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# Impact of loyalty programmes on brand loyalty (With special reference to Dialog Axiata and Mobitel Company in Badulla District)

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### ABSTRACT

In present society, Loyalty programmes regard as major variable to build up relationship with customers. The firms are highly concerned about the loyalty programs. This article investigates various perceived benefits of loyalty programmes using a multi-benefits framework based on utilitarian benefit, hedonic benefit and symbolic benefit. The objective of this article is to examine the effect of the loyalty programs benefits on the brand loyalty. And to evaluate the extent to which loyalty programmes benefits are highly affect brand loyalty. In addition, to determine significant differences among usage duration with, related to brand loyalty. Sri Lankan mobile communication industry offer undifferentiated services for the customers and customers switching cost is very low or few rather than other industries. Dialog and Mobitel Company considers as research context. The population was the all the dialog and mobitel connection users in Sri Lanka. The convenience sampling approach was used. A questionnaire used to collect data. Questionnaire distributed in the Badulla district. Data was analysed using SPSS. It was found that there was a significant relationship between loyalty program benefits and loyalty. Symbolic benefits affected brand loyalty in strong positive level. Utilitarian benefits and hedonic benefits affected brand loyalty in moderate positive level. Firms can use these findings as a marketing strategy, when firms introduced or modify loyalty programs.

Keywords: Utilitarian benefit, Hedonic benefit, Symbolic benefit.

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#### 1. Introduction

Loyalty programmes are effective marketing tool to relationship building Loyalty programmes offer financial benefits, non-financial benefits, product related benefits and non-product related benefits (hedonic benefits social and recognition benefits, economy benefits, information benefits) to the customers. Loyalty program is defined as a "mechanism for identifying and rewarding loyal customers", where registered customers are rewarded according to points accumulated. Customers do not switch another brands if companies can provide benefits to the customers and have ability to satisfy customers through loyalty programmes. Now a days there are very big competition among companies. Dialog is the market leader in the mobile communication industry in Sri Lanka whereas; Mobitel stands as seconds to the Dialog in the year 2013 in Sri Lanka (Silva & Fernando, 2015). Customer loyalty is the deeply held customers' affection and association with the product or organization (Oliver, 1999).

#### **Research Problem**

Many firms use customer relationship management instruments, in which loyalty or frequency reward programmes represent key marketing activities. In Sri Lankan context can see huge competition among mobile communication network companies. These companies provide undifferentiated services for their customers. However, switching cost is very low or few rather than other industries.

Many researchers argue that in a competitive market, good loyalty programmes simply get imitated, which means that the market eventually returns to stasis, but with increased marketing costs – a highly inefficient situation (Meyer-Waarden and Benavent, 2009). Furthermore, those researchers argue that the rewards commonly provided in association with such programmes might not change consumers' motivations or behavioural patterns effectively.

So that, these companies offer loyalty programmes for their customers. Important goals of any loyalty programmes are providing benefits to the customers and prevent competition. Brand loyalty is important factor to get sustainable competitive advantages. Companies try to build up brand loyalty help of loyalty programmes. Academicians and practitioners have explored the various benefits of customer loyalty and its competitive edge in a very hostile business environment (Saleem, Zahra , Ahmad, & Ismail, 2016). In Sri Lankan context have research about loyalty programmes. However little researches examine loyalty programmes (Economy, Hedonic, Information and Social and recognition) and how affect these benefits to brand loyalty. To address this gap the researcher selected Sri Lankan mobile communication industry.

#### Significance of the study

The research provides a multi benefits framework that identifies the different benefits that are customers may perceive through loyalty programmes. In present society can see huge competition among communication networks companies. Local companies (Mobitel, SLT etc.) and foreign companies (Dialog, Airtel etc.) highly affect to the Sri Lankan telecommunication industry. Therefore, brand loyalty is very important factor to get sustainable competitive advantages. The mobile communication industry is a largely undifferentiated services offering with multiple facilities per customers. Hence, it is easy for customers to

switch from one mobile network to another at the point of usage. In present can see competition market, Therefore build-up brand loyalty is not an easy task. However, all the companies in communication industry offer loyalty programmes to the customers. This research is most important to Sri Lankan mobile communication industry. The mobile communication networks companies can get an idea what are the most suitable loyalty programmes to achieve brand loyalty.

# 2. Literature Review

#### Loyalty programmes

Loyalty programs are best described by their pertinent features of membership, accumulation of points, reinforcements, redemption at owners will and distinct organization offering them. (Kang, Alejandro, & Groza, 2015).

