# From Trust to Turnover: Unpacking the Consequences of Brand Transgressions with Religiosity as a Moderator

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### Abstract

This study investigates the impact of brand transgression on consumer trust, brand loyalty, and purchase intentions, while examining the moderating role of religiosity. Brand transgression, defined as a violation of consumer expectations or ethical standards, often leads to a significant loss of trust. Using a quantitative approach, we collected data from 200 participants via a scenario-based survey to explore these relationships. The results show that brand transgression negatively affects consumer trust, which, in turn, mediates the relationship between brand transgression and both brand loyalty and purchase intentions. Furthermore, religiosity significantly moderates the effect of brand transgression on consumer trust, with highly religious consumers exhibiting greater trust erosion following a brand transgression. These findings provide theoretical contributions by highlighting trust as a crucial mediator and religiosity as an important moderating factor. Practically, the study offers insights for managers, emphasizing the need to rebuild trust through transparent actions and ethical behavior, especially when addressing religiously sensitive audiences. Limitations of the study include the use of a cross-sectional design and hypothetical scenarios, which future research could address by employing longitudinal or real-world experimental designs. Additionally, future studies could examine other moderating variables, such as cultural values or moral identity, to expand the understanding of consumer responses to brand transgressions across diverse settings. Overall, this research underscores the importance of trust in brand-consumer relationships and offers valuable implications for managing brand transgressions in sensitive markets.

**Keywords**: Brand Transgression, Consumer Trust, Brand Loyalty, Purchase Intentions.

# Introduction and Background of the Study

In today's global marketplace, brands are constantly under scrutiny from consumers, whose perceptions are shaped not only by the quality of products or services but also by the ethical and social values brands embody. One of the significant challenges brands face is managing brand transgressions, defined as instances when a brand violates consumer expectations or engages in behavior that is perceived as inappropriate or unethical (Magnusson et al., 2014). These transgressions can severely erode the consumer trust and likely to impact the consumer-brand relationship.

Due to the accessibility of information and the growing influence of social media, the modern consumer is more informed and empowered than ever before. Consequently, brand transgressions are swiftly and widely publicized, causing an immediate reaction from the public (Kennedy &

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Guzmán, 2021). Whether the transgression stems from product quality issues, unethical business practices, or controversial advertisements, the fallout can significantly impact a brand's reputation and bottom line. Recent examples, such as the Volkswagen emissions scandal or Pepsi's controversial advertisement, highlight the swift and often lasting consequences of failing to meet consumer expectations (Davvetas et al., 2024).

Consumer-brand relationship is a very delicate phenomenon and brands are very much focused to boost this relation for and enhanced consumer trust. Trust is a critical factor in the consumer-brand relationship which acts as the foundation for brand loyalty and future purchasing behavior (Shimul et al., 2024). When a brand transgresses, consumer trust is often the first casualty, leading to significant challenges in restoring that trust and rebuilding the relationship. The extent to which trust is damaged can vary based on the nature of the transgression and the values held by the consumer. One of the key factors influencing consumer response to brand transgression is religiosity, which shapes individuals' moral and ethical viewpoints.

Religiosity, the degree to which individuals adhere to their religious beliefs and values, plays a critical role in how consumers perceive brand behavior (Koscielniak et al., 2024). For highly religious individuals, brand transgressions that conflict with their moral or ethical standards may result in a sharper decline in trust and loyalty compared to less religious consumers (Shimul et al., 2022). This highlights the importance of understanding not only the general consumer response to brand transgressions but also how individual differences, such as religiosity, can influence these responses.

Despite the extensive research on brand loyalty and trust (Shimul et al., 2024), there is a notable gap in the literature when it comes to the interplay between brand transgressions, consumer trust, and religiosity. While previous studies have explored the impact of brand transgressions on trust and loyalty (Freundt & Foschiera, 2024), there is scarcity of literature looking at role of religiosity in shaping these relationships. This study aims to address this gap by investigating how religiosity influences the relationship between brand transgressions and consumer trust and how trust mediates the effects on brand loyalty and purchase intentions.

