Understanding Customer Gratification Regarding 'Aarong' in Dhaka City

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ABSTRACT

Purpose: The inevitable important of satisfied customer for successful organization is significant. It infers Local Enterprise like Aarong to initiate the analysis of their customer satisfaction characteristics. The study has been tried to find out the extent of relation of customer expectation, perceived value, complaints and loyalty phenomenon and the impact on customer satisfaction.

Methodology: A convenient sampling technique has been used to collect primary data by means of a survey, using self-administered questionnaires distributed to the respondent through Google Form. 100 Respondents have been targeted in Dhaka city to find out their satisfactory status through a structured questionnaire. The result is being analyzed by Regression and ANOVA model in SPSS 25.0. The Gratification level of customer is being very significant from the analysis. Unique Design, Product quality, brand image, advertisements, online store, membership, decreasing quality etc. are the major influencing factors for Aarong to build up customer gratification.

Findings: From discussion Aarong loyal customer base is very much strong so that they should determine their bonded customer with several benefits like membership cards, coupon or gift voucher. Positive WOM and the brand equity are also very impactful for airing customer gratification. The recent complaints factors like high price low quality, fraudulence, sales representative behaviors etc. need to be undermined for more satisfied customer.

Limitations: To get more consumers' behavioral insights if focused group discussion or depth interview could be conducted along with direct questionnaire survey; it would elicit more actual view. But it would be more time consuming and involve more financial investment. But it can be an avenue for further research initiation to get candid and more elaborate information.

Practical Implications: The study has a number of implications for management and policy. Customers are still satisfied with Aarong products. Aarong should retain their customer; provide good value to the loyal customer.

Originality/Value: In fact, multiple research activities have been conducted in abroad regarding customer satisfaction, but not a single work similar to this research topic has been done in Bangladesh regarding Aarong. Some internship reports are mostly similar for Aarong customer awareness or loyalty. But there is no research on it. Researcher's endeavor to discover customer gratification level toward Aarong need to be determined as some questions have been raised among the people about Aarong quality.

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1. Introduction

Every business organization`s success depends on the satisfaction of the customers. Whenever a business is about to start, customers always come "first" and then the profit. Those companies that are succeeding to satisfy the customers fully will remain in the top position in a market. Customer satisfaction is the key component for the success of the business and at the same time it plays a vital role to expand the market value. In general, customers are those people who buy goods and services from the market or business that meet their needs and wants. Customers purchase products to meet their expectations in terms of money. Therefore, companies should determine their pricing with the quality of the product that attracts the customer and maintains the long-term affiliation.

One of the important aspects to ensure the attention of the customers is to provide the best and the most favorable products at this competing market. If a customer's satisfaction is earned, then it is sure that customer loyalty will also come along with it. Moreover, in the absence of the customer, a business organization would not exist. In order to increase the number of the customer, development of customer's satisfaction is very important. In terms of achieving business goals, these two terms are very important. Hence, the relation of customers and the business organization or market is, therefore, the most important one.

Aarong is the leading as well as pioneer Brand name in the life style fashion house in Bangladesh. In this competitive era to sustain and hold the position they do affluent product development. 'Aarong' is a Bengali saying which implies 'a town reasonable alternately market'. A town reasonable is an incredible off chance of the villagers. Clinched alongside town reasonable artisans what's more experts get the chance on hint at their talents and show their handcrafted universal items to offering. Those name Aarong speaks to the associations promise towards pushing universal Bangladeshi results and plans which would have handcrafted by country artisans also handiwork makers around those nations over. Furthermore, those results about Aarong need that character about Bangladeshi society and excellence under each bit.

At the very beginning of their business they were focusing on clothing, pottery, jewelry etc. Basically their business concept was pure traditional. But after a certain period they realized that only traditional based products were not sufficient to fulfill the customers demand. In the world of globalization people are now thinking in different way. Their choices are changing and they are looking for something new which is more fashionable and comfortable than traditional wearing. One of the most influential sectors of globalization is the change in the dressing sense of our country. Different types of fashionable wears are now available in Bangladesh. Traditional wears are now not their only choice. People feel very comfortable in casual wears in their daily working lives. So they like to wear jeans, T-shirts, fotua, kutis, and leggings etc. According to Aarong do

