

DETERMINATION OF THE BRAND LOYALTY STRATEGIES BY USING QUALITY FUNCTION DEPLOYMENT METHOD: AN APPLICATION IN THE APPAREL INDUSTRY

KALİTE FONKSİYON GÖÇERİMİ YÖNTEMİ İLE MARKA BAĞLILIĞI STRATEJİLERİNİN BELİRLENMESİ: HAZIR GİYİM SEKTÖRÜ UYGULAMASI

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ABSTRACT

Having a strong brand has become an important factor for companies to continue their operations and to reach their targets in today's intense and fatal competitive environment. In this sense, the competitiveness of companies is carried out by the brand/brands they created. The most important indicators of the brand power are the brand awareness and the brand loyalty. The value of brand awareness, brand equity and brand loyalty are increasing more and more, as the markets are turned into brand garbage. For this reason, companies use several different methods to find out their brand equity and depth of their brand loyalty. Quality function deployment is one of these methods and it appears to be a proven technique for solving many different business problems. In this study, the brand loyalty was measured by using quality function deployment method in the apparel industry, where brand and brand loyalty is very important. In the scope of the results, the strategies that are already developed and that could be developed in the future by the companies were analyzed.

Key Words: Apparel industry, Brand loyalty, Quality function deployment, Brand strategies, House of quality.

ÖZET

Günümüzün yoğun ve öldürücü rekabet ortamında işletmelerin ayakta kalabilmeleri ve hedeflerine sağlıklı bir şekilde ulaşabilmelerinin en önemli araçlarından birisi güçlü bir markaya sahip olmalarına bağlıdır. Bu anlamda işletmelerin rekabeti yarattığı marka/markalar üzerinden gerçekleşmektedir. Bir işletmenin markasının/markalarının gücünün en önemli göstergesi ise marka bilinirliği ve yarattığı marka sadakatidir. Piyasaların bir marka çöplüğüne döndüğü günümüzde marka bilinirliğinin, marka değerinin ve yarattığı marka sadakatinin değeri daha da artmaktadır. Bu nedenle işletmeler markalarının değerini ve yarattığı müşteri bağlılığının derinliğini öğrenmek için birçok farklı yöntemi kullanmaktadır. Bu yöntemlerden önemli biri de kalite fonksiyon göçerimi yöntemidir. Birçok farklı işletme sorunlarının çözümünde kullanılabilen kalite fonksiyon göçerimi kendisini kanıtlamış bir teknik olarak karşımıza çıkmaktadır. Bu çalışmada markanın ve marka bağlılığının çok önemli olduğu hazır giyim işletmelerinde kalite fonksiyon göçerimi yöntemi kullanılarak marka bağlılığı ölçülmüş ve ortaya çıkan sonuçlar ile işletmelerin bu konuda geliştirdikleri ve geliştirebilecekleri işletme stratejileri analiz edilmiştir.

Anahtar Kelimeler: Hazır giyim sektörü, Marka bağlılığı, Kalite fonksiyon göçerimi, Marka stratejileri, Kalite evi.

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1. INTRODUCTION

1.1 Brand loyalty

There are many operational definitions of brand loyalty. In general, brand loyalty can be defined as the strength of preference for a brand compared to other similar available

options. This is often measured in terms of repeat purchase behavior or price sensitivity (1). However, brand loyalty is more than simple repurchasing; customers may repurchase a brand due to situational constraints, a lack of viable alternatives, or out of convenience (2).

The American Marketing Association defines brand loyalty as “the situation in which a consumer generally buys the same manufacturer-originated product or service repeatedly over time rather than buying from multiple suppliers within the category” (3).

A high degree of loyalty among customers provides the firm with a series of specific competitive advantages. The loyalty of the customer base reduces the vulnerability to competitive attacks, reduces marketing cost and increases the brand’s revenue (3). A brand with strong customer loyalty include ability to maintain premium pricing, greater bargaining power with channels of distribution, a strong barrier to potential new entries into the product/service category, and synergistic advantages of brand extensions to related product/service categories (4). Also customers are willing to pay higher prices, may cost less to serve and can bring in new customers to the firm (1).

