# STEPPS Model and Youth's Online Buying Behavior

Muhammad Murtaza Murad<sup>a</sup>, Saima Hussain<sup>b</sup>, Sumaiya Salim<sup>c</sup>, Saviya Atiq<sup>d</sup>

# **Article History:**

# **Received:**03 Aug, 2017 **Revised:**14 Nov, 2018 **Accepted:**26 Nov, 2018

#### Abstract:

This research studies the impact of the STEPPS model that includes Social Currency, Triggers, Emotions, Practical Value, Public and Stories on youth's online buying behavior. This research tests the author's claim, if these six dimensions are capable of making a brand viral in a competitive market, create brand recall, and make the use of a brand contagious, i.e. influence the buying behavior of consumers. The data for this quantitative study was collected using questionnaire from a sample of 450 male and female youth of ages 15-29, and analyzed through structural equation modeling in AMOS. The major insights gained by this research suggest that social currency and brand stories are the most influential dimensions of the STEPPS model that create terrific brand recall and impact youth's online buying behavior in Karachi. Furthermore, this research is beneficial to traditional and digital marketers, brand managers, and entrepreneurs who have online stores. They can make their existing or new brands successful by implementing STEPPS and bring their brands at the top of consumers' mind in order to gain competitive advantage.

**Keywords:** Social Currency, Triggers, Emotions, Practical Value, Brand Publicity, Brand Stories, Brand Recall, Youth, Online Buying Behavior

#### 1. Introduction

Online stores have become a convenient platform for doing business and shopping. That makes E-commerce an essential part of a consumer's purchase journey. People are shifting their buying habits from offline to online (Turban et al., 2018). Dai, Viken, Joo, and Bente (2018) defined e-commerce as the influx of information, products and services or payments through telephone, computer network or any other electronic mean. E-commerce is a conduit between demand and supply. The online platforms and virtual organizations have changed consumers' purchase decisions, it has shifted from the traditional "Consumer Disposition Funnel" to "Consumer Purchase Journey". According to the traditional concept, marketers used to reach consumers through advertisements mostly in order to create brand recognition and to tip consumer decisions in favor of their brands. This was called "Push" strategy where the brands were being forced on consumers. Now

Senior Executive, Content Marketing, ABTACH, Pakistan
Assistant Professor, SZABIST, Karachi, Pakistan. Email: <a href="mailto:saima.hussain@szabist.edu.pk">saima.hussain@szabist.edu.pk</a>,

Adjunct faculty, SZABIST, Karachi. Pakistan. Management Trainee, Eli Lilly, Pakistan

saima\_hn@yahoo.com.

"Consumer Purchase Journey" has broken the old pattern of consumer decision making because of excessive domestic and imported product choices and the channel/media proliferation, i.e. the advent of digital channels of doing business, the internet and social media, etc. Consumers are now well aware of what brand they want; how do they want it and from where they want it. This contemporary shift to "Consumer Purchase Journey" works in both ways "Push & Pull" where marketers push brand information on consumers, but consumers pull only the needed and relevant information via internet messages, recommendations, reviews, word of mouth, etc.(Aula & Heinonen, 2016). Also, globalization and the internet age have shrunk the world; people have become "tech-savvy", they now seek the required information online. Consumers have also become the internet dependent (Nieroda, Mrad, & Solomon, 2018).

This research is based on a marketing model called the STEPPS proposed by Jonah Berger – an American Marketing Professor and researcher at Wharton School of the University of Pennsylvania – in his book "Contagious – Why Things Catch On" in 2013. The STEPPS model was proposed by Jonah Berger after carrying out extensive consumer based and experimental researches for about ten years in collaboration with other professors, neuroscientists and researchers. Together they studied the social influences among the people that make products or brands go viral and then contagious. The STEPPS model studies evolving consumer behavior in modern times. It doesn't defeat the purpose of traditional marketing; it only regulates the laws of traditional marketing in a new manner, which is effective for marketing brands. This model claims that its six dimensions, namely Social Currency, Triggers, Emotions, Practical Value, Public and Stories can make an existing or a new brand a top-of-mind brand (Berger, 2016).

Social Currency (making people talk about a brand in such a way that they feel smart, updated and important), Triggers (creating such stimuli in an environment that keep a brand on top of consumers' minds and the tip of their tongues), Emotions (associating appropriate feelings with brands), Practical Value (creating a monetary or psychological value that sets a brand apart from other similar brands), Public (making a brand noticeable so that it becomes popular), and Stories (giving a moral to a brand in narratives that are valuable and memorable to consumers so that they share it). The STEPPS model presents brands in such a way that it helps in growing

customer base and provoking a need in consumers' minds to buy those brands (Berger, 2016; Luttrell, 2018).

The model claims that these six factors influence the cognitive process of consumers and the brand lingers on in people's minds. In a nutshell, STEPPS creates tremendous word of mouth and makes a brand go viral and contagious among consumers. It increases brand recall which makes the consumers talk about it to others more and makes them buy that brand frequently; resultantly increasing the sales and reputation of the brand in the highly competitive market. The STEPPS model talks about more than advertising and the conventional dynamics of marketing. It talks about a change in the marketing perspective and discusses the norms of marketing with a different approach. It doesn't talk about segmenting, targeting, positioning and branding, this model just talks about what makes a brand famous and successful (Luttrell, 2018).

