

## **Establishing Brand Loyalty through Social Media Groups in Vietnam**

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### **ABSTRACT**

Online shopping has become an important alternative for shoppers. Online shoppers' purchase decisions are influenced by other shoppers' opinions from online groups, such as groups in Facebook. If other online shoppers' decisions differ from their own, their initial decisions might change. Therefore, brand loyalty may be earned through positive feedback from online reference groups. This study aims to investigate the relationship between online conformity behaviour and brand loyalty. A questionnaire was prepared and distributed to 644 respondents who had experience in clothes online purchasing. Structural equation modelling was employed to test the relationships among the research variables. Findings show that online conformity behaviour influences endogenous brand loyalty through online normative conformity and exogenous brand loyalty. The result of this work may help companies in adopting marketing strategies and encourage them to consider the importance of online reference groups.

*JEL Classification: M31*

*Keywords: online reference group, online conformity, brand loyalty*

## I. INTRODUCTION

Nowadays, more than 4 billion people are using the Internet (Internet World Stats, 2017). The Internet has become an inseparable part of everyone's life, and it has helped people connect to and interact with others easily. In the same vein, the Internet has conveniently connected people to businesses through online shopping. An increasing number of consumers enjoy online shopping, which has now become a trend.

Online shopping also creates countless opportunities for the E-retailing market. Hence, online shopping has made the E-retailing market increasingly competitive. In this environment, it's very important that how the brand stand out from the crowd in a competitive market. According to Aaker (1991), brands can make customers feel confident in purchasing and simplify their decision making, and they assist customers in explaining, dealing, storing and recalling information about products. Furthermore, it promotes social position, facilitate identification with groups, keeps customers feel satisfied and brings great value. Consumers make successful brands do well amidst competition as they support their favoured brands even during periods of negative changes in the economy (Keller, 2003; Jones and Kim, 2011). Therefore, brand loyalty is an important factor for suppliers to gain advantage and compete well in the market. Loyal consumers are known to show a highly favourable response (Yoo, 2009).

Social influence may affect decision-making and become one of antecedents of consumer behavior, it has been comprised social norms and interpersonal considerations which significantly predict consumer behavior intentions (Piumali and Rathnayake, 2017). Conformity is a type of social influence involving a change in attitudes, beliefs, and behaviours in order to fit in with a group matching the group's norms belief (Cialdini and Goldstein, 2004). Normally, when people make decisions, they typically consider other people's opinions. They tend to change their primary decision if it is not aligned with feedback from others. The word "conformity" is used to describe this case (Lascu, Bearden and Rose, 1995; Torelli, 2006). In online shopping, conformity behaviour still occurs despite that isolated and continuous purchasing environment. Consumers are influenced by online information from virtual communities, rankings, forums and so on, and these virtual communities include social groups (Lee and Park, 2008).

Despite a lot of researches have explored the conformity behavior during the online social presence (Cinnirella and Green, 2007; Pentina, Prybutok, and Zhang, 2008); Laporte, Nimwegen, and Uyttendaele, 2010; Park and Feinberg, 2010) or conformity behavior with either impulsive or compulsive purchasing (Lee and Park, 2008; Wu and Huan, 2010), few of them focus on the motivation of online consumer conformity with the brand loyalty.

Recently, Labrecque, Krishen, and Grzeskowiak (2011) focused on Apple brand to do an investigation about the relationship of conformity and brand loyalty. But they find there is no significant effect on them. The problem is that this research focus on the iconic products only and it does not explore the types of brand loyalty specifically. However, consumers may have different attitudes based on different products (Batra and Ahtola, 1990; Crowley, Spangenberg, and Hughes, 1992). Therefore, this study will try to analyze the different effects of the relationship between online conformity behaviors and brand loyalty on different products categories.

As internet is going popular today, online shopping without the limitation of distance. According to the research background and motives, this study investigates the effect of online conformity behavior on brand loyalty.

