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# Levels and factors of brand loyalty towards beer brands: The case of a developing country perspective, Ethiopia

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The study was done in Ethiopia three cities. The success of any business is highly dependent on getting and maintaining customers. Many firms try to sphere their operations aiming customers through measuring customers' satisfaction. Recent research findings indicated that satisfaction alone did not guaranty the long term survival. Loyalty is a better indicator in this aspect since it incorporates satisfaction as an antecedent factor. This study was conducted to investigate influential factors of brand loyalty, and different loyalty level of beer consumers in Ethiopian context that would shed light on other developing countries too. The research approach was quantitative wherein the two best known brand loyalty measurement models have been used. Data was collected via questionnaires from 400 respondents consuming two dominant brands in the selected three cities. The software used for analysis was statistical package for social sciences (SPSS) statistics version 20. Principal components analysis was used to analyze the data determine, and the main components that are statistically and practically significant. The findings indicated that among 13 brand loyalty influences identified in the model, brand trust, breweries marketing activity, culture, repeat purchase and the combination of brand relevance and brand performance had the highest influences on consumer loyalty. The study concluded that the level of brand loyalty of beer consumers were not in one loyalty stage and almost 1/3 consumers were not totally loyal for their respective beer choice. The result of the research clearly indicated that breweries must focus on the ten most significant brand loyalty factors, and adjust their overall marketing strategy according to the beer consumers' loyalty level. Due to brand proliferation of beers in Ethiopian context, the level of brand loyalty has to be taken as segmenting criteria to develop marketing strategies and decisions. The research is done in two brands, and the geographic coverage consists of three major cities, thus this research could be done at large scale by taking into account geographic and demographic difference of beer consumers

**Key words:** Beverage, brand, customer, loyalty, model, satisfaction.

## INTRODUCTION

Beer is the world widely consumed alcoholic beverage. The brewing industry is a global business, consisting

of several dominant multinational companies, and many thousands of smaller producers. More than 133 billion liters are sold every year.

There is great advantage for beer market due to the demographic structure in Africa. The continent has the largest young working age group in the world. Sub-Saharan African countries are showing the highest economic growth, and population growth in the world (Doo, 2015).

South Africa has the second largest brewery company in the world that is SABMiller. It has operation in large number of African countries including Ethiopia (Lobo, 2016). Diageo and Heineken are the other multinationals operating in Ethiopia beer market.

The beer production in the country grows from one million hectoliter to around four hector letter from 2003 to 2011, annual growth rate is around 20%, and which is very high as compared to many countries of the continent. In the past, many breweries in Ethiopia were government owned; now the government has privatized the sector. Due to the deregulation of the sector, many domestic and foreign investors joined the industry. The annual production per year this time in 2016 is above 10 hectoliters. The traditional way of competition for the domestic players will not be feasible for the global beer industry in Ethiopia.

Marketers identified many benefit of loyal customer which includes, willingness to pay higher prices, costs less to serve and can refer new customers to the enterprise (Reichheld and Sasser, 1990), less price sensitive have been found to be attracted by sales promotion than non-loyal customers (Bowen and Shoemaker, 1998).

Thus, this research is developed to address the practical problems of brand loyalty situation and recommending empirical recommendations that would address the problem based on scientifically investigated models in the academic arena.

## LITERATURE REVIEW

The ultimate goal of customer satisfaction is building long term relationship with customers, and makes them brand loyal. Studies have established the existences of a direct relationship between satisfaction and loyalty (Heskett et al., 2008). Van Vuuren et al. (2012) concluded that, majority of consumers who defect to a competitor were satisfied or very satisfied on the survey just prior to their defection.

Majority of researches focused on measuring customer satisfaction as a basic predictor of success, and their overall business status (Shanka, 2012). The researchers did not find exhaustive study that link the level of satisfaction, and their determinant factors. Most studies associate the satisfaction as the only variable affecting customer loyalty. Customer loyalty is shown through various behavioral activities like recommending a brand

to other customers, and repeatedly patronizing the provider (Fornell, 1992).

Loyal customers are in a position to engage in positive word of mouth, and referring their acquaintances' and close relative to buy from their loyal brands than the competitive (Sheth and Parvatiyar, 1995). Loyal customers improve the effectiveness of marketing activities, and negate the marketing activities of the competitive once (Blattberg and Deighton, 1996) .

