A REVIEW ON THE ANTECEDENTS OF BRAND LOYALTY AMONG BANGLADESHI CUSTOMERS OF READY MADE GARMENTS

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Abstract
Brand loyalty is deemed to be one of the main focused areas of marketing managers that can yield competitive advantage to the firms from competitors. Bangladeshi garments industry has gone through multiple changes of the years and now expanding their operations internationally. This study focused on the antecedents of the brand loyalty among ready made garments industry. It has discussed details of the factors that contribute towards brand loyalty within and outside the domestic boundaries of firms’ operations.

Keyword: Antecedents, Brand, Branding, Loyalty, Trust, RMG.

1. INTRODUCTION AND BACKGROUND OF THE STUDY

Though, some studies have explored the association between customer loyalty and customer trust and it was found that there is neither simple relationship nor linear relationship between these variables (Jones & Sasser, 1995). It was also found that the trusted and satisfied customers also the causes are not so much understandable (Setiawan & Sayuti, 2017; Bloemer et al., 2002). While failures in service delivery and customer satisfaction along with failure in brand trust are among the major reasons behind customers’ changing the brands (Keaveney, 1995). Price, convenience, habits, and switching costs, lack of alternatives, money and time can affect the behavioral intentions brand loyalty (Cronin & Taylor, 1992; Bitner, 1990). It is argued that to evaluate the customer’s intentions is a very complex procedure and there is need to conduct more studies in this regard which could enhance the level of understanding of researchers about customers decisions about switching or retaining the brands. In spite of recognizing the brand loyalty as a significant approach, it is not proved to be a profitable and effective plan in every sector. So it is considered to be a very important factor in the textile sector or in the RMG sector to reveal that which groups of customers share common values and expectations.

The RMG sector of Bangladesh has been a very important sector which has been playing its important and significant role in improving the economy of the country. There are almost 4 million people employed in the RMG sector in BD and there are more than 90 percent employees who are females (BGMEA, 2014). The RMG sector played a key role in BD to give employments to the females which made a way in social transformation in Bangladesh (Masum, 2016).

Although the RMG sector has a positive contribution towards the economy of the country; this sector is still behind as compared to the other developing countries. The sector of RMGs has comparatively low income firms and don’t have much resources also to compete with the other sectors at a larger level. Not only these firms are physically small, but their growth is also affected by different factors e.g. financial poverty and manpower (Muhammad et al., 2010). These factors resulted into created the lack of capacity among RMFs to compete with tangible assets which included market intelligence, intangible asset and advanced technologies (Rejinonen et al., 2012; Silver & Berggren, 2010).

So far, numerous predictors have been identified in different studies which focused on customer loyalty. These predictors included perceived value, perceived quality, satisfaction and commitment in the perspective of global brands (Walter et al., 2013; Lin, 2010; Kuenzel
There are therefore limited studies in the sense of RMG brands on the predictors of consumer loyalty. Accordingly, literature suggests that further studies to be carried out in the context of RMG products, because RMGs are distinct from the larger counterpart (Baurmann et al., 2018; Spence & Essousi, 2010; Reijonen et al., 2012; Ng & Kee, 2012; Mi & Baharun, 2013; Krake, 2005; Asamoah, 2014; Agostini et al., 2014).

Nevertheless, the RGM sector is not without genuine blessings. Though, it is evident there was a decline in the garments factories during the year of 2013-14 as compare to the consistent increase of garments factories during the years of 1992-2013 (BGMEA, 2014). This decline was due to some different reasons as there was collapse in the building of Rana Plaza Garments and fire in the factory of Tazreen Garments. In Recent times the RMG sector of BD has engulfed due to numerous different developments e.g. political conflict, factories' unplanned buildings, fire incidences in factories, strikes, lockouts, poor worker management relations, safety issues, compliance issues and damaged infrastructure. This study has addressed the above said concerns that can affect the industry of RMG in future. This research will make its contribution in this regard as these issues are not validated on a larger scale.

2. LITERATURE REVIEW

2.1. Branding Concept

Albaum et al., (2015) defined that a brand is "anything that identifies a seller's goods or services and distinguishes them from others". A trademark is a part of the logo, which is protected by statute. It is common to have more than one trademark in the businesses. The brand’s role is to recognize the Brand’s owner. From this the customer knows both the origin and the price of the brand. Branding is critical as otherwise advertisement of the goods could be difficult (Bradley, 2018). What distinguishes a brand is given as below;

- Brands provide the customer with a reference point, before and during the buying process.
- A brand is a product or service offering practical benefits and added values which some customers trust enough to purchase.
- Brand values are derived from the knowledge gained by using them-familiarity, reliability, and reduction of risk.
- Brands offer information as a sophisticated type of added value – the manner in which this service varies from market to market and from time to time.
- Successful brands balance practical advantages with selective advantages.

