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Integrated Marketing Communication and Customer Satisfaction as a function of Customer Loyalty with the Moderating role of Product Innovation Moderation

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ABSTRACT

Purpose: The basic aim of the current study is to investigate the impact of integrated marketing communication on customer loyalty especially in the individuals living in South Punjab, Pakistan.

Design/Methodology/Approach: The paper focuses on a survey with a 7.0-point Likert Scale questionnaire using 55 items including all variables and constructs. The sample population was used from South Punjab, Pakistan comprising of individuals living in this area. PLS-SEM was used as an analysis tool for this quantitative data.

Findings: The primary finding of the study is to use the innovative technology so as to provide the new and unique features within brands so as to enhance the loyalty within customers.

Implications/Originality/Value: The study uses a single moderator and mediator which restricts the study to this domain only. Future research may use some other variables like brand trust and brand commitment as moderator and/or mediator to extend this current study. Moreover, future research may use longitudinal approach to avoid any data bias. The researchers focus on the technological advancement for product innovations so as to satisfy the needs and wants of customer which consequently leads to increase the customer loyalty towards the brands. This study is novel in its nature as it discusses the relationship between IMC and Customer loyalty with the moderating effect of Product Innovation. The paper provides an illusion to the fact that the employees require the new and innovative brands which forces the companies to augment not only the features of their brands but the communication campaign as well

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Introduction

Background of the Study

Currently, the relationship of companies with their customers is backbone of every business (Robinson, 2021). Within current dynamic and competitive environment, marketing literature has been posited chiefly on retaining the existing customer-base (Kwiatek et al., 2020) with prospecting for the new incumbents which most of the companies consider as expensive. Nevertheless, the industry must realize the fact of making the customers loyal to the brands through providing them the highest level of satisfaction (Imbayani, et al., 2021). Consequently, it has become essential for industries to revitalize their policies relative to enhance the level of satisfaction within their customers and retain them with the brands. This situation demands the companies for continuous improvement and augmentation within their brands so as to be highly competitive. Therefore, the companies move towards product innovation for revitalization of their brands to retain their customer-base with them.

Problem Statement

Marketing literature related to customer loyalty is evident that growth rate of mature brands due to its loyal customers, is approximately 85 percent, enhancing the importance of customer loyalty domain within marketing discipline (Kwiatek et al., 2020). The industries seem embraced with this fact especially FMCG industry in South Punjab, Pakistan. Due to this fact, marketing managers are forced to double their investment for customer retention. Resultantly, 90 percent of the companies moved to customized marketing solutions like product innovation as well as customer loyalty programs (Kwiatek et al., 2020). Companies are using effective promotional campaigns to provide awareness regarding product innovation and enhance the customer loyalty (Sesar et al., 2021). Therefore, the aim of this research study is to investigate the influence of integrated marketing communications on customer loyalty through customer satisfaction with moderating effect of product innovation.

For achieving afore-mentioned benchmark, the paper has been divided into following sections. Firstly, the paper examines the background of the literature relative to customer loyalty, integrated marketing communications, customer satisfaction and product innovation which provides a conceptual framework for the research study. This is followed by the demonstration of methodology applied to this study. Thirdly, the paper provides an illustration of the results of the research questions or hypotheses conjectured within this study. Fourthly, discussions and managerial implication have been provided and finally, conclusions, limitations and future research have been provided.

Significance of the Study

The study is novel in this context as there is no research evidence has been found with the context of marketing communications, customer loyalty, product innovation and customer satisfaction. The study provides a new domain to the industries to augment their brands to enhance their customer-base as well as loyalty within previous customers through product innovation.

Literature Review

Marketing Communication

Marketing has been considered as an integration of multiple techniques like product innovation, pricing, segmentation and promotional campaigns for the innovative brand with uniqueness' (Lukáč et al., 2021). The effectiveness of marketing communication may be evaluated through comparison of objectives achieved with the strategically designed in the planning process (Imbayani, et al., 2021) which may not only be evaluated in economically but also in the terms of the effectively communicating the brands with the audience (Robinson, 2021). According to Budiman (2019), marketing communication is an integrated set of multiple techniques like advertising, sales promotion, personal selling, public relations and direct marketing. Following are the elements within promotional mix:

Advertising

According to Hackley (2021), advertising is a paid, non-personal and context-oriented form of

communication which holds to identify sponsors to not only influence but also convince the consumers regarding their brand in an effective manner. Certain mass media elements are required within advertising as a source to convey the message promptly to their target audience which may be dispersed in millions all around the globe at a very low cost (Hackley, 2021).

