DETERMINANTS OF BRAND LOYALTY TOWARDS AVON PRODUCT

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DIPLOMA IN BUSINESS STUDIES

COMMERCE DEPARTMENT

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DECLARATION OF AUTHENTICATION AND OWNERSHIP

TITLE: THE DETERMINANTS OF BRAND LOYALTY TOWARDS AVON PRODUCT

SESSION: DECEMBER 2019

1. We, **1. RAJA FARAHANIS BINTI RAJA SHAHRUL NIZAM (08DPM17F2022)**
   2. NURUL IZZATI BINTI MUHAMMAD RIDZUAN (08DPM17F2017)
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2. We verify that this project and its intellectual properties are our original work without plagiarism from any other sources.

3. We agree to release the project's intellectual properties to the above said polytechnic in order to fulfill the requirement of being awarded **Diploma in Business Studies**.

Prepared by,

a) RAJA FARAHANIS BINTI RAJA SHAHRUL NIZAM
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   at ...., on ....

   In the presence of, DR. NOORDINI BINTI ABDULLAH   ....
   as the project supervisor on: ....

ACKNOWLEDGEMENT

LETTER OF TRANSMITTAL

Dr. Noordini binti Abdullah

Lecturer of Commerce Department

Politeknik Sultan Salahuddin Abdul Aziz Shah

23rd MARCH 2019

Dear Dr. Noordini,

We submit herewith the proposal in support of the research entitled "Determinants of Brand Loyalty towards Avon Products" as partial fulfilment of our Business Project course requirement.

This research has enabled us to gain insights in the determinants of brand loyalty towards Avon products. We have gained valuable knowledge about brand loyalty by conducting this research. We have tried our best in preparing this research proposal with all of us giving our hundred percent to make this proposal to come together.

Therefore, we fervently hope that you will find the time to go through this research proposal. We would also like to express our gratitude for your supportive thoughts and kind consideration while guiding us for this research.

Yours sincerely,

Raja Farahanis binti Raja Shahrul Nizam (08DPM17F2022)

Nurul Izzati binti Muhammad Ridzuan (08DPM17F2017)

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ABSTRACT

DETERMINANTS OF BRAND LOYALTY TOWARDS AVON PRODUCT

Abstract - Scholars have developed theories about how certain variables affect the brand loyalty towards brands. This research is carried out as to extend the analysis of the determinants of customer's brand loyalty for Avon's products. In this research, we focused on the variables that contribute to customers' brand loyalty. The independent variables consist of product quality, product design, brand image and store environment. For this research, quantitative method was used and 196 questionnaires had been distributed to staff of Politeknik Sultan Salahuddin Abdul Aziz Shah as an instrument for the purpose of gathering more information on the determinants of brand loyalty of Avon. The number of samples is 196 respondents from a total population of 400. The result provides insights that there is correlation between the independent variables and dependent variable in the determinants of brand loyalty towards Avon. The variables that have the strongest correlation with brand loyalty is brand image with the total value of standardized correlation beta is 0.649 followed by service quality with the value of 0.415. This shows that brand image and service quality is the determinants of brand loyalty towards Avon.

Keyword – Product Quality, Design, Brand Image, Store Environment, Service Quality, Brand Loyalty

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CHAPTER 1

INTRODUCTION

1.1 INTRODUCTION

The following is the introduction of our study which consists of the background of the research, problem statement, the objectives of the research, research questions, significance of the study, hypothesis of the study and scope of study. The focus of this chapter will be primarily on stating why we choose to study the factors that determine customer's brand loyalty towards Avon products. It will also help us in determining exactly why the company is facing problems that contribute to their downfall and thus affects their customer's demand and sales.

1.2 BACKGROUND OF THE RESEARCH

Avon Cosmetic was established in 1886 by McConnell who founded the California Perfume Company before his family changed the name to Avon in New York City. He was an unsuccessful book sales man but to encourage people to buy his books, he gave a rose-scented perfume as a "free gift". From there, McConnell found out that perfume was popular. Then he decided to sell perfume and built a company of California Perfume Company in New York. After his death in 1937, his son took over the McConnell's business. The company changed its name to Avon in 1939 in honour of Shakespeare's hometown, Strafed-on-Avon.

Avon Cosmetic Product is a multilevel marketing company that sells beauty products, jewellery, accessories and clothing. Avon sells products in over 100 countries including Malaysia, Brazil, Indonesia, Taiwan and Thailand. Avon in Brazil is the biggest market, after the United States. Every cosmetic companies have many competitors such as Channel,

Lancôme, Maybelline, L'Oreal and Lakme, that wants to fulfil the needs based on requests of the customer which is related to beauty product and health product but the Mary Kay is the closest competitors for Avon because Avon and Mary Kay uses similar method of dependent upon the independent sales and direct selling. Hence both are the rivals of each other in the same business market (Kumar, Massie and Dumonceaux, 2006).

Avon today has grown from a small company in New York into a large industry that sells fragrance and perfume with almost 5 million representatives. The original product line has expanded to include jewellery, soaps and other household goods. Customers can purchase Avon products through a representative, online or in certain department stores near them. Avon provides job opportunities for households, especially housewives who are looking for side incomes by making them as their door-to-door representatives to sell their product.

Unfortunately, Avon's sales have dropped by nine months with the falling of 11% to $1.4 billion. For the third quarter, the company's total reportable segment revenue in reported currency increased 1% to $1.4 billion but adjusted total reportable segment revenue in constant dollars decreased 4% on a like-for-like basis. Gross margin was 62.2%, with adjusted gross margin increasing 10 basis points to 61.3% on a like-for-like basis, favourably impacted by the net impact of price and mix, according to the company. However, active representatives and ending representatives, both from reportable segments, declined 5% and 6%, respectively. In October 2013, Avon announced the closure of its branch in France at the end of that month. Its French employees accused it of keeping the workers in the dark for months and not acting in line with the company's publicly stated values of being a socially responsible company that upholds values of trust, respect and integrity and a culture of open and candid communication. As of January 2014, Avon France was in receivership. This was followed by an announcement via Facebook on 15 February 2018, that Avon Australia and New Zealand would close by the end of the year. This decision resulted in the loss of 220 jobs and 21,400 employees. The company has attracted criticism for poor communication with its customers and employees.

Avon found out that they cannot earn more profit. Therefore, they implemented a new cost savings initiative. The new initiative focuses on simplifying the business to generate efficiency, improve revenue management, and generate interest and tax savings and is expected to free up approximately $400 million over the next three years to support underlying growth initiatives. Avon also improved their product by doing exclusive packaging and all range aged and gender can use their product.

1.3   AVON COSMETIC (M) SDN BHD IN MALAYSIA

It has been almost 40 years now since Avon was first established in Malaysia. Avon had been providing a variety of products such as skincare, perfumes and healthcare products. The Malaysian Avon Headquarter is located in Shah Alam. More than 15 Avon outlets were opened in Malaysia as they continue to fulfil customers wants and needs. Those who wish to become a member or distributor for Avon Malaysia are required to purchase RM 15 per receipt and pay RM 5 for a lifetime membership fee. For marketing, online business is one of the platforms that Avon companies used to promote and sell their products. By doing so, Avon can increase their profit and can compete with other beauty companies. As Avon is primarily a women's product, they have shown a great amount of support for Breast Cancer Promise and have helped more than 100 million women to fight against breast cancer.

1.4   PROBLEM STATEMENT

AVON has been in the Malaysian market for almost 40 years now and is still standing albeit it has been a bit on the recessive side nowadays. According to google trends, Avon products used to be a very well-known product in Malaysia with a very high popularity as of 2004, but the popularity had shown a significant decrease since 2014. Avon had been serving their loyal customers for years now but as time flows by and trends change with the time, their customer's loyalty towards the brand began to fade away based on google trends as of the year 2004. It is crucial for a brand to obtain customer's loyalty to ensure their sustainability, especially those with an intense number of competitors. Brand loyalty has been defined by Jacoby, J., & Kyner, D. B. (1972), in terms of 6 necessary and sufficient conditions as: (a) biased (i.e., non-random), (b) behavioural response, (c) expressed over time, (d) some decision-making unit, (e) with respect to 1 or more brands out of a set of such alternative brands, and (f) a function of psychological (decision-making, evaluative) processes. A true brand loyal consumer is committed to their brand; because of this commitment, they insist on buying the same brand the next time they need to buy the product again. Not only that, the number of competitors in the cosmetic industry has been increasing over time with more enhanced technology and design used. A great deal of products from overseas had entered Malaysia's cosmetic market such as Laneige from Korea or Lóreal from France and other big brands.

