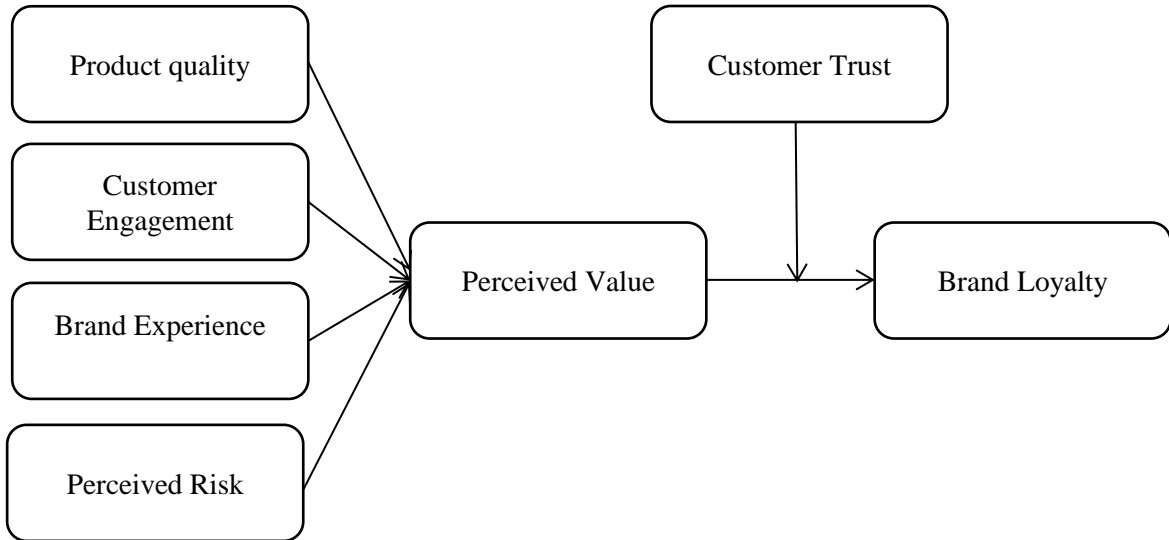
3   Methodology

3.4 Data Collection and Sampling

The study employed a structured survey to collect data on Product Quality, Customer Engagement, Perceived Experience, Perceived Risk, and Perceived Value, with Customer Trust being the moderating variable. The survey was distributed to 282 respondents through purposive sampling to ensure demographic density. In the survey, a 5 Likert scale was used to rate the statements on Product Quality, Customer Engagement, Perceived Experience, and Perceived Risk. These parameters were then evaluated based on their effect on Perceived Value. Moreover, Customer Trust was analyzed as a moderator in the impact of those variables on Perceived Value. The data was analyzed using SmartPLS to reveal relationships among and moderation effects in customer behavior towards perceived value.

4. Results and Discussion

Table No 1: Respondent Profile

	Individual Characteristics	Frequency	Percentage
Gender	Male	171	60.6%
	Female	111	39.36%
	Total	**282**	**100%**
Age	18-30 year	76	26.95%
	31-40 year	112	39.71%
	41-50 year	58	20.56%
	Above 50 years	36	12.76%
	Total	**282**	**100%**

Income	25,000-50,000	77	27.30%
	50,001-75000	95	33.68%
	75,001-100,000	86	30.49%
	Above 125,000	24	8.51%
	Total	**282**	**100%**
Education	Matric	29	10.28%
	Intermediate	65	23.04%
	Bachelors	114	32.70%
	Masters	58	40.42%
	Other	16	5.67%
	Total	**282**	**100%**

The above table shows brief outline of the main demographic features of our sample With regard to sex, the majority of respondents were male (60.6%) and female making up 39.36%. The largest age group is 31–40 years comprising (39.71%), followed by 18-30 years (26.95%), then 41–50 years (20.56%), and those over 50 years (12.41%). In terms of income, the largest number of respondents earn between 50,001-75,000 (33.68%) followed by 75,001-100,000 (30.49%). Around two-thirds have completed either a Bachelor's degree (32.7%) or a Master's degree (40.42%); some had intermediate (23.04%), matric-level (10.28%) education, or other qualifications (5.67%).

