Antecedents of Algerian Consumers' Brand Loyalty: Testing a Structural Model of Mobile Service Providers' Customers

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Abstract

The purpose of this study is to investigate the effect of service quality, perceived value, brand trust and customer satisfaction on brand loyalty in the Algerian services sector. After a short literature review, we conduct an empirical study using the questionnaire survey method to verify the hypotheses. Data are obtained from 200 consumers who bought and used OOREDOO mobile phones service provider. The data are, then, analyzed using confirmatory factor analysis and structural equation modeling. The results demonstrate that service quality has a direct effect on customers' satisfaction, while the perceived value has an indirect effect on customers' satisfaction via brand trust. Furthermore, customers' satisfaction had direct effects on brand loyalty. The research, then, confirms the pivotal role of perceived service quality and perceived value in brand loyalty development and stresses the mediation effect of brand trust on the effects of perceived value on the path to brand loyalty.

Keywords: Service Quality; Perceived Value; trust; satisfaction; loyalty; Structural Equation Modeling.

1. Introduction

Nowadays companies make all of efforts to establish long-term relationships with their customers (Sen and Bhattacharya, 2001, Xie and Peng, 2011). A successful marketing strategy must focus not only on attracting leads but also on retaining existing customers (Palmer 1994, Campon et al, 2013). Identifying the path from the psychological process to customers brand loyalty is a central issue in marketing research (Oliver, 1999; Chaudhuri and Holbrook, 2001; Harris and Goode, 2004; He et al, 2012). Furthermore, loyal customers significantly contribute to market share growth (Lam and Burton, 2006; Friend and Masoumeh, 2014). In addition, there must be a customer loyalty base for a product or service that is ready to support products, services, and marketing activities with the intention to purchase and to repurchase, to maintain the customer base and to continuously expand (Marakanon and Panjakajornsak, 2017).

There are many factors that have been shown to influence customers' loyalty such as, perceived service quality, perceived quality, customers' satisfaction, and Brand trust. Several recent studies support the dominant position that satisfaction is a consequence of service quality (Brady and Robertson, 2001; Cronin, Brady, and Hult, 2000; McDougall and Levesque, 2000, Dabholkar, et al, 2000, Nam et al, 2011, Waseso, 2013), and that seems consistent across service contexts (Reichheld, 1996). Similarly, Murray & Howat, (2002), suggest that the relationships between service quality through satisfaction to repurchase intentions of customers were mentioned by Cronin and Taylor (1992), and Patterson and Spreng (1997). On the other hand, recent studies suggest that customers' satisfaction could be insightful in describing the relationship between a business and customers (Nam et al, 2011; Aysel Ercis et al, 2012; Benachenhou and Benhabib, 2017). It is widely accepted that satisfied consumers are less price sensitive, less influenced by competitors' attack and loyal to the firm longer than dissatisfied customers (Dimitriades, 2006; Nam et al, 2011) and customer retention (e.g. Rust and Zahorik, 1993; Terpstra et al, 2012). Furthermore Oliver (1999) suggest that there is ample evidence about the positive consequence of customer satisfaction, such as customer loyalty (Terpstra et al, 2012). The phenomenon of relationship between customer satisfaction and brand loyalty becomes the major concern of the service firms because the two factors determine the performance of the firms. Similarly, in his studies Oliver (2003), investigated the relationship between customer satisfaction and brand loyalty, and found out that there was a positive relationship between these two variables (Aysel Ercis et al, 2012). One effort to build a relationship with customers is by increasing the trust (Misransyah et al., 2015). Arrow (1974) defines trust as "*a lubricant of the social system*", and much research has accumulated across various academic fields linking trust with institutional efficiency and economic growth (cf., e.g. Putnam, 1993; Fukuyama, 1995; La Porta et al., 1997; Guth et al, 2008). The domain of trust in this study is the brand experience in its entirety (encompassing both product and service aspects offered by the brand's provider) but not focusing on specific attributes. Chaudhuri and Holbrook (2001), in their studies, found out trust in brands would also increase as the value a consumer perceived from a product increased (Aysel Ercis et al, 2012). However, partner trust level is powerfully related to customers' brand loyalty and perceived value.

