CONSUMER E-LIFESTYLE, PERCEIVED CORPORATE IDENTITY, CUSTOMER SATISFACTION AND LOYALTY AMONG YOUNG MOBILE SERVICE SUBSCRIBERS: A CROSS-CULTURAL EXAMINATION OF INDONESIA-MALAYSIA-THAILAND GROWTH TRIANGLE (IMT-GT)

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Abstract- The emergence of the Internet and mobile communications has significantly influenced and changed the lifestyle of individual consumers. Businesses have gain more attention on this fast pace of electronic commerce which will directly influence their identity, consumer satisfaction and loyalty. Hence, this research aims to determine the relationship between e-lifestyle, perceived corporate identity, customer satisfaction and loyalty among the mobile service subscribers in Indonesia, Malaysia and Thailand. Three surveys were conducted among 384 mobile service subscribers in Indonesia, 197 subscribers in Malaysia and 420 subscribers in Thailand. The data was analyzed using SmartPLS3.2 and the results show that the second-order construct of e-lifestyle has significant effect on perceived corporate identity and customer satisfaction which affects consumer loyalty to telecommunication service provider. In addition, significant differences were found on all the three countries (Indonesia, Malaysia and Thailand) which contributes to the knowledge of cross-cultural customer satisfaction and loyalty studies in the field of telecommunication. From a practical point of view, this study provides some important insights for practitioners on effective customer relationship management and marketing strategy development. The findings of this study could benefit businesses on the ways to enhance customer satisfaction and loyalty by integrating customer e-lifestylesand corporate identity into an effective marketing strategies, particularly in telecommunication services context.

Keywords- Corporate Identity, Corporate Social Responsibility, Customer Satisfaction, E-lifestyle, Indonesia, Loyalty, Mobile Service Subscribers

I. INTRODUCTION

The Indonesia, Malaysia, Thailand Growth Triangle (IMT-GT) founded in 1993 with ten provinces/states from the three countries has now grown to a total of 26 provinces with population of more than 70 million people. In January 2007, the IMT-GT sub-regional cooperation initiative adopted a new Road Map to refocus its cooperation initiatives over 2007-2011. The new IMT-GT Road Map identified four economic connectivity corridors as key to strengthening regional infrastructure to support increased intra- and extra-regional trade, investment and tourism. Therefore, the growing interdependence of economies through global trade requires a cultural assessment of marketing strategies within these IMT-GT markets.

Due to the rapid development of economic connectivity and infrastructure, the increasing usage of Information and Communication Technology (ICT) has significantly transformed the people lifestyle nowadays through the massive usage of internet and mobile devices. This online lifestyle is recognized as e-lifestyle in which consumers live and spend their money and time by surfing and buying online through internet and e-commerce sites. It has becoming a major agenda and challenge to the telecommunication service providers which directly affects the corporate identity, customer satisfaction and loyalty. Despite the popularity of ICT consumption, little is known about their effects on consumer e-lifestyle and perceived corporate identity, especially within the IMT-GT provinces. Hence, it is utmost important to understand the consumer lifestyle for business practitioners to deliver the appropriate services to the specific consumers. In the similar vein, concept of e-lifestyle has been introduced that could help marketers to decide precisely within this market[1].

With reference to the telecommunication industry, it has emerged the prevalence of the mobile phone and internet, where the market is characterized by high level of competition. The remarkable telecommunication trend has increased extensively in IMT-GT countries, particularly in terms of the increasing number of mobile service subscribers. In this context, the customer attributes of the telecommunication service are important for a mobile service provider to survive in this competitive industry. Therefore, it is worth to consider the strategies of increasing customer satisfaction and loyalty, which eventually helps in customer retention and customer relationship management.

II. LITERATURE REVIEW

2.1.E-Lifestyle

Consumer's lifestyle is referring to consumer's attitude, thinking and sense towards their product

purchasing and consumption behaviour [2]. It has significantly transformed due to the massive usage of internet and mobile devices [3]. As a consequence, the concept of e-lifestyle has been introduced to support businesses' market segmentation strategies and product/ service delivery. The newly introduced lifestyle measurements was used to address the current lifestyle effectively which highly influenced by the latest technology trend [1], [2]. Moreover, the measurement of e-lifestyle has to be very specific as there are some differences between online and offline lifestyle [4]. Hence, this study aims to investigate the IMT-GT consumer e-lifestyles in mobile service subscription context by noting that e-lifestyle might vary across culture or country [5]. Furthermore, there have been insufficient discussion in the area of e-lifestyle as there are only a few e-lifestyles research being done in the context of mobile service industry [5].