Table No 2: Measurement model

Construct	Items	loading	Cronbach's alpha	CR	AVE
Product quality	PQ 1	0.704	0.823	0.811	0.754
	PQ 2	0.807			
	PQ 3	0.817			
	PQ 4	0.762			
	PQ 5	0.770			
	PQ 6	0.780			
	PQ 7	0.850			
	PQ 8	0.710			
	PQ 9	0.790			
	PQ 10	0.772			
	PQ 11	0.830			
Customer engagement	CE 1	0.837	0.846	0.715	0.739
	CE 2	0.858			
	CE 3	0.821			
	CE 4	0.780			
	CE 5	0.790			
	CE 6	0.722			
	CE 7	0.773			
	CE 8	0.802			
	CE 9	0.797			
	CE 10	0.810			

	CE 11	0.840			
Brand experience	BE 1	0.815	0.813	0.807	0.790
	BE 2	0.851			
	BE3	0.828			
	BE4	0.793			
	BE5	0.775			
	BE6	0.783			
	BE7	0.780			
	BE8	0.810			
	BE9	0.819			
Perceived risk	PR 1	0.836	0.771	0.712	0.701
	PR 2	0.839			
	PR 3	0.870			
	PR 4	0.851			
	PR5	0.791			
Perceived value	PV 1	0.802	0.811	0.812	0.771
	PV 2	0.816			
	PV 3	0.764			
	PV 4	0.826			
	PV 5	0.791			
Customer trust	CT 1	0.794	0.819	0.828	0.708
	CT2	0.827			
	CT3	0.816			
	CT4	0.805			
Brand Loyalty	BL 1	0.803	0.829	0.805	0.724
	BL 2	0.778			
	BL 3	0.769			
	BL 4	0.810			
	BL5	0.795			
	BL6	0.780			

The above table shows component of measurement model sheds light on reliability and validity of study constructs. The constructs are Product Quality, Customer Engagement, Brand Experience, Perceived Risk, Perceived Value, Customer Trust and Brand Loyalty. The loadings of items on each of the constructs are all acceptable to high (all above 0.70). This indicates that the items are appropriately tapping the specific latent constructs. Since the Cronbach's alpha values for all constructs are above 0.70–considered to be good internal consistency38 and that composite reliability (CR) of each construct also exceeds the recommended threshold of 0.7039, this confirms on an overall basis that our constructs are reliable. This indicates convergent validity, in other words, that more than half of the variance is accounted for by the constructs and not measurement error, since all constructs have an AVE greater than 0.50 For example, Product Quality (AVE = 0.754), Customer Engagement (AVE = 0.739), and Brand Experience (AVE = 0.790) all show good level of convergence among their items as seen within the surrounding bold numbers in each row shown above with strong values ranging from AVE >.69In conclusion, overall the results support a reliable and valid measurement model,

which means that the constructs provide a good basis to conduct further analysis on exploratory/confirmatory relationships in terms of perceived value and brand loyalty.

3.5 Validity and Reliability Analysis

The table 3 shows the discriminant validity of the constructs examined in this study. Diagonal values are the square root of AVE for each variable, which in turn measures how much a particular construct is distinct from other constructs. Example: The square root of the AVE for Product Quality (PQ) = 0.845, and its correlations with other constructs (Customer Engagement (CE) at 0.823; Brand Experience (BE) at 0.814) are less than this diagonal value. Across all of the constructs, we note a similar pattern in which diagonal values consistently exceed their off-diagonal correlational brothers. The diagonal for eg, Customer Trust (CT) = 0.870 is higher than its correlation with Brand Loyalty (BL) i.e 0.842 or other constructs. Since the diagonal values are all at least 0.2 greater than their corresponding off-diagonal element in the same row, this indicates adequate discriminant validity among the model variables (Dy et al., 2024). This implies that the constructs can be measured separately from one another, which adds to the reliability and validity of the measurement model (Hair et al., 2016).

