

**Integrated Marketing  
Communications and their  
Influences on Brand Loyalty:  
a Thai Perspective**

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**Abstract:**

*This research aims to investigate the relationship between two elements of marketing communications – advertising and sales promotion, in relation to customer loyalty towards service providers in Thailand. This study also looks into addressing other factors that influence behavioural and attitudinal loyalty of Thai customers. This research is based on the premise that brand personality, brand image and brand awareness created by company advertising and sales promotions can shape consumer expectations, which in turn determine customer satisfaction. Secondary research finds that consumers are satisfied with a company which can fulfil its promises and meet their expectations towards provided services, eventually customer trust. Customers' value and trust then lead to attitudinal and behavioural loyalty.*

**Keywords:** Integrated Marketing Communications, Customer Satisfaction, Thailand

## **Introduction**

Thailand is ranked 23th in the world in terms of the number of Internet users (Central Intelligence Agency, 2013). From 2000 to 2010, the average Internet user growth rate per year was 30% (Srihirun, 2011). The Thai National Electronics and Computer Technology Center states that there were only 2,300,000 Internet users in Thailand in 2000; and in 2009 this figure escalated to 18,300,000 (NECTEC, 2013). It can be concluded that telecommunications market, especially for Internet services, play a critical role in Thailand's economy.

Furthermore, customer turnover has become a great concern in Internet services industry in many countries. Australian ISP market witnessed that up to 35% of their customers discontinued in 2007 (Spiller, Vlasic & Yetton, 2007). Thailand is also not an exception; National Electronics and Computer Technology Centre of Thailand (NECTEC, 2013) revealed that an average 10% of Thai Internet customers switched their providers between 2003 and 2008. In 2009, this figure was 12% (True, 2010). Therefore, service providers need to take action to manage customers' behavioural and attitudinal loyalty.

Despite the importance of the Thai telecommunications market and current issues related to this industry, surprisingly few studies have been done in the home Internet services in Thailand (Thaichon, Lobo & Mitsis, 2012). No more than five studies about customer loyalty in Thai Internet services can be found in Google scholar. In addition, a search on Google Scholar showed less than ten academic research publications exploring consumer loyalty in ISP industry in both developed and developing economies. Therefore, it can be seen that Thai market is an under-researched context. Provided the high usage and increasing churn rates in the ISP sector, it is justified to investigate the antecedents to brand loyalty, especially customer retention, within the Thai Internet services market.

On the other hand, marketing communications have been widely used by companies to reach their target market. Past researched shows that Integrated Marketing Communications (IMC) can directly and indirectly influence on different aspects of customer behavioural loyalty and switching intention (Aaker, 1997). However, there

have been various changes in the concept of IMC over the last few years. These changes are primarily concerned with new concepts in definitions, roles, and forms of IMC, and how marketing communication influence consumers in the Information Age of the 21<sup>st</sup> century. For this reason, this research aims to investigate the two elements of IMC (i.e. advertising media and sales promotion) and their effects on customer behaviour, which eventually influences customers' behavioural and attitudinal loyalty.

Moreover, the comprehensive study of IMC practices in Thailand is still in the beginning stage. Among very few papers exploring IMCs in Thailand, the work by Anantachart (2001) and Vantamay (2011), which found a significantly positive relationship between the IMC management in organisations of advertisers in Thailand and their performances, only investigated the IMCs from the practitioner's points of view. The influences of IMCs on Thai customers still remain an open question for researchers.

Research has revealed that customer acquisition often costs more than customer retention (Jaiswal & Niraj, 2011). Nonetheless, recruiting new customers cannot guarantee long-term success for a company especially when that company cannot retain its customers (Wang & Wu, 2012). As a result, Thaichon, Lobo and Mitsis (2012) suggest that it is a fundamental for all services to equally focus on customer acquisition and customer retention in order to increase firm profitable. A 2% increase in the customer retention rate is equal to a 10% decrease in the cost of customer acquisition in the mobile phone service industry in China (Han, Lu & Leung, 2012). Similarly, Spiller, Vlastic and Yetton (2007) report that a 1% retention rate of customers could increase up to 5% profit in the ISP context. Hence, keeping a loyal customer is more profitable in the long run in comparison to acquiring new customers (Wang & Wu, 2012).

