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# **The influence of perceived social media marketing activities on brand loyalty**

## **The mediation effect of brand and value consciousness**

### **Abstract**

#### **Purpose**

The purpose of this paper is to investigate the impact of social media marketing activities on brand loyalty, value consciousness and brand consciousness.

#### **Design/methodology/approach**

A self-administered questionnaire was developed and administered to a convenience sample of 346 undergraduate students

#### **Findings**

The findings of this research indicated that social media marketing has a significant effect on brand loyalty; brand consciousness and value consciousness mediate the relationship between social media marketing and brand loyalty.

#### **Originality/value**

This study confirms the growing importance of social media marketing. It also provides insights for marketers on envisioning brand loyalty.

#### **Keywords**

Social Media Marketing, Brand Loyalty, Brand Consciousness, Value Consciousness.

#### **Paper type**

Research paper

## Introduction

Social media is defined as “a group of internet-based applications that build on the ideological and technical foundations of Web 2.0, and that allow the creation and exchange of user generated content” (Kaplan and Haenlein, 2010, p. 61). Those applications take a variety of forms, including weblogs, social blogs, microblogging, wikis, podcasts, pictures, video, rating and social bookmarking. In January 2014, 74% of online adults worldwide use social networking sites (Duggan et al., 2015). Social media platforms play a big part in the daily lives of their users (Okazaki, 2009). Moreover, social media allow users to connect with peers by adding them to networks of friends, which facilitates communication, particularly among peer groups (Ahuja and Galvin, 2003; Zhang and Daugherty, 2009). Globally, more than 50% of social media users follow brands on social media (Belleghem et al., 2011) and 29% follow trends and find product reviews and information, and 20% comment on what’s hot or new or to review products (Gallup, 2014). In Malaysia social media penetration is 64%, which is considered one of the highest in Asia pacific region – second only to Singapore. Marketers view the social media landscape in Malaysia as vibrant, with most of the Malaysian population turning to social media platforms (<http://www.marketing-interactive.com/state-social-media-malaysia/>, 2016).

Consumers use social media to find information about desired products with the best prices. Social media have inexorably changed how consumers and marketers communicate (Hennig-Thurau et al. 2004; Nambisan and Baron 2007). Social media gives consumers a voice, and allows them to interact and share their experiences with any person anywhere in the world (Kozinets et al., 2010). In general, consumers have different orientations when making purchase decision. Consumers are either *brand conscious* who view brands as symbols of status and

prestige, or *value conscious*, who use social media to check and compare the prices of different brands, to get the best value for their money. Businesses are joining social media to target those two types of consumers and actively perform less costly integrated marketing activities. An overwhelming majority of marketers worldwide 97% are participating in social media marketing to market their business (Stelzner, 2014). More than half of marketers 54% chose Facebook as their most important platform. Social media being used as a marketing tool mainly for four purposes: (1) market research and feedback generation; (2) publicity, branding, and reputation management; (3) business networking; and (4) customer service and customer relationship management (Thoring, 2011). Although businesses have joined social media to increase brand awareness and acquire more customers, the question still remains of how brand loyalty can be built and strengthened through social media? Understanding how social media marketing activities influence brand loyalty is important for strategic marketing. Another question that is addressed in this study is: What is the effect of perceived social media marketing activities on brand- and value conscious consumers? The current study is attempting to address this knowledge gap by developing a research model to test the relationships among social media marketing activities, brand consciousness, value consciousness and brand loyalty. The paper is organized as follows. The next section describes the hypotheses on the relationships among perceived social media marketing activities, brand loyalty, brand consciousness and value consciousness. Then, methodology and empirical results will be presented, and finally the conclusion and limitation of the study.

## **Theoretical background and hypotheses**

### **Perceived social media marketing activities and brand loyalty**

In recent years, many firms used social media to engage customers with the brand (Okazaki *et al.*, 2015). However, those firms still struggle to accomplish brand loyalty because they don't fully understand how to build consumer-brand relationship in social media setting (Fournier and Lee, 2009). Social media marketing is "a broad category of advertising spending, including advertising using social network, virtual worlds, user-generated product reviews, blogger endorsement, RSS feeds of content and social news sites, podcasts, games, and consumer generated advertising" (Tuten, 2008, p. 9). Also social media marketing is defined as "a form of online advertising that uses the cultural context of social context, including social networks (e.g., Youtube, Myspace and Facebook), virtual worlds (e.g., Second Life, There, and Kaneva), social news sites (e.g., Digg and del.icio.us), and social opinion-sharing sites (e.g., Eopinions), to meet branding and communication objectives." (Tuten, 2008, p. 19). Social media marketing activities are subset of online marketing activities that complete traditional Web-based promotion strategies, such as e-mail newsletters and online advertising campaigns (Barefoot and Szabo 2010, p.13). Social media, in a way, converts consumers into marketers and advertisers, who generate, edit, and share online information about companies, products, and services. That may attracts attention and encourages online users to share it with their social networks (Akar and Topcu, 2011).

