

# Assessing the Loyalty of Shoppers of Attire Multi - Brand Outlets : A Research Study

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## Abstract

This study aimed to ascertain whether the loyal shoppers referred their loved ones, friends, relatives, peer groups, well wishers, etc. to their preferred MBOs for fulfilling their shopping requirements. The study was conducted with 400 respondents at Coimbatore city, India. The research is a descriptive one. The data was collected using the mall intercept survey method. The data was analyzed using frequency distribution, cross tabulation, reliability and validity test, chi-square test, correlation, and *t* - test. Majority of the respondents sustained with the same MBOs due to various reasons like wider designs, collections, and product quality. The study revealed that the shoppers of MBOs were loyal towards their stores because 38% of the respondents referred five to ten people and 38.5% brought two to four new customers to shop from their preferred MBOs. The above facts like customer referrals and frequent purchases were the components chosen for this study, which proved the loyalty of shoppers towards the multi-brand outlets.

**Keywords :** attire, loyal shoppers, loyalty, MBOs, preferred outlets

**Paper Submission Date :** January 3, 2017 ; **Paper sent back for Revision :** August 2, 2017 ; **Paper Acceptance Date :** August 10, 2017

In India, apparel is the second leading retail category after food and grocery which is expected to lead the organized retail sector to new heights. When the numbers are large, the competition is also considerably tough and when competition intensifies, retailers should seriously think about how to increase the footfalls to their store. The retailers should plan to convert the mere footfalls into big ticket purchase through referrals and retain customers in the long run through various promotional efforts.

Customer loyalty can be measured in two aspects : loyal attitude and loyal behavior (Reynolds & Arnold, 2000). Some researchers who emphasized on attitude mainly measured loyalty on the basis of customer preference to specific product or service (Morgan & Hunt, 1994). But many researchers focused on behaviour and paid attention to measure loyalty from the actual purchasing behaviour of customers (Oliver, 1999). Some other authors specified that customer loyalty could be measured through behavioral loyalty and affective loyalty in retailing. Behavioral loyalty refers to repeat purchase from a certain retailer, and affective loyalty refers to emotional connection of customers with certain retailers on the basis of shopping experience and their attitude towards the retailer (Dick & Basu, 1994). In order to measure customer loyalty in fashion chain stores, multi-item measures were used to collect data on repatronage intentions like word-of-mouth intentions and satisfaction of the customers (Sum & Hui, 2009). Chief executives and marketing officers today understand the importance of improved repurchase intentions due to their financial implications (Mittal & Frennea, 2010).

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In this study, customer loyalty has been identified by three different categories like, reasons for store loyalty, number of people referred to buy from a preferred MBO, and number of customers brought to a preferred MBO to end up in purchases. Apart from all the above, one of the important component is identifying the reasons for store loyalty using various factors such as low price, special attention towards customers, discounts for members, trustworthiness, exchanges, free alterations, less waiting time, salesmen/saleswomen attitude, commitments of customers fulfilled, product quality, designs and collections, store environment, and service quality.

The purpose of this research is to advance the understanding of customer loyalty towards the store rather customer loyalty towards a brand. This was done by examining the reasons for store loyalty and also empirically testing the frequency of visits to a store, frequent purchases from the preferred outlets, and customer referrals (referring or bringing the customers to the multi-brand outlets), which many studies have failed to capture. Many studies have focused on repeated purchases as an outcome of loyalty, but missed on the referrals as an act of loyalty.

## Literature Review

Loyal customers are likely to purchase more frequently, try the firms' other products, and bring new customers to the firm (Reichheld & Sasser, 1990). Customer loyalty was determined by a combination of repeated purchases and level of attachment towards an entity (Dick & Basu, 1994). A customer loyalty model was developed with four major components : (a) cognitive loyalty (value for money), (b) affective loyalty (satisfaction), (c) conative loyalty (recommendations and repurchase intentions), and (d) behavioural loyalty (frequency of shopping), and the result was that the Indian customers have a high degree of cognitive, affective, conative, and behavioural loyalty. The entire hypotheses were tested and it turned negative, and hence, we can say that Oliver loyalty model stands valid (Oliver, 1997). Loyalty comes from the customer's after-purchase judgment or evaluation of a specific product or service (Stank, 1997). The authors stated that favourable perceptions of product and/or service quality, price, and value lead to higher loyalty intentions (Sirohi, McLaughlin, & Wittink, 1998).

Customer loyalty is a prime factor which influences the purchase decision of the shoppers. Customer loyalty acts as a key mediating variable in explaining customer retention (Pritchard, Havitz, & Howard, 1999). Loyalty remains among the customers based upon the behaviour of the retailers with their customers (Omar, 1999). The various measures of loyalty were classified into four categories : Patronage measures (P) focus on the number of shopping visits made in one store relative to others, whilst the switching ratio (S) reflects the degree of successive visits made to the store and subsequent switching patterns. Budget measures (B) refer to the proportion of total expenditure devoted to a preferred store. Composite measures (B-P-S), the fourth category of store loyalty, combine P and S with B. The most widely used measures of store loyalty intentions are: (a) intent to continue purchasing, (b) intent to increase future purchases, (c) intent to recommend a store to others, and (d) proportion of total category of purchases made at the focal store (Knox & Denison, 2000).