Sales Promotion

A form of direct persuasion with the usage of multiple advantages that could be achieved through product purchase stimulation or growing the purchase pattern of the consumers (Peschel., 2021). Sales promotion is highly advantageous for the companies like attracting the new customers, influencing the consumers for testing the product enhancing the repeat customer base, enhancing the sales through high sales, attacking the competitors through effective sales promotion strategies, enhancing the impulse buying and demanding strong relationship with clients (Peschel., 2021).

Personal Selling

According to Matviiets & Kipen (2021), the presentations made by the company salespeople physically with an objective of selling the brands as well as building a liaison with the clients, is personal selling. The companies which are working indirectly, use distribution channels to sell their brands whereas the brands which are containing service in their nature, are most often used to sell their brands directly to their customers (Matviiets & Kipen., 2021).

Public Relations

This is the technique of marketing communication in which companies try to manage and disseminate the information to the general public from the company ambassadors in an attempt to influence the conception of the general public (Smith, 2020). According to Smith (2021), Public Relations (PR) includes the exposure about the company brands within the audience through using various topics and news items which have high attention as well as require no payment. In contrast to advertising, the objective of Public Relations is to create awareness among the audience for free (Lewis & Kames, 2021).

Direct Marketing

A technique used in marketing communications which aims a specific person, individual or a company in an attempt to lead for the new venture, establishing the effective profile of the company or brand, for enhancing the sale (Matviiets & Kipen., 2021). Telemarketing, email marketing and digital marketing all are the types of direct marketing. Direct marketing is a strong source of enabling the brands to reach their target audience through direct communication (Czinkota et al., 2021).

Relationship between Marketing Communication and Customer Satisfaction

Conclusively, marketing communications is a process for building a dialogue between brands and their market in an attempt to cater the needs and wants of the market (Mascaraque-Ramírez & Para-González, 2021). Through this communication strategy, the customers find themselves in the position to satisfy their needs through using these brands (Robbinson, 2021). Due to this higher level of satisfaction, the customers repeat their purchase patterns and become the loyal customers. This postulates the hypotheses of this current study that:

H1: There exists a positive relationship between Integrated Marketing Communications (IMC) and Customer Satisfaction.

Relationship between Marketing Communication and Customer Loyalty

Multiple research studies (Sibarani & Maximillian, 2021) have illustrated that the customers are found to be highly attracted towards brands due to effective marketing communication strategies adapted by the companies to attract their clients in this competitive environment. They argue that the marketing communication strategies have been found as a good source of building, nurturing and maintaining strong relationships with their customers (Mursid & Wu, 2021). The study illustrates when the customers have

gone through these promotional campaigns, they develop expectations from these promoted brands and try to acquire them to satisfy their needs. When they find themselves in a psychological state of satisfaction, they tend to move on keeping these brands attached with their personality making them converted into loyal customers. The companies with their continuous improvement strategies, try not only to strengthen their relationship with customers but also to enhance their customer-base (Kang, 2021; Rasool et al., 2021). This reveals that marketing communication becomes a good source to develop customer loyalty for the brands. Hence, another hypothesis statement develops:

H2: There exists a positive relationship between Integrated Marketing Communication (IMC) and Customer Loyalty.

Customer Satisfaction

According to Uzir et al (2021), satisfaction is a psychological feeling of an individual within emotional state resulting from the comparison of performance of the brand with the expectations of individual. If the performance lags behind the expectations, state of dissatisfaction arises whereas consumer delights or satisfies if the performance matches or exceeds the expectations (Tuncer et al., 2021). Studies argue that satisfaction is the evaluation of the performance of any brand customer is using (Andre et al., 2020; Wang et al., 2021) based on multiple criteria set by the customers for measuring the quality of brands they are using (Lin et al., 2020). While companies try to satisfy the customers' needs within 21st Century, the companies have to adopt innovative kind of features making it more unique and distinctive through improved quality, innovations and R&D in the field of production so as to compete in modern competitive environment. This necessitates distinctive and innovative methods to use emerging technology for satisfying the smart and elegant customer-base to survive in the marketplace within this global economy (Hamzah & Shamsuddin, 2020). In their study, they illustrate that customer satisfaction is a roadmap to the customer loyalty as satisfaction entails trust regarding company brands within customers which force them to repeat their purchase of that brand (Hamzah & Shamsuddin, 2020). This provokes following hypothesis statement:

H3: There is a positive relationship between Customer Satisfaction and Customer Loyalty.

