The impact of deceptive advertising on Customer loyalty: A case of Telecommunication industry in Karachi, Pakistan

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The Impact of Deceptive Advertising on Customer Loyalty: A case of Telecommunication Industry in Karachi, Pakistan.

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ABSTRACT
This study examined the impact of deceptive advertising on customer loyalty in the telecommunication industry of Karachi, Pakistan. This research was quantitative in nature. The sample size was 250, questionnaires were distributed electronically and manually. Exploratory Factor Analysis (EFA) was used to analyze the data with the help of SPSS. Confirmatory Factor Analysis (CFA) and Structural Equation Modeling (SEM) using AMOS, conducted to ensure the model and testing the hypothesis. The outcome of the present study verifies that word of mouth has a strong significant influence on customer loyalty. Hence customer satisfaction and customer trust are causing word of mouth in a positive and significant way. So it shows that there is a positive and strongly significant influence of customer satisfaction and trust on customer loyalty with the mediation of word of mouth. On the other hand, deceptive ads are causing word of mouth in a negative way. Hence it is concluded that deceptive ads have a negative influence on customer loyalty with the mediation of word of mouth. This study suggested that in order to increase customer loyalty and build a long-term relationship with the customer's telecom companies should focus on accurate information and rendering the level of competitive services to their customers.

Keywords : Deceptive advertising, customer satisfaction, loyalty. word of mouth, customer trust.

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1. INTRODUCTION

In today's competitive business environment no business can become a market leader unless they spent millions of dollars in promotional purposes. The key purpose of advertisers is to achieve valuable consumers by influencing their thoughts, knowledge and buying behavior.

There are various awareness modes of communication such as events, personal selling, public relations, direct marketing, word of mouth marketing, and advertising ((**Fill, 1999**); (**Kotler, 2010**)). Personal selling is also known as face to face selling where one person (salesman) tries to convince the customer in purchasing a product (**Definition of 'Personal Selling'**). Public relations(PR) is the method individuals and companies communicate with the media and public. A PR expert communicates with the target audience indirectly or directly hrough the media with an aim to maintain a positive image and generate a strong connection with the audience (PAHWA, 2018,). Direct marketing is the process of selling the product or service directly to the people e.g.by telephone selling or by mail order (Outreach). Now a day's customer faces the challenge of managing with these modes of marketing communications. Amongst all the above modes of communication, advertising has the main impact on viewers mind and as a strategy, it is the most important part of any business entity which is used to generate awareness about product or service. The term advertising is derived from the Latin word' advertere' means to turn the attention. The word 'advertisement' first emerge around 1665 A.D. Every part of advertising endeavor to turns the attention of the readers or the listeners towards the product. Advertising is the mean of informing as well as influencing the general public to buy a product or service. A product or service is advertised to create awareness in the minds of potential buyers through various advertising medium such as magazine, radio, television, billboards, web advertising, newspaper, etc. Advertising usually provides information about the advertising firm, its service qualities, its product and the place of availability (**Singh, 1996**).

An advertisement turns into misleading or false when untruthful or deceptive statements are used in the ads to attract the customer towards the product or services. (**M., 1975**) has identified deceptive advertising in 1975. As deceptive advertising begins when a firm or a company support its product or services with the help of misleading, untrue of confusing statements. The tricks e.g. using of Photoshop to change the appearance of the products are used by the advertiser in order to deceive the customers and make their product look a lot diverse than the reality. So, this kind of advertisement is unsafe for consumers as they are intentionally mislead by the

misrepresentation of quality, characteristics or the nature of the product or service offered by various firms (**Skool**). This incorrect statement of the product leads the customers to make poor decisions in result to which the customer end up wasting precious money on something which won't meet their needs or resolve their problems (**Taruna, September 2016**).

According to (**Lodhi, 2015**) deceptive advertising is the utilize of misleading, false and wrong advertising of a product which may negatively affect consumer's loyalty, deception can be confirmed when a consumer individually consumes or experience the product or service. If consumers are not being informed about the complete information or being revealed images that oppose the real qualities of a product or service, they are unsure to compose the finest decisions for themselves (**Ray, 2018**)

One's any company engages in misleading advertising it isn't a trustworthy company more as both the new and existing customers may suffer deceive and switch to another company product or services. The business may also get a terrible status as a deceptive organization, which means declining business in the future. Moreover, in rising markets like Pakistan, it is more imperative to determine whether the factors such as customer satisfaction, word-of-mouth, and trust also affecting customer loyalty due to the continuous arrival of innovative players in potential businesses. That is why businesses make superior relationships with their loyal customers, as they buy their goods and services over again and again (**Waheed Akhter A. S., 2011**) and however, this can be done when once trust is developed.

According to (**Owais Hassan, 2014**) the Pakistani customer is no different from the customers in another marketplace in the world. Deceptive advertising is now also illegal in many other countries (**FTC Guides Against Deceptive Pricing, 2012**). The United States of America was the first to execute policies and rules about deceptive advertising. The United States Supreme Court has lined that misleading or false advertising is not sheltered under the first adjustment (**Demaine, 2010**). In this way, some of the agencies have been designed and created to discourage service providers and manufacturers to use deceptive advertising in order to protect the customers. According to the European Commission's instruction, false advertising is any advertising which in any mean, counting in its presentation, is proficient of misleading the person to whom it is concentrated, misrepresented their behavior and as a result, destruction the interest of the customers (**Official Journal of the European Union , 2005**). As from China to India to the United Kingdom, misleading advertising is banned. Not merely deception is banned

but it is also carefully be regulated. Most countries entail advertorials ads that are obtainable as editorial, to be obviously marked as advertisements. The charge of breaking these laws can be steeped both in humanitarian and financial consequences **(Wakeman)**.

In order to enter into a particular market it is very significant to first get an insight about the taste, customers' needs, culture and demographics of that market, not only to propose a product but also to build up its unique strategies. Since telecom operators present services for all market segments, they utilize diverse promotion and marketing strategies for each of their services. Being the element of the most competitive business each operator of telecom industry of Pakistan aims to bring some unique and out of the box advertisement strategies in order to satisfy their customers. As the service range of each operator is more or less similar to the thing that can make a difference is the promotional and marketing strategies each operator uses to make their customer base and image. They are doing advertising through television, internet, newspaper, banners, sign boards, FM radio, and mobile vans. Among all Television, the advertisement is the most essential source for effective branding of Telecom Industry. They spend a lot of the money to run their TV's on numerous channels, while TV channels differ according to the market standing and channel (TRP) rating. According to the **MEDIA BANK PAKISTAN statement of 2015**, telecom industry obtained hold of 20% of shares of total minutes of advertising and positioned 2nd in the top category list with, Mobilink, Ufone, and Telenor being the most active telecom players. Internet and Social media also have become the most vital medium to make a better position in the market and make the brand known in the market. The Telecom operators of Pakistan are among the top brands on the internet. Each operator not only has a special website but they are also pretty dynamic on all social media platforms. Not only on Facebook but Twitter also is lead by the telecom sector **(Rizwana, 2016)**.

1.2. PROBLEM STATEMENT

Advertisement plays a very significant role in influencing customer behavior in order to purchase a product or services. With the passage of time customers are badly affected by different marketing activities and deceptive advertising. Moreover, false advertising is a very responsive issue because most customers are unable to understand and interpret advertisements. Some time's the advertisers over exaggerate the product's benefits and advertise them in such a thoughtful way, therefore customers should be very well aware of their purchase decision. After explaining

the deceptive advertising in detail, the research study will demonstrate how customers can respond after getting deception in advertisements for the product or service they purchased. Telecommunication industry is like the backbone for every country in the era of communication and speediness industry in the current business environment. Pakistan Telecommunication Business Limited has a very wide telecommunication network crosswise the country covering all the main areas. Telecommunications in Pakistan explains the large environment for the growing mobile telecommunications, internet and telephone markets in Pakistan. According to (**Mittal, 2017**) Pakistan's telecom sector appears as one of the fastest rising sectors across Asia and in 2008 it was the third -fastest rising sector in the world. The growth has continued unconstrained till date and as of 2017 January, out of the population of almost 200 million 16 percent are active on social media, 23 percent are active internet users, and 72 percent are mobile subscribers. The telecom infrastructure in Pakistan is improving significantly with domestic and foreign investments in mobile networks and in the fixed-line (**WILSON, 2009**). According to (**Farooq**, **2018**) Pakistan telecom sector revenues through the first two-quarters FY(Financial year) 2017-18 touched Rs. 235.5 billion, discovered the Economic Survey of the (2017-18).