Long or continuous satisfaction may serve as the base for loyalty. Among customer shopping behaviour, customer satisfaction and customer loyalty have become important issues in today's retail market because a company's success in financial performance largely depends on the satisfied customers who are willing to purchase products or services repeatedly and recommend the company's products or services to other customers (Reichheld & Sasser, 1990 ; Siu & Cheung, 2001; Srinivasan, Anderson, & Ponnnavolu, 2002). Another study revealed that in a highly competitive market, along with the major brands, own label brands have a considerable market share, and even small changes in market share can have a significant financial impact on company sales. In the face of such competition, having brand loyal consumers not only increases sales, but also reduces marketing costs (Datta, 2003).

Loyalty comprises of two dimensions : behaviour and attitude. The behaviour dimension is characterized by consequential actions resulting from loyalty, while the attitudinal dimension refers to formative behaviour as commitment, that is, a desire to maintain a valued relationship (Chen & Ching, 2007). Yu Kai (2009) elucidated on

the relationship between customer satisfaction and loyalty and stated that it is possible in some occasions for customers to display loyalty tendency without being exceedingly satisfied (e.g. when there are few substitutes) and to be extremely satisfied and yet not loyal (i.e. when many substitutes are available) as part of the study's findings. Only consumers with repeated purchases are profitable (Nagar, 2009), but it is not that every repeated purchase connected to consumer's commitment towards a brand is gainful. Therefore, business operators need to develop marketing programmes that will not only reinforce customers' commitment, but also encourage repeated purchases (Oyedapo, Akinlabi, Sufian, 2012).

A study was conducted to identify store choice and store loyalty among the shoppers of Uttarakhand. The findings of the study were the average shopper was neither loyal to a particular store format nor patronized a single store. Further, respondents visiting the older formats were more patronizing in nature compared to shoppers visiting newer store formats (Madan & Sharma, 2012). A study aimed to investigate the attractiveness aspects that influence shopper's satisfaction, loyalty, and personal recommendations in the Saudi shopping mall centers. The findings of the study showed that aesthetics, convenience and accessibility, merchandise variety, entertainment, and service quality had an influence on shoppers' satisfaction and loyalty (Ahmad, 2012). A Swedish study was carried out on the comprehensive assessment of brand loyalty using five constructs such as brand image, brand quality, brand experience, brand switching cost, and customer satisfaction and gave a detailed account about how these factors together relate to brand loyalty (Ahmed & Moosavi, 2013).

A study was specifically customized to the South African context about the influence of store image factors on both the satisfaction as well as the loyalty of customers. This study examined the relationship between store image factors, store satisfaction, and customer loyalty in the South African retail environment. The study tested a conceptual framework which links five store image factors ; namely, sales assistance, store atmospherics, store appeal, promotion, and store accessibility to store satisfaction and customer loyalty. The study revealed that the Spearman correlations showed negative correlations between the factors and store satisfaction. Regression analysis revealed that promotion and store appeal were statistically significant in predicting store satisfaction. Store satisfaction was positively associated and significantly predicted customer loyalty (Mafini & Dhurup, 2015).

The number of factors influencing loyalty may vary from product to product, region to region, and so on (Srivastava, 2016). A study was conducted on the assessment of brand loyalty of different smart phone brands, and the overall brand loyalty scores of different smart phone brands were not the same. Therefore, it is a clear indication to the manufacturers that they should focus on brand loyalty for long term growth and survival (Kumar & Menon, 2017).

## **Objectives of the Study**

- (i) This study was carried out to identify the reasons for shopper's loyalty towards multi-brand outlets (MBOs).
- (ii) The study focused on examining the shopper's loyalty towards preferred outlets by considering the two important components such as customer referrals and frequent purchases made by the respondents in a year from their preferred outlets.

## **Hypotheses**

↪ **H01:** There is no significant association between number of people referred to a preferred MBO and the frequency of visit to the MBO in a year.

- ↵ **Ha1:** There is a significant association between number of people referred to a preferred MBO and the frequency of visit to the MBO in a year.
- ↵ **H02:** There is no significant association between the number of people referred to a preferred MBO and the purchase frequency from the MBO in a year.
- ↵ **Ha2:** There is a significant association between the number of people referred to a preferred MBO and the purchase frequency from the MBO in a year.
- ↵ **H03:** There is no significant association between the number of new customers brought to a preferred MBO and the frequency of visit to the MBO in a year.
- ↵ **Ha3:** There is a significant association between the number of new customers brought to a preferred MBO and the frequency of visit to the MBO in a year.
- ↵ **H04:** There is no significant association between the number of new customers brought to a preferred MBO and the purchase frequency from the MBO in a year.
- ↵ **Ha4:** There is a significant association between the number of new customers brought to a preferred MBO and the purchase frequency from the MBO in a year.
- ↵ **H05:** The average shoppers' loyalty does not differ significantly between male and female respondents.
- ↵ **Ha5:** The average shoppers' loyalty differs significantly between male and female respondents.