Product Innovation

Product innovation depends upon the market orientation and the companies must put a wider eye to market orientation as market orientation is the key for success of product innovation (Yusuf, 2021; Díaz & Duque, 2021). Consequently, enhancing the customer loyalty towards the brands. This reveals that the business organizations are chiefly dependent upon the quality of the brands they are offering to their customers. The better the brands produced by the companies, the more satisfaction within customers leading to enhance loyalty within them towards brands. Therefore, the brands try to provide maximum satisfaction to their clients so as they may be happy and delighted to enhance their sales net as well as increasing the loyalty within their customer base (Sasono et al., 2021). This reveals that the product innovation plays a dramatic role within the relationship of integrated marketing communication and customer satisfaction as the innovative features require their unique and new promotional campaign according to the requirement of innovative feature. The companies tend to change their promotional campaigns as their brands have been augmented so as to enhance the loyalty within their clients through imparting the level of satisfaction within them. This postulates the following hypotheses statement:

H4: Product Innovation positively moderates the relationship between Marketing Communications and Customer Satisfaction.

Customer Loyalty

Multiple research studies (Islam et al 2021; Sasono et al 2021) have identified customer loyalty as a strong adherence of customers forcing them to repeat their purchase pattern consistently. The studies have identified multiple stages of customer loyalty initiating from prospecting to making partners profiting the

company. Customer loyalty is a key dimension for exhibiting the customers' retention and can be measured by integration of repurchase pattern as well as the influence of the brand on customers. With the help of these loyalty programs, the companies try to improvise their relationships with their customers through improving their sales, quality as well as augmentations in products' features (Chaudhuri et al., 2021). Briefly, customer loyalty is chiefly dependent upon the likability as well as the ability to be trustworthy in the minds of customers regarding a specific brand (Hudaya, 2021). They claim the customers who have higher level of trust and confidence within their brands, are more likely to become the repeat purchasers (Sesar et al., 2021). This reveals that customer loyalty is the ultimate objective for every brand to not only enhance their sales bracket but also to keep their customer-base in strong relationship with the brands.

Theoretical Framework

Figure 1: Marketing Communication-Customer Loyalty Framework

Methodology

This section primarily concerns with the decision about the research approach (qualitative, quantitative or mixed method) for conducting the research study (Sunders et al., 2020). The existing study adopts quantitative method using survey with a questionnaire. The philosophy of the study is positivism as this study deals with reality-based information and has been found all its variable consistent with each other (Saunders et al., 2020). Further, the study adopts deductive research approach as it contemplates research questions, hypotheses statements and research findings as it has been found to be ideal observed phenomenon has been apprehended from hypotheses statements (Cresswell, 2021).

Population

The current study entails a population of the individuals who are living in South Punjab, Pakistan as the current study is measuring the purchase pattern of the individuals of Southern Punjab regarding FMCG items. The basic purpose of selecting this population is to conduct a research investigation about people who are using FMCG products have their level of satisfaction and how integrated marketing communications are influencing their loyalty towards their favorite brands.

Sample

The current study adopts a sample size of 200 respondents who are living in South Punjab, Pakistan as population of the current study is approximately 35 million people (SBP, 2021) and according to Hair et al (2019), the sample size of over 10 million population size is 200 respondents.

Sampling Technique

The sampling technique adopted in this study is non-probability convenience sampling with the purpose of its advantage over other sampling technique as in this technique, it is very easier and convenient to collect the data (Saunders et al., 2020).

Underpinning Theory

The theory used in this study is Social Exchange Theory which propounds that people weigh their cost of any social decision they make in comparison to the reward or benefit they receive from that social interaction (Shulga et al., 2021). Multiple previous studies have demonstrated the concept of customer loyalty underpinning Social Exchange Theory (Shulga et al., 2021) and illustrate that Both costs as well as benefits are found in tangible or intangible forms (Ferm & Thaichon, 202). Money and time are tangible forms (Hou & Zhang, 2021) whereas emotions, efforts and behavioral aspects like price, respect and power are intangible forms (Lakan & Yani, 2021). The current study highlights that the people go for the benefit they want to have from any brand which ultimately provides them satisfaction or dissatisfaction. This requires the companies to augment their brands so as to not only satisfy their customers but also retain them with the brand as a loyal customer. This is in accordance with Social Exchange Theory which illustrates the same set of behaviors and attitudes from customers.