The context of this research is online stores of varying sorts. This is because consumer behavior and preferences have evolved radically and this needs to be kept in mind. Today, consumers are well-aware of the good and the bad and the local and international brands. They know what's optimal for them because online stores provide them with reviews, recommendations, and product usage details. Online shopping is a massive shift in the trend which is increasing, and it will soon eclipse the traditional market because the digital market provides amazing convenience and variety. The e-commerce business in Pakistan is growing exponentially, with consumers spending US\$30 million currently. This amount is expected to increase and hit the US\$600 million mark by 2019 (Ahmad, 2015). Thus, due to businesses opting for or shifting to digital platforms everyday this research contributes to this avenue in the long run as well as in contemporary times.

#### 1.1. Problem Statement

Digital businesses are growing, and a brand needs to break through the clutter, develop strong customer base and become famous and consumers only buy what they think is good for them after gaining insights online about numerous brands available today. Market isn't the same as it used to be when marketers used to advertise, and consumers used to buy. This is why testing the STEPPS model is vital as this model is for making a brand contagious in such competitive and evolved

times. The identified gap in literature is that this model has not been verified earlier in Karachi's fast growing online market when there's a clear need for that.

# 1.2. Purpose of the Research

This research determines the impact of the STEPPS model on brand recall leading to youth online buying behavior. This research tests the model to determine the extent to which these STEPPS can make a brand viral in Karachi's competitive online market, create brand recall and then influence the youth's online purchase decision, hence making a brand contagious. This research intends to achieve three objectives: First, to identify the overall impact between the STEPPS dimensions such as brand's social currency, triggers, associated emotions, practical value, publicity, stories and brand recall. Second, to ascertain the impact of brand recall on youth online buying behavior. Third, to identify the strongest predictor of brand recall in dimensions of the STEPPS model.

#### 1.3. Significance:

The reason of this research is to measure the impact of Jonah Berger's STEPPS model on youth's buying behavior towards online stores. There are several beneficiaries of this study, online stores being the direct ones. This research is going to help them identify if the STEPPS model's dimensions are generating brand recall or not, to what extent each dimension is making the brands go viral and contagious, and how these online stores can use this model. The indirect beneficiaries include other conventional retail stores, traditional and digital marketers, brand managers and individuals who are planning to introduce a brand in the market digitally or otherwise. These beneficiaries are believed to gain immense knowledge regarding the tactics of making their brands as top-of-mind brands with respect to specific gender inclination towards these tactics. This research also contributes to the literature by verifying Jonah Berger's STEPPS model in Karachi's online market.

There are many models which claim to make a brand successful in a competitive market, but none of them is as simple and straightforward as the STEPPS model. The best thing about the STEPPS model is that it doesn't involve traditional marketing concepts. It only talks about simple ways of making a brand popular among consumers. Another redeeming quality of the STEPPS model is that

it can be implemented on digital platforms as well as traditional ones. That's the pure significance of the STEPPS model that sets it apart from other frameworks.

#### 2. Literature Review

This section elaborates the scales of the concepts which are an integral part of this study and explores the six dimensions of the STEPPS model – Social Currency, Triggers, Emotions, Practical Value, Public and Stories – Brand Recall and Youth's Online Buying Behavior. It consists of the definitions of the concepts, how they have evolved in literature, in what contexts have they been researched, and the classification of their elements.

#### 2.1. The STEPPS Model

This model emphasizes at length why one brand gets more famous, viral and contagious among consumers than the other brands. Along with this, it also focuses on the evolving consumer behavior and their preferences and explores the nuances of modern market. This model suggests six dimensions for a brand to be the top of the consumer's mind and contagious in a competitive market. It means that the STEPPS model increases word of mouth and brand recall which results in an impact on consumer behavior i.e. frequent purchases and more sales volume. These six dimensions are Social Currency, Triggers, Emotions, Practical Value, Public and Stories

# 2.2. Social Currency

According to Berger (2016), social currency helps a brand go viral because it makes the people share their ideas and opinions about the brand that increases brand recognition. Rymes (2014) defines social currency as a good impression of a brand on consumers. This impression makes consumers feel pride in talking about it, which creates brand recall. Pressgrove, McKeever, and Jang (2018) explained social currency by calling it a brand's strength and it is the extent to which we share information about any brand in our everyday life and social circles. A research on impact of brand's social currency in Switzerland using 60 brands as sample indicated that 53% of brand loyalty among consumers was due to social currency (Zinnbauer & Honer, 2011). A study on the U.S. automotive market using 20 brands and a sample of 1300 respondents concluded that social currency has a positive effect on

brand equity and consumer's subsequent purchase behavior (Lobschat, Zinnbauer, Pallas, & Joachimsthaler, 2013). Therefore, we can hypothesize that:

H1: There is a significant effect of brand's social currency on brand recall.

# 2.3. Triggers

According to Berger (2016), triggers are like stimuli or hints associated with something which reminds consumers of a particular or related brand. Triggers put a brand on top of consumers' mind and the tip of consumers' tongue. This effect creates effective word of mouth, which helps consumers recall a brand. Rymes (2014) defined triggers as short time spanned cues of a particular brand that drives a response out of consumers. As stated by Chutijirawong and Kanawattanachai (2014) triggers help executing a response from the consumer, however, trigger associated with a brand with must be original, unique and fresh; like the color red is associated with many things which include fast cars, love and Coca-Cola, so red color is not a strong trigger for a brand. A study based in Oregon, the USA about the impact of external and internal triggers on online impulse buying was conducted using 400 respondents. The study suggested that both external and internal trigger cues encouraged online impulse buying (Dawson & Kim, 2009). Conjecture can be developed as:

H2: There is a significant effect of brand's triggers on brand recall.