1.1 objectives and Problem statement of the study

The objective of this present study is to examine the antecedent of brand loyalty in service, based on the results

of several studies found in the literature review carried out. Accordingly, the purpose of this study is to empirically test a model of service quality, perceived value, customer satisfaction, brand trust, and brand loyalty. In the Algerian setting, there is a need to identify the indirect effect of customers' perceived quality on brand loyalty. Although numerous studies have established the impact of service quality on customer satisfaction and brand loyalty, yet, no study have examined the mediation effect of customer satisfaction and brand trust on the effects of perceived service quality and perceived value on the brand loyalty. Consistent with Jones and Suh (2000); Brady & Robertson, (2001); Cronin, et al., (2000); Dabholkar et al., (2000); Bennett et al., (2005); Yang, et al, (2009); Nam et al, (2011); Terpstra et al, (2012), the model proposed that customers' satisfaction as a consequence of service quality has a direct effect on future intentions of customers (brand loyalty). Alternately, the model also tests whether service quality and brand trust has a direct effect on customers' satisfaction and perceived value as well as an indirect effect on brand loyalty.

1.2 Interest of the study

The interest of this present study lies in the need to provide a response to relationship marketing and customer loyalty in the service sector (mobile service providers) as questions currently of interest. However, in Algeria there are numerous complaints that the services sector is no match to that of Morocco, Egypt, Tunis or other industrial economies. Hence, this research will help determine the key factors contributing to customer brand loyalty, and whether managers in the services sector are aware of consumers' perceptions regarding key value determinants, such as customers' satisfaction, brand trust and service quality in order to improve customers' brand loyalty.

This study is divided into five parts. The first part is introductory in nature and presents the objectives, the statement of the problem, and the interest of the study. In the second part, we present a discussion of the conceptual framework including literature on service quality, perceived value, customer satisfaction, brand trust, and brand loyalty. In the third part, we present the research methodology along with data analysis using confirmatory factor analysis and structural equation modeling. The forth part, on the other hand is for hypotheses testing and the main results of the study. Finally, some conclusions and implications are offered.

2. Theoretical Background and Hypotheses

2.1 Service Quality and Customer Satisfaction

Zeithaml et *al*. (1996) described service quality as " *The extent of discrepancy between the customers' expectations and perceptions*" (Deng et *al*, 2010). In addition, perceived service quality is defined as the consumers' judgment about an entity's services containing overall excellence or superiority (Snoj et *al*, 2004; Marakanon and Panjakajornsak, 2017). Researchers maintain that perceived service quality is cognitive and thus followed by satisfaction (Oliver, 1999; Nam et *al*, 2011). Zeithaml et *al*. (1996) also stated the customer's perception of service quality was the main factor predicting customers' satisfaction (Nam et *al*, 2011). There is general support for defining satisfaction in a consumer context as an overall assessment of the service compared to customers' expectations (e.g., see Jones and Suh, 2000; McDougall & Levesque, 2000; Murray and Howat, 2002). However, there has been considerable debate in the literature concerning the nature of satisfaction as a construct and its relationship with other constructs (Murray and Howat, 2002). Indeed, researchers have given considerable time and effort in modeling service quality and satisfaction and also in investigating the interrelationships which ultimately end in some form of purchase behavior (i.e. behavioral intentions, loyalty, word of mouth) (Brady and Robertson, 2001). Several empirical studies confirmed that a strong level of perceived service quality was related to a strong level of customer satisfaction (Brady and Robertson, 2001; Cronin, et *al*, 2000; Dabholkar et *al*., 2000; Yang, et *al*, 2009; Erci et *al*, 2012). In sum, we propose the following hypothesis:

H.₁: *Service quality has a significantly positive effect on Customer Satisfaction*.