In the very beginning of social media usage, consumers joined social media to keep in touch with family and friends, as time has passed, social media interest has increased and brands have discovered that there's an audience for them. Nowadays, consumers can follow their favorite

brands on social media sites, such as Facebook and Twitter, to stay informed of the latest products, to receive discounts, to access to special promotions and to get to know more news regarding the company. Branding literature indicated that marketers can enhance their brand loyalty by strengthen consumer-brand relationships (Aaker, 1996; Fournier, 1998; Kapferer, 1998; Keller, 1998). Valuable consumer-brand relationship results in many benefits to the consumer, such as product or service quality, price and special treatment (Liao et al., 2014; Chen and Hu, 2010). Those perceived relationship benefits can boost customers' satisfaction and generate positive word-of-mouth and build brand loyalty through brand community (Muniz and O'Guinn, 2001; McAlexander et al., 2002; Schau et al., 2009; Lee et al., 2014).

Social media has become a hub for promoting goods and services which enables marketers to actively communicate with customers. Also, it has shifted the previous one-way communication channel to a two-way communications channel which enables more customer engagement and creates a sense of equality between the consumers and their brands (Evans, 2011). Furthermore, social media-based communication provides consumers with relevant information and reduce their efforts to search for information (Merisavo and Raulas, 2004; Laroche et al., 2013). Additionally, it enables customers to voice out their satisfaction or displeasure with the brand. Finally, social media also can be a positive form of advertising for brands. Ultimately, if a consumer responds favorably towards a company's advertisements and promotions through social media, then a relationship will begin to develop between the consumer and the brand (Fournier, 1998) and consequently, strong consumer-brand relationship in social media would lead to brand loyalty (Fournier, 1998). Therefore, it is believed that, as customers appreciate regular communication from the brand, it can further enhance their brand loyalty (Merisavo and

Raulas, 2004). Therefore, it is hypothesized that social media marketing activities will contribute to brand loyalty.

Hypothesis 1: Perceived social media marketing activities will have a positive effect on brand loyalty.

### ***Brand Consciousness***

Brand consciousness refers to the mental orientation to select products that are well known and highly advertised brand name (Sproles and Kendall, 1986). Consumers often express personal characteristics and preferences through brand (Manrai *et al.*, 2001). Those consumers with high levels of brand consciousness tend to buy more expensive and well-known brands (Liao and Wang, 2009; Sproles and Kendall, 1986). They use the brands as symbols of status and prestige (Escalas and Bettman, 2005; Jamal and Goode, 2001). They gain confidence in constructing their own self-identity and present such an identity to others (Phau and Teah, 2009; Wang *et al.*, 2009). Therefore, they are willing to pay a price premium for a well-known brand's product (Liao and Wang, 2009; Sproles and Kendall, 1986). Despite its importance, the impact of perceived social media marketing activities on brand consciousness remains relatively unknown. Previous studies showed that the traditional instruments (TV, Radio and magazines, etc) of marketing communications have a positive impact on different constructs such as brand loyalty, brand association and brand awareness (Yoo *et al.*, 2000). Consumers, nowadays, are turning away from traditional media and are increasingly using social media to search for information (Mangold and Faulds, 2009) because it is regarded as a more trustworthy source of information than those traditional instruments of marketing communications used by companies (Foux,

2006). For example, one of many venues that have been gaining considerable attention from consumers is Instagram. Members of the Instagram community share photos and videos. Photo-sharing could be a good way to draw follower's attention to the brand and inspire participation and discussion from users and ultimately contribute to brand consciousness. Thus, it is assumed that perceived social media marketing activities will positively influence brand consciousness.

Hypothesis 2: Perceived social media marketing activities will have a positive effect on brand consciousness.

