

Journal of Management Info

Journal Homepage: http://readersinsight.net/JMI



Research Article

Analyzing the impact of brand image on customer loyalty

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ABSTRACT

An entrenched brand name can assist consumers in comprehending the practical aspects, fostering confidence during purchasing decisions, and building a sense of loyalty by consistently delivering groovy memoir to customers. This research immersed on analyzing the factors that have enormous percussion on customer loyalty within the renowned and globally recognized Nike brand. Based on the enlightenment of modern research in the areas of branding and consumer loyalty, in combination with the adoption of attachment theory and social identity theory, the purpose of this study is to assess how Nike's brand image affects consumer loyalty. To achieve this objective, three distinct variables were considered: brand awareness, product quality, and emotional value. Their reverberation on customer loyalty was then explored as the dependent variable. The study follows the positivism research philosophy and utilizes a non-probability convenience sampling technique. Data is collected from 161 respondents using a 5-point Linkert scale questionnaire administered through Qualtrics XM online survey software. Validity and reliability tests are conducted on the collected data before employing demographic analysis, correlation analysis, partial least square structural equation modelling, and Importance-Performance Map Analysis to address our research inquiries. Software such as SPSS and Smart-PLS are employed to assort the data and then to explain and interpret the findings. The primary outcomes of this study indicate a positive association between brand awareness and customer loyalty, although the effect is statistically insignificant. Conversely, product quality and emotional value exert a significant positive impact on customer loyalty. This research offers several policy recommendations for the top-tier management of Nike, suggesting that they should maintain their name recognition while placing a greater emphasis on improving product quality. Furthermore, it is worth noting that this research has certain limitations, such as a sample size of only 161 responders, which is rather tiny. Regarding potential avenues for future research, it is recommended to take into account factors like brand equity or brand love as potential mediators within the existing framework to acquire a more embracive assimilation of customer loyalty investigation. Additionally, employing advanced techniques such as Fuzzy-set qualitative comparative analysis (Fs/QCA), which offers an alternative approach to traditional econometric modeling and allows for analysis with larger sample sizes, may prove ameliorative strategy.

Keywords: Consumer Loyalty; Brand Image; Brand Awareness; Emotional Value

Submitted: 30 October 2023

Revised: 17 December 2023

Accepted: 25 December 2023

1. INTRODUCTION

Consumer trust in a brand is an important factor influencing their purchasing decisions. Brands that consistently satisfy customer needs can cultivate loyalty among their customers. To explore the factors that contribute to customer loyalty, this study focuses on Nike, a widely recognized and dominant brand in the sportswear market. Known for its high-quality athletic apparel, Nike has established a strong presence globally and appeals



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to sports enthusiasts of all ages and demographics. Adidas is the brand that comes in second place to Nike, holds significant market share as well within the sportswear industry at large. The facts proclaimed by Kamble and Behera (2021), insinuated that Nike emerged as the leading company globally in terms of footwear sales from 2016 to 2019. The statistical information shows that Nike's total revenue reached \$25 billion in 2019, solidifying its image as the premier sports footwear brand across all genders categories. In 1964, Phil Knight and his coach Bill Bowerman launched Blue Ribbon Sports, which laid the foundation for the American sportswear business. Nike wasn't officially adopted until 1971. Due to the diverse range of styles and designs available, Nike sneakers are often considered highly appealing to consumers from various backgrounds. Nike's dedication to constant product enhancement results in consistently positive customer feedback, fostering strong brand loyalty towards Nike products (Zarfandi & Budiarti, 2022).

The sportswear industry has experienced significant growth and longevity as an outcome of people more buckled down to health and fitness. Nike, a multinational corporation renowned for its design, manufacturing, production, and global marketing of footwear, clothing, and athletic products (al-Sadati et al., 2016) contributes to this thriving industry. With their product range encompassing sports shoes, apparel, gear, and accessories along with impressive sales figures of \$49.107 billion in November 2022 and an extensive workforce exceeding 79,000 employees worldwide; valued at \$180 billion in the same year; Nike holds its position as the leading manufacturer in the field of sports goods globally (Nike net worth 2010-2022: NKE).

This study aims to build upon a previous investigation that examined the affiliation between brand image and customer services. By exploring how brand image affects consumer behavior, as well as its impact on consumer perceptions such as loyalty and satisfaction, this study aims to advance understanding of this field. Limitations identified in prior studies regarding the sway of brand image on customer loyalty were instrumental in motivating the need for conducting this study. The purpose of the study is to look into how brand awareness, product quality, and emotional values affect loyalty among customers. Additionally, it seeks to determine strategies for improving brand image and fostering customer loyalty.

2. LITERATURE REVIEW

This study's goal is to scrutinize the key theoretical concepts in three main areas: brands, brand image, and consumer loyalty.

