PUBLIC PERCEPTION ON THE FACTORS THAT INFLUENCE CUSTOMER LOYALTY ON PURCHASING SPORTSWEAR IN MALAYSIA

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RYAN MINGWAN LEONG
Approval Form

This research paper attached hereto, entitled “Public Perception on the Factors that Influence Customer Loyalty on Purchasing Sportswear in Malaysia” prepared and submitted by “Ryan Mingwan Leong” in partial fulfillment of the requirements for the Bachelor of Communications (Hons) Public Relations is hereby accepted.

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ABSTRACT

Customers are becoming increasingly important in the lives of most organizations as competition increases. Hence, many companies begin to recognize the importance of retaining current customers and some have initiated various activities to create customer loyalty. Several studies conducted over the years proven that there is a direct connection between customer satisfaction and customer loyalty but least conducted based upon brand equity. In addition, substantial researches have been conducted on customer loyalty yet concepts and definitions of customer loyalty vary from one another. This study investigated on the relationship of brand equity and customer satisfaction on customer loyalty towards Malaysian in purchasing branded sportswear. Quantitative methods are utilized by distributing survey questionnaire to 205 respondents to examine customer loyalty. Brand Equity and customer satisfaction is measured regarding their influence towards customer loyalty. Based on 205 completed surveys from respondents, the researcher found the relationship between brand equity, customer satisfaction and customer loyalty were established. The findings show that customer satisfaction is the antecedents of customer loyalty. Although influence of brand equity was less significant as compare to customer satisfaction, the results still shows a positive score for brand equity.
DECLARATION

I declare that the material contained in this paper is the end result of my own work and that due acknowledgement has been given in the bibliography and references to ALL sources be they printed, electronic or personal.

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# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABSTRACT</td>
<td>i</td>
</tr>
<tr>
<td>DECLARATION</td>
<td>ii</td>
</tr>
<tr>
<td>TABLE OF CONTENTS</td>
<td>iii</td>
</tr>
<tr>
<td>LIST OF TABLES</td>
<td>v</td>
</tr>
<tr>
<td>LIST OF FIGURES</td>
<td>vi</td>
</tr>
</tbody>
</table>

## CHAPTERS

### I INTRODUCTION

- Background of the Study 1
- Problem Statement 2
- Objective of the Study 3
- Research Questions 4
- Significant of the Study 4
- Scope of the Study 5
- Conclusion 5

### II LITERATURE REVIEW

- Customer Loyalty 6
- Brand Equity 8
- Brand Awareness 11
- Brand Association 13
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Satisfaction</td>
<td>14</td>
</tr>
<tr>
<td>II METHODOLOGY</td>
<td>17</td>
</tr>
<tr>
<td>Research Method</td>
<td>17</td>
</tr>
<tr>
<td>Pretest</td>
<td>18</td>
</tr>
<tr>
<td>Questionnaire Design</td>
<td>19</td>
</tr>
<tr>
<td>Sampling Procedure</td>
<td>19</td>
</tr>
<tr>
<td>Data Collection</td>
<td>20</td>
</tr>
<tr>
<td>Ethical Consideration</td>
<td>20</td>
</tr>
<tr>
<td>III FINDINGS &amp; ANALYSIS</td>
<td>22</td>
</tr>
<tr>
<td>Survey Response and Respondent Profile</td>
<td>22</td>
</tr>
<tr>
<td>Data Analysis</td>
<td>25</td>
</tr>
<tr>
<td>Respondent who know customer loyalty well</td>
<td>25</td>
</tr>
<tr>
<td>Respondent who do now know customer loyalty well</td>
<td>28</td>
</tr>
<tr>
<td>General Questions for All Respondents</td>
<td>30</td>
</tr>
<tr>
<td>IV DISCUSSION &amp; CONCLUSION</td>
<td>33</td>
</tr>
<tr>
<td>Discussion</td>
<td>33</td>
</tr>
<tr>
<td>Limitations of the Study</td>
<td>35</td>
</tr>
<tr>
<td>Conclusion and Recommendations for Future Research</td>
<td>36</td>
</tr>
<tr>
<td>REFERENCES</td>
<td>38</td>
</tr>
<tr>
<td>Appendix A</td>
<td>43</td>
</tr>
<tr>
<td>Survey Questionnaire</td>
<td>43</td>
</tr>
<tr>
<td>Appendix B</td>
<td>47</td>
</tr>
<tr>
<td>Raw Data Survey Questionnaire</td>
<td>47</td>
</tr>
</tbody>
</table>
# LIST OF FIGURES

<table>
<thead>
<tr>
<th>Figures</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>Customer-based brand equity pyramid</td>
<td>10</td>
</tr>
<tr>
<td>2.2</td>
<td>The awareness brand pyramid</td>
<td>12</td>
</tr>
<tr>
<td>4.1</td>
<td>Survey respondents profile</td>
<td>22</td>
</tr>
<tr>
<td>4.2</td>
<td>Survey respondents monthly income</td>
<td>23</td>
</tr>
<tr>
<td>4.3</td>
<td>Respondents knowledge on customer loyalty</td>
<td>24</td>
</tr>
<tr>
<td>4.4</td>
<td>Respondents annual expenses on branded sportswear</td>
<td>25</td>
</tr>
<tr>
<td>4.5</td>
<td>Respondents repurchase intention on the products from a low brand equity company</td>
<td>26</td>
</tr>
<tr>
<td>4.6</td>
<td>Respondents likeliness to share past experience on purchasing branded sportswear</td>
<td>27</td>
</tr>
<tr>
<td>4.7</td>
<td>Respondents’ intention to seek for reference regarding particular product/brand</td>
<td>29</td>
</tr>
<tr>
<td>4.8</td>
<td>Respondents’ prerequisite for satisfaction in purchasing branded sportswear</td>
<td>30</td>
</tr>
</tbody>
</table>
LIST OF TABLES

<table>
<thead>
<tr>
<th>Tables</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1</td>
<td>Respondents’ considerations in purchasing branded sportswear</td>
<td>31</td>
</tr>
</tbody>
</table>
CHAPTER I
INTRODUCTION

1.1 Background of the Study

Customers are becoming increasingly important in the lives of most organizations as competition increases (Manchester Open Learning, 1993, p. 7). As markets become more competitive, customers are now confronted with more choice than ever before; they feel a sense of entitlement to try new brands. Hence, many companies begin to recognize the importance of retaining current customers and some have initiated various activities to create customer loyalty (McMullan & Gilmore, 2008)). It is recognized that loyalty customers are more likely to expand their relationship within the product range and so the rewards from them are long-term and cumulative (as cited in McMullan & Gilmore).

Customer loyalty is a key component for a brand’s long-term viability (Krishnamurthi & Raj, 1991). According to Oliver (1999) defines it as “a deeply held commitment to re-buy or re-patronize a preferred product/service consistency in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior.” In Malaysia, companies especially those in the sportswear industry try to enhance customer loyalty among their customers. Customer loyalty is a consumer’s conscious or unconscious decision that is expressed through the intention or behavior to repurchase a particular brand continually. In companies today, customer loyalty can be defined as the totality of feelings or attitudes that would incline a customer to consider the re-purchase of a particular product, service or brand or re-visit a particular company, shop or website. Customer loyalty has always been critical to business success and profitability (Customer Loyalty, 2010).

Brands, particularly those that achieve a certain level of brand equity can be organizations most powerful assets as it is the fundamental in closing the communications
gap yet simultaneously building customer loyalty. It allows organizations to enjoy high brand loyalty, name awareness, perceived quality and strong brand associations with customers (Che-Ha & Hashim, 2007).