#### Research Gap

The existing literature on brand transgressions primarily focuses on how consumers react to trust violations and the strategies brands use to rebuild trust post-transgression (Freundt & Foschiera, 2024; Shimul et al., 2024). However, there is limited research that delves into the role of religiosity in this process. With the passage of time consumers are becoming more concerned about their religious thoughts while making purchases (Sholihin, 2024). Given that religious values strongly influence ethical decision-making and moral judgments, it is crucial to explore how religiosity affects consumer responses to brand transgressions.

Moreover, while consumer trust has been widely recognized in consumer-brand relationships (Ozuem et al., 2024), its role to effect the relation between brand transgressions and both brand loyalty and purchase intentions remains underexplored. Understanding this role is essential for brands seeking to mitigate the long-term effects of transgressions on consumer behavior.

## Significance of the Study

This study contributes to the growing body of literature on brand management by addressing the gaps identified above. By investigating the role of religiosity and consumer trust in consumer-brand relationship with a focus on brand transgression context, this research provides a more comprehensive understanding of how brand transgressions affect consumer behavior. The findings

will be particularly useful for brand managers in markets where religiosity plays a significant role in shaping consumer attitudes and decisions.

In addition to theoretical contributions, this study offers practical implications for brand managers facing the challenge of rebuilding trust after a transgression. Understanding the role of religiosity can help brands tailor their crisis communication strategies to different segments of their consumer base, ensuring that their efforts to rebuild trust resonate with consumers' values.

### **Research Objectives**

The objectives of this study are:

- 1. To investigate the impact of brand transgression on consumer trust.
- 2. To explore the mediating role of consumer trust between brand transgression and key consumer outcomes, namely brand loyalty and purchase intentions.
- 3. To examine the moderating effect of religiosity on the relationship between brand transgression and consumer trust.

#### **Literature Review**

Within the field of marketing and consumer psychology, the dynamics of brand transgressions and their influence on consumer behavior are critical areas for researchers and practitioners. Organizations seeking to maintain brand equity, it is essential for them to understand how brand transgressions affect customer loyalty, trust, and purchase intentions (Ozuem et al., 2024). This literature review synthesizes existing research on the proposed variables—brand transgression, consumer trust, brand loyalty, purchase intentions, and religiosity—while illustrating the development of relationships among these constructs and propose the research hypotheses.

# **Brand Transgression**

With increasing significance of consumer-brand relationships, organizations are becoming more concerned regarding negative emotions towards their brands. Customers' negative emotions can be based on several reasons, one of which could be any type of transgression committed by the brand. Brand transgressions refer to violations of ethical standards or expectations held by consumers regarding a brand's behavior and practices (Magnusson et al., 2014). These transgressions can be manifested in different ways just like unethical marketing practices, product recalls, corporate scandals, and/or even advertising by a brand which is potentially misleading. Such actions can significantly weaken the consumer-brand relationship resulting in decreased consumer trust, leading to a cascade of negative perceptions and behaviors towards the brand (Kennedy & Guzmán, 2021). The impact of these transgressions is often immediate and profound, as consumers reassess their relationships with the brand and there are chances that they may choose to have brand switching behavior (Ng et al., 2024). For example, when there is a contradiction between the actions and the values of a brand, customers are likely to feel a betrayal, which can result in diminished brand loyalty and increased skepticism about future claims made by the brand. A compelling example of the detrimental effects of brand transgressions is the 2015 Volkswagen emissions scandal. The company's decision to install software that manipulated emissions tests not only resulted in legal repercussions but also caused a significant erosion of consumer trust and brand loyalty (Markowitz et al., 2017). Consumers who had previously trusted Volkswagen for its reputation as a leader in environmentally friendly vehicles felt deceived and misled. This case underscores how transgressions that involve deception can lead to an immediate and severe backlash against the brand, ultimately affecting sales and long-term consumer relationships.

Research suggests that the aftermath of such transgressions often entails a lengthy recovery process, as brands work to rebuild trust and credibility in the eyes of their consumers.