Symbolic self-completion theory (Wicklund and Gollwitzer, 1981) posits that individuals use material possessions and other indicators as socially recognized symbols to communicate this identity to others. A symbol can be defined as "any facet of the person that has the potential to signal to others (who understand the symbol as related to the identity) that one possesses the identity in question" (Braun and Wicklund, 1989, 164). The symbolic self-completion theory supports the notion that consumers use brands as a means to protect their self-identity. For example, highly brand conscious consumers may buy expensive brands and remain loyal to the brand not because of quality perceptions per se, but because others may perceive them as socially positive due to the high price (Bao and Mandrik, 2004). Thus, this study proposes that brand consciousness is related to brand loyalty;

Hypothesis 3: Brand consciousness will have a positive effect on brand loyalty.



### *Value consciousness*

Not all consumers believe that acquiring goods is a driver of happiness and signals of social status. Frugal consumers are more value conscious (Lichtenstein *et al.*, 1990); they carefully use resources and avoid waste (DeYoung, 1986, p.285). Value consciousness is defined as “a concern for paying low prices, subject to some quality constraint” Lichtenstein, Netemeyer, and Burton, 1990; Lichtenstein *et al.*, 1993, Ailawadi *et al.*, 2001). Value-conscious customers tend to be concerned equally about low prices and product quality (Sharma, 2011). They are also more likely to habitually use social media platforms to shop for the lowest cost which brings a number of significant benefits; i.e. (1) saving money by enabling them to achieve lowest price, (2) identifying the right products to satisfy their needs and (3) compare other prices from different brands. For example, price comparison website priceline.com Facebook page has more than 600000 followers. Customers who have liked this page are signaling that they are interested in the products and services they offer. Therefore obtaining goods at lower prices is relatively important than product quality or brand image in purchasing decision (Batra, 1997; Cui and Liu, 2001). Therefore,

Hypothesis 4: Perceived social media marketing activities will have a positive effect on value consciousness.

According to Nielsen (2014), 78% of consumers admit they are not loyal to any particular brand. In a price competitive and dynamic marketplace such as internet, value conscious consumers are less likely to engage in routinized brand choice behavior (Garretson *et al.*, 2002). While

searching the ‘web’ for products, value conscious consumers are motivated to purchase products based on the price, if the price is too high, a consumer may dismiss his/her choice entirely and seek a brand with a better price. Therefore, value consciousness negatively influences brand loyalty.

Hypothesis 5: Value consciousness will have a negative effect on brand loyalty.

### ***Mediation effects***

As stated earlier, social media platforms offer brands opportunities to develop and increase brand consciousness. Similarly, perceived social media marketing activities contribute to brand consciousness and in turn, brand loyalty will exist when the consumer is highly conscious about the brand. In the same vein, social media marketing activities may boost value consciousness and value consciousness will negatively be associated to brand loyalty. Therefore, the following hypotheses put forward:

Hypothesis 6: Brand consciousness will mediate the relationship between perceived social media marketing and brand loyalty

Hypothesis 7: Value consciousness will mediate the relationship between perceived social media marketing and brand loyalty

The research model to guide the objective of this first study is presented in Figure 1. It is argued that perceived social media marketing is related to brand loyalty, brand consciousness and value consciousness. Additionally, value consciousness and brand consciousness have a direct effect on brand loyalty (see Figure 1).

Insert figure one here

## **Methodology**

### ***Context***

Asia Pacific region accounts for 52.2% of global social media users. Asia is central to Facebook growth; the region has more than 426 million monthly active users. Time spent on social media (hours per day) in Malaysia is 3:24 hrs. Malaysia is ranked number three after Indonesia and Vietnam in the Asia Pacific region to use Facebook, 94 % of its online population (19 million according to US census bureau) use Facebook, whereas 59 % use twitter (<http://wearesocial.net/tag/malaysia/>, 2015).

## *Data collection and sample*

### Subjects

A structured questionnaire was designed to collect the data required to test the conceptual model. Data was collected from a sample marketing students. A convenience sample of 346 undergraduate students, in university of northern Malaysia was recruited through self-administered survey with the incentive of extra credit for classes in which they were enrolled. Their age is between 19 and 25 years old. As the focus of this study is on young adults' use of social media, therefore, college-aged students sample is considered appropriate. The questionnaire included a synopsis of the goals of the study, contact information of the researchers. College students are known to be among the most connected group. The researcher distributed the survey directly to students in their classes. Participation in the survey was limited to student living in Malaysia only and 73.1 % were females, while 26.9 % were males.