analysis that people buy traditional dresses at the time of different festivals and occasions of the year. Otherwise they always like to wear the dresses of western pattern. So Aaarong were falling behind with the growing new test. After this analysis, Aarong introduced "Taaga" in 2003 by which they can satisfy their customer in every way. In Bengali "Taaga" means a certain style of Nakshi stitch. Tops, kurtis, skirts, pants and accessories designed exclusively for the urban young women are found in this section of Aarong. The specialty of "Taaga" products is that it blends western style with Bangladeshi motifs, patterns and textures. Every piece is styled using hand embroidery, nakshi kantha, appliqué, bead and metal works or tie dye and batik. From handloom, crushed cottons, denim, fine linen, silks to sheer muslins, Taaga exhibits a huge range of fun and excitement of the day and evening wears. Recently, Taaga has launched its own line of accessories which includes leather bags, sandals, wedges and beaded woven belts. Now Aarong is bringing chance in their other sectors. They introduced new custom jewelries, showpieces, ceramics and wooden items etc. So now Aarong is successfully coping with cultural changes. It has become a complete fashion house of Bangladesh. Being remained into the market for a long time, maintaining the customer satisfaction level is a tough job. Diversified customer base, competitive market, new technological advancement etc. are making the perception complicated.

1.1 Problem Statement

As Bangladesh moved up to a middle-income country, labor was becoming more expensive. Given the labor-intensive nature of Aarong's operations, it was becoming harder to compete with low-cost capital-intensive mass-produced goods. Besides several competitors enter into the market and they provide customer variety of product to satisfy. Customer becomes savvier in nature to understand the quality of the product. Good sales representative behavior is being vulnerable now in Aarong.

1.2 Purpose of the Study

The general objective of the study is to understand the customer gratification of Aarong in the context of Dhaka City. Specific objectives are given below -

- To investigate relationship between customer satisfaction and demographic characteristics of customers towards Aarong.

- To identify the factors which are ignored in previous conducted research that influence to create a base for customer satisfaction.

- To investigate the extent of influencing factors for customer expectation and perceived value

- To examine relationship of customer complaints and loyalty to build the satisfaction.

2. Literature Review

Customer satisfaction has been one of the top tools for a successful business. Customer satisfaction is defined as an overall evaluation based on the total purchase and consumption experience with the good or service over time (Fornell, Johnson, Anderson, Cha & Bryant 1996). With marketing, customer satisfaction also comes along with it which means it ascertains the expectation of the customer on how the goods and services are being facilitated by the companies. Actionable information on how to make customers further satisfied is therefore, a crucial outcome. However, the technological advancement and new scope for online customer service delivery can also refereed good customer satisfaction level. (Hodge, Honeycutt and Shipley 2019)

Customer satisfaction has been treated as one of the most important factors for all company and firms that provide products or services. It is all company's goal to achieve customer satisfaction and through that the company will gain competitive advantages to stay survival. In addition, Marketers consider satisfying customers as a key element of business activities especially in competitive market (Anderson, 2015).

Customer satisfaction is influenced by specific product or service features and perceptions of quality. Satisfaction is also influenced by customer's emotional responses, their attributions and their perception of equity (Zeithal & Bitner. 2003, 87-89.)

However, the product and its features, functions, reliability, sales activity and customer support are the most important topics required to meet or exceed the satisfaction of the customers. Satisfied customers usually rebound and buy more. Besides buying more they also work as a network to reach other potential customers by sharing experiences (Hague & Hague 2016.)

In general, a product can be defined as a thing that can be offered to a market to satisfy a want or need". Product is something to offer to the market to get attention, buying, using or consume to fulfill the desires or needs (Philip Kotler).

In Foi, D. (2007) has stated that product quality, service quality and price are fatal factors that influence the customer satisfaction. On the other hand, according to Zeithaml and Bitner (2000) it has proved that customer satisfaction is influenced not only by product and service quality and price but also by situation factors and personal factors.

Price has been always considered as one of the most important factors when customer decide to buy something, when they buy something at lower price but it meets their expectations they are more likely to be satisfied. From the customer perspective, price is the amount which needs to be paid to obtain the product (Oliver, R.L. (1997). Price has been considered a significant component in explaining consumer satisfaction Oliver, R.L. (1980).

LaBarbera, P. A., & Mazursky, D. (1983) stated that brand awareness can be referred as the degree of consumer's familiarity with a brand. Broadly brand awareness can be

viewed as the customer knowledge about the firm or organization offer a specific product or services attached with some brand value that the customer interested on. It was stated that brand awareness is a vital element of brand equity in which when the brand is well known it becomes important to the company since customers may be influenced by the brand Keller (2003).

Moreover, Bitner. J. (2017) argued that loyal customer tend to buy more frequently and long term customer are less price sensitive since they are satisfied with the value they received from the products they purchased from the business so they are willing to pay more for the product. As a result, manufacturer and firm can maintain higher prices over other competitor's firm and manufacturers or at least offer the customer more services and product.

