Relationship between Social Media Marketing and Brand Loyalty with Moderating Effect of Culture: An Evidence from University Students

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Abstract

This research aimed to determine the relationship between social media marketing and brand loyalty. It also explores the moderating role of culture in the relationship between social media marketing and brand loyalty. 177 students from the universities of Pakistan and Azad Jammu and Kashmir were selected as a sample for conducting a cross-sectional survey. Self-managed questionnaires were used for data collection and correlation and regression analyses were used to analyze the data. The research results showed a positive impact of social media marketing on brand loyalty. Moreover, culture can alleviate the relationship between social media marketing and brand loyalty, which showed that culture had an impact on the use of social media and brand loyalty. The current study will be helpful for the marketers and decision-makers of the brands to make important decisions to increase Brand Loyalty by using Social Media Marketing but keeping in mind the cultural aspects.

Keywords: Social Media; Brand Loyalty; Culture; Media Marketing; Customer Loyalty
1. Introduction

In today’s competitive environment, every business tries to make its customers loyal to its products (Erdoğmuş & Cicek, 2012). However, attracting and retaining loyal customers is very important to increase a competitive benefit in the market (Palmatier, Scheer, & Steenkamp, 2007). Customer loyalty is possible with the help of media marketing. Media marketing involves using established and emerging online channels to promote brands and selling products and services and these elements of media marketing help to engage potential and new customers (Hoffman & Fodor, 2010). De Vries et al. (2012) view that many different mediums are involved in media marketing including social media advancements, content marketing, and display advertising.

To achieve marketing and brand goals, a type of marketing using the internet to create and share marketing content on social media networks is called social media marketing (SMM) (Erdoğmuş & Cicek, 2012). To reach millions of customers all over the world, SMM plays an important role in our society. This is a great way to attract customers, intermingle and interact with them (Saravanan & Lakshmi, 2012). Its purpose is to attract customers and brands by increasing awareness and sales-related methods. Social media marketing enables companies to provide services to customers worldwide (Al Kailani & Kumar, 2011). To attract potential customers and various customers, businesses of all sizes use SMM as a powerful tool. With the help of SMM, great success can be created to shape brand loyalty, thereby attracting potential customers and sales (Lipsman et al., 2012). It also provides companies with different types of value. One of these values is the increase in brand awareness (De Vries et al., 2012).

Today, consumers use social media to obtain information about brands based on their choice (Ismail, 2017). Brand and company activities on social media are still ongoing. To build relationships with customers, social media provides unique opportunities for brands (Godey et al., 2016). With the help of the brand fan pages, companies can place and promote brand posts, including messages, videos, information, and other materials (De Vries et al., 2012). Social media marketing activities can enhance customer asset drive and loyalty by strengthening customer relationships and establishing purchase intentions (Chaudhri & Holbrook, 2001).

Due to the increase in internet penetration, it is difficult to obtain loyal customers, but at the same time, brand loyalty plays the most important role in the survival of this era (Mehrabi, Islami, & Aghajani, 2014). For a long time, one of the central themes studied by marketers is to establish and maintain brand loyalty. To maintain customer brand loyalty, marketers are using various methods (Castronovo & Huang, 2012). Social media marketing is one of the current methods. With social media marketing, it is easier to find and connect with customers. When a company connects with customers through social media, it can achieve customer retention and loyalty (Kim & Ko, 2012). Every business needs to interact with customers and establish contact with them (Balakrishnan, Dahnil, & Yi, 2014). Therefore, these companies are using social media marketing to acquire and retain more loyal customers. When a brand provides useful advertising campaigns, relevant and popular content, it will positively affect customer loyalty (Laroche et al., 2012).
In January 2018, the global digital report suite from "We Are Social" and "Hootsuite" showed that there are currently more than four billion internet users worldwide. There are also some social networking sites available in the Asian market, indicating that people from different backgrounds use social media in different ways (Hjorth & Yuji, 2008), which indicates that people use social media according to their own culture (Ji et al., 2010). Since users use social media based on their culture, a question may be raised here, “Does culture ease the relationship between SMM and brand loyalty?” This research fills this gap by investigating the relationship between social media marketing, brand loyalty, and culture. Several studies have been conducted in Western culture, and these studies have different meanings, so they cannot be used more confidently in non-Western environments. By researching in the context of Pakistan, this research fills the gap in the background and studies the impact of social media marketing activities on enhancing customer loyalty in Pakistani culture.

2. Literature Review

Keeping in view the objective of the study, the following literature was reviewed to provide a theoretical underpinning to the study.