### 2.4. Emotions

Berger (2016) describes emotions in marketing context by saying that when consumers care for brands and form an attachment with them, they share their insights and opinions about the brand. This creates strong brand recall and multiplies the brand's recognition. Rymes (2014) explains that when people are emotionally inspired by brands they can't wait to spread the information. Thus, arousing emotions in consumers makes the brand contagious. Lee and Hong (2016) say that appealing consumers emotionally is a method in marketing to persuade them. It's designed to create an emotional response. An extensive study was conducted in the University of Pennsylvania, USA based on 343 New York Times readers suggested the online content that stimulates high arousal positive or negative emotions becomes more viral, and the content that stirs up low arousal emotions becomes less viral (Akpinar & Berger, 2017). A study of 1153 consumers and 115 commercials of 70

unique brands from the USA, the UK, France and Germany suggested that use of emotions affected the brand's sales figures. However, negative emotions were inversely correlated to sales (McDuff, Kaliouby, Kodra, & Larguinet, 2013). Therefore, we can test the following hypothesis:

H3: There is a significant effect of brand's emotions on brand recall.

#### 2.5. Practical Value

Practical value of a brand is some monetary or psychological value that is attached to a brand. If that value is unique and useful, it adds value to a brand (Berger, 2016). Akpinar and Berger (2017) describe practical value in their analysis saying when marketers highlight a valuable feature of any brand, consumers share information about the unique selling proposition (USP) of that brand. This spread of information serves as effective brand recall. A widespread research was conducted across the USA to determine the response of consumers towards the brand's practical value – sales and promotions – in clothing brands. Two separate clothing catalogues; one with the label of "Pre-Season Sale" and the other one without the sale label were sent out to 50,000 consumers. Prices in both the catalogues were same. The data collected showed that the items which were labeled on sale in the catalogue, their demand rose by 50% (Anderson & Simester, 2001; Simester, 2017). A hypothesis can be verified:

*H4: There is a significant effect of brand's practical value on brand recall.* 

#### 2.6. Public

Berger (2016) has defined public as the brand building activity for public and communicating its worth to the masses. When the worth of a brand is communicated via various marketing tools, it increases its brand recall as well. Rymes (2014) explains that thoughts are private, but behavior is public. Brand's behavior needs to be made stronger by making it public. Colliander and Marder (2018) defines the process of making a brand public is an efficient way of marketing a brand and expanding customer base. Public visibility was tested in a research by declaring a brand's sales volume in advertisement, which influenced the brand's perceived quality among consumers (Kim & Min, 2014). Therefore, it is hypothesized that:

H5: There is a significant effect of making brand public on brand recall.

#### 2.7. Stories

Berger (2016) has defined the concept of stories in his book by saying that information about products and brands travel or is passed under the disguise of casual conversations and chatter. People converse informally and share a lot of information about things, boosting brand recall in the process (Gensler, Völckner, Liu-Thompkins, & Wiertz, 2013). Akpinar and Berger (2017) further explained the concept by saying that people prefer information in the form of narratives. So when they indulge in sharing a story they pass along brand story as well. Kotler and Armstrong (2010) said that in a saturated market like today, a brand can stand out by storytelling. It is a way to develop a brand's identity, increase customer base, and boost sales. This is because stories engage consumers' emotions and a narrative makes a brand message unforgettable (Joy, Belk, Charters, Wang, & Peña, 2018). A research in Taiwan on how to align brand stories with products stated that authenticity, conciseness, and simple narratives are factors of brand stories that improve consumer's behavior towards brands (Chiu, Hsieh, & Kuo, 2012). Therefore, this research can hypothesize that:

H6: There is a significant effect of brand stories on brand recall.

#### 2.8. Brand Recall

Brand recall is a qualitative measure that tells how strongly a brand name is connected with a product type and how effectively can it be recalled by consumers. It is an extent to which a brand instantly comes to mind if any association with that particular brand has been established by the consumer. This shows the consumer's memory regarding a brand as the product class is mentioned (Chiu et al., 2012; Sharp, 2016). Brand recall is important for the companies who want their brands to become top-of-mind brands to get an edge over the competitors. Therefore, it is very essential for the brand managers to utilize contemporary marketing techniques in an effective way to create a strong brand recall (Rowles, 2014). Similarly, Rossiter (2014) also emphasized that brand recall is a propensity of consumers to recall a brand when any relevant product category or class is revealed. He claims that brand recall is the strongest driver that can simply make consumers buy the brands. Hypothesis can be developed as:

H7: There is a significant effect of brand recall on youth's online buying behavior.

# 2.9. Youth's Online Buying Behavior

Consumer buying behavior tells about the ideas and experiences of individuals, groups and organizations in reference to their ever evolving needs and wants that are to be satisfied. It's also a process under which consumers choose, purchase, use and then dispose products. It obviously varies from consumer to consumer (Philip & Kotler, 2017). Shopping online means a consumer purchases products or services using internet. Online stores have information related to the product, recommendations, user reviews/ratings and usage details which further benefit the online shopper in making a purchase decision. Shopping online is the big thing today, it saves time, offers local and international variety of products, and a consumer can shop 24 hours a day, 7 days a week, and 365 days a year. This moderation has vastly influenced the buying behavior dynamics of consumers in modern age (Hong, Tam, & Yim, 2016). Millennials i.e. generation Y has been mostly affected by online shopping revolution. Their online behavior either positive or negative is what that matters now and will continue to shape the online shopping industry because youth aged 18-29 has the most social media presence. Today businesses are strategizing themselves to connect with the youth by shifting experiences online (Betti & Dad, 2016).