The value of a loyalty program is dependent upon the customer appreciation, or positive perception, of its benefits or rewards. Successful loyalty programs can be implemented if clear company goals are established, along with suitable systems for implementation and measurement (Dlamini & Chinje, 2019). Loyalty programs can increase single brand loyalty, decrease price sensitivity, induce greater consumer resistance to counter offers or counter arguments (from advertising or sales people). Building a relationship with customers is an effective way to achieve company loyalty (Leenheer, Van Heerde, & Bijmolt, 2007). Loyalty programs have several types of perceived benefits, however, not all lead to customer and company loyalty (Kang, Alejandro, & Groza, 2015). Prevents the customers from leaving or running away to competitors (Bartels, 2017).

Purposes of loyalty programmes-: Loyalty programmes developed for a variety of reasons including to reward loyal customers, to generate information, to manipulate consumer behaviour and as defensive measure to combat a competing scheme. Reward loyal customers means achieved repeat purchasing within customers through a combination of discount and the other rewards. To generate information means knowing who the best customers are, what they buy and how often they buy.

Classification of loyalty programmes-: Discount programmes are integrated vouchers and one-off discounts. Discount programmes may be accumulative or non-accumulative. Accumulative discount programmes elements games dominate, the more often purchases made and the higher the spending to purchase the products of the organization and gave the higher discount. Programmes of this type particularly used to promote sales compared to other types. Discount programmes believe as programmes only give a discount rather than develop customer loyalty. These types of programmes used in retail and catering sectors. Point accumulating programmes is purchasing product the user obtains points and can choose a desired reward for pre-defined numbers of accumulated points. These type of programmes used in airlines, hotel and credit institutions. Some organizations apply the rewards programmes when the customers gave products that do not related with the products purchased by the customer from the organization.

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#### **Economic benefit**

Economic benefits are two type first monetary savings and second one is convenience. Research suggests that financial advantages are a major motivation for joining a loyalty program (Xie & Chen, 2013). Monetary savings, provides a means to some end and includes the value associated with financial advantages (Mimouni-Chaabane & Volle, 2010). Most budget consumers are motived by economic rewards, but this doesn't mean that they are more committed to the company due to the loyalty program, as they likely hold several loyalty program memberships (Meyer-Waarden, 2013). In the same time, companies should not be interested in retaining these customers, as they are not profitable for company's long-term survivability (Evanschitzky, Ramaseshan, & Woisetschläger, 2012).

#### **Hedonic benefits**

Hedonic value derives from non-instrumental, experiential, emotional and personally gratifying benefits and it may be associated with shopping the use of media and increased behavioural loyalty. Hedonic benefits may be relevant for loyalty programmes through two dimensions exploration and entertainment. Role refers the enjoyment felt for finding perfect one. The hedonic benefits that are perceived as the attractiveness and rewards of loyalty programs affect the customer's attitude in a satisfying way (Bartels, 2017). The dimension of hedonic benefit are exploration and entertainment which appealing to pleasure and satisfaction. Moreover, hedonic benefit is significant in retaining customer interest toward the loyalty program (Yi, & Hwa, 2019).

Hedonic value derives from non-instrumental, experiential, emotional and personally gratifying benefits and it may be associated with shopping the use of media and increased behavioural loyalty. The hedonic aspect examined as excitement, arousal, joy, festive, escapism, fantasy, adventure (Dorotic, Bijmolt, & Verhoef, 2012).

#### **Recognition and social benefits**

Symbolic benefits, the extrinsic advantages that products or services provide in relation to needs for personal expression, self-esteem, and social approval results from intangible and often non-product related attributes. In my model, symbolic benefits are embodied by two constructs recognition and social benefits (Mimouni-Chaabane & Volle, 2010). Social benefits have a direct positive effect on customer loyalty (Brashear-Alejandro, Kang, & Groza, 2016). Loyalty programs offer an opportunity to differentiate and discriminate among customers who likely perceive customized offers as a sign of respect or distinctiveness. The loyalty programs enhance perception of social benefits, such that members consider themselves part of an exclusive group of privileged customers, identify with that group, and share values associated with the brand. In my model, symbolic benefits are embodied by two constructs recognition and social benefits (Mimouni-Chaabane & Volle, 2010).