2.2 Perceived value and Brand Trust

Perceived value is the value perception that arises from the comparison of the cost of a product or service customers pay for the brand and the advantage it has (Hellier et *al*., 2003; Aysel Erci et *al*, 2012). McDougall and Levesque (2000, p. 393) defined value as "*benefits received relative to costs* " (Erci et *al*, 2012). Singh and Sirdeshmukh, (2004) stated that some conceptual support and limited experimental evidence also emerge for an association between perceived value and trust (e.g., Haris and Good, 2000). Trust is defined as the confidence of the exchange actors in the goodwill of each other. It is a non calculative reliance in the moral integrity and goodwill of others on whom the exchange actors depend (Gounaris, 2005). In adition, Ashley and Leonard, (2009) suggest that Consumers, develop trust in a brand based on positive beliefs regarding their expectation for the behavior of the organization and the performance of products a brand represents (Sahin et *al*, 2011). Chaudhuri and Holbrook (2001), in their studies, considered the relationship between the perceived brand value and trust. According to the results, they found out trust in brands would also increase as the value a consumer

perceived from a product increased (Aysel et *al*, 2012). However, Sirdeshmukh et *al*. (2002) found some support for direct associations between brand trust and perceived value, although they are forced to conclude that more research is needed to evaluate the nature of the relationship between perceived value and brand trust (Haris & Good, 2004). The above discussions suggest the following hypothesis:

H.₂: Perceived Value has a significantly positive effect on Brand Trust.

2.3 Brand Trust and customer satisfaction

According to Flavia et *al*., (2006) the development of satisfaction follows a similar process to that of trust. Satisfying customers is quite difficult before gaining their trust. In this context, trust also affects customers' satisfaction (Aysel et *al*, 2012).In general terms, Anderson and Sullivan, (1993) define satisfaction as an affective consumer condition that results from a global evaluation of all the aspects that make up the consumer relationship (Flavia et *al*., 2006). Certainly, a number of commentators have observed or theorized, in accord with social exchange theory (see Blau, 1964), that trust evaluations will exert a direct influence on perceptions of satisfaction (e.g., Gwinner, Gremler, and Bitner, 1998; Singh and Sirdeshmukh, 2000; Haris and Good, 2004). In adition, in the literature many studies determined brand trust as a predictor of brand loyalty and if consumers' brand trust is established, consumers will be satisfied (Chaudhuri and Holbrook, 2001; Aysel et *al*, 2012). Berry (2000) stated that trust is very important for satisfaction. Yoon and Kim (2002), in their study, examined the correlation between brand trust and customers satisfaction. According to the research, brand trust and customers satisfaction show a significant positive correlation (Aysel et *al*, 2012). These views lead to:

H.₃: Brand Trust has a significantly positive effect on Customer Satisfaction.

2.4 Customers' Satisfaction and Brand Loyalty

Song and Yan (2006) define loyalty as repeated purchases by the buyers of the same brand or business that results from the buyer's satisfaction and buyer's (good) experience (Nam et *al*, 2011). Sivadass and Baker-Prewitt (2000), suggested that customer loyalty is the ultimate objective of customer satisfaction measurement. It is found to be a key determinant of a brand's long-term viability (Krishnamurthi and Raj, 1991, Deng et *al*, 2010). Both Bitner, et *al*., (1990) and Jones and Suh (2000) found that overall satisfaction had a direct influence on how likely customers were to re-use the service. Similarly, M cDougall and Levesque (2000) proposed a causal path, with perceptions of service quality influencing feelings of customers' satisfaction, which in turn influence future purchase behavior of customers (Murray and Howat, 2002). Satisfaction has been found to lead to the long-term combination of relationships (Gladstein, 1984; Anderson and Narus, 1990; Sahin et *al*, 2011). Many previous studies have identified that customers' satisfaction is an antecedent of brand loyalty, with increases in satisfaction leading to increases in brand loyalty (Bennett, 2001; Bolton, 1998; Jones and Suh, 2000; Ringham, et *al*, 1994; Bennett et *al*, 2005, Sahin et *al*, 2011). Based on these findings the following hypothesis is suggested:

H.₄: Brand satisfaction has a significantly positive effect on brand loyalty.

