THE ROLE OF “INDIVIDUAL LEVEL COLLECTIVIST VALUES” (ILCV) IN MEASURING IMPACT ON BRAND LOYALTY

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Abstract

This research is conducted to check the applicability of theory of individual level collectivist values (ILCV) in developing brand loyalty. Hence, association between brand loyalty with its determinants and mediating effect of individual level collectivist values have been checked in this study. This research is explanatory in nature based on primary and secondary data collected through cross sectional survey. A sample size of 384 women customers of five Pakistani renowned brands have been carved out from the regular customer population of about 500,000. Margin of error is 5%. Though researched works available on brand loyalty with different dimensions, few studies have been found on ILCVT internationally and not spotted any research in Pakistani context. This study can be taken as first of its kind in Pakistan. This research finds women shopping behavior in Pakistan where they belong to different Pakistani sub-culture. Study found a strong relationship between brand loyalty and brand trust even when individualistic values at group level play its role as a mediator. This study has several implications for managers and policy makers. Hence brand managers need to undertake sub-cultural themes while offering new volumes in order to make more and more customers brand loyal.

Keywords: ILCV, Brand Loyalty, Cultural Dimensions, Brand Trust, Perceived Value.

JEL Classification: M000, M310

Introduction

In contemporary world development of brand equity in every business is becoming indispensable factor which plays vital role in business performance and determine its success. Brand loyalty is measured as the basic antecedent of “brand equity” and since long it has been researched many different perspectives of creating brand equity and so the way of creating brand loyalty diverse definitions and drivers have been identified to measure it. Jacoby and Kyner (1973) worked on

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the basic conception of brand loyalty and its implication identified the complex definition of brand loyalty that holds many difficult constructs which are difficult to analyze and synthesize. Thiele and Mackay (2001) explained the term loyalty as an interchangeable means with its operational definition with repeated purchase. Since then the behavioral approach and attitudinal approach developed. Behavioral approach represents consistent purchase behavior and attitudinal represent favorable attitude toward brand (Quester & Lim, 2003). Both approaches are insufficient to define brand loyalty as both approaches are ignoring psychological aspect of consumer commitment with the brand (Bowen & Chen, 2001). Particularly low involvement products, repeated purchase could be the habitual purchase behavior (Kabadayi, 2007). Second is the attitudinal approach that depends upon consumer’s positive feedback and reviews. This approach is based upon emotional attachment with the brand and it goes beyond repetitive purchase (Quester & Lim, 2003). According to Choi, Konan and Kim (2016), loyalty is positively impacting on the increased purchases of customers and in case of failure in development of brand loyalty product may face the failure. For example in some cases when substitutes of any specific brand/product are not available then people make repeated purchases even if the actual product is of higher price. Further Brakus, Schmitt and Zarantonello (2009) are of the views that customer’s evaluation of a brand is affected by the brand perceived quality based on their perceptions backed by the customers’ cultural affinity. Consumer responses towards choosing a product varies and their buying decisions are mostly influenced by their familiarity of brand and their cultural orientations.

This research paper highlights how brand loyalty which is among the most important antecedent of brand equity would develop. Among various other antecedents of brand equity, brand loyalty is the most significant factors because it created and measured through customers’ feedbacks, evaluations and reviews (Pappu & Quester, 2016), which can be influenced by their cultural affiliations and orientations. While evaluating brand loyalty two broad categories of loyalty comes under consideration, behavioral and attitudinal loyalty. Behavioral and attitudinal elements are helpful in identifying the reaction of buyers to gauge brand loyalty (Hew, Lee, & Ooi, 2016). Dawes, Meyer-Waarden, and Driesener (2015) identified that social influence is considered as another distinctive level of dimension for brand loyalty because it attracts and retains customers for longer period of time.

**Literature Review**

The origin of brand loyalty is the focal umbrella concept in marketing strategy for any organization because of its diverse measurement of consumer’s commitment with brands (Aaker, 1991). The long run success of a brand is not only dependent upon the number of customers, it holds, but also repeat purchases of the same product by them. In the presence of high competition creating and retaining loyal customers is vital and it decreases uncertainty about brand’s quality (Fournier & Yao, 1997). Researchers used “attitudinal” and “behavioral” measures to assess this concept (Oliver, 1999; Zeithmal, 2000). According to the views of some other researchers, attitudinal loyalty narrate to develop connection with specific service provider (Czapiel & Gilmore, 1987). In
addition from behavioral perspective repurchase patron of any specific product over different time frame (Neal, 1999). The other approach is “attitudinal approach” and measure favorable attitude onward brand. Large numbers of antecedent to predict brand loyalty have been explored whereas among all perceived values, perceived quality and brand trust are considered as the most important and fundamental antecedents of brand loyalty (Bramlett & Holbrook, 2000). The complexity in the measurement of loyalty is explaining the phenomena of repeated buying do not express the actual intention and intentions do not reflect the action (Yang & Peterson, 2004). While explaining intentions and consumers purchase decisions previous researches identify the extensive role of culture in shaping consumer cognition. Culture plays a vital role in impacting consumer’s subconscious. That is why the role of culture cannot be neglected while measuring brand loyalty. Culture is the way of life, set of attitudes and norms as well as a living style of a society. Different thinking styles of people residing in different geographical region living with different national values and norms (Lee, 2014). For example Eastern and Western societies behave differently in various situations and they make decisions accordingly. According to (Bartels, 2014) decision making is a phenomena which itself is a commitment of individual with group members depending upon the shared value system in which an individual is living.