Moreover, Avon itself has acknowledged and admitted that the brand is closely associated with 'mom's products' rather than products for youngsters. They have tried to focus on wooing the younger generation and exploring new potential market via e-commerce and roadshows to arrest the declining revenue and number of sales representatives, but still not many of them identifies the AVON products and most of their loyal customers has started to use other products because in the cosmetic industry market there are a lot of competitor that provides similar features and characteristics in their products. Customers have a lot of choices to choose from the brands and products that will give good value and benefits to them. The culture of buying beauty products and the growth

of competitors itself, such as Sephora, L'Oréal, Revlon and Sally Beauty can affect customer's loyalty towards AVON. Not only that, it can also affect AVON's main selling method which is direct selling to decelerate because of the decrease of AVON's door-to-door representatives in Malaysia. Avon has also been struggling to reverse a steady decline in sales as the pioneer of direct selling loses favour to bigger players such as Estee Lauder Cos Inc and other niche brands.

Furthermore, most AVON retail shops are located at a non-strategic location, such as at the hidden shop lot that cannot be seen by potential customers, limited location where not everyone can access the location and can make potential customers become uncertain to buy from AVON. Also, there are not many AVON retail shops that are located in a shopping mall where everyone can view the brand and can just walk in.

Due to this problem, an empirical study is needed to explore more about the issues that are faced by AVON and to determine the factors that influence customer's loyalty towards the product as to ensure that AVON can sustain in the competitive market of cosmetic industry and will not sunk to the stage of declining in product life cycle.

1.5   RESEARCH OBJECTIVES

This study is conducted to:

   i) To identify the factors that influence brand loyalty of Avon.

   ii) To determine the main factors that can increase brand loyalty towards Avon.

   iii) To examine the relationship between the independent variables and dependent variables in the determinants of brand loyalty towards Avon.

1.6   RESEARCH QUESTIONS

Based on our objectives above, our research questions are as followed:

i) What are the factors that influence brand loyalty of Avon?

ii) What are the main factors that can increase brand loyalty towards Avon?

iii) What is the relationship between the independent variables and the dependent variables in the determinants of brand loyalty towards Avon?

1.7   SCOPE OF STUDY

The data collected as to conduct this study are based on Avon in Shah Alam. Avon's that are located outside of Malaysia are not within the scope of this research. The study is done through the utilization of questionnaires to the staffs of Politeknik Sultan Salahuddin Abdul Aziz Shah for the survey and reference as it seems fit for this topic of study. By doing so, we will be able to know the factors of customer's loyalty towards Avon.

1.8 SIGNIFICANCE OF STUDY

This study will be a significant attempt in discovering the determinants of customer's brand loyalty for Avon's products. This study will also be beneficial to companies where they can employ effective marketing strategies in their outlets' setting particularly for cosmetic brands, such as Avon, relating to customer's brand loyalty. By understanding the determinants of customer's brand loyalty towards Avon's product, the company can be assured of a competitive advantage. The study can assist Avon to maintain their brand in the industry. Furthermore, a better understanding about the issues faced by Avon will facilitate in managing their company's marketing effectively. The findings of this study will be able to assist Avon in implementing the changes of the new technological world, which is fast emerging. By implementing vital technological processes, that would manage the firm's inventory, marketing and sales effectively.

Moreover, a deeper understanding of what appropriate strategies to develop to increase customer's demand towards their products can be determined to increase customer's brand loyalty towards the products.

1.9 SUMMARY

To conclude, this chapter provides much information on how the research on Avon will be conducted. It is followed by the research problem, objectives, questions, hypothesis and the significance of the study which is essential to ensure that the research progress will run smoothly. Further information on the research will be on the following chapters.

CHAPTER 2
LITERATURE REVIEW

2.1   INTRODUCTION

This chapter presents a discussion on the variables that influence customer's brand loyalty towards Avon products, which are product quality, design, brand image, store environment and service quality. It focuses on literature review where surveys of scholarly sources related to the topic of study is listed for better understanding. This chapter aims to provide a foundation of knowledge on the topic of study. This may help us in identifying areas of prior scholarship to prevent duplication and give credit to other researchers. It also helps us in understanding the existing research and debates relevant in our area of study.

2.2   SWOT ANALYSIS

A SWOT is an acronym for Strength, Weakness, Opportunities and Threat. (Renault, 2014) It is primarily used to examine what the strengths and weaknesses of an organization and what opportunities and threats it can face in the future. In order to successfully capitalize on the opportunities, the organization must utilize its strength and in order to combat the future threats, it must repair or remove its weakness.

2.3   LITERATURE REVIEW

2.3.1   Brand Loyalty

Howard and Sealth's theory of buyer behavior (1969) defined brand loyalty as keeping preferable to a specific product or service. While according to Kandampully et al. (2015), customer's loyalty towards a product is an important concept in marketing area. It has been demonstrated as an important source for firms' comparative advantages. It is a pattern of customer's behavior when customers are committed to a specific brand and tend to repeat

their purchasing activity from the particular brand, they have a liking for. Aaker and Keller (1990), believe that loyalty is closely associated with various factors, one of the main ones being experience of use. Customers may be loyal owing to high switching barriers related to technical, economical or psychological factors, which make it costly or difficult for customers to change. Other than that, customers may also be loyal because they are satisfied with the brand, and thus want to continue the relationship (Formell,1992).

2.3.2 Product Quality

Product quality is a collection of features and brand product characteristics which have contributed to the ability to fulfil specified demand, Garvin (2007). Product quality is essential in the business area to help retain customer's loyalty towards the product. A product that lacks quality will result in the brand not being able to meet customer's satisfaction. If a brand fails to meet their customer's satisfaction, the probability of customers looking for other alternatives is higher as to replace the poor-quality ones.

According to Porter 1980, the differentiation by quality insulates a business from competitive rivalry by creating customer loyalty, lowering customer sensitivity to price, and protecting the business from other competitive forces that reduce price-cost margins. According to Ling, C. H. (2018), companies should seek to build products based on the concepts of value innovation in order to create value for the customers by improving on the aspects of the product quality that have been identified by the customer's representatives. This indicates that product quality is an essential characteristic as to retain customer loyalty towards a product.

2.3.3 Store Environment

According to Kotler 1973, physical outlets can offer a unique atmosphere, or environment, that may influence the consumer's patronage decision. Store environment is the physical surrounding of the store, made of few elements including music, lighting, layout, directional signage and human elements used to create an image to attract

customers. With the drastic increase in the amount of methods to purchase a product such as in-store, through mobile devices or online, it is necessary for a store outlet to offer customers who frequent their store an experience they could not receive at other retail stores of other brands. Having a unique and distinctive store environment can assure the brand a competitive advantage and distinguish them from other brands.

Furthermore, positive attributes of the store, which include store location, store layout, and in-store stimuli, affect brand loyalty to some extent. According to Gardner and Siomkos 1985; Olson 1977; Zeithaml 1988, store environments provide informational cues to customers about merchandise and service quality. Store environment has also been found to be one of several inputs into the consumer's global store image, or overall attitude toward the store (e.g., Lindquist 1974; Darden, Erdem, and Darden 1983; Zimmer and Golden 1988). Sachdeva, S. and Goel, S. (2015) stated that the goal of experiential store design is to use a variety of emotional and cognitive stimuli to create a unique shopping experience for each customer. Thus, a store's atmosphere is one of the factors that could influence customers' decision-making.

2.3.4 Design

According to Frings, 2005, design is visual appearance, which includes line, shape and details affecting consumer perception towards a brand. A stylish and innovative design of a cosmetic product is crucial to attract as many customers and potential customers as the company can. It encompasses the physical aspects as well as the functionalities products should possess. An overall poor product design may result in the product not getting the recognition the company expected and may not attract customers to buy them.