## II. LITERATURE REVIEW

### A. Conformity

Sense of belonging indicates that humans are internally programmed to seek out the company of others (Labrecque et al., 2011). Therefore, no matter what people do, they are bound to interact with others. Children follow their parents' behaviour, teachers influence their students, and everyone is influenced by their friends or colleagues. In one way or another way, everybody interacts with others during daily activities. While the need to belong or follow another human being can be satisfied by conformity (Labrecque et al., 2011; Torelli, 2006), conformity has been considered as a pattern of social influence which is increasingly used in consumer behaviour research (Park and Feinberg, 2010). It also becomes a prevailing phenomenon through different populations (Beran et al., 2015). In the 1950s, Asch proposed the "majority effect," which describes the situation in which individuals follow most people's views even when these views may be wrong (Lascu, Bearden, and Rose, 1995). However, conformity behaviour is not strictly observed in daily life as it is widely common during consumption (Piamphongsant and Mandhachitara, 2007; Ranjbarian, Salim and Emami, 2011; Wu and Huan, 2010).

During consumption, consumers' choices and opinions are influenced by third parties or their environment. For example, consumers are vulnerable to their friends' or families' opinions. They may prefer their initial choices, but they will give them up later on if these choices are different from those of their peers. As a member of a group, people try to purchase the same products or support the same brand preferred by others; they try to integrate their opinions with the group. Consumer conformity is defined as compliance with group norms, susceptibility to group influence, and behavioural changes in consumption behaviour due to a reference group (Burnkrant and Cousineau, 1975; Boush et al., 1993). In marketing, Lascu and Zinkhan (1999) defined conformity as a change in consumers' product evaluations, purchase intentions, or purchase behaviours resulting from the influence of others' opinions.

In 1955, Deutsch and Gerard distinguished two types of social influence: normative and informational (Burnkrant and Cousineau, 1975). From previous research, Lascu and Zinkhan (1999) concluded and suggested that informational influence leads to the acceptance of information received from others as evidence about reality and that normative influence leads individuals to conform to the expectations of other consumers. In sum, normative consumer conformity applies to people who would like to be similar to members of a group, and informative consumer conformity applies to people who continue to pursue the right answer (Burnkrant and Cousineau, 1975; Lascu and Zinkhan 1999).

Lascu and Zinkhan (1999) further proposed a conformity model consisting of normative and informational influences that are affected by numerous factors. Normative influence operates through compliance and identification, whereas informational influence operates through internalisation. As Lascu et al. (1995) mentioned, in normative influence, increases in group size lead to great increases in conformity when

norms are extreme rather than moderate; in informational influence, increases in group expertise lead to great increases in conformity when norms are moderate rather than extreme.

With the Internet becoming an integral part of people's lives today, conformity has consequently emerged (Lee and Park, 2008). An online investigation found that people follow groups' opinions even when such opinions are illogical. This situation is especially true for factual questions raised in live videos. Even non-verbal communication such as body language has disappeared in "word" communication, but people still obtain non-verbal messages through devices such as webcams. When the communication channel is close to the human touch, people tend to express themselves with inhibition and conformity. By contrast, people feel less pressure to ingratiate if the communication channel has minimal social presence. However, computer-mediated communication tends to reduce public self-awareness, and it may make people become less inhibited with regard to their behaviour (Laporte et al., 2010).

## **B. Brand Loyalty**

To be enduring, brands must represent consistent values and messages. Marketers must link their brands to other entities, for example, people, places, things, or others, to improve their brand equity especially in highly competitive marketplaces. Consumers make successful brands do well amidst competition, and they support these brands even during periods of negative changes in the economy (Keller, 2003; Jones and Kim, 2011). Therefore, customer or brand loyalty is an important factor for suppliers to gain advantage and compete well in the market. Loyal consumers are known to show a highly favourable response (Yoo, 2009).

Brand loyalty has many definitions. Jacoby and Chestnut (1978) described six necessary and collectively sufficient conditions for brand loyalty: (1) biased (i.e. non-random), (2) behavioural response (i.e. purchase), (3) expressed over time, (4) by some decision-making unit, (5) with respect to one or more alternative brands out of a set of such brands and (6) a function of psychological (decision making, evaluative) processes (Jacoby and Chestnut, 1978). The definition is based on the interaction of consumer behaviour with the brand. Brand loyalty also means that a customer likes a brand and has an attachment toward it (Aaker, 1991).