## Research Methodology

The study was conducted between November 2014 and May 2015 ; 400 respondents from Coimbatore, Tamil Nadu participated in the research. The research is a descriptive one. In this study, non-probability sampling method was utilized because the population size was unknown and the mall intercept survey method was adopted. The sampling unit were the shoppers of apparel multi - brands outlets in Coimbatore city, Tamil Nadu. We gathered information through a structured questionnaire by personally interviewing the customers visiting malls and various multi - brand outlets (MBOs). A primary research was carried out through the survey method. The nature of the questions was such that it avoided ambiguous responses from the respondents and it also helped in the quick analysis of the data collected. In context to the research questions, the hypotheses were framed, and appropriate statistical methods and tools have been utilized in this study to arrive at the key findings.

The statistical tools like Likert's scaling technique, frequency distribution, cross tabulation, reliability and validity test, chi-square test, correlation, and *t* - test were utilized. Likert's 5- point scaling technique was adopted and the ratings were, *strongly agree* - 5, *agree* - 4, *neutral* - 3, *disagree* - 2, and *strongly disagree* - 1. The frequency distribution was carried out to identify the count of the occurrences of values within a particular group. The cross tabulation was performed using two variables and tabulating the results of one variable against the other variable. It was done to examine the shared distributions of the variables. The chi-square test was utilized as an analytical tool to explore the relationship between frequency of usage and shopper's loyalty towards the MBOs. The reliability and validity tests were also conducted to identify the reliableness and validation of data. The correlation was conducted to explore the positive or negative correlation between the variables. *t*- test was carried out to determine the probability of differences between the populations.

This research was conducted to identify whether shoppers continue as loyal shoppers. In this study, we conducted the survey by choosing 11 MBOs in Coimbatore city, Tamil Nadu. The names of the MBOs are Max,

Lifestyle, Pantaloons, Chennai Silks, Reliance Trends, Udhay Fashion, Cocktail Collections, Pothys, Leemas, Upbeat, and Brand Factory. The data collection was carried out between April and May 2015.

## Analysis and Results

For the purpose of the study, the shoppers of apparel multi-brand outlets were chosen as samples to identify the loyalty among the shoppers of apparel multi-brand outlets towards their preferred outlets. Chi-square test, *t* - test, and correlation was utilized to carry out the data analysis. The following are the summarized results from analysis of data.

### (1) Reliability and Validity Analysis Results

**(i) Reliability :** Reliability shows the internal consistency of the constructs. For checking the reliability of the questionnaire, SPSS – 22 Software was utilized. In the Table 1, the reliability for all four questions was checked and it is 0.64. The individual construct reliability was also found under the acceptance limit as shown in the Table 1 as the Cronbach's alpha for loyalty is 0.602 and for frequency of visit and purchases made in a year, it is 0.755, respectively.

**Table 1. Reliability Testing Using Cronbach's Alpha and Validity Testing Using Item Loading Constructs**

Latent Variable	Items	Validity	Reliability
		Standardized Loadings	Cronbach's Alpha
<b>Loyalty</b>	No. of people referred.	0.82	0.602
	No. of new customers you brought to an MBO.	0.74	
<b>Frequency</b>	No. of times you visit an MBO in a year.	0.68	0.755
	No. of times you make your purchases from the same MBO in a year.	0.64	

**(ii) Convergent Validity :** Convergent validity is shown when each measurement item correlates strongly with its assumed theoretical construct. In other words, the items that are the indicators of a construct should converge or share a high proportion of variance in common. The value ranges between 0 and 1. The ideal level of standardized loadings for reflective indicators is 0.70, but 0.60 is considered to be an acceptable level (Barclay, Thompson, & Higgins, 1995). For this study to check convergent validity, SPSS AMOS – 20 software was used and it is observed from the Table 1 that most of the items under each construct have loadings greater than 0.60. Hence, it could be concluded that there is an occurrence of convergent validity.

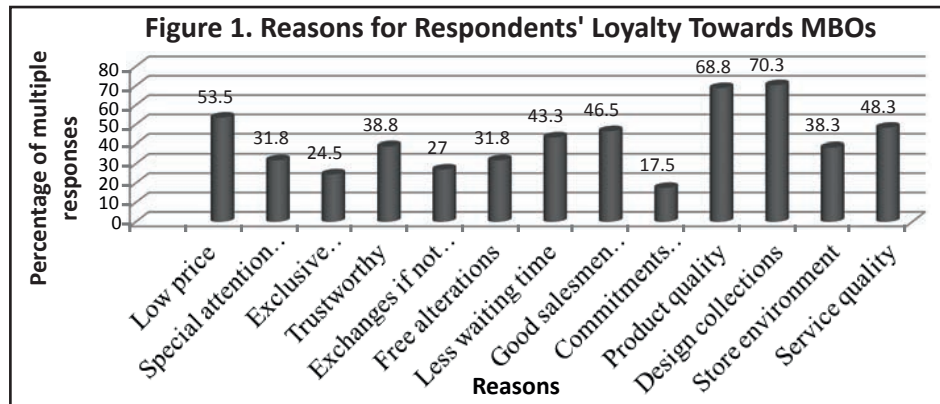
**(2) Reasons for Respondents' Loyalty Towards MBOs :** An analysis for identifying the reasons for loyalty towards MBOs was carried out to find out the multiple responses given by the respondents to be loyal shoppers towards their preferred MBOs. This analysis was carried out to identify the reasons specified by the respondents as an act of loyalty.

