



The Brand Loyalty of Sportswear in Hong Kong

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ABSTRACT

This paper reports the results of brand loyalty of 280 university students, aged from 18 to 24 years old. This study explores brand loyalty behavior on sportswear and examines key brand loyalty factors: brand name, product quality, price, style, store environment, promotion, and service quality. Consumers are classified into two categories by their degree on brand loyalty: hard-core loyal consumers and brand switchers. The study concludes that brand name, style, and promotion are the key brand factors which can distinguish hard-core loyal consumers and brand switchers. Brand name and style have more influence on the brand loyalty of hard-core loyal consumers, while promotion influences more on that of brand switchers. Product quality is perceived by both groups as the most important factor affecting their brand loyalty.

Keywords: Brand Loyalty, Hard-core Loyalty, Brand Switching, Sportswear Market

Introduction

The market trend for wearing sportswear is particularly emerging in Hong Kong. Nowadays, sportswear becomes a common and popular category as it gives young people a more relaxed lifestyle and greater versatility and comfort. Consumers wear athletic apparel not only in sports activities, but also at home, in school, at work, or at leisure time. Moreover, there is a prominent trend in the sportswear industry, for which the casual design and athletic design is converging. Sports lovers combine their sports activities with leisurewear in order to look smart and fashionable when they do exercise. A positive trend is confirmed in Italy on sales of sportswear for

spring/summer 1999 (Dusi, 1999). As a consequence, different line of fashionable sportswear targeting the youth market has been successfully launched by Adidas, a traditional sporting goods company, teaming up with a well-known fashion designer – Yohji Yamamoto (HKTDC, 2004).

In the West, brand loyalty is recognized as an asset and consumers are willing to pay more for a brand (Wernerfelt, 1991). However, there are fewer but more powerful retailers in the sportswear market, so the competition is fierce in the sportswear market. Well-established brand names continue to contribute investment and time in upholding brand identity, preserving brand loyalty and developing new sports

product lines so as to occupy more market share. Marketing managers realize the rising trends of brand switching and recognize customer retention as an easier and more reliable source of superior performance (Reichheld & Sasser, 1990). Therefore, it is important for marketers to acquire more knowledge in brand loyalty.

Much of the previous research has focused on the distinction between spurious and true loyalty (Bloemer & Kasper, 1995); relationship among service quality, consumer satisfaction and store loyalty (Sivadas & Baker-Prewitt, 2000); purchase patterns (Lawrence, 1969); or characteristics of consumers based on buying behavior, self-image, and demographics, and multi-brand buying (Ehrenberg & Goodhardt, 1970). Research using factors on brand loyalty to distinguish hard-core loyal consumers and brand switchers has not yet been explored. Thus, the aim of this research is to distinguish brand loyal consumers and brand switchers in the Hong Kong youth sportswear market. From this study, we can provide useful information to brand companies for developing their competitive branding strategies.

This paper has four sections. First, we depict a theoretical background of brand loyalty, its factors, and put forth a conceptual model to demonstrate relationships of the variables. Then, we describe our research hypotheses, methodology on research instrument design and data collection. A survey questionnaire is administered to collect data from university students. Subsequently, we base on our findings to classify respondents into hard-core loyal consumers and brand switchers, and to distinguish consumers by different factors of brand loyalty. Finally, we conclude with a discussion of our recommendation on strategies for sportswear marketers and future research directions.

Literature Review and Conceptual Model Brand Loyalty

Brand loyalty is an important concept in understanding consumer behavior (Day,

1969; Huang and Yu, 1999; Lee *et al.*, 2001; Wood, 2004; Yim & Kannan, 1999). It is “a deeply held commitment to re-buy or re-patronize a preferred product/service consistently 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” (Oliver, 1999, p. 34). Thus, brand loyalty has a well-known financial payoff. Loyal consumers only repurchase the same brand over time even there is an alternative brand in the market, and eventually loyalty can be measured by the commitment to repurchase in terms of products and services (Ryan *et al.*, 1999).