This research is unique due to the fact that the study is done in beer industry in developing country perspective. A model has been adopted, and improved from the previous studies that have been developed to explain the loyalty determinant of a developed country perspective (Howaniec, 2012; Moolla and Bisschoff, 2012), and the status of loyalty (Gleneicki, 2012).

In Ethiopia beer industry context, there is no research yet conducted that measured factors affecting customers brand loyalty and level of brand loyalty at the same time. Thus, this research has practical and empirical importance to the practitioners as well as the academics.

## Research objectives

The general objective is investigating level and factors affecting brand loyalty of the two brands, and specifically:

(1) To identify the different loyalty statuses of beer customers
(2) To differentiate loyalty statuses of consumers across two brands
(3) To identify major factors of beer consumers brand loyalty
(4) To assess the contributions of the breweries marketing activities for different loyalty status of their customers

## MATERIALS AND METHODS

The research approach was quantitative. The study population is all beer consumers of the St. George and Dashen beer in Ethiopia three cities. The cities have been selected purposively. Hawasa city host St. George, and Gondar city host Dashen beer as their brewing place, and Addis Ababa city is the major market for all breweries.

Simple random sampling has been used to select individual respondents in the bars and restaurants. The researchers used questionnaires from 400 respondents of two brand consumers in the three cities of the country. The 5-item Likert scale type of questioner was used to gather the data (Cooper et al., 2006).

The data analysis instrument has been checked for reliability and validity (Zikmund et al., 2012). The data has been analyzed using factor through Principal components analysis (Thompson, 2004). The level of brand loyalty has been checked using Apostle Model which have been very useful, and easily visualize the result (Gleneicki, 2012). Statistical package for social sciences (SPSS) version 20 was the software used to analyze, and enter the data. Appendix 1 to 10 shows a clear explanation of what was done to reach the interpretation and recommendations in details.

**Table 1.** Demography of respondents.

| Age group | Frequency | Percentage |
|-----------|-----------|------------|
| 18-24 | 61 | 15 |
| 26 to 35 years | 155 | 39 |
| 36-45years | 132 | 33 |
| + 45 | 51 | 13 |
| Total | 399 | 100 |
| **Sex** | | |
| Male | 364 | 91 |
| Female | 35 | 9 |

**Table 2.** All brand users cross tabulation data of level of satisfaction with loyalty level.

| Variable | | All brand consumers level of loyalty | | | | | | | | | |
|----------|----|----|----|----|----|----|----|----|----|----|----|
| | 10 | 3 | 0 | 0 | 0 | 2 | 0 | 1 | 13 | 31 | 74 |
| | 9 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 24 | 34 | 19 |
| | 8 | 0 | 0 | 0 | 0 | 0 | 0 | 13 | 29 | 31 | 2 |
| | 7 | 0 | 0 | 0 | 0 | 0 | 2 | 12 | 11 | 3 | 2 |
| | 6 | 0 | 0 | 1 | 4 | 8 | 10 | 21 | 7 | 2 | 1 |
| Level of repeat patronage | 5 | 0 | 0 | 0 | 2 | 0 | 2 | 10 | 2 | 0 | 1 |
| | 4 | 0 | 0 | 0 | 1 | 2 | 0 | 3 | 0 | 0 | 0 |
| | 3 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 0 |
| | 1 | 5 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5 |
| | - | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |

Source: SPSS data.

## FINDINGS

The numbers of two breweries respondents were equivalent to 200 for St. George and 199 for Dashen brewery. Most care had been taken to get representative sample interims of consumers' demographic profile of age and sex. The research was not used to draw conclusion based on demographic variables as the researchers were not interested in that aspect (Table 1).

## Level of brand loyalty of beer consumers

A ten point scale model called apostle was implemented to differentiate beer consumers' level of loyalty. Apostle model was applied in this study (Gleneicki, 2012). The model was used to differentiate different loyalty level of consumers by comparing consumers' satisfaction rate with their repeat purchase intention.

Table 2 showed the row data of consumers brand loyalty and their intention of continuing to use the brand in the future. The results in the following tables and discussions were processed for easy classification of consumers' loyalty level.

