

**ACQUIRING LOYALTY OF CUSTOMER AS MARKETING
STRENGTH: INTERRELATIONSHIPS OF BRAND
REPUTATION, BRAND EQUITY AND BRAND LOYALTY IN
THE TEXTILE SECTOR OF PAKISTAN**

SAAD GHAFOOR

Institute of Administrative sciences, University of the Punjab, Lahore,
Pakistan

NAUMAN ASLAM

Superior University, Lahore, Pakistan

BINA NAZIR

National College of Business Administration and Economics, Lahore, Pakistan

FARHAN BASHIR

University of Central Punjab, Lahore, Pakistan

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Corresponding Author:

Nauman Aslam
Institute of Administrative sciences,
University of the Punjab, Lahore, Pakistan
Lecturer, Superior University, Lahore,
Pakistan.nauman.aslam@superior.edu.pk

ABSTRACT

Brand loyalty refers to the psychological situation of customers to repeatedly purchase the same product or service from a certain vendor. It is viewed as one of the most desirable marketing outcomes and business strengths. Positivism research paradigm and deductive research approach has been used for this study. Data has been collected through multi stage sampling technique from 200 employees in the textile sector of Lahore, Pakistan. This study aimed to find the relationships between brand reputation, brand effect and brand loyalty in the textile sector of Lahore, Pakistan. The findings of this study are brand reputation and brand effect positively and significantly related with the brand loyalty. This study also found that brand reputation is positively and significantly related with the brand effect.

Introduction

Maintaining brand loyalty is a task for marketing specialists to improve relationship with current customers while developing new contacts with potential customers and clients. Brand loyalty is

defines in terms of the brand experience of customers, the level of quality for products and the overall services. The services offered by business also include the effectiveness of delivery as well as the value addition in terms of maintenance services post sales. Brand loyalty is a complex task since it is

not only attached with the functions of the sales and the post sales services along with the delivery effectiveness and order processing time (Oh, 2000). Brand loyalty is also attached with the promotion and marketing approaches used for different customers based on their purchase patterns. The purchase pattern of the customers predicts the future sales and the future revenue of business. Other factors that are relevant to the brand loyalty are the price competitiveness, quality of services and product sold and the promotional material for diverse customer market (Brakus, Schmitt & Zarantonello, 2009). The brand image in the market is an important element to determine its success, for any brand to be able to maintain its breakeven point in the market, there must be sufficient number of sales executed to remain not only in business but also be able to expand the services and products and stay competitive (Keller, Parameswaran & Jacob, 2011). The brand affect and the brand reputation in the market compared with the market competitors an better help place the brand in the industry and earn higher profits. Current research aims to explore the relationship between brand reputation and brand effect in the market defining and impacting the level of brand loyalty in market.

Literature Review

The overall customer experience with the brand determines the loyalty of customer and inclination to conduct future sales. In many case the customer may not return to the same brand hence the loyalty is not based on single purchase and cannot be measured with the sales in this regard (Oh, 2000) The number of frequent sales and the inclination to purchase from the same brand even when better prices or different products are available in the market (Corstjens & Lal, 2000). The brand loyalty and

brand experience area attached where the customer trust and satisfaction is developed. In case the customer feels satisfied and is fully committed to pay the product price against the quality delivered, the brand experience is executed to be positive for both the business and customers (Sahin, Zehir, & Kitapçı, 2011). Brand experience creates brand reputation or its overall image as a business and manufacturer of product or service delivered. This reputation or image in the market is measured through different elements including the brand overall competitiveness, its ability to better target customers and reach out to them (Cretu & Brodie, 2007), brand ability to market effectively with component and material that is most suitable to the users and customers as well as the flexibility in operations to deal with different customers based on their unique needs and requirements (Belch & Belch, 2003). These factors can be different for businesses according to their operations, final customer market and the industry characteristics. Brand reputation is also considered high when the brand is more visually and morally responsible towards its customers. Better relationship management improves the brand reputation while the brand element growth in the market also enhances its reputation as fast growing business within specific industry. The similar factors determine the brand effect in the market. The customer reception towards the brand determines the brand effect. The brand that is considered to have high price usually leads to perceived higher quality and more reasonable services after sales, where as the prices may also be determined as the competitive element and high quality product provided in cheaper price to compete effectively (Severi & Ling, 2013). Brand affect is also considered the cause of the brand loyalty and brand growth amongst the market element. With the brand

affect in terms of suppliers and distributors that are more community level and relevant to social development also lead to brand loyalty (McDonald & Rundle-Thiele, 2008). When a business is socially responsible toward the community it serves and helps develop the community, such efforts positively impact the customer loyalty towards brand (Brønn&Vrioni, 2001). Brand effect can lead to brand loyalty as well as brand better reputation that in turn again leads to brand loyalty or higher sales. Brand higher sales and its promotional market work side by side. The better the promotions strategies are the more sales will be executed which will lead to expansion of the brand. The research has discovered the element of brand awareness to strongly help develop the brand loyalty (Chi, Yeh& Yang, 2009). Customers who are well aware in the market have the advantage to find the best deals for purchase of items they are looking for but when the brands are placed in the right promotional means and through proper marketing campaigns, it is able to capture the attention of the customers who are connected with the knowledge body (Keller, Parameswaran & Jacob, 2011). Recently the brand awareness and brand loyalty are assessed in terms of the access to internet and technology use. The factors of how much customers rely on the information shared to them, the marketing material and its connectivity with the customers and the customers perception towards the two elements determines how effectively the brand effect the purchase patterns leading to frequent purchase and ultimately brand loyalty. The factors of technology and access to information also impact the brand reputation in the market and how the competitive brands are placed in the preference of customer market. This study aimed to find the relationships between brand reputation, brand effect

and brand loyalty in the textile sector of Lahore, Pakistan

Hypotheses:

H1: Brand reputation is positively related with brand loyalty.