Data Collection

For collecting the data, the individuals from South Punjab, Pakistan have been used which were provided questionnaires to provide their response regarding latent variables of the study (Integrated Marketing Communications, Product Innovation, Customer Satisfaction and Customer Loyalty). The sample size for collecting the responses was set 200 respondents. Gender disproportion for current study is noteworthy as 70% of the total respondents were male whereas 30% of total participants were female.

Research Instrument and Scale Measures

Integrated Marketing Communications

As Integrated Marketing Communications is a latent variable containing five constructs-advertising, personal selling, sales promotion, public relations and direct marketing. For each construct, a separate set of questions has been used adapted from previous studies. For advertising construct, the scale has been adapted from the research study conducted by Odunsi (2020). The scale has been designed in 7.0-point Likert Scale with anchors: 1: Strongly Disagree, 2: Partially Disagree, 3: Disagree, 4: Neutral, 5: Agree, 6: Partially Agree, 7: Strongly Agree. For measuring the response for personal selling, another construct of integrated marketing communications, a scale has been adapted from the study conducted by Uzochukwu et al (2021). The scale is anchored with 7.0-point Likert Scale. In an attempt to measure the response regarding sales promotion, another construct of marketing communications, a scale has been adapted from the study conducted by Iheanacho et al (2020) anchoring with 7.0-point Likert Scale. For measuring the response regarding public relations, a scale has been adapted from the research study conducted by Ozioma & Marcus (2020) with 7.0-point Likert Scale. While attempting to collect the response for another construct of integrated marketing communication variable, the scale adapted from the research study conducted by Wibowo et al (2021) anchored with 7.0-point Likert Scale.

Product Innovation

In an attempt to collect the response regarding product innovation, moderator of the current study, a scale has been adapted from the previous study conducted by Nazzaro et al (2019). The scale has been anchored with 7.0-point Likert Scale with anchors: 1: Strongly Disagree, 2: Partially Disagree, 3: Disagree, 4: Neutral, 5: Agree, 6: Partially Agree, 7: Strongly Agree.

Customer Satisfaction

To measure the response regarding customer satisfaction, the other latent variable of the current study, a scale has been adapted from the previous studies (Minta, 2018, Andre et al., 2020; Lin et al., 2020) anchored with 7.0-point Likert Scale. The scale has anchors 1: Strongly Disagree, 2: Partially Disagree, 3:

Disagree, 4: Neutral, 5: Agree, 6: Partially Agree, 7: Strongly Agree.

Customer Loyalty

As this construct is under huge investigation within the discipline of marketing, therefore, designing the scale for this construct is of high adaptability. The current research study undergoes with multiple previous research studies (Juliansyah et al., 2018; A'ang Subiyakto et al., 2018) in an attempt to adapt the scale for this latent variable. The scale has been designed at 7.0-point Likert Scale with anchors 1: Strongly Disagree, 2: Partially Disagree, 3: Disagree, 4: Neutral, 5: Agree, 6: Partially Agree, 7: Strongly Agree.

Data Analysis

Variance-based Partial least Square-Structural Equation Modelling (PLS-SEM) has been used within this current study for conducting the analysis of the data collected through questionnaires. PLS-SEM is one of the most common statistical tools used within management disciplines for generalization and integration of constructs of latent variables along with principal component as well as regression analysis (Hair et al., 2019). Customer loyalty is the target and formative construct within structural of this current study which has been theoretically supported. For such constructs, PLS-SEM is the most appropriate approach (Hair et al., 2019). Within this study, structural modelling (investigation of latent variables' relationships) and measurement model assessment (validity and reliability evaluation of the latent variables) has been processed.

Descriptive Statistics and Correlational Analysis

In an attempt to illustrate the relationships' significance among latent constructs of the model, Table 1 illustrates Sample Mean (M), Standard Deviation (STDEV), T-Statistics and corresponding P-values.

