

INFLUENCE OF SOCIAL CURRENCY ON CUSTOMERS PURCHASE INTENTION, MEDIATED BY BRAND EQUITY ELEMENTS: A CASE OF SMART PHONE MARKET IN ISLAMABAD

**KASHIF SHAFIQUE ABBASI
AAMIR KHAN KHATTAK**

Mohammad Ali Jinnah University, Islamabad, Pakistan

MUHAMMAD JUNAID SHAHID

University of Lahore, Sargodha, Pakistan

ABSTRACT

Current study highlights the contribution of social currency in developing brand equity and purchase intention, and validate the formative construct of social currency not only to develop brand equity but also to significantly improve customer's purchase intention. The main objective was to find out the mediating role of brand equity elements in relationship between social currency and purchase intention in smart phone industry. Data was collected from smart phone brand users in Islamabad. 600 questionnaires were distributed and 396 complete responses were received, making a response rate of 66%. Data was analyzed through SPSS and AMOS Graphics. Reliability, Validity, Confirmatory Factor Analysis and Path analysis was performed to test the hypotheses. Results indicated that social currency has a positive and significant impact on brand equity elements (i.e. brand trust, perceived quality and brand image). Also, brand trust, perceived quality and brand image partially mediates the relationship between social currency and purchase intention. This study contributes to social capital and consumer socialization perspective of social currency in developing brand equity and purchase intention. The study also contributes to smart phone industry, and provides guidelines to improve brand equity and purchase intention through social media and engaging customers over the online and offline platforms. At the end, conclusion, limitations, and future research directions are also discussed.

INTRODUCTION

Today, brands involve in every activity to spread out brand information to get competitive advantage (Brown, Zablah, Bellenger, & Donthu, 2012). Social media and internet empowers brand to improve customer engagement to spread positive word of mouth for better brand advocacy (Keller, 2007; Kumar, Bohling, & Ladda, 2003). Now, apart from traditional marketing activities, customer-to-customer interaction is important for brands to attain competitive advantage. Online communities provides platform to customers (Zaglia, 2013) to provide relevant, adequate and trustworthy information to enhance the sense of affiliation (Fournier & Lee, 2009). Members identify (Dholakia, Bagozzi, & Pearo, 2004) and affiliate with brand when the community provides asocial backing (McMillan, 1996). Online brand communities are very impulsive, due to fast growing web technologies (Brogi et al., 2013). So, creation of brand's social value (i.e., social currency) is more important, that is the result of customer to customer interactions in their everyday social

life (Lobschat, Zinnbauer, Pallas, & Joachimsthaler, 2013). Social currency impacts perception of quality (Netemeyer, et al., 2004) and elements of social currency has significant positive effect on purchase intention (Kim & Hyun, 2011).

Marketers are planning to invest more in social media and digital marketing (Baer, 2014) and expressing their greatest interests to social listening (Redsicker, 2014). 98% of marketers decide to increase their marketing budgets like email marketing, social media marketing and content marketing (Young, 2014). Why marketers are investing more on social media and content marketing? Is this really generating the brand's social currency? These problems require empirical investigation to find out their importance in Pakistani context.

Pakistan imports mobile phones of worth US\$ 544 million as demand of smart phone has increased over the last few years in Pakistan, and 76.6% mobile phone penetration has been achieved (Pakistan Telecommunication Authority, 2014). In 2008, 139.29 million Smartphone had been sold, while in year 2014,

1.24489 billion smart phones has been sold globally and 276.39 billion US\$ was the revenue earned. Word of mouth conversations has become more challenging for marketers to control as communities of Smart phone brands can spread negative flow of information about other competing brands. Moreover, brand communities exist because of the rivalry and conflict among users of different brands, and they often ridicule the opposite brand and the followers of opposite brand, even publicly (Ewing, Wagstaff, & Powell, 2013). Conflicts and rivalry among different communities can generate negative word of mouth. Hence, the objective of the study is to examine the influence of social currency on perception of quality, brand trust and brand image. Also, the aim of this study is to examine the influence of social currency on purchase intention with intervening role of brand trust, perceived quality and brand image.

