Effect of Brand Tribalism on Customer Loyalty

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ABSTRACT

Customer seeks satisfaction not on individual basis but on societal basis, consumer behavior is much more influenced by brand tribe to which he/she belongs. Similarly, since 1990s topic of loyalty has gained escalating importance especially in marketing activities and management applications. The importance of loyalty is emerging from decisions of customers regarding goods and services. Firms that are successful in generating customer loyalty have competitive advantage among their rivals. Likewise fresh research has drawn attention that brand tribalism (group of people around a brand with shared passion and emotion) affects the consumer behavior. Therefore, this research study aims to analyze the influences of Brand tribalism on loyalty through customer satisfaction and to examine the ultimate effect on word-of-mouth recommendation behavior and brand repurchase intentions. Customer loyalty is universally important for all the firms however the advancement in this area varies among different economies. Loyalty, a major theme in marketing research, has become an essential concern for managers, and a strategic obsession for many. This increasing concern has mainly been due to intense competition. Brand tribalism and its impact on customer loyalty have not been researched in domestic context of Pakistan, especially in the automobile sector, so in this study investigation is applied to five leading car brands of Pakistan. It is found that satisfaction is influenced by brand tribalism and it has quite noteworthy and significant impact on the customer loyalty. In addition brand tribalism is another important source of generating word of mouth recommendations by the loyal customer and he/she has the repurchase intentions too.

Introduction

Brand management is a fundamental business practice of any company. In a globalizing world economy, however, brand management has become more challenging, especially in emerging markets which have attracted much attention from multinationals

The academic research on brands is increasingly considering the degree of connectedness between consumers and brands as a key issue of investigation. Recent research has highlighted the importance of brand tribalism, which is a post modern concept based on customer community associated with certain brand. Brand loyalty and tribalism, a major theme in marketing research, has become an essential concern for managers, and a strategic obsession for many. This increasing concern has mainly been due to intense competition, particularly in emerging markets, and the current focus on the relationship between consumers and organizations, which is the core of the relational marketing approach.

As the purpose of this research is to find out the impact of brand tribalism on customer's satisfaction, loyalty and out come behaviors and relationship among these variables, therefore this study is more explanatory. As in this research existing literature is the main base which is to be compared with the empirical findings. Main idea is extracted from the already on hand theories, therefore for this research a deductive approach is opted. As there was no previous data available for the problem at hand therefore primary data collection method has been used, data has been collected by distributing questionnaires and interviews and the collected data is in numerical form, therefore the methodological research approach for this research is quantitative.

All the constructs are measured by the reliability analysis in SPSS 17. Convergent Validity and Discriminate Validity tests are applied to measure the validity of the models by Confirmatory Factor Analysis. Finally the path analysis is done with help of Structural Equation Modeling using AMOS- 17 version (Analysis of Moment Structure).

Literature review

All the variables under this present study are examined on the available literature.

Brand Tribalism: Concept and definition

The word "Tribe" has been borrowed from anthropology, which was used to describe old societies, in which social order was maintained without any central power. The notion of tribe is generally used in politics to explain any collective behavior. On the other hand, "Tribe" also expresses the same characteristics as the "ethnic group" but it is on the smaller scale (e.g. local, linguistic and cultural homogeneity). Similarly, it describes the same characteristics as of "clan" but it is on the larger scale (e.g. kinship, lineage and other blood relations), (Cova and Cova, 2002).

Furthermore, Cova and Cova (2002) drew on Maffesoli (1996) to introduce the term tribal in the modern consumer society to researchers and marketers and the focal point in it is that need for community and social connectedness has developed into the priority over the materialistic consumption of objects.

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Joining of various groups is a natural phenomenon in which an individual wants to become a member. In the post modern society there exits net-works of tribes in which individual shares strong emotional associations, subcultures and image of life in the society (McGee-Cooper, 2005).

Cova (1997) has defined the "tribe" with more accuracy and referred it to the re-emergence of quasi archaic values that is a local sense of identification, religiousness, syncretism and group narcissism.

In the modern society we do not have fixed parameters whereas postmodern society is inherently unstable, small and flexible (Maffesoli, 1996). A tribe makes a heterogeneous group of age, gender, income and sex across the different segments of society. These groups share passions and emotions of life along with advocating and consuming the goods (Cova, 1997).

Brand tribe and brand communities built around any one brand are interchangeably used. The groups of consumers created around one brand are the brand tribes or brand communities (Cova and Pace, 2006)

New technological use of communication has helped create and enhance the lobbying efforts. The recent academic literature theorizes consumer agency (Kozinets et al., 2004) further argues that brand tribes vital role is social aspect like how the consumers and producers negotiate on consumption, when the exchange mutually serves the interests of both the parties. Powerful agents determine who takes access and has considerable influence over what constitutes effective co-production.