Review of literature highlights three different methods to define brand loyalty. They are the attitude-based approach, the action-based approach, and the composite approach. Attitudinal loyalty is defined as the internal and psychological feeling of a consumer, such as liking, emotion, and obligation to a specific brand in the hope to engage continued buying without showing the actual purchase action (Baldinger & Rubinson, 1996; Chaudhuri & Holbrook, 2001). The attitude-based method is interested in discovering the influencing factors on purchase behavior (Bennett & Bove, 2002). Preference (Shahzad & Bhatti, 2008; Shahzad, I. A., Raju, V., et al., 2018; Shahzad, Farrukh, Yasmin, 2020), commitment, word of mouth recommendation, and customer willingness to pay a higher price are how attitudinal loyalty is commonly measured (e.g., Fullerton, 2003; Zeithaml, Zhang & Bloemer, 2008; Lin, 2010).

Attitudinal loyalty focuses on the emotional basis of loyalty and isolates purchases due to situational constraints driven by a optimistic buying attitude. Attitudinally loyal clients dedicate themselves to a brand or business and make daily purchases based on a simple internal disposition (Day, 1961). Attitudinal loyalty is also seen as the extent of the client’s psychological attachments, and the ability to help the business (Rauyruen and Miller, 2017). Accordingly, loyalty to attitudes requires strong word of mouth, the ability to refer to others and inspire them to use the products and services of a organization (Zeithaml et al., 2016).

As stated by Liang and Chen (2016), repurchase action in future, purchasing frequency, and brand-switching are the factors determining behavioral loyalty. Moreover, Chen et al. (2016) also mentioned that the
customers with behavioral loyalty are customers who consistently repurchase the product of services from the same company. In addition, Gomez, Arranz, and Cillan (2016) explained that overall expenditures expended for a certain brand by customers can be used to determine the behavioral loyalty. Furthermore, the higher the expenditures, the more infrequent the customer purchase from another seller. Magatef and Tomalieh (2016) also cited that to raise the sales and revenue, a company needs to take behavioral loyalty into account due to the fact that it is one of the substantial results of customer and company’s relationship.

A review of the literature reveals several predictors frequently investigated of customer loyalty in different contexts. They are commitment (Cater & Cater, 2010; Iglesias et al., 2011; Ercis et al., 2012), satisfaction (Bouguere & Neu, 2010; Sahin et al., 2011), trust (Lee & Back, 2010; Zehir et al., 2011; Gecti & Zengin, 2013), and product-related factors, such as perceived quality (Carter & Carter, 2010; Ha et al., 2011; Erdogmus & Budeyri-Turan, 2012; Howat & Assaker, 2013) and perceived value (Forgas et al., 2010; Flint et al., 2011; Howat & Assaker, 2013).

### 2.2. Predictors of RMG Brand Loyalty

A review of the branding literature reveals that most studies investigating customer brand loyalty have overwhelmingly focused on famous global brands (Brakus et al., 2009; Lin, 2010; Lin & Huang, 2012; Mengxia, 2007; Nam et al., 2011; Yoo & Donthu, 2000), with less emphasis on RMG brands (Berthon et al., 2008; Krake, 2005). Literature indicates that the success factors of customer loyalty on big brands and RMG brands may yield different results (Berthon et al., 2008; Caloghirou et al., 2004; Mi & Baharun, 2013; Rauryuen et al., 2009; Saini et al., 2013). Consequently, Krake (2005) and Centeno et al. (2013) urged that more studies are conducted to investigate factors affecting loyalty toward RMG brands.

Following this recommendation, the current study hopes to contribute to both branding and RMG literature by investigating the success factors of customer loyalty toward RMG brands. Brand loyalty is regarded as one of the strategies for RMGs to sustain their business (Bettman, 1973; Gordon et al., 1993). Several variables have been found to be significant in the successful creation of brand loyalty. Among them are brand experience (Brakus et al., 2009; Iglesias et al., 2011; Rajumesh, 2014), brand personality (Erdogmus & Budeyri-Turan, 2012; Sung & Kim, 2010), and brand trust (Forgas et al., 2010; Gecti & Zengin, 2013). These factors have also been found to be significant in loyalty creation in the textiles industry (Chen, 2013; Han & Jeong, 2013; Kim et al., 2011; Matilla, 2001; Mohamed & Musa, 2012; Sahagun & Vasquez-Parraga, 2014). Yet, as mentioned above, not only were most of the previous studies done on well-known brands, their results were inconsistent.

Experience is regarded as an important predictor of loyalty in today’s competitive marketplace. According to Mascarenhas et al. (2006), experience marketing works better in today’s competitive business arena in which both utility and emotional benefits are sought by customers (Walter et al., 2013). Brand experience is developed through an interaction a customer has with a brand.

