

CUSTOMER LOYALTY AS MEDIATOR ON THE RELATIONSHIP BETWEEN SOCIAL MEDIA INFLUENCER AND PURCHASE INTENTION: A PROPOSED FRAMEWORK

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Abstract

Customer loyalty has drawn significant interest among marketing practitioners and marketing literature for over decades. A number of arguments and empirical supports have revealed existing relationship between social media influencer and customer loyalty, social media influencer and purchase intention and customer loyalty and purchase intention. These existing relationships among the variables suggested customer loyalty as a possible mediator on the relationship between social media influencer and purchase intention. Hence, this paper proposes a framework that presents customer loyalty as an intervening factor in the link between social media influencer and purchase intention. This model has provided the needed arguments and empirical supports for which future studies can be based.

Keywords: Purchase intention, Customer loyalty, Social media influencer, Marketing practitioners, Proposed framework.

Introduction

Trending among businesses currently is the age of hyper competition where every firm direct effort at winning the trust and loyalty of customers. Firms need to attract the interest of the market and influence how he or she selects the product for purchase. Usually product/brand selection by consumers is based on their consciousness (Danish, Khan, Ghafoor, Ahmad, Humayon, & Aslam, 2018). Businesses establish love of a brand and brand image for their products in the mind of customers and this constitute a most important asset in the firm.

The customers display their love and faithfulness towards a product by consistently buying same product. One vital factor that leads the customer for purchasing the product is brand loyalty (Danish et al., 2018). Due to brand loyalty he may not recall the whole decision process, he just trusts on his old experience and purchase the same product. Dodds, Monroe and Grewal are agreed that higher number of brand awareness leads to higher purchase of this

product (Lim, 2017a). Other studies (e.g., Hameed, 2018; Hanzaee & Andervazh, 2012; Laksamana, 2018) supported this argument.

For the past decades, customer loyalty has drawn reasonable interest in marketing literature especially among the earlier researches (Mellens, Dekimpe, & Steenkamp, 1996). Loyalty toward product is just the goodwill of a product within the clients mind or it's the preference of a particle product within the customers mind while scrutinizing the product in relation to other possible competing products or conjointly we can say it is a repeat purchase behavior of the customer (Danish et al., 2018). Brand loyalty is the most significant component that many industries and many scholars are examining as factors that could influence brand loyalty. High brand loyalty could lower many aspects of cost spent by the organization. Loyalty is a function of behavior as well as attitudes. It is a consumer's first choice to buy a particular brand in a product group. Owing to the increase cost of switching from one brand to another, customers would desire to purchase same product over and over again. While loyalty drive buying intention among customers, it is also worthy of note that an important driver of brand loyalty is the social media influencers.

The concept of Influencer marketing centers on utilization of influencers to communicate a product or brand's message to target market (Lim, Radzol, Cheah, & Wong, 2019). Social media influencers have now draw much especially in the current age of internet ubiquitous and it has now being viewed as a dynamic third party endorser (Freberg, Graham, & McGaughey, 2011). Leveraging on a excess of social media platforms such as Facebook, Instagram, Twitter and Youtube, social media influencers are aptly used to publicize product information and latest promotions to online followers (Markethub, 2016). Influencers in the social basically draw the attention of their followers and frequently providing them updates on the recent information about a brand (Liu, Jin, Briones, & Kuch, 2012).

Currently, the social media was an online communication tool that made a huge impact towards the society (Dân & Nam, 2018), encouraging companies to expand their marketing practices in the social media. Conventional marketing media like radio, stereo magazines and television were at the moment becoming In the previous research, conventional marketing media such as televisions, magazines, and radios were currently unsteady and non fit owing to the alteration of market arising from the internet (Opreana & Vinerean, 2015; Tiago & Verissimo, 2014). Also, it has been reported that recommendations for products from influencers in the social media has received an increased trust when compare with those recommendation made by families and friends and this according to the survey lead to 40% of consumers purchased the products used by social media influencers (Sekhon, Bickart, Trudel, Fournier, 2016).

Social media influencers were individuals who actively used their social media accounts and often involved in a certain topic, as well as providing new information (Loeper, Steiner, Stewart, 2014). Social media influencers often used products according to their lifestyle and shared the reviews in their social media accounts. In 2016, Munukka, Uusitalo and Toivonen noted that influencer or enhancer could appraise a brand that customer would think highly of, inspire them to buy it. Furthermore, they provided the latest information and were able to influence consumers' attitudes and behaviors (Liu et al., 2015).

