

Examining the Customer Equity of Retail Clothing Stores in a Bahawalpur Context: Nishat Linen & Sapphire

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Abstract

The Customer Equity framework was developed to answering the necessities and fulfil the lack of a model that could make marketing activities accountable and measurable for the firm by offering the missing link that connects marketing actions with the Customer spending actions. The purpose of this study is to apply the Customer Equity framework from the Customer perspective including the different Customer Equity drivers. For this purpose the primary data was collected by questionnaire from the customers of district of Bahawalpur. The data was tested for chi square test and frequency test. The results showed that there is significant relationship among all the variables. The results will be beneficial for managers and policy makers as well for allied industries.

Keywords: Customer equity, Brand equity, Value equity

1 Introduction

Prior to the Customer Equity framework, 'the showcasing choices about where to underwrite had been coordinated by research done in direct promoting, benefit quality, relationship advertising and Brand Equity. These ranges have added to have the capacity to Customer resources; be that as it may, none of these territories without anyone else could offer an entire answer for screen basic leadership and exchange offs between the distinctive conceivable outcomes to contribute on showcasing exercises and demonstrate its l. Promoting chiefs had issues to know whether they need to contribute more on publicizing, or on the off chance that they ought to contribute more on fruitful the nature of their item and in this way increment the cost of the items, or how the divergent factors (buy goals,' fulfilment, Brand mindfulness, and so on.) will respond and be improved after the speculations done; or if these ventures will prompt get accommodating profit for the speculations done. (Hogan, 2002)

The concept of Customer Equity was first cited by (Blattberg, 1996) stating that the Customer is any other financial asset should be measured, managed and maximized by the companies and organizations. The purpose of my study is to find out the difference in Value Equity, Brand Equity and Relationship Equity of Nishat Linen and Sapphire. The purpose of my research is to find relationship between Value Equity, Brand Equity and Relationship Equity

2 Literature Review

Customer Equity is "the total of the discounted lifetime values of all of its Customers". It means that Customers' current profitability is not the value of Customers but the important thing is the net discounted contribution which the firm gets from its Customers over time. (Rust, Zeithaml, & Lemon, June 27, 2000). In other words the estimated monetary value that the client will bring to the firm throughout the entire lifetime of his/her commercial relationship with the company, discounted to today's value. That means the Customer Equity is the potential value of a company's entire client portfolio. The current study will focus on (Rust, Zeithaml, & Lemon, June 27, 2000) definition of Customer Equity because in their definition, they focused on both acquisition and retaining spending and future Value Equity, Brand Equity and Relationship Equity as three main drivers to measure Customer Equity.

Many reviews have expressed that Brand Equity is legitimately an indication of Customer Equity which is again accentuation the relationship between Brand Equity and Customer Equity. On the off chance that Brand wins the hearts and brains of Customers than it is less demanding to holds/accomplishes Customers. Showcasing exercises, for example, publicizing, value, advancement and new items, drive Brand Equity and Customer Equity. Many Researches demonstrates how showcasing exercises are related with Brand Equity, other research

likewise indicate how advertising exercises are connected with Customer Equity. Mark Equity is likewise Customer Equity driver.

There are such a large number of factors that impact Brand Equity and Customer Equity yet informal exchange is one whose effect is more noteworthy than others. In the positive word of mouth, output of marketing is improved because word of mouth most active than the effect of advertisement. According to (Roland T. Rust, January 2004) concluded that a word of mouth was more active than the advertising and raising awareness and people make quick decision to try a product.

Many scholars have debated that “is the advertisement right instrument to overcome the negative word of mouth. Many researches showed when there is a negative rumor about your product; the most suitable strategy is to change the level of consumer awareness through advertising as soon as possible. (Roland T. Rust, January 2004).

2.1 Research hypothesis

H: 1 there is an association between Value Equity and Brand Equity.

H: 2 there is an association between Value Equity and Relationship Equity.

H: 3 there is an association between Brand Equity and Relationship Equity.

3 Methodology

We can characterize look into as something that individuals embrace keeping in mind the end goal to discover things deliberately, in that way expanding their insight.

Data collected by the researcher himself/ herself for a specific purpose. Primary data can be explained, so, as information collected from sources such as questionnaires surveys with a specific meaning and on a specific subject, the population of this research was the customers f Bahawalpur region, 300 questionnaires were distributed to the respondents those were students, working women and house wives.