Chaudhuri and Holbrook (2001) examined two aspects of brand loyalty, that is, purchase loyalty and attitudinal loyalty. Purchase loyalty consists of repeated purchases of a brand, leading to a large market share. Attitudinal loyalty is the commitment of consumers to a brand through some unique value that they associate with the brand; this type of loyalty leads to a high relative price for the brand.

According to the research of Jacoby and Chestnut (1978), Bloemer and Kasper (1995) identified two distinct types of brand loyalty: true brand loyalty and spurious brand loyalty. The difference between true brand loyalty and spurious brand loyalty is that spurious loyalty is a function of inertia, whereas true loyalty is a function of psychological processes resulting in brand commitment (Bloemer and Kasper, 1995).

Compared with the research on customer loyalty, Jones and Sasser (1995) pointed out two types of customer loyalty, namely, true long-term loyalty and false loyalty. True long-term loyalty refers to customers who are totally satisfied with a brand and will not change their choice even when competing brands provide better conditions or lower

prices. False loyalty refers to consumers who maintain the same brand choice because of high switching costs, proprietary technology and so on. For example, for the local service industry such as telephone services, consumers are unable to make another choice due to the monopoly industry; this condition depicts a type of false loyalty.

The two studies identified two types of loyalty from the brand and customer perspectives (Bloemer and Kasper, 1995; Jones and Sasser, 1995). A true loyalty consumer will insist on buying the same brand in the next purchase, whereas a spurious loyalty consumer might easily buy a different brand if another brand offers a better deal or incentive (Bloemer and Kasper, 1995) or even in the conditions that affect consumers' habitual buying behaviours and motivate them to change their buying decisions (East, 1997). In other words, a true loyalty consumer possesses both high commitment and support, whereas a spurious loyalty consumer possesses high support but low commitment to the brand (Knox, and Walker, 2001). This classification is useful for the companies to predict the potential of consumers' buying situations that if the purchase will be repeated in the future (true loyalty) or will be switched to another brand in a changed condition (spurious loyalty).

However, this study found a type of brand loyalty that occurs temporarily. This type is different from true brand loyalty and even spurious loyalty. The loyalty caused by social influence seems to be an excuse of an individual to escape pressure. This study defines this type of brand loyalty as exogenous loyalty. Consumers retain their commitment and support under pressure during a given period, but their loyalty disappears once the pressure is gone. For true brand loyalty, this study defines it as endogenous brand loyalty; consumers retain their loyalty even amidst changes in the environment or under social pressure. Endogenous loyalty is caused by the psychology of consumers. Hence, consistent with numerous researchers that were inspired by the original work of Jacoby and Chestnut (1978), we view endogenous brand loyalty as an effective buying behavior of a particular brand.

To measure customer loyalty, Jones and Sasser (1995) proposed three major categories: intent to repurchase, primary behaviour and secondary behaviour. Firstly, intent to repurchase is a combination of customer satisfaction and intention towards future purchase; it is a strong indicator of future behaviour. Secondly, primary behaviour is based on a previous transaction record to measure loyalty, including recency, frequency, amount, retention, and longevity. Lastly, secondary behaviour applies to consumers with repurchase intention and willingness to recommend the brand to their friends or relatives. However, this measurement is based on consumer behaviour, which does not relate to consumer attitude.

Brand loyalty is also a multifaceted construct which is classified into three dimensions to approach including behavioural, attitudinal, and composite (Backman and Crompton, 1991; Bowen and Chen, 2001). Brand loyalty related to behavioural dimension is considered as norms of repeated buying intention, buying behaviours and recommendations (Baloglu, 2002). Although behavioural dimension can be used as the major indicator of loyalty, it is difficult to differentiate between true loyalty and spurious loyalty (Odin et al., 2001). Based on attitudinal dimension, brand loyalty is evaluated through consumer trust, emotional attachment, and commitment (Baloglu, 2002; Bowen and Shoemaker, 2003; Morgan and Hunt, 1994).