REVIEW OF LITERATURE

Theoretically, social currency is based on “Bourdieu’s (1977) and Coleman’s (1988) idea of social capital”, as cited in Zinnbauer & Honer (2011) that describes that customers get benefit from their social interactions. Also “consumer socialization” is a process through which consumers “acquire skills, knowledge, and attitudes” from society through interacting with each other as a part of their social life (Ward, 1974).

Social Currency

Social currency is defined as “the extent and modality with which consumers share a brand with others, or information about a brand, and derive social benefit from interacting with other brand users as part of their everyday social lives” (Lobschat, et al., 2013). They also describe that social currency is an emerging concept of social capital theory in which individuals and groups derive benefits while interacting with each other. Social currency comprises of six facets: 1) Information; 2) Identity; 3) Conversation; 4) Affiliation; 5) Advocacy; and 6) Utility.

Information

Information portrays the amount of benefits which a customer can obtain while interacting with other customers and these benefits craft informational value to customers (Zinnbauer & Honer, 2011; Lobschat, et al., 2013). The desirable information leads to more brand equity, brand image, and unattractive information regarding brand can diminish brand equity (Ward & Ostrom, 2003). Also word of mouth information can be accessed through social communities on social media (Liberali, Urban, & Hauser, 2013). These communities were developed to benefit both

the members and the community (Lu & Yang, 2011).

Identity

Identity refers to act of customers to introduce themselves across different brand communities (Zinnbauer & Honer, 2011). Social identity refers to users willingly and actively looking for a “sense of belonging” to specific community and willingness to improve their brand equity. Community identification significantly influences spiritual sense of brand community (Carlson, Suter, & Brown, 2008). Also brand identity and brand identification are key determinant of customer trust on the brand.

Conversation

Conversation is defined as the positive information regarding brand which customers obtain from any medium type while interacting with other customers (Zinnbauer & Honer, 2011; Lobschat, et al., 2013). The conversation about any aspect of brand is very useful for the brand equity development. Even though these conversations might be very complex in nature, they are helpful to categorize different opinions and decisions regarding improvement in brand services (Takeuchi, Subramaniam, Nasukawa, & Roy, 2009). Conversation economy is a newly introduced phrase for two-way conversation. Marketing and brand managers need to integrate these brand related conversations while taking organizational level branding initiatives.

Affiliation

The sense of belonging and sense of association in a brand community from many kinds of personal or non-personal relations is termed as affiliation (Zinnbauer & Honer, 2011; Lobschat, et al., 2013). Membership, guidance, integration, fulfillment of needs and commitment to stay positive and together is the essence of community (McMillan & George, 1986). Members are considered to boost up the sense of community by being honest, by having emotional safety, through having a sense of belonging and by helping and providing support to other members. If an authority is available to control the conflicts that arises within the community then it will generate productive results for the whole community (McMillan, 1996).

Advocacy

How actively a customer is acquiring, promoting and recommending brand’s positive information from and to other customers in terms of volume is called advocacy (Zinnbauer & Honer, 2011; Lobschat, et al., 2013).

Brand advocacy and favorable recommendations lead other customers to behavioral and intentional outcomes like purchase intention (Keller, 2007). Also, satisfied customers show more brand advocacy (Fullerton, 2005).

Utility

Utility is defined as a motivational aspect of social currency that stimulates customers to interact with other customers for their own satisfaction and for their personal reasons (Zinnbauer & Honer, 2011; Lobschat, et al., 2013). How much information is useful to make decisions is more important. The diversity and density of arguments is the main determinant of perceived usefulness (Willemsen, Neijens, Bronner, & Ridder, 2011). Consumer's expected utility is the consequence of perceived quality which is the outcome of decrease in both information costs and perceived risk (Menictas, Wang & Louviere, 2012).

