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Study on Hanoi Customers' Brand Loyalty to Shampoo Items

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Abstract

Customers are less interested in learning how to switch out products from a brand when there is brand loyalty (Uncles *et al.* 2003) ^[15]. Additionally, brand loyalty makes a customer's purchasing decision-making process easier, quicker, and even more automatic. The research conducted through data of 245 customers in Hanoi buyers of familiar shampoo by using online and direct questionnaires. Collected data is

processed by SPSS with steps including descriptive statistics, and reliability analysis. The study has identified and measured five attributes of the customers' brand loyalty to shampoo items in Hanoi city, Vietnam that have great effects on customers. The result has provided one more evidence of brand loyalty of shampoo in Hanoi, Vietnam. Research has also implications for shampoo firms.

Keywords: Loyalty Brand, Shampoo, Marketing, Business Administration

JEL Codes: M31, L81, C52, M10

1. Introduction

Making clients fall in love with and purchase your branded items again when a need arises is one of the primary objectives when creating and implementing marketing strategies. As a result, both domestic and international academics are always concerned about the brand loyalty of consumers. Brand loyalty describes a consumer's actions when they consistently buy goods from a specific brand over a predetermined amount of time. study on Hanoi customers' brand loyalty to shampoo items. Customers are less interested in learning how to switch out products from a brand when there is brand loyalty (Uncles *et al.*, 1998) ^[15]. Additionally, brand loyalty makes a customer's purchasing decision-making process easier, quicker, and even more automatic. Businesses can lower costs and increase market share by accumulating devoted customers. That is the marketing objective that every company aspires to pursue and accomplish.

Brand building and development are matters of survival for Vietnamese businesses. The essence of branding is to create brand loyalty among the majority of customers. The field of FMCG in general and shampoo in particular in Vietnam is growing rapidly with increasingly fierce competition. Therefore, studying the brand loyalty of Hanoi consumers to shampoo products will help shampoo businesses plan marketing strategies and policies to maintain and develop this group of loyal customers.

Euromonitor's report (2019) shows that the market for hair care products in Vietnam has an average annual growth rate of 6.5% in the period 2017–2019. The product category with the highest sales rate (60.9%) in the hair care industry is shampoo. There is a wide variety of shampoo products on the market, each with a different purpose (treating dandruff, smoothing hair, and repairing damaged hair, for example). Additionally, there are many different levels of the product's selling price to fit the budgets of various customer groups.

2. Literature review

According to Oliver's research findings from 1997 ^[12], customers build brand loyalty based on perception, followed by emotion and intention, and then behavior. The model developed by some authors investigates brand loyalty based on changes in customer attitudes (cognitive, emotional, intend, and act) and is based on the findings of Oliver's research from 1997 ^[12].

Brand loyalty that is only perceived is loyalty that is grounded in brand trust. Based on the knowledge they have about the brand's features, consumers decide they prefer this brand above others.

The manifestation of emotional brand loyalty is a liking for or favorable attitude toward a particular brand.

A customer's intention to repurchase a certain brand is reflected in their brand loyalty via intention to buy state.

Customers that have behavioral brand loyalty also have the desire to remove barriers to their purchasing behavior in addition to their purchase intentions.

Brand loyalty can thus develop through the following stages: perceived brand loyalty concentrates on the performance aspects of the brand; emotional brand loyalty is towards brand preference; brand loyalty according to intention to buy occurs when consumers concentrate on the desire to buy again from the brand; and brand loyalty according to buying behavior is the commitment to overcome barriers to repeat customer behavior.

According to customers' past, present, and future purchasing patterns for a specific brand product, brand loyalty is evaluated (Lin *et al.* 2000) [10]. According to Amine (1998) [2], brand loyalty is the practice of consistently purchasing a particular brand, reinforced by a strong devotion to that brand.

Dick and Basu (1994) [4] argue that a consumer is considered truly loyal when he or she has a positive attitude towards the brand and purchases it consistently. Additionally, Caruana (2002) [3] has demonstrated that devoted customers are those that consistently buy from the same vendor, have a favorable opinion of a specific brand, and only consider that brand. if the necessity ever comes, signal. These viewpoints contend that brand loyalty should be founded on consumer attitudes as well as conduct, in addition to behavior.

According to Oliver (1999) [13], brand loyalty is also the strong commitment and repurchase behavior toward stabilizing a preferred good or service in the future, which in turn encourages a brand or a group of people to make repeated purchases. Without being influenced by external circumstances or the business's marketing efforts. Oliver's approach makes a clear distinction between the psychological attachment to the brand and the attachment shown through outward elements. Additionally, this definition supports the idea that consumers may have loyalty to more than one brand within a given product category. These findings are in line with the fast-moving consumer goods category, of which shampoo products are a typical example, where consumer interest is typically low and purchases are made based on brand categories rather than just brand loyalty (Uncles *et al.*, 2003; Kennedy & Ehrenberg, 2000) [15, 9].

According to Punniyamoorthy and Raj's (2007) [14] research findings, a brand must have high-quality products (functional value), establish an emotional bond with its target audience, and/or foster a connection between the audience and the community (social value) in order to be successful.