2.1. Brand Image and Customer Loyalty

After the notion of "experiential marketing" was first presented, the phrase "brand image" was eventually developed. Rendering to Lari et al. (2021), brand's image is built upon the collective memories of its customers. This idea aligns with Xu et al. (2021), research findings which highlight the significance of people's perceptions and beliefs in shaping a company's brand image. The key elements of brand image, namely favorability, strength, and uniqueness of brand image, are decoded into a complex arrangement of connections



within the consumer's memory. These concepts form an organized system of linkages in the consumer's mind. First Mohammed and Rashid (2018), presented in relation to corporate social responsibility, the idea of "brand image". They describe it as the perception held by customers regarding the worth of a product or service, which ultimately leads to a further promising attitude towards the brand. The reputation of a brand can serve as an effective means for distinguishing its offerings from those provided by competitors. According to Munir et al. (2017), the formation of a brand's image is influenced by the dynamic interaction between consumers and the stimuli associated with that product. This interaction takes place when consumers are exposed to the product. Various academic scholars in industries such as fashion, tourism, automobile production, and insurance have demonstrated a growing interest in studying brand image strategies during the past decade (Lari et al., 2021). Furthermore, a number of studies have shown that a favorable brand image has a substantial impact on marketing elements including customer satisfaction, brand trust, brand loyalty, brand value, and customers' willingness to pay more for the brand (Jamshidi & Rousta, 2021; Munir et al., 2017).

Scholars in the field of marketing acknowledge the numerous advantages associated with brand loyalty, making it a widely discussed topic among academics. According to Popp and Woratschek (2017), to cultivate brand loyalty, consumers should demonstrate conscientious consumer conduct and hold favorable acumen of the brand. Budur and Poturak (2021) market out brand loyalty is a consistent commitment to repeatedly buying a chosen item or service in the future, independent of situational influences and promotional strategies to encourage customer switching attitudes. Brand loyalty has a noteworthy effect on both buying intent and the extent of word-of-mouth marketing (Civelek & Ertemel, 2019). Over the years, a number of researchers have classified the topic of brand loyalty. For instance, research conducted by Molinillo et al. (2017), on brand loyalty infers that loyalty can be divided into two distinct classes: cognitive and emotional (attitudinal) loyalty and conative behavioral loyalty. Another study by Coelho et al. (2018), brand loyalty can be distinguished into two forms: emotional loyalty, which entails having positive feelings towards a brand, and logical loyalty involved rational decision-making. Adding to this, Mai et al. (2021) suggested that brand loyalty can foster both an amplified industry share and a competitive edge for companies. This is because loyal customers are more likely to continue purchasing from the same brand. Brand-loyal consumers tend to exhibit reluctance in switching to other brands, they may be ready to spend a premium for their preferred brand, and actively promote it among others.

2.2. IMPACT OF BRAND IMAGE ON CUSTOMER LOYALTY TOWARD THE BRAND

The perception of brands and market offerings can vary significantly due to the different interpretations and perspectives, making brand image an essential aspect of marketing activities (Hatch & Schultz, 2008). The concept of brand image has garnered considerable support in the academic community. It posits that consumers form opinions about brands based on the associations they have stored in their memories (Sondoh Jr et al., 2007). The formation of these associations can stem from various sources, as indicated Keller (2009). These sources include the customer's personal encounters with a product, their knowledge



acquired through existing market offerings, or previous interactions with the company that have shaped their perceptions. Alternatively, customers may also form connections based on information obtained about a specific offering in the market. Consequently, brand image refers to how individuals mentally perceive and evaluate a brand or its associated products and services. Furthermore, brand image encompasses the symbolic significance attributed by customers to specific attributes of a product or service.

Previous research has highlighted the significance of several factors in shaping brand image through brand association. These include the positive perception of a brand's association, the strength of the connection between consumers and the brand, as well as the uniqueness of such associations. The favorability aspect is influenced by factors like ease of recall or recognition, sustaining customer awareness, and aligning customers' perceptions with desired corporate identity associated with the brand. A company's competitive advantage comprises various factors such as the heuristic of its products, the efficacy of its operations, pricing strategies, and support services. The uniqueness of a product is evident in its appearance and the level of service it provides, combined with distinct pricing tactics that set it apart from others in terms of quality.

According to Schultz et al. (2005), establishing a favorable brand image can potentially foster customer loyalty towards a company. However, as highlighted by Steel (2004), consumers often exhibit a tendency to switch brands when their preferences evolve and the current brand fails to accommodate these evolving needs. This behavior, as (Miller & Muir, 2005) suggest, is likely to be prevalent in such circumstances. Building a positive brand image can influence the likelihood that a customer makes successive purchases since a good brand image may increase consumer loyalty. Furthermore, Schultz (2005b) brand loyalists are less likely to be inclined by the products of rival brands when making purchases and are expected to recommend that brand to others (Sondoh et al., 2007).

2.3. THEORETICAL PROSPECTIVE

The conceptual structure and fundamental assumptions of this research regarding customer loyalty encompass two key theories are 1) Social Identity Theory and 2) Attachment Theory.

2.3.1. Social Identity Theory

Social identity theory argues that an entity's sense of self and social individuality is significantly shaped by their involvement in various social groups. This suggests that consumers frequently integrate specific brands into their self-concept and establish connections with them. Consequently, this identification with a product or service may foster brand loyalty. The concept of social proof elaborates on why consumers develop a strong affinity for certain brands and businesses, leading to a lasting commitment to the company (Kazmi & Khalique, 2019). In a broader context, social identity theory illuminates the factors that influence brand loyalty and shows how fostering a feeling of community among consumers may boost it. Brand loyalty refers to the level at which a consumer consistently selects one brand over others. It holds significant importance for businesses as it can result in persistent customer flow and positive word-of-mouth referral.



2.3.2. Attachment Theory

Based on attachment theory, individuals establish a strong emotional connection with certain objects, such as people or brands. This emotional bond leads to their commitment and engagement with the brand, showcasing their loyalty. When customers develop attachments to specific brands based on this theory, it cultivates brand loyalty and reflects their fidelity to that particular brand (Arghashi et al., 2021). This theory posits that the extent to which customers are attached to a particular brand is indicative of their cognitive and emotional perceptions of that brand (Anwar et al., 2020). This study attempts to provide a novel model for examining the cognitive and emotional components of people's identification with the Nike brand by combining social identity theory with attachment theory. These discussions lay the groundwork for this research endeavor.