Brand Equity

Brand equity can be defined as "the differential effect that brand knowledge has on consumer response to the marketing of that brand"; whereas, the core concept of brand equity depicts that "the power of a brand lies in what resides in the minds and hearts of customers" (Keller, 2013). Customers' "expectation that the brand will perform its promise" is called as brand trust (Lee & Back, 2008). Perceived quality of a brand is defined as "customers' perception of the overall quality or superiority of a product or service compared to alternatives and with respect to its intended purpose" (Keller, 2013). Brand image is the perception of brand attributes and brand benefits in the minds of customers, and the attraction, like ability and distinctiveness of brand attributes and brand benefits develops positive brand image (Keller, 1993).

Relationship between Social Currency and Brand Trust

Customer interaction with each other impacts brand trust (Choi, Yoon, & Lacey, 2013). Social support, that is the result of social interactions among customers, is a key source of developing brand trust (Hajli, 2014). It is very critical to develop communication channel to improve trust that helps to improve brand equity (Loureiro, 2013). Brand trust is the proven way of generating profits by charging premium prices (Allender & Richards, 2012). Moreover, customer to customer interactions derive social benefits that influence brand trust. Therefore, it can be assumed that social currency

impacts the brand trust.

Hypothesis 1. Brand's social currency is positively related to brand trust.

Relationship between Social Currency and Perceived Quality

Perceived quality is the "consumer's perceptions of the functional benefits and performance of the branded product" (Tsai, 2005). Customers utilize their social interactions to develop perception of quality (Hajli, 2014), and brands are providing risk free online environment to improve perceived quality (Loureiro, 2013). Undesirable information lead customers to perceive a brand as a low quality brand (Homer, 2008). In addition, online brand communities and social media provide customers a platform to interact with each other which create brand's social currency, leading them to improved perceived quality of that brand (Lobschat et al., 2013). Also, word of mouth conversations has significant effect on perception of quality (Rezvani, Hoseini, & Samadzadeh, 2012). Therefore, on theoretical basis, it can be proposed that brand's social currency impacts perceived quality of a brand.

Hypothesis 2. Brand's social currency is positively related to brand's perceived quality.

Relationship between Social Currency and Brand Image

The communication of brand image is more important to develop favorable outcomes and this is where social media plays its part (Larsen, 2014). In corporate sectors, marketing managers are concentrating on developing the brand image (Naqvi, Ishtiaq, Kanwal, Ali, & Inderyas, 2013). Now branding is involved with social media activities to engage customers online, and word of mouth conversations are considered as triggering cues to building brand image over the social media (Severi, Ling, & Nasermodadi, 2014). Therefore, literature proves that brand image can be influenced by amount of information available over the social media as a result of customer to customer interactions. Therefore, it can be supposed that social currency influence the brand image in the minds of customers.

Hypothesis 3. Brand's social currency is positively related to brand image.

Purchase Intention

The probability of buying the brand is called as

purchase intention (Keller, 2013). Also it inspires customers to recommend the brand to other customers (Hsu & Cai, 2009). Plentiful research is available in the field of purchase intention (e.g., Magnini, Karande, Singal, & Kim, 2013; Rodríguez-Entrena, Salazar-Ordóñez, & Sayadi, 2013; Lu, Chang, & Chang, 2014). Numerous studies were conducted in relation to variable that are also a part of this research like perceived quality (Roest & Rindfleisch, 2010; Das, 2014) and brand image (Diallo, 2012). But literature lacks in accordance to social currency.

Relationship between Social Currency, Brand Trust and Purchase Intention

Customer's propensity to trust branded product is important to pull purchase intention (Hsu & Chen, 2014). In online settings, brands needs to have a very strong reputation which is necessary to build brand trust (Eastlick, Lotz, & Warrington, 2006), as trust is important to increase brand purchases (Chiu, Hsu, Lai, & Chang, 2012). Hajli (2014) found that supportive environment provided by brands increases brand value which manipulates customer intention to do business with brand. Additionally, word-of-mouth conversations and social interactions increase brand trust and customers with strong brand trust show more intensity to purchase intention (Ponte, Carvajal-Trujillo, & Escobar-Rodríguez, 2015). Therefore, on the basis of literature, it can be assumed that social currency of a brand is important to embellish customer's purchase intention with a mediating effect of brand trust.

Hypothesis 4. Brand trust mediates the relationship between social currency and purchase intention.