It is inferred from the Table 2 and Figure 1 that 70.3% of the respondents stayed loyal to the MBOs because of great number of designs and collections and 68.8% of the respondents specified product quality as a reason for staying loyal to the MBOs ; 53.5% of the respondents continued with the MBOs because of low price and 48.3% of the respondents stayed with the MBOs due to the quality service provided at the MBOs. Only 17.5% of the respondents stayed loyal to the MBOs because their commitments were being fulfilled. Therefore, it is concluded that great number of designs and collections and product quality are the prime reasons for respondents' loyalty towards their preferred MBOs.



**Table 2. Reasons for Respondents' Loyalty Towards MBOs**

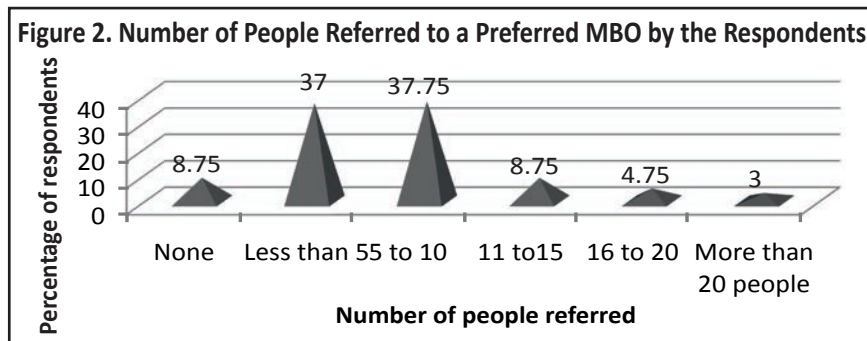
Reasons	% of Multiple Responses
Low price	53.5
Special attention towards customers	31.8
Exclusive discounts for members	24.5
Trustworthy	38.8
Products exchanged, if customer not satisfied	27.0
Free alterations	31.8
Less waiting time	43.3
Good salesmen attitude	46.5
Commitments of customers fulfilled	17.5
Product quality	68.8
Wide designs and collections	70.3
Store environment	38.3
Service quality	48.3

**Table 3. Number of People Referred to a Preferred MBO by the Respondents**

Number of People Referred	No. of Respondents	% of Respondents
None	35	8.75
Less than 5 people	148	37
5 to 10 people	151	37.75
11 to 15 people	35	8.75
16 to 20 people	19	4.75
More than 20 people	12	3
Total	400	100

**(3) Number of People Referred to a Preferred MBO :** An analysis of the number of people referred to a preferred MBO has been made to ascertain how many respondents referred their preferred multi-brand outlets to others to perform the function of loyalty.

It is inferred from the Table 3 and Figure 2 that 38% of the respondents referred five (5) to 10 people to their preferred MBO and 37% of the respondents referred less than five people to their preferred MBO. However, only 3% of the respondents referred more than 20 people to their preferred MBO. Therefore, majority of the respondents



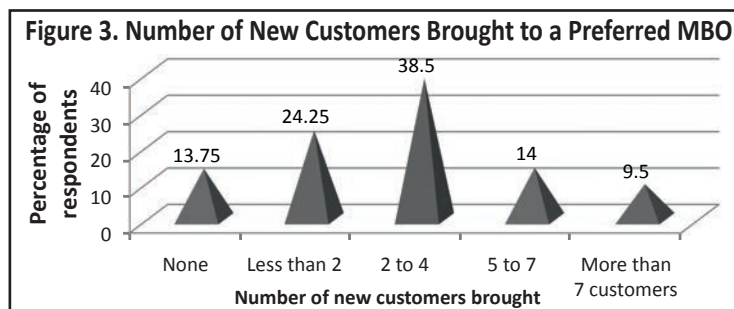
referred between five (5) to 10 people to their preferred multi-brand outlet, which is a good sign for the growth of MBOs as an emerging format and it also speaks about the loyalty of the shoppers towards their preferred MBOs.

**(4) Number of New Customers Brought to a Preferred MBO :** The number of new customers brought to a preferred MBO by a respondent has been analyzed in the Table 4 and Figure 3. This analysis has been done to identify the extent of loyalty in bringing new customers to the MBOs.

