The effects of a free premium sales promotion on the attitudinal loyalty of a consumer

Dewald Geldenhuis

Student number: 968045

A research report submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Management in the field of Strategic Marketing

Johannesburg, 2017

ABSTRACT

Sales promotions are ever-present occurrences in modern day markets with companies using them as part of their marketing mix (Blattberg & Neslin, 1990). They also have the ability to effect customer satisfaction and in turn the brand loyalty for that consumer (Li-Xin & Shou-Lian, 2010).

Bawa and Shoemaker (2004) found links between non-monetary sales promotions and the brand loyalty of a consumer. Consumers exposed to sales promotions usually had increased purchasing probability and enhanced loyalty to the brand, compared to consumers that were not exposed to the promotion.

This study set out to establish the effects on the attitudinal loyalty of consumers who missed the opportunity to partake in a free premium sales promotion. Utilizing a quantitative research methodology, data was collected by means of a structured questionnaire from respondents in South Africa. Internal factors such as the consumers experience of cognitive dissonance; emotion showed towards the brand; and their attitudes towards the brand, were measured and analysed through factor analysis.

The most notable finding from the study was that the effect on a consumer’s attitudinal loyalty was contained to the attitude they have towards the brand, irrespective of the level of dissonance that might appear or even the emotional feelings they might have for the brand.

Missing the sales promotion would almost certainly alter their perception of the brand and change the internal factors a consumer turns to when searching for information and evaluating their post-purchase consumption. Ultimately, a missed free premium sales promotion will do very little to destroy any brand loyalty that is already present with that consumer.

DECLARATION

I, Dewald Geldenhuis, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Management in the field of Strategic Marketing in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Dewald Geldenhuis

Signed at ……Johannesburg……………………………………

On the ……20th……………………… day of ……April………………… 20…17…..

DEDICATION

To my parents, for sacrificing so much in order for me to pursue this degree.

ACKNOWLEDGEMENTS

I wish to acknowledge the following people for all that they have done to support and guide me through the year.

Firstly, my parents for keeping me motivated and supporting me throughout this endeavour.

Secondly, my supervisor Mr. Neale Penman for his guidance, assistance and motivation throughout this time. I cannot thank you enough for your valued contribution to my research.

Lastly, my lecturers and fellow class mates for making the journey and learning experience a memorable one.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

CHAPTER 1. INTRODUCTION

1.1 Purpose of the study

The purpose of this research is to identify the effects that a non-monetary sales promotion, more specifically a free premium sales promotion distributed directly in store, will have on the attitudinal loyalty of a consumer after they have made a purchase. There exists an extensive body of knowledge on the subject of sales promotions and its implications on consumer loyalty, brand equity and customer involvement (Chandon, Wansink & Laurent, 2000; Gedenk & Neslin, 1999; Mittal & Sethi, 2011). From the research of Yi and Yoo (2011) the authors determined long-term implications of non-monetary sales promotions on the brand attitude of consumers and Mendez, Bendixen, Abratt, Yurova and O'Leary (2015) fairly recently studied the effects of sales promotion (monetary and non-monetary) on the brand loyalty of consumers. These studies however did not focus specifically on a free premium sales promotion and its effects on a consumer's attitude towards the brand over the short term when they have missed the opportunity to partake in this promotion.

1.2 Context of the study

Sales promotions are ever-present and companies use them as a vital part of their marketing mix, in order to change consumer behavior and purchasing intent for brands and products (Blattberg & Neslin, 1989). Mendez et al. (2015) stated that promotions are seen as a preferred method of communication with the consumer and according to Neslin (2006) promotions can take two different forms, either monetary or non-monetary. Monetary promotions are promotions offering any form of price discount or rebate and non-monetary promotions are any other type of promotion. Both of these are used to create a form of awareness with the ultimate goal of persuading a consumer to purchase a particular brand (Pauler & Dick, 2006). Chandon et al. (2000) outlined examples of non-monetary promotions as contests, bonus packs or free gifts, sampling, premiums, coupons and loyalty programs.

Li-xin and Shou-lian (2010) mention that promotional activities effect customer satisfaction and this in turn has implications on the brand loyalty for that consumer. As the consumer becomes more involved with a product category, they can develop or grow brand loyalty and become less price sensitive (Ramirez & Goldsmith, 2009; Valls, Sureda& Andrade,2012). This is indicative of both monetary and non-monetary promotions as non-monetary promotions, according to Bawa and Shoemaker (2004) usually induce higher rates of customer retention as well as a higher probability to purchase over those consumers that were not exposed to the promotion, and therefore can also have a positive effect on brand loyalty. This research however did not look at the effects a promotion might have on those consumers who did not partake in the promotion.

The current economic climate in South Africa creates a pressing need for consumers to monitor their spending and stretch the limited disposable income available to them. There is a need now, more than ever, for brands to nurture the relationship between the customer and the brand so as to avoid a loss of sales, or worse, a loss of customers. Determining the attitudinal orientation, a consumer might have towards the promotions that they are exposed to, could ensure a much more accurate and refined promotional strategy and optimised use of marketing and organisational resources. There also exists a drive from organisations to grow the customer lifetime value of their consumer base and many have therefore resorted to using free premiums as a means to create and install brand loyalty, with the ultimate goal of turning this loyalty into repurchasing intent from their consumers.

1.3 Problem statement

1.3.1 *Main problem*

Much has been written on the affects a promotion has on consumer's orientation and intentions and the differences between monetary sales promotions and non-monetary sales promotions on brand loyalty, over the short and long term (Yi & Yoo, 2011). There still however, exists a contradiction in the findings of various studies and a more detailed understanding of the impact of promotions needs to be developed (Mendez et al., 2015).

The main problem of this research is to establish the effects on the attitudinal loyalty for consumers that missed the opportunity to partake in a free premium promotion.

1.3.2 *Sub-problems*

The first sub-problem is to determine if affective and behavioural factors resulting from the missed opportunity to partake in the sales promotion, would affect attitudinal loyalty for a consumer.

The second sub-problem is to determine the possible implication a missed sales promotion might have on the purchasing behaviour of a consumer.

1.4 Significance of the study

The study will provide guidance to managers, strategic marketers and brand managers, who are faced with the difficult task of positioning a brand or product in an overcrowded market place, filled with consumers who are inundated with marketing communications. It also hopes to add to the improvement and refinement of current marketing and brand management strategy, as well as the development of new and focussed marketing communications. Bae and Miller (2009) found that understanding the consumer’s orientation could be useful, not only for targeting a very specific consumer market, but also to help develop marketing segmentation, targeting and positioning.

The research aims to shed light on the implications that promotions, more specifically non-monetary sales promotions, might have on the feelings and attitudes of the current consumers. Previous research that has been done regarding sales promotions, mostly links this marketing activity to brand loyalty. Little focus has been placed on the implications of a free premium sales promotions and their lasting effects on brand loyalty and, the more difficult to change, attitudinal loyalty.

In addition to increasing the understanding of a free premium promotion on consumer's attitudes, the research aims to identify the elements that contribute to the possible success or failure of such promotions, and thereby contribute to a deeper understanding of what a non-monetary promotion needs to consist of, in order for it to be successful.

1.5 Delimitations of the study

The following delimitations are relevant to the study:

- Only the effect of a non-monetary sales promotion will be researched, more specifically a free premium sales promotion.
- No formal comparison will be drawn between the differences of monetary and non-monetary sales promotions.
- Specific focus will be drawn to the time that a consumer will be exposed to the sales promotion. This is done in order for the study to distinguish itself from other research that focussed on the long-term implications of non-monetary promotions.
- All the respondents will be familiar with the product selected as the focal point in the questions posed to them.
- All the respondents will be familiar with the scenario posed in the survey, which should eliminate any ambiguity or confusion.

1.6 Definition of terms

Sales promotions: Incentives offered to consumers with the aim of affecting their buying behaviour (Sinha & Verma, 2015). Promotions are used to create a form of awareness with the ultimate goal of persuading a consumer to purchase a particular brand (Pauler & Dick, 2006).

Consumer promotions: A marketing technique used to target consumers that will use the product or service with the aim of providing them with an incentive to consider the specific brand (Moriarty, Mitchell, & Wells, 2015).

Non-monetary sales promotions: A form of sales promotions that does not include elements of pricing rebates or discounts (Pauler & Dick, 2006).

Free premium: An immediate reward incentive for the consumer, designed to build brand equity for the manufacturer (Belch & Belch, 2003).

Brand attitude: The complete evaluation a consumer might have of a brand, irrespective of it being good or bad (Mitchell & Olson, 1981).

Brand loyalty: A commitment from a consumer to rebuy a product sometime in the future despite being persuaded to buy another brand or shop elsewhere (Oliver, 1999).

Marketing mix: The combination of the price, promotion, product and place decisions and actions firms and marketers use to address the needs and wants of a target market (Grewal & Levy, 2014). This is also sometimes referred to as marketing stimuli (Kotler & Armstrong, 2011).

Cognitive dissonance: The questions and considerations a consumer goes through after a purchase in order to establish whether or not a thorough search for alternatives was done or if they are truly satisfied with the product (Blackwell, Miniard & Engel, 2006).

Involvement: The amount of effort a consumer would apply to the purchase by learning about and forming attitudes towards the product (Lantos, 2010).

Purchasing intention: The possibility that exists for a consumer to purchase a product (Grewal, Monroe & Krishnan, 1998).

Attitudinal loyalty: A consumer's feelings towards the brand when deciding to repurchase a product (Chahal & Bala, 2010).

1.7 Assumptions

The following assumptions were made before commencing with the study:

- All respondents had an understanding of the various products available to them at the time of purchase.
- It would be easy to obtain the data needed from the respondents.
- All questions would be answered honestly and truthfully.
- The majority of the respondents paid for the product themselves.
- The total number of respondents would be sufficient to obtain the necessary data.

CHAPTER 2. LITERATURE REVIEW

2.1 Introduction

Understanding a consumer's decision making process is critical for marketing activities, development of marketing strategies and market segmentation development (Sinkovics, Leelapanyalert & Yamin, 2010). The research of Alvárez-Alvárez and Vázquez-Casielles (2005), found that a consumer would look at a few fundamental variables such as the price, reference price, value and promotions when considering a brand. A consumers' attitude towards a brand can also have implications on their purchasing choices (Yi & Yoo, 2011).

Although van Heerde and Neslin (2008) indicated that promotions can positively influence a consumer's brand experience and lead to a long term positive effect on their repurchasing intent, Fishbein and Ajzen (1975) argued that, attitude is by default learned and a consumer can choose to show their attitude as a favorable or unfavorable response. This is agreed by Yi and Yoo (2011) who found that a brand choice, affected by the consumers' brand attitude, can also have a negative effect on sales promotions.

The following literature review discusses internal factors that can affect the purchasing intent of consumers and outlines the role of sales promotions in framing these internal factors. This is followed by a brief explanation of the levels of involvement a consumer might have when making the purchasing decision. A review of the current literature pertaining to brand attitude and how it forms part of a successful sales promotion, is also presented. The chapter concludes with the a summary of the hypotheses and a conceptual model of the research.

2.2 Sales promotions

Sales promotions are an ever-present occurrence and manufacturers and retailers use them as a vital part of their marketing mix, which directly impacts the behavior of consumers (Blattberg & Neslin, 1990). Kwok and Uncles (2005) explain the two types of over-arching sales promotions, namely monetary and non-monetary sales promotions, with the former being transactional in nature, and the latter a means to maintain the relationship between a manufacturer or retailer relationship and the customer.

According to Neslin (2006) there are three major types of promotion that could be used by a company in its marketing mix. This view is shared by East, Wright and Vanhuele (2013) and Moriarty, Mitchell and Wells (2015) who mention that the three types of promotions could either be trade deals (manufacturers targeting retailers); retailer promotions (retailers targeting consumers); and consumer promotions (manufacturers targeting consumers). Focusing on the consumer promotions, it has been found that there are various specific promotional tools that can be used. Moriarty et al. (2015) list these as price deals; refunds or rebates; sampling; premiums; coupons; contests; loyalty programs; and sweepstakes.

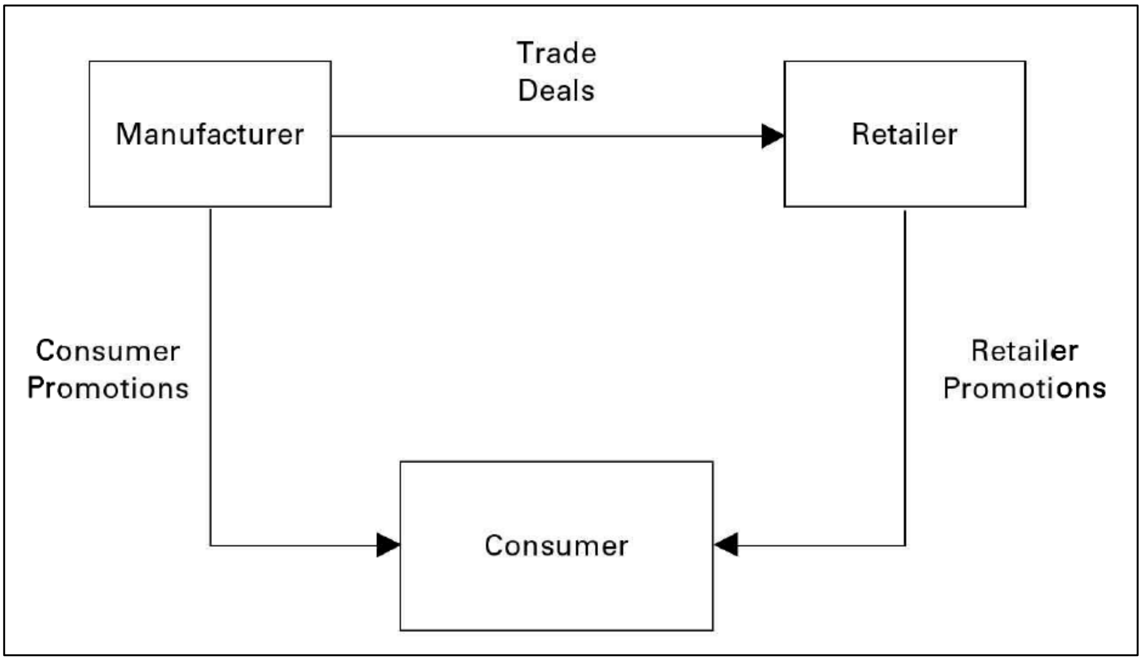


Figure 1:Types of promotion (Neslin, 2006, p.322)

Belch and Belch (2003) explain that a non-monetary consumer driven promotion, more specifically a free premium, is an immediate reward incentive for the consumer designed to build brand equity for the manufacturer. The authors go on to define free premiums as a small gift, or an item of merchandise, that accompanies the product purchased and is in-line with the intended positioning and image of the product. Moriarty et al. (2015) states that these premiums can either be induced directly or indirectly, and categorises a direct premium-induced sales promotion into four variants as the following:

- store premiums (given to customers at the retail site);
- in-pack premiums (inserted in the package at the factory);
- on-pack premiums (placed on the outside of the package at the factory); and
- container premiums (in which the pack- age is the premium).

The focus of this research will be on the free direct store premium.

Further to this is Neslin's (2006) view that promotions can be viewed from two different schools of thought. First the economic perspective, concerned with the price and its impact on the consumption patterns, brand loyalty and purchasing behavior; and secondly, the behavioral aspect of consumers and their interaction with promotions.

2.2.1 *Economic perspective of sales promotions*

From an economic perspective, promotions exist for the following reasons:

Price discrimination

This is the selling of the same good to customers, but at different prices depending on their loyalty. It occurs in many forms such as:

- **Informed vs. uninformed:** As explained by Varian (1980) this is where informed consumers are aware of the prices for products and are willing to shop around to get the products at those prices, whereas uninformed consumers just buy the brand that is most convenient to them. This will result in informed consumers paying less and uniformed consumers paying more.

- **Brand loyal vs. brand switcher:** This is the basis for a promotional strategy used by manufacturers so that their brand loyal consumers pay more and the switchers less. Brand loyal consumers, as the name implies, will be loyal and pay a high price, but in order to entice switchers, the price has to be low. Promotions thus get used to having the brand loyal consumers pay more and the switchers paying less. Neslin (2006) explains that brand switching creates an increased utility for the consumer and irrespective from which perspective (economic or behavioural) one views the promotions effect, a brand will suffer. Blattberg and Wisniewski (1989) found that a sales promotion induced brand switching, would be asymmetric in that, what brand one takes from brand two, is not the same as what brand two will take from brand one.

Non-price discrimination

Neslin (2006) states that, just as with price discrimination, non-price discrimination as seen through a promotion, can be used to target a consumer segment through non-price related means. Here the consumer is adapting their consumption patterns and styles, according to the promotions offered and their lasting effects. This is evident in the **post promotion effects** (dynamics that come into play after the promotion has occurred). The post promotions effects shape the consumer's attitude and behavior around three distinct areas (Neslin, 2006). These are reference prices, purchase event feedback, and price/promotion sensitivity, as explained below:

- **Reference price** is the price a consumer sets for a product based on the worth it has for them (Yi & Yoo, 2011). Campbell and Diamond (1990) argued that non-monetary promotions do not affect the reference price for a consumer but are rather seen as gains or reduced losses. In other words, monetary promotions reduce perceived loss and non-monetary promotions increase perceived gain (Kahneman & Tversky, 1979). Sinha and Smith (2000) agreed with this view and further stated that because a gain can be taken in isolation and not affect the reference price, a non-monetary promotion is unlikely to affect the image of the brand.

- **Purchase event feedback** is known as the effect a current purchase will have on a future brand preference (Gedenk & Neslin, 1999). There are two polar opposite views on the effect of purchase event feedback on the brand. Firstly, Dodson, Tybout and Sternthal (1978) explain **self-perception** as a concept whereby a consumer brings all their actions into question and the result thereof is the preference for a particular brand. The authors make the following example: If a consumer found post-purchase that the respective purchase was made on promotion and not of an inherent brand preference, the resulting effect on the brand loyalty of that consumer will be reduced. In other words, the promotion hurt the brand loyalty. The other end of the spectrum is defined as **reinforced behaviour** by Rothschild and Gaidis (1981), which simply means that if a promotion is working well, the result is a repeat purchase by the consumer.

- **Price and promotion sensitivity**: Neslin (2006) states that, should a retailer or manufacturer reinforce brand attitudes through price promotions, the consumers will in turn adapt and become more price sensitive. On the other hand, Mela, Gupta and Lehman (1997) found that non-monetary promotions decrease sensitivity to price amongst loyal consumers and increase it for non-loyal consumers.