Relationship between Social Currency, Perceived Quality and Purchase Intention

Social media provides customer with access to knowledge, information, experiences and emotional support that significantly affect quality (Hajli, 2014) and informational quality of brand impact purchase intention (Ponte, et al., 2015). Perceived quality is a key driver of brand's purchase intention (Besharat, 2010). The information shared by customers in their daily lives, about the brand, is significant to perceived quality; whereas, perceived quality is important to increase purchase intention. Therefore, it can be assumed that social currency is important to increase purchase intention with the mediating effect of perceived quality.

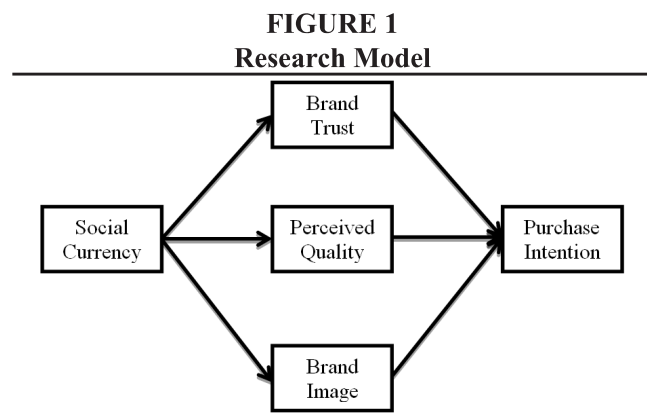
Hypothesis 5. Perceived quality mediates

the relationship between social currency and purchase intention.

Relationship between Social Currency, Brand Image and Purchase Intention

Online brand information is necessary to improve brand image (Malik et al., 2013). Empirical evidences have proved that brand related social information is very important to brand image (Cheung, et al., 2014) that ultimately leads to purchase intention (Vlachos & Vrechopoulos, 2012). Moreover, research in consumer behavior illustrates that brand image is the main element which directly influences the brand purchases (Esch, Langner, Schmitt, & Geus, 2006). Therefore, on theoretical grounds, it can be assumed that social currency effects consumer's purchase intention with a mediating effect of brand image in the minds of customers.

Research Model



METHODOLOGY

Current research is quantitative and data was collected from individuals through questionnaire survey. The study is causal as it tested the relationship between social currency, brand equity elements and purchase intention. This study focused on smart phone users in Islamabad, so unit of analysis is an individual smart phone user. Current study is cross sectional and non-contrived.

Research Instruments

The instruments used for this study were adopted from existing researches that were previously validated. For research instrument, scale of conversation was based on the research of Godes and Mayzlin (2004). A scale employed by Zeithaml, Berry and Parasuraman (1996) and later on by Price and Arnould (1999) was used to measure advocacy. Information was measured by the

scale adopted from Muniz and O’Guinn (2001) and Mathwick, Wiertz and De-Ruyter (2008). Affiliation is a beneficial aspect of social currency; it was examined through McAlexander Schouten and Koenig (2002) scale. Algesheimer, Dholakia and Herrmann (2005) conducted research on brand community and scale of utility was adopted from their research. The scale for identity was adopted from the study of Sprott, Czellar and Spangenberg (2009). Scale for perceived quality is acquired from Grewal, Monroe and Krishnan (1998), brand trust was adopted from Chaudhuri and Holbrook (2001) brand image was adopted from Aaker (1991) and Keller (1993), and Purchase intention was measured by the scale acquired from Yoo, Donthu, and Lee (2000) and Shukla (2011). Table 1 shows the full detail of all the constructs of the current study.

Population and Sample

According to PTA (2014) cellular subscribers in Pakistan are 139.9 million. The population for this study was individuals from Islamabad who were actual users of smart phone brands. A list of selected smart phone brands was incorporated in the questionnaire to make it clear that they were actual users of the smart phone brands. Most of the individuals in the population were from other cities working with federal government organizations, educational institutes, public and private sector universities, non-governmental social organizations and private sector organizations. So, to some extent, Islamabad is the city mixed with almost all cultures of Pakistan. The questionnaires were administered personally as convenience sampling was used for this research.

