

Brand Trust and Brand Loyalty among Internal Customers in the Automotive Industry

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Abstract

Research Originality: This study offers a novel perspective by conceptualizing automotive industry employees as “internal customers” and examining how brand, firm, and consumer–brand relationship characteristics shape internal brand trust and loyalty.

Research Objectives: This study aims to examine the impact of brand characteristics, firm characteristics, and consumer–brand relationship characteristics on employees’ brand trust, as well as the effect of brand trust on brand loyalty.

Research Method: Data collected from 780 automotive industry employees were analyzed using structural equation modeling (SEM) to test the relationships among the variables.

Empirical Results: Brand characteristics, company characteristics, and consumer–brand relationship characteristics exert a positive influence on brand trust. Brand trust, in turn, significantly enhances brand loyalty. Among the antecedents, brand characteristics and consumer–brand characteristics demonstrate stronger explanatory power than company characteristics.

Implications: Automotive firms should regard employees not merely as organizational members but also as internal brand stakeholders. Strengthening employees’ trust in the brand may enhance internal brand loyalty and support external customer-oriented brand performance.

Keywords:

internal marketing; employee brand perception; brand relationship; organizational reputation; internal customer

How to Cite:

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INTRODUCTION

In the competitive automotive industry, where the global market size is projected to reach \$3.27 billion by 2028 (Business Research Insights, 2023), robust customer loyalty is paramount for achieving sustainable financial growth and a resilient market position (Liao et al., 2010). This long-term strategic focus increasingly encompasses the firm's own employees—who also recognized as internal customers—who profoundly shape external brand perception, operational efficiency, and overall corporate reputation (Tampi & Heggde, 2018). Satisfying these internal customers—a critical yet highly sensitive element within the modern service-profit value chain (Grace & Iacono, 2015; Hogueve et al., 2022)—can present unique managerial challenges due to their in-depth, first-hand product knowledge and daily operational awareness (Flipo, 2000). Although internal communication, administrative support, and training programs often target generic internal customer satisfaction (Xu et al., 2023), meeting their specific brand-related expectations yields invaluable, actionable insights that can ultimately enhance external customer satisfaction and market performance (Gilmore, 2000).

Internal branding has emerged as a crucial organizational strategy to capitalize on the distinct advantages offered by highly engaged internal customers. It refers to the planned process through which employees internalize the intended corporate brand image and subsequently transmit it organically to external customers, stakeholders, and partners (Garas et al., 2018). Internal branding enables proactive organizations to explore, refine, and align brand values that resonate directly with external customer expectations through the experienced lens of their own workforce (Matanda & Ndubisi, 2013; Erkmen, 2018; Souka et al., 2023). Furthermore, the human and behavioral characteristics inherent to internal customers can be directly reflected in the brand and its subsequent product development. Essentially, a brand or product can encapsulate the personality, character, attitudes, motivations, and emotional drivers of its internal customers (Mahnert & Torres, 2007; Su & Reynolds, 2017; Fazli-Salehi et al., 2022). Consequently, a focused examination of internal customers provides a robust, multi-layered theoretical foundation for investigating the deeper mechanisms of brand trust and long-term brand loyalty.

Relationship Marketing Theory posits that, to engage in relationship marketing effectively, businesses should continuously strive to enhance their core service by offering a more customized version of the product tailored to individual needs, alongside supplementary benefits and privileges (Zeglat et al., 2022). This comprehensive theory underscores the critical role of establishing, nurturing, and protecting long-term, mutually beneficial relationships with both external customers and internal stakeholders (Zinkhan, 2002). Trust is widely recognized as a fundamental building block in developing and preserving these relational bonds. According to the theory, customers who trust a brand more are significantly more likely to develop strong brand loyalty and emotional commitment, leading directly to repeat purchases and positive endorsement behavior. Prior literature, such as Park and Tran (2018) and Brown et al. (2025), has strongly supported this theoretical framework by highlighting the strategic significance of internal relationship marketing in fostering superior customer relations and sustainable competitive advantages.

