# Impact of Word-of-Mouth on Brand Engagement: An Empirical Study of Evolving Garment Brands of Pakistan

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**Abstract**
The purpose of this paperis to investigate the impact of word-of-mouth (WOM) on brand engagement.A questionnaire derived from the previous literature and relevant literature was distributed to 700 respondents. 560 respondents returned the questionnaires, 60 being incomplete and were discarded. Correlation and regression procedures were employed to evaluate the hypothesized relationships between the variables. Significant and positive relationships were observed between wom and brand engagement. Brand love was also found to moderate the relationship between word of mouth and brand engagement.
**Keywords**: Brand engagement, brand love, fashion industry, word-of-mouth

**Introduction**
Numerous studies indicate that word-of-mouth (wom) often exert strong influence on customers' choice and judgement of products (Herr et al 1991). For instance, consumers rely on word-of-mouth when purchasing a new product or service especially for the very first time (Brown and Reinger, 1987).

It is in simple giving motive to chat about specific item. Burner (1990) noticed that words constantly create meaning and for this power shift between companies and consumers has surprisingly been disturbed because of wide volume of available information. The virtue by which people get energized, feel happy and the curios to tell a friend about specific designer must be understood especially by the small businesses and boutiques.As individuals have different thoughts, show different attitudes towards objects which shape their engagement with brands (Sprott,Czellar, Spangenberg, E.(2009).

Trust and commitment of achieving new mile stones can be obtained by deepened customer relationships and also via fairness for all, interaction and partnership with customers (Pullig, C., Netemeyer, R.G. and Biswas, A. (2006). Organizations main and prime objective is customer success ensuing advocacy. Exchange theory suggests that professed costs and benefits compel a person's choice to remain busy in wom (Gatignon and Robertson 1986; Frenzen and Nakamoto 1993). Trust is considered an important aspect for customers to evaluate the authenticity of information. Similarly the brand engagement concept is active in marketing with preliminary research suggestions that customers show greater loyalty to active brands (S Fournier, 1998). If you want your customers to talk about you have got to go above and beyond the call of duty.

**Literature Review**
**Word-of-Mouth**
This is casual transfer of statements about valuation of commodities and services between patrons which are self-sufficient of vendors (Anderson, 1998; Arndt, 1967; Wee, C.H., Lim, S.L. and Lwin, M. (1995).WOM can also be defined as an act of exchanging marketing info among consumers and plays important role in changing customer attitudes and behavior towards specific set of products or services (Katz, 1955). People involved in these doings casually use words like client chatting, gossip, or buzz. In case of local brands, wom plays significant character in determining potentials thoughts and actions (Brown and Reingen, 1987). Purchasers look for potential info from other shoppers to experience accurate choices (Berger, 1988; Jolson and Bushman, 1978). The colleagues, peers, relatives can be helpful in providing related info that assists us in what we already know and what we don't know (Lim and Chung, 2011). The source of information is worthy in effecting the individual's motivation about products (Burnkrant and Cousineau, 1975). WOM marketer must be reliable and possess not hidden agenda in spreading wom (Bansal and Voyer, 2000;Smith, D., Menon, S. and Sivakumar, K. (2005). He or she or the group of people must not be the professional in providing appropriate info about the product or service in question. People are of economy mind who tried to gather information when they feel it requires (Eagly and Chaiken, 1993).While evaluating the information of authentic source, the consumer may get agreed with the advocacy of specialist without allowing the qualities of convincing argument. As community are perceived to have info about the item being considered and are able of forming rite assumptions about it, the level of apparent know-how of the resource gives the proof of communication soundness (Homer and Kahle, 1990). Though, previous research has revealed that effect of know-how of the data for convincing can be restrained by a variety of things (Bohner, G., Ruder, M. and Erb, H.P. (2002). Concluding the above we can say that brand advocates may be defined as highly

satisfied customers and others who engage in proactive behavior and go out of their way to actively endorse products/services/brands they love and care about (Fuggetta, 2012). In case of local or unfamiliar brands, the person's brand approach validity is low and they are more dependent to gather surplus information together with source of expertise. Conversely, the use of expert opinion is supposed to be restricted for a well-known brand. Therefore, the following hypothesis is advanced:

**H1:** *WOM is significantly positively related to brand engagement.*

**Brand love**

For a certain brand solid fondness or deep sensitive attachment by consumers defines brand love (Albert, N., Merunka, D., & Valette-Florence, P., 2008); Carroll & Ahuvia, 2006; Roberts, 2004). Primary component of love mark experience is brand love while discussing the personal and emotional level appeals importance; Roberts (2004) suggested. Customer retention via brand loyalty can be driven from Roberts (2004) posits that mystery, sensuality, and intimacy experiences would contribute in creating a feeling of love towards a brand, which leads to consumer retention through brand loyalty. A level of loving, expressive attachment which a gratified customer may have for particular brand or its associated dimensions can be labeled as brand love; (Carroll and Ahuvia, 2006). Brand love is evident in many forms i.e. brand passion, attachment, positive evaluation and emotion in response to brands and declarations to validate brand love (Carroll and Ahuvia, 2006).