Table 3. Discriminant validity

Variable	PQ	CE	BE	PR	PV	CT	BL
PQ	0.845						
CE	0.823	0.889					
BE	0.814	0.861	0.890				
PR	0.832	0.852	0.834	0.859			
PV	0.824	0.843	0.825	0.821	0.829		
CT	0.781	0.801	0.811	0.798	0.819	0.870	
BL	0.802	0.815	0.805	0.806	0.826	0.842	0.832

Table 4. Hypotheses assessment summary

Variable	Original sample	Sample mean	T statistics	P values
PQ -> PV	0.424	0.254	5.819	0.032
CE -> PV	0.258	0.284	4.821	0.004
BE -> PV	0.458	0.460	5.242	0.001
PR -> PV	0.349	0.253	3.253	0.021
PV -> BL	0.249	0.223	4.962	0.003
CT x PV -> BL	0.348	0.321	2.503	0.008

3.6 Hypotheses testing

The summary of the results of the hypotheses relating to product quality (PQ), customer engagement (CE), brand experience (BE), perceived risk (PR), perceived value (PV) and brand loyalty (BL) are shown in Table 4. The results reveal that all of the hypothesized paths were positively significant. We further note that product quality is significantly positive effect on perceived value ($\beta = 0.424$, $p = 0.032$), customer engagement ($\beta = 0.258$, $p = 0.004$) and brand experience ($\beta = 0.458$, $p < 0.001$), indicating those all play an important role in enhancing customers perceived value of the customer together with comparatively significant

size of effect as well [24]. H3: Perceived risk has a negative effect on perceived value (β = 0.349, p = 0.021), which indicates that the more risk consumers perceive, the less value they assign to the brand. In addition, perceived value has a significant positive influence on brand loyalty (β = 0.249, p = 0.003), implying that customers with high perceived value show higher intentions to stay loyal towards the brand. Finally, customer trust also has significant moderating effect to the relationship between perceived value and brand loyalty (β = 0.348, p = 0.008), which means that high level of both customer trust will strengthen the positive impact from perceived value to brand loyalty. All in all, results supplement strong argument supports for the hypothesized models along with the normative significance of perceived value and trust as antecedents that implicitly lead to secure brand loyalty.

3.7 Discussion

Perceived value, a powerful concept helping explain consumer choice, is the trade-off between the perceived benefits and costs of a specific product or service. The following factors are essential to perceived value as they influence it significantly: product quality, customer engagement, perceived experience, and perceived risk. First, Product Quality is arguably the most foundational factor in shaping perceived value. Consumers tend to perceive higher-quality products as more useful, long-lasting, or simply better. A better product results in a higher perceived value gained when the product meets or exceeds customer expectations, often resulting in a higher price they are willing to pay. Second, Customer Engagement is another important factor in determining perceived value because it deepens the relationship between the customer and the brand. When a brand actively engages with customers and gets them involved, whether it is through personal interaction, social media, information transparency, or a loyalty program, making customers feel more involved and appreciated can raise their perceived value of the company's product. Finally, Perceived Experience is another critical factor in perceived value because it includes the entire spectrum of customer-company interactions, whether direct or indirect. The sum of all the experiences had with a company's products, activities, staff, and promotions can raise the perceived value generated by positive experiences associated with, for instance, easy purchasing processes, helpful support, use, consumption, or service of the product. Simultaneously, risk or loss results in Perceived Risk, which reduces perceived value as customers afraid of their product failing and them losing money on it or whatever else are likely to devalue it. Too much perceived risk is a significant barrier to positive relationships between consumers and products or services. Variations in the factors described above show that Customer Trust is a moderator of these relationships. It reduces the impact of perceived risk, as clients who trust a brand think the product is reliable and the company is serious about keeping promises. Simultaneously, trust enhances the effects of product quality, engagement, and experience on perceived value since it provides an assurance of a positive return on the customer's investment. Overall, trust acts to amplify the positive features while buffering against the negative effects of perceived risk, adding to the overall perceived value generated by a product or service.

