

## **User Perception toward Brand Loyalty of Mobile Phones: The Bangladesh Context**

**Dr. Abul Kalam Azad\***  
**Robaka Shamsheer\*\***

***Abstract:** The purpose of this research is to investigate how the respondents are influenced by factors of brand loyalty towards mobile phones. Previous studies adopted seven factors of brand loyalty for sportswear market in Hong Kong and Malaysia which took seven factors of brand loyalty including brand name, product quality, price, style, store environment, promotion and service quality. The study attempts to examine the effect of all these factors on brand loyalty for mobile phone users in Bangladesh. The results suggest that brand name, product quality and service quality are crucial in building brand loyalty of customers in the mobile set market of the country. At the end of the paper a few recommendations along with some agenda for future research studies are proposed.*

***Keywords:** Brand loyalty, mobile phones, factors of brand loyalty, Bangladesh*

### **1.0 Introduction:**

The globalization of competition, saturation of markets, and development of information technology have enhanced customer awareness and created a situation where marketers need to look toward building and maintaining a long term profitable business relationships with customer in order to achieve competitive advantage through delivering satisfaction better than their competitors (Kotler and Armstrong, 2010). In this dynamic business environment what the customer thinks, does, and buys- are ultimately driven by the perception inside his/ her mind. Thus companies are competing to meet up the ever more demanding customers through understanding the involvement of customers' feelings, emotions and perceptions for gaining long term growth and profitability. To remain competitive in the market and to win the market share, companies are becoming highly concerns to create loyalty toward customers preferred brands. Loyal customers are willing to pay more for their preferred brands and only repurchase the same brands even other alternatives are available. Therefore, loyal customers have higher customer retention rates and are more likely to recommend others to become customers of the firm.

---

\* Associate Professor, Department of Marketing, University of Dhaka

\*\* Assistant Professor, School of Business, Chittagong Independent University (CIU)

Recently, the advancement of information and communication technologies are tremendously changing peoples' approach to using and experiencing technology through the massive expansion and practise of mobile devices of which academics are also paying attention (Massoud and Gupta, 2003; Barnes and Scornavacca, 2004; Park and Yang, 2006). At a very fast pace the growth of penetration and usage of mobile phones has changed the lifestyles of customers' (Kımlıođlu and Nasır, 2010) in an incredible way in just a decade that anyone could have hardly imagined. Increased demand for mobile entertainment and introduction of technically advanced applications like mobile TV, 3G, 4G, mobile WiMAX, GPS, mailing and chatting through handset, video camera etc are creating new demand for mobile phones around the world. In most of the developing countries mobile phones are gradually becoming more familiar with everyone's day to day life, as well as, their social necessity (Petruzzellis, 2010). Technological innovation, change in market demand and intense competition of price reduction has made the mobile phone an indispensable part for most of the nations in the world. In fact, the wide adoption and uses of mobile phones has developed the communication and entertainment capacity to a greater extent through which people are now enjoying the facilities like face book, mobile chatting and lots of different services (Watson et al., 2002).

Like other developing countries Bangladesh mobile Tele communication sector has emerged as one of the fastest industries with the appearance of a number of competitors which has dramatically increased the number of mobile subscribers over the last two to three years. Currently there are six telecom operators (Citycell, GrameenPhone, Robi, Banglalink, Warid (now Airtel), and Teletalk) competing so hard to retain their own market shares that this fierce competition has tremendously benefited the customers with a very declining call rates and many more attractive facilities of communications and entertainment. The significant price reduction of mobile handset and increased disposable income has also made the customers of Bangladesh to choose their desired mobile phones at a cheaper and affordable price. In the field of mobile phone different studies have focused on its adoption (Leung, 1998; Gruber and Verboven, 2001; Katz and Aakhus, 2002), customer satisfaction (e.g. Woo and Fock, 1999), social implications (Katriel, 1999; Wei and Leung, 1999), motivations and patterns of usage (Leung and Wei, 2000) and choice of mobile phone form technological and marketing perspective (Petruzzellis, 2010). However, in the context of Bangladesh, no research works has ever been conducted in the area of brand loyalty for mobile phones users. Thus the significance of the research interest is to analyze user perception of brand loyalty for mobile phone in the context of Bangladesh. Therefore it is perceptibly a commensuration step for the researchers to examine the factors affecting brand loyalty of mobile phones users. Moreover, marketing managers are now realizing the trend of customers' brand switching behavior for which they need to highly get concerned about market retention and long term profitability. (Lau *et al.* 2006) Therefore, it is important for marketers to acquire

more knowledge about brand loyalty. Thus the benefit of the study is to explore marketers' awareness to create brand loyalty that will necessarily increase the firm's ability to obtain sustainable competitive advantage and future growth opportunities.

