

**THE IMPACT OF SOCIAL MEDIA MARKETING
ON CONSUMER LOYALTY: A STUDY ON GEN X
AND Y**

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**BACHELOR OF INTERNATIONAL BUSINESS
(HONOURS)**

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**FACULTY OF ACCOUNTANCY AND
MANAGEMENT
DEPARTMENT OF INTERNATIONAL BUSINESS**

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AND Y**

BY

OH JIE YI

**A final year project submitted in partial fulfilment
of the requirement for the degree of**

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(HONOURS)**

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DECLARATION

I hereby declare that:

- (1) This undergraduate FYP is the end result of my own work and that due acknowledgement has been given in the references to ALL sources of information be they printed, electronic, or personal.
- (2) No portion of this FYP has been submitted in support of any application for any other degree or qualification of this or any other university, or other institutes of learning.
- (3) Sole contribution has been made by me in completing the FYP.
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Date: 29 April 2022

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TABLE OF CONTENTS

Copyright	ii
Declaration	iii
Acknowledgement	iv
Dedication	v
Table of Contents	vi
List of Tables	ix
List of Figures	x
List of Abbreviations	xi
List of Appendix	xii
Preface.....	xiii
Abstract.....	xiv
CHAPTER 1: RESEARCH OVERVIEW	1
1.0 Introduction	1
1.1 Research Background.....	1
1.1.1 Social Media Marketing.....	2
1.1.2 Consumer Loyalty.....	3
1.2 Problem Statement	4
1.3 Research Questions	5
1.4 Research Objectives	6
1.4.1 General Objective	6
1.4.2 Specific Objectives	6
1.5 Scope of the Study.....	6
1.6 Research Significance	7
1.7 Chapter Layout.....	8
1.8 Conclusion.....	9

Chapter 2: LITERATURE REVIEW.....	10
2.1 Underlying Theory	10
2.2 Review of Variables	11
2.2.1 Word-of-Mount (WOM).....	11
2.2.2 Interactivity	12
2.2.3 Personalization.....	13
2.2.4 Value Equity	13
2.2.5 Brand Equity	14
2.2.6 Relationship Equity.....	14
2.3 Proposed Conceptual Framework	15
2.4 Hypotheses Development.....	16
2.4.1 The relationship between SMM and value equity	16
2.4.2 The relationship between SMM and brand equity	16
2.4.3 The relationship between SMM and relationship equity	17
2.4.4 The relationship between value equity and customer loyalty	17
2.4.5 The relationship between brand equity and customer loyalty	18
2.4.6 The relationship between relationship equity and customer loyalty	19
CHAPTER 3: METHODOLOGY	20
3.0 Introduction	20
3.1 Research Design.....	20
3.1.1 Quantitative Research	20
3.2 Data Collection Method	21
3.2.1 Primary Data	21
3.3 Sampling Design	22
3.3.1 Target Population.....	22
3.3.2 Sampling Frame and Sampling Location.....	22
3.3.3 Sampling Element.....	23
3.3.4 Sampling Technique	23

3.3.5	Sample Size.....	23
3.4	Research Instrument.....	24
3.4.1	Questionnaire Design.....	24
3.4.2	Pilot Test.....	25
3.5	Construct Measurement.....	26
3.5.1	Origin of Construct.....	26
3.5.2	Scale of Measurement.....	29
3.5.2.1	Nominal Scale.....	29
3.5.2.2	Ordinal Scale.....	29
3.5.2.3	Interval Scale.....	30
3.6	Data Processing.....	30
3.6.1	Data Checking.....	30
3.6.2	Data Editing.....	30
3.6.3	Data Coding.....	31
3.6.4	Data Transcribing.....	31
3.7	Data Analysis.....	31
3.7.1	Jamovi System.....	31
3.7.2	Descriptive Analysis.....	32
3.7.3	Reliability Analysis.....	32
3.7.4	Inferential Analysis.....	33
3.7.4.1	Multiple Regressions Analysis.....	33
3.7.4.2	Pearson’s Correlation Coefficient Analysis.....	34
3.8	Conclusion.....	34
CHAPTER 4: DATA ANALYSIS.....		35
4.0	Introduction.....	35
4.1	Descriptive Analysis.....	35
4.1.1	Demographic Profile of Respondents.....	35

4.1.1.1	Gender	36
4.1.1.2	Age	36
4.1.1.3	Occupation Status	38
4.1.1.4	Income Level	39
4.1.1.5	Searching Frequency	40
4.1.1.6	Social Media Platform Used the Most	41
4.1.2	Central Tendencies Measurement of Constructs	42
4.1.2.1	Consumer Loyalty (Dependent Variable)	42
4.1.2.2	Interactivity (Independent Variable)	43
4.1.2.3	Word-Of-Mouth (WOM) (Independent Variable)	43
4.1.2.4	Personalization (Independent Variable)	44
4.1.2.5	Value Equity (Independent Variable)	44
4.1.2.6	Brand Equity (Independent Variable)	45
4.1.2.7	Relationship Equity (Independent Variable)	45
4.2	Scale Measurement	46
4.2.1	Reliability Test	46
4.3	Pearson Correlation Analysis	46
4.4	Testing of Hypothesis	48
4.4.1	Correlation Analysis	48
4.5	Conclusion	53
CHAPTER 5: DISCUSSIONS, CONCLUSIONS, AND IMPLICATIONS		54
5.0	Introduction	54
5.1	Summary of Statistical Analysis	54
5.1.1	Descriptive Analysis	54
5.1.2	Scales of Measurement	57
5.1.3	Inferential Analysis	57
5.1.3.1	Pearson Correlation Coefficient	57

5.1.3.2 Multiple Regression Analysis	58
5.2 Discussion of Major Finding	59
5.2.1 Relationship between SMM and Value Equity	60
5.2.2 Relationship between SMM and Brand Equity	60
5.2.3 Relationship between SMM and Relationship Equity	61
5.2.4 Relationship between Value Equity and Consumer Loyalty	61
5.2.5 Relationship between Brand Equity and Consumer Loyalty	62
5.2.6 Relationship between Relationship Equity and Consumer Loyalty	62
5.3 Implication of the Study.....	63
5.4 Limitation of the Study	64
5.5 Recommendation of Study.....	65
5.6 Conclusion	65

LIST OF TABLES

Table 3.1: Cronbach's Alpha of Pilot Test	25
Table 3.2: Origin of Construct	26
Table 3.3: Rules of thumb for Cronbach' Alpha	33
Table 4.1: Gender.....	36
Table 4.2: Age.....	36
Table 4.3: Occupation Status	38
Table 4.4: Income Level	39
Table 4.5: Searching Frequency	40
Table 4.6: Social Media Platform Used the Most.....	41
Table 4.7: Central Tendencies Measurement of Consumer Loyalty	42
Table 4.8: Central Tendencies Measurement of Interactivity.....	43
Table 4.9: Central Tendencies Measurement of Word-of-Mouth (WOM).....	43
Table 4.10: Central Tendencies Measurement of Personalization.....	44
Table 4.11: Central Tendencies Measurement of Value Equity	44
Table 4.12: Central Tendencies Measurement of Brand Equity	45
Table 4.13: Central Tendencies Measurement of Relationship Equity	45
Table 4.14: Reliability Test Result	46
Table 4.15: Correlations.....	46
Table 4.16: Relationship between Interactivity, WOM, Personalization and Value Equity.....	49
Table 4.17: Relationship between Interactivity, WOM, Personalization and Brand Equity.....	50
Table 4.18: Relationship between Interactivity, WOM, Personalization and Relationship Equity.....	51
Table 4.19: Relationship between Value Equity, Brand Equity, Relationship Equity and Consumer Loyalty	52
Table 5.1: Summary of Demographic Profile.....	54
Table 5.2: Summary of Reliability Analysis.....	57
Table 5.3: Major Findings of Hypotheses Testing.....	59

LIST OF FIGURES

Figure 2.1: Conceptual Framework	15
Figure 4.1: Gender	36
Figure 4.2: Age	37
Figure 4.3: Occupation Status	38
Figure 4.4: Income Level	39
Figure 4.5: Searching Frequency	40
Figure 4.6: Social Media Platform Used the Most	41

LIST OF ABBREVIATIONS

CED	Customer Equity Driver
SMM	Social Media Marketing
SMMA	Social Media Marketing Activity
WOM	Word-of-Mouth

LIST OF APPENDIXES

Appendix A: Survey Questionnaire.....96

PREFACE

As part of my Bachelor of International Business (Honours) Final Year Project at Universiti Tunku Abdul Rahman, I conducted this research. The title of this study is “The Impact of Social Media Marketing on Consumer Loyalty: A Study on Gen X and Y”. This study aims to identify the factors that impact consumer loyalty in social media marketing between Gen X and Y. Due to the raise of Internet and usage of social media, the buying behaviour of consumer has changed, and businesses started to embrace social media marketing, which has brought significant impact of consumer loyalty.

Researcher might use this research to assist marketers to better understand consumers’ needs and wants, as well as the factors that retain them loyalty to the business. As a consequence, the researcher conducted this study to investigate the factors that impact consumer loyalty in generation X and Y. In the new norm of Internet era, this study may either assist marketers and businesses improve their social media marketing strategy and serve as a roadmap for future research.

ABSTRACT

The objective of this study is to examine the impact of social media marketing (SMM) on consumer loyalty between generation X and Y via customer equity drivers (CED). This study surveyed 200 respondents from Malaysia. The data were analysed via Jamovi and the research hypotheses were examined. The study emerged three significant conclusions. Firstly, the three factors of SMM are interactivity, WOM and personalization. Secondly, SMM have significantly and positively impacted all the drivers of consumer equity. Thirdly, the CED exhibit a significant and positive impact on consumer loyalty between generation X and Y. In addition, this is the first study to define three variables of SMM. The S-O-R model is also introduced in this study as a theoretical bases for connecting SMM to consumer loyalty via CEDs. Besides, this is the first research in Malaysia to look at the impact of SMM on consumer loyalty between generation X and Y using CEDs. On the other hand, this study will assist marketers in enhancing consumer loyalty to generation X and Y by examining SMM.

CHAPTER 1: RESEARCH OVERVIEW

1.0 Introduction

The objective of this study is to investigate the impact of SMM towards consumer loyalty between Gen X and Y. This study has concentrated on determining the correlation between social media marketing and consumer loyalty. Hence, a complete study of the research background and objective, problem statement, hypothesis and research question have been covered in this research.

1.1 Research Background

In the recent years, the fast-paced Internet convergence had a great influence on the communication between companies and customers. Based on the advancement of technology, social media is becoming a crucial tool of the way companies communicate marketing strategies to their customers. Social media plays as a significant platform for companies and brands to further expand the market and attract more potential customers than traditional marketing. More and more customers embrace social media and searching information online, which has affected customers purchase intention. It provided companies with opportunities to better communicate and understand the needs of customers. Hence, majority of companies have captured these opportunities and started to conduct social media marketing, which became the most effective and popular marketing tool.

If social media marketing is well developed, it can capture most of the customers' attention and achieve customer loyalty successfully. Social media marketing and relationship marketing are related; therefore, companies need to pay attention on making connections with customers (POTURAK, M., & SOFTIĆ, S. 2019). For instance, companies may organize campaigns to assist them on reaching the potential customers and accomplish their objectives in a very short time. The usage of social media has a significant increase in recent years, which has changed the communication and interaction style of people. It allows companies to conduct

advertisement and promote their products and services easily through social media. With the increasing popularity, customers are using social media networking to connect with each other, and increasingly connect customers with companies. Moreover, the social media content and activities of companies can assist them to decrease the misunderstanding and stereotypes and increase the value of companies by exchanging of information and ideas (Kim, A. J., & Ko, E. 2010). As a consequence, social media is not only selling items but also establishing customer loyalty as part of future marketing strategies and one-on-one relationship (Laksamana, 2018). Consideration of social media as an effective marketing strategy was proved to have a large and beneficial impact on companies' ability to generate customer loyalty and purchasing behaviours in research done by Crofton and Parker (2012).

Companies may confront the obstacles of the digital world and monitoring and engaging target audiences on social media platforms, as a companies' values are primarily determined by their customers' impressions. Notably, Generation X and Y are increasingly using social media (Balakrishnan et al, 2014). With such a good backdrop, the objective of this study is to address a vacuum in the literature about the effect of social media marketing on consumer loyalty, a study on Generation X and Y. The findings of this study will allow companies to understand more about their customers, and this work will be a valuable resource for marketing managers as they plan and build their strategies.

1.1.1 Social Media Marketing

According to a recent comprehensive research, social media refers to network channels that allow users to connect with vast or specialised communities that value Internet content and a connectedness with another, whether in real time or intermittently (Carr & Hayes, 2015). Currently, social media is an internet communication medium that has had a significant influence on the world (Dân & Nam, 2018). For instance, the popular social media platform including Facebook, Instagram, YouTube and Twitter. Social media marketing is described as the technique of enabling individuals to advertise their businesses, items, or services

through online social networks and reach a far bigger population than would otherwise be possible through traditional methods (Hall, 2012). Social media marketing considered as digital marketing and it has become one of the trends, since majority of people own a social media account, which provide business with a great opportunity to interact with customers.