Keller (2003) mentioned that brand community is defined as a specialised, bound community that self-selects according to a structured set of social relationships among

users of a brand to share commitment to a particular product, brand or consumption activity. The study of Jones and Kim (2011) demonstrated that self-identification with a brand helps further develop social-identification which exerts a positive effect on brand community. They further encouraged retail shops to have brand communities in multiple social media platforms such as Facebook, YouTube, Twitter and so on. Through these platforms, companies can interact with their consumers and ultimately engage with them, develop relationships and enhance brand loyalty.

Several studies have explored the relationship between conformity and consumer behaviours (Lee and Park 2008; Pentina et al., 2008; Piamphongsant and Mandhachitara, 2008; Wu and Huan, 2010; Ranjbarian et al., 2011), but they seldom focus on the relationship between conformity and brand loyalty. Particularly, to explore the relationship between brand loyalty and conformity behaviour, Labrecque et al. (2011) used two moderating variables: product knowledge and self-image congruence. The result showed that self-image congruence enhances brand loyalty for consumers who are motivated to conform, but product knowledge inhibits brand loyalty for consumers who are bound to conform. However, without the moderating effect of self-image congruence, conformity motivation and brand loyalty are not affected. Hence, this study supposes that the loyalty caused by conformity behaviour is not true brand loyalty but rather exogenous brand loyalty. However, Labrecque et al. (2011) mentioned that they used iconic products in their survey; therefore, conformity motivation may be positively related to brand loyalty if the tested product is not an iconic product. Base on the review of literature, the hypotheses are formulated as follows:

*Hypothesis 1: Online informational conformity positively influences online normative conformity.*

*Hypothesis 2: Online normative conformity positively influences exogenous brand loyalty.*

*Hypothesis 3: Exogenous brand loyalty positively influences endogenous brand loyalty.*

### **C. Online Reference Groups**

A reference group is a person or group of people that significantly affect an individual's behaviour (Bearden and Etzel, 1982). The reference group can be distinguished in a few ways. According to Englis and Solomon (1995), a reference group comes in three types: membership, aspiration and dissociative reference groups. The membership reference group is the group to which an individual currently belongs, and it includes family, peer group and work groups. The aspiration reference group is the group that an individual aspires to belong to, and it includes celebrity groups and social groups. The dissociative reference group is the group that an individual wish to avoid being associated with.

Reference groups can also be classified according to the degree of influence, e.g. normative influence, comparative influence and formal versus informal groups. Normative influence is the reference group that helps individuals to set and enforce fundamental standards of conduct (e.g. family group). Comparative influence is the reference group that affects individuals' decisions about specific brands or activities (e.g. clubs). Informal groups are small, common, and important to individuals because of their high normative influence. By contrast, formal groups are large, and they tend to have high comparative influence (Solomon, 1999).

The online reference group in this study refers to Facebook groups which are widely popular in Vietnam. Currently, there are more than 53 million Internet users, and more than 36 million of them use a social media through various network devices. Facebook is now a market leader among social media platforms, and Vietnam is the seventh country in the world with the most number of Facebook users (Statista, 2018).

Facebook groups create a community of individuals with similar interests, views, passion and shared ideas. Members can ask and answer questions, post messages, review products and services and follow discussions. Facebook groups have three privacy options: public, closed and secret. Before joining groups, Facebook users must answer the questions developed by the group account manager. Additionally, groups could send mass messages directly to the group members' message inbox.

### **III. METHODOLOGY**

#### **A. Measurement**

To achieve the study objectives, we derived our measurement items from previous research to improve content validity (Straub et al., 2004). The research model included 19 items to describe four constructs: informational conformity, normative conformity, endogenous brand loyalty and exogenous brand loyalty. Four items used to measure online informational conformity and four items used to measure online normative conformity were adapted from the research of Park and Feinberg (2010) and Pentina, Prybutok and Zhang (2008). Five items of endogenous brand loyalty and six items of exogenous brand loyalty were drawn from the studies of Kim, Han and Park (2001) and Yoo (2009). All items were measured on a five-point Likert scale, ranging from "strongly disagree" (1) to "strongly agree" (5). The measures are presented in Appendix 1.