A screening question excluded unqualified participants who had never used any social media websites: During a typical day, how much time do you spend on social media activities? 1 none, 2, 3, 4 a lot). Members of a brand community in any social media platform were the target sample in this study. So, we asked participants to list the brand communities they are a member of and follow on social media. Furthermore, we asked them to keep in mind these brand communities while answering the questions. With this procedure, which is consistent with previous studies in online contexts (Bagozzi and Dholakia, 2006; Steenkamp and Geyskens, 2006; Laroche, et al., 2013). Participants then answered questions relating to the constructs of interest (See Appendix A), followed by demographic questions. Overall, the respondents were

heavy social media users; 62.7 % of the sample reported using the social media a lot during a typical day, whereas 37.3 % have identified themselves as moderate users of social media.

### ***Measures***

The variables in the theoretical model were measured on seven point scales ranging from 1="strongly disagree" to 7 = "strongly agree". All the scales are obtained from previous studies. The scale of *perceived social media marketing activities* was adapted from (Kim and Ko, 2012). The scale of consumer decision-making styles depicts the mental orientation when consumers make choices (Sproles and Kendall, 1986). It has a subscale called "brand consciousness," which was used in the present study. "Value consciousness" scales were adapted from Lichtenstein et al. (1993), and "brand loyalty" scale developed by Ailawadi *et al.* (2001) was used in the current study.

### ***Data analysis***

To estimate the relationships in the model, structural equation modeling with AMOS 17.0 and maximum likelihood estimation is used. Confirmatory Factor Analysis CFA is conducted to assess the psychometric properties of the scales and test the discriminant validity of the measures. Following the procedures outlined by Byrne (2001), the first step consisted of testing for the factorial validity of the theoretical constructs.

## Results

Two items (Using social media to look for the brand I am considering to buy is fun and I would like to share contents from social media with my friends) were removed from the scales measuring perceived social media marketing activities construct, because their loading factors were less than 0.5 after CFA first run. Test statistics indicate that the measurement model represents a good fit to the data. The overall model were CMIN = 217.215, df=98,  $p = 0.0$ , CMIN/df = 2.216. The fit indices were CFI = 0.96, GFI = 0.93 TLI=0.95 and RMSEA=0.059. Internal consistency reliability, the most widely used reliability method (Delamere 1998; Lankford and Howard, 1994), was measured using Cronbach's alpha. The reliability of the scales ranged from 0.81 to 0.89 (see Table I). Following the widely recognized rule of thumb of using a reliability level of 0.5 (Hair et al. 2006), the analysis indicated that the measurement scales are highly reliable.

The next step is to assess convergent validity by checking the factor loadings of each item and the values of average variance extracted ( $AVE > 0.5$ ). The factor loadings of the measurement items are significant and substantial, i.e.  $p > 0.5$  (Hair et al., 2006), as well as composite reliabilities of each of the constructs and average variance extracted (see Table III) average variances extracted were  $> 0.50$ . Thus, the convergent validity of the latent constructs was confirmed. Discriminant validity was investigated following Fornell and Larcker's (1981) suggestion. According to them, the Average Variance Extracted must exceed the corresponding squared interconstruct correlations estimate between the two constructs. In the current study, all

the variance extracted estimates were greater than the corresponding interconstruct squared correlation estimates; the correlation matrix of latent variables is in Table 1.

Insert table one here

Moreover, assessment of nomological validity is based on the correlation matrix (Hair et al., 2006) provided in Table 1. The results support that these constructs are positively related to one another and these relationships simply make sense. The structural model displayed a good fit with the data, compared with the suggested fit criteria. The fit statistics were CMIN  $\chi^2 = 217.524$ ,  $df = 99$ ,  $p = 0.0$ ,  $CMIN/df = 2.197$ . The fit indices were all in acceptable ranges with CFI = 0.96, GFI = 0.93, TLI = 0.95 and RMSEA = 0.059. Models with cut-off values above 0.90 for CFI, and below 0.08 for RMSEA are considered to have a good fit between the hypothesized model and the observed data (Hu and Bentler, 1999). Figure 2 displayed all of the structural relationships among the studied constructs; path coefficients and their significance,  $R^2$  for each dependent construct are also presented in this figure. As indicated in Figure 2 all hypotheses, except for H5 were supported by the data.