**Individual Level Collectivist Values (ILCV) and Brand Loyalty**

ILCV are related to culture values operated by groups (Schwartz, 1990). ILCV are not similar as individualism and collectivism but it refers individual behavior measured at group level. The dimension of individualism and collectivism refers to national culture and consider each consumer is behaving same at national level. Individual level collectivist theory emphasize inequality of consumers on the basis of their different thinking styles and feelings (Keillor, D'Amico, & Horton, 2001; Schwartz; 1994, 1999; Triandis; 1989, 1995).

ILCV are the values that influences consumer behavior and buying decision and explained through shared values, and belief system represent by individuals toward the association between individual and group exist in society (Schwartz, 1990). Individual level group values influence consumer behavior according to personal interest and according to the relationship of individuals and between groups within society. According to scholars individual level socialist values stimulate consumer behavior in such a way that effect the service quality (Patterson & Prasong, 2006) and consumer impulsive buying activities (Bond, 2002; Schwartz, 1990). However various researchers have worked on antecedent of brand loyalty but still mediating influence of (ILCV) on consumer behavior less explored area.

This research study is grounded on the theory of “individuals’ collectivist values” but keeping the concept valid that consumer belong to different regions even if they belong to one country are not similar in many cultural subjective means (Keillor, 2001). The contribution of this research is as it adds value to the current literature on brand loyalty and open a new venue to measure brand loyalty.
Generally, brand loyalty is measured through repeated purchase, brand commitment, perceived value and perceived quality, brand trust and other antecedents discussed by previous researchers but the role of ILCV is less explored and almost untapped in Pakistani society and their behavior representation due to different cultural backgrounds. Through this research the differences in consumer behavior is identified in the context of (ILCV) that influence traditional models of brand loyalty (Bolton & Bramlett, 2000; Bolton & Drew, 1991; Chang & Wildt, 1994; Parasuraman, Zeithmal, Berry, & Grewal, 2000; Sirdeshmukh, Singh, & Sabol, 2002). Previous researches suggested how brand loyalty developed collectively which is not possible because every consumer behave differently in different situation (Keillor et al., 2001; Schwartz, 1994; 1999; Triandis, 1994; 1995), that’s why they could have different brand loyalty behavior in preference or choice of different brands. Customers belong to low (ILCV) behavior express low level of loyalty whereas high individual level social values represent high level of loyalty(Thompson, 2014).Previous researchers identified three basic antecedents of measuring brand loyalty in which perceived quality, perceived values and brand trust are the most essential areall three antecedents are moderated by the role of individual level collectivist values because of the differing nature of consumers on different regions and cultural background. For theorizing the impact of individual level cultural values as a moderating factor, the role of (ILCV) values need to be determined. Many previous scholars have indicated that (ILCV) play a moderator’s role in consumer evaluation of “product and his/ her cognitive style, their attitudes, self-behavior” (Bond, et al.), and impulsive purchasing style.

**Relationship between Brand Trust & Brand Loyalty**

In recent years brand trust has earned the attention of many practitioners and researchers. According to Lau and Lee (1999) it can be viewed as willingness of customers to rely on brand they choose. In other researches it is also viewed as willingness to depend on other exchange partner on whom they can rely on (Moorman et al., 1992). Chaudhary and Holbrook (2001), in his research described brand trust as readiness of consumer to rely brand and its stated functionality. Through the previous researches the association between brand trust and brand loyalty is considered as the determinant of loyalty (Berry, 1983). Developing brand loyalty is not only to about repeated purchase rather maintaining long-term relationships with your customers which as a result will turn into brand loyalty (Matzler et al., 2008: Sung et al., 2010: Ming et al., 2011). Brand trust develops positive relationship between brand and customers and resulting is adding value into brand loyalty (Morgan & Hunt, 1994). According to Choudhry and Holbrook (2001), brand trust is the factor that decides the brand’s fate and in term of success and failure because trust influences customers repurchase intentions.