According to Gleneicki (2012), the classification mechanism of the collected data is based on the standardized method presented in Table 3. Table 3 showed that there were nine level of brand loyalty. The table shows the level of brand loyalty according to the consumers overall satisfaction, and their commitment to purchase their preferred brand in their next purchase time (Table 4).

As shown in Table 4, 46% of Dashen beer consumers were Apostles. According to the model, these consumers are extremely satisfied and extremely loyal customers who have an emotional connection to the brand. Yet again 12% and 21% customers in that order were near apostle, and other loyal customers respectively. Thus, sum data clearly indicates that 79% of Dashen beer consumers were loyal to their brand. From the remaining 21%, Mercenaries took a share of 9%. Mercenaries were consumers who were characterized by high satisfaction but had low level loyalty and would switch whenever the opportunity arose. 3% of Dashen beer consumers were hostages who drink the brand but their level of satisfaction was low. Hostages might continue with the

**Table 3.** Agreed points that differentiate level of brand loyalty.

| Customer segment | Overall satisfaction rating | Likelihood to repurchase |
|---|---|---|
| Loyalist | 7-10 | 7-10 |
| Apostles | 9-10 | 9-10 |
| Near apostles | 7-8 | 7-8 |
| Other loyalists | 7-8<br>9-10 | 9-10<br>7-8 |
| Defectors | 1-6 | 1-6 |
| Subversives | 1-4 | 1-4 |
| Other defectors | 1-4<br>5-6 | 5-6<br>1-6 |
| Hostages | 1-6 | 7-10 |
| Mercenaries | 7-10 | 1-6 |

**Table 4.** Dashen beer consumers level of loyalty.

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| 10 | 2 | 0 | 0 | 0 | 2 | 0 | 1 | 4 | 20 | 41 |
| 9 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 9 | 23 | 8 |
| 8 | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 10 | 21 | 2 |
| 7 | 0 | 0 | 0 | 0 | 0 | 2 | 5 | 5 | 1 | 2 |
| 6 | 0 | 0 | 0 | 2 | 4 | 3 | 4 | 2 | 2 | 0 |
| 5 | 0 | 0 | 0 | 2 | 0 | 2 | 4 | 2 | 0 | 1 |
| 4 | 0 | 0 | 0 | 1 | 2 | 0 | 0 | 0 | 0 | 0 |
| 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 |
| - | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |

Level of satisfaction

| 46% | Apostle | 12% | Near apostle | 21% | Other loyal | 5% | Defectors |
|---|---|---|---|---|---|---|---|
| 4% | Terrorist | 3% | Hostage | 9% | Mercenaries | | - |

Source: SPSS output.

brand till switching barriers (like availability, price) removed. 9% of Dashen beer consumers drunk the brand with low satisfaction, and low intention to repurchase the product the next time.

Thus, the aforementioned apostle loyalty model finding evidently indicates that the level of Dashen loyal consumers were in a good position while 21% of them were not considered as a loyal consumers, and in a position to easily shift to other brand if opportunities are created (Table 5).

From Table 5 one can easily identified that 68% of St. George beer consumers were loyal to their beer preference with different loyalty stage. According to the data, 32% were Apostle loyal to St. George followed by near apostles' and other loyal consumers with equal 20 and 16%, correspondingly. Whereas it's somehow strange that almost 1/3 St. George beer consumers were not totally loyal to their beer preference even if with different stage of loyalty those defectors were 15% followed by mercenaries with 14%, terrorists with 5% and hostages with 3%. The sum up data indicated that the brewery was in the position that might lose almost half of its beer consumers, if they do not change their strategy to suit consumers' preference.