#### 2.10. Theoretical Framework

Jonah Berger's STEPPS model has not been tested holistically in the literature. However, the six dimensions of this model – Social Currency, Triggers, Emotions, Practical Value, Public, Stories – and the concepts like brand recall and youth's online buying behavior involved in this research model have been tested individually in various countries like the USA, the UK, Finland, Sweden, New Zealand, Malaysia, Taiwan, South Korea, India and Switzerland supporting the author's claim.

A research in Switzerland resulted in determining that more than 53% of brand loyalty in consumers is created by social currency of a brand. It influences consumers to buy brands with high social currency even at high prices (Zinnbauer & Honer, 2011). Using strong stimuli as triggers in environment frequently by making alliances with other brands generate word of mouth. This helps keep a brand at the

top of the consumer's mind and at the tip of his/her tongue (Berger, 2016). A study in the USA suggests that both internal and external triggers encouraged consumers' online impulse buying behavior (Dawson & Kim, 2009). Likewise, research conducted to test the influence of emotions on purchase decision was carried out which resulted in suggesting that emotions in marketing impacts brand recall, product perception and consumer purchase decisions (Khuong & Tram, 2015). A research in US suggests that there is a positive impact on sales if the deals and promotions on brands are expressed in either percentages or numeric terms, depending on the product type and its price (Ramanathan & Dhar, 2010). Similarly a research in South Korea proves that when the sales of a brand were made public for consumers to take notice of it, the perceived quality and that brand's preference indeed went high (Kim & Min, 2014). Consumers who are affected by the brand stories are able to describe the brand more positively and have a better perception of the brand as well. Moreover, these consumers are ready to pay a higher price for brands which have strong stories (Lundqvist, Liljander, Gummerus, & Van Riel, 2013).

As per the STEPPS model, all the aforementioned dimensions create brand recall which is a qualitative measure that shows the extent to which a brand is a top-of-mind brand. This depends on the kind of association, a consumer has formed with the brand itself. The literature suggests that the brand recall can be gauged by its constituent elements like aided and unaided recall, brand exposure, customer engagement and electronic word of mouth. A study in Sweden concluded that brand recall – essentially aided brand recall – plays a major role in forming a consumer's brand purchase decision for the first time and then for subsequent times too. (Bornmark, Goransson, & Svensson, 2005). Brand recall impacts consumer buying behavior significantly, which means, it affects consumer purchase intention and brand preference. Therefore, this research tests the renowned STEPPS model in Pakistan's fast growing digital market. The model has not been tested before in any prominent market even when there is an obvious need for that.

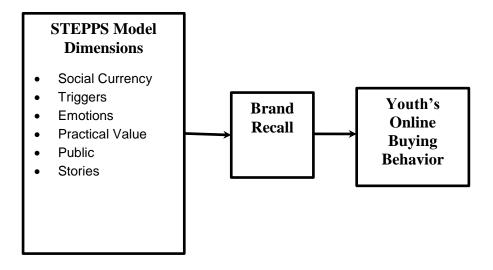


Figure 1: Theoretical Framework

# 3. Research Methodology

The respective philosophy of this research is "Post-Positivism" to verify the model in a new context based on cross-sectional deductive strategy to investigate the relationship between the dimensions of the STEPPS model and brand recall leading to consumer buying behavior. The choice of research method for this quantitative research is mono-method i.e. survey; primary data has been collected through closed ended questions from youth belonging to the urban centers of Karachi, namely SEC class A, SEC class B+ and SEC class B. The youth population for the purpose of this research falls in the age bracket of 15 to 29. This age bracket is defined by the "Government of Pakistan Ministry of Youth Affairs" in the National Youth Policy – 2008. Targeting youth is wise for the purpose of this research because youth is more into online shopping. Moreover, youth is more responsive to any shift in trend and new ideas that are used to market brands than adults. The geographical boundary of Karachi was focused because this city is a strong representative of ethnic and religious diversity, therefore the sample from Karachi represents the diverse population of Pakistan. The sampling is convenience based on sample size of 450 on the ratio of 1:10 i.e. for every one variable data has to be collected from 10 respondents

(Hair, Black, Babin, Anderson, & Tatham, 2010). Questionnaire have been designed on CDE analysis, i.e. every concept of the model has been defined through its dimensions and elements, thus each question reflects each element of Social Currency, Triggers, Emotions, Practical Value, Public & Stories that is discussed by Jonah Berger in his book, brand recall (Lee & Leh, 2011) and online buying behavior (Dawson, 2013) are adopted from literature. For data collection, buyers of online e-commerce websites were approached through social media platforms. A link of online form was sent with objectives and scales. A total of 600 respondents were approached, however, only 450 relevant responses were used for analysis after initial screening, response rate was 85%. The data is analyzed through Structural equation modeling performed in SPSS Amos 21. Content validity is checked through the marketing domain experts review of questionnaire and pilot testing is performed to check the reliability of the scales.

# 4. Data Analysis

Reliability analysis indicated that all variables in this research lie within the acceptable range of Cronbach's alpha i.e. 0.6 (60%) (Sekaran & Bougie, 2016). As the above results show the overall reliability of the survey questionnaire is 0.942 (94.2%) which falls under the range of strong reliability (Hair et al., 2010). The reliability of all individual variables is also above 60% thus indicates adequate reliability.

