

Factors Influencing Brand Loyalty of Customers in Aviation Sector of Pakistan

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Abstract

The purpose of this study is to investigate the relationship of brand experience and brand image with brand loyalty of customers. The proposed model is conceptualized in context of Pakistan aviation sector. Brand loyalty is viewed as strengthen of relationship between brand and customers. Here an attempt made to probe into behavior of customers' preference to buy services repeatedly. The investigation of this study highlights the factors which compels customers to be loyal with brand. In aviation sector of Pakistan, the issue of brand loyalty has been observed and valuable suggestion being provided to cop this issue. The theoretical framework will help future researcher to get better understand of constructs and base to apply in other services contexts.

Keywords: brand loyalty, brand experience, brand image, aviation sector

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Introduction

Essence of an organization's success lies in its customer's behavior. Organizations have acknowledged customers as core element for success. The lifeblood of any business is always its customers that plays significant role in the success of business (Petzer, Perrey, & Spillecke, 2009). The business who failed to maintained good relationship with customers ended up with customer's turnover to alternative brands (Ali, Dey, & Filieri, 2015). Therefore, organizations encourage their management personnel to adopt customer oriented approaches (Deng & Wang, 2013). Organizations' success is heavily dependent on its ability to manage profitable relationship with its existing and potential customers. Customer brand relationship is crucial for both customers and brands and its value has been well documented in previous marketing literature (Molinillo, Japutra, Nguyen, & Chen, 2017).

In this era of digitization together with fundamental changes in life styles, organizations are not only looking for customers' satisfaction but also developing long term relationship with customers (Ganiyu, 2017). Therefore, brand loyalty has become focal point of researchers and practitioners. It has been observed that loyal customers pay more than non-loyal customers and considered as "heart of a company's most valuable customer group" (Farhat & Khan, 2011).

Brand loyalty has become an important concern of organizations. Brand loyalty help brands in managing long term relationship with customers and key strategy to enlarge customers' base (Ozcifci, 2017). Brand loyalty has become major concern of organization due to its role in competitive market. Brand loyalty help organization to grow and sustain in intense competitive market by strengthening customers relationship with organization (Kandampully, Zhang, & Bilgihan, 2015). It has become essential for organization to focus on strategies which help them to persuade customers toward repeat purchases and exhibits loyalty (Han et al., 2018).

This study has undertaken in-depth review of marketing literature and transport industry to examine the role of brand loyalty in service industries (for this case, Pakistan aviation sector as focal context). In the Pakistan aviation industry, Pakistan owned carriers have intense competition with both local and global fly carriers are competing each other's for their sustainability in marketplace. Global brands tends to fetch more customers than Pakistan owned carriers which is causing massive customers' loss to Pakistan aviation sector (Iqbal & Badshah, 2016). Ali, Dey, and Filieri, (2015) argued that such customers' loss of local fly carriers of Pakistan is also causing inadequate profits and decreasing market share to them.

Role of aviation sector have never been underestimated for prosperity and growth of an economy. In fact, Government of Pakistan have taken initiative for the development of aviation sector and focused on customer care to make repeat purchases of them (World Travel and Tourism Council, 2017). According to JCR-VIS credit rating company limited, customers' preference for air travel is raising by 5% per year. Whereas, customers are switching from Pakistan owned airlines to global competitive airlines and customers' share of Pakistan owned airlines dropped by 13% which grasped by foreign flyers (Iqbal & Badshah, 2016). It clearly indicates the lack of customers' loyalty for Pakistan owned flyers and urges the need to enhance brand loyalty of customers.

Therefore, study in hand tends to develop integrated model for brand loyalty in context of aviation sector of Pakistan and addressing research gaps. The detail objective of this research to 1) find the factors affecting brand loyalty and 2) to investigate the role of brand loyalty in aviation sector of Pakistan.

Literature Review

Brand experience

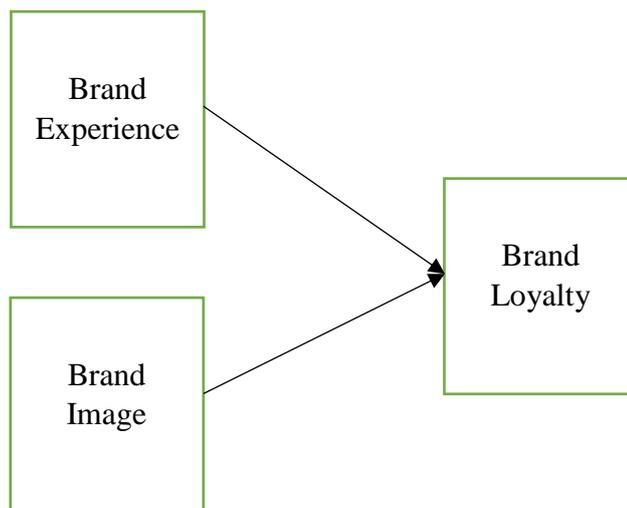
Brand experience is explained as set of interactions during service delivery, purchasing and even through marketing campaigns between brand and customers (Saari & Makinen, 2017). Basically, brand experience is combination of hedonic meanings which is related to feelings, behavior and opinions of customers to make purchases. Brand experience can be short or long term and positive or negative too. It is key driver which makes customer loyal and disloyal on the base of experience (Zarantonello & Schmitt, 2010). Marketing literature have revealed that brand experience strongly influence the loyalty of customers (Merrilees, 2016).

The concept of brand experience was introduced when traditional marketing takes off to experiential marketing due to major developments in marketplace. Customers interest and knowledge about services, enhanced stiff competition at global level and changing life style of customer urged the need to enhance the customers' brand experience (Cleff, Walter, & Xie, 2018). Brand experience foster customers to stay with brand for long-term and keep repurchases (Westhuizen, 2018). Moreover, management of Pakistan aviation also urged the need to improve brand experience of customers to gain their loyalty (*National aviation policy*, 2015).

Brand image

Brand image is customers perception about a brand or memories and set of associations linked to brand (Keller, 1993). Brands run different kind of campaigns, provide differentiated service and maintain their quality through standardized services to turn the customers' feelings in their support and having good image of them in their memories (Ferdianwan, Hermawan, Wardana, & Arief, 2018). According to Rahi, Yasin, & Alnaser, (2017), brand image is a symbol of provided services and good brand image urge customers to pay premium price, make repurchases and leads brand towards enhanced profits. Good brand image effect loyalty of customers cognitively and emotionally. Therefore, brand image is vital predictor of brand loyalty in aviation sector (Dirsehan & Kurtulus, 2018). According to Tahir, (2015), management of Pakistan aviation sector also focused on the need of improving brand image to generate brand loyalty of customers.

Conceptual Framework



Discussion

Brand experience and brand image not only help brand to strengthen relationships with customer but also help to attain customer loyalty. Therefore, brands put their efforts so increase customers' experience with brand (Schmitt, 1999). Moreover, by using different marketing approaches, brand convey their image to customers to recognize them in competitive market

(Yen, Nhung, & Tam, 2018). Brand loyalty is although well researched construct but still its importance encouraged researcher to study brand loyalty in context of Pakistan aviation sector.

Model demonstrated in this study provides support of relationship in earlier studies and conceptualize overall loyalty. Furthermore, it is proposed the importance of brand loyalty for aviation sector of Pakistan. This study is not free from limitations. Future studies can focus on testing of this relationship in another service settings too. Moreover, any other influencing variable also can be added for studying their influence on brand loyalty.

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