Moreover, with the fast changing of trends and styles nowadays, it is a need for cosmetic products to follow the flow of change to create aesthetic value for customers. Customers who are fashion conscious are more likely to purchase products that are highly fashionable and will continue to purchase from the same brand repeatedly. According to Sproles and Kendall (1986), fashion consciousness is generally defined as an awareness of new designs,

changing fashions, and attractive styling, as well as the desire to buy something exciting and trendy. Furthermore, according to Lieven, T., Grohman, B., Herrmann, A., Landwehr J. R., and van Tilburg, M. (2015), a consistent use of brand designs over time is desirable in terms of strengthening brand associations and recognition, it may also lead to consumer expectations regarding the nature of the design elements representing the brand.

2.3.5 Brand Image

Brand image is usually considered as the combined effect of brand associations (Biel, 1992). Based on Zhang, Y. (2015), consumers make their purchase decisions largely depending on the brand image rather than the product itself. Brand image includes the strength of brand association, brand associations advantage, and uniqueness of brand associations. (Keller, 2003). Brand should be associated with positive attributes as to maintain their positive brand image in the customer's viewpoint. As suggested by Roth (1994), consumer's brand image results from the cumulative effects of the firm's marketing mix activities. A positive brand image can enhance the positive traits which will immediately come into the customer's mind when the specific brand is talked about.

2.3.6 Service Quality

Service quality can be defined as the service that should correspond to the customer's expectations and satisfy their needs and requirements (Lovelock,2010). Kotler, Philip (1997) defined service as an action or an activity which can be offered by a party to another party, which is basically an intangible product and cannot affect any ownership. Kaura, V., Durga Prasad, C. S., and Sharma, S. (2015), stated that service quality dimensions such as employee behaviour, tangibility and information technology have a positive impact on customer loyalty. Thus, improving the level of quality of service delivery has become a significant factor for all organisations in terms of competition and global marketing (Nguyen, B. et. al. (2018)).

Zeithaml and Bitner (2003) noted that service quality is a focussed evaluation that reflects the customer's perception of specific dimensions of service namely reliability. Responsiveness, assurance, empathy and tangibles. According to Parasuraman, A., Zeithaml, V.A. and Berry, L. L., it is during the service delivery that the quality of services is assessed and the contact with each customer implies a chance to satisfy or dissatisfied the customer.

2.4   THEORETICAL FRAMEWORK

Below diagram displays the variables connected or linked to form a test on this study. The framework below was modified from the literature review, there were five variables that are developed to explore the determinant of brand loyal of Avon.

Figure 2.4 Theoretical Framework
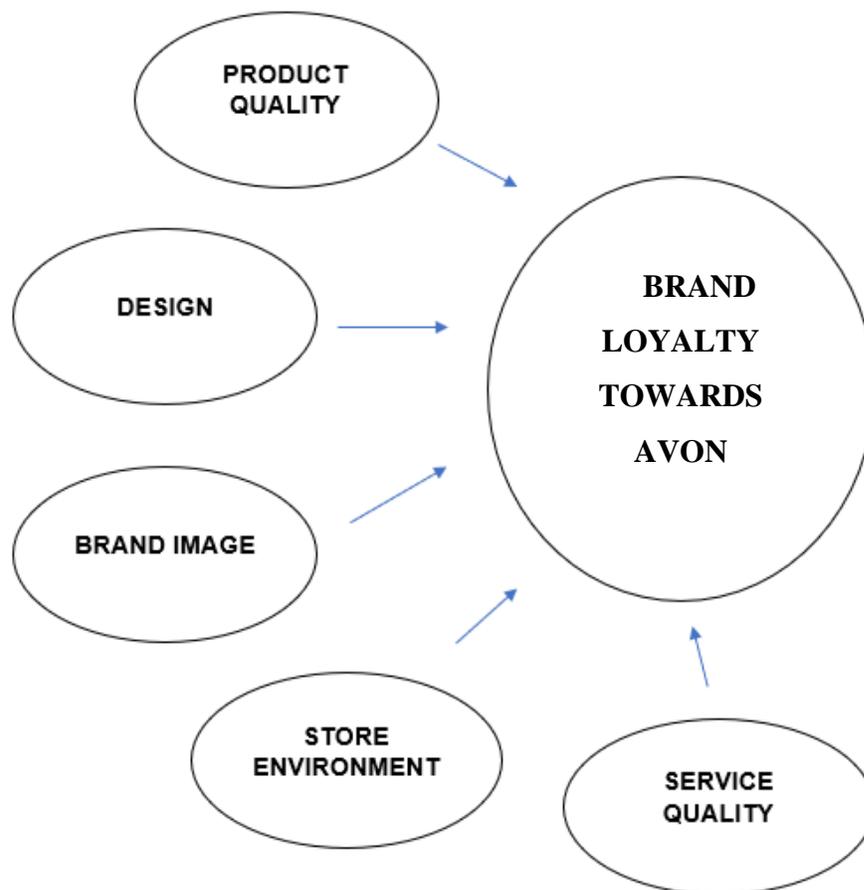
Definition of the terms for the variables involved in this model

Brand Loyalty

The tendency of some consumers to continue buying the same brand of goods rather than competing brands.

Product Quality

The features that have a capacity to meet consumer needs (wants) and gives customer satisfaction by improving products and making them free from any deficiencies or defects.

Store Environment

The physical surroundings of a store are made up of many elements, including music, lighting, layout, directional signage and human elements.

Design

Visual appearance, which includes line, shape and details affecting consumer perception towards a brand.

Brand Image

The general impression of a product held by real or potential consumers.

Service Quality

Service quality refers to a customer's comparison of service expectations as it relates to a company's performance.

2.5 RESEARCH HYPOTHESIS

H1: There is a significant and positive relationship between Avon's product quality and brand loyalty.

H2: There is a significant and positive relationship between Avon's product design and brand loyalty.

H3: There is a significant and positive relationship between Avon's service quality and brand loyalty.

H4: There is a significant and positive relationship between Avon's store environment and brand loyalty.

H5: There is a significant and positive relationship between Avon's brand image and brand loyalty.

2.6 SUMMARY

To summarize, this chapter consists of the suitable framework for our study and the defined terms for every variable that are involved in this model. It discusses the variables involved in the study by analysing the results of previous studies in the same area and surveying scholarly articles and journals relevant to our topic. This chapter has helped us in building knowledge in our field.

CHAPTER 3
RESEARCH METHODOLOGY

3.1 INTRODUCTION

This chapter discussed the research methodology, where suitable methods have been applied and used in exploring the determinant of brand loyalty of Avon Malaysia. According to the 4th Edition of the Oxford Word Power Dictionary, methodology was defined as a system that includes the methods and principles used in an activity or discipline. Methodology can also be defined as the method or discipline used during a study to achieve a certain objective.

As stated by the University of Witwatersrand, research methodology is the specific procedures or techniques used to identify, select, process, and analyze information about a topic. In a research paper, the methodology section allows the reader to critically evaluate a study's overall validity and reliability. It helps in identifying the research activity accordingly and further specifies and defines the actual concepts of the study. It also helps to further declare what sort of methods will be required for further inquiry. Moreover, how progress can be measured. In our study, we use the quantitative method as we find it more fitting to work with for this research.

3.2 RESEARCH DESIGN

Research design is the set of methods and procedures used in collecting and analyzing measures of the variables specified in the problem research. It is the framework of research methods and techniques chosen by the researchers. We have chosen to focus on a single method that is suitable with our area of research which is quantitative method.

3.2.1 Quantitative Method

We find that this method is suitable for our line of research as we use questionnaires as an instrument for the purpose of gathering more information on the determinants of brand loyalty of Avon. By using this method, we can clearly determine the factors that contribute to the downturn of Avon's brand demand.