**Table 1: Reliability Analysis** 

Variables	Items	Cronbach's α
Social Currency	3	0.669
Triggers	6	0.778
Emotions	3	0.700
Practical Value	5	0.838
Public	3	0.788
Stories	2	0.747
Brand Recall	6	0.836
Youth's Online Buying Behavior	6	0.833
Overall Reliability	34	0.942

# 4.1. Frequency Distribution:

The data collected from 450 respondents comprise their demographical attributes like their gender, age and household income which are analyzed in the following frequency distribution analysis.

**Table 2. Demographics of Respondents** 

Two to Demographics of Respondence	Frequency	Percent
Gender		
Male	221	49.1
Female	229	50.9
Age		
15-20	132	29.3
21-25	215	47.8
26-29	103	22.9
<b>Household Income</b>		
Less Than Equal to Rs.50,000	86	19.1
Rs.50,001-Rs.100,000	115	25.6
Rs.100,001-Rs.200,000	144	32
Above Rs.200,000	105	23.3

Males constituted 49.1% of the total sample size and females constituted to be 50.9% of the sample size. Out of the sample of total 450 respondents, 132 respondents i.e. 29.3% of the sample were of 15-20 years. 215 respondents i.e. 47.8% of 21-25 age. Similarly, 103 respondents i.e. 22.9% of fell under the age of 26-29 years. 19.1% belonged to the income interval of less than equal to Rs.50, 000, 25.6% from Rs.50, 001-Rs.100,000 32%f from Rs.100,001-Rs.200,000 and remaining 105 respondents fell under the income bracket of above Rs.200,000 which constitutes 23.3% of the total sample.

#### 4.2. Bivariate Correlation Analysis:

To identify the nature of relationship or association between the STEPPS dimensions and brand recall, and then between brand recall and youth buying behavior, correlation analysis is performed. Following results are achieved during the analysis:

**Table 3: Correlation Analysis of Independent Variables** 

Intervening Variable: Brand Recall			
Independent Variables	Pearson Correlation	Significance. (2-Tailed)	
Social Currency	0.551**	0.000	
Triggers	0.604**	0.000	
Emotions	0.551**	0.000	
Practical Value	0.620**	0.000	
Public	0.628**	0.000	
Stories	0.625**	0.000	
Buying Behavior (DV)	0.606**	0.000	

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

Since the significance levels for all the variables = 0.000 < 0.05, therefore, we can conclude that Social Currency, Triggers, Emotions, Practical Value, Public and Stories are moderately positively correlated with brand recall. Brand recall is positively correlated with Youth online buying behavior.

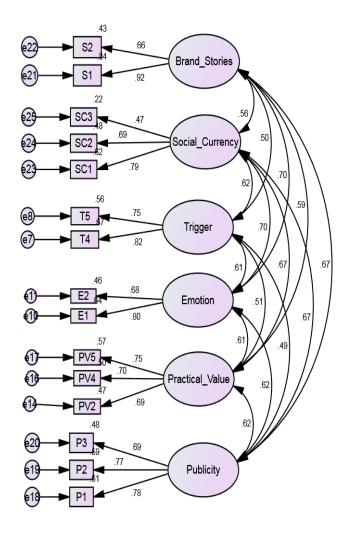
# 4.3. Confirmatory Factor Analysis (CFA)

While doing the analysis on SEM, it is mandatory to perform CFA which is a special factor analysis done to test if the measures of a model construct or model structure of set variables is consistent with understanding of the researcher about the construct and if there are existing interrelationships between the observed variables and their latent constructs before the researcher moves on to test the overall model (Hair et al., 2010). Following are the results of CFA.

The model is adjusted by deleting observed variables based on factor loading lower than 0.6, and standard residuals above  $\pm 0.4$  with most of the other variables. Variables indicating high modification indices are co-varied to improve the model fit results. Keeping in view the generally acceptable ranges of these indices prescribed by Hair et al. (2010), results achieved as shown in the Table 4 demonstrate a good fit for the model. Table 5 indicates the reliabilities of all independent variables which are greater than 0.6 and Average Variance Extracted (AVE) of all variables is above 0.5 indicating a valid model for further multivariate analysis.

**Table 4: Confirmatory Analysis** 

Indices	Cutoff Value	Reported Value
Chi-Square Value	-	149.249
$\chi^2/D.F.$ values (CMIN)	Between 1 & 5	1.990
RMSEA	Less than 0.08	0.047
CFI	Above 0.9	0.971
GFI	Above 0.9	0.958
TLI	Closer to 1	0.959
IFI	Above 0.9	0.971



**Figure 2: Confirmatory Factor Analysis** 

Table 5: Composite Reliability and Convergent Validity

Tuble 5: Composite Renability and Convergent valuaty		
	CR	AVE
Publicity	0.792	0.560
Trigger	0.600	0.563
Brand Stories	0.772	0.635
Emotion	0.710	0.552
Practical Value	0.760	0.513
Social Currency	0.710	0.550

The model is adjusted by deleting observed variables based on factor loading lower than 0.6, and standard residuals above  $\pm 0.4$  with most of the other variables. Variables indicating high modification indices are co-varied to improve the model fit results. Keeping in view the generally acceptable ranges of these indices prescribed by Hair et al. (2010), results achieved as shown in the Table 4 demonstrate a good fit for the model. Table 5 indicates the reliabilities of all independent variables which are greater than 0.6 and Average Variance Extracted (AVE) of all variables is above 0.5 indicating a valid model for further multivariate analysis.