Pakistan has been a country with a monopolistic market in the telecommunication sector but from the past two decades, both international and national participant have modified its dynamics for working business. As the bigger population volume of the country was a tantalizing factor for telecom companies to penetrate the market (**Mehnaz, 2016**). With the passage of time, the mobile-phone operators have appeared in every area of the world (**Shaista Kamal N. S., 2015**). The occurrence of many operators in the marketplace gave way to competitive pricing and hard competition. Given the strong competition, businesses resorted to deceptive ads in order to exploit emotions, take profit from low literacy of the customers and as well as manipulate customer psyche. The researcher also explained that the transmission of misleading information in respect to telecommunication services and products may take any form, it may be through television advertisements, brochures, billboards and banners, print media, advertisement on the internet, short message services (SMS) offers. Telecom companies in Pakistan have somehow engaged to deliver overstated statement to influence the consumers due to which customers lost their money and get mental misery. As (**Jeeva, 2016**) said that misleading advertisements affect consumer's choices concerning what they purchase. Such advertisements generate a belief about the quality of the product and services which is not true and also create the wrong impression

about the product in the result to which customer preference will be distorted. The packages offered such as SMS charges, connectivity charges, call rates, post, and prepaid connections are always taking up extra charges for just subscribing, which the customers don't realize and have not much awareness of this charged information, which ultimately irritates consumers which trend the consumers for brand switching **(Hasan, 2011**).

1.3.RESEARCH GAP

(Mohammad Noorizzuddin bin Nooh, 2014) has explored the effect of unethical advertising criteria that impact to the next creation. The study converse that misleading and inappropriate advertising makes negative belief in the psyche of people particularly children or adults in Malaysia. **(Maicibi, 2013)** have highlighted that false advertisements generate wrongly use of customer loyalty in the organization in America. The research observes that organization should generate a specific cost for the falsification and fraud in advertising in order to keep the organization healthy and competitive. Further to it **(Jeeva, 2016)** have highlighted the impact of misleading advertisement in Coonoor, India and explored that misleading advertisement has an unfavorable effect on consumer interests.

Although, there are previous studies on the issue of deceptive advertising with reference to telecommunication sector in Pakistan **(Hasan, 2011)**, **(Fayaz, 2015)** and **(Shaista Kamal Khan, 2015)**, but these studies mainly focus on defining the deceptive advertising and to some extent imitate on its effect on the customer loyalty. As **(Shaista Kamal Khan, 2015)** observed that consumer behavior is affected by, financial or emotional loss, misleading and incorrect interpretation claim that trends to affect trust, consumer loyalty, and brand attitude. **(Hasan, 2011)** examined that deceptive or misleading elements are present in the ads which may affect customer loyalty. **(Fayaz, 2015)** also conducted a study and observed that deceptive advertising practices happen in mobile phone advertisement which affects customer loyalty. While none of them directly spotted out the effect and relationship between the deceptive advertising and customer loyalty. Moreover, these studies including studies done on Pakistan didn't emphasize on how deceptive advertisement interplays with trust and customers satisfaction to effect loyalty, moreover, how words of mouth mediate this phenomenon. Therefore, explaining the effect of deceptive advertisement on loyalty in the presence of trust and satisfaction through words of mouth is still under research especially in the case of developing country like Pakistan. Hence,

there is an understandable research gap to study the relationship between customer loyalty and deceptive advertising under the mediation of word of mouth. (**Hasan, 2011**) and (**Jahanzeb, 2015**) proved that deception in ads affecting customer behavior. But they mostly focus on describing deceptive advertising and to some degree imitate on its impact on customer loyalty. The originality of this paper is also to study the relationship between customer loyalty and deceptive advertising under the mediation of word of mouth. The completion of this research provides an essential benefit to the customers by informing them about the false or wrong advertisements of a product or service which may negatively affect their loyalty.

This study also gives benefit to marketers in order to make them assure that now a day's customers are more knowledgeable because of the technological era. So, it's very essential for advertisers to provide truthful statements about the product or service they advertised.

1.4. RESEARCH OBJECTIVES

The scope of the research is to highlight the study on deceptive advertising that helps to determine its effect on customer loyalty and also to know the increasing demand of telecommunication industry in Pakistan. Most of the time, customer get disappointed from advertising due to inappropriate execution and non-fulfillment, of particular commitment, the study will help consumers to get aware of the false advertisements and its effect on their loyalty. However, the study is conducted in Karachi city from people of diverse age group. Furthermore, this study has examined how the customer reacts after deception in an advertisement. The objectives of this research are:

- To recognize the influence of deceptive ads on customer loyalty with the mediation of word of mouth.
- To recognize the influence of customer satisfaction on customer loyalty with the mediation of word of mouth
- To recognize the influence of customer trust on customer loyalty with the mediation of word of mouth
- To examine the influence of word of mouth on customer trust.
- To recognize the influence of word of mouth on deceptive ads.

- To identify the relationship between customer trust and customer loyalty and deceptive advertisement.
- To examine the influence of word-of-mouth on customer satisfaction.

1.5. RESEARCH QUESTIONS

This research attends to get answers to the following questions:

- To what degree deceptive advertising effect on customer loyalty?
- To what extent marketers make efforts to stimulate customer behavior?
- How deceptive telecom ads affect customer satisfaction and trust?
- How word of mouth mediates between the independent and dependent variable?

2. LITERATURE REVIEW

(**Aydin, 2005**) recognized the relationship between customer loyalty and brand image, service quality, trust and switching cost, in the telecommunication industry of turkey as the results revealed that all of these variables had a positive effect on customer loyalty. (**Chen, 2011**) did a study in China as they concluded that brand image direct toward relationship quality, quality directs toward relationship value, and customer loyalty mediates through relationship value. The effect of company image and brand image was found insignificant. In another study, (**Fornell, 2001**) explained, when a company satisfies their customers, in a result the company can obtain numerous benefits from the satisfied customer i.e. loyalty, build a positive company image, lessen customer sensitivity and reduce the cost of generating new customers. According to (**Anwar, 2011**) buyer trust and brand image have a strong influence on brand attitude, which can be achieved through customer expectation and distinct service quality. (**Alhabeeb, 2007**) studied loyalty and customer trust in the perspective of value. He declared that the value a business is giving to a customer in the type of its product and services is vital in the assurance of trust. The connection between the variables signifies that value and perception are positively related and trust is positively interrelated to loyalty.

(**Fayaz, 2015**) have explored how deceptive ads affect customer loyalty, attitude, and behavior. The analysis of the study found that deceptive advertising practices happen in mobile phone advertisements which affect customer loyalty. The study also found that when the people