This interaction may be in the form of past consumptions (Lau & Lee, 1999), advertisement visualization (Hoch & Ha, 1986; Kempf & Smith, 1998) or the surroundings of an outlet and employees (Hui & Bateson, 1991; Kerin et al., 1992; Grace & O’Cass, 2004). Brakus, Schmitt, and Zaranontello (2009) reported a significant impact of brand experience and brand personality on customer loyalty in their study conducted in the United States of America. Hee and Myung (2012) also found that brand experience was important in building brand trust and brand loyalty.

However, a separate study by Iglesias, Singh, and Batista-Foguet (2011) demonstrated an insignificant impact of brand experience as a predictor on brand loyalty of three products, namely, cars, laptops, and sneakers. Despite the inconsistent findings, scholars recommended more brand loyalty studies to be conducted by considering brand experience as an important predictor to achieve a better understanding of its impact (Nysveen, Pedersen, & Skard, 2013; Iglesias, Singh, & Batista-Foguet, 2011).

Brand personality is another important factor affecting customer loyalty. A review of the literature shows that brand personality affects brand trust (Lau & Lee, 1999;.
Lee & Back, 2010; Sung et al., 2010; Perepelkin & Zhang, 2011) and brand loyalty (Brakus, Schmitt, & Zarantonello, 2009; Ismail & Spinelli, 2010; Kim, Magnini, & Singal, 2011; Kuenzel & Halliday, 2010). A brand without personality will be in a disadvantaged position as compared to a brand with personality.

This is because the personality of a brand captures the preference of the consumers due to better product evaluation (Freling & Forbes, 2005; Govers & Schoormans, 2005). Furthermore, Opoku, Abratt, Bendixen, and Pitt (2009) also showed the importance of communicating brand personality for RMGs particularly in the textiles sector to target their customer effectively. Zehir, Sahin, Kitapci, and Ozsahin (2011) suggested that a better framework with the inclusion of other important relational variables, such as brand experience and brand personality is required to provide a better understanding on brand loyalty development in relationship marketing.

From the discussion above, brand personality and brand experience are selected because of their important role in loyalty formation, but yet limited studies were carried on them (Brakus et al., 2009; Iglesias et al., 2011; Sung & Kim, 2010), particularly in the context of RMG brands (Centeno et al., 2013; Opoku, et al., 2009). In addition, conflicting results on its significance toward brand loyalty demand for more research works to be conducted. Besides, less is known on the impact of experience and brand personality on each (Shahzad, Bhatti & Khalid, 2007; Shahzad et al., 2018) attitudinal and behavioral dimension of customer loyalty toward RMG brand.

It is important to know this impact because attitudinal and behavioral loyalty has different impacts on brand performance or the firm performance (Farrukh et al., 2019; Farrukh, Alzubi, et al., 2018; Farrukh, Lee, & Shahzad, 2019; Farrukh, Meng, Sajid, & Shahzad, 2020; Farrukh, Ting, et al., 2018). Studies showed that attitudinal loyalty increases customer willingness to pay a higher price for a brand, while behavioral loyalty affects the organization's market share (Chaudhuri & Holbrook, 2001; Rauyruen et al., 2009). Furthermore, both types of loyalty are an important tool for RMGs to achieve sustainable competitive advantage due to the uniqueness and intangibility of the branding constructs (Aaker, 1987). Moreover, the literature postulates that the emotional benefits of brand experience and brand personality tend to be more appealing for customers in the competitive textiles industry (Han & Jeong, 2013; Kim et al., 2011).

This study is also interested in understanding how a strong reputation for RMG brands is built because reputation is more stable and lasting than a brand image (de Chernatony, 1999; Markwick & Fill, 1997). A reputation of a corporation refers to the judgment of consumers regarding the aspect of quality, trustworthiness, and reliability of a corporate organization (Balmer, 1998; Fombrun & Van Riel, 1997). As such, the inclusion of trust as the mediating variable is justified because it is one of the important elements of a good brand reputation.

Furthermore, trust is acknowledged as one of the important elements in relational exchanges in which RMGs highly practice to ensure ongoing sales (Morgan & Hunt, 1994; Reijonen, 2010; Sirdeshmukh et al., 2002). Similarly, the trust construct has been argued as the most important variable in binding customer and brand relationship to evoke brand loyalty in the textiles context (Delgado-Ballester & Munuera-Aleman, 2001; Han & Jeong, 2013; Nawaz & Usman, 2011; Saeed, Javed, & Lodhi, 2013; Tan et al., 2011).