Conversely, Social Identity Theory asserts that individuals derive a substantive portion of their self-concept, self-esteem, and social status from the specific groups and organizations to which they belong. In a commercial context, consumers often perceive brands as an extension of their own identity within the broader brand identity framework. Therefore, positive brand attributes can bolster customers' trust because customers identify with brands that align with their self-concept and evoke positive feelings. Additionally, corporate reputation holds vital importance for internal customers as a key stakeholder group, akin to external customers, and is crucial for achieving sustainable competitive advantage (Yan et al., 2022; Khalis et al., 2025). Because of their unique internal position, internal customers have access to more privileged, transparent information about the inner workings of the brand and the operating company. Moreover, their dual role as both employees and internal consumers shapes their relationship with the business in a manner distinct from that of external customers. Consequently, this theoretical framework enables a comprehensive assessment of the interrelationship among the brand, the company, and internal customers, as well as brand trust and brand loyalty. In this context, brand, company, and consumer-brand characteristics are highly significant in fostering trust in the brand, as they cultivate a sense of connection and intimacy between the internal customer and the brand.

Despite the established importance of internal branding, empirical research mapping the structural relationship between internal customer perception and brand loyalty remains sparse, particularly in the high-stakes automotive industry. Most existing studies focus on generic service sectors, leaving a distinct gap regarding how internal customers—who possess intimate knowledge of product engineering—process brand characteristics into long-term trust. This study aims to bridge this gap by examining the relationship between internal customers and brand trust and loyalty in the automotive industry. By employing a comprehensive framework adapted from Lau and Lee (1999), this research offers a novel theoretical and conceptual perspective on the pivotal role of internal customers in cultivating brand loyalty and trust. The model facilitates an assessment of the critical role of internal customers in the brand experience, given their direct interaction with the brand and its products.

Furthermore, measuring internal customers' attitudes in this context enables clear definitions to be formulated, as it reflects alignment between the brand promise and company practices. Given their potential to influence external customers as brand ambassadors, examining employees' attitudes under this model provides important insights into brand trust and brand loyalty. Additionally, brand trust, as measured by the model, offers an important indicator of the extent to which internal customers believe in brand and company values. Moreover, measuring the fit among brand characteristics, company characteristics, and consumer-brand characteristics enhances understanding of internal customers' identification with the brand and its reflection on brand trust. Furthermore, internal customers' position in terms of brand trust and brand loyalty is important, as it provides an internal reflection of corporate reputation. Based on these arguments, the present study addresses the current lack of research that examines internal customers within

the broader customer context. Therefore, this study aims to investigate, theoretically and empirically, the impact of internal customers—who play a critical role in shaping brand trust and loyalty—within the automotive sector. Because employees directly experience and represent brand values, their influence on brand perception and customer relationships underscores the need for an internal customer-centric approach to achieve sustainable brand success.

METHODS

This study aims to redefine and analyze the structural relationships governing brand loyalty and brand trust among internal customers within the automotive industry, adapting the comprehensive conceptual model developed by Lau and Lee (1999) to an internal marketing context. The overarching research design conceptualizes internal customer brand trust as a multi-dimensional construct driven by three primary categories of independent antecedents—brand characteristics, company characteristics, and consumer–brand characteristics—which collectively determine the ultimate dependent outcome, brand loyalty.

To establish appropriate conceptual depth within this continuous methodological framework, the latent constructs and their specific subdimensions adapted from Lau and Lee (1999) are operationally defined. The internal customer concept, rooted deeply within the internal marketing literature (Kaplan, 2017; Park & Tran, 2018; Qaisar & Muhamad, 2021; Xu et al., 2023), views employees as both internal suppliers and internal recipients within a firm’s workflow (Conduit & Mavondo, 2001). It represents a planned effort to overcome organizational resistance to change and to align, motivate, and integrate employees towards the effective implementation of corporate and functional strategies (Rafiq & Ahmed, 1993). In this study, it captures employees’ perceptions that they have a positive and valued relationship with their organization (Vem et al., 2024), endowing advantages such as understanding internal customer requirements that affect external customer needs, obtaining information about external customer preferences, and building additional buyer value by increasing internal customer benefits (Kadic-Magljalic et al., 2018; Lo Iacono et al., 2024).