**Perceived Quality and Brand Loyalty**

Perceive quality is about developing perception of brand in the mind of the customers. In perceive quality functional and non-functional attributes of the products are discussed. High quality
of a product gives consumers satisfaction regarding quality and associated risk of the product/ brand (Aaker, 1991). Further in his study (Aaker, 1991) discuss that perceive value create point of differentiation so consumers can easily differentiate unique points of their own brand in comparison with competitor brand. According to Zeithmal (1988) perceived quality is the perception about overall quality of product or service in comparison with other brands, whereas Aaker (1991) defines perceive quality as overall perception of consumer about product or service quality with respect to its intended purpose in comparison with its alternatives. Furthermore, perceive quality in four distinct categories. These four characteristics include intrinsic, extrinsic, performance and appearance of the product. While discussing the relationship between perceived quality and brand loyalty previous researches confirm a positive relationship between perceive quality and purchase intention (Tsiotsou, 2006). According to Biedenbach and Marell (2009) perceived quality is one of the most important element of brand loyalty and it also has an effect on brand image (Ming et al., 2011; Chen & Tseng, 2010).

**Perceived Value and Brand Loyalty**

Equity theory discuss perceive value while discuss about consumer outcome/input to that of the provider’s outcome/input (Oliver & DeSarbo, 1988). The equity theory discuss about the fair and rightful treatment of what does that cost. The concept of value described by (Keller, 2013) it is a cost and benefit analysis which consumer mind constantly analyses at the time of purchase or intent to purchase. Perceive value is treated as monetary and non-monetary risk associated with the product that consumer consider it as estimated cost to that product and consider benefits as a reward he/she receive from selling the product. Sirdeshmukh and Sabool (2012) explain high value is super ordinate goals where loyalty belongs to subordinate goal because it is behavioral intentions. As sub ordinate goals are regulated by super ordinate goals that is why perceive value regulate behavioral intentions of loyalty (Sirdeshmukh et al., 2002). That is why along with previous researches designate perceive value as an important antecedent of brand loyalty.

![Figure 1: Conceptual Framework](image_url)
Hypothesis Development

From the above discussion, it is evident that a number of determinants of brand loyalty have been explored but scholars are agreed upon the substantiality of perceived value, perceived quality and brand trust (Bolton et al., 2000). Building upon the existing literature, seven hypothesis to test for the direct relationship between: ‘brand trust and brand loyalty’; ‘perceived quality and brand loyalty’ and ‘perceived value and brand loyalty’, ILCV and brand loyalty, ILCV and brand trust, ILCV and perceive value, ILCV and perceive quality and three hypothesis explaining indirect relationship are being formulated basing on the following discussion heading wise.

Brand Trust and Brand Loyalty

Brand trust is the willingness of a consumer to buy a brand or product to get the desired quality and its promises (Chaudhry & Holbrook, 2001). Previous researches suggested the positive relationship between brand loyalty and brand trust (Choudhry & Holbrook, 2001). It has been further explained by them that the brand trust and brand loyalty are the two simultaneous factors of one phenomena as it is been observed that reliable brands are bought repeatedly and so the perceived risk associated with the purchase of brand is reduced (Chaudhry & Holbrook, 2001). However observes that the capability to behave of an individual indifferent region varies from one culture to another. By keeping the importance of differences in thinking styles of different consumers it has been established that the brand loyalty in all customers are not the same, despite the fact, they show similar values of brand trust. Individual level theories based on cultural values suggested that differences in individuals attitude is basically due to difference in individual level group values and their representation. Number of studies on ILCV linked with brand trust (Doney, Cannon, & Mullen, 1998). Many other authors also suggest brand trust is predicted by individual level collectivist values and those customers are more dependent on others’ views and give more importance to relationships then low individual level collectivist customers (Swartissubstz, 1990; Triandis; 1989; 1995). That is why the importance of trust is substantial in in-group and out-group (Triandis, 1995). This flexibility of differences in individual level of collectivist values impact consumer decision making at the time of purchases. Collectively more collectivist consumers are tend to refer their in-group suggestion at the time of purchases (Roth, 1995). Reliance on other group member’s opinion shows consumer pay greater attention to the purchasing preference to the group then their own preference which means trust builds up and sense of belonging develops in “in-group” members (Thompson, 2014). As a result those consumers carrying higher individual level collectivist values prefer that brand which comes under group approval (Roth, 1995). Hence, in the above backdrop, it is hypothesized in Pakistani context as follows:

\( H1: \) brand trust has a positive impact on brand loyalty

Brand Trust and ILCV

According to (Thompson, 2014), if trust level of an individual is constant then those
consumers having high ILCV will be more loyal with the brand because of the in group expectations and experiences (Roth, 1995). Because in group coheviness and brand trust is more important then individual likes and dislikes that is why consumers low in ILCV are less brand loyal because they are influenced by out group feed backs and reviews.

