Examining Factors Influencing Brand Loyalty towards Fast Fashion Brand in Dhaka, Bangladesh

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Abstract

Today's fashion market is highly competitive and the constant need to 'refresh' product ranges gives consumers endless options to choose from which is why brand loyalty plays an important role for business's to retain their consumers. The purpose of this study is to examine factors influencing brand loyalty towards a fast fashion brand in Dhaka, Bangladesh. 400 respondents were applied in order to investigate the statistical treatment of the data. Data were collected by using survey questionnaires and both simple linear and multiple linear regression analysis were used to test the hypotheses. The results indicate that there is a relationship between each variable for brand loyalty. Among them, social media marketing in term of responsiveness has the strongest influence on value consciousness followed by brand consciousness. Also, brand personality has the strongest influence on brand loyalty followed by social media marketing and brand uniqueness. The findings of this research will be beneficial to not only Aarong but also for other fast fashion brands. It can support data which may help the fast fashion industry to modify and improve more effective and proficient marketing tools and business model based on the knowledge of the influences of the factors in this research in order to create brand loyalty and accomplish the ultimate goals of the organization.

Keywords: brand loyalty, social media marketing, brand consciousness, value consciousness, perceived quality, organizational associations, perceived value, brand personality, brand uniqueness.

Introduction

Retail sales are an important economic indicator because consumer spending drives much of our economy – with all the people and companies involved in producing, distributing and selling goods and service that you use on a daily basis, clothing is among one of those many important goods. As the late 1990s and 2000s approached, low-cost fashion reached a peak and online shopping was also starting to take off where inspirations for design elements from top, luxury fashion brands were taken and reproduced quickly and cheaply, which enabled a huge percentage of the general income population to have access to in trend clothing at cheaper prices (Caro & Martínez-de-Albéniz, 2015). The situation of the competitive nature of the fashion industry in Bangladesh is also identical. Major local fashion retailers such as Aarong, Shaada Kaalo, Yellow and many others closely work with the local community and are inspired with the Bangladeshi heritage and global style trends to bring innovative ready-made apparels that is a combination of both traditional clothing, fusion styles and western clothing as well. (Ahmed, Jashim & Kabir, Md & Uddin, Jasim & Ferdous, Mirza, 2014). Consumers' attitude is changing in the present scenario, with the rise of tailoring costs and

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comparatively less charges of branded outfits; they are increasingly being attracted towards ready-mades (Rajput et al., 2012). Therefore, many brands not only have to focus on attracting new customers but also maintaining existing customers by offering the best experiences to ensure they can build loyalty to retain them in order to survive within a highly competitive industry. Bangladesh's RMG sector has many factors that attract global attention: The biggest factor being the quick returns this segment offers the investors. This is the only sector in the country that gives returns in 3 to 5 years. Also, being the second biggest apparel exporter globally, there are huge growth opportunities that the sector offers. The biggest strength that Bangladesh has over its competitors is its cheap and vast workforce. The minimum wage in Bangladesh is lower than that in China, Cambodia, India, and Vietnam. This paragraph above highlights the strength, levels of competition and diversity in the Bangladesh fashion industry. (www.textiletoday.com.bd/rmg-exports-witnessed-8-76-growth-fy18/ accessed on 9 July, 2019). Based on the previous empirical studies, brand loyalty is an important indicator for an organization to retain its current customers and also attract future customers. Branding literature indicated that marketers can enhance their brand loyalty by strengthening consumer-brand relationships (Aaker, 1996; Fournier, 1998; Kapferer, 1998; Keller, 1998). Valuable consumer-brand relationship results in many benefits to the consumer, such as product or service quality, price and special treatment (Liao et al., 2014; Chen and Hu, 2010). The foundation of this study is relying on brand loyalty, social media marketing, brand consciousness, value consciousness, perceived quality, organizational associations, perceived value, brand personality and brand uniqueness in the field of fast fashion industry.

Literature Review

Social media marketing: Social media marketing is "a broad category of advertising spending, including advertising using social networks, virtual worlds, user-generated product reviews, blogger endorsement, RSS feeds of content and social news sites, podcasts, games, and consumer generated advertising" (Tuten, 2008). Consumers use social media to find information about desired products

with the best prices. Social media have inexorably changed how consumers and marketers communicate (Hennig-Thurau et al., 2004; Nambisan and Baron, 2007)

Brand consciousness: Brand consciousness refers to the mental orientation to select products that are well-known and highly advertised brand name (Sproles and Kendall, 1986). Consumers often express personal characteristics and preferences through brand (Manrai et al., 2001).