4 Conclusion

Product quality, customer engagement, perceived experience and perceived risk as dimensions seem to have a significant impact on P on perceived value. As shown above, with the inclusion of all the dimensions, perceived value upholds a significant relationship with each of them. Alongside customer trust, dimension aspects that seem to have a positive influence on perceived value include product quality, customer engagement, and perceived experience. These dimensions are key factors that, if focused on by businesses, determine how products are perceived by customers. The aspect of perceived risk has a significant negative influence on the perceived value of a product. Trust, however, has been seen as an

important moderator between the relationship with perceived value and product loyalty. With high customer trust as shown in the diagram above, the influential impact of perceived value on loyalty is high. Trust helps to mitigate the negative influence of risk perception on loyalty and ensures that customers remain loyal to the business environment even in competitive and risky environments. From the study, it can be observed that businesses have the ability to influence product loyalty based on the previously identified factors in the model. The strength of the relationships can equally be influenced when more focus is made on the moderator that is trust.

5.2 Implication of Research

The fact that high perceived value leads to increased brand loyalty confirmed the ultimate objective of any organization, while other findings of this research can have significant implications for academic and practical aspects related to marketing and customer relationship activities. Taking into consideration the issues which drive perceived value, businesses can make more targeted decisions. Since product quality and customer engagement positively affect perceived value, it can help to increase customer satisfaction. At the same time, perceived risk negatively influences perceived value, which means that businesses contributing to improving their value due by limiting uncertainty and negative risks to which customers can be exposed. Thus, Rosenthal et al. argue that companies should work on enhancing their products and services and facilitating customer experience instead of improving isolated features. It means that businesses should improve perceived value to increase brand loyalty, meaning that companies need to dull a lot to remain a provider of a valuable experience to their customers. The research finding at corporation level reveals that customer trust moderates the positive effect of perceived value on brand loyalty. The effect that perceived value has on brand loyalty is amplified by trust. The significance of trust is, therefore, to protect the brands that have attracted loyal customers from market competition. Practitioners can only increase brand loyalty by establishing trust, which they can do through prizing, providing reliable items, advancing promotional strategies, and ensuring long-range upstream development.

Perceived value is negatively linked with perceived risk, which is with trust. To improve the efficacy of customer-centric risk management, practitioners need to advance the reliability of their items and services. They also need to ensure that the customers feel safe when they acquire their items. Such concerns can enable the businesses to improve the perceived value of their products and establish good relationships with their customers. On their part, trust-building strategies such as clear and precise communication, excellent after-sales service, as well as provision of essential information to promote their products and services could significantly influence the risk perception of the customer and empower them to establish brand loyalty.

Practical implication for marketing is supported by the research finding that businesses with high degrees of perceived value are bound to establish brand loyalty by highlighting the tactical value of their items and accrual levels rather than the visible and concrete features. For instance, the intangible benefits such as the experience and client involvement can also highlight their trust-building activities. Business practitioners should, therefore, use this strategic market awareness to pinpoint their marketing according to customer levels of trust. Brands that have built strong customer trust can advertise products with increased prices or product issues in the long run.

5.3 Future Research and limitation

The study has several limitations and opportunities for future research. First, this study used cross-sectional data to reveal the existing relationships between the identified variables. In this context, there was no focus on changes that customers may experience as time goes on or as companies change their strategies. Longitudinal studies can help assess how perceived value and other factors related to brand loyalty to change, decay, or evolve with time. Second, opportunities for studying future research can be linked to other possibly important dimensions related to customers' perceived value in today's market. Third, the potential for biases in self-reported data, subsequent studies may integrate objective measures, such as behavioral data or experimental approaches, to confirm results. Finally, future research may explore other moderating factors like customer satisfaction, emotional attachment and brand experience for a broader perspective on loyalty development.

6. References

Akoglu, H. E., & Özbek, O. (2022). The effect of brand experiences on brand loyalty through perceived quality and brand trust: a study on sports consumers. *Asia Pacific Journal of Marketing and Logistics, 34*(10), 2130-2148.

Alqasa, K. M. A., & Afaneh, J. A. A. (2022). Exploring the impact of service quality dimensions on customer loyalty with a moderating role of customer trust: An Applied study on the Saudi commercial banks in Eastern Province, Saudi Arabia. *International Journal of Operations and Quantitative Management, 28*(1).

Ashraf, S., Ilyas, R., Imtiaz, M., & Ahmad, S. (2018). Impact of service quality, corporate image and perceived value on brand loyalty with presence and absence of customer satisfaction: A study of four service sectors of Pakistan. *International journal of academic research in business and social sciences, 8*(2), 452-474.