Furthermore, four categories of consumers can be distinguished according to brand loyalty: hard-core loyal consumers, brand switchers, new users, and non-users (Evans *et al.*, 1996). Non-users tend not to be loyal to any brand and as for new users, they are not so familiar with any brand at all. These two categories are not to be the main focus in this study and therefore they will be excluded in this research study. Only hard-core consumers and brand switchers will be focused in this study. Marketers often pay attention to identify the characteristics of brand-loyal consumers and the degree of brand loyalty of consumers so that they can directly and effectively focus their marketing and promotional strategies on these consumers who share similar characteristics among the large population. A consumer repeatedly purchases a particular brand regardless the premium price of that brand has charged, is considered as hard-core loyal consumers (Evans *et al.*, 1996). This loyalty involves the last stage of purchase, in which consumers do not accept substitutes if they have approached the brand (Copeland, 1923). Price variations for consumers’ favorite brand may only affect their purchase quantity but not their brand choice decision. They stick with the brand rather than switch. Thus, these loyal consumers do not need frequent advertising or price promotions to remind them (Yim & Kannan, 1999).

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On the other hand, one single brand does not necessarily satisfy all consumers' needs, so certain consumers tend to buy other brands as well. Brand switchers refer to consumers who use two or more brands when a single brand does not satisfy all their needs (Evans *et al.*, 1996). Brand switching may occur in case of new product introduction and dissatisfaction on usual brand. Consumers can find a substitute brand that can fulfill their needs. Some marketers will target on brand switchers because they think that brand switchers have higher market potential (Schiffman & Kanuk, 2000).

Factors of Brand Loyalty

To create brand loyal consumers and to retain them, it is essential to understand the major factors that influence brand loyalty among them. This study focuses on the six brand loyalty factors: brand name (Aaker, 1996; Cadogan & Foster, 2000; Jacoby & Chestnut, 1978), product quality (Frings, 2005; Garvin, 1988; McCormick & Scorpio, 2000), price (Cadogan & Foster, 2000; Ryan *et al.*, 1999), style (Abraham & Littrell, 1995; May, 1971), store environment (Evans *et al.*, 1996; Milliman, 1982), promotion (Czerniawski & Maloney, 1999; Evans *et al.*, 1996; May, 1971), and service quality (Mittal & Lassar, 1996).

Brand Name. Famous brand name can disseminate product benefit and lead to higher recall of an advertised benefit than a non-famous brand name (Keller *et al.*, 1998). There are many unfamiliar brand names and alternatives available in the market place. Consumers may prefer to trust major famous brand names. Hard-core loyal consumers trust their favorite brand names and consistently repurchase these brands. Those prestigious brand names and their images attract consumers to purchase the brand (Aaker, 1996), affect repeat purchasing behavior, and reduce price related switching behaviors (Cadogan & Foster, 2000; Czerniawski & Maloney, 1999). On the other hand, brand personality provides links to the brand's emotional and self-expressive benefits for differentiation.

This is important when those brands have only minor physical differences and are consumed in a social setting where the brand can make a visible image about the consumer itself. On the other hand, fashion magazines and fashion press elaborate on the designer's collections to the full extent and thus reinforce better images to facilitate consumer recognition (Colborne, 1996).

Product Quality. Consumers may repeat purchase the single brand or switch around several brands due to the tangible quality of the product sold. The components of product quality of fashion merchandise include size measurement, cutting or fitting, material, color, function, and the performance of merchandise. Fitting is a crucial aspect in garment selection because some fitted garments such as swimming suits and aerobic wear can ideally enhance consumers' general appearance (Frings, 2005). Material is important in product quality because it affects the hand feel, texture and other performance of the product. Also, consumers relate personally to color, and usually select or reject a fashion because the color does or does not appeal to them or flatter their own coloring (Frings, 2005). In addition, technologically advanced and functional garments are growing in demand (McCormick & Scorpio, 2000), so modern technology in terms of fabric function plays an important role in sportswear market where new fabrics and applications are used to complement styles (HKTDC, 2004). Functional attributes in sportswear include quick-dry, breathable, waterproof, odor-resistant, lightweight, and/or, antimicrobial. Finally, durability is the use life of the garments. For instance, some consumers wear their sportswear for heavy work and some for leisure and sports, so they need a lot of movement, and durability becomes an important consideration in purchasing sportswear (Garvin, 1988).

Price. Price is probably the most important consideration for the average consumers. Price serves as the strongest loyalty driver (Ryan *et al.*, 1999). Consumers with high brand loyalty are less

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price sensitive (Cadogan & Foster, 2000). Purchase intention of consumers cannot be easily affected by price if they have built brand loyalty into the brand. These consumers are willing to pay a premium price for their favored brand. In addition, they may have strong beliefs in price and value of their favorite brands so that they can compare and evaluate price with alternative brands (Evans et al., 1996; Keller, 1998). Consumers' satisfaction can also be built by comparing price with perceived costs and values. If the perceived values of the product are greater than cost, consumers will purchase that product.

