Impact of Locus of Control on Brand Loyalty in the Adults of Karachi, Pakistan

Farhan Kamrani^{1*}, Farrukh Kamrani², Nabila Kamrani³ **Abstract**

The current study was an attempt to investigate the relationship between locus of control and brand loyalty. To know the predictive relationship between these variables, a stratified sample of 400 adult participants (200 male, 200 female) aged between 20-40 years was asked to complete scales for measuring the locus of control scale (Levenson, 1973) and brand loyalty scale (Sheth et al., 1999). Simple linear regression analysis reveals that locus of control (internal or external) is a significant predictor of brand loyalty. If the internal locus of control is higher in an individual, their brand loyalty will subsequently be less or decreased. External locus of control would mean higher brand loyalty.

Keywords: Brand Loyalty, Consumer Behavior, Locus of Control

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^{1*}Assistant Professor, Department of Psychology, University of the Karachi, Karachi, Pakistan.

²MPhil Scholar, Department of Mass Communication, University of the Karachi, Karachi, Pakistan.

³Facilitator, Franklin Covey Education, Karachi, Pakistan.

*Corresponding Author Email: drfarhankamrani@gmail.com

Introduction

Rotter (1954) explained in his theory of social learning that an individual's behavior is determined by the rewards or punishments he receives. He also gave rise to the term 'locus of control' that describes an individual's perception of power, i.e., belief of an individual about the outcome of his actions (Rotter, 1966) if it is being controlled by the environment or by his internal strength. An individual's locus of control is responsible for life quality, mood stability and emotions. Individuals with internal locus of control are healthier physically as well as mentally and are good at dealing with stress;

whereas individuals with external locus of control are likely to blame the environment, and do nothing in order to improve their life quality (Schwarzer et al, 2017). To measure the level of locus of control, Rotter developed a scale which sought to measure both external locus of control and internal locus control (Cherry, 2022).

Rotter's theory suggests that every individual has either an internal or an external locus of control (Zigarmi et al., 2018). Internal locus of control refers to the belief of an individual that regardless of what the outcome may be of his action(s), it is all due to his own capabilities. In the case of an external locus of control, an individual believes that the result of his action(s) is wholly dependent on external powers, i.e., other people, fate, luck or chance. It is also stated by some individuals with external locus of control that the uncertain social conditions make the outcome of action(s) unpredictable (Tyler et al., 2020). Individuals with high internal locus of control are motivated in maintaining health. They were the ones who willingly agreed to maintain social distancing during the time of pandemic (Itani & Hollebeek, 2021). It was also found that females tend to suffer with depression and anxiety more than men because females are generally more

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dependent on their external locus of control (Churchill et al., 2020).

Locus of control tends to be one of the mood controllers for people (Jackson, 2019). Individuals with external locus of control tend to be firm in their belief that they are not responsible for any of the consequences of their actions which leads them to be hopeless in the times of hardships (English, 2022). Studies also suggest that individuals who have external locus of control are more likely to engage in risky activities and they are less likely to approach any kind of interventions (Eatough, 2022). However, individuals with internal locus of control are observed to be more confident in the time of uncertainty as they take it on themselves in all cases; hence they are more independent and mentally healthy (Cherry, 2022).

Oftentimes, locus of control can be perceived as a strong construct of personality, which might not be true in every situation since many theories suggest that locus of control is often attained through past life experiences. Research found that to a certain extent locus of control is solely dependent on the external environment or circumstances. Psychologists suggest that locus of control can be shifted from one continuum to another—internal to external or external to internal (Hans, 2000; Hattie et al, 1997).

Brand loyalty is defined as a positive feeling of an individual towards a specific product or service, something that makes him make frequent purchases of that brand regardless of the marketing strategies of other brands (Oliver, 1999). It is not just repurchasing the products of the same brand but also includes the psychological phenomenon of being loyal to a brand (Rehman et al., 2012). Individuals loyal to a brand buy their preferred brand's products regardless of their price (Shin et al., 2019). Brand loyalty refers to a consumers' trust, faithfulness, and other positive emotions regarding a specific brand, and disregarding of other brands, even if other

brands are better or more convenient than their own specifically favorite brand (Kotler et al., 2008; Kotler & Keller, 2006). It manifests itself when an individual buys a certain product regardless of competitors of that particular product (Hur et al., 2011). Moreover, customers not just do repetitive purchases of their favorite brand, they also start to associate their own personal feelings and emotions with brands, which often leads to more strong brand loyalty. Brand loyalty is often related to a customer's own perception and beliefs about the brand and its values, whether they are inculcated through brand marketing or a customers' own experiences. Brand loyalty and customer loyalty are often used as interchangeable terms but they are different. Customer loyalty—also referred to as transactional loyalty—is related to a customer's spending on a brand. This loyalty is solely related to the pricing of the brand, while brand loyalty is related to the customer's own perception about the brand. This loyalty is related to customer's emotions and feelings about the brand and its values (Jones et al, 2002).