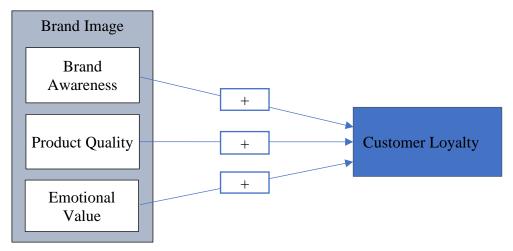


Fig. 1. Conceptual Framework

3. METHODOLOGY

In order to conduct comprehensive and reliable research analysis, this section introduces the independent variables of brand image and the dependent variable of customer loyalty. The choice of research methodology is based on defining these variables, determining data sources, and specifying and estimating a model accordingly. In this study, a positivist research philosophy is employed. The trial comprises of both male and female customers over 18 years old who use the Nike brand. To gather data for this purpose, a closed-ended questionnaire has been developed. To start, a questionnaire was distributed to 250 potential respondents. The response rate recorded was 66.8%, resulting in 167 completed questionnaires. To ensure data accuracy, 06 incomplete responses were excluded from the analysis. The primary data collection employed non-probability convenience sampling, gathering information from a total of 161 respondents. A five-point Likert scale questionnaire was administered online through Qualtrics XM survey software. Following data collection, validity and reliability tests were conducted prior to analyzing the demographics, correlations, as well as utilizing partial least square structural equation modeling and Importance-Performance Map Analysis techniques for answering our research questions. For data analysis purposes, SPSS and Smart-PLS software were utilized to explain and interpret the results obtained.



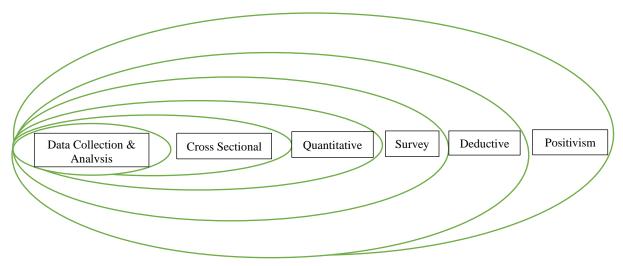


Fig. 2. Research Onion

4. DATA ANALYSIS AND FINDINGS

The first section looks at the demographics of the respondents, including age category, gender, financial status, profession, and academic achievement. In order to clarify the relationship and impact of independent factors (brand awareness, product quality, and emotional value) on customer loyalty, the next section explores SEM-PLS modeling. The research questions of this study are also addressed in this analysis. The relative relevance of each variable in identifying which has a stronger influence on customer loyalty through the use of relevance-performance Map Analysis (IPMA) is also investigated.

4.1. DEMOGRAPHIC ANALYSIS

Demographic analysis is used in this part to evaluate the sample's representativeness with regard to gender, age group, income, occupation, and education.

Table 1. Gender

		_			
Detail		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	118	73.300	73.300	73.300
	Female	42	26.100	26.100	99.400
	Non-binary/third gender	1	.600	.600	100.000
	Total	161	100.000	100.000	

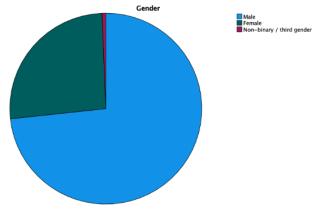


Fig. 3. Gender Pie Chart



According to Table 1 and Fig. 3, the data shows that among the 161 responders in the sample as a whole, there are 118 male participants (73.3%), while female participants make up 42 individuals (26.1%). Additionally, one respondent identifies as non-binary in terms of gender representation, accounting for only 0.6% of the entire sample size. These findings suggest a predominant presence of male respondents in this research study which can be attributed to their greater engagement in sports activities and use of Nike brand-related products such as sneakers and sports attire.

Table 2. Age Group

Detail		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-25	86	53.400	53.400	53.400
	26-35	56	34.800	34.800	88.200
	36-45	17	10.600	10.600	98.800
	46 and above	2	1.200	1.200	100.000
	Total	161	100.000	100.000	

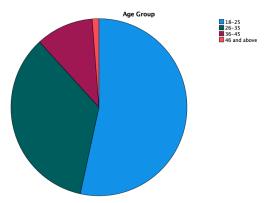


Fig. 4. Age Group Pie Chart

The findings from Table 2 and Fig. 4 suggest that the sample comprises of individuals belonging to four distinct age categories, as per the available data. The largest proportion within the sample population, accounting for 53.4%, falls between the ages of 18 and 25. Following this, individuals aged between 26 to 35 constitute a substantial percentage at approximately 34.8%. In contrast, those falling into the range of ages from 36-45 form a much smaller group comprising only 10% overall. Lastly, a mere 1.2% are found among participants aged 46 years or older. This information leads us to conclude that most survey respondents fall within the age bracket of 18 to 35 years old. There is also a relatively lesser percentage of people above the moderate threshold off age 36 and beyond included in this study's demographics. Such outcomes hold relevance in analyzing the researchers' observations within this sampled population.