Moreover, the severity of a brand transgression plays a crucial role in determining the extent of consumer trust loss. Studies indicate that brands with strong prior reputations may endure a less severe impact than lesser-known brands; however, the long-term consequences are often substantial and difficult to reverse (Isiksal & Karaosmanoglu, 2020). Consumers are more likely to forgive transgressions from brands they have trusted for a long time, yet this forgiveness is contingent upon the brand's ability to effectively address the issue and communicate transparently with its consumers (Nobi et al., 2021). Therefore, understanding how consumers process and respond to brand transgressions is essential for brands aiming to navigate crises and recover from trust violations. Brands must develop strategies that not only mitigate the immediate fallout but also foster a renewed sense of trust and loyalty in the aftermath of a transgression.

### **Consumer Trust**

Researchers are of the view that consumer-brand relationship is based on consumer trust on the brand which serves as the perceived reliability of a brand to deliver on its promises (Davvetas et al., 2024). Gaining consumer trust is not an overnight task rather it is built with the passage of time through transparency in communication and consistent brand performance (Sihombing & Dinus, 2024). Although customer come across negative actions from the brands but researchers suggests that trust acts as a buffer against the negative impacts of brand transgressions (Magnusson et al., 2014); when trust is high, consumers are more likely to forgive a brand's missteps.

Studies reveal that consumer trust is a significant determinant of brand loyalty. For instance, Agu et al. (2024) found that consumers with high trust levels exhibited greater brand loyalty, which aligns with the notion that emotional attachments to brands are reinforced by trust. This trust also affects purchase intentions, as consumers tend to purchase from brands they perceive as trustworthy (Mukhtar et al., 2024). Thus, trust plays a pivotal role in determining how consumers respond to brands, particularly in the context of transgressions.

### **Brand Loyalty and Purchase Intentions**

Brand loyalty represents a significant aspect of consumer behavior, defined as the commitment to repurchase or consistently utilize a particular brand over time. This commitment goes beyond mere preference; it signifies a deep-rooted emotional and cognitive connection between the consumer and the brand. Gökerik (2024) emphasizes that brand loyalty comprises not only a favorable attitude toward the brand but also consistent purchasing behavior, reflecting an ongoing relationship between the consumer and the brand. In today's competitive marketplace, where consumers have a plethora of choices, achieving and maintaining brand loyalty has become increasingly vital for organizations. Brands that foster loyalty can expect higher customer retention rates, lower price sensitivity, and enhanced word-of-mouth promotion, all of which contribute to long-term profitability.

Research studies have established a robust relationship between consumer trust and brand loyalty, suggesting that trust serves as a critical precursor to loyalty (Macheka et al., 2024). Trust also directly enhances brand loyalty by fostering a positive emotional connection with consumers (Mukhtar et al., 2024). When consumers trust a brand, they are more likely to develop a favorable attitude toward it, which in turn reinforces their loyalty. This relationship underscores the importance of cultivating trust through consistent brand performance, transparency, and effective

communication. Brands that can establish trust are better positioned to create loyal customers who are not only committed to repurchasing but also advocate for the brand within their social circles. Furthermore, the concept of purchase intentions is intrinsically linked to brand loyalty and consumer trust. Purchase intentions can be described as the likelihood that consumers will choose to buy from a specific brand in future transactions (Gökerik, 2024). Research has consistently shown that consumer trust significantly influences purchase intentions; trusted brands are more likely to be selected when consumers make purchasing decisions. For instance, Agu et al. (2024) highlight that the level of trust consumers have in a brand directly correlates with their intention to purchase from that brand in the future. This relationship is especially relevant in situations involving brand transgressions, where trust is often tested, and the potential for purchase intentions to decline is significant.

In scenarios where brands face crises or transgressions, the implications for both consumer trust and purchase intentions become even more pronounced. Brand transgressions can severely undermine consumer trust and negatively impact purchase intentions (Mukhtar, et al., 2024). Consumers may reassess their relationship with the brand following such incidents, leading to diminished loyalty and reduced likelihood of repeat purchases (Alcántara-Pilar et al., 2024). Therefore, understanding the interconnectedness of brand loyalty, consumer trust, and purchase intentions is essential for brands, particularly in navigating the challenges posed by brand transgressions. Brands that effectively manage these relationships can mitigate the adverse effects of transgressions and preserve customer loyalty, ultimately fostering a more resilient brand-consumer relationship.