Complaints handling is not a substitute for abdicating the responsibility for managing quality and achieving customer satisfaction. The employees or service provide strongly influence the customer purchase followed by customer satisfaction. Good sales behavior, assisting the customer, sharing the important information can be highlighted for understanding customer satisfaction (Martinaityte and Aryee 2019).

Customer dissatisfaction can be a combination of the discrepancy between expectations and performance, and this discrepancy is very significantly important for the customer. Consumer complaint behavior (CCB) refers to the responses triggered by perceived dissatisfaction that is neither psychologically accepted nor quickly forgotten in consumption of a product or service (Homburg & Fürst, 2005). Negative WOM may be damaging to firms because such messages are more likely to be believed (Gruber et al 2009).

3. Research Methodology

Here, the major portion of the study has been conducted by quantitative research. The descriptive analysis by using Survey method is being used. Most of the questions in the questionnaire are in Likert Scale. Besides, some demographic information has been tried to find out.

3.1 Data Source

For this study, Information has been used from both primary and secondary sources. The primary sources have provided the study with reliable data and information relating to the topic. On the other hand, the secondary sources have been an indispensable source of information regarding the historical background of the Customer gratification of Aarong.

3.2 Data Collection Procedure

A convenient sampling technique has been used to collect primary data by means of a survey, using self-administered questionnaires distributed to the respondent through Google Form. As people are now more available in online. So this study has used Google Form to conduct the survey via Online. The questionnaire included questions concerning

the socio-economic profile of the Respondent (e.g. name, age, gender, nationality, Occupation, Family income) as well as their opinion regarding Aarong purchasing and satisfactory factors. Questions regarding importance is asked to respondent to the question in Likert Scale using strongly agree to strongly disagree. (1= strongly agree, 2= Agree, 3= Neutral, 4= Disagree, 5= Strongly Disagree). Out of 100 Questionnaires, this study would like to have 100% respond rate from the people.

3.3 Data Analysis

In the data analysis part of the research, information has been provided in a descriptive manner with relevant figures and statistics. Data analysis has been done in quantitative manner. To analyze the data collected in the survey through questionnaires, statistical software of SPSS was used widely. Appropriate statistical analyses such as frequencies, descriptive, regression model-fit have been used to satisfy the major objectives. Highlights of some data have been presented in tables.

Regression models offer a convenient method for summarizing and achieving two very different goals in data analysis. One is prediction and another one is inference about interaction between the predictor variables and the outcome variable. Yet, regression models do not prove that such relationships exist, they simply summarize the probable effects if the models are as hypothesized. Here this study tries to find out the effect of some factors in customer satisfaction.
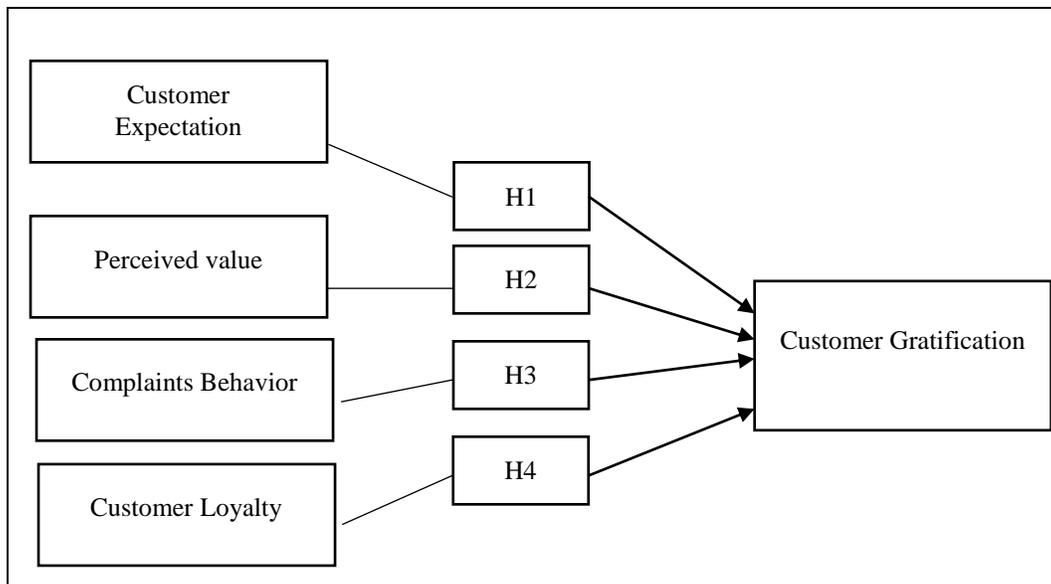
3.4 Research Framework

Figure 1: Framework for Customer gratification of Aarong.
Source: ACSI-American Customer Satisfaction Index

3.5 Hypothesis

H_1: Aarong offerings can meet the customer expectation for gratification influence.