**Table 5.** St. George consumers level of loyalty.

| Level of repeat patronage | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 10 | 1 | 0 | 0 | 0 | 0 | 1 | 0 | 9 | 11 | 32 |
| | 9 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 14 | 11 | 10 |
| | 8 | 0 | 2 | 0 | 3 | 0 | 0 | 9 | 19 | 10 | 0 |
| | 7 | 0 | 0 | 0 | 0 | 0 | 0 | 7 | 6 | 2 | 0 |
| | 6 | 0 | 0 | 1 | 2 | 4 | 7 | 17 | 5 | 0 | 1 |
| | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 6 | 0 | 0 | 0 |
| | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 0 |
| | 3 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 0 |
| | 1 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| - | - | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |

Level of satisfaction

| 32% | Apostle | 20% | Near apostle | 16% | Other Loyal | | 10% | Defectors |
|---|---|---|---|---|---|---|---|---|

| 5% | Terrorist | 3% | Hostage | | 14% | Mercenaries |
|---|---|---|---|---|---|---|

**Table 6.** Loyalty Level comparison between two brands.

| S/N | Level of loyalty | Dashen beer (%) | St. George beer (%) | Difference |
|---|---|---|---|---|
| 1 | Apostles | 46 | 32 | Dashen better by 14% |
| 2 | Near apostles | 12 | 20 | St. George better by 8% |
| 3 | Loyalist | 21 | 16 | St. George better by 5% |
| 4 | Mercenaries | 9 | 14 | Dashen better by 5% |
| 5 | Hostages | 3 | 3 | Equal |
| 6 | Defectors | 5 | 10 | Dashen better by 5% |
| 7 | Terrorists | 4 | 5 | Dashen better d by 1% |
| - | Total | 100 | 100 | - |

Table 6 comparison results of the brand loyalty showed that Apostle Category Dashen was better by 14%, St. George was better in near apostle by 8%, in Loyalist by 5%. Both brands were equal in Hostages category. In defectors and terrorist, Dashen was better by 5 and 1%, respectively. The sum of brand loyalty level indicates that both brands were not able to keep their entire respective consumers brand loyal, and more than 30% of consumers were in the peak level to shift to other brands, and some of them were even terrorists for the brand they consumed.

**Factor analysis result of brand loyalty**

The researchers implement the combined Fast-moving Consumer Goods (FMCG) loyalty measuring model developed by Molla and Bisschoffa (2012) and Howaniec (2012). The ten identified influencing factors were brand trust (with 0.824 Cronbach alpha and a share of 13% influence), breweries marketing activities (with 0.849 Cronbach alpha and a share of 11% influence), culture (with 0.772 Cronbach alpha), repeat purchase (with 0.63 Cronbach alpha), brand performance and relevance, (with 0.758 Cronbach alpha), relationship (with 0.740 Cronbach alpha), commitment (with 0.702 Cronbach alpha), satisfaction (with 0.761 Cronbach alpha), brand affect (with 0.60 Cronbach alpha) and involvement (with 0.58 Cronbach alpha).

Thus, the finding indicated that among 10 majorly identified factors, brand trust, breweries marketing activity, cultures, repeat purchase and brand performance and relevance were the top five factors taken a sum share of more than 2/3 share of the ten identified factors. The researchers used Eigen value as criteria of selecting valid components that would be included in the analysis for explaining the loyalty of brands. Based on that, 10 factors have been identified (Table 7). The validity and reliability of factors has been checked using Eigen value and Cronbach alpha test. It has been found to be acceptable. According to Table 7 analysis result brand trust, breweries marketing activities, culture, repeat purchase, brand performance and relevance, relationship, commitment, satisfaction, brand