Lifestyle theories established that consumer behaviours are predictable with sociological and psychological variables. Likewise, consumer e-lifestyle can be measured using psychological and sociological instruments [3]. The lifestyle constructs have widely been accessed by researches. Based on previous literature, there are two conceptualizations of lifestyle which broadly used in this field of research. Firstly, the most broadly used lifestyle's concept is originally established by [6], conceptualizing three dimensions of activities, interests, and opinions (AIO) in e-lifestyle construct. Reference [6] described activities as the real visible behaviour; interests as the constant attention to specific objects and opinions as the reactions to events. The AIO concept is extensively been used in business marketing strategy development and market segmentation [7].

The second popular e-lifestyle concept developed by [8], which grouped value, attitude, and lifestyles (VALS) rating scale by assessing the connections among the individual values, beliefs, and actions. It was explained that personal life and perceived value directly affect a person behaviour, where a perceived value is a combination construct of a person beliefs, attitudes, demands and hopes. Consequently, various scholars argued that value is one of the necessary constructs to study consumer lifestyle, beside the aforementioned activities, interests, and opinions [9]. To tangle all the criticisms, [3] conceptualized e-lifestyle construct by grouping all the suggested constructs, which are e-activities, e-opinions, e-interests and e-values to reflect an individual psychological concerns and sociological consequences of e-lifestyle as a whole. Based on literature review, the hypothesis developed as below:

H_1: E-lifestyle has a positive effect on corporate identity.

2.2.Corporate identity

Corporate identity is defined as "the visual manifestation of an organization's reality as carried through the organization's name, logo, products, services, and all other tangible evidence created by the firm and communicated to a variety of constituencies" [10]. In general, organizations face on challenges when they aim to establish a clear and distinctive identity in order to maintain legitimacy and credibility for both their stockholders and members [11].

Corporate identity was operationalized by two interrelated dimensions of exchange and citizenship according to [12]. The former is characterized by utility and the latter by social values. These two constructs are identified as dimensions of corporate identity that consumers perceive about a corporation [12]. These two dimensions are broad in nature and cover variety of expectation from consumer point of view. For example, citizenship dimension enlarges the legal, economic, and ethical demands imposed on a corporation by different stakeholders focusing on practices aimed at the betterment of society, while the exchange dimension is more related to organization's excellence in product and services delivered by the corporation [12]. However, due to limitation of the research and in order to meet the objectives of this research, in this research, exchange dimension of corporate identity is limited to corporate expertise, and corporate citizenship is limited to social values, which adapted from [12].

It was found that a firm's corporate image and reputation has an influence on customer satisfaction and loyalty in an international service company [13]. Similarly, [14] elucidate that corporate reputation affect their customer satisfaction, which in turn influence the firm's performance. A relevant study in mobile industry founds that corporate image and service value are the strongest influential factor on customer satisfaction and loyalty [15].

Subsequently, corporate identity has emerged to emphasize more on the customer's perception and general feeling on the company's credibility - expertise, trust, and likability [16], [17]. Corporate credibility is deemed very important as an affective dimension in shaping customer's decision making during both low and high involvement situations. This concept is similar as the previous thought, where the two main elements, company expertise and trustworthiness, are significantly build up a company's reputation and image [17]. Corporate expertise represents the experience and skill in a company development, whereas, trustworthiness encompasses the sincerity and honesty in business practices [18]. In this study, after consideration of previous literature reviews, corporate identity is divided into two parts, corporate expertise (skill,

innovative, experience) and corporate social values (sincere, trustworthy, compassionate), to see the impact of corporate identity on customer satisfaction towards mobile service providers. This is because scant literature reveals the impact of corporate identity on loyalty from consumer perspective within emerging markets. From broader view, corporations consider not only short term purchasing, but also long term. Therefore, it is social considerations are important from consumer perspective to whether they are willing to repurchase the products or services based on their perception on corporate identity. Hence, the hypothesis is as following:

H_3: Corporate identity has a positive effect on customer satisfaction.

2.3.Customer Satisfaction

Customer satisfaction is described as the total satisfaction generated with customer expectations and their consumption experiences [19]. In particular, customer satisfaction is deduced as a function of disconfirmation that produced from customer's perceived utility of their expectations to the products or services and the perceived performance of the products/services [20]. In the business perspectives, customer satisfaction is "an overall customer attitude towards a service provider" [21] and the emotional response to the divergence between customer expectation, the performance of service provider and what they receive [22]. Hence, satisfaction is usually used as a marketing tool to rate the performance of a product in the market.

Moreover, it is widely acknowledged that customer satisfaction is an important element to determine customer's retention and loyalty. A satisfied customer is more likely to be loyal to the particular service provider. Studies focused on e-commerce customer satisfaction found that the positive association among customer satisfaction and loyalty is stronger in online context than offline [23]. Studies on mobile service industry also described that customer satisfaction positively influence customer loyalty [15] and the relationship between them is highly dependent on cultural differences [24].