1.1.2 Consumer Loyalty

Consumer loyalty is described as a strongly rooted commitment to re-patronize a preferred product or service in the future, resulting in recurring same brand purchasing, despite external factors and marketing programs having the capacity to cause switching behaviour (Oliver, 1999). Due to the obvious growing utilization of the digital and social media applications, loyalty has become more critical (Kandampully et al., 2015). Customers are increasingly turning on internet reviews and WOM to help them decide items and companies. Customers who are engaged and loyal are encouraged to provide their assessments and comments on their shopping experiences with the general audience.

1.2 Problem Statement

In order to engage and create closer customer relationships, the majority of businesses have incorporated to social media platforms (Yadav et al., 2016). Furthermore, the widespread acceptability of social media can be shown in the fact that 93% of users believe that all companies should have a social media presence (Yadav & Rahman, 2017b). It also provides companies a variety of options for connecting with customers in unique ways. Whether it's responding to a customer's complaint, promoting an exclusive simultaneous discussion with the artists of a TV show, social media is a means to provide direct and frequent value, as well as promote equity. As a result, marketers may utilise social media to engage directly with customers, reinforce their conversation, and deliver superior value to customers regardless of location.

In addition, about 42% of users utilise social media to reach different products and services (Bedgood, 2021). It is crucial to research social media marketing and its impact of customer loyalty because social media is constantly trendy due to its interactivity and relationship building potential. Since the primary goal of marketing programme is to increase stakeholder value and establish and maintain customer relationship (Kotler & Keller, 2016), and since social media is built on relationships, this study looks at the impact of SMM activities on relationship factor customer loyalty.

In Malaysia, 86% of the population utilise social media as of January 2021. It was a 24% rise over 2016, when only 62% of Malaysia's total population used social media (Digital Business Lab, 2021). It's a great chance for businesses to expand relationships with customers, which can bring along with benefits to them. Unfortunately, there are limited studies on the impact of SMM on consumer loyalty, especially specific on the generation in Malaysia. There are two researchers, Mayank Yadav and Zillur Rahman, have conducted a research and stated that interactivity, word-of-mouth, customization, trendiness and entertainment are the elements to affect customer loyalty in India (Yadav & Rahman, 2018). However, this research has not been studied in Malaysia. Thus, to address the inadequacies of earlier research, this study provides a paradigm that

integrates social media marketing with customer loyalty between Gen X and Y in Malaysia.

For a variety of reasons, online buying is becoming increasingly popular (Sunita & Gnanadhas, 2014). People tend to purchase through e-commerce platform such as Lazada and Shopee and prefer to purchase from the seller who offered product in a lowest price or make an impulse buying from the advertisements on social media. As a result, people make purchase with different sellers. Comparing with traditional buying, people buy from the store nearby their home or somewhere convenient to them. Based on this situation, it's necessary to determine whether consumer loyalty still exist in the internet society. Moreover, Generation X and Y made purchase from physical store before the rise of internet and follow the trend to purchase online nowadays. Generation X and Y are the customer group that have experienced the huge change of internet world, compare to Generation Z who born in a internet world and possibly buy online since they can make purchase. Since Generation X and Y have experience customer loyalty previously, due to the rise of internet customer loyalty may disappear. Hence, this study would investigate whether customer loyalty still exist from the behaviour change of Generation X and Y.

1.3 Research Questions

The questions of this research stated as below:

- (a) Is there any relationship between SMM and value equity in Gen X and Y?
- (b) Is there any relationship between SMM and brand equity in Gen X and Y?
- (c) Is there any relationship between SMM and relationship equity in Gen X and Y?
- (d) Is there any relationship between value equity and customer loyalty in Gen X and Y?
- (e) Is there any relationship between brand equity and customer loyalty in Gen X and Y?
- (f) Is there any relationship between relationship equity and customer loyalty in Gen X and Y?

1.4 Research Objectives

1.4.1 General Objective

The main objective of this study is to identify the impact of social media marketing on consumer loyalty in Gen X and Y.

1.4.2 Specific Objectives

- (a) To identify the relationship between SMM and value equity in Gen X and Y.
- (b) To identify the relationship between SMM and brand equity in Gen X and Y.
- (c) To identify the relationship between SMM and relationship equity in Gen X and Y.
- (d) To identify the relationship between value equity and customer loyalty in Gen X and Y.
- (e) To identify the relationship between brand equity and customer loyalty in Gen X and Y.
- (f) To identify the relationship between relationship equity and customer loyalty in Gen X and Y.

1.5 Scope of the Study

This research concentrated on the impact of SMM on consumer loyalty. The overall research focuses on Malaysian Gen X and Y consumers who own at least one social media account. The social media included Facebook, Instagram, YouTube, and Twitter. Individual consumers in Kuala Lumpur, Selangor, and Johor serve as the unit of study. In this study, an online survey created with Google Forms is utilised to collect data.

1.6 Research Significance

In this section, quintuple helix framework is applied to analyse the significant of this study from the perspectives of academia, government and industry. According to the research completed by Ahmed and Zahid (2014), companies utilise social media to engage with customers in order to strengthen their bonds. Companies can now utilise social media networks to improve interactions with their customers. When customer loyalty has achieved, it can ensure the company's long-term profitability and determines the company's long-term financial benefits (Wibowo et al., 2020), since loyalty lowers marketing costs while increasing sales (Kotler & Keller, 2016). Marketers should identify highly rewarded customers, fine-tune their marketing strategy, keep loyal customers, and increase customer loyalty. Hence, this study concentrates on providing companies' insights on the impact of SMM. Companies could refer this study as a guideline for them to understand where their marketing strategy can be improved to achieve customer loyalty.

Furthermore, this research enables the marketers to identify the elements where marketing efforts should be concentrated more clearly, in order to build a long-term customer relationship. As the Gen X and Y are the main social media users, marketers should have more knowledge in this customer group, in order to maximize the effectiveness of SMM. Based on this study, marketers are allowed to develop an effective marketing strategy to attract the attention of customer continuously and maintain the customer loyalty.

Besides that, the information in this study is critically valuable for policymaker to act as a guideline to develop white paper or policy. Since it allows them to have a better knowledge of consumer loyalty intention when it comes to social media marketing. As a result, the policymakers are able to develop policy and regulate the activities on social media marketing. Therefore, the policymakers can impose taxes and boost the economic in Malaysia.

Nevertheless, future researcher will be able to utilise the findings of this study to delve more into the topic of the impact of SMM on customer loyalty. It will serve as a guide for the future researcher as they build and refine their hypotheses. In

addition, academics who plan to undertake relevant research in the future might use this study to help them fill in the gaps in the literature. Thus, this research has the feasibility, and it can provide contribution to the society.

1.7 Chapter Layout

This research covered five chapters, which included research overview, literature review, methodology, data analysis, discussion and conclusion. The framework features for these chapters are listed below:

Chapter 1: Research Overview

This chapter covered research background, problem statement, research questions and objectives, scope of the study, research significant as well as chapter layout.

Chapter 2: Literature Review

Among all, five variables have carried out in the conceptual framework proposed and the hypotheses developments have been explored accordingly.

Chapter 3: Methodology

This chapter included research design, research instrument, data collection, data sampling, data processing, data analysis, and pilot test. An online questionnaire survey has conducted and recorded for analysis purposes.

Chapter 4: Data Analysis

In this chapter, the questionnaire results have collected and examined using graphs and tables. Furthermore, the hypothesis testing process has also presented.

Chapter 5: Discussion and Conclusion

Overall, this chapter discussed the analysed data, followed by recommendations, implications, and limitations.

1.8 Conclusion

In the nutshell, this chapter demonstrated the impact of SMM on consumer loyalty, as well as the objectives and value of investigations.

Chapter 2: LITERATURE REVIEW

2.1 Underlying Theory

The S-O-R model is used as a theoretical framework to validate an integrative model provided in this study, which was reformed by Jacoby (2002). According to the S-O-R model, some properties of an environment or stimuli excite customers' cognitive and emotional states resulting in behavioural reactions. In this study, the environment or stimuli is social media marketing, and the internal states are customer equity drivers, where behavioural reaction is customer loyalty.

Baker et al (1994) used the S-O-R model to retailing, where environmental cues, notably ambient conditions and design features, were viewed as stimuli. Customers' inner states are influenced by general merchandise environment stimuli, which in turn provoke their behaviour to social media marketing, according to studies that have included the S-O-R model in the retail context. The stimuli in the case of social media are activities or characteristics of the social media environment in which customers engage.

Customers' emotional and cognitive states, which include their experiences, perceptions, and evaluations, are referred to as inner states. The model's responses represent consumer behaviour, such as buying behaviour customer loyalty and communication. Due to the several arguments, the use of S-O-R model as a complete theory is appropriate for the current investigation. The S-O-R model has been used extensively in previous research on customer behaviour. For instance, Koo and Ju (2010) used S-O-R model to explore the impact of ambient cues on customers' emotional states and consequent online purchase intent. Zhang et al. (2014) investigated the effect of technological components of social business on customers' online experiences and future social business ambitions using S-O-R model. The preceding research' findings support the model's importance and application in elucidating people' internal states and behavioural reactions to digital environmental stimuli.

Moreover, given the centrality of SMMA and CED in influencing consumers' behaviour (customer loyalty), the S-O-R model provides a comprehensive framework for assessing the impact of SMMA as environmental stimuli on CED (cognitive and emotional aspects). As a result, their effect on customers' loyalty (customer behaviour) for SMM.

2.2 Review of Variables

2.2.1 Word-of-Mount (WOM)

According to Hennig-Thurau (2004), WOM is explained as “any favourable or unfavourable comment made about a company or product by prospective, present, or past consumers that is made accessible to a lot of individuals and institution via the Internet”. Based on Cheung et al. (2008), customers are gradually embracing Internet technologies including online forums and customer review site to disseminate product information. Customers may access and join to WOM through writing their own comments as well as reading opinions and experiences of other customers.

A study of the influence of SMMA on customer loyalty in e-commerce industry defined WOM as consumer's perceptions of the level to which consumers promote and share their experiences regarding e-commerce on social media are defined in this study as perceived WOM. It's also been described as an informal message directed towards other consumers about the acquisition or qualities of certain product or its seller (Berger, 2014). WOM has a direct impact on consumers' trust and purchasing decisions (Duan et al., 2008). Since WOM eliminates the disadvantages of conventional WOM, it is commonly used in e-commerce and marketing. Online evaluation is an important source of WOM provided by e-commerce, and they have significantly affected and aided customers in making informed selections (Duan et al., 2008). Based on an industry research, 91% of respondents evaluate online reviews, ratings, and other

factors before purchasing a product from an e-commerce site, with over 46% agreeing that these factors influence their purchase intention (Cheung & Thadani, 2012). These reviews not only lower customers' perception of risk but they also improve customer fulfilment (Park & Kim, 2008; Liang et al., 2006). The number of reviews has a significant impact on customer loyalty.

2.2.2 Interactivity

Interactivity may be defined as the degree to which a company can build a discourse with its consumers through the Internet by providing information (Fang, 2012). It can also be described as the extent to which the communication network allows end users to engage as senders or receivers alternately with other users or communication equipment, either in real time or on a merchandise basis, or to seek and obtain information on an on-demand based, where the end user controls the content, timeframe, and sequence of communication, as contrasted to a livestream (Fortin & Dholakia, 2005).

Customers' perceptions of the "extent to which ecommerce's social media allows customers sharing material and perspectives with the company and other customers" are explained in research about customer loyalty. Interactivity is essentially a kind of dynamic communication between businesses and their customers (Gallaughar & Ransbotham, 2010). The growth of customer generated content is mostly driven by social interaction (Daugherty et al., 2008). Furthermore, social media provides users with not only freedom but also aid in having productive dialogues and exchanging important ideas (Godey et al., 2016). According to social interaction, consumers participate to a company's social media so that they may meet likeminded customers and debate various items (Muntinga et al., 2011).

2.2.3 Personalization

Numerous companies use personalization to offer personalised adverts to individuals based on their unique preferences in social media (Li, 2016), and it's utilised by many organizations for successful advertising and relationship management (Montgomery & Smith, 2009). Personalization is becoming more important in online environment because businesses have access to large datasets on customer purchasing habits, website navigating, and preferences, all of which can be analysed and compared to consistent user habits to create customer profiles (Wedel & Kannan, 2016). As a result of personalization, businesses and customers may interact in a more indirect way, enhancing brand exposure, customer loyalty, enjoyment and retention (Maslowska et al., 2016).

According to Yadav and Rahman (2017), customers' perceptions of the degree to which e-commerce sites' social media offer customised services to suit a customer's preferences are defined in the study. The main goal of SMM operations is to provide customised content based on the interests of clients. By personalising social media, businesses may provide a more personalised experience, increase brand affinity, and boost customer loyalty (Martin & Todorov, 2010). Information overload is common in SMM, as a result, personalisation will help users reduce information screening costs, resulting in improved decision quality and a better experience (Tam & Ho, 2006).