1.2 Quality function deployment

Quality Function Deployment (QFD) is one of the Total Quality Management quantitative tools (5) and it was originated in the late 1960s to early 1970s, in Japan, by Professor Yoji Akao (6). Akao (1972) defines it as “a method for developing a design quality aimed at satisfying the customer and then translating the customer’s demands into design targets and major quality assurance points to be used throughout the production phase” (7).

The QFD chart (which is also called “House of Quality”) is a multifunctional tool that can be used throughout the organization. For engineers, it is a way to summarize basic data in a usable form. For marketing, it represents the customer’s voice and general managers use it to discover new opportunities (8).

Some advantages of QFD are that it reduces the start-up costs of new product development, shortens design cycles, increases efficiency, and saves time. QFD also enhances the number of satisfied customers because the customers’ needs and desires are met or exceeded by the product/service (7). It helps in making trade-offs between what the customer demands and what the company can afford to produce, enhances teamwork among engineers in departments, and shortens the time to market (9). It enables the companies to become proactive to quality problems rather than taking a reactive position by acting on customer complaints (10). It also helps to build a partnership between customers and suppliers (6).

2. MATERIAL AND METHOD

This study aims to determine the factors that affect the brand loyalty of consumers by using QFD method and to develop strategies for these. For this purpose, Sun Textile Company is chosen which produces under Jimmy Key brand in İzmir province. Jimmy Key is a woman and man brand which has been created by Sun Textile Company in 1997. The brand offers alternatives such as sportswear, casual wear and business clothes for young women. Also the brand is one of the private brands which are accepted for Turquality® program (It is a government sponsored branding program which is unique and initial throughout the world).

The study consists of two basic parts. First of all, a survey is conducted to a target group (it consists of 30 people) by

using face to face interview technique. Thus, the factors that affect the brand loyalty and their significance levels are determined. The relations between these factors are analyzed by QFD method. On the second part, strategies depending on research results are implemented with production and brand managers.

3. IMPLEMENTATION STEPS OF THE RESEARCH AND DATA ANALYSIS

Step 1: Determining the brand loyalty requirements

The factors affecting the brand loyalty of consumers are determined by a survey which is conducted to the consumers that are included in the research. These factors are; quality, price, appropriateness to fashion, meeting the basic expectations, product changes, sewing quality, store layout, color quality of the products, appropriateness to body, attitudes of store employees, made of cotton products, comfortable products, product life cycle, availability of various colors, design and store location.

Step 2: Classifying brand loyalty requirements

In the second step, the answers are classified in order to be easily analyzed and converted to technical characteristics: Quality, design, product life cycle, pattern properties, performance properties of fabrics, pre and after sales services, store location, store atmosphere and layout, product variety, price-quality balance and power of making difference.

Step 3: Determining the significance levels of the requirements

The significance levels of the brand loyalty requirements, which are classified in step 2, are determined by the results of the second survey which is conducted to the initial consumer group (it consists of 30 people). For this purpose, consumers are asked to response the significance levels of brand loyalty requirements by using quinary likert scale (1 is coded as the least significant, 5 is coded as most significant). After that, arithmetic means of the values are taken and significance levels are calculated. According to this, pattern properties, price-quality balance and quality are determined as the most significant brand loyalty requirements.

Step 4: Planning matrix

At this step, consumers are asked to grade the case brand (Jimmy Key) and its rival by taking the brand loyalty requirements into consideration. For grade quinary likert scale is used 1 is coded as the least significant, 5 is coded as most significant). Arithmetic means of the values are taken and the results are placed in comparison matrix.

As shown in Figure 1, case brand and its rival have similar ratings. The rival brand is better in meeting the “design”, “pattern properties”, “store location” and “power of making difference” requirements whereas case brand has higher scores in “performance properties of fabrics” and “store atmosphere and layout”.

The goal column which is located in the planning matrix (Table 1) indicates the place of the enterprise in terms of customers. In order to be able to determine the goal and sale points an interview is made with product and logistic manager. According to this (when the sales points are analyzed) importance must be given to “store location”,

“product variety” and “price-quality balance” requirements. Thus the enterprise can make progress in sales potential.

