The effect of Generation Z’s perceptions of brand activism on brand loyalty: evidence from Vietnam

Dinh Toan Nguyen
Faculty of Marketing, National Economics University, Hanoi, Vietnam, and
Dang Ha Anh Le, Linh Giang Truong, Ngan Giang Truong and
Viet Vinh Vu
School of Advanced Education Programs, National Economics University, Hanoi, Vietnam

Abstract
Purpose – The study was conducted to investigate the impact of Generation Z’s perceptions of brand activism on brand loyalty through the mediating role of brand attitude and brand trust.
Design/methodology/approach – The study first reviewed previous research and developed hypotheses related to the research objectives. Structural equation modelling (SEM) was conducted to test the hypotheses with the survey data of 1,133 individuals from Generation Z in Vietnam.
Findings – First, the findings indicated that: perceived argument quality, perceived authenticity, and perceived altruistic motives have a significant positive effect on brand attitude and brand trust. In addition, perceived self-interest motives have a significant positive effect on brand attitude. Brand trust has a significant positive effect on brand loyalty. Finally, brand attitude and brand trust have a significant positive effect on brand loyalty. The study’s empirical analysis carries implications for brand managers when implementing brand activism campaigns.
Originality/value – There is a paucity of research that investigates customers’ perceptions of brand activism through perceived argument quality, perceived authenticity, perceived altruistic motives, and perceived self-interest motives and the influences of these on brand loyalty. The main contribution of this study is to fill this gap.

Keywords Brand activism, Brand loyalty, Brand trust, Brand attitude

1. Introduction
In today’s marketplace, consumers want brands to take a stand on socio-political issues and in Vietnam in particular. When brands match activist messaging, purpose, and values with prosocial corporate practices they engage in brand activism, creating the most potential for social change and largest gains in brand equity (Vredenburg et al., 2020). Brand activism is when firms and brands enter the activist mode and openly voice their opinions about a subject or issue (Kotler and Sarkar, 2017). Kotler and Sarkar (2017) determined that brand activism has six divisions: social, political, economic, business, environmental and legal. Many companies and brands willingly take on the role of activists and speak out about contentious social issues like abortion, gun control and same-sex marriage (Garfield, 2018). These actions not only draw the target public’s attention, but also generate a buzz around the brand amongst society, which increases consumers’ trust, loyalty and positive attitude towards the brand (Shetty et al., 2019).

As a fashion trend, brand activism is growing and spreading. The phenomenon of brand activism has gained attention both in academia and in the marketing environment. According to several authors, engaging in brand activism has become of greater importance to accommodate consumers expectations due to how contemporary society is constructed (Manfredi-Sánchez, 2019; Sarkar and Kotler, 2020). Especially, the rise of brand activism is
the importance of younger consumers. The Generation Z are ethical and belief-driven consumers that are committed to societal and environmental welfare issues more than any other generational cohort (Ahmad, 2019; Admirand, 2020). These value-driven consumers choose, switch, avoid and boycott a brand due to its position towards societal relevant causes (Kam and Deichert, 2020), emphasises honesty and transparency (Van den Bergh and Behrer, 2016), prefer to favour and support companies and brands that prioritise and value social responsibility rather than profit-driven companies and brands (Kolb, 2007). This development brings along new dynamics and challenges for brands in the current marketplace. In order to be recognised by these younger generations, brands cannot remain silent (Ahmad, 2019). Hence, brand activism offers a chance for firms to position themselves by doing something good for society, to show cultural relevance and to approach the increasingly important younger generations as target groups. Thereby, environmental matters such as sustainability and climate issues are preferably expected to be addressed as they are one of the biggest concerns of the younger consumers (Ahmad, 2019). Whilst the fashion sector is booming, increasing attention has been brought to the impressive range of negative environmental impacts that the industry is responsible for. Fashion production makes up 10% of humanity’s carbon emissions, dries up water sources, and pollutes rivers and streams (UNECE, 2018). Russell (2018) revealed that three-fifths of all clothing items will end up in an incinerator or landfill within a year after being produced. In response to these issues, people have started to shift their interest in sustainable fashion. Sustainable fashion is part of the slow fashion movement, developed over the past decade, and used interchangeably with eco-, green-, and ethical-fashion (Carey and Cervellon, 2014).

Engaging by companies and brands in brand activism have been shown to have a favourable impact on marketing outcomes, create a competitive advantage, and increase purchasing intention (Negrão et al., 2018; Chang et al., 2021; Chang and Cheng, 2015; Shetty et al., 2019), the willingness to buy (Becker-Olsen et al., 2006), enhance the brand image (Du et al., 2007), and perceptions of product performance (Chernev and Blair, 2015). The literature on brand activism has been thoroughly examined. Whilst existing studies focussed on nature of brand activism (Kotler and Sarkar, 2017; Manfredi-Sánchez, 2019), brand activism strategies (Sibai et al., 2021; Key et al., 2021), activism authenticity dimensions (Mirzaei et al., 2022), from a brand management perspective, and primarily concerns the importance of companies engaging in brand activism (Sarkar and Kotler, 2020). Only a few studies have examined the effects of consumers’ brand activism perceptions (Vredenburg et al., 2020). According to Vredenburg et al. (2020), we should look at the correlation between young customers, brand activism and brand perceptions and how these relate to ethics and public policies as well as marketing tools. There is a significant gap in the brand activism research literature examining brand activism effectiveness, including its impacts on brand trust, brand attitude, and brand loyalty (Vredenburg et al., 2020).