## **2.0 Literature Review**

### **2.1 Brand Loyalty**

The area of brand loyalty embraces great importance for the market researchers and marketing academics for many years. Marketing managers are also interested in exploring this area and thus companies are spending millions of dollars to capture the loyalty of customers toward their preferred brands through the research organizations (Srivastava, 2007). In the academic literature loyalty has been referred to a commitment and intention to purchase. From marketing perspective, brand loyalty can be defined as the customers' commitment to repurchase the brand among other alternatives through repeated purchase of the same brand.

Marketing managers are focusing importance to create loyalty among the customers because it is an important concept for understanding consumer behavior (Lau *et al.* 2006). The brand loyal customers simply choose the product on the basis of familiarity with the brand and overall positive feelings towards it. (Yee and Sadik, 2008). Thus loyal customers always have a repurchase intention for the same brand and they show less sensitivity toward price increase. (Brandchannel.com, 2006).

Blomer and Kasper, (1995) made a distinction between "spurious loyalty" and "True loyalty". When customers engage in repurchasing a brand due to situational constraints such as a lack of viable alternatives, or out of convenience then the loyalty is referred to as "spurious loyalty". On the other hand "true brand loyalty" exists when customers have a high relative attitude toward the brand which is then exhibited through repurchase behavior (Dick and Basu, 1994). This type of loyalty can be a great asset to the firm as these customers are willing to pay higher prices, they may cost less to serve, and can bring new customers to the firm (Reichheld and Sasser, 1990) which were later on supported by Yee and Sadik in (2008). Another four types of loyalty were found by Gounaris and Stathakopoulos which showed No loyalty, covetous loyalty, Inertia and Premium loyalty for product and services (2004).

Amine (1998) in her literature distinguishes between two main approaches to define the loyalty construct: the behavioral loyalty is measured by the ratio of the times a repeated purchase occurs over a total purchase and attitudinal brand loyalty holds that brand loyalty involves a favorable attitude which reflects a preference or commitment

expressed over time. Thus both behavioral and attitudinal brand loyalty consider that consumer have developed a feeling of favorable attitudes towards the organization more than its competitors and therefore they express a favorable preference over the firm's products or services through engaging in repeat purchases. Brand loyalty occurs because consumers perceive that the brand offers the right product features, image, or level of quality at the right price. On the basis of this perception customers generally make their purchase decision for new products or brands. After an initial trial purchase if the consumers are satisfied, they tend to form habits and continue to purchase the same brand because they form the belief that the product is safe and familiar.

Several research studies have explicitly divided consumers into brand loyals and brand switchers (Dekimpe et al., 1997; Yim and Kannan, 1999). Kotler in 2010, defines four patterns of loyalty behaviour: Hard-core Loyals - who buy the brand all the time, Split Loyals - loyal to two or three brands, Shifting Loyals - moving from one brand to another and Switchers - with no loyalty (looking for something different). This is also supported by Lau *et al.* in 2006 where the researchers showed brand loyalty in terms of Hard-core Loyal consumers, Brand Switchers, New users and Non-users. Generally hard-core brand Loyalists always remain loyal to a single brand and do not accept any substitutes (Lau *et al.*, 2006). These loyal customers are stick with the brand and have a strong commitment to the brand (Schiffman and Kanuk, 2007). They are less likely to switch to other brands in spite of the persuasive promotional efforts of competitors and also less promotional campaign is required to remind them (Yim and Kannan, 1999). On the other hand, Brand Switchers refers to those consumers who always search for new products and use two or three brand alternatives, because they cannot satisfy all their needs with a single brand. Marketing managers must give attention to these brand switchers as they have higher market potential (Schiffman and Kanuk, 2007).

## **2.2 Factors of brand loyalty**

Past research has supported the evidence that there are seven factors that influence customers' brand loyalty (Lau *et al.*, 2006; Yee and Sadik, 2008). These are brand name, product quality, price, style, store environment, promotion and service quality.

### **2.2.1 Brand Name**

A brand is a unique and identifiable symbol, association, name or trademark which serves to differentiate competing products or services that represent an emotional hook to create a relationship between consumers and the product/service (Blackston, 2000). According to Kohli and Thakor (1997), brand name is the creation of an image or identity which attract the consumers to purchase the brand repeatedly and condense switching behaviors

related to price reduction or availability of other alternatives (Cadogan and Foster, 2000). Therefore, successful brand names facilitate the marketing manager to create positioning, repositioning and to gain sustainable competitive advantages (Yee and Sadik, 2008).

### **2.2.2 Product Quality**

Quality is the overall judgment about excellence and superiority of the product or brand (Ozer et. al., 2005). It is one of the marketer's major positioning tools. Kotler and Armstrong (2010) defined product quality as the ability of a product to perform its functions which focus on its overall durability, reliability, precision, ease of operation, reparability and other valued attributes. Hence, quality can be defined as the totality of features and characteristics of a product or service that bear on its ability to satisfy customer needs (Kotler and Keller, 2010). A good quality product creates customer delight. In turn, delighted customers remain loyal and talk favorably to others about the company's product and brand.