Insert figure two here

### ***Mediating effects***

Bootstrapping procedures were implemented to obtain estimates of the indirect effects and to test their significance by using confidence intervals. If a zero is not included in the 95% confidence

interval of the estimate, it means that the indirect effect is statistically significant. As there was more than one mediating effect in the structural model, in order to separate the indirect effects and test the significance of each of the mediating effects, phantom variables and bias-corrected bootstrap method were used. The researcher requested AMOS to generate 1,000 bootstrap samples and selected bias-corrected bootstrap method with 95 percent confidence intervals (Mallinckrodt et al., 2006). The first phantom model was created in which the indirect effect was found significant with 0.001 p value and point estimate 0.161. The bias corrected lower and upper confidence interval are 0.076 and 0.284 which means that there is no zero in between therefore brand consciousness mediates the relationship between perceived social media marketing and brand loyalty. The total effect is 0.288, with 0.002 p value <0.001, significant) and direct effect is 0.078 with p value 0.224 <0.001, significant. The second phantom model showed that the indirect effect was found significant with 0.001 p value and point estimate 0.115. The bias corrected lower and upper confidence interval are 0.067 and 0.189 which means that there is a zero therefore value consciousness mediate the relationship between perceived social media marketing and brand loyalty. The total effect is 0.212, with p value < 0.001 and direct effect is 0.218 with p value <0.001. Table 3 shows the mediating effects of brand consciousness on the relationship between perceived social media marketing and brand loyalty as well as the mediating effect of value consciousness on the relationship between perceived social media marketing activities and brand loyalty. From the bias-corrected bootstrap test result, it was confirmed that brand consciousness and value consciousness significantly mediated the influences of perceived social media marketing activities on brand loyalty.



### ***Common method variance***

Since the data in the current study was collected using self-report questionnaires at the same time from the same participants and both independent and dependent variables are perceptual measures derived from the same respondents, common method variance (CMV) may be a concern (Podsakoff and Organ, 1986). Harman's (1967) one-factor test was performed following the approach outlined by Podsakoff *et al.* (1984). All the items of the study were entered into a principal component analysis with varimax rotation. According to this technique, if a single factor emerges from the factor analysis or one "general" factor accounts for more than 50% of the covariation in the variables, common method variance is present. The analysis revealed that there is no single factor in the factor structure. Therefore, it does not appear to be a common method bias concern in the present study. Another test was run to check the common method variance in the data set using common latent factor, whereby a common latent factor was added to the CFA model and then the standardized regression weights of that model were compared to the standardized regression weights of the model without common latent factor. The results showed that all the differences were less than 0.2 so common method bias was not a major threat in the data set.

Insert table two here

Insert table three here

## Discussion

The findings of this study confirmed that perceived social media marketing activities will assist marketers in conceiving brand loyalty, brand consciousness and value consciousness. The current research supports the idea that perceived social media marketing activities is a key driver of brand loyalty because followers of the brand pages on social media platforms tend to be loyal and committed to the brand (Bagozzi and Dholakia, 2006). The finding is congruent with previous studies which have founded that online brand communities, can enhance customer's loyalty to the brand (McAlexander *et al.*, 2002; Muniz and O'Guinn, 2001; Schau *et al.*, 2009; Zhou *et al.*, 2011). Therefore, the study concluded that perceived social media marketing activities is effective tool developing relationship with customers, and building brand loyalty within the social media based brand community.

Also, this study has set out to examine the impact of social media on marketing on brand consciousness from consumer's perspective. The assumption of perceived social media marketing activities exert an important impact on a brand consciousness is believed to be valid. Previous research mainly has demonstrated the impact of the traditional instruments (TV, Radio and magazines, etc) of marketing communications on brand loyalty, brand association and brand awareness (Yoo *et al.*, 2000). However, today's consumers, especially young, are more brand conscious, they regard social media as a more trustworthy source of information about their brands than traditional instruments of marketing communications. Consumers searching for clothing, cosmetics, shoes, perfumes, fashion accessories or other products are exposed to a plethora of social media marketing activities in addition to the traditional media such TV commercials and other promotional activities, this exposure makes consumer well informed

about their brands. In a nutshell, the social media marketing is good strategy for brand consciousness. It is considered as an informative tool for customers to get up-to-date details about the products. The contribution of current study findings to theory is that the extension of marketing communication tools to incorporate social media and its impact on brand consciousness.