2.2.2 *Behavioural perspective of sales promotions*

Promotions viewed from a behavioural aspect reveal the transaction utility a consumer will experience. Transaction utility simply put, is the purchase price in relation to the reference price. Neslin (2006) refers to this difference as the utility gained by the consumer.

The utility benefit derived by the consumer can be either utilitarian (usually monetary benefits providing a means to an end) or hedonic (non-monetary promotions that are affective in its purpose) in nature (Chandon et al., 2000). The authors go on to say that a promotion has the ability to have a greater effect on the demand for a product, if compatibility exists between the type of promotion for a product and the benefit (hedonic or utilitarian) the promotion might provide. Sinha and Verma (2015) found this benefit-seeking attribute a key component of their model to determine whether a promotion has the attributes to be successful.

A non-monetary sales promotion (free premium) of a product already purchased, would thus serve no benefit to the consumer. This could translate into a lower demand for the product as a result of the decreased utility benefit experienced.

2.2.3 *Promotions effect on the marketing mix*

Bridges, Briesch and Yin (2006) built on the previous research of Gedenk and Neslin (1999) and found that consumers have two types of responses from prior brand purchases, and those responses in turn dictate the way a consumer will look at a promotion and affect their brand loyalty. The two responses were categorised as either usage dominance or promotion enhancement.

Usage dominance is where the consumer is most likely to be less responsive to promotions for a brand, as their experience with the brand would dominate any external information. A consumer with a usage dominance response will most likely repurchase after the promotion, making them brand loyal (Bridges et al., 2006).

Promotion enhancement is a response that negatively affects the brand loyalty of a consumer due to the fact that the marketing mix has a greater effect on the consumer if his most recent purchase of any product in that category (not just a specific one), was on promotion (Bridges et al., 2006).

2.3 Product involvement

Understanding the consumer's involvement with a brand should generate an understanding about the amount of effort a consumer would apply in learning about a product and the formation of their attitude towards the product (Lantos, 2010; Solomon, Bamossy, Askegaard & Hogg, 2006). It is widely believed that the level of involvement would be the same as the level of relevance/ importance to the consumer (Kardes, Cronley & Cline, 2010). Kardes et al. (2010) go on to explain that there are two distinct levels of product involvement, namely:

- High involvement, which is a fairly important, relevant issue that would imply a high involvement from a consumer. This occurs when purchases are very important to the consumer (Schiffman, Kanuk & Hansen, 2012); and

- Low Involvement, which can be seen as a situation where there is little to almost no relevance to the consumer and they don't deem it necessary to create a higher level of involvement.

Te'eni-Hari (2008) found in his study on young people, that the attention given to a high involvement product would be stronger than that of a low involvement product, possibly creating a more positive attitude to the brand. The level of involvement a consumer has with a product, influences their purchasing decision (and thus the purchasing intention) for that consumer (Chen, Chen, & Huang, 2012).

It is evident that a high involvement product will imply a high level of relevance to the consumer and that the attitude formed by the consumer for a high involvement product will most probably indicate brand loyalty and higher chance of repurchasing that brand.

Blackwell et al. (2006) wrote that a consumer's cognitive dissonance (the questions and considerations a consumer goes through after a purchase in order to establish whether or not a thorough search for alternatives was done or if they are truly satisfied with the product) will be higher for products that the consumer is more involved in. Therefore, if the cognitive dissonance for a consumer, creates a situation where the consumer is thinking more about the purchase, an opportunity exists to induce a more positive attitude towards the brand and a higher attitudinal loyalty of the consumer.

We can thus derive the following hypothesis.

Hypothesis 1a: A missed free premium sales promotion will create a level of cognitive dissonance with the consumer.

Hypothesis 1b: A negative association towards the brand as a result of induced cognitive dissonance, will decrease loyalty towards the brand.

2.4 Consumer behaviour

Blackwell et al. (2006) describe consumer behaviour as the activities people undertake when they obtain, consume and dispose of products or services. Hawkins and Mothersbaugh (2010) share this view but add that it is internal and external factors that manifest into desires and needs, leading consumers to consider a possible purchase. The consumer decision process model of Blackwell et al. (2006) can be seen in figure 2 below.

The consumer decision process model shows the internal (individual differences) and external (environmental influences) factors that influence consumers in the buying decision. Drawing attention to the internal influences, we see that one of the first attributes is motivation. Motivation is the internal drive a consumer experiences when overcome with a desire to engage in satisfying a need. Motivation is best explained by the now famous hierarchy of needs developed by Maslow. Maslow (1943) explained that humans have five basic needs and that those needs are what drives motivation. Motivation thus leads to purpose and direction in consumer behaviour by creating a will to satisfy the needs identified (Hawkins & Mothersbaugh, 2010).

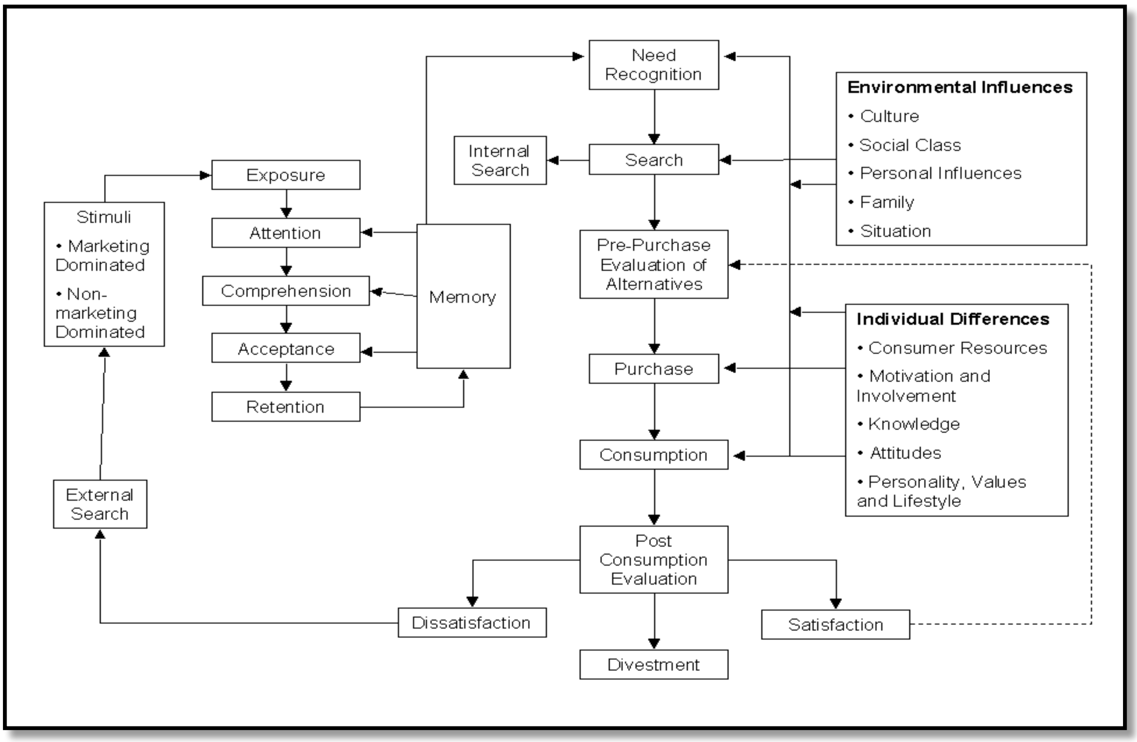


Figure 2: Consumer Decision Process Model (Blackwell, Miniard, & Engel, 2006, p.85)

Emotions, according to Hawkins and Mothersbaugh (2010), are the strong, almost uncontrollable feelings affecting our thoughts and behaviours as consumers. When these feelings go unmet, chances are that it will yield negative emotions. Emotions also play a vital role in how a product is evaluated and perceived by the consumer (Blackwell et al., 2006).

An attitude is the favourable or unfavourable manner in which a person reacts to a given situation in their environment (Hawkins & Mothersbaugh, 2010). This predisposition is as a result of all the internal factors (emotions, motivation, memory, perception) that influence a consumer (Hawkins & Mothersbaugh, 2010).

Another way to see the differences in consumer behaviour is to understand the personal values of the consumers (Blackwell et al., 2006). Personal values are similar to consumer attitudes in that they represent the consumers' beliefs about what is acceptable and unacceptable behaviour. However, unlike attitude, personal values transcend normal situations as they are far more central in one's personality structure (Blackwell et al., 2006), or the attitude one holds towards themselves. (Hawkins & Mothersbaugh, 2010).

The consumer decision process model shown in Figure 2 above, illustrates the consumer's decisions making steps from the start (recognition of a need) to the final step (disengagement). There are variations and adaptations of this model but Blackwell et al. (2006) argue, that irrespective of how the model is shown, a consumer will move through the decision-making process steps from the start to the end. Kotler and Keller (2012) agree with this view but add that it is common for consumers not to follow all the steps in the same order for all purchases.

Drawing attention to the consumption and post consumption evaluation stage, Puccinelli, Goodstein, Grewal, Price, Raghubir, and Stewart (2009) explain that consumers assign a reason for their purchase and this reasoning can affect their evaluation of the product, their satisfaction (or dissatisfaction) with the purchase and their experience / intention to repurchase. Grewal et al. (1998) define purchasing intention as the possibility that exists for a consumer to purchase a product; the more pertinent the intention, the higher the possibility of purchase would be. As consumers become more involved with a product category, they develop brand loyalty and become less price sensitive, thus being willing to pay more for their specific brand (Ramirez & Goldsmith, 2009; Valls et al., 2012).

Emotions play a pivotal role in the attitude shown towards the product and can thus, effect the repurchasing intent for a consumer, in the same way as cognitive dissonance can bring about negative feelings (emotions) and a negative attitude, having detrimental effects on the consumer's attitudinal loyalty.

From this we derive the following hypotheses:

Hypothesis 2a: A missed free premium sales promotion will invoke negative feelings towards the brand.

Hypothesis 2b: Negative feelings towards the brand as a result of a missed free premium sales promotion will influence the cognitive dissonance of a consumer.

2.5 Brand attitude

2.5.1 *Components of consumer attitude*

Consumer behaviour research has found that the attitude a consumer displays will consist of attributes ranging from cognition, to affection and behaviour (Hawkins & Mothersbaugh, 2010; Hoyer & MacInnis, 2008; Solomon et al., 2006). Looking more closely at these attributes, Solomon et al. (2006) explain them in the following manner:

- Cognitive attributes can be seen as the beliefs a consumer might have or develop towards an object. Hawkins and Mothersbaugh (2010) further explain that this belief a consumer has, can be an emotional belief or an objective belief that speak to the benefits of consuming the product.

- Affective attributes are the feelings displayed by a consumer towards the object. It has been said that it is possible for this feeling to be a real feeling manifesting from frequently using the product or it could be a general feeling of an emotional connotation a consumer might have with the product (Hawkins & Mothersbaugh, 2010).

- Behavioural attributes consist of the intention a consumer might have to apply the attitude experienced. In other words, the attitude experienced can translate into a purchasing intention (Hawkins & Mothersbaugh, 2010).

It needs to be noted that an attitudinal object is anything a consumer might have an attitude towards, and that consumers will have formed these attitudes towards manufacturers, suppliers, retailers and brands, purely on the influence and exposure to marketing mix elements and other induced marketing stimuli (Solomon et al., 2006).

2.5.2 *Loyalty towards the brand*

Oliver (1999) defines brand loyalty as a commitment from a consumer to rebuy a product sometime in the future despite being persuaded to buy another brand or shop elsewhere. Yoo, Donthu and Lee (2000) agree with this definition but emphasise that it is the constant repurchasing of a brand by a consumer, whilst actively choosing not to switch to another brand.

Mellens, Dekimpe and Steenkamp (1995) suggest that attitudinal loyalty be measured on the consumer's tendency not only to be loyal, but also on their attitude displayed towards purchasing the brand. Baldinger and Rubinson (1996) wrote that when referring to loyalty, both affective loyalty (which is a product of a consumer's attitude) and action loyalty (a behavioural component), be included in the construct. Chahal and Bala (2010) built on this inclusion of attitude and behaviour and frames brand loyalty with the same two perspectives, namely behavioural loyalty (a consumer's actions to repurchase a product) and attitudinal loyalty (a consumer's feelings towards the brand when deciding to repurchase).

Low and Lamb (2000) and Bennett and Rundle-Thiele (2002) postulate that a consumers' purchasing behavior could be affected by their attitude displayed towards a brand. From here, we look towards the work of Palazón-Vidal and Delgado-Ballester (2005), who found a positive relationship between promotions and brand loyalty, more specifically non-monetary promotions (for its favourable enhancements of association). The authors stated that non-monetary promotions take focus away from the price of a product and can stir up feelings of enjoyment (affection) and real benefit. Yoo et al. (2000) agrees with this and found that any positive association with a brand relates to brand loyalty.

The research of Yi and Yoo (2011) explains that in the long run, non-monetary sales promotions will have a more favorable effect on brand attitude when compared to a monetary sales promotion, and that any promotion over the short term has a positive effect on brand attitude.

Hypothesis 3a: A missed free premium sales promotion will generate a negative brand attitude for the consumer.

2.5.3 Brand loyalty and promotions

Gedenk and Neslin (1999) state that non-monetary promotions enhance repeat purchasing when the consumer has a well-developed attitude towards the brand. Further to this, Bawa and Shoemaker (2004) found that free samples could have a positive effect on brand loyalty as the non-monetary promotion could induce higher rates of customer retention and a higher purchase probability over those that were not exposed to the promotion. Villas-Boas (2004) and Seetharaman (2004) share this view that free samples could create brand loyalty.

Li-xin and Shou-lian (2010) explain that the empirical evidence shows promotional activities will have an effect on customer satisfaction and that the satisfaction in turn has implications on brand loyalty. Thus, it can be said that promotions effect brand loyalty through customer satisfaction.

Hypothesis 3b: A negative brand attitude will have a negative effect on the loyalty of the consumer.

2.6 Conclusion of Literature Review

In concluding the literature review we list the hypotheses that were developed from the literature as well as present a conceptual model developed from the theory.

2.6.1 ***Hypothesis 1a:*** *A missed free premium sales promotion will create a level of cognitive dissonance with the consumer.*

2.6.2 ***Hypothesis 1b:*** *A negative association towards the brand as a result of induced cognitive dissonance, will decrease the loyalty towards the brand.*

2.6.3 ***Hypothesis 2a****: A missed free premium sales promotion will invoke negative feelings towards the brand.*

2.6.4 ***Hypothesis 2b****: Negative feelings towards the brand as a result of a missed free premium sales promotion will influence the cognitive dissonance of a consumer.*

2.6.5 ***Hypothesis 3a****: A missed free premium sales promotion will generate a negative brand attitude for the consumer.*

2.6.6 ***Hypothesis 3b:*** *A negative brand attitude will have a negative effect on the loyalty of the consumer.*

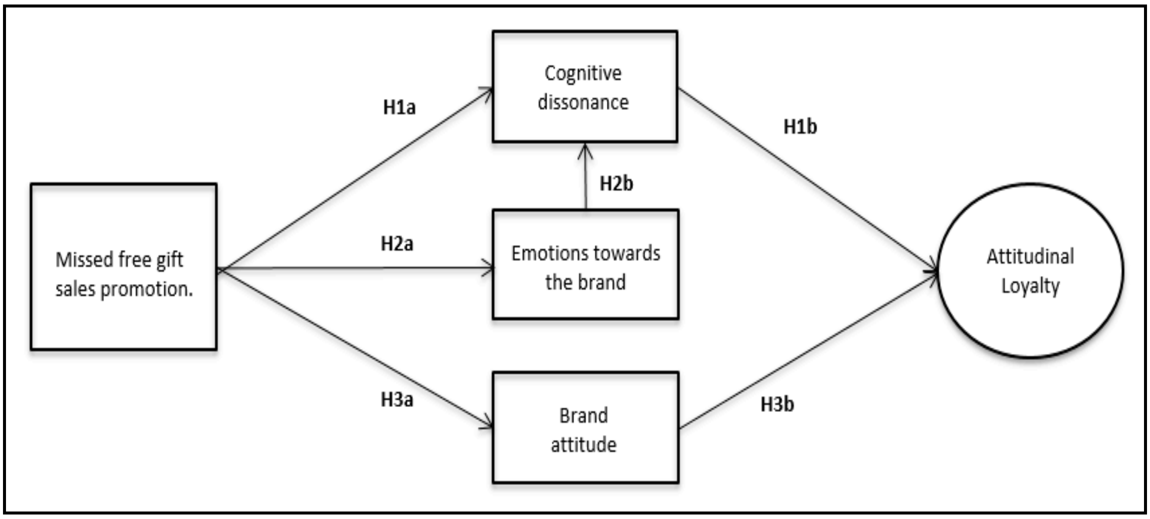


Figure 3: Conceptual Model

CHAPTER 3. RESEARCH METHODOLOGY

The following sections will describe the methodology in developing the measurement theory and model using quantitative methods (multivariate statistical analysis with structural equation modelling techniques) and content analysis. The end result aims to be a reliable, valid indication of the effects a non-monetary sales promotion will have on the attitudinal loyalty of a high involvement consumer, after their purchase.

3.1 Research methodology / paradigm

A positivistic paradigm will be followed, which Wagner, Kawulich and Garner (2012) describe, as the way to use a scientific approach in finding truth and objectivity. Trochim, Donnelly and Arora (2015) go on to say that, along with the positivist paradigm, a deductive research approach can be followed.

The three methodological approaches commonly associated with social research are qualitative, quantitative and mixed methods (Creswell, 2014). This study makes use of a quantitative research method, to gather and analyse data from both open-ended and closed-ended questions, which were posed in the modified instrument (survey).

Bryman (2012) explains that quantitative research involves the collection and analysis of quantifiable research data, with the intent to establish, confirm and validate relationships in the data, as a means to aid in the understanding of existing theories. This explanation of quantitative research is in line with the writings of Creswell (2014), who states that quantitative research can be used to examine the relationships between variables, using statistical methods applied on the numerical data. which was collected from a research instrument.

Izogo (2015) explored the role of commitment in the relationship between assurance and reliability of service and attitudinal loyalty, by using a deductive research approach to collect and analyse data through the testing of theories. Likewise, using a deductive research approach, the use of scales and preexisting measurements from previous significant studies were used for this research, to ensure content validity and thoroughness of the data collected.