Table 3. Income / Social Class

Detail		Fraguency	Percent	Valid Percent	Cumulative Percent
Detail		Frequency	Percent	valid Percent	Cumulative Percent
Valid	Upper Class	4	2.500	2.500	2.500
	Upper-Middle Class	27	16.800	16.800	19.300
	Middle Class	97	60.200	60.200	79.500
	Working Class	30	18.600	18.600	98.100
	Lower Class	3	1.900	1.900	100.000
	Total	161	100.000	100.000	



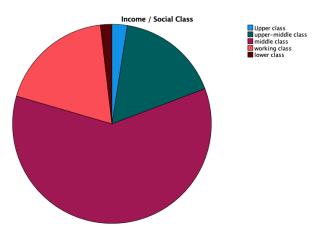


Fig. 5. Income /Social Class Pie Chart

The demographic analysis shows that there are 161 participants overall, representing five different socioeconomic classes, based on the data in table 3 and Fig. 5 The middle class makes up the biggest social class in the sample, accounting for 60.2% of it. The working sector follows with a representation of 18.6%, while the upper class comprises only 2.5%. The upper-middle class constitutes approximately16.8% of the sample population, whereas the lower-class category represents just 1.9% percent. These findings suggest that a significant proportion of individuals in this population belong to the middleclass compared to being part of the working class. A comprehensive understanding of how wealth and socioeconomic status are distributed within this population, and how these factors are influenced by this information, could offer valuable insights.

Table 4. Occupation

Detail		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Student	89	55.300	55.300	55.300
	Salaried Person	57	35.400	35.400	90.700
	Businessman	15	9.300	9.300	100.000
	Total	161	100.000	100.000	

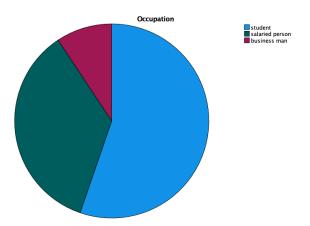


Fig. 6. Occupation Pie Chart

Table 4 and Fig. 6 illustrate the occupation of respondents based on the available data, presenting information about frequency, percentage, valid percentage, and cumulative percentage for each occupation category.



The majority of the 161 respondents, specifically 89 individuals (55.3%), identified as students. The second most prevalent occupation was salaried work with a total of 57 respondents (35.4%). In contrast, businessmen represented the lowest occupational group with only 15 responders (9.3% of the total). These results show that the majority of survey respondents are students, followed by workers and entrepreneurs. This demographic analysis offers useful data for companies or organizations aiming to target particular career groups for their Nike brand items.

Table 5. Education Level

Detail		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	High school	8	5.000	5.000	5.000
	Bachelor	56	34.800	34.800	39.800
	Master / M.Phil.	78	48.400	48.400	88.200
	PhD	19	11.800	11.800	100.000
	Total	161	100.000	100.000	

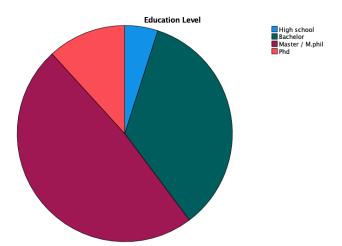


Fig. 7. Educational Level Pie Chart

Table 5 and Fig. 7 illustrate the demographic analysis of the research participants, highlighting different educational levels based on the data that was collected. Of the 161 people in the sample, a significant proportion had a Master's or M.Phil degree (48.4%), followed by those with a bachelor's degree (34.8%). High school education was found to be less prevalent at only 5%. Notably, approximately 11.8% of participants had achieved doctoral qualifications. In summary, the majority of individuals within this sample possessed at least a bachelor's degree or higher level of education.

4.2. MEASUREMENT MODEL

This study employed Smart PLS for conducting factor analysis, followed by the application of structural equation modelling to evaluate the measurement model. The main focus was on analyzing the unidirectional relationship between constructs and items (Hair et al., 2011). Evaluation of the constructs and their indicators was conducted based on their validity and reliability with the intent to assess the relationships. The measuring model depicted in Fig. 8 was utilized for this purpose. In order for the outer model, also referred to as the measuring model, to be deemed satisfactory, three requirements needed to be met:



internal consistency reliability, convergent validity, and discriminant validity. These specific standards were employed for evaluating each construct and item within this experiment.

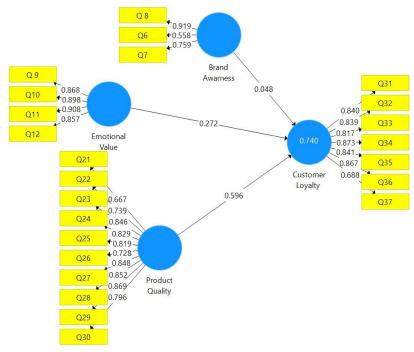


Fig. 8. Measurement Model -1

Fig. 8 presents the measurement model with factor loadings. However, two items (Q37 for customer loyalty and Q21 for product quality) disrupted the subsequent results. Consequently, these two items were excluded from further analysis, and a new measurement model-2 was generated as depicted in Fig. 9.