Veloutsou and Moutinho (2009) in their exploratory research have concluded that brand tribalism is important in formation of relationships. Since the relationship consumers build with brands are very much influenced by the other consumers that are user or consumer of the brand, rather than what producers actually propose as characteristics of their brand.

Role in the Context of Consumer

Firat and Venkatesh (1995) suggest that brand consumers are vigorously producing modern culture through brand consumption. The shared consciousness surrounding brand consumption leads to the brand community (Cova and Pace, 2006; Muniz and O'Guinn, 2001), which the shared experience of various rituals and traditions helps to strengthen (McAlexander et al., 2002). Social interaction also develops as a linking value (Cova, 1997), beyond the functional attributes of the product. On the other hand, Cova and Cova (2002) argued postmodern consumption in terms of tribalism and suggest postmodern consumers are not really interested in the objects of consumption, rather they are more interested in the social links and identities of a particular e.g. Harley-Davidson motorbike, contains the interest of consumer.

Tribal brand are created by incorporating a lot of social interactions amongst customers with different facets of a particular brand. It takes a long time to attain a socialized expression that constitutes a tribal brand (Moutinho et al., 2007). In short, one can conclude that tribal brand is a consequence of socialized expressions.

Role in the Context of Firm

Brand communities/tribes can be formed for any type of brand i.e. from luxury products to fast moving consumer goods/products (Cova and Pace, 2006).

Postmodern consumers use brands for their own purposes and also as a medium to help them define and express their identities within society (Lannon, 1995). They develop relationships between themselves, the brand, the firm, other consumers and the product in use (McAlexander et al., 2002).

They seek satisfaction through emotions shared with others (Cova, 1997). As brand communities have power over the brand therefore managers often try to create brand communities or try to influence its members (Cova and Cova, 2002).

Brand marketers of a firm need to understand that tribal members do not simply correspond to actions of marketers. They give meanings and roles in comparatively independent manner that marketers may not anticipate. Consumers become producers. The tribal approach is all together different as compared to the traditional market segmentation. Today, consideration of consumer-consumer linkages has much priority over marketer-consumer linkages because human connections provide the emotional values, products are only facilitators (Henry, 2008).

Customer Satisfaction: Concept and definition

By and large the importance of consumer satisfaction is accepted in literature, still there is lack of widely agreed definition of the phenomenon (McQuitty et al., 2000). Nadeem (2007) asserts that Customer satisfaction has been defined in several ways over the past 20 years, sometimes quite differently. For example, some researchers view satisfaction by emotion and affective feeling state, some say that it is a purely cognitive comparison of a product usage experience to one's expectations (Vanhamme and Snelders, 2001).

Westbrook (1987) and Oliver (1997) view satisfaction as affective feeling state of the customer towards a product, which reflects the psychological state of mind after using the product. Jun et al. (2001) suggests that satisfaction is best characterized as an overarching composite of meets expectations and affective feeling state.

The view of satisfaction in which performance expectations of the usage of a product meets expectations, has also received much attention by the scholars. (e.g. Oliver, 1980, 1996; Olshavsky and Kumar, 2001; Swan et al., 2003). More precisely it suggests that if performance expectations of a product are met, disconfirmation of expectations take place, which is the indication of consumer satisfaction (Swan et al. 2003).

Another view of consumer satisfaction is "affective feeling state" reflects positive feeling of consumers toward a product is also discussed in the literature repeatedly (Neal, 1999; Oliver, 1996, 1999; Harrison and Shaw, 2004; Chiou and Droge, 2006; Vargo et al., 2007). This idea is important because "affective feeling state" of any body is a powerful force which influences the motivations and behaviors of product repurchase (Westbrook, 1987; Harrison and Shaw, 2004).

Role in the Context of Firm

The three-factor structure of customer satisfaction provides important suggestion for firms (Berman, 2005; Matzler and Hinterhuber, 1998). It is argued that threshold of market entry is established by basic factors. If these factors are not on satisfactory level, there will be no customer satisfaction. Performance factors are more directly connected to needs and desires of customers, thus firm should be competitive. Finally, the excitement factors are surprisingly unexpected and create delight for the customer. A firm/company should try to become outstanding with respect to these attributes (Fuller and Matzler, 2008).

Kim et al. (2008) have concluded by different studies that when expectations of the customers are exceeded by the products than the repurchasing rate becomes high. The products that satisfy the customers, they will keep buying them again.

Levy and Weitz (2009) have also defined customer satisfaction in the retailing context that it's a "post-consumption evaluation of how well a product meets or exceeds customer

expectations''. Additionally, Bennett and Rundle-Thiele (2004) argued that satisfaction probably increases loyalty this evokes that satisfaction is the main requirement for customer loyalty and customer retention. Therefore, customer satisfaction has a great importance and point of interest for managers and firms.