Ramaswami and Arunachalam (2016) used a quantitative research strategy in their research on value strategies and attitudinal loyalty. The authors collected a significant amount of data that would validate the findings and the proposed strategies a supplier could use with their dealers, in order to change the buying behaviour and loyalty of customers. The high number of responses that the authors received, was as a result of the large sample size and convenient method of administering the survey, all elements that are synonymous with a quantitative research strategy.

Cheng San & Yee (2012) in their study on the brand loyalty, attitudinal loyalty and behavioural loyalty effects on consumers purchasing intent, also made use of deductive research with a quantitative research strategy. A quantitative research strategy was deemed important for this research, in order to collect numerical data and test the relationships between variables, in order to enhance understanding and further advance knowledge.

3.2 Research Design

According to Bryman (2012), research can be designed around any one of five generic designs which include experimental, cross-sectional, longitudinal, case study, or a comparative design study. For this research, a cross-sectional research design was used, which allowed the researcher to collect data on more than one case at a single point in time (Bryman, 2012; Wagner et al., 2012; Zikmund, Babin, Carr & Griffin, 2013). Bryman (2012) goes on to write that, if a body of quantitative data is collected, the researcher has the ability to then use this data to detect patterns between the variables as well as to generalise the findings from the sample.

Kalof, Dan and Dietz (2008) indicated that surveys, as an instrument used in cross-sectional designs, are suitable to quantitative research and can be used to study a variety of topics such as characteristics, traits or anything that can be reported on by the respondents. Leedy and Ormrod (2014) warns however, that the disadvantages of a survey can be twofold as the results are based on self-reported data. This implies that respondents share what they believe to be true or what they think the researcher wants to hear. The other disadvantage is that respondents might intentionally misinterpret the facts, to give the researcher a favourable impression.

The survey instrument intended to be used, will consist of closed-ended questions, which aim to attain factual information from respondents (Ballou, 2008). These answers will also provide insight to the specific level of attitudinal loyalty; cognitive dissonance; emotional attachment and brand attitude of a consumer. Added on to that will be demographical questions that will aid in further analysis and segmentation understanding of the respondents.

3.3 Population and sample

3.3.1 *Population*

A target population according to Bryman (2012) and Kumar (2011), is the greater domain of units that a sample for the research can be selected from. Zikmund et al. (2013) goes on to say that a formulated target population will inherently share valuable insight into characteristics of the population.

To get an estimation of the population size, the researcher looked at how the survey will be disseminated. The primary means of dissemination was through the currently enrolled students and alumni of the Wits Business School and the University of Cape Town Graduate School. The recipients of the survey were also encouraged to send the survey on to other colleagues and friends. The accessible students of both these schools is estimated to be around 1000 students. This is according to informal discussions with faculty officials and past students at these schools. It was assumed that not all of these students would actively partake in the survey, would be reachable, or would forward the survey to others, thus narrowing down the possible number of target respondents, to more or less 500.

Ramaswami and Arunachalam (2015) found that the advantages of a properly defined target population are that it helps focus the research and sources of data collection. It also allows for characteristics of the population to be identified quite easily.

3.3.2 *Sample and sampling method*

The research used a non-probability (non-random) sample, with a judgement or purposive sampling technique being applied (Bryman, 2012; Wagner et al., 2012). Wagner et al. (2012) specified that purposive sampling is one of the most useful types of non-probability sampling techniques. Zikmund et al. (2013) claimed that judgement sampling is used when the research sample is selected based on appropriate characteristics of the respondents and the relevance of the sample member (Srivastava & Rego, 2011).

With the survey purposefully selecting participants that have been exposed to the situation posed (acquiring or upgrading their smartphone), respondents were required to have been part of, or carry knowledge of the process involved in acquiring or upgrading their smartphone, in order that they could fully answer the survey questions. This was the unique characteristic sought from the sample members. Wagner et al. (2012) notes that purposive sampling is usually found in qualitative studies but is not reserved specifically for that purpose and can be used in a quantitative study.

However, with non-random sampling some errors may occur. Bryman (2012) explained that in a non-random sample, there exists a possibility that the researchers' own beliefs and selection of respondents will make the sample unrepresentative of the general population. Zikmund et al. (2013) also mention that with a purposive sampling technique, it could be seen as a risk to extrapolate the data further than the intended sample. The upside to this is that it creates an area of further research or could potentially allow it to tie in with existing findings in that area of research (Bryman, 2012).

Both Tanford (2013) and Ramaswami and Arunachalam (2015) made use of a non-probability sample with the aim that it would ensure a high response rate, reduce the likelihood of non-response bias and that the questionnaire could be developed specifically for the population sample. Hair, Black, Babin and Anderson (2014) suggested that a sample used for factor analysis should not be below 50 observations, with 100 being the preferable number of respondents. Using a sample size calculator and inferring a confidence level of 95% and a population of 1000 potential respondents, the recommended sample size was estimated at 278 respondents, who would need to access and complete the survey through electronic means (computer, smartphone or electronic tablet).

3.4 The research instrument

A structured questionnaire was used to administer the questions and collect data from the respondents (Bryman, 2012) but two open-ended questions were also included in the survey. The questionnaire consisted of 29 closed-ended questions and the two open-ended questions. It was a self-administered questionnaire where the respondents completed the survey online.

The survey was compiled and disseminated through the Qualtrics software supplied by the University of the Witwatersrand. Qualtrics is an online survey tool, which creates, distributes and compiles the survey questions and respondents' data.

Kalof et al. (2008) establishes the differences between closed-ended and open-ended questions. Closed-ended questions will ask the respondent to select responses from a list of pre-designated choices and the data is easily quantifiable, whereas open-ended questions ask respondents to supply their own answers to a question, thus returning responses that are not standardised and a bit more complex to analyse when compared to the closed-ended question responses. Open-ended responses require some form of coding before they can be analysed and interpreted, adding to the complexity and time spent compared to closed-ended questions (Ballou, 2008).

The survey questions were measured on a seven-point Likert scale answer options, with 1 reflecting the answer of a respondent strongly disagreeing with a statement and 7 on the scale representing an answer of strongly agreeing with a statement.

The survey was divided into two halves. The first part of the survey addressed questions to answer the research objectives, and the second part of the survey included the demographical questions.

The questions used in the survey design were derived from the following literature:

- For questions 1 – 3, the discomfort scale measuring cognitive dissonance developed by Elliot and Devine (1994) was used. This scale was selected as it measures the extent to which a person is experiencing a state of tension and is troubled by it.

- For questions 4 – 13, the scale on emotional connection to brands developed by Thomson, MacInnis and Park (2005) was used. The scale measures three dimensions namely, affection; connection; and attachment. These three dimensions were validated and found to measure the emotional bond between a consumer and a brand.

- For question 14 – 17, the four variables from the brand attitude scale developed by Yi and Yoo (2011) was used to measure the attitude a consumer has towards a brand.

- For questions 18 – 21, the measurement for attitudinal loyalty developed by Bennett and Rundle-Thiele (2002) was used. This scale measures the propensity to be brand loyal, which is an individual level loyalty measure speaking towards the attitudinal measure of brand loyalty.

- For questions 22 – 24, the scale developed by Dutta, Biswas and Grewal (2007) was used to measure the repurchasing intent of a consumer.

The questions posed to respondents followed a series of attributes that determines if the respondent would comply with the requirements of recently acquiring a smartphone. This was done in order for the responses to remain relevant to the situational factors and limitations posed in the scenario.

The respondents were required to rate the attributes using a 7-point Likert scale adopted from previous research, which Izogo (2015) and Wu, Zhou and Wu (2012) also did in their research as they stated that by using this method, content validity can be ensured.

3.5 Procedure for data collection

Data collection, according to Zikmund et al. (2013), can be described as the gathering of information from a sample of the population, and more specifically, gathering this information with the intention of using the data collected to provide answers to the questions posed (Bryman, 2012). Bryman (2012) further adds that collecting data can be done by using one of four different methods, namely participant observation; interviews; focus group discussions; or other documents such as newspapers, letters and magazines.

For this research, an online data collection method was used to disseminate a self-completion structured questionnaire, and to collect the completed survey data.

Once the approval of faculty officials was received, the survey was distributed by electronic means (email and social media portals), using the Wits Business School alumni office and class representatives of current and past students from the Wits Business School, the UCT Graduate School and the Stellenbosch Business School. These representatives were requested to disseminate the survey to their respective class members.

The benefit of using the electronic method of administering and distributing the survey is that one is able to collect data from many individuals in a fast and effective manner (Kalof et al., 2008). The disadvantages of using an electronic survey could be that there might be some intended respondents who do not have access to the internet, potentially limiting the number of respondents. However, smartphone usage is prominent in South Africa, with about 34% of all cell phone usage being attributed to smartphones (PewResearchCentre, 2015). This provides some confidence that the intended respondents had access to the survey.

3.6 Data analysis and interpretation

For this research, the data derived from the closed-ended questions of the survey were analysed using multivariate statistical analysis. The culmination of statistical techniques that allow the measurement of multiple variables at the same time is known as multivariate statistical analysis (Hair et al., 2014; Zikmund et al., 2013).

A technique that forms part of the multivariate universe, is structural equation modelling (SEM), which is a combination of correlational/regression analysis and factor analysis (Hair et al., 2014). According to Tabachnick and Fidell (2013), factor analysis not only seeks to describe variables that are correlated but also sets out to summarise them. Variables are grouped to form new factors or constructs representative of a set of variables, thereby establishing dimensions within the data (Bryman, 2012; Hair et al., 2014; Stewart, 1981). Factor analysis can also be used to show patterns that may be present in a large number of variables and to determine whether that information can then be condensed into a smaller set of factors (Hair et al., 2014). More specifically, the researcher made use of confirmatory factor analysis (CFA), which is performed to see how well the measured variables represent the factors that have been identified (Hair et al., 2014; Zikmund et al., 2013).

The data gathered was analysed in the SAS 9.4 statistical program made available by the Wits Business School to the researcher. The SEM models were performed using maximum likelihood estimation in SAS 9.4 PROC CALIS.

The open-ended questions posed in the survey were analysed through content analysis. Kalof et al. (2008) explain this to be a process of analysing written answers into meaningful categories. This involves grouping together the key words and themes that arise from those answers with the aim of identifying key themes that might shed new light on the perception respondents have regarding the value of their device and monthly mobile contract and missing a free premium sales promotion.

3.7 Limitations of the study

- It is possible that respondents of the survey might be clustered around Gauteng (as this is the province in South Africa the business school is situated in and that the business school students formed an integral part of the survey dissemination).

- Even though demographical questions will be asked, there exists a chance that not all the respondents would answer them truthfully or even at all, making it difficult to generalise the demographics of the population sample.

- By using factor analysis, the underlying variables to each factor are assumed to be representative of what is set out to be achieved in this research (Hair et al., 2014).

3.8 Validity and reliability

According to Bryman (2012), validity is the accuracy of a measure and is used to determine whether an indicator (or a set thereof) really measures the concept it set out to measure.

3.8.1 *External validity*

Zikmund et al. (2013) explained external validity as the ability of the research results to be generalised to a larger population. As previously mentioned, the sampling was done from the greater student population and alumni networks of the Wits Business School, UCT Graduate School and the Stellenbosch Business School, and it was limited to two geographical regions. From the sample base of around 1000 respondents, 401 answered the survey. As the survey consisted of an automatic drop out in question 1 and 2 (to remove respondents that did not fit the profile of the intended consumer), the number of 401 initial respondents were decreased to only 170 relevant responses. This number of participants spread out across Gauteng and the Western Cape should accurately reflect the population.

3.8.2 *Internal validity*

An essential part of SEM analysis is goodness of fit testing. As with standard regression, the fundamental measure of association between variables is the covariance (although mean structures and other refinements are now commonly included), and the dynamics of actually fitting SEM models include covariance structure modelling. The challenge in an SEM structure is therefore to fit the specified equations, and from there determine the best inferred covariance matrix $\hat{\sum}(\Theta)$ between the observed variables, and compare this for close fit to the sample covariance matrix **S** (Bollen, 1989). Model re-specifications would seek to minimise differences between $\hat{\sum}(\Theta)$ and **S**.

The most basic test is a test for the rejection of bad fit, based on the chi-square distributed statistic, where n is sample size and F_{ml} refers to the maximum likelihood fit estimator (Bollen, 1989). However, this test is often disregarded since it is directly based on sample size, thus showing significant deviations from good fit based on sample alone. This contradiction has led to a large body of work on fit estimators of varied types, which has quickly advanced covariance structure theory (Boomsma, 2000; McDonald & Ho, 2002). These fit tests include:

- Global fit tests based on fit between the residual matrices, notably the:
  - Root Mean Square Error of Approximation (RMSEA), for which scores <0.05-0.08 are often seen as good fit (Browne, Cudeck, Bollen & Long, 1992; Raykov & Marcoulidis, 2006; Steiger, 1990). It is amenable to an estimation of a 90% confidence interval, where researchers generally look for lower bounds < 0.05 and higher <0.10.
  - Standardised Root Mean Square Residual (SRMSR) described by Kline (2005, p. 141–142), as "the normalised square root of average squared differences between $\hat{\sum}(\Theta)$ and **S**, where <0.05 is often seen as acceptable".

- Global tests of the current model compared to a "null" or "baseline" model that is the worst possible fit (for example, $\hat{\Sigma}(\Theta)$ = I). There are a large number of such tests. Several of these are robust for sample size, notably:
  - Bentler Comparative Fit Index (CFI) (Bentler, 1990), for which scores >0.90–0.95 indicate good fit.
  - Tucker Lewis Index (TLI) / Non-Normed Fit Index (NNFI) (Bentler & Bonett, 1980), again >0.90–0.95 is good.

  Table 1 summarises these global fit statistics.

Table 1: Suggested spread of SEM global fit statistics

Global Fit Statistic	Conventional although not determinative cut-offs		
	Good fit	**OK fit**	**Possibly poor**
Chi-square statistic	Non-significant chi-square (e.g. p > 0.05)	Significant chi-square if sample reasonably large	Significant chi-square if sample small
Standardised Root Mean Square Residual (SRMR)	SRMSR < 0.05	SRMSR < 0.08	SRMSR > 0.10
RMSEA Estimate	RMSEA < 0.05, especially if upper end of CI <0 .08	RMSEA < 0.08, especially if upper end of CI < 0.10	RMSEA > 0.10, especially if lower end of CI > 0.08
CFI (Bentler's Comparative Fit Index)	CFI > 0.95	CFI > 0.90	CFI < 0.90
NNFI/TLI (Non-normed fit index)	NNFI > 0.95	NNFI > 0.90	NNFI < 0.90
Distribution of residuals	Normal distribution	Roughly normal	Highly non-normal

Source: Adapted from Lee (2015, p. 357)

- Local fit statistics indicating portions of the model which may contribute to particularly poor or good fit. These can be found in Table 2 and are outlined as follows:
  - Raw residuals, which indicate the fit between specific covariance variables. These are often standardised to aid in interpretation, so that residuals larger than 2–3 may indicate misspecification.

- Lagrange multipliers for the significance of the improvement in chi-square if a parameter is added (Kaplan, 2000).

- Wald tests for the significance of worsened chi-square when a parameter is restricted to zero (Kaplan, 2000).

Table 2: Suggested spread of SEM local fit statistic

Local Fit Statistic	**Change required?**	
	Probably not needed	***May* suggest a change**
Largest normalised residuals	Largest normalised residuals < ±2, or at least reasonably few > 3, none far from 3	Look at specific residuals > ± 2-3
R^2 statistics for endogenous variables	Relatively high R^2 (relative to variables / area of study)	R^2 relatively close to 0
Standardised paths	Standardised path moderate too large & significant	Standardised path small / non-significant: path insubstantial. May consider removing path / variable (especially in CFA)
Lagrange multipliers (LM statistics) – modification index	Non-significant LM statistics (not a big chi-square improvement if new path added)	Significant LM p-value suggests substantial improvement to chi-square if new path added
Wald statistics – modification index	Significant Wald statistic, big deterioration in chi-square if path deleted	Non-significant Wald statistic (small deterioration in chi-square if effect is deleted)

Source: Adapted from Lee (2015, p. 357)

Researchers generally report a range of these fit indices, allowing for wide evidence of fit. The rapid development of these indices has the added advantage of broad interpretability to model fitt and comparison.

Paths in the structural equation models are treated as regression paths, and come in standardised beta format (β), which can be read as correlations.

3.8.3 *Reliability*

Reliability is concerned with consistency (Kalof et al., 2008). When different attempts are made to measure the same research data and they end with the same results, it provides an indication of the high reliability of the research, but ending in different results indicates a lower level of reliability (Zikmund et al., 2013).

Initially, for this research, the factors and questions were taken from original measurement scales used by different authors. These were and pretested on a small sample of the research population. From this pre-test, it was found that only the statement regarding repurchasing intent was confusing to the respondents and the phrasing of the question was changed to better fit with the scale option of strongly disagree to strongly agree.

For each of the factors, the reliability coefficients were measured by Cronbach's alpha with the lower limit set on a score of 0.70. This allowed for testing the internal reliability of the variables of a factor (Hair et al., 2014).

A path diagram was designed and introduced to add a visual representation of the model and the relationships between variables and factors.

3.9 Demographic profile of respondents

The survey consisted of five demographic questions designed to gather data which would provide a better understanding of the respondents. As the recipients of the survey were mainly business school students, it was expected that they represented the following demographical attributes:

- Age: 25–34 years of age
- Gender: Female
- Race: Black
- Combined monthly household income: R30 000–R40 0000
- Employment status: Employed full-time

CHAPTER 4. PRESENTATION OF RESULTS

4.1 Introduction

The results of this study are presented in the following manner. Firstly, the demographical data collected from the respondents is presented. This is followed by evidence of the internal reliability of the model used, indicating the Cronbach alpha scores for each factor specified, and then the internal validity of all the fit statistics to indicate model fit. Exploratory factor analysis was done to validate the relevance of the variables and its explanation of the construct it formed part of.

From there, a profile of each open-ended question (Table 32) will be given and each factor presented in table format to outline the variables that describe the factor as well as the descriptive statistics generated for each variable.

The chapter concludes with summary tables of the demographical factors; open-ended questions; the mean factor scores and the path diagram of the model.

4.2 Demographic profile of respondents

4.2.1 *Age Group*

From the responses of the survey respondents who chose to answer the demographical questions the researcher found the following. The majority (38%) of the respondents fell into the 18-24 years old age group, followed by the 25-34 year olds making up 29% of the survey respondents. The age group of 35-49 years old, denoted 24% of the sample population and the respondents who were 50 years and older was the smallest group making up 9% of the respondents.

