

**THE IMPACT OF PERCEIVED VALUE OF MOBILE APPS ON BRAND LOYALTY
WITH THE MEDIATION ROLE OF CUSTOMER SATISFACTION: WITH
SPECIAL REFERENCE TO TELECOMMUNICATION INDUSTRY IN
SABARAGAMUWA PROVINCE OF SRI LANKA**

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ABSTRACT

The telecommunications industry is highly competitive, with companies striving to increase consumer brand loyalty. Perceived value plays a critical role in shaping customer experience and brand loyalty, encompassing the functional, social, cognitive, emotional, and conditional value dimensions. In Sri Lanka's competitive telecommunications industry, companies like Dialog, Mobitel, Hutch, and Airtel have launched branded mobile apps such as My Dialog, Mobitel Self-care, My Airtel, and Hutch Self-care to enhance customer experience and build brand loyalty. However, these apps often suffer from significant technical issues, causing customers to experience long wait times, frequent buffering, and the need to repeatedly refresh the app. These technical and support-related problems significantly impact perceived value and customer satisfaction, and undermine the effectiveness of apps in fostering brand loyalty. Thus, this study demonstrates how technical barriers significantly affect perceived value and user satisfaction, which, in turn, impacts brand loyalty. This study used a cross-sectional survey design targeting telecommunications service consumers in Sabaragamuwa Province, Sri Lanka. The perceived value dimensions, customer satisfaction, and brand loyalty were measured using a structured questionnaire. The sample consisted of 384 participants, selected through convenience sampling. Data were analyzed using SPSS to test the hypotheses and understand the variable relationships. The analysis revealed that functional, emotional, and conditional values significantly affect brand loyalty, whereas social and epistemic values do not. Mediation analysis showed that customer satisfaction partially mediates the relationship between perceived value and brand loyalty, highlighting its importance in the value-loyalty relationship. These findings suggest that enhancing the functional, emotional, and conditional value of branded mobile applications can significantly increase brand loyalty among telecom consumers. The role of customer satisfaction as a mediator emphasizes that perceived value indirectly contributes to brand loyalty by increasing levels of customer satisfaction. The lack of significant influence from social and cognitive values suggests that these dimensions may be less relevant to telecommunication services. The findings of this study suggest that telecommunication companies should prioritize enhancing the functional, emotional, and conditional aspects of their branded mobile applications to foster brand loyalty effectively. Future research should explore other mediating variables and industry contexts to validate and extend these findings.

Keywords: Brand loyalty, conditional value, customer satisfaction, emotional value, epistemic value, functional value, perceived value, social value.