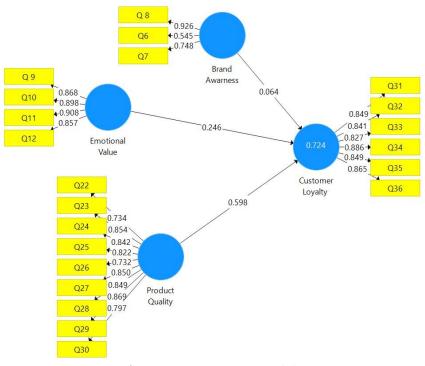


Fig. 9. Measurement Model-2



4.3. INTERNAL CONSISTENCY RELIABILITY

Ensuring internal consistency is crucial for evaluating the correctness of latent construct results and the dependability of a measurement model. There are two ways to do this: Composite Reliability and Cronbach Alpha. Cronbach's alpha is used to quantify the unidirectionality of indicators with regard to their respective latent constructs. Cronbach alpha values in this investigation (BA=0.731, EV=0.906, PQ=0.938, CL=0.925) were determined to be statistically significant. As seen in Table 6, the second approach, composite reliability, accounts for differences in the outside loading of indicator variables.

4.4. CONVERGENT VALIDITY

In theoretical research, convergent validity is employed as a measure to evaluate the degree of correlation between different constructs (Hair Jr et al., 2017). Convergent validity (AVE) is achieved through the use of extracted average variance and outer loading. The AVE is shown as an average percentage in order to compute the variance of each item in the latent construct. The AVE is calculated by adding or adding all of the squared loadings, and it is then divided by the total number of indicators (Hair et al., 2016). In general, the AVE of a build ought to be more than 0.50. According to Table 6 (below), which presents the study's findings, the AVE is higher than 0.50 for each of the four variables (Farooq et al., 2018; Hair et al., 2011). To evaluate the convergent validity, it is imperative to investigate if every item is suitably associated with a certain concept, namely indicator dependability. These numbers—the AVE of BA is 0.571, the EV is 0.779, the PQ is 0.669, and the CL is 0.727—are all notable for being above the threshold.

Table 6. Reliability and Validity Analysis

Detail		Factor Loading	AVE	Cronbach Alpha	Composite Reliability
Brand Awareness	BA		0.571	0.731	0.793
	Q6	0.170			
	Q7	0.271			
	Q8	0.761			
EV			0.779	0.906	0.934
Emotional Value	Q9	0.271			
	Q10	0.270			
	Q11	0.306			
	Q12	0.286			
PQ			0.669	0.938	0.948
Product Quality	Q22	0.125			
	Q23	0.151			
	Q24	0.130			
	Q25	0.124			
	Q26	0.114			
	Q27	0.145			
	Q28	0.141			
	Q29	0.139			
	Q30	0.151			
CL	-		0.727	0.925	0.941
Customer Loyalty	Q31	0.215			
	Q32	0.202			



Detail		Factor Loading	AVE	Cronbach Alpha	Composite Reliability
	Q33	0.182			
(Q34	0.185			
(Q35	0.196			
C	Q36	0.193			

4.5. DISCRIMINANT VALIDITY

Discriminant validity analysis is done to ascertain how different constructs differ from one another and how well a measuring tool captures a particular concept. A variety of techniques, including the Fornell-Larcker criterion and cross loadings, are frequently employed to assess discriminant validity. Comparing them to a construct's outer loading—which is usually higher—entails cross-loadings. Likewise, any construct's square root of AVE should exceed its maximum correlation with any other construct, as per the Fornell-Larcker criteria. Table 7 summarizes the study's conclusions on the Fornell-Larcker criteria.

Table 7. Fornell-Larcker Criterion

Variables	Brand Awareness	Customer Loyalty	Emotional Value	Product Quality
Brand Awareness	0.756			
Customer Loyalty	0.642	0.853		
Emotional Value	0.652	0.751	0.883	
Product Quality	0.698	0.833	0.776	0.818

Table 8. Cross loading

Questions	Brand Awareness	Customer Loyalty	Emotional Value	Product Quality
Q6	0.545	0.160	0.149	0.282
Q7	0.748	0.255	0.240	0.348
Q8	0.926	0.717	0.738	0.730
Q9	0.608	0.632	0.868	0.659
Q10	0.549	0.630	0.898	0.697
Q11	0.578	0.715	0.908	0.719
Q12	0.568	0.669	0.857	0.662
Q22	0.505	0.625	0.569	0.734
Q23	0.572	0.753	0.690	0.854
Q24	0.597	0.649	0.638	0.842
Q25	0.559	0.620	0.585	0.822
Q26	0.456	0.570	0.600	0.732
Q27	0.559	0.725	0.689	0.850
Q28	0.618	0.703	0.616	0.849
Q29	0.633	0.692	0.638	0.869
Q30	0.615	0.756	0.666	0.797
Q31	0.618	0.849	0.693	0.778
Q32	0.461	0.841	0.695	0.728
Q33	0.598	0.827	0.603	0.647
Q34	0.562	0.886	0.568	0.678
Q35	0.481	0.849	0.631	0.722
Q36	0.562	0.865	0.640	0.695



4.6. STRUCTURAL MODEL

Using a structural model to examine the interactions between variables is the second step in the structural equation modeling process. The structural model evaluates claims by investigating unconventional relationships between constructs. Smart PLS bootstrapping, which looks at several kinds of effects including direct, indirect, and total effects represented in a graphical model, was used in this investigation (Ali et al., 2018). The structural model is assessed using the PLS-SEM approach, which takes blinding procedures, path coefficients, coefficient of determination (R2 Value), Effect Size (f2), T values (t), and predictive relevance (Q2) into account. The structural model used in this experiment is shown in Fig. 10 below.