### 4.4. Overall Model Fit:

Following CFA, the whole model is then tested for its fitness with the inclusion of respective intervening and dependent variables. After combining the effects of covariance of those several latent constructs that are showing high modification indices following overall model fitness results are achieved which meet the acceptable ranges of indices prescribed by Härdle and Simar (2007) in their book "Multivariate Data Analysis" and represent a good model fit:

Table 6: Overall Model Fit

Indices	Reported Value	Indices	Reported Value
Chi-Square Value	600.212	CFI	0.937
$\chi^2$ /D.F. values (CMIN)	2.207	TLI	0.925
RMSEA	0.052	IFI	0.938
RMR	0.043	GFI	0.907

### 4.5. Path Analysis:

Path analysis is done to identify the causal relationship between the variables involved in research. Multiple regression analysis in this research has been done through structural equation modeling (SEM) in order to analyze the research model holistically so that the strongest predictor of the STEPPS dimension can be determined that creates the maximum brand recall and influences the youth's online buying behavior the most.

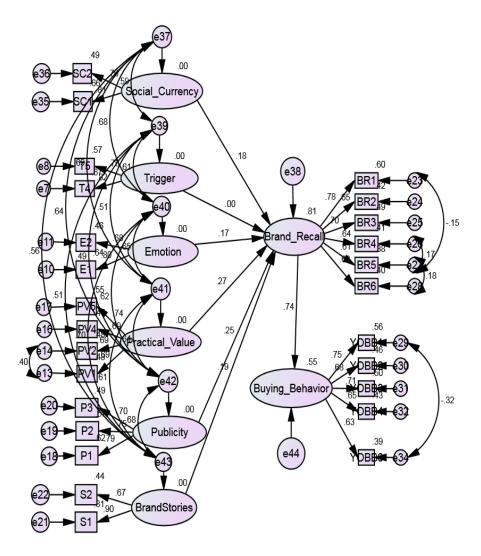


Figure 3: Theoretical Framework Testing Hypothesis

H1: There is a significant effect of brand's social currency on brand recall. (Accepted): The brand's social currency has a significant effect on brand recall ( $\beta$  = 0.169; p<0.05).

H2: There is a significant effect of brand's triggers on brand recall. (Rejected): Triggers have no impact on brand recall ( $\beta = 0.002$ ; p>0.05).

H3: There is a significant effect of brand's emotions on brand recall (Accepted): Emotions are positively related to brand ( $\beta = 0.151$ ; p<0.05).

H4: There is a significant effect of brand's practical value on brand recall (Accepted): Practical value has strongest effect on brand recall ( $\beta = 0.289$ ; p<0.05).

H5: There is a significant effect of making brand public on brand recall (accepted): Brand publicity has positive impact on brand recall ( $\beta = 0.222$ ; p<0.05)..

H6: There is a significant effect of brand stories on brand recall. (Accepted): Stories has positive impact on brand recall ( $\beta = 0.152$ ; p<0.05).

H7: There is a significant effect of brand recall on youth's online buying behavior. (Accepted): Brand recall influences the youth online buying behavior ( $\beta = 0.78$ ; p<0.05).

Adjusted  $R^2$  for brand recall = 0.81, i.e. 81% variation in brand recall is due to the STEPPS dimensions.  $R^2$  for youth's online buying behavior = 0.55, i.e. 55% variation in youth's online buying behavior is due to the brand recall created by the STEPPS dimensions.

**Table 7: Regression Analysis** 

Model Paths	Regression / Beta Weights	Significance (P-Value)
Social Currency→Brand Recall	0.169	0.016
Triggers→Brand Recall	0.002	0.969
Emotion→Brand Recall	0.151	0.039
Practical Value→Brand Recall	0.289	0.000
Public→Brand Recall	0.222	0.000
Stories→Brand Recall	0.152	0.005
Brand Recall → Youth's Online Buying Behavior	.780	0.000

#### 5. Conclusion and Recommendations

#### 5.1. Discussion

The results show that social currency creates brand recall. If effectively built and enhanced, social currency of a brand may influence youth's online purchase intention. This result is consistent with the Swiss research by Zinnbauer and Honer (2011) which states that if a brand wants to become the preference of consumers then its social currency needs to be built and maintained by the marketers. Triggers have insignificant effect on brand recall. This result is consistent with the literature as the literature suggests that triggers impact impulse buying behavior (Dawson & Kim, 2009) because triggers like jingles, brand colors, taglines etc. hold consumer's attention for limited time and do not influence long term buying behavior and repetitive sales. Emotions associated with brands also have a significant effect on brand recall and youth's online buying behavior. This conclusive result is also consistent with the literature. One of the many researches done globally state that the

use of emotions in marketing significantly and positively impacts brand recall, product perception and purchase decisions (Khuong & Tram, 2015).

Brand's practical value turned out to be the strongest predictor to impact brand recall and youth's online buying behavior amongst the six STEPPS dimensions. This finding is in line with a research conducted in the University of Chicago, USA which suggested that making savings visible in both percentage and numerical terms boosted the sales; provided that such cues are compatible with the type of brand and product (Ramanathan & Dhar, 2010).