Product quality for mobile phone includes its functional attributes such as technical excellence (Audio-Video recording, Bluetooth, Infrared, Camera, MP3 player), good connectivity and good feature (wide display, strong battery and user-friendly menu). Quality conscious customers have a strong desire for high quality products, and always try to make the best or perfect choice which is related to performance quality of the product (Sproles and Kendall, 1986).

### **2.2.3 Price**

Price is the amount of money charged for a product or service. It is the sum of all values that consumers exchange for the benefits of having or using the product or service (Kotler and Armstrong, 2010). Historically, price has been the major factor affecting buyer choice. Studies in different literature showed that price is probably the most important consideration for the average consumer (Zielke, 2010) According to Bucklin *et al.* (1998), price significantly influences consumer choice and frequency of purchase. High brand loyal customers are willing to pay premium price for their preferred brand (Yee and Sadik, 2008) and they do not compare price with other available option by shopping around. Ryan *et al.* in 1999 illustrated that for brand loyal customers price is the strongest drive to influence purchase decision. As brand loyalty increases customers are less reluctant to shift to other brands, respond less to price changes and promote the brand as they perceive that their brand has unique value which is not provided by other competitive brands. Therefore, for the brand loyal customers if the perceived value of the products or brands are greater than cost, their purchase intention increases.

#### **2.2.4 Style**

The emphasis of stylish design and fashion appears to be a central part in marketing decision making. Style is the visual appearance or expression which affects consumer perception towards a brand (Frings, 2005). Style is probably the first thing that customers notice whenever seeing a line of phones at the stores. According to Swartz, (2003) the mobile phone is an extension of one's identity. For most of the customers' style is the conscious choice of selecting their preferred mobile phone (Ling, 2003).

The choice of a mobile phone handset is perceived to be an important index of a consumer's fashion consciousness. For the growing demand of the fashion conscious customers' mobile manufacturing companies are launching new mobile phones and improving upon the designs of their earlier mobile phones through offering more stylish and meticulously designed hand sets. Besides, these companies are constantly integrating digital technologies to upgrade their mobile phones. While using the mobile phone consumers' always want a different look by opting cellular phone cases and stylish covers which can be used to protect phones from dust and can demonstrate the customers' style statement. Therefore, fashionable and stylish design remains an important aspect of mobile phone selection. Hence, brands that offer stylish mobile hand set attract loyal customers who are fashion conscious and have aspiration toward new styles and changing fashions (Yee and Sadik, 2008).

#### **2.2.5 Store Environment**

Today, retailers' are more concerned about providing pleasant and comfortable shopping environments (Ahmed, 2007) that significantly affect customers' store selection and retailers' excellence to serve the customers needs profitably. Literatures in different studies have identified the importance of convenient store location (Kotler, 1973) and store atmospherics such as color, lighting, odor and music (Freyman, 2002) that influence shoppers in selecting their preferred stores. According to Milliman, (1982) slow-beat background music played in the stores create a positive attitude for the consumers' and eventually they spend more time and money in a conducive environment which may in turn, affect consumer decision making and satisfaction with the brand. Store environment for selecting a mobile phone for this study considered the factors like easy accessibility of store locations, sufficient outlets, interior display, color and music.

#### **2.2.6 Promotion**

Promotion is a kind of communication technique which is used by the companies to create awareness among the customers. Any type of promotional campaign created by the

companies for their product or brand through Television, Radio, Bill board, POSM (Point of sales material), Web, Print media not only attracts customers but also builds up a rapport and an image in the customers' mind. Promotional tools includes advertising, sales promotions, personal selling and publicity. Agrawal (1996) suggests that advertising can be seen as a "defensive" strategy used to build brand loyalty which helps in retaining the loyal consumers as well as protecting a firm's loyal customers from rival brands. Sales promotion tools are used by most of the organizations in support of advertising and public relations activities that affect consumers' images, beliefs and attitudes toward products and brands, and in turn, influence their purchase behaviors (Lau *et al.*, 2006).

### **2.2.7 Service Quality**

Traditionally, service quality has been conceptualized as the difference between customer expectations regarding a service to be received and perceptions of the service being received (Grönroos, 2001; Parasuraman, Zeithaml, & Berry, 1988). In some earlier studies, service quality has been referred as the extent to which a service meets customers' needs or expectations (Dotchin & Oakland, 1994). Service quality is a kind of personal selling that involves direct interactions between salespeople and potential buyers. Consumers like to shop at specific stores because they like the quality of services provided by the sales people. In this study, service quality has been considered through the factors like warranty and guaranty of mobile phone and salespersons' training and knowledge regarding the brand to help the customers' in making their purchase decision.