The study has also examined the mediating effect of brand consciousness on the relationship between social media marketing and brand loyalty. Whether it is a customer reaching out to a company or a company sharing information with its followers, this constant communication is ideal for encouraging brand consciousness which, in turn enhances brand loyalty as demonstrated in the current study. This study also yields a new insight into how perceived social media marketing activities influence value consciousness consumers. Based on the above findings, the conceptual model has shown a direct positive effect of perceived social media marketing activities on value consciousness. That means social media marketing has been influential to the brand followers who are value conscious. Value conscious consumers are of a great importance to marketers to target in today's uncertain economy, whereby everyone is considered a value shopper. According to Forrester Research, price is becoming a more important driver in the purchasing decisions of consumers ([www.dunnhumby.com](http://www.dunnhumby.com), 2014). The findings of this study have shown that social media value conscious consumers are not brand loyal, as value consciousness and brand loyalty variables are negatively related.

The results also showed that value consciousness is negatively related to brand loyalty. They have personal experience with the product and willing to share their opinions and recommendations with many others in person and online across social media.

### *Limitations and directions for future studies*

This research has certain limitations. First, the study has been conducted in only one of the emerging market countries (i.e. Malaysia) (IMF, 2012). Future research should look into the comparison between developed countries and less developed countries in this regard. Second, the participants in this study were undergraduate students aged between 19 and 25. Although young adults within this age range are generally heavy users of social media, those in other age groups are not represented in the study. Therefore, the results of this study are not generalizable beyond the specific age group under examination. Future research should adopt a more representative sample to rectify this issue. Third, there may exist other moderators that regulate the effectiveness of perceived social media marketing activities on the study variables, such as age, gender, education, income and personality. These moderators are not discussed in this research. Future research should examine a greater variety of moderators. Finally, future research should further compare the impact of traditional media marketing and social media marketing and identify which media exert a stronger impact on the study variables.

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Facts on brands on social media

<http://www.statista.com/topics/2057/brands-on-social-media/>

## Appendix A

### Item statistics and measurement model results

Item	Constructs	Mean	SD	Loadings	Cronbach Alpha	AVE	Composite Reliability
	<b>Brand consciousness</b>						
BCNSS1	I pay attention to the brand names of the products I buy.	4.23	1.62	.735	.81	.52	.81
BCNSS2	Brand names tell me something about the quality of the products.	5.21	1.42	.730			
BCNSS3	Sometimes I am willing to pay more money for products because of its brand name.	4.33	1.54	.739			
BCNSS4	Branded products that cost a lot of money are good quality.	4.54	1.56	.671			
	<b>Social media marketing</b>						
SMAC2	I find interesting contents shown in social media about the brand I am considering to buy.	4.34	1.46	.762	.83	.54	.82
SMAC3	It is easy to deliver my opinion about the brand I am considering buying through social media.	4.26	1.35	.763			
SMAC4	Using social media to search for information about the brand I am considering buying is very trendy.	4.45	1.32	.696			
SMAC5	I would like to pass along information on brand, product, or services from social media to my friends.	4.51	1.43	.710			
	<b>Value consciousness</b>						
VC1	I am very concerned about low prices, but I am equally concerned about product quality	5.60	1.30	.716	.89	.66	.89
VC2	When shopping, I compare the prices of different brands to be sure I get the best value for the money	5.61	1.40	.817			
VC3	When purchasing a product, I always try to maximize the quality I get for the money I spend	5.60	1.36	.905			
VC4	When I buy products, I like to be sure that I am getting my money's worth	5.64	1.33	.810			
	<b>Brand loyalty</b>						
BL1	I would rather stick with a brand I usually buy than try something I am not very sure of	4.76	1.49	.666	.86	.62	.85
BL2	I have certain types of brands that I always buy	4.85	1.47	.874			
BL3	I consider myself to be loyal to one brand of product	4.30	1.50	.799			
BL4	I feel confidence in a brand that I always buy	5.05	1.40	.785			