To help address this research gap, the purpose of this research was to examine the effect of Generation Z’s brand activism perceptions on brand loyalty and the mediating role of brand attitude and brand trust with the goals of contributing to brand managers when implementing brand activism campaigns. More specifically, this research tested an Elaboration Likelihood Model based on the relationships amongst perceived argument quality, perceived authenticity, perceived altruistic motives, perceived self-interest motives, brand trust, brand attitude, and brand loyalty.

2. Literature review

2.1 Elaboration Likelihood Model – ELM

The ELM illustrates that there are two elaboration paths leading to persuasion: the central route and the peripheral route. These two paths differ in their depth of information analysis
and processing. The central route of persuasion is applied if a recipient attentively reflects on the persuasive message by using the existing knowledge or experience to analyse the offered information (Petty et al., 2009). Before establishing attitudes and judgements, consumers who process the information through the central route critically analyse the arguments in the persuasive message and examine their relevance (Bhattacherjee and Sanford, 2006). Thus, to persuade consumers who process information via the central route, it is necessary to emphasise the information sources and the argument quality of the message. Because the arguments are scrutinised thoroughly and thoughtfully, the change or formation of attitudes via the central route is more consistent and lasting than via the peripheral route. From a brand’s perspective, the central route is frequently favoured since long-lasting attitudes can inspire brand loyalty and predict consumer behaviour (Bhattacherjee and Sanford, 2006; Chaudhuri and Holbrook, 2001). In contrast, the peripheral path of persuasion is taken if message recipients lack the ability or incentive to process the provided information with cognitive effort and consideration of merits (Petty et al., 2009). Persuasion occurs in the peripheral route through simpler means such as different features of communication, for example imagery, source appeal or source credibility. The ELM model is the core theoretical model for examining the impact of consumers’ perceptions of brand activism on brand loyalty through two mediating variables: brand attitude and brand trust.

2.2 Brand loyalty
Brand loyalty is defined as “a deeply held psychological commitment to rebuy or repatronize a preferred product/service consistently in the future, thereby causing repetitive same brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior” (Oliver, 1999, p. 34). Customers with a high level of loyalty to a certain brand devote themselves to the brand through continuous purchases in the future. Aaker (1991) emphasised the critical importance of brand loyalty in the process of building brand equity, noting that it provides several benefits, including reduced marketing expenditures, an increased customer database and the promotion of brand equity. A business’s success is contingent upon its ability to acquire and retain loyal customers. If it can successfully achieve this, it will retain current customers and earn their future brand loyalty. Customers might demonstrate varying degrees of brand loyalty (Kandampully and Suhartanto, 2000). Brand loyalty refers to a person’s dedication and favourable attitude towards a brand’s products or services in the future (Liu, 2007) and to a customer’s repeated purchase of a product or service. According to Kotler et al. (2021) the measure of customer loyalty also transforms from mere retention and repurchase to advocacy. Therefore, a successful brand activism campaign can enhance consumer advocacy for the brand.

2.3 Perceived argument quality
The term “argument quality” refers to the persuasive power of the arguments included inside a message (Bhattacherjee and Sanford, 2006). Consumers examine the relative merits and relevance of issue-related arguments contained in a brand message before forming their attitudes and making judgements (Bhattacherjee and Sanford, 2006). According to Bhattacherjee and Sanford (2006), perceived argument quality is defined as the coherence and logical sequence of a brand’s message delivered through a brand activism campaign. When argument quality is perceived as strong and convincing, consumers form a variety of favourable judgements. On the other hand, when argument quality is perceived as weak and inadequate, it results in negative thinking and judgements about the message. Previous research studies revealed that the wording of activists’ arguments must be concrete to make the messages clear and avoid being misconstrued (Vredenburg et al., 2020). Additionally, Lin
et al. (2017) underlined the importance of solid arguments in advertising above subjective and emotive ones. Furthermore, it has been demonstrated that argument quality affects brand attitude through the moderating variable of blogger reliability (Chu and Kamal, 2008). Although Chu and Kamal (2008) findings are placed in the context of blog readers’ elaboration of brand-related messages, which might not be general, it is a premise proving the relationship between perceived argument quality and brand attitude in the context of brand activism. Researchers indicated that the stronger the perceived argument quality is, the more likely it is that it will have a positive effect on young consumers’ brand attitude and trust.

It can be assumed that perceived argument quality plays an important role in the context of environmental brand activism in advertisements. Berger et al. (1999) stated that the way of processing advertisements is closely related to the arguments of the message. Further, they scrutinised the function of argument quality in cause-related advertising finding out that argument quality induces attitude and trust formation or change. Brand activism easily can lead to backlash due to doubtful consumers and lacking consideration of fitting activist messages as well as actions (Vredenburg et al., 2020). Therefore, it can be assumed that consumers’ perception of argument quality also has a vital role in order to predict their brand attitudes and trust. Consequently, the quality of arguments is fundamental to investigate in the scope of environmental brand activism in advertisement, the hypotheses are proposed as follows:

\[ H1a. \] Perceived argument quality has a positive influence on brand attitude.

\[ H1b. \] Perceived argument quality has a positive influence on brand trust.

2.4 Perceived authenticity

Authenticity represents the objective existence of the concept in terms of whether it is “real, actual or genuine, or something with an origin supported by unquestionable and verified evidence” (Keller et al., 2008). Thus, “authenticity” connotes authoritative assurance of an object’s existence. According to Chu and Kamal (2008), authenticity, demonstrated by consumers’ judgement of a brand, is portrayed as a source of credibility for the brand activism message and the underlying purposes behind the brand message.