2.1 Social Media Marketing and Brand Loyalty

Okazaki et al. (2015) pointed out that in recent years different organizations had used social media to associate customers with brands. Besides, they haven't realized yet how customer contact with brands can be established. Tuten (2008) defined social media marketing as a “wide range of publicity expenditures including social network usage, podcasts, blogger authorizations, virtual worlds, social information sites, product review generated by users, games, and ads generated by consumers”. SMM develops consumers into promoters and marketers for companies who create, review and break online content on the subject of the products of the business (Ismail, 2017) to inspire and motivate social media users to work together with their friends and families (Akar & Topcu, 2011).

In the beginning, social media was used by people only to connect with families and friends but later it was used as a communication medium for the company publicity and providing details about brands worldwide (Ismail, 2017). Today, consumers follow the branding pages to get updates about the latest company items and to receive reports on businesses. The companies are creating their products based on their customers’ lifestyles and companies are developing a good idea of their potential markets (Zhu et al., 2009). A business would get a better reputation in the industry and gain a larger profit if the businesses have more loyal clients (Reichheld, & Schefter, 2000). If the brand’s initial experience is positive and the brand becomes trustworthy to its clients, the client can become reliable to minimize uncertainties about goods to create confidence in the products (East et al., 2013).

Brand Loyalty is often motivated directly by trust, but trust is not a substitution for Brand Loyalty, since consumers are often unsatisfied but faithful to the brand (Bitner, 1990). The consumers will draw on the confidence in the products if they know the goods, they buy are trustworthy, in particular, the brand they will purchase (Ha & Perks, 2005). Satisfaction is also critical and contributes to Brand Loyalty for the consumer (Hellier et al., 2003). Many researchers, for example, Ali, and Muqadas (2015) show the relationship between Brand Loyalty and satisfaction and show that the relationship between Brand Loyalty and satisfaction is favorable.
Customers may not have any knowledge about brands until Social Media Marketing was invented. Social Media Marketing plays a crucial role in today's era in allowing the business to maintain existing clients by giving them accurate knowledge about the product or brand (Zarantonello & Schmitt, 2010). In the modern market where the rivalry is increasingly high, the buyer collects information of the company from internet outlets and then compares it with another brand's equivalent product to make it more beneficial and less dependent on a single brand he or she was going to purchase (Ismail, 2017). Often the reason why the brand has struggled is that many consumers rely on the feedback of others the false remarks of the people (Marshal, & Murdoch, 2001).

The branding literature means that companies can improve brand loyalty by improving partnerships between customers and brands (Hellier et al., 2003). The client partnership includes prompt reports on brands, information on updates, information on the company's latest offering, and the improvements that the firm makes to the current and new brand (Mellens, Dekimpe, & Steenkamp, 1996). This sort of detail will raise consumers' perception of the brand and they think this brand is built to meet their wishes (Madanoglu, 2004). Few businesses use social media to manufacture such items by the customers' specifications. Brand loyalty and consumer trust can be strengthened with this'. Consumers are presented with a product based on their preferences (Smith, 2003). So, if consumers have interacted daily, then brand satisfaction will be strengthened (Merisavo & Raulas, 2004). Therefore, if Social Media Marketing affects brand loyalty, the findings suggest that social media marketing and brand loyalty can be closely related. $H_1$: There is a significant relationship between Social Media Marketing and Brand Loyalty.

2.2 Culture

The word culture is most widely used in a collectivist sense; it is used by tribes, countries, organizations, and occasionally occupation (Parsons & Shils, 1951). Social societies live in ideals, in the sense that certain situations tend more than others to fix problems (Hofstede, 2001). Culture is controlled by society, but even the representatives of society are controlled by culture. In 1981, a researcher named Hall considers culture as a kind of communication and comprehension between the members of society, regulating the everyday life of the members of society. Various people from various cultures behave differently (Hofstede, 2001). In 1980, Hofstede also gave the theory on the cross-cultural analysis, which demonstrates the different actions and contact among people from different societies and cultures. The analysis of Hofstede is commonly used by scientists because it offers researchers the ability to quantitatively measure cultural differences.