Generally, a loyal customer is more likely to talk and recommend about the service provider among their groups, and disregard the negative message promoted by others (Tam, 2012). In addition, Deng et al. (2010) state that loyal customers can generate new customers to their favourite service provider. In contrast to this, non-

loyal customers can be easily influenced by negative information about the products or services (Jahanzeb, Fatima & Khan, 2011).

This research provides an opportunity for ISPs in Thailand to understand how marketing communications can influence antecedents' customers' behavioural and attitudinal loyalty, and as a result, behavioural and attitudinal loyalty themselves. The study attempts to help companies to use marketing communications more effectively and efficiently. The overarching research question is "What are the indirect effects of advertising and sales promotion on behavioural and attitudinal loyalty of customers of Internet service providers in Thailand?"

The proposed research aims to develop an in-depth understanding about effects of marketing communications on consumer behaviour in the Thai Internet consumption market. It suggests that, by working on their advertising and sales promotion, service providers will be able to increase brand image, awareness and personality. This will reinforce customers' satisfaction, trust, and value toward the service provider. As the result, it will also reduce the current issues relating to customer switching, as well as enhance behavioural and attitudinal loyalty of Internet service providers in Thailand.

In order to achieve the research objectives stated above, a model is proposed as depicted in Figure 1. The literature review and formulation of hypotheses related to each construct are then discussed next. Subsequently, the methodology is presented. This paper concludes with a discussion of the implications of the research, limitations and future research direction.

### **Thai Internet Usage Behaviour and Thai Internet Services Industry**

The Internet was first introduced in Thailand in 1991, and it was only until 1999 that the Internet usage witnessed a major growth (see Table 1). National Electronics and Computer Technology Centre (NECTEC, 2010) points out that in 2009 there were 18.31 million Internet users in Thailand. NECTEC also reveals that, there was a growth of 84.68% in the total number of Internet users from 2005 to 2009. In addition, Thai Internet services market is considered as an oligopoly market. There

are only three giants in this industry, namely TOT Internet, 3BB, and True Internet, and Internet service providers as shown in Table 2 above (NECTEC, 2013).

Year	Internet User	Year	Internet User
2009	18,300,000	1999	1,500,000
2008	16,100,000	1998	670,000
2007	13,416,000	1997	220,000
2006	11,413,000	1996	70,000
2005	9,909,000	1995	45,000
2004	6,970,000	1994	23,000
2003	6,000,000	1993	8,000
2002	4,800,000	1992	200
2001	3,500,000	1991	30
2000	2,300,000		

**Table 1: Thai Internet user rate (NECTEC, 2013)**

Home Internet service providers in Thailand		
1. TOT Internet	8. Buddy Broadband	15. Far East Internet
2. True Internet	9. Jasmine Internet	16. Reach Thailand
3. 3BB	10. IIR Internet	17. Chomanan Worldnet
4. CAT Internet	11. Thai Fi	18. Otaro
5. CS Loxinfo	12. ISSP	19. KIRZ Internet
6. KSC Internet	13. Smart	
7. Proen Internet	14. A-Net	

**Table 2: Home Internet service providers in Thailand (NECTEC, 2013)**

The growth of Internet usage in Thailand is originated from the development and popularity of Internet applications which especially appeal to young and casual users. A Thai Internet user spends an average of 10 hours online per week (NECTEC 2013). Table 3 shows that the largest percentage of Internet usage (69.14%) was found in entertainment and games websites in 2009. Websites about social and business affairs was ranked number two with 27.4%. This is not surprising provided that most Internet users in Thailand are young. Their online daily activities usually include checking email, chatting, and visiting local new media sites (NECTEC 2013). Interestingly only 1.75% of them visited Government websites and just 1.71% were interested in educational contents (NECTEC, 2013).