Table 1: Descriptive Statistics					
	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics	P Values
ADV -> CL	0.29	0.28	0.093	3.128	0.002
ADV -> CS	0.445	0.435	0.046	9.732	0.000
CS -> CL	0.547	0.541	0.09	6.055	0.000
DM -> CL	0.202	0.195	0.081	2.493	0.003
DM -> CS	0.308	0.318	0.054	5.704	0.000
Moderating Effect 1 - ADV -> CL	0.565	0.561	0.092	6.172	0.000
Moderating Effect 2-PS -> CL	0.293	0.295	0.128	2.285	0.003
Moderating Effect 3-SP -> CL	0.156	0.155	0.071	2.197	0.008
Moderating Effect 4-PR -> CL	0.259	0.249	0.105	2.472	0.004
Moderating Effect 5-DM -> CL	0.553	0.546	0.094	5.908	0.000
PI -> CL	0.333	0.326	0.054	6.138	0.000
PR -> CL	0.308	0.304	0.044	6.935	0.000
PR -> CS	0.093	0.09	0.045	2.088	0.003
PS -> CL	0.111	0.121	0.061	1.816	0.000
PS -> CS	0.222	0.218	0.032	6.868	0.000
SP -> CL	0.183	0.183	0.073	2.523	0.002
SP -> CS	0.076	0.08	0.059	1.284	0.000

Further, Table 2 illustrates the correlation among latent variables exhibiting that the variables have been correlated significantly with each other.

Table 2: Inter-Construct Correlation													
	AD V	CL	CS	DM	Moderating Effect 1- ADV	Moderating Effect 2- PS	Moderating Effect 3- SP	Moderating Effect 4- PR	Moderating Effect 5- DM	PI	PR	PS	SP
ADV	1.0												

	00												
CL	0.575	1.000											
CS	0.831	0.743	1.000										
DM	0.78	0.659	0.800	1.000									
Moderating Effect 1-ADV	0.111	0.013	0.105	0.155	1.000								
Moderating Effect 2-PS	0.269	0.217	0.265	0.241	0.800	1.000							
Moderating Effect 3-SP	0.233	0.052	0.266	0.176	0.806	0.876	1.000						
Moderating Effect 4-PR	0.169	0.193	0.243	0.239	0.728	0.883	0.824	1.000					
Moderating Effect 5-DM	0.157	0.183	0.171	0.092	0.874	0.887	0.778	0.804	1.000				
PI	0.459	0.607	0.609	0.585	0.339	0.311	0.294	0.266	0.259	1.000			
PR	0.486	0.582	0.484	0.592	0.149	0.218	0.107	0.300	0.213	0.292	1.000		
PS	0.602	0.566	0.687	0.654	0.241	0.187	0.166	0.222	0.218	0.362	0.557	1.000	
SP	0.754	0.526	0.707	0.728	0.236	0.188	0.167	0.123	0.180	0.449	0.729	0.627	1.000

Mediation Analysis

With the illustration of Tables 1 & 2, it has been found that Integrated Marketing Communications (IMC), Customer Satisfaction (CS), Product Innovativeness (PI) and Customer Loyalty (CL) are statistically significant. As there are five constructs of IMC used in this study i.e., Advertising (ADV), Personal Selling (PS), Sales Promotion (SP), Public Relations (PR) and Direct Marketing (DM), the results indicate that there exists a positive and significant relationship for each construct of IMC with Customer Loyalty (CL). The results are: Advertising ($r=0.28$, $p<0.01$), for Personal Selling ($r=0.121$, $p<0.01$), Sales Promotion ($r=0.183$, $p<0.002$), Public Relations ($r=0.304$, $p<0.01$), Direct Marketing ($r=0.195$, $p<0.01$). Similarly, the constructs of IMC have positive and significant relationship with Customer Satisfaction with the results, for Advertising ($r=0.435$, $p<0.01$), Personal Selling ($r=0.218$, $p<0.01$), Sales Promotion ($r=0.08$, $p<0.01$), Public Relations ($r=0.09$, $p<0.01$) and Direct Marketing ($r=0.318$, $p<0.01$). The above findings support hypotheses statements 1 & 2. Moreover, Table 3 highlights the mediation effect of Customer Satisfaction (CS) in relationship between Integrated Marketing Communication (IMC) and Customer Loyalty (CL) exhibiting a strong, positive and significant mediating effect of CS in between IMC and CL i.e., Advertising ($r=0.242$, $p<0.01$), Personal Selling ($r=0.123$, $p<0.01$), Sales Promotion ($r=0.043$, $p<0.01$), Public Relations ($r=0.049$, $p<0.01$) and Direct Marketing ($r=0.170$, $p<0.01$).