Improvement ratio is obtained by the division of goals to current situation. After that absolute and relative weights are calculated according to the formulas.

Absolute weight = Significance level x Improvement ratio x Sales point

Relative weight = (Absolute weight/Total absolute weights) X 100

Step 5: Determining the technical requirements (strategies)

This step is known as the voice of engineer. Technical requirements of the current product are determined with this

technique (11). At this step, due to the interviews with production and brand managers, strategies were developed in accordance with the brand loyalty requirements.

Step 6: Relationship matrix

After determining technical requirements, relationships between technical and consumer requirements are analyzed. Relationship matrix serves for customer satisfaction during the process by making numerical sorting. At this step, relationships are established with production and brand managers. Each strategy is scored according to its effect over brand loyalty requirements of consumers. Table 2 shows the symbols and their meanings which are used in relationship matrix.

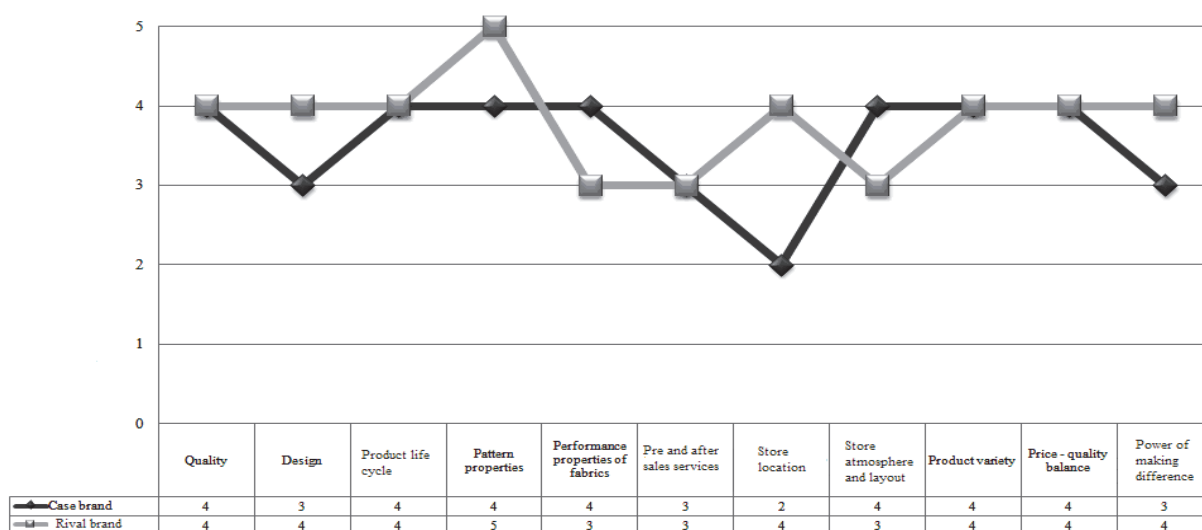


Figure 1. Comparison with rival

Table 1. Planning matrix

Consumer Requirements	Significance Level	Case Brand	Rival Brand	Goal	Improvement Ratio	Sales Point	Absolute Weight	Relative Weight
Quality	4,52	4	4	5	1,25	1,0	5,65	8,13
Design	4,44	3	4	4	1,33	1,2	7,09	10,20
Product life cycle	4,04	4	4	5	1,25	1,0	5,05	7,26
Pattern properties	4,67	4	5	5	1,25	1,0	5,84	8,40
Performance properties of fabrics	4,04	4	3	4	1,00	1,0	4,04	5,81
Pre and after sales services	4,11	3	3	4	1,33	1,2	6,56	9,43
Store location	4,15	2	4	4	2,00	1,5	12,45	17,91
Store atmosphere and layout	3,70	4	3	4	1,00	1,2	4,44	6,39
Product variety	4,33	4	4	4	1,00	1,5	6,50	9,35
Price - quality balance	4,67	4	4	4	1,00	1,5	7,01	10,08
Power of making difference	3,07	3	4	4	1,33	1,2	4,90	7,05

Table 2. Symbols used in relationship matrix

Level of the relationship	Score
No relationship	0
Low or weak relationship	1
Medium relationship	3
High or very strong relationship	9

Step 7: Determining the relationship between technical requirements - correlation matrix

House of quality is constituted at this stage. Thus the positive and negative relationships between technical requirements are determined. The basic factors, which will be the basis of strategies, are appeared. Correlation matrix is constituted with the managers. Table 3 shows the symbols and their meanings which are used in correlation matrix.