Value consciousness: Value consciousness is defined as "a concern for paying low prices, subject to some quality constraint" (Lichtenstein et al., 1990, 1993, Ailawadi et al., 2001). Value-conscious customers tend to be concerned equally about low prices and product quality (Sharma, 2011).

Brand personality: Brand personality is defined in terms of the various traits or characteristics that brands can assume from the perception of consumers (Aaker, 1991; Keller, 1993). Previous research maintained that brand personality affects how consumers feel about the brand, which can impact the level of brand loyalty (Sung and Kim, 2010).

Perceived value: Perceived value is defined as the customer's overall assessment of the utility of the brand based on perceptions of what is received (e.g. quality, satisfaction) and what is given (e.g. price and nonmonetary costs) relative to other brands (Netemeyer et al., 2004). Similarly, Holbrook (1999) defined value as a 'trade-off' between benefits and sacrifices.

Perceived quality: Perceived quality is defined as "the consumer's judgment about a product's overall excellence or superiority" (Zeithaml, 1988). It is not the objective quality of the product but consumers' subjective evaluations which depend on their perceptions (Buil et al., 2008; Zeithaml, 1988).

Organizational associations: Organizational associations that are often important bases of differentiation and choice include having a concern for customers, being innovative, striving for high quality, being successful, having visibility, being oriented toward the community, and being

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a global player (Aaker, 1996b; Burt and Davies, 2010).

Brand uniqueness: Uniqueness is defined as the degree to which customers feel the brand is different from competing brands – how distinct it is relative to competitors (Netemeyer et al., 2004). **Brand loyalty:** Brand loyalty can be explained by the situation that consumers are likely to buy a brand again and recommend it to others (Bapat and Thanigan, 2016). Brand loyalty is the degree of a consumer's brand attachment, and it is a

critical factor to the brand performance (Pappu et al., 2005).

Materials and Methods

Based on the conceptual framework, the following three hypothesis (H1 to H3) shows the relationship between independent and dependent variables. To verify whether or not these variables are significantly related, each hypothesis was tested.

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$H1_o$: Social media marketing is not influenced on value consciousness

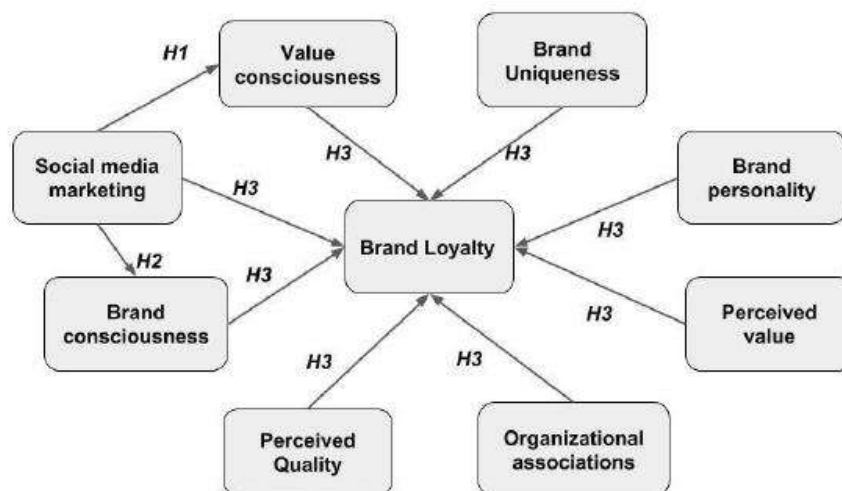$H1_a$: Social media marketing is influenced on value consciousness.

$H2_o$: Social media marketing is not influenced on brand consciousness.

$H2_a$: Social media marketing is influenced on brand consciousness.

$H3_o$: Social media marketing, brand consciousness, perceived quality, organizational associations, perceived value, brand personality, brand uniqueness, and value consciousness are not influenced on brand loyalty.