Building a strong brand with significant equity is seen as providing a multitude of benefits to organizations, including greater customer loyalty, less vulnerability to competitive marketing actions and marketing crises, improved perceptions of product performance, etc. (Keller, 1998, p. 48)

Many researchers have looked into the importance of customer satisfaction. Customer satisfaction has been widely accepted as an utmost crucial issue for many marketing managers. It is commonly used as a marketing benchmark of a company's performance (Bennett & Rundle-Thiele, 2004). Kotler & Keller (2008) defined satisfaction as: “a person’s feeling of pleasure or disappointment resulting from comparing a product’s perceived performance (or outcome) in relation to his or her expectations”. Fornell (1992) said “high customer satisfaction will result in increased loyalty for the firm and that customers will be less prone to overtures from competition”. Thus, customer satisfaction plays a very important role in ensuring customer loyalty. In this study we assess the relative importance of many of the known antecedents to customer loyalty, including brand equity and customer satisfaction.

The purpose of the study is to investigate how the respondents are influenced by factors of customer loyalty towards branded sportswear. We will further explore the details of each factor in the way they contribute to customer loyalty.

1.2 Problem Statement

Ralph Waldo Emerson once said that a problem well defined is a problem half solved. This adage emphasizes that the better the clarity around what it is the research problem; the direction of the investigation will be more efficient. Careful attention to problem definition
allows a researcher to set the proper research objectives. If the purpose of the research is clear, the chances of collecting the necessary and relevant information will be much greater (Zikmund, 2003).

- Although substantial researchers like Aydin, Özer, & Arasil (2005), McMullan & Gilmore (2008) had conducted researches on customer loyalty, the conceptual and operational definitions of customer loyalty vary from study to study. Therefore it is needed to conduct more research for better understanding in customer loyalty.
- Besides that, most of the studies conducted on customer loyalty are mainly done in western countries instead of Malaysia. Hence, it is an opportunity to conduct the research in Malaysia to investigate customer loyalty in this multi-cultural country.
- Previously, researches conducted by other researchers focus mainly on the factors like product quality, service quality, promotion, etc., very few studies explore on the factors such as brand equity and customer satisfaction. Therefore, this research is encouraged to examine influence of brand equity and customer satisfaction on customer loyalty towards Malaysian on purchasing sportswear.
- Subsequently, the rapid growths of Malaysia economy induce the competitiveness of market, the researcher would like to look into how the factors that affect customer loyalty will assist a company to sustain or improve their market position.

1.3 Objective of the Study

The purpose of the study is to examine the respondents on the factors (brand equity and customer satisfaction) that influence customer loyalty in purchasing sportswear in Malaysia. It is to further the research to examine is there any significant relationship between the factors towards customer loyalty in purchasing sportswear in Malaysia.

The more specific objectives of this study are:
1. To examine the relationship between brand equity and customer loyalty in purchasing branded sportswear in Malaysia.

2. To examine the relationship between customer satisfaction and customer loyalty in purchasing branded sportswear in Malaysia.

1.4 Research Questions

2. Is there any significant relationship between brand equity and customer loyalty in purchasing branded sportswear in Malaysia?

3. Is there any significant relationship between customer satisfaction and customer loyalty in purchasing branded sportswear in Malaysia?

1.5 Significant of the Study

The researcher understands that customer loyalty is one of the vital reasons for a company to achieve the organization’s goal. Therefore, it is substantial to seek out the underlying factors that influence customer loyalty which therefore contribute to the organizations in Malaysia indirectly the nation economy. Besides that, it is essential to examine the influential of the independent variables as the factors chosen is more towards the field of public relations, the perception and viewpoint of branding, satisfaction based on customer. It is a rare perspective compare to researches conducted based on factors like product quality, store environment, price and promotion.

The root causes of the problems have to be defined clearly; it can help the industry to improve its performance by achieving efficient and effective in their sales. Keep track of actual behavior of their customers by collecting revealed preference customer databases. Data records on past purchases and additional purchasing behavior for predicting future behavior. Protecting the existing customer base and retaining existing customer loyalty appear to be the
crucial competitive advantage. Customer loyalty is a key component for a brand’s long-term viability (Krishnamurthi & Raj, 1991). The research concentrated on the public relations viewpoint in sustaining and maintaining customer through factors like brand equity, customer satisfaction and customer value. Those factors that have been mentioned in this research will be investigated to determine the significant variables that influence customer loyalty. The outcomes of the research contribute sportswear industry in Malaysia to improve its performance efficiently and effectively.

1.6 Scope of the Study

The study will examine the various factors that influence customer loyalty on purchasing branded sportswear in Malaysia. The research is conducted focusing on branded sportswear in Malaysia for instance Nike, Adidas, Puma, Fila, etc. The factors that influence customer loyalty like brand equity and customer satisfaction (independent variables) are to be examined whether the significant relationship of the factors between customer loyalty (dependent variables) exist. The sample selected for this study focusing on the customer that consumes branded sportswear in Malaysia. In this hyper-turbulent environment, the market competitiveness in Malaysia is increasing gradually and thus, it attracts the researcher to perform further research on it.

1.7 Conclusion

This chapter presents an overview of the research project which prepares the readers to have an initial understanding before going in depth. The introduction includes background of study, problem definition, research objectives, justification of study, and organization of study and scope of study. Further information such as literature review, research method, research result, discussion and conclusion are presented in following chapters.
CHAPTER II

LITERATURE REVIEW

2.1 Customer Loyalty

In general, loyalty is shown by different propensities toward the brand, store or service. Typically, customer loyalty means the property of customer to repeatedly purchase specific subject (brand, product, service, shop, etc.) with affection regardless of the change in the circumstance (Jeong & Lee, 2010). However, previous researchers have yet not formulated a universal definition of customer loyalty upon which everyone agrees (Baran, Galka, & Strunk, 2008). Over the years, there were debates focused around what customer loyalty actually is, as Majumdar states, “Customer loyalty is a complex, multidimensional concept” (as cited in Gee, Coates & Nicholson, 2008).

One widely accepted explanation of loyalty is by Jacoby and Kyner (1973), describing it as the biased (i.e. non-random), behavioral response (i.e. purchase), carried out over time, by some decision making unit, towards one or more alternative brands in a same category, and is a part of psychological (i.e. decision making, evaluation) processes. (as cited in McMullan & Gilmore, 2008). However, Oliver (1999) pick apart on this and similar definitions, “customer loyalty is viewed as the strength of the relationship between an individual’s relative attitude and their repeat patronage” by Dick and Basu (1994) based on the collective failure to render a unitary definition and the trust based only on three phases which are cognition, affect and behavioral intention. Thus, Oliver (1999) puts greater emphasis by adding the fourth phase, situational influences, explicating the situation of action qualified by commitment, predisposition in favor of something and consistency while recognizing the nature of the marketing environment. Including the fourth phase, he modified the definition of customer loyalty as “... a deeply held commitment to re-buy or re-patronize a preferred product or service consistently in the future, causing repetitive same brand or same brand-set purchasing, despite situational influences and marketing efforts” (Oliver, 1999, p. 34).
According to Amine (1998) in her literature, proposed two main approaches in defining the concept of loyalty:

- **Behavioural construct:** Suggested that the consumer shows their loyalty through repeat purchasing of a brand over time.
- **Attitudinal perspective:** Assumed the consumers’ consistency in purchasing a brand due to necessity but insufficient to construct the status of ‘true’ brand loyalty. Thus, positive attitude towards the particular brand must be complemented to assure the behaviour will be engaged further.