**Table 7.** Total variance explained.

| Component | Total | | | Extraction sums of squared loadings | | | Rotation sums of squared loadings | | |
|---|---|---|---|---|---|---|---|---|---|
| | **7.714** | **% of variance** | **Cumulative %** | **Total** | **% of variance** | **Cumulative %** | **Total** | **% of variance** | **Cumulative %** |
| 1 | 4.423 | 21.428 | 21.428 | 7.714 | 21.428 | 21.428 | 4.723 | 13.118 | 13.118 |
| 2 | 2.550 | 12.287 | 33.715 | 4.423 | 12.287 | 33.715 | 3.900 | 10.834 | 23.952 |
| 3 | 2.402 | 7.083 | 40.798 | 2.550 | 7.083 | 40.798 | 2.661 | 7.391 | 31.343 |
| 4 | 1.680 | 6.673 | 47.471 | 2.402 | 6.673 | 47.471 | 2.562 | 7.117 | 38.460 |
| 5 | 1.458 | 4.666 | 52.137 | 1.680 | 4.666 | 52.137 | 2.526 | 7.017 | 45.477 |
| 6 | 1.308 | 4.050 | 56.187 | 1.458 | 4.050 | 56.187 | 2.298 | 6.384 | 51.861 |
| 7 | 1.154 | 3.632 | 59.819 | 1.308 | 3.632 | 59.819 | 1.799 | 4.998 | 59.859 |
| 8 | 1.027 | 3.207 | 65.026 | 1.154 | 3.207 | 63.026 | 1.724 | 4.790 | 65.649 |
| 9 | 0.998 | 2.851 | 67.877 | 1.027 | 2.851 | 65.877 | 1.522 | 4.228 | 67.877 |
| 10 | 0.867 | 2.833 | 69.711 | 0.998 | 2.833 | 68.711 | 1.512 | 4.008 | 69.711 |
| 11 | 0.813 | 2.408 | 70.983 | - | - | - | - | - | - |
| 12 | 0.789 | 2.258 | 73.241 | - | - | - | - | - | - |
| 13 | - | 2.192 | 75.433 | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| - | 0.185 | - | - | - | - | - | - | - | - |
| 34 | 0.159 | 0.514 | 99.178 | - | - | - | - | - | - |
| 35 | 0.137 | 0.442 | 99.620 | - | - | - | - | - | - |
| 36 | 0.137 | 0.380 | 100.000 | - | - | - | - | - | - |

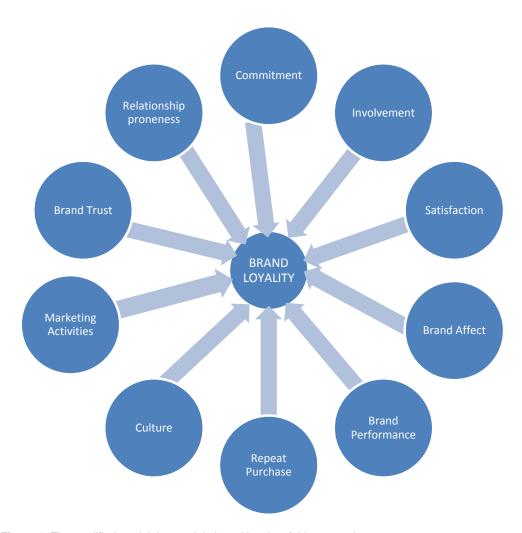Extraction method: Principal component analysis (Source: SPSS output).

affect and involvement are the major factors of beer consumers brand loyalty, and the level of influence was 13.118, 10.834, 7.391, 7.117, 7.017, 6.384, 4.998, 4.79, 4.228, and 4.008% respectively. The ten factors explained 69.7% of the variance in brand loyalty. It is almost similar to other researchers output that has been taken as starting point for this research (Howaniec, 2012; Jacoby et al., 1971). Figure 1 showed the accepted model that explains brand loyalty in beer brand in Ethiopian context. The three variables have been rejected due to lack of validity and reliability; the ten variables are predicting the brand loyalty in beer context. The variables that explain the brand loyalty which result from the factor analysis, and the previous studies has been depicted in Figure 1. The ten variables need to get major emphasis when developing marketing strategy that would win the hearts and minds of consumers for each brands of beers.

## Conclusions

Assessing profitability of business by lump sum profit or market share is good to assess the past performances while all are filled to tell us about the future. Brand satisfaction and level of loyalty is a better criteria to tell the future potential performance of brands The apostle model provided a robust way to segment and understands customers, and it can help companies to take appropriate action. Sixty-four percent of beer consumers are loyal, and the remaining 36% of total beer consumers are not true loyal consumers for their first brand choice. The brand loyalty level of two studied brand consumers indicates that there is no huge difference between two brand consumers. The factor analysis result indicates that among 13

**Figure 1.** The modified model that explain brand loyalty of this research.

brand loyalty influencing factors, 10 factors are identified as a majors, and have about 70% explaining power. The ten identified influencing factors are brand trust, breweries marketing activities, culture, repeat purchase, brand performance and relevance, relationship commitment, satisfaction, brand affect, and involvement.