2.2.4 Value Equity

According to Lemon et al (2001), value equity is explained as the customer's objective appraisal of the usefulness of a brand, involves assessment of what is sacrificed in exchange for what is acquired. Price, convenience and quality are the three primary indicators that influence value equity (Vogel et al., 2008). Customer decisions are influenced by perceived value equity. These impressions are unique, yet they are recognisable. For instance, the level of value equity in the e-commerce

business is a comprehensive assessment of an e-commerce platform's service quality. Price-to-quality ratio, simplicity of purchasing, product usefulness, and timeliness are the important factors for assessing value equity in the e-commerce market.

2.2.5 Brand Equity

In terms of customers' factual and subjective assessments of the usability of a product, brand equity varies from value equity. Value equity is more objective than brand equity, which is based on subjective appraisal. "The customer's subjective and emotional judgement of the brand, over and even beyond its empirically recognised worth," according to the definition of Lemon et al. (2001). The strategic aims of a brand are threefold. For starters, it makes things simple to find new consumers. Second, it serves as a reminder to existing customers of the company's services. Finally, it works as an intellectual bond between the firm and its customers (Ou et al., 2014). Customers may also utilise the brand to build a distinct picture of a product or service that distinguishes it apart from rivals (Keller et al., 2015).

2.2.6 Relationship Equity

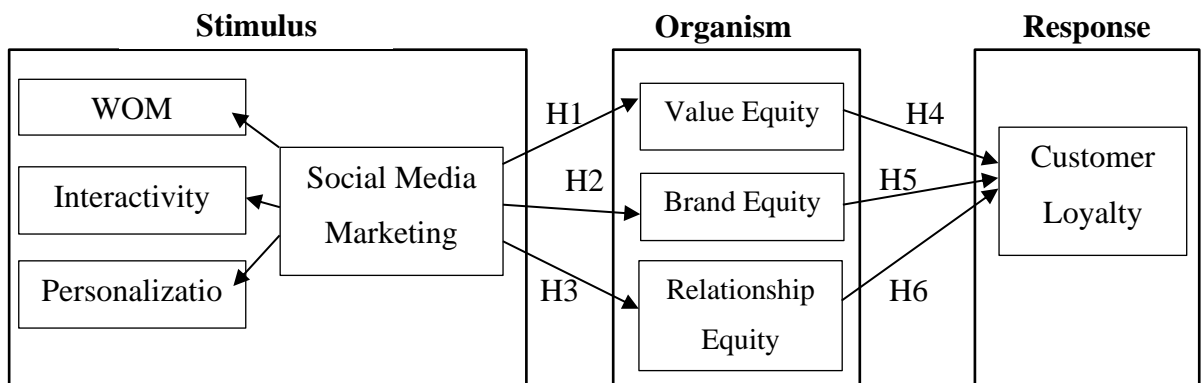
The importance of the relational part of modern marketing has been recognised in existing literature, which is relevant from both a theoretical and practical standpoint (Yadav & Rahman, 2017). Customers' perceptions of a particular brand and their associations or connections to brands in general, are generally accepted (Aggarwal, 2004). Relationship equity can be described as "the consumer's predisposition to remain with the brand, regardless of the customer's internal and external judgments of the brand" (Lemon et al., 2001). A quality reputation and a valuable product may assist a company acquire customers. It could also keep existing customers satisfied by exceeding their expectations. However, as the marketing paradigm shifts from transactional to relationship-based marketing, having a strong brand and providing value equity is no longer

enough to retain the customers. The current requirement establishes a strong basis for consumer relationships, which is relationship equity. Loyalty programmes, community development programmes, and other relationship building initiatives can assist to cultivate consumer-company ties. Cultivating customer-company connections may increase a brand's market share, which is boosted by a better retention rate of existing consumers, as well as increased customer loyalty (Vogel et al., 2008).

2.3 Proposed Conceptual Framework

The proposed conceptual framework for this study is depicted in the diagram below. This framework was created using the S-O-R model with the addition of one variable. This study offered a new way for investigating the relationship between precondition variables and customer loyalty to social media marketing in Gen X and Y Malaysia. In this approach, five independent variables are utilised to measure customer loyalty that affected by social media marketing, including word-of-mouth, interactivity, personalization, relationship equity and brand equity.

Figure 2.1: Conceptual Framework



Source: Develop for the research.

2.4 Hypotheses Development

2.4.1 The relationship between SMM and value equity

According to Kotler and Keller (2016), marketing is primarily concerned with “communicating, delivering and creating value”. As a consequence, every marketing action aim to improve value equity. Furthermore, not all customers believe that possessing items would make them feel good or improve their social position. Sensible customers are aware of the worth of their resources and use the wisely. Customers in this category are sensitive about quality and cost (Sharma, 2011). They frequent social media networks and social commerce platforms in search of items that provide the most value. For instance, obtaining a product at the lowest possible price while maintaining its quality and intended qualities. Customers also perceive that information obtained from social media sites is more reliable that information obtained from corporate websites (Kaplan & Haenlein, 2010). Several empirical investigations have confirmed the favourable relationship between SMM and value equity (Ismail, 2017; Kim & Ko, 2012). Thus, the following hypotheses are proposed:

H1: There is a positive relationship between SMM and value equity.

2.4.2 The relationship between SMM and brand equity

The primary goal of every marketing effort is to develop a channel of communication that allows a company to inform customers about its offers, eventually, stimulate interest in those offerings (Kim & Ko, 2012). The relationship between a company’s communication and its brand equity is supported by schema theory (Godey et al., 2016). It reveals that client’s correlate communication stimuli with comparable communication events they have previously encountered. The degree of fit has an impact on how stimuli are processed and how customers develop opinions (Ismail, 2017). As a result, the communication stimuli have a good effect on customers, and their perception of the stimuli has a beneficial impact on total brand

equity (Bruhn et al., 2012). Several empirical investigations have confirmed the favourable relationship between SMM and brand equity. Thus, the following hypotheses are proposed:

H2: There is a positive relationship between SMM and brand equity.

2.4.3 The relationship between SMM and relationship equity

The interaction between users is at the heart of social media (Kaplan & Haenlein, 2010). The main concept behind the founding of social media was to connect with “friends” and build meaningful connections. Everything on social media is based on the concept of “friends”, or interpersonal interactions. As a result, social marketing is centred on relationships (Tuten & Solomon, 2016). Relationship marketing emphasises the value of establishing, sustaining, and strengthening positive customer connections (Kotler & Keller, 2016). According to Yadav (2017), strong customer connections are the ultimate worth of marketing. Relationship marketing’s primary goal is to increase customer value, not market dominance (Peppers & Rogers, 1995). Thus, SMM is intended to improve relationship equity. Several empirical investigations have confirmed the favourable relationship between SMM and relationship equity (Al-alak, 2014). Thus, the following hypotheses are proposed:

H3: There is a positive relationship between SMM and relationship equity.

2.4.4 The relationship between value equity and consumer loyalty

The seeming proportion of what has been acquired to what has been delivered (value equity) is the initial stimulator of customer loyalty, such as the payment made to acquire a product. As a result, a high price-to-quality ratio denotes good value equity. When the “price-to-quality ratio of a product matches the customer’s “price-to-quality ratio”, the customer feels inner justice. According to equity theory, perceived equity caused by

emotional states, which lead to improved attitudes such fulfilment and loyalty (Yadav & Rahman, 2017). Empirical research (Lam et al., 2004; Vogel et al., 2008; Yong & Peteron, 2004) support the aforementioned idea. If a company gives consumers with more rewards (in terms of perceived costs) than competing alternatives, it increases customer satisfaction, which eventually drives to repurchase motivation and ultimately customer loyalty (Dwivedi et al., 2012). Besides, customer “switching propensity”, a notion similar to customer loyalty is influenced by value equity (Rust et al., 2004). Several empirical investigations have confirmed the favourable relationship between SMM and value equity (Ou et al., 2014; Dwivedi et al., 2012; Zhang et al., 2014). Thus, the following hypotheses are proposed:

H4: There is a positive relationship between value equity and consumer loyalty.

2.4.5 The relationship between brand equity and consumer loyalty

The subjective assessment of a customer’s brand preference is known as brand equity. It may also be defined as the added value to a product as a result of a company’s past marketing mix expenditure (Yadav & Rahman, 2017). Customers have significant brand equity for a brand if they consider it to be strong, distinctive, and acceptable. When a brand adds value to a product, it increases its value when compared to generic product. Customers establish a positive image of a brand if they believe it compliments their image, which increases the chance of the brand being preferred over rivals. Likewise, Bolton et al. (2004) argue that customers’ emotive commitment is influenced by their perceptions of a brand. Customers’ propensity to repurchase and the price premium associated with the brand grows as brand equity rises (Ou et al., 2014). According to Rust et al., (2004), brand equity is likely to affect customers’ incentive to pay, repurchase intention, and likelihood of brand recommendation. As many empirical research have confirmed the beneficial relationship

between brand equity and customer loyalty (Zhang et al., 2014). Thus, the following hypotheses are proposed:

H5: There is a positive relationship between brand equity and consumer loyalty.

2.4.6 The relationship between relationship equity and consumer loyalty

The components that create a tie between customers and brands are referred to as relationship equity (Lemon et al., 2001). Customers with high relationship equity develop a feeling of belonging, which leads to the idea that organisation treats them favourably (Vogel et al., 2008). As a result, customers are familiar with the firm or e-commerce site. They also build confidence in the product's reliability and delivery. A pleasant customer experience with the company shows that the brand has a strong relationship equity (Henning-Thurau et al., 2002). The link between relationship equity and customer loyalty may be explained by "social exchange theory", which explains how customers want to form and maintain connections with businesses (Morgan & Hunt, 1994). Customers with high relationship equity might anticipate future beneficial relationships with a company (Crosby et al., 1990) and develop psychological interests as a result (Dwyer et al., 1987). Customers are more likely to keep and strengthen their present connection if they have these present psychological interests (Crosby et al., 1990). As a result, good relationship equity is predicted to boost customer loyalty (Gustafsson et al., 2005). As many empirical research have confirmed the beneficial relationship between relationship equity and customer loyalty (Zhang et al., 2014). Thus, the following hypotheses are offered:

H6: There is a positive relationship between relationship equity and consumer loyalty.

CHAPTER 3: METHODOLOGY

3.0 Introduction

This chapter discussed how to collect the information needed to examine the hypothesis proposed in the previous chapter. This chapter will go through the research design, data collecting method and sampling design in this research, which included sampling frame, target population, sample size and sampling technique. Besides, research instrument, construct measurement, data analysis, data processing and inferential analysis will be shown in this chapter.

3.1 Research Design

Research design can be considered as the arranging of settings for the collecting and analysis of data in such a method that the relevance of the study objective is combined with economy and procedure (Akhtar, 2016). The design, framework, technique, and inquiry concaved in order to achieve confidence in search problem and control variation is known as research design (Kabir, 2016a). There is a lot of research technique categorization, where quantitative and qualitative methodology are the most preferred (Rahi, 2017). Quantitative research method is selected in this research, since the outcome of the hypothesis may result a general judgement about the population's characteristics, which is the reason this approach is often described as deductive (Daniel, 2016).

3.1.1 Quantitative Research

According to Creswell, quantitative research can be defined as explaining phenomena through gathering numerical data and analysing it using mathematically based methodologies (Creswell & Creswell, 2017). Moreover, quantitative researchers are positivists and objectivists regarding the research method in terms of epistemological perspective

(Creswell, 2008). Besides, quantitative strategy involves acquiring new data from a vast population in compliance with the problem and interpreting data, but it dismisses the feelings and sentiments of an individual, as well as the environment wherein the data is acquired (Rahi, 2017). This research purposes to figure out the factors that affect customer's loyalty towards SMM.

3.2 Data Collection Method

There must be a process of acquiring and categorising before data can be presented and interpreted. Data collecting strategy is critical because the analytical and methodology method employed by the research influence how the data is used and what interpretations it may provide (Paradis et al., 2016). Data could be gathered either using primary or secondary source, where primary data meaning data obtained in the first time by the researcher and secondary data comprising data gathered or created by others (Ajayi, 2017). In this research, primary data is conducted through survey questionnaire created on Google Form.

3.2.1 Primary Data

Primary data are data acquired specifically for the study subject under investigation, using processes that are tailored to that problem (Hox & Boeije, 2018). Primary data was defined as first and original information gained directly by the researcher, which gathered through questionnaires, interviews, surveys and quizzes in order to further understand and address current research challenges (Salkind, 2010). In this research, survey questionnaires are used as primary data since it could provide the most informative and latest responses from respondents.

3.3 Sampling Design

The process of selecting a sample in order to predict population features. In another way, it is the process of acquiring knowledge about a whole population by investigating at only a portion of it (Kabir, 2016b). Sampling's primary goal is to generate an estimate of a population parameter and to analyse a hypothesis. Since sampling design is undertaken by qualified and experienced investigators, sampling has the benefit of allowing for the acquisition of extensive data and more precise measurement (Kabir, 2016b).

3.3.1 Target Population

Target population is a determined, theoretically bounded set of possible respondents to whom the researcher may have connection and who represent the population of interest (Casteel & Bridier, 2021). One should operationalize the units of relevance aspects regarding the study elements or qualitatively perspective to select the target population, so that the study results might be accurately interpreted or transmitted over to the target population (Casteel & Bridier, 2021). In this research, generation X and Y are selected as the target group since Gen X have experience more traditional marketing and Gen Y are born in technology era, therefore two different generation will be better to investigate the impact of SMM towards customer loyalty.