#### Information benefits

To have a greater access to information, discounts and products by means of loyalty programs, interaction, like personalized mailings is seen by the customer as a perk. They can interact with the company but also

get information from the company, like corporate or beneficial deals and product information (Bigné, Mattila, & Andreu, 2008). This benefit is for the company a difficult-to-imitate advantage as the customer is already interested to read and search for information. (Meyer-Waarden, Benavent, & Castéran, 2013). Furthermore, Meyer-Waarden mentions that in these cases uncertainty-avoiding routine-loyal customers reduce uncertainty, gain reassurance and minimalize risks, and therefore their intrinsic motivation is to gather information about their favourite company.

#### **Brand loyalty**

Brand loyalty defined as the strength of preference for a brand compared to other similar available options (Yee & Sidek, Influence of brand loyalty on consumer sportswear., 2008). Brand loyalty is the behavioural response expressed over time by some decision making unit, with respect to one or more alternative brands out of a set of such brands, and is a function of psychological processes. Integrated marketing communications plays indispensable role in convincing consumers' brand loyalty (Šerić & Gil-Saura, 2012). Brand loyalty defined as the strength of preference for a brand compared to other brand similar available options (Yee & Sidek, 2008). Brand loyalty leads to purchase intention (Devendra & Perera, 2018).

Types of brand loyalty-: Brand loyalty considered which include both the behavioural and attitudinal components. Brand loyalty definitions considerable number of different brand loyalty measures which can be categorized as either behavioural (e.g. number of repeat purchase of the same brand) or attitudinal (e.g. preferences for a particular brand to other alternatives). Brand determined by a combination of repeat purchasing level and relative attitude. It is important for brand managers to understand the role of relative attitude to brand loyalty in order to enhance and maintain customers' repeat purchasing of their brand. Relative attitude is a composite of attitudinal differentiation and attitudinal strength. Relative attitude is at its highest when influenced by high attitudinal strength.

Loyalty defined as repeated purchase of particular products or services during a certain period. For this reason, a particular brand's purchase frequency and purchase possibility often proposed as a means to measure brand loyalty. There are five types of behaviour during certain time in a competitive market.

- 1. The percentage of customers buying a brand,
- 2. The number of purchases per buyer,
- 3. The percentage of customers, who continue to buy the brand,
- 4. The percentage of customers who are hundred present loyal,
- 5. The percentage of customers who are buy other brands duplicate buyers.

#### **Repurchase behaviour intensity**

It is now generally recognised that customer retention has a positive effect on long-term profitability because the costs of obtaining new customers is usually greater than the costs of retaining existing customers (Ferrand, Robinson, & Valette-Florence, 2010). Moreover, the longer a customer stays with a provider the more profitable that customer becomes – because loyal customers tend to repurchase more often and spend more money over time (Theodorakis, Koustelios, & Robinson, 2009).

#### **Resistance to counter purchase**

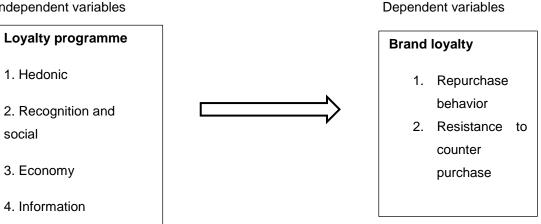
Turning the clock forward several decades, brand loyalty remains an important concept. However, the methods by which such loyalty and its positive consequences may be propagated are now focused on service-dominant logic, customer engagement and the co-creation of value (Ramaswamy & Ozcan, 2016). In this realm, we see that much work on the co-creation of value and brand building not only espouses relationship building between brand and customer, but also leverages the relationships between customers or co-consumers (Lee & Soon, 2017) sum up the current state of affairs for brand management succinctly when they state that.

# 3. Conceptual Model

Conceptualization is the mental process whereby fuzzy and imprecise notions (concepts) are made more specific and precise. It involves specifying the meaning of the concepts and variables to be studies. Operationalization is one step beyond conceptualization. Operationalization is the process of developing operational definitions. (Paré & Dillaway, 2005).