4.2.2 *Gender*

A total of 90 (57%) survey respondents were male and 67 (43%) were female.

4.2.3 *Race*

The majority of respondents were white (60%), with black respondents representing 23% of all respondents. The Indian and coloured respondents made up 8% and 7% respectively of all respondents and only two percent (2%) of the respondents indicated that they were not part of the options given.

4.2.4 *Combined monthly household income*

Seventy-four respondents (51%) indicated that they had a combined monthly household income of R50,001 or more. From there, the composition consisted of 10 respondents (7%) who received an income of R40,001–R50.000; 16 respondents (11%) earned between R30,001 and R40,000; 21 respondents (14%) indicated a household income of R20,001–R30,000; and lastly, 24 respondents (17%) claimed to have a combined household income of less than R20 000.

4.2.5 *Employment status*

The majority of respondents (52%) indicated that they were employed on a full-time basis and 6% on a part-time basis. The second biggest respondent category was those that formed part of the student demographic, who were representative of 37% of respondents. Only 5% of respondents stated that they were unemployed.

4.3 Results pertaining to the internal reliability and validity of the model

Table 3 below summarises the research variables and their respective survey questions.

Table 3: Research variables and their respective survey questions

Variable	Question Code	SAS Code	Survey question	
Cognitive dissonance	QID2_1	**Diss1**	Uncomfortable	Missing out on the promotion makes you feel?
	QID2_2	**Diss2**	Uneasy	
	QID2_3	**Diss3**	Bothered	
Emotional connection to brands	QID3_1	**Emo1**	Affectionate	Would the following words accurately describe your feelings towards the brand?
	QID3_2	**Emo2**	Loved	
	QID3_3	**Emo3**	Friendly	
	QID3_4	**Emo4**	Peaceful	
	QID3_5	**Emo5**	Passionate	
	QID3_6	**Emo6**	Delighted	
	QID3_7	**Emo7**	Captivated	
	QID3_8	**Emo8**	Connected	
	QID3_9	**Emo9**	Bonded	
	QID3_10	**Emo10**	Attached	
Attitude a consumer has towards a brand	QID4_1	**Att1**	Like	You like the brand?
	QID4_5	**Att2**	Dislike	You dislike the brand?
	QID4_2	**Att3**	Favourable	You are favorable towards the brand?
	QID4_6	**Att4**	Unfavourable	You are unfavorable towards the brand?
	QID4_3	**Att5**	Beneficial	The brand is beneficial to you?
	QID4_7	**Att6**	Harmful	The brand is harmful to you?
	QID4_4	**Att7**	Appropriate	You feel the brand is appropriate for you?
	QID4_8	**Att8**	Inappropriate	You feel the brand is inappropriate for you?
Loyalty	QID5_1	**Loyal1**	Switch	You like the brand of smartphone you selected and would not really switch from the brand to try something different?
	QID5_2	**Loyal2**	Recommend	You would introduce this brand of smartphone to your colleagues?
	QID6_5	**Loyal3**	Unfamiliar	Take a chance by buying an unfamiliar brand, even if it means sacrificing variety?
	QID6_2	**Loyal4**	Waiting	Rather wait for others to try a new brand before trying it yourself?
Repurchasing intent	QID21_1	**Rep1**	Brand	If you need a smartphone in the future, you are likely to purchase from the same manufacturer?
	QID21_2	**Rep2**	Store	If you ever purchase a smartphone again, you will buy it from the same store?
	QID21_3	**Rep3**	Item	You will repurchase the same smartphone?

4.3.1 *Internal reliability of factors*

As a first step, the Cronbach alpha of each factor was used as a measure of internal reliability of the sub-items. Table 4 below shows the final results of this analysis. All factors showed acceptable internal reliability except for the variables, repurchase intent and loyalty.

An investigation into the questions on repurchase intent was made and it was found that although all three questions related to the central premise of repurchase intent, they were framed for three different ideas. The first was the intent to repurchase the specific brand, the second was to see of the respondent would repurchase from the same store, and the third was the repurchasing intent of the respondent for the same product. Removal of any one of the three factors did not raise the Cronbach alpha score and the researcher was unable to bring the alpha into an acceptable level of reliability.

It is very likely that respondents did not associate loyalty with a smartphone store or the physical smartphone they purchased, but rather saw loyalty as a brand centric matter with little or no consideration given to the other factors.

Just as with the factor repurchase intent, so too was the factor loyalty examined. It was found that variable Loyal4, was causing problems with the reliability of the factor and it was removed. The mismatch between the expected interpretation and the actual interpretation of the question could be that the respondents did not associate the question of waiting for others before they try a new brand themselves, as that of being loyal to a brand.

Table 4: Internal reliability of factors as indicated by standardised Cronbach's alphas

	Factor	Alpha
1	Dissonance	0.85
2	Emotion	0.97
3	Attitude	0.92
4	Loyalty	0.80
5	Repurchase	0.63

Further analysis of the factors saw the factor of attitude amended to include only the variables Att1; Att3; Att5; and Att7. This was done as the alpha score of 0.92 was quite high and correlations between variables indicated possible multicollinearity. As such the inverse variables (Att2; Att4; Att6; Att8) to Att1; Att3; Att5 and Att7 were removed which decreased the alpha score to a level of 0.90.

Table 5 below shows that all factors except repurchase intent show acceptable internal reliability.

Table 5: Internal reliability of factors as indicated by standardised Cronbach's alphas with the removal of variables contributing to multicollinearity

	Factor	**Alpha**
1	Dissonance	0.85
2	Emotion	0.97
3	Attitude	0.90
4	Loyalty	0.80
5	Repurchase	0.63

4.3.2 *Internal validity*

Confirmatory Factor Analysis

Running the Proc CALIS procedure in SAS 9.4 on the factors and underlying items, it was evident that the data has a roughly normal distribution with skewness and kurtosis across all items, being in acceptable ranges for normality.

The model fit was brought into question and from further analysis it was shown that by removing the items of the attitude factor that caused multicollinearity (Att2, Att4, Att6, Att8) and the variable Loyal4, the model fit improved. The output below in table 6 shows the fit statistics with these variables removed.

Table 6: Covariance Structure Analysis: Maximum likelihood estimation using the CALIS procedure

Fit Summary		
Absolute Index	Chi-Square	260.1589
	Chi-Square DF	160
	Pr > Chi-Square	<.0001
	Standardised RMR (SRMR)	0.0491
Parsimony Index	RMSEA Estimate	0.0669
	RMSEA Lower 90% Confidence Limit	0.0517
	RMSEA Upper 90% Confidence Limit	0.0814
	Akaike Information Criterion	360.1589
	Bozdogan CAIC	557.5969
	Schwarz Bayesian Criterion	507.5969
Incremental Index	Bentler Comparative Fit Index	0.9572
	Bentler-Bonett Non-Normed Index	0.9491

When comparing the figures in Table 6 above with the global fit statistics benchmarks in Table 1 in chapter 3, it can be seen that the model does in fact show acceptable fit across all the frequently used indexes. The Root Mean Square Error of Approximation (RMSEA), for which scores <0.05–0.08 are often seen as a close fit (Browne et al., 1992; Raykov & Marcoulidis, 2006; Steiger, 1990) is 0.066 in this case. The SRMR estimate is 0.049 which is considered a good fit. The Bentler Comparative Fit Index (CFI) (Bentler,1990), for which scores >0.90–0.95 indicate good fit, is 0.957 in this case, and the Tucker Lewis Index (TLI) / Non-Normed Fit Index (NNFI) (Bentler & Bonett, 1980) is indicated as 0.949 (again >0.90–0.95 is good fit).

The above fit statistics allow for covariance’s among errors of the items.

Table 7 below shows the actual path loadings on the factors and they are all significant at the <.001 level, and all positive. It needs to be noted though that according to Lee (2015) the path loading estimate for Diss3 in table 7 below is bigger than 1 and is known as an impossible statistical finding. Lee (2015) goes on to say that should this occur; the model might be untrustworthy. Upon further reading of this occurrence, some experts do regard coefficients larger than one as a relatively negligible event which might just point to a high degree of multicollinearity. Jöreskog (1999) explains this as:

> The misunderstanding probably stems from classical exploratory factor analysis where factor loadings are correlations. However, if the factors are correlated, the factor loadings are regression coefficients and not correlations and as such they can be larger than one in magnitude (p.1).

Some indications of multicollinearity have already been identified in the model and this could contribute to the estimate of Diss3 being greater than the value of one.

Table 7: Standardised results for paths

Path			Parameter	Estimate	Standard Error	t Value	Pr > |t|
Dissonance	===>	Diss1	_Parm01	0.45745	0.09423	4.8548	<.0001
Dissonance	===>	Diss2	_Parm02	0.57180	0.10446	5.4741	<.0001
Dissonance	===>	Diss3	_Parm03	1.11070	0.17134	6.4825	<.0001
Emotion	===>	Emo1	_Parm04	0.72060	0.04270	16.8771	<.0001
Emotion	===>	Emo2	_Parm05	0.80857	0.03135	25.7885	<.0001
Emotion	===>	Emo3	_Parm06	0.83110	0.02828	29.3931	<.0001
Emotion	===>	Emo4	_Parm07	0.81344	0.03069	26.5040	<.0001
Emotion	===>	Emo5	_Parm08	0.84707	0.02605	32.5123	<.0001
Emotion	===>	Emo6	_Parm09	0.87377	0.02227	39.2294	<.0001
Emotion	===>	Emo7	_Parm10	0.84080	0.02693	31.2232	<.0001
Emotion	===>	Emo8	_Parm11	0.89872	0.01876	47.9151	<.0001
Emotion	===>	Emo9	_Parm12	0.90936	0.01646	55.2621	<.0001
Emotion	===>	Emo10	_Parm13	0.85929	0.02439	35.2370	<.0001
Attitude	===>	Att1	_Parm14	0.87420	0.02672	32.7115	<.0001
Attitude	===>	Att3	_Parm15	0.86472	0.02781	31.0888	<.0001
Attitude	===>	Att5	_Parm16	0.77256	0.03906	19.7776	<.0001
Attitude	===>	Att7	_Parm17	0.78339	0.03773	20.7633	<.0001
Loyalty	===>	Loyal1	_Parm18	0.67598	0.05890	11.4770	<.0001
Loyalty	===>	Loyal2	_Parm19	0.78819	0.05138	15.3406	<.0001
Loyalty	===>	Loyal3	_Parm20	0.77364	0.05220	14.8213	<.0001

Exploratory Factor Analysis

To further add clarity to the factor structure of the scales, exploratory factor analysis was applied using the principal axis factoring approach with the maximum likelihood method.

Determining the ideal number of factors to extract is not a straightforward task since the decision is eventually subjective. There are numerous criteria for the number of factors to be extracted, but these are just empirical guidelines rather than an exact quantitative solution.

In practice, most factor analysts seldom use a single criterion to decide on the number of factors to extract. Some of the most commonly used guidelines are the Kaiser-Guttman rule (Eigenvalues greater than one), percentage of variance, the scree plot test, size of the residuals, and interpretability.

When analysing the table with proportions of variation as explained in Table 8 below, we can see that the variables for each factor can indeed be used in a single item that represents that factor. This is confirmed from the scree plots that have been included in Appendix C to this report. When using the Kaiser-Guttman rule, the minimum Eigenvalue is 1 and has been marked for each factor on Table 8 below.

None of the individual proportion values are over 1 and a second factor for each construct adds a small proportion to the explanation of that factor, further lending validity to a single factor item. Table 9 below shows the final highest factor loadings for each variable.

Table 8: Proportions of variation explained

Eigenvalues of the Correlation Matrix				
	Eigenvalue	**Difference**	**Proportion**	**Cumulative**
Diss1	2,31460953	1,82418101	0,7715	0,7715
Diss2	0,49042852	0,29546658	0,1635	0,935
Diss3	0,19496195		0,065	1
Emo1	7,67081945	7,08024123	0,7671	0,7671
Emo2	0,59057822	0,1644595	0,0591	0,8261
Emo3	0,42611872	0,11235353	0,0426	0,8688
Emo4	0,3137652	0,03428489	0,0314	0,9001
Emo5	0,2794803	0,06250585	0,0279	0,9281
Emo6	0,21697446	0,02635891	0,0217	0,9498
Emo7	0,19061555	0,05355967	0,0191	0,9688
Emo8	0,13705588	0,02105608	0,0137	0,9825
Emo9	0,1159998	0,05740738	0,0116	0,9941
Emo10	0,05859242		0,0059	1

Eigenvalues of the Correlation Matrix				
Att1	2,72782389	2,08349629	0,682	0,682
Att3	0,6443276	0,25269443	0,1611	0,843
Att5	0,39163317	0,15541783	0,0979	0,9409
Att7	0,23621534		0,0591	1
Loyal1	1,77996537	0,99894781	0,5933	0,5933
Loyal2	0,78101756	0,34200049	0,2603	0,8537
Loyal3	0,43901707		0,1463	1

Table 9: Rotated factor pattern

Rotated Factor Pattern					
	Dissonance	Emotion	Attitude	Loyalty	Repurchase
Diss1	0,88234				
Diss2	0,93193				
Diss3	0,81707				
Emo1		0,81891			
Emo2		0,87134			
Emo3		0,86708			
Emo4		0,84199			
Emo5		0,8612			
Emo6		0,88565			
Emo7		0,86863			
Emo8		0,91593			
Emo9		0,9238			
Emo10		0,89849			
Att1			0,89689		
Att3			0,90246		
Att5			0,86266		
Att7			0,85156		
Loyal1				0,82557	
Loyal2				0,84045	
Loyal3				0,62613	
Rep1					0,82316
Rep2					0,73896
Rep3					0,7153

Tables 10-13 below detail the correlations between factors. It is not desirable for these correlations to be too high as that might indicate that the factors are too similar and probably part of a larger construct. These values are all in the acceptable range.

Table 10: Correlations between the factors of dissonance

	Diss1	Diss2	Diss3
Diss1	1	0,78291	0,52666
Diss2	0,78291	1	0,65395
Diss3	0,52666	0,65395	1

Table 11: Correlations between the factors of emotion

	Emo1	Emo2	Emo3	Emo4	Emo5	Emo6	Emo7	Emo8	Emo9	Emo10
Emo1	1	0,86246	0,71882	0,63853	0,61375	0,67105	0,65099	0,67936	0,68681	0,67375
Emo2	0,86246	1	0,77773	0,67761	0,68003	0,75461	0,68553	0,7357	0,742	0,72638
Emo3	0,71882	0,77773	1	0,7376	0,71354	0,71619	0,72721	0,75276	0,7345	0,72156
Emo4	0,63853	0,67761	0,7376	1	0,75449	0,7362	0,67111	0,72664	0,74545	0,69553
Emo5	0,61375	0,68003	0,71354	0,75449	1	0,7759	0,77026	0,75772	0,75702	0,71922
Emo6	0,67105	0,75461	0,71619	0,7362	0,7759	1	0,7518	0,77843	0,79312	0,77146
Emo7	0,65099	0,68553	0,72721	0,67111	0,77026	0,7518	1	0,81032	0,77572	0,7573
Emo8	0,67936	0,7357	0,75276	0,72664	0,75772	0,77843	0,81032	1	0,90457	0,85326
Emo9	0,68681	0,742	0,7345	0,74545	0,75702	0,79312	0,77572	0,90457	1	0,92634
Emo10	0,67375	0,72638	0,72156	0,69553	0,71922	0,77146	0,7573	0,85326	0,92634	1

Table 12: Correlations between the factors of attitude

	Att1	Att3	Att5	Att7
Att1	1	0,78299	0,69386	0,66664
Att3	0,78299	1	0,69296	0,68632
Att5	0,69386	0,69296	1	0,65021
Att7	0,66664	0,68632	0,65021	1

Table 13: Correlations between the factor of loyalty

	Loyal1	Loyal2	Loyal3
Loyal1	1	0,55974	0,27707
Loyal2	0,55974	1	0,3089
Loyal3	0,27707	0,3089	1

Summary of factor analysis

Table 14 below shows the mathematical mean of the responses as well as the standard deviation. As the Likert scale was laid out from 1 (strongly disagree) to 7 (strongly agree), a high mean score would indicate a high level of relevance of a factor on the respondent. This represents the frequencies of the responses received for each factor item.

Table 14: Means and frequencies across factors

Variable	*N*	*Mean*	*Std Dev*
Diss1	155	4.25	1.85
Diss2	151	4.17	1.79
Diss3	160	5.19	1.69
Emo1	161	2.70	1.40
Emo2	161	2.57	1.36
Emo3	160	2.76	1.39
Emo4	160	2.89	1.40
Emo5	158	2.77	1.45
Emo6	158	2.52	1.36
Emo7	159	2.71	1.43
Emo8	159	2.62	1.39
Emo9	158	2.56	1.38
Emo10	158	2.59	1.37
Att1	160	3.98	1.65
Att3	160	3.94	1.55
Att5	159	3.99	1.50
Att7	157	4.23	1.43
Loyal1	160	4.93	1.74
Loyal2	160	5.02	1.55
Loyal3	157	5.10	1.62
Rep1	158	4.91	1.65
Rep2	158	3.67	1.66
Rep3	157	3.66	1.98

4.4 Profile of open-ended questions

The respondents were asked to provide answers to two open-ended questions asking how much they thought their cellular device was worth and what the monthly cost was of their cellular contract. The respondents who chose to answer these questions had their answers segmented into groups of values ranging from R100 to R5 000 for cellular contracts and between R200 and R25 000 for the price of the device. The groups are shown in the Tables 15 and table 16 below. The frequency of responses were then added together and assigned to the respective segment. Both open-ended questions, their categories and statistics can be seen in the following subsections.

4.4.1 *What would you say your device is worth?*

Table 15: Results pertaining to the value of the device

Value of device	***n***	**%**
R1 000 - R4 999	31	20,13%
R5 000 - R 9 999	40	25,97%
R10 000 - R14 999	51	33,12%
R15 000 +	32	20,78%

The category of R10 000 to R14 999 had a total of 33% of the responses and the category of R5 000 and R9 999 had 26% of the responses. Almost 21% of respondents indicated that their device had a value of R15 000 or more and similarly a total of 20% of responses indicated a device value of less than R5 000.