Based on a critical review of previous studies, it was found that there are two major categories of customer satisfaction's conceptualization, which are first time post purchase evaluation [20] and the cumulative utility by evaluation after usage for a period of time [25]. Reference [20] later classifies evaluation of satisfaction after usage for a period of time as post consumption evaluation. In this study, cumulative customer satisfaction construct will be evaluated as the overall satisfaction towards the service provided by mobile service provider. In this study, the relationship between customer satisfaction and loyalty is hypothesized to be positive.

Based on the above literature review, the hypothesis is proposed as below:

H_4: Customer satisfaction has a positive effect on loyalty.

2.4.Customer Loyalty

Customer loyalty is the utmost important success factor in determining the success and growth of a firm, as it leads to the firm profitability and market share [26]. In e-commerce context, customer loyalty is defined as "the customer's favourable attitude toward an electronic business resulting in repeat buying behaviour" [27]. As described in [26], loyalty can be measured by repurchase intention, price toleration and willingness to recommend a firm's products or services to others. In simple word, higher customer loyalty reflects high customer retention rate in a company, and thus results in high revenue for a business.

Customer loyalty is a core element to determine a success of a company, hence, this study focus on this main business objective as an outcome for key dependent variable. Although customer loyalty and satisfaction have been broadly being studied, however, little is known about the impact of CSR practices and corporate identity. A better perceived company image and higher customer satisfaction leads to higher customer loyalty to the particular company. It was found that corporate image and reputation are critical for customer to select a brand over another, as corporate image will directly influence a customer's attitude, beliefs and feelings towards a company [13]. In addition, [28] found that customer loyalty is indirectly impacted by company CSR practices, through the mediation of customer trust, identification and satisfaction. Hence, this study is also considered the e-lifestyle from consumer perspective in where consumers willing to repurchase the products or services based on their perception on corporate identity accordingly to CSR practices.
Based on the above literature review, the research framework is proposed in Figure 1.

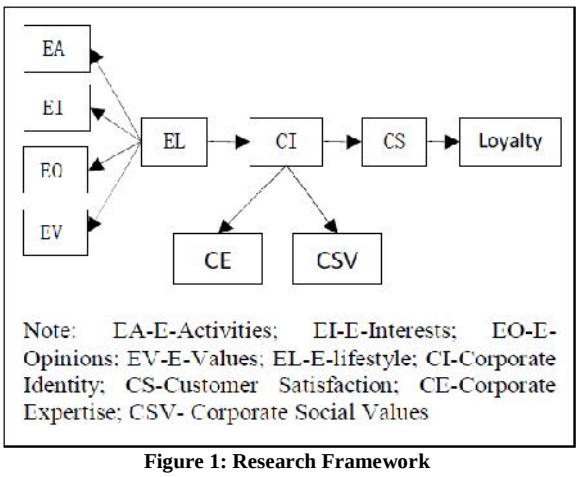


Figure 1: Research Framework

III. METHODOLOGY

The unit of analysis in this study is all subscribers of mobile service providers within Indonesia, Malaysia and Thailand for the continuous development, progress, wealth, peace and quality of life according to the five-year IMT-GT Roadmap. A non-probability purposive sampling approach is employed whereby only mobile subscribers of the particular mobile providers in Indonesia, Malaysia and Thailand were chosen and the rest were excluded from the data set. A self-administrated questionnaire with a five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree) was distributed to each respondent for data collection. In this study, measurement items of E-lifestyle, perceived corporate identity, customer satisfaction and loyalty were adopted and adapted from previous literatures.

SmartPLS 3.2 software [29] was employed in this study to examine the relationships among the constructs in this research model by conducting partial least squares (PLS) analysis.

IV. RESULTS& DISCUSSION

4.1. Respondent Profiles

A total of 1001 usable questionnaires were gathered from subscribers of mobile service providers in IMGT countries, among the respondents, 384 respondents are from Indonesia, 195 respondents from Malaysia and 420 respondents from Thailand. The majority of the respondents aged between 16 to 25 years old and most of them are bachelor degree holders.

Next, most of the respondents in Indonesia are currently subscribe to Telkomsel company (70.1%), followed by XL Axiata company (15.6%), Indosat (6.0%) and 8.3% of the respondents subscribing to other mobile network companies. In addition, most of the respondents in Indonesia (39.1%) are spending around Rp50-100 for their monthly mobile service subscription. In Malaysia, the highest subscription company is Digi (27.4%), followed by Maxis (24.2%), Celcom (21.1%), Umobile (2.6%) and others. Majority of the Malaysian subscribers (40.8%) are spending less than RM50 per month for their mobile service subscription, 39.8% of the respondents are spending RM50-100 per month in their mobile service subscription fees. And there is only 1.6% of the Malaysian respondents are spending more than RM200. On the other hands, the most popular mobile service provider in Thailand is AIA/AIS (3G), where majority of the respondents (43.1%) are using, followed by DTAC/DTAC Trinet with 34% of usage and others. The majority of the Thailand subscribers are spending THB251-500 per month for the mobile service subscription fees and 23.8% are spending less than THB25.