The word love tends to summon up thoughts of relation and the feeling of affection for other individual. It can also be used to elaborate how one feels about a product, event or even a brand  (Ahuvia, 2005) and the same has also been suggested by  (Whang, Y-o., Alen,J., Sahoury, N., & Zhang,H., 2004). The brand love may lead to positively to word-of-mouth and loyalty as suggested by (Carroll, B., & Ahuvia, 2006).Brand love results in higher loyalty and better resistance to competitive products.Specifically, brand love might affect consumer's loyalty and commitment toward the brand (Batra, Rajeev, Aaron Ahuvia, and Richard P. Bagozzi, 2012).

The set of different multiple activities by virtue of which individuals connect to demonstrate their loyalty with the trade name is called brand engagement as suggested by (Keller's 2013). Based on personal standards and ambitions consumers actively choose dress designer brands.

The meaning of the term engagement is basically to attract person intense involvement*;* hold; occupy, to take part; participate, to promise (to do something)as per Collins English Dictionary.

Relationships cultivated in between brand and customer backed with value addition in customer's life with the intention of providing branded communications and experiences best defines the brand engagement process (https://aytm.com/blog/research-junction/how-to-build-brand-engagement-part-1/). Extension beyond the single purchase in other words can be obtained through every consumer touch point affiliated with the brand via reaffirming  the brand promise and open the doors for bridging up of  long-lasting relationship whenever possible. The interactions with the brand and with the people are treated on same pattern. The innovative and interesting content if not offered by the designer on continuous basis for addition of value in customer's relationships, they will be short-lived. One cannot say that sales are destined to failure if brand engagement efforts are lackluster. Money cannot buy loyalty and wom and the brands surrounded with these richer ingredients are far better positioned for long-term success.

The ultimate objective of marketing is to create engagement among customer and brand.Examples include retail environments, advertising, word of mouth, online, and the product/service itself. From purchaser's point of view design is an important aspect of a product (Luchs & Swan, 2011). In today's competitive world, there is great need of continuous strive from initial stages in order to gain positive response from clients. Brand engagement actions are the result of emotions associated with that particular brand and are essential for CBR (Bowden, 2009). The potential to which purchasers are interesting to re-invest their capital, time, power, cash during obtaining or absorbing of the brand are known as BE (Keller, 2013). The extent of brand exposure towards promotion, having sponsors and an eye-catch is measured by BE. Family or friends most of the times are being likely or very likely recommended by satisfied one time purchaser. This philosophy works especially in case of local designers which they encash on charging high premiums on certain occasions.

**H2:** *The relationship between word-of-mouth and brand engagement is moderated by brand love.*

**Research Model**

The below mentioned theoretical frame-work is based on the above literature; there are three variables in this model:

1) Word-of-mouth
2) Brand engagement
3) Brand love

There is direct relationship between word-of-mouth and brand engagement but moderating role of brand love enhances the relationship among the subjected variables. Following figure will clear us about the conceptual frame-work:

*Figure 1* **Conceptual Frame-work**

**Independent Variable            Moderator   Dependent Variable**
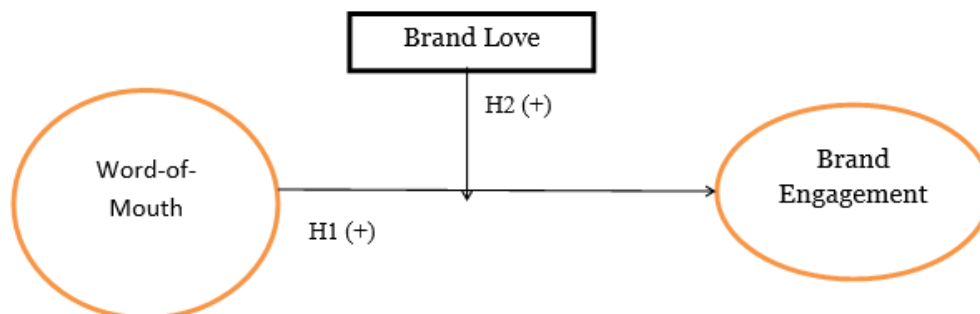


## Methodology

A survey method was adopted to collect primary data. Based on the literature, a research instrument in the form of a questionnaire was developed to obtain responses of the respondents. The respondents consisted of fashion and design conscious individuals living in and around the premises of Islamabad.