4.4.2 *What is the cost of your cellular contract per month?*

Table 16: Results pertaining to the monthly cellular contract cost of respondents

Monthly contract price	***n***	**%**
R100 - R499	51	36,17%
R500 - R999	43	30,50%
R1000 - R1499	22	15,60%
R1500 - R1999	13	9,22%
R2000 +	12	8,51%

A total of 36% of respondents indicated that their cellular contract cost them between R100 and R499 per month. From there only 31% mentioned that their contract cost was between R500 and R999. Lower frequencies were recorded on the other categories with only 16% of respondents with a cellular contract of R1 000 to R1 499 and 9% with one at a cost of R1 500 and R1 999.

4.5 Results pertaining to Hypothesis 1

4.5.1 *Hypothesis 1a - A missed free premium sales promotion will create a level of cognitive dissonance with the consumer.*

Table 17 and Table 18 below show the corresponding survey questions for the factor dissonance and recorded responses.

Table 17: Statements relating to the cognitive dissonance variable

Diss1	Uncomfortable	Missing out on the promotion makes you feel?
Diss2	Uneasy	
Diss3	Bothered	

Table 18: Frequency of responses relating to the cognitive dissonance variable

Frequency of answers across factor items				
	Dissonance Items			Factor Total
Factor Code	Diss1 (Uncomfortable)	Diss2 (Uneasy)	Diss3 (Bothered)	
Strongly disagree	14	15	9	38
Disagree	27	26	14	67
Somewhat disagree	11	8	4	23
Neither agree nor disagree	25	26	7	58
Somewhat agree	34	37	42	113
Agree	29	32	54	115
Strongly agree	17	9	32	58
	157	153	162	

From Table 18, we can see that 22% (n=34) of the respondents somewhat agreed that missing the sales promotion made them feel uncomfortable, 18% (n=29) agreed, 11% (n=17) strongly agreed with the statement. Disagreement came from 33% of the respondents with 14 respondents (9%) strongly disagreeing, 27 (17%) disagreeing, and 11 (7%) somewhat disagreeing that the sales promotion made them feel uncomfortable. Thirty-seven of the 153 respondents somewhat agreed that missing out on the promotion made them feel uneasy, 32 agreed with the statement and only 41 did not feel uneasy by missing out on the sales promotion. A total of 33% of the respondents agreed that missing a sales promotion made them feel bothered, 26% somewhat agreed and 20% strongly agreed that missing a sales promotion made them feel bothered.

4.5.2 *Hypothesis 1b - A negative association towards the brand as a result of induced cognitive dissonance, will decrease the loyalty towards the brand.*

Tables 19-22 below show the statements and responses for the attitude and loyalty variables.

Table 19: Statements relating to the attitude variables

Att1	Like	You like the brand?
Att3	Favourable	You are favorable towards the brand?
Att5	Beneficial	The brand is beneficial to you?
Att7	Appropriate	You feel the brand is appropriate for you?

Table 20: Statements relating to the loyalty variables

Loyal1	Switch	You like the brand of smartphone you selected and would not really switch from the brand to try something different?
Loyal2	Recommend	You would introduce this brand of smartphone to your colleagues?
Loyal3	Unfamiliar	You would take a chance by buying an unfamiliar brand, even if it means sacrificing variety?

Table 21: Responses relating to the attitude variables

Frequency of answers across factor items					
	Attitude Items				Factor Total
Factor Code	Att1 (Like)	Att3 (Favourable)	Att5 (Beneficial)	Att7 (Appropriate)	
Strongly disagree	14	11	12	7	44
Disagree	20	23	18	18	79
Somewhat disagree	28	26	21	11	86
Neither agree nor disagree	40	44	54	61	199
Somewhat agree	23	29	28	28	108
Agree	30	24	23	30	107
Strongly agree	7	6	5	5	23
	162	163	161	160	

From table 21 above, it can be seen that 19% (n=30) of respondents agreed to the statements asking them if they liked the smartphone brand they chose when upgrading or acquiring their device and 14% (n=23) somewhat agreed. On the opposite end of this we saw that 17% (n=20) of respondents somewhat disagreed with that statement and did not like the brand of smartphone selected.

For the questions posed to respondents on finding out if they were favourable or unfavourable towards the brand of smartphone selected, the results were more or less equal between the respondents that agreed and those that disagreed. Thirty-seven percent (n=60) of respondents indicated that they were unfavourable towards the brand and 36% (n=59) of respondents were favourable towards the brand.

The results for the responses recorded on whether or not the respondents thought the brand was beneficial or harmful towards them showed that 32% (n=51) disagreed on some level, indicating a harmful association with the brand and 56 (35%) responses recorded a beneficial association with the brand.

Lastly 39% (n=63) of respondents indicated that the brand is appropriate to them after finding out about the sales promotion and only 23% (n=36) of respondents felt the brand was inappropriate for them when finding out about the sales promotion.

Table 22: Responses relating to the loyalty variable

Frequency of answers across factor items				
	Loyalty Items			Factor Total
Factor Code	Loyal1 (Switch)	Loyal2 (Recommend)	Loyal3 (Unfamiliar)	
Strongly disagree	6	6	28	40
Disagree	21	13	58	92
Somewhat disagree	12	8	16	36
Neither agree nor disagree	15	20	17	52
Somewhat agree	18	37	23	78
Agree	71	59	18	148
Strongly agree	20	19	2	41
	163	162	162	

The responses for the factor on loyalty has been presented in Table 22 above. The first question posed to respondents intended to find out if the respondents would switch from their selected brand of smartphone after knowing they missed the sales promotion. Forty-four percent (n=71) agreed with this statement and said they would not switch from the selected brand of smart device. A further 13% (n=20) strongly agreed with this statement and only a total of 12% (n=21) disagreed with the statement and indicated an intention to switch from the selected brand of smart device after missing the sales promotion.

After missing the sales promotion, a total of 71% (n=115) of respondents indicated that they would recommend the brand of smartphone to their friends and family. Only 27 (17%) respondents disagreed and indicated that they would not recommend the smartphone to others when exposed to a sales promotion.

Lastly a total of 63% (n=102) of respondents disagreed to not take a chance on buying an unfamiliar brand after missing a sales promotion, with only a total of 27% (n=43) agreeing to purchase an unfamiliar brand after they missed the sales promotion.

The relationship between the dissonance of a respondent and the loyalty of that respondent is depicted in Table 23 below.

Table 23: Relationship of dissonance on loyalty

			Estimate	std error	t-value
Dissonance	===>	Loyalty	0,0466	0,0792	0,5882

From the relationship depicted above, we can see that the t-value of the relationship indicates an insignificant relationship, and that only a small amount (4.6%) of the dissonance of a respondent will have an effect on the loyalty of a respondent.

4.6 Results pertaining to Hypothesis 2

4.6.1 *Hypothesis 2a - A missed free premium sales promotion will invoke negative feelings towards the brand.*

Below, the tables with the statements on emotion and the responses of emotion are presented in Tables 24-25.

Table 24: Statements relating to the emotion variables

Emo1	Affectionate	Would the following words accurately describe your feelings towards the brand?
Emo2	Loved	
Emo3	Friendly	
Emo4	Peaceful	
Emo5	Passionate	
Emo6	Delighted	
Emo7	Captivated	
Emo8	Connected	
Emo9	Bonded	
Emo10	Attached	

Table 25: Responses relating to the emotion variables

Frequency of answers across factor items											
	Emotional Items										Factor Total
Factor Code	Emo1	Emo2	Emo3	Emo4	Emo5	Emo6	Emo7	Emo8	Emo9	Emo10	
Strongly disagree	30	36	29	25	32	36	31	31	34	32	316
Disagree	65	63	56	52	53	64	63	66	67	68	617
Somewhat disagree	19	20	26	30	22	22	15	23	17	16	210
Neither agree nor disagree	38	33	39	38	38	27	37	27	30	30	337
Somewhat agree	3	4	2	8	6	3	6	5	4	8	49
Agree	6	5	8	7	6	6	7	7	6	4	62
Strongly agree	3	2	2	2	3	2	2	2	2	2	22
	164	163	162	162	160	160	161	161	160	160	

For the factor of emotion, between 160-164 responses were recorded in total and these are displayed in Table 25 above. Across all the variables of emotion 38%

of all responses recorded, indicated that the respondents disagreed with the words describing a favourable emotion towards the brand, after being made aware that they have missed the free premium sales promotion. Another 20% of the total responses indicated strong disagreement that favourable emotions towards the brand were experienced, when missing a free premium sales promotion. In total a full 71% of responses indicated that the consumers would have an unfavourable connection towards the brand.

In comparison, only 8% of the respondent's emotions were favourable towards the brand after missing the promotion. 21% of all the responses recorded indicated that some respondents were undecided about how they felt towards the brand when they were exposed to a missed sales promotion.

4.6.2 *Hypothesis 2b - Negative feelings towards the brand as a result of a missed free premium sales promotion will influence the cognitive dissonance of a consumer.*

Table 26 below depicts the relationship between the emotions a consumer has towards the brand and the effects it might have on the attitude of a consumer towards the brand

Table 26: Relationship of emotion on dissonance

	Estimate	std error	t-value
Emotion ===> Dissonance	-0,1827	0,0846	-2,1599

The relationship is considered to be significant with a t-value of -2.16 and an estimate of -0.183. This could be explained a bit better as, the factor of emotion significantly contributes to the factor of dissonance.

4.7 Results pertaining to Hypothesis 3

4.7.1 *Hypothesis 3a - A missed free premium sales promotion will generate a negative brand attitude for the consumer.*

Table 21 above presented the responses of the factor of attitude. From this table, we can summarise the findings again:

- 37% of responses in agreed one form or another, with the statements on likeability, favourability, appropriateness and the benefit of the smartphone selected.
- 32% of the total responses recorded, indicated disagreement with the statements posed.
- A total of 31% of all responses recorded indicated indecision on the statements posed about attitude towards the brand after missing a free premium promotion.

4.7.2 *Hypothesis 3b - A negative brand attitude will have a negative effect on the loyalty of the consumer.*

The inclusion of Table 27 shows the relationship of the respondent's attitude on the loyalty of a consumer towards the brand.

Table 27: Relationship of attitude on loyalty

	Estimate	std error	t-value
Attitude ===> Loyalty	0,5969	0,1046	5,7062

The t-value in Table 27 indicates a significant relationship, and the estimate variable of 0.597, a large effect of the respondent's attitude on the loyalty a consumer might have towards a particular brand.

4.8 Results pertaining to the variable repurchase intent

Table 28: Statements relating to the repurchase intent variable

Rep1	Brand	If you need a smartphone in the future, you are likely to purchase from the same manufacturer?
Rep2	Store	If you ever purchase a smartphone again, you will buy it from the same store?
Rep3	Item	You will repurchase the same smartphone?

Table 29: Responses relating to the repurchase intent variable

Frequency of answers across factor items				
	Repurchase Items			Factor Total
Factor Code	Rep1 (Brand)	Rep2 (Store)	Rep3 (Item)	
Strongly disagree	7	20	28	55
Disagree	17	31	35	83
Somewhat disagree	11	14	12	37
Neither agree nor disagree	15	49	24	88
Somewhat agree	38	21	22	81
Agree	53	21	27	101
Strongly agree	20	5	12	37
	161	161	160	

The responses on the factor of repurchase intent is presented in Table 29 above. The questions regarding the respondents repurchasing intent were posed under three different themes, namely their repurchasing intent of the brand of smartphone after missing a sales promotion; if they would repurchase at the same store; and lastly, if they would repurchase the very same product that they acquired when missing the sales promotion.

On the theme of repurchasing the same brand of smartphone a total of 69% (n=111) of respondents agreed on some level that, they would in fact purchase the same brand of smartphone in the future, after they know they missed the sale promotion. Only 22% (n=35) of respondents indicated that they would not repurchase that brand of smartphone. The second theme revealed that 40% (n=65) of respondents would not repurchase from the same store whereas only 29% (n=47) of respondents would in fact repurchase from the same store. Lastly, the third theme's responses indicated that 47% (n=75) of respondents would not repurchase the same smartphone brand in the future and 38% (n=61) of respondents would in fact purchase the same smartphone brand in the future.

4.9 Summary of the results

Table 30 below, illustrates the list of all factors and their mean score.

Table 30: Factor means

Rank	Factor	Score
1	Emotional Connection	3
2	Brand Attitude	4
3	Repurchasing Intent	4
4	Attitudinal Loyalty	5
5	Cognitive Dissonance	5

Tables 31 and 32 below summarise the results of the demographical and open-ended questions presented in this chapter.

Table 31: Summary of demographical data

Demographic	Demographic Group	% of Respondents
Age group	18–24 years old	38%
	25–34 years old	29%
	35–49 years old	24%
	50 years and older	9%
Gender	Male	57%
	Female	43%
Race	White	60%
	Black	23%
	Indian	8%
	Coloured	7%
	Other	2%
Combined monthly household income	R50 001 and over	51%
	R40 001 – R50 000	7%
	R30 001 – R40 000	11%
	R20 001 – R30 000	14%
	Less than R20 000	17%
Employment status	Employed full-time	52%
	Employed part-time	6%
	Student (37,42%)	37%
	Unemployed	5%

Table 32: Summary of open-ended questions

	Question	Response Group	% of Respondents
Q1	How much would you say the device you upgraded to is worth?	R15 000+	21%
		R10 000 – R14 999	33%
		R5 000 – R 9 999	26%
		R1 000 – R4 999	20%
Q2	What is the cost of your cellular phone contract per month?	R100 - R499	36%
		R500 - R999	31%
		R1000 - R1499	16%
		R1500 - R1999	9%
		R2000+	9%

4.10 Path diagram of SEM model

Figure 4 below is a summary path model drawn up to provide a graphical representation of the relationships proposed in the conceptual model. The complete path model can be found in appendix D.

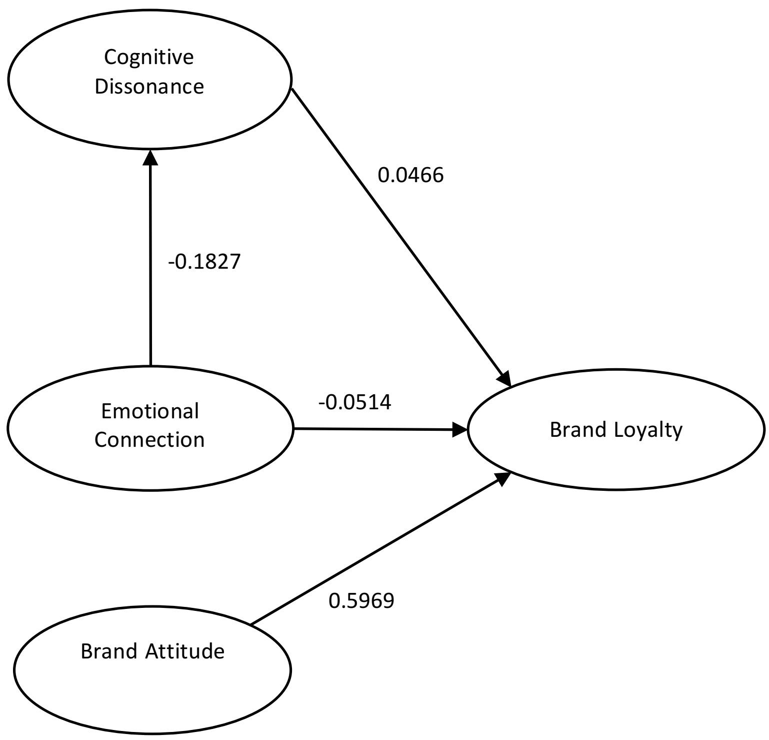


Figure 4: Summary path diagram

The summary path coefficients for all variables and relationships can be found in Table 33 below. All parameter estimates are depicted in the path diagram.

Table 33: Summary of path coefficients

		Standardised Results for Linear Equations		
	Parameter	Estimate	std error	t-value
Diss1	a1	0,8044	0,0412	19,5344
Diss2	a2	0,9639	0,035	27,5593
Diss3	a3	0,6771	0,0513	13,197
Emo1	a4	0,7369	0,0394	18,6956
Emo2	a5	0,8037	0,0309	26,026
Emo3	a6	0,816	0,0292	27,9192
Emo4	a7	0,7993	0,0315	25,4044
Emo5	a8	0,8227	0,0283	29,0546
Emo6	a9	0,8483	0,0248	34,2353
Emo7	a10	0,8305	0,0273	30,4757
Emo8	a11	0,9246	0,0137	67,2464
Emo9	a12	0,9438	0,011	86,1836
Emo10	a13	0,9016	0,0171	52,6518
Att1	a14	0,8761	0,0259	33,8754
Att3	a15	0,8667	0,0269	32,1637
Att5	a16	0,7797	0,0375	20,7997
Att7	a17	0,7923	0,0359	22,0464
Loyal1	a18	0,5736	0,0743	7,7226
Loyal2	a19	0,9485	0,0802	11,8211
Loyal3	a20	0,2882	0,083	3,4722
Emotion => Dissonance	c1	-0,1827	0,0846	-2,1599
Dissonance => Loyalty	c2	0,0466	0,0792	0,5882
Attitude => Loyalty	c4	0,5969	0,1046	5,7062

CHAPTER 5. DISCUSSION OF THE RESULTS

5.1 Introduction

This chapter interprets the results presented in the previous chapter against the research hypothesis posed in the literature review. Firstly, there will be a discussion on the research problem and sub-problems. Next, an interpretation of the open-ended questions will follow, where after a discussion of the demographical findings will be included.

5.2 Discussion pertaining to the research problem

The main problem was to establish what the effects will be, on the attitudinal loyalty for a consumer that missed the opportunity to partake in a free premium sales promotion.

Validity of the model was tested through goodness of fit testing as proposed by SEM modelling. The model was tested through various statistical measures including the chi-square, Root Mean Square Error of Approximation (RMSEA), Standardised Root Mean Square Residual (SRMSR) and Bentler Comparative Fit Index (CFI).

To assess which part of the model might be attributing to the model's good or bad fit, measures such as standardised paths and raw residuals, were applied.

The model was found to show acceptable fit across all the frequently used indexes. Apart from the variable Dissonance3 that showed signs of, what Lee (2015) referred to as an impossible statistical finding because of possible high levels of multicollinearity, all path loading was significant. This came only after the variables Loyal 4; Attitude2/4/6/8 and repurchase were removed because of questionable internal reliability. For the factor repurchase, there could exist a possible mismatch between the expected interpretation and the actual interpretation of the question posed to respondents. As they quite possibly did not associate the act of repurchasing with that of physical store loyalty or even the actual product purchased, but they were more inclined to see the act of repurchasing, and hence loyalty, as a brand related matter. The variable, Loyal4, was another one that was removed due to a possible mismatch of the respondent's interpretation to the question. The statement for Loyal4, asked respondents if, in the future, they would rather wait for others to try a new brand before trying it themselves. Respondents quite possibly, did not associate the question of waiting for others before they try a new brand themselves, as that of being loyal to a brand.