TABLE 1
Measurement items and Reliability

	Construct	Author	No of Items	Cronbach's Alpha
1	Conversation	Godes & Mayzlin (2004)	2	.767
2	Advocacy	Zeithaml et al. (1996) and Price & Arnould (1999)	3	.766
3	Information	Muniz & O’Guinn (2001) and Mathwick et al. (2008)	4	.729
4	Affiliation	McAlexander et al. (2002)	3	.844
5	Utility	Algesheimer et al. (2005)	3	.748
6	Identity	Sprott et al. (2009)	2	.746
7	Perceived Quality	Grewal et al. (1998)	4	.821
8	Brand Trust	Chaudhuri & Holbrook (2001)	5	.754
9	Brand Image	Aaker (1991) and Keller (1993)	9	.883
10	Purchase Intention	Yoo, Donthu, & Lee (2000) and Shukla (2011)	3	.845

The table 2 and 3 shows demographics of the study.

TABLE 2
Sample Properties regarding their gender, age, education and occupation

Category	Age					Gender			Education			Occupation			
	<18	18-25	26-33	34-41	42+	M	F	U	G	Ma	M.ph	S	B	E	O
Frequency	17	226	111	33	9	206	52	108	76	136	76	227	58	110	1
Percentage	4.3	57.1	28	8.3	2.3	52	48	27.2	19.2	34.3	19.2	57.3	14.6	27.8	.3

N = 396, M = Male, F = Female, U = Undergraduate, G = Graduate, Ma = Master, M.ph = M.Phil/MS, S = Student, B = Business, E = Employee and O = Other.

TABLE 3
Sample Properties regarding their use of smart phone and social media

Category	Smart phone					Use of internet					Social website			
	Sa	A	Q	N	So	B	LG	D	W	F	M	Fa	Tw	G+
Frequency	139	91	66	68	16	11	5	195	133	32	36	329	39	28
Percentage	35.1	23	16.7	17.2	4	2.8	1.3	49.2	33.6	8.1	9.1	83.1	9.8	7.1

N = 396, Sa = Samsung, A = Apple, Q = Q Mobile, N = Nokia, So = Sony Ericsson, B = Blackberry, D = Daily, W = Weekly, F = Fortnightly, M = Monthly, Fa = Facebook, Tw = Twitter and G+ = Google+.

Data Analysis

This research found significant evidence for convergent validity. Measurement items of all the variables of study show significant inter-item correlation, and provides significant evidences to convergent validity. The results of correlation analysis provided considerable evidences to discriminant validity. Although the variables of the study are theoretically different from each other, but literature shows that they do have positive significant relationship with each other (Lobschat, et al., 2013).

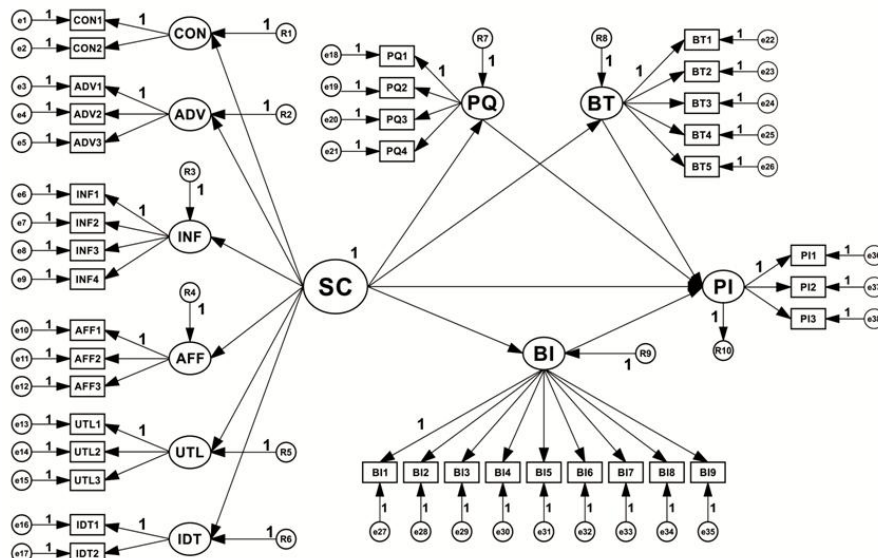
Social currency is formative construct, and items of different variables of social currency showed significant positive correlations, but the maximum values were well below .3, and all the values were below .43. Brand equity elements (brand trust, perceived quality and brand image) and purchase intention also showed significant correlation across their measurement items, but all the values were well below the acceptance level with a maximum value of .41. The correlation among different items of all variables of the study show significant positive but weak relationship. So, it can be concluded that this study demonstrates the evidences for convergent validity.