#### **Figure 1: Conceptual Model**

Independent variables



#### Hypotheses

Yi et Jeon (2003) define program loyalty as having a positive attitude toward the benefits of the loyalty program. Evanschitzky et al. (2012) demonstrated that perceived value, special treatment benefits and social benefits are the main predictors of program loyalty. These authors found that perceived value (which is economic in nature) was the major predictor of program loyalty. Mimouni-Chaabane and Volle (2010) found that among the five benefits offered by loyalty programs, those based on monetary saving, most predicted program loyalty. Kang et al. (2015) found that financial benefits were positively related to program loyalty. Gwinner et al. (1998) demonstrated that special treatment benefits are perceived by customers as important determinants of program loyalty. Evanschitzky et al. (2012) found a direct but less significant impact between special treatment benefits and program loyalty. The sense of community created by loyalty

programs gives customers a feeling of belonging, a sense of importance and integration and enhance customer's levels identification with the company (Kang et al., 2015). Several researchers found that social benefits were significantly related to program loyalty (eg, Mimouni-Chaabane and Volle, 2010, Evanschitzky et al., 2012, Kim et al., 2013, Kang et al., 2014). On these grounds, the following hypothesis are developed:

H1: There is positive and significant relationship between hedonic benefit and brand loyalty

- H2: There is positive and significant srelationship between recognition and social benefit and brand loyalty
- H3: There is positive and significant relationship between economic benefit and brand loyalty
- H4: There is positive and significant relationship between information benefit and brand loyalty.

H5: There is significant impact of loyalty programme benefit and brand loyalty.

# 4. Methodology

#### Research design

This is causal research and causal research help to identify the relationship between two variables and what happened dependent variables according to independent variables. Causal researches define dependent variables as result and independent variables as cause. Causal researches define dependent variables as result and independent variables as cause. In here, the researcher finds significant relationship with positive or negative between loyalty programmes and brand loyalty.

#### Variables of the Study

In this research, the researcher consider loyalty programmes as independent variable and identify four dimensions under loyalty programmes as economic benefits (Monetary Savings, Convenience), Hedonic benefits (Exploration, Entertainment), Information benefits and Recognition and Social. Brand loyalty consider as dependent variable.

#### Unit of Analysis

In this research unit of analysis was the individual customer who using in the two mobile telecommunication services in Badulla district.

#### **Target Population**

The Dialog star-points and Mobitel cash bonanza customers in two in Badulla District were considered as the population of this study, but researcher has failed to reach this total population because there are huge amount of customers and these two companies not allowed to provide their customer detail to outside.

#### Sample

The sample consists of two hundrend and fifty Dialog star points users and Mobitel cash bonanza users who range in age (above 18 years) and variety of education levels and income levels. Convenience sampling approach was used because there is unknown population and data collected in Badulla district.

#### Method of Data Collection

In this research use primary data and data were collected through the structure questionnaire. Two hundred and fifty questionnaire were distributed dialog mobile connection users and mobitel mobile connection

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selected customers in Badulla District. The secondary data were collected through research article, text book, journals and internet.

Research strategy-: This research is causal research. Therefore, the researcher used survey as research strategy. Survey is a data collection tool to collect information individuals. Therefore, survey was the best way to collect self-report data from study participants. Reason for that the participant's fills questionnaire his or her own. Surveys generally standardized to ensure that have reliability and validity. Standardization is also important so that the results can generalize to the larger population. In this research, the researcher used surveys as a research strategy reasons for that surveys can collect large amount of data in a short period of time, surveys are less expensive than many other data collection techniques, and surveys can used to collect information on a wide range of things such as loyalty, opinion and past experience.

#### Questionnaire

Questionnaires data collected method and the questionnaires developed mainly two sections namely personal information and research information. The each respondent can put tick mark in questionnaire which are the advantages perceive from their participation in loyalty programs.

#### Part A

Personal information includes 06 statements. It consists of the information regarding the gender, usage duration, age group, occupation, type of loyalty programmes and income level of the respondent. Part B

Research information includes 20 statements related to research variables. In this study questionnaire is developed with the support of previous studies carried out by expert in the relevant subject areas.

# 5. Data Presentation and Analysis

Collected data analyse is very much essential and important to reach the accurate study conclusions therefore researcher have to present data very clearly. The data presented and analysed on using administrated questionnaire, which were collected from the customers of two mobile telecommunication services in Badulla district.

Reliability statistics is presented using the Cronbach's Alpha analysis to ensure the reliability of the instrument and then personal information about the respondents are presented. It is analysed using the univariate analysis and frequency distribution. The data describing existing level of LP and BL, relationship among LP and BL finally impact of LP was carried out using the bivariate analysis. Regression analysis was made to find out the impact of the independent variable on the dependent variable.