There are some definitions by other researches define customer loyalty focusing on the pattern of past purchasing activity. Numerous research findings indicate that most customers are loyal to a list of brands within a product category. This has extended to another definition of customer loyalty by Ehrenberg and Scriven, “an ongoing propensity to buy the brand, usually as one of several” (as cited in Uncles, Dowling, & Hammond, 2003).

Developing customer loyalty is utmost important for every company as new fresh customer acquisition alone will not ensure long-term success. Frederick F. Reicheld was one of the first to propose that companies should put more effort in customer retention as opposed to acquisition. Along with W. E. Sasser, Jr., he affirmed that customer retention is a major driver of company profits (Baran et al., 2008). This appears to be reasonable given that the well versed marketing axioms, indicated by Pfeifer, “It costs five times more to acquire a new customer than to retain an existing one” (as cited in Gee et al., 2008). Reichheld and Sasser (Baran et al., 2008) further claimed the importance of retention as:-

- A 5% increase in customer retention consistently resulted in 25 – 100% profit swings across all industries studied.
- Companies can boost profits by almost 100% by retaining just 5% more of their customers.
- Customer defect at the alarming rate of 10 – 30% per year.
According to the findings by Taylor, Celuch, & Goodwin (2004), brand equity appears as one of the most influential influences on both behavioral and attitudinal loyalty. Besides building on long-term customer loyalty, organizations putting effort in achieving high brand equity can produce different advantages (Che-Ha & Hashim, 2007).

Although previous researcher had recurrently researched on customer loyalty, yet the fundamental of its formation are still remained uncertain, even if numerous antecedents have been named. Among these antecedents, both scholars and practitioners have attributed peculiar credit to customer satisfaction, announcing it as another main antecedent of loyalty (Bodet, 2008). Referring to Oliva et al.’s study, a minor change in satisfaction can lead to a substantial change in loyalty increment (as cited in Bowen & Chen, 2001). Hence, further implicate that customer satisfaction is one of the antecedent of customer loyalty.

2.2 Brand Equity

Since the late 1980, the introductory of brand equity had contributed an important marketing concept both to academia and practice. While brand equity has been defined in several manners over the years, most of them are consistent with Farquhar’s definition of brand equity stating it as the value added by the brand to the product (Srinivasan, Park & Chang, 2005). According to Zhu & Kuo (2010), the biggest difficulty conducting research relating to customer-based brand equity (CBBE) is that different researcher has his or her own explanation causing the formulation of different perspectives, whereas some of them are overlapping with each other. Furthermore, Keller affirmed that brand equity has been defined by various researchers in different researches leaving a number of definitions (Keller, 1998, p. 48)

Aaker defined “brand equity as a set of brand assets and liabilities linked to a brand, its name and symbol that add to or subtract from the value provided by a product or service to a firm and/or to that firm’s customers” (Aaker, 1991, p. 15). From that, he grouped the assets and liabilities
into five categories that comprised brand equity, which are brand loyalty, name brand awareness, perceived quality, brand associations and other proprietary brand assets (Aaker, 1991).

Keller approached the concept of brand equity from the perspective of the consumer, defined “customer-based brand equity as the differential effect that brand knowledge has on the consumer response to the marketing of that brand.” (Keller, 1998, p. 48). He also provided the sources of brand equity stating that “brand equity occurs when the consumer has a high level of awareness and familiarity with the brand and holds some strong, favorable, and unique brand associations in memory.” (Keller, 1998, p. 53). He further separated brand awareness into brand recall and brand recognition, and deemed brand image as perceptions about a brand, “pondered by the strong, favorable, and unique associations to the brand held in consumers’ memory” (Keller, 1998). Brand associations then can be classified into three types, brand attributes, brand benefits, and brand attitudes.

Later, based on this viewpoint, he brought out the concept of brand pyramid with six “brand building blocks”, which were salience, performance, imagery, judgments, feeling, and resonance (Keller, 1998).

Figure 2.1 Customer-based brand equity pyramid
In the recent years, definitions of brand equity have developed and added the value of name thus extending the definition to a broader set of attributes that drives consumer selections. In the study conducted by Faircloth et al., he stated that “brand equity actually represents a product’s position in the minds of consumers in the marketplace.” (as cited in Lim, 2009, p. 12).

He further suggested a conceptual model to provide operational definition for brand equity which is partly coherent with Aaker’s and Keller’s theory on brand equity. They explained in such a manner proposing that positive brand image and brand attitude can raised the level of brand equity. They further claimed that positive brand image outweighed brand attitude in anticipating brand equity (as cited in Lim, 2009, p. 12).

Srivastava and Shocker viewed brand equity as consisting of two components which are brand strength and brand value (as cited in Lassar, Mittal, & Sharma, 1995). Kohli & Leuthesser (2001) claimed that brand equity builds upon a solid foundation of brand vision and brand identity. In the study conducted by Yoo, Donthu, & Lee (2000), they investigated the relationship between marketing mix elements and brand equity, found out that brand loyalty, perceived quality, and brand awareness / associations are positively connected with brand equity. Thus, suggested that brand management should take advantage from the above sources / dimensions to strengthen brand equity.

In fact, regardless how theories about customer-based brand equity evolve, they cannot vary from the frames and concepts of Keller’s Customer-Based Brand Equity pyramid. In order to achieve high brand equity, the organization requires customers recall and brand recognition (brand awareness) at first, followed by rendering customers’ cognition to have positive brand image on particular brand (a bundle of associations) to a feasible extent, and finally to induce their repurchase intention of the product or service (Zhu & Kuo, 2010).
2.2.1 Brand awareness.

Aaker (1991) defined brand awareness as “the ability of potential buyer to recognize or recall that a brand is a member of certain product category.” Brand awareness involves the connection between product class and the brand (Aaker, 1991, p. 61). As mentioned above, brand awareness consists of brand recognition and brand recall performance. Keller (1998) stated that “Brand recognition is consumers’ ability to confirm prior exposure to the brand when given the brand as a cue.” In other word, brand recognition is based upon an aided recall test (Keller, 1998, p. 54). For instance, in a telephone survey, respondents are given a set of brand names from a given product class and asked to identify the brand that they heard before. Will they be able to recognize the brand that they have already been exposed?

![Brand Pyramid](image)

**Figure 2.2 The awareness brand pyramid**

Brand recognition according to the awareness pyramid by Aaker (1991), is a minimal level of brand awareness. Next, brand recall is consumer’s ability to retrieve the brand from memory when given the product category, the needs fulfilled by the category, or a purchase or usage situation as a cue (Keller, 1998, p. 54). In other words, brand recall is based upon unaided recall test because,
unlike the brand recognition, the respondents are not aided by having the names provided (Aaker, 1991, p. 62). For example, recall Nike will depend on consumers’ ability to retrieve the brand when they think of the sportswear category when they are at the shopping complex making a purchase. Unaided recall is a harder task than brand recognition as a person can recall many more items on an aided recall basis than when unaided. Usually, the first-named brand in an unaided recall task will achieve the top of mind awareness among other brands in the same category. This entails that the particular brand is ahead of other brands in a person’s mind (Aaker, 1991, p. 62).

2.2.2  Brand association.

According to Aaker (1991), brand association is anything “linked” in memory to a brand. For example, in Malaysia, Kentucky’s Fried Chicken could be linked to a character as Colonel Sanders, a consumer segment such as kids, a feeling such as fun, a slogan such as “finger lickin’ good”, or simply an activity such as going to a mall next to a KFC. Brand image is a set of associations, usually organized in some meaningful way. It has been conceived as perceptions about a brand as pondered by the brand associations, or anything associated to the brand in a consumer’s memory (Aaker, 1991; Keller, 1993).