3.3.2 Sampling Frame and Sampling Location

A sampling frame identifies the sample units and their placements within a population. It might be based on a population map with sample units visible, or it could be based on a list of sampling units (West, 2016). In this research, generation X and generation Y are the range of respondents, but no specific sampling location required. The survey questionnaire created for this study is disseminated by Google Form, which allows respondents to respond question regardless location. In addition, Covid-19 pandemic is another reason that no sampling location required but within Malaysia.

3.3.3 Sampling Element

A sampling element is a person, a group or an organization that is being measured as a sampling unit or sample in a population (West, 2016). The target respondent in this research is generation X and generation Y who often using social media and experienced social media marketing.

3.3.4 Sampling Technique

There are two different types of sampling techniques, which including probability sampling and non-probability sampling. Probability sampling refers to the population is preferred to be chosen, where non-probability sampling refers to the sample will be chosen depending on individual judgement or convenience (Zikmund et al., 2013a). In this research, non-probability sampling is being used. According to Zikmund et al., (2013b), non-probability sampling can be separated as convenience, quota, snowball and judgement. Convenience sampling can be defined as the process of recruiting units who are quickly or conveniently accessible to participate in the research (Zikmund et al., 2013b). Convenience sampling is applied in this research since it allows researcher to acquire more completed questionnaires in a shorter time and it's easier to obtain primary data for research (Sekaran & Bougie, 2016).

3.3.5 Sample Size

According to Chetty (2012), an appropriate sampling size for research is between 30 to 500 respondents. This is to assure the advantage of central limit theorem and low-standard-deviation errors (Delice, 2010). Hence, 200 respondents are the sample size for this research.

3.4 Research Instrument

In this research, self-administered survey questionnaire is employed to obtain primary data, therefore the respondents fill up the questionnaire without the assistance of interviewer. The questionnaires were disseminated online via Google Form.

3.4.1 Questionnaire Design

The questionnaire in this research has provided survey introduction, explanation of all the variables and instructions on answering questions, which aims to let respondents have a clear understanding on the survey and assists them on answering questions. In addition, fixed alternative questions are provided in the questionnaire, which is easier for responders to complete, and it needed lesser time consume.

There are three sections included in the questionnaire, which included Section A demographic, Section B independent variables and Section C dependent variable. Section A focus on collecting the general profile information of respondents, which included gender, age group, occupation status and income level. Moreover, this section has included the frequency of using social media on searching product/ service/ brand information, and the social media platform used the most for searching product/ service/ brand information.

Section B discuss the independent variables, which included interactivity, word-of-mouth (WOM), personalization, value equity, brand equity and relationship equity. There are four to five questions covered on each independent variable. Finally, Section C covered dependent variable in five questions, which is customer loyalty. Section B and C were evaluated through five-point Likert scale, ranking from one to five, while one indicating strongly disagree and five representing strongly agree.

3.4.2 Pilot Test

Pilot test is the first aspect of research methodology, and it's usually a minor study that aids design and modification of the main study. To put it another way, pilot test is critical for improving the efficiency and quality of the main research (Junyong, 2017). According to Billingham et al. (2013), the typical sample size of pilot test is roughly 30 to 36 per group, although there is a lot of variety. Thus, a total of 35 questionnaires have distributed to people from generation X and generation Y through social media. After collecting 35 responses, the data has been tested by Jamovi programme in order to examine the validity and reliability. The following Table 3.1 shown the result of pilot test:

Table 3.1: Cronbach's Alpha of Pilot Test

Variable	Number of Items	Scale	Cronbach's Alpha
Interactivity	4	1-5	0.715
Word-of-Mouth (WOM)	4	1-5	0.817
Personalization	4	1-5	0.760
Value Equity	5	1-5	0.715
Brand Equity	4	1-5	0.695
Relationship Equity	5	1-5	0.855
Customer Loyalty	5	1-5	0.766

Source: Developed for the research

According to Hulin et al. (2001), alpha value of 0.6 to 0.7 represents a satisfactory degree of dependability, whereas 0.8 or above indicates a very good level. Alpha value larger than 0.95 aren't necessarily a good thing because it might imply redundancy. As shown in Table 3.1, the alpha value of all the elements is higher than 0.6, which indicates that the questions in questionnaire are valid and reliable.

3.5 Construct Measurement

3.5.1 Origin of Construct

Constructs are a means of bringing theory to life by assisting in the explanation of many components of theories as well as the measurement and observation of their behaviour (Lavrakas, 2008). The origin of construct of this research has shown in Table 3.2 below:

Table 3.2: Origin of Construct

Constructs	Sources	Measurement Items
Social Media Marketing	(Wibowo et al., 2020; Alalwan, 2018)	<ol style="list-style-type: none"> 1. I purchase a product on social media online shop because of allows me to share its information with others. 2. I purchase a product on social media online shop because of possible to have a conversation/ comment sharing. 3. I purchase a product on social media online shop because it is easy to deliver my opinion. 4. Social media advertising facilitates two-way communication between the customers and the firms.
Social Media Marketing	(Wibowo et al., 2020; Ponturak & Softic, 2018)	<ol style="list-style-type: none"> 1. I'm willing to pass along information on the brand, product/ services from social media to my friends. 2. I'm willing to upload/ repost

		<p>content from the social media online shop on my blog or social media/ microblog.</p> <p>3. When I buy a product, the online reviews on the product are helpful in my decision making.</p> <p>4. The number of positive product reviews online affects my purchase decision.</p>
Social Media Marketing	(Wibowo et al., 2020)	<p>1. I purchase a product on social media online shop because of offers customized information searches.</p> <p>2. I purchase a product on social media online shop because of provides customized service.</p> <p>3. The advertisements and promotions that this website sends to me are tailored to my situation.</p> <p>4. This website makes me feel that I am a unique customer.</p>
Value Equity	(Dwivedi et al., 2012; Ou et al., 2014)	<p>1. Shopping at [brand] is worth the time and effort.</p> <p>2. I can purchase products from e-commerce site conveniently.</p> <p>3. I could use e-commerce site 24/7 anywhere.</p> <p>4. Special offers are very desirable at [brand].</p> <p>5. [Brand] provides me good value.</p>

Brand Equity	(Ahmed & Zahid, 2014)	<ol style="list-style-type: none"> 1. Before purchasing garments, I use to search about them on social media. 2. I get awareness about garments brands from/ by using social media. 3. I am satisfied with social media communications for the garment's brands. 4. I like to pass/ generate positive word of mouth on garments brands, products and services from social media to family.
Relationship Equity	(Ou et al., 2014; Ko & Han, 2015; Ahmed & Zahid, 2014)	<ol style="list-style-type: none"> 1. I have the feeling that the firm knows exactly what I want. 2. This brand is ideal for my lifestyle. 3. I have intimacy with this brand. 4. I am satisfied with that garment brand that cares my preferences. 5. I prefer to buy that garment brand to which I am emotionally engaged.
Customer Loyalty	(Ko & Han, 2015; Wibowo et al., 2020)	<ol style="list-style-type: none"> 1. I have the intention to repurchase the brand. 2. I have a willing to purchase other products from this brand. 3. I will purchase another product offered by social media online in the future. 4. I will encourage/ recommend friends and relatives to use the product offered by social media.

		5. I intend to recommend social media to others.
--	--	--

Source: Develop for the research

3.5.2 Scale of Measurement

Data collection, analysis and presentation all need the use of measurement scale. When it comes to data collecting and processing, statistical methods vary from one data type to the next. There are four main types of variables, namely nominal, rational, internal, and ordinal, each having its own character and application (Mishra et al., 2018). This research questionnaire has used nominal, ordinal, and internal measurement scale.

3.5.2.1 Nominal Scale

Nominal scale are names or attributes with two or more categories, where the categories have no inherent order, for example data have no natural ranking or ordering (Mishra et al., 2018). It enables researcher to allocate numerical values to variables in order to group them inside a data set. In this research, nominal scale is employed in Section A. There are three questions utilized nominal scale, such as gender, occupation status, and social media platform used the most for searching products information.

3.5.2.2 Ordinal Scale

Ordinal scale is a rating system that is arranged from highest to lowest level or vice versa. As a result, the ordinal scale enables researcher to categorise a person or particular object according to quantity or features (Zuliana, 2018). Ordinal scale only used in Section A in this research questionnaire, which included age, income level, frequency on searching product information through social media.

3.5.2.3 Interval Scale

An interval scale has the same characteristics as a nominal and ordinal scales, but with the addition of a set interval. As a consequence, researchers can measure the extent which differences in qualities exist between one individual or particular object along with another (Zuliana, 2018). 5-point Likert Scale are employed on all the questions in Section B and C, which ranged from one to five from strongly disagree to strongly agree.

3.6 Data Processing

After the questionnaires have been received, the data should be analysed so that it can be used to prove the hypothesis developed in the previous chapter. The process included in this section are data checking, data editing, data coding, and data transcribing.

3.6.1 Data Checking

In order to ensure the data accuracy, the data verification procedure entails assessing the questionnaire's completeness and quality. As this stage, all of the questionnaire returned has been checked promptly. Besides, errors could be detected early in the process, and remedial measures can be taken swiftly and efficiently, improving data consistency.

3.6.2 Data Editing

Throughout this point, some settings in the Google Form online questionnaire have been designed to avoid any of the questions being skipped by the respondents accidentally before moving on to the next section. The settings allow researcher to prevent incorrect responses. As a result, data omission would not occur, and data modification will be unneeded.

3.6.3 Data Coding

Data coding is the act of categorising or associating raw data with a numerical score or characters (Zikmund et al., 2013a). The coding methodology is by far the most common and recommended method since it simplifies the researcher's workload throughout the data analysis and summary stage (Sekaran & Bougie, 2016). In order to transfer the data into Jamovi to conduct the analysis, the data have been transferred to code. For instance, the respondents' gender is coded as 1 for males and 2 for females in Section A. Moreover, the degree of satisfaction is interpreted from 1 to 5 in Section B and C, ranging from strongly disagree to strongly agree.

3.6.4 Data Transcribing

The researcher would upload the coded data from the survey questionnaire to the system. After all of the data has been correctly loaded into Jamovi programme, the system may run the data and generate the statistic.

3.7 Data Analysis

This study has utilized Jamovi in version 1.6.23 to analyse, process and summarise the gathered data from survey questionnaire. Data analysis is the process of using statistical or logical methods to explain and display, compress and summarise, and evaluate data (Smeeton & Goda, 2003). In this research, the acquired data has been tested the reliability, descriptive analysis, inferential analysis, data validity and other measurement.

3.7.1 Jamovi System

Jamovi is a user-friendly, open source statical spreadsheet that aims to be as simple to use as possible while yet allowing for complex analysis

(Zheng, 2018). Some of the advantage include the simplicity with which you may organize variable ranges, the ability to inspect text data rather than having to dummy code variables, and the ability to adjust reference levels in linear and logistic regression with a point-and-click technique.

3.7.2 Descriptive Analysis

Descriptive analysis explained the sample in particular research, as well as basic properties such as distribution and variability (Zikmund et al., 2013a). Descriptive analyses are used to display quantitative data in a logical and understandable manner. A research study may include a large number of measures or assess a high number of people on a single measure, descriptive analysis aid in the rational simplification of enormous volumes of data (William, n.d.). In this research, the data obtained from questionnaire Section A is presented by bar chart, pie chart and table.

3.7.3 Reliability Analysis

Internal consistency reliability, which is determined by alpha coefficient dependability or Cronbach Alpha, is used to evaluate the instrument's reliability (Ghazali, 2016). On the other side, reliability is defined as the extent to which exam results are devoid of measurement error. It is a metric for determining an instrument's internal consistency or stability while evaluating certain concepts (Ghazali, 2016). Hence, Cronbach Alpha reliability analysis was employed in this research to compute the average coefficient resulting from all feasible split halves combinations.

When the result is less than 0.6, reliability is regarded low and unacceptable, and the items should be removed from the measure to improve inter-item consistency. When the results are 0.7 or above, the dependability is satisfactory since all of the questions in the construct are measuring the same thing (Sekaran & Bougie, 2016). The following Table 3.3 shown the rules of thumb for Cronbach' Alpha:

Table 3.3: Rules of thumb for Cronbach' Alpha

Coefficient Alpha Value α	Strength of Association
<0.60	Poor Reliability
0.60 - 0.70	Fair Reliability
0.70 – 0.80	Good Reliability
0.80 – 0.95	Excellent Reliability

Source: Zikmund, W., Babin, B., Carr, J., & Griffin, M. (2013a). Business Research Method. 9th Edition.

3.7.4 Inferential Analysis

Another large group of approaches that go beyond describing a data set is inferential statistics (Guetterman, 2019). Inferential statistics can assist researchers in extrapolating findings from a sample to the overall population, it can be used to investigate group differences and correlations between variables (Guetterman, 2019). Thus, inferential analysis which included Pearson's correlation coefficient analysis and Multiple Linear Regression analysis are used to explain the hypotheses give in previous chapter.