experiencing the mobile phone in real and fond some variation in the advertisement, because of this experience, they start thinking that deception occurs in the ads, their faith started shaking towards mobile phones before purchasing. In result to which people start negative word of mouth with other customers whether they may loyal in the past. Similarly, **(Hussain, 2015)** found that misleading information, stereotyping and unethical advertising is negatively associated with customer purchasing behavior, while the word of mouth is negatively connected with customer satisfaction. Further to it **(Jeeva, 2016)** have highlighted the impact of misleading advertisement in Coonoor, India and discusses that misleading advertisement has an unfavorable effect on consumer interests and must be coordinated by the legal provisions and institutional structure that adjust misleading advertisement.**(Maicibi, 2013)** have explored that false advertisements generate wrongly use of customer loyalty in the organization. The qualitative research approach is the focus of the study in America. The research observes that organizations generate a cost for the illegal's by falsification and fraud in advertising. **(Mohammad Noorizzuddin bin Nooh, 2014)** have explored that wrong and inappropriate advertising makes negative belief in the psyche of people particularly adults or children. The qualitative research approach is used in the study in Malaysia and converse that advertising negatively affects children's purchasing decision. **(Liepinyte, 2012**) have examined that consumer's buying decision is ending up through misleading practices in advertising at low quality and high prices. **(John Cawley, 2013)** conducted research in the USA and found that exposure to deceptive advertising is connected with a lesser possibility that women, and a higher possibility that men, used (OTC) weight loss products. The study suggests that better-educated women are better capable to differentiate fake claims in advertising and is reliable with the allocate effectiveness of education in the creation of health. **(Shaista Kamal, 2015)** has explored the relationship between deceptive marketing and consumer behavior in Pakistan. The study shows that mainly all service provider is somehow busy in false claims and exaggerations which is dishonesty and it appears that the advertisers, who do not misinform to their customers, constantly enjoy market shares more than those who exaggerate. It concludes that a higher level of experienced dishonesty was associated with the smaller level of less favorable behaviors, less envying manners and perceived credibility towards the brand, and reduced buying ratio towards the product. As this negative association is against**(Mehnaz, 2016)** findings which show that false in advertising perceived by the customers does not affect loyalty and trust in a negative way. The study focuses on the

qualitative approach with the sample size of 232 in Sweden. Further to it**(Ali Raza, 2011)** has presented that there is a significant and positive association exist among deceptive beauty advertising and the purchasing behavior of university students towards the beauty products, this means that the consumption of beauty products raises with the rise in deception in the beauty products. **(Miluwi, 2011)** have explored that advertisement does not essentially verify to be more flourishing in affecting recall of fake claims in India. The result of the study discloses that when both false and true claims are present in a similar advertisement, then true claims are reminded more consistently than false claims. **(Waheed Akhter, 2011)** explored the key factors which manipulate customer loyalty around the world and particularly in Pakistan. The results indicate that there is a positive association between customer relation, trustworthiness, product image, customer loyalty, and customer satisfaction. It also concludes that long-term sustainable standing and success of a company based on customer loyalty.

(Jiana Daikh, 2015) has demonstrated that there is a significant positive relationship between customer satisfaction and customer loyalty. The study focuses on quantitative research on the sample size of 400 respondents. The study suggests that companies should be doing work hard as because loyalty is a brief issue, therefore today's faithful customers could not be tomorrow's loyal consumers.**(Inamullah, 2012)** did research in Pakistan that concludes that customer satisfaction has a significant impact on customer loyalty on the other hand customer retention has an insignificant impact on customer loyalty. The study suggests that an organization should well manage their associations with the customers as a determined policy in the mobile telephone market.**(Muhammad Zaman Sarwar, 2012)** have highlighted the effect of customer trust on customer retention and customer loyalty. The findings of the study show that customer trust, cause-related marketing, and customer loyalty have a positive association but there is a negative association between customer trust and retention. The implication for the future study is that service operators have need to visibly refine and reframe their procedures concerning religious aspect and generating more easiness to recognized buying ways of the customers to retain them for the long life. **(Hilal Alhulail, 2018)** have explored the relationship among word or mouth and customer loyalty to social commerce websites. The study focuses on a quantitative research approach having the sample size of 1000 respondents of social commerce websites consumers in Australia, Factor analyses and SME model is used. The study shows that Word of mouth is the most vital factor which influences customer loyalty.

2.1. THEORATICAL FRAMEWORK

In view of the literature discussed above, we originate the following research model for the study.

Independent variables

Research Framework
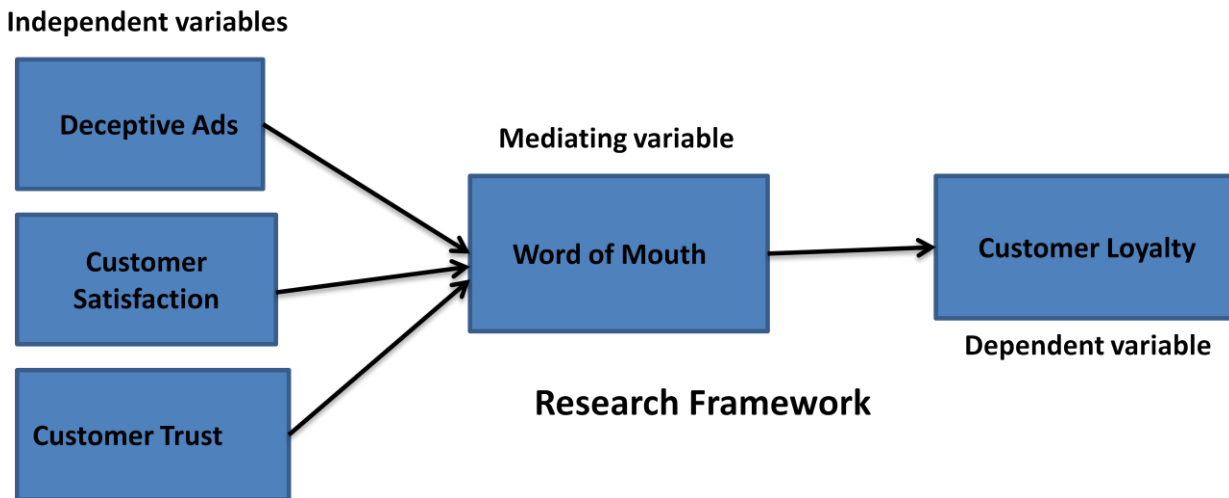
The above model shows that deceptive advertsing as an independent variable and its sub variables are customer satisfaction and customer Trust. Customer loyalty as a dependent variable and word of mouth as a mediating variable.

Customer faced with a very huge numbers of advertisements every day in diverse media. This makes the customer unable to judge the false nature of all such messages (**Mustansar, 2015).** Here they mostly respond on word of mouth. According (**Mustansar, 2015**) in telecom sector, people share their experiences with other people which some time happen to a strong perception in other's mind that may be transformed in faith towards services. Marketers, obviously recognized the value of WOM, particularly with regard to its suggestion for trust and connected outcomes (**DeCarlo ,2007).** If the customer has a positive experience with a brand or service ,they might mention it to their family member or a friend**.** This is because of customer's trust each other's view on what products are worth their money and time and which ones isn't. When the customer comes to know deception occurs in the ads, their believe started shaking towards telecom service before buying ,this is because they experienced the services in real and get a

difference between advertisement and reality ,due to which they started bad word-of-mouth with the people whether they are faithful in the past (**Lodhi, 2015)**.

According to (**Hussain, 2015**) Misleading information has a negative but insignificant correlation with customer satisfaction. Customer satisfaction is also measured as serious to perform business in today's competitive market and telecom companies are no exemption (**Ehigie, 2006**) .This retention and possession of customers depend upon the customer's perceived value. As customers' perceived value is the observation of customers about social psychology, quality, compensation, money, and benefits associated with the firm or services. So, if the customer's perceived value is positive then it will create the customer's satisfaction. (**Farrell, 2011**) a further reminder that perceived unfilled and overstated commitment is negatively related to customer satisfaction.

There are other factors that also affect customer loyalty. One of the significant factor is customer trust. Trust is important to make a strong relationship. As relationship is constructed on trust the most essential thing to consider about trust is that without it, one have no association. This pertains to all human circumstances, not only just the customer service environment, for customers to maintain long business with one and ones businesses, trust has to be earned, and it does not occurs overnight. (**Relationship Between Customer Satisfaction And Loyalty Business Essay, 2016)** .Trust is a promise of the company with their customers to fulfill their expectation as it helps customer loyal to the brand and the company. Without the trust on company customer can't enter in the loyalty set. To build a trust it's essential for the customer to asses and take the information from the product (**Ahmed, 2014)** . The prime issue that demolishes customer trust is when a business breaks its assurance which will the reason customers do not trust the company and even start search for a competitive business that will offer better service**s (Eideh, 2016)**. It is very simple to promise brilliance but weakening to deliver can hurt the relationship with the customers. According to (**Ibanez, 2006**) brand trust is one of the considerable factors which influences brand loyalty. On the other hand (**Darke, 2007**) has also proposed that deceptive advertising originates consumer's distrust. The reaction of distrust caused by deceptive practices would create a perception of unfairness among consumers that would lessen the chances of repurchases. An angry consumer may resort to other injurious actions such as revealing a bad image of the company or refuse it.'