To business owners, brand loyal individuals are of great importance as they help the brand reach the success point in regard to their strategy to market their products (Aaker, 1996). Now that the marketing strategies are promising becoming strong and companies, they have introduced discount offers on loyalty cards and other promotional offers which prove to be an effective technique to hold onto their customers (Ong et al., 2018). This attachment to a particular brand is also said to be related to an individual's emotions and pricing of the products (Rubio et al., 2017). Brand loyal consumers may feel guilty about buying products or utilizing services of another brand (Cuong, 2020). According to Natarajan and Sudha (2016) people who are loyal to a brand do not prefer switching to another

brand even if it is of good quality or cheaper price.

Identifying locus of control is important for an individual to make appropriate cognitively aware decisions, even if it is just related to buying a product. Identifying locus of control can help in outlining the causes of an individual's loyalty towards a product that they buy. The current study focuses on the relationship between locus of control and brand loyalty. It wants to find out whether internal locus of control is inversely related to brand loyalty, i.e., the more the internal locus of control, the less the brand loyalty. Identifying the consumer's locus of control can help in further aiding marketing research as well as product management. Therefore,

the need for investigating the continuum of locus of control and its relation with brand loyalty, is apparent.

Method Sample

A stratified sample of 400 participants (200 male and 200 female) aged between 20 to 40 years was drawn through convenient sampling technique. The educational level of the sample was very diverse from 10th grade to PhD level. The participants belonged to a number of occupations—housewives, business managers, university students, copywriters, policemen etc. The data was collected in Karachi, Pakistan in April 2023. Table 1 and 2 show occupation and education wise distribution of the sample.

Table 1Occupation wise Distribution of Sample (N=400)

Occupation	n	%
Student	149	37.25
Not working/Unemployed	136	34
Teacher	29	7.25
Business	18	4.5
Freelancing	9	2.25
Computer/IT	8	2
Managers	6	1.5
Accountant	5	1.25
Content creators	4	1
Mechanics	4	1
Others	32	8

Table 1 indicates the diversity of the sample in terms of the occupation.

Table 2 *Educational Level wise Distribution of Sample (N=400)*

Educational levels	Degree/Certificate titles	n	%
10 years of education	Matric	8	2
12 years of education	Intermediate	64	16
14 years of education	B.Sc.	14	
	B.Com.	1	5,5
	B.A.	7	
16 years of education	MA	52	73

	MBA	4	
	BS	235	
	BE	1	
18 years of education	M.Phil.	1	
	MS	12	3.25
20 years of education	PhD	1	0.25

Table 2 indicates the diversity of the sample in terms of education.

Measures

The Locus of Control Scale

Developed by Levenson (1973), the scale measures individual's answers related to their life and events' perception; whether they are controlled by self-related factors or external environment. The scale has 20 items and each item is rated either true or false. Higher scores indicate strong internal locus of control while lower scores are indicative of external locus of control.

The Illustrative Measure of Brand Loyalty Developed by Sheth et al. (1999), the brand loyalty scale has 5 items that are rated, considering any specific favorite brand. The scale is rated on 5 points—from "strongly disagree" to "strongly agree". Higher scores indicate higher degrees of brand loyalty.

Procedure

To conduct this study, participants were approached through convenient sampling techniques. Participants were provided with

the locus of control scale to assess their responses and to know at which continuum their locus of control lie. They were also provided with the brand loyalty scale to assess the extent of their brand loyalty. After collecting responses of the participants on the locus of control scale as well as on the brand loyalty scale, the gathered data was analyzed.

Ethical Guidelines

The participants were asked for their active consent to participate in this study. This study was conducted through voluntary participation of the sample. None of the participants was provided with any kind of incentives. All of the participants' responses were kept anonymous while analyzing the data.

Statistical Analysis

To test the hypothesis simple linear regression was calculated. Descriptive statistics were also used to measure the mean values and standard deviation of locus of control and brand loyalty.

Results
Table 3
Regression Coefficient of Locus of Control and Brand Loyalty (N=400)

	Model			
Variables	В	β	SE	
Constant	41.34		1.67	
Locus of control	35	54*	.02	
R^2	.29			

^{*}p<.01

The impact of locus of control on brand loyalty was examined. Independent variable was locus of control and dependent variable was brand loyalty. β value of -.54 indicates

moderate level of correlation and 29% of variance in brand loyalty is due to locus of control that is a significant predictor of brand loyalty. Higher score on locus of control

indicates the higher internal locus of control whereas low scores indicated external locus of control. Hence, further indicating that, if the internal locus of control is higher in an individual, their brand loyalty will subsequently be less or decreased.