Table 3: Specific Indirect Effect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
ADV -> CS -> CL	0.243	0.242	0.049	4.956	0.000

PR -> CS -> CL	0.051	0.049	0.028	1.852	0.005
PS -> CS -> CL	0.122	0.123	0.029	4.182	0.000
DM -> CS -> CL	0.168	0.170	0.036	4.651	0.000
SP -> CS -> CL	0.041	0.043	0.036	1.136	0.001

Measurement Model

According to Hair et al (2019), the values of Cronbach's Alpha as well as Composite Reliability are a good measure to determine the internal consistency especially in exploratory research. The values between 0.6 and 0.7 are considered as satisfactory (Hair et al., 2019) whereas to determine the good level of reliability of model, these values should be in between 0.7 and 0.9 (Hair et al., 2019). Table 4 exhibits the construct reliability and validity (internal consistency) for the current study.

Table 4: Construct Reliability and Validity

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
ADV	0.743	0.795	0.834	0.566
CL	0.795	0.817	0.858	0.548
CS	0.877	0.901	0.903	0.515
DM	0.794	0.762	0.807	0.516
Moderating Effect 1 - ADV	1.000	1.000	1.000	1.000
Moderating Effect 2-PS	1.000	1.000	1.000	1.000
Moderating Effect 3-SP	1.000	1.000	1.000	1.000
Moderating Effect 4-PR	1.000	1.000	1.000	1.000
Moderating Effect 5-DM	1.000	1.000	1.000	1.000
PI	0.785	0.813	0.846	0.524
PR	0.837	0.861	0.889	0.668
PS	0.777	0.694	0.823	0.610
SP	0.772	0.572	0.774	0.534

To measure the convergent validity, indicator loadings, average variance extracted (AVE) and indicator reliability are used. The good measure of convergent validity for a model, the indicator loadings should be greater than 0.70 whereas AVE and indicator reliability should be greater than 0.50 (Hair et al., 2017). For the current study, the outer loading for each construct has been exhibited in Table 5.

Table 5: Outer Loading

	ADV	CL	CS	DM	PI	PR	PS	SP
AD1	0.835							
AD2	0.879							
AD4	0.525							
AD5	0.719							
CL10		0.787						
CL3		0.660						
CL7		0.790						
CL8		0.699						
CL9		0.755						
CS1			0.840					
CS10			0.671					
CS2			0.898					
CS4			0.464					
CS5			0.737					
CS6			0.781					
CS7			0.631					
CS8			0.620					
CS9			0.723					
DM1				0.608				

DM2	0.758	
DM3	0.636	
DM5	0.846	
PI10		0.687
PI4		0.692
PI6		0.694
PI7		0.805
PI8		0.733
PR1		0.774
PR2		0.912
PR4		0.737
PR5		0.834
PS1		0.867
PS2		0.779
PS5		0.686
SP2		0.754
SP3		0.698
SP5		0.738

Furthermore, Fornell-Larcker Criterion as well as cross-loading is considered as a good measure to measure discriminant validity (Hair et al., 2017). While using Fornell-Larcker Criterion, the correlation value for each latent variable with other variables must be smaller than the value obtained of square root of AVE. Moreover, the indicators' outer loading should be greater than the cross-loading of other variables (Hair et al., 2019). Table 6 exhibits the discriminant validity using Fornell-Larcker Criterion for the current study.

Table 6: Discriminant Validity

	AD V	CL	CS	DM	Moderat ing Effect 1- ADV	Moderat ing Effect 2- PS	Moderat ing Effect 3- SP	Moderat ing Effect 4- PR	Moderat ing Effect 5- DM	PI	PR	PS	SP
ADV	0.752												
CL	0.575	0.740											
CS	0.831	0.623	0.718										
DM	0.708	0.659	0.610	0.719									
Moderat ing Effect 1- ADV	0.111	0.013	0.150	0.155	1.000								
Moderat ing Effect 2- PS	0.269	0.217	0.265	0.241	0.800	1.000							
Moderat ing Effect 3- SP	0.233	0.052	0.266	0.176	0.806	0.876	1.000						
Moderat ing Effect 4- PR	0.169	0.193	0.243	0.239	0.728	0.883	0.824	1.000					
Moderat ing Effect 5- DM	0.157	0.183	0.171	0.092	0.874	0.887	0.778	0.804	1.000				
PI	0.459	0.607	0.609	0.585	0.339	0.311	0.294	0.266	0.259	0.724			

PR	0.4	0.5	0.4	0.5	0.149	0.218	0.107	0.300	0.213	0.2	0.8		
	86	82	84	92						92	17		
PS	0.6	0.5	0.6	0.6	0.241	0.187	0.166	0.222	0.218	0.3	0.5	0.7	
	02	66	87	54						62	57	81	
SP	0.7	0.5	0.7	0.5	0.236	0.188	0.167	0.123	0.180	0.4	0.7	0.6	0.7
	54	26	07	28						49	29	27	30