Table 3. Symbols used in correlation matrix

Relationship	Symbol
Strong positive	++
Medium positive	+
Medium negative	-
Strong negative	--

Step 8: Calculating the absolute and relative significance levels of the technical requirements

After determining relationship and correlation matrixes, absolute and relative significance levels of the technical requirements are calculated. Absolute (technical) significance level is calculated by summing the each

Absolute significance level = \sum (Absolute weight X Relationship score)

Relative significance level (%) = (Absolute significance level / Total absolute significance level) X100

When the relative significance levels are analyzed, it can be seen that the case brand should focus on strategies such as "Following new trends, foreign brands and WGSN", "Making investment to R&D activities", "Making in-store surveys, evaluation of the customer satisfaction", "The growth strategy in Aegean Region and Antalya by franchising" and "Online shopping" for creating loyal customers.

The house of quality is given in Figure 2. The strategies which will gain brand loyalty are explained in the conclusion part.

4. CONCLUSION

In this study, it is aimed to determine the requirements for brand loyalty and to develop strategies according to these requirements by using QFD method in an apparel company. Therefore, the requirements for building brand loyalty were investigated and the importance rating of the customers' requirements was determined first. When the importance ratings of the requirements are examined, it can be seen that "pattern properties", "price - quality balance" and "quality" have the highest scores.

Then, due to the interviews with the manager, appropriate strategies were developed and, the relationship between requirements and strategies were estimated by preparing a relationship matrix. When the technical importance of the strategies are analyzed, it can be seen that "Following new trends, foreign brands and WGSN", "Making investment to R&D activities", "Making in-store surveys, evaluation of the customer satisfaction", "The growth strategy in Aegean Region and Antalya by franchising" and "Online shopping" are the prior strategies that should be followed due to their high relative weight scores.

It is an inevitable fact that the products which are not renovated or differentiated will not keep their places in the apparel industry affected intensely by fast fashion. Therefore, by following new trends, it would be possible to meet the expectations of customers about design and product variety.

One of the important issues in building brand loyalty is the ease of transportation to the stores/brands. The case brand is offered for sale in a few points, for that reason, it may prevent to create brand loyal customers.

Nowadays, electronic shopping has gathered speed with the increase in internet usage. Thereof, companies began to market their products by this way. For the users, these websites able them to do shopping independently by time and space. For the companies, they can reach different consumer profiles in shorter periods. Therefore, "the growth strategy in Aegean Region and Antalya by franchising" and "online shopping" are the important steps for overcoming this issue.

The product development is a necessity in today's highly competitive conditions. By allocating resources for research and development activities, the quality and long-term usage requirements of the customers can be fulfilled. In general, companies should allocate resources for R&D activities to produce high quality products.

Pre- and after-sale services which have strong impact on customer brand preference should be focused by the companies since they provide long-term profit. Companies should evaluate the customer satisfaction (pre- and after-sale services and overall satisfaction) by making in-store surveys and due to the results they should develop strategies. By these strategies, companies can allocate their budgets more efficiently to service activities.

We can summarize the strategies that should be developed by companies to improve loyalty as follows:

- Brand positioning should be made effectively.
- The "visual hammer" elements (visual elements - logo, word, color, etc.) of the brand should be identified correctly.
- Brand ads should be repeated within specific periods by using right tools and appropriate methods for brand positioning.
- Products should support brands in terms of design, quality and variety.
- Store locations and store environment should be compatible with brand positioning.
- An efficient customer database should be created.
- Design team should design products compatible with customers' lifestyle and goals.
- The pre-sale, sale and after-sale service quality should be a certain standard and compatible with brand positioning.
- Customers' aspect to the brand should be analyzed constantly by a systematic and serious approach.

By following the above-mentioned strategies strictly, the company's brand loyalty can increase rapidly and as a result the company will gain a great competitive advantage against its rivals.

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