Authentic brand activism is one of the main variables that outperforms all other types of brand activism (Vredenburg et al., 2020; Mirzaei et al., 2022). Vredenburg et al. (2020) posited that perceived authenticity is a critical attribute of brand activism, as it contributes to not only brand success but also the potential for social change. Authentic brand activism is determined by the alignment of the brand’s attributes, including its fundamental mission, core values and message, as a presentation of its brand activism. Alhouti et al. (2016) defined CSR authenticity as the “perception of sincerity and honesty reflected in corporate trust as well as CSR activities beyond legal requirements”. Alhouti et al. (2016) also examined the role of authenticity in CSR research, finding that it has a significant effect on consumers’ perceptions. They postulated that consumers would have a positive attitude towards brands that practise authentic CSR. Previous studies on authenticity in the field of CSR have clearly demonstrated that perceived authenticity has an important role in the formation of attitude towards a brand in the context of brand activism. According to Coary (2013), in terms of basic measurement, brand trust acts as an intermediary for the effects of authenticity. The findings indicate that respondents with strong perceive of a brand’s authenticity have much more brand trust than respondents who have a weak perception of the same. Regarding this research, when the brand and its advocacy seem to be authentic and an expert in environmental matters, it can be assumed that consumers have more positive brand trust and attitudes. Ultimately, based on the ELM as well as previous literature concerning brand activism, the hypotheses are proposed as follows:
2.5 Perceived motives
According to Yuksel et al. (2016), the perceived motives behind cause-related marketing (CRM) campaigns are intertwined with ethical issues and the state of helping society. In the case of successful CRM campaigns, the motives of a brand should be perceived as altruistic and the brand should portray itself as sincerely concerned about society (Yuksel et al., 2016). In the context of CRM, Foreh and Grier (2003) discovered that consumers assign two different types of brand incentives. On the one hand, consumers assess a company or brand’s intention in terms of its prospective advantages to a societal cause, which reflects altruistic motives. Benefits to the brand itself are examined and can be summed as egoistic motives (Foreh and Grier, 2003). Foreh and Grier (2003) also demonstrated that consumers rarely respond to the CSR initiatives of brand practices if they have egoistical motives, not for the fact that they are innately egoistical, but because consumers recognise that they are being deceived. Several researchers also posit that consumers are often sceptical about the true intentions behind a brand’s social efforts as they assume that they are merely profit oriented (Webb and Mohr, 1998; Rifon et al., 2004; Kim et al., 2010). According to Kim et al. (2010), CRM campaigns are marketing efforts designed to mutually benefit the business itself and society; however, if the brand’s motives are perceived as being merely profit oriented, the advertising campaign’s intended positive effects on the brand may be lost. Becker-Olsen et al. (2006) posited that in the scenario of a brand having purely profit-oriented motives, consumer responses will be significantly affected, regardless of whether the brand-cause fit is perceived as high or poor. Therefore, a company’s motives can influence a CRM campaign’s effectiveness (Becker-Olsen et al., 2006; Moosmayer and Fuljahn, 2013; Samu and Wymer, 2014) and thus they need to be considered by a brand.

In the context of CSR and using hypothetical radio scripts to request donations to charities from the listeners, Ellen et al. (2006) identified four types of CSR motives: value-driven motives; strategic-driven motives; egoistic-driven motives; and stakeholder-driven motives. Regarding the impact of CSR motives on consumer responses, Groza et al. (2011) discovered that the value-driven motive and the strategic-driven motive positively influence consumers’ attitudes towards a firm, whilst the stakeholder-driven motive negatively affects consumers’ attitudes. Relevantly, Wongpitch et al. (2016) propose two types of CSR motives: altruistic and self-interest. The self-interest motives are equivalent to the strategic-driven motive and the egoistic-driven motive in the research of Groza et al. (2011), and the firm-serving motive in the research of Lee et al. (2009). Meanwhile, the altruistic motives are equivalent to the value-driven motive in the research of Groza et al. (2011), and the public-serving motive in the research of Lee et al. (2009). Thus, it can be inferred that when consumers perceive the motives of brand as altruistic and self-interest, this will positively effect on brand attitude and trust. Therefore, in the context of environmental brand activism, the hypotheses are proposed as follows:

\[ H3a. \] Perceived altruistic motives have a positive influence on brand attitude.

\[ H3b. \] Perceived altruistic motives have a positive influence on brand trust.

\[ H4a. \] Perceived self-interest motives have a positive influence on brand attitude.

\[ H4b. \] Perceived self-interest motives have a positive influence on brand trust.

2.6 Brand trust
Brand trust is the willingness to rely on a brand, based on beliefs about that brand, despite the risk or uncertainty associated with that brand (Becerra and Korgaonkar, 2011; Delgado-
Previous studies indicated that brand trust is a critical component in the formation of consumers’ attitudes and loyalty towards brand (Toufaily et al., 2013; Atulkar, 2020). Brand trust is established after consumers evaluate a company’s offerings. If companies can instil a sense of their brand’s safety, honesty and reliability into consumers, brand trust will follow (Doney and Cannon, 1997). Brand trust is formed and developed through consumers’ direct experiences with brands. Various researchers have also demonstrated that brand trust plays an important role in the formation of consumers’ sense of brand loyalty (Kwon et al., 2020; Ebrahim, 2020). Brand trust can lead to certain marketing benefits such as lowering marketing costs, attracting new customers, providing greater trade leverage, conveniently performing word of mouth, and resisting competitors’ marketing efforts (Atulkar, 2020; Kwon et al., 2020). However, the consequences of brand trust have not been empirically examined in brand activism studies, which is crucial in understanding how brand activism works in the mind of the consumer. Thus, we propose in the current paper that:

\[ H5. \] Brand trust has a positive influence on brand attitude.

\[ H6. \] Brand trust has a positive influence on brand loyalty.