On the basis of the above findings, it is obvious that there is a satisfactory level for both convergent reliability and validity with significant outer loadings (> 0.70), higher level of internal consistency for each latent variable (IMC, CS, CL and PI), acceptable AVE (> 0.50) and good indicators' reliability (> 0.50) having the acceptable range of values for Cronbach's Alpha as well as Composite Reliability lying in between 0.772 and 0.903. Moreover, the discriminant validity based on Fornell-Larcker Criterion and higher outer loading exhibiting the fact that scale has met the criteria for discriminant value illustrating that all the latent variables have been found clearly discriminated with each other.

Structural Model

In PLS-SEM, after measurement model, next is the evaluation of structural model validity. While measuring structural model validity, coefficient of determination (R^2) is used which represents the integrated effect of exogenous latent variables on a target endogenous latent variable. The acceptable range of the value of coefficient of determination (R^2) is between 0 and 1 (Hair et al., 2019) with the higher value represents the higher descriptive power of research model. For the current study, Table 7 highlights R^2 for CL (0.840) and CS (0.777) which shows a positive and strong value demonstrating that exogenous latent variables i.e., IMC and PI have a strong and positive impact on target endogenous latent variables i.e., CL and CS (Hair et al., 2019).

Table 7: R Square

	R Square	R Square Adjusted
CL	0.840	0.829
CS	0.777	0.771

The value of f^2 is used to assess the variation in the value of R^2 for an endogenous latent variable (Hair et al., 2017). Table 9 illustrates the size of influence of Integrated Marketing Communications (IMC) i.e., the integrated effect of Advertising, Sales Promotion, Personal Selling, Public Relations and Direct Marketing on Customer Loyalty (CS) is 0.549 and 0.526 on Customer Satisfaction (CS) exhibiting a strong, significant and positive impact. Table 8 also illustrates that the value of f^2 for CS and PI exhibit a moderate impact on CL with 0.298 and 0.330 respectively.

Table 8: f Square

	CL	CS
ADV	0.193	0.262
CL		
CS	0.298	
DM	0.044	0.13
Moderating Effect 1 - ADV	0.315	
Moderating Effect 2-PS	0.052	
Moderating Effect 3-SP	0.031	
Moderating Effect 4-PR	0.065	
Moderating Effect 5-DM	0.244	
PI	0.330	
PR	0.152	0.016
PS	0.128	0.112
SP	0.032	0.006

A bootstrap procedure was run in PLS-SEM with a purpose to establish Confidence Intervals (CIs) for measuring the significance of path coefficients of latent variables. Hair et al (2019) found that without zero CIs (both lower and upper) exhibit a significant path coefficient. CIs for latent variables have been illustrated for the current study in Table 9 showing zero free CIs.

Table 9: Confidence Intervals

	Original Sample (O)	Sample Mean (M)	2.50%	97.50%
ADV -> CL	0.290	0.280	0.471	0.108
ADV -> CS	0.445	0.435	0.342	0.518
CS -> CL	0.547	0.541	0.359	0.173
DM -> CL	0.202	0.195	0.048	0.353
DM -> CS	0.308	0.318	0.206	0.431
Moderating Effect 1 - ADV -> CL	0.565	0.561	0.737	0.395
Moderating Effect 2-PS -> CL	0.293	0.295	0.069	0.556
Moderating Effect 3-SP -> CL	0.156	0.155	0.294	0.021
Moderating Effect 4-PR -> CL	0.259	0.249	0.439	0.104
Moderating Effect 5-DM -> CL	0.553	0.546	0.346	0.727
PI -> CL	0.333	0.326	0.208	0.418
PR -> CL	0.308	0.304	0.214	0.139
PR -> CS	0.193	0.190	0.173	0.103
PS -> CL	0.111	0.121	0.102	0.269
PS -> CS	0.222	0.218	0.148	0.279
SP -> CL	0.183	0.183	0.322	0.151
SP -> CS	0.176	0.180	0.104	0.198

Furthermore, according to Hair et al (2019), for two-tailed test, path coefficient's significance occurs when critical t-value exceeds 1.96 with its corresponding p-value less than 0.05. For the current study, Table 10 highlights the significance of the model's path coefficients.

