ABSTRACT

Social media marketing is now becoming a mean for a business to understand the customers purchasing behaviour and to gain insight into why customers feel the way they felt about a certain brand. Through social media marketing, it helps the company to develop two-way communication with the consumers through social media marketing, and it gives the business better communication ground with the customers to establish brand loyalty. Generation Y has a solid impact on the life of the organization, as a client, in industry and as staff, but also on the overall community growth. As a customer, Generation Y is conversant with a communications revolution transforming business, education, healthcare, social relations, entertainment, government and any other institution. Therefore, in order to increase the brand loyalty between Generation Y, businesses need to ensure that the social media marketing used by this generation can create better communications grounds for both businesses and this type of generation in the long run by using effective use of time and resources. Hence, it will also allow businesses to create a stronger conversation with Generation Y, fine-tune the advertising message and sustain the position of the product in the online retailers.

INTRODUCTION

Most businesses aimed at building and maintaining memorable brand loyalty of their
product and service generate more profits in the long run. Businesses have used different means to sustain their consumers' brand loyalty, including brand features, traditional advertising blend factors and innovative marketing strategies such as conferences, sponsorships, internet marketing, and social media marketing (Keller, 2008; Kotler & Keller, 2007). Most businesses will aim for having high brand loyalty. Brand loyalty, as described by Aaker (1991), is a customer's commitment to a brand and represents a positive disposition towards products that contributes to the brand's continuous purchase over time. As brand gain exclusive, positive and prominent meaning in the minds of many customers, they become irresistible and irreplaceable and win the loyalty of the customers. In return, brand loyalty adds sales revenue, the share of the market and profits to the business and enables them to expand or at least stay on the market (Keller, 2008; Aaker, 1991; Kapferer, 1997). One of the efforts done to increase brand loyalty is via social media marketing.

Social media refers to activities, practices and behaviours within online communities who use conversational media for information, knowledge and opinion sharing (Safko & Brake, 2006). These activities relate to several attributes. Social media were built based on Web 2.0 traits which are participating, interactive, knowledge sharing and web-based user-friendly tools (Erdogmus & Cicek, 2012).

Social media becomes a consumer analysis centre as companies begin to understand the purchasing habits of consumers and gain insight into why customers feel the things they do about other brands (Rockendorf, 2011). These opportunities allow businesses to engage with the customer, fine-tune the marketing message and sustain the presence of the brand in the online marketplaces (Evans & McKee, 2010). Therefore, with the efficient utilization of time and resources, it will offer improved ways for companies to connect with customers in order to create loyalty outside old-style marketing strategies (Jackson, 2011; Akhtar, 2011). It is because, social media marketing shifts the paradigm of traditional marketing from "trying to sell" to "making a connection" with the customer (Gordhamer, 2009). Based on Info-graphic's report, half of Twitter and Facebook users informed that they are more likely to talk, promote or buy the products of a company after they have started to connect with the brand on social media (Jackson, 2011). Hence, social media allows customers to exchange product and service brands details with their peers (Stilemen, 2009; Mangold & Foulds, 2009). Such communication networks are an alternative profitable way for companies to improve branding awareness, enhance brand gratitude and remembrance, and improve loyalty (Gunelius, 2011).