2.7 Brand attitude

Brand attitude is the basis for consumer behaviour (Keller et al., 2008), and it can be described as a given audience’s consistently favourable or unfavourable attitude towards a brand or their acquired tendencies (Fishbein and Ajzen, 1975). Kotler et al. (2018) defined brand attitude as an individual’s favourable or unfavourable assessment, feelings, and behavioural tendencies. Keller et al. (2008) defined brand attitude as a consumer’s overall assessment of a branded product. Consumers’ favourable brand attitudes have a positive effect on consumer value and consumer intention to continue to choose a brand (Kim, 2013). Attitude is regarded as a critical factor for explaining brand loyalty and consumer behaviour (Marticotte and Arcand, 2017; Nguyen, 2019). This means that a favourable brand attitude has a positive effect on brand loyalty. Therefore, on the propositions of previous research, it is hypothesised as follows:

\[ H7. \] Brand attitude has a positive influence on brand loyalty (see Figure 1).

![Proposed research model](image-url)
3. Methodology

The study methodology was conducted in two phases. The first phase focused on developing measures based on the definitions of each construct, primarily adapting previously validated measures. Content validity was assessed to ensure consistency of measures. The second research phase involved testing the study hypotheses using data collected at a brand activism campaign.

3.1 Measurement

Measurement items in this study were modified from previous studies. Slight modification of the wording of the previous scales was done to fit the current research context. The measures were then tested according to the standard scale development guidelines (Nunnally and Bernstein, 1994). As this study was conducted in Vietnam, all the items were translated from English to Vietnamese and back to English to check their accuracy. When necessary, adjustments were made to the Vietnamese translation.

Five-point Likert scales, ranging from 1 “strongly disagree” to 5 “strongly agree” were used to measure the study variables. We employ Zeithaml et al. (1996) adjusted brand loyalty scale with five items to quantify brand loyalty. Similarly, the scale of brand trust is evaluated with the four items of Chaudhuri and Holbrook (2001). Brand attitude is measured by four adjusted items proposed by Mitchell and Olson (1981). Perceived argument quality is measured with four items developed by Bhattacherjee and Sanford (2006), perceived authenticity is measured with eight items developed by Alhouti et al. (2016), and perceived altruistic and self-interest motives were measured by five and four items, respectively, developed by Wongpitch et al. (2016).

3.2 Data collection and analysis

To test the study hypotheses, a survey was conducted about “Lights out, Ideas up” campaign. This campaign has been conducted for 12 years by BOO, a Vietnam company that manufactures and sells clothing fashion products for young people. This study employed a web-based (distributed via Facebook groups), self-administered questionnaire. The initial invitation to complete the survey questionnaire was followed up by four reminders to increase the response rate. The main survey questionnaire used a convenience sample of the Generation Z consumers who reside in the three big cities in Vietnam (Hanoi, Da Nang, and Ho Chi Minh City), from September to November 2021. Before filling the questionnaire, respondents were brief about the survey. The survey was limited to respondents who were aware of the BOO’s “Lights out, Ideas up” campaign. To ensure respondents’ eligibility to complete the survey, a screening question was first used to rule out those respondents who did not know the BOO’s “Lights out, Ideas up” campaign. Once participants answered “Yes,” respondents were asked to answer the survey questions.

Of the 1,147 completed questionnaires, 1,133 questionnaires were retained for data analysis; 14 questionnaires were due to missing values or extreme outliers. Of the respondents, Hanoi is represented by 380 respondents (33.5%), Da Nang by 376 respondents (33.2%), and Ho Chi Minh City by 377 respondents (33.3%). Additionally, there are 779 female respondents (68.8%) and 354 male respondents (31.2%) (see Table 1).

SPSS 22.0 and AMOS 20.0 were used to analyse the collected data. Following Anderson and Gerbing (1988), a two-step approach was adopted. First, confirmatory factor analysis (CFA) was conducted to test the measurement model fit and the factor structure of each scale. Second, structural equation modelling (SEM) was used to test the study hypotheses.
3.3 Pre-tests

Prior to the main study, qualitative and quantitative pre-tests were conducted. Qualitative research was used to analyse brand attitude, brand trust and brand loyalty, as well as to adjust individual scales in accordance with the Vietnamese context. In addition, twenty students from the National Economics University in Hanoi were asked to determine which brand activism campaign in Vietnam they were most familiar with, and the BOO’s “Lights out, Ideas up” campaign proved to be a suitable match to use as the case study for this research and related to environmental activism. The campaign responds to the Earth Hour event launched globally by the World Wide Fund for Nature (WWF). It was an initiative by BOO within the fashion industry to execute greening activities since 2010 in the framework of environmental department BOOvironment, parallel to the founding year of BOO which have focussed on affirming that BOO becomes a deserved brand of Vietnam. The business is not only about making profits; the main concept is to contribute to society, unleash inspirations and bring positive changes to the young generation.

As part of the quantitative pre-test, an additional 135 respondents were selected from students at the same university who had aware of the BOO’s “Lights out, Ideas up” campaign. The results of the quantitative pre-test indicated that the concept of perceived altruistic motives has a Cronbach’s alpha reliability coefficient of 0.799, which is higher than 0.6, the minimum coefficient proposed by (Hair et al., 1998). The correlation between the AM1 variable and its sum is less than 0.3 (0.260). According to the results in the column titled “Cronbach’s alpha coefficient if eliminating observable variable”, if the AM1 variable is eliminated, Cronbach’s alpha increases (from 0.799 to 0.844). In addition, the results of the EFA suggested that the AM1 (factor loading = 0.471 < 0.5) and AM5 (factor loading = 0.453 < 0.5) items of perceived altruistic motives should be eliminated. We, therefore, excluded two items – AM1 and AM5 – from the main study. The level of internal consistency in each construct was acceptable with Cronbach’s alpha estimates ranging from 0.809 to 0.914. The results indicated good reliability for the seven variables; therefore, all measurement items were included in the main study.