It is inferred from the Table 4 and Figure 3 that 38.5% of the respondents brought two to four new customers for making the purchases from their preferred MBOs, and only 9.5% of the respondents brought more than seven customers to make the purchases from their preferred MBOs. Therefore, it is revealed that only two to four new customers were brought to the MBOs in majority to do the purchases from the preferred MBO of the respondents.

**Table 4. Number of New Customers Brought to a Preferred MBO**

No. of New Customers Brought	No. of Respondents	% of Respondents
None	55	13.75
Less than 2 customers	97	24.25
2 to 4 customers	154	38.5
5 to 7 customers	56	14
More than 7 customers	38	9.5
Total	400	100



**(5) Association Between Number of People Referred to a Preferred MBO and Frequency of Visits to the MBO in a Year :** A cross tabulation is accomplished between the frequency of visits performed by the respondents and the number of people referred to an MBO. The distribution of the respondents among the number of people referred to a preferred MBO based on the frequency of visit to the MBO in a year is presented in the Table 5.

**Table 5. Distribution for Number of People Referred to a Preferred MBO and Frequency of Visit to the MBO in a Year**

		No. of People Referred to a Preferred MBO												Total	
		None		Less than 5 people		5-10 people		11-15 people		16-20 people		More than 20 people		No. of Resp.	% of Resp.
		No.	%	No.	%	No.	%	No.	%	No.	%	No.	%		
Frequency of visit to an MBO in a year	Less than 2 times	7	23.3	12	40.0	9	30.0	2	6.7	-	-	-	-	30	100
	2 - 4 times	17	10.3	64	38.8	71	43.0	8	4.8	3	1.8	2	1.2	165	100
	5 - 7 times	7	6.4	39	35.8	43	39.4	13	11.9	4	3.7	3	2.8	109	100
	More than 7 times	4	4.2	33	34.4	28	29.2	12	12.5	12	12.5	7	7.3	96	100
Total		35	8.8	148	37.0	151	37.8	35	8.8	19	4.8	12	3.0	400	100

The Table 5 reveals that majority of the respondents referred a preferred MBO based on the frequency of visit to the MBO in a year ; 43% of the respondents referred five (5) - 10 people to visit an MBO for two - four times in a year , whereas only 1.2% of the respondents referred more than 20 people to visit an MBO for two - four times a year. The association of frequency of visit to an MBO in a year with the number of people referred to the preferred MBO is tested by framing the following hypotheses :

↳ **H01:** There is no significant association between number of people referred to a preferred MBO and the frequency of visit to the MBO in a year.

↳ **Ha1:** There is a significant association between number of people referred to a preferred MBO and the frequency of visit to the MBO in a year.

The chi-square test was applied to find whether the frequency of visit to an MBO in a year is significantly associated with number of people referred to a preferred MBO. It is observed from the Table 6 that the calculated chi-square value (46.028) is higher than the table value (30.578) at the 1% level of significance. Hence, the null hypothesis is rejected (H01) and the alternative hypothesis (Ha1) is accepted and it is inferred that there is a significant relationship between the number of people referred to a preferred MBO by the respondents and the frequency of respondents' visits to the MBO in a year. Therefore, the number of people referred to a preferred MBO is decided by the frequency of the respondents' visits to the preferred MBO in a year.

**Table 6. Chi - Square Test for Finding the Association Between Referrals and Frequency of Visit**

	Value	df	Sig.
Chi-square	46.028	15	**

\*\* Significant at the 1% level

**(6) Association Between Number of People Referred to a Preferred MBO and Purchase Frequency from the MBO in a Year :** A cross tabulation is carried out between the number of purchases made by the respondents and the number of people referred to an MBO. The distribution of the respondents among the number of people referred to a preferred MBO based on the purchase frequency from the MBO in a year is presented in the Table 7.

The Table 7 shows that majority of the respondents recommended a preferred MBO based on the purchase frequency from an MBO in a year ; 49.3% of the respondents referred five (5) – 10 people to carry out their purchases for five - seven times in a year from the MBO ; whereas only 2.2% of the respondents referred more than



**Table 7. Distribution for Number of People Referred to a Preferred MBO and Purchase Frequency from the MBO in a Year**

		No. of People Referred to a Preferred MBO												Total	
		None		Less than 5 people		5-10 people		11-15 people		16-20 people		More than 20 people		No. of resp.	% of Resp.
		No.	%	No.	%	No.	%	No.	%	No.	%	No.	%		
Purchase frequency from an MBO in a year	Less than 2 times	13	21.0	30	48.4	14	22.6	2	3.2	3	4.8	-	-	62	100
	2-4 times	17	7.4	91	39.6	92	40.0	17	7.4	8	3.5	5	2.2	230	100
	5-7 times	3	4.2	15	21.1	35	49.3	9	12.7	5	7.0	4	5.6	71	100
	More than 7 times	2	5.4	12	32.4	10	27.0	7	18.9	3	8.1	3	8.1	37	100
Total		35	8.8	148	37.0	151	37.8	35	8.8	19	4.8	12	3.0	400	100

20 people to make their purchases for two – four times in a year from the MBO. The association of purchase frequency from the MBO in a year with the number of people referred to a preferred MBO is tested by framing the following hypotheses :

↳ **H02:** There is no significant association between the number of people referred to a preferred MBO and the purchase frequency from the MBO in a year.