Barari, M., Ross, M., Thaichon, S., & Surachartkumtonkun, J. (2021). A meta-analysis of customer engagement behaviour. *International Journal of Consumer Studies, 45*(4), 457-477.
Boksberger, P. E., & Melsen, L. (2011). Perceived value: a critical examination of definitions, concepts and measures for the service industry. *Journal of services marketing, 25*(3), 229-240.
Cahaya, Y. F., Mursitama, T. N., Hamsal, M., & Tjhin, V. U. (2023). Increasing e-loyalty of banking customers through customer trust and commitment. *International Journal of Applied Economics, Finance and Accounting, 15*(2), 96-104.
Chakraborty, D., Siddiqui, A., Siddiqui, M., Rana, N. P., & Dash, G. (2022). Mobile payment apps filling value gaps: Integrating consumption values with initial trust and customer involvement. *Journal of Retailing and Consumer Services, 66*, 102946.
Chen, X., Jiao, C., Ji, R., & Li, Y. (2021). Examining customer motivation and its impact on customer engagement behavior in social media: the mediating effect of brand experience. SAGE open, 11(4), 21582440211052256.
Coelho, F. J., Bairrada, C. M., & de Matos Coelho, A. F. (2020). Functional brand qualities and perceived value: The mediating role of brand experience and brand personality. *Psychology & Marketing, 37*(1), 41-55.
Cynthia, C., & Keni, K. (2023). Brand Experience, Perceived Value, and Social Media Marketing to Predicate Brand Loyalty. *International Journal of Application on Economics and Business, 1*(1), 402-408.

Devi, A. A. D. T., & Yasa, N. N. K. (2021). The role of customer satisfaction in mediating the influence of service quality and perceived value on brand loyalty. *International Research Journal of Management, IT and Social Sciences, 8*(3), 315-328.

Dovaliene, A., Masiulyte, A., & Piligrimiene, Z. (2015). The relations between customer engagement, perceived value and satisfaction: the case of mobile applications. *Procedia-Social and Behavioral Sciences, 213*, 659-664.

Ghali-Zinoubi, Z. (2023). Online Retailers' Perceived Ethics and Consumer Repetitive Purchases Under the Moderating Role of Reputation: A Commitment-Trust Theory Perspective. SAGE Open, 13(4), 21582440231207181.

Govindaraj, M., & Pradeep, M. (2023). Influence of Product Quality on Perceived Value, Trust and Purchase Intention: A Study on Electronic Products. *Academy of Marketing Studies Journal, 27*(S6).

Guo, J., Zhang, W., & Xia, T. (2023). Impact of shopping website design on customer satisfaction and loyalty: The mediating role of usability and the moderating role of trust. *Sustainability, 15*(8), 6347.

Harrigan, P., Evers, U., Miles, M. P., & Daly, T. (2018). Customer engagement and the relationship between involvement, engagement, self-brand connection and brand usage intent. *Journal of Business Research, 88*, 388-396.

Honora, A., Chih, W. H., & Ortiz, J. (2023). What drives customer engagement after a service failure? The moderating role of customer trust. *International Journal of Consumer Studies, 47*(5), 1714-1732.

Ibrahim, A. N. H., & Borhan, M. N. (2020). The interrelationship between perceived quality, Perceived value and user satisfaction towards behavioral intention in public transportation: A review of the evidence. *Int. J. Adv. Sci. Eng. Inf. Technol, 10*(5), 2048-2056.

Kaur, S., & Arora, S. (2020). Role of perceived risk in online banking and its impact on behavioral intention: trust as a moderator. *Journal of Asia Business Studies, 15*(1), 1-30.

Kotler, P. & Keller, L.K. 2016. Marketing Management. Pearson Education. Fifteenth Edition.

Kusumawati, A., & Sri Rahayu, K. (2020). The effect of experience quality on customer perceived value and customer satisfaction and its impact on customer loyalty. *Human Systems Management, 39*(2), 219-232.

Kwan Soo Shin, S., Amenuvor, F. E., Basilisco, R., & Owusu-Antwi, K. (2019). Brand trust and brand loyalty: A moderation and mediation perspective. *Current Journal of Applied Science and Technology, 38*(4), 1-17.