CMIN 267.702

DF = 101

CMIN/Df = 2.651, RMR = .125, GFI = .912, AGFI = .881, NFI = .886, TLI = .911, CFI = .925, RMSEA = .069

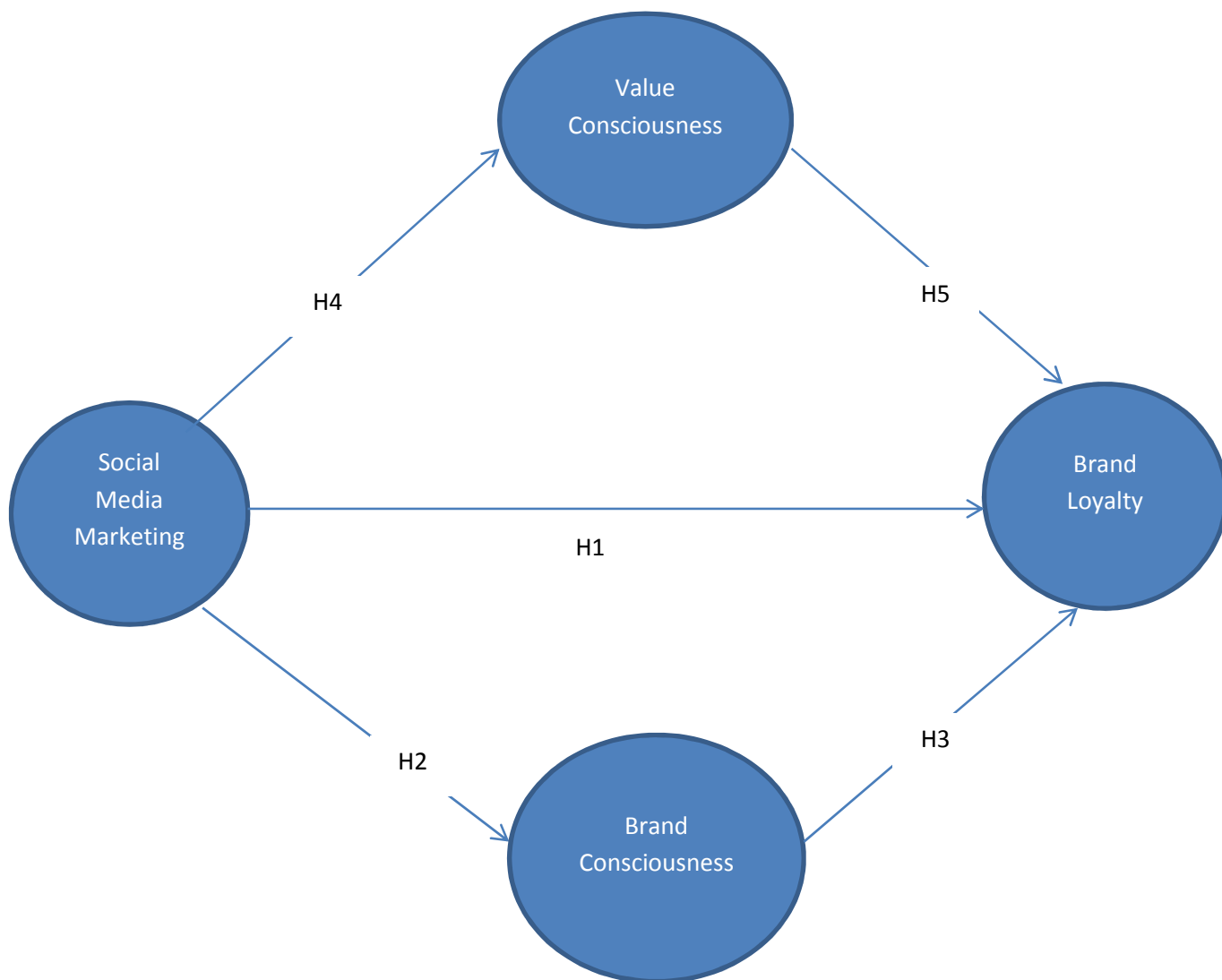


Figure 1: Research model

Table 1: Correlation matrices.

	1	2	3	4
1.Perceived social media marketing activities	1.00			
2.Brand consciousness	.54	1.00		
3.Value consciousness	.35	.21	1.00	
4.Brand loyalty	.43	.45	.45	1.00