### **3.0 Research Objective and Hypothesis**

This paper attempts to identify the factor that influence brand loyalty for mobile phone users in Bangladesh. Based on the factors that influence brand loyalty, the following hypotheses are derived for this study:

H<sub>1</sub>: Brand name of mobile phone is positively related to brand loyalty of cell users'.

H<sub>2</sub>: Mobile phone's quality is positively related to brand loyalty of cell users'.

H<sub>3</sub>: Premium price of mobile phone is positively related to brand loyalty of cell users'..

H<sub>4</sub>: Innovative style of mobile phone is positively related to brand loyalty of cell users'.

H<sub>5</sub>: Store environment is positively related to brand loyalty of cell users'.

H<sub>6</sub>: Marketing promotion is positively related to brand loyalty of cell users'.

H<sub>7</sub>: Service quality is positively related to brand loyalty of cell users'.

#### 4.0 Research Methodology

The study was geographically confined to Chittagong metropolitan area and all mobile phone users initially formed the sampling frame of the study. The study followed the survey approach using a structured-non-disguised closed-end questionnaire. Both primary and secondary information were used in the study. Secondary data were collected from various published sources including books, online journals, newspapers, magazines, and reports. Primary data were collected from the mobile phone users of Nokia, Samsung, Sony Ericson and I phone.

The sample size for the study was calculated by Cochran's (1963) formula. On the basis of the formula, at 95% confidence level and 6% sampling error with maximum degree of variability ( $p=.5$ ,  $q=.5$ ), the sample size arrived at 267. However, a total of 269 questionnaires were collected but after sorting the collected questionnaires, 38 were found to be incomplete and inaccurate. Finally 231 questionnaires were used for the purpose of data analyses.

The questionnaire had two sections. The first section of the questionnaire was comprised of seven questions, out of which the first four questions were developed to collect the demographic information of the respondents (gender, age, education and occupation). The fifth question allowed the researcher to segment consumers into loyal consumers and brand Switchers. The next two questions were used to identify the respondents preferred brands of mobile phones and frequency of using the brand. In the second section, the respondents were asked to evaluate the importance of the factors of brand loyalty towards their favorite brands through twenty statements. The statements of the seven factors were adapted from previous research: brand name, product quality, price, style, store environment, promotion and service quality (Lau *et al.*, 2006; Yee and Sadik, 2008). Reliability of the statement was calculated employing the Cronbach's Alpha (Cronbach 1951) since it is the most commonly used tool in measuring the internal consistency. Since all the scales in the present study produced desirable Cronbach's alpha (Churchill and Peter, 1984; Nunnally, 1978; 1988), the data reliability issue in the study can be considered highly satisfactory. The statements were measured on a five-point Likert Scale ranging from strongly disagree with scale point 1 to strongly agree with scale point 5. Data were collected on the basis of simple random sampling. All the data were collected during the 1<sup>st</sup> and 2<sup>nd</sup> week of April 2011. Both descriptive and inferential statistical tools were employed to analyze the data. All the calculations were conducted using SPSS, Version 17.0 (Leech, Barrett, and Morgan, 2005). The publication manual of APA (American Psychological Association, 2001) was used for citation of the sources of references that have been used in the study.

## 5.0 Findings of the Study

### 5.1 Demographic Profile of the Respondents

The following table shows the demographic profile of the respondents:

**Table 1 Demographic profile of the respondents**

| Demographic particular              | frequency  | percentage |
|-------------------------------------|------------|------------|
| <b>Gender</b>                       |            |            |
| Male                                | 149        | 64.5       |
| Female                              | 82         | 35.5       |
| <b>Total</b>                        | <b>231</b> | <b>100</b> |
|                                     |            |            |
| <b>Age</b>                          |            |            |
| Below 30 years                      | 143        | 61.9       |
| More than 30 years                  | 88         | 38.1       |
| <b>Total</b>                        | <b>231</b> | <b>100</b> |
|                                     |            |            |
| <b>Education</b>                    |            |            |
| Up to HSC                           | 66         | 28.6       |
| Bachelor/Master or above            | 165        | 71.4       |
| <b>Total</b>                        | <b>231</b> | <b>100</b> |
|                                     |            |            |
| <b>Occupation</b>                   |            |            |
| Employed                            | 110        | 47.6       |
| Unemployed                          | 121        | 52.4       |
| <b>Total</b>                        | <b>231</b> | <b>100</b> |
|                                     |            |            |
| <b>loyalty for a specific brand</b> |            |            |
| YES                                 | 165        | 71.4       |
| NO                                  | 66         | 28.6       |
| <b>Total</b>                        | <b>231</b> | <b>100</b> |

|                               |            |            |
|-------------------------------|------------|------------|
| <b>Preferred mobile phone</b> |            |            |
| Nokia                         | 166        | 71.9       |
| Samsung                       | 22         | 9.5        |
| Sony Ericson                  | 35         | 15.2       |
| I phone                       | 8          | 3.5        |
| <b>Total</b>                  | <b>231</b> | <b>100</b> |
|                               |            |            |
| <b>Mobile phone user of</b>   |            |            |
| Nokia                         | 161        | 69.7       |
| Samsung                       | 23         | 10.0       |
| Sony Ericson                  | 36         | 15.6       |
| I phone                       | 11         | 4.8        |
| <b>Total</b>                  | <b>231</b> | <b>100</b> |