Convenient sampling method was used for the research. 700 shoppers were approached, 500 agreed to participate in the study. The questionnaires were self-administered. Before data was collected, a pilot questionnaire was floated to 100 shoppers to line the questionnaire. Most of the questions were measured on 5 point Likert scale. Statistical package for social sciences (SPSS 18) was used to analyze data.

**H1:** WOM is significantly positively related to BE.

The results indicate that word-of-mouth can significantly influence and enhance brand engagement. It is evident from the findings that word-of-mouth has significant positive relationship with brand engagement and can account for 52.2% variant in brand engagement.

**H2:** The relationship between word-of-mouth and BE is moderated by brand love.

The result also infers the strength of the variables and their significance expresses that 69.6% variation in dependent variable (BE) caused due to variation in the independent variable (BL) used as moderator.

## Implications

This research confirms some basic views concerning word of mouth, brand engagement, and brand love. The findings of this research lead support to the view that word of mouth is key to influencing buyers with respect to brand engagement and brand love. This research is step forward in empirically establishing that wom can help stores buildand enhance brand engagement and brand love.

## Limitations and future research directions

The study has focused on a single industry namely garments. The limitations involved in studying one industry perhaps put some constraints on generalizing findings. Therefore future research should attempt to replicate this study onto other businesses in order to determine whether the linkages are valid across some different industries. Future research should address this issue.

The sample consists of 500 respondents in Islamabad. It remains to be seen whether large sample drawn from different parts of Pakistan would also yield similar results. It would be interesting to explore and investigate visual impact of specific brand. Additionally, adoption of local tastes in terms of garment designs, combination of cloth colors, and religious affiliation of respondents should also be explored.

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In order to get the better result the questionnaire was adapted.

| Variables | Author names and year | Number of Items | Independent/Dependent/Moderating |
|---|---|---|---|
| Word-of-mouth | Carroll and Ahuvia (2006) | 5 | Independent |
| Brand love | Du et al. (2007) | 8 | Moderator |
| Brand engagement | Carroll and Ahuvia (2006) | 7 | Dependent |

**Results and discussion**
**Measures Employed**
**Instrument Reliability**
Cronbach's Alpha's values were computed to test the interval consistency of reliability of multi-items scales measuring word-of-mouth, brand engagement and brand love. These are summarized in following table 3.5.1

**Table 3.5.1: Reliability of Measurements Instrument**

| Variables | No. of Items | Cronbach's Alpha |
|---|---|---|
| *Word-of-Mouth* | 5 | 0.596 |
| *Brand Engagement* | 7 | 0.628 |
| *Brand Love* | 8 | 0.614 |
| *Total* | 20 | 0.612 |

**Bivariate Correlation**
   **Table 4.1 Correlations Matrix**

| | | WOM | BE | BL |
|---|---|---|---|---|
| WOM | Pearson Correlation | 1 | 0.758 | 0.732 |
| | Sig. (2-tailed) | | 0 | 0 |
| | N | 500 | 500 | 500 |
| BE | Pearson Correlation | 0.758** | 1 | 0.774 |
| | Sig. (2-tailed) | 0 | | 0 |
| | N | 500 | 500 | 500 |
| BL | Pearson Correlation | 0.732 | 0.774 | 1 |
| | Sig. (2-tailed) | 0 | 0 | |
| | N | 500 | 500 | 500 |

**. Correlation is significant at the 0.01 level (2-tailed)

As the above correlation matrix indicates, the relationship between Word of mouth and Brand engagement is measured through correlation coefficient @, which in this case is .758. According to the above correlation matrix, P-value is less than .01. In this case of Brand engagement and Brand love, correlation coefficient is 0774. P value is less than .01. Whereas, in case of word of mouth and brand love, the correlation coefficient @ is less than .01. Thus the results are statistically significant at 1 % level of significance i.e., the correlation coefficient between the variables in the population is significantly different from zero. However in order to see whether there exists a causal relationship between variables, regression procedure have been employed in the subsequent section.