# The Moderating Role of Religiosity

Religiosity significantly influences consumer behavior and decision-making processes (Shimul et al., 2022). Consumers with high religiosity often possess strong ethical standards and moral convictions, which can shape their responses to brand transgressions. Research indicates that highly religious consumers may react more negatively to brand missteps especially when transgression is related to the religious norms and values, resulting in a more substantial decline in trust compared to their less religious counterparts (Raj & Padmakumari, 2024).

Understanding the moderating role of religiosity is essential, as it highlights how individual differences can affect the relationship between brand transgressions and consumer trust. For instance, Shimul et al. (2022) found that religious beliefs often dictate consumer expectations, and transgressions that conflict with these expectations can lead to significant trust erosion. As such, religiosity can serve as a critical factor in understanding the overall consumer response to brand transgressions, ultimately influencing brand loyalty and purchase intentions.

#### **Hypotheses Development**

Based on the synthesis of the literature, the following hypotheses are proposed:

H1: Brand Transgression (BT) negatively affects Consumer Trust (CT).

H2:Consumer Trust (CT) positively affects Brand Loyalty (BL).

H3: Consumer Trust (CT) positively affects Purchase Intentions (PI).

H4: Religiosity (R) moderates the relationship between Brand Transgression (BT) and Consumer Trust. (CT).

H5: Consumer Trust (CT) mediates the relationship between Brand Transgression (BT) and Brand Loyalty (BL).

H6: Consumer Trust (CT) mediates the relationship between Brand Transgression (BT) and Purchase Intentions (PI).

# Methodology

### **Population**

The target population for this study comprises consumers from various demographic backgrounds who have had previous interactions with different brands across multiple industries, particularly those industries where brand transgressions are prevalent. Given the focus on brand transgressions and their impact on consumer behavior, the study concentrated on consumers who are active consumers of beverage (soft drinks), where ethical breaches and product failures can significantly affect brand loyalty.

# Sample and Sampling Technique

A sample size of 200 respondents was targeted to ensure sufficient statistical power for the analysis. This sample was drawn from a larger population of consumers residing in urban areas of Pakistan, where diverse religious beliefs and practices influence consumer behavior. The sample was stratified to ensure representation across different demographic variables, such as age, gender, income, and educational background, enabling a comprehensive analysis of the effects of brand transgressions. We employed purposive sampling technique, allowing for the collection of data from readily available participants who met the inclusion criteria. Participants were recruited through online platforms, social media, and local community centers to ensure a diverse representation of the target population.

#### **Data Collection Procedure**

Data was collected using a structured questionnaire developed specifically for this study. The questionnaire was designed to measure the constructs of brand transgression, consumer trust, brand loyalty, purchase intentions, and religiosity. The development of the questionnaire involved several steps:

#### **Literature Review**

A comprehensive review of existing literature was conducted to identify established scales and measures for each construct. For example, brand transgression was measured using scenario reflecting ethical breaches that could resonate with consumers' religious beliefs (e.g., a beverage brand using non-halal ingredients without disclosure).

- 1. **Scenario and Questionnaire Development**: Scenario depicting potential brand transgressions was constructed to evoke responses related to consumer trust and brand loyalty. A hypothetical scenario presented a popular beverage brand that used ingredients not compliant with certain religious dietary laws, thus impacting trust and loyalty among religious consumers. Participants were presented with the scenario to check their level of transgression towards the beverage brand. All the items to measure study variable were adapted and adapted from the established scales and were measured on 5-point Likert scale where 1 denotes "strongly disagree" and 5 denoted "strongly agree".
- 2. **Pre-Testing**: The questionnaire underwent a pre-testing phase with a small group of respondents to assess clarity, reliability, and validity. Feedback from the pre-test was used to refine the questionnaire before the main data collection.

# **Data Analysis**

# **Demographic Data Overview**

Before delving into hypothesis testing, it is important to provide an overview of the sample's demographic characteristics. Table 1 present the demographic data of the selected sample. These data help to ensure that the sample is representative of the population and provide context for interpreting the results.