Brand associations comprise the meaning regarding a brand for the consumer (Keller, 1993). In other words, a brand’s image resulted from the favorability, strength, and uniqueness of brand associations that are held by their customers (Keller, 1993). Aaker (1991) further asserted the statement, saying that consumers who held positive and unique brand associations result strong, favorable attitudes and emotions towards a particular brand (Aaker, 1991).
For a consumer to form brand associations towards a brand, a brand node for instance logo, slogan, or symbol must exist in the consumer’s mind. Krishnan claimed that ‘associations’ is a general term to symbolize a link between two nodes, which projected an association in consumer’s mind. All forms of associations that came in consumer’s mind may reflect the characteristics of particular product or brand (as cited in Chen, 2001).

Brand associations represent fundamentals for purchase decision and brand loyalty which in term crucial to yield customer loyalty. Associations provide value to the organizations in a variety ways including helping to process/retrieve information, differentiating the brand, generating reason to buy, creating positive attitudes/feelings, and providing a basis for extensions.

2.3 Customer Satisfaction.

Several studies conducted over the years proven that there is a direct connection between customer satisfaction and loyalty: satisfied customers become loyal and dissatisfied customers end up switching to another seller (Heskett et al., 1994). Many researchers directly investigate a link between satisfaction and “loyalty,” and all found a positive relationship between the two constructs.

A historical definition proposed by Churchill and Suprenant, stating “customer satisfaction is an output, resulting from the customer’s pre-purchase comparison of expected performance with perceived actual performance and incurred cost.” (as cited in Aydin, Özer, & Arasil 2005). Lately, Hansemark and Albinsson (2004) defined satisfaction as “overall customer attitude towards a service provider or an emotional reaction to the difference between what customers anticipate and what they receive regarding the fulfilment of some need, goal or desire.”

Another definition offered by Oliver determines customers’ satisfaction as:
their promise to choose the original good or services in the event of repurchase of some good or service, which causes the repetitive purchase of the same brand without influenced by the environment or marketing approaches.

(as cited in Sheng & Liu, 2010)

Customer satisfaction had been researched for past few decades, Oliver initially formulated the theory of “expectation inconformity”, meaning that customers will feel satisfied when the goods or services provide are beyond their expectation and expressing their dissatisfaction when their goods or services provided are beneath their expectation (as cited in Sheng & Liu, 2010). This statement proves to be consistent with the findings from Heskett et al. mentioned above. However, although there is no precise definition of customer satisfaction, it is clearly understood by ordinary human by interpreting the original meaning of the term.

By linking satisfaction to the relevant indexes in American and Europe, they further support the relationship between customer satisfaction and customer loyalty. According to Kuusik (2007), the objective of creating ACSI (American Customer Satisfaction Index) in 1984 was to explain the development of customer loyalty. ACSI model classified customer satisfaction into three antecedents: perceived quality, perceived value and customer expectations. As for the ECSI (European Customer Satisfaction Index) model, perceived quality is separated into two components: “hard ware”, which comprises the quality of the product or service attributes, and “human ware”, which constitutes from the customer interactive elements in the terms of service provided by employees, for instance the personal behaviour and store environment (Kuusik, 2007). Both model indicated that increment of customer satisfaction should increase customer loyalty. This further affirms that when the satisfaction level is low, customer will tend to switch to another company or the other way round. Briefly, satisfaction has its three sub-categories: satisfaction with products, satisfaction with service and customer expectations.
There are many drivers that affect customer satisfaction. Hokanson indicated that factors including friendly employees, courteous employees, knowledgeable employees, helpful employees, accuracy of billing, billing timeliness, competitive pricing, service quality, good value, billing clarity and quick service are the important elements to achieve customer satisfaction (as cited in Harkiranpal, 2006). Hence, organizations must be able to fulfill the needs of the customers in order to achieve positive customer satisfaction.

Customer satisfaction veritably does have a positive effect on the profitability of an organization. Hoyer and MacInnis stated that satisfied customers construct the fundamental of any successful business as satisfied customers lead to repeat purchase, customer loyalty and positive word-of-mouth.

Zairi (2000) further assured that based on numerous studies that have investigated on customer satisfaction towards customer loyalty, they share similar messages that:

- “Satisfied customers are most likely to share their experiences with other people to the order of perhaps five or six people. Equally well, dissatisfied customers are more likely to tell another ten people of their unfortunate experience.
- Furthermore, it is important to realize that many customers will not complain and this will differ from one industry sector to another.
- Lastly, if people believe that dealing with customer satisfaction/complaint is costly, they need to realize that it costs as much as 25 percent more to recruit new customers”. (Zairi, 2000)

As Gerpott et al. (2001) said, “Customer satisfaction is a direct determining factor in customer loyalty, which, in turn, is a central determinant of customer retention”. Therefore, organizations should always strive to ensure that their customers are very satisfied. Based on views and investigations done by numerous researchers, it can be seen that customer satisfaction is crucial to customer loyalty which lead to the successfulness of an organizations.
CHAPTER III

METHODOLOGY

3.1 Research Method

Based on the title the researcher has chosen, the researcher conducted the study using quantitative research method. Quantitative research requires analysis of numerical data and the questioning is standardized as all the respondents are asked the same questions. Qualitative research is concerned with how often a variable is present and where numerical data in numbers are used to communicate this amount. Quantitative approach is useful as it helps the researcher to prevent bias in gathering and presenting research data. This numbers allows the research to obtain results in a more precision manner (Wimmer & Dominick, 2006).

The researcher used survey questionnaire to gather data throughout the research. With this research type, it is essential that the researcher already has a clear view of all the aspects regarding the research being investigated before the data collection procedure is carried out.

The researcher designs a questionnaire which is involves analysis of numerical data in order to evaluate the personal experience of the respondents regarding the influential of brand equity and customer satisfaction on customer loyalty towards branded sportswear. This would be efficient to obtain a reliable result that can be generalized to the wider population with the help of statistics. Survey questionnaire is chosen as it is cost efficient and the easiest way to obtain large quantity of data from various people without the limitation of geography boundary.

A set of questionnaire is drafted in order to observe the respondents’ personal experience on customer loyalty. Relevant questions are asked when constructing the questionnaire. Clear and easy understanding questions are expected as long questions would confuse the respondents and cause low motivation when answering the survey. Besides that, instructions are stated clearly in the questionnaire to guide the respondents in answering.
For this research, two types of data were gathered. These included the primary and secondary data types. The primary data were derived from the answers the respondents gave during the survey process. The secondary data on the other hand, were obtained from published journals and literatures that were relevant to the questionnaire.

3.2 Pretest

To construct a good quality questionnaire, pretest is crucial to determine the strengths and weaknesses of the survey questionnaire. Therefore, a pretest is firstly carried out to test the validity and reliability of the questionnaire to make sure the respondents understands what is being asked (Wimmer & Dominick, 2006).

During the pretesting, the respondents inquired 10 respondents to answer the questionnaire. Then, the researcher asked for the opinion of the respondents on the questionnaire. After the pretesting, the problems encountered could be noted instantly and thus minimize the error occurred. The researcher then amended the questionnaire referring to the suggestions given. The researcher notified some unclear words and jargons in the first draft questionnaire which in turn created some difficulties for the respondents in answering the survey. In addition, the researchers noticed that there was lack of follow-up questions after the filter questions. Hence, the researcher took the initiative to add in a few follow-up questions. Besides, the researcher discovered that open-ended questions are hard to analyze as it will generate different answer from different perspective, thus replacing it with a multiple-choice questions adding “Others, please specify” would be a good solution. Some mistakes and faulty error were corrected to regenerate a better questionnaire.
3.3 Questionnaire Design

In the questionnaire set, there are 4 sections which are section A, section B, section C and section D. There are 5 demographic questions in section A follow by 6 questions in section B which will be answered by those who know customer loyalty well. This section mainly ask about the respondents’ view on factors contribute to customer loyalty. Section C consists of 5 questions for respondents that do not have customer loyalty in their mind. The last part, section D is answered by both respondents about their repurchase intention on branded sportswear linking the factors provided.