Table 1 shows the demographic profile of the respondents. Out of 231 respondents 64.5 percent were male and the rest 35.5 percent were female. 61.9 percent respondents fell below the age group of 30 years and the remaining 38.1 percent composed the age group of above 30 years. Majority of the respondents' (71.4 percent) educational background was up to bachelor or masters and the rest of the respondents (28.6 percent) completed up to HSC level. With respect to Occupation, 47.6 percent of the respondents were employed compared to unemployed respondents of 52.4 percent. It is interesting to observe that a good proportion of the respondents' (71.4 percent) constituted the segment of loyal customers and the rest of the respondents (28.6 percent) were found to brand switchers.

Regarding, the respondents preferred mobile phone, majority of the respondents (71.9 percent) were found to prefer Nokia. This might be due to the fact that, Nokia offers different handsets at different price ranges to grab majority of the market segments. Followed by Sony Ericson, Samsung and I phone users represented 15.2 percent, 9.5 percent and 3.5 percent respectively.

## 5.2 Overall Store Loyalty

The respondents were asked a single question if they were loyal to the brand of mobile phone that they purchased. The result shows a high level of brand loyalty with mean score 4.3377 on a scale of 5. The following table shows the overall brand loyalty of the respondents:

**Table 2: Overall Brand Loyalty**

|                  | Number of Respondents | Mean   | Standard Deviation |
|------------------|-----------------------|--------|--------------------|
| Loyalty to Brand | 231                   | 4.3377 | 1.02927            |

### 5.3 Significance of brand loyalty factors with brand loyalty

The following table shows the correlation between brand loyalty and factors of brand loyalty.

**Table 3: Significance of brand loyalty factors with brand loyalty**

| Rank            | Factors of brand loyalty | Pearson Correlation | Significance (2-tailed) |
|-----------------|--------------------------|---------------------|-------------------------|
| 1 <sup>st</sup> | Brand name               | .673                | .000                    |
| 3 <sup>rd</sup> | Product quality          | .401                | .000                    |
| 2 <sup>nd</sup> | Price                    | .410                | .000                    |
| 5 <sup>th</sup> | Style                    | .316                | .000                    |
| 6 <sup>th</sup> | Store environment        | .177                | .007                    |
| 7 <sup>th</sup> | Promotion                | .137                | .037                    |
| 4 <sup>th</sup> | Service quality          | .362                | .000                    |

The table shows that all the factors of brand loyalty significantly affected with brand loyalty. Among these factors brand name has the highest significance of .673, followed by price (.410), product quality (.401), service quality (.362), style (.316), store environment (.177) and promotion (.137). This result is very similar to those found in the studies of Yee and Sadik, (2008) supporting the fact that brand name, price and product quality have positive relationship with brand loyalty of sportswear for Malaysian consumers.

Marketing manger should be more concerned to create famous brand names (1<sup>st</sup>), provide premium price (2<sup>nd</sup>) and improve the ground of product quality (3<sup>rd</sup>) which have strong priority for the brand loyal customers respectively. Furthermore, the brand managers should develop well designed and stylish (5<sup>th</sup>) mobile phones alongside improving the delivery of service quality (4<sup>th</sup>) to capture the attention of the brand loyal cell users'.

### 5.4 Reliability Analysis

The respondents were asked to evaluate the importance of the factors of brand loyalty towards their favorite brands. The statements were measured on a five-point Likert Scale

ranging from strongly disagree with scale point 1 to strongly agree with scale point 5. The reliability Analysis of these statements are shown in the following table which indicate high reliability coefficients of alpha (.6057).

**Table 4: Reliability Analysis- Scale (Alpha)**

| Reliability Coefficients | N of respondents | N of Items |
|--------------------------|------------------|------------|
| Alpha = .6057            | 231.0            | 20         |

### 5.5 Effect of factors of brand loyalty on overall brand Loyalty

It was necessary to investigate the effect of the factors of brand loyalty to build loyalty toward the respondents preferred brand of mobile phone. Multiple regression was employed to see the effect of the factors as the predictor variables and brand loyalty as the dependent variable. The following model was run:

$$Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \beta_6X_6 + \beta_7X_7$$

|                |                     |
|----------------|---------------------|
| Where Y        | = Brand loyalty     |
| X <sub>1</sub> | = Brand name        |
| X <sub>2</sub> | = Product quality   |
| X <sub>3</sub> | = Price             |
| X <sub>4</sub> | = Style             |
| X <sub>5</sub> | = Store Environment |
| X <sub>6</sub> | = Promotion         |
| X <sub>7</sub> | = Service Quality   |

The following tables show the results revealed from the regression analysis.