Role in the Context of Customer:

Fornell (1992) advocated that the greater part of the satisfaction literature supports that customer satisfaction is an overall post-purchase evaluation by the customer. Similarly according to Anderson and Sullivan (1993) satisfaction is a overall judgment of customer regarding the extent to which product matches the expectations.

It is concluded that satisfaction is the affective response to the product/service experience after post-purchase evaluation by the customer (Oliver, 1992). Furthermore, satisfaction is considered a sound predictor for customer behavioral variables like loyalty, repurchase intentions and word-of-mouth recommendations (Eggert and Ulaga, 2002). Likewise, consumer satisfaction is a tool to intervene consumer learning because of previous experience. Satisfaction also helps the customer in explaining the post purchase behaviors, for instance, complaining about the product or word of mouth recommendations, repurchase intention, and product usage (Oliver, 1980.; Westbrook and Oliver, 1991).

Customer Loyalty: Concept and definition

Initially, customer loyalty was used to define through behavioral measure only. The behavioral measures included purchase proportion (Cunningham, 1966), purchase probability (Farley, 1964), product repurchase likelihood (Kuehn, 1962), frequency of product buying (Brody, Robert and Cunningham, 1968), behavior of repurchasing (Brown, 1952), sequence of buying (Kahn, Kalwani and Morrison, 1986), and different factors of purchase behavior (Ehrenberg, 1988; DuWors and Haines, 1990).

Oliver (1997) promoted four separate phases of loyalty by order. First, the existence of belief that a specific brand is preferable to others is known as cognitive loyalty. Secondly, based on satisfaction liking or favorable attitude is called affective loyalty. Thirdly, conative loyalty is composed of increase in behavioral intentions described by an intensive level of commitment (Hennig-Thurau, Gwinner and Gremier, 2002), (Janda, Trocchia and Gwinner, 2002) and (Zeithaml, Berry and Parasuraman, 1996). Finally, the action loyalty is referred to as the converting intentions into actions, along with the willingness to overcome barrier to these actions. Harris and Goode (2004) have also empirically calculated and verified the reliability and validity of these four items of loyalty measure.

It's therefore proved that existing researchers have supported the frameworks of loyalty in which both the behavioral and attitudinal components are incorporated and integrated (Aaker, 1991, 1999). Likewise, most of the literature on loyalty discusses both the attitudinal and behavioral dimensions of loyalty (e.g. Baldinger and Rubinson, 1996; Bandyopadhyay et. al., 2005; Day, 1969; Dick and Basu, 1994; Lim and Razzaque, 1997).

Aaker (1991, 1996) has concluded the importance of brand loyalty in creating brand equity that brand equity is the composition of brand loyalty, brand awareness, and other proprietary brand assets. Yoo et al. (2000) also agrees that brand equity can be produced by strengthening these components. Beside this, Bruhn and Grund (2000) have concluded that companies are facing a lot of competition, therefore, they are more focusing on customer loyalty instead of focusing on new customers.

As many researchers have evaluated that loyalty should have both attitudinal and behavioral components (e.g., Bowen and Chen, 2001; Fournier and Yao, 1997; Koo, 2003; Kumar and Shah, 2004; Macintosh and Lockshin, 1997; Pritchard et al., 1999; Rundle-Thiele and Mackay, 2001; Wong and Sohal, 2003). Rundle-Thiele (2005) further expanded that loyalty needs to be expressed by a wider scale of emotional and cognitive conditions, for example: attitudinal loyalty, behavioral intentions, propensity to be loyal, resistance to competing offers, complaining behavior and behavioral loyalty.

The importance of behavioral dimension of loyalty is well documented by Hammond et al. (1996) as they define it as consumers' repeat purchasing of a brand, which is revealed through patterns of continued patronage and actual spending behaviors. Chaudhuri and Holbrook (2001) also argued that behavioral loyalty consisted of repeated purchases of the brand. According to Ellinger et al. (1999) and Daugherty et al. (1998), Loyalty is a long-term commitment to repurchase involving both repeated patronage (repurchase intentions) and a favorable attitude (commitment to the relationship). Likewise, Oliver (1999) and McMullan and Gilmore (2003) have defined loyalty as a deeply held commitment to re-buy a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior.

Repurchase Intention

The issue of customer retention has gained the key importance for firms and the marketers because of high market competition. Retention of the customer is the strategy for long-term success and profitability as stated in the relationship marketing paradigm (Bhattacharya and Sen, 2003). A lot of studies have concluded that retaining customers leads to higher profitability (Reichheld and Sasser, 1990). Therefore, many organizations and research studies have been conducted on the topic of repurchase.

Blackwell et al. (2001) has concluded that the repurchase intention is special type of purchase intention, which also reflects whether the customer anticipates purchasing the same brand or the product again. Usually, loyal customers purchase more products from the same firm than disloyal customers (Verhoef, Franses and Hoekstra, 2002). Commonly the satisfaction of customer increases, the perceived benefits of switching to another firm decreases therefore repurchase intention increases (Anderson and Sullivan, 1993).