4.2. Measurement Model

Measurement model in this study comprises of two second-order constructs. Construct of e-lifestyle (e-activities, e-interest, e-opinions, e-values) and corporate identity (corporate expertise, corporate social values) are considered as the second-order construct. Customer satisfaction and loyalty are the first-order constructs in this study.

The measurement model results comprised of two sections; formative and reflective assessment. Validity for formative constructs and multicollinearity issue were tested and show satisfactory results.

4.3. Reflective measurement results

Requirements of reliability and validity were ensured before the analysis. Next, upon completion of examination for first-order constructs, evaluation for second-order constructs been processed using two-step approach [30]. Latent score variables obtained from first-step underlying first-order construct were employed to test the second-order constructs in this measurement model.

4.4. Structural Model and Test of Hypotheses

Since the aim of this study is to test the differences among IMGT countries (Indonesia, Malaysia and Thailand), PLS multi-group analysis (MGA) was used to test the significant differences of path coefficients among the three countries. According to Table 1, all paths in the three countries are significant at 99% of confidence interval indicated by the t-value. This mean that the consumer's e-lifestyle will influence their perception on the corporate identity, which later lead to their satisfaction and loyalty. From table 1, we can see that the path of consumer e-lifestyle -> corporate identity is the strongest in Indonesia subsample, which means that Indonesian's e-lifestyle would strongly influence their perception towards a company identity if compared to Malaysian and Thai. Moreover, the path of Corporate Identity -> Customer Satisfaction is strongest in Malaysia, as compared to Indonesia and Thailand. In addition, customer satisfaction exerts the strongest influence on loyalty in the Malaysia subsample, which indicated that mobile service provider operating in Malaysia should highly consider the Malaysian's satisfaction in their operation strategies, in order to gain their loyalty.

Later, the comparison of the differences among country-specific path coefficients in the effects was examined and displayed in Table 2. From table 2, we can see that there are significant differences for all the paths among Indonesia and Malaysia model. On the other hands, the paths (E-Lifestyle -> Corporate Identity and Customer Satisfaction -> Loyalty) shows significant differences among Malaysia and Thailand, except the path of Corporate Identity -> Customer

Satisfaction which is insignificant by evaluating the p-values. It is concluded that the same PLS structural path model of the relationship among Corporate Identity -> Customer Satisfaction applies to both Malaysia and Thailand culture. Since most of the paths rendering significantly different, it is concluded that the relationship between consumer's e-lifestyle, perceived corporate identity, customer satisfaction and loyalty differ among the IMGT countries (Indonesia, Malaysia and Thailand).

TABLE 2: PLS-MGA RESULT

	Path Coefficients-diff (|Indonesia - Malaysia |)	p-value (Indonesia vs Malaysia)	Path Coefficients -diff (|Malaysia - Thailand |)	p-value (Malaysia vs Thailand)
E-Lifestyle -> Corporate Identity	0.034	0.983	0.012	0.982
Corporate Identity -> Customer Satisfaction	0.214	1.0	0.001	0.726
Customer Satisfaction -> Loyalty	0.17	0.981	0	0.992

CONCLUSION

In accordance with the aims of this study, the results in this study can provide valuable insight to practitioners in order to establish effective strategies on building a better customer relationship management. This study contributes to the knowledge of cross-cultural studies in terms of consumer's e-lifestyle, perceived corporate identity, customer satisfaction and loyalty. From the marketing perspective, when the main purpose of businesses is to maximize the profit and increase the competitive factors, the results of this study suggested that the company's corporate identity should be taken into consideration, in order to increase the customer satisfaction and loyalty which can also be established through the fulfilment of customer's e-lifestyle, especially in telecommunication industry. It is suggested that future research can look into a more comprehensive view of the other influential factors and barriers in determining customer loyalty in telecommunication industry from customer and corporate perspectives.

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TABLE 1: STRUCTURAL MODEL ESTIMATE

	Indonesia			Malaysia			Thailand		
	Path Coefficients	t-values	P Values	Path Coefficients	t-values	P Values	Path Coefficients	t-values	P Values
E-Lifestyle -> Corporate Identity	0.373	7.347***	0	0.407	6.578***	0	0.395	6.431***	0
Corporate Identity -> Customer Satisfaction	0.501	6.128***	0	0.515	8.612***	0	0.516	8.442***	0
Customer Satisfaction -> Loyalty	0.609	16.196***	0	0.779	26.677***	0	0.779	26.373***	0

Note: ***p<0.01, one-tailed

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