*H2*: brand trust has a positive impact on Individual level of collectivist values.

**ILCV and Brand Loyalty**

Previous researches on theory of ILCV explain the differences among consumers are due to their different cognitions, attitudes and behavior (Bond, 2002). (Aaker, 1991) bifurcate the concept of brand loyalty into attitudinal and behavioral. Both of which consist on individual customer’s own willingness to buy and other one is through peer feedbacks and word of mouth. As ILCV is the individualistic approach considered as collectivist level that is why both attitudinal and behavioral loyalty lie under the concept of ILCV. Later, (Thompson, 2014), theorize that ILCV positively impact on brand loyalty. For this reason we can postulate that:

*H3*: ILCV has a positive impact on Brand loyalty.

**Perceived Value and Brand Loyalty**

Perceived value is defined as customer’s evaluation of a product or service on a basis of its utility depending upon the perception of prices charged to customers (Zeithmal, 1988). Previous researcher’s extensive work on the relationship of repeated purchase and perception of the customers reveal prominent and positive relationship between positive perception of customers lead to repeated purchase of a brand or a product which at last change into brand loyalty. When consumer perceive high value provided by brand then significantly impact on repeated purchase (Chang & Wildt, 1994). Hence, in the above backdrop, it is hypothesized that

*H4*: perceive value has positive impact on brand loyalty.

**Perceived Value and ILCV**

The concept of value is different among different consumers that’s is why through previous researches explained that all consumers are not same (Keillor et al., 2001; Schwartz, 1994; 1999; Triandis, 1994; 1995). In group bonding and social conformity are the focal concepts in value system for those consumers who are high in ILCV (Wong & Ahuvia, 1998). That is why consumers who are high in ILCV always prefer to have group preference over individual preference (Schwartz, 1990; Triandis, 1995). That is why it is postulate that:

*H5*: Perceive value has a positive impact on ILCV.
Perceived Quality and Brand Loyalty

Perceived quality is positively related to brand loyalty on high individual level collectivist values-customers as compare to low level of individual level collectivist values customers. Perceived quality refers to consumer’s evaluation of the product based on consumer personal likes and dislikes and their perception about brand (Olson, 1985; Kirmani & Baumgartner, 2000; Lai et al., 2009; Liang et al., 2013). Many previous studies conducted explain in that quality of a brand is the factor that signal quality and status that is why consumers purchase high quality brands to show their status (Batra, Ramaswamy, Alden, Steenkamp, & Ramachandran, 2000; Boulding et al., 1993a, 1993b). Perceived quality belong to consumer’s overall evaluation as well as perception that is why it is considered as the influential factor for purchase, repurchase and switching behavior of a customer (Boulding et al., 1993a, 1993b). Hence, in the above backdrop, it is hypothesized as follows: 

\[ H6: \text{Perceive quality has a positive impact on brand loyalty.} \]

Perceive Quality and ILCV

According to (Thompson, 2014) those consumers who are having low individual level collectivist value in-groups are less cohesive with in group that’s why perceive quality is individualistic approach for low ILCV consumers unlike those consumers who are high ILCV. In contrast consumers of high ILCV are more brand loyal that’s why they perceive the best quality of their focal brand. That’s why we can postulate that:

\[ H6: \text{Perceive quality has a positive impact on ILCV.} \]

Brand Trust, ILCV and Brand Loyalty

Previous researches suggest that if trust level among the customers is constant then those customers who have high individual level collectivist values will remain loyal with the focal brand for the longer period of time (Newman, 2014). That is why we can postulate that:

\[ H7: \text{Brand trust is positively related brand loyalty with the mediation of ILCV.} \]

Perceived Value, ILCV and Brand Loyalty

Hypothesis 9 is discussing the relationship of perceived value with ILCV. As perceive value concept is totally reflect social bonding and conformity that is why through the word of mouth in group reviews develop brand loyalty (Wong & Ahuvia, 1988). Family bonding and group cohesiveness narrate high individual level collectivist values that is why it would be postulate that:

\[ H8: \text{Perceive value is positively related to brand loyalty with the mediation of ILCV.} \]
Perceived Quality, ILCV and Brand Loyalty

Hypothesis 10 discuss the indirect relationship between perceive quality and brand loyalty with the mediation of ILCV. According to (Boulding et al., 1993), perceive quality refer consumer evaluation of brand in terms of its cost and benefits received that is why it is considered as the basic factor purchase decision and it may cause switching of brand if consumer’s evaluation is not favorable about brand. This consumer evaluation depend upon consumer cognition which may be impacted by differentiated culture (Hofstede, 2010). As it is been discussed earlier that perceive quality has a positive impact on brand loyalty that is why it could be postulate that:

H9: Perceive quality is positively related to brand loyalty with the mediation of ILCV.