Khatibi et al. (2002) has referred Loyalty as the strength of a customer's intent to purchase again goods or services from a firm with whom customer is satisfied. Likewise, Loyalty is defined as a customer's intention or predisposition to repurchase from the same firm again (Edvardsson et al., 2000).

Word of Mouth Recommendations

There is a great importance of the loyal customer who establishes the word of mouth recommendation to others. It is the sharing of positive or negative impressions of customers for the goods they have experienced. It is normally recognized that word of mouth has an important and long lasting effect on individuals. Customer of a specific brand/ product sharing his/her positive impressions to others shows high level customer loyalty (Selnes, 1993). In addition, according to (Gremler and Brown, 1999) references of the loyal customers give formation to new customers.

Reinartz and Kumar (2002) recommended that the cost of assisting loyal customers is lower than disloyal customers and loyal customer is ready to spend more money. Moreover, a loyal

customer also performs as a powerful marketer for product promotion. Loyalty leads customers to offer unprecedented value to the firm through positive word of mouth (Dick and Basu, 1994; Hagel and Armstrong, 1997; Reichheld, 2003). Likewise, Sirdeshmukh et al. (2002) has described that consumer loyalty is indicated by an intention to perform a diverse set of behaviors that signal a motivation to maintain a relationship with a focal firm, including allocating a higher share of the category wallet to the firm, engaging in positive word-of-mouth and repeat purchasing.

Prus and Brandt (1995) have acknowledged that customer satisfaction drives customer loyalty and customer loyalty is the commitment to maintain a long-term relationship with a brand or firm, and exhibits the behaviors of repurchasing the same brand and recommending the brand to others. Therefore, when consumers are more satisfied with a product, they are more likely to repurchase the product/service and recommend it to others. Furthermore, when a consumer is intending to repurchase the product or service in the future, he/she also tends to recommend the product or service to other people.

Effect of Brand Tribalism on Satisfaction and Loyalty

Brands can be used to satisfy psychological needs (Ball and Tasaki, 1992; Belk, 1988; Fournier, 1998). Brands can also serve social purposes by reflecting social ties such as one's family, community, and cultural groups (Reingen et. al., 1984; Wallendorf and Arnould, 1988). As symbols, brands can add to and/or reinforce the way the consumer thinks about him or herself.

Thus, the set of brand associations create and define a consumer's self-concept. Reference group usage of a brand provides user image associations as well as psychological benefit associations for brands (Muniz and O'Guinn, 2001). Consumers construct themselves and present themselves to others through their brand. As a result, the set of brand associations is linked to the consumer's mental representation of self. Thus, the meaning and value of a brand is not only its ability to express the self but also its role in facilitating customers to create and build self-identities (McCracken, 1989) through developing connections to brands.

Sheth (1991) has proposed that customers select brands in order to satisfy their specific values. Further, Cova and Cova (2001) and Cova (1997) have concluded that in order to satisfy the desire for communion, tribally based consumers look out products/services more for their "linking value" rather than for utility.

Thus, customers, to satisfy their desire for communities, postmodern individuals seek products and services less for their use value than for their linking value (Godbout and Caillé, 1992). Similarly, customers seek satisfaction through emotions shared with others, through being with them, (Cova, 1997).

As customers become more involved in a product support community, they are likely to become more loyal to that product. Moving to a different brand imposes two costs on the customer. First, switching costs of learning a new or unfamiliar product without the support of the community could be daunting. Second, users will suffer social costs in lost connections with the previous group (Spaulding, 2009). Algesheimer et al. (2005), McAlexander et al. (2003) and Rosenbaum et al. (2005) have proved that the feeling of belonging to a brand community can have consumer loyalty. Likewise, Clemons et al. (2007) have argued that building loyalty through fantasy-oriented communities does not seem impossible, but has yet to prove very fruitful.

According to Bagozzi and Dholakia (2006), brand loyalty can also be influenced by firms through encouraging interactions with enthusiastic group of customers in a setting which is controlled and managed almost by the customers themselves.

Therefore, in light above existing literature our first pair of hypotheses is:

H1: Brand Tribalism has positive impact on customer satisfaction.
H2: Brand Tribalism has positive impact on customer loyalty.

Figure: 1 Research Model
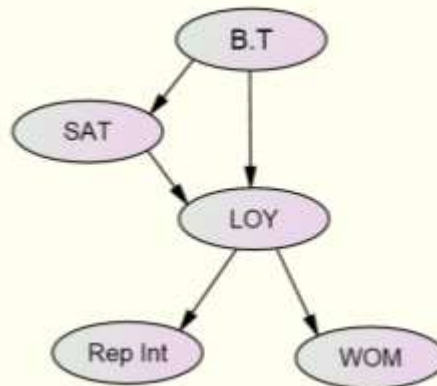
Effect of Customer Satisfaction on Customer Loyalty

Generally, it is a fact that there is a close and positive relation between customer satisfaction and customer loyalty. It is concluded by different researchers of various industries (e.g. Barsky, 1992, 1995; Dube et al., 1999; Lee and Hing, 1995) that customer satisfaction influences customer loyalty.