#### **B. Data Collection and Analyses**

The questionnaire was developed in English and then translated into Vietnamese to better fit context of this study, thereafter back-translation was carried out to minimize the inconsistency between two versions (Brislin, 1970). The Vietnamese version of the questionnaire was pre-tested and modified based on the feedback obtained from the pre-test samples ( $n = 50$ ), then the final questionnaire was distributed to the respondents. The study adopted a convenience sampling approach with data collected via an online survey. An invitation attached with the link of the questionnaire was sent to some groups regarding clothes online shopping on Facebook, which represents one of the leading social media platforms among Internet users in Vietnam (Statista, 2018). The questionnaire started with the required question that "did the respondents have experience in clothes online purchasing?" to target the respondents those had online shopping experience. There were 644 valid responses from 660 respondents obtained after excluding incomplete and invalid responses. SPSS 22 and AMOS 20 were adopted for data analysis in this study.

### **IV. RESULTS**

#### **A. Sample Characteristics**

The gender distribution of the respondents showed that the sample comprised more females than males. Of a total sample of 644 respondents, 59% (N = 380) were female, and 41% were male (N = 264). Most of the respondents were 18–24 years old, representing 44.4% of the total; they were followed by those aged 25–30 years (26.6%) and 31–40 years (15.7%). Most respondents had a university background (81.1%). The majority of the respondents (41.1%) had a monthly income ranging from \$250 to \$400. The average online shopping experience was more than four years (50.5%).

### B. Factor and Item Analyses

The sample surpassed the recommended size of 200 cases (Medsker, Williams and Holahan, 1994). Table 1 showed that the value of the KMO was 0.848 which was accepted for factor analysis. The value of Bartlett's Test of Sphericity is considered to be significant. A total of 19 items were classified into four factors with the accumulation percentage of variance being 67.571% which is considered acceptable. Therefore, factor analysis was considered appropriated for this study.

### C. Measurement Model Assessment

Confirmatory factor analysis (CFA) using AMOS 20 was run to check the convergent and discriminant validity. According to the recommended acceptance level by Hair et al. (2010), the result indicated that the measurement model was a good fit to the data with  $\chi^2 = 388.365$  and  $df = 146$  ( $p = 0.000$ ). Furthermore, the goodness of fit index (GFI) = 0.940, the normed fit index (NFI) = 0.941 and the comparative fit index (CFI) = 0.962 were found to be greater than the minimum acceptance value of 0.9. The root mean square error of approximation (RMSEA) = 0.051 was lower than the suggested limit of 0.08.

**Table 1**  
Exploratory Factor Analysis

Items	Online Informational Conformity	Online Normative Conformity	Exogenous Brand Loyalty	Endogenous Brand Loyalty
I1	0.84			
I2	0.843			
I3	0.841			
I4	0.823			
N1		0.758		
N2		0.833		
N3		0.891		
N4		0.858		
X1			0.747	
X2			0.849	
X3			0.683	
X4			0.816	
X5			0.882	

E1	0.810
E2	0.793
E3	0.822
E4	0.763
E5	0.571
E6	0.852

The Cronbach's alpha value of 0.70 is the acceptable threshold (Hair et al., 2010). In this study, all Cronbach's alpha values exceeded 0.7, which indicated that the questionnaire was reliable. Hair et al. (2010) pointed out that an item is valid if the factor loading is more than 0.50. All factor loadings in the current work ranged from 0.509 to 0.937, which indicated that the measurement and assessment criteria exhibited excellent convergent validity. Reliability was also determined to evaluate the internal consistency of the measurement model. Fornell and Larcker (1981) recommended the value of average variance extracted (AVE) and the composite reliability (CR) greater than 0.5 to reach the sufficient level of convergent validity. In the present study, all AVE values exceeded 0.5 and thus met the requirement for convergent validity.