Brand characteristics capture the internal customer’s cognitive and evaluative assessment of the brand’s objective performance and perceived market standing, comprising brand competence (the internal customer’s perception of the brand’s technical capability to fulfil its functional promises consistently), brand reputation (the perceived status, historical prestige, and relative standing of the brand as recognised by external stakeholders and evaluated internally by the workforce), and brand predictability (the perceived consistency, stability, and reliability of the brand’s quality across various operational outputs). Company characteristics define the internal customer’s perception of the corporate entity behind the commercial brand name, consisting of trust in company (the generalised psychological safety and institutional reliance employees place on top management and broad corporate leadership), company integrity (the extent to which the company adheres to ethical

standards, internal fairness, transparency, and moral principles), and perceived motives (the employees' cognitive interpretation of the real underlying intentions, drivers, and goals behind corporate actions and strategies). Consumer–brand characteristics operationalise the specific relational, emotional, and social bonds established between the internal consumer and the firm's brand identity, including peer support (the horizontal reinforcement, communication quality, and validation shared among fellow employees regarding brand values and organisational belonging), brand satisfaction—the internal fulfilment and positive evaluative state resulting from personal experience with the brand's products and services—and brand liking (the affective attraction, personal affinity, and emotional attachment the employee holds towards the brand's symbolic identity). Consumer engagement with the brand across countries strengthens trust (Kwon et al., 2021).

Trust in the brand serves as the central mediating variable in the structural model, defined as the internal customer's psychological willingness to rely on the brand's capabilities (Chaudhuri & Holbrook, 2002) and a core feeling of security that the brand will fully meet long-term consumption and operational expectations (Delgado-Ballester & Munuera-Alemán, 2001). Trust can be built in three ways: calculus-based (rational cost–benefit analysis), knowledge-based (predictability of behavior), and identification-based (emotional connection) (Koo & Curtis, 2020).

Finally, brand loyalty is conceptualized as a deeply held attitudinal preference and psychological commitment to remain aligned with the specific brand (Tucker, 1964), generating behaviors such as acting as internal brand advocates or external brand ambassadors (Mazzei & Quarantino, 2017), thereby driving both internal retention and long-term business success (Delgado-Ballester & Munuera-Alemán, 2001). Brand loyalty is essential for competitive advantage and long-term profitability (Tabaku & Zerellari, 2015). Relevant literature emphasizes habits, attitudes, and emotions as key factors in establishing brand loyalty (Ghorbanzadeh & Rahehagh, 2021; Imtiaz et al., 2022; Damaschi et al., 2025; Zhu, 2025). Classifications of loyalty focus on dimensions such as cognitive (phantom), affective, conative, and action level (Oliver, 1999); premium, inertia, covetous, and no loyalty (Gounaris & Stathakopoulos, 2004); or behavioural, attitudinal, and multi-dimensional loyalty (Gupta et al., 2017), as well as cognitive, affective, and normative loyalty (Diallo et al., 2021). These typologies encompass factors such as emotions, habits, repurchase intent and action, devotion and attachment, and social influences. In this context, employees play a critical role in shaping these factors. Employees' behavior and attitudes significantly impact how stakeholders perceive the brand and the organization's reputation (Tampi & Heggde, 2018). Therefore, employee passion and internalized organizational values that support loyalty become essential (Soleimani et al., 2023).

Data were collected using a highly structured, self-administered survey instrument adapted from Lau and Lee (1999), systematically organized into a demographic block and a psychometric scaling block comprising specific multi-item measurement scales mapped across the 11 subdimensions. All psychometric items were operationalized using a standard 5-point Likert scale, ranging from 1 (“strongly disagree”) to 5 (“strongly agree”).

The target population for this research comprises internal customers (salaried and wage-earning employees) working within the manufacturing, corporate, and commercial operations of the automotive sector in Germany. To ensure high data validity and appropriate context alignment, a non-probability purposive sampling technique was strictly implemented. Participants were required to meet three pre-determined respondent criteria to be eligible for inclusion in the final dataset: (1) relevant work experience, both in total and within the company; (2) operation within core functional departments—specifically Production, Accounting/Finance, Marketing, Research & Development (R&D), or Human Resource Management (HRM)—where direct or indirect interaction with product components, brand communications, or corporate strategies occurs; and (3) direct engagement with internal product tracking, engineering documentation, or customer-facing data as part of their standardised workflow.