On the other hand, Oliver (1999) associates customer satisfaction with ''seed'', purposing that loyalty perhaps grow from satisfaction but not under every condition. This suggests that satisfaction is essential, no doubt, but not enough for loyalty (Egan, 2000; Mcllroy and Barnett, 2000). Satisfied customers may even go over if they get better value, convenience or quality from other alternatives (Egan, 2000). This relationship suggests that satisfaction is a proxy for loyalty (Bennett and Rundle-Thiele, 2004; Oliver, 1999; O'Malley, 1998) but even then it is an important one (Grnroos, 2001).

According to Bloemer and de Ruyter (1998) in the retail context, satisfaction plays an important role in generating customer loyalty. On the other hand Keh and Lee (2006) calculated the moderating effect of satisfaction on rewards in Loyalty programs, while Noordhoff et al. (2004) asserted that satisfaction may be an important aspect that influences customer loyalty in growing industries of retailing.

Groth and McDaniel (1993) believed that affective loyalty represents consumer loyalty to a specific brand all the way. Eisman (1990) defined action loyalty as consumers' satisfaction with regular purchases of a specific brand.

According to (Brady and Robertson, 2001; Oh, 1999; Eklof and Cassel, 2001; Hackl et al., 2000; Edvardsson et al., 2000) satisfaction is the cause of high customer loyalty. Therefore, it can be assumed that there is a positive relationship between customer's satisfaction and loyalty.

As Palmer (1998) asserts, there will be no favorable attitude by the customers towards a firm in the absence of satisfaction. A lot many other authors also (e.g, Gronholdt et al., 2000; Kristensen et al., 2000; Gerpott et al., 2001; Sharma, 2003; Bruhn and Grund, 2000) have illustrated that loyalty is positively affected by customer satisfaction. Vesel and Zabkar (2009) have also concluded that satisfaction has a very strong influence on loyalty.

Keeping all this in mind, we examine the influence of customer satisfaction on customer loyalty by the following hypothesis:

H3: Customer satisfaction has positive impact on Customer loyalty.

Effect of Customer Loyalty on Repurchase Intention and Word of Mouth (WOM) Recommendation

Customer loyalty is also defined as the intention to repurchase and to provide positive word-of-mouth. Customer loyalty involves the intention to keep with the firm and to provide positive word-of-mouth (Andreassen and Lindestad, 1998). Similarly, loyalty is referred to as the extent to which the customer intends to purchase again (Soderlund, 1998).

Oliver's (1997, 1999) research suggests that loyalty influences repurchase intentions. Anderson and Srinivasan (2003) have also defined customer loyalty as a customer's favorable attitude toward the retailer that leads to repeat buying behavior. Further, loyalty can sometimes lead the customers to provide unprecedented value to the company through positive word of mouth (Dick and Basu, 1994; Hagel and Armstrong, 1997; Reichheld, 2003).

When customers are loyal to one firm, they are delighted to recommend it to other customers, for example friends, family members, or colleagues (Verhoef, Franses and Hoekstra, 2002). Therefore, willingness of customer to recommend is a powerful sign of loyalty (Reichheld, 2003). In addition, customers act as warrantors and do not get any economic benefits from the firm. Usually, customer's own creditability comes at stakes. Therefore, when customer is strongly loyal to the firm, only then he or she risks his/her credits (Reichheld, 2003).

According to Bowen and Shoemaker (1998) and Tam (2004) customer loyalty is a key variable which is more related with the likelihood of a customer returning, making referrals, giving strong word-of-mouth and providing references and publicity as well. Likewise, loyal customers spread positive word-of-mouth and refer other customers (Reichheld and Sasser, 1990).

Loyal customers can generate extra revenue and profit, are less price sensitive and more likely to ignore competitor advertising. In addition, it is more expensive to attract new customers than to retain existing ones, who provide added benefits in the shape of referrals and positive word-of-mouth recommendations. Various interpretations of brand loyalty are in existence (Lin, 2010), as Sirdeshmukh et al. (2002) have defined loyalty in the more marketing context, as an intention to perform a diverse set of behaviors that signal a motivation to maintain a relationship with the focal firm, including allocating a higher share of the category wallet to the specific firm, engaging in positive word of mouth (WOM), and repeat purchasing. Soderlund (2006) states that repatronage intentions and WOM intentions are items of a unidimensional loyalty construct. Furthermore, he supports the arguments that repurchase intentions and WOM should be considered as separate constructs. Some other authors modeling repurchase intentions and WOM as independent constructs as well, like Blodgett et al. (1993), Gruen et al. (2006), Jones and Reynolds (2006), Maxham (2001), and Maxham and Netemeyer (2002 a, b).