**Table 2**  
Construct Measurement Summary: Confirmatory Factor Analysis

Constructs	Items	Standardized Loading	Cronbach's Alpha	Composite reliability	AVE
Online Informational Conformity	I1	0.83	0.882	0.884	0.656
	I2	0.783			
	I3	0.848			
	I4	0.776			
Online Normative Conformity	N1	0.664	0.87	0.875	0.639
	N2	0.777			
	N3	0.899			
	N4	0.838			
Exogenous Brand Loyalty	X1	0.587	0.862	0.861	0.564
	X2	0.884			
	X3	0.557			
	X4	0.711			
	X5	0.937			
Endogenous Brand Loyalty	E1	0.761	0.869	0.873	0.54
	E2	0.756			
	E3	0.801			
	E4	0.699			

E5	0.509
E6	0.838

To test the discriminant validity, we estimated the correlations among the constructs and compared the square root of AVE. The correlations between each construct showed a positive correlation and were significant. For each factor, the square root of AVE is significantly larger than its correlation coefficients with other factors (Fornell and Larcker, 1981). The results revealed that the measurement model supported the reliability and validity of the constructs proposed in the model (Tables 2 and 3).

**Table 3**  
Correlation Matrix and The Square Root of AVE

Variables	Mean	S.D.	1	2	3	4
1. Online Informational Conformity	3.39	0.83	<b>0.809</b>			
2. Online Normative Conformity	3.65	0.79	0.356	<b>0.799</b>		
3. Exogenous Brand Loyalty	3.85	0.68	0.227	0.168	<b>0.75</b>	
4. Endogenous Brand Loyalty	3.89	0.71	0.261	0.157	0.164	<b>0.735</b>

Note: All of the correlations are significant at the 0.01 level.

#### D. Cross-Validation Testing

To test cross-validation, 644 valid samples were randomly assigned to two groups by SPSS 22. We adopted AMOS 20 to conduct the multiple-group analysis by comparing measurement weights and structural covariance between two groups. The results of all comparisons were not significant, so the model was equipped with cross validity.

#### E. Structural Model and Hypotheses Testing

In this study, SEM was used to estimate the proposed structural model. The SEM included a test of the overall model fit and the relationship among the variables. The results of the structural model and the suitable values of goodness of fit are presented in Table 4. The goodness-of-fit statistics showed that the measurement model was a good fit to the data with  $X^2 = 436$  and  $df = 149$  ( $p = 0.000$ ). Furthermore, the goodness of fit index (GFI = 0.933), comparative fit index (CFI = 0.955), comparative fit index (NFI = 0.934) and Tucker–Lewis index (TLI = 0.949) all met the required value of 0.90 or higher. Finally, the root mean square error of approximation (RMSEA = 0.055) was lower than the suggested limit of 0.08, which indicated that the structural model was a reasonable fit (Hair et al., 2010).

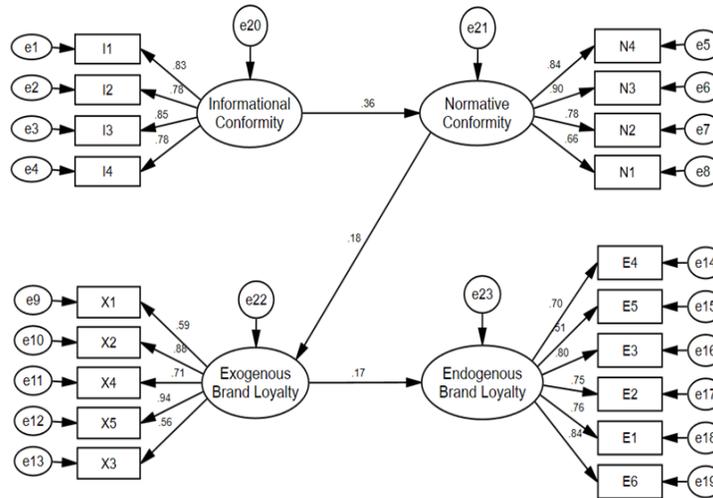
Figure 1 and Table 4 summarise the result of our hypotheses. Online informational conformity positively influences online normative conformity ( $\beta = 0.365$ ,  $p < 0.001$ ). Online normative conformity positively influences exogenous brand loyalty ( $\beta = 0.183$ ,

$p < 0.001$ ). Exogenous brand loyalty positively influences endogenous brand loyalty ( $\beta = 0.165, p = 0.000$ ). In summary, all hypotheses H1, H2 and H3 were supported (Table 5).