The questionnaire was designed using on different types of questions. There were demographic questions, filter question, open ended and close ended questions, rating questions, ranking questions, branching questions, multiple choices questions, others, please specify questions and etc. This is to ensure the questionnaire looks more interesting for the respondents to answer it. A copy of questionnaire is in the Appendix A.

3.4 Sampling Procedure

The researcher used random sample data gathering techniques to conduct the survey to ensure the results are fair and balance (Wimmer & Dominick, 2006). Respondents are chosen randomly from each population as the sample to generalize the results. The survey was carried out face to face with questionnaire distributed to the group of respondent. This is to ensure the effectiveness of the survey to get first hand feedback from the respondents. The researcher explains the objective of conducting the survey and guides the respondents in answering the questions to ease them in any difficulty answering the questions. This is to minimize the sampling error and maximize the credibility of feedback.
3.5 **Data Collection**

A total of 220 sets of questionnaire are distributed out to the respondents. The researcher disseminated additional questionnaires to avoid spoilt questionnaires. 220 sets of questionnaire with 20 questions are distributed to the different ethnic groups to received unbiased results. The respondents were mainly 21 years old and above as they have the financial ability to consume branded sportswear. The survey is carried out in Bukit Bintang (Star Hill), Kuala Lumpur due to the mixed culture in the location. Therefore, the results best represent Malaysia and match with the research topic.

3.6 **Ethical Consideration**

As this study required the participation of human respondents, certain ethical issues were addressed. The consideration of these ethical issues was essential for the purpose of ensuring the privacy as well as the safety of the participants. Among the significant ethical issues that were considered in the research procedure include consent and confidentiality. In order to secure the consent of the selected respondents, the researcher relayed all important details of the study, including the objective and purpose. By explaining these important details, the respondents were able to understand the importance of their role in the completion of the research. The respondents were also advised that they could withdraw from the study even during the process. With this, the respondents were not forced to participate in the research. The confidentiality of the respondents was also assured by not disclosing their names or personal information in the research. Only relevant details that helped in answering the research questions were included.
Data collected are analyzed accordingly using simple percentage calculation. However, if there is any sampling error, the researcher will do a sampling balance or sample weighing to correct the error. In other words, if the subject totals do not reach the necessary population percentages, data from the available sample is multiplied to reach the determined level (Wimmer & Dominick, 2006).
4.1 Survey Response and Respondent Profile

The survey was conducted in Star hill, Kuala Lumpur due to the mixed culture which allows unbiased findings. Respondents were mainly 20 years old and above without age limitation as they have the financial ability to consume branded sportswear. The researcher sent out 220 sets of questionnaire. Out of 220 sets of questionnaire sent, the researcher received 205 sets of well-responded questionnaire. The rest of it was spoilt due to incompletion and irrelevant answers given. The high response rate indicated that the consumers shown their concern regarding customer loyalty in purchasing behavior.

![Gender and Age](image_url)

According to the bar graph above, the gender split of respondents covered by this questionnaire was 92 (44.88%) male and 113 (55.12%) female. The bias in favor of female respondents may due to the fact that shopping is the nature of female. The researcher split down the age of respondents in 4 different age brackets in interval of 10, found out that 40 (19.51%) male and 53 (25.85%) female were age ranged from 20 – 29 years old, sum up a
total of 93 (45.37%) respondents; 31 (15.12%) male and 34 (16.59%) female were age ranged from 30 – 30 years old, sum up a total of 65 (31.71%) respondents; 15 (7.32%) male and 24 (11.71%) female were age ranged from 40 – 49 years old, total up 39 (19.02%) respondents; and 4 (1.96%) male and 4 (1.96%) female were age ranged from 50 years old and above, tote up of 8 (3.92%) respondents.

From the results gathered, the researcher received responds from different ethnic groups. 65 (31.71%) Malay responded to the questionnaire; 91 (44.39%) respondents were Chinese, 28 (13.66%) Indians responded; and 21 (10.24%) were other ethnic groups.

<table>
<thead>
<tr>
<th>Monthly Income</th>
<th>n = 205</th>
</tr>
</thead>
<tbody>
<tr>
<td>RM5001 and above</td>
<td>4.39%</td>
</tr>
<tr>
<td>RM4001 - RM5000</td>
<td>14.15%</td>
</tr>
<tr>
<td>RM3001 - RM4000</td>
<td>20.49%</td>
</tr>
<tr>
<td>RM2001 - RM3000</td>
<td>36.10%</td>
</tr>
<tr>
<td>RM1001 - RM2000</td>
<td>16.59%</td>
</tr>
<tr>
<td>RM1000 and below</td>
<td>8.29%</td>
</tr>
</tbody>
</table>

Figure 4.2 Survey respondents monthly income

Researcher inserted the question asking monthly income which allows a broader view of the relationship between monthly income and customer loyalty. Out of 205 respondents, 17 (8.29%) respondents were paid RM1000 and below per month for their income; 34 (16.59%) respondents having RM1001 – RM2000 salary per month; 74 (36.10%) respondents monthly income ranged from RM2001 – RM3000 which was the highest number among the income range; 42 (20.49%) respondents receiving RM3001 – RM4000 for their monthly income; while in the income brackets of RM4001 – RM5000, they were 29 (14.15%)
respondents; and only 9 (4.39%) respondents getting monthly income for RM5000 and above. The reason respondents’ incomes received were averagely beyond upper-boundary of Malaysia’s income level may due to the location of survey conducted, suggesting that Star hill, Kuala Lumpur is a slightly high expenses for consumer who have much financial capability.

![Pie Chart](image)

**Figure 4.3 Respondents knowledge on customer loyalty**

For the last question of section A, researcher initiates to filter the respondents by ask the respondents whether they have heard / know what customer loyalty is. The results shown 170 (82.93%) respondents are aware of customer loyalty while the rest 35 (17.07%) are lack of knowledge regarding what is customer loyalty.
4.2 Data Analysis

4.2.1 Respondents who know customer loyalty well.

Expenses in branded sportswear annually were inquired. It allowed the researcher to have estimation on the expenses of branded sportswear, using it to understand the link between expenses in relation to customer loyalty for the benefit of companies. The bar graph below demonstrates the annual expenses of respondents in purchasing branded sportswear.

![Annual Expenses on branded sportswear](image)

Figure 4.4 Respondents annual expenses on branded sportswear

Out of 170 respondents, 5 (2.94%) respondents stating their annual expenses in branded sportswear accounted in the range of RM100 and below which is considerably low; 45 (26.47%) respondents were spending RM101 – RM300 for branded sportswear annually; the highest amount of participants, 66 (38.82%) respondents reached the range of RM301 – RM500 in branded sportswear expenditure; 42 (24.71%) respondents bought their branded sportswear annually arriving the range between RM501 – RM700, substantially high as compare to the salary paid; 9 (5.29%) respondents answered that they spent RM701 – RM1000 annually for the products; and only a few, which counts a 3 (1.76%) expending
RM1000 and above in buying branded sportswear. More than half 108 (52.68%) of the 170 respondents exacting their expenditure of branded sportswear between RM301 – RM700 indicating pretty large consumption of currency which in due assure the effort for companies that invested in creating customer loyalty.

96 (56.47%) participants who took part in our questionnaire think that brand equity is an important factor contributes to customer loyalty where the researcher conceived as high perceiving that Malaysian are lack of awareness of brand equity as compare to developed countries. The remaining 74 (43.53%) respondents believed that brand equity does not affect customer loyalty.