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Type of website	%
Entertainment	53.39
Games	15.75
Internet	7.5
Social/Personal	7.34
News	6.83
Business	3.72
Computer	2.01
Government	1.75
Education	1.71

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**Table 3: Internet usage behaviour (NECTEC, 2013)**

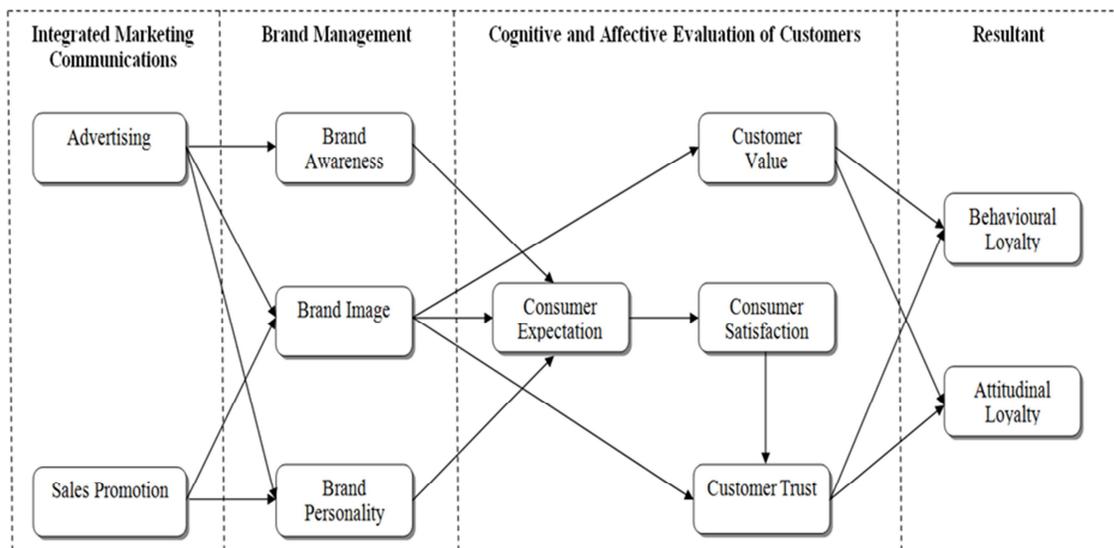
As mentioned earlier, the industry is characterised by high switching rate. In a study, Thananuraksakul (2007) explains that it is because Thai ISP consumers are more likely to purchase the brand that has the highest perceived value, for example the offered service or product is of higher quantity or quality at the same or lower price compared to other alternatives (Thananuraksakul, 2007). In other words, Thai consumers in general tend to purchase a product or service which gives them the best value. Additionally, Thailand is still a developing country, which means consumers with low to middle income are more concerned on cost savings. In ISP industry, this can in the form of discounted prices, higher Internet downloading and uploading speed, and value added services such as bundle promotions (i.e. bundling complimenting service offerings, for example, land telephone line with internet connection). There are a large amount of promotions which have been used by Thai ISPs in order to retain and recruit customers. However, there are still questions about their real effects on customer loyalty (Thananuraksakul, 2007).

Furthermore, Lekagul (2002) mentions that Thai consumers tend to associate a positive brand image with a well-established company. Moreover, trust, awareness and knowledge towards a brand also play a critical part in Thai consumers' decisions making process. Feeny and Vongpatanasin (1996) echo this view by stating that Thai consumers tend to purchase goods or services when they have a positive attitude towards the product or service or the service provider. The foregoing discussion suggests that Thai ISP can influence customer loyalty through some

other factors such as brand image, trust, and value. In turn, these factors can be impacted through company advertising and sales promotions. A review of the literature, which provides more support and insights for these propositions, will be presented in the following section.

**Development of a conceptual model**

As a result of the literature review to date a conceptual model has been developed. The dependent construct of behavioural and attitudinal loyalty are influenced by several independent and moderating constructs, such as consumers’ satisfaction, value, trust expectation, brand awareness, brand image and brand personality. The independent constructs of brand management are advertising and sales promotion (see Figure 1).



**Figure 1:** Proposed conceptual model.

**Company’s Influential Factors**

Service providers always try to draw the attention of customers to their service among other available services. Their objectives are to capture customer attention, and also to make the customers choose their services in the future purchase occasions. As mentioned earlier, this study aims to examine the two elements of IMC, which are advertising and sales promotion. Advertising is a part of marketing communications, which is often used to deliver messages from service providers to

its customers and the public. Advertising can be in forms of traditional and online media, including radio, magazines, television, outdoor advertising, packaging, logo, and point of sale display (Grossmanova, Vojtkova & Kita, 2009). Companies can use traditional and online media advertisements to enhance brand awareness through higher brand exposure, as well as create brand image and brand personality among its customers and the public (Chen & Green, 2009). Likewise, Aaker (1997) suggest that advertising can strengthen brand personality, brand image and brand awareness over time.