↳ **Ha2:** There is a significant association between the number of people referred to a preferred MBO and the purchase frequency from the MBO in a year.

The chi-square test is applied to find whether the purchase frequency from an MBO in a year is significantly associated with number of people referred to the preferred MBO. It is observed from the Table 8 that the calculated chi-square value (46.506) is higher than the table value (30.578) at the 1% level of significance. Hence, the null hypothesis is rejected (H02) and the alternative hypothesis (Ha2) is accepted. Therefore, it is inferred that there is a significant relationship between the number of people referred to a preferred MBO by the respondents and their purchase frequency from the MBO in a year.

**Table 8. Chi - Square Test for Finding the Association Between Referrals and Purchase Frequency**

	Value	df	Sig.
Chi-square	46.506	15	**

\*\* Significant at the 1% level

**(7) Association Between Number of New Customers Brought to a Preferred MBO and Frequency of Visit to the MBO in a Year :** A cross tabulation is performed between frequency of visit made by the respondents to an MBO and the number of new customers brought to the MBO. The distribution of the respondents among the number of new customers brought to a preferred MBO based on the frequency of visit to the MBO in a year is presented in the Table 9.

The Table 9 shows that majority of the respondents referred new customers to a preferred MBO based on the frequency of visit to the MBO in a year ; 42.7% of the respondents referred two - four new customers for making purchases from their preferred MBO when they visited the MBO for two - four times a year ; whereas, only 6.1% of the respondents referred more than seven new customers when they visited the MBO for two - four times a year. The association with the frequency of visit to an MBO in a year and the number of people referred to the preferred

**Table 9. Distribution for Number of New Customers Brought to a Preferred MBO and Frequency of Visit to the MBO in a Year**

		No. of New Customers Brought to Make Purchases										Total	
		None		Less than 2		2-4 customers		5-7 customers		More than 7 customers		No. of resp.	% of resp.
		No.	%	No.	%	No.	%	No.	%	No.	%		
Frequency of visit to an MBO in a year	Less than 2 times	11	36.7	7	23.3	10	33.3	2	6.7	-	-	30	100.0
	2-4 times	25	15.2	43	26.2	70	42.7	16	9.8	10	6.1	164	100.0
	5-7 times	12	11.0	25	22.9	44	40.4	18	16.5	10	9.2	109	100.0
	More than 7 times	7	7.3	22	22.9	30	31.3	19	19.8	18	18.8	96	100.0
Total		55	13.8	97	24.3	154	38.6	55	13.8	38	9.5	399	100.0

MBO is tested by framing the following hypotheses :

↳ **H03:** There is no significant association between the number of new customers brought to a preferred MBO and the frequency of visit to the MBO in a year.

↳ **Ha3:** There is a significant association between the number of new customers brought to a preferred MBO and the frequency of visit to the MBO in a year.

The chi-square test is applied to find whether the number of new customers brought to a preferred MBO is significantly associated with the frequency of visit to the MBO in a year. It is observed from the Table 10 that the calculated chi-square value (37.577) is higher than the table value (26.217) at the 1% level of significance. Hence, the null hypothesis is rejected (H03) and the alternative hypothesis (Ha3) is accepted. Therefore, it is inferred that there is a significant relationship between the number of new customers brought to a preferred MBO and the frequency of visit to the MBO in a year by the respondents.

**Table 10. Chi - Square Test for Finding the Association Between New Customers Brought to an MBO and Frequency of Visit**

	Value	df	Sig.
Chi-square	37.577	12	**

\*\* Significant at the 1% level

**(8) Association Between Number of New Customers Brought to a Preferred MBO and Purchase Frequency from the MBO in a Year :** A cross tabulation is performed between the number of times the respondents purchased from an MBO and the number of new customers brought to the MBO. The distribution of respondents among the number of new customers brought to a preferred MBO based on the purchase frequency from the MBO in a year is presented in the Table 11.

The Table 11 depicts that majority of the respondents referred new customers to a preferred MBO based on the purchase frequency from the MBO in a year ; 45% of the respondents referred two – four new customers who made purchases for five – seven times a year from the MBO ; whereas, only 6.5% of the respondents referred more than seven new customers who made purchases for two – four times a year from the MBO. The association with the purchase frequency from an MBO in a year and the number of people referred to the preferred MBO is tested by framing the following hypotheses :

**Table 11. Distribution for Number of New Customers Brought to a Preferred MBO and Purchase Frequency from the MBO in a Year**