Regarding sample size, the initial data collection was designed to capture a broad response threshold to allow sample-splitting techniques in structural equation modeling (SEM). For covariance-based SEM, a minimum sample size (n) required to achieve a 95% confidence level with a 5% margin of error ($\pm 5\%$) and maximum variability ($p = 0.5$, $q = 0.5$) was calculated via the standard formula $n = Z^2 \cdot p \cdot q / e^2$, yielding $n = 1.96^2 \cdot 0.5 \cdot 0.5 / 0.05^2 = 384.16 = 384$.

The data collection process utilized a split-sample validation approach to run Exploratory Factor Analysis (EFA) and Confirmatory Factor Analysis (CFA) on independent subsets, as recommended in modern psychometric testing (Hoe, 2008; Lorenzo-Seva, 2022). Consequently, the target sample size was doubled to safely accommodate two distinct cohorts of approximately 384–400 respondents each. This justified collecting raw data from 780 participants across the designated automotive operations. Within this framework, EFA was first conducted on a dataset of 380 respondents, followed by CFA and structural equation modeling (SEM) using the remaining validation sample of 400 respondents.

The statistical analysis followed a robust two-step SEM procedure, utilizing complementary data analysis software to maintain empirical rigor. Initially, SPSS was used to compile descriptive demographic statistics and perform the initial EFA and Cronbach's alpha reliability checks. This phase was essential to verify data normality, Kaiser–Meyer–Olkin (KMO) sample adequacy, and the instrument's underlying factor structure. Subsequently, AMOS was used on the validation sample to conduct CFA and full SEM.

RESULTS AND DISCUSSION

Table 1 presents the descriptive demographic characteristics of the final validation sample ($n = 400$). The sample is predominantly male (77.5%) and married (67.0%), with most respondents aged 25–44 years. Notably, the workforce demonstrates significant professional maturity: 58.8% of respondents have been with the company for 6–15 years, while 50.0% possess over 11 years of total professional experience. Including employees

from production (56.8%), accounting and finance (8.3%), and marketing (3.8%) is highly appropriate for this study, as these cohorts are closely connected to product-related processes, organizational practices, and customer-oriented operations.

Table 1. Descriptive Statistics of Participants

Demographic Information	Variable	n	%	Demographic Information	Variable	n	%		
Gender	Male	310	77.5	Marital Status	Single	132	33.0		
	Female	90	22.5		Married	268	67.0		
	Total	400	100.0		Total	400	100.0		
Age (Years)	18-24	25	6.3	Education Level	Secondary School	156	39.0		
	25-34	114	28.5		High School	128	32.0		
	35-44	128	32.0		Bachelor	83	20.8		
	45-54	84	21.0		Master's Degree	27	6.8		
	>54 years	49	12.3		Doctorate	6	1.5		
	Total	400	100.0		Total	400	100.0		
Work Experience within the Company (Years)	<1	6	1.5	Department	Production	227	56.8		
	1-5	79	19.8		Accounting and Finance	33	8.3		
	6-15	235	58.8		Marketing	15	3.8		
	16-25	60	15.0		R&D	15	3.8		
	25<	20	5.0		HRM	30	7.5		
	Total	400	100.0		Other	80	20.0		
Total Work Experience	1-5	54	13.5	Total				400	100.0
	6-11	146	36.5						
	11<	200	50.0						
	Total	400	100.0						

Table 2 presents the reliability and convergent validity results for the constructs. The KMO values, factor loadings, Cronbach's alpha coefficients, composite reliability, and AVE values successfully meet the minimum statistical requirements, indicating that the measurement structure is fully suitable for further structural testing. The dimensions used to measure brand characteristics, company characteristics, consumer-brand characteristics, trust in the brand, and brand loyalty are therefore verified as sufficiently reliable and valid for subsequent path analyses (Hinkin, 1995; Howard, 2016).