The factor on the attitude a consumer has towards a brand, had eight statements divided up under four categories. Each category had two statements consisting of a "for" and an "against" question. The negative or "against" statements were removed as these caused possible high levels of multicollinearity. This then left the variables of Attitude1/3/5/7 (or "for" statements) to be used in the final model.

Finally, as a control function, exploratory factor analysis was conducted to see if the variables for each factor could indeed be used in a single item that represents that factor.

Once the model was accepted and all results were shown to be significant, the effect that a missed free premium sales promotion has on the attitudinal loyalty of a consumer, could be established. According to Chahal and Bala (2010), the attitudinal loyalty of a consumer is effectively that consumer's feelings towards the brand when deciding to repurchase a product. Mellens, Dekimpe and Steenkamp (1995) also included the consumer's attitude towards the brand and not just their feelings when describing the consumer's attitudinal loyalty.

With this in mind, the model, as depicted in Figure 4, shows the relationships between the dissonance a consumer might or might not experience and their loyalty towards the brand; their emotional connection to the brand on the way that their cognitive dissonance occurs; and the attitude a consumer has towards a brand and its effects on their loyalty for that brand.

Emotional connection

Once a consumer has missed the opportunity to partake in a free premium sales promotion, their emotions (or feelings towards the brand) change for the worse and in turn will have a significant effect on the dissonance that will inevitably develop. The interesting part here is that this dissonance (however great it might be) a consumer experiences, has only the slightest of effects on the loyalty a consumer has towards the brand.

Attitude of the consumer

Another element making up the attitudinal loyalty of a consumer is the attitude they inevitably have towards the brand. After missing out on the free premium sales promotion, it seems as if the consumer's attitude is effectively divided between four elements. These are likeness, favourability, benefit and relevance. The consumers agree that after missing out on the promotion, the brand is still beneficial and appropriate for them however they dislike the brand and find it unfavourable. These elements of likeness and favour, tie into the feelings a consumer has towards the brand and it makes sense that they would find a disliking towards the brand considering what has happened. Brand relevance seems to be ever-present for a consumer and it is this element that ultimately dictates the attitude a consumer might have towards the brand, irrespective of missing the promotion or not. Attitude does however, play a significant role in the formation of loyalty and could exercise quite a big impact on this relationship. Therefore, it would be safe to assume that should the attitude of a consumer change from positive to negative, so too would their loyalty towards the brand.

Repurchasing intent

From the responses recorded on a consumer's repurchasing intent, the data was in favour of the respondent's intention to repurchase a brand more than they would purchase from the same store, and also more than they would purchase the exact same product. It came to light that even after missing the promotion, the consumer was willing to repurchase the brand over and over again. Their decreased likeability and ever present discontent towards the brand was not enough to convince them otherwise. As the original factor of repurchasing intent was not included in the model due to fit limitations, additional analysis was conducted to isolate and measure the effects of the dissonance on repurchasing intent; the emotion a consumer experiences and the attitude they have on a respondent’s intent to repurchase a brand. This subset of data is presented below in Table 34.

Table 34: Path coefficients for the repurchasing intent of a brand

Parameter	Estimate	std error	t-value
Repurchase of a brand	0,7816	0,0776	10,072
Dissonance ==> Repurchase	-0,0829	0,1043	-0,7944
Emotion ==> Repurchase	0,00152	0,0941	0,0161
Attitude ==> Repurchase	0,541	0,118	4,5861

The relationship of dissonance on the repurchase intent and the emotion a consumer has towards the brand and the repurchase intent, is somewhat insignificant. This means that any dissonance experienced by a consumer will do very little to persuade a consumer to purchase another brand. Similarly, the negative emotional feelings brought on by missing the promotion will very do little, if anything, in the way to convince a consumer to purchase another brand other than the one they intended to.

The one significant relationship that could enforce a meaningful change on the intention of the consumer to repurchase, is that of the positive or negative attitude a consumer has towards the brand.

It is therefore interesting to note that for a consumer that missed the opportunity to partake in a free premium sales promotion, the effect on their attitudinal loyalty will be contained to the attitude they have towards the brand. Even though the missed sales promotion contributes to the dissonance they experience and negative feelings of emotion, it is insignificant as they make a conscious decision to repurchase and above all stay loyal to the brand.

5.3 Sub-problems

5.3.1 *Sub-problem 1*

The first sub-problem was to determine if affective and behavioural factors resulting from the missed opportunity to partake in the sales promotion, would affect attitudinal loyalty for a consumer.

It is from the research of Hawkins and Motherbaugh (2010) that we find an explanation of affective and behavioural attributes.

- Affective attributes are the feelings displayed by a consumer towards the object. This is either a real feeling manifesting from frequently using the product or an emotional connotation a consumer might have with the product (Hawkins & Mothersbaugh, 2010).
- Behavioural attributes consist of the intention a consumer might have to apply the attitude experienced into a purchasing intention (Hawkins & Mothersbaugh, 2010).

It has been established that the emotions a consumer experiences after a missed free premium sales promotion, would change significantly towards an all-round negative connection with the brand. This negative emotional state will add to the dissonance experienced and this discontent will have a significant impact on the attitudinal loyalty of a consumer. This emotional state (affective attributes) however, will have little to no real impact on the attitudinal loyalty of a consumer.

The behavioural attributes as described by Hawkins and Motherbaugh (2010) means that the attitude a consumer has, or is busy forming, will dictate the decision to purchase or repurchase a brand or product. A consumer that has been exposed to a sales promotion that they could not partake in, first and foremost dislike the brand and find it unfavourable to them. On the other hand, they still deem the brand beneficial to them and find it appropriate for their needs. When the four elements are combined, the effects of a missed sales promotion do not exercise a negative attitude on the consumer and they still feel positive about the brand. As the relationship of attitude and loyalty is quite significant and any change in the attitude of a consumer will bring about a fairly substantial change in the loyalty of that consumer, we can say that a missed sales promotion would not change the behavioural factors (attitude and purchase intent) for that consumer.

5.3.2 *Sub-problem 2*

The second sub-problem is to determine the possible implication a missed sales promotion might have on the purchasing behaviour of a consumer.

Internal factors affecting the consumer

Looking back at the consumer decision process model by Blackwell et al. (2006), shown in Figure 2, we can see the influence of the consumer's internal factors on certain elements of the decision-making process. Focussing on the attitudes, emotions and motivation a consumer has towards the brand, it is evident that according to the authors these influence the needs recognition stage, the evaluation of alternatives (pre-and post-purchase) as well as the consumption of the product or service.

Decision-making process of the consumer

Step 1: Need recognition

Hawkins and Motherbaugh (2010) wrote that these internal factors could heavily influence a consumer's needs. As the buying process for a consumer starts with the recognition of a need, internal stimuli such as the changing of a consumer's attitude or a feeling of discontent, could be extremely relevant to the consumers need for a product.

The findings show that for a consumer who missed a free premium sales promotion, the feelings or emotions displayed towards the brand will have changed significantly. Their perception of the brand will, for the most part, be unfavourable. On the other hand, the attitude they have towards the brand will stay relatively unscathed. It could be better explained by saying that the consumer will think negatively of the brand but would remain loyal, irrespective.

Hawkins and Motherbaugh (2010) go on to write that it is a consumer’s attitude (with the factors of emotion and motivation contributing to the attitude formed) that most noticeably affect the consumer.

Step 2: Search for information

The consumers search for information will then take shape as their internal information sources (such as their memories of the brand) form part of the search for a product. With the brand loyalty of a consumer. this step will be almost negligible as the very definition of brand loyalty is the commitment from a consumer to rebuy a product sometime in the future despite being persuaded to buy another brand or shop elsewhere (Oliver, 1999).

Step 3: Pre-purchase evaluation

The consumer decision process model in Figure 2 shows that if a consumer is satisfied with a purchase, the evaluation of alternatives will be almost negligible. The consumers that have been exposed to a missed free premium promotion will not only have negative feelings towards the brand but these feelings will fuel the consumer’s ever-present cognitive dissonance. Blackwell et al. (2006) stated that cognitive dissonance is the post-purchase considerations by a consumer in order to establish whether or not a thorough search for information (step 2) was done. Once again, the notion of a consumer being upset with the brand and wondering if the correct product was bought does little to persuade the consumer that an alternative less known product will be appropriate for them.

Step 4: Purchase decision

Blackwell et al. (2006) proposed that the purchasing decision will be made over two phases, with the decision of where to purchase coming first and what to purchase happening in the second phase. When the questions on repurchase intent were posed to the respondents, it was framed with three different purchasing frames of mind. First was repurchasing the brand; second repurchasing from the same store (where); and lastly, the repurchasing of the same item. The results showed that consumers who might have missed the sales promotion would not purchase from the same store again, but they would in fact repurchase the same brand.

The consumer’s internal influences such as attitude or emotion, should in theory significantly persuade the consumer’s decision on this step, but the model does not equate for the value placed on a purchase by a brand loyal consumer. This brand loyalty indicates that the consumer won’t switch to other brands and would wholeheartedly recommend the brand to others.

Step 5: Consumption and post-purchase behaviour

When the consumer’s experience has been rooted in satisfaction (as it will be for most brand loyal consumers), they might choose to forgo the need recognition stage (stage 1) and the subsequent search for information and proceed instead, straight to pre-purchase evaluation or even purchase.

It is clear that the brand loyalty of a consumer is extremely important to know if an organisation is deciding to map out the decision-making process of a consumer before, during and after a sales promotion roll out. Missing a free premium promotion will to some degree change the internal factors a consumer places on making purchasing decisions but it will not ultimately change the attitude of a consumer (especially a brand loyal one) to such a degree that involves the consumer suddenly changing their orientation towards the brand or the way they decide to engage in the purchasing decision.

5.4 Discussion pertaining to Hypothesis 1

5.4.1 *Hypothesis 1a - A missed free premium sales promotion will create a level of cognitive dissonance with the consumer.*

From Table 18 one can see the respondent’s levels of cognitive dissonance after it was made known to them that they missed the opportunity to partake in a free premium promotion. A high percentage (about 61%) were in agreement that they felt uneasy, bothered and uncomfortable from missing the sales promotion.

These findings will confirm that respondents experienced a level of cognitive dissonance and that hypothesis 1a is accepted.

5.4.2 *Hypothesis 1b - A negative association towards the brand as a result of induced cognitive dissonance, will decrease the loyalty towards the brand.*

It was Blackwell et al. (2006) that said, if the cognitive dissonance for a consumer creates a situation where that consumer is thinking more about the purchase, there exists an opportunity for the consumer to induce a more positive attitude towards the brand and create a higher attitudinal loyalty of the consumer.

From the data however, it was found that the cognitive dissonance that occurred with the respondents was rather negative and as such would then lead the consumer to exert a negative outlook towards the brand. These negative associations, brought on by the consumer's cognitive dissonance, had very little impact on the attitudinal loyalty of the consumer, with the data showing that a consumer's dissonance would impact the attitudinal loyalty of a consumer by less than 5%. With this in mind we can say that although a missed free premium promotion will increase the dissonance of that consumer, it will not decrease their loyalty towards the brand. Hypothesis 1b is rejected.

5.5 Discussion pertaining to Hypothesis 2

5.5.1 *Hypothesis 2a - A missed free premium sales promotion will invoke negative feelings towards the brand.*

The responses for the statement on the emotional connection a consumer has with a brand, was presented in Table 25. From this table, it was clear that the effects of a missed free premium sales promotion on respondents, induced a high negative emotional connection towards the brand. Across all three factors that were tested, namely, affection, passion and connection, the responses indicated negative feelings towards the brand. From this we can then confirm hypothesis 2a.

5.5.2 *Hypothesis 2b - Negative feelings towards the brand as a result of a missed free premium sales promotion will influence the cognitive dissonance of a consumer.*

Puccinelli et al. (2009) stated that consumers would assign a reason for their purchase, which is heavily influenced by the satisfaction or dissatisfaction a consumer has experienced. The link between the consumer's emotional connection to the brand and its effect on the occurrence of cognitive dissonance has already been established, with the emotional feelings effecting this search for reasoning to some degree.

If the data shows that the respondents were all in agreement that a missed free premium sales promotion created a negative emotional feeling towards the brand and general sense of uneasiness, and that a consumer's feelings towards the brand can create cognitive dissonance for that consumer, hypothesis 2b can be accepted.

5.6 Discussion pertaining to Hypothesis 3

5.6.1 *Hypothesis 3a - A missed free premium sales promotion will generate a negative brand attitude for the consumer.*

From Table 21 and the discussion on brand attitude above, we saw that even after the consumer has missed the opportunity to partake in a free premium sales promotion, their attitude is divided into two categories with each category consisting of two elements. These two categories are the favourability towards the brand and the relevance towards the brand. It came to light that for these consumers, the brand is still beneficial and appropriate, however, they dislike the brand and find it unfavourable for them. The end result is that, even though the factor is more or less divided between two categories, the respondents felt that a missed free premium sales promotion did not induce a negative brand attitude on them. Given this hypothesis 3a is rejected.

5.6.2 *Hypothesis 3b - A negative brand attitude will have a negative effect on the loyalty of the consumer.*

From the research of Low and Lamb (2000), and Bennett and Rundle-Thiele (2002), it was found that a consumer's purchasing behavior (purchasing intention) could be affected by their attitude displayed towards a brand. This ties in with the findings of this research where there was a significant relationship between the attitude a consumer has towards the brand and the loyalty shown to the brand. If the attitude of the consumer is positive towards the brand, then that would most probably relate to a positive brand loyalty for the consumer. Yi and Yoo (2011) wrote that any promotion over the short term would have a positive effect on the brand attitude of that consumer. Hypothesis 3b will be accepted as it was confirmed that there is indeed a positive relationship between the attitude of a consumer towards the brand and the brand loyalty of that consumer.

5.7 Discussion of open-ended questions

The two open-ended questions were asked of the respondents with the intention to hopefully provide the researcher with some insight on a consumer's price and value perception, especially when it comes to the occurrence of cognitive dissonance and emotional feelings shown towards the brand.

From Table 35 below, we can see all the responses from the two open-ended questions, grouped together and ranked from lowest to highest. These responses (ranking from 1-4 for the price of the device, and 1-5 for the value of the contract) were then offset with the answers for all the respondents, on the constructs in the survey. The end result shows the importance and relevance of each factor in forming perceptions around the price of a device and the value of a cellular contract.

Table 35: Below shows all the responses for the open-ended questions

	Question	Response Group	% of Respondents
Q1	How much would you say the device you upgraded to is worth?	R15 000+	21%
		R10 000 – R14 999	33%
		R5 000 – R 9 999	26%
		R1 000 – R4 999	20%

Q2	What is the cost of your cellular phone contract per month?	R100 - R499	36%
		R500 - R999	31%
		R1000 - R1499	16%
		R1500 - R1999	9%
		R2000+	9%

The respondents were of the opinion that the price of their cellular device ranged from R1 000 – R15 000 and upward. These values offset against the Likert scale scores of their survey responses shows us the following:

- The first set of results indicates that when the perception of the consumer is a very low device price (between R1 000 – R5 000) or very high device price (R10 000 plus), the chances of the price of the device becoming a reference point when their cognitive dissonance features, is higher than for a consumer that regards their device price as merely average.

- Secondly, we find that the price of a device will not be a significant attribute the consumer relies on when forming an emotional connection to the brand. So, when this emotional connection turns unfavourable, as a result of them missing a free premium promotion, the cost of a device will not feature in the forming of the perception.

- The third observation than can be made is that for a consumer's perception on a device price point of between R10 000 and R15 000, a consumer's brand attitude might possibly get influenced when exposed to a missed free premium sales promotion. For all the other price brackets, we find that it might not feature as prominently.

- Lastly, when a consumer's device is in the price bracket of R10 000 – R15 000, their focus on the price of their device might be more prominent than other consumers who perceive their device as cheaper. The consumers who that think their device is very expensive (R15 000+), might also factor in the price of their device when considering their brand loyalty in a situation of a missed sales promotion.

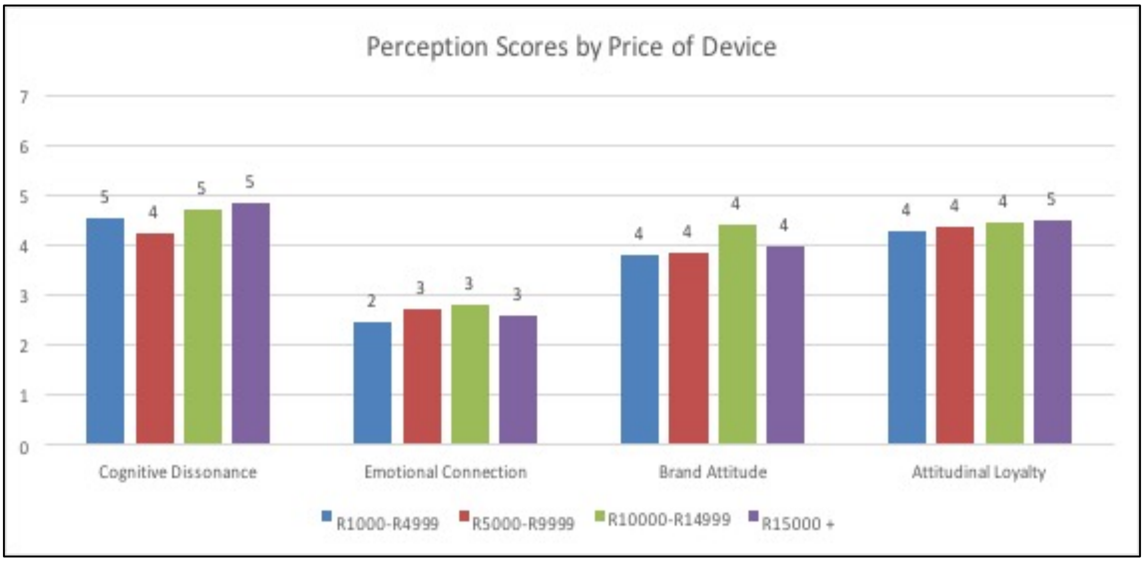


Figure 5: Perception scores for the price of a cellular device

The second open-ended question posed to respondents were for them to indicate the value of their monthly cellular contract cost. The responses ranged from a monthly cost of R100 to a relatively expensive R2 000 plus range.