Another factor affecting loyalty is customer satisfaction .In today's marketplace satisfying customer is a business challenge. Every of the company want to attract the customers and they would have the high brand feeling about the product or the services. For this reason customer satisfaction is essential factor that can move the customers towards it. From this point of view if the consumers will satisfy with their definite brand they would make repeat purchases and demonstrate commitment **(Ahmed, 2014)**.Now businesses have recognize the importance to understand, predict and meet customer needs. Customer satisfaction is explained as an overall valuation based on the customer's total consumption and purchase experience with the product or service over time. This overall satisfaction has a strong positive effect on customer loyalty intentions across a wide range of product and service categories, including telecom services **(Eugene W. Anderson, 2004)**

2.2 . RESEARCH HYPOTHESIS

The researcher has generated the following hypothesis for the purpose of final analysis:

H1: Deceptive ads have a positive influence on customer loyalty with the mediation of word of mouth.

H2: Customer satisfaction is influenced customer loyalty with the mediation of word of mouth.

H3: Customer satisfaction is influenced customer loyalty with the mediation of word of mouth.

H4: Word-of-mouth has no influence on customer loyalty.

3. METHODOLOGY

In this segment, the research study converse research design, research model, data collection procedures, statistical techniques, sample size and operational procedures of variables employed in the study.

3.2. RESEARCH DESIGN

The purpose of this research paper was to examine the impact of deceptive advertisement on customer loyalty in the telecommunication industry of Karachi Pakistan. This paper adopts a descriptive survey design. The targeted audience contains all the individual customers using

different telecommunication services in Karachi. The analysis of the study was done on the basis of a quantitative research approach.

3.3. RESEARCH SOURCE

The main source together the data for this study is primary data which was collected through questionnaires. Similarly, secondary data is also been used to obtain a little help through different books and journals.

3.4 .QUESTIONNAIRE DESIGN

The questionnaire consists of two parts the first part includes personal questions about gender, age, education, and income. These questions are intended to get background information about the respondents which would help in descriptive statistics in the analysis part. The questions would get responses on a five-point Likert scale. The points ranged from "1" meaning "strongly agree" to "5" meaning "strongly disagree". The data type used in this research was quantitative approach and all the questions in the questionnaire are closed-ended.

3.5. SAMPLE SIZE & SAMPLING TECHNIQUES

The sample size of the research paper was of 250. The questionnaire was used to collect responses from different respondents like Students, Teachers, and officers with different age groups. The answers were obtained both electronically and manually. On this bases, the measures of the research are further been carried out.

3.6. STATISTICAL TECHNIQUES:

Exploratory Factor Analysis (EFA) was used to analyze the data with the help of SPSS. Confirmatory Factor Analysis (CFA) and Structural Equation Modeling (SEM) using AMOS, conducted to ensure the model and testing the hypothesis.

4.RESULTS

This chapter illustrates the empirical findings revealed from the data and gives information on profiles of the respondents and descriptive statistics for items employed in the study.

4.2 . PROFILE OF RESPONDENTS

In Table 4.1, we have provided demographic information of the respondents which is distributed after the frequency of each set and their percentage share in total.

TABLE 4.1.DEMOGRAPHIC INFORMATION OF THE RESPONDENT

Characteristics	Measuring Group	Frequency	Percentage
Gender	Male	133	53.2
	Female	117	46.8
	Total	250	100
Age	18-25	162	64.8
	26-30	58	23.2
	31-35	30	12
	Total	250	100
Education	Graduation	130	52
	Masters	90	36
	MPhil	30	12
	Total	250	100
Income	Below 30,000	125	50
	31,000 to 50,000	80	32
	51,000 to 70,000	31	12.4
	71,000 to 90,000	5	2
	Above 90,000	9	3.6
	Total	250	100

Table 4.1 discussed the demographic profile of the respondents as there is a total of 250 respondents out of which 53.2 % are Male and 46.8% were Females. Majority of the respondents i.e.64.8% are between 18-25 years, respondents between 26-30 years are second largest at 23.2% and respondents between 31-35 years had a modest share of responses at 12% which is a low percentage. While looking at the education status it is revealed that 52% of respondent are university graduates and another 36% respondents are at a Masters level and the rest of the 12 % of the respondents are MPhil students. The data on monthly income shows that the highest respondents i.e.50% are reported to be earning below 30,000 as the majority of the respondents are students and 32% of the respondents monthly income is in between 31,000 to 70,000, where 2% of the respondents revealed that their monthly income is in between 71,000 to 90,000 and 3.6% of the respondents income shows more than above 90,000.

DESCRIBTIVE STATISTICS

Statement	Mean	Standard Dev.

1 . According to you are deception in ads can be easy to identify?	2.38	1.167
2. Overpromising in ads affect customer believe	2.50	1.162
3. The Operator exaggerates the benefits and characteristics of its product and services	2.50	1.162
4. The operator uses misleading tactics to convince customers to buyer its product and services	2.98	1.002
5. When advertisements are found to be misleading, false, or unpleasant, it is necessary that customer should complain to appropriate bodies.	2.50	1.162
6.The operator ads are not entirely truthful about its product and services which may affect customer satisfaction	2.98	1.002
7. The higher the exposure of false in ads will lead to lower customer loyalty.	2.59	.978
8. Companies must fulfill their commitment with its customers to earn loyalty.	2.50	.995
9. Even my friends and family members recommend me another operator I will continue to using this one.	2.40	.986
10. Even if another operator is cheaper,I prefer using this one only.	2.22	.952
11.Trust has a positive significant influence on customer loyalty	1.82	.890
12. Even I trust on this operator after been deceipt	1.86	.890
13.The operators do care about its customers.	1.86	.875
14. This operators meets customer expectations	2.05	1.044
15. Customer satisfaction has often been regards as a major determinant of customer loyalty.	1.99	.789
16. If any product or service do not makes you satisfy you will be a loyal customer of that product or a service.	2.08	.926
17. Satisfied customer would say positive things about the product or service to other people.	2.22	.907
18. The operator ads mislead less satisfied customer	2.23	.958
19. Word-of-mouth communication is important for my buying decision.	2.12	.801
20. Companies must build good relations with its customers to earn their loyalty, and ensure their commitment	2.50	.995
21. Customer starts bad word-of-mouth with other people after experiencing the telecommunication ads due to deception occurs in it, whether they are loyal in past	2.04	.902
22. The Satisfied customer can attract new customer through word-of -mouth.	1.96	.803
23. The opinion of consumers, who have used the same service before, is important for me.	2.12	.849
24.Word of mouth has an influence on customer loyalty	2.16	.912

The above table illustrates the Descriptive statistic analysis which was used in order to know the impact of deceptive advertising on customer loyalty. The descriptive statistic is used to organize, summarize and simplify the data. They are techniques that take raw scores and summarize or organize them in a form that is more manageable. Descriptive analysis enables us to present the data in a more meaningful way and will permit a simpler interpretation of the data. The table shows the mean and standard deviation of the variables that are deceptive ads, customer loyalty, customer satisfaction, trust, and word-of-mouth. Mean is the most commonly used measure of the center of the data and it also referred to as the arithmetic average. The standard deviation shows the variation in data. If the data is close together, the standard deviation will be small. If the data is spread out, the standard deviation will be large. The table shows the highest and

lowest mean and standard deviation that is 2.98 at the highest mean value with 1.002 standard deviations and 1.82 at the lowest mean value with 0.890 standard deviations. The results show that the standard deviation is smaller than the mean, as the mean might be representing the data very well. Because whether standard deviation could be equal to one, it could be in the million, or to be large and still, is considered small.

4.3 .FACTOR ANALYSIS

In this section, I will conduct a factor analysis, which is a method for identifying groups of variables. Factor analysis helps to reduce a data set to be a more suitable size. In addition, factor analysis makes it achievable to execute a cluster analysis.