Despite the importance of the brand trust construct, several gaps in the body of knowledge still exist. Firstly, past loyalty studies merely investigated trust as a composite construct (Chaudhuri & Holbrook, 2001; Delgado-Ballester & Munuera-Aleman, 2005; Eggers et al., 2013; Rauyruen et al., 2009). This study, however, aims to investigate trust by considering the emotional and rational components in the brand context proposed by Delgado-Ballester et al. (2003) to further capture the trustworthiness and reliability aspects of a reputation.

In particular, Delgado-Ballester et al. defined the emotional component of trust as brand intentions which reflect the degree of consumer’s belief that a particular RMG brand will act in good faith by prioritizing the consumer’s interest when unforeseen issues related to food consumption happen. Meanwhile, the rational component of trust is defined as brand reliability which reflects the degree of consumer’s belief that a particular
RMG brand is reliable in fulfilling its value promise. It is important to study these components of trust for several reasons.

Firstly, there is a lack of studies that investigated the emotional component of trust despite it being more stable and lasting than the rational component of trust (Das, Dotson, & Henson; 2014; Kantsperger & Kunz, 2010; McAllister, 1995; Schoorman, Mayer, and Davis, 2007; Williams, 2001). Secondly, the literature asserts that customers view a brand from both rational and emotional perspectives (De Chernatony & McWilliam, 1989; De Chernatony & Riley, 1998). Similarly, a risk is perceived from the rational and emotional perspective, too (Kaplan, Szybillo, & Jacoby, 1974). Understanding trust in its two components to capture customer loyalty formation is in line with Bagozzi’s (1975) call to look into specific social processes that help in the creation of marketing exchanges.

Secondly, past research works have reported inconsistent findings. While some studies (e.g., Chaudhuri & Holbrook, 2001; Matzler, Grabner-Krauter, & Bidmon, 2008; Taylor, Celuch, & Goodwin, 2004) have found a positive effect of brand trust on both attitudinal and behavioral loyalty, others (e.g., Forgas, Moliner, Sanchez, & Palau, 2010; Rauyruen & Miller, 2007; Rauyruen et al., 2009; Zhang and Bloemer, 2008) failed to support the positive effect. This motivates the present study to investigate whether emotional and rational brand trust components, namely, intentions and reliability influence both dimensions of loyalty positively.

Delgado- Ballester and Munuera-Aleman (2005) showed the significance of consumer’s brand trust, from the perspective of its dimensions, in composite brand loyalty. In their study, both dimensions of brand trust, namely, brand intentions and brand reliability, had a positive impact on customer loyalty. However, which dimension of loyalty was affected by the dimensions of brand trust remains unknown. This is important to uncover since attitudinal and behavioral loyalty affects brand equity differently. In addition, to what extent brand experiences and brand personality influence the dimensions of brand trust have not been discovered either. The evidence from such relationships is crucial for companies to better understand ways to execute their branding strategy for effective customer segmentation (Russell-Bennet et al., 2007).

Several researchers have studied the brand experience based on its definition and dimensions. For example, Hulten (2011) investigated whether firms should apply sensorial strategies that allow them to differentiate and position a brand in the human mind as an image. Brand experience should affect not only past-directed satisfaction judgments but also future-directed consumer loyalty. A greater brand experience not only is associated with familiarity, but also critically affects understanding, enjoying, enhancing, and fostering the brand. In addition, Xu et al. (2011) showed that the brand experience can be positively but indirectly associated with relational benefits and that brand familiarity, brand image, and brand personality can serve as mediators in the brand experience. This finding suggests that practitioners should understand customers’ perceptions of relational benefits and develop marketing strategies that will result in ongoing relationships with consumers.

Most of the research on experiences to date has focused on utilitarian product attributes and category experiences, not on experiences provided by brands. This is why the researcher tries to establish a link of brand experience with the brand loyalty in this research.

In comparison to the other management concepts there are limited empirical studies on the construct of brand experiences due to the newly emerging scale by Brakus, Schmitt, and Zarantonello (2009). In their study conducted in the United States of America, brand experience was reported to have a direct relationship with customer loyalty. In the context of fast food service, Mohamed and Musa (2012) found a significant relationship between experience and loyalty. Similarly, Ramasheshan and Stein (2014) demonstrated that brand experience influenced attitudinal and behavioral loyalty of consumers of various brands, such as Apple, Coca-Cola, and McDonald’s.

A study by Ueacharoenkit (2012) in the luxury coRMGtic brand revealed that consumers’ behavioral loyalty was influenced by brand experience. In a separate study in China to understand the influence of brand experience
on brand loyalty among dairy products consumers, Han and Li (2012) supported the positive influence of brand experience on attitudinal and behavioral loyalty. On the contrary, Iglesias, Singh, and Batista-Foguet (2011) report an insignificant relationship of brand experience and brand loyalty of automobile, laptops, and sneaker in Spain among postgraduate students. Giantari et al. (2011) also reported that customer experience did not influence behavioral loyalty of consumers.

REFERENCES