In this context some authors have empirically tested the unidirectional effect of loyalty on WOM (Carpenter, and Fairhurst, 2005; Gounaris, and Stathakopoulos, 2004; Reynolds, and Arnold, 2000; and Sichtmann, 2007).

On the basis of these previous researches and conclusions, it is proposed:

H4: Loyalty has positive impact on repurchase Intention.

H5: Loyalty has positive impact on WOM\ recommendations.

Method

Sample and Data Collection

The customers of private car owners are selected to test the model. Car users are required to be using a specific company's car at least for two years so that their feelings about the brand could be concluded according to the model.

Primarily random sampling technique is used for this research by which all the members of the population have the equal probability to be selected, as the population under consideration is the users of Pakistani assembled cars.

Further more the population was divided into 4 non-overlapping subpopulations to make stratified samples i.e. users of Suzuki, Toyota, Honda and Other (Hyundai Santro and Cuore Daihatsu) brands, according to the proportion of brand's market share. Total 610 self completion questionnaires were distributed and collected back, 450 are included for analysis purpose.

I participants 90 % of the respondents were males and rests were females. Data was collected from the respondents living in 13 big cites of Pakistan, which includes the Capital of Pakistan, Islamabad. Capital cities of all the four Provinces i.e. Karachi, Lahore, Quetta and Peshawar. Besides these Abbottabad, Haripur, Mansehra, Azad Kashmir, Mianwali, Jehlum and Gujrat cities are also included. Respondents were categorized under six age groups starting from below 25 to above 45 years of age. Majority of respondents is between the ages of 26 to 40 years.

More than 50 % of the respondents were having Masters level of education, 1 % Ph.D level, 9 % Post Graduate level, 19 % Bachelor level and 9 % Intermediate level. Only 11% were lying below intermediate level. Participants are divided into three categorizes by nature of employment. Self employed are 40 %, Government and Private employees are 36 % and 24 % respectively.

Data has been collected according to the ratio of market share of the car brands. As Suzuki is enjoying 49 % of market share, therefore, 217 respondents selected were Suzuki brand users, out of 450 of the total sample size. Toyota brand respondents were 150, which show 33 % of market share, Honda users included in the survey are 56 in number showing 12 % of the market. Others include Hyundai and Cuore brands representing the 6 % of the market share. (PAMA 2011)

Measures

Previous studies are used as the base of measures for the variables defined in the model for this research. Brand tribalism, representing the dimensions of reference group acceptance, social visibility of the brand and degree of fit with the individual consumer life style were measured on scales applied by Veloutsou and Moutinho (2009). Satisfaction, measures were taken from Sweeney and Swait (2008) and Oliver (1997).

Loyalty, in this research reflects the affective notion of commitment, which includes the desire to maintain a relationship in the future. Based on the conclusion of Sweeney and Swait (2008), items were used for the measurement. Repurchase Intention, is the indication for the brand loyalty (Bettencourt, 1997). Items scales were selected, used by Kuenzel and Halliday (2008). Word of Mouth Recommendations, items are subset of broader context of loyalty developed by Zeithaml et al. (1996). Scale items to measure WOM recommendations selected for this study were also used by Sweeney and Swait (2008). All under consideration items for the study were measured on 7 point Likert scales.

Reliability and Validity

All the six variables were tested on Cronbach Alpha and found its coefficient values ranged from .72 to .85, which is

generally acceptable given by Nunnally's (1978) suggestion minimum level of 0.70. It means that all constructs are consistent internally and measure the same construct. The average variance extracted achieved the minimum requirement of 0.50 (Fornell and Larcker, 1981) in all the cases. The last item of WOM was deleted by which the Alpha va4.4.

Convergent Validity

onvergent validity is the degree of association between two different measurements that claim to measure essentially the same thing. (Davis 2005). Fundamentally the new measure being tested should have close relationship to what is meant by the everyday usage of the term, which is represented by the criterion measure i.e. it should "converge" with other similar measures.

Convergent validity of factor was investigated by examining the standardized factor loadings. According to Hair, et. al. (2006) factor loadings should be .50 or higher, and ideally .70 or higher for the evidence of convergent validity of the constructs.

Brand Tribalism having three sub-factors, i.e. "Life Style" factor loading were .76, .60, .70, "Reference Group" factor loadings were .55, .83, .84, .50 and "Social Visibility" factor loadings were .56, .98. Loadings for "Satisfaction" factors were .80, .75, .76 and .80. Likewise factor loading for "Loyalty" obtained were .57, .76, .77, and .78. Loading for "Repurchase Intention" factors observed were .76, .54 and .77. Finally the factor loading for "Word of Mouth Recommendation" found were .82 and .83. All the factor loadings are supporting good convergent validity.