Demographic is defined as statistical data about the characteristics of a population, such as the age, gender and income of the people within the population. When the census assembles data about people's ages and genders, this is an example of assembling information about demographics.

3.1 Analysis

Table 1: frequency table

Variable	Responses	frequencies	percentage
Occupation	Student	85	56.7
	House wife	37	24.7
	Working lady	28	18.7
Marital status	Married	68	45.3
	Un married	82	54.7
Your family owns	Bike	39	26
	Car/jeep	105	70
	Others	6	4
How do you buy clothes	Regularly	7	4.7
	Often	64	42
	Occasionally	66	44
	On special events	13	8.7

About 56.7 % of the respondents were Students while 24.7 % of them were House wife and 18.7% were

working ladies. About 54.7% respondents were Un-married and 45.3% were married. About 70% of families owned car/jeep, 26% of families owned bike and 4% of families owned others(4/4 vehicles and others source of convenience). About 4.7% of respondents purchase clothes regularly, 42% of respondents purchase clothes rottenly, 44% of respondents purchase clothes occasionally and 8.7% of respondents purchase clothes on special events.

About 56.7 % of the respondents were Students while 24.7 % of them were House wife and 18.7% were working ladies. In selected female population sample about 54.7% respondents were Un-married and 45.3% were married.

To judge income level of respondents i ask about their convenience. In result About 70% of families owned car/jeep, 26% of families owned bike and 4% of families owned others(4/4 vehicles and others source of convenience).

About 4.7% of respondents purchase clothes regularly, 42% of respondents purchase clothes rottenly, 44% of respondents purchase clothes occasionally and 8.7% of respondents purchase clothes on special events.

Table 2: Value Equity

Variable	Responses	Mean	STD	CV
Occupation	Student	3.7776	0.52721	13.95
	House wife	4.1189	0.27471	6.666
	Working lady	4.0321	0.31512	7.81
Marital status	Married	4.0397	0.447993	11.089
	Un married	3.8012	0.4542	11.948
Your family owns	Bike	3.759	0.58836	15.652
	Car/jeep	3.9848	0.3825	9.598
	Others	3.5667	0.58538	16.412
How do you buy Clothes	Regularly	3.8143	0.27343	7.168
	Often	3.8984	0.42031	10.781
	Occasionally	3.9455	0.52716	13.361
	On special events	3.8308	0.44607	11.644

This table show that the difference between Value Equity in house wife and working ladies is low than the students. There is little difference of Value Equity between married and singles. The Value Equity is high of those families they owned car/jeep. Value Equity is high in those they purchase clothes regularly.

Table: 3 Brand Equity

Variable	Responses	Mean	STD	CV
Occupation	Student	3.7776	0.5357	14.18
	House wife	4.1865	0.33096	7.905
	Working lady	4.1679	0.41279	9.9
Marital status	Married	4.0853	0.46143	11.29
	Un married	3.8402	0.5178	13.48
Your family owns	Bike	3.8333	0.54836	14.305
	Car/jeep	4.0095	0.48586	12.11
	Others	3.7	0.43818	11.84
How do you buy clothes	Regularly	3.8	0.4397	11.57
	Often	4	0.45843	11.46
	Occasionally	3.9106	0.54692	13.98

According to this table Brand Equity is very high of working ladies as compare to house wife and students. In married women's Brand Equity is high as compare to singles. There is a little difference in Brand Equity of those families they owned car/ jeep or other big vehicle. Brand Equity of those women's they purchase clothes often and regularly.

Table: 4 Relationship Equity

Variable	Responses	Mean	STD	CV
Occupation	Student	3.5718	0.68827	19.26
	House wife	3.8216	0.35834	9.376
	Working lady	3.925	0.38067	9.698
Marital status	Married	3.8338	0.44508	11.609
	Un married	3.5878	0.66822	18.62
Your family owns	Bike	3.4744	0.74258	21.37
	Car/jeep	3.7838	0.50443	13.33
	Others	3.6833	0.55648	15.108
How do you buy Clothes	Regularly	3.6714	0.64734	17.63
	Often	3.8109	0.56684	14.87
	Occasionally	3.5955	0.62276	17.32
	On special events	3.6923	0.42907	11.62

The table shows that the Relationship Equity is high of house wife and married women as compare to students working ladies and singles. The Relationship Equity is high of those families they have their convenience car/jeep.