Making a brand public has a second most significant and strongest effect on brand recall which ultimately influences the online buying decisions of the Karachi youth. This result is supported by a South Korean research which concluded that the declaration of brand's sales volume influences its perceived quality amongst consumers. When it is known to the consumers that the sales volume is high the perceived quality of a brand improves, and its sales go high. It means that people observe the trending behavior and preference and then imitate it (Kim & Min, 2014). The analysis shows that brand stories indeed have a significant effect on youth's online buying decisions and it also creates high brand recall. This result is consistent with the study of Chiu et al. (2012) which states that a good brand story is an effective communication tool for building and strengthening a brand and it does influence the consumer buying behavior. Stories have characters, emotions and narratives, all this helps people connect with brands. In analysis it was also established that brand recall has a significant impact on youth's online buying behavior. The result is in agreement to the study of Shojaee and bin Azman (2013) which states that online brand recall creating activities generate positive results in terms of buying behavior of the online customers. Keeping in view the responses of males and females, the overall model was not found to be significantly moderated by the respondent's gender, but it was moderated at path level. Gender moderates the relationship of brand recall with social currency, emotions, brand publicity and brand stories. Comparatively, male youth tends to recall a brand by social currency and brand stories and female youth by brand emotions and brand publicity.

The purpose of this research study was to identify the impact of Jonah Berger's STEPPS model (Social Currency, Triggers, Emotions, Public, Practical Value and Stories) towards the online buying behavior of Karachi's youth and to what extent the dimensions of this model create brand recall. Moreover, this research also helped

in determining whether gender moderates the relationship between the STEPPS model and youth's online buying behavior. The results concluded that except triggers, all five dimensions create brand recall and thus impact on youth's online buying behavior. Practical value has the strongest impact on youth's buying behavior. Furthermore, this study also identified that gender moderates the relationship of brand recall with four dimensions from the STEPPS model – social currency, emotions, stories and brand publicity. Out of these social currency and brand stories proved to help male youth recall a brand, and emotions associated with brands and brand publicity help female youth recall a brand. However, the model as a whole was not found out to be significantly moderated by gender.

Due to cost and time constraints, the data for the purpose of this research was collected only from respondents belonging to SEC classes A, B+, and B of Karachi. These socioeconomic classes represent consumers that are modern, well-informed, and whose buying preferences have evolved. Moreover, the consumers from these socioeconomic classes have the required resources to access the digital market for purchasing products online more than any other SEC segment.

Based on the results of this research, following recommendations and implementations regarding the utilization of this research work are suggested:

- Marketers need to build and enhance a brand's social currency by offering
  unique features and elements in their brands, and by maintaining the
  exclusivity of their brands. Marketers also can leverage game mechanics to
  lure consumers to buy their brands more than the competing rival brands.
- It is beneficial for the online brands to use high arousal emotions like, awe, humor, excitement, hope and affect (Mrkulić, 2015).
- Marketers must focus on providing useful information about the product through online platform to increase practical value of the product.
- Weaving creative and meaningful stories or narratives around new or existing brands will help marketers embed their brands in the minds of the consumers. This would be an addition to the value of a brand and would convey the brand message effectively.
- For a brand to be a top-of-mind brand, marketers need to focus on a very strong publicity. The brand should be visible to the public in every possible way.

There are a few measures that can be taken in order to further enhance and refine the results of this research, making them more useful and effective for marketers. For instance, this research has only focused on youth's online buying behavior, which means further researches can include older age groups as well. Moreover, the scope of this research can be expanded to cover SEC segments other than A, B+, and B. Also, collecting data from other metropolitan cities of Pakistan besides Karachi would be a wise idea. Doing so would bring in results from a larger customer base.

#### References

- Ahmad, J. (2015). The encouraging future of ecommerce in Pakistan. Retrieved from Tech In Asia: https://www.techinasia.com/talk/late-emerge-rapid-rise-encouraging-future-ecommerce-pakistan.
- Akpinar, E., & Berger, J. (2017). Valuable virality. *Journal of Marketing Research*, 54(2), 318-330.
- Anderson, E. T., & Simester, D. I. (2001). Are sale signs less effective when more products have them? *Marketing Science*, 20(2), 121-142.
- Aula, P., & Heinonen, J. (2016). Digital revolution of communication. In *The Reputable Firm* (pp. 35-64): Springer.
- Berger, J. (2016). Contagious: Why things catch on: Simon and Schuster.
- Betti, M., & Dad, I. J. (2016). The Unique Nostalgic Shopper: Nostalgia proneness and desire for uniqueness as determinants of shopping behavior among Millennials (Dissertation). Retrieved from http://urn.kb.se/resolve?urn=urn:nbn:se:hj:diva-30188.
- Bornmark, H., Goransson, A., & Svensson, C. (2005). A study to indicate the importance of brand awareness in brand choice. (Bachelor thesis), Kristianstad University, Sweden.
- Chiu, H.-C., Hsieh, Y.-C., & Kuo, Y.-C. (2012). How to align your brand stories with your products. *Journal of Retailing*, 88(2), 262-275.
- Chutijirawong, N., & Kanawattanachai, P. (2014). The role and impact of context—driven personalisation technology on customer acceptance of advertising via short message service (SMS). *International Journal of Mobile Communications*, 12(6), 578-602.