As stated in the book of Doing Survey Research 4th edition by Peter M. Nardi, quantitative methods typically involve writing questions for surveys and in-depth interviews, learning to quantify or count responses, and statistically (mathematically) analysing archival, historical, or our own data. A common form is a self-administered questionnaire. Questionnaires are particularly suited for measuring people's attitudes and opinions, and for getting a very large number of respondents. Quantitative data collection methods are relatively more straightforward. By using this method, researchers are able to ask questions to collect sets of facts and figures. Quantitative data is measurable and expressed in numerical form.

3.3 POPULATION, RESEARCH SAMPLE AND SAMPLING METHOD

3.3.1 Population

A population is an entire group about which some information is required to be ascertained. The population must be fully defined so that those to be included and excluded are clearly spelt out according to Banerjee, A. and Chaudhury, S. (2010). Therefore, population is significant in executing this study because we need the opinions of the population to analyses on what characteristics consumers wish a beauty product owns. The population for our research is the staff of Politeknik Sultan Salahuddin Abdul Aziz Shah.

3.3.2   Research Sample

As stated by Adi Bhat (2019), a research sample is defined as a smaller set of data that is chosen and selected from a larger population by using a predefined selection method. Creating a sample is an efficient method of conducting research as in most cases, it is impossible or very expensive and time consuming to research the whole population and hence researching the sample provides insights that can be applied to the whole figure.

Therefore, it is very crucial for us to have a sample created as it can ease the research process and to gain more accessible data to analyse for our study. Since it is quite impossible for us to reach all cosmetic brand buyers, we have decided to approach the staff of Politeknik Sultan Salahuddin Abdul Aziz Shah and make them as our research sample. The researchers had distributed questionnaires directly to the respondents as to collect more data.

3.3.3   Sampling Method

A sampling method is a procedure for selecting sample members from a population. The researchers had applied the probability sampling method which is a technique where a sample from a larger population is chosen using a method based on the theory of probability. It uses statistical theory to select randomly from a small group of people who are the sample of the research from an existing large population and then predict that all their responses together will match the overall population. There are many types of probability sampling methods, but we believe that using the simple random sampling, which is a type of probability sampling method where we select a group of subjects for study from a larger group, is the most suitable for this research. Each individual is chosen entirely by chance and each member of the population has an equal chance of being included in the sample. This type of sampling is most useful for pilot testing. Thus, the survey is conducted with random staff of Politeknik Sultan Salahuddin Abdul Aziz Shah as the sample of the survey and is done by distributing the questionnaires to the respondents.

3.4 DATA COLLECTION METHOD

3.4.1 Primary Data

Based on Hox, J.J. and Boeije, H.R. (2015), primary data are data that are collected for the specific research problem at hand, using procedures that fit the research problem best. On every occasion that primary data is collected, new data is added to the existing store of social knowledge. It is easier for us as it relates directly to our field of study.

In our field of research, we used primary data by collecting the information from Avon's customers and potential customers. To collect this primary data, a survey using structured questionnaires was conducted because it involves collecting data on many variables from a large and representative sample of respondents. Based on Krejcie Morgan's table, since our population is approximately 400 people, we have distributed questionnaires with the total of 196 to the respondents which are the staff of Politeknik Sultan Salahuddin Abdul Aziz Shah.

3.4.2 Secondary Data

According to Rabianski, J. (2004), secondary data is information from secondary sources that may include published or unpublished work based on research that relies on primary sources of any material other than primary sources used to prepare a written work.

Secondary data is data that is not collected directly by the researchers but instead is gathered by readily available information from other sources. It is the information that has been collected and compiled in the past by someone else. It is cheaper and easier to obtain than primary data. In this research we used this type of data by searching for journals, reference books and internet searches. It is very helpful when it comes to obtaining information for the comparison of previous study.

3.5   RESEARCH INSTRUMENTS

A common goal of survey research is to collect data representative of a population. The researcher uses information gathered from the survey to generalize findings from a drawn sample back to a population, within the limits of random error (James E. Bartlett II, Joe W. Kotrlik, Chadwick C. Higgins). In our research we have chosen to use questionnaires and surveys. We deemed that it is a more suited method for our research process because Avon deals with the end-customer. Questionnaires and surveys can be used to ask questions that have closed-ended answers.

3.5.1   Questionnaire Design

The questionnaire that the researchers had created is based on the theoretical framework of this research topic. It is distributed with the purpose of identifying the determinants of customer's brand loyalty towards Avon's brands and their product among the staff of Politeknik Sultan Salahuddin Abdul Aziz Shah. The researchers have used a questionnaire with a 7-point Likert scale which includes several options such as; strongly disagree, disagree, slightly disagree, undecided, slightly agree, agree and strongly agree, to facilitate data collection. The questionnaire consists of 3 sections, section A, section B and section C.

Section A

In the first section of the questionnaire, section A, the researchers mainly ask questions about the respondent's demographic profile. It is for the purpose of gathering the respondent's personal information such as gender, age, race, religion and income category.

Section B

The second section of the questionnaire, section B, consists of general questions about Avon's brand and other cosmetic brands to analyse the respondents' awareness towards Avon.

Section C

The last section of the questionnaire, section C, consists of questions related to the variables in the determinants of brand loyalty towards Avon. Respondents were required to rate their opinions using the 7-points Likert scale ranging from 1 (strongly disagree) to 7 (strongly agree).

3.5.2 Construct of Product Quality

Product quality is generally described as the features and characteristics of a product or service that bears on its ability to satisfy stated or implied needs. Product quality is defined as "fitness for use" or 'conformance to requirement" (Russell and Taylor, 2006). A high product quality is to gain and ensure customers loyalty. It can be attained by making a product incorporate features that have a capacity to meet consumer wants and needs. Not only that, giving customers the satisfaction by improving the product by making them free from any deficiencies or defects can also be one of the factors that can help in achieving customer's loyalty towards the brand.

Table 3.1: Measurement Items for Product Quality

	Product Quality	Sources
PQ1	The brand last longer than other brands.	
PQ2	Products are safe to use and does not damage customer's skin.	Adapted from Hamza Salim Khraim (2011)
PQ3	Product offers cosmetic products with many colours suitable for all types of skin tones (example: compact powder, lipsticks, etc).	
PQ4	The brand has good functional quality.	Adopted from Hamza Salim Khraim (2011)
PQ5	This brand is of high quality.	Adopted from Yoo et al (2000)
	PQ 6 Avon's product is of very consistent quality.	

3.5.3 Construct of Design

Design is visual appearance, which includes line, shape and details affecting consumer perception towards a brand (Frings, 2005). Design makes an important contribution to customer's first impression and perception towards a brand. Customer perception plays a vital role in a company's ability to attract new customers and to retain existing customers.

Table 3.2: Measurement Items for Design

	Design (Scale Item)	Source
D1	The brand provides wide variety of designs.	Adopted from Hamza Salim Khraim (2011)
D2	The design of Avon's products catches my attention.	Adopted from Heer Vyas, Bhuvanesh V (2015)
D3	Designs of the brand have distinctive features.	Adopted from Hamza
D4	Designs of the brand are trendy and fashionable.	Salim Khraim (2011)

3.5.4 Construct of Brand Image

As suggested by Roth (1994), consumer's brand image results from the cumulative effects of the firm's marketing mix activities. A positive brand image can enhance the positive traits which will immediately come into the customer's mind when the specific brand is talked about.

Table 3.3: Measurement Items for Brand Image

	Brand Image (Scale Item)	Source
BI 1	BI 1 The brand is reputable.	
BI 2	BI 2 Brand Name and Image attract me to purchase.	Adopted from Hamza
BI 3	BI 3 Brand is selected regardless of price.	Salim Khraim (2011)
BI 4	BI 4 Brand reflects my own personality	

3.5.5 Construct of Store Environment

According to Lin and Chang (2003), the channel convenience of the brands had significant influence on buying behaviour. This means that customer would search for a product that will provide them convenience such as the accessibility to the product. Hence why the physical outlet environment is important as to attract customer's attention and maintain customer's loyalty to the brand.