3.7.4.1 Multiple Regressions Analysis

When there are several independent variables, multiple regression is a common statistical strategy for interpreting data (Nancy et al., 2003). Through regressing the independent variables against the dependent variable, multiple regression analysis is a statistical method for forecasting variance in the dependent variable (Sekaran & Bougie, 2016). While it can be used instead of ANOVA, it is most typically utilised in the associational method.

Multiple regressions are employed in this study since the independent variables could use to describe the changes in the dependent variable. To develop the equation, the dependent

variable is customer loyalty, and the independent variables are interactivity, WOM, personalization, value equity, brand equity and relationship equity.

3.7.4.2 Pearson's Correlation Coefficient Analysis

The result of the test statistic Pearson's correlation coefficient evaluates the statistical link, or association between two variables, and is often regarded as the finest method for assessing the relationship between variables of interest since it's based on the idea of covariance (Patrick et al., 2018). According to Mukaka (2012), Pearson's correlation coefficient ranges from -1.00 to +1.00.

A score of -1.00 shows a negative linear connection between the independent variable and the dependent variable, whereas +1.00 suggests a positive linear relationship (Patrick et al., 2018). If the number is 0, it indicates there is no correlation between the independent and dependent variables. The larger the effect of the independent variable and dependent variable, the closer the value of result is to -1.00 or +1.00. In this study, Pearson's correlation coefficient analysis is used to examine the relationship between customer relationship and interactivity, WOM, personalization, value equity, brand equity and relationship equity.

3.8 Conclusion

In summary, this chapter concentrate on explaining the process of data collection, data processing and data analysis, which has provided a blueprint for conducting trustworthy research. The next chapter will cover the interpretation of data analysis and survey questionnaire findings.

CHAPTER 4: DATA ANALYSIS

4.0 Introduction

The data analysis discusses in this chapter, as well as the data acquired from the 200 questionnaires. In addition, Jamovi system in version 1.6.23 was used to analyse and create the results for this study, which included descriptive analysis, Cronbach's Alpha reliability analysis, multiple regression analysis, and Pearson correlation analysis. All of the findings are represented in table and graphs, and a summary of the hypothesis will be offered at the end of this chapter.

4.1 Descriptive Analysis

The demographic data of 200 respondents are illustrated using descriptive analysis, which will be derived from the gathered questionnaires. This is used to calculate the independent and dependent variables' variance, standard deviation, mean, median and mode.

4.1.1 Demographic Profile of Respondents

There are six questions regarding the demographic profile in Section A, which included respondents' gender, age, occupation status, income level, frequency on searching product or brand information through social media, and the social media platform used the most for searching product or brand information.

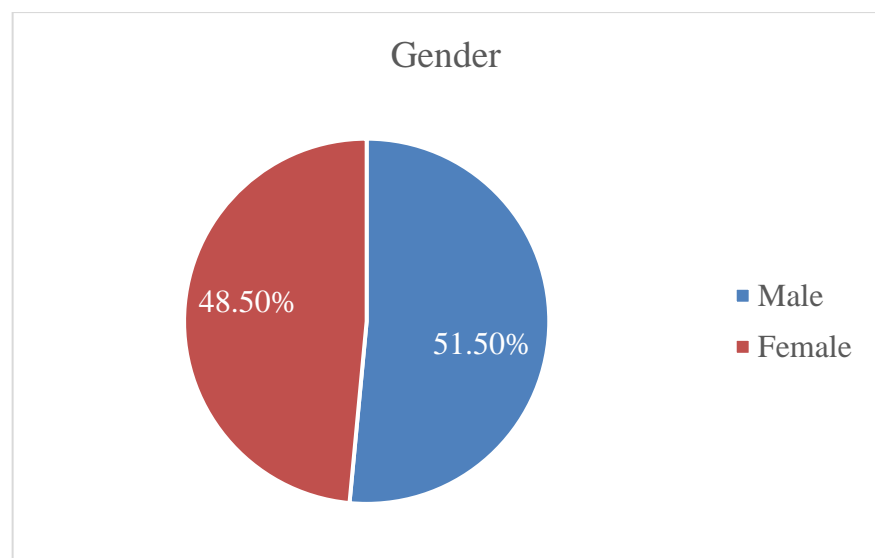
4.1.1.1 Gender

Table 4.1: Gender

Gender	Frequency	Percent
Male	103	51.5
Female	97	48.5
Total	200	100

Source: Developed for the research

Figure 4.1: Gender



Source: Developed for the research

As shown in Table 4.1 and Figure 4.1, there are 200 respondents have participated in this survey. There are 103 respondents are male and 97 respondents are female, which occupied 51.5% and 48.5% of the sample respectively.

4.1.1.2 Age

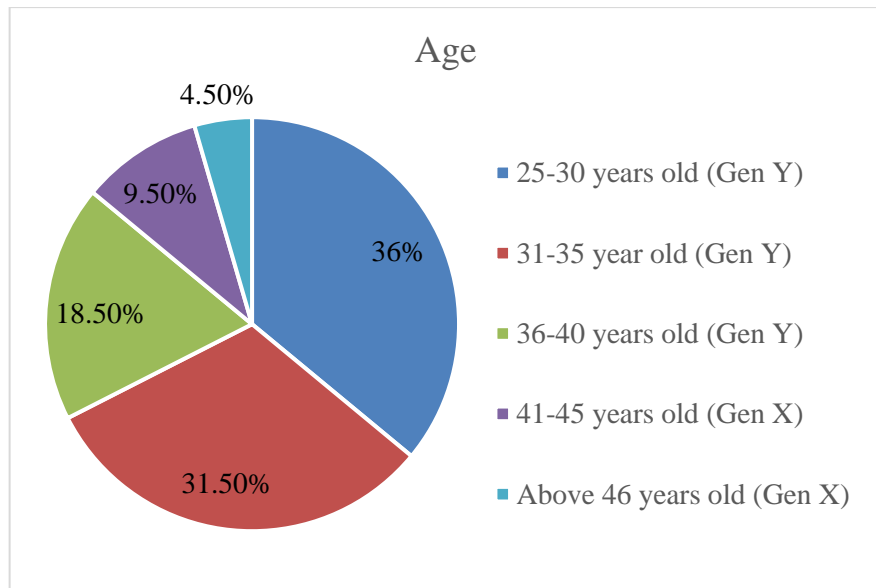
Table 4.2: Age

Age	Frequency	Percent
25-30 years old (Gen Y)	72	36.0
31-35 years old (Gen Y)	63	31.5
36-40 years old (Gen Y)	37	18.5

41-45 years old (Gen X)	19	9.5
Above 46 years old (Gen X)	9	4.5
Total	200	100.0

Source: Developed for the research

Figure 4.2: Age



Source: Developed for the research

As shown in Table 4.2 and Figure 4.2, most of the respondents are within the age group of 25 to 30 years old, which occupied 36% in total 200 respondents. The second largest group is respondents in 31 to 35 years old, which represent 31.5% in the sample. Next, there are 37 respondents fell between 36 to 40 years old, which shown 18.5% in the total respondents. These age groups as mentioned above are Gen Y. Moreover, there are 19 respondents come from the age group within 41 to 45 years old, follow by respondents above 46 years old, which occupied 9.5% and 4.5% of the sample respectively, which are the age groups from Gen X.

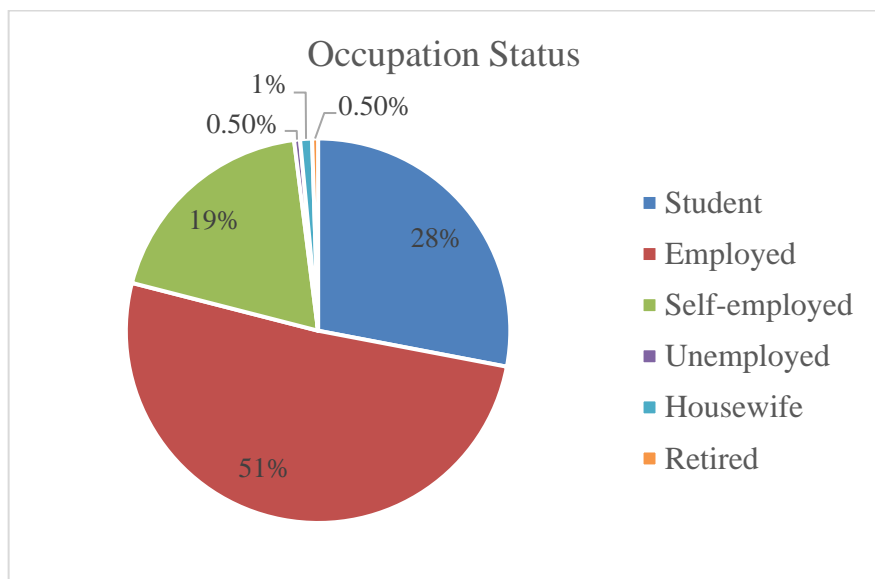
4.1.1.3 Occupation Status

Table 4.3: Occupation Status

Occupation Status	Frequency	Percent
Student	56	28.0
Employed	102	51.0
Self-employed	38	19.0
Unemployed	1	0.5
Housewife	2	1.0
Retired	1	0.5
Total	200	100.0

Source: Developed for the research

Figure 4.3: Occupation Status



Source: Developed for the research

According to the Table 4.3 and Figure 4.3, employed respondents contributed the highest in 200 respondents with 51% and 102 respondents are employed. Moreover, 28% of the respondents are students and occupied 56 respondents in total sample, which is the second largest group in this survey. Besides, there are out of 38 respondents are self-employed, which represented 19% in the total

responses. However, housewife, unemployed and retired are the lowest portion in the responses, housewife has occupied 1% and unemployed and retired respondents both have only 0.5% in the total sample.

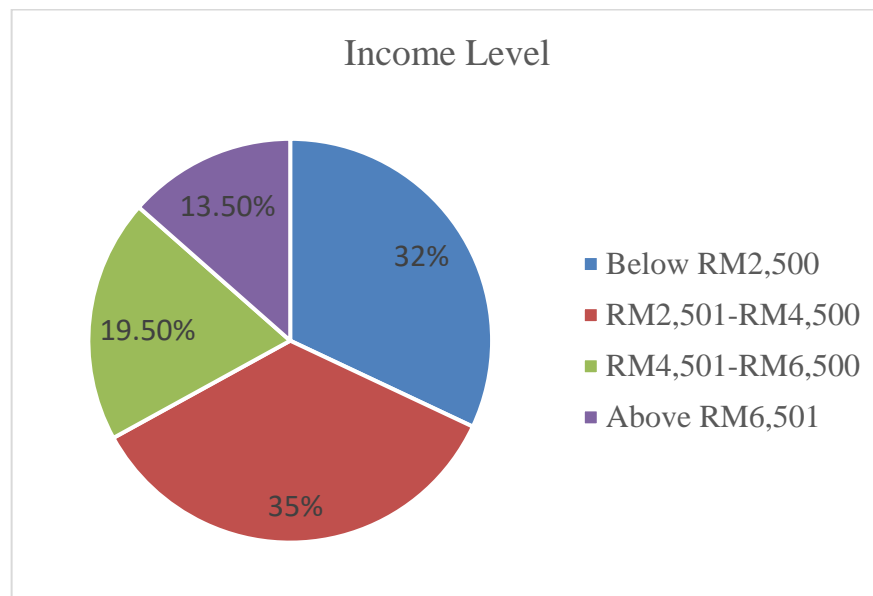
4.1.1.4 Income Level

Table 4.4: Income Level

Income Level	Frequency	Percent
Below RM2,500	64	32.0
RM2,501-RM4,500	70	35.0
RM4,501-RM6,500	39	19.5
Above RM6,501	27	13.5
Total	200	100.0

Source: Developed for the research

Figure 4.4: Income Level



Source: Developed for the research

Based on the Table 4.4 and Figure 4.4, the results indicated majority of the respondents have RM2,501 to RM4,500 income, there are 35% and 70 respondents. Next, there are 64 and 32% of

respondents' income level is below RM2,500. Besides, over 19.5% of respondents are from the RM4,501 to RM6,500 income bracket, while there are small portion of respondents reported they earned more than RM6,501 per month.