Figure 4.5 Respondents repurchase intention on the products from a low brand equity company

The chart above best shows the contrast of the consideration of brand equity among participants. When the participants were asked “Would you consider repurchasing the products from a low brand equity company?” Most of them 123 (72.35%) said no and the rest of it stated that low brand equity company did not affect their repurchase behavior. The researcher figure out that respondents might have negative perception as the question being
asked was unintentionally directed them to say no to low brand equity companies even though they might not experienced it. This is the limitation of the question as rejecting the bad is the nature of human being. However, hopefully brand equity will be well defined and easily understanding after the research done.

Considering customer satisfaction as a variable in the research, the researcher inquired the participants regarding their experience or perception whether customer satisfaction is an important factor contributes to customer loyalty. Surprisingly, 158 (92.94%) participants coincidently answered “YES” for the question and only a few 12 (7.06%) think that customer satisfaction is not important in creating customer loyalty. This remarkably high percentage showing that customer satisfaction is an undeniable significant factor for companies to develop customer loyalty.

Following, respondents were required to answer a branching question on their tendency to share their good experience on branded sportswear with their friends and relatives. The pie chart below provides a clear view of the responds received.

Figure 4.6 Respondents likeliness to share past experience on purchasing branded sportswear
88 (51.76%) reacted their willingness to share personal experience with their friends and relatives on branded sportswear; 62 (36.47%) said that they seldom / sometimes share out their good experience. Both of these respondents will proceed to the next question which is still under section B while those 20 (11.77%) who do not share any experience with their friends and relatives proceeded to section D. The total up of 150 (88.23%) respondents did share their experience proving that word-of-mouth is relatively important to an organization. Out of 150 respondents, as to their knowledge, 90 (60.00%) of them claimed that their recommendations / sharing does affect their friends and relatives to become a customer of their recommended companies, left out 60 (40.00%) respondents’ friends and relatives did not become the potential customer for their recommended companies. It is a significant figure depicting that the word-of-mouth is more or less influential thus proving that having high brand equity and high level of customer satisfaction (initiated word-of-mouth) is crucial.

4.2.2 Respondents who do not know customer loyalty well.

Concerning the respondents who do not know customer loyalty well may become potential customer. The researcher did probe their annual expenses in branded sportswear. Out of 35 respondents, 2 (5.71%) respondents stating their annual expenses in branded sportswear are RM100 and below which is substantially low; 9 (25.71%) respondents were spending RM101 – RM300 for branded sportswear annually; 16 (45.71%) respondents spent approximately RM301 – RM500 in branded sportswear which scores the highest amount among the participants; 3 (8.57%) respondents bought their branded sportswear annually spending RM501 – RM700; 4 (11.43%) respondents spared the amount roughly from RM701 – RM1000 annually for branded sportswear; only one (2.86%) respondents expending RM1000 and above in buying branded sportswear.

Only 6 (17.14%) respondents admitted that customer loyalty is important to achieve organization’s goal after the explanation of “customer loyalty” by the researcher while the
remaining 29 (82.86%) still denied the importance of customer loyalty in achieving organization’s goal.

![Pie chart showing respondents' intention to seek for reference regarding particular product/brand]

Figure 4.7 Respondents’ intention to seek for reference regarding particular product/brand.

According to the pie chart above, a large number of respondents, 33 (94.29%), will refer to their peers / relatives / family members / etc. about their experience in particular product / brand / companies (on branded sportswear) and only 2 (5.71%) would not refer to anyone. When the researcher continue to look into their consciousness of brand equity, 28 (80.00%) respondents will seek for high brand equity companies when purchasing branded sportswear while the other 7 (20.00%) respondents will not concern about the level of brand equity when coming to purchase branded sportswear.
4.2.3 General Questions for all respondents.

68 (33.17%) participants showed their customer loyalty in purchasing branded sportswear. They always repurchase from the same companies for branded products related to sportswear. 61 (29.76%) participants asserted that sometimes they did purchase branded sportswear from the same companies and sometimes they did not. The highest numbers of participants 76 (37.07%) purchased branded sportswear based on situation or other factors for instances price, promotion, design, etc.
Overall, it is clear from the table above demonstrating that customer satisfaction obtained the highest in 1st rank for the primary consideration when purchasing sportswear; follow by style, design & fashion appearance and brand equity which almost attained the same level of consideration. Price apparently became less weight in the mind of the respondents on the fourth place when it comes to branded sportswear. Only a few placed their vote for 1st rank stating that they do not have specific consideration.

Table 4.1

Respondents’ considerations in purchasing branded sportswear

<table>
<thead>
<tr>
<th>Consideration in purchasing branded sportswear</th>
<th>1st rank</th>
<th>2nd rank</th>
<th>3rd rank</th>
<th>4th rank</th>
<th>5th rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Equity</td>
<td>50(24.39%)</td>
<td>61(29.76%)</td>
<td>48(23.41%)</td>
<td>24(11.71%)</td>
<td>22(10.73%)</td>
</tr>
<tr>
<td>Satisfaction</td>
<td>73(35.61%)</td>
<td>52(25.37%)</td>
<td>40(19.51%)</td>
<td>19(9.27%)</td>
<td>21(10.24%)</td>
</tr>
<tr>
<td>Price</td>
<td>25(12.20%)</td>
<td>29(14.15%)</td>
<td>48(23.41%)</td>
<td>66(32.20%)</td>
<td>37(18.05%)</td>
</tr>
<tr>
<td>Style, design &amp; fashion appearance</td>
<td>52(25.37%)</td>
<td>59(28.78%)</td>
<td>53(25.85%)</td>
<td>29(14.15%)</td>
<td>12(5.85%)</td>
</tr>
<tr>
<td>No specific consideration</td>
<td>5(2.44%)</td>
<td>4(1.95%)</td>
<td>16(7.80%)</td>
<td>67(32.68%)</td>
<td>113(55.12%)</td>
</tr>
</tbody>
</table>

After several questions in the front part, the researcher questioned the respondents in rating the importance of customer loyalty to a company from ‘1’ to ‘5’ for ‘1’ being the least important and ‘5’ being very important. Generally, the respondents rate ‘4’ for the question, the highest vote which make up 103 (50.24%) votes. 34 (16.59%) vote ‘5’ stating that customer loyalty is very important to a company; 41 (20.00%) respondents hold their stance
neutral by voting ‘3’; 25 (12.20%) respondents rate a ‘2’; and the remaining two (0.98%) respondents believed that customer loyalty is not important to a company, rating ‘1’.

The researcher retrieved the cognitive of the respondents by requiring them to list down a few branded sportswear companies which first come to their mind. As expected, companies like Nike, Adidas, Puma, Fila, etc. appeared the most. Through this question, it is tested that high brand equity companies as mentioned above is undisputable deeply buried in the mind of the respondents. Thus, it is important to identify the connection between brand equity and customer loyalty to the extent of the influential exerted by level of brand equity.

In conclusion, the findings received from 205 respondents showed some extent of relevancy between the independent variables and dependent variable. Hence, suggesting that brand equity and customer satisfaction are positively connected with customer loyalty which consistent with some scholars findings.
CHAPTER V
DISCUSSION AND CONCLUSION

5.1 Discussion

Customer loyalty has been the popular topic among the business workplace, yet until now, there are no definite boundaries on the antecedents supporting customer loyalty. This study attempted to investigate customer loyalty in Public Relations perspective through the selection of brand equity and customer satisfaction as independent variables unlike the usual researches which based on the business perspective using switching cost, store environment, price, etc. The research took the initiative to examine the significant relationship between brand equity and customer satisfaction towards customer loyalty. Researcher undertook the approach of quantitative method to conduct the study by distributed survey questionnaires aiming to obtain unbiased results.