Table 3.4: Measurement Items for Store Environment

	Store Environment (Scale Item)	Source
SE 1	The brand has good store location.	Adapted from Hamza Salim Khraim (2011)
SE 2	The brand has sufficient outlets.	Adopted from Hamza
SE 3	The interior display is attractive.	Salim Khraim (2011)
SE 4	Colour and music inside the store are attractive.	
SE 5	The store is clean.	Adapted from
SE 6	The layout of the store is well-organized.	Soyoung Kim and Byoungho Jin (2001)

3.5.6 Construct of Service Quality

Service quality is defined as an essential item in building the brand trust and defined in other words as the decisions that are resultant from estimation process in which customers differentiate the service provided to them and the services they perceived (Parasuraman et al, 1988) Gronroos (1984). A good service quality indicates how well a brand delivers their service that conforms to the customer's expectations.

Table 3.5: Measurement Items for Service Quality

	Service Quality (Scale Item)	Source
SQ 1	This brand provides superior service.	Adopted from Brady and Cronin, 2001; Parasuraman et al, 1988; Terblanche and Boshoff (2001)
SQ 2	Avon's staffs are helpful, informative and customer-friendly.	Adapted from Hamza Salim Khraim (2011)
SQ 3	This brand has fair system for the handling of complaints.	Adopted from Brady and Cronin, 2001; Parasuraman et al, 1988; Terblanche and Boshoff (2001)
SQ 4	I feel good about what this brand offers to its customers.	
SQ 5	I have always excellent experience when I buy this brand.	
SQ 6	Salespersons of the stores have neat appearance.	Adopted from Hamza Salim Khraim (2011)

3.5.7 Construct of Brand Loyalty

Brand loyalty is defined as keeping preferable to a specific product or service (BNET Business Dictionary). It is when customers are willing to repurchase products again from the same brand that they are convinced in using. Other than that, customers may also be loyal because they are satisfied with the brand, and thus want to continue the relationship (Fornell, 1992).

Table 3.6: Measurement Item for Brand Loyalty

	Brand Loyalty (Scale Item)	Source
BL 1	This brand would be my first choice.	
BL 2	I consider myself to be loyal to this brand.	
BL 3	I will not buy other brands if the same product is available at the store.	Adopted from (Algesheimer, Uptal and Herrmann, 2005; Fullerton, 2005)
BL 4	I recommend this brand to someone who seeks my advice.	
BL 5	I get good value for my money.	
BL 6	I say positive things about this brand to other people.	

3.6   METHOD OF DATA ANALYSIS

Data analysis is defined as a process of applying statistical or analytical tools and techniques to illustrate and evaluate data and to discover useful information. According to LeCompte and Schensul, research data analysis is a process used by researchers for reducing data to a story and interpreting it to derive insights.

3.6.1   Descriptive Analysis

According to (S Loeb,2017), descriptive analysis characterizes the world or a phenomenon-answering questions about who, what, where, when, and to what extent. It is used to explore the data collected from respondents, summarize and describe the data collected (Coakes, Steed, & Price, 2005). Descriptive analysis is an important step if researchers wish to conduct statistical analyses since it helps researchers identify the associations among variables. The measure commonly used to analyse the data obtained through the questionnaires are mean, frequency, percentage and total data.

Therefore, the researchers had used descriptive analysis to measure the independent variables which are product quality, design, brand image, store environment and service

quality. The result will be shown in mean and the highest in mean would determine the determinants of brand loyalty towards Avon.

3.6.2 Statistical Package for Social Sciences (SPSS)

For this particular research, the researchers have used the aid of a software called Statistical Package for Social Sciences (SPSS) to analyse the data gathered effectively. According to a previous study by Hanafi and Fadilah, SPSS is a statistical package designed by the IBM Corporation and is widely used by researchers or academicians worldwide. The data analysis process begins after the data has been collected and processed. Once data is collected and sorted using SPSS, the results are interpreted as to make conclusions and summary for the research.

3.6.3 Pilot/Reliability Test

To test the feasibility, equipment and methods, researchers will often use a pilot study, a small-scale rehearsal of the larger research design. Generally, the pilot study technique specifically refers to a smaller scale version of the experiment, although equipment tests are an increasingly important part of this sub-group of experiments (Martyn Shuttleworth). Bryman and Bell (2007) has suggested a pilot test to be carried out before and actual study is conducted. The pilot test helps provide valuable feedback so that researchers can revise and improve the questionnaire before the actual distribution process of the survey. If the pilot test is rejected, researchers must improve the questionnaire design prior to performance of a full-scale survey.

For this research, the researchers had distributed 30 questionnaires to conduct the pilot test to 30 staff of Politeknik Sultan Salahuddin Abdul Aziz Shah. The pilot test's result showed that the questions in the survey are easily understood by the respondents and they took a relatively short time to answer all the questions given.

3.6.4   Cronbach's Alpha

The result is measured using Cronbach's alpha where the measurements are free from bias in order to obtain consistent results according to (Campbel & Cook, 1979). The Cronbach's alpha is used for a measure of scale reliability. It is also the most commonly used measurement for a study that is using multiple Likert questions in a survey or questionnaire that form a scale and if the researchers wish to determine if the scale is reliable. Since we are using questionnaires as our research instrument, it is most suitable to use the Cronbach's alpha to measure the data's reliability.

Table 3.7: Cronbach's Alpha Sekaran, U.

Cronbach's Alpha	Reliability value
Less than 0.6	Poor
0.6 to less than 0.7	Questionable
0.7 to less than 0.8	Acceptable
0.8 to less than 0.9	Good
0.9 or more	Excellent

Source: Sekaran, U., & Bougie, R. (2010)

3.6.5   Pearson Correlation Coefficient Test

Pearson Correlation Coefficient is the test statistics that measures the strength in the statistical relationship, or association, between variables. To interpret the correlation coefficient, researchers must run a Pearson Correlation Coefficient test. If the result shows that the value is equal to 1 then it indicates that the variables have the highest strength of association whereas 0.00 means that there is no correlation whatsoever between the variables. This is because the greater the absolute value of the correlation coefficient, the stronger the relationship.

Table 3.8: Rules of Thumb about Correlation Coefficient

Size of Correlation	Interpretation
.90 to 1.00 (−.90 to −1.00)	Very high positive (negative) correlation
.70 to .90 (−.70 to −.90)	High positive (negative) correlation
.50 to .70 (−.50 to −.70)	Moderate positive (negative) correlation
.30 to .50 (−.30 to −.50)	Low positive (negative) correlation
.00 to .30 (.00 to −.30)	negligible correlation

Source: (F. Hair Jr. et al., 2006)

3.7   SUMMARY

To summarise, this chapter mainly discusses the research methodology in the research to identify, select, process, and analyse the information to create a better understanding about the topic of study. The chapter consists of the research design, population, sample, and sampling method, data collection method, research instruments and the method of data analysis. This chapter is significant for the process of analysing gathered data.

CHAPTER 4

DATA ANALYSIS

4.1   INTRODUCTION

This chapter focuses on the process of data analysis that uses analytical and logical reasoning to gain information from the data. The main objective of this chapter is to find the meaning in the derived data to make conclusions for this research. This chapter discussed the research methodology approach applied for this research. Other than that, this chapter also presents the descriptive findings of the research based on frequency scores and percentages, measures of central tendency (mean values) and dispersion (standard deviation). Moreover, this chapter consists of two parts, which are the descriptive analysis and scale measurement. Descriptive analysis is used primarily to summarize data that quantitatively describes the features from a collection of data. It can subset it into respondents' demographic profile and central tendencies measurement of constructs. Respondents demographic profile consists of their age, gender, race, income level and occupation type. Central tendencies measurement of construct that used to indicate the mean, mode and median. The second part is scale measurement. Scale measurement refers to the ways in which variables are defined and categorized. It is used to test the reliability analysis. For both the descriptive analysis and also scale measurement, we had used SPSS which is a statistical software designed for statistical analysis of data.

4.2   SAMPLES AND PROFILE

About 200 respondents have answered our questionnaires through google form and 196 of the answered questionnaires were used to carry out this research. There is no outlier, thus the researchers fully utilized the 196 copies questionnaires and analysed it.