- The first observation shows that, if the factor of cognitive dissonance occurs with the consumer after they missed a free premium sales promotion, the cost of a contract is relevant across all spectrums, not just cheap or expensive. This then shows us that the consumer might keep their monthly spend in mind when the consumer questions their product choice.

- The emotional connection a consumer has with a brand will change after they have missed the opportunity to partake in a free premium promotion. Should the consumer consider their feelings towards the brand, their monthly spend is very likely not to feature as prominently. However, should their monthly spend be considered in the emotional connection, it is the consumer who spends the most per month that will most probably consider their cellular contract cost.

- When the consumer has missed the sales promotion, certain parts of their attitude towards the brand will change. If this happens, there exists only a very slight chance that the cost of the contract might aid in the forming of their perception. If this is the case and the cost does feature, we could say that it will most likely occur with those consumers that spend upwards of a R1 500 per month.

- Finally, we look to the brand loyalty of a consumer and the perception a consumer might have on this construct when paying a certain amount per month on their cellular contract. Should the consumer consider themselves brand loyal and that loyalty was to be questioned as a result of a missed sales promotion, it is the consumers paying the most per month that could make their monthly cost a point of reflection.

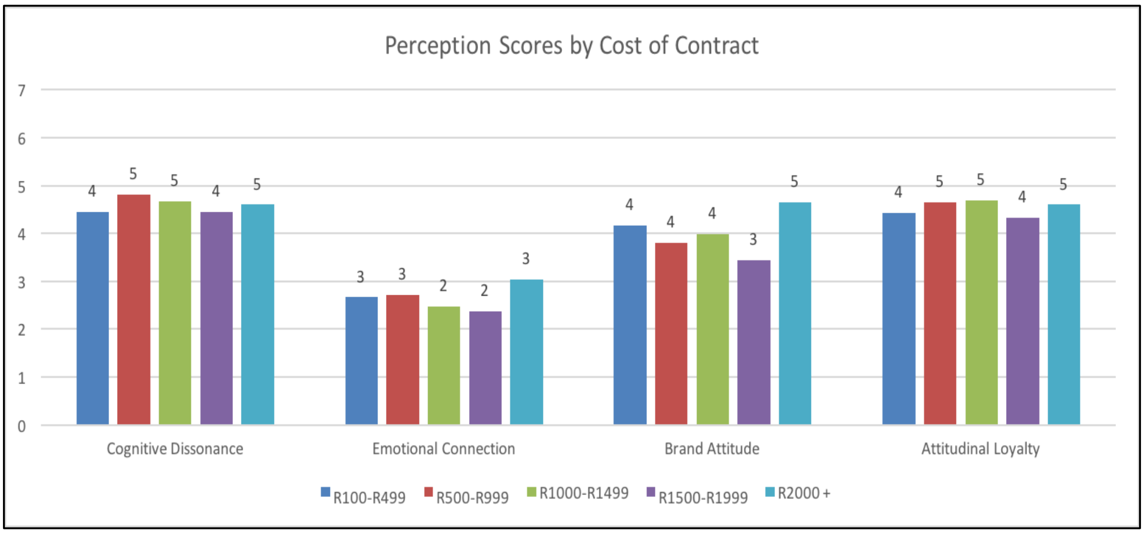


Figure 6: Perception scores on the value of a cellular contract

5.8 Demographic profile of respondents

It was proposed at the end of Chapter 3 that the demographic profile of the respondents could be the following:

- Age: 25–34 years of age
- Gender: Female
- Race: Black
- Combined monthly household income: R30 000–R40 0000
- Employment status: Employed full-time

From Table 22, it can be seen that the actual profile of the respondents differed somewhat to that proposed. There were some differences with employment status of respondents in that over a third of the respondents were students who were not employed full-time. Other differences were that the majority of respondents were male rather than female; the combined monthly household income was significantly more than estimated; and lastly, most respondents were white rather than black.

5.9 Conclusion

The main research problem was addressed and the effects on the attitudinal loyalty for a consumer that missed the opportunity to partake in a free premium sales promotion determined. A discussion on the two research sub-problems was done and each of the hypotheses were examined against the literature. It was found that the neither the affective (a consumer's emotional state) nor the behavioural factors (attitude and purchase intent), would change the attitudinal loyalty for a consumer. It was also found that the internal factors a consumer uses to make a purchasing decision could change slightly after the missed the free premium sales promotion but ultimately it will not change their orientation towards the brand. The chapter is concluded with Table 36 below that provides a summary of the research hypothesis that was either accepted or rejected.

Table 36: Summary of hypothesis testing results

	Hypothesis	
1a	A missed free premium sales promotion will create a level of cognitive dissonance with the consumer.	Accepted
1b	A negative association towards the brand as a result of induced cognitive dissonance, will decrease the loyalty towards the brand.	Rejected
2a	A missed free premium sales promotion will invoke negative feelings towards the brand.	Accepted
2b	Negative feelings towards the brand as a result of a missed free premium sales promotion will influence the cognitive dissonance of a consumer.	Accepted
3a	A missed free premium sales promotion will generate a negative brand attitude for the consumer.	Rejected
3b	A negative brand attitude will have a negative effect on the loyalty of the consumer.	Accepted

CHAPTER 6. CONCLUSIONS & RECOMMENDATIONS

6.1 Introduction

This chapter summarises the key findings of the research conducted, followed by recommendations made based on these findings. Finally, the chapter is concluded with suggestions for areas of further research.

6.2 Conclusions of the study

This research set out, not only to identify the effects on a consumer's attitudinal loyalty to a brand from having missed an opportunity to partake in a free premium sales promotion, but also to identify the impact of these effects on the consumer decision making process as put forth by Blackwell et. al (2006).

The need for a sustainable and long lasting client relationship with a brand is now, more pertinent than ever before. The changing economic climate and proliferation of products has made the marketplace volatile for the product suppliers and confusing for the consumers. With this in mind, the use of sales promotions is ever-present and companies use them as a vital part of their marketing mix in order to change consumer behavior and purchasing intent for brands and products (Blattberg & Neslin, 1990). As was highlighted in this study, consumer behaviour is not stagnant and an understanding of the decision-making process of consumers is critical for marketing activities, market segmentation and the development of marketing strategies (Sinkovics et al., 2010). Determining the attitudinal orientation, a consumer might have towards the promotions they are exposed to, could ensure a more accurate and refined promotional strategy and allow for the optimal use of marketing and organisational resources.

The data revealed that the effect on a consumer's attitudinal loyalty to brand when they have missed the opportunity to partake in a free premium sales promotion, will be influenced by the current attitude they have towards the brand. Even though the missed sales promotion contributes to the dissonance they experience and stirs up negative feelings of emotion, these effects are rather insignificant as the consumer tends to still make the decision to repurchase and above all stay loyal to the brand. The insights gained from this could may reveal an area of competitive advantage for product providers who are making use of, or who are considering the use of, free premium sales promotions, which could be considered a strategic imperative.

Each of the contributing factors are discussed in brief below.

Emotional connection

Once a consumer has missed the opportunity to partake in a free premium sales promotion, their emotions/ feelings towards the brand change for the worse and in turn have a significant effect on the cognitive dissonance that they will inevitably develop. The cognitive dissonance as a standalone factor, will only have the slightest of effects on the loyalty a consumer has towards the brand.

Attitude of the consumer

The consumers agree that after missing out on the promotion, the brand is still beneficial and appropriate for them, however they dislike the brand and find it unfavourable. Brand relevance seems to be a determinant of the attitude a consumer might have towards the brand (irrespective of them missing the sales promotion or not) and this attitude plays a significant role in the formation of their brand loyalty.

Repurchasing intent

It was found that, even after a consumer missing the promotion, they will still willing to repurchase the brand over and over again. Their decreased likeability and ever present discontent towards the brand was not enough to convince them otherwise.

6.3 Recommendations

The recommendations that follow could be relevant to general managers, strategic marketers and brand managers, faced with the task of positioning a brand or product in the market. They could add to the improvement and refinement of current marketing and brand communications for these stakeholders.

From the research findings, it was clear that if a product supplier or manufacturer is communicating to a client, with the intent of creating a brand loyal customer, they would need to approach the use of non-monetary sales promotions very diligently. There always exists a slight possibility that a consumer would miss the opportunity to partake in the promotional activity and as such, the good-hearted intentions of the product provider could result in feelings of disappointment and resentment towards the brand.

For a brand-loyal consumer that missed the opportunity to partake in a free premium sales promotion, the effect on their attitudinal loyalty will be contained to the attitude they have towards the brand. The chances of them developing an unfavourable attitude towards the brand is unlikely, as their brand loyalty would still be the dominant force in the purchasing decision. However, for non-brand-loyal consumers, Kotler and Keller (2012) explain that a consumer's attitude gets formed through three components: learning (cognitive awareness); feeling (affection to the brand); and doing (behavioural aspect). A non-brand loyal consumer that finds themselves in a high involvement product category (smartphone purchase) with high differentiation in said category, might adjust their attitude towards the brand as they become more aware of the product and gain knowledge about the product. The consumer is likely to start feeling favourable towards the product (start to like it), as they are exposed to the marketing communications of the product and this exposure leads them to the final stage of purchasing the brand. If they should miss the free premium sales promotion, then their attitude formed might be negative and as such their intention to purchase would decrease significantly.

It is clear that the brand loyalty of a consumer is extremely important to know if an organisation is deciding to map out the decision-making process of a consumer before a sales promotion roll out. With this in mind, it might be beneficial to the manufacturer or supplier, to limit the free premium promotions to those consumers that are brand loyal. This could include those consumer groups that currently form part of their loyalty schemes, have expressed interest in receiving communications with the brand, and are actively engaging with the brand on various channels. The focus for the free premium promotion could be on validation of consumer loyalty rather than as a means to generate sales from the public who might not have considered the brand in the first place.

6.4 Suggestions for further research

Even though the applicability of the study was found to be relevant, the achieved sample size of 170 useable responses might still be considered small for the proposed applicability of the results and for a SEM analysis. A follow-up study targeting a bigger sample size should yield better insights into the effects a missed sales promotion might have on the attitudinal loyalty of a consumer.

From the research of Blackwell et al. (2006), Kardes et al. (2010), and Te'eni-Hari (2008), it is evident that a high involvement product will induce a higher level of importance, a different attitude and a higher level of relevance for the consumer. It is possible that this research could have limited the findings regarding the factors which affect attitudinal loyalty, as the scope of the research was limited to only a product of high involvement without consideration for a low involvement product. Similar research could be undertaken with a low involvement product, to measure the attitude of consumers who missed the opportunity to partake in a free premium promotion for this low involvement product. This could also facilitate a proper comparison of results between a high involvement consumer and low involvement consumer.

Further research utilising an experimental research design could be undertaken to isolate the effects on the consumer in real time, thereby building on the findings of this study. It would provide for a proper comparison of the before and after attitudinal and emotional state of the consumer.

Further research over a longer period of time, could also be conducted to measure the effects on the attitudinal loyalty of the consumer. This would include measuring the effects of a missed free premium sales promotion on a longer time scale than the one-year time frame that formed the parameters for this research.

REFERENCES

Alvarez-Alvarez, B., & Vázquez-Casielles, R. (2005). Consumer evaluations of sales promotion: The effect on brand choice. *European Journal of Marketing, 39*(1-2), 54-70.

Bae, S., & Miller, J. (2009). Consumer Decision-Making Styles for Sport Apparel: Gender Comparisons between College Consumers. *Journal of Research, 4*(1), 40-45.

Baldinger, A. L., & Rubinson, J. (1996). Brand loyalty: The link between attitude and behavior. *Journal of Advertising Research, 36*(6), 22-34.

Ballou, J. (2008). *Open-ended question* (P. J. Lavrakas Ed. Vol. 1). Thousand Oaks, CA: Sage Publications.

Bawa, K., & Shoemaker, R. (2004). The effects of free sample promotions on incremental brand sales. *Marketing Science, 23*(3), 345-363.

Belch, G. E., & Belch, M. A. (2003). *Advertising and promotion: An integrated marketing communications perspective* (6th ed.). New York, NY: McGraw-Hill.

Bennett, R., & Rundle-Thiele, S. (2002). A comparison of attitudinal loyalty measurement approaches. *The Journal of Brand Management, 9*(3), 193-209.

Bentler, P. M., & Bonett, D. G. (1980). Significance tests and goodness of fit in the analysis of covariance structures. *Psychological Bulletin*, *88*(3), 588-606.

Bentler, P. M. (1990). Comparative fit indexes in structural models. *Psychological Bulletin*, *107*(2), 238-246.

Blattberg, R. C., & Neslin, S. A. (1989). Sales promotion: The long and the short of it. *Marketing Letters, 1*(1), 81-97.

Blattberg, R. C., & Wisniewski, K. J. (1989). Price-induced patterns of competition. *Marketing Science, 8*(4), 291-309.

Blackwell, R. D., Miniard, P. W., & Engel, J. F. (2006). *Consumer behavior* (10th ed.). Mason, OH: Thompson South-Western.

Bollen, K. A. (1989). *Structural equations with latent variables* (1st ed.). Haboken, NJ: John Wiley & Sons.

Boomsma, A. (2000). Reporting analyses of covariance structures. *Structural Equation Modeling: A Multidisciplinary Journal*, *7*(3), 461-483.

Bridges, E., Briesch, R. A., & Yim, C. K. B. (2006). Effects of prior brand usage and promotion on consumer promotional response. *Journal of Retailing, 82*(4), 295-307.

Browne, M. W., Cudeck, R., Bollen, K. A., & Long, J. S. (1992). Alternative ways of assessing model fit. *Sociological Methods Research*, *21*(2), 230-258.

Bryman, A. (2012). *Social research methods* (4th ed.). Oxford, England: Oxford University Press.

Campbell, L., & Diamond, W. D. (1990). Framing and sales promotions: The characteristics of a "good deal". *Journal of Consumer Marketing, 7*(4), 25-31.

Chahal, H., & Bala, M. (2010). Confirmatory study on brand equity and brand loyalty: A special look at the impact of attitudinal and behavioural loyalty. *Vision: The Journal of Business Perspective, 14*(1-2), 1-12.

Chandon, P., Wansink, B., & Laurent, G. (2000). A benefit congruency framework of sales promotion effectiveness. *Journal of Marketing, 64*(4), 65-81.

Chen, C.C., Chen, P.K., & Huang, C.E. (2012). Brands and consumer behavior. *Social Behavior and Personality: An International Journal, 40*(1), 105-114.

Cheng San, A. N., & Yee, C. J. (2012). Behavioral loyalty and attitudinal loyalty: Malaysian's intention on counterfeit clothing and footwear. *Journal of Public Administration and Governance, 2*(1), 106-122.

Creswell, J. W. (2014). *Research design: Qualitative, quantitative, and mixed methods approaches* (4th ed.). Thousand Oaks, CA: Sage Publications.

Dodson, J. A., Tybout, A. M., & Sternthal, B. (1978). Impact of deals and deal retraction on brand switching. *Journal of Marketing Research, 15*(1), 72-81.

Dutta, S., Biswas, A., & Grewal, D. (2007). Low price signal default: An empirical investigation of its consequences. *Journal of the Academy of Marketing Science, 35*(1), 76-88.

East, R., Wright, M., & Vanhuele, M. (2013). *Consumer behaviour: Applications in marketing* (2nd ed.). London, England: Sage Publications.

Elliot, A. J., & Devine, P. G. (1994). On the motivational nature of cognitive dissonance: Dissonance as psychological discomfort. *Journal of personality and social psychology, 67*(3), 382-394.

Fishbein, M., & Ajzen, I. (1975). *Belief, attitude, intention, and behavior: An introduction to theory and research* (1st ed.). Reading, MA: Addison-Wesley.

Gedenk, K., & Neslin, S. A. (1999). The role of retail promotion in determining future brand loyalty: Its effect on purchase event feedback. *Journal of Retailing, 75*(4), 433-459.

Grewal, D., & Levy, M. (2014). *Marketing* (4th ed.). New York, NY: McGraw-Hill.

Grewal, D., Monroe, K. B., & Krishnan, R. (1998). The effects of price-comparison advertising on buyers' perceptions of acquisition value, transaction value, and behavioral intentions. *The Journal of Marketing, 62*(2), 46-59.

Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2014). *Multivariate data analysis: Pearson new international edition* (7th ed.). Essex, England: Pearson Education Limited.

Hawkins, D. I., & Mothersbaugh, D. L. (2010). *Consumer behavior: Building marketing strategy* (11th ed.). New York, NY: McGraw-Hill.

Hoyer, W. D., & MacInnis, D. J. (2008). *Consumer behavior* (5th ed.). Mason, OH: South-Western.

Izogo, E. E. (2015). Determinants of attitudinal loyalty in Nigerian telecom service sector: Does commitment play a mediating role? *Journal of Retailing and Consumer Services, 23*(1), 107-117.

Jöreskog, K. G. (1999). *How large can a standardized coefficient be*. Scientific Software International. Retrieved from http://www.ssicentral.com/lisrel/techdocs/HowLargeCanaStandardizedCoefficientbe.pdf

Kahneman, D., & Tversky, A. (1979). Prospect theory: An analysis of decision under risk. *Econometrica: Journal of the Econometric Society, 47*(2), 263-292.

Kalof, L., Dan, A., & Dietz, T. (2008). *Essentials of social research* (1st ed.). Maidenhead, England: McGraw-Hill.

Kaplan, D. (2000). *Structural equation modeling: Foundations and extensions.* Thousand Oaks, CA: Sage Publications.

Kardes, F. R., Cronley, M. L., & Cline, T. W. (2010). *Consumer behavior* (1st ed.). Mason, OH: South-Western.

Kline, R. B. (2005). *Principles and practice of structural equation modeling*. New York, NY: Guilford.

Kotler, P., & Armstrong, G. (2011). *Principles of marketing* (14th ed.). Upper Saddle River, NJ: Pearson Prentice Hall.

Kotler, P. and K. L. Keller (2012). *Marketing management* (14th ed.). Upper Saddle River, NJ, Pearson Education Limited.

Kumar, R. (2011). *Research methodology: A step by step guide for beginners* (3rd ed.). London, England: Sage Publications.

Kwok, S., & Uncles, M. (2005). Sales promotion effectiveness: The impact of consumer differences at an ethnic-group level. *Journal of Product & Brand Management, 14*(3), 170-186.

Lantos, G. P. (2010). *Consumer behavior in action: Real-Life applications for marketing managers* (1st ed.). New York, NY: Routledge.

Lee, G. J. (2015). *Business statistics made easy in SAS*. Randtjiesfontein, South Africa: Silk Route Press.