**Table 5: Multiple Regression Model Summary for factors of brand loyalty on Loyalty for the preferred brand**

| R Square | Adjusted R Square | R Square Change |
|----------|-------------------|-----------------|
| .515     | .500              | .515            |

**Table 6 ANOVA**

| Model      | Sum of Squares | df  | F      | Sig. |
|------------|----------------|-----|--------|------|
| Regression | 125.417        | 7   | 33.671 | .000 |
| Residual   | 118.130        | 223 |        |      |
| Total      | 243.548        | 230 |        |      |

Note. \*\*\*  $p < .01$

**Table 7: Effect of factors of brand loyalty on Loyalty for the preferred brand**

| Model             | Unstandardized Coefficients |            | Standardized Coefficients |        |      |
|-------------------|-----------------------------|------------|---------------------------|--------|------|
|                   | B                           | Std. Error | Beta                      | t      | Sig. |
| (constant)        | -1.771                      | .497       |                           | -3.562 | .000 |
| Brand name        | .755                        | .083       | .519                      | 9.070  | .000 |
| Product quality   | .256                        | .103       | .134                      | 2.493  | .013 |
| Price             | .105                        | .065       | .086                      | 1.603  | .110 |
| Style             | .104                        | .074       | .071                      | 1.394  | .165 |
| Store environment | 7.407E-02                   | .045       | .080                      | 1.641  | .102 |
| Promotion         | 2.726E-02                   | .029       | .046                      | .955   | .341 |
| Service quality   | .113                        | .064       | .091                      | 1.759  | .080 |

Note. \*  $p < .10$ , \*\*  $p < .05$ , \*\*\*  $p < .01$

The result of multiple regression indicates a strong  $R^2$  of .515. The value of F is 33.671 which stands significant at .01 percent. The relatively high measure of  $R^2$  (.515) indicates that the predictor variables performed well in explaining the variance in brand loyalty. The F ratio indicates that the results of the equation could hardly have occurred by chance. The relative effect of predictor variables was examined by comparing the magnitude of regression coefficients. The first factor with the greatest effect on overall brand loyalty was 'brand name' ( $\beta = .519$ ) which is also supported by Yee and Sadik, (2008) where brand name was found to have significant positive relationship with brand loyalty. Likewise 'product quality' ( $\beta = .134$ ) and 'service quality' ( $\beta = .091$ ) affected on overall brand loyalty. As such, Hypotheses 1, 2 and 7 were supported respectively. However, negative effects on brand loyalty was found with 'price' ( $\beta = .086$ ,  $p > .10$ ), thus hypothesis 3 was not supported. This result is very similar to those found in the study of Ackerman and Tellis (2001) supporting the fact that Asian customers are highly price sensitive. Negative association was equally observed with 'style' ( $\beta = .071$ ,  $p > .10$ ), 'store environment' ( $\beta = .080$ ,  $p > .10$ ), and 'promotion' ( $\beta = .046$ ,  $p > .10$ ), which voided hypothesis 4, 5 and 6.

## 6.0 Implications, Limitations, and Future Research Agenda

Brand loyalty is important for an organization to ensure that its product is kept in the minds of consumers and prevent them from switching to other brand. However creating brand loyal customers is difficult. Marketers continually improve their marketing programs to attract and retain consumers. As competition in the marketplace is getting increased, consumers' are supplied with information on different brands. As a result their switching tendency has increased in these days. Thus the marketers need to gain knowledge in factors that can affect consumers to become and remain loyal to their own brand. Furthermore to reduce the brand switching behavior in the marketplace the brand manager should launch consumer retention program and instead of attracting new customers, companies should do more business with current consumers and build-up long lasting relationships. Thus, brand loyalty programs are designed to turn one time buyers into buyers that will purchase the product again and again.

The present study is an attempt to explore the role of brand loyalty for mobile phone users of Bangladesh. However, the study suffers from some limitations. First, the study was conducted only in Chittagong metropolitan city of Bangladesh, though the largest mobile user groups are geographically concentrated in rural areas of the country. Hence, it does not represent the complete picture of the nation as long as brand loyalty is concerned. Another shortcoming of the study is its sample size due to which results may have been affected. Future researchers, in this regard, should consider collecting larger samples to avoid sampling error. Moreover, Future research can also be conducted on how each brand loyalty factors influences a consumer's loyalty toward other product categories' like necessity product (soap, coffee, toothpaste, detergent etc) or luxurious product (automobile, air conditioner, refrigerator etc). Finally, future research efforts could undertake questions related to additional factors that would encourage consumers to recommend a product or brand to others like previous shopping experience, word-of – mouth communication, impact of loyalty programs and the like. Despite these limitations, the researcher confidently believes that the results of the study deserve consideration for strategy formulation by brand managers as a way to improve loyalty toward the customers' preferred brand.