Following the foregoing discussion, sales promotion is believed to weaken brand equity despite the short-term benefits offered to the consumers (Buil, de Chernatony & Martínez, 2013). Sales promotion for consumer including samples, redeemable coupons, cash-back offer, money-off deals or price packs, premium offers, contests of chance etc. (Kotler et al., 2010). In general, activities based on reducing prices can put service providers at risk by stimulating uncertainty and volatility, which result in an image of volatile quality (Winer, 1986) or even low quality in customer point of view (Martinez, Montaner & Pina, 2011). Drawing on their study, brand image can be damaged by company's sales promotion (Martinez, Montaner & Pina, 2011). We, therefore, hypothesise the following:

H<sub>1a</sub>: Advertising is positively associated with brand awareness

H<sub>1b</sub>: Advertising is positively associated with brand image

H<sub>1c</sub>: Advertising is positively associated with brand personality

H<sub>2a</sub>: Sales promotion is negatively associated with brand image

H<sub>2b</sub>: Sales promotion is negatively associated with brand personality

### **Brand management**

Significant effort is put in shaping company communications that deliver messages to customers and generate specific brand awareness, brand personality, and brand image, which also lead to customer expectations when customers are exposed to the brand and its services (Rhee & Johnson, 2012). Brand personality takes forms of human characteristics and emotions to represent a brand, for example sincerity, excitement, competence, sophistication, ruggedness, honesty, trustfulness, fashionable, fun, friendly, environmental friendly, stylist, expensive, easy going, and

creative (Aaker, 1997). These human characteristics and emotions provide customers with the ability to connect their own personal personalities with one particular brand, and afterwards wish to use the brand to express themselves (Rhee & Johnson, 2012). In fact, Biel (1993) considers brand personality as a main driver of the positive attitudes and preferences for a brand. Therefore, brand personality can have a positive effect on attitudes and preferences towards a brand, which ultimately have an impact on customer expectations (Rhee & Johnson, 2012).

Brand awareness, on the other hand, refers to customers' knowledge, recall and recognition about a brand and its services (Huang & Sarigöllü, 2012). It can be in the form of price, distribution, promotion, product features, brand personality, and brand name (Hong & John, 2010). Sen (1999) also states that a consumer's awareness is the first key step in the development of consumer's recognition and memories around the brand name. In addition, brand awareness is considered as all information in a person's memory that is interrelated to form an associative network and can be strengthened through marketing communications (Keller, 2008). These could be customers' memory from their previous purchase, peers or from a television advertisement. In fact brand awareness is found to be a factor that can influence customer expectations for a brand and its services (Bertsch & Ostermann, 2011).

Furthermore, brand image is a set of associations that consumers have in their mind of a brand and its services (Keller, 1993). Kim, Han and Park (2001) support this view by defining brand image as a symbol created within the consumers' mind which consists of all the information and expectations associated with products or services. Gardner and Levy (1955), as well as Keller (2008) highlight that brand image is something that resides in the consumers' mind, which lends to consumer expectations.

Previous researchers found that brand image affects consumer trust as it can reduce the risk perceived by consumers (Chen, 2010). Shank and Langmeyer (1994) report that brand image is created by either direct company communication mix or indirect contact with the consumers and eventually lends to consumer expectation and reinforces brand trust. Besides, brand image influence customer decision-making

process and brand image has a positive relationship with consumer trust (Mukherjee & Nath, 2003). Aaker (1999) also says that the more favourable brand image, the more consumers trust in the brand and its services. In European athletic shoes and chocolates context, brand image found to be one of the key factors that have a positive effect on brand trust (Esch et al., 2006). In addition, a research in Islamic Banking context finds that company image is positively correlated to customer trust (Hoq, Sultana & Amin, 2010). Therefore, the ISP which has a high awareness of its brand image tends to have a higher level of brand trust and clearer perception of its brand image, which eventually results in customer expectation.