4. Results
4.1 Measurement model

CFA was used to verify the scales’ unidirectionality, reliability and validity after the initial descriptive analysis phases. The findings of the index scale test are all acceptable, and the
scales are accepted. Based on the indexes, the CFA results indicate compatibility with the possible model: Chi-square (1,353) = 1165.001, $p = 0.000$; Chi-square/df (CMIN/df) = 2.672, RMR = 0.034, GFI = 0.935, RMSEA = 0.038, IFI = 0.963, TLI = 0.957, CFI = 0.963. Furthermore, all the standardised factor loadings for the scales are greater than 0.6 ($p < 0.001$) and the composite reliability (CR) of the seven scales is greater than 0.7. Cronbach’s alphas were 0.815 or above, demonstrating good reliability. The convergent and discriminant validity of each scale was determined by calculating the Average Variance Extracted (AVE). All the AVE values are greater than or equal to 0.5 (Table 2), and discriminant validity was confirmed, as the average variance extracted (AVE) was greater than the square of the correlations between constructs (Table 3). These results suggested that the hypothesised measurement model was appropriate for further analysis.

4.2 Structural model
SEM analysis was conducted to evaluate the proposed model and test the hypotheses. The suitability of the model is accepted: Chi-square = 1660.645; Chi-square/df = 3.715; $p = 0.000$; RMR = 0.046; GFI = 0.903; TLI = 0.931; CFI = 0.938; RMSEA = 0.049.

Regarding the SEM analysis, the hypothetical relationships were tested. Perceived argument quality had a significant effect on brand attitude ($\beta = 0.180, t = 4.380, p < 0.001$) and brand trust ($\beta = 0.261, t = 6.085, p < 0.001$). Therefore, hypotheses H1a and H1b are accepted. Hypothesis H2a and H2b are also accepted with the results showing that perceived authenticity has a positive effect on brand attitude ($\beta = 0.253, t = 5.978; p < 0.001$) and brand trust ($\beta = 0.303, t = 6.849; p < 0.001$). Hypothesis H3a and H3b are also accepted, as perceived altruistic motives have a positive influence on both brand attitude ($\beta = 0.140, t = 3.595, p < 0.001$) and brand trust ($\beta = 0.362, t = 9.203, p < 0.001$). The results of the first hypotheses demonstrate the importance of perceived argument quality, perceived authenticity and perceived altruistic motives in shaping brand trust and brand attitude. This causal relationship implies that the higher the awareness of perceived argument quality, perceived authenticity and perceived altruistic motives of Generation Z are, the higher their brand trust and brand attitude become. The test results also show that perceived self-interest motives have a relatively low influence on brand attitude ($\beta = 0.064, t = 1.993; p < 0.05$). Therefore, hypothesis H4a is accepted. However, the SEM results show that there is no evidence of a correlation between the perception of self-interest motives and brand trust, so the hypothesis H4b is not accepted ($\beta = -0.003, t = -0.090; p = 0.928$).

In addition, hypotheses H5 and H6 are accepted. Brand trust has a significant influence on brand attitude ($\beta = 0.392, t = 9.273; p < 0.001$), and there is a strong correlation between brand trust and brand loyalty ($\beta = 0.455, t = 9.742; p < 0.001$). Brand attitude impacts considerably on brand loyalty ($\beta = 0.374, t = 8.106; p < 0.001$), indicating that hypothesis H7 is correct. According to the test results, Generation Z’s perceptions of brand activism can affect their brand loyalty through brand trust and brand attitude. The results are shown in Figure 2 and Table 4.