Staying relevant in the fast-moving market world of today requires a strong plan for social media. Empirical evidence indicates that social media use can help organizations significantly (Siamagka et al., 2015). Marketing in social media can create higher brand attitudes and buy intentions than conventional digital media (Colliander & Dahlen, 2011). Customers recognize social media as more reliable than any other information sponsored by organizations and thus increasingly turn to social media to obtain more information about products and services (Foux, 2006). Capitalizing on the influence and perceived trustworthiness of social media, more and more companies have social media to connect consumers with their products and brands (Mangold & Faulds, 2009). Due to their potential to spread viral messages, social networking platform have also been extensively used as a marketing communications tool (Bampo et al., 2008) and generating words of mouth (Trusov, Bucklin & Pauwels, 2009). Despite all the benefits mentioned above, today's customers are more powerful and busy. Businesses should be reachable and accessible on each social media platform at any time (Gordhamer, 2009). Customers perceived social media as a services
network in which they can communicate with companies in real-time (Leggat, 2010). Thus, to successfully managing a brand, social media contents need to be updated periodically because the customers prefer to see updated and relevant content and the content that is not relevant and not updated will be filtered out by them (Brito, 2011). In addition, social media success and content among other users added important reasons for the consumer to interact with social media with the product. Any negative and positive statement made by potential, actual or former customer about the company, the product can influence another buying behaviour (Balakrishnan, Mohd Irwan & Wong, 2014). Moreover, due to the increase of social media available to the customers, it is impossible to involve in all of them. Businesses should be able to evaluate their target audience and determine the most effective communication channels for their customers (Balakrishnan et al., 2014).

**LITERATURE REVIEW**

**Social Media Marketing**

Social media are digital technologies, channels and media that are designed to facilitate communication, collaboration and content sharing (Richter & Koch, 2007). Social media involves both the conduits and the distribution of information through communication between individuals and organizations (Keitzman, Hermkens, McCarthy & Silvestre, 2011) via weblogs, social blogs, microblogging, wikis, podcasts, pictures, video, rating and social bookmarking (Kim & Ko, 2012). As the use of social media increases exponentially, not only existing social networks, most businesses are joining and using social media as communication tools for advertising and marketing with their customer (Kim & Ko, 2012). Through social media, businesses can gain rich, immediate consumer insight, faster than ever before and can foster loyalty through networking (Hudson, Martin, Madden & Hudson, 2015). Social media marketing enables businesses to manipulate user-generated content to enhance brand post popularity (Vries, Gensler & Leeflang, 2012), Predicting their customers’ potential purchase behaviour correctly (Kim & Ko, 2011), attracting new buyers (Michaelidou, Siamagka & Christodoulides, 2011), developing brand awareness, boosting sales and building loyalty (Castronovo & Huang, 2012). Social media has not only made consumers more knowledgeable and helped them develop new strategies in the search, analysis, choice and purchase of goods and services (Albors, Ramos, & Hervas, 2008).

**Features of Social Media Marketing**

Most businesses employ the specialists and consultants to determine the content and features of their social media to make sure that customers’ hearts and minds are taken, and loyalty supported (Coon, 2010). Social media marketing consists of favourable campaigning, useful content, content awareness, and the use of social media appears on various platforms.

Businesses seeking to execute a successful social media campaign must take into account the advantages, principles, incentives they could give to the consumer in their campaign and what makes the customer more likely to be loyal to their brand (Erdogmus & Cicek, 2012). Previous eMarketeter research has shown that customers go to social media to follow the product and promotional campaigns of a brand (Mangold & Foulds, 2009; Leggat, 2010). Companies and product promotions should be enjoyable, entertaining, doing what other companies did not think of when interacting on social media platforms with customers. Therefore, companies may need to work on creating more interactive, participatory, exciting applications, games, content on their social media campaign to attract the attention of their customers (Erdogmus & Cicek, 2012). Pepsi and Coca-Cola, for example, have used online customer
loyalty services as a promotional campaign to attract consumers by providing special promotions, free Mp3 downloads, CDs and so on (Mangold & Foulds, 2009).

In fact, consumers also like to see on social media new and relevant content. Providing appropriate and up-to-date content is one of the main methods for effectively building brand loyalty on social media (Erdogmus & Cicek, 2012). Since consumers see social media platform as a network platform to connect with companies on the simultaneous basis (Leggat, 2010) and if they are exposed to many product posts on social media platforms, they can screen out non-relevant content (Brito, 2011). Businesses need to keep up-to-date on what consumers are interested in, their habits, and the current life forecast. Therefore, businesses need to perform qualitative research and evaluation to understand their customers’ behaviour and transfer this knowledge to the social media platform (Erdogmus & Cicek, 2012). For example, Google has modified its search system’s algorithm so that users can first see the latest content (Freidman, 2011).