TABLE 4
Correlation Analysis

	Mean	SD	GDR	AGE	EDU	OCC	SPH	IFQ	SOS	SC	PQ	BT	BI	PI
GDR	1.48	.500	1											
AGE	2.48	.799	-.024	1										
EDU	2.45	1.09	.175**	.501**	1									
OCC	1.71	.882	.064	.453**	.471**	1								
SPH	2.45	1.45	-.057	.087	.048	.060	1							
IFQ	1.77	.941	-.002	.054	.016	.026	.069	1						
SOS	1.24	.569	-.041	.084	-.042	.023	.124*	.202**	1					
SC	3.96	.399	.015	.072	.067	.022	-.028	.043	.054	1				
PQ	3.97	.533	-.072	.100*	.054	.057	-.129*	-.076	.008	.575**	1			
BT	4.02	.502	.001	.083	.045	.072	-.068	-.011	-.041	.440**	.404**	1		
BI	4.14	.395	.003	.143**	.112*	.176**	-.139**	.076	-.014	.387**	.412**	.407**	1	
PI	4.05	.488	-.029	.160**	.147**	.191**	-.109*	-.044	-.038	.481**	.508**	.434**	.518**	1

** Correlation is significant at the 0.01 level (2-tailed). * Correlation is significant at the 0.05 level (2-tailed), SD = Standard Deviation, GDR = Gender, AGE = Age, EDU = Education, OCC = Occupation, SPH = Smartphone brand, IFQ = Internet Frequency (usage), SOS = Social Site, SC = Social Currency, PQ = Perceived Quality, BT = Brand Trust, BI = Brand Image, PI = Purchase Intention

FIGURE 2
The Structural Model



Confirmatory Factor Analysis was performed for measurement model. As for this research, social currency construct being formative in nature; the first step was to examine the impact of social currency elements in defining social currency as a single dimension. So social currency was analyzed separately, and second-order confirmatory factor analysis is performed to find out the model fit evidences for the measurement model of social currency.

TABLE 5
Properties of social currency

			Estimate	S.E.	C.R.	P
CON	←	SC	.373	.040	5.718	***
ADV	←	SC	.815	.032	11.146	***
INF	←	SC	.997	.033	8.339	***
AFF	←	SC	.570	.030	8.819	***
IDT	←	SC	.254	.034	3.343	***
UTL	←	SC	.566	.035	8.567	***

The Table 5 represents that all six dimensions of social currency contributed significantly to social currency with a significant chi-square (chi-square = 242,295.2, df = 153 and p < 0.001). Also good model fit was indicated (GFI = .880, AGFI = .831, CFI = .845, RMR = .041). Not all the factor loadings were above .50 (min = .25, max = .99) but they were significant with significant t-value and p-value. All t-values (C.R.) were above 2 (min = 3.34, max = 11.14) with p-value < 0.001. Model re-specification was not applied to formative constructs only on the basis of data (Lobschat, et al., 2013). To confirm the measurement model of brand equity elements and purchases intention, first-order confirmatory factor analysis was performed. The model fit summary showed a poor model fit. The value of CMIN/DF was 10.9 which is above the threshold value, the value of GFI was .675 which is also not good and all values of AGFI, CFI, TLI and RMSEA were not fulfilling the criteria of a good model fit. Table 6 shows the results of factor loadings of brand equity elements and purchase intention. As model fit summary does not indicate a good model fit in case of brand equity and purchase intention, the model needs re-specification.