Discriminant Validity

Ciscriminant validity is the extent to which a construct is truly "different" from other constructs i.e. differentiation between scales purporting to measure different concepts (Davis 2005). Discriminant validity is the degree to which concepts that should not be related theoretically are, in fact, not interrelated in reality. The higher the discriminant validity the stronger the evidence that the construct is unique and "captures some phenomena other measures do not" (Hair et al. 2006).

Davis (2005), Anderson and Gerbing (1988), state that, Discriminant validity can be assessed for two estimated constructs by constraining the estimated correlation parameter between them to 1.0 and then performing a chi-square difference test on the values obtained for the constrained and unconstrained models. Joreskog (1971), Anderson and Gerbing (1988) suggest that discriminant validity could be assessed by constraining the correlation between each pair of factors to unity. If the χ^2 difference between the constrained and unconstrained models is statistically significant, it is likely that the correlation for the given pair of factors is indeed not one.

Table 2 explains that all the constructs in the model have significant $\Delta \chi^2$ values which consequently show discriminant validity.

In this study adopting the procedure of Verhoef et al. (2002), we also evaluated all the constructs of measurement model through confirmatory factor analysis. The results showed that the proposed model presented a good fit to the data. The values of χ^2 = 448, df = 196, RMSEA = .054, NFI =. 902, CFI = .942, explains goodness of fit of the data. Beside this correlation (Table 3) is a statistical technique that can show whether and how strongly pairs of variables are related.

Path Analysis

Path analysis and SEM are extensions of the general linear model (GLM) that enables a researcher to test a set of regression equations simultaneously. A key feature of SEM is that observed variables are understood to represent a small number of "latent constructs" that cannot be directly measured, only inferred from the observed measured variables (Byrne 2002).

In this study the path analysis is done with help of Structural Equation Modeling using AMOS 17-version (Analysis of Moment Structure). The structural model shown in figure 2, found to be good fit models after examining and comparing the fit indices with the recommended values. In structural model Chi-square (χ^2) = 620.4, df= 201, Normed Chi-square, χ^2/df = 3.08, NFI= .864, TLI= .889, CFI= .903, GFI= .882, AGFI= .852, RMSEA= .068.

The values provides sufficient evidences for the goodness of fit for the structural model, therefore it is easy to precede for the path coefficients examinations. Properties of causal paths which includes standardized path coefficients (regression weights) showing direct, indirect and total effect of exogenous constructs on the endogenous constructs of the structural model in Table 4.

Figure: 2 Structural Path Diagram
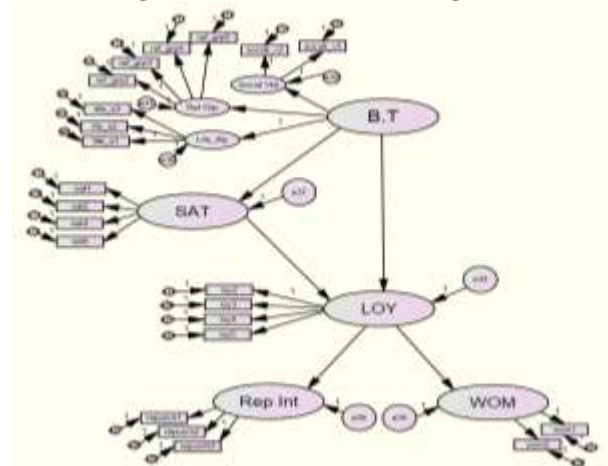
When an exogenous variable has an effect on the dependent variable, through the other exogenous variable, then it is said to be an indirect effect. To see the total effect of the exogenous variable, we have to add the direct and indirect effect. In path analysis, one variable may not have a direct effect, but it may have an indirect effect. All effects of each variable in structural model are highlighted as below.

In Path Model, Brand Tribalism was found to be very significant factor in determining satisfaction and loyalty (β =.95 and β =.62, P < 0.001) verifying H1, that is Brand Tribalism has positive impact on customer satisfaction and H2, Brand Tribalism has positive impact on customer loyalty as well.

The third hypothesis H3 was "Customer satisfaction has positive impact on Customer loyalty", is also supported (β =.28, P < 0.001) in model. Effect of Loyalty on Repurchase Intention in structural model (β =.78), which is showing a positive and strong impact, hence H4, Loyalty has positive impact on repurchase intention is verified. Effect of Loyalty on Word of Mouth Recommendations calculated in the model is (β =.82), which is also demonstrating a strong positive impact.

Thus statistically it is proved Brand Tribalism plays a vital role in making customer satisfaction and customer loyalty that ultimately generates the customer's behavioral and attitudinal loyalty i.e Word of mouth recommendation and Repurchase intention.

Discussion and recommendations

Hypotheses have been tested for car industry of Pakistan, in which customers have a quasi-membership status, and the users of cars as compared to other products have relatively high switching costs.