Table 2. Reliability and Convergent Validity of Variables

Variable	KMO	Factor	Items	Eigen v	Variance Explained	α	MaxR(H)	C.R	AVE
Brand Characteristics	.832	Brand Competence	5	4.906	25.752	.895	.904	.874	.585
		Brand Reputation	6	2.336	20.884	.764	.816	.807	.513
		Brand Predictability	3	1.007	12.285	.715	.789	.784	.520
Company Characteristics	.788	Trust in Company	3	3,942	23,680	.771	.803	.785	.552
		Company Integrity	4	1,369	21,712	.747	.839	.834	.557
		Perceived Motives	3	1,144	19,156	.707	.791	.758	.517
Consumer-Brand Characteristics	.799	Peer Support	3	3,814	24,227	.866	.846	.842	.842
		Brand Satisfaction	4	1,683	22,062	.723	.873	.796	.511
		Brand Liking	3	1,040	19,090	.729	.778	.755	.511
Trust in the Brand	.746	Trust in the Brand	5	2,628	52,570	.761	.811	.747	.583
Brand Loyalty	.759	Brand Loyalty	5	2,720	54,391	.787	.816	.782	.530

Table 3. Goodness-of-Fit Values of the Scales

Scale	X ²	X ² /df	GFI	AGFI	NFI	TLI	IFI	CFI	RMSEA	RMR
Brand Characteristics	258.476	3.541	.922	.888	.892	.900	.920	.920	.080	.026
Company Characteristics	101.545	3.173	.953	.919	.933	.934	.953	.953	.074	.018
Consumer-Brand Characteristics	143.206	4.620	.939	.892	.918	.904	.934	.934	.095	.028
Trust in the Brand	4.499	1.125	.996	.983	.991	.998	.999	.999	.018	.005
Brand Loyalty	10.376	3.459	.990	.950	.983	.959	.988	.988	.078	.016
Good Fit		≤ 3	≥ .90	≥ .90	≥ .95	≥ .95	≥ .95	≥ .97	≤ .05	≤ .05
Acceptable Fit		≤ 5	≥ .85	≥ .85	≥ .90	≥ .90	≥ .90	≥ .95	≤ .08	≤ .08

Note: Reference Values: Meydan & Şeşen, (2015).

To evaluate the operational quality of these distinct instrument structures independently, we validated the measurement scales using CFA. Table 3 shows that measurement scales generally demonstrate acceptable model fit. Although the RMSEA value for consumer–brand characteristics is relatively high and some values for brand characteristics are slightly below ideal thresholds, they remain within acceptable fit ranges. AGFI values of 0.80 and above and CFI values above 0.90 are widely accepted in

applied research contexts (Reis et al., 2010), while RMSEA values between 0.08 and 0.10 indicate mediocre but interpretable fit (MacCallum et al., 1996), justifying the structural progression.

Table 4. Descriptive Statistics and the Correlation Coefficient

N	Factor	1	2	3	4	5	6	7	8	9	10	Mean	Std. Dev.
1	Brand Competence	1										4.0106	.53778
2	Brand Reputation	.306***	1									4.0600	.48197
3	Brand Predictability	.624***	.479***	1								4.1342	.49453
4	Trust in Company	.420***	.411***	.409***	1							4.0067	.46181
5	Company Integrity	.415***	.352***	.363***	.523***	1						4.1725	.50430
6	Perceived Motives	.271***	.416***	.243***	.340***	.338***	1					3.8700	.55926
7	Peer Support	.294***	.411***	.358***	.432***	.358***	.169***	1				3.6842	.62704
8	Brand Satisfaction	.492***	.112*	.457***	.275***	.220***	.236***	.204***	1			4.1275	.53948
9	Brand Liking	.393***	.268***	.387***	.358***	.476***	.195***	.568***	.322***	1		3.9983	.56933
10	TRUST in the BRAND	.516***	.488***	.550***	.604***	.514***	.411***	.443***	.470***	.498***	1	4.2300	.40560
11	BRAND LOYALTY	.152**	-.167***	.152**	-.031	-.041	-.208***	.146**	.376***	.170***	.014	3.1295	.44477

†p < .1, *p < .05, **p < .01, ***p < .001.