4.3 Mediation analysis
For the estimation of mediation, a bootstrapping technique was employed ($n = 5,000$ bootstrap resamples; 95% CI). This allowed the magnitude and statistical significance of mediation effects to be examined (Preacher and Hayes, 2008). The mediating effect of brand trust on brand loyalty via brand attitude was examined. The results revealed that brand attitude mediated the effect of brand trust on brand loyalty. This analysis showed that the standardised total indirect effect of brand trust on brand loyalty was positive and significant at the 0.05 probability level (Indirect effect = 0.208; 95%; LLCI = 0.142;
<table>
<thead>
<tr>
<th>Construct</th>
<th>Standardised factor loading</th>
<th>Cronbach alpha</th>
<th>CR</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Brand loyalty (BL)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BL1: I would say positive things about BOO to other people</td>
<td>0.712</td>
<td></td>
<td>0.878</td>
<td>0.880</td>
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<tr>
<td>BL2: I would recommend BOO to someone who seeks my advice</td>
<td>0.747</td>
<td></td>
<td>0.878</td>
<td>0.880</td>
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<td>BL3: I would encourage friends and relatives to do business with BOO</td>
<td>0.814</td>
<td></td>
<td>0.878</td>
<td>0.880</td>
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<tr>
<td>BL4: I would consider BOO my first choice to buy services</td>
<td>0.795</td>
<td></td>
<td>0.878</td>
<td>0.880</td>
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<tr>
<td>BL5: I would do more business with BOO in the next few years</td>
<td>0.786</td>
<td></td>
<td>0.878</td>
<td>0.880</td>
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<tr>
<td><strong>Brand attitude (BA)</strong></td>
<td></td>
<td></td>
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<tr>
<td>BA1: BOO brand is good</td>
<td>0.713</td>
<td>0.826</td>
<td>0.834</td>
<td>0.556</td>
</tr>
<tr>
<td>BA2: I like BOO brand</td>
<td>0.765</td>
<td></td>
<td>0.826</td>
<td>0.834</td>
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<tr>
<td>BA3: I am pleased with the BOO brand</td>
<td>0.765</td>
<td></td>
<td>0.826</td>
<td>0.834</td>
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<tr>
<td>BA4: BOO is a high-quality brand</td>
<td>0.739</td>
<td></td>
<td>0.826</td>
<td>0.834</td>
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<tr>
<td><strong>Brand trust (BT)</strong></td>
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<tr>
<td>BT1: I trust BOO brand</td>
<td>0.784</td>
<td></td>
<td>0.851</td>
<td>0.853</td>
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<tr>
<td>BT2: I rely on BOO brand</td>
<td>0.727</td>
<td></td>
<td>0.851</td>
<td>0.853</td>
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<td>BT3: BOO is an honest brand</td>
<td>0.797</td>
<td></td>
<td>0.851</td>
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<td>BT4: BOO is a safety brand</td>
<td>0.771</td>
<td></td>
<td>0.851</td>
<td>0.853</td>
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<td><strong>Perceived argument quality (PAQ)</strong></td>
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<td>PAQ1: “Lights out, Ideas up” campaign is persuasive</td>
<td>0.773</td>
<td>0.815</td>
<td>0.817</td>
<td>0.528</td>
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<tr>
<td>PAQ2: “Lights out, Ideas up” campaign is valuable</td>
<td>0.715</td>
<td></td>
<td>0.815</td>
<td>0.817</td>
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<tr>
<td>PAQ3: “Lights out, Ideas up” campaign is informative</td>
<td>0.707</td>
<td></td>
<td>0.815</td>
<td>0.817</td>
</tr>
<tr>
<td>PAQ4: “Lights out, Ideas up” campaign is helpful</td>
<td>0.710</td>
<td></td>
<td>0.815</td>
<td>0.817</td>
</tr>
<tr>
<td><strong>Perceived authenticity (PA)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PA1: “Lights out, Ideas up” campaign of BOO is genuine</td>
<td>0.683</td>
<td></td>
<td>0.885</td>
<td>0.889</td>
</tr>
<tr>
<td>PA2: “Lights out, Ideas up” campaign preserves what BOO means to me</td>
<td>0.724</td>
<td></td>
<td>0.885</td>
<td>0.889</td>
</tr>
<tr>
<td>PA3: “Lights out, Ideas up” campaign captures what makes the company unique to me</td>
<td>0.674</td>
<td></td>
<td>0.885</td>
<td>0.889</td>
</tr>
<tr>
<td>PA4: “Lights out, Ideas up” is in accordance with the company’s values and beliefs</td>
<td>0.734</td>
<td></td>
<td>0.885</td>
<td>0.889</td>
</tr>
<tr>
<td>PA5: BOO is being true to itself with its brand activism campaign-“Lights out, Ideas up”</td>
<td>0.723</td>
<td></td>
<td>0.885</td>
<td>0.889</td>
</tr>
<tr>
<td>PA6: BOO is standing up for what it believes in</td>
<td>0.695</td>
<td></td>
<td>0.885</td>
<td>0.889</td>
</tr>
<tr>
<td>PA7: BOO is a socially responsible company</td>
<td>0.728</td>
<td></td>
<td>0.885</td>
<td>0.889</td>
</tr>
<tr>
<td>PA8: BOO is concerned about improving the well-being of society</td>
<td>0.693</td>
<td></td>
<td>0.885</td>
<td>0.889</td>
</tr>
<tr>
<td><strong>Perceived altruistic motives (AM)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AM2: The motive of BOO in helping society with “Lights out, Ideas up” campaign is very pure</td>
<td>0.763</td>
<td></td>
<td>0.860</td>
<td>0.862</td>
</tr>
<tr>
<td>AM3: BOO does not expect anything in return for its brand activism campaign-“Lights out, Ideas up”</td>
<td>0.850</td>
<td></td>
<td>0.860</td>
<td>0.862</td>
</tr>
<tr>
<td>AM4: BOO does not have any hidden agenda for “Lights out, Ideas up”</td>
<td>0.851</td>
<td></td>
<td>0.860</td>
<td>0.862</td>
</tr>
<tr>
<td><strong>Perceived self-interest motives (SM)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SM1: The objective of BOO in helping society with “Lights out, Ideas up” is to benefit itself only</td>
<td>0.681</td>
<td></td>
<td>0.871</td>
<td>0.873</td>
</tr>
</tbody>
</table>

Table 2. Summary of the measurement model and convergent validity
The Generation Z who perceives high brand trust had more favourable brand loyalty directly and, as a result, more favourable brand attitudes. The results of the mediation effect are shown in Table 5.

Next, we examined the mediating effects of perceived argument quality, perceived authenticity, perceived altruistic motives, and perceived self-interest motives on brand attitude via brand trust. The results also revealed that brand trust mediated the effect of perceived argument quality, perceived authenticity, perceived altruistic motives, and perceived self-interest motives on brand attitude. This analysis showed that the standardised total indirect effect of perceived argument quality on brand attitude was positive and significant at the 0.05 probability level (Indirect effect = 0.235; 95%; LLCI = 0.186; ULCI = 0.289). Similarly, the standardised total indirect effect of perceived authenticity on brand attitude was positive and significant at the 0.05 probability level (Indirect effect = 0.237; 95%; LLCI = 0.185; ULCI = 0.291). The standardised total indirect effect of perceived altruistic motives on brand attitude was positive and significant at the 0.05 probability level (Indirect effect = 0.241; 95%; LLCI = 0.191; ULCI = 0.296). The standardised total indirect effect of perceived self-interest motives on brand attitude was positive and significant at the 0.05 probability level (Indirect effect = 0.127; 95%; LLCI = 0.087; ULCI = 0.170).