**Table 4**  
Model Fit Statistics

Structural model	Values obtained	Suitable values
<i>p</i> -value	<0.001	0.05>=
X <sup>2</sup> /df	2.927	3>=
GFI	0.933	0.90=<
NFI	0.934	0.90=<
CFI	0.955	0.90=<
TLI	0.949	0.90=<
RMSEA	0.055	0.08>=

**Figure 1**  
Results of Structural Equation Modelling



**Table 5**  
Hypotheses Testing

Relationship between variables	Standardized Estimated	<i>t</i> -values	Results
Informational conformity Normative conformity	0.365***	8.087	Supported
Normative conformity Exogenous loyalty	0.183***	4.114	Supported
Exogenous loyalty Endogenous loyalty	0.165***	3.798	Supported

Note: \*\*\*  $p < 0.001$

## V. DISCUSSION AND CONCLUSION

According to the result of the analysis, online conformity positively affects brand loyalty. We discuss the variables and effects as follows.

Generally, in online informational conformity, people like to conform when they think that the reference group is worth pursuing. They will refer to others especially if they only have little experience or knowledge about a situation. Hence, consumer will follow the reference group to purchase a brand, finally loyal to the brand. On the other hand, once the consumer conforms to the reference group, their loyalty to a brand is positively influence. This kind of loyalty will disappear once they think the reference group is not worth to belong to or the information does not match what they want to pursue.

The result of this study shows that the consumers with online normative conformity will positively influences exogenous brand loyalty which corresponds with the hypotheses. According to the research of Labrecque et al. (2011), self-image congruence reinforces the effect of conformity behaviour and brand loyalty; moreover, online normative conformity makes consumers easily identify a brand once they think this brand is a symbol for a group that they hope to join. People with online normative conformity care about others' feelings and expectations and hope to have a good impression on the reference group that they care about. To be more similar to the members of a group, these consumers will prefer the brand that the group suggested in hopes of becoming part of the group. The brand will gain the loyalty of these consumers if the brand is what the group prefers. However, once the consumers join a new group, they will give up their original brand preference and choose a new brand that the new group prefers.

The path coefficients of exogenous brand loyalty and endogenous brand loyalty show a considerable difference. This outcome supports the proposition that online conformity behaviour mostly influences exogenous brand loyalty and proves the existence of exogenous brand loyalty.

### A. Managerial Implication

Online shopping is a popular way for consumers to directly purchase products or services any time through the use of smartphones or other network devices. The popularity and convenience of E-retailing have made the retailing industry particularly competitive. Hence, this study presents the marketing and managerial implications of the results to help make brands stand out in the competitive market.

Before customers decide to buy any product, they seek information through online search engines and carefully read comments and reviews. To attract consumers, firms should place attractive advertisements on these search engines. However, not all advertisements have an impact on consumers' buying decisions. According to our results, people with online shopping experience, mostly with online conformity behaviour, adhere to the opinions of online reference groups regardless of whether these opinions are based on informational or normative conformity motivation. Therefore, to promote a brand, companies may create marketing strategies for these reference groups.

Facebook is a popular social media platform in Vietnam. In Facebook groups, users may post reviews about the products and services they have used, and those reviews may be positive or negative, and the messages quickly spread. If a brand can implement marketing strategies well in Facebook groups, then this brand will be shared to every Facebook user. Facebook group users prefer personal sharing about brands rather than receiving direct information from companies (Cheong and Morrison, 2008). Therefore, to promote a brand through Facebook groups, managers should cooperate with the users who always share their brand opinions in the platform. Managers should take care of these loyal consumers and people who are important and influential in the group. They can help their companies implement advertising strategies to further attract consumers.

For new consumers, managers should organise product trial events and offer special promotions if consumers are willing to post positive reviews about the brands through Facebook groups. Furthermore, companies should be aware of the risks of negative reviews. Managers should exert effort to ensure that they can control information from Facebook group users which may have an impact on the informational and normative conformity of consumers. Managers should also cooperate with Facebook group account managers to easily address the negative reviews of users and resolve problems in due time.