3. Data analysis and results

3.1 Methodology and Conceptual Model

The questionnaires were distributed to a sample of 200 Algerian mobile service customers. Using the convenience sampling technique (i.e., by approaching people who are opportunely available). The measurement items in this study are adapted from the past studies except some items which were developed by researchers. The data were analyzed using exploratory factor analysis; SPSS (**S**tatistical **P**ackage for the **S**ocial **S**ciences) software was used in this study to analyze the reliability and validity of data. Structural Equation Modeling (SEM) using software STATISTICA.8 was used in this study to test hypotheses.

To test the proposed model, we involved the generation of a structural model that tests the research hypotheses. The paths connecting the sets of five latent variables are called the *structural model*. To evaluate fits of structural model, several fit indices were used including Absolute, Parsimonious and Incremental fit indices'. The conceptual model guiding this research is depicted in Figure.1. The proposed model draws from the diverse research on customer brand loyalty in social relationships. The model proposes that service quality as the exogenous variables and that service quality is an antecedent of perceived value, customer satisfaction and brand trust. In this model, service quality may affect Loyalty both directly and indirectly through the Satisfaction–Trust relationship.

FIGURE 1 : Proposed model
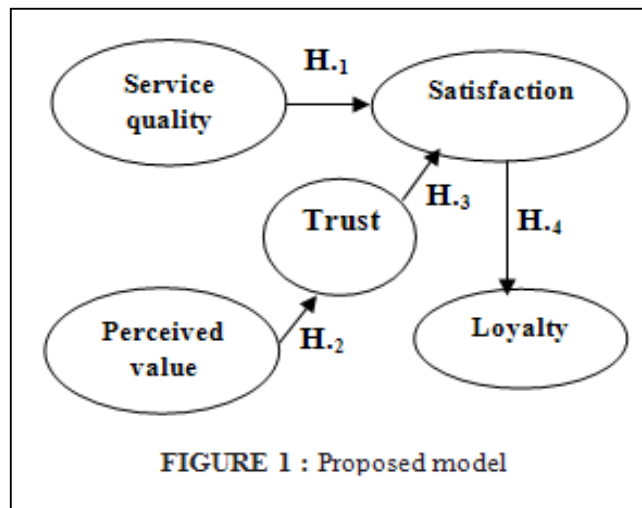
3.2 Survey Instruments

Measures for the key constructs are mostly adopted or adapted from previous research such as : Zeithaml et *al*, (1996); Oliver (1980, 1990); Morgan and Hunt (1994); Nam et *al*, (2011); Aysel Ercis, (2012); Benachenhou and Benhabib, (2013; 2017) and Benhabib, et *al*, (2011). The questionnaire structure consisted of six sections. [1] Service quality: there were 3 items; [2] Perceived Value: there were 6 items. [3] Customer Satisfaction: there were 5 items. [4] Customer Trust: there were 6 items; [5] Brand Loyalty there were 10 items; and [6] Background: these questions covered research variables including gender, age, and occupation. The respondents are asked to indicate the extent of their agreement using a seven-point Likert scale from «1» (Strongly Disagree) to «7» (Strongly Agree).

3.3 Data collection and sample

We conducted a survey focusing on brands providers' mobile service. The Algerian data were obtained by trained interviewers in a medium-sized city such as Tlemcen City (west Algeria). Data collection took place over a period of two months (March and April 2017) and resulted in a sample of 200 customers' mobile service. Table.1 presents the description of the respondents, including demographic data such as gender, age, and Occupation. Our sample comprised 41.5% male and 58.5% female respondents. In terms of age, (22) 11% of participants were less than 20, (96) 48% between 20 and 24 years, (49) 24.5% between 25 and 39 years, and (33) 16.5% 40 years and over. Only 22.5% of the sample is currently employees, as 65% are all students.

Table.1: Description of the respondents

Demographic Variables		Frequency	Ratio (%)
Gender	Males	83	41.5
	Females	117	58.5
AGE (years)	less than 20	22	11
	20-24	96	48
	25-39	49	24.5
	40 and over	33	16.5
Occupation	Students	130	65
	Employees	45	22.5
	unemployed	25	12.5

Source : Own elaboration [N=200]

3.4 Validity and reliability tests

Exploratory factor analysis (EFA) and confirmatory factor analysis (CFA) were conducted to assess validity of the scales and to reduce the data.