Table 4.0: Profile Respondents

Respondents Demographic	Frequency	Percentage (%)
Gender		
Male	16	8.2
Female	180	91.8
Total	196	100.0
Race		
Malay	177	90.3
Chinese	8	4.1
Indian	9	4.6
Others	2	1.0
Total	196	100.0
Age		
20-30	21	10.7
31-39	39	19.9
40-49	96	49.0
50-59	35	17.9
60 and above	5	2.6
Total	196	100.0
Occupation		
Professional	28	14.3
Private Sector	0	0.0
Government Sector	168	85.7
Total	196	100.0
Income Category		

RM 1000 and below	2	1.0
RM1001-RM2000	15	7.7
RM2001-RM3000	14	7.1
RM3001-RM4000	56	28.6
RM4000 and above	109	55.6
Total	196	100.0

The respondents consisted mainly of females, 180 respondents (91.8%) and 16 respondents (8.2%) were male. Next, 177 respondents (90.3%) were Malay, Indian 9 respondents (4.6%) followed by Chinese 8 respondents (4.1%) whereas other races comprised 2 respondents (1%).

The age of respondents was high, 40-49 comprised 96 of the respondents (49%). Followed by 31-39 with 39 of the respondents (19.9%) , 50-59 with 35 of the respondents (17.9%), 20-30 with 21 of the respondents (10.7%) and 50 and above were 5 of the respondents (2.5%).

The occupation type of the respondents was high, the government sector consisted of 168 of the respondents (85.7%) followed by professionals were 28 of the respondents (14.3) and private sector were 0 of the respondents (0%).

In terms of income category, 109 of the respondents were RM4000 and above (55.6%). The second highest were between RM3001-RM4000 with 56 out of respondents (28.6%). The third highest were between RM1001-RM2000 with 15 of the respondents (7.7%). The fourth highest were between RM2001-RM3000 with 14 of the respondents (7.1%) and lastly highest were RM 1000 and above with 2 of the respondents (1%).

4.2.1 Respondents Cosmetic Outlet Preferences

Table 4.1: Respondent's Familiar with Avon Brand

	Frequency	Percentage (%)
Yes	196	100
No	0	0
Total	196	100.0

Table 4.1 shows that the respondent's familiar with the Avon brand. Based on the data represented, 100 percent respondents have chosen Yes which amounted 196 or 100% out of 196 respondents.

Table 4.2: Respondent's Knowledge about Avon

	Frequency	Percentage (%)
Advertisement	70	35.7
Social Media	22	11.2
Recommendation	104	53.1
Total	196	100.0

Table 4.2 shows respondent's knowledge about Avon. Based on the data presented, most of the respondents knew about Avon products via recommendation, which amounted 104 or 53.1% out of 196 respondents. The second highest is advertisement, which amounted 70 or 35.7% out of 196 respondents and the lowest of knowledge about Avon is social media, which amounted 22 or 11.2% only out of 196 respondents.

Table 4.3: Respondent's Favourite Brands

	Frequency	Percentage (%)
Sephora	40	20.4
Mac Cosmetic	13	6.6
Avon	36	18.4
Mary Kay	42	21.4
Maybelline	37	18.9
Others	28	14.3
Total	196	100.0

Table 4.3 shows the respondent's favourite brands. Based on the table represented, most of the respondents' favourite brands are Mary Kay, which amounted 42 or 21.4% out of 196 respondents. Second highest is Sephora, which amounted 40 or 20.4% out of 196 respondents. Third highest is Maybelline, which amounted 37 or 18.9% out of 196 respondents. Fourth highest is Avon, which amounted 36 or 18.4% out of 196 respondents. Fifth highest is others, which amounted 28 or 14.3% out of 196 respondents and the lowest is MAC Cosmetic, which amounted 13 or 6.6% out of 196 respondents.

Table 4.4: Respondent Often Go to Cosmetic Outlet

	Frequency	Percentage (%)
All the Time	13	6.6
Daily	7	3.6
Weekly	23	11.7
Monthly	153	78.1
Total	196	100.0

The table 4.4 shows the respondent's often go to cosmetic outlets. Based on the data represented, the most respondent choice is monthly, which amounted 153 or 78.1% out of 196 respondents. Second highest is weekly, which amounted 23 or 78.1% out of 196 respondents. Third highest is all the time, which amounted 13 or 6.6% out of 196 respondents and the lowest is Daily, which amounted 7 or 3.6% out of 196 respondents.

Table 4.5: Respondent's Method of Buying

	Frequency	Percentage (%)
Online	73	37.2
Offline	123	62.8
Total	196	100.0

The table 4.5 shows the respondent's method of buying. Based on the data represented, the most respondent choice is offline, which amounted 123 or 62.8% out of 196 respondents and the lowest method of buying is online, which amounted 73 or 37.2% out of 196 respondents.

Table 4.6: Respondent's Most buying

	Frequency	Percentage (%)
Fragrance	15	7.7
Make up	81	41.3
Makeup Tools	13	6.6
Skin Care	57	29.1
Body Care	26	13.3
Others	4	2.0
Total	196	100.0

The table 4.6 shows respondent's most buying at cosmetic outlets. Based on the data represented, the most buying choice by respondents is make up, which amounted 81 or 41.3% out of 196 respondents. Second highest is skin care, which amounted 57 or 29.1% out of 196 respondents. Third highest is body care, which amounted 26 or 13.3% out of 196 respondents. Fourth highest is fragrance, which amounted 15 or 7.7% out of 196 respondents. Fifth highest is make up tools, which amounted 13 or 6.6% out of 196 respondents and the lowest is others, which amounted 4 or 2.0% out of 196 respondents.

Table 4.7: Respondent's Opinion of Shopping at Cosmetic Outlet

	Frequency	Percentage (%)
Affordable Price	34	17.0
The quality of The Product	53	26.5
Brand Awareness	44	22.0
Strategic Area	39	19.5
Monthly Promotion	28	14.0
Others	2	1.0
Total	196	100.0

The table 4.7 shows respondent's opinion of shopping at cosmetic outlets. Based on the data represented, the most respondent choice opinion of shopping is the quality of the product, which amounted 53 or 26.5% out of 196 respondents. Second highest is brand awareness, which amounted 44 or 22.0% out of 196 respondents. Third highest is the strategic area, which amounted 39 or 19.5% out of 196 respondents. Fourth highest is affordable price, which amounted 34 or 17.0% out of 196 respondents. Fifth highest is monthly promotion, which amounted 28 or 14.0% out of 196 respondents and the lowest is others, which amounted 2 or 1.0% out of 196 respondents.

4.2.2 Reliability Test

Reliability test is a test of Cronbach's alpha that ensures the measurements are free of bias, in order to obtain results (Campbel & cook, 1979). Reliability test is how to consistently measure element over a period of time and between different participants. Cronbach's coefficient alpha is the most commonly used measure for internal consistency reliability. Cronbach's alpha value of .7 and above is reliable (Nunnally & Bernstein, 1998). An alpha value .7 and above indicates items are homogenous and measuring for the same construct. However, according to Uma Sekaran (2003), he suggested that the Cronbach Alpha coefficient is accepted if the test value is 0.5 and would be deemed the lower value of acceptability.

Table 4.8: Result of Reliability Test

Variable	Number of Item	Cronbach's Alpha
Product Quality	6	0.883
Brand Image	5	0.799
Design	4	0.804
Store Environment	6	0.845
Service Quality	6	0.839
Brand Loyalty	6	0.912

Based on the table 4.8 shows that the result of the reliability test is above 0.7 with Cronbach's Alpha 0.883, 0.779, 0.804, 0.845, 0.839 and 0.912 which are very good. Product quality, brand image, design, store environment, service quality and brand quality have Cronbach alpha value greater than 0.7 based on Nunnally & Bernstein (1994) and indicates inter-item consistency. None of the items were deleted in the test, as the reliability of the inter-item was high.

4.3   DESCRIPTIVE ANALYSIS

The summary of the descriptive statistics of the variables is given in Table 4.9. Developed in 1932 by Rensis Likert1 to measure attitudes, the typical Likert scale is a 5- or 7-point ordinal scale used by respondents to rate the degree to which they agree or disagree with a statement (table). In an ordinal scale, responses can be rated or ranked, but the distance between responses is not measurable. All variables were measured in 7-point Likert Scale with 7 being strongly agreed.