As mentioned previously, marketing communications can create a strong image for businesses in social responsibility and corporate capability in customers' point of view, which can be used to ascertain the value of the services from the firm provides (Teas & Agarwal, 2000). In other words, brand image can result in customers' value perception, particularly when the company image conveys multiple benefit-related components provided by the brand (Kirmani & Zeithaml, 1993). For instance, Cretu and Brodie (2007) investigate the impact of brand image and company reputation on customer perceived value in the cosmetics business market in New Zealand and discover that brand image has a positive influence on customer perceived value. Restaurant image is also found to be a significant antecedent of customer perceived value in USA (Ryu, Lee & Kim 2012). Supporting this view, Lai et al. (2009) also state that corporate image affected customer perceived value in Chinese telecommunications market. Based on the above discussion, we hypothesise the following:

H<sub>3</sub>: Brand awareness is positively associated with customer expectation

H<sub>4a</sub>: Brand image is positively associated with customer value

H<sub>4b</sub>: Brand image is positively associated with customer expectation

H<sub>4c</sub>: Brand image is positively associated with customer trust

H<sub>5</sub>: Brand personality is positively associated with customer expectation

### **Cognitive and affective evaluation of customers**

Consumer expectation can be in forms of assumptions on product performance, believe in a brand promises (i.e. on time and good quality), judgments based on

consumer's previous experiences, positive or negative word of mouth or consumer perception (Cronin, Brady & Hult, 2000). Consumer expectations can be influenced by brand information, such as brand awareness, brand image and brand personality (Varela et al., 2010). Researchers also find that consumer expectations are related to consumer satisfaction (McDonald, Sutton & Milne, 1995).

Following the foregoing discussion, Pignat (2002) mentions that before consumers make a purchase, consumers evaluate the possible benefits that can be derived from the service based on their expectations. After making a transaction to obtain the service, the consumers will compare their expectations with the real benefits received from their usage or experience. If their expectations are more than actual benefits, they will be not satisfied. Meanwhile, consumers will be satisfied if the brand can fulfil its promises and meet their expectations (Keramati & Ardabili, 2011). Wallace, Giese and Johnson (2004) point out that marketer need to meet consumer expectation by offering positive overall experience with the brand in order to increase consumer satisfaction. Supporting this view, Tam (2012) states that consumer expectations affect consumer satisfaction, which in turn results in customers' happiness, fulfilment and pleasure towards a brand and its services.

Previous research has suggested that customer satisfaction is the antecedent of customer trust (Danesh, Nasab & Ling, 2012; Suki, 2011). Consumer trust is affected directly by the level of satisfaction from the previous purchase (Singh & Sirdeshmukh, 2000). In another word, when customers happy with the current or previous buy, they tend to have greater trust toward their incumbent service provider. Likewise, in hypermarkets in Taiwan, a research conducted by Danesh, Nasab and Ling (2012) assert that customer satisfaction has a positive effect on customer trust. Correspondingly, in Malaysian vendor mobile-commerce context, customer satisfaction is found to be a determinant of customer trust (Suki, 2011). Chiou (2004) also say that consumer satisfaction affect brand trust, which in turn influence brand loyalty in Taiwanese ISP industry. Hence the following has been hypothesised:

H<sub>6</sub>: Customer expectation is positively associated with customer satisfaction

H<sub>7</sub>: Customer satisfaction is positively associated with customer trust

## **Resultants**

The resultants constructs of the proposed conceptual model consist of attitudinal and behavioural loyalty (Zeithaml, Berry & Parasuraman, 1996). Attitudinal loyalty is implied by preference and commitment regarding a brand, and demonstrates through less price sensitivity (Richard & Zhang, 2012). Attitudinal loyalty is usually assessed by customers' inner feelings of attachment, positive word-of-mouth and recommendations (Zeithaml, Berry & Parasuraman, 1996). Attitudinal loyalty can be concluded by examining whether customers deem themselves to be loyal to a particular ISP, and whether they consider the ISP as the best choice for them (Kim & Niehm, 2009). On the other hand, the behavioural loyalty is reflected by the share of the market, the percentage and the likelihood of purchases (Richard & Zhang, 2012). Behavioural loyalty is often determined by evaluating how many customers who stay with their service provider (Zeithaml, Berry & Parasuraman, 1996).