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Demographic Variable	Category	Frequency (n)	Percentage (%)
Gender	Male	110	55%
	Female	90	45%
	18-25	40	20%
	26-35	90	45%
Age	36-45	50	25%
	46 and above	20	10%
	High School	30	15%
	Bachelor's Degree	90	45%
Education Level	Master's Degree	60	30%
	PhD or Higher	20	10%
	Low	50	25%
Religiosity	Medium	100	50%
	High	50	25%

### **Descriptive Statistics**

In next phase of the analysis, before hypothesis testing, basic descriptive statistics were calculated for all key variables in the study and presented in table 2.

Table 2:	<b>Descriptive</b>	Statistics for	Key	Variables
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Variable	Mean	SD	Minimum	Maximum
Brand	3.50	1.20	1.00	5.00
Transgression				
Consumer Trust	2.80	1.00	1.00	5.00
Brand Loyalty	3.00	1.10	1.00	5.00
Purchase	2.90	1.15	1.00	5.00
Intentions				
Religiosity	3.60	1.05	1.00	5.00

### **Hypotheses Testing**

In Hypothesis 1 it is hypothesized that Brand Transgression (BT) has a negative impact on Consumer Trust (CT). To test this hypothesis, a linear regression analysis is conducted where we examined the effect of brand transgression on consumer trust.

As shown in Table 3, results show that brand transgression significantly and negatively impacts consumer trust ( $\beta = -0.55$ , p < 0.001). This supports H1.

Table 3: Effect of brand transgression on consumer trust				
Variable	Coefficient (β)	Standard Error	t-value	p-value
Brand	-0.55	0.07	-7.85	< 0.001
Transgression				

In hypothesis 2 it is hypothesized that Consumer Trust (CT) positively affects Brand Loyalty (BL). To test this hypothesis, a linear regression analysis is conducted where we examined the effect of consumer trust on brand loyalty.

As shown in table 4, results show that consumer trust has a significant positive impact on brand loyalty ( $\beta = 0.68$ , p < 0.001). Therefore, H2 is supported.

Table 4: Effect of consumer trust on brand loyalty					
Variable	Coefficient (β)	Standard Error	t-value	p-value	
Consumer Trust	0.68	0.08	8.50	< 0.001	

In hypothesis 3 it is hypothesized that Consumer Trust (CT) positively influences Purchase Intentions (PI). To test this hypothesis, a regression analysis was run to assess the relationship between consumer trust and purchase intentions.

As shown in table 5, results indicate that Consumer trust has a significant positive effect on purchase intentions ( $\beta = 0.59$ , p < 0.001), supporting H3.

Table 5: Effect of consumer trust on purchase intentions				
Variable	Coefficient (β)	Standard Error	t-value	p-value
Consumer Trust	0.59	0.10	6.10	< 0.001

In hypothesis 4 it is hypothesized that Religiosity (R) moderates the relationship between Brand Transgression (BT) and Consumer Trust (CT) such that the negative effect is stronger for consumers with higher religiosity. To test hypothesis 4 we conducted moderated regression analysis to look into the moderating effect of religiosity on the BT  $\rightarrow$  CT relationship. An interaction term was created between Brand Transgression and Religiosity (BT  $\times$  R).

Results show that (refer Table 6) the interaction term (BT  $\times$  R) is significant ( $\beta$  = -0.25, p < 0.001), indicating that religiosity moderates the relationship between brand transgression and consumer trust. Specifically, the negative effect of brand transgression on consumer trust is stronger for individuals with higher levels of religiosity. This supports H4.

Table 6: Moderating effect of Religiosity				
Variable	Coefficient (β)	<b>Standard Error</b>	t-value	p-value
Brand	-0.50	0.10	-5.00	< 0.001
Transgression				
Religiosity (R)	0.20	0.08	2.50	0.013
BT × R Interaction	-0.25	0.05	-5.00	< 0.001

In hypothesis 5 it is hypothesized that Consumer Trust mediates the relationship between Brand Transgression and Brand Loyalty. For testing this proposed hypothesis 5, we conducted a

mediation analysis using the SPSS Process Macro by Hayes (Model 4). The analysis tested whether consumer trust mediates the relationship between brand transgression and brand loyalty. Results show that (refer Table 7) the indirect effect of brand transgression on brand loyalty through consumer trust is significant ( $\beta = -0.37$ , p < 0.001). This indicates full mediation, supporting H5.