In fact, the success of the social media platform and the posts of other users is another important reason for consumers to engage in social media brands (Erdogmus & Cicek, 2012). According to Cheung, Chan and Rabjohn (2008), more and more customers use social media such as an online discussion forum, customer review sites, weblogs and social network sites for reviews, share their experiences, exchange product information, and expressing their satisfaction of using the product. Good or bad information is shared with the click of a button. Customers are likely to share positive and negative experiences with the people closest to them and a happy customer can help to attract new customer at virtually no cost (Harris, 2014). Word-of-mouth plays a major role for consumers in interacting with the products of corporations and is a powerful tool for influencing people and can also affect their consumer behaviour (Balakrishnan et al., 2014). The effect of word-of-mouth on advertising, especially in the online environment, is not negligible (Gruen, Osmanbekov & Czaplewski, 2006). In turn, businesses can offer opportunities for users to spread the word about their existence, project, or advertising on between peers in order to increase the visibility of the social media platform used. For example, popular and well-known social media platform such as Facebook, Twitter and Instagram can be used by businesses as an effective means to inform customers about their product and services quickly (Harris, 2014).

The brand loyalty of consumers is also positively affected by the various platforms and services that the company provides on social media. Customers are requesting on social media for creative reasons, diversity and discrepancies (Erdogmus & Cicek, 2012). As there are many social media platforms and it is hard to include all of them, companies need have their targeted viewers and decide to involved in the most efficient channels to communicate with them (Kim & Adler, 2011). The efficient smartphone and other mobile devices have given rise to many and many more social media applications in the stream (Yadav, Joshi & Rahman, 2015). Social media application on mobile, provide important data on offline consumer habits. Businesses can now easily get the check-in details of the customer such as age, gender, frequency of visit, and consumption behaviour in their outlet and their experience can be seen by the comments of the customer (Yadav et al., 2015). For example, Foursquare application awards the status of “Mayor” to a customer who is regularly checking-in at a location for the last 60 days and to enhancing their brand loyalty, Domino’s Pizza offers the “Mayor” at each of their restaurant locations, a free pizza for every Wednesday (Clifford, 2010).
Social Media Marketing on Luxury Brands

Development of technology supports the fashion world by attracting customers to engage with brands. The engagement with fashion brands in items via tweets, blogs and networking make the inclusion of luxury brands in the current trend (Kim & Ko, 2012). Interaction with customers, social media sites through Facebook and Twitter create a welcoming interest, belongingness for a brand and excites the wants of customers for luxury (Kim & Ko, 2012).

Social media use of luxury brands began to grow in 2009. Gucci created the “Guccieyeweb.com” website of a diverse social network while Gucci launched a new line of sunglasses targeting online age consumers. Gucci is updating its Facebook as frequently as twice a day and tweeting on Twitter regularly. Following Gucci’s theme, later that year in November, Burberry unveiled a social network site named “Artofthetrench.com” for non-commercial purposes; enjoy the quality of their coats and build Burberry fans when interacting with consumers their community. Online sales improved after the websites were launched and digital customer engagement culminated in a greater outlook for Burberry as Burberry produces more product stories (Samsung Design Net, 2009).

Later, Dolce and Gabbana would use social media for direct customer input. They welcome fashion’s bloggers to fill the front seats of their fashion show and the bloggers immediately share reviews from the show on Facebook and Twitter. In doing so, customers can see their beloved brand modelled straight without the participation of fashion’s editors or merchandiser and builds purchase intention. Chanel, Louis Vuitton, Yves Saints Laurent, Stella McCartney and other fashion tycoons now have Facebook as well as a Twitter account (Kim & Ko, 2012).

Brand Loyalty

Brand loyalty is the commitment of a customer to a brand, retailer, supplier, service provider or other organization based on positive behaviours and behavioural responses such as frequent purchases (Baran, Galka & Strunk, 2008). In essence, brand loyalty is described as customer behaviour characterized by repeated transactions, willingness to refer others to a product or service, willingness to encourage others to use a product or service, and willingness to suggest an improvement of the product or service (Heskett, 2002).