Table:5 Clothing interest

Variable	Responses	Mean	STD	CV
Occupation	Student	4.7129	0.78767	16.79
	House wife	4.9892	0.45934	9.206
	Working lady	5.0071	0.39056	78.001
Marital status	Married	4.9559	0.48481	9.78
	Un married	4.7366	0.77992	16.46
Your family owns	Bike	4.5282	0.72763	16.06
	Car/jeep	4.9467	0.61661	12.46
	Others	4.9	0.65422	13.35
How do you buy Clothes	Regularly	5.1143	0.68173	13.32
	Often	4.9938	0.63941	12.804
	Occasionally	4.7	0.68859	14.65
	On special events	4.6	0.52915	11.503

This table shows that the clothing interest is very high in house wife and married females and in those families they have car/jeep and those who buy clothes on special events as compare to others.

3.2 Chi-Square Tests

Table:5 Value Equity and Brand Equity

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8.293E2 ^a	506	.000
Likelihood Ratio	336.112	506	1.000
Linear-by-Linear Association	50.475	1	.000
N of Valid Cases	150		

a. 552 cells (100.0%) have expected count less than 5. The minimum expected count is .01.

This table shows that the value is less than .05 so the hypothesis is accepted and there is a relationship between Value Equity and Brand Equity. That's why we reject the null hypothesis (Ho) and accept the alternative hypothesis (H1) which says there is relationship between Value equity and Brand equity.

Table:6 Value Equity and Relationship equity.

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8.273E2 ^a	572	.000
Likelihood Ratio	340.694	572	1.000
Linear-by-Linear Association	34.744	1	.000
N of Valid Cases	150		

a. 621 cells (100.0%) have expected count less than 5. The minimum expected count is .01.

According to this table the value is less than .05 That's why we reject the null hypothesis (Ho) and accept the alternative hypothesis (H1) which says there is relationship between Value equity and Relationship equity.

Table:7 Brand equity and Relationship equity

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8.481E2 ^a	598	.000
Likelihood Ratio	363.568	598	1.000
Linear-by-Linear Association	33.155	1	.000
N of Valid Cases	150		

a. 648 cells (100.0%) have expected count less than 5. The minimum expected count is .01.

According to this table value which is less than .05 That's why we reject the null hypothesis (Ho) and accept the alternative hypothesis (H1) which says there is relationship between Brand equity and Relationship equity.

Conclusion

In this report written above chapters outlined the research, literature review, hypothesis development, research methodology and analysis of results. First of all I analyses the study the connection between the vale equity, Brand Equity, Relationship Equity, clothing interest. The objective of my research is to examine the Value Equity between the students, working ladies and house wife. First objective of my research is to apply the Customer Equity framework from the Customer perspective including the three different Customer Equity drivers applying on different categories of women. In this objective I understand that the house wives are the price and quality conscious. Because the mostly house wives are focused on Value Equity. Working ladies are also price and quality conscious but in my research there is a little bit difference between the house wives and working ladies and the students are the less focused on the price than the working ladies and house wives. The second objective of my research is to compare two retail clothing stores in Bahawalpur (Nishat Linen and Sapphire) among females of the Bahawalpur region used as representative of the young consumer market segment. In this objective I understand that the Value Equity of Nishat Linen is high than the sapphire in the Bahawalpur region by the perspective of women of three different stages, house wives, working ladies and students. Brand Equity and Relationship Equity is also high in percentage than the sapphire. Third and last objective of my research is to find relationship between Value Equity, Brand Equity and Relationship Equity. According to my research I assumed that there is a relationship between these three factors by the point of view of the women of the Bahawalpur.

Limitations and Recommendation

Quantitative research method usually required huge sample size. Due to lake of resources this huge scale research is not possible. However, most of data collected from the females of different categories in Bahawalpur region. The sample selection is non-random sampling/ convenience sampling.

After completing my research I would like to give some suggestion to the Nishat linen and sapphire. Because the Value Equity of Nishat linen is more than the Sapphire. So the need is that its mandatory to the Sapphire to build Value Equity by giving value to Customers. They have need to change their strategies of

pricing and Value Equity programs according to Customers' requirements. Nishat linen Brand Equity is also high than the Sapphire. The Sapphire Brand has need to change their marketing and promotional strategies to build Brand awareness and Brand trust in the mind of Customers. Relationship Equity is also high of Nishat linen but there is a little bit difference between the both retail clothing stores. Sapphire have need to trained their employees working on retail stores.

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