Table 10: Path Coefficients

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
ADV -> CL	0.290	0.280	0.093	3.128	0.002
ADV -> CS	0.445	0.435	0.046	9.732	0.000
CS -> CL	0.547	0.541	0.09	6.055	0.000
DM -> CL	0.202	0.195	0.081	2.493	0.013
DM -> CS	0.308	0.318	0.054	5.704	0.000
Moderating Effect 1 - ADV -> CL	0.565	0.561	0.092	6.172	0.000
Moderating Effect 2-PS -> CL	0.293	0.295	0.128	2.285	0.023
Moderating Effect 3-SP -> CL	0.156	0.155	0.071	2.197	0.028
Moderating Effect 4-PR -> CL	0.259	0.249	0.105	2.472	0.014
Moderating Effect 5-DM -> CL	0.553	0.546	0.094	5.908	0.000
PI -> CL	0.333	0.326	0.054	6.138	0.000
PR -> CL	0.308	0.304	0.044	6.935	0.000
PR -> CS	0.093	0.090	0.045	2.088	0.037
PS -> CL	0.111	0.121	0.061	1.816	0.000
PS -> CS	0.222	0.218	0.032	6.868	0.000
SP -> CL	0.183	0.183	0.073	2.523	0.012
SP -> CS	0.076	0.080	0.059	1.284	0.000

Tables 3 & 10 highlight direct as well as indirect effects demonstrating the impact of Integrated Marketing Communications (IMC) on Customer Loyalty (CL) with mediating effect of Customer Satisfaction (CS). The results indicate that the indirect impact of all five constructs of independent variable (IMC) on Customer Loyalty (CL) with mediation of Customer Satisfaction is found to be significant i.e., Advertising ($r=0.242$, $p < 0.05$), Public Relations ($r=0.049$, $p < 0.05$), Personal Selling

($r=0.123$, $p < 0.05$), Direct Marketing ($r=0.170$, $p < 0.05$), Sales Promotion ($r=0.043$, $p < 0.05$). This result approves hypothesis 3. This notion illustrates that Customer Satisfaction is serving in this study as a complementary mediator.

Figure 2: PLS Results

Figure 2 illustrates that all five constructs of IMC exhibit 77.7 % variance in Customer Satisfaction (mediator) whereas the combined effect of mediation and moderating effect of Product Innovation exhibit 84 % variance in Customer Loyalty (Hair et al., 2019).

Discussion

This study investigated the relationships within integrated marketing communications, customer satisfaction, product innovations and customer loyalty by using a sample of individuals living in South Punjab, Pakistan. The researchers put an illusion on whether integrated marketing communications have an impact on customer loyalty with mediating effect of customer satisfaction along with moderation of product innovation. All the four hypotheses statement have been supported by these study findings. The study provided a framework that the people find themselves more satisfied with products due to communications and promotional campaigns adopted by the brands which consequently, leads to enhance the loyalty within the customers. Moreover, the study highlighted product innovation as a change factor and satisfaction providing element to the customers. Furthermore, the study is supporting social exchange theory with the fact that the customers tend to choose only those brands which provide them the maximum satisfaction.

Conclusion

The study provides a framework for the companies to augment their brands according to the needs and wants of customers so as their satisfaction and loyalty is the ultimate objective of every brand. The study apprehends social exchange theory with the illusion that it is the need of hour that brands must be innovative as the needs of the customers are varying very rapidly within this dynamic environment enhancing the market competition. With this phenomenon, the companies may incorporate their brands to be at the best choice by the customers due to continuous improvement through augmentation and product

innovation. As the needs are varying, with the variations in the brands, the companies tend to enhance the loyalty of customers and keep them a loyal customer decreasing the switching impact within them.

Limitations

The study provides multiple stands for previous literature especially for social exchange theory but there are some limitations have been found during this course of study. Firstly, this study has been conducted with the sample of South Punjab, Pakistan which is low-developed and less urbanized area. Secondly, the study is undergoing with one mediator – customer satisfaction. There may be some other variables which may be apprehended as mediator within the relationship between IMC and customer loyalty. Thirdly, the study is cross-sectional which becomes a source of data biasness.

Future Research Directions

There are multiple elements which may be incorporated by the future research such as extending this research study with using other variables as mediator like brand trust and brand commitment (Kwiatek et al., 2020). Moreover, future research may use longitudinal approach so as to reduce the data biasness. Further, future research may entail some other urbanized area for apprehension of the study.

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