3.4.1 Reliability test

The reliability test was run in order to ensure consistency and reproducibility of the instrument (Sekaran, 2010, Nikhashemi et *al.2016*). Nunnally (1978) suggests that for any research at its early stage, a reliability score or alpha that is 0.60 or above is sufficient (Kim et *al*, 2010). This coefficient enables us to exclude items that are poorly correlated factors such as the forth item of perceived value (Val.4); the forth and the six items of brand

trust (Trust.4 and Trust6) and the fifth item of Satisfaction (satis.5). The Cronbach's alphas for each construct of this study are presented in Table.3. It is evident that all measures that have been maintained have demonstrated good levels of reliability (greater than 0.60), except perceived value (0.597) thus confirming good consistency. All constructs in our research model demonstrate a good reliability because the construct displayed excellent reliability of scales.

3.4.2 Validity test

Factor analysis identifies the underlying structure within a set of observed variables (Miyazaki and Fernandez 2000; C. Kim et al, 2010). We assessed the construct validity by identifying the concepts of service quality, perceived value, customers' satisfaction, brand trust and brand loyalty. An exploratory factor analysis is initially conducted with rotations to detect the significance of the hypothesized factors (convergence validity) items are reduced to their principal constructs. As shown in Table 2, the KMO (Kaiser–Meyer–Olkin) values for each of the 26 survey items exceeded 0.50. Furthermore, the value of KMO for all variables was large (between 0.526 – 0.694). In addition Bartlett's test of sphericity is significant, the fisher test is also significant (p<.05). The associated significance level for sphericity on the basis of a Chi-squared was very small (0.000). A confirmatory factor analysis was conducted to determine that variables used are separate, by using the varimax procedure for interpretable factors. These factors accounted between 52.48% and 73.75% of the cumulative variance. Table 2 shows the results of our factor analysis. All items from all of the constructs in each relationship structure were included in a factor analysis, to determine whether the majority of the variance could be accounted for by one general factor, that is, more than 50% of the variance of all construct. The results show that the percentage of the explained variance (EVA) exceeds the recommended level of 0.50 (Fornell & Larcker, 1981; Wu, 2013) for the different constructs. Table 3 shows the results of convergent validity with Statistica.08 software was assessed using item loading (λ) at least 0.7. The result, therefore, demonstrates the convergent validity of the measurement items, because all indicators have significant loadings on the respective latent constructs (T>1.96, p< 0.05) with the values varying from 0.273 to 0.906.

Table.2 : Descriptive Data, Reliability and Convergent Validity

Latent Variables	N° of items	Mean	S.D.	Cronbach α	KMO	AVE	Ficher	p-VALUE
Perceived quality [Qual]	3	4.61	1.82	0.61	0.602	57.57	31.83	0.00
Perceived Value [Val]	5	4.55	1.51	0.597	0.584	63.58	13.71	0.00
Trust [Trust]	4	4.655	1.56	0.716	0.694	54.84	18.925	0.00
Satisfaction [Satis]	4	4.72	1.58	0.693	0.526	52.487	5.109	0.02
Loyalty [Loya]	10	4.709	1.63	0.763	0.541	73.75	18.952	0.00

Source: own elaboration by software SPSS.22 [N=200]

3.5 Structural model

The correctness of the research model was tested by using structural equation modeling (SEM) techniques with STATISTICA.8.0. The most common SEM estimation procedure is Ordinary Leas Square estimation (OLS) and Maximum Likelihood (ML). The structural model was used to test the validity of the hypothesized model and further provides path analysis for the determination of how constructs relate to one another, in reality. Firstly, the model fit was examined using the indices; The Joreskog GFI; Joreskog AGFI; and Bentler Comparative Fit Index BCFI. In order to test the hypothesis, the structural model was run. The result revealed that our model fits the data and is acceptable (GFI=0.761; AGFI=0.716; BCFI =0.711). Secondly, the path coefficients by estimation procedure ML (**M**aximun-**L**ikeLihood) for the hypothesized links (β_i) were tested and the T Student is greater than 1.96 and he is significant with the values varying from 0.364 to1. Table.3 shows the testing results. Al the indices are at acceptable levels. Overall, the results showed that our model provides a valid framework for the measurement of consumers' satisfaction and brand loyalty in mobile phone service providers.