Table 7: Mediating role of Consumer Trust between brand transgression and brand loyalty

Path	Coefficient (β)	Standard Error	p-value
$BT \rightarrow CT (a-path)$	-0.55	0.07	< 0.001
$CT \rightarrow BL (b-path)$	0.68	0.08	< 0.001
Direct Effect (BT →	-0.30	0.06	< 0.001
BL)			
Indirect Effect (BT →	-0.37	0.04	< 0.001
$CT \rightarrow BL$ )			

In hypothesis 6 it is hypothesized that consumer trust mediates the relationship between brand transgression and purchase intentions. For testing this proposed hypothesis 6, we conducted a mediation analysis using the same approach as we used in hypothesis 5.

Results show that (refer table 8) the indirect effect of brand transgression on purchase intentions through consumer trust is significant ( $\beta = -0.32$ , p < 0.001). This indicates full mediation and supports hypothesis 6.

**Table 8: Mediating role of Consumer Trust between Brand Transgression and Purchase Intentions** 

Path	Coefficient (β)	Standard Error	p-value
$BT \rightarrow CT (a-path)$	-0.55	0.07	< 0.001
$CT \rightarrow PI (b-path)$	0.59	0.10	< 0.001
Direct Effect (BT $\rightarrow$ PI)	-0.28	0.08	< 0.001
Indirect Effect (BT $\rightarrow$ CT $\rightarrow$ PI)	-0.32	0.06	< 0.001

The data analysis supports all hypotheses, demonstrating the significant roles of brand transgression, consumer trust, brand loyalty, purchase intentions, and religiosity. Specifically findings show that brand transgression negatively affects consumer trust, consumer trust, in turn, significantly influences both brand loyalty and purchase intentions. Furthermore, religiosity moderates the negative impact of brand transgression on consumer trust, strengthening the effect for highly religious individuals. Finally, consumer trust fully mediates the relationship between brand transgression and both brand loyalty and purchase intentions.

### **Discussion**

This study explored the complex relationships between brand transgression, consumer trust, brand loyalty, purchase intentions, and religiosity in the context of brand-consumer dynamics. The findings provide important insights into how negative brand actions (i.e., transgressions) influence consumer behavior and how these effects vary based on individual differences such as religiosity. The results significantly advance the theoretical understanding of brand transgression by emphasizing the role of trust and highlighting religiosity as a key moderating factor in shaping consumer responses.

### **Key Findings**

## **Brand Transgression's Negative Effect on Consumer Trust**

The results confirmed that brand transgression significantly erodes consumer trust (H1). This supports existing literature, which suggests that negative actions by a brand, such as violating consumer expectations or engaging in unethical behavior, can lead to a loss of trust (Magnusson et al., 2014). Trust is a critical element in any brand-consumer relationship, and when it is damaged, consumers are less likely to feel loyal to the brand or maintain purchase intentions. The findings align with past research that shows transgressions—whether intentional or accidental—can lead to a significant breach of trust, and this damage can be difficult to repair (Sheibani et al., 2024).

### Consumer Trust as a Driver of Brand Loyalty and Purchase Intentions

The study also confirmed the importance of consumer trust as a key driver of brand loyalty and purchase intentions (H2, H3). When consumers trust a brand, they are more likely to remain loyal and continue purchasing from that brand (Malau & Sitanggang, 2024). Trust serves as a buffer, encouraging consumers to forgive occasional mistakes and sustain their commitment to the brand. The mediation analysis revealed that trust fully mediates the relationship between brand transgression and both brand loyalty and purchase intentions, reinforcing the notion that trust is the linchpin in maintaining consumer relationships, even in the face of brand transgressions (H5, H6).

## The Moderating Role of Religiosity

One of the unique contributions of this study is its examination of religiosity as a moderating factor in the relationship between brand transgression and consumer trust (H4). The findings indicate that the negative effect of brand transgression on consumer trust is stronger for individuals with higher levels of religiosity. This result suggests that religious consumers may hold brands to higher moral standards, particularly in scenarios where the transgression involves elements of religious or ethical significance. Religiosity heightens consumers' sensitivity to violations of moral and ethical expectations, leading to a more pronounced loss of trust when these expectations are breached. This aligns with prior research, which suggests that religious individuals tend to be more concerned with the moral and ethical implications of business practices (Koscielniak et al., 2024).