Table 4.9: Descriptive Analysis

Variables	Mean	Standard Deviation
Product Quality	4.615	1.377
Brand Image	4.122	1.691
Design	4.115	1.603
Store Environment	3.39	1.534
Service Quality	4.466	1.333
Brand Loyalty	3.795	1.755

4.3.1   Product Quality

The mean scores for the image scale are shown in table 4.10 with item "Avon is of high quality" with a highest score of 4.85. Meantime "Avon's products last longer than other brands" shows the lowest score of 4.22.

Table 4.10: Product Quality

Variables	Items	Means	Standard Deviation
Product Quality	Avon's products last longer than other brands	4.22	1.621
	Avon's product is safe to use and does not damage customer's skin	4.70	1.214
	Avon offers cosmetic products with many colours suitable for all types of skins tones (example: compact powder, lipsticks, etc	4.60	1.390
	Avon's products have good functional quality	4.55	1.386
	Avon is of high quality	4.85	1.306
	Avon's product is of very consistent quality	4.77	1.346
	Total average Mean	4.615	1.377

4.3.2 Brand Image

The mean scores for the image scale are shown in table 4.11 with item "Avon is branded product" with a highest score of 5.10. Meantime "Avon reflects my own personality" shows the lowest score of 3.44.

Table 4.11: Brand Image

Variables	Items	Means	Standard Deviation
Brand Image	Avon is reputable.	4.69	1.553
	Avon brand image attracts me to purchase the products.	3.80	1.658
	Avon is selected regardless of purchase.	3.58	1.875
	Avon reflects my own personality.	3.44	1.969
	Avon is branded product	5.10	1.400
	Total average Mean	4.122	1.691

4.3.3 Design

The mean scores for the image scale are shown in table 4.12 with item "Avon provides a wide variety of designs" with a highest score of 4.79. Meantime "Design of Avon's products are trendy and fashionable" shows the lowest score of 3.56.

Table 4.12: Design

Variables	Items	Means	Standard Deviation
Design	Avon provides a wide variety of designs.	4.79	1.511
	The design of Avon's products catches my attention	3.85	1.776
	Avon product have distinctive features	4.26	1.481
	Design of Avon's products are trendy and fashionable	3.56	1.646
	Total average Mean	4.115	1.603

4.3.4 Store Environment

The mean scores for the image scale are shown in table 4.13 with item "The store is clean" with a highest score of 4.55. Meantime "The colour and music inside the store are attractive" shows the lowest score of 3.61.

Table 4.13: Store Environment

Variables	Items	Means	Standard Deviation
Store Environment	Avon outlets are located in accessible locations	4.11	1.515
	Avon provide sufficient outlets	3.66	1.639
	The interior display is attractive	3.85	1.472
	The colour and music inside the store are attractive	3.61	1.662
	The store is clean	4.55	1.282
	The layout of the store is well-organized	3.82	1.638
	Total average Mean	3.93	1.534

4.3.5 Service Quality

The mean scores for the image scale are shown in table 4.14 with item "Avon's staff are helpful, informative and customer-friendly" with a highest score of 4.82. Meantime "I have excellent experiences whenever I purchase Avon's product" shows the lowest score of 4.22.

Table 4.14: Service Quality

Variables	Items	Means	Standard Deviation
Service Quality	Avon Provides superior service.	4.43	1.367
	Avon's staff are helpful, informative and customer-friendly.	4.82	1.193
	Avon has a fair system for handling complaints.	4.38	1.277
	I feel good about what Avon offers to its customers.	4.37	1.457
	I have excellent experiences whenever I purchase Avon's product.	4.22	1.478
	Salespersons of the stores have neat appearance	4.58	1.231
	Total average Mean	4.466	1.333

4.3.6 Brand Loyalty

The mean scores for the image scale are shown in table 4.15 with item "I get good value for my money" with a highest score of 4.43. Meantime "I will not buy other than Avon brands if the same product is available at the outlet" shows the lowest score of 3.05.

Table 4.15: Brand Quality

Variables	Items	Means	Standard Deviation
Brand Loyalty	Avon would be my first choice.	3.27	1.843
	I consider myself to be loyal to this brand Avon.	3.44	2.108
	I will not buy other than Avon brands if the same product is available at the outlet.	3.05	1.913
	I recommend Avon to someone who seeks my advice.	4.16	1.564
	I get good value for my money	4.43	1.601
	I say positive things about Avon product to other people	4.42	1.502
	Total average Mean	3.795	1.755

4.4   PEARSON CORRELATION ANALYSIS

Hair, J. F. (2006) noted that Pearson Coefficient indicates the direction, strength and significance of the bivariate relationship among all the variables that are measured on interval scale.

Table 4.16: Pearson Correlation

		DV_BL	IV_PQ	IV_BI	IV_D	IV_SE	IV_SQ
DV_BL	Pearson Correlation	1					
	Sig. (2 tailed)						
	N	196					
IV_PQ	Pearson Correlation	.542	1				
	Sig. (2 tailed)	.000					
	N	196	196				
IV_BI	Pearson Correlation	.761	.744	1			
	Sig. (2 tailed)	.000	.000				
	N	196	196	196			
IV_D	Pearson Correlation	.626	.675	.802	1		
	Sig. (2 tailed)	.000	.000	.000			
	N	196	196	196	196		
IV_SE	Pearson Correlation	.587	.504	.572	.584	1	
	Sig. (2 tailed)	.000	.000	.000	.000		
	N	196	196	196	196	196	
IV_SQ	Pearson Correlation	.714	.504	.569	.571	.634	1
	Sig. (2 tailed)	.000	.000	.000	.000	.000	
	N	196	196	196	196	196	196

** . Correlation is significant at the .01 level (2 tailed)

Table 4.16 shows the correlation between independent variables, which included product quality, brand image, design, store environment and service quality with dependent variable which is, determinants of brand loyalty towards Avon product.

There was a significant relationship between product quality and brand loyalty. This can be proven because the p-value is equal to 0.000 which means that the null hypothesis can be rejected, and the result is significant because it is less than the alpha value which is 0.05. The value of the correlation coefficient, which is 0.542, fell under the coefficient range of "± 0.4 to ± 0.7". This indicated a correlated relationship between the product quality towards brand loyalty.

Next, based on the table above, it is stated that there is a significant relationship between brand image and brand loyalty. This is because the p-value is 0.000 and less than 0.05 of the alpha value. The correlation for this variable also indicates that a correlated relationship between brand image and brand loyalty exists since the value of the correlation coefficient is 0.761 which fell under the coefficient range of "± 0.7 to ± 0.9" which means that there is a strong correlation between both variables.

Other than that, the table also stated that there is a significant relationship between design and brand loyalty. This is because the p-value is 0.000 and less than 0.05 of the alpha value which means that the null hypothesis can be rejected and that the result is statistically significant. The correlation for this variable suggested that there is a correlated relationship between design and brand loyalty since the value of correlation coefficient fell under the coefficient range of "± 0.4 to ± 0.7" with the value of 0.626.

Furthermore, by referring to the table, we can see that there is also a significant relationship between store environment and brand loyalty. Since the p-value is less than 0.05 with the value of 0.000, we can reject the null hypothesis and we can say that the result is significant. It also shows that there is a correlated relationship between store environment and brand loyalty because the value of the correlation coefficient is 0.587 and is in the range

of "± 0.4 to ± 0.7" which indicates that a correlated relationship between the store environment and brand loyalty exists.

Finally, for the final variable which is service quality, it shows that there is a significant relationship between service quality and brand loyalty. This can be proven because the p-value is equal to 0.000 which means that the null hypothesis can be rejected, and the result is significant because it is less than the alpha value which is 0.05. Through the value of correlation coefficient, which is 0.714, we can assure that there is a strong correlation between service quality and brand loyalty since the value of correlation coefficient is in the range of "± 0.7 to ± 0.9".