Table 4. 2 :KMO AND BARTLETT'S TEST

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.727
Bartlett's Test of Sphericity	Approx. Chi-Square	1127.217
	Df	210
	Sig.	.000

The KMO and Bartlett's Test measures the strength of the relationship between the variables. From the above table, we can say that the value of KMO test is .727. It means our sample size is sufficient for running factor analysis. From the same table we can also see that Bartlett's Test of Sphericity, the significance value is 0.000 which is less than 0.05. That means it is significant. So it is confident to say that Factor analysis is suitable for this data.

Table 4.3. TOTAL VARIANCE EXPLAINED:

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.480	16.570	16.570	3.480	16.570	16.570	2.766	13.169	13.169
2	2.809	13.378	29.948	2.809	13.378	29.948	2.347	11.174	24.343
3	1.644	7.831	37.779	1.644	7.831	37.779	2.019	9.616	33.960
4	1.475	7.024	44.803	1.475	7.024	44.803	1.729	8.234	42.193
5	1.152	5.487	50.290	1.152	5.487	50.290	1.700	8.097	50.290

Extraction Method: Principal Component Analysis.

Table 4.4 :ROTATED COMPONENT MATRIX

	Component				
	1	2	3	4	5
LOY1				.728	
LOY2				.697	
LOY3				.422	
LOY4				.626	
WOM1					.611
WOM2					.652
WOM3					.411
WOM4					.433
WOM5					.472
TR1			.667		
TR2			.662		
TR3			.654		
TR4			.599		
CS1		.708			
CS2		.656			
CS3		.624			
CS4		.599			
DADS1	.880				
DADS2	.839				
DADS3	.788				
DADS4	.717				

Extraction Method: Principal Component Analysis.
 Rotation Method: Varimax with Kaiser Normalization.
 a. Rotation converged in 7 iterations.

Table 4.3, indicates the total variance explained at 4 stages .4 factors were extracted out of 21 factors because of their eigenvalues greater than 1. When 4 factors were extracted, then 50.290 percent of the variance would be explained which is applicable

Table 4.4, shows the rotated factor matrix. (Fidell, 2001) confirmed that variable with factor loadings more than 0.45 were selected in this study because loadings equal to 0.45 is measured average, whereas loadings 0.32 is measured less good. After carrying out the Varimax Rotation Method, Factor 1 comprised of 4 items with factor loadings ranging from 0.422 to 0.728. The items in Factor 1 are LOY1, LOY2, LOY3, and LOY4. Factor 2 comprised of 5 items with factor loadings ranging from 0.411 to 0.652. The items in Factor 2 are WOM 1, WOM 2, WOM 3, WOM 4 and WOM 5. Factor 3 comprised of 4 items with factor loadings ranging from 0.599 to 0.667 and the items in Factor are TR1, TR2, and TR3 and TR4.

The items in Factor 4 are comprised of 4 items with factor loadings ranging from O.599 to 0.708. The items in Factor 4 are CS1, CS2, CS3, and CS4. Factor 5 comprised of 4 items with factor loadings ranging from 0.717 to 0.880 and the items in Factor 5 are DADS1, DADS2, DADS3, and DADS4.

4.4.CONSTRUCT DEVELOPMENT:

A total of 21 items were selected for the following constructs, 4 items for Deceptive ads, 4 for Customer Satisfaction, 4 Trust, 6, 5 for word of mouth and 4 Customer Loyalty. The items were identified from conducting exploratory factor analysis (EFA) using principal component method of extraction and Varimax with Kaiser Normalization. Factor loading were between 0.422 to 0.880 which indicated high correlations between the items and the corresponding constructs. The following dimensions of positioning have been shortlisted.

Factor 1	Customer Loyalty (CL)
Factor 2	Word-of –Mouth (WoM)
Factor 3	Trust (TR)
Factor 4	Customer Satisfaction (CS)
Factor 5	Deceptive Ads (DADs)

4.5.CONFIRMATORY FACTOR ANALYSIS (CFA) :

After identifying the constructs and their respective explaining variables, confirmatory factor analysis has been carried out to find the strength of variables in explaining the related construct Confirmatory factor analysis (CFA) is a quantitative data analysis method that belongs to the family of (SEM) structural equation modeling techniques. Confirmatory factor analysis is also known as Covariance structure (**McDonald, 1978**). Confirmatory factor analysis is a theory - testing procedure, where the researcher spells out the number of factors and the pattern of the indicator-factor loadings in advance. Thus the researcher forces the variables to load only on certain factors and observe the fit of that particular model. In CFA, the researchers can indicate that which measured variable is related to which latent variable. It is the tool that is used to authenticate or reject the measurement theory.
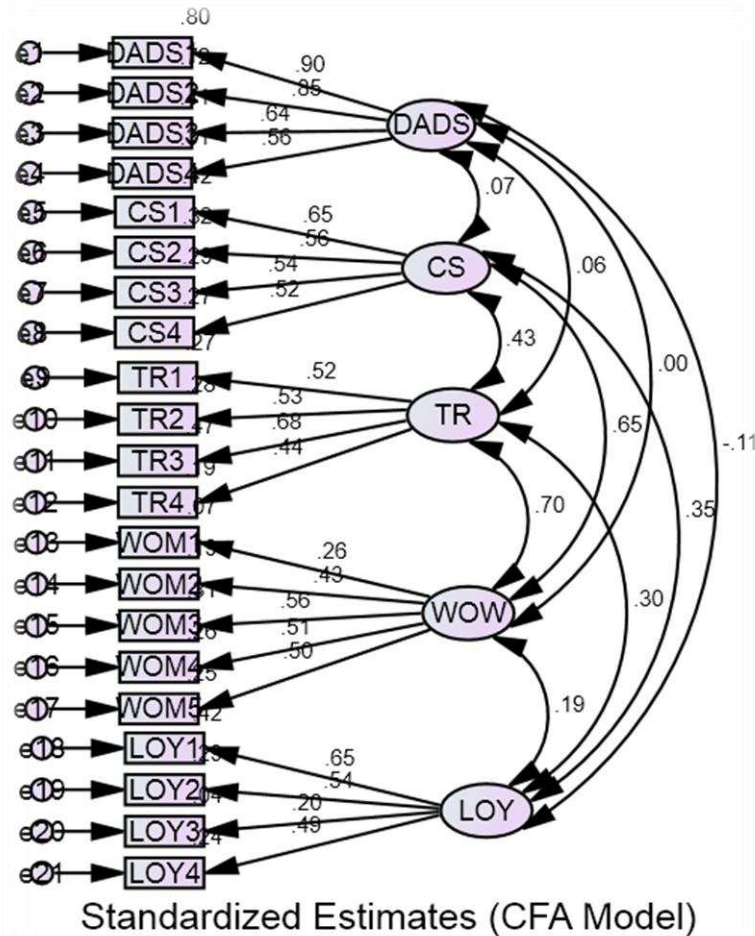
Figure 4.1 : Confirmatory Factor Analysis (CFA) Model with Standardized Estimates

The indices connected to the output factor structure are summarized in tables 4.6, where the values of the acceptance criteria are also represented.

Figure 4.1 provides a complete specification of the Confirmatory factor analysis (CFA) model. It is general to display confirmatory factor models as path diagrams in which squares symbolize observed variables and circles signify the latent concepts. Furthermore, single-headed arrows are used to entail a direction of assumed causal influence, and double-headed arrows are used to signify covariance among two latent variables (**Albright, 2006-2008**). As there are five latent constructs which are DADS, CS, TR, WOW and LOY. The DADS1-DADS4, CS1-CS4, TR1-TR4, WOW1-WOM4, and LOY1-LOY4, represents the measured indicator variables. The e1-e21 represents the errors associated with each measured item. The curved arrow among the constructs signifies a correlation relationship between them after performing CFA, constructs demonstrated good reliability with most factor loading scores. For confirmatory factor analysis,

the error of each item is drawn as unobserved variables in round circles and labeled e1 to e4 for (DADS) deceptive ads, e5 to e8 for (CS) customer satisfaction, e9-e12 for (TR) trust, e13 to e17 for (WOM) word-of-mouth and e18-e21 for (LOY) loyalty. During the factor analysis, the factors weight which is lower .25 is excluded but in my analysis all the variables are acceptable. The curved arrow among the latent constructs such as DADS, CS, TR, WOW and LOY signifies a correlation relationship between the entire construct.