Li, J. (2021). Impact of tourists' perceived value on brand loyalty: A case study of Xixi National Wetland Park. *Asia Pacific Journal of Tourism Research, 26*(3), 262-276.

Li, M. W., Teng, H. Y., & Chen, C. Y. (2020). Unlocking the customer engagement-brand loyalty relationship in tourism social media: The roles of brand attachment and customer trust. *Journal of Hospitality and Tourism Management, 44*, 184-192.

Lin, J., Lobo, A., & Leckie, C. (2017). The role of benefits and transparency in shaping consumers' green perceived value, self-brand connection and brand loyalty. *Journal of Retailing and Consumer Services, 35*, 133-141.

Lin, C. H., Sher, P. J., & Shih, H. Y. (2005). Past progress and future directions in conceptualizing customer perceived value. *International Journal of Service Industry Management, 16*(4), 318-336.

Marakanon, L., & Panjakajornsak, V. (2017). Perceived quality, perceived risk and customer trust affecting customer loyalty of environmentally friendly electronics products. Kasetsart *Journal of Social Sciences, 38*(1), 24-30.

Morgan, R. M., & Hunt, S. D. (1994). The commitment-trust theory of relationship marketing.

Journal of Marketing, 58(3), 20-38.

Mukerjee, K. (2018). The impact of brand experience, service quality and perceived value on word of mouth of retail bank customers: Investigating the mediating effect of loyalty. *Journal of Financial Services Marketing, 23*(1), 12-24.

Paulose, D., & Shakeel, A. (2022). Perceived experience, perceived value and customer satisfaction as antecedents to loyalty among hotel guests. *Journal of quality assurance in hospitality & tourism, 23*(2), 447-481.

Pratiwi, R. S., Salim, U., & Sunaryo, S. (2021). The effect of brand experience and perceived value on brand loyalty mediated by brand trust. *Jurnal Aplikasi Manajemen, 19*(2), 310-318.

Puspaningrum, A. (2020). Social media marketing and brand loyalty: The role of brand trust. The Journal of Asian Finance, Economics and Business, 7(12), 951-958.

Rahi, S. (2016). Impact of customer perceived value and customer's perception of public relation on customer loyalty with moderating role of brand image. *Journal of Internet Banking and Commerce, 21*(2), 1.

Şen Küpeli, T., & Özer, L. (2020). Assessing perceived risk and perceived value in the hotel industry: an integrated approach. *Anatolia, 31*(1), 111-130.

Torres-Moraga, E., & Barra, C. (2023). Does destination brand experience help build trust? Disentangling the effects on trust and trustworthiness. *Journal of Destination Marketing & Management, 27*, 100767.

Touni, R., Kim, W. G., Haldorai, K., & Rady, A. (2022). Customer engagement and hotel booking intention: The mediating and moderating roles of customer-perceived value and brand reputation. *International Journal of Hospitality Management, 104*, 103246.

Uzir, M. U. H., Jerin, I., Al Halbusi, H., Hamid, A. B. A., & Latiff, A. S. A. (2020). Does quality stimulate customer satisfaction where perceived value mediates and the usage of social media moderates*?. Heliyon, 6*(12).

Wang, X., Tajvidi, M., Lin, X., & Hajli, N. (2020). Towards an ethical and trustworthy social commerce community for brand value co-creation: A trust-commitment perspective. *Journal of Business Ethics, 167*, 137-152.

Wiedmann, K. P., Labenz, F., Haase, J., & Hennigs, N. (2018). The power of experiential marketing: exploring the causal relationships among multisensory marketing, brand experience, customer perceived value and brand strength. *Journal of Brand Management, 25*, 101-118.

Xie, J., Ye, L., Huang, W., & Ye, M. (2021). Understanding FinTech platform adoption: impacts of perceived value and perceived risk. *Journal of Theoretical and Applied Electronic Commerce Research*, 16(5), 1893-1911.

Zeithaml, V. A. (1988). Consumer perceptions of price, quality, and value: a means-end model and synthesis of evidence. *Journal of marketing, 52*(3), 2-22.