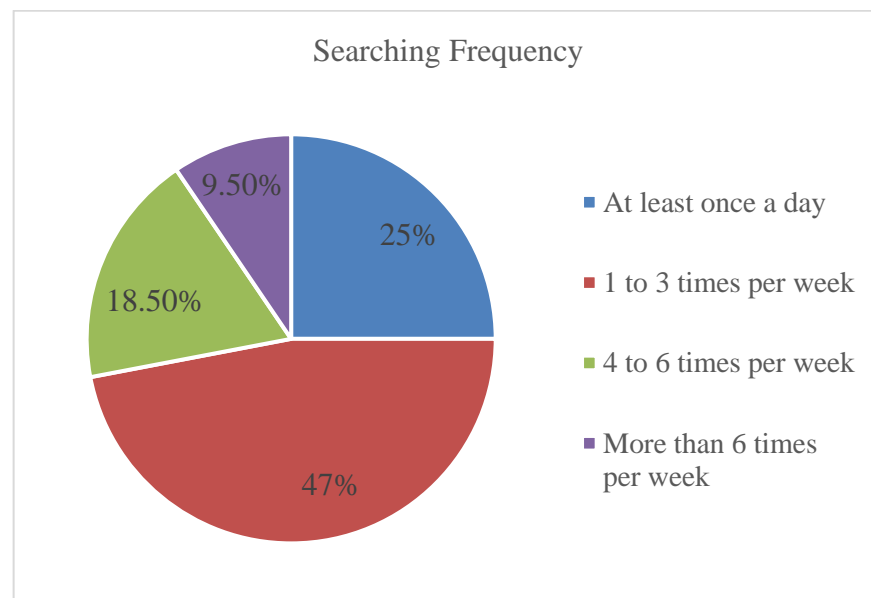
4.1.1.5 Searching Frequency

Table 4.5: Searching Frequency

Searching Frequency	Frequency	Percent
At least once a day	50	25.0
1 to 3 times per week	94	47.0
4 to 6 times per week	37	18.5
More than 6 times per week	19	9.5
Total	200	100.0

Source: Developed for the research

Figure 4.5: Searching Frequency



Source: Developed for the research

Table 4.5 and Figure 4.5 demonstrate how frequent the respondents' search product or brand information on social media. The largest proportion of respondents in 47% indicated that they search product or brand information on social media for 1 to 3 times per week, while 25% of respondents search at least once a day. Furthermore, there are 18.5% respondents at least search 4 to 6 times product or brand information on social media per week. However, there are only 9.5% of respondents search more than 6 times product and brand information on social media per week.

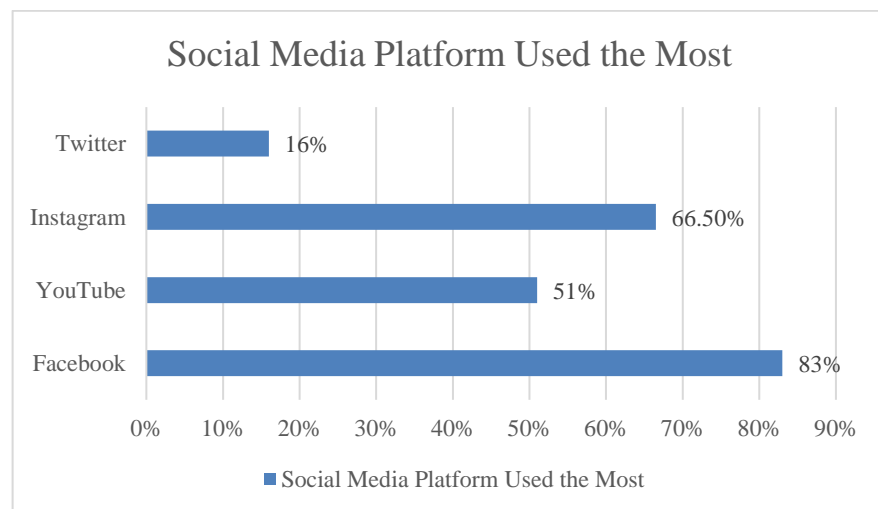
4.1.1.6 Social Media Platform Used the Most

Table 4.6: Social Media Platform Used the Most

Social Media Platform Used the Most	Frequency	Percent
Facebook	166	83.0
YouTube	102	51.0
Instagram	133	66.5
Twitter	32	16.0
Total	200	100.0

Source: Developed for the research

Figure 4.6: Social Media Platform Used the Most



Source: Developed for the research

Table 4.6 and Figure 4.6 demonstrate the social media platform that respondents used the most on searching product or brand information. Facebook and Instagram are the most popular channels that the respondents used to search product or brand information, accounting for 83% and 66.5% respectively. Followed by YouTube at 51%, and by contrast only 16% respondents search product or brand information through Twitter.

4.1.2 Central Tendencies Measurement of Constructs

The standard deviation and mean for all of the data obtained from the questionnaires were calculated using Jamovi in version 1.6.23 in the study of central tendencies.

4.1.2.1 Consumer Loyalty (Dependent Variable)

Table 4.7: Central Tendencies Measurement of Consumer Loyalty

Variable	N	Mean	Std. Dev.	Skewness	Kurtosis
CSL1	200	4.33	0.795	-1.257	2.067
CSL2	200	4.26	0.725	-0.761	0.374
CSL3	200	4.17	0.792	-0.936	1.110
CSL4	200	4.20	0.763	-0.903	1.576
CSL5	200	4.22	0.773	-1.072	2.007

The Table 4.7 shown the value of Mean, Standard Deviation, Skewness, and Kurtosis for 5 items of customer loyalty. The CSL1 has the greatest mean value of 4.33, while CSL3 has the lowest mean value of 4.17 in the total items. Among the 5 items, CSL1 has the highest standard deviation of 0.795, while CSL2 has the lowest standard deviation of 0.725.

4.1.2.2 Interactivity (Independent Variable)

Table 4.8: Central Tendencies Measurement of Interactivity

Variable	N	Mean	Std. Dev.	Skewness	Kurtosis
INT1	200	4.09	0.787	-0.857	1.41
INT2	200	4.04	0.841	-0.681	0.258
INT3	200	4.07	0.824	-0.676	0.294
INT4	200	4.13	0.794	-0.612	-0.177

The Table 4.8 shown the value of Mean, Standard Deviation, Skewness, and Kurtosis for 4 items of interactivity. INT4 has the strongest mean value of 4.13, while INT2 has the lowest mean value of 4.04 which causing it the lowest of all the items. Besides, INT2 has highest standard deviation of 0.841, whereas INT1 has the smallest with a standard deviation of 0.787.

4.1.2.3 Word-Of-Mouth (WOM) (Independent Variable)

Table 4.9: Central Tendencies Measurement of Word-of-Mouth (WOM)

Variable	N	Mean	Std. Dev.	Skewness	Kurtosis
WOM1	200	4.38	0.639	-0.551	-0.630
WOM2	200	4.30	0.650	-0.389	-0.714
WOM3	200	4.46	0.649	-0.817	-0.393
WOM4	200	4.38	0.653	-0.565	-0.655

The Table 4.9 shown the value of Mean, Standard Deviation, Skewness, and Kurtosis for 4 items of word-of-mouth (WOM). The item has biggest mean value is WOM3 in 4.46, and WOM2 is the item with the weakest value of 4.30. Moreover, the item with the largest standard deviation value is WOM4 in 0.653, while the item with the lowest value is WOM1 in 0.639.

4.1.2.4 Personalization (Independent Variable)

Table 4.10: Central Tendencies Measurement of Personalization

Variable	N	Mean	Std. Dev	Skewness	Kurtosis
PER1	200	4.09	0.818	-0.678	0.279
PER2	200	4.05	0.794	-0.576	0.594
PER3	200	4.16	0.740	-0.565	-0.0356
PER4	200	3.92	0.893	-0.611	0.328

The Table 4.10 shown the value of Mean, Standard Deviation, Skewness, and Kurtosis for 4 items of personalization. In the 4 items, PER3 has the greatest mean value in 4.16 and PER4 has the lowest mean value in 3.92. Furthermore, PER4 with a value of 0.893 has the largest standard deviation, while PER3 with a value of 0.740 has the lowest.

4.1.2.5 Value Equity (Independent Variable)

Table 4.11: Central Tendencies Measurement of Value Equity

Variable	N	Mean	Std. Dev	Skewness	Kurtosis
VLE1	200	4.25	0.807	-0.950	0.756
VLE2	200	4.21	0.879	-1.29	1.88
VLE3	200	4.33	0.844	-1.28	1.65
VLE4	200	4.12	0.889	-1.06	1.25
VLE5	200	3.88	0.966	-0.624	-0.0773

The Table 4.11 shown the value of Mean, Standard Deviation, Skewness, and Kurtosis for 5 items of value equity. The item with biggest mean value is VLE3 in 4.33, while the item has smallest value is VLE5 in 3.88. In addition, the item with the largest standard deviation value is VLE5 in 0.966, whereas the item with lowest value is VLE1 in 0.807.

4.1.2.6 Brand Equity (Independent Variable)

Table 4.12: Central Tendencies Measurement of Brand Equity

Variable	N	Mean	Std. Dev	Skewness	Kurtosis
BRE1	200	4.26	0.718	-0.679	0.0973
BRE2	200	4.25	0.808	-1.13	1.71
BRE3	200	4.18	0.783	-1.10	2.08
BRE4	200	4.16	0.811	-0.929	0.956

The Table 4.12 shown the value of Mean, Standard Deviation, Skewness, and Kurtosis for 4 items of brand equity. The BRE1 has the greatest mean value of 4.26, while BRE4 has the lowest mean value of 4.16 in the total items. Among the 4 items, BRE4 has the largest standard deviation of 0.811, while BRE1 has the lowest standard deviation of 0.718.

4.1.2.7 Relationship Equity (Independent Variable)

Table 4.13: Central Tendencies Measurement of Relationship Equity

Variable	N	Mean	Std. Dev	Skewness	Kurtosis
RLE1	200	4.04	0.856	-0.758	0.120
RLE2	200	4.01	0.871	-0.721	0.414
RLE3	200	4.00	0.871	-0.793	0.814
RLE4	200	4.08	0.850	-1.04	1.57
RLE5	200	4.09	0.824	-0.831	0.955

The Table 4.13 shown the value of Mean, Standard Deviation, Skewness, and Kurtosis for 5 items of relationship equity. The RLE5 has the greatest mean value of 4.09, while RLE3 has the lowest mean value of 4.00 in the total items. Among the 5 items, RLE2 and RLE3 have the largest standard deviation of 0.871, while RLE5 has the lowest standard deviation of 0.824.

4.2 Scale Measurement

4.2.1 Reliability Test

The objective of reliability test is to determine the variables in this research study's stability and consistency. The following Table 4.14 shows the outcome of reliability test, which is developed from the 200 respondents.

Table 4.14: Reliability Test Result

Variables	Cronbach's Alpha	Number of Items
Interactivity	0.794	4
Word-of-mouth (WOM)	0.635	4
Personalization	0.759	4
Value Equity	0.778	5
Brand Equity	0.783	4
Relationship Equity	0.816	5
Consumer Loyalty	0.800	5

According to Table 4.14, the variable with highest Cronbach's Alpha value of 0.816 is relationship equity, followed by customer loyalty, interactivity, brand equity, value equity, personalization and WOM. As a consequence of the findings, it can be concluded that all of the variables have a Cronbach's Alpha value more than 0.6, which indicating strong internal consistency.

4.3 Pearson Correlation Analysis

Table 4.15: Correlations

Correlation Matrix

THE IMPACT OF SOCIAL MEDIA MARKETING ON CONSUMER LOYALTY: A STUDY
ON GEN X AND Y

		Interact ivity	WOM	Personali zation	Value Equit y	Brand Equit y	Relatio nship Equity	Custo mer Loyalt y
Interactiv ity	Pears on's r	—						
	p- value	—						
	N	—						
WOM	Pears on's r	0.29 ** 1 *	—					
	p- value	< .00 1	—					
	N	200	—					
Personali zation	Pears on's r	0.35 ** 7 *	0.19 * 3 *	—				
	p- value	< .00 1	0.00 6	—				
	N	200	200	—				
Value Equity	Pears on's r	0.39 ** 8 *	0.43 * 7 *	0.367 ***	—			
	p- value	< .00 1	< .0 01	< .001	—			
	N	200	200	200	—			
Brand Equity	Pears on's r	0.34 ** 3 *	0.45 * 5 *	0.334 ***	0.50 * 1 *	—		
	p- value	< .00 1	< .0 01	< .001	< .0 01	—		
	N	200	200	200	200	—		
Relations hip Equity	Pears on's r	0.44 ** 4 *	0.28 * 0 *	0.476 ***	0.41 * 5 *	0.32 * 4 *	—	
	p- value	< .00 1	< .0 01	< .001	< .0 01	< .0 01	—	
	N	200	200	200	200	200	—	
Custome r Loyalty	Pears on's r	0.45 ** 4 *	0.37 * 6 *	0.499 ***	0.54 * 9 *	0.45 * 1 *	0.522 ** *	—
	p- value	< .00 1	< .0 01	< .001	< .0 01	< .0 01	< .00 1	—
	N	200	200	200	200	200	200	—

Note. * p < .05, ** p < .01, *** p < .001

Table 4.15 the outcome of Pearson Correlation of independent variables (Interactivity, WOM, Personalization, Value Equity, Brand Equity, Relationship Equity) and dependent variable (Consumer Loyalty) in this study. The Pearson Correlation is between 0.451 and 0.522, whereas all the p-value of variables is lower than 0.05. Moreover, it has demonstrated that the relation of all the independent variables and dependent variable are statically significant, despite the fact that they are positively connected.

According to Table 4.15, Value Equity has the highest correlation (0.549) with Consumer Loyalty among all the variables, which indicating that there is a significant positive relationship between Value Equity and Consumer Loyalty. Furthermore, Relationship Equity is the second greatest positive relationship with Consumer Loyalty with a value of 0.522. Next, Personalization is the third strongest positive relationship with Consumer Loyalty with a value of 0.499, followed by interactivity at 0.454 and Brand Equity 0.451. On the other hand, WOM has the lowest correlation with Consumer Loyalty with a value of 0.376 among all the variables.

4.4 Testing of Hypothesis

4.4.1 Correlation Analysis

The b-value, t-value, lower and upper bound value, and p-value of each variable are utilised to establish its significance with dependent variable by using Jamovi.