4.6. MODEL FIT ANALYSIS SUMMARY

In Model Fit Analysis, the proposed research model will be modified and tested by considering the goodness of fit of the model to the data.

TABLE 4.6: AMOS OUTPUT SHOWING MODEL FIT

Model	NPAR	X^2	DF	P	X^2/DF
Default model	52	246.647	179	.001	1.378
Saturated model	231	.000	0		
Independence model	21	1163.830	210	.000	5.542

The above table indicates the Value of X^2(chi-square)) is 246.647 and is small compared to the value of the Independence model 1163.830. Hence the value is good. As it is also shown in the table that X^2/DF is 1.378(X^2=246; DF=179) which is less than 5.0, suggesting acceptable model fit.

Table. 4.7: REGRESSION WEIGHTS: (Group number 1 - Default model)

			Estimate	S.E.	C.R.	P	Label
DADS4	<---	DADS	1.000				
DADS3	<---	DADS	1.121	.145	7.724	***	
DADS2	<---	DADS	1.442	.159	9.043	***	
DADS1	<---	DADS	1.575	.173	9.115	***	
CS4	<---	CS	1.000				
CS3	<---	CS	.980	.177	5.522	***	
CS2	<---	CS	1.041	.185	5.639	***	
CS1	<---	CS	1.026	.171	5.990	***	
TR4	<---	TR	1.000				
TR3	<---	TR	1.315	.253	5.205	***	
TR2	<---	TR	1.037	.215	4.816	***	
TR1	<---	TR	.940	.197	4.760	***	
WOM5	<---	WOW	1.000				
WOM4	<---	WOW	.940	.183	5.147	***	
WOM3	<---	WOW	.974	.180	5.398	***	

			Estimate	S.E.	C.R.	P	Label
WOM2	<---	WOW	.846	.182	4.653	***	
WOM1	<---	WOW	.447	.143	3.123	.002	
LOY4	<---	LOY	1.000				
LOY3	<---	LOY	.426	.181	2.348	.019	
LOY2	<---	LOY	1.142	.249	4.595	***	
LOY1	<---	LOY	1.353	.295	4.583	***	

Table 4.7, presents Regression Weight Estimates and it includes estimates, standard error, critical ratio, and P- value. These estimates will tell us whether the construct and their measuring variables have an interrelationship and significant value or not .. AS the interrelationship between DADS and DADS1 is positive and significant (standardized estimates = 1.575, CR= 9.115and P = . ***). AS the interrelationship between CS and CS1 is positive and significant (standardized estimates = 1.026, CR= 5.990 and P = . ***). AS the interrelationship between TR and TR1 is positive and significant (standardized estimates = .940, CR= 4.760 and P = . ***). AS the interrelationship between WOW and WOM1 is positive and significant (standardized estimates = . .447, CR= 3.123 and P = . 002). AS the interrelationship between LOY and LOY1 is positive and significant (standardized estimates = . . 1.353, CR= 4.583 and P = ***). The results indicate a very strong and significant interrelationship between the construct and their measuring variables.

Table 4.8.CORRELATIONS: (Group number 1 - Default model)

			Estimate
CS	<-->	TR	.432
TR	<-->	WOW	.698
LOY	<-->	WOW	.191
CS	<-->	WOW	.648
LOY	<-->	CS	.350
LOY	<-->	DADS	-.112
LOY	<-->	TR	.300
DADS	<-->	CS	.066
DADS	<-->	TR	.064
DADS	<-->	WOW	-.003

Table 4.8, presents the simple correlation estimates between the variables DADS, CS TR, WOW and. There is a positive correlation between the variables such as CS and TR (Estimate=.432) ,TR and WOM (Estimate=.698),LOY and WOW (Estimate=.191),CS and WOW

(Estimate=.648), LOY and CS(Estimate=.350),LOY and TR (Estimate=.300),DADS and CS(Estimate=.066) ,DADS and TR(Estimate=.064) but on the other hand there is a negative correlation between LOY and DADS(Estimate=-.112) ,DADS and WOW(Estimate=-.003) .

4.7. STRUCTURE EQUATION MODELING (SEM) ANALYSIS

It is the combination of factor analysis and multiple regression analysis, it is used to evaluate the structural relationship between latent and measured variables. SEM is also used to show the causal relationship among variables. The relationships are shown in the SEM characterize the hypothesis of the researchers. Structural equation modeling (SEM) refers to a family of statistical methods such as confirmatory factor analysis, structural regression models, path analysis that investigate the relationship between a set of variables. SEM presents several advantages as it allows the researchers to approximate the effects of hypothetical or theoretical constructs, which is commonly called latent variables (**Raykov, 2000**). In SEM, a number of measured variables can be utilized to estimate the effects of a latent variable. As the analysis of latent variables are both conceptually and statistically appealing and it allows the researcher to recognize a priori models and to evaluate the degree to which the data fits in the specified model. Possibly the most considerable advantage of SEM is that it permits researchers to model the t, indirect, direct, and total effects of a system of variables. Consequently, SEM permits researchers to test for and model mediation within the models. A mediator variable is a "middle man," an intervening variable that clarifies the relationship between a dependent variable and a predictor variable (Baron, 1986). An indirect effect refers to the relationship between two variables that is mediated by one or more intervening variables (Raykov, 2000). Structural Equation Model permits the researcher to test a covariance matrix of variables for fit with an earlier hypothesized model. If it fits, it lends confirmation to that model, if it is not fit fine, there may be main missing factors or a diverse model is needed.The SEM model is present in Figure 6.3 with unstandardized estimates and Figure 6.4 with standardized estimates.

4.6. STRUCTURE EQUATION MODELING (SEM) MODEL
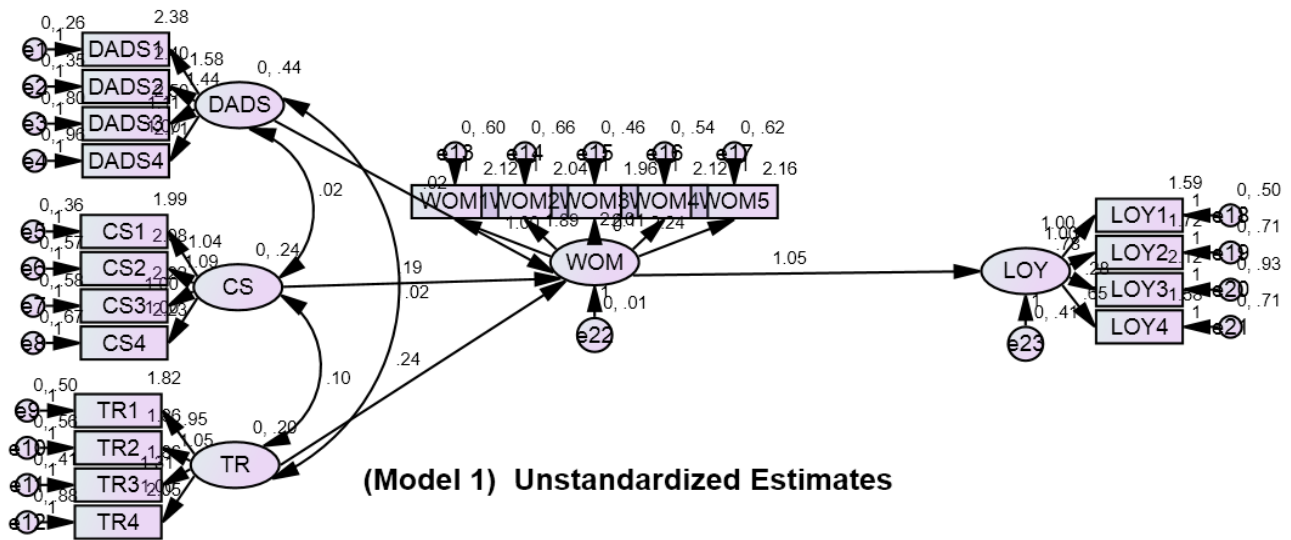
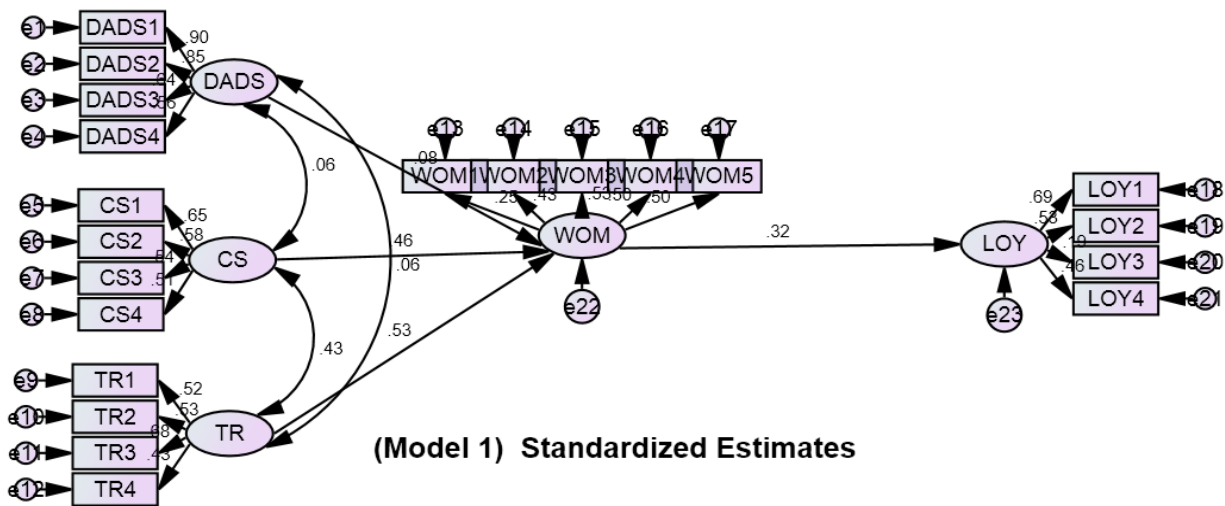Figure 4.2 : Structure Equation Model with Unstandardized Estimates