H2: Brand reputation is positively related with brand effect.

H3: Brand effect is positively related with brand loyalty.

Methodology

Current research is designed based on quantitative research approach for which the data is collected from the customer market concentrated in the clothing market. The textile sector is selected for a large number of brands, customer access to information through technology and the intense competition. The data is collected using random sample Multi stage sampling first randomly 10 companies were selected and then data has been collected from the employees through opportunity based sampling. Both genders are considered in the sample. A total sample of 280 is reached out of which 200 responses have been collected that are complete and without missing values. The survey is designed to collect data for each variable. For each variable a survey of 34 items is developed incorporating the factors determined and discussed in literature. The factors of brand reputation include the product and service quality as well as after sales services and image in the market through marketing and promotion. The brand loyalty is determined through the number of sales and customer preferences for brands while brand effect is calculated in terms of how in presence of multiple brands, a particular brand is able to stand out given its effective approach

to deal with customers, relationship management and the access of information to customers.

Results and Analysis

Table 1

			Brand Effect			Total
			High	Low	Medium	
Brand Reputation	High	Count	143	18	5	166
		% within BR Trans	86.1%	10.8%	3.0%	100.0%
	Low	Count	0	28	0	28
		% within BR Trans	.0%	100.0%	.0%	100.0%
	Medium	Count	4	2	0	6
		% within BR Trans	66.7%	33.3%	.0%	100.0%
Total	Count	147	48	5	200	
	% within BR Trans	73.5%	24.0%	2.5%	100.0%	

Table 1 show, there is a notable resemblance between the responses collected against the variables of brand reputation and brand effect. 86.1% of the respondents that rated high on the brand reputation also rated high on the brand effect. 100% of the responses that rated low on the brand reputation also rated low on the brand effect. This shows that there is a positive resemblance between the responses collected against the two variables under discussion, hence a positive correlation at response level.

Table 2

			Brand Effect			Total
			High	Low	Medium	
Brand Reputation	High	Count	143	18	5	166
		% within BR Trans	86.1%	10.8%	3.0%	100.0%
	Low	Count	0	28	0	28
		% within BR Trans	.0%	100.0%	.0%	100.0%
	Medium	Count	4	2	0	6
		% within BR Trans	66.7%	33.3%	.0%	100.0%
Total	Count	147	48	5	200	
	% within BR Trans	73.5%	24.0%	2.5%	100.0%	

Table 2 above illustrates, the responses of brand effect and those of brand loyalty are quite aligned with each other. 45.6% of the respondents that rated high on brand effect also rated high on the brand loyalty. Similarly, 66.7% of the respondents who rated low on brand effect also rated low on brand loyalty. This shows a positive similarity and relationship between the responses collected against the two variables.

Table 3: Correlations

		BR	BE	BL
BR	Pearson Correlation	1	.892**	.225**
	Sig. (2-tailed)		.000	.001
	N	200	200	200
BE	Pearson Correlation	.892**	1	.289**
	Sig. (2-tailed)	.000		.000
	N	200	200	200
BL	Pearson Correlation	.225**	.289**	1
	Sig. (2-tailed)	.001	.000	
	N	200	200	200

** .Correlation is significant at the 0.01 level (2-tailed).

Table 3 illustrates, there is a significant correlation between brand reputation and brand effect at .892 (Sig = .000) which means that the reputation of a brand and its effect are significantly correlated. Similarly, there is an established relationship at .225

(Sig = .000) between brand reputation and brand loyalty. The value of correlation is not very strong but since it is more than .2, it can be confidently stated that the relationship has been established. Lastly, in the same manner, there is an established relationship between brand effect and brand loyalty at .289 (Sig = .000).

Conclusion

The analysis conducted using correlation implies that brand reputation and brand loyalty is highly correlated and significantly positive in relationship. The findings suggest that marketing managers need to determine the element of sales and after sales as well as promotional and marketing in order to derive high customer's sales that are the first priority of business and directly linked with future profits. But there is need to determine how effective the approach for marketing can be to derive future sales and positively impact the relationship with customers. The findings also imply that the brand affect measured in terms of brand image in market and its implication of general market standards as well as the access to brand information determined the brand loyalty and brand success. The brand loyalty as studied in the current study is determined through frequency of sales and the inclination to prioritize particular brand over the other available is driven through the customer perception regarding the preferred brand. Hence the cycle of brand management requires management of all three element of how a business develops its services and products, how the brand is upheld in the market competition and what does the customer perceive regarding the brand and business that derives the customer perception.

Development of better strategies to cater customer market while also maintaining competitiveness through brand product quality, brand services and other features including access to customers regarding brands updates and brand promotional strategies all collectively derive brand loyalty and help retain customer for longer time period.

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