Research Design and Method

This study is an explanatory research type and quantitative in nature based on primary and secondary data. For data collection purpose structured questionnaire has been used and got filled.

Using Google form. Probabilistic sampling method is applied and cluster sampling has been used for selecting the respondents. A sample size of 384 women customers of five Pakistani renowned brands (Khaadi, Gul Ahmed, Nishat linen, & Alkaram) has been carved out from the customer population of about 500,000 regular customers by using the scientific calculator Rao soft at the rate of 5% margin of error. Accordingly, 384 questionnaire were distributed out of which 285 responses (75%) were received through online survey. Out of 285 responses 35 responses were eliminated because of missing values and incomplete questions responses and total of 250 questionnaires have been considered for analysis purpose. Deductive approach is adopted as hypothesis are developed on the basis of relevant theories and strategy is designed to develop those hypothesis.

Scales and Measures

Already developed scales on the subject by previous researchers have been used are selected, however (presented in table 1) reliability and validity of questionnaire is checked again which are presented in the results section.

Table 1

<table>
<thead>
<tr>
<th>Construct Adapted/Items</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Loyalty (6)</td>
<td>(Chaudhry &amp; Holbrook, 2001; Yi &amp; Jeon, 2003)</td>
</tr>
<tr>
<td>Brand Trust (4),</td>
<td>(Chaudhry &amp; Holbrook, 2001)</td>
</tr>
<tr>
<td>Perceived Quality (5)</td>
<td>(Dodd, Monroe &amp; Grewal, 1991)</td>
</tr>
<tr>
<td>Perceived Value (5)</td>
<td>(Dodd, Monroe &amp; Grewal, 1991)</td>
</tr>
<tr>
<td>Individual level Collectivist Values(6)</td>
<td>(Donthu &amp; Yoo, 1996)</td>
</tr>
</tbody>
</table>
Results

Descriptive Statistics

The descriptive statistics of the variables used in research are used to disclose and ascertain their univariate normality and internal consistency. Results of descriptive statistics are presented in Table 2:

Table 2
Descriptive

<table>
<thead>
<tr>
<th>.</th>
<th>Mean</th>
<th>SD</th>
<th>Skewness</th>
<th>Kurtosis</th>
<th>Cronbach Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Loyalty</td>
<td>4.873</td>
<td>1.571</td>
<td>0.826</td>
<td>0.763</td>
<td>0.696</td>
</tr>
<tr>
<td>Brand Trust</td>
<td>4.774</td>
<td>1.314</td>
<td>0.642</td>
<td>0.819</td>
<td>0.875</td>
</tr>
<tr>
<td>ILCV</td>
<td>5.153</td>
<td>1.467</td>
<td>0.757</td>
<td>0.284</td>
<td>0.233</td>
</tr>
<tr>
<td>Per. Value</td>
<td>4.428</td>
<td>1.443</td>
<td>0.526</td>
<td>0.763</td>
<td>0.724</td>
</tr>
<tr>
<td>Per. Quality</td>
<td>4.481</td>
<td>1.698</td>
<td>0.675</td>
<td>0.609</td>
<td>0.726</td>
</tr>
</tbody>
</table>

The results of brand loyalty are showing (Mean=4.873, SD=1.571, SK=0.826) has got the highest skewness, perceive value (Mean= 4.428, SD=1.443, SK=0.526) has the lowest level of skewness. In addition brand trust (Mean=4.774, SD=1.314, KR= 0.819) has the highest level of kurtosis whereas ILCV (individual level collectivist values), (Mean=5.153, SD=1.467, KR=0.284) has got the lowest level of kurtosis. As skewness and kurtosis both lie in between ±3.5, that is why all variable are considered to have univariate normality. Furthermore brand trust (Mean=4.774, SD=1.314, α = 0.875) has the highest value of Cronbach alpha, whereas, ILCV (Mean=5.153, SD=1.467, α= 0.233) has receive the lowest level of Cronbach alpha. Therefore all variables other than ILCV has receive the acceptable level of internal consistency.

Correlation Analysis

Results related to correlation analysis are presented in Table 3.

Table 3
Correlation

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Loyalty</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand Trust</td>
<td>0.754</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ILCV</td>
<td>0.533</td>
<td>0.483</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Per. Value</td>
<td>0.873</td>
<td>0.724</td>
<td>0.126</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Per. Quality</td>
<td>0.780</td>
<td>0.852</td>
<td>0.311</td>
<td>0.790</td>
<td>1</td>
</tr>
</tbody>
</table>
The results of the correlation table suggest that perceive value has the highest correlation with brand trust. On contrary, perceive value had the lowest correlation with perceive quality. Therefore it is inferred that constructs are unique and distinct in nature. In addition, there is unlikely to be multi-collinearity problem (Junior et al., 1992; Benesty et al., 2009).