Model Re-Specification

The items with factor loading below 0.6 were deleted to improve model fit. Also in CFA researcher can identify covariance among error terms of the items of a single variable. So covariance was drawn to those items only which were belonging to the same construct. Also, two items from brand trust (BT2 and BT4) and three items from brand image (BI5, BI8 and BI9) were removed

from the model. The results of model re-specification showed good model fit as shown in table 7.

TABLE 6
Factor loading of Brand Equity Elements and Purchase Intention

			Estimate	S.E.	C.R.	P
BT1	←	BT	.692	---	---	---
BT2	←	BT	.297	.076	5.438	***
BT3	←	BT	.856	.082	14.317	***
BT4	←	BT	.286	.077	5.230	***
BT5	←	BT	.842	.083	14.160	***
PQ1	←	PQ	.767	---	---	---
PQ2	←	PQ	.681	.076	10.679	***
PQ3	←	PQ	.738	.067	13.528	***
PQ4	←	PQ	.737	.079	12.434	***
BI1	←	BI	.803	---	---	---
BI2	←	BI	.828	.055	17.521	***
BI3	←	BI	.622	.054	12.803	***
BI4	←	BI	.698	.060	13.860	***
BI5	←	BI	.527	.062	10.344	***
BI6	←	BI	.842	.059	17.280	***
BI7	←	BI	.673	.060	13.985	***
BI8	←	BI	.470	.053	9.029	***
BI9	←	BI	.469	.054	9.016	***
PI1	←	PI	.700	---	---	---
PI2	←	PI	.837	.081	14.579	***
PI3	←	PI	.876	.094	14.690	***

TABLE 7
Results of Re-Specified Model

Fit Indices	Values (Before Re-Specification)	Values (After Re-Specification)	Outcome
CMIN/DF	10.9	2.91	Good Fit
GFI	.675	.933	Good Fit
AGFI	.590	.887	Good Fit
CFI	.659	.961	Good Fit
TLI	.609	.941	Good Fit
RMSEA	.115	.070	Reasonable Fit

Hypothesis testing

The path analysis of structural model of social currency and brand trust shows that social currency has a significant positive impact on brand trust (R = .42, t-value = 7.7, p < 0.001). The results validated and accepted the first hypothesis (H₁) of the current study that was brand's social currency is positively related to

brand trust. Also, factor loadings of brand trust were significant with t-values above 2 and $p < 0.001$. Table 8 shows the values of path analysis of social currency and brand trust. Hence, H_1 of current study is accepted. The result of path analysis of social currency and perceived quality showed that social currency has a significant positive impact on perceived quality ($R = .44$, t-value = 7.91, $p < 0.001$). The factor loadings of items of perceived quality indicates an acceptable level (min = .68, max = .76) and all values of factor loading were significant with t-values above 2 (min = 10.6, max = 13.5) and $p < 0.001$. Table 8 shows the values of path analysis of social currency and brand's perceived quality. The overall results of the analysis validate the statement that brand's social currency is positively related to brand's perceived quality. Hence H_2 is also accepted. Path analysis of social currency and brand image demonstrated that social currency has a significant positive influence in developing the brand image in the minds of customers. ($R = .27$, t-value = 5.16, $p < 0.001$). The factor loadings of items of brand image have shown a satisfactory level (min = .47, max = .84) with significant t-values (min = 9.01, max = 17.5) and $p < 0.001$. Table 8 shows the values of path analysis of social currency and brand image. The results of the analysis approve the statement that brand's social currency is positively related to brand image. Hence H_3 is also accepted.

TABLE 8
Path Analysis of Social Currency and Brand Equity Elements

			Estimate	S.E.	C.R.	P	Results
BT	←	SC	.426	.029	7.707	***	H_1 Accepted
PQ	←	SC	.442	.032	7.912	***	H_2 Accepted
BI	←	SC	.268	.035	5.166	***	H_3 Accepted

The application of mediation was based on Baron and Kenny (1986) propositions about analysis of mediation. As the first three hypothesis of study were accepted and confirmed that the relationship between social currency and brand equity elements is significant, the second condition of mediation analysis was already fulfilled.