Style. Style is a visual appearance, which includes line, silhouette, and details affecting consumer perception towards a brand (Frings, 2005). According to Abraham and Littrell (1995), a composite list of apparel attributes has been generated and one of the conceptual categories is style. Consumers' judgment depends on the consumers' level of fashion consciousness, so judgment will be conditioned by their opinion of what is currently fashionable. Brands that supplied stylish sportswear attract loyal consumers who are fashion conscious. Fashion leaders or followers usually purchase or continually repeat purchasing their fashion garments in stores that are highly fashionable. They gain satisfaction of wearing the latest fashion and style which can also fulfill their ego needs. Duff (1999), who investigated the niche market in women's sportswear, found that sportswear shoppers were becoming more fashion conscious and were demanding products with more style. As a result, consumers tend to prefer those items that they can wear on different occasions or for different social situations.

Store Environment. Retail stores are relatively closed environments. Positive attributes of the store, which include store location, store layout, and in-store stimuli, affect brand loyalty to some extent. Store location and number of outlets are crucial in altering consumer shopping and purchasing patterns. If consumers are highly accessible to stores during their shopping trip and are

satisfied with the store's assortment and services, these consumers may become loyal afterwards (Evans et al., 1996). Thus, store atmosphere is one of the factors involved in consumer decision making. The stimuli in store, such as the characteristics of other shoppers and salespeople, store layout, noises, smells, temperature, shelf space and displays, signs, colors, and merchandise, affect consumers and serve as elements of apparel attributes (Abraham & Littrell, 1995), which may in turn, affect consumer decision making and satisfaction towards the brand (Evans et al., 1996; Greenberg et al., 1983). In-store stimuli also influence the degree of how long consumers stay in the store, how many products consumers come into visual contact with, and what routes consumers travel within the store (Evans et al., 1996). On the other hand, music played in the background of the stores affects attitudes and behavior (Milliman, 1982). The slow-beat musical selections leads to higher sales volumes as consumers spend more time and money.

Promotion. Promotion is a component in marketing mix which is a kind of communication with consumers. Promotion includes the use of advertising, sales promotions, personal selling and publicity. Advertising is a non-personal presentation of information in mass media about a product, brand, company or store. It greatly affects consumers' images, beliefs, and attitudes towards products and brands, and in turn, influences their purchase behavior (Evans et al., 1996). Advertisements can help establishing ideas or perceptions into consumers' minds, and differentiating products against other brands. Thus, good advertisements can attract brand switchers and create brand loyalty. Moreover, effective communication can persuade and motivate consumers to think about and even take action to purchase the product the advertisement promoted (Czerniawski & Maloney, 1999). Brand switchers may turn into loyal consumers towards the brand. Eventually the success comes when the marketer employs effective promotion strategies.

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Service Quality. Service quality is a kind of personal selling, and involves direct interactions between a salesperson and a potential buyer. Consumers shopped at specific stores because they like the service provided and they are assured of certain service privileges. Salesperson performances stimulate bonding through trust among sales representatives and consumers, and will affect consumers' perception towards the stores or brand (Cadogan & Foster, 2000; Leung & To, 2001). The impacts of salesperson-consumer relationships will generally result in long-term orientation of consumers towards the store or brand. Trust in salespersons appears to relate to overall perceptions of the store's service quality, and results in consumer total satisfaction with the stores at the end. Additionally, personalization (i.e. reliability,

responsiveness, personalization, and tangibles) significantly influences consumer experience and evaluation of service, in turn, affect the brand loyalty of consumers (Mittal & Lassar, 1996; To & Leung, 2001).

The Model Used in This Research Study

Reviewing the extant literature on brand loyalty, a research model was constructed to better explain on the two major consumer types. The two different consumer types will have different perceptions towards the factors of brand loyalty. When consumers are satisfied by the aforesaid factors that affect their brand loyalty, brand loyalty will be reinforced. Figure 1 displays the model used in this research study.