Convergent Validity

The results related to convergent validity are presented in Table 4.

Table 4
Convergent Validity

<table>
<thead>
<tr>
<th>Construct</th>
<th>Mean</th>
<th>SD</th>
<th>Cronbach Alpha</th>
<th>Composite Reliability</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Loyalty</td>
<td>4.873</td>
<td>1.571</td>
<td>0.818</td>
<td>0.874</td>
<td>0.582</td>
</tr>
<tr>
<td>Brand Trust</td>
<td>4.774</td>
<td>1.314</td>
<td>0.898</td>
<td>0.929</td>
<td>0.766</td>
</tr>
<tr>
<td>ILCV</td>
<td>5.153</td>
<td>1.467</td>
<td>0.272</td>
<td>0.73</td>
<td>0.577</td>
</tr>
<tr>
<td>Per. Value</td>
<td>4.428</td>
<td>1.443</td>
<td>0.882</td>
<td>0.914</td>
<td>0.681</td>
</tr>
<tr>
<td>Per. Quality</td>
<td>4.481</td>
<td>1.698</td>
<td>0.861</td>
<td>0.907</td>
<td>0.71</td>
</tr>
</tbody>
</table>

Results are showing that brand trust and perceive value have highest composite reliability, whereas individual level collectivist values (ILCV), (Mean=5.153, STD=1.467, AVE= 0.577, CR=0.73) has the lowest composite reliability. Moreover brand trust (Mean=4.873, SD= 1.571, AV= 0.582) has the highest value of average variable explained while perceived quality (Mean=4.481, SD=1.698, AV=0.71) has the lowest. As all values of composite reliability are greater than 0.7 and 0.6 other than ILCV that’s why we may conclude acceptable convergent validity.

Discriminate Validity

The results are related to discriminant validity is presented in Table 5.

Table 5
Discriminant Validity

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Loyalty</td>
<td>0.763</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand Trust</td>
<td>0.569</td>
<td>0.875</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ILCV</td>
<td>0.284</td>
<td>0.233</td>
<td>0.760</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Per. Value</td>
<td>0.763</td>
<td>0.724</td>
<td>0.126</td>
<td>0.825</td>
<td></td>
</tr>
<tr>
<td>Per. Quality</td>
<td>0.609</td>
<td>0.726</td>
<td>0.097</td>
<td>0.624</td>
<td>0.843</td>
</tr>
</tbody>
</table>
The results suggest that all variables are unique and distinct as their diagonal values are greater than square of each pair of correlation (Breyman & Bell, 2015).

Results of Hypothesis

The study applied structural equation modeling using the Smart PLS software to test the hypothesis. We have proposed seven direct hypothesis and three indirect hypothesis, which are presented in Table 6 and table 7. The measurement and structural models are presented in Figure 2 and, Figure 3.

Table 6

<table>
<thead>
<tr>
<th>Direct Relationship</th>
<th>Beta</th>
<th>T Static.</th>
<th>P Values</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Trust -&gt; Brand Loyalty (H1)</td>
<td>0.545</td>
<td>10.544</td>
<td>0</td>
<td>Accepted</td>
</tr>
<tr>
<td>Brand Trust -&gt; ILC V (H2)</td>
<td>0.377</td>
<td>3.299</td>
<td>0</td>
<td>Accepted</td>
</tr>
<tr>
<td>ILCV-&gt; Brand Loyalty (H3)</td>
<td>0.113</td>
<td>2.815</td>
<td>0.002</td>
<td>Accepted</td>
</tr>
<tr>
<td>Per. Value -&gt; Brand Loyalty (H4)</td>
<td>0.374</td>
<td>6.86</td>
<td>0</td>
<td>Accepted</td>
</tr>
<tr>
<td>Per. Value -&gt; ILCV (H5)</td>
<td>-0.06</td>
<td>0.501</td>
<td>0.308</td>
<td>Rejected</td>
</tr>
<tr>
<td>Per. Quality -&gt; Brand Loyalty (H6)</td>
<td>-0.031</td>
<td>0.54</td>
<td>0.295</td>
<td>Rejected</td>
</tr>
<tr>
<td>Per. Quality -&gt; ILCV(H7)</td>
<td>-0.139</td>
<td>1.285</td>
<td>0.099</td>
<td>Rejected</td>
</tr>
</tbody>
</table>

The statistical Results of SEM suggest that we found support for four hypothesis i.e. H1, H2, H3, and H4 in contrary H5, H6, H7 are not supported.