Figure 4.3 : Structure Equation Model with Standardized Estimates

4.7. MODEL FIT ANALYSIS SUMMARY

In Model Fit Analysis, the proposed research model will be modified and tested by considering the goodness of fit of the model to the data.

Table 4.8.AMOS OUTPUT SHOWING MODEL FIT

Model	NPAR	X^2	DF	P	X^2/DF
Default model	49	255.338	182	.000	1.403
Saturated model	231	.000	0		
Independence model	21	1163.830	210	.000	5.542

The above table indicates the Value of X²(chi-square)) is 255.338 and is small compared to the value of the Independence model 1163.830. Hence the value is good. As it is also shown in the table that X²/DF is 1.403 (X²=255; DF=182) at P=0.00 which is less than 5.0, suggesting acceptable model fit.

Table. 4.9. FIT INDICES OF THE STRUCTURAL EQUATION MODEL

Fit Statistics	Values
GFI(Goodness of fit index)	.919
AGFI(Adjusted Goodness of Fit Index)	.896
NFI(Normed Fit Index)	.788
RFI(Relative Fit Index)	.751
CFI(Comparative Fit Index)	.929
IFI(Incremental Fit Index)	.931
TLI(Tucker Lewis Index)	.917
RMSEA(Root mean Square Error of Approximation)	.039
RMR(Root Mean Square Residual)	.055

Table 4.9 presents the fit indices of the structural Equation model. The Goodness of Fit Index (GFI) obtained is 0.919, Adjusted Goodness of Fit Index (AGFI) is 0.896, Normed Fit Index (NFI), Relative Fit index (RFI), Comparative Fit Index (CFI), Tucker-Lewis Index (TLI),and Incremental Fit Index (IFI) are 0.788, 0.751, 0.929, 0.931 and, 0.917.As the RMSEA is 0.039 which is below then the recommended limit of 0.05, and Root Mean Square Residual (RMR) is 0.055. The Structure Equation Model showed an acceptable overall model fit. Hence it is concluded that the proposed research model fits the data reasonably.

4.10. STANDARDIZED REGRESSION WEIGHTS: (Group number 1 - Default model)

			Estimate
WOM	<---	DADS	-.081
WOM	<---	CS	.456
WOM	<---	TR	.531
LOY	<---	WOM	.315

Table 4. 10, presents the standardized regression estimates which are used to allow the researcher to evaluate directly the relative cause of each independent variable on the dependent variable (Anderson 2006).T he results shows that all the variables WOM and CS, WOM and TR, LOY and WOM represents a positive standardized estimates (.456, .531, .315) .On the other hand, WOM and DADS show negative standardized estimates (-.081).

Table 4.11: CORRELATIONS: (Group number 1 - Default model)

	Estimate
DADS <--> CS	.063
TR <--> CS	.434
TR <--> DADS	.062

Table 4.11, presents the simple correlation estimates between the variables DADS, CS and TR. As there is a correlation between DADS and CS is 0.63. Moreover, the correlation between TR and CS is 0.434 as well as the correlation between TR and DADS is 0.062.

Table 4.12: REGRESSION WEIGHTS: (Group number 1 - Default model)

	Estimate	S.E.	C.R.	P	Label
WOM <--- DADS	-.025	.024	-1.010	.313	
WOM <--- CS	.188	.073	2.586	.010	
WOM <--- TR	.238	.091	2.626	.009	
LOY <--- WOM	1.048	.444	2.357	.018	
DADS4 <--- DADS	1.000				
DADS3 <--- DADS	1.114	.144	7.718	***	
DADS2 <--- DADS	1.437	.159	9.060	***	
DADS1 <--- DADS	1.578	.173	9.136	***	
CS4 <--- CS	1.000				
CS3 <--- CS	1.002	.184	5.436	***	
CS2 <--- CS	1.088	.194	5.607	***	
CS1 <--- CS	1.039	.177	5.858	***	
TR4 <--- TR	1.000				
TR3 <--- TR	1.312	.254	5.159	***	
TR2 <--- TR	1.051	.219	4.804	***	
TR1 <--- TR	.951	.200	4.744	***	
WOM1 <--- WOM	1.000				
WOM2 <--- WOM	1.894	.631	3.000	.003	
WOM3 <--- WOM	2.100	.665	3.157	.002	
WOM4 <--- WOM	2.111	.675	3.125	.002	
WOM5 <--- WOM	2.238	.718	3.117	.002	
LOY1 <--- LOY	1.000				
LOY2 <--- LOY	.779	.179	4.355	***	
LOY3 <--- LOY	.285	.124	2.293	.022	
LOY4 <--- LOY	.645	.153	4.227	***	

DISCUSSION OF THE RESULT

According to the projected research model, there are four hypotheses representing the proposed relationships between the research variables. Structural equation modeling (SEM) using AMOS is employed to test the hypothesis. Table 4.12, presents Regression Weight Estimates and it includes estimates, standard error, critical ratio, and P- value. These estimates will tell us whether the null hypothesis is rejected or supported. Furthermore for the hypothesis testing the interpretation of the tables 4.9. is illustrated below:

H0: Deceptive ads have a negative influence on customer loyalty with the mediation of word of mouth.

H2: Deceptive ads have a positive influence on customer loyalty with the mediation of word of mouth.

In the First Hypothesis, deceptive ads have a positive influence on customer loyalty with the mediation of word of mouth. Consequently, the observed output shows that the path between the variables DADS and WOW is negative and insignificant (standardized estimates = -.025, and P = .313). This negative standardized estimates and insignificant P value indicates that there is no evidence to support the positive influence between the DADS & WOW on LOY. On the other hand, this negative and insignificant values support the null hypothesis and indicates that deceptive ads have a negative influence on customer loyalty with the mediation of word of mouth. Hence hypothesis 1 is rejected. As this negative association is against (Mehnaz, 2016) findings that perceived deception has a significant positive effect on customer loyalty. Futher to it this negative association is related to the findings of (Hussain, 2015) that service providers who are occupied in minor levels of deception enjoy higher market share. Customers are more loyal to the telecommunication companies that are not concerned with higher levels of deceptive ads. Added to it (Fayaz, 2015) signifies that deceptive advertisement as a barrier to customer loyalty and indicates that deceptive advertisement affects customer loyalty, though they didn't state the strength of the effect and feasible relationship between the variables.