The community today is influenced by social media; everyone can link their expertise to social media, and no one can interrupt the information and knowledge flow (Ford & Kotze, 2005). The planet becomes a multicultural community, where society is transmitted due to the presence of social media (Lewis, 2007). Different individuals of different ethnic identities use social media. While it has been discovered that social media uses different people based on their culture (Ji et al., 2010), social media plays an important role in deciding on their purchases, healthcare, and jobs, which are closely linked to their society (Fang, 2003). Social networking allows us to connect, but it poses difficulties when spreading the message through cultures (Yoon, 2002).
The community takes a leading role in buying individuals' choices. The goods are bought by individuals, either on the street or by e-shoppers according to their cultural aspects (Rose et al., 2001). In e-shopping, the percentage of men is larger than the number of women. E-shopping has occurred with the use of various platforms including social media (Grewal et al., 1998). In 1980, Hofstede gave a 5-dimensional cultural model. Out of five cultural aspects, three cultural dimensions include collectivism, avoidance of ambiguity, and the use of social web network sites (Ji et al., 2010). Community impacts buying choices and the preference of a brand. E-shopping preferences vary from culture to culture as social media are used differently (Chen, 2005). Besides, people use social media in line with their culture and follow brands and receive knowledge on brands (Vicere, 2004). The use of social media relies on culture, so the culture can be expected to function as a moderator between the social media ads and brand loyalty ties.

H2: Culture moderates the relationship between Social Media Marketing and Brand Loyalty.

Theoretical Framework

![Theoretical Framework](image)

3. Research Methodology

3.1 Research Design

This study is related to cause and effect relationship. In this study, a quantitative approach was used for data analysis and a cross-sectional survey was used for data collection.

3.2 Population and Sampling

The target population was the university students of Pakistan and AJ&K. The samples of the population were the students of CUST (Capital University of Science and Technology), MUST (Mirpur University of Science and Technology AJ&K), and UOK (University of Kotli AJ&K). The convenience sampling technique was used in this research for the selection of 177 students from the above-mentioned universities.
3.3 Instrument

The questionnaire consisted of the following parts. All the items used a 5-point Likert Scale.

1. **Social Media Marketing**: A 4 item scale developed by (Kim & Ko, 2012) was used in this research. Cronbach’s Alpha value was 0.792 which showed that the instrument was reliable.

2. **Brand Loyalty**: In this study, the 4-item scale given by (Ailawadi et al., 2001) was used. Cronbach’s Alpha value was 0.688 which showed that the instrument was reliable.

3. **Culture**: This study also used a 4-item scale developed by (Lekhanya, 2013). The scale Cronbach’s Alpha value is 0.636 which showed that the instrument was reliable.

3.4 Data Collection and Analysis Procedures

The current research was primarily in nature. The data was collected through a self-administered questionnaire. The data were analyzed using SPSS 20. The techniques used for data analysis include reliability analysis, descriptive statistics, Pearson’s Correlation analysis, and linear regression analysis. However, the moderation analysis was checked by the approach of Baron and Kenny (1986).

4. Results

4.1 Descriptive Statistics and Correlational Analysis

Table 1 shows the descriptive statistics and the correlation among variables. The mean and standard deviation for variables were SMM=4.09 (S.D. = .761), Brand Loyalty= 3.8591 (S.D. = .666) and culture= 3.54 (S.D. = .649). The results of correlation analysis showed that Social Media Marketing was significantly and positively related to Brand Loyalty (r= .681, p<.01). The moderating variable (culture) was significantly and positively related to Social Media Marketing (r=.322, p<.01). The culture was also positively and significantly related to Brand Loyalty (r= .572, p<0.01).

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>S.D.</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>1.51</td>
<td>.501</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>1.58</td>
<td>.609</td>
<td>.021</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Qualification</td>
<td>2.48</td>
<td>.853</td>
<td></td>
<td></td>
<td></td>
<td>.156*</td>
<td>.416**</td>
<td>1</td>
</tr>
<tr>
<td>Social Media Marketing</td>
<td>4.0922</td>
<td>.76105</td>
<td>-.034</td>
<td>-.044</td>
<td>.132</td>
<td></td>
<td>1 (.792)</td>
<td></td>
</tr>
<tr>
<td>Brand Loyalty</td>
<td>3.8591</td>
<td>.66608</td>
<td>.025</td>
<td>.009</td>
<td>.163*</td>
<td>.681**</td>
<td></td>
<td>1 (.688)</td>
</tr>
<tr>
<td>Culture</td>
<td>3.5452</td>
<td>.64903</td>
<td>-.036</td>
<td>-.030</td>
<td>-.032</td>
<td>.322**</td>
<td>.572**</td>
<td>1 (.636)</td>
</tr>
</tbody>
</table>

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).
4.2 Regression Analysis

To formally test the hypotheses, regression analysis was performed. Gender, age, and qualification were used as control variables in the first step of regression analysis. Linear regression was performed to check the impact of the independent variable on the dependent variable.