H_1: Aarong offerings can create perceived value for customer's gratification influence.

H_1: Aarong complaints factors can meet the customer gratification level.

H_1: Aarong Loyalty factors can provoke the customer gratification.

4. Results & Findings

4.1 Demographic Characteristics

The theory of consumer behavior for a service sector points out that customer's selective behavior, buying behavior and levels of satisfaction are influenced by the customer's background, characteristics and external stimuli (Fornell, 1992). Due to the unique motivations, some individuals may have positive feelings towards the belief while other could respond with negative reaction.

Table 1. Frequency of Respondent Demographic Characteristics

Variables	Name	Frequency	Percentage (%) of total
Gender	Male	32	32
	Female	68	68
Age	Less than 15	4	4
	16-25	28	28
	26-35	34	34
	36-50	20	20
	50 above	14	14
Occupation	Private	28	28
	Govt.	12	12
	Education/ teaching	20	20
	Unemployed	6	6
	Business	10	10
	Students	24	24
Income (BDT) Individual (Monthly)	Less than 10000	6	6
	11000-22000	7	7
	23000-35000	2	2
	36000-50000	62	62
	50000 above	23	23

Source: Authors Calculation based on SPSS Output

Out of 100 Respondents, there are 59 (32%) male respondents and 68 (68%) female respondents. Respondent are from different age group. As young and mid age people are more interested in Aarong products, that's why may be large group of respondent are from 16-25age (28%), followed by 26-35 age (34%), 36-50 age (20%), less than 15 age (4%), 50 above age (14%), The occupational or main activity area of the total respondents are mainly private job holders (28%), the education service (20%), Govt. Job (12%) and Business (10%) and unemployed respondent (6%) and students are 24 %. As the family income is a great variable for o shopping more or less. Out of 100 respondents the most individual income monthly (BDT) is 36000-50000 (62%), followed by above 50000 (23%).

4.2 Customer Expectation and Perceived Value

For this study the independent variables are the benefits which are online, quality, product price, unique design, gift voucher, long-lasting, customer service and the dependent variable is customer expectation for Aarong. The model equation is like:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \cdots + e \qquad (1)$$

Where:

Y- Customer expectation

X_1- Online shop?

X_2- Quality?

X_3- Product price

X_4- unique design

X_5-gift voucher

X_6-long-lasting

X_7- customer service

e- error

Table 2: Regression Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.813[a]	.661	.635	.53864

a. Predictors: (Constant), online, quality, product price, unique design, gift voucher, long-lasting, customer service
b. Dependent Variable: customer expectation fulfill

Source: Authors' calculation based on SPSS Output

From the above table, the value of R is 0.813 which is greater than .050 and this value indicates high extent of positive relation between the independent variables and the dependent variable. The R2 represents the variance of the analysis of independent variables. Here the R2 value is 0.661 which indicates Aarong offerings have 66% variation on customer expectation fulfilment for being a satisfied user. The adjusted R2 represents the goodness-of-model fit whereas R2>Adjusted R2 (66%>63%). This indicates a good regression model. Besides the gap between the R2 and Adjusted R2 (0.661-0.635) is very low so that the number of non-significance variables are minimal in this analysis. So Hypothesis 1 and 2 are being proved that the Aarong offerings can meet the customer expectation for gratification influence and create customer good perceived value.

Table 3. ANOVA Table

ANOVA[a]					
Model	Sum of Squares	DF	Mean Square	F	Sig.
1 Regression	82.559	11	7.505	25.869	.000[b]
Residual	42.359	146	.290		
Total	124.918	157			
a. Dependent Variable: customer Attitude Builds from Perceived Value					
b. Predictors: (Constant) Aarong improves country image, store decor, logo, sales representative behavior, store location, packaging, advertisement					

Source: Authors' Calculation based on SPSS Output

From the ANOVA table the study has found that the significance level is 0.000 which is less than 0.05 (0.05>0.00). So the null hypothesis (2) was rejected. From the F Statistics is 25.869. By considering the degree of freedom of both Regression and Residual the critical value is 1.91. In F Distribution Table 5 (Malhotra, Marketing Research 5th Edition) F value is higher than critical value 0.05% level of significance. So the null hypothesis was rejected. Perceived value have great influence for customer attitude and expectation building.

4.3 Customer Complaints

For this Study the Independent variables are the factors which have been low exposure in online, decrease quality, high product price, sales representative bad behavior, not long-lasting and the dependent variable is customer complaints for Aarong.