Hypothesis 1 is about a direct relationship between brand loyalty and its antecedents suggest brand trust is a strong predictor and has positive relationship with brand loyalty (B=0.545, T-statistics=10.544, P Value= 0) P-value < 0.05 shows hypothesis is accepted. Hypothesis2 on brand trust in direct relationship with individual level group values is also accepted as P-value =0. Hypothesis 3 which is about direct association of ILCV and brand loyalty p- value = 0.002 which is less than 0.05 is also accepted. Hypothesis 4 which is about the direct relationship between perceived value and brand loyalty is also accepted as p-value is less than 0.5. As per values suggest hypothesis 5 which is on direct relationship between perceive value and individual level collectivist values is rejected as (B=-0.06, T-static=0.501, p-value=0.308) because of the fact that p-value is >0.50 the relationship between perceive value and ILCV is rejected. Hypothesis 6 is discussing about the relationship between perceive quality and brand loyalty which is also rejected as values are (B=-0.031, T-statistic=0.54, P-value= 0.295), as p value is greater than 0.05 that is why hypothesis 6 is rejected. Hypothesis 7 is on the relationship between perceive quality and individual level collectivist values in which (B= -0.139, T-static= 1.285, p-value= 0.099), as p values is greater than 0.05 that is why hypothesis 7 is also rejected.
The indirect relationship of hypothesis 8 explain the relationship between brand loyalty and brand trust with the mediation of ILCV in which (B=0.043, T-static=2.071, P-value=0.019) this hypothesis is accept as p value is lesser than 0.05. Hypothesis 9 is about the relationship between perceive-value and brand loyalty with the mediation of ILCV (B=-0.007, T-static=-0.48, p value=0.316) this hypothesis is rejected as p value is greater than 0.05. Hypothesis 10 explaining the indirect relationship between perceive quality and brand loyalty with the mediation of ILCV (B=-0.06, T static=1.172, p-value=0.121) as p-value is greater than 0.50 that is why hypothesis 10 is rejected.

Table 7
*Indirect Relationship*

<table>
<thead>
<tr>
<th></th>
<th>Beta Value</th>
<th>T Stat.</th>
<th>P Values</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Trust  -&gt; ILCV -&gt; Brand Loyalty (H8)</td>
<td>0.043</td>
<td>2.071</td>
<td>0.019</td>
<td>Accepted</td>
</tr>
<tr>
<td>Per. Value   -&gt; ILCV -&gt; Brand Loyalty (H9)</td>
<td>-0.007</td>
<td>0.48</td>
<td>0.316</td>
<td>Rejected</td>
</tr>
<tr>
<td>Per. Quality -&gt; ILCV -&gt; Brand Loyalty (H10)</td>
<td>-0.016</td>
<td>1.172</td>
<td>0.121</td>
<td>Rejected</td>
</tr>
</tbody>
</table>

*Figure 2: Measurement Model*
Theory of a universal psychological structure is presented by Schwartz and Bilsky in (1987) describe the value system in various different cultures. Other researchers admitted that, theories like Schwartz and Bilsky need to be tested on different cultures to “aspire universality”. Later in (1990:87) Schwartz and Bilsky proposed the theory of “Universal structure of Human values”. In continuation of the theory of Schwartz and Bilsky our research study using data from different provinces of Pakistan attempt to test the phenomena of how customer respond to marketing activities offered by companies to develop brand loyalty and maintaining long term relationship with their customers. As Pakistan is rich in ethnicity and possess diversified culture that is why the common forum that caters customer’s need (belong to different culture) by offering brands, has to be identified. Theory of (ILCV) suggest that consumers of different regions are not same beside the binding factor of individual level collectivist “values”. Individual level collectivist values are shared beliefs, norms and set of attitudes
demonstrated by individual toward relationship between individual and groups of the society. ILCV are individualistic values presented at group level. That is why developing brand loyalty has to be mediated by ILCV. By keeping the importance of ILCV as a focal factor hypothesis about direct relationship between brand loyalty and its antecedents and relationship with mediation of ILCV are developed. This study examine 7 direct relationship and 3 indirect relationship (mediating) variables. The statistical results of SEM suggest support of 4 hypothesis and rejection of 3 hypothesis. The relevance of the result with earlier literature are discussed in the following sections.

The first hypothesis examines the impact of brand trust on brand loyalty. This hypothesis is supported by the result (p< 0.05). It is previously determined that brand trust is one of the important antecedents of brand equity (Keller, 2013). As brand trust develop through the feedback of other customers and through word of mouth attitudinal loyalty gained. Choudhry and Holbrook (2001) explained brand trust as consumers desire to start relying on specific company’s offering and keep stick with it for longer period of time which as a result turn into brand loyalty.