Now the company must know that having satisfied customers is not enough and they need to have very satisfied customers (Bowen & Chen, 2001). A slight increase in customer satisfaction has therefore drastically improved customer loyalty (Bowen & Chen, 2001). The theory is that pleasing consumers are not enough to maintain them, because even satisfied customers in many sectors suffer at a high rate (Fisk, 2002). The need to keeps the customers is an important issue nowadays global marketplace (Gee et al., 2008). To keep the customers, an organization must forge customer loyalty and long-lasting relationships with profitable customers (Gee et al., 2008). They also suggest that customer loyalty is rapidly becoming essential for the marketplace of the twenty-first century, according to Singh and Sirdeshmukh (2000). In this sense, building customer loyalty is a valuable defence against competitive challenges (Lassar et al., 2000). Anderson and Narus (2004) also agree that brand loyalty is a more effective business approach than continually trying to get new customers to replace dissatisfied clients. Clearly, acquiring a new customer costs five times more than retaining an existing one (Pfeifer, 2005).

For a company to keep its current customers, brand loyalty is important. It’s because brand loyalty can provide the company with several advantages. Loyal
customers are less price-sensitive, advertising costs are reduced to attract new customers and corporate productivity is increased (Rowley, 2005). According to Hoffman, Czinkota, Dunne and Griffin (2003), the repurchasing activity of loyal customers accounted for 95 per cent of the income. Raman (1999) and Bowen and Chen (2001) reported that, by making recommendations and promoting good word of mouth, loyal customers act as a “fantastic marketing force”. Loyal customers are very valuable marketing tools for the organization. Loyal customers told their friends and families about their positive experiences and help to create new businesses and continually increase revenue for the organization (Keang, 2007). Loyal customers purchase a widespread of the products and services by making frequent purchases. In terms of price, loyal customers do not switch to other rivals and they make more transactions compared to other customers (Dahlsten, 2003). Consumer repurchase activity is seen as a kind of loyalty which, according to Law, Hui and Zhao (2004) and Oliver (1997), is a strong commitment to regularly patronize a service in the future.

Measures of Brand Loyalty

Brand loyalty consists of two separate dimensions: behavioural, and attitudinal loyalty (Carev, 2008). Behavioural tests use ongoing, repetitive buying behaviour as a retention indicator (Bowen & Chen, 2001). It interprets in a general pattern of customer behaviour directed at a brand over time (Bowen & Shoemaker, 1998). Researchers such as Ehrenberg, Goodhardt, and Barwise (1990), and Krisnamuthi and Raj (1991) measured loyalty exclusively on behavioural dimensions. The problem with this type of measurement, as Dick and Basu (1994) pointed out, is that it provides a limited understanding of the factors underlying repeat purchase. Nevertheless, TePeci (1999) also states that repeated purchases by the customer are not the result of the brand’s physiological commitment. For example, because it is the most convenient location, a consumer may shop at the supermarket. When a new store opens across the way, people change as better value is provided by the new store. Repeating sales, therefore, do not necessarily mean commitment (Bowen & Chen, 2001).

The attitudinal measurement uses data to replicate the emotional and physiological attachments essential to loyalty. The measurements are concerned with the sense of loyalty, engagement and allegiance (Bowen & Chen, 2001). There are instances when a customer holds a favourable attitude towards products or services, but for some reasons, he/she does not own it (Toh, Hu, & Withiam, 1993). A customer could hold the product and services in regard, recommend it to others, but feel the products or services was too expensive for him/her to use on a regular basis.