Throughout the study, the researcher found out that generally, Malaysian does know the existence of customer loyalty. The income level of respondents are consider above average thus, the research believed that income level may have some degree affecting the awareness of customer loyalty. Overall, the results demonstrated the relevance of brand equity and customer satisfaction towards customer loyalty. Although brand equity is having considerably less agreement compare to customer satisfaction in contributing to customer loyalty, it is still an important factor in creating customer loyalty evidenced by the positive score from the results. It is a fact that to develop positive word-of-mouth, achieving high-brand equity and good customer satisfaction are indisputable. The results even supported the premise that brand equity and customer loyalty relatively affect the word-of-mouth and thus, affecting customer loyalty in other manner. However, positive word-of-mouth does not ensure the purchase behavior although it does indirectly influence the others to spend on recommended products. The summarized results indicated customer satisfaction in a higher
position than brand equity. Since there is no evidence or previous research showing that customer satisfaction is more important comparing brand equity, the researcher doubt that the respondents were not fully understand the definition of brand equity, causing the slightly low agreement on this variable.

Most of the respondents who do not know anything about customer loyalty show a negative view towards customer loyalty by rejecting the importance of customer loyalty in achieving organization’s goal. However, there results interpreted are inconsistent when most of the respondents admitted that they would seek for advice from others and seek for high brand equity when buying branded sportswear. As word-of-mouth, customer satisfaction and brand equity proved to have at least some degree of connection to customer loyalty; it is contradicted to the results claiming customer loyalty as insignificant. The researcher figured out that the respondents might lack of knowledge regarding customer loyalty and denied the importance of customer loyalty but in reality, when purchasing branded sportswear (including referring to individuals and seek for high brand equity companies) their consciousness shown that brand equity and customer satisfaction do affect customer loyalty hence, to achieve organization’s goal. Perhaps, another explanation is the nature of human being in answering no to reject the negative elements of the questions.

Respondents had average score on the repurchase behavior for loyalty when given three options: Always, Sometimes and Depends on Situation. The researcher concluded that the level of customer loyalty is average as other factors did contribute much in influencing repurchase behavior (e.g.: price, promotion, design, etc.).

The most important data obtained through the study to identify the primary consideration in purchasing branded sportswear. Generally, customer satisfaction is the priority followed by style, design & fashion appearance and brand equity. Price is less significant in purchasing branded sportswear. The researcher believed that customer
satisfaction and brand equity having high ranking due to the physical and mental consideration of consumer. It suggested that when consumers are satisfied, in the aspect of product quality, service quality; and also the positive brand image, brand attitudes, etc., they are more likely to become a loyal customer. As for the consideration of style, design and fashion appearance, the researcher assumed that when purchasing branded sportswear, fashion appearance became an important consideration. In addition, design & fashion appearance somehow interrelated with brand equity as the products of companies with high brand equity normally hired fashion expertise to design products.

Finally, respondents listed down a few branded sportswear companies which first appear in their mind. Brand like Nike, Adidas, Puma, Fila, etc. appeared the most. As to your knowledge, brand and companies like Nike and Adidas have high brand equity and at the same time provided good service and quality to satisfy their customer. Companies like Nike and Adidas which dominated the sportswear market approach brand equity and customer satisfaction as their weapon in retaining customers. After analyzing and discussing the results, the research concluded that brand equity and customer satisfaction have significant relationship towards customer loyalty.

5.2 Limitations of the Study

Among the limitations of the study, the researcher would mention in first place is the fact that the independent variables included are insufficient to define the factors contributed to customer loyalty. As there are many more factors which are possible to affect customer loyalty for instance, switching cost, trust, store environment, promotion, etc., it is deficient to determine customer loyalty considering only brand equity and customer satisfaction. Nevertheless, an investigation of customer loyalty in the perspective of Public Relations is still novel thus providing another position to view customer loyalty. Besides, the data
collected is insufficient to conclude a substantiation results for all Malaysian as it involves only a province of Malaysia.

5.3 Conclusion and Recommendations for Future Research

As market competition of branded sportswear becoming more and more prominent, customer loyalty is nonetheless one of the consideration of organization to retain customer. Therefore, investigate the factors affecting customer loyalty is prior to achieve organization’s goal. The researcher took the initiative to look into brand equity and customer satisfaction as the antecedents of customer loyalty due to the growth of different brands and products in the market. Although the results did not show a distinct answer stating that brand equity is essential, at least customer satisfaction did affect customer loyalty resolved from the analysis. However, brand equity and customer loyalty generally showed positive connection towards customer loyalty as concluded from the analysis.

There had been a lot of research done on the topic – customer loyalty, yet no universal definition of the factors affecting customer loyalty formed. Brand equity is the least variable investigated referring to previous research. Hence, further research focusing on brand equity is needed to gain a deeper understanding on the antecedents of customer loyalty. Furthermore, the researcher hopes that future research on customer loyalty could include brand equity as one of the factors to show a comparison among the other factors, in the way to determine the level of influence among the factors affecting customer loyalty.

It can be concluded that, the relationship of brand equity and customer satisfaction towards customer loyalty does exist. It further affirms the research prediction that brand equity and customer satisfaction will influence customer loyalty on purchasing branded sportswear in Malaysia. However, it only involves two factors contributing to customer loyalty leading to only a simple framework. There are still other antecedents which worth
investigating in for example, price, trust, promotion, etc. Further research should look into more factors contributing to customer loyalty and most importantly, to investigate more in depth especially the interrelationship among the antecedents of customer loyalty thus, to form a more elaborative and composite framework to picture customer loyalty.
REFERENCES


Appendix A

We are Universiti Tunku Abdul Rahman, Perak Campus Public Relations Year Three Trimester Three students. We are doing a survey to examine the respondents on the factors that influence customer loyalty in purchasing sportswear in Malaysia. Please help us to complete this questionnaire. All information gathered is private and confidential, for academic purposes only. Your cooperation is much appreciated. Thank you.

*Brand equity = Brand's power derived from the goodwill and name recognition it has earned over time, and which translates into higher sales volume and higher profit margins against competing brands. (e.g.: Brand Image, Brand Awareness, Brand Association, Brand Attitude)

Section A

1. Gender
   - [ ] Male
   - [ ] Female

2. What was your age on your last birthday?
   _____ years

3. Ethnic Group
   - [ ] Malay
   - [ ] Chinese
   - [ ] Indian
   - [ ] Others, please specify: __________

4. Monthly Income
   - [ ] RM 1000 and below
   - [ ] RM 1001 – RM 2000
   - [ ] RM 2001 – RM 3000
   - [ ] RM 3001 – RM 4000
   - [ ] RM 4001 – RM 5000
   - [ ] RM 5001 and above

5. Do you know what customer loyalty is?
   - [ ] Yes (Please proceed to Section B)
   - [ ] No (Please proceed to Section C)

Section B

6. How much is your expenses in branded sportswear annually?
7. Do you think brand equity is an important factor contributes to customer loyalty?  
☐ Yes  
☐ No

8. Would you consider repurchasing the products from a low brand equity company?  
☐ Yes  
☐ No

9. Do you think customer satisfaction is an important factor contributes to customer loyalty?  
☐ Yes  
☐ No

10. How likely are you to tell your friends and relatives about your good experience (on branded sportswear) for the brand you purchase?  
☐ I will share my experience to my friends and relatives  
   (Please answer Question 11)  
☐ I seldom share my experience to my friends and relatives  
   (Please answer Question 11)  
☐ I do not share my experience to my friends and relatives  
   (Please proceed to Section D)

11. After receiving your recommendation, to your knowledge, have any of your friends and relatives also become a customer of the brand?  
☐ Yes  
☐ No

Please spend a few more minutes, just one last section and you will be done

**********Please proceed to Section D**********

Section C

12. How much is your expenses in branded sportswear annually?  
☐ RM 100 and below  
☐ RM 101 – RM 300  
☐ RM 301 – RM 500
13. Do you think customer loyalty is important to achieve organization’s goal?
   - Yes
   - No

14. When you purchase branded sportswear, would you refer to any individuals about their experience regarding the product/brand?
   - Yes
   - No

15. Would you seek for particular brand which is high in brand equity when purchasing branded sportswear?
   - Yes
   - No

16. Would you seek for satisfaction in the sense of service quality, product quality, price, etc. when purchasing branded sportswear?
   - Yes
   - No

There’s just one more section to go!