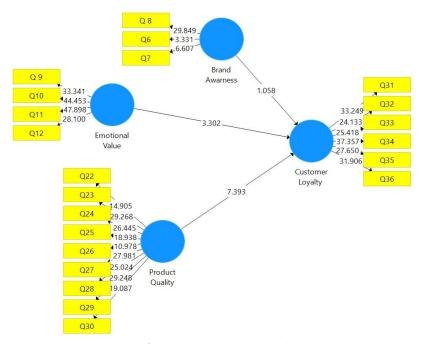


Fig. 10. Structural Model

4.6. COLLINEARITY ASSESSMENT

Examining correlations between exogenous variables is the first step toward determining if the model is collinear. There may be collinearity present, which can reduce accuracy in forecasting by inflating coefficients when there are notable associations found between the predictor variables. The Variance Inflation Factor is employed, based on Hair et al. (2006), to evaluate collinearity. Table 9 indicates that there is collinearity among the study's variables since every variable has a VIF value less than 5.

Table 9. Variance Inflation Factor (VIF)

Questions	VIF	
Q6	2.181	
Q7	2.628	
Q8	1.313	
Q8 Q9	2.629	
Q10 Q11	3.171	
Q11	3.092	



Questions	VIF	
Q12	2.315	
Q22	1.916	
Q23	3.203	
Q24	3.445	
Q25	2.970	
Q26	2.018	
Q27	3.222	
Q28	3.563	
Q29	3.965	
Q30	2.480	
Q31	2.596	
Q32	2.641	
Q33	2.801	
Q34	3.884	
Q35	2.569	
Q36	2.945	

4.7. PATH COEFFICIENT

A path coefficient serves to identify the direct influence of one variable, which is considered a cause, on another variable, which is considered an effect. Path coefficients are estimated using correlations and hence can be deemed reliable. The terms "direct path" and "indirect path" are employed to represent these coefficients. Table 10 presents the standard deviation for all direct relationships as well as their corresponding t-values, p-values, and path coefficients. A T-value exceeding 1.96 indicates a significant relationship between variables within the structural pathway. Furthermore, it is expected that the P-value should be lower. The t-values and p-values are trustworthy, as stated in Table 10, The associations presented in Table 10 are significant, indicating a strong correlation between the variables examined, except for brand awareness and consumer loyalty.

Table 10. Direct Path coefficients

Path	β Values	Standard Deviation (STDEV) T Values	P Values
Brand Awareness -> Customer Loyalty	0.064	0.060	1.058	0.290
Emotional Value -> Customer Loyalty	0.246	0.075	3.302	0.001
Product Quality -> Customer Loyalty	0.598	0.081	7.393	0.000

The results of a regression analysis in this case are shown in Table 10. The table shows the beta (β) coefficient values, which indicate the direction and intensity of the relationship between the variables. The two significant values stated in the first portion of the statement are Emotional Value -> Customer Loyalty (β = 0.246, STDEV = 0.075, t = 3.302, and p = 0.001) and Product Quality -> Customer Loyalty (β = 0.598, STDEV = 0.081, t = 7.393, and p = 0.000). Accordingly, both the link between Product Quality and Customer Loyalty and the relationship between Emotional Value and Customer Loyalty are significantly favorable. The t and p values demonstrate the statistical implication of these links, while the coefficients indicate the strength of these relationships.

The statement asserts that the second and third research assumptions are validated by these two significant relationships. This implies that the regression analysis's results



supported the study's particular hypothesis about how these variables relate to one another.

According to the statement's findings (β = 0.064, STDEV = 0.060, t = 1.058, and p = 0.29), there is little to no correlation between brand awareness and customer loyalty. These numbers suggest that there is no statistically significant relationship between brand awareness and customer loyalty. As a result, we deny the first hypothesis on how brand awareness affects customer loyalty since there is not enough data to back up the researchers' assertion.

4.8. COEFFICIENT OF DETERMINANT

The indicator used to measure the extent to which brand awareness, emotional value, and product quality (independent variables) explain changes in customer loyalty (dependent variable) is called R-square (R2). A higher R2 value indicates that these predictor variables contribute more significantly to the variations observed in the predicted variable. The R2 and adjusted R2 values for the Customer Loyalty data fields were determined using the bootstrapping method. An estimator like R2's sampling distribution can be found by resampling data using a statistical technique called bootstrapping.

The statement also mentions that the R2 and modified R2 values for Customer Loyalty (CL=0.724) in the present study are over 0.50. If the model's R2 is above 0.50, it is considered to be an acceptable value. This indicates that the independent variables brand awareness, emotional value, and product quality account for a substantial amount of the variance in customer loyalty. The value of the adjusted R2 is determined by taking into consideration the number of independent variables in the model. Table 11 most likely displays the R2 and adjusted R2 values for the regression model in question. The R2 value of 0.724 variance in customer loyalty indicates that the independent factors (Brand Awareness, Emotional Value, and Product Quality) explain around 72.4% of the variation in the dependent variable. This shows that independent factors play a major role in predicting customer loyalty and that the model and the data have a strong fit.

Table 11. Estimation R Square

Estimation	R-Square	Adjusted R-Square
Customer Loyalty	0.724	0.719

4.9. EFFECT SIZE

A statistical metric called "effect size" is used to assess how strongly two variables are related. It acts as a gauge for the strength and statistical significance of the link between one or more independent variables and a dependent variable. In multiple regression models, impact magnitude is typically represented by the f-square statistic. In this work, the effect size of the f square for exogenous components in the regression model was investigated using the Partial Least Squares (PLS) approach. The PLS algorithm is a statistical technique that makes it easier to simulate connections between two sets of data, especially when there are a lot of independent variables and small sample sizes.