Table 4 presents the descriptive statistics and bivariate correlations for the variables under investigation. Mean scores range from 3.1295 to 4.2300, suggesting moderate to high agreement with the measured items among respondents. Crucially, most antecedent dimensions are positively and significantly correlated with trust in the brand, supporting the initial theoretical expectation that brand-related, company-related, and consumer-brand-related evaluations are systematically associated with internal customers' trust. Normality assumptions were assessed and verified according to acceptable skewness and kurtosis ranges (Griffin & Steinbrecher, 2013).

As a final verification step prior to establishing and interpreting directional structural paths, the final model architecture was evaluated. Table 5 presents the structural model fit statistics. The χ^2/df value is below the maximum acceptable threshold of 5, and the NFI, TLI, IFI, RMSEA, and RMR values indicate acceptable fit. Although the GFI, AGFI, and CFI values are slightly below ideal thresholds, values of 0.80 and above for GFI and AGFI are considered acceptable in applied SEM studies (Reis et al., 2010). Therefore, the overall model fit is deemed adequate for interpreting the subsequent structural relationships.

Table 5. Goodness of Fit Statistics

Model	X ²	X ² /df	GFI	AGFI	NFI	TLI	IFI	CFI	RMSEA	RMR
Final Model	2957.95	3.428	.834	.805	.910	.952	.976	.924	.078	.046
Good Fit		≤ 3	≥ .90	≥ .90	≥ .95	≥ .95	≥ .95	≥ .97	≤ .05	≤ .05
Acceptable Fit		≤ 5	≥ .85	≥ .85	≥ .90	≥ .90	≥ .90	≥ .95	≤ .08	≤ .08

Reference Values: Meydan & Şeşen, (2015).

Structural equation modeling (SEM) analysis shows that internal brand loyalty in the automotive industry is a deeply cultivated psychological outcome, driven sequentially by multi-dimensional organizational perceptions and strongly mediated by brand trust. The empirical findings confirm that brand trust is the central catalyst that transforms internal brand, company, and relational evaluations into long-term employee-based loyalty. As modeled, although all three antecedent dimensions contribute positively to trust formation, internal customers clearly prioritize immediate product–brand interactions and personal relational experiences over abstract corporate-level attributes. This configuration successfully explains a highly substantial proportion of the variance in trust in the brand ($R^2 = .920$) and a robust proportion of the variance in ultimate brand loyalty ($R^2 = .464$).

The structural path analysis reveals that consumer–brand relationship characteristics are the single most critical mechanism shaping employees’ trust formation within automotive organizations. This relationship exhibits the strongest direct effect in the entire structural model ($\beta = .603$, $p < .001$), demonstrating a highly significant impact. This finding substantially extends the traditional application of Lau and Lee’s (1999) model from external consumers to internal stakeholders. The findings also support the relevant literature (Valette-Florence & Valette-Florence, 2020; Villagra et al., 2021; Khan & Fatma, 2023; Monfort, 2025; Lyu et al., 2025). For internal customers, repeated exposure to the product line, direct access to technical knowledge, horizontal peer support, and personal brand liking create an affective bond that transcends ordinary employment contracts. When automotive employees experience high personal brand satisfaction and feel validated by horizontal communication among peers, their cognitive evaluations transform into deep institutional security. This empirical validation aligns with the core tenets of relationship marketing literature, which argues that familiarity, emotional intimacy, and continuous satisfaction reinforce the foundational pillars of brand trust (Zhang et al., 2020).

In addition to relational dynamics, the structural model confirms that brand characteristics perform a vital role in building internal credibility. The path from brand characteristics to brand trust is positive and statistically significant ($\beta = .231$, $p < .05$), indicating that structural perceptions of brand competence, market reputation, and operational predictability directly reinforce employee trust. This finding is highly consistent with established branding literature emphasizing that objective performance indicators and functional reliability are mandatory for trust crystallization (Sichtmann, 2007; Sung & Kim, 2010; Han et al., 2015; Esmailpour et al., 2017; Erkmen et al., 2017; Portal et al., 2019). However, the internal customer context adds a unique layer of complexity

to this relationship. Unlike external buyers, who judge a brand through marketing communications, automotive employees possess privileged, transparent, and immediate access to the production line, engineering configurations, and corporate strategies. They observe first-hand whether the brand consistently fulfills its functional promises regarding product quality, technical innovation, and corporate social responsibility. When internal customers perceive the brand's technical competence and external reputation as high and predictable, it reduces cognitive dissonance, strengthens organizational alignment, and fosters organic pride that bolsters brand trust (McKinney & Benson, 2013; Srivastava et al., 2015).