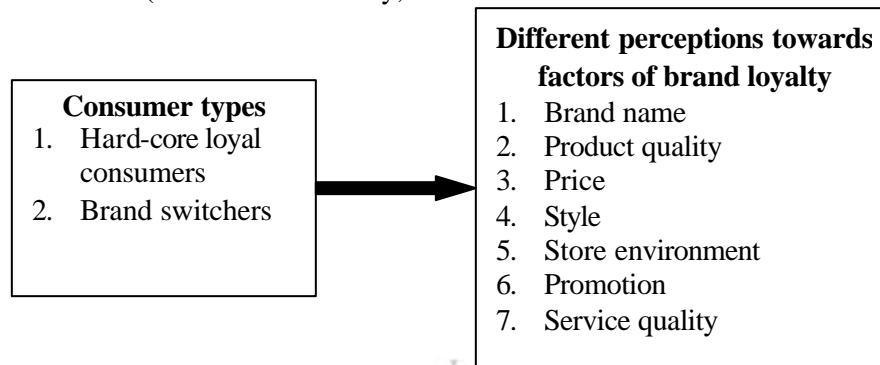


Figure 1. Research Model of Brand Loyalty and Consumer Types

Research Methodology

Hypotheses

The current study was a preliminary investigation in the brand loyalty in Hong Kong sportswear market. The main aim is to find out the different perceptions on the brand loyalty factors between hard-core loyal consumers and brand switchers. Based on the aforesaid literature review and conceptual model, seven hypotheses were developed:

H₁: Hard-core loyal consumers and brand switchers have different perceptions towards brand name.

H₂: Hard-core loyal consumers and brand switchers have different perceptions towards product quality.

H₃: Hard-core loyal consumers and brand switchers have different perceptions towards price.

H₄: Hard-core loyal consumers and brand switchers have different perceptions towards style.

H₅: Hard-core loyal consumers and brand switchers have different perceptions towards store environment.

H₆: Hard-core loyal consumers and brand switchers have different perceptions towards promotion.

H₇: Hard-core loyal consumers and brand switchers have different perceptions towards service quality.

Sampling and Data Collection

A pilot study using in-depth interviews was conducted with 20 university students,

who were aged from 18 to 24 years old. The purpose of this pilot study was to gather information about the usual brands that students were loyal to, and factors affecting brand loyalty which were useful in constructing the questionnaire. Results showed that brands that students usually purchased are Nike, Reebok, Fila, and Adidas. According to the respondents, factors that affecting brand loyalty included brand name, product quality, price, style, store environment, promotion, and service quality. Subsequently, we conducted a pretest questionnaire survey in university campus. On the basis of the experiences with this pretest, the questionnaire was modified.

A self-administered questionnaire was directly distributed to 290 university students aged from 18 to 24 years old. The survey was conducted in the canteens of a university in Hong Kong through a convenience, non-probability sampling method. We chose this age group because students from higher education are perceived as reasonable surrogate for the population of 18 to 24 years old (Wood, 2004). Finally, 280 students accepted the participation of interviews. The completed questionnaires were used for this analysis.

Questionnaire

The final questionnaire was developed and modified based on the pilot test. It includes two parts and the statements are shown in Table I.

Brand Loyalty. In the questionnaire, a screening question was asked to find out the respondents who had purchased sportswear during the past year. Respondents who answered “no” were considered as non-users and thus they were excluded in this study. Direct question about loyalty (i.e. Are you especially loyal to a brand?) allowed marketers to segment consumers into hard-core loyal consumers or brand switchers. Respondents were then classified into hard-core loyal consumers and brand switchers based on this question. Next question asking respondents to list out the brands of 5 items of sportswear they purchased lately was used to identify whether respondents were really loyal to their favorite brands. Respondents who bought only one brand were considered as new users.

Factors of Brand Loyalty. In this part, respondents were asked to evaluate the importance of the factors of brand loyalty towards their favorite brands. The statements of the seven factors were adapted from previous research: brand name, product quality, price, style, store environment, promotion, and service quality. Five-point Likert scale questions were developed to indicate respondents’ degree of agreement on each of the statement (1 = strongly disagree; 5 = strongly agree). Then, the data were analyzed using frequency, independent-samples *t*-test, and discriminant analysis.