Theoretically, there are two types of brand loyalty: behavioral loyalty and cognitive loyalty (Keller, 1993) [8]. Customers who are willing to pay more for one brand than another that provides comparable benefits is another sign of loyalty (Aaker, 1996) [1].

We developed a scale of brand loyalty among Hanoi consumers to shampoo products based on the findings of the aforementioned investigations and through interviews with 24 customers (see Table 1).

Table 1: Scale of shampoo product brand loyalty among Hanoi customers

Code	Scale	Sources
TT1	I will buy more products from this brand.	Oliver (1999) [13], Punniyamoorthy and Raj (2007) [14]; experts' opinion
TT2	I will choose this brand for my next purchase.	
TT3	I'll typically stick with this brand	

	when making purchases.	
TT4	I'll use additional product categories from this brand.	
TT5	To my friends and relatives, I will pass along this brand's name.	

3. Methodology

3.1 Data Collection

Considering that newspaper products also belong to the fast-moving consumer goods group, such as shampoo, the application of the scales used by Punniyamoorthy and Raj (2007) will have many advantages for this study. The author uses a 5-point Likert scale to assess the level of agreement of the respondents with each scale (1 = strongly disagree and 5 = strongly agree).

Through expert interviews, the initial scales were improved upon and supplemented. 24 clients who fit the requirements for choosing responses were interviewed. In order to maintain consistency, clarity, and to avoid confusing survey participants, it is important to assess and verify the suitability of the terms and syntax used in the questions. The original scale was modified based on the findings of this research, and this modified scale is known as the adjusted scale (Table 1).

The study population is composed of consumers in Hanoi. They are the decision-makers to choose and buy shampoo products or have an important influence on the decision to choose and buy shampoo products. Due to the above conditions, the overall subjects of this study are Hanoi consumers over 18 years old, living and working in Hanoi. They may be students or working in different jobs, belonging to different organizations (freelancers, administrative and non-business units, enterprises, etc.).

Seven urban districts in Hanoi, including Dong Da, Hoan Kiem, Ba Dinh, Hai Ba Trung, Tay Ho, Thanh Xuan, and Cau Giay, were researched. These districts were chosen for their convenience. In the inner city of Hanoi, there are 45 votes per district for the number of survey participants in each location. We locate grocery stores, markets, and residential areas within each district, then choose a sample of the local populace to survey and research.

The sample size must be at least five times the total number of observed variables (scales), according to Hair *et al.* (1998) [5]. All five of the observed factors are included in the study's questionnaire. Therefore, 5 * 5 = 25 observations must be collected as the absolute minimum sample size. The author has created a preliminary sample of 300 observations in order to guarantee the validity of the survey results and in accordance with the actual inquiry circumstances in terms of time, human resources, and finances.

The survey is created using Google Tools, and it is distributed to respondents via social networks (forums, Facebook, etc.) and email. The survey form was also given directly to the survey participants. 245 survey questionnaires were gathered, cleaned, and then entered into data processing by the group of writers. Table 2 displays the characteristics of the study sample.

Regarding the gender of the respondents, 40% were male and 60% were female. The percentage of respondents with an average monthly income of less than 5 million VND accounts for about 62%; the income from 5 to 10 million VND a month accounts for about 25.7%; and the survey subjects have an income from 10 to 10 million VND per month. 15 million VND/month accounts for about 7.8%, and

respondents with income over 15 million VND/month account for only about 4.5%.

The interviewees' educational backgrounds are likewise fairly varied, ranging from high school graduation to postgraduate graduation. In this category, postgraduate degrees were held by 31.4% of university graduates, 23.7% of college and professional secondary school graduates, and 23.7% of high school graduates. study makes up roughly 19.1%. The percentage of subjects having additional credentials was merely 1.2%.

Table 2: Examined object-related data

Description	Frequency	%
Gender	245	100.0
Male	98	40.0
Female	147	60.0
Income	245	100.0
less than 5 million VND	56	22.9
between 5 and 10 million VND	62	25.3
10 to 15 million VND	68	27.7
15 million or higher	59	24.1
Academic standing	245	100.0
Other	3	1.2
High school diploma	58	23.7
Graduate from a professional high school or a college.	60	24.5
Bachelor	77	31.4
I received my graduate degree.	47	19.1

3.2 Methods of Data Analysis

After collecting and cleaning 245 survey questionnaires, the authors coded the necessary information, entered and analyzed the data using SPSS software with descriptive statistics, and analyzed the reliability of the questionnaire scale through Cronbach's alpha coefficient.

4. Research Results

4.1 Descriptive Statistics

On a scale of 1 to 5 (where 1 is strongly disagree and 5 is strongly agree), the higher the score, the higher the level of customer loyalty. The calculation results are presented in Table 3 as follows:

Table 3: Customers' brand loyalty to shampoo items

N	Valid	Loyalty attitude
	Defects	245
	22	
	Medium	4.4880
	Standard deviation	.47376
	Skewness	-.147
	Skewness Standard Deviation	.092
	Kurtosis	1.180
	Kurtosis Standard Deviation	.184

As a result, Hanoi consumers have a high level of loyalty to the shampoo brand. In addition, the standard deviation is small, which proves that the data elements in general have a high similarity, or, in other words, the consumer's answer choices are concentrated and revolve around the value. medium. The skewness index of 0.092 shows that the answer options are normally distributed and skewed to the right. The kurtosis index of 1.18 indicates that the answer options are normally distributed in the form of sharp peaks. The research results allow us to conclude that the brand loyalty of Hanoi consumers to shampoo products is at a high

level.