Types of Loyalty

Both the views of behavioural and attitudinal loyalty can be combined into a comprehensive model of customer loyalty (Buttle, 2006). The best known is Dick and Basu’s model as shown
in Figure 1. These authors identify four forms of loyalty, according to relative attitudinal strength and repeat purchase behaviour. The true loyal are those who have high levels of repeat buying and a strong relative attitude (Buttle, 2006). According to Baran, Galka and Strunk (2008), true brand loyalty is based on a strong positive “effect” towards the brand; i.e., liking and preferences. High repeat purchase not associated with strong attitude may reflect inertia, high switching costs or indifference (Buttle, 2006). Latent loyalty exists when a strong attitude is not accompanied by repeat buying (Buttle, 2006). Latent loyalty characterizes a consumer who has positive feelings towards a brand, but, for a variety of reasons does not buy it; for example, someone who would like to buy an Audi but cannot because of finances (Baran, Galka & Strunk, 2008). Despite that, spurious loyalty is the same as inertial loyalty, whereby the customer will continue to repeat purchasing the brand because it is the only brand sold in the market (Baran, Galka & Strunk, 2008). However, when there are no feelings towards the brands within a particular product category and consumer purchases, whichever brand the store sells (coffee filters, vegetable oil, sugar), there may be no loyalty at all (Baran, Galka & Strunk, 2008).

**Figure 1** Dick and Basu’s two dimensional model of customer loyalty

**Generation Y**

Made between 1980 and 2000, Generation Y or Net Generation is referred to, are described as bathing in bits for the first generation (Tapscott, 2009). Generation Y is more familiar with technology than their parents are, so they are more likely to be digital customers or social media users (Leung, 2013). This generation has grown to grasp the digital economy, bombarded with knowledge and news skills. Generation Y is also familiar with a digital transition that changes the industry, education, healthcare, social relations, media, government and any other organization relative to any previous generation (Lenhart et al., 2007).

Generation Y has a solid impact on the life of the organization, as a client, in industry and as staff, but also on the overall community growth (Corodeanu, 2015). The leaders are on the verge of reaching the workforce and becoming a successful buyer group with rising purchasing power (Schroeder, 2012). In fact, Generation Y participants are the subject of numerous sociological research, their features and attitudes being the basis of the policies of both retailers (how to draw them as customers) and administrators of human resources (how
to pick, motivate and maintain them in the organization) (Corodeanu, 2015). Generation Y is currently chased by firms because its market potential is extremely high: 70 million US buyers (Armour & Blass, 2005) and over 500 million Chinese buyers (Kozicki, 2012). Big brands adapt their products and give to the beliefs, attitudes, responses and habits of Generation Y (Corodeanu, 2015) information provided by surveys.

As a customer, a member of Generation Y can get impatient and need fast information and instant gratification (Gibson, 2012). They benefited of “the increased availability of customized products and personalized services” (Bolton et al., 2013) and they “demand for every element to personalize according to their own taste” (McDonald, 2013). According to a recent study by Balkans.com (2013), young Romanian customers (18-24 years old) can be easily influenced: 62 per cent demand advice before purchasing a product, 52 per cent give advice to friends and 32 per cent search information online. They are strongly influenced by their peer group and by “word of mouth” publicity through modern technology (Griffin, 2009).

**PROPOSED CONCEPTUAL FRAMEWORK**

Figure 2 shows the conceptual framework of this research. It includes the independent variables on the left side of the framework and the dependent variable on the right side. All the independent variables and dependent variable will be based on the findings in the literature review presented in the early part of this research.

The independent variables in this research represent the measure that reflects the outcomes of this research study. It is the treatment or conditions that the researcher has either direct or indirect control over the effect on a particular outcome. The independent variables in this research will be the social media marketing. It is because social media marketing is expected to influence the relationship of the dependent variables which is brand loyalty. Dependent variables in this research are the variable that reflects the outcome of a research study.

Independent variables should be independent of each other while the dependent variable should be sensitive to changes in different levels of the independent variables. As part of social media marketing, there are four (4) components represented as independent variables comprising of favourable ads, relevant content, content awareness, and it exists on various platforms providing functionality on social media. Those elements will be used to investigate the relationship on particular outcomes which is brand loyalty.

Meanwhile, Generation Y is the moderating variable in this research. The interacting variable is the variable that moderates. This variable is related to the variable dependent or independent variable and has an impact on the variable dependent.
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