## References

- Ackerman, D., & Tellis, G. (2001). Can culture affect prices? A cross-cultural study of shopping and retail prices. *Journal of Retailing*, 77, 57-82.
- Agrawal, D. (1996), "Effect of brand loyalty on advertising and trade promotions: a game theoretic analysis with empirical evidence", *Marketing Science*, Vol. 15, No. 1, pp. 86-108.

- Ahmed, F. (2007). Consumers attitude towards modernized shopping center vs. traditional shopping center- A case study at Khulna city. *Daffodil International University Journal of Business and Economics*, 2(2), 183-192.
- American Psychological Association (2001). *Publication manual of the American Psychological Association* (5<sup>th</sup> ed.). Washington DC: APA.
- Amine, A. (1998) Consumers' True Brand Loyalty: The Central Role of Commitment. *Journal of Strategic Marketing*, 6, 305-319.
- Barnes, S. J. and Scornavacca, E. (2004), "Mobile marketing: the role of permission and acceptance", *International Journal of Mobile Communication*, Vol. 2 No. 2, pp. 128-39.
- Blackston, M. (2000). Observations: Building Brand Equity by Managing the Brand's Relationships. *Journal of Advertising Research*, Vol 40.
- Blomer, J. M. M. and Kasper, H. D. P., (1995). The complex relationship between customer satisfaction and brand loyalty. *Journal of Economic Psychology*, Vol. 16, No 2, pp. 311-329
- Brandchannel.com (2006) (<http://www.brandchannel.com>), Accessed 18 August 2006.
- Bucklin, R. E., Gupta, S. and Siddarth, S. (1998) Determining Segmentation in Sales Response Across Consumer Purchase Behaviors, *Journal of Marketing Research*, 35, pp 189-198.
- Cadogan, J. W. and Foster, B. D. (2000) Relationship Selling and Customer Loyalty: An Empirical Investigation, *Marketing Intelligence and Planning*, 18, 185-199.
- Churchill, G. A., & Peter, P. J. (1984). "Research design effects on the reliability of rating scales: A meta-analysis". *Journal of Marketing Research*, 21(4), 360-375.
- Cochran, W. G. (1963). *Sampling Techniques*. 2<sup>nd</sup> Ed., New York: John Wiley and Sons, Inc.
- Dekimpe, M. G., Steenkamp, J., Mellens, M. and Abeele, P. V. (1997), "Decline and variability in brand loyalty", *International Journal of Research in Marketing*, Vol. 14, No. 5, pp. 405-20.
- Dick, Alan S. and Kunal Basu (1994), "Customer Loyalty: Toward an Integrated Conceptual Framework," *Journal of the Academy of Marketing Science*, 22 (2), 99-113.
- Dotchin, J. A. & Oakland, J. S. (1994). "Total Quality Management in Services Part 2:Service. Quality". *International Journal of Quality & Reliability Management*, 11 (3), 27-42.
- Freymann, J. V. (2002). Grocery store pricing and its effect on initial and ongoing store choice. *Marketing Management Journal*, 12(1), 107-119.
- Frings, G. S. (2005) *Fashion: From Concept to Consumer* (8th Ed.). Pearson/Prentice Hall.
- Grönroos, C. (2001). "The perceived service quality concept - a mistake?" *Managing Service Quality*, 11 (3), 150-152.
- Gruber, H. and Verboven, F. (2001), "The evolution of markets under entry and standards regulation –the case of global mobile telecommunications", *International Journal of Industrial Organization*, Vol. 19, No. 7, pp. 1189-213.