- Colliander, J., & Marder, B. (2018). 'Snap happy'brands: Increasing publicity effectiveness through a snapshot aesthetic when marketing a brand on Instagram. *Computers in Human Behavior*, 78, 34-43.
- Dai, Y. N., Viken, G., Joo, E., & Bente, G. (2018). Risk assessment in e-commerce: How sellers' photos, reputation scores, and the stake of a transaction influence buyers' purchase behavior and information processing. *Computers* in Human Behavior, 84, 342-351.
- Dawson. (2013). Retailer activity in shaping food choice. *Food Quality and Preference*, 28(1), 339-347.
- Dawson, S., & Kim, M. (2009). External and internal trigger cues of impulse buying online. *Direct Marketing: An International Journal*, 3(1), 20-34.
- Gensler, S., Völckner, F., Liu-Thompkins, Y., & Wiertz, C. (2013). Managing brands in the social media environment. *Journal of Interactive Marketing*, 27(4), 242-256.
- Hair, J. F., Black, W. C., Babin, B., Anderson, R., & Tatham, R. (2010). *Multivariate data analysis*. Harlow, England: Pearson Education.
- Härdle, W., & Simar, L. (2007). *Applied multivariate statistical analysis* (Vol. 22007, pp. 1051-8215). Berlin: Springer.
- Hong, W., Tam, K. Y., & Yim, C. K. B. (2016). E-service environment: Impacts of web interface characteristics on consumers' online shopping behavior. In E-Service: New directions in theory and practice (pp. 120-140). Routledge.
- Joy, A., Belk, R. W., Charters, S., Wang, J. J. F., & Peña, C. (2018). Performance theory and consumer engagement: Wine-tourism experiences in South Africa and India. In *Consumer Culture Theory* (pp. 163-187): Emerald Publishing Limited.
- Khuong, M. N., & Tram, V. N. B. (2015). The effects of emotional marketing on consumer product perception, brand awareness and purchase decision (A study in Ho Chi Minh City, Vietnam). *Journal of Economics, Business and Management*, 3(5), 524-530.
- Kim, J. H., & Min, D. (2014). The effects of brand popularity as an advertising cue on perceived quality in the context of internet shopping. *Japanese Psychological Research*, 56(4), 309-319.
- Kotler, P., & Armstrong, G. (2010). Principles of marketing: Pearson education.

- Lee, & Leh, F. Y. (2011). Dimensions of customer-based brand equity: A study on Malaysian brands. *Journal of Marketing Research and Case Studies*, 2011, 1-10.
- Lee, J., & Hong, I. B. (2016). Predicting positive user responses to social media advertising: The roles of emotional appeal, informativeness, and creativity. *International Journal of Information Management*, 36(3), 360-373.
- Lobschat, L., Zinnbauer, M. A., Pallas, F., & Joachimsthaler, E. (2013). Why social currency becomes a key driver of a firm's brand equity–Insights from the automotive industry. *Long Range Planning*, 46(1-2), 125-148.
- Lundqvist, A., Liljander, V., Gummerus, J., & Van Riel, A. (2013). The impact of storytelling on the consumer brand experience: The case of a firm-originated story. *Journal of Brand Management*, 20(4), 283-297.
- Luttrell, R. (2018). *Social media: How to engage, share, and connect*. London, United Kingdom: Rowman & Littlefield.
- McDuff, D., Kaliouby, R., Kodra, E., & Larguinet, L. (2013). *Do emotions in advertising drive sales*. Paper presented at the Proceedings of ESOMAR Congress.
- Mrkulić, T. W. (2015). 10 Brands Creating Emotional Connections with Customers.

  Retrieved from <a href="https://www.liveperson.com/connected-customer/posts/our-top-10-brands-successfully-creating-emotional-connections">https://www.liveperson.com/connected-customer/posts/our-top-10-brands-successfully-creating-emotional-connections</a>
- Nieroda, M. E., Mrad, M., & Solomon, M. R. (2018). How do consumers think about hybrid products? Computer wearables have an identity problem. *Journal of Business Research*, 89, 159-170.
- Philip., & Kotler, K. (2017). *Marketing Management*: Pearson.
- Pressgrove, G., McKeever, B. W., & Jang, S. M. (2018). What is Contagious? Exploring why content goes viral on Twitter: A case study of the ALS Ice Bucket Challenge. *International Journal of Nonprofit and Voluntary Sector Marketing*, 23(1), 1-8.
- Ramanathan, S., & Dhar, S. K. (2010). The effect of sales promotions on the size and composition of the shopping basket: regulatory compatibility from framing and temporal restrictions. *Journal of Marketing Research*, 47(3), 542-552.
- Rossiter, J. R. (2014). 'Branding'explained: Defining and measuring brand awareness and brand attitude. *Journal of Brand Management*, 21(7-8), 533-540.

- Rowles, D. (2014). Digital branding: a complete step-by-step guide to strategy, tactics and measurement: Kogan Page Publishers.
- Rymes, B. (2014). Communicating beyond language: Everyday encounters with diversity: Routledge.
- Sekaran, U., & Bougie, R. (2016). *Research methods for business: A skill building approach*. Hoboken, New Jersey, United States: John Wiley & Sons.
- Sharp, B. (2016). *How brands grow*. Oxford, United Kingdom: Oxford University Press.
- Shojaee, S., & bin Azman, A. (2013). An evaluation of factors affecting brand awareness in the context of social media in Malaysia. *Asian Social Science*, 9(17), 72-78.
- Simester, D. (2017). Field experiments in marketing. In *Handbook of economic field experiments* (Vol. 1, pp. 465-497). Amsterdam, Netherlands: Elsevier.
- Turban, E., Outland, J., King, D., Lee, J. K., Liang, T.-P., & Turban, D. C. (2018). Innovative ec systems: From e-government to e-learning, e-health, sharing economy, and p2p commerce. In *Electronic Commerce 2018* (pp. 167-201). Berlin, Germany: Springer.
- Zinnbauer, M., & Honer, T. (2011). How brands can create social currency: A framework for managing brands in a network era. *Marketing Review St. Gallen*, 28(5), 50-55.