Several arguments and studies have been put forward to support the relationships among the variables, social media influencers, brand loyalty and purchase intention being studied here. For instance, the association of social media influencers and intention to buy (see., Isyanto, Sapitri, & Sinaga, 2020; Lim, 2017, 2019; Lim et al., 2019), social media influencer and loyalty to brand (see., Elli, 2017; Hanzaee & Andervazh, 2012; Kodippili, Jayawickrama, Yugandari, Pamudini, & Samarasinghe, 2016) and relationship between brand loyalty and intention to buy (see., Danish et al., 2018; Hameed, 2018; Hanzaee & Andervazh, 2012; Laksamana, 2018; Sağlam, 2016).

Literature Review and Development of Hypotheses

Given the objective of this study, it is necessary to review the effort of previous researches as they relate to this study. Consequently, this study review previous empirical studies and establish hypotheses accordingly.

2.1. Social media influencer and purchase intention

At long last, all marketing exercises and actions will prompt a similar inquiry of whether consumers will be keen on purchasing the item or not. Influencers who have been seen as specialists will in general be progressively powerful (Aaker & Myers, 1987) and fit for driving customer buy expectation (Ohanian, 1991).

In their argument, Cho, Wang and Lee (2012) noted that social media influencers do function as digital opinion leaders, and as such, they have been perceived to be mentors, members in an online community with the ability to influence other members due to expertise on the relevant topic. Studies such as Kapitan and Silvera (2016) viewed social media influencers as micro-celebrities who desire visibility and attention and are influential through their admirability and high social status.

The findings of Nandagiri and Philip (2018) revealed that brand endorsement by a social media influencer has a positive influence on their followers. Furthermore, the ability of the social media influencer to convey a brand message meaningfully to their consumer goes a long way in influencing consumer buying behaviour and purchase intention. Irrespective of the fact that consumer purchase decisions can be affected by their personality, their creativity and the ability to convey brand messages is also another vital determinant (Peetz, Parks & Spencer, 2004)

In the study of the effect of social media influencers on intention to buy, Lim (2017) utilized source credibility, source attractiveness product match up and meaning transfer dimensions and employed attitude of the consumers as an intervening variable. The findings revealed that all the dimensions captured in the study except for source credibility were significant in predicting purchase intention.

Isyanto et al., (2020) investigated and analyze the effect of micro-influencer marketing and brand image concurrently and to purchase intention cosmetics Focallure in Karawang. In the result of the study, it can be seen that partial, influencer marketing micro variables significantly affects the purchase intention while the brand image variable significantly affects the purchase intention.

2.2 Social Media Influencer and Customer Loyalty

The elements of application which are of internet based, capable of creating a sound and tough technical of web 2 and can result to establishing, exchanging of user created information is known as social media (Kaplan & Haenlein, 2010). According to Tabrizi and Kabirnejat (2015) Social media are the attention and loyalty drawn from the customers, and engaging them via digital channels. It has different forms like blogging, wikis, social blogs, podcast, pictures, video, rating among others (Ismail, 2017). Customers consider social media sites as serving channels where they can engage in real time database of businesses. Customers prefer using social media to visit updated content (Leggat, 2010).

Ogbuji and Papazafeiropoulou (2016) is concerned on the function of social media in creating business and concluded social media can attained better competition for the business and encourage awareness of product or brand. Further, Marzouk (2016) examined the effect of social media marketing in the manufacturing and services sectors of the economy. The effects of social media on branding, sales and brand loyalty were investigated by the latter researcher. He found that brand awareness can be achieved through social media marketing tools.

In 2019, Zoubi assessed the effect of social media on the loyalty of customers towards Jordan 5 star hotel. The study utilized customer satisfaction as a mediating variable on the relationship between social media and customers' loyalty from the perspectives of customers and marketing managers. The major findings of the study were that social media has a statistical significant effect on customer's loyalty, and on satisfaction. the effect of social media marketing on customers' loyalty to brand was examined by Mehrabi (2014). The study used a model which considered advertising related campaign, giving vital content, updating information, providing common content among friends, and applicable programs as marketing indexes in social media is offered. The findings from the regression and correlation analysis showed significant association in the link between social media marketing and customers' brand loyalty.

Sfenrianto, Yunital and Gunawan (2018) examined the correlation between the influences of social media to maintain the loyalty of customers with multiple linear regression method is used for data analysis, the results indicated that social media plays a huge role to increase the possibility of rebuying and loyalty behavior. The study by Santoso and Dewi (2018) was on the influence of social media to retain event retention. The research findings obtained there is significant affect of social media on retention of customer and dimensions of social media that affect customer retention is a media affluence and self-presentation. Based on the revelation by the existing literature, we hypothesized that:

H2: Social media influencers significantly affect Customer loyalty

2.3 Customer Loyalty and Purchase Intention

Most usually customer purchase product or brand that is no longer to him/her or such brand which is already consumed by the customer itself. When a product will be more known to the customer and there will be a strong good brand image in the mind of customer of it then customer will be more loyal and he will purchase the same product. Generally, one major objective of the business is to attain maximum profit or revenue and in order to achieve this,

brand loyalty must be made to play major role or must act as supporting role for it. The consumer normally has a preference to pay money for the product due to its attributes, image, quality, features and price and they normally are faithful to purchase the same product and also pass on the same product to other people (Malik, ghafoor, Iqbal, & Usman Riaz, May 2013). Even though experiential evidence indicates that brand loyalty affects the purchase intention in various contexts. Brand awareness according to Keller (2003), must play significant role in consumer decision making by bringing 3 major rewards of learning, consideration and choice advantage. Brand name shows the image or reliability of the product and also very important for intention of purchase and loyalty. On the other hand a consumer will be loyal with the brand when he will be the repeated buyer of the product or will show the attitude of continuous purchase. Empirical studies have suggested relationship between customer loyalty and purchase intention.

Danish et al. (2018) assessed the extent to which brand name affect, price, brand awareness and quality affect loyalty of product in automobiles. The study employed correlation analysis and surveys administered were analyzed, results indicated significant associations among the variables of the study. The study further disclosed that customer loyalty in turn affect significantly customer purchase intention. In a similar study, Hanzae and Andervazh (2012) examined the factors influencing brand loyalty on purchase intention and discovered that these factors in terms of brand characteristics like name, quality, price design, promotion among others affect customer purchase intention.

In beauty care product Delhi, Chowk and Delhi (2013) explored the influence of loyalty on buying behaviour of females. The result supported those of the previous studies in that brand image is the main reason which women consider in buying beauty products. Hameed and Kanwal (2018) investigated influence of brand loyalty on intention of customer to purchase intention. The study discovered a positive significant influence of brand loyalty on purchase intention and also there is a positive significant relationship between the variables customer loyalty and buying intention of customers. It is based on the findings of this study and other previous empirical studies that we hypothesized that:

H3: Customer loyalty has significant effect on purchase intention

2.4 Customer Loyalty as a Mediator

Customer loyalty has played similar role in previous studies some of which are Bıçakcıoğlu, İpek, & Bayraktaroğlu (2017), Gulzar (2018a), Gulzar (2018b) and Upamannu, Gulati, Chack, and Kaur (2015). The loyalty of customers cannot be bought but earned by the product, efforts put forward by the organization to promote the brand by way social media influencers can assist firms to attract the customers and consequently win them over (Lim, 2017b) and this ultimately result to buying intention by the customers. This argument was supported by Reichfeld (1996) who observed that loyalty can be earned with good value and quality Gaining and keeping brand loyal customers has become a central theme of marketing.

Moreover, it has been claimed that satisfied consumers with a stronger emotional bonding with a brand are more inclined to be loyal to their love brand (Bergkvist and Bech-Larsen 2010; Drennan et al. 2015; Langner et al. 2014). The studies in the pertinent literature have also

demonstrated that loyal customers have a higher tendency to spread positive purchase and repurchase intention. Since the literature reveals that both social influencer and brand loyalty have an effect on purchase intention as demonstrated in the previous sections, we there propose the following:

H4: Customer loyalty mediates the relationship between social media influencer and purchase intention

2.5 Research framework

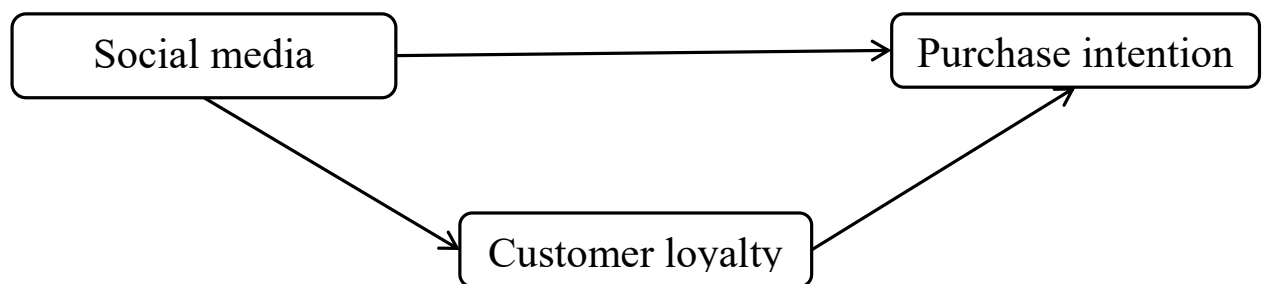


Figure 1: Research model

Conclusion

This article presented a proposed model for customer loyalty as mediator in the relationship between social media influencer and purchase intention. This model if proved to be valid, will provide important insight to firms into the significant role social media and customer loyalty play in affecting purchase intention. It will also alert businesses and marketers the mechanism through which social media influencer can influence purchase intention of customers. The paper will serve as stepping stone for future studies that may be interested in the proposed model.

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