#### Method of Data Analysis and Data Evaluation

Data collected from the respondents through the questionnaire use for the analysis purpose and are analyzed and evaluated by using univariate and bivariate analysis. Here the data analyzed according to the descriptive statistics and regression analysis. The Statistical Package for Social Science (SPSS 22.0) simplifies the analysis work of this study. In this study Cronbach's alpha estimate is employed to establish the reliability of scales used in the questionnaire.

# Table :1 Decision Criteria for Univariate Analysis

Range	Decision Attributes
1≤Xi ≤ 2.5	Lower Level
2.5< Xi ≤ 3.5	Moderate Level
3.5 <xi 5.0<="" td="" ≤=""><td>Higher Level</td></xi>	Higher Level

(Source: Formed for this Research Purpose) where Xi = Mean value of an indicator/dimension/Variable.

Instruments	Cronbach'	No of items		
	Dialog Starpoint	Mobitel cash bonanza		
Loyalty Programme	.942	.928	15	
Economy	.871	.835	4	
Hedonism	.829	.756	4	
Recognition and social	.829	.755	4	
Information	.710	.743	3	

(Source: survey data)

As the Cronbach's alpha value of used scale was over 0.70, there was good reliability for LP and its dimension. Therefore, all items of LP considered in this study are to be reliable.

Table: 3 Descrip	otive Statistics of Lo	oyalty Programme a	and Brand Lovalty
		Juny i rogrammo c	ina brana Eoyaity

Dimension	Mean	SD	Decision attribute
Hedonism	4.11	0.91	High
Economy	4.13	0.87	High
Recognition and social	4.13	0.88	High
Information	409	0.88	High
Loyalty Programme	4.11	0.88	High
Repurchase intensity	4.22	0.82	High
Resistance to counter persuasion	4.24	0.88	High
Brand Loyalty	4.23	0.85	High

(Source: survey data)

Dialog star points		Hedonic Benefit	Economic Benefit	Recognition and social	Information Benefit	
				benefit		
BL	Pearson Correlation	0.675	0.721	0.721	0.617	
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	

# Table: 3 Pearson's Correlation Analysis between Dialog Axiata's loyalty programmes and it's Brand Loyalty

(Source: survey data)

According to above table there is strong positive relationship between hedonic benefit (r = 0.675), economic benefit (r = 0.721), recognition and social benefit (r = 0.721) and information benefit (r = 0.617) with brand loyalty of Dialog Axiata.

# Table: 5 Pearson's Correlation Analysis between Mobitel's loyalty programmes and it's brand Loyalty

Mobitel cash bonanza		Hedonic Benefit	Economic Benefit	Recognition and social benefit	Information Benefit
BL	Pearson Correlation	0.751	0.693	0.693	0.697
	Sig. (2-tailed)	0.000	0.000	0.000	0.000

(Source: survey data)

According to above table there is strong positive relationship between hedonic benefit (r = 0.751), economic benefit (0.693) ,recognition and social benefit (r = 0.693) and information benefit (r = 0.697) with brand loyalty of Mobitel.

# Table: 6 Model summary of Multiple Regression

Name of the facto	e of the Model R factory		R Square	R Square Adjusted R Square	
Dialog	1	.760a	.578	.567	.45636
Mobitel	1	.830b	.688	.678	.37648

#### Table: 7 Coefficients of Regression Model

			Unstandardized Coefficients		Standardized Coefficients		
Name of the factory	Model						
,			В	Std. Error	Beta	t	Sig.
Dialog	1	(Constant)	1.033	.275	-	3.755	.000
		recognition	.208	.082	.259	2.537	.012
		Economic	.311	.102	.346	3.032	.003
		information	.274	.086	.249	3.170	.002
Mobitel	1	(Constant)	.742	.246		3.019	.003
		recognition	.422	.090	.418	4.670	.000
		Economic	7.399	1.531	6.855	4.834	.000
		information	.258	.064	.286	4.033	.000
		Hedonoic	-7.242	1.540	-6.679	-4.703	.000

(Source: survey data)

According to the Table 6 & 7, R value (coefficient of correlation) was 0.760, and it indicates there is a strong positive relationship among LP and BL. Beta values of RB was 0.208, EB was 0.311 and IB was 0.274. R Square value was 0.830 that indicates 83.0 % variation in BL is explained by LP (RB, EB and IB) 0.05 significant level. B values of RB was 0.422, EB was 7.399 and IB was 0.258. P value of interaction term was less than 0.05. Therefore, LP moderates to the relationship between LP. The regression coefficient of interaction was positive. It shows that the LP strengthen the BL.