$H3_a$: Social media marketing, brand consciousness, perceived quality, organizational associations, perceived value, brand personality, brand uniqueness, and value consciousness are not influenced on brand loyalty

Figure 1: The proposed Conceptual Framework

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Data Collection

The target population of this research consists of both male and female who have the experience of purchasing from Aarong store branches based in Dhaka, Bangladesh. 400 questionnaires were distributed to all selected branches in Dhaka by using a face-to-face approach during March. The researcher divided the questionnaires into four parts: screening questions, independent variables, dependent variable and general information in order to ascertain clarity. For screening question (1), the researcher used simple category scale method. 30 questions regarding each independent and dependent variable have been adopted from previous studies in the form of a five-point Likert scale method. The five-point Likert scale defines different numbers representing different opinion levels: 1 = strongly disagree, 2 = disagree, 3 = neither agree nor disagree, 4 = agree, 5 = strongly agree. The respondents were asked about 3 general information such as gender, age and income level.

Results and Discussions

The findings of the descriptive analysis as shown in Table 1 proved the highest percentage of gender shows being females at 72.3% and males 27.8%. In terms of age, the highest number of Aarong customers were respondents' aged between 31 to 35 are the majority of the respondents which account for 24.8% (99 people) and 20 and below for 6.0% (24 people) were the lowest respectively. On the other hand, majority of the respondents have the income between 30,001 to 50,000 taka which accounts for 42.5% (170 people) and less than 10,000 taka accounts for 1.5% (6) as the lowest percentage of respondents respectively.

There are two types of inferential analysis, namely: simple linear aggression and multiple linear regression analysis. In this research, the findings of hypothesis testing were applied by using both Single and Multiple Linear Regression. Table 2 shows the summary of findings of hypothesis testing of this study.

Table 1: Findings of Descriptive Analysis

Demographic Factors	Characteristics	Frequency(f)	Percentage (%)
Gender	Female	289	72.3%
Age	31- 35 years	99	24.8%
Income	30,001 to 50,000 taka	170	42.5%

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Table 2: The summary of results hypothesis analysis by using singular and multiple linear regression

Hypothesis Description	Variables	Standardized Coefficient (Beta)	Sig. Level
H1: Social media marketing is not influenced on value consciousness	Value consciousness	.908	.000
H2: Social media marketing is not influenced on brand consciousness	Brand consciousness	.341	.000
H3: Social media marketing, brand consciousness, perceived quality, organizational associations, perceived value, brand personality, brand uniqueness and value consciousness are not influenced on brand loyalty.	Social media marketing	.322	.000
	Brand uniqueness	.202	.049
	Perceived value	.106	.264
	Organizational association	.032	.461
	Perceived quality	-.001	.987
	Value consciousness	-.201	.009
	Brand consciousness	-.568	.000
	Brand personality	.980	.000

Discussion

Based on the results of Hypothesis 1 and 2, the researcher found that social media marketing in term of responsiveness has the strongest influence on value consciousness followed by brand consciousness. This result can be concluded that customers of Aarong are well-informed and aware about the value of Aarong as a brand in comparison to other brands and its product and price ranges through their social media channels. Aarong is the largest and oldest fashion retailer in Bangladesh, successfully running for 41 years. Aarong maintains a high degree of brand consistency across all its platforms, including social media, in terms of marketing which helps elevate its brand and value.

Aarong's clothing range is priced from low-value to high-end, giving customers a wide selection to choose from and regardless of their price range, Aarong ensures quality materials. Thus, as Rahman, M. and Mannan, M. (2018) discusses, a fashion clothing brand's overall ranking as a top retailer assists directly or indirectly to help fashion clothing customers to reduce their time in searching, identifying of and differentiating the best-ranked fashion outlet to purchase from among other brands and for their respective price-range. An example to showcase the strength of Aarong and its social media marketing activities; Aarong has won 4 awards in the 'Digital Marketing Award' ceremony, an initiative of Bangladesh Brand Forum, on Saturday, 24th November, 2018. Aarong received the grand

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prix and gold awards for the 'Best Use of Facebook' for two of its campaigns as well as two silver awards for the 'Best Use of Search' and 'Best Use of under Ten Seconds Videos' (www.aarong.com). Additionally, another example to support the hypotheses would be Aarong ran campaigns on the social media site, Facebook which successfully bought in: 22% increase in online purchases, 3X increase in new customers for online store, 69% increase in website traffic and 12 million people reached for the year of 2017. (www.facebook.com/business/success/aarong).