Table 2

Results of Regression Analysis for Outcome

<table>
<thead>
<tr>
<th>Predictor</th>
<th>Brand Loyalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>β</td>
<td>R²</td>
</tr>
<tr>
<td><strong>Step 1</strong></td>
<td></td>
</tr>
<tr>
<td>Control Variables</td>
<td>0.031</td>
</tr>
<tr>
<td><strong>Step 2</strong></td>
<td></td>
</tr>
<tr>
<td>Social Media Marketing</td>
<td>0.590***</td>
</tr>
</tbody>
</table>

N=177, control variables=gender, age and qualification
*p<.05, **p<.01, ***p<.001

The results of regression analysis presented in Table 2 showed that Social Media Marketing was significantly and positively related to Brand Loyalty (β= .590, p<.001). The results supported hypothesis 1 which shows that there was a significant relationship between Social Media Marketing and Brand Loyalty.

Table 3

Results of Moderation Analysis

<table>
<thead>
<tr>
<th>Predictor</th>
<th>Brand Loyalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>β</td>
<td>R²</td>
</tr>
<tr>
<td><strong>Step 1</strong></td>
<td></td>
</tr>
<tr>
<td>Control Variables</td>
<td>0.031</td>
</tr>
<tr>
<td><strong>Step 2</strong></td>
<td></td>
</tr>
<tr>
<td>Social Media Marketing</td>
<td>0.473***</td>
</tr>
<tr>
<td>CL</td>
<td>0.414***</td>
</tr>
<tr>
<td><strong>Step 3</strong></td>
<td></td>
</tr>
<tr>
<td>Social Media Marketing*CL</td>
<td>0.099*</td>
</tr>
</tbody>
</table>

N=177, control variables=gender, age and qualification
*p<.05, **p<.01, ***p<.001
In the first step of moderation analysis, control variables were entered. Then in the second step, the impact of Social Media Marketing and culture was controlled. In the last step, the interaction term was entered to formally check the impact of moderating variable. The results of the interaction term ($\beta=0.099, p<0.05$) showed that culture moderated the relationship between Social Media Marketing and Brand Loyalty. So, $H_2$ was also supported.

4.3 Discussion

The data analysis shows that our first hypothesis is accepted because the p-value is significant that is $p<0.001$. The literature supports the hypothesis in the study of Ismail (2017), and thus the same result was observed. Similarly, the data analysis shows that our second hypothesis is also accepted because the p-value is significant that is $p<0.05$. The literature supports the hypothesis in the study of (Lekhanya, 2013) in South African culture, thus the same results were observed in Pakistan and Azad Jammu and Kashmir context. The results of the study show the influence of cultural dimensions (Hofstede, 2001) on using social media, which ultimately influences Brand Loyalty.

5. Conclusion

Exploration uncovers the impact of social media marketing on brand loyalty and the directing impact of culture on the relationship between social media marketing and brand loyalty. In the investigation of Lekhanya (2013), however South Africa, past examinations have noticed the relationship between social media marketing and brand faithfulness (Ismail, 2017) and the impact of culture on the utilization of social networking sites. The research centers around testing the effect of social media marketing on brand loyalty by moderating the role of culture in Pakistan and Azad Jammu and Kashmir. In the research, the two hypotheses are acknowledged and show that social media marketing affects brand loyalty, and culture is controlling the relationship between social media marketing and brand loyalty.

According to current research, social media marketing can help people obtain information about brands, pay attention to and buy brands, and ultimately generate brand loyalty. This research additionally reveals to us that individuals utilize social media dependent on their culture, which influences the relationship between social media marketing and brand loyalty.

5.1 Implications

The current study will be helpful for the marketers and decision-makers of the brands to make important decisions to increase Brand Loyalty by using Social Media Marketing but keeping in mind the cultural aspects. Furthermore, the companies should not just advertise their brand on social media traditionally; they should have to communicate with customers effectively and try to capture their cultures as well. The study will help companies to increase their Brand Loyalty by managing advertisements according to the cultures of customers.

5.2 Limitations and Future Directions

Due to limited access small sample size has been taken from three universities with convenience sampling technique, so that the results cannot generalized. Another reason which becomes a hurdle in making the results of this study generalized is time limitations, due to limited time the collection was limited. Due to the absence of a mediator, this study does not become clear directly from Social Media Marketing.
To make generalize results there is a need to increase the samples and sample size. For the future, there is a need to use another sampling technique like simple random sampling, etc for data collection. Future research can be conducted by using brand consciousness and value consciousness as mediators. This study is related to Pakistan and Azad Jammu and Kashmir so future research can be conducted in different countries.

**References**