		No. of New Customers Brought to Make the Purchases										TOTAL	
		None		Less than 2 customers		2 - 4 customers		5 - 7 customers		More than 7 customers		No. of resp.	% of resp.
		No.	%	No.	%	No.	%	No.	%	No.	%		
Purchase frequency from an MBO in a year	Less than 2 times	19	30.6	17	27.4	15	24.2	7	11.3	4	6.5	62	100.0
	2-4 times	28	12.2	60	26.2	99	43.2	20	8.7	22	9.6	229	100.0
	5-7 times	5	7.0	11	15.5	32	45.1	16	22.5	7	9.9	71	100.0
	More than 7 times	3	8.1	9	24.3	8	21.6	12	32.4	5	13.5	37	100.0
Total		55	13.8	97	24.3	154	38.6	55	13.8	38	9.5	399	100.0

**Table 12. Chi-Square Test for Finding the Association Between New Customers Brought to an MBO and Purchase Frequency**

	Value	df	Sig.
Chi-square	46.429	12	**

\*\* Significant at the 1% level

↳ **H04** : There is no significant association between the number of new customers brought to a preferred MBO and the purchase frequency from the MBO in a year.

↳ **Ha4** : There is a significant association between the number of new customers brought to a preferred MBO and the purchase frequency from the MBO in a year.

The chi-square test was applied to find whether the number of new customers brought to a preferred MBO is significantly associated with the purchase frequency from the MBO in a year. It is observed from the Table 12 that the calculated chi-square value (46.429) is higher than the table value (26.217) at the 1% level of significance. Hence, the null hypothesis is rejected (H04) and the alternative hypothesis (Ha4) is accepted. Therefore, it is inferred that there is a significant relationship between the number of new customers brought to a preferred MBO and the purchase frequency from the MBO in a year by the respondents.

**(9) Correlation Between Frequency of Usage and Loyalty** : The Table 13 gives the correlations between the variables - frequency of usage and loyalty towards MBOs. The correlations of these variables vary between a minimum of 0.159 to a maximum of 0.434 in absolute terms. However, it can be seen that most of the variables are having positive correlations with each other.

From the Table 13, it is inferred that 0.434 is the highest correlated value between the two variables : number of visits to an MBO in a year and the number of times you purchase from the same MBO in a year. It is also inferred that 0.159 is the least correlated value between the two subsequent variables : time spent and money spent at the MBO. Therefore, a positive correlation exists between all the variables. The frequency of usage of the MBOs is positively correlated with loyalty of shoppers towards the MBOs.

**(10) Comparison of Shoppers' Loyalty Among Gender** : The shoppers' loyalty was compared with the gender of the respondents. For this purpose, the mean scores were found out for each gender of the respondents. The mean scores are presented in the Table 14.

**Table 13. Correlation Between Frequency of Usage and Loyalty**

	No. of times you visit an MBO in a year	No. of times you make your purchases from the MBO	Time spent in the MBO on every visit	Money spent on clothing in a year from an MBO
No. of times you visit an MBO in a year	1	0.434	0.199	0.215
No. of times you make your purchases from the same MBO in a year		1	0.235	0.274
Time spent in the MBO on every visit			1	0.159
Money spent on clothing in a year from the MBO				1

**Table 14. Mean Scores for Shoppers' Loyalty Among Gender**

		Shoppers' Loyalty Score		
		<i>N</i>	<i>Mean</i>	<i>SD</i>
Gender	Male	276	10.59	3.04
	Female	123	11.21	3.20

The Table 14 shows that a high mean score (11.21) is for female respondents and low mean score (10.59) is for male respondents. The mean scores indicate that the female respondents were more loyal than the male respondents. In order to find whether the shoppers' loyalty differs significantly based on the gender of the respondents, the following hypotheses were framed and tested :

↪ **H05:** The average shoppers' loyalty does not differ significantly between male and female respondents.

↪ **Ha5:** The average shoppers' loyalty differs significantly between male and female respondents.

The *t* - test was applied to find whether the mean scores of shoppers' loyalty differs significantly between male and female respondents. The Table 15 shows that the calculated *t* - test value (-1.831) is lower than the table value (1.966) at the 5% level of significance, which states that it is not significant. The mean and standard deviation of shoppers' loyalty for the male and female respondents are not the same. It is inferred that the mean scores of shoppers' loyalty do not differ significantly between male and female respondents. Therefore, the male respondents do not differ significantly from the female respondents with regard to shoppers' loyalty. Hence, the null hypothesis (H05) is accepted.

**Table 15. *t* - test for Comparing Shoppers' Loyalty Among Gender**

<i>t</i>	<i>df</i>	<i>p</i> - <i>value</i>
-1.831	397	0.665

**(11) Summary of Results :** In this section, the results of various hypotheses which were tested using chi-square and *t* - test are depicted in the Table 16 with the inferences.