Thus, the finding indicates that among 10 majorly identified factors, brand trust, breweries marketing activity, cultures, repeat purchase and brand performance and relevance are the top five factors taken as a sum share of more than 2/3 share of the ten identified factors.

**RECOMMENDATIONS**

The current business environment is very volatile, and our current success may not be tomorrow's, today consumers may not be tomorrow's. As a result, breweries must measure and differentiate consumers brand loyalty

level, and develop appropriate strategy for each type of customers.

Implementing one standardized strategy for different loyalty stage consumers is not reliable, and may return to wastage (of time, resource). Breweries must set priority and unique strategy to address on different beer consumers in different loyalty level.

The apostle model recommends that company's priority number one must be addressing the defectors, especially terrorists by designing a strategy to "fire them" or to design a win-back by comparing the return on investment. The second priority must be given to Apostles and their needs, third priority for pushing Near Apostles up to Apostles, fourth priority for mercenaries.

Companies have little control over mercenaries, and only focus on the price competitiveness of the company's products or service. Finally, the last but not least priority goes to hostages who are exhibiting a false loyalty, and this should also be addressed because someday they may be scooped away by competition. Understanding

their needs, their reasons for dissatisfaction, and work through it with them is crucial.

Most companies in Ethiopia are not in a position to check out the marketing audit, and if some of them try it, they do in the wrong way like measuring customer satisfaction, measuring market share etc. Thus, most of them are not able to differentiate their customers' loyalty level, and factors that affect brand loyalty of beer consumers.

Breweries must not merely focus on satisfaction, and see other factors beyond satisfaction.  It's logical to recommend that breweries must give great attention for identified brand loyalty factors, and adjust their marketing strategy accordingly.

## CONFLICT OF INTERESTS

The authors have not declared any conflict of interests.

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**Appendix 1.** Factor analysis for brand trust.

| Brand trust | Factor loadings |
|---|---|
| BTS01 | 0.929 |
| BTS02 | 0.897 |
| BTS03 | 0.776 |
| BTS04 | 0.121 |

Source: SPSS output. One sentence is rejected due to its less explaining share (only 4%) of the major factor, and the remaining statements are load in brand trust factor, and this assure that brand trust is among a major construct of brand loyalty. The factor explains a 75.66 variance, and a good reliability with 0.824 cronbach alpha result.

**Appendix 2.** Factor analysis for relationship proneness.

| Relationship proneness | Factor loadings |
|---|---|
| RPR01 | 0.893 |
| RPR02 | 0.835 |
| RPR03 | 0.699 |

Source: SPSS output. According to kim et al. (2008), relationship proneness is individual characteristics of buyers that was explained by relatively stable and conscious choice to create relationship with a specific brand. Thus, the aforementioned three variables load into one, and exhibit good relationship with the main factor. Thus, it is easy to conclude that relationship proneness is one among the major constructs of beer consumers brand loyalty by understanding its variance of 66.13%, and grate reliability coefficient (0.824).

**Appendix 3.** Factor analysis for Involvement.

| Involvement | Factor loadings |
|---|---|
| INV02 | 0.818 |
| INV03 | 0.818 |
| INV01 | 0.444 |

Source: SPSS output. Several studies identified that involvement with the product is highly correlated with brand loyalty. For instance, the study of LeClerc and Little (1997) identified that brand loyalty is highly interacted with product involvement. The data aforementioned indicates that three variables are loaded to explain the one factor called involvement. While, one variable deficient in explaining how related with the main factor (small factor load value) and rejected. Thus, the remaining three variables load into one factor, and make the factor among the constructers of brand loyalty. Even if the factor explain a variance of 67%, due to its 0.58 cronbach alpha of reliability, it's difficult to conclude that involvement have a great impact on brand loyalty.

**Appendix 4.** Factor analysis for commitment.

| Commitment | Factor loadings |
|---|---|
| COM04 | 0.853 |
| COM03 | 0.803 |
| COM01 | 0.778 |
| COM05 | 0.727 |
| COM02 | 0.597 |

Source: SPSS output. Five statements are loaded together, and create one strong factor called commitment. The factor has a cronbach alpha of 0.7 and explains a variance 67%. Thus, based on the finding of the data, commitment is a major influencing factor among many factors that construct brand loyalty.