Table.3 : Questionnaire items and factor analysis

Items	Perceived Quality	Perceived Service	Satisfaction	Trust	Loyalty
The coverage quality of the Ooredoo network is good	0,681				
Ooredoo made efforts to inform its customers	0,906				
Ooredoo network coverage is available in the most important Areas	0,717				
Ooredoo has a good reputation on the market		0,410			
When I decided to join Ooredoo, I knew how to get a bargain		0,719			
Service Ooredoo is a service of quality in relation to charged price		0,369			
If I benefit from Ooredoo's promotions I would be happy		0,680			
I may feel that the more the risks associated with Ooredoo network, the more I would have the feeling that my profits may decrease.		0,602			
The quality of services offered by Ooredoo, usually gives me satisfaction			0,693		
I think that Ooredoo satisfies my requirements in terms of price and quality			0,647		
I'm glad I came to subscribe with Ooredoo			0,642		
Overall, I feel comfortable because my experience with Ooredoo is good.			0,742		
Subscribe with Ooredoo is more or less a warranty				0,627	
Ooredoo Network coverage gives me security in the most important areas.				0,622	
Overall, I think Ooredoo is honest with its customers				0,760	
Ooredoo shows interest for his clients, as far as possible				0,725	
If I had a problem with Ooredoo, I would give it another chance					0,570
I am uncomfortable if Ooredoo was pulled off the market					0,344
It is my interest to continue with Ooredoo					0,770
I would try to maintain my relationship with Ooredoo as long as possible					0,305
I Love brand Ooredoo					0,628
I'm related to the brand Ooredoo					0,491
I'm attracted to the brand Ooredoo					0,568
I would be particularly disappointed not to be able to reload my chip Ooredoo					0,273
My intention is to take Ooredoo as my operator					0,509
There is 99% chance that I repeat my purchase with Ooredoo					0,541

Source: own elaboration by software Statistica.08 [N=200]

4. Hypotheses testing and discussion of result

In order to test the effects of the variables including service quality, perceived value, customer satisfaction, brand trust on brand loyalty, multiple regression analysis was conducted. (See Table.4). The tested research model found that the statistical value for testing matched the proposed model and the empirical data. The present research determines the main factors through which brand loyalty is created. From the final regression model, we found perceived service quality to be positively and significantly related to customer Satisfaction (β_1 = 0.364, T>1.96, at the 0.05 level). This result supports the first hypothesis. This finding also confirms many previous studies, which found that perceived quality positively affects customer satisfaction (e.g., Oliver, 1993,1999; Anderson et *al*., 1994; Zeithaml et *al*. 1996; Bingé et *al*, 1997; Cronin, Brady, and Hult, 2000; Dabholkar et *al*., 2000; Brady & Robertson, 2001; Yang, et *al*, 2009). In Hypothesis.2, we investigated the total effects of perceived value on brand trust. Perceived value had a positively and significantly (at the 0.05 level and T>1.96) related to brand trust (β_2 = 1). This result supports the seconde hypothesis. This finding also confirms many previous studies, which found that perceived value positively affect brand trust (e.g. Chaudhuri and Holbrook, 2001; Sirdeshmukh et *al*., 2002; Harris and Goode, 2004).

Table 4: The standardized path coefficient between variables

Hypothesis	latent's Variables	Parameter Estimate βi	Standard Error ξ	Statistic T	P Level
H.**1**	(QUAL)-56->(SATIS)	0,364	0,053	6,918374	0,000
H.**2**	(VAL)-58->(CONF)	1,000	0,000	1,893374E+09	0,772
H.**3**	(CONF)-57->(SATIS)	0,931	0,021	45,25	0,000
H.**4**	(SATIS)-59->(FID)	0,978	0,026	36,92	0,000

Source: own elaboration by software Statistica.08 [N=200].