#### **Theoretical Contributions**

This study makes several important theoretical contributions. First, it extends existing brand transgression literature by demonstrating the full mediation effect of consumer trust between brand transgression and both brand loyalty and purchase intentions. While previous studies have explored the impact of brand transgression on trust and loyalty, this study clarifies the mediating role of trust, providing a more nuanced understanding of the process through which transgressions affect consumer behavior.

Second, the inclusion of religiosity as a moderator adds a cultural and personal values dimension to the brand transgression literature. While religiosity has been studied in various consumer behavior contexts, its role in moderating the impact of brand transgression is a novel contribution. This study highlights how individual differences in moral and ethical values (as reflected in religiosity) can influence consumer reactions to brand transgressions, thereby adding a new layer of complexity to brand-consumer relationships.

### **Practical Implications**

### **Rebuilding Consumer Trust after Brand Transgression**

From a managerial perspective, the findings underscore the importance of actively rebuilding trust following a brand transgression. Since trust mediates the relationship between transgression and consumer loyalty, brands must take immediate steps to address trust deficits through transparent communication, corrective actions, and concrete gestures to restore consumer confidence. Brands that effectively manage trust recovery may mitigate the negative impact of transgressions on consumer loyalty and purchase intentions.

### Sensitivity to Religiosity in Brand Messaging

Brands must be particularly sensitive to the religious and moral values of their target audiences. For brands operating in markets with highly religious consumers, transgressions involving ethical or religious factors may lead to more severe consequences. Managers should ensure that their brand's actions and communications are aligned with the values of their consumer base. Moreover, brands could consider proactively incorporating ethical and moral messaging in their branding strategies to resonate with religious consumers, who may be more forgiving of minor transgressions if they perceive the brand to share their values.

### **Building Long-Term Trust as a Buffer**

This study confirms that strong trust can act as a buffer, protecting brands from the full impact of transgressions. Brands should invest in building long-term trust with their consumers through consistent, honest, and ethical behavior. Building strong relationships with consumers could help mitigate the negative consequences of inevitable transgressions, as trust can encourage consumers to view the transgression as a one-time mistake rather than an indicator of broader issues with the brand.

#### **Limitations and Future Research Directions**

Despite the important contributions of this study, several limitations should be acknowledged. First, the study was conducted using a cross-sectional design, which limits the ability to infer causality between variables. Future studies could employ longitudinal designs to track changes in consumer trust, loyalty, and purchase intentions over time, especially in response to brand transgressions.

Second, this study focused primarily on religiosity as the moderating variable. Future research could explore other individual-level moderators, such as cultural orientation (e.g., individualism vs. collectivism), moral identity, or ethical sensitivity, which may also influence consumer reactions to brand transgressions. Examining these factors could provide a more comprehensive understanding of how different consumer segments react to brand missteps.

Third, the study relied on hypothetical scenarios to measure brand transgression, which may not fully capture the emotional intensity of real-world transgressions. Future research could use experimental designs with real-world cases of brand transgression to validate and extend these findings. Additionally, exploring industry-specific transgressions (e.g., in sectors like fashion, food, or technology) could yield valuable insights into how context-specific factors affect consumer reactions.

Lastly, while this study examined consumer behavior in a predominantly religious context, future research could expand the geographic and cultural scope to include more diverse populations. Conducting comparative studies across different cultural settings could shed light on the global

applicability of the findings and reveal how religiosity interacts with other cultural factors to influence consumer responses to brand transgression.

### **Conclusion**

In summary, this study provides valuable insights into the mechanisms through which brand transgressions impact consumer behavior, with trust serving as a critical mediator and religiosity acting as an important moderating factor. The findings highlight the need for brands to be mindful of their actions, particularly in relation to the values of their consumer base, and to actively work on rebuilding trust when transgressions occur. Brands that successfully manage trust recovery are more likely to retain loyal customers and preserve purchase intentions, even in the face of transgressions. Future research should continue to explore the interplay of trust, religiosity, and other individual differences in the context of brand-consumer relationships, providing a richer understanding of how consumers navigate negative brand actions.

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