Table 4.16: Relationship between Interactivity, WOM, Personalization and Value Equity

Model Fit Measures						
Model	R	R ²				
1	0.560	0.314				

Model Coefficients - Value Equity						
Predictor	Estimate	SE	95% Confidence Interval		t	p
			Lower	Upper		
Intercept	0.251	0.4225	-0.5818	1.085	0.595	0.552
Interactivity	0.223	0.0654	0.0936	0.352	3.402	< .001
WOM	0.470	0.0888	0.2947	0.645	5.290	< .001
Personalization	0.231	0.0657	0.1016	0.361	3.519	< .001

Based on the Table 4.16, the b-value of Interactivity is 0.223, t-value presented in 3.402 and p-value is lower than 0.001, which is lesser than 0.05. Besides, there is no zero between the lower bound (0.0936) and upper bound (0.352). Hence, there is a significant relationship between Interactivity and Value Equity. Furthermore, the b-value of WOM is 0.470, t-value presented in 5.290 and p-value is lower than 0.001, which is lesser than 0.05. Besides, there is no zero between the lower bound (0.2947) and upper bound (0.645). Hence, there is a significant relationship between WOM and Value Equity. Moreover, the b-value of Personalization is 0.231, t-value presented in 3.519 and p-value is lower than 0.001, which is lesser than 0.05. Besides, there is no zero between the lower bound (0.1016) and upper bound (0.361). Hence, there is a significant relationship between Personalization and Value Equity. As a result, SMM has a significant relationship with Value Equity.

Table 4.17: Relationship between Interactivity, WOM, Personalization and Brand Equity

Model Fit Measures						
Model	R	R ²				
1	0.540	0.291				

Model Coefficients - Brand Equity						
Predictor	Estimate	SE	95% Confidence Interval		t	p
			Lower	Upper		
Intercept	0.581	0.4081	-0.2242	1.385	1.42	0.156
Interactivity	0.155	0.0632	0.0302	0.280	2.45	0.015
WOM	0.499	0.0858	0.3301	0.668	5.82	< .001
Personalization	0.201	0.0635	0.0757	0.326	3.16	0.002

Based on the Table 4.17, the b-value of Interactivity is 0.155, t-value presented in 2.45 and p-value is 0.015, which is lesser than 0.05. Besides, there is no zero between the lower bound (0.0302) and upper bound (0.280). Hence, there is a significant relationship between Interactivity and Brand Equity. Furthermore, the b-value of WOM is 0.499, t-value presented in 5.82 and p-value is lower than 0.001, which is lesser than 0.05. Besides, there is no zero between the lower bound (0.3301) and upper bound (0.668). Hence, there is a significant relationship between WOM and Brand Equity. Moreover, the b-value of Personalization is 0.201, t-value presented in 3.16 and p-value is 0.002, which is lesser than 0.05. Besides, there is no zero between the lower bound (0.0757) and upper bound (0.326). Hence, there is a significant relationship between Personalization and Brand Equity. As a result, SMM has a significant relationship with Brand Equity.

Table 4.18: Relationship between Interactivity, WOM, Personalization and Relationship Equity

Model Fit Measures

Model	R	R ²
1	0.573	0.328

Model Coefficients - Relationship Equity

Predictor	Estimate	SE	95% Confidence Interval		t	p
			Lower	Upper		
Intercept	0.561	0.4237	-0.2742	1.397	1.33	0.187
Interactivity	0.285	0.0656	0.1559	0.415	4.35	< .001
WOM	0.190	0.0891	0.0140	0.365	2.13	0.034
Personalization	0.367	0.0659	0.2369	0.497	5.57	< .001

Based on the Table 4.18, the b-value of Interactivity is 0.285, t-value presented in 4.35 and p-value is lower than 0.001, which is lesser than 0.05. Besides, there is no zero between the lower bound (0.1559) and upper bound (0.415). Hence, there is a significant relationship between Interactivity and Relationship Equity. Furthermore, the b-value of WOM is 0.190, t-value presented in 2.13 and p-value is 0.034, which is lesser than 0.05. Besides, there is no zero between the lower bound (0.0140) and upper bound (0.365). Hence, there is significant relationship between WOM and Relationship Equity. Moreover, the b-value of Personalization is 0.367, t-value presented in 5.57 and p-value is lower than 0.001, which is lesser than 0.05. Besides, there is no zero between the lower bound (0.2369) and upper bound (0.497). Hence, there is significant relationship between Personalization and Relationship Equity. As a result, SMM has a significant relationship with Relationship Equity.

Table 4.19: Relationship between Value Equity, Brand Equity, Relationship Equity and Consumer Loyalty

Model Fit Measures

Model	R	R ²
1	0.656	0.430

Model Coefficients - Customer Loyalty

Predictor	Estimate	SE	95% Confidence Interval		t	p
			Lower	Upper		
Intercept	1.131	0.2630	0.6122	1.650	4.30	< .001
Value Equity	0.287	0.0588	0.1714	0.403	4.89	< .001
Brand Equity	0.174	0.0595	0.0563	0.291	2.92	0.004
Relationship Equity	0.292	0.0531	0.1870	0.396	5.50	< .001

Based on the Table 4.19, the b-value of Value Equity is 0.287, t-value presented in 4.89 and p-value is lower than 0.001, which is lesser than 0.05. Besides, there is no zero between the lower bound (0.1714) and upper bound (0.403). Hence, there is a significant relationship between Value Equity and Consumer Loyalty. Furthermore, the b-value of Brand Equity is 0.174, t-value presented in 2.92 and p-value is 0.004, which is lesser than 0.05. Besides, there is no zero between the lower bound (0.0563) and upper bound (0.291). Hence, there is a significant relationship between Brand Equity and Consumer Loyalty. Moreover, the b-value of Relationship Equity is 0.292, t-value presented in 5.5 and p-value is lower than 0.001, which is lesser than 0.05. Besides, there is no zero between the lower bound (0.1870) and upper bound (0.396). Hence, there is a significant relationship between Relationship Equity and Consumer Loyalty. As a result, CED has a significant relationship with Consumer Loyalty.

4.5 Conclusion

To sum up, the data acquired using the proposed data analysis method are explained and analysed in this chapter. Next chapter will cover the explanations as well as the major results and conclusions.

CHAPTER 5: DISCUSSIONS, CONCLUSIONS, AND IMPLICATIONS

5.0 Introduction

In previous chapter, descriptive analysis of the respondents' general profile, scale of measurement, descriptive analysis, inferential analysis, and hypothesis testing were all addressed. This chapter offers an overview of descriptive and inferential analysis. There will also be a discussion of the study's primary results and ramifications. Furthermore, this chapter discussed the study's shortcomings as well as suggestions for further research.

5.1 Summary of Statistical Analysis

5.1.1 Descriptive Analysis

Table 5.1: Summary of Demographic Profile

Demographic Profile	Categories	Frequency	Percentage
Gender	Male	103	51.5
	Female	97	48.5
Age	25-30 years old	72	36.0
	31-35 years old	63	31.5
	36-40 years old	37	18.5
	41-45 years old	19	9.5
	Above 46 years old	9	4.5
Occupation Status	Student	56	28.0
	Employed	102	51.0
	Self-employed	38	19.0
	Unemployed	1	0.5

	Housewife	2	1.0
	Retired	1	0.5
Income Level	Below RM2,500	64	32.0
	RM2,501- RM4,500	70	35.0
	RM4,501- RM6,500	39	19.5
	Above RM6,501	27	13.5
Searching Frequency	At least once a day	50	25.0
	1 to 3 times per week	94	47.0
	4 to 6 times per week	37	18.5
	More than 6 times per week	19	9.5
Social Media Platform Used the Most	Facebook	166	83.0
	YouTube	102	51.0
	Instagram	133	66.5
	Twitter	32	16.0

In this research, 200 sets of responses were obtained in the survey of the impact of SMM on customer loyalty, which are all valid for this study. Table 5.1 shown the summary of demographic profile from the 200 questionnaires obtained. There are 103 respondents are male and 97 respondents are female, which occupied 51.5% and 48.5% of the sample respectively.

In addition, majority of the respondents are 25 to 30 years old, which occupied 72 (36%) in total 200 respondents, and 63 respondents is 31 to 35 years old, which represent 31.5% in the sample. Besides, there are 37 (18.5%) respondents fell between 36 to 40 years old, and there are 19

(9.5%) respondents are within 41 to 45 years old, followed by 9 (4.5%) respondents above 46 years old.

Moreover, employed respondents are the highest with 51% and 102 respondents are employed, and 56 (28%) of the respondents are students. Besides, there are out of 38 (19%) respondents are self-employed. However, housewife, unemployed and retired are the minority in the responses, there are 2 housewife (1%) and unemployed and retired respondents have only 1 (0.5%) respondent.

Furthermore, most of the respondents have RM2,501 to RM4,500 income, there are 70 (35%) respondents. Next, there are 64 (32%) of respondents' income level is below RM2,500. Besides, 39 (19.5%) of respondents have RM4,501 to RM6,500 income, while there are 27 (13.5%) of respondents earned more than RM6,501 per month.

Other than that, 94 (47%) respondents search product or brand information on social media for 1 to 3 times per week, whereas 50 (25%) of respondents search at least once a day. Besides, there are 37 (18.5%) respondents at least search 4 to 6 times product or brand information on social media per week, and 19 (9.5%) of respondents search more than 6 times product and brand information on social media per week.

Lastly, Facebook and Instagram are the most popular channels that the respondents used to search product or brand information, there are 166 (83%) and 133 (66.5%) respondents respectively. In addition, there are 102 (51%) and 32 (16%) respondents search product or brand information through YouTube and Twitter.

5.1.2 Scales of Measurement

Table 5.2: Summary of Reliability Analysis

Variables	Cronbach's Alpha	Number of Items
Interactivity	0.794	4
Word-of-Mouth (WOM)	0.635	4
Personalization	0.759	4
Value Equity	0.778	5
Brand Equity	0.783	4
Relationship Equity	0.816	5
Consumer Loyalty	0.800	5

According to Table 5.2, since all the variables have a Cronbach's alpha value above 0.6, which have reached a desirable and constant consistency. Relationship equity has the highest Cronbach's Alpha value of 0.816, followed by customer loyalty (0.800), interactivity (0.794), brand equity (0.783), value equity (0.778), personalization (0.759) and word-of-mouth (0.635).

5.1.3 Inferential Analysis

5.1.3.1 Pearson Correlation Coefficient

Pearson Correlation have analysed the relationship between independent variables (Interactivity, WOM, Personalization, Value Equity, Brand Equity, Relationship Equity) and dependent variable (Consumer Loyalty). Value Equity has the highest correlation (0.549) with Customer Loyalty, followed by Relationship Equity and Customer Loyalty with a value of 0.522, Personalization and Customer Loyalty are 0.499, interactivity at 0.454 and Brand Equity 0.451. Besides, WOM has the lowest correlation with Customer Loyalty with a value of 0.376. It has demonstrated that

the relation of all the independent variables and dependent variable are positively connected.

5.1.3.2 Multiple Regression Analysis

Multiple Regression Analysis have used to identify the relationship between independent variables (Interactivity, WOM, Personalization, Value Equity, Brand Equity, Relationship Equity) and dependent variable (Consumer Loyalty). The p-value of interactivity, WOM and personalization to Value Equity is lesser than 0.05 and the R square is 0.314 which is greater than 0.2. Hence, SMM has positive impact on Value Equity. Besides, the p-value of interactivity, WOM and personalization to Brand Equity is lesser than 0.05 and the R square is 0.291 which is greater than 0.2. Thus, SMM has positive impact on Brand Equity. Next, the p-value of interactivity, WOM and personalization to Relationship Equity is lesser than 0.05 and the R square is 0.328 which is greater than 0.2. Thus, SMM has positive impact on Relationship Equity. Moreover, the p-value of Value Equity, Brand Equity and Relationship Equity to Consumer Loyalty is lesser than 0.05 and the R square is 0.430 which is greater than 0.2. As a result, CED has strong impact on Consumer Loyalty.

5.2 Discussion of Major Finding

Table 5.3: Major Findings of Hypotheses Testing

No	Hypothesis	Result	Conclusion
1	H1: There is a positive relationship between SMM and value equity.	p-value = <0.001 p-value = <0.001 p-value = <0.001 t-value = 3.402 t-value = 5.290 t-value = 3.519	Supported
2	H2: There is a positive relationship between SMM and brand equity.	p-value = 0.015 p-value = <0.001 p-value = 0.002 t-value = 2.45 t-value = 5.82 t-value = 3.16	Supported
3	H3: There is a positive relationship between SMM and relationship equity.	p-value = <0.001 p-value = 0.034 p-value = <0.001 t-value = 4.35 t-value = 2.13 t-value = 5.57	Supported
4	H4: There is a positive relationship between value equity and consumer loyalty.	p-value = <0.001 t-value = 4.89	Supported
5	H5: There is a positive relationship between brand equity and consumer loyalty.	p-value = 0.004 t-value = 2.92	Supported
6	H6: There is a positive relationship between relationship equity and consumer loyalty.	p-value = <0.001 t-value = 5.50	Supported

Source: Develop for the research

5.2.1 Relationship between SMM and Value Equity

H1: There is a positive relationship between SMM and Value Equity

According to Table 5.3, the finding shows that p-value of SMM is both smaller than 0.001 (<0.001) and t-value is 3.402, 5.290 and 3.519 respectively, which indicated that SMM has a positive relationship with Value Equity. Hence, H1 is supported. SMM has been significantly associated with Value Equity, it implies that SMM has an impact on inner feelings. The outcome is consistent with the previous study by Kim & Ko (2012), it has confirmed that SMM has strong ability to affect Value Equity. Customers access social media on a daily basis to find the products that provide the most value, such as getting a product for the lowest price without sacrificing its quality or desired characteristics. Moreover, the outcome is also similar with Ismail (2017), where customers are more inclined to buy certain products in desired price. As a result, customers are more loyal to a company when satisfied value is delivered.