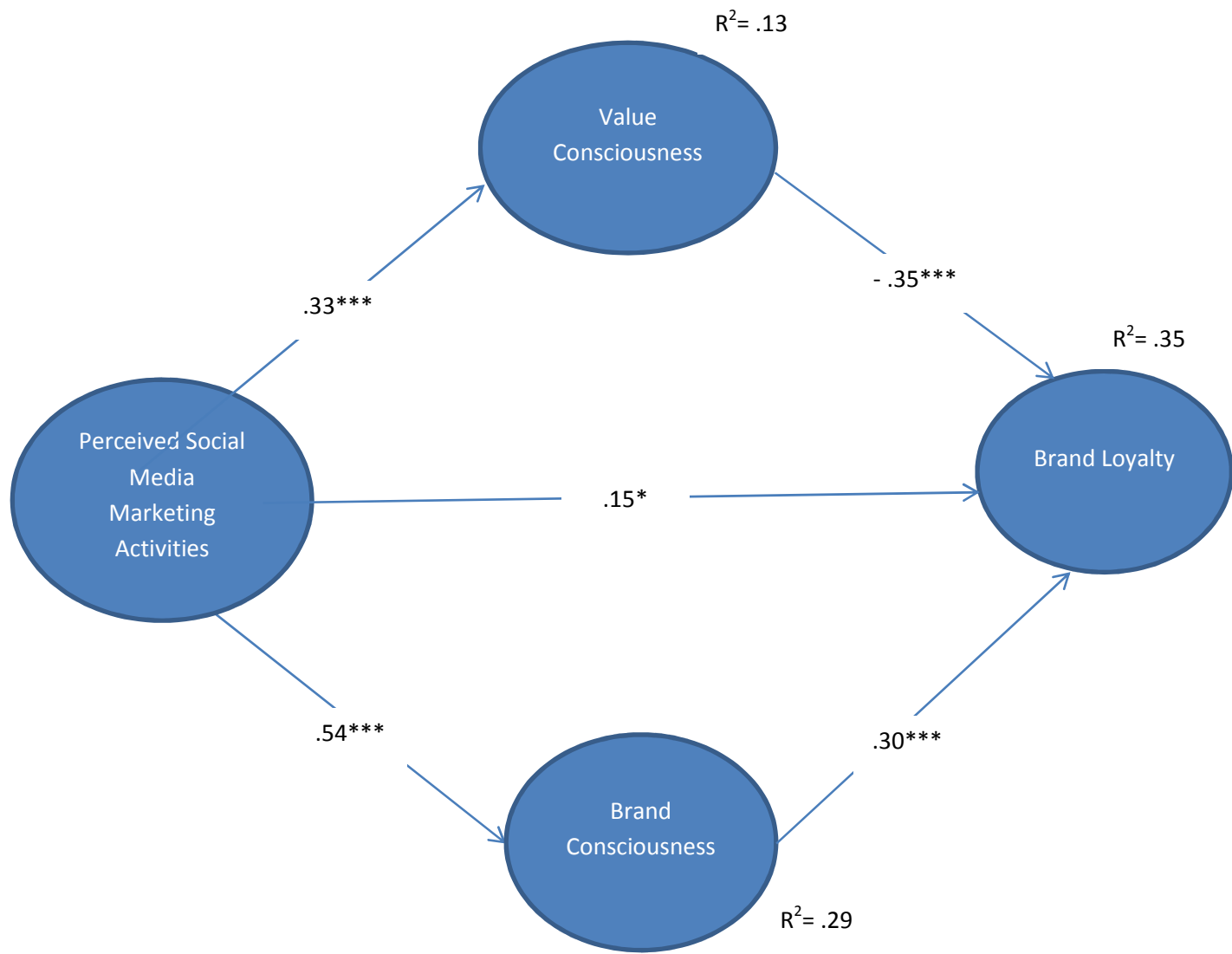


Figure 2: Validated model

Note: \*\*\*  $p < 0.001$

Table 2: Summary of Study 1 results

Hypotheses	Path estimates	t-values	Test results
H1: Perceived social media marketing activities will have a positive effect on brand loyalty.	0.15	7.13	Accepted
H2: Perceived social media marketing activities will have a positive effect on brand consciousness.	0.54	8.64	Accepted
H3: Brand consciousness will have a positive effect on brand loyalty	0.30	2.10	Accepted
H4: Perceived social media marketing activities will have a positive effect on value consciousness.	0.33	4.10	Accepted
H5: Value consciousness will have a negative effect on brand loyalty.	-0.35	5.72	Accepted

Table 3: Mediation effects

Hypotheses	Independent variables	Effect	Significance	Test results
H6	Brand consciousness	.161	0.001	Accepted
H7	Value consciousness	.115	0.001	Accepted

**Notes:** Mediator – brand consciousness and value consciousness; dependent variable – brand loyalty; \*significant levels based on phantom variables and bootstrapping techniques

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