Table: 1 Reliability Analysis of Items

Scale	Alpha Value	Sub-Scales/Items	Alpha if item deleted	Average Variance
Brand Tribalism	.78	Degree of fit with the individual's life style:		
		My car brand is right for me	.73	
		Using this brand does something good for me	.74	
		My car brand fits my image	.71	
	.80	Reference group acceptance:		
		I am very loyal to this brand because my friends/relatives/colleagues also use it	.74	
		My friends/relatives/colleagues have this brand and I have too just because I want to be like them	.72	2.09
		I achieve a sense of belonging by having the same brand my friends/relatives/colleagues have	.72	
		I often discuss with friends/relatives/colleagues about this brand	.79	
	.75	Social visibility of brand:		
		I know many people who own/use this brand	.71	
		I know that people feel good about this brand	.72	
Satisfaction	.87	I am satisfied with my car brand	.83	
		My choice to use this brand was a wise one	.84	1.52
		Using this brand has been a good experience	.83	
		I have truly enjoyed using my car brand	.84	
Loyalty	.85	The relationship I have with My car brand is something I really care about	.82	
		The relationship I have with My car brand is very much like being a family	.84	
		The relationship I have with My car brand is something I will spend every effort to maintain	.81	1.68
		The relationship I have with My car brand is something I am very committed to	.81	
Repurchase Intention	.73	I aim to buy the same car (up model or latest)	.56	
		I would consider buying other Car Model (different shape/cc) from the same Brand	.72	2.86
		If I need one another car, this brand would be my preferred choice	.62	
Word of Mouth	.76	I say positive things about my car brand to other people	.67	
		I would recommend my brand to someone who seeks my advice		1.64
		I would encourage friends and relatives to do business with my car brand manufacturer	*.57* *.81*	

Table: 2 Chi-Square Difference: Measurement Model

Model	χ^2 unconstrained	χ^2 constrained	$\Delta \chi^2$	Sig.
Brand Tribalism and Satisfaction	569.2	629.8	60.6	.000
Brand Tribalism and Loyalty	559.1	713.3	154.2	.000
Brand Tribalism and Word of Mouth Recommendation	500.2	588.1	87.9	.000
Brand Tribalism and Repurchase Intention	510.2	582.7	72.5	.000
Satisfaction and Loyalty	75.2	277.4	202.2	.000
Satisfaction and Word of Mouth Recommendation	33.2	75.6	42.4	.000
Satisfaction and Repurchase Intention	46.0	156.8	110.8	.000
Loyalty and Word of Mouth Recommendation	37.7	192.7	155.0	.000
Loyalty and Repurchase Intention	41.7	189.0	147.3	.000
Word of Mouth Recommendation and Repurchase Intention	14.6	104.9	90.3	.000

Table 3. Correlation Matrix of Measurement Model

	Items	1	2	3	4	5
1. B.T	9	1	.945	.735	.792	.813
2. SAT	4	.945	1	.706	.711	.866
3. LOY	4	.735	.706	1	.625	.624
4. REP	3	.792	.711	.625	1	.710
5. WOM	2	.813	.866	.624	.710	1

Table: 4 Effects of Variables in Structural Model

	Direct Effect				Indirect Effect				Total Effect			
	SAT	LOY	REP	WOM	SAT	LOY	REP	WOM	SAT	LOY	REP	WOM
B.T	.95	.62				.26	.69	.72	.95	.88	.69	.72
SAT		.28					.22	.23		.28	.22	.23
LOY			.78	.82							.78	.82

Findings of structural model remarkably suggest that brand tribalism has significant impact on customer satisfaction and has a noteworthy impact on the customer loyalty as well. In addition brand tribalism is source of generating WOM recommendations and Repurchase Intention by the current customers.

Results also show that satisfaction positively influences loyalty which is similar to the conclusion drawn by Noordhoff et al. (2004) asserted in the growing industries. Findings of satisfaction on WOM and Rep Int. further strengthens the conclusion drawn by Kim et al. (2009) & Brown et al. (2005) in the service context that customer satisfaction increases return intention and WOM recommendations

Therefore, it is concluded that brand tribalism (reference group acceptance, degree of fit with life style and social visibility of brand) is a important factors in making long term relationship, in the shape of customer's loyalty for the products.

Finding of this research recommends that phenomenon of brand tribalism is an important variable in creating loyalty and sustainable relation with customers. Customer relationship marketers must recognize the role of brand tribalism and promote such activities which promote the culture of consuming and sharing the experience with others. Furthermore, firms should interact with the current customers and their reference group for forming broader brand tribe.

This study is conducted on only one type of product used by the customers of Pakistan, therefore, its results can't be generalized for all products, services or situations of every market.

The sample included for the research had a constraint of using his/her car brand for at least two years. These results may differ in the context of services or products in which customers use or consume them for quite shorter period of time, e.g. hotel or transport services.

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