**Hypothesis testing and discussion**
**Table 4.2.1            Model Summary (WOM VS Brand Engagement)**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | 0.732 | 0.522 | 0.519 | 0.393 |

a.   Predictors: (Constant), WOM

To test the two hypothesis, regression procedures were employed. Table 4.2.1 shows the results of regression analysis to test hypothesis 1. The value of beta represents the change in the outcome associated with the unit change in the predictor. The value of R represents the simple correlation between dependent and independent variables. The value of R square indicates the variation caused by the independent variable in the dependent variable. The value of adjusted R square column is a measure of model fit.

**Regression analysis for testing H1.**
H1: WOM is positively related to BE.
In order to test the above hypothesis, word of mouth has been taken as an independent variable while brand engagement as a dependent variable. As far as explanatory power of the independent variable is concerned, i.e., 52.2% which means word of mouth explains 52.2% variation in the relationship with brand engagement.

| Table 4.2.2 | Coefficients (WOM VS Brand Engagement) | | | | | |
|---|---|---|---|---|---|---|
| Model | | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 0.580 | 0.123 | | 3.648 | .000 |
| | WOM | 0.740 | 0.101 | 0.732 | 17.244 | .000 |

a. Dependent Variable: Brand Engagement

The value of Beta (.58) indicates word of mouth has significant relationship with brand engagement. It can be inferred from the above value of Beta that there is 1% increase in word of mouth then the model predicts that brand engagement will increase by .58 percent. In other words, word of mouth brings .58 change in brand engagement. Table 4.2.3 shows the results of regression analysis to test hypothesis 2. The value of beta represents the change in the outcome associated with the unit change in the predictor. The value of R represents the simple correlation between dependent and independent variables. The value of R square indicates the variation caused by the independent variable in the dependent variable. The value of adjusted R square column is a measure of model fit.

**Regression analysis for testing H2.**

H2: The impact of WOM on Brand engagement is increased significantly when moderated through Brand Love.

In order to test the above hypothesis, brand engagement has been taken as dependent variable while brand love as a moderator.

| Table 4.2.3 | Model Summary (WOM VS Brand Love) | | | |
|---|---|---|---|---|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | 0.758 | 0.640 | 0.638 | 0.267 |

a. Predictors: (Constant), WOM

Adjusted R Square value 0.640 which expresses that 64% variation in dependent variable caused due to variation in the independent variable.

| Table 4.2.4 | Coefficients (WOM VS Brand Love) | | | | | |
|---|---|---|---|---|---|---|
| Model | | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 0.708 | 0.123 | | 5.401 | .000 |
| | WOM | 0.722 | 0.101 | 0.758 | 24.095 | .000 |

a. Dependent Variable: Brand Love

Table 4.2.2 shows that there is an affirmative connection between dependent variable (Brand Love) and independent variable (WOM) with sig. value (.000 < .01) and (Beta= .722, Std Error = .10).

| Table 4.2.5 | Model Summary (Brand Love vs Brand Engagement) | | | |
|---|---|---|---|---|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | 0.774 | 0.679 | 0.696 | 0.157 |

a. Predictors: (Constant), BL

The above table shows the model summary of relationship of dependent variable (Brand engagement) with independent variable (Brand love). The purpose of regression is to check how much dependent variable relies on independent variable.

Adjusted R Square values shown in above table demonstrate the quantity of the variance in the value of dependent variable (BE) due to change in the value of independent variable (BL). Adjusted R Square value 0.696 which expresses that 69.6% variation in dependent variable caused due to variation in the independent variable.

| Table 4.2.6 | Coefficients (Brand Love VS Brand Engagement) | | | | | |
|---|---|---|---|---|---|---|
| Model | | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 0.708 | 0.143 | | 5.401 | .000 |
| | BL | 0.742 | 0.181 | 0.514 | 22.048 | .000 |

a. Dependent Variable: Brand Engagement

Table 4.2.6 shows that there is an affirmative connection between dependent variable (Brand Engagement) and independent variable (BL) with sig. value (.000 < .01) and (Beta= .742, Std. Error = .181).

| Table 4.3.3 | Coefficients |
|---|---|

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 3.136 | 0.093 | | 33.889 | 0.00 |
| | WOM | 0.740 | 0.101 | 0.732 | 17.245 | 0.00 |
| 2 | (Constant) | 3.140 | 0.092 | | 34.018 | 0.00 |
| | WOM | 0.740 | 0.101 | 0.732 | 17.245 | 0.00 |
| | WOMxBL | 0.779 | 0.132 | 0.757 | 24.095 | 0.00 |

a. Dependent Variable: BE