5.2.2 Relationship between SMM and Brand Equity

H2: There is a positive relationship between SMM and Brand Equity

Based on Table 5.3, the finding shows that p-value of SMM is 0.015, smaller than 0.001 and 0.002, and t-value is 2.45, 5.82 and 3.16 respectively, which indicated that SMM has a positive relationship with Brand Equity. Thus, H2 is supported. In accordance with Eysenck (1984), the relationship between a company's communication and its brand equity is supported by schema theory. Furthermore, the result is consistent with Godey et al., (2016), whereas SMM positively impact Brand Equity. Besides, SMM and Brand Equity has a significant effect on customers' propensity to make purchases, according to previous study (Ismail, 2017). In addition, customers' perceptions of the communication stimuli have a positive impact on brand equity (Bruhn et al., 2012). Therefore, customers are more loyal to a company with greater communication.

5.2.3 Relationship between SMM and Relationship Equity

H3: There is a positive relationship between SMM and Relationship Equity

Through Table 5.3, it shown that SMM and Relationship Equity have a positive relationship, where the p-value are < 0.001 , 0.034 and <0.001 , and t-value are 4.35 , 2.13 , and 5.57 respectively. Therefore, H3 is supported. According to Tuten & Solomon (2016), SMM is centred on relationships. Moreover, the result is similar with Al-alak (2014), where the study confirmed SMM has positively influence relationship equity. Empirical investigations have confirmed the beneficial association between SMM and relationship equity (Kim & Ko, 2012). Hence, customers are more loyal to a company with greater relationship equity.

5.2.4 Relationship between Value Equity and Consumer Loyalty

H4: There is a positive relationship between value equity and consumer loyalty

From the Table 5.3, the result shoes that the p-value is smaller than 0.001 and t-value is 4.89 , which indicated the Value Equity and Customer Loyalty have a positive relationship. Hence, H4 is supported. The finding is consistent with the previous research of Dwivedi et al., (2012), which shown the value equity has a strong relationship with customer loyalty, since when a firm provides greater advantages to customers in comparison to competing alternatives, it leads to increased customer loyalty. Furthermore, Rust et al., (2004) have proved that customer loyalty is influenced by value equity. Besides, according to Zhang et al., (2014), value equity represented a beneficial impact of customer loyalty.

5.2.5 Relationship between Brand Equity and Consumer Loyalty

H5: There is a positive relationship between brand equity and consumer loyalty

Table 5.3 represented the p-value is 0.004 and t-value is 2.92, which indicated the Brand Equity and Consumer Loyalty have a positive relationship. Thus, H5 is supported. The outcome is similar with the study of Bolton et al., (2004), where it concluded that customer loyalty is influenced by their perceptions of a brand. In addition, customers' propensity to repurchase and the price premium associated with the brand grows as brand equity rises (Ou et al., 2014). Besides that, Rust et al., (2004) has claimed that brand equity has an influence on customers' willingness to make payment, intention of repurchases and likelihood of recommending a brand. Consequently, brand equity is one of the critical factors to influence customer loyalty.

5.2.6 Relationship between Relationship Equity and Consumer Loyalty

H6: There is a positive relationship between relationship equity and consumer loyalty

According to the Table 5.3, the finding shows that the p-value is smaller than 0.001 and t-value is 5.50, which indicated the Relationship Equity and Consumer Loyalty have a positive relationship. Thus, H6 is supported. The finding is consistent with previous research of Gustafsson et al., (2005), which demonstrated that relationship equity and consumer loyalty have a significant correlation, since customer loyalty is predicted to improve as relationship equity strengthens. Furthermore, the study of Ou et al., (2014) have confirmed that there is a strong relationship between relationship equity and customer loyalty. Customers with high relationship equity might anticipate future beneficial relationships with a company and

thereby develop psychological interests. It can be concluded that relationship equity plays a crucial role to affect consumer loyalty.

5.3 Implication of the Study

This study has a number of repercussions to practitioners. All of the factors of customer equity have been considerably and favourably affected by SMM. This suggests that managers should highlight the importance of SMM in order to improve CED. SMM are an excellent marketing communication medium since the goal of every marketing communication is to improve CED and customer interactions.

As company strives to provide more customer value, SMM is an important tool for attracting and retaining customers. In order to improve CED, managers must concentrate on the three elements of SMM, and social media should be seen as a valuable and effective marketing instrument. Through CED, SMM has a favourable impact on customer loyalty. This implies that while managers may use social media to increase customer loyalty, managers need also enhance customer service, quality etc to persuade customers to spend a higher price and return for future purchases.

As a company seeks to increase customer loyalty in order to maintain current customers and attract new potential customers. The outcomes of this study will aid in achieving this goal, and customer loyalty can be improved by concentrating on an affective SMM that includes all three primary components. Based on the favourable influence of all CED on customer loyalty in this study, especially relationship equity and value equity, managers should cultivate strong and cordial connections with customers, using the power of SMM while also delivering exceptional customer value.

Moreover, since the major purpose of marketing strategy is to raise the value of stakeholders and to build and maintain strong customer connections, the cornerstone of social media is likewise relationships. Hence, the impact of SMM on relationship variables customer loyalty was investigated in this study. Besides, there are few studies linking SMM to customer loyalty in generation X and generation Y. Other than that, there are also lack of research in the Malaysia context that look into the influence of SMM on customer loyalty.

5.4 Limitation of the Study

Since no study is flawless, there are certain shortcomings in this study that hint to future research opportunities. Firstly, the current study's conclusions are confined to the generation X and generation Y, where the generation Z has been ignored. Generation Z in Malaysia is a digitally engaged generation that is largely reliant on social media and smartphones. Research has missed out the opportunity to investigate generation Z and provide more information to managers, so that managers can make an effective strategy to target generation Z since the age group is easier to be attracted by SMM. research should ensure its findings in a variety of different generation.

Secondly, there is only 200 questionnaires were collected for this research study. Based on the World Population Review (2022), generation X and generation Y are the largest proportion in the total population of Malaysia. According to Chetty (2012), an appropriate sampling size for research is between 30 to 500 respondents. However, the population of generation X and generation Y are too large. Therefore, 200 sample size may not be sufficient to reflect the views of the entire population. Consequently, the sample size has to be raised.

Lastly, this study was no able to take into account all the factors that may impact customer loyalty. There are just 6 potential factors for this study. However, there may exist more than 6 factors that can influence customer loyalty through SMM, especially the element of SMM.

5.5 Recommendation of Study

Academics in the future should seek for a more reliable tool of questionnaire dissemination that includes a greater number of respondents from varied generations. This may assist to prevent prejudiced response from participants of certain generations.

Furthermore, it is recommended that future researchers use a wider range of sample size in their studies. For example, a minimum sample size of 384 is suggested since it can reflect a population of over 1,000,000 people (Krejcie & Morgan, 1970). Since generation X and generation Y occupied a large number of total populations in Malaysia, it is suggested that the sample size of this study be extended to 384 or even more.

In addition, future researchers are recommended to incorporate additional mediating and moderating variable to have a deeper understanding of customer loyalty towards SMM. Some additional relevant independent variables can be investigated, such as entertainment, trendiness and informative.

5.6 Conclusion

To sum up, this study has effective in accomplishing its research objective in examining the association between social media marketing and customer loyalty in generation X and Y. Based on the results found through multiple regression analysis and Pearson correlation coefficient, the independent variables are significant to customer loyalty. Furthermore, this chapter has discussed the research limitations and suggestions of for future studies. Researchers may use the findings from this study as references, it could benefit marketers through understanding on what element can affect customer loyalty when identifying social media marketing strategy.

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APPENDIX A: Survey Questionnaire



Dear Respondents,

I am a final year student from Universiti Tunku Abdul Rahman (UTAR) who pursuing degree in Bachelor of International Business (HONS). I am currently conducting a research entitled “The impact of social media marketing on consumer loyalty: A study on Gen X and Y”. I would like to invite you to participate in this research by filling out the surveys.

This survey would spend you approximately 10 minutes to complete. I absolutely guarantee you that all of your responses will be kept PRIVATE and CONFIDENTIAL, and all information will only be utilised for academic purposes. Please do not hesitate to contact me by email at je2000@lutar.my if you have any questions. I am grateful for your time and cooperation in taking part in this survey.

Sincere Regards,

Oh Jie Yi

Section A: Demographic Profile

Please answer the following questions with selecting the appropriate option by ticking (✓) ONE.

1. Gender

- Male
- Female

2. Age

- 25-30 years old
- 31-35 years old
- 36-40 years old
- 41-45 years old
- Above 46 years old

3. Occupation

- Student
- Employed
- Self-employed
- Unemployed
- Housewife
- Retired

4. Income level

- Below RM2,500
- RM2,501 to RM4,500
- RM4,501 to RM6,500
- Above RM6,501

5. How often do you search for product/service/brand information through social media?

- At least once a day
- 1 to 3 times per week
- 4 to 6 times per week
- More than 6 times per week

6. What social media platform you used the most for searching product/service/brand information?

- Facebook
- YouTube
- Instagram
- Twitter

Section B: Independent Variables

You are required to rate the extent to which you agree or disagree with each statement through using a 5-point Likert scale.

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

Interactivity

Interactivity may be defined as the degree to which a company can build a discourse with its consumers through social media by providing information.

No.	Statement	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
1.	I bought something from a social media online store since it allows me to share information about it with others.					
2.	I bought something from a social media online store because it can have a conversation / share a comment.					
3.	I bought something from a social media online store since it's simple to express my view.					
4.	Social media advertising allows for two-way communication between businesses and I.					

Word-of-mouth (WOM)

WOM is defined as any positive or negative comment made about a product or company by potential, existing, or past consumers that is made available to a large number of individuals and institution.

No.	Statement	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
1.	I'm willing to share a brand, product or service information with my friends via social media.					
2.	I'm willing to share a content from social media online store on my social media.					
3.	When I buy a product, I look at the reviews on social media to assist me make a decision.					
4.	My purchase and loyalty intention are influenced by the number of positive and negative reviews on social media.					

Personalization

Personalization on social media may defined as customers' perceptions of the degree to which social media offer customized services to suit a customer's preferences.

THE IMPACT OF SOCIAL MEDIA MARKETING ON CONSUMER LOYALTY: A STUDY
ON GEN X AND Y

No.	Statement	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
1.	I bought a product from a social media online store since it provided me with personalised information searches.					
2.	I bought a product from a social media online store since it offers personalised service.					
3.	Social media marketing and promotions are targeted to my situation.					
4.	I get the impression that I am a unique customer when I use social media.					

Value Equity

Value equity is defined as the customer's objective appraisal of the usefulness of a brand, based on perceptions of what is given up for what is obtained.

No.	Statement	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
1.	Shopping on the internet is time and effort well spent.					

THE IMPACT OF SOCIAL MEDIA MARKETING ON CONSUMER LOYALTY: A STUDY
ON GEN X AND Y

2.	I can easily make purchase from social media site.					
3.	I could access the social media site at any time and from anyplace.					
4.	On social media, special deals are highly sought for.					
5.	Businesses from social media are terrific investment for me.					

Brand Equity

Brand equity can be defined as customer's subjective and intangible judgement of the brand, above and beyond its objectively recognized worth.

No.	Statement	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
1.	I discover about some brands through social media.					
2.	I used to research products and services on social media before buying them.					
3.	I am delighted with the brands' social media communication.					

4.	I enjoy spreading positive word of mouth about brands, products and services to my family via social media.					
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Relationship Equity

Relationship equity can be described as the customer's predisposition to remain with the brand, regardless of the customer's objective and subjective judgments of the brand.

No.	Statement	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
1.	I have the feeling that the social media knows exactly what I want.					
2.	The social media is ideal for my lifestyle.					
3.	I have intimacy with the brands on social media.					
4.	I am delighted with the social media that considers my interests and preferences.					
5.	I might want to purchase products and services from a brand with which I am emotionally connected on social media.					

Section C: Dependent Variable

Customer Loyalty

Customer loyalty is a deeply held commitment to repurchase or re-patronize a preferred product or service in the future, resulting in repetitive same brand purchasing.

No.	Statement	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
1.	I plan to repurchase the brand on social media in the future.					
2.	I am willing to buy others product from the same brand on social media.					
3.	In the future, I will purchase the same brands even from different social media platform.					
4.	I will encourage and recommend my friends and family members to purchase the brands on social media.					
5.	I plan to recommend others about the brand I found on social media.					