Discussion

Locus of control is a continuum with one end representing internal locus of control and the other external locus of control. Studies have suggested that if an individual's locus of control lies internally, s/he is more likely to be goal oriented, having more chances to achieve those goals than the individual, whose locus of control lies externally. However, it should not be disregarded that every event has different causes and circumstances of their occurrence. For example, environmental situations and different living situations for different individuals lead them to believe whether the events occurring in their life are solely dependent on them or on external forces that are out of their control (internal locus of control or external locus of control) (Jacob-Lawson et al., 2011). On the other hand, band loyalty is an individual's action of devoting himself to buying a product from one particular brand and his positive affectivity towards that particular brand. Brand loyalty can be conscious or unconscious, which is related to a number of factors such as convenience, habit, brand image and social influence, etc. (Dick et al., 1994). Brand loyalty is what the brands actually want form the consumers.

The findings of this research show that internal locus of control is negatively related to brand loyalty, which means that the higher the level of an individual's internal locus of control is, the lesser his brand loyalty will be. Internally motivated people have internal strength, which helps them in having control over their lives and their perception related to the attribution of their life events. This intrinsic control can create self-efficacy, providing effective control on a person's life

routine as well as his product buying habits (Takaki & Yano, 2006). This internal locus of control can help in reducing a consumer's rigidity to buy a particular brand.

An individual's psychological response or high affectivity plays an important role in brand loyalty. However, internal locus of control helps in controlling the affectivity of an individual towards a brand or a particular product (Kotler et al., 2008). This can be assured through the individual's loyalty or persistence towards purchase of a brand. Hence, higher internal locus of control, selfefficacy and self-control will eventually lead to an individual's control over these choices and purchases (Di Corrado et al., 2021). Hence, different strategies can implemented to increase the internal locus of control, subsequently making the individual self-efficient as well as self-adequate, eventually reducing the rigidity to buy a particular brand. Further investigation can also be conducted to test the gender or other situational or psychological factors in the relation to an individual's locus of control. Different factors associated with brand loyalty, its causes and persistence can also be investigated.

The brands that want loyalty from the consumers with internal locus of control can work on their products and make them more close to the needs of the consumer rather than just focusing on the brand image and brand personality in the marketing strategies. It is high time that businesses start considering the consumer diverse not only in terms of race, gender, culture or age but also in terms of psychological factors like, personality types, attitudes, habits and behavior patterns. It is worthy to note here that human psychology is evolving and similarly the

consumer behavior will also change with new trends in human behaviors and new set of needs that are resultant of newer lifestyles and modern belief systems. It would be of interest to science to gain an understanding of the factors that contribute to the development of certain loci of control and how this contributes to various consumer behavior.

Limitations & Recommendations of the Study

- As the sample primarily consisted of individuals from the urban and formally educated stratum of Pakistan, caution is warranted when attempting to infer the findings to the less privileged and rural segments of the population, as the dynamics within these diverse backgrounds may differ.
- It is relevant to note here that the scales sued for this study were not developed in Pakistan. Given the potential cultural variations in the understanding of brand loyalty and locus of control, there arises a pressing need for the development and utilization of tools specifically made for the unique culture of Pakistan.
- A more ample study of the phenomena could have been done through a mixed-methods approach, combining quantitative analysis in-depth interviews with of select participants. Not like scale-based studies, which offer a fixed set of responses, in-depth interviews have the capacity to unveil a spectrum of thoughts broader perceptions, providing richer insights into the underlying phenomena. Integrating both methodologies would likely have enriched the study's comprehensiveness and depth.

Conclusion

This research reveals a negative correlation between internal locus of control and brand loyalty. Individuals with a higher internal locus of control exhibit lower brand loyalty. The intrinsic strength associated with internal motivation empowers individuals to take control of their lives and shape their perceptions of life events. Consumers with a strong internal locus of control tend to be less rigid in their brand choices, opening up opportunities for diverse product preferences.

Contribution of Authors

Farhan Kamrani: Conceptualization, Investigation, Methodology, Writing – Reviewing & Editing

Farrukh Kamrani: Data Curation, Formal Analysis, Writing – Original Draft

Nabila Kamrani: Methodology, Writing - Reviewing & Editing

Conflict of Interest

There is no conflict of interest declared by the authors.

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Data Availability Statement

The datasets of the current study are not available publicly due to ethical reasons but are available from the corresponding author [F.K.] upon the reasonable request.

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