As mentioned earlier, customer value has frequently been explained as a comparison between what customers obtain and what they have to give up in purchasing a product or service (Tam, 2012). Consumers are more likely to buy and repurchase the service that can offer them the largest obtained benefits (Wang & Wu, 2012). In other words, the higher the perceived value of a brand is, the more willing customers are to come back to that particular brand (Wallace, Giese & Johnson, 2004). As a result, customers will continue doing business with a company that is considered to have higher value than its competitors (Wang & Wu, 2012). In a research conducted in the Chinese mobile data services, value is proved to directly influence customer repurchase intention (Qian, Peiji & Quanfu, 2011; Wang, Lo & Yang, 2004) and attitudinal loyalty (Qian, Peiji & Quanfu, 2011). Similarly, it is reported that value is related more significantly and positively to customer loyalty than service quality and switching costs are in the Australian mobile service (Lee, & Murphy, 2008). Lien, Wen and Wu (2011) also find a significant association between perceived value and behavioural intentions of online shoppers in Taiwan. In the Thai mobile service context, value also has a positive relationship to customer retention (Leelakulthanit & Hongcharu, 2011). Based on extant literature the following relationships were hypothesised:

H<sub>8a</sub>: Customer value is positively associated with behavioural loyalty

H<sub>8b</sub>: Customer value is positively associated with attitudinal loyalty

On the other hand, trust is defined as customers' perceptions of qualities of service providers, including the ability, honesty, and goodwill of the companies (Deng et al., 2010). Trust has been highlighted as a significant factor in the formation of relationship and loyalty (Morgan & Hunt, 1994). Moreover, it is confirmed that customer trust decreases the uncertainty in a business environment where consumers feel susceptible, uncertain or insecure (Deng et al., 2010). As a result, customer intention to purchase grows stronger when customers think that they can trust the service providers (Castañeda & Montoro, 2007). Especially, in Malaysian telecommunications, trust towards a service provider can stop customers from changing to another provider (Amin, Ahmad & Hui, 2012).

In addition, research has proved that trust is a significant antecedent of attitudinal loyalty in (DeWitt, Nguyen & Marshall, 2008; Matzler, Bidmon & Grabner-Kräuter, 2006). Customers who trust their service provider will stick with the company and recommend its service to their peers (Deng et al., 2010). In telecommunications industry, customer trust is associated with the emotional side of consumer loyalty and quality of the customer-service provider relationship (Chiou & Droge, 2006). Pirc (2006) support this view by claiming that customer trust towards the service providers positively and directly affects customer loyalty in Slovene mobile telephony industry. Similar results are also concluded in Taiwan (Chiou, 2004), and United Kingdom telecommunications market (Ranaweera & Prabhu, 2003).

Therefore, customers of an ISP with greater brand trust tend to have higher attitudinal and behavioural loyalty. Based on extant literature the following relationships were hypothesised: A summary related to the conceptual model is presented in Table 4.