Table 12 usually displays the f square values for the exogenous components in the regression model. Product quality, as claimed, has a large effect size (0.433), indicating that it significantly affects customer loyalty. Emotional value, on the other hand, has a minor effect size (0.082) on customer loyalty, suggesting that it has a relatively minor effect. Brand awareness is found to have little effect on customer loyalty (effect size: 0.007), suggesting that emotional value has an even stronger impact. Cohen's methods for assessing effect sizes can be utilized to ascertain the extent of this impact. Following these predictions, when interpreting effect sizes, a f square value of 0.02 or above is tiny, at least 0.15 is medium, and beyond 0.35 is big. According to the application of these criteria, product quality has an enormous effect size when affecting customer loyalty, whereas brand recognition and emotional value have a modest effect size.

It is noticeable that the effect size is a helpful complement to statistical significance. Effect size quantifies the degree of correlation between independent and dependent variables, as opposed to statistical significance. As such, a result that shows statistical significance might not always have a major effect size, and vice versa. In this study, the f square statistic was used to evaluate the impact size of exogenous constructions (independent variables) on customer loyalty (dependent variable). Their outcomes shown that Product Quality had expressively stronger sway on customer loyalty compared to Emotional Value and Brand Awareness. These results provide significant insights for companies aiming to enhance client loyalty in their strategies.

Table 12. Estimated F Values

Independent variables	F-Value	
Brand Awareness	0.007	
Emotional Value	0.082	
Product Quality	0.433	

4.10. PREDICTIVE RELEVANCE

Through the implementation of blindfolded calculation in Smart-PLS, researchers can determine the Q^2 which serves as an indicator of predictive relevance. The value for Q^2 must surpass zero in order to meet the required verge and demonstrate meaningful predictability within the path model framework. However, employing this approach becomes impracticable when dealing with models consisting primarily of endogenous constructs. To ascertain the Q^2 , accurately, a blindfolding technique incorporating a specific omission distance is applied. Validating our findings further, Table 13 exhibits trustworthy results by confirming a positive Q^2 value above zero.

Table 13. Estimation of Q Square

Q ² (=1-SSE/SSO)		
0.515		

4.11. IPMA-ANALYSIS

The approach of Importance-Performance Map Analysis is extensively employed in several study domains. To evaluate the importance and efficacy of various components or features



inside a model, Smart PLS software is used. The importance score and performance score are the two metrics used by IPMA to assess the degree of significance and satisfaction linked to each aspect or characteristic, respectively. A component or attribute's importance in the model is shown by its importance score, and its efficacy or level of satisfaction is reflected in its performance score.

IPMA analysis is used in this study to find characteristics or aspects that are considered significant yet perform poorly, indicating areas that require modification. On the other hand, low-importance but high-performing characteristics or traits may be deprioritized. Tables 14 illustrate the significant effects and performances of the independent variables found in this study using IPMA analysis. Additionally, emotional value performs better overall while product quality has a stronger effect on the dependent variable of customer loyalty.

Table 14. Construct Total Effects and Performances for [Customer Loyalty]

Variables	Total Effect on Customer Loyalty	Performances
Brand Awareness	0.078	27.930
Emotional Value	0.252	40.560
Product Quality	0.725	32.873

These tables illustrate the overall influence and efficacy of the independent factors. These findings are shown as a graph, and Fig. 11 shows the results that may be achieved by using them.

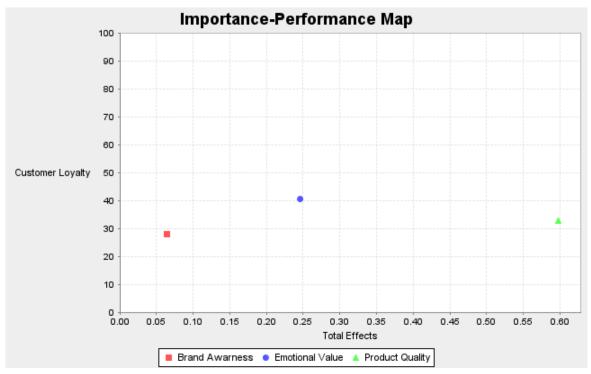


Fig. 11. IPMA Analysis by Variables

However, individual factors were also included in the IPMA analysis to ascertain their broader impact on "customer loyalty." Table 15 presents the results for all dependent variables, and Fig. 12 provides a visual representation of the data for each element.



Table 15. Indicator Total Effects and Performance for [Customer Loyalty]

Questions	MV Performances	Total effect	
Q6	16.242	0.011	
Q7	19.586	0.017	
Q8	34.615	0.049	
Q9	37.580	0.067	
Q10	39.490	0.066	
Q11	42.994	0.075	
Q12	41.879	0.070	
Q22	33.280	0.075	
Q23	38.535	0.090	
Q24	28.503	0.078	
Q25	27.707	0.074	
Q26	37.739	0.068	
Q27	34.395	0.087	
Q28	33.439	0.084	
Q29	29.936	0.083	
Q30	32.484	0.091	