Based on the results of Hypothesis 3, the researcher found that brand personality has the strongest influence on brand loyalty followed by social media marketing and brand uniqueness for Aarong. Therefore, the researcher can conclude that customers of Aarong find the brand to be an attractive and powerful which produce unique fast fashion clothing items. Aarong, provides sustainable, locally handcrafted products that support a uniquely Bangladeshi lifestyle while encouraging social change, they run marketing campaigns with its mission of alleviating poverty and empowering rural artisans, especially women. Aarong is also a social enterprise of BRAC, the world's largest non-governmental development organization and has a growing presence outside of Bangladesh – through fair-trade networks and the online shop where they continue to broaden the market for Bangladeshi crafts globally, creating more opportunities for artisans to protect their age-old art and livelihoods (www.aarong.com). As Cole, G. (2015) discussed brand personality is the process by which people ascribe human traits to brands to understand and evaluate them better. Each direct and indirect encounter with the brand shapes consumer perceptions. Studies additionally point out how people use brand personality as a means to determine which brands they best identify with. For example, customers visiting Aarong use it as a one-stop shop for their fashion needs for themselves, families, friends etc and Aarong has been one of the top choices for generations of families to purchase fashionable clothing items as gift purchases or special occasions such as Eid, Pahela Baishakh etc which can hold high sentimental value and emotional attachment to the brand. It is culturally traditional to purchase new clothing items during the special festivals in Bangladesh for oneself or as gifts and after few conversations with the active customers, the researcher has noticed a pattern of many customers holding sentimental value to having purchased Aarong clothing items for long duration of times, if not for everyday wear but a compulsory choice for festive wear.

Recommendation

Although Aarong is one of the oldest and largest retail stores in Bangladesh for fast fashion and also has a massive presence digitally with a functioning website and social media pages – Bangladesh's fast fashion industry has improved drastically in the past decade and Aarong faces intense competition with multiple fast-fashion houses who have also become household names among consumers. One of the key factors to a long-term successful business is to continue retaining customers for the long period and elevating branding tactics continuously to build brand loyalty. Based on the results, this study can support Aarong to examine the factors that influence their brand loyalty. The following are the recommendations from the researcher as the reference for future studies to do better research in the future.

According to the results of Hypotheses 3, perceived value, organizational association and perceived quality does not have a significant influence on brand loyalty. Therefore, the researcher would like to provide some recommendations based on the results. In order to improve perceived value and perceived quality, the researcher recommends Aarong to further invest in introducing innovative new sub-fashion lines over shorter time periods to keep up with fast-paced trends in the industry. The sub fashion lines should also be priced competitively so that potential customers are attracted to purchase from the clothing line. Aarong is majorly invested in producing designs that usually are very traditionally "Bangladeshi" in outlook, which may hamper the perceived value as the fashion industry trends are becoming more westernized by the years and many of the competing fashion houses stock a collection of both local and global fashionable trend designs. Additionally, for example, lower-priced Aarong clothing items tend to be of very poor quality as of recent times. If Aarong has to increase their price margins to maintain quality, it is a better strategy to adapt to; to sustain their brand image and quality levels at all times to maintain customer's perception of Aarong values and qualities. To improve organizational association, Aarong can always opt to

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do increased CSR (Corporate social responsibility) activities or also take the initiative to publicize their community work. Newer generations may not be as aware about the value of Aarong and its previous and continuing contribution to the industry and society and what the brand's values stands for to be interested to purchase Aarong clothing line solely based on biased interests regarding the brand's organizational associations. So it is important Aarong evaluate and design marketing tactics that will help reinstate the values the brand supports to the public and potential customers on a more frequent basis.

Further study
This research is intended to comprehend examining factors affecting brand loyalty towards a fast fashion brand in Dhaka, Bangladesh. The following are the recommendations from the researcher as the reference for future studies to do better research in the future.
In this research, the researcher applied eight independent variables such as brand consciousness, social media marketing, value consciousness, perceived quality, perceived value, brand personality, organizational association, and brand uniqueness in relation to brand loyalty. However, further researchers can apply different independent variables which may have influence on brand loyalty in the future.
This research is particularly conducted through 400 questionnaires from the customers at five branches in Dhaka, Bangladesh. This research only focuses on selected five branches in Dhaka, Bangladesh. Aarong has multiple branches all over the country in major cities such as Chittagong, Rajshahi and Barishal. Therefore, the results may not be generalized to all customers of Aarong all over the country. In the future, further researchers may extend the population to include more branches in Bangladesh. This may describe different effects on brand loyalty. Moreover, further researchers may apply this research model to study other fast fashion brands in Dhaka, Bangladesh.

Acknowledgement

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