- Katriel, T. (1999), "Rethinking the terms of social interaction", *Research on Language and Social Interaction*, Vol. 32, Nos 1/2, pp. 95-101.
- Katz, J.E. and Aakhus, M. (Eds) (2002), *Perpetual Contact: Mobile Communication, Private Talk, Public Performance*, Cambridge University Press, Cambridge.
- Kimilog˘lu, H; Nasır, V.A; Nasır, S. (2010). Discovering behavioral segments in the mobile phone market. *Journal of Consumer Marketing*, Vol. 27, No. 5, pp. 401–413.
- Kohli, C. and Thakor, M. (1997) Branding Consumer Goods: Insights from Theory and Practice, *Journal of Consumer Marketing*, 14, 206-219.
- Kotler, P. (1973). Atmospherics as a marketing tool. *Journal of Retailing*, 49, 48-64.
- Kotler, P., & Armstrong, G.(2010). "*Principles of marketing*". 13<sup>th</sup> Ed., Prentice Hall.
- Kotler, P., & Keller, K. L. (2007) . "*Marketing Management*". 12<sup>th</sup> Ed. Prentice Hall.
- Lau, M. M., Chang, M. S., Moon, K. and Liu, W. S. (2006) The Brand Loyalty of Sportswear in Hong Kong, *Journal of Textile and Apparel, Technology and Management*, 5, 1-13.
- Leung, L. (1998), "Lifestyles and the use of new media technology in urban China", *Telecommunications Policy*, Vol. 22, No. 9, pp. 781-90.
- Leung, L. and Wei, R. (2000), "More than just talk on the move uses and gratifications of the cellular phone", *Journalism and Mass Communication Quarterly*, Vol. 77, No. 2, pp. 308-20.
- Line, R. S. (2003), "Fashion and vulgarity in the adoption of mobile telephone among teens in Norway." *Mediating the human body: Technology, communication and fashion*. Lawrence Erlbaum, Mahwah, NJ, pp. 87-92.
- Massoud, S. and Gupta, O.K. (2003), "Consumer perception and attitude toward mobile communication", *International Journal of Mobile Communications*, Vol. 1, No. 4, pp. 390-408.
- Milliman, R. E., (1982) Using Background Music to Affect the Behavior of Supermarket Shoppers, *Journal of Marketing*, 46, 86-91.
- Nunnally, J. C. (1978). "Psychometric theory". New York: McGraw-Hill.
- Ozer G., Aydin S., Arasil O. (2005) " Customer Loyalty and Effect of Switching Costs as a Moderator Variable" *Marketing Intelligence and Planning* Vol. 23, No. 1, PP. 89-103
- Parasuraman, A., Zeithaml, V. A. & Berry, L. L. (1988). "SERVQUAL: a multiple-item scale for measuring consumer perceptions of service quality". *Journal of Retailing*, 64 (Spring), 12-40.
- Park, J.K. and Yang, S. (2006), "The moderating role of consumer trust and experiences: value driven usage of mobile technology", *International Journal of Mobile Marketing*, Vol. 1, No. 2, pp. 24-32
- Petruzzellis, L (2010). Mobile phone choice: technology versus marketing. The brand effect in the Italian market. *European Journal of Marketing*, Vol. 44, No. 5, pp. 610-634.

- Reichheld, Frederick F. (1993), "Loyalty-Based Management," *Harvard Business Review*, 71 (2), 64-73.
- Reichheld, Frederick F. and W. Earl Jr. Sasser (1990), "Zero Defections: Quality Comes to Services," *Harvard Business Review* (September-October), 105-11.
- Ryan, M. J., Rayner, R. and Morrison, A. (1999), "Diagnosing customer loyalty drives", *Marketing Research*, Vol. 11, No. 2, pp. 18-26.
- Schiffman, L. G. and Kanuk, L. L. (2000). *Consumer Behavior*, 9<sup>th</sup> Edition, Prentice hall, Upper Saddle River, New Jersey.
- Sproles, G.B . and Kendall, E. L. (1986), "A Methodology for Profiling Consumer's Decision-making Styles", *The Journal of Consumer Affairs*, 20, 267-279.
- Srivastava, R. K. (2007). Determinants of brand loyalty factors age group-18-24. *Academy of Marketing Studies Journal*.
- Swartz, (2003), "Style ranks high in cell phone design". *Knight Ridder/Tribune Business news*, 10 November, 2003. Retrieved on 27 April 2004 from Info Trac database ITEM03314009.
- Watson, R.T., Leyland, F.P., Berthon, P. and George, M.Z. (2002), "U-commerce: expanding the universe of marketing", *Journal of the Academy of Marketing Science*, Vol. 30, No. 4, pp. 333-47.
- Wei, R. and Leung, L. (1999), "Blurring public and private behaviors in public space Policy challenges in the use and improper use of the cell phone", *Telematics and Informatics*, Vol. 16, Nos. 1-2, pp. 11-26.
- Woo, K. S. and Fock, H.K-Y. (1999), "Customer satisfaction in the Hong Kong mobile Phone industry", *The Service Industries Journal*, Vol. 19 No. 3, pp. 162-74.
- Yee, W. F., Sadik, Y. (2008). Influence of Brand Loyalty on Consumer Sportswear. *Int. Journal of Economics and Management* Vol. 2, No. 2, 221 – 236.
- Yim, C. K. and Kannan, P.K., (1999). Consumer behavioral loyalty: A segmentation model and analysis, *Journal of Business research*, 44(2), pp. 75-92.
- Zielke, S. (2010), "How price image dimensions influence shopping intentions for different store formats", *European Journal of Marketing*, Vol. 44, No. 6, pp. 748-770.