## Findings

Thirty eight percent (38%) of the respondents referred five to ten people (friends, well wishers, peers) to their preferred outlets ; 38.5% of the respondents brought two to four customers for making their purchases from their

**Table 16. Summary of Results - Hypotheses Tested**

S. No.	Null Hypotheses (H0)	Test	<i>p</i> / <i>t</i> - value	Inference
1	No significant association between no. of people referred to a preferred MBO and the frequency of visit to the MBO in a year.	Chi-square	46.028	H01 - Rejected
2	No significant association between no. of people referred to a preferred MBO and the purchase frequency from the MBO in a year.	Chi-square	46.506	H02 - Rejected
3	No significant association between no. of new customers brought to a preferred MBO and the frequency of visit to the MBO in a year.	Chi-square	37.577	H03 - Rejected
4	No significant association between the no. of new customers brought to a preferred MBO and the purchase frequency from the MBO in a year.	Chi-square	46.429	H04 - Rejected
5	The average shoppers' loyalty does not differ significantly between male and female respondents.	<i>t</i> - test	-1.831	H05 - Accepted

\* *p* - value (Chi-square) and *t* - value (*t* - test)

preferred outlets. A customer loyalty study was conducted at Malaysia and the authors developed a shopping oriented customer loyalty model for bringing their friends to the malls. In terms of predictive power, the customer loyalty model accounted for 71% of the variance in bringing friends for shopping to the malls as an act of customer loyalty (Aliagha, Qin, Nita Ali, & Abdullah, 2015). In this study, it specified that 70% of the respondents were attracted towards design and collections maintained at MBOs and 69% of the respondents chose an MBO because quality products were available at the MBOs. These are the two major reasons pointed out by the respondents to be loyal towards MBOs in Coimbatore city.

A study conducted in the state of Uttarakhand, India depicted that the average shopper was neither loyal to a particular store format nor patronized a single store (Madan & Sharma, 2012), but the present study has obtained contradictory results for MBOs in Coimbatore city in Tamil Nadu, India. The shoppers of MBOs in Coimbatore city are loyal towards the store and the store format as well because 38% of the respondents referred five to ten people to their preferred MBO and 38.5% of the respondents brought two to four new customers for making the purchases from their preferred MBOs. The number of people referred to a preferred MBO, and the number of people brought to a preferred MBO of the respondents for making the purchases are the two important components which have a significant association with the number of MBOs the respondents knew in Coimbatore city, the frequency of visit to an MBO in a year, and the purchase frequency from an MBO in a year. The number of MBOs the respondents knew in Coimbatore city, the frequency of visit to an MBO in a year, and the frequency of purchases from an MBO have a combined effect on the respondents in referring a multi - brand outlet to their circle of friends, relatives, acquaintances, peers, and loved ones.

## Managerial Implications

Almost all the multi-brand outlets should pay attention to market their outlets and should convince the customers to visit their MBOs often and make frequent shopping attempts either by want or by creating a want through promotional offers. The MBOs should provide excellent services to pull the customers to MBOs because service is a key factor which decides loyalty. The store managers should attempt to improvise on the attributes of the store image because it is a key factor which promotes loyalty in shoppers. When managers are concentrating on Tier II cities like Coimbatore, which is in the Southern part of India, they should be aware that trust plays a vital role and people believe the words of the friends and well-wishers for arriving at their purchase decisions or selection of their preferred stores.

The purchase frequency of the customers from an MBO in a year depends on the services offered by the retailers

at MBOs. The retailers attract the customers through various facilities like design collections, prices, promotions, fulfilling the commitment, services, etc., which influence the customer to be a loyal customer. All the above facilities fetched new customers to the preferred MBOs of the respondents for fulfilling their shopping needs. Therefore, the retailer should be very cautious in making an appeal and creating an impression in the minds of the customers about the MBOs by fulfilling their wants in terms of products and the services offered. The retailers should focus on conducting loyalty programmes and developing loyalty models for the loyal shoppers to enhance a long term relationship with the store.

## Conclusion

Store loyalty is the most important factor for success of a retail business and store longevity. The loyalty of the customers plays a vital role in determining the years of existence of any business or any format ; 38% of the respondents referred between five to ten people to their preferred MBOs ; 38.5% of the respondents brought two to four new customers to their preferred MBOs for getting the purchases done. The purchase frequency of the shoppers from an MBO in a year depends on the services offered by the retailers at MBOs. The above essentials like customer referrals and frequent purchases are the two components considered in this study, which proves the loyalty of the shoppers towards the MBOs. Thus, the study concludes that loyalty was superior among the shoppers of MBOs in Coimbatore.

## Limitations of the Study and Scope for Further Research

The present study is restricted to Coimbatore city in India, and the findings may not be applicable to other cities of the country because of socioeconomic differences. The non-probability sampling method and under that, convenience sampling technique was adopted to collect the data from the respondents. This may compromise the validity of the study to a certain extent. Therefore, in future studies, researchers can adopt a probability sampling method and repeat the study.

Loyalty may differ from one MBO to another MBO with regard to many other factors and buyers' situations, which could be considered for future research. This study could be extended to a pan India level by considering many more MBOs that differ in their image characteristics to ensure generalization of the results. The study could be explored with one more attribute termed as trying firm's new and other existing products, an important element which proves the customer's loyalty.

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