Hypothesis.3 examined the impact of brand trust on customer satisfaction. The strong positive relationship found in this study between brand trust and customer satisfaction ($β_3$ = 0.931, T>1.96, p<0.05) provides a strong support to the third hypothesis. Findings of previous research have been fairly conclusive that customer satisfaction is positively correlated with brand trust. This result is consistent with that of Gwinner, Gremler, & Bitner, (1998); Singh & Sirdeshmukh, (2000); Kennedy et *al*, (2001); Bauer et al., (2002); Haris and Good, (2004); Kim et *al*., (2009). Finally, the standardized coefficient for satisfaction is positive ($β_4$ = 0.978, T>1.96) and significant at the 0.05 level. Our results highlight that customer satisfaction has a clear positive and significant influence on brand loyalty, which agreed with Ringham, Johnson, and Spreng, (1994); Bolton, (1998); Oliver, (1999) ; Jones and Suh, (2000; Bennett, (2001); Bennett et *al*, (2005), who investigated that customer satisfaction increases brand loyalty. According to the above analysis customers' satisfaction has full mediating effects on the relationship between perceived quality, perceived value, brand trust and brand loyalty. This finding supports the fourth hypothesis. This result also corroborates the findings of Straughan and Roberts (1999) who found that the inclusion of satisfaction in the model predicting consumers' behavior adds significantly to brand loyalty (e.g., Harris and Goode, 2004).

5. Conclusion

This study empirically supports the finding that service quality and perceived value plays an important role in influencing customer satisfaction and brand loyalty. In what follows we present the main Managerial and perspective implications of the study.

5.1 Managerial and perspective implications

From a managerial perspective, it is noteworthy that, the perceived service quality factor directly influenced customer satisfaction. In the same way, the results indicate that the factors of perceived value directly influenced brand trust and indirectly influenced customers' satisfaction via brand trust. However, the factor of perceived quality indirectly influenced brand loyalty via customer satisfaction.

In terms of the managerial implications, companies and marketers must create different strategies to enhance service quality, perceived value, customers' satisfaction and brand trust in order to increase their customers' brand loyalty. In addition, this research notices that the effects of customer satisfaction and brand loyalty go through some consumer psychological states, such as perceived service quality, perceived value, and brand trust. Such results reinforce the importance of building strong service quality and perceived value, to enhance consumers' satisfaction and consumers' brand loyalty. Previous studies rarely examined the pivotal role of service quality and value perceptions in shaping satisfaction, brand trust and brand loyalty relationships with customers. The present study demonstrates the mediating role of customers' satisfaction and brand trust in the relationship between service quality and perceived value with brand loyalty. Also this present study shows the benefits of investing in relationships based on service quality, perceived value, brand trust and brand loyalty. This paper has suggested ways of how to develop brand loyalty, customers' satisfaction and brand trust in a relational context with service quality and perceived value in service sector.

5.2 Limitations and Future Direction

The current research indicates strong empirical support for the relationships among service quality, perceived brand trust, and brand loyalty, but it has several limitations that suggest promising avenues for future research. The *primary* limitation of this research is that it explores on sector of mobile categories, potentially limiting the generalizability to other domains. In general, these findings should be replicated with different service categories and brands. To enhance further the generalizability of these models, future study should apply them to other domains, for example insurance, e-payment systems, tourism, etc. *Secondly*, the present study did not examine personal factors, brand involvement, brand attachment and brand commitment. Overall, we still need to develop a more detailed understanding of the relationship between brand loyalty and other relationship marketing related variables such as brand experience. *Thirdly*, the research examines only service quality and perceived value as the antecedent variables, future research should examine the antecedents of service quality and perceived value. *Fourthly*, the literature proposes other outcomes of brand loyalty and customers' satisfaction, such as brand image, word of mouth, resistance to negative information and perceived price. Future research should aim to find

empirical evidence for these effects, and other effects, such as the effect of brand identification on brand loyalty.

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