Table 4. Regression Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.624[a]	.389	.356	1.17852
a. Predictors: (Constant), low exposure in online, decrease quality, High product price, sales representative bad behavior, long-lasting not				

Source: Authors' Calculation based on SPSS output

From the above table. the value of R is 0.62 which is greater than .050 and this value indicated moderate extent of positive relation between the independent variables and the dependent variable. The R^2 represents the variance of the analysis of independent variables. Here the R^2 value is 0.389 which indicates Aarong offerings have 38% variation on customer complaint factor influence satisfaction. The adjusted R^2 represents the goodness-of-model fit whereas R^2>Adjusted R^2 (38%>35%). This indicates a good regression model. Besides the gap between the R^2 and Adjusted R^2 (.389>.356) is low so that the number of non-significance variables are minimal in this analysis. So Hypothesis 3 is proved that the Aarong complaints factors can meet the customer gratification influence.

4.4 Customer Loyalty

For this study the independent variables are the factors which have been and the independent variable is customer loyalty for Aarong logo, unique design, preferring Aarong for brand name, membership, gift voucher, advertisement, only purchase Aarong attire and dependent variable is loyalty.

Table 5. Regression Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.751[a]	.564	.536	.98569
a. Predictors: (Constant), Aarong logo, unique design, prefer Aarong for brand name, membership, gift voucher, advertisement, Only purchase Aarong attire				

Source: Authors' Calculation based on SPSS output

From the above table. the value of R is 0.75 which is greater than .050 and this value indicated good extent of positive relation between the independent variables and the

dependent variable. The R2 represents the variance of the analysis of independent variables. Here the R2 value is 0.564 which indicates Aarong have 56% variation on customer loyalty influence and satisfaction. The adjusted R2 represents the goodness-of-model fit whereas R2>Adjusted R2 (56%>53%). This indicates a good regression model. Besides the gap between the R2 and Adjusted R2 (.564>.536) is low so that the number of non-significance variables are minimal in this analysis. So Hypothesis 4 has been proved that the Aarong loyal customer really influenced by, Aarong logo, unique design, preference Aarong for brand name, membership, gift voucher, advertisement, only purchase Aarong attire finally customer gratification.

6. Discussion

6.1 Objective and Hypothesis

Since the objective of the study is to analysis the customer gratification level towards Aarong in Dhaka city customer. This study has found female (68 %) are more shopping prone at Aarong and the age is mostly 26-35 with private service holders. Customer expectation and perceived value of the product impact is very significant from the regression analysis. Though complaints factors have also accepted alternative hypothesis, the variance is not greatly significant. Aarong loyal customer base works as a great influencer for customer gratification.

6.2 Limitation

If there are available resource for instance- fund and time, this research can be done in context of Bangladesh followed by Global Aarong customer gratification Some qualitative analysis like focus group, depth interview etc. have greater opportunities to conduct the customer satisfaction related research due to time constraints, it's not feasible to do so.

6.3 Future Research Opportunity

This study has shown the relationship and impact of customer gratification towards Aarong. Future research can be done to identify the key factors which influence the satisfaction of Aarong customer by doing factor analysis. In addition, there are several factors that influence satisfaction. Those can be addressed and analyzed.

6.4 Managerial Implication

The study has a number of implications for management and policy. First customers are still satisfied with Aarong product. Aarong should retain their customer; provide good value to the loyal customer. Positive WOM can be inferred from the loyal customer. Aarong product quality is decreasing according to some of the customer, so aarong should focus on sustainable quality increment. The brand image is great factors for Aarong, so they should represent their Logo and brand more frequently through different

product along with new addition. New packaging like their Bag can be re-designed and promoted it in an effective manner. Customer complaint factors need to be eradicated to compete in the market.

7. Conclusion

Every company's aim is to maintain the long-term relationship with the customers and the business organization. In order to retain the potential customers, needs and demands should be acknowledged as customer satisfaction has a great impact on the entire business operations. Therefore, it is very important for the organization to understand what exactly the customers need and how to gain loyalty for the successful business. Customers' satisfaction with all image dimension items is implying that customers are typically satisfied with the success, reputation, brand image etc. Loyal customer sustainably is very much important. Aarong should focus on their large satisfied customer base.

The study has some limitation. The major constraints are adequate time, available resource and financial support. Besides, some respondents did not feel any interest to give necessary information, getting some relevant papers and documents were strictly prohibited because those were research restricted papers. The study has only focused on the characteristics rather than significant factors and other important variables. Moreover, qualitative analysis can bring more comprehensive result.

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