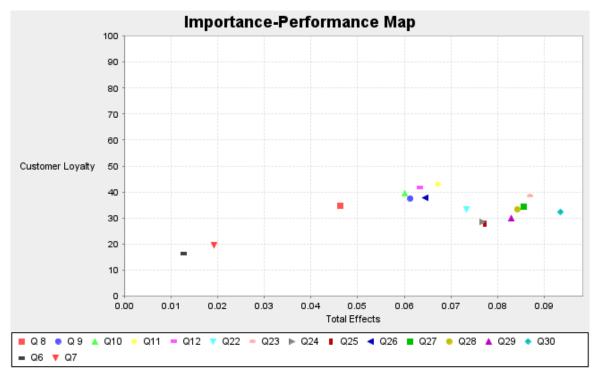


Fig. 12. IPMA Analysis by Items of Each Variables

5. CONCLUSION AND RECOMMENDATIONS

In alignment with the objectives of study, enhancing brand awareness positively affects customer loyalty. It is commonly believed that cultivating customer loyalty can be initiated by increasing brand awareness. However, it should be noted that this correlation might not always hold true in every case. Consequently, when considering the NIKE brand specifically, it is possible that customer loyalty may not significantly depend on brand awareness alone. Secondly, there is a positive correlation between an increase in product quality and customer loyalty. Additionally, a superior quality product plays a crucial role in prolonging customer retention. Extensive academic research and market studies have consistently



recognized the significance of product quality as a key driver of consumer loyalty. When customers perceive that the product possesses outstanding attributes, they are inclined to place trust in the brand, develop favorable attitudes towards it, and exhibit enhanced staunchness over time. Furthermore, this study looked at how emotional value affected Nike brand loyalty among customers. Through comprehensive analysis, it was determined that a higher emotional value leads to increased customer loyalty. Furthermore, businesses can utilize customer emotional value as a means to achieve and sustain long-term customer loyalty. Lastly, several recommendations were made in order to enhance brand image and further bolster customer loyalty for Nike.

Based on the findings from Importance-Performance Map Analysis, as presented in table 14, it is evident that brand awareness has both the lowest effectiveness and performance. Furthermore, its impact on customer loyalty is insignificant. As a result, Nike should consider directing its efforts and resources away from brand awareness since it already enjoys strong recognition in the market. Another recommendation pertains to product quality; although Nike produces high-quality products, competitors such as Adidas, Skechers, and Reebok pose fierce competition in this regard. Lastly, there could be a slight decrease in emphasis placed by Nike on emotional marketing techniques to further capture emotional value among customers due to an existing strong track record of success.

6. POLICY IMPLICATION/RECOMMENDATION

This study proposes several recommendations for top-tier management at Nike who are involved in decision-making, particularly within the marketing department. The primary recommendation is for Nike to prioritize improving product quality rather than focusing solely on brand awareness. Additionally, while emotional marketing techniques can help foster stronger connections with customers, their impact on repurchase is relatively limited. As such, it is recommended that Nike lessen its reliance on emotional marketing techniques and instead concentrate more on improving other elements of the customer experience that support increased emotional value and improved customer connections. By putting more focus on product quality and ensuring high levels of customer fulfillment, marketing managers can reevaluate their strategies for fostering emotional value.

7. LIMITATION OF THE STUDY

This study solely focuses on clientele and potential customers of the Nike brand. The research acknowledges that a small sample size, consisting of only 161 participants, is a limitation. While this number may be adequate for certain studies, in this case it may not provide sufficient grounds for making generalized statements. Additionally, the sample was limited to just three countries: the UK, Pakistan, and Malaysia. Therefore, caution must be exercised when extrapolating these findings to other regions worldwide. To address this constraint effectively, future research could expand the sample size and include individuals from diverse geographic areas. In conclusion, it is important to recognize these limitations as they highlight the need for further investigation. Researchers who consider these



constraints when planning their experiments can gain extensive insights into the subject matter and achieve more universally applicable outcomes.

8. SUGGESTION FOR FUTURE STUDIES

The findings of this research present a significant and demanding task for researchers in the field of marketing and branding to conduct a comprehensive review of existing literature. However, there are several potential areas for future investigation. Firstly, it is worth noting that this study only examined variables related to brand image when exploring customer loyalty. Given the increasing influence of social media marketing in today's era, it would be beneficial for future studies to also explore aspects such as emotional marketing and the impact of social media on branding efforts. Secondly, this study focuses exclusively on examining the direct effect and impact of independent variables (brand awareness, product quality, and emotional value) on customer loyalty as the dependent variable. However, future research could explore more extensive analysis that takes into account potential moderating and mediating factors. For instance, brand love and brand equity may serve as mediators in the current paradigm. Furthermore, researchers can integrate different demographic variables such as income class or gender to constitute as moderators in future studies. Lastly, while this study utilized SEM-PLS analysis for investigating customer loyalty, there is an opportunity for further quantitative exploration using emerging methodologies like Fuzzy-set Qualitative Comparative Analysis (Fs/QCA).

Author Contributions:

First author Mr. Adeel abbas is also corresponding author who conceived main idea that how customer loyalty may be affected by different variable. He did literature review and developed conceptual framework, data collection and written a paper. Secondly Mr. Mohamad Islam review the paper at every step and suggested key points specially in theoretical support and literature review part, he significantly contributed to improving write up and designing research onion as well. Lastly, third author Mr. Syed Muhammad Ahmad Hassan Gillani helped in data collection and data analysis and proofreading.

Funding:

There is no funding is involved. This research is self-funded by authors.

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Data Availability Statement:

Data is collected by Qualtrics (XM) online survey data base data can be provided on demand.

Acknowledgments:

I Adeel Abbas appreciate and acknowledged to my co-authors who helped a lot to conduct this research in every stage and contributed significantly.

Conflicts of Interest:

There is no conflict of interest.

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