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Table I
Research Instrument

Questions	Scale
<i>Screening question</i>	
Have you purchased any sportswear during the past year?	Close-ended question
<i>Brand loyalty</i> (Aaker, 1996)	
Are you especially loyal to a brand of sportswear?	Close-ended question
Which brand of sportswear in the following list do you prefer most? a) Nike b) Reebok c) Fila d) Adidas	Close-ended question
Please list the brands of 5 items of sportswear you purchased lately.	Open-ended question
<i>Factors of brand loyalty</i>	
Please indicate your level of agreement with the statements that best describe your feeling toward your favorite brand by circling the number (Note: 1=Strongly disagree; 5=Strongly Agree).	
Brand name (Aaker, 1996; Cadogan & Foster, 2000; Jacoby & Chestnut, 1978):	Five-point Likert scale
a) The brand is reputable.	
b) The prestigious brand name and image attract me to purchase from the brand.	
c) The brand name is selected regardless of price.	
d) The brand reflects my own personality.	
Product quality (Frings, 2005; Garvin, 1988; McCormick & Scorpio, 2000):	Five-point Likert scale
a) The size measurement of the sportswear fits me very much.	
b) The materials used by the brand of sportswear are comfortable.	
c) The brand has sufficient color choice of sportswear I need.	
d) Sportswear of the brand has good functional quality (e.g. breathable, waterproof, odor-resistant, light weight).	
e) Sportswear of the brand is durable.	
Price (Cadogan & Foster, 2000):	Five-point Likert scale
a) The increased price would not hinder my purchase intention.	
b) The brand provides good value for money.	
Style (Abraham & Littrell, 1995; May, 1971):	Five-point Likert scale
a) The brand of sportswear provides wide variety of styles for me to choose.	
b) Styles of the brand of sportswear are suitable for me.	
c) Styles of the brand of sportswear have distinctive features.	
d) Styles of the brand of sportswear are trendy and fashionable	
Store environment (Evans <i>et al.</i> , 1996; Milliman, 1982):	Five-point Likert scale
a) The brand has good store locations and easy to access.	
b) The brand has sufficient outlets.	
c) The interior display of the brand is attractive.	
d) Color and music inside the stores are attractive and comfortable.	
Promotion (Czerniawski & Maloney, 1999; Evans <i>et al.</i> , 1996; May, 1971):	Five-point Likert scale
a) Advertisements of the brand are attractive.	
b) Advertisements of the brand attract me to purchase more frequently.	
c) Window displays of the stores are attractive.	
Service quality (Mittal & Lassar, 1996):	Five-point Likert scale
a) Salespersons of the stores are well-trained and knowledgeable.	
b) Salespersons of the stores are willing to help me.	
c) Salespersons of the stores are friendly and courteous.	
d) Salespersons of the stores have neat appearance.	

Results and Discussion

Classification result of hard-core loyal consumers and brand switchers

The sample was classified into hard-core loyal consumers and brand switchers according to the question of “Are you especially loyal to a brand of sportswear?”. Large majority of the respondents were brand switchers (80.7%) and the rest of them are hard-core loyal consumers (19.3%). Classification results of a discriminant analysis later in this study indicated that 68.6% of respondents were correctly classified into two groups: hard-core loyal consumers were accurately classified the case as 64.8%, while brand switchers were accurately classified as 69.5%. They were both larger than 50%, and they were said to be accurately classified. It is reasonable that the majority of the respondents are classified as brand switchers because there are little loyal consumers in the market. Since brand switchers use two or more brands and are willing to buy new brands, they contribute to a higher market potential for new brands or new market entrants.

Factors of Brand Loyalty

In the following part, the difference of each factor of brand loyalty between hard-core loyal consumers and brand switchers

were examined by using discriminant analysis. Discriminant analysis was used to examine which factors can distinguish the two groups of consumers (Kinnear & Gray, 2000). Then, independent-samples t-test was used to verify the findings obtained from discriminant analysis.

Stepwise discriminant analysis was used in this study to produce a linear function that can distinguish between two groups. It was performed by adding and subtracting factors using the statistics of Wilks' Lambda and the remaining factors used in the discriminant function. All the variables were highly significant at the level of $p < 0.001$. The findings showed that the discriminant function was highly significant ($p = 0.000$). Then, the independent variables were screened by the stepwise procedure, and three variables were significant to be included in the function. The discriminant loadings were reported under structure matrix and factors included were ranked from highest to lowest by the size of the loading – indicating their discriminant power. It was clear that the function was based on hard-core loyal consumers' interpretation of their favorite sportswear brands in terms of brand name, style, product quality, price, store environment, salesperson, and inversely on promotion. Table II shows the structure matrix of hard-core loyal consumers.