H0: Customer satisfaction is not influenced customer loyalty with the mediation of word of mouth.

H2: Customer satisfaction is influenced customer loyalty with the mediation of word of mouth.

In the second Hypothesis, customer satisfaction is influenced customer loyalty with the mediation of word of mouth. Accordingly, the observed output shows that the path between the

variables CS and WOW is positive and strongly significant (standardized estimates = .188 C.R. = 2.586 and P = .010). This positive and strongly significant value gives evidence to reject the null hypothesis and indicates that customer satisfaction is causing word of mouth does it means that customer satisfaction is influenced customer loyalty with the mediation of word of mouth, thus this strong association helps to accept the Hypothesis 2. This positive association is related to previous studies (Ali Kazemi, 2013) indicates that customer satisfaction influence word of mouth positively. Further to it,((Bahareh Aliabadi, 2013), (Inamullah, 2012) , (Ahmed, 2014) and (Waheed Akhter, 2011)) findings that there is a positive and significant relationship between customer satisfaction and customer loyalty. As a result, it can be said that customer satisfaction is influence customer loyalty in customer's point of views the more the satisfaction, the better the loyalty

H0: Customer trust is not influenced customer loyalty with the mediation of word of mouth.

H3: Customer satisfaction is influenced customer loyalty with the mediation of word of mouth.

In the third Hypothesis, customer trust is influenced customer loyalty with the mediation of word of mouth. Consequently, the observed output shows the path between the variables TR and WOW is positive and strongly significant (standardized estimates = .238, C.R. = 2.626 and P = .009). Moreover, this positive standardized estimates, the high critical ratio(CR) and strongly significant P value gives evidence to reject the null hypothesis and indicates that customer trust is causing word of mouth, does it means that customer trust is influenced customer loyalty with the mediation of word of mouth. Hence the association is strongly significant and with respect to it, Hypothesis 3 is accepted. This positive and significant association is related to the earlier studies (Mehnaz, 2016), (Bahareh Aliabadi, 2013) and (Ahmed, 2014)) findings that there is a positive and strong relationship between customer trust and customer loyalty. As a result, it can be said that trust influence loyalty, in customer point of views; the more the trust, the better the loyalty. It means that customer loyalty increases with an increase in customer trust.

H0: Word-of-mouth has an influence on customer loyalty.

H4: Word-of-mouth has no influence on customer loyalty

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In the fourth Hypothesis word of mouth has an influence on customer loyalty. Accordingly, the output shows the path between the variables, WOW and LOY which is positive and strongly significant (standardized estimates = . 1.048, C.R. = 2.357 and P = .018). Moreover, this

strongly positive standardized estimates, the high critical ratio(CR) and strongly significant P value gives evidence to reject the null hypothesis and indicates that word of mouth is causing loyalty, does it means that word of mouth has a strong influence on customer loyalty. Hence this strong connection helps to accept Hypothesis 4. This positive and significant association is related to previous studies (Ali Kazemi, 2013) findings that customer loyalty is significantly influenced by word of mouth.

The findings indicates that deceptive ads have a negative influence on customer loyalty with the mediation of word of mouth. Because the mediation entails that deception or false perceived by customer influences word of mouth before it affects customer loyalty. Word of mouth has a significant influence on customer loyalty .The findings also entails that customer satisfaction and customer trust has a positive and significant influence on customer loyalty through word of mouth.

CONCLUSION

This study was conducted to spell out the impact of deceptive advertising on customer loyalty. The knowledge gap recognized by us in research gap section evidences that there are very few studies (Hasan, 2011) (Jahanzeb, 2015) and (Fayaz, 2015) were conducted in the area of deceptive advertising and its impact on customer loyalty under the mediation of word of mouth while none of them point out the effect and relationship between the variables. Deceptive advertising is the use of misleading, false and wrong advertising of a product which may unhelpfully affect customer's moral. Respectively deception or misleading can be confirmed when the customer personally consumes or experience the product or service.

Exploratory Factor Analysis (EFA) on SPSS, Structural Equation Modeling (SEM) and Confirmatory factor analysis (CFA) using AMOS also attended to testing the hypothesis and under the lights of fit guides that the projected model has a good fit.

First of all, our findings revealed that deceptive ads have a negative influence on customer loyalty with the mediation of word of mouth. As this negative association is against (Mehnaz, 2016) findings that perceived deception has a significant positive effect on customer loyalty. Further to it, this negative association is related to the findings of (Hussain, 2015) that service providers who are occupied in minor levels of deception enjoy higher market share.

Secondly, the results also demonstrated that customer satisfaction has a positive and significant influence on customer loyalty with the mediation of word of mouth. This positive association is related to previous studies (Ali Kazemi, 2013) indicates that customer satisfaction influence word of mouth positively. Further to it,((Bahareh Aliabadi, 2013), (Inamullah, 2012), (Ahmed, 2014) and (Waheed Akhter, 2011)) findings that there is a positive and significant relationship between customer satisfaction and customer loyalty. As a result, it can be said that customer satisfaction is influence customer loyalty in customer's point of views the more the satisfaction, the better the loyalty. Customer trust is influenced customer loyalty with the mediation of word of mouth. This positive and significant association is related to the earlier studies (Mehnaz, 2016), (Bahareh Aliabadi, 2013) and (Ahmed, 2014)) findings that there is a positive and strong relationship between customer trust and customer loyalty. As a result, it can be said that trust influence loyalty, in customer point of views; the more the trust, the better the loyalty. It means that customer loyalty increases with an increase in customer trust.

Word of mouth has a strong significant influence on customer loyalty. This positive and significant association is related to previous studies (Ali Kazemi, 2013) findings that customer loyalty is significantly influenced by word of mouth. It means that when a customer have a positive experience with a product or service they start positive word of mouth with their friends and family .Similarly When the customer comes to know deception occurs in the ads, their believe started shaking towards telecom service before buying ,this is because they experienced the services in real and get a difference between advertisement and reality ,due to which they started bad word-of-mouth with the people whether they are faithful in the past (Lodhi, 2015). The results oncluded deceptive ads have a negative influence on customer loyalty with the mediation of word of mouth. Because the mediation entails that deception or false perceived by customer influences word of mouth before it affects customer loyalty. Word of mouth has a significant influence on customer loyalty. The findings also entail that customer satisfaction and customer trust has a positive and significant influence on customer loyalty through word of mouth.

IMPLICATIONS OF THE RESULTS

This study aims to find out the impact of deceptive advertising on customer loyalty and also checked the mediation of word of mouth between deceptive ads, customer satisfaction, customer

trust and customer loyalty in telecommunication industry of Pakistan. On the bases of the above findings, this study also has some particle implications. As it is recognized that in order to increase customer loyalty and build a strong relationship with the customer, the telecommunication companies avoid lifting exaggerations and false claims in their ads. Because telling a lie to a customer is wrong and unethical as it will be revealed earlier or later.

Based on the study telecom managers are advised to satisfy and better manage their relationships by providing accurate information and quality services to the customers. Further to it, Customer should be alert to obtain all the information regarding the product or service that what service is represented in what price and how many benefits it carries this will makes the customer less lying.

LIMITATIONS AND FUTURE RESEARCH:

This study is carried out in the Telecommunication industry only, the future researchers can look into diverse sectors. Moreover, this research can be done further perfectly with more sample size because of the scarcity of time and loads of burden this study was limited to Karachi city.

The people who are willing to choose this topic for further research should conduct a survey of other cities of Pakistan such as Islamabad, Lahore or with the different time frame. This study worked on two variables of customer trust and customer satisfaction. There is a need for further research to explore the other variables i.e., company image, service quality that could further explain the relationship between deceptive advertising and customer loyalty. The significance of customer loyalty and the persistent nature of deceptive ads in our daily life make this topic attractive and important.

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