

Marketing Mix, Loyal Customers & Motorcycle Industry

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Abstract:-The purpose of this study is to analyze the impact of marketing mix variables on customer brand loyalty of road riding motorcycle in Sri Lanka. The research followed quantitative approach and deductive in nature. Using convenience sampling method the data was collected from 81 respondents who are currently using and willing to use Road Riding Motorcycles. According to the findings of correlation analysis product, price, place, and promotion showed a positive significant relationship with brand loyalty at a significant level of 0.05. The adjusted R square value was 39.5% where only product, place and promotion were significant at 0.05 level. Accordingly, in order the enhance the brand loyalty on road riding motor cycles in Sri Lankan context the study recommends to focus on product, place and promotion factors in the marketing mix.

Keywords: Brand Loyalty, Product, Price, Place, Promotion, Motor Cycle

I. INTRODUCTION

Today business world is more complex and vague because of the novel innovation, technological advancement and diversity of knowledge. Therefore, peoples' needs and wants differ from each of others and much difficult to predict the consumer behavior which is consumer behavior is very complex because each consumer has different mind and attitude towards purchase, consumption and disposal of product. As a result of that organizations try to create loyal customers to their brands because brand loyalty has been considered as one of the main structures of marketing. Because of that in order to create loyal customers the organizations need strong brands for their products. Today, brands are seen as a strategic prerequisite of organizations to create greater value for consumers and gain competitive advantages (Gilaninia & Mousavian, 2010). In a customer's eye, brand are used to decide the producers, products, product value, and image of the company in the point of making purchasing decisions (Wang & Tzeng, 2012). A general definition for brand loyalty can be provide as the deep commitment to re-purchase a desired service or product regularly in the future without considering the situational influences and marketing efforts to change behavior (Chattopadhyay et al., 2010). Further, the loyal customers are willing to pay more for gaining advantages and qualities of their favorite brand (Clotey et al., 2008). As Pourdehghan (2015) explained that in highly competitive markets, keeping customers and retaining their loyalty is considered crucial in the business. Therefore, every marketers need to various marketing strategy to archive their expected goals in order to

generate their customer loyalty. Moreover, as brands create main point of separation between the competitive products, creating of brand loyalty among the consumers is crucial to attain competitive advantage over their competitors. Therefore, in order to develop the marketing strategies, it is very much important for all companies to examine the factors affect to secure the brand loyalty. As a result of that this study was intended to examine the brand loyalty of motorcycle in Sri Lankan market because of the drastic increase in purchasing and new registration of motorcycles in Sri Lankan Motorcycle market as presented in Table 1.

Table 1: Motorcycle population of Sri Lanka

Year	2013	2014	2015	2016	2017
Motorcycle	2,715,727	2,988,612	3,359,501	3,699,630	4,044,010
Motor Cars	528,094	566,874	672,502	717,674	756,856
Motor Tricycle	850,457	929,495	1,059,042	1,115,987	1,139,524
Dual purpose vehicles	304,746	325,545	365,001	391,888	408,630
Motor Lorries	329,648	334,769	341,911	349,474	352,275
Buses	93,428	97,279	101,419	104,104	107,435

Source: Minister of transport & civil aviation statistics reports

Thus, it is very much important to focus on the effective factors which create such an improvement as well as it is important for companies to identify the influential factors which create attraction for their brands among the customers. Therefore, this study mainly intend to examine the impact of

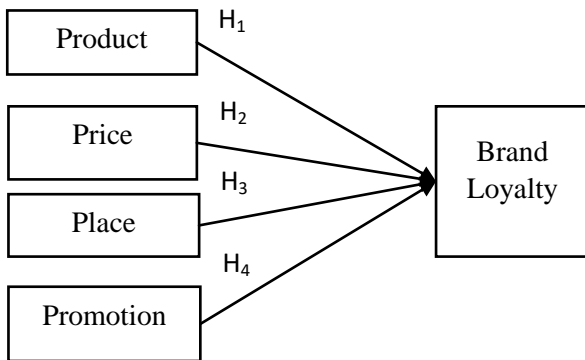
marketing mix variables namely, product, price, place & promotion on brand loyalty among the customers in the motorcycle market in Sri Lanka as there is a gap in the existing literature. Accordingly, the research questions of the study can be identified as follows.

- What is the impact of Product on Brand loyalty of road riding motorcycle in Anuradhapura District in Sri Lanka?
- What is the impact of Price on Brand loyalty of road riding motorcycle in Anuradhapura District in Sri Lanka?
- What is the impact of Place on Brand Loyalty marking of road riding motorcycle in Anuradhapura District in Sri Lanka?
- What is the impact of Promotion on Brand Loyalty marking of road riding motorcycle in Anuradhapura District in Sri Lanka?

II. CONCEPTUAL FRAMEWORK AND HYPOTHESIS

Based on the objective the study is intended to examine the impact of marketing mix variables on brand loyalty in Motorcycle industry in Sri Lanka. Thus, the study has identified the product, price, place & promotion as the independent variables and the brand loyalty as the dependent variable. Accordingly, based on the existing literature the researcher has developed following conceptual framework.