Table II
Structure Matrix on Hard-core Loyal Consumers

	Function
Brand name	.710
Product quality	.332
Price	.190
Style	.410
Store environment	.130
Promotion	-.381
Service quality	.021

Note: Pooled within-group correlation between discriminating variables and standardized canonical discriminant functions. Variables ordered by absolute size of correlation within function.

The standardized canonical discriminant function coefficients (Table III) showed three predictor variables were significant discriminators. The standardized canonical discriminant function coefficient

is used to indicate the relative importance of the independent variables (the seven factors of brand loyalty) in predicting the dependent variable (brand loyalty of hard-core loyal consumers and brand switchers). From the

discriminant function, three brand loyalty factors had the most discriminating power to distinguish consumers who purchased sportswear. They are brand name, style, and promotion. The higher the coefficient means, the higher the discriminating power to discriminate two groups of consumers (Hair *et al.*, 1998). Brand name made the

largest contribution to the discriminant function. Its coefficient was 0.789 and represented the most powerful discriminating power for two groups of consumers. Promotion and style had less discriminating power with the coefficient of -0.682 and 0.44 respectively.

Table III
The Standardized Canonical Discriminant Function Coefficients of Two Groups According to the Discriminating Factors

	Standardized canonical discriminant function coefficients
Brand name	.789
Style	.440
Promotion	-.682

Independent-samples t-test was used to examine the difference between means of brand loyalty of hard-core loyal consumers and brand switchers, and used to statistically test whether there are significant differences between these two groups of consumers. In this part, this test is used to confirm the findings obtained from discriminant analysis. In Table IV, the t value showed that there is significant difference between hard-core loyal consumers and brand

switchers on brand name, style, and promotion ($p < 0.05$).

Therefore, based on the results from both independent-samples t-tests and discriminant analysis, hypotheses 1, 4 and 6 were supported. There are difference in brand name, style and promotion affecting brand loyalty between the two groups of consumers. Hypotheses 2, 3, 5, and 7 were rejected.

Table IV
Factors of Brand Loyalty between Hard-core Loyal Consumers and Brand Switchers

	Group means		t-value
	Hard-core loyal consumers	Brand switchers	
Brand name	3.50	3.22	-.3856**
Product quality	3.77	3.75	-.180
Price	3.06	2.96	-1.053
Style	3.62	3.46	-2.225*
Store environment	3.30	3.25	-.621
Promotion	2.08	2.20	2.068*
Service quality	3.52	3.47	-.603

Note: ** $p < 0.01$, * $p < 0.05$

On the other hand, Table IV showed that two of the three variables, brand name and style have higher means for hard-core loyal consumers. This suggests that they have more influence on the brand loyalty.

Only promotion has the higher means for brand switchers.

As hard-core loyal consumers were loyal to a particular brand, it is meaningful that they were greatly influenced by the

brand name. They were satisfied with the reputation of the brand. They might probably think that their personality fit with brand personality. The brand was selected regardless the increase in price, so this is a true loyalty. Furthermore, the higher group means of style of hard-core loyal consumers indicated their better perceptions with the wide variety of styles of their favorite sportswear brands. This also indicated that the styles suit them very much. The styles of the brand had distinctive features and were trendy and fashionable. These requirements were consistent with the findings from previous research done by Li *et al.* (1995). Their research found that athletes wanted styles to be both nice-looking and functional. The research also discovered that the requirements of the style of sportswear should be nice-looking, innovative, diversified and fashionable (Li *et al.*, 1995). These factors affect consumers to build up their brand loyalty towards their favorite sportswear brands.

The difference of group means on promotion between hard-core loyal consumers and brand switchers indicates the importance of promotion to brand switchers. Previous research selected jeans for measuring brand loyalty also shows that quality, price, and promotion are the variables for respondents to purchase this product category (Wood, 2004). The average group means on promotion of brand switchers is larger compared with hard-core loyal consumers. The larger the average group means, the more importance of the factor. Brand switchers, especially women are the most impulsive about shopping and the least organized (Levy & Rook, 1999). Brand switchers are also relatively receptive to advertising that is strongly visual in character, shows activity, and impressions of energy. Brand switchers react to promotional advertising, coupons and special inducements more than hard-core loyal consumers. Promotion by other brands could affect brand switchers' purchase decision. This induces the action of brand switching among brands. Therefore, effective promotion of other brands would affect the brand loyalty of brand switchers

towards their favorite brands. However, hard-core loyal consumers do not need frequent advertising or price promotions. They do not easily switch to alternative brand because of promotion by other brands.