5. Discussions
5.1 Theoretical implications
This study offers theoretical contributions to the existing literature on brand activism, various aspects of message recipients’ perceptions of communication subjects and how these influence Generation Z consumers’ brand loyalty, as measured by consumers’ attitudes towards and trust in a brand. The proposed ELM model provides a basis to examine effect of perception of brand activism.

The study contributes to the conclusions of Mun et al. (2013), Berger et al. (1999), and Chu and Kamal (2008) about the influence of perceived argument quality on brand trust and attitude. Moreover, it also complements Hernandez-Fernandez and Lewis (2019) and Kim and Lee (2020), with a higher level of perception of brand authenticity leading to a higher level of perception of brand trust. Like Wongpitch et al. (2016), the results of this study indicated that consumers’ perceptions of altruistic motives have a positive impact on their attitude towards the brand. However, the influence of consumers’ perception of self-interest motives on their attitude towards the brand is insignificant.

Previous studies, which concentrate on the general impact of brand activism on consumer attitudes and consumer behaviour, have considered the aspects of brand trust and brand
<table>
<thead>
<tr>
<th></th>
<th>CR</th>
<th>AVE</th>
<th>MSV</th>
<th>MaxR(H)</th>
<th>PA</th>
<th>BL</th>
<th>SM</th>
<th>PAQ</th>
<th>AM</th>
<th>BA</th>
<th>BT</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA</td>
<td>0.889</td>
<td>0.500</td>
<td>0.465</td>
<td>0.890</td>
<td>0.707</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BL</td>
<td>0.880</td>
<td>0.595</td>
<td>0.510</td>
<td>0.884</td>
<td>0.517***</td>
<td>0.772</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SM</td>
<td>0.873</td>
<td>0.633</td>
<td>0.330</td>
<td>0.884</td>
<td>0.112***</td>
<td>0.406***</td>
<td>0.796</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PAQ</td>
<td>0.817</td>
<td>0.528</td>
<td>0.465</td>
<td>0.820</td>
<td>0.682***</td>
<td>0.423***</td>
<td>0.099***</td>
<td>0.727</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AM</td>
<td>0.862</td>
<td>0.677</td>
<td>0.434</td>
<td>0.869</td>
<td>0.370***</td>
<td>0.659***</td>
<td>0.575***</td>
<td>0.270***</td>
<td>0.823</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BA</td>
<td>0.834</td>
<td>0.556</td>
<td>0.542</td>
<td>0.835</td>
<td>0.674***</td>
<td>0.689***</td>
<td>0.263***</td>
<td>0.624***</td>
<td>0.497***</td>
<td></td>
<td>0.746</td>
</tr>
<tr>
<td>BT</td>
<td>0.853</td>
<td>0.593</td>
<td>0.542</td>
<td>0.855</td>
<td>0.612***</td>
<td>0.714***</td>
<td>0.237***</td>
<td>0.573***</td>
<td>0.511***</td>
<td>0.736***</td>
<td>0.770</td>
</tr>
</tbody>
</table>

**Note(s):** BL: Brand loyalty; BA: Brand attitude; BT: Brand trust; PAQ: Perceived argument quality; PA: Perceived authenticity; AM: Perceived altruistic motives; SM: Perceived self-interest motives.
CR: composite reliability; AVE: average variance extracted; MSV: maximum shared variance.

***p < 0.001; **p < 0.01; *p < 0.05
loyalty. These are crucial factors for brands that can implement brand activism campaigns. In this study, we focus on analysing the impacts of Generation Z’s perceptions of brand activism on brand loyalty through the two mediating variables: brand trust and brand attitude. According to the findings, perceived argument quality, perceived authenticity, perceived altruistic motives and perceived self-interest motives all have an impact on the brand loyalty of Generation Z via brand trust and brand attitude. Perceived argument quality, perceived authenticity and perceived altruistic motives positively affect brand trust and brand attitude. The study also concludes that perceived self-interest motives have no impact on brand trust and have a negligible effect on brand attitude. Brand trust is proven to

Table 4.
Estimated path coefficients

<table>
<thead>
<tr>
<th>Path estimate</th>
<th>S.E.</th>
<th>CR</th>
<th>p</th>
<th>Hypotheses</th>
</tr>
</thead>
<tbody>
<tr>
<td>BA ← PAQ</td>
<td>0.180</td>
<td>0.045</td>
<td>4.380***</td>
<td>H1a: Accepted</td>
</tr>
<tr>
<td>BT ← PAQ</td>
<td>0.261</td>
<td>0.046</td>
<td>6.085***</td>
<td>H1b: Accepted</td>
</tr>
<tr>
<td>BA ← PA</td>
<td>0.253</td>
<td>0.049</td>
<td>5.978***</td>
<td>H2a: Accepted</td>
</tr>
<tr>
<td>BT ← PA</td>
<td>0.303</td>
<td>0.050</td>
<td>6.849***</td>
<td>H2b: Accepted</td>
</tr>
<tr>
<td>BA ← AM</td>
<td>0.140</td>
<td>0.029</td>
<td>3.595***</td>
<td>H3a: Accepted</td>
</tr>
<tr>
<td>BT ← AM</td>
<td>0.362</td>
<td>0.028</td>
<td>9.203***</td>
<td>H3b: Accepted</td>
</tr>
<tr>
<td>BA ← SM</td>
<td>0.064</td>
<td>0.025</td>
<td>1.993*</td>
<td>H4a: Accepted</td>
</tr>
<tr>
<td>BT ← SM</td>
<td>-0.003</td>
<td>0.026</td>
<td>-0.090</td>
<td>n.s</td>
</tr>
<tr>
<td>BA ← BT</td>
<td>0.392</td>
<td>0.043</td>
<td>9.273***</td>
<td>H5: Accepted</td>
</tr>
<tr>
<td>BL ← BT</td>
<td>0.455</td>
<td>0.055</td>
<td>9.742***</td>
<td>H6: Accepted</td>
</tr>
<tr>
<td>BL ← BA</td>
<td>0.374</td>
<td>0.053</td>
<td>8.106***</td>
<td>H7: Accepted</td>
</tr>
</tbody>
</table>