**********Please proceed to Section D**********

**Section D**

17. How likely are you to repurchase the same brand for your branded sportswear?
   [**Tick only one (1) answer**]
   - Always
   - Sometimes
   - Depends on situation (e.g.: price, promotion, design, etc)

18. What is your consideration in purchasing branded sportswear?
(Rank from 1st to 5th, 1st for the primary consideration)

☐ ____ Brand Equity
☐ ____ Satisfaction
☐ ____ Price
☐ ____ Style, design and fashion appearance
☐ ____ No specific consideration

19. In your opinion, how important customer loyalty is to a company?
   (Circle one number from 1 to 5, for 1 being the least important and 5 being very important)

   1  2  3  4  5

20. In your memory, please list down a few branded sportswear companies which first come in your mind.

   __________________________________________________________
   __________________________________________________________

Hurray, you’re done...

Thanks you for your cooperation in helping us to complete this survey.

We are grateful for your help.

**************************************************************************

Appendix B
We are Universiti Tunku Abdul Rahman, Perak Campus Public Relations Year Three Trimester Three students. We are doing a survey to examine the respondents on the factors that influence customer loyalty in purchasing sportswear in Malaysia. Please help us to complete this questionnaire. All information gathered is private and confidential, for academic purposes only. Your cooperation is much appreciated. Thank you.

*Brand equity = Brand’s power derived from the goodwill and name recognition it has earned over time, and which translates into higher sales volume and higher profit margins against competing brands. (e.g.: Brand Image, Brand Awareness, Brand Association, Brand Attitude)

**Section A**

N = 205

21. Gender
   - Male         92 (44.88%)
   - Female       113 (55.12%)

22. What was your age on your last birthday?
   - _____ years  20-29 years old  93 (45.37%)
   - 30-39 years old  65 (31.71%)
   - 40-49 years old  39 (19.02%)
   - 50 years old and above  8 (3.92%)

23. Ethnic Group
   - Malay       65 (31.71%)
   - Chinese     91 (44.39%)
   - Indian      28 (13.66%)
   - Others, please specify: __________  21 (10.24%)

24. Monthly Income
   - RM 1000 and below  17 (8.29%)
   - RM 1001 – RM 2000  34 (16.59%)
   - RM 2001 – RM 3000  74 (36.10%)
25. Do you know what customer loyalty is?
  □ Yes (Please proceed to Section B) 170 (82.93%)
  □ No (Please proceed to Section C) 35 (17.07%)

Section B

N = 170

26. How much is your expenses in branded sportswear annually?
  □ RM 100 and below 5 (2.94%)
  □ RM 101 – RM 300 45 (26.47%)
  □ RM 301 – RM 500 66 (38.82%)
  □ RM 501 – RM 700 42 (24.71%)
  □ RM 701 – RM 1000 9 (5.29%)
  □ RM 1000 and above 3 (1.76%)

27. Do you think brand equity is an important factor contributes to customer loyalty?
  □ Yes 96 (56.47%)
  □ No 74 (43.53%)

28. Would you consider repurchasing the products from a low brand equity company?
  □ Yes 47 (27.65%)
  □ No 123 (72.35%)

29. Do you think customer satisfaction is an important factor contributes to customer loyalty?
  □ Yes 158 (92.94%)
  □ No 12 (7.06%)

30. How likely are you to tell your friends and relatives about your good experience (on branded sportswear) for the brand you purchase?
  □ I will share my experience to my friends and relatives 88 (51.76%)
    (Please answer Question 11)
  □ I seldom share my experience to my friends and relatives 62 (36.47%)
    (Please answer Question 11)
  □ I do not share my experience to my friends and relatives 20 (11.77%)
    (Please proceed to Section D)
31. After receiving your recommendation, to your knowledge, have any of your friends and relatives also become a customer of the brand?

N = 150
- Yes        90 (60.00%)
- No        60 (40.00%)

Please spend a few more minutes, just one last section and you will be done

**********Please proceed to Section D**********

Section C

N = 35

32. How much is your expenses in branded sportswear annually?

- RM 100 and below        2   (5.71%)
- RM 101 – RM 300        9 (25.71%)
- RM 301 – RM 500      16 (45.71%)
- RM 501 – RM 700       3  (8.57%)
- RM 701 – RM 1000      4 (11.43%)
- RM 1000 and above        1   (2.86%)

33. Do you think customer loyalty is important to achieve organization’s goal?

- Yes          6 (17.14%)
- No        29 (82.86%)

34. When you purchase branded sportswear, would you refer to any individuals about their experience regarding the product/brand?

- Yes        33 (94.29%)
- No           2   (5.71%)

35. Would you seek for particular brand which is high in brand equity when purchasing branded sportswear?

- Yes        28 (80.00%)
- No          7 (20.00%)

36. Would you seek for satisfaction in the sense of service quality, product quality, price, etc. when purchasing branded sportswear?

- Yes        34 (97.14%)
- No           1   (2.86%)
Section D

N = 205

37. How likely are you to repurchase the same brand for your branded sportswear?
   [Tick only one (1) answer]
   □ Always 68 (33.71%)
   □ Sometimes 61 (29.76%)
   □ Depends on situation (e.g.: price, promotion, design, etc) 76 (37.07%)

38. What is your consideration in purchasing branded sportswear?
    (Rank from 1st to 5th, 1st for the primary consideration)

<table>
<thead>
<tr>
<th>1st</th>
<th>2nd</th>
<th>3rd</th>
<th>4th</th>
<th>5th</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Equity</td>
<td>50</td>
<td>61</td>
<td>48</td>
<td>24</td>
</tr>
<tr>
<td>Satisfaction</td>
<td>73</td>
<td>52</td>
<td>40</td>
<td>19</td>
</tr>
<tr>
<td>Price</td>
<td>25</td>
<td>29</td>
<td>48</td>
<td>66</td>
</tr>
<tr>
<td>Style, design and fashion appearance</td>
<td>52</td>
<td>59</td>
<td>53</td>
<td>29</td>
</tr>
<tr>
<td>No specific consideration</td>
<td>5</td>
<td>4</td>
<td>16</td>
<td>67</td>
</tr>
</tbody>
</table>

39. In your opinion, how important customer loyalty is to a company?
   (Circle one number from 1 to 5, for 1 being the least important and 5 being very important)

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>103</td>
<td>41</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>(0.98%)</td>
<td>(50.24%)</td>
<td>(20.00%)</td>
<td>(12.20%)</td>
<td>(0.98%)</td>
</tr>
</tbody>
</table>

40. In your memory, please list down a few branded sportswear companies which first come in your mind.

_________________________________________________________________
_________________________________________________________________

Hurray, you’re done…

Thanks you for your cooperation in helping us to complete this survey.

We are grateful for your help.