In other words, a company can create, control or manage different groups for their users. They should motivate existing consumers to share their attitudes and intentions towards the brand in multiple groups to attract others' conformity behaviours and enhance their endogenous loyalty. Finally, they should encourage new consumers to engage actively and provide feedback in different ways. Generally, a company should focus not only on brand equity and product/service but also on how to build up and develop a strong and positive relationship among Facebook users in group communities.

Overall, this study highlights the significant difference in the path coefficients of online conformity behaviour and endogenous and exogenous brand loyalty. Companies should consider how to draw effective marketing strategies to transform exogenous brand loyalty into endogenous brand loyalty and finally gain a large market share. Online conformity behaviour brings exogenous brand loyalty; if a brand can keep attracting consumers belonging in the same groups, then exogenous brand loyalty should become endogenous brand loyalty after a period of time.

## **B. Limitations and Future Research**

First, the samples are from an online survey; thus, this study is unable to control the demographics of the samples. The respondents are mainly aged 18–30 years, and therefore, a deviation is possible. Moreover, it is proposed that the effects of conformity may change with ages (Jiang et al., 2015). Thus future research could stipulate the distribution of samples. Second, this study only considers Facebook groups as a reference group; however, different social media platforms involve different functional communication and participants. Further one could include other online reference groups in social media platforms such as Telegram, Line, Instagram to generate applicability of the study. Third, the sample in this study focuses on Vietnamese consumers who are the same as Asia countries' and considered collectivistic while consumers coming from North America or Western Europe are represented individualistic. The distinction of culture leads to the difference in individuals' perceptions of conformity (Jiang et al.,

2015). For example, evaluating conformity as something negative in western society will lessen the degree of conformity (Bond and Smith, 1996); while the effect of conformity is greater toward collectivism cultures (Markus and Kitayama, 1991). Future research may consider other countries' samples and compare the difference in a cross-cultural context. Lastly, the diverse experiences of using Internet (social media platforms) and online shopping partly cause different cognitions of peers' ideas. It is recommended in further study for some essential comparison or moderating variables of the groups of population.

**Appendix 1**  
Measurement Scales

Variable	No.	Question
<b>Online Informational Conformity</b> Park and Feinberg (2010); Pentina, Prybutok and Zhang (2008)	I1	To make sure I buy the right brand, I often refer to what Facebook groups users are buying and using.
	I2	If I have little experience with a brand, I often ask Facebook groups users about the brand.
	I3	I often consult Facebook groups users to help choose the best alternative available from a brand class.
	I4	I frequently gather information from Facebook groups users about a brand before I buy.
<b>Online Normative Conformity</b> Park and Feinberg (2010); Pentina, Prybutok and Zhang (2008)	N1	I rarely purchase the brand until I am sure Facebook groups users approve of them.
	N2	I often identify with Facebook groups users by purchasing the same brands they purchase.
	N3	When buying brands, I generally purchase those brands that I think Facebook groups users will approve of.
	N4	I like to know what brands make good impressions on Facebook groups users.
<b>Exogenous Brand Loyalty</b> Kim, Han and Park (2001); Yoo (2009)	X1	I will continue to use this brand because Facebook groups users are satisfied and acquainted with the brand.
	X2	I will use this brand in spite of competitors' deals if Facebook groups users approve of them.
	X3	I would buy additional products and services in this brand if Facebook groups users encourage me.
	X4	I consider myself not loyal to this brand if Facebook groups users do not use this brand again.
	X5	This brand would not be my first choice if Facebook groups users do not use it.
<b>Endogenous Brand Loyalty</b>	E1	I will continue to use this brand because I am satisfied and acquainted with the brand.

Kim, Han and Park (2001); Yoo (2009)	E2	I will use this brand in spite of competitors' deals.
	E3	I would buy additional products and services in this brand.
	E4	I prefer the brand to others.
	E5	I consider myself loyal to this brand.
	E6	This brand would be my first choice.

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