Note(s): BL: brand loyalty; BA: brand attitude; BT: brand trust; PAQ: perceived argument quality; PA: perceived authenticity; AM: perceived altruistic motives; SM: perceived self-interest motives
n.s: not significant; *p < 0.05; ***p < 0.001; SE: standard error; CR: critical ratios; path estimates are standardised

Figure 2.
Structural path model
have a positive influence on brand attitude, and finally, brand trust and brand attitude both have a significant impact on the brand loyalty of Generation Z.

5.2 Managerial implications

According to the findings of this study, perceived argument quality has a considerable impact on brand loyalty through two mediating factors, brand attitude and brand trust. As a result, when implementing a brand activism programme, brand managers must take a clear stance on the issue in public and provide real evidence to support their position. This would help to reinforce the argument quality of the message and convince consumers of the importance of giving a brand’s perspective on political or social issues.

Additionally, the research findings indicate that perceived authenticity is a critical factor for establishing customer loyalty; therefore, brand managers must prioritise adherence to the brand’s fundamental values and rigorous reasoning and ensure that the message’s authenticity is in accordance with the brand’s purposes, values, messages, and regulations. This factor exerts the greatest influence on Generation Z’s perceptions of the factors studied here. Brands must demonstrate that their brand activism campaigns are consistent with their values by taking a stance on a socio-political issue that is highly compatible with their brand image and values.

The purpose of this study is to elucidate the role of brand motives, whether perceived self-interest motives or perceived altruistic motives, in explaining consumer responses towards brand activism. Thus, by incorporating kindness and sincerity into brand activism campaigns, brands will be able to garner more positive consumer responses. Furthermore, brand managers must clearly demonstrate altruistic motives and control any self-interest motives when conducting brand activism campaigns, to foster a favourable consumer attitude towards the brand, hence increasing consumer loyalty.

The study helps brand managers to have a better understanding of the positive influence of trust on attitude towards their brand and it provides an outstanding contribution to the formation of loyalty towards the brand. The mediating role of brand trust and brand attitude in this research indicates that in order to evaluate the efficiency of brand activism actions, brand managers should routinely measure how much these actions affect Generation Z’s brand trust and brand attitude, and simultaneously supervise and enquire deeply into Generation Z’s knowledge of the brand. This will enable them to create an effective communication plan that is consistent with the brand’s core values to improve consumers’ brand trust and attitude. These measurements will also mean that managers have a basis from which to assess and recommend plans that could strengthen consumers’ brand loyalty.

<table>
<thead>
<tr>
<th>Specific indirect (mediated) effects</th>
<th>β</th>
<th>95% C.I.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand trust → Brand loyalty (via Brand attitude)</td>
<td>0.208***</td>
<td>0.142 0.282</td>
</tr>
<tr>
<td>Perceived argument quality → Brand attitude (via Brand trust)</td>
<td>0.235***</td>
<td>0.186 0.289</td>
</tr>
<tr>
<td>Perceived authenticity → Brand attitude (via Brand trust)</td>
<td>0.237***</td>
<td>0.185 0.291</td>
</tr>
<tr>
<td>Perceived altruistic motives → Brand attitude (via Brand trust)</td>
<td>0.241***</td>
<td>0.191 0.296</td>
</tr>
<tr>
<td>Perceived self-interest motives → Brand attitude (via Brand trust)</td>
<td>0.127***</td>
<td>0.087 0.170</td>
</tr>
</tbody>
</table>

Table 5. Standardised indirect effects

Note(s): β: standardised path coefficient; C.I.: Confidence Interval; LL: Lower limit; UL: Upper limit

*p < 0.001
5.3 Limitations and directions for future research

Despite the meaningful marketing implications of this study, there are some limitations. This study focussed primarily on the sample group of Generation Z, it cannot be generalised to Generations X and Y. Furthermore, future research may broaden the scope of the study to include additional perception factors that influence brand activism. Future research may be conducted to examine the regulatory impact of consumers’ issue involvement as a moderator of the persuasion of brand activism campaigns. The generalisability of the results of this study is unknown. Further research both at other industries and at different kinds of brand activism is needed to extend this research. Lastly, discussion on the potential effect of COVID-19 on the examined relationships may be included. Also, implementing AI into the model may help gain new insights into consumer trust and loyalty.

In conclusion, given the limited amount of research that has investigated the perceptions of brand activism and the increasing popularity of brand activism activities, there is an abundance of further research that can be pursued. The focus of this study was to investigate the impact of Generation Z’s perceptions of brand activism on brand loyalty through the mediating role of brand attitude and brand trust. The study examined how the relationships between perception of perceived argument quality, perceived authenticity, perceived altruistic motives, and perceived self-interest motives affected an individual’s evaluations about brand activism, which, in turn, influenced brand attitudes, trust and loyalty.

References


Corresponding author
Dinh Toan Nguyen can be contacted at: nguyendinhtoan@neu.edu.vn

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