**Appendix 5.** Factor analysis for repeat purchase.

| Repeat purchase | Factor loadings |
|---|---|
| RPS04 | 0.87 |
| RPS02 | 0.70 |
| RPS03 | 0.70 |
| RPS01 | 0.23 |

Source: SPSS output. Out of the total four statements, one statement is minimum factor load, and only explains 10% of the represented factor. Thus, the statement is rejected, and the remaining three statements are loaded into one factor, and provide a 0.63 coefficient of reliability. Thus, the factor explains a variance of 58%, and guaranties its position to join among the construct variables of brand loyalty.

**Appendix 6.** Factor analysis for brand affect.

| Brand affect | Factor loadings |
|---|---|
| RAF01 | 0.845 |
| RAF02 | 0.845 |

Source: SPSS output. Two statements are loaded together and create factor called brand affect.  The factor explains a variance of 71.4%, and returns a good reliability coefficient of 0.60. This confirms that brand affect is a construct of brand loyalty.

**Appendix 7.** Factor analysis for brand relevance.

| Brand relevance | Factor loadings |
|---|---|
| BRV01 | 0.857 |
| BRV02 | 0.848 |
| BRV04 | 0.800 |
| BRV03 | 0.462 |

Source: SPSS output (From the total four statements three influences all loaded in to one factor called brand relevance and it explain 70% of variance and good reliability coefficient with a result of 0.78. While one sentence is rejected due to its less important to the factor (only explains 10% of brand relevance). Thus, total result indicates that brand relevance is a major part of brand loyalty influences, and the factor has a strong r/ship with the factor called brand performance).

**Appendix 8.** Factor analysis for brand performance.

| Brand performance | Factor loadings |
|---|---|
| BPF01 | 0.835 |
| BPF02 | 0.835 |

Source: SPSS output (Even if the factor explain a 70% of variance with acceptable 0.6 cronbach alpha of reliability, its validity result indicates that brand performance can be merged with brand relevance and can be a good influencing factor for brand loyalty).

**Appendix 9.** Factor analysis for culture.

| Culture | Factor loadings |
|---|---|
| CUL01 | 0.842 |
| CUL02 | 0.835 |
| CUL03 | 0.745 |
| CUL04 | 0.661 |

Source: SPSS output (All four influences loaded together and give assurance that culture is the one factor for beer consumers' loyalty. The factor explains a variance of 60% and returns a good reliability coefficient of 0.77).

**Appendix 10.** Factor analysis for culture.

| Breweries activity | Factor loadings |
| --- | --- |
| BMA02 | 0.789 |
| BMA06 | 0.788 |
| BMA03 | 0.783 |
| BMA04 | 0.765 |
| BMA01 | 0.763 |
| BMA05 | 0.639 |
| BMA07 | 0.236 |

Source: SPSS output (Breweries marketing activity is explained by many different ways. The six of the seven statements in sum loaded together and create one factor. The factor explains a variance of 60% and have excellent reliability coefficient of 0.85. In sum, the above analysis regarding factor load value of variables indicates how closely the variables are related to each major factor, and the more the value is closed to one means that specific variable is a good relatedness with the major factor. Thus, the finding indicates that except switching cost and perceived value. Most factors have influence in the beer consumers brand loyalty decision and considered as factors. While, the factor load data aforementioned does not clearly shown the influencing level factors for creating and making beer consumers brand loyalty. Thus, the presentation below focus on discussing and prioritizing the most important factors of brand loyalty. The model utilized in this research consists of more than 40 variables, and factor load is implemented for the aim of reducing the observed factors. While even if after factor analysis is implemented, debates may remain regarding to how many factors should be retained for analysis. There are two mechanisms for the analysis of final observed factor. The first method is only considering those with eigenvalues over 1. While the second method is just rule of thumb to plot all the eigenvalues in their decreasing order using scree test, and its proposed to stop analysis at the point the mountain ends. Based on the aforementioned listed mechanisms, the total factor analysis is prepared and 9 variables are identified with more than 1 eigenvalue while the scree plot test graph only exhibit 7 factors. Thus, to consistent the two approaches, the data were rerun, and the researcher decides on using the eigenvalue approach and constructs the analysis within 10 identified factors).