H<sub>9a</sub>: Customer trust is positively associated with behavioural loyalty

H<sub>9b</sub>: Customer trust is positively associated with attitudinal loyalty

A summary of literature related to the proposed	Literature
H1a: Advertising → Brand Awareness	Aaker (1997); Keller (2008); and Teas and Agarwal (2000)
H1b: Advertising → Brand Image	Aaker (1997); Chen and Green (2009); Shank and Langmeyer (1994); and Teas and Agarwal (2000)
H1c: Advertising → Brand Personality	Aaker (1997); and Chen and Green (2009)
H2a: Sales Promotion → Brand Image	Buil, de Chernatony and Martínez (2013); Winer (1986); Martinez, Montaner and Pina (2011); and Shank and Langmeyer (1994)
H2b: Sales Promotion → Brand Personality	Winer (1986)
H3: Brand Awareness → Customer Expectation	Bertsch and Ostermann (2011); and Rhee and Johnson (2012)
H4a: Brand Image → Customer Value	Cretu and Brodie (2007); Kirmani and Zeithaml (1993); Lai et al. (2009); Ryu, Lee and Kim (2012); and Teas and Agarwal (2000)
H4b: Brand Image → Customer Expectation	Gardner and Levy (1955); Keller (2008); Kim, Han and Park (2001); Rhee and Johnson (2012); and Shank and Langmeyer (1994)
H4c: Brand Image → Customer Trust	Aaker (1999); Chen (2010); Esch et al. (2006); Hoq, Sultana and Amin (2010); Mukherjee and Nath (2003); and Shank and Langmeyer (1994)
H5: Brand Personality → Customer Expectation	Aaker (1997); Biel (1993); and Rhee and Johnson (2012)
H6: Customer Expectation → Customer Satisfaction	Keramati and Ardabili (2011); McDonald, Sutton and Milne (1995); Tam (2012); and Wallace, Giese and Johnson (2004)
H7: Customer Satisfaction → Customer Trust	Chiou (2004); Danesh, Nasab and Ling (2012); Singh and Sirdeshmukh (2000); and Suki (2011)
H8a: Customer Value → Behavioural Loyalty	Leelakulthanit and Hongcharu (2011); Lien, Wen and Wu (2011); Qian, Peiji and Quanfu (2011); Wallace, Giese and Johnson (2004); Wang, Lo and Yang (2004); and Wang and Wu (2012)
H8b: Customer Value → Attitudinal Loyalty	Qian, Peiji and Quanfu (2011)
H9a: Customer Trust → Behavioural Loyalty	Amin, Ahmad and Hui (2012); Castañeda and Montoro (2007); Deng et al. (2010); and Morgan and Hunt (1994)
H9b: Customer Trust → Attitudinal Loyalty	DeWitt, Nguyen and Marshall (2008); and Matzler, Bidmon and Grabner-Kräuter (2006)

**Table 4: Summary of literature and related hypotheses**

## Discussion and conclusion

Thai consumers can generally be monetary or symbolic value conscious, or both. While the low to middle income customers tend to be more price sensitive as the Thai economy is still weak compared to other developed nations, most of Thai customers are likely to be concerned with their face when purchasing or using a product/service – a typical characteristic of Asian cultures. Sales promotion and advertising, therefore, can be two very effective tools to maintain a company's

customer base. Whereas wisely implemented sales promotions provide customers with maximise values, well designed advertising can create positive image residing in customer mind.

This research establishes a path from company IMCs to customer loyalty. This research assumes that two main direct determinants of behavioural and attitudinal loyalty are consumers' value and trust. In the meantime, another two factors that directly impact value and trust are identified as consumer satisfaction and brand image. Customer satisfaction is determined by expectations which can also be formed by brand image, brand awareness, and brand personality. Eventually, brand image, brand awareness, and brand personality, in turn, are shaped by the IMC elements which are advertising and sales promotion in this study. Therefore, it can be seen that advertising and sales promotion are most likely to have an indirect effect on customer loyalty.

The paper provides some managerial implications for Internet service operators in Thailand. By controlling factors directly and indirectly related to behavioural and attitudinal loyalty, which include advertising and sales promotion in this case, Thai ISPs can minimise customer intention to switch, and as a result, will be able to maintain their customer base. If a company can retain current customers, pressure of costly customer acquisition will be minimized. In addition, loyal customers can bring in new customers through recommendations and word of mouth. Consequently, long-term profitability for the ISPs will be ensured. However, Thai ISPs need to be aware of the effects of sales promotions because this IMC element can deteriorate the brand, which leads to negative outcomes in customer loyalty. Therefore, it is recommended that service providers are cautious in using advertising and sales promotion appropriately in order to create a positive effect on customer loyalty. Moreover, this research can build a new body of knowledge with regards to the future potential of the IMCs ISP industry in Thailand and in other similar developing countries, such as Malaysia, Vietnam, Philippines and India.

In term of limitations, the model in this study is just conceptual and has not been tested by exploratory research. A quantitative research is recommended in order to evaluate the model and provide more insights for the Thai ISP market. Advanced statistics such as exploratory and confirmatory factor analysis, structural equation modelling and multiple regression can be applied to examine whether theoretical relationship between items and their hypothesised factors are supported by the data (Cunningham, 2010).



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