Figure 1: Conceptual Framework



Based on the conceptual framework developed, the study attempted to test the following hypothesis in order to examine the impact of marketing mix variables on brand loyalty.

- H₁: There is an impact of product on brand loyalty of road riding motorcycle in Anuradhapura District.
- H₂: There is an impact of price on brand loyalty of road riding motorcycle in Anuradhapura District.
- H₃: There is an impact of place on brand loyalty of road riding motorcycle in Anuradhapura District.
- H₄: There is an impact of promotion on brand loyalty of road riding motorcycle in Anuradhapura District.

III. METHODOLOGY

This study used deductive approach as the research approach which is backed by explanatory research design. The study was conducted in non- contrived settings and the unit of analysis was individual level as the study collected data from 81 respondents who are currently using and willing to use Road Riding Motorcycles using convenient sampling method. The questionnaires were developed based on the prevailing literature and the first parts of the questionnaires were developed for gather demographical details of the respondents and the second part of this questionnaires were developed to measure the dependent and independent variable in five point Likert Scale by rating the questionnaire with value 5 representing strongly agree and value 1 represent strongly disagree. Data analysis was performed by using Descriptive statistics, ANOVA, correlation and regression analysis by using Statistical Package for Social Sciences (SPSS) 21.0 version.

IV. RESULTS

The data collected from 81 number of customers who are currently using and willing to use motorcycles on different motorcycle brands. The highest percentage of the sample represents by the 26 years to 33 years age category and as a percentage it was 45.7%. The highest percentage of the customers has represented Private Sector Employees and as a percentage it was 24.7%. As a brand majority of people prefer to use Bajaj motorcycle and as a percentage it was 51.9%.

Reliability

The table shows the summary of reliability statistics for the independent variables (Product, Price, Place, and Promotion) and the dependent variable (Brand Loyalty of road riding motorcycle) that were intended to measure the internal consistency of the construct.

Table 2: Reliability analysis

Variables	No: of item	Cronbach Alpha
Product	5	0.805
Price	3	0.797
Place	4	0.720
Promotion	4	0.654
Brand Loyalty	14	0.701

According to the table its Cronbach’s alpha value of all variables were ranged from 0.654 to 0.805, it fulfills the relevant accepted level of the reliability.

Descriptive analysis

In this study, descriptive analysis was calculated to identify the basic nature of the research variables. Mean, Standard Deviation the Skewness of the dependent and independent

variables were also calculated. Results are shown in following table.

Table 3: Descriptive Statistics

	Mean	Std. Deviation
Product	4.1827	.63024
Price	3.4527	.71358
Place	3.7685	.52108
Promotion	3.5278	.43661
Brand Loyalty	3.8936	.32671

The study used mean and standard deviation to explain the descriptive nature of the variables all the variables were well above the average (average = 3) on the strongly disagree to strongly agree scale.

Correlation Analysis

The table shows the summary results of correlation analysis.

Table 4: Summary of Correlation Analysis

Variable	Correlation Coefficient	Sig: Value
Product	.444**	0.000
Price	.384**	0.000
Place	.497**	0.000
Promotion	.436**	0.000

According to the results all the independent variables namely Product, Price, Place and Promotion showed significant relationship with brand loyalty at 0.05 level of significance. These findings are comply with some of the researches

Namely Lee and Back (2010), Kim and Hyun (2011), Buil et al. (2013).

Regression Analysis

Brand Loyalty of road riding motorcycle were selected as dependent variable and product, price, place and promotion were as predictors. The result are disclosed in following table,

Table 5: Model Summary Table

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.652 ^a	.425	.395	.25422

As a result of this table 4.11 the R value shows the simple correlation and it was 0.652. The adjusted R square value indicates how much of the total variation in the dependent variable can be explained by independent variable. According to the above result, 39.5 % of brand loyalty was described by the independent variables and remaining 60.5% of brand loyalty is described by other factors.

Table 6: ANOVA Table

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	3.628	4	.907	14.032	.000 ^b
Residual	4.912	76	.065		
Total	8.539	80			

a. Dependent Variable: Brand Loyalty

According to the above table 4.12, F value was 14.032 and significant value was 0.000 (P<0.05). It represented that there is a significant relationship between independent variables and the dependent variables.

Table7: Coefficient Table

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.693	.300		5.640	.000
Product	.156	.048	.300	3.236	.002
Price	.012	.053	.027	.234	.816
Place	.189	.074	.302	2.559	.012
Promotion	.225	.068	.301	3.303	.001

According to the regression results other than price, all other variables namely product, place and promotion showed a significant impact of brand loyalty at a significant level of 0.05 level.

V. CONCLUSION AND RECOMMENDATIONS

The purpose of this study is to analyze the impact of marketing mix variables on customer brand loyalty of road riding motorcycle in Sri Lanka by selecting 81 respondents as the sample in Anuradhapura district. According to the findings the study revealed there is a significant impact on product, place and promotion on brand loyalty of the customers. Thus, in order to enhance the brand loyalty on road riding motor cycles in Sri Lankan context the study recommends to focus on product, place and promotion where the price was not significant factor. As suggestions for future research focus on other factors impact on Brand Loyalty, expand geographical area and the sample size and focus on the women category are recommended.

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