4.2 Cronbach's Alpha

Cronbach's alpha is a statistical test of the rigor (explainability for a research concept) of the set of observed variables in the scale. The Cronbach's alpha method allows the analyst to eliminate inappropriate variables and limit junk variables in the research model. Hoang and Chu (2008) [7] and many other researchers agree that when the Cronbach alpha coefficient is from 0.8 to close to 1.0, it is a good scale; from 0.7 to nearly 0.8, it is usable.

However, there are also many researchers (e.g., Nunally, 1978 [11]) who suggest that a Cronbach's alpha coefficient of 0.6 or higher can be used in the case of the concept being studied. is new to respondents in the research context. To determine which variables should be removed, besides the fact that the Cronbach's alpha if item deleted coefficient is greater than the total Cronbach alpha coefficient, the researchers also use item total correlation, and which variables have variable correlations of 0.3 will be discarded. In this study, the research sample consisted of 245 questionnaires. Therefore, in the process of calculating Cronbach's alpha, the author decided to keep the scales with a Cronbach's alpha value of 0.6 and remove the observed variables with a total correlation of 0.3 (Hair *et al*, 2010; Hoang & Chu, 2008) [6, 7].

Table 4: Results of Cronbach's Alpha Testing of Attributes

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
TT1	16.14	3.744	.681	.637
TT2	16.05	3.974	.628	.645
TT3	16.22	3.783	.588	.667
TT4	16.52	3.663	.567	.684
TT5	16.38	4.092	.727	.658

Loyalty in customer attitudes has a Cronbach's alpha of 0.713. The observed variables all satisfy the conditions of the Cronbach Alpha if Item Deleted coefficient value and the correlation coefficient with the total variable. Therefore, the 5 observed variables (TT1, TT2, TT3, TT4, and TT5) are good scales that are closely correlated with each other to measure customer loyalty (Hair *et al*, 2010; Hoang & Chu, 2008) [6, 7].

5. Discussion and Implications

5.1 Market for Shampoo Products in Vietnam

Many people use shampoo, which is a common commodity. To remove oil, grime, dead skin cells, dandruff, and other environmental contaminants that gradually accumulate in the hair, one uses a shampoo product. Shampoo works to eliminate impurities that accumulate in hair without causing damage.

The majority of the market's top-selling shampoo brands are produced by big businesses that have developed a reputation and an image among consumers in Hanoi. Unilever Vietnam and P&G Vietnam are the country's top two shampoo producers. Sunsilk, Clear, Dove, and Lifebuoy are just a few of the brands that are connected to Unilever. P&G is equally as competitive as Head & Shoulders, Rejoice, and Pantene. The competitive strategies of P&G and Unilever have some differences. P&G chooses to invest heavily in vibrant and impressive advertising activities on television and

newspapers, sponsoring game shows on television, and organizing music nights at many places to bring the brand and its shampoo products to consumers. Unilever focuses on technology and production skills to make good-quality products; an exquisite service system to best meet customer needs; a perfect sales and distribution system to ensure customer convenience and satisfaction; skillful use of mass media to entice and orient consumer behavior for customers; and differentiation of products and brands from competitors so that customers are not confused.

Although there are many brands of shampoo on the market, only nine are recognized by the majority of consumers without help or regular use. This result partly explains the market share that each brand holds in the market, such as Clear's 18.7% market share, Sunsilk's 14%, Pantene's 10.8%, and X-Men's 7%.

5.2 Implications

To build customer trust, a prerequisite is good product and service quality. In addition, businesses need to be honest and transparent with their customers and the public. Honesty and transparency can be formed by maintaining credibility in business, being consistent in words and actions, listening, respecting the psychology, preferences, and interests of customers, etc. In addition, businesses can use promotions, discounts, or free trials to let consumers know about products and brands and thereby create trust with them.

Avoid using free offers that suggest buyers may need to pay later when using promotional tactics. Customers will rapidly recognize that the firm is pressuring them to buy the goods or face consequences if they don't, which will negatively affect the value of trust in the long run. The dual nature of promotion, nevertheless, should also be noted. The less devoted consumers may be to the brand, the more promotions there are. As a result, the promotional sales strategy should mesh effectively with the brand's overarching plan. Additionally, consumers must constantly be prepared to select the most useful products in an era of information overload on goods and services. Therefore, it is imperative to demonstrate to clients that businesses are concerned with their needs as well as the uses, advantages, and values that the product offers. Consumers can then understand that the company's goal is to always listen to its consumers and discuss what they have not been able to do in order to be satisfied, in addition to learning about their demands and financial capacity to purchase goods and services.

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