Table 6. Structural Equation Modelling

Path Specified			Coefficients		Result
Independent Variable	Path	Dependent Variable	R2	Std. Estimates	
Brand Characteristics	→	Trust in the Brand		.231*	Supported
Company Characteristics	→	Trust in the Brand	.920	.263†	Partly Supported
Consumer-Brand Characteristics	→	Trust in the Brand		.603***	Supported
Trust in the Brand	→	Brand Loyalty	.464	.681***	Supported

†p < .1, *p < .05, **p < .01, ***p < .001.

Conversely, the empirical results show an important nuance regarding corporate-level perceptions. As shown in Table 6, company characteristics—including trust in management, perceived corporate motives, and company integrity—have a positive but weaker and only marginally significant effect on internal brand trust ($\beta = .263$, $p < .10$), providing partial support. This finding is broadly consistent with previous studies showing that corporate social responsibility, organizational reputation, and emotional appeal can strengthen customer trust (Keh & Xie, 2009; Fatmawati & Fauzan, 2021; Stravinskiene et al., 2021). However, the weaker effect suggests that automotive employees distinguish between the company as a corporate entity and the brand or products they experience in their daily work. Corporate integrity, transparent communication, and ethical practices provide important support, but they are not enough to create strong brand trust. Employees depend more on direct product experiences and consumer–brand relationships. Thus, corporate governance provides the foundation, while strong emotional and cognitive trust is mainly developed through product–brand interactions.

The structural model also shows that brand trust has a strong and significant effect on brand loyalty ($\beta = .681$, $p < .001$). This confirms that brand trust is a key mediator linking employee perceptions to internal brand loyalty. The result is consistent with previous research identifying trust as a central foundation of brand attachment and repeat behavioral commitment (Delgado-Ballester & Munuera-Alemán, 2001; Alhaddad, 2015; Setyawan & Kussudiyarsana, 2015; Chinomona, 2016; Mabkhot et al., 2017; Huang, 2017; Atulkar, 2020). From the perspective of internal marketing and Social

Identity Theory, employees who trust the brand are more likely to identify with it and see it as part of their own identity. This encourages them to support corporate values, protect the brand image, and become brand ambassadors to external customers (Liao et al., 2010; Mazzei & Quarantino, 2017).

Overall, the findings support Relationship Marketing Theory. In the automotive industry, sustainable competitive advantage can be strengthened when internal marketing focuses on trust-building in the same way as external customer relationships. Building trust across brand and employee interactions can turn employees into loyal internal stakeholders who contribute to stronger customer relationships and overall market performance.

CONCLUSION

This study examines how brand, company, and consumer–brand relationship characteristics influence internal customers’ trust in the brand and how this trust affects brand loyalty in the automotive industry. Using exploratory factor analysis, confirmatory factor analysis, and structural equation modeling with automotive professionals, the study finds that all three factors contribute to building internal brand trust. Consumer–brand relationship characteristics have the strongest influence, followed by brand characteristics, while company characteristics have a weaker effect. Most importantly, brand trust strongly mediates the relationship between these factors and long-term brand loyalty. The findings show that internal brand loyalty is not created simply by aligning employees with the company. Instead, it develops through employees’ trust in the brand, the company, and their direct experiences with the products.

From a managerial perspective, automotive companies should view employees not only as workers but also as internal customers and important brand stakeholders. Managers should ensure external brand promises align with internal practices through transparent communication, employee participation, and using employee feedback in product and brand development. Strong employee engagement with the product and greater trust in the brand can strengthen internal loyalty. Because employees represent the brand in their daily interactions with external customers, building their trust and loyalty can also improve customer relationships and strengthen overall brand performance. Thus, investing in internal brand trust is essential for creating a consistent and credible brand experience both inside and outside the organization.

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