The second hypothesis examine the impact of brand trust on individual level group values. This hypothesis is supported as (p< 0.05). Theory on individual level collectivist values explain cultural orientations effect on consumers that is why difference in their decision making arise Newman, & M. (2014). Because all consumers don’t show the same level of brand loyalty other than if they share the same level of individual level collectivist values. That’s why we hypothesize that it is because of the difference in consumer’s perception and due to difference in (ILCV). Many previous studies link up individual level of collectivist values with brand trust. Because of the examined difference in (ILCV) in consumers it is proved that brand trust is higher in those customers who have greater individual level collectivist values (Newman & Liu, 2014).

The third hypothesis examines the relationship between individual level collectivist values. This hypothesis is accepted as (p< 0.05). As contemporary era is very competitive that’s why it is becoming very difficult for brand and other apparel companies to retain their customers. According to (Oliver, 1999) brand loyalty is a “Commitment” between customers and company about repetitive purchase of same brand even the advertisements and other factors influence consumer decision and may turn to switching behavior. Through previous studies it is confirmed that those consumes who are carrying high individual level collectivist values find the true meaning of be with one brand through social interaction and in-group bonding and harmony bring interrelationship by subordinating personal goals (Bond, 2002; Schwartz, 1990). As previous researches declared ILCV as predictor of consumer perceptions and social behavior (Soomro, Y. A).

The fourth hypothesis is examining the impact of perceive value on brand loyalty. This hypothesis is accepted as (p< 0.05). As previous studies on brand loyalty suggest that brand loyalty could provide a substantial value to customers and companies both (Yang & Peterson, 2004). Customers always want to purchase those brands which give value to them (Reichheld, 1996). Whereas perceive
value reflect the amount of consumer’s input and out to that service input and output.

The fifth hypothesis examine the effect of individual values at social level on perceive value. This hypothesis is rejected as (p > 0.05). Through previous researches it is proved that customer value is the basic of marketing activity (Holbrook, 1994). Customer value and brand loyalty are considered as subordinated goals as both are related with behavioral intentions (Sirdeshmukh, Singh, & Sabol, 2002). Whereas the individual level collectivist values are in the group interactions that shape behaviors (Thompson, 2014).

The sixth hypothesis examining the influence of perceive quality on brand loyalty. This proposition is rejected as (p> 0.05). Perceive quality is a output of consumers judgment about product attributes and features (Zeithmal, 1988; Dodd et al., 1991; Aaker, 1991). Because of consumer’s perception about product perceive quality most of the time perceive quality considered as consumer’s mental orientations which is different in different people according to their c\evaluations and likes and dislikes of features and attributes a product possesses. Whereas brand loyalty mostly considered as repeated purchase and constant positive feedback from customers (Aaker, 1996).

The seventh hypothesis is examining the effect of individual level group values on perceived quality. This hypothesis is rejected as (p> 0.05). Perceive quality is considered as an antecedent of brand loyalty but with the moderating effect of ILCV perceive quality does not have impact on individual level collectivist values. Because of the fact that perceive quality is dependent upon emotional attachment with the product. As ILCV reflect group choice and in group bonding among society members that’s why perceptions, attitudes, behaviors could change due to peer reviews which shows negative impact of ILCV and perceived quality.

Developing brand loyalty is the crucial marketing strategy that decides the success and future of the business. In present era it become indispensable for every business holder to remain stick with its customers to develop long term relationship with them. Using structural equation modeling the study find that brand trust, perceive value and individual level social value have positive and significant influence on brand loyalty. Whereas perceive quality does not impact brand loyalty. In addition we find that individual level group values mediates the association amongst brand trusts, perceive value and brand loyalty.

This study has several implications for managers and policy makers. For example this study has found a strong relationship between brand loyalty and brand trust even when individualistic values at group level play its role as a mediator, the relationship is significant. Brand managers need to undertake cultural themes while offering new volumes and extensions. Because of the fact that individual level group values represent individual’s behavior at societal level that is why brand managers and company owners have to develop their advertisement and market strategy which cater customers even though they belong to different culture. This study found a negative relationship
between brand loyalty and perceive quality even through the mediation of ILCV relationship is negative. This negative relationship gives hint to the brand managers that company should advertise the actual texture, quality and feature of the product. Exaggerated qualities just for the purpose of big volume sales would develop a wrong perception in the mind of the customers. And eventually customers get dis-heartened with the product. Perceive value has a positive and significant relationship with brand loyalty, which is an important aspect for brand providers to undertake manageable prices for their target market. Perceive value explain cost over benefit analysis.

Limitations and Way Forward

This research study is restricted to Pakistani market, that is why results would be challenged and may have different perspective if conduct in different country or region. Other Hofstede’s culture dimensions like power distance, uncertainty avoidance, time orientation, masculinity /femininity would be touched and further explored with other antecedents of brand equity like awareness, perceive quality, brand image.

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