To sum up, the main difference of brand loyalty factors between hard-core loyal consumers and brand switchers are brand name, style and promotion. The main concern for hard-core loyal consumers is brand name and style, while promotion is more important to brand switchers.

Conclusions and Implications

Managerial Aspects

Consumers from 'late teens' and 'early twenties' have the highest interest in clothing. They are also the big spenders in the sporting goods market. They are in the period of expressing individuality and beauty and wear up-to-date and trendy apparel. They dispose their old style apparel frequently and results in frequent wardrobe replacement. This period represents a change in lifestyle and represents a phase of new wardrobe demands. As they have high interest in personal appearance, they tend to have greater clothing expenditure. Nevertheless, the large majority of the respondents aged from 18 to 24 years old are brand switchers. This can be explained by previous researches that this age group is widely determined as low loyal when compared with other age groups (Day, 1969; East *et al.*, 1995; Uncles & Ehrenberg, 1990; Wood, 2004). Therefore, marketers have to concentrate their efforts and resources on this consumer segment, such as introducing new lines of fashion sportswear to target the youth market (HKTDC, 2004).

On the other hand, creating brand loyal consumers is difficult. Marketers need to continually improve their marketing programs to attract and retain consumers. As competition in the market place is getting increased, consumers are supplied with information on different brands. Thus, important views between "making more consumer satisfied" and "making specific

groups of consumers more satisfied' raised. Making specific groups of consumers more satisfied is more significant related to company's profitability level. Therefore, marketers now focus on brand switching behavior in the market place. As a result, they concentrate on gaining knowledge in factors that can affect consumers to become and remain loyal to their own brands. Loyal consumers may be willing to pay more for a brand. Consequently, branding gives marketers an opportunity to develop and maintain a loyal and profitable consumer base (Reichheld & Sasser, 1990). It is important that a sportswear company promises to consistently deliver specific sets of features, benefits and services to its consumers (Kotler, 1994).

Furthermore, marketers have to launch consumer retention program because the cost of consumer retention is five times less expensive than the cost of recruiting a new customer (Gould, 1995; Reichheld & Sasser, 1990). There are three main benefits of consumer retention: costs of consumer acquisition are reduced, higher margin are gained as long lasting consumers are less price sensitive, and sales are raised because consumers buy more products from the company they are loyal to. Instead of attracting new consumers, companies would like do more business with consumers in order to retain current consumers and build up long-lasting consumer relationship. Thus, brand loyalty programs are designed to turn one time buyers into buyers that will purchase the product again.

Moreover, after analyzing the data, it was found that promotion is the most efficient strategy in attracting brand switchers. In the sportswear market, promotion tends to reinforce brand switchers to develop more solid brand loyalty towards sportswear. Youngsters follow the moves of their favorite sport celebrities, so they buy the same brand used by sport idols. Sporting goods companies promote their brand images by spending huge amount of money in sponsoring major sports events and individual sports celebrities in Hong Kong (HKTDC, 2004). Moreover, using

sponsorship by brands such as the NBA and Olympic games can create brand exposure in the market (Aaker & Joachimsthaler, 2000). The cost of a sponsorship can be justified solely by the brand name exposure achieved through event publicity. In addition, innovation remains as a key promotion strategy for sportswear brands. Innovation concerns the functional ability of sportswear in terms of absorbency, softness, air-permeability, and movement-matching style (Li *et al.*, 1995). The promotion of innovative products can help attracting consumers' attention towards the brands. Consumers often read handtags to assist their purchase decisions of sportswear and consumers are demanding technically and functionally innovative sportswear. Therefore, promotion of superior functional benefits of products can be used to draw the attention of brand switchers.

Research Aspects

This is an exploratory study of brand loyalty in Hong Kong sportswear industry, an area which could potentially contribute to marketing theory. Some suggestions are made for future research. While university students could represent the age group of 18 to 24 years old, future work is needed to conduct on non-student population to identify any differences. More, future research can be administered on how each brand loyalty factors influence a consumer's loyalty towards other product categories, such as coffee, soap, toothpaste, and detergents (Ehrenberg & Goodhardt, 1970; Wood, 2004). Finally, future research efforts could tackle questions related to additional factors that would encourage consumers to recommend a product or service to others. Such factors might include other forms of marketing communication, and loyalty programs that encourage consumer to sign up friends or at least promote the product or service in question through favorable word-of-mouth.

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