#### **Discussion of Research Information**

Hedonic benefit (mean =4.11,SD= 0.91),recognition and social (mean = 4.13 SD= 0.88),economic (mean = 4.13,SD= 0.87) and information (mean = 4.09,SD = 0.88) These all the four dimension have high level of decision attribute. The dependent variable is repurchase intensity (mean 4.23 SD 0.85) and resistance to counter persuasion (mean 4.24 SD 0.88).

Although previous experimental investigations indicate that loyalty scheme effectiveness depends on the program's design (Kivetz and Simonson, 2002).Wirtz et.al, 2007 said incentives that mean utilitarian benefits highly influenced brand loyalty.

# 6. Findings

The results in Pearson correlation analysis of this research indicated that there was a significant high positive relationship between loyalty programme and brand loyalty in Dialog star-point hedonic r = 0.675, economic r = 0.721, recognition and social r = 0.721 and finally information r = 0.617 there is a high level of relationship between LP and BL in dialog star point. Reason for that is Dialog star point have island wide coverage so that most of the customer use dialog mobile telecommunication service.

In Mobitel cash bonanza hedonic r = 0.751, economic r = 0.693, recognition and r = 0.693 and finally information r = 0.697 there is a high level of relationship between LP and BL in dialog star point. Reason for that is Mobiles Company provide flexibility service to their customers with variety of service most of the customer use Mobitel cash bonanza mobile telecommunication service.

# 7. Conclusion

Differentiation helps to achieve loyal customers who are affect brand loyalty. Loyalty programmes offer three benefits to the customers as Hedonic benefits, Recognition and social benefits and symbolic benefits. When the companies introduce or modify loyalty programmes at that time the companies have to concern about customer's expectation that means which benefit is given higher value to the customers through loyalty programmes. Loyalty programmes can see four dimensions as hedonism, social and recognition economic and informational. There was strong positive significant relationship between economic and brand loyalty. When economic benefits increased, brand loyalty also increased. There was strong positive significant relationship between recognition benefit benefits and brand loyalty. The results revealed that information benefits highly influenced brand loyalty rather than economic benefits and hedonic benefits.

# 8. Recommendation

The mobile communication industry can see huge competition rather than other industries in Sri Lanka. Reason for that it is offering undifferentiated services with multiple facilities. Therefore, customers can easily switch one mobile connection to another mobile connection at the point of usage. And also can see very low or few switching cost. If a firm introduce new facilities or technology for the mobile connection, definitely others are copied it. Therefore, in present can see huge competition among mobile network supply firms. Differentiation helps to achieve loyal customers who are affect brand loyalty. Loyalty programmes offer three benefits to the customers as Hedonic benefits, Recognition and social benefits and symbolic benefits.

Companies can reduce customer switching and can increase customer retention. Companies can achieve sustainable competitive advantages because of loyal customers. Mobile companies offer-undifferentiated services. As a result of that switching cost is very low or few. The companies can use loyalty programmes benefits to differ from other mobile companies.

#### Limitation of the study

This study focuses on the perceived benefits of loyalty programs; do not consider about the perceived cost of loyalty programs. This research does not consider about competitors offers through loyalty programmes. Competitors loyalty programs highly affected to brand loyalty of selected loyalty programmes. This research aimed other researches to get factors, which affected to the loyalty programmes benefits and to identify what are the dimensions of the brand loyalty. This research is interesting to categorize loyalty programmes based on target customers. Although loyalty programmes are usually designed towards loyal customers. This research is specific for dialog loyal customers.

#### Suggestions for future researchers

This research examined effect of the loyalty programmes on brand loyalty. Mobile communication industry was used this research and dialog and Mobitel (star points) used as the research context. Future researchers can use another research industry likewise retail industry (supermarket - Nexus) and transportation industry (airline - FlySmiLes) etc. In addition, the In this research, the researcher used loyalty programmes under four dimensions as hedonism recognition and social economy and information benefit. The researcher tried to find impact of loyalty programmes on brand loyalty. The researcher did not consider about the effort that means how many effort used to achieve benefits. According to the effort style (Highly effort, Moderate effort, and Lower effort) brand loyalty is changed. Effort can use as moderate variables. Further researchers have ability to added effort style as a variable to influence brand loyalty. This study focused on the perceived benefits of loyalty programmes.

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