Leedy, P. D., & Ormrod, J. E. (2014). *Practical research planning and design* (10th ed.). Edinburgh Gate, England: Pearson.

Li-xin, Z., & Shou-lian, T. (2010). *An empirical study on impact of sales promotion on brand loyalty of service enterprise.* Paper presented at the Management and Service Science (MASS), 2010 International Conference, Wuhan, China.

Low, G. S., & Lamb, C. W. (2000). The measurement and dimensionality of brand associations. *Journal of Product & Brand Management, 9*(6), 350-370.

Maslow, A. H. (1943). A theory of human motivation. *Psychological Review, 50*(4), 370-396.

McDonald, R. P., & Ho, M. H. R. (2002). Principles and practice in reporting structural equation analyses. *Psychological Methods*, *7*(1), 64-82

Mela, C. F., Gupta, S., & Lehmann, D. R. (1997). The long-term impact of promotion and advertising on consumer brand choice. *Journal of Marketing Research, 34*(2), 248-261.

Mellens, M., Dekimpe, M., & Steenkamp, J. (1995). A review of brand-loyalty measures in marketing. *Tijdschrift voor Economie en Management, 41*(4), 507-533.

Mendez, M., Bendixen, M., Abratt, R., Yurova, Y., & O'Leary, B. (2015). Sales promotion and brand loyalty: Some new insights. *International Journal of Education and Social Science, 2*(1), 103-117.

Mitchell, A. A., & Olson, J. C. (1981). Are product attribute beliefs the only mediator of advertising effects on brand attitude? *Journal of Marketing Research, 18*(3), 318-332.

Mittal, M., & Sethi, P. (2011). The effectiveness of sales promotion tools among Indian consumers: An empirical study. *Journal of Promotion Management, 17*(2), 165-182.

Moriarty, S., Mitchell, N., & Wells, W. (2015). *Advertising & IMC: Principles and practice* (10th ed.). Essex, England: Pearson.

Neslin, S. A. (2006). Sales promotion. In B. Weitz & R. Wensley (Eds.), *Handbook of marketing* (1st ed., pp. 311-338). London, England: Sage Publishing.

Oliver, R. L. (1999). Whence consumer loyalty? *The Journal of Marketing*, *63*(Special Issue), 33-44.

Palazón-Vidal, M., & Delgado-Ballester, E. (2005). Sales promotions effects on consumer-based brand equity. *International Journal of Market Research, 47*(2), 179-204.

Pauler, G., & Dick, A. (2006). Maximizing profit of a food retailing chain by targeting and promoting valuable customers using loyalty card and scanner data. *European Journal of Operational Research, 174*(2), 1260-1280.

PewResearchCentre. (2015). *Cell phones in Africa: Communication lifeline*. Retrieved from http://www.pewglobal.org/2015/04/15/cell-phones-in-africa-communication-lifeline/

Puccinelli, N. M., Goodstein, R. C., Grewal, D., Price, R., Raghubir, P., & Stewart, D. (2009). Customer experience management in retailing: understanding the buying process. *Journal of Retailing, 85*(1), 15-30.

Ramaswami, S. N., & Arunachalam, S. (2016). Divided attitudinal loyalty and customer value: Role of dealers in an indirect channel. *Journal of the Academy of Marketing Science*. doi:10.1007/s11747-015-0471-4

Ramirez, E., & Goldsmith, R. E. (2009). Some antecedents of price sensitivity. *The Journal of Marketing Theory and Practice, 17*(3), 199-214.

Rothschild, M. L., & Gaidis, W. C. (1981). Behavioral learning theory: Its relevance to marketing and promotions. *The Journal of Marketing, 45*(2), 70-78.

Raykov, T., & Marcoulidis, G. A. (2006). *A first course in structural equation modeling* (2nd ed.). Mahwah, NJ: Lawrence Erlbaum Associates Publishers.

Schiffman, L. G., Kanuk, L. L., & Hansen, H. (2012). *Consumer behaviour: A European outlook* (2nd ed.). Essex, England: Pearson Education.

Seetharaman, P. (2004). Modeling multiple sources of state dependence in random utility models: A distributed lag approach. *Marketing Science, 23*(2), 263-271.

Sinha, I., & Smith, M. F. (2000). Consumers' perceptions of promotional framing of price. *Psychology & Marketing, 17*(3), 257-275.

Sinha, S. K., & Verma, P. (2015). A Study of non-monetary sales promotion and reward. *International Journal of Commerce, Business and Management, 4*(2), 1136-1139.

Sinkovics, R. R., 'Mink'Leelapanyalert, K., & Yamin, M. (2010). A comparative examination of consumer decision styles in Austria. *Journal of Marketing Management, 26*(11-12), 1021-1036.

Srivastava, T., & Rego, S. (2011). *Business research methodology* (1st ed.). New Delhi, India: Tata McGraw-Hill Education.

Solomon, M., Bamossy, G., Askegaard, S., & Hogg, M. K. (2006). *Consumer behaviour: A European perspective* (3rd ed.). Essex, England: Pearson Education Limited.

Steiger, J. H. (1990). Structural model evaluation and modification: An interval estimation approach. *Multivariate Behavioral Research*, *25*(2), 173-180.

Stewart, D. W. (1981). The application and misapplication of factor analysis in marketing research. *Journal of Marketing Research, 18*(1), 51-62.

Tabachnick, B. G., & Fidell, L. S. (2013). *Using multivariate statistics* (6th ed.). Upper Saddle River, NJ: Pearson.

Tanford, S. (2013). The impact of tier level on attitudinal and behavioral loyalty of hotel reward program members. *International Journal of Hospitality Management, 34*, 285-294.

Te'eni-Harari, T. (2008). Sales promotion, premiums, and young people in the 21st century. *Journal of Promotion Management, 14*(1-2), 17-30.

Thomson, M., MacInnis, D. J., & Park, C. W. (2005). The ties that bind: Measuring the strength of consumers' emotional attachments to brands. *Journal of consumer psychology, 15*(1), 77-91.

Trochim, W. M., Donnelly, J. P., & Arora, K. (2015). *Research methods: The essential knowledge base* (2nd ed.). Boston, MA: South-Western Cengage Learning.

Valls, J.F., Sureda, J., & Andrade, M. J. (2012). Consumers and increasing price sensibility. *Journal of Innovative Marketing, 8*(1), 52-63.

Varian, H. R. (1980). A model of sales. *The American Economic Review, 70*(4), 651-659.

van Heerde, H. J., & Neslin, S. A. (2008). Sales promotion models. In B. Wierenga (Ed.), *Handbook of marketing decision models* (pp. 107-162). Boston, MA: Springer.

Villas-Boas, J. M. (2004). Consumer learning, brand loyalty, and competition. *Marketing Science, 23*(1), 134-145.

Wagner, C., Kawulich, B. B., & Garner, M. (2012). *Doing social research: A global context* (1st ed.). Maidenhead, England: McGraw-Hill Higher Education.

Wu, X., Zhou, H., & Wu, D. (2012). Commitment, satisfaction, and customer loyalty: A theoretical explanation of the ‘satisfaction trap’. *The Service Industries Journal, 32*(11), 1759-1774.

Yi, Y., & Yoo, J. (2011). The long-term effects of sales promotions on brand attitude across monetary and non-monetary promotions. *Psychology & Marketing, 28*(9), 879-896.

Yoo, B., Donthu, N., & Lee, S. (2000). An examination of selected marketing mix elements and brand equity. *Journal of the Academy of Marketing Science, 28*(2), 195-211.

Zikmund, W. G., Babin, B. J., Carr, J. C., & Griffin, M. (2013). *Business research methods* (9th ed.). Mason, OH: South-Western Cengage Learning.

APPENDIX A

Actual Research Instrument

Good day, I am a post-graduate student at the University of the Witwatersrand – Graduate School of Business Administration, undertaking a Master of Management degree in the field of Strategic Marketing.

The topic of my research is “The effects of a free premium sales promotion on the attitudinal loyalty of a consumer”.

In order to accomplish my research objectives, a survey has been prepared to gather information regarding the emotional connection of consumers to a brand; the brand attitude that a consumer displays; the presence of cognitive dissonance and the repurchasing intent of a consumer.

I kindly request you to complete the attached survey, which should take less than 10 minutes to complete.

Your response will not only be greatly appreciated, but be of great value to my research. You are under no obligation to participate in the survey and you can terminate the survey at any time.

Your identity and feedback will be kept in utmost confidence. Your views are very important to me.

Sincerely

Dewald Geldenhuis

Email: dgeldenhuis@gmail.com

Study supervisor Mr. Neale Penman

Email: neale@confluence.co.za

Have you purchased or upgraded to a smartphone in the last year?

❍ Yes
❍ No

If No Is Selected, Then Skip To End of Survey

When you purchased / upgraded your smartphone, did you receive a free protective case for the phone?

❍ Yes
❍ No

If Yes Is Selected, Then Skip To End of Survey

The day after you have taken collection of your smartphone you find out that there is a promotion running from the manufacturer, who is giving away a free protective case with the same phone you have just acquired. Please answer the following questions by simply selecting the option that you agree with the most.

Would you say that missing out on the promotion made you feel?

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
Uncomfortable?	❍	❍	❍	❍	❍	❍	❍
Uneasy?	❍	❍	❍	❍	❍	❍	❍
Bothered?	❍	❍	❍	❍	❍	❍	❍

Would you say that each of the following words accurately describe your feelings towards the brand after missing the promotion?

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
Affectionate	❍	❍	❍	❍	❍	❍	❍
Loved	❍	❍	❍	❍	❍	❍	❍
Friendly	❍	❍	❍	❍	❍	❍	❍
Peaceful	❍	❍	❍	❍	❍	❍	❍
Passionate	❍	❍	❍	❍	❍	❍	❍
Delighted	❍	❍	❍	❍	❍	❍	❍
Captivated	❍	❍	❍	❍	❍	❍	❍
Connected	❍	❍	❍	❍	❍	❍	❍
Bonded	❍	❍	❍	❍	❍	❍	❍
Attached	❍	❍	❍	❍	❍	❍	❍

How would the following statements relate to you after finding out about the promotion.

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
You like the brand?	❍	❍	❍	❍	❍	❍	❍
You dislike the brand?	❍	❍	❍	❍	❍	❍	❍
You are favourable towards the brand?	❍	❍	❍	❍	❍	❍	❍
You are unfavourable towards the brand?	❍	❍	❍	❍	❍	❍	❍
The brand is beneficial to you?	❍	❍	❍	❍	❍	❍	❍
The brand is harmful to you?	❍	❍	❍	❍	❍	❍	❍
You feel the brand is appropriate for you?	❍	❍	❍	❍	❍	❍	❍
You feel the brand is inappropriate for you?	❍	❍	❍	❍	❍	❍	❍

With the missed promotion in mind, how would the following statements relate to you?

	Strongly Disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
You like the brand of smartphone you selected and would not really switch from the brand to try something different?	❍	❍	❍	❍	❍	❍	❍
You would introduce this brand of smartphone to your colleagues?	❍	❍	❍	❍	❍	❍	❍

In the future, would you?

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
Take a chance by buying an unfamiliar brand, even if it means sacrificing variety?	❍	❍	❍	❍	❍	❍	❍
Rather wait for others to try a new brand before trying it yourself?	❍	❍	❍	❍	❍	❍	❍

Would you say the following statements relate to you?

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
If you need a smartphone in the future, you are likely to purchase from the same manufacturer?	❍	❍	❍	❍	❍	❍	❍
If you ever purchase a smartphone again, you will buy it from the same store?	❍	❍	❍	❍	❍	❍	❍
You will repurchase the same smartphone?	❍	❍	❍	❍	❍	❍	❍

How much would you say the device you upgraded to is worth?

What is the cost of your cellphone contract per month?

Age

- ❍ 18 - 24
- ❍ 25 - 34
- ❍ 34 - 49
- ❍ 50 and over

Gender

- Female
- Male

Race

- Black
- Indian
- White
- Coloured
- Other

Total monthly household income

- Less than R 20 000
- R 20 001–R 30 000
- R 30 001–R 40 000
- R 40 001–R 50 000
- R 50 001 and over

Employment status

- Unemployed
- Employed - Full time
- Employed - Part time
- Student

APPENDIX B

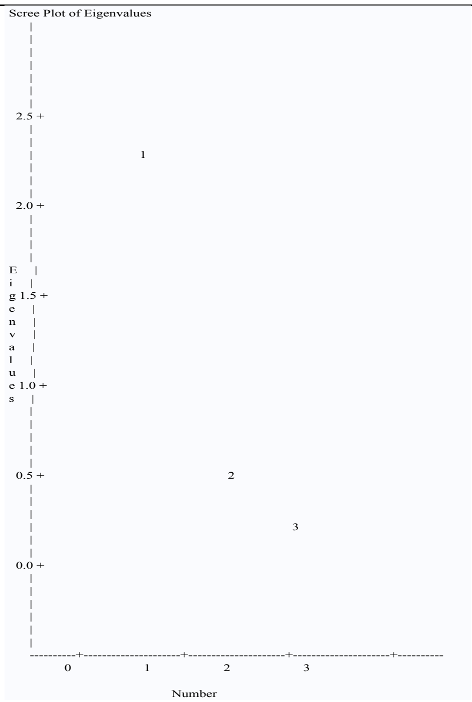
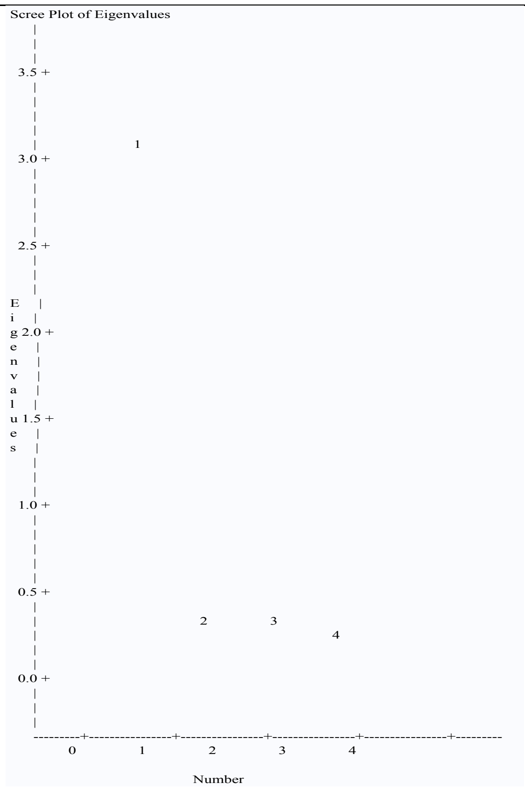
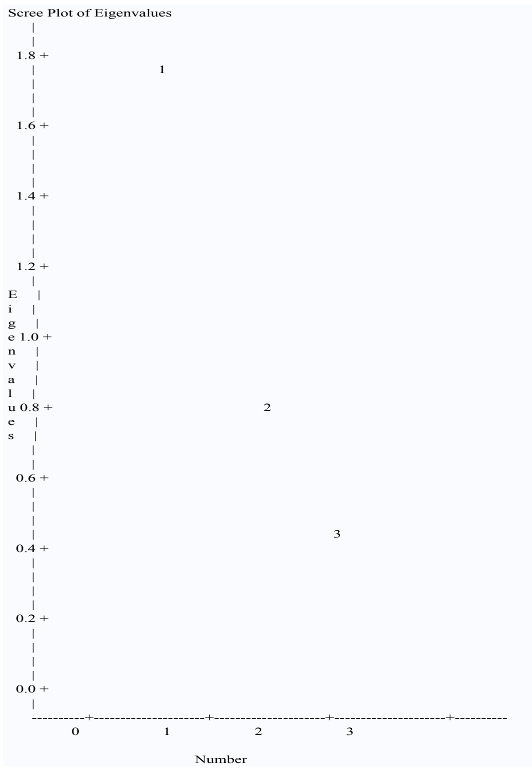
Consistency matrix

The main problem of this research is to establish what the effects on attitudinal loyalty will be for a consumer that missed the opportunity to partake in a free premium sales promotion.					
Sub-problem	**Literature Review**	**Hypotheses or Propositions or Research questions**	**Source of data**	**Type of data**	**Analysis**
The first sub-problem is to determine if affective and behavioural factors resulting from the missed opportunity to partake in the sales promotion would affect the altitudinal loyalty of a consumer.	• Neslin (2006) • Yi and Yoo (2011) • Baldinger and Rubinson (1996) • Gedenk and Neslin (1999) • Mellens, Dekimpe and Steenkamp (1995) • Bennett and Rundle-Thiele (2002) • Bawa and Shoemaker (2004)	Hypothesis 1a: A missed free gift sales promotion will increase the consumer's cognitive dissonance. Hypothesis 1b: A negative attitude brought on as a result of a missed free gift promotion, will decrease the loyalty towards the brand. Hypothesis 2a: A missed free gift sales promotion will invoke negative feelings towards the brand. Hypothesis 2b: Negative feelings towards the brand as a result of a missed free gift promotion will lead to a negative attitude towards the brand.	Questions 1 – 3 measuring cognitive dissonance through the discomfort scale Questions 4 – 13 measuring the emotional connection to brands Question 14 – 17 measuring the attitude a consumer has towards a brand Questions 22 – 24 measures the repurchasing intent.	Ordinal	Multivariate analysis using structural equation modelling techniques

The main problem of this research is to establish what the effects on attitudinal loyalty will be for a consumer that missed the opportunity to partake in a free premium sales promotion.					
Sub-problem	**Literature Review**	**Hypotheses or Propositions or Research questions**	**Source of data**	**Type of data**	**Analysis**
The second sub-problem is to determine the possible implication a missed sales promotion might have on the purchasing behaviour of a consumer.	• Blackwell et al. (2006) • Solomon et al. (2006) • Hawkins and Motherbaugh (2010)	Hypothesis 3a: A missed free gift sales promotion will generate a negative brand attitude Hypothesis 3b: A negative brand attitude will have a negative effect on the loyalty of the consumer.	Question 14 – 17 measuring the attitude a consumer has towards a brand Questions 18 – 21 measures attitudinal loyalty Questions 22 – 24 measures the repurchasing intent.	Ordinal	Multivariate analysis using structural equation modelling techniques

Appendix C

Scree Plots

<table>
<tr><th>Dissonance</th><th>Emotion</th></tr>
<tr><td>
</td><td>
</td></tr>
<tr><th>Attitude</th><th>Loyalty</th></tr>
<tr><td>
</td><td>
</td></tr>
</table>

Appendix D

Path Diagram