Table 9 represents the results of path analysis between social currency and purchase intention which shows that social currency has a significant positive impact on purchase intention ($R = .50$, t-value = 9.32, $p < 0.001$). Hence, the first condition was also fulfilled to apply the mediation analysis. Also, the result showed strong set of factor loading for purchase intention (min = .70, max = .87), and all factor loadings were significant with strong t-values (min = 14.57, max = 14.69) and $p < 0.001$.

The path analysis of social currency and purchase intention was performed after including brand trust as mediator in structural model. After that the relationship between social currency and purchase intention decreased down from 0.50*** to 0.25***, but still it is significant. So, according to Baron and Kenny (1986), it can be said that brand trust partially mediates the relationship between social currency and purchase intention. Hence H_4 of this study is accepted. The path analysis of social currency and purchase intention was performed after including perceived quality in structural model. So, after the inclusion of mediator in the model the relationship between social currency and purchase intention decreased from 0.50*** to 0.15***. It decreased to very low value but still it is significant. So, there is a partial mediation between social currency and purchase intention. Hence H_5 of the study is also accepted. The path analysis of social currency and purchase intention was performed after including brand image in the model. The relationship between social currency and purchase intention decreased from 0.50*** to 0.41*** which is still significant. So, according to the results of the study, there is a partial mediation between social currency and purchase intention. Hence H_6 of the study is also accepted.

DISCUSSION

Educated people are more attracted to use smart phones because of the nature of their jobs or businesses. Mostly students are fascinated to engage in using smart phone brands to fulfill their hedonic and social needs. Samsung is the leading smart phone brand in Pakistan as 35% of the respondents are using Samsung. Current study shows that Facebook captures the maximum market share of Islamabad as 83% of the respondents marked Facebook as their primary social media site.

TABLE 9
Result of Mediation Analysis

					Estimate	S.E.	C.R.	P	Results
PI	←	SC	←		.505	.025	9.322	***	
PI	←	BT	←	SC	.258	.025	5.118	***	H_4 Accepted
PI	←	PQ	←	SC	.152	.020	3.574	***	H_5 Accepted
PI	←	BI	←	SC	.410	.024	8.058	***	H_6 Accepted

The internet also gains importance in our everyday social life as 49% of the respondents use internet daily. Overall, this research shows that social currency significantly predicts brand trust, perceived quality and brand image. On the other hand, brands can enhance their purchases by developing brand trust, brand's perceived quality and brand image through social currency.

CONCLUSION

Overall the purpose of the research has been achieved. The objective of the study was to investigate the emerging concept of consumer socialization and consumer social capital called as social currency. The results and findings of the study have clearly shown that, in today's arena of digital marketing, social currency does play a pivotal role in developing and enhancing brand equity, and in return increasing purchase intention in the minds of customers. Also, current research clearly describes that influence of social currency is more in smart phone industry of Islamabad as smart phone brands have high customer involvement in Pakistan.

The findings of the research also proved that social currency is important to increase purchase intention with mediating role of brand trust, perceived quality and brand image. So, to increase purchase intention, smart phone brands in Islamabad need to implement the idea of social currency. By engaging customers online and offline, smart phone brands can increase their social currency which significantly impacts their brand equity. Marketing managers of smart phone brands must focus on implementation of social currency in smart phone industry which would significantly improve brand equity in the minds of customers, namely brand trust, perceived quality and brand image. Furthermore, purchase intention can be derived through many ways among which social currency is an important factor with the intervening role of brand equity elements.

Limitations and Future Research Directions

Only three dimensions of brand equity has been used for this research, whereas there are other dimension of brand equity, like brand associations and brand loyalty, which can be incorporated for future researches in the field of social currency. This study only investigates the impact on customer intentions. The impact of social currency on actual behaviors, like actual purchase behavior and repurchase intention can be established and studied. Current study is a cross sectional and in future, longitudinal research can be done. Also the unit of analysis was individual smart phone users in Islamabad, so, groups, based on age, gender and cultures can be taken into considerations in future researches. Also a

large population and sample size can be used in future researches to investigate this relationship.

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