4.5 LINEAR REGRESSION ANALYSIS

The concept of linear regression was first proposed by Sir Francis Galton (1894). Linear regression is a common Statistical Data Analysis technique. It is to determine the relationship between a dependent variable and one or more independent variables. Linear regression has two types which is simple linear regression and multiple linear regression. In simple linear regression a single independent variable is used to predict the value of a dependent variable. In multiple linear regression two or more independent variables are used to predict the value of a dependent variable. The difference between the two is the number of independent variables. In both cases there is only a single dependent variable.

Univariate statistical tests such as Chi-square, Fisher's exact test, t-test, and analysis of variance (ANOVA) do not allow taking into account the effect of other covariates/confounders during analyses (Chang 2004). Nonetheless, partial correlation and regression are the tests that allow the researcher to control the effect of confounders in the understanding of the relation between two variables (Chang 2003).

Table 4.17: Descriptive Analysis of Linear

	N	Minimum	Maximum	Mean	Std. Deviation
DV_BL	196	1.177	7.00	3.7951	1.47962
IV_PQ	196	1.00	6.67	4.6148	1.02893
IV_BI	196	1.00	6.60	4.1214	1.27499
IV_D	196	1.25	7.0	4.1135	1.27609
IV_SE	196	1.50	7.0	3.9337	1.16079
IV_SQ	196	1.83	7.0	4.4677	1.00771
Valid N (listwise)	196				

The table of 4.17 shows the minimum, maximum, mean, and standard deviation values for the descriptive analysis of linear analysis. This analysis represented the relationship between Dependent variable and Independent variables.

4.6   MULTIPLE REGRESSION ANALYSIS

With reference to Kobrin et al., (2008), a multiple regression analysis was an analysis which involved one dependent variable and two or more independent variables. In other words, it was an analysis of association in which the effects of two or more independent variables on a single, interval- scaled dependent variable were investigated simultaneously Zikmund et al., (2009). Multiple regression analysis is a powerful technique used for predicting the unknown value of a variable from the known value of two or more variables-also called the predictors.

Table 4.18: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.841a	.707	.699	4.867

a Predictors: (Constant), SQ, PQ, SE, D, BI

The variables were tested significant with (p<0.05). The regression of the test had shown strong inferences with R square of 0.707. Approximately 70.7% of the variations of brand loyalty could be explained by product quality, brand image, design, store environment and service quality. The adjusted R square value was 0.707.

Table 4.19: ANOVAa

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	10868.721	5	2173.744	91.781	.000b
Residual	4499.947	190	23.684		
Total	15368.668	195			

a Dependent Variable: BL

b Predictors: (Constant), SQ, PQ, SE, D, BI

Table 4.19 represented that p-value (sig. 0.000) was less than alpha value 0.05. The alternative hypothesis as five variables significantly explained the variance in consumers. Levels supported by the data would be accepted.

Table 4.20: Coefficients

Model	Unstandardized	Coefficients	Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-6.749	1.866	-3.616		.000
PQ	-.178	.087	-.124	-2.050	.042
BI	.904	.105	.649	8.620	.000
D	-.150	.121	-.086	-1.244	.215
SE	.083	.070	.065	1.193	.234
SQ	.609	.080	.415	7.639	.000

a. Dependent Variable BL

The multiple regression analysis indicated that the following tested variables were highly significant at $p<0.05$ - a 95% degree of confidence. The beta value (standardized coefficients) of the brand image (BI) ($\beta=0.649$), service quality (SQ) ($\beta=0.415$) indicated that the independent variables were positively related between brand loyalty. Product quality, design and store environment was not found to be significant. In multiple regression analysis, found out brand image (BI) is the strongest determinant of brand loyalty towards Avon products.

Hypothesis 1 (identify the relationship between product quality and brand loyalty. Hypothesis 2 (identify the relationship between design and brand loyalty). Hypothesis 3 (identify the relationship between service quality and brand loyalty). Hypothesis 4 (identify the relationship between store environment and brand loyalty). Hypothesis 5 (identify the relationship between brand image and brand loyalty).

4.7   SUMMARY

In this chapter, the descriptive analysis was used to analyse the outcomes of the result for further discussion. Furthermore, an internal reliability test was carried out of all constructs. In this research, there were few variables determinants of brand loyalty toward Avon was brand quality at the first place, followed by product quality, store environment, service quality, design and brand image.

CHAPTER 5
CONCLUSIONS AND RECOMMENDATION

5.1 INTRODUCTION

In this chapter, conclusions are made by interpreting the findings and results of this research and it will be discussed based on the researcher's insights gained through the study findings and limitations. Other than that, recommendations which are the opinions supported by the report's findings following the conclusion, will be provided as the conclusion of the entire research.

5.2 DISCUSSION

The result from the survey of 400 staff in Politeknik Sultan Abdul Aziz Shah, Shah Alam, supported the expected hypothesis. The result showed that the reliability of the item used in this research is acceptable. Afterwards, all of the information was compiled, collected and analyzed the information converted to the data concisely. For effectiveness and efficiency, the researchers choose Software Package for Special Science (SPSS). Moreover, through these software systems, it can handle the raw data in large numbers and have a high accuracy of results.

Based on the descriptive analysis in chapter 4, we found that all of our respondents are familiar with Avon brand which constitutes 196 respondents or 100%. Next, from the data collected, half of our respondents acknowledged avon brand through recommendation from a friend or family member consisting of 104 respondents or 53.1%. For the favourite brands, the highest votes from our respondents are for Mary Kay which amounted 42 respondents or 21.4%. Then, the majority of our respondents choose once in a month they go to cosmetic stores, which constitutes 153 respondents or 78.1%, also, 123 respondents or 62.8% preferred to buy through an offline method. Meanwhile, the majority choose make up as the most buying products which consist 81 respondents or 41.3%. Finally, 53

respondents or 26.5% is the most respondent choice opinion of shopping is the quality of the product.

This research was successful in achieving the three objectives, which is first is to identify the factors that influence brand loyalty of Avon. Next is, to determine the key factors that influence brand loyalty. Lastly, is to examine the relationship between factors product quality and brand loyalty.

The first objective of this study was to be achieved by answering RQ1.

RQ1: What are the factors that influence brand loyalty of Avon?

Generally, the descriptive statistics indicated that the respondents agreed that product quality is the factor that is the determinant of brand loyalty towards cosmetics products. In this factor "Avon is of high quality" recorded the highest mean value at 4.85 with standard deviation of 1.306 because the quality of products is important to make the consumers satisfied and to retain their loyalty so that they can continue in buying the products in the future. It is supported by Youjae Yi (1990).

The second factor is brand image, where the higher mean is from "Avon is branded products" at 5.1 with standard deviation 1.4. It is proven that a positive brand image is created when a customer associates them with a particular brand with a unique association and that person could recommend that brand to another person and hold a positive attitude towards that brand. It was founded by Keller (2003) and Biel (1992).

Third is design, "Avon provides a wide variety of designs" are the highest means which consist 4.79 and 1.511 for standard deviation. Effectiveness of a wide variety of designs can make the consumers buy the products, stay loyal and stand out from other competitors. It was supported by the study of Frings (2005).

Store environment is the fourth factor that distributes in determinant of brand loyalty towards cosmetic products. It is shown by the highest value of means at 4.11 with 1.515 for standard deviation which "Avon outlets are located in accessible locations". It is

because it can influence a business's ability to market. Also, the customers could access the store easily. It is supported by International Journal of Research in Marketing (Vol 17, Issues 4, 2000).

Next factor that determines brand loyalty towards Avon is service quality. It was based on "Avon's staff are helpful, informative and customer friendly" has the highest means at 4.82 and 1.193 for standard deviation. With a good service quality can increase how often the customers buys from the store. It is supported by H Saleem and NS Raja (2014).

The last factor is that it can determine brand loyalty towards Avon is brand quality. It is shown by the higher mean value 4.43 and 1.601 for standard deviation which "I get good value for my money". It can evaluate the company reputation and meet or exceed industry standards.

RQ2: What are the main factors that can increase brand loyalty towards Avon?

From all the variables that have been studied, one of the variables has been identified as a main factor which is Product Quality. This is because all the mean scores are from range 4.85 to 4.22. From this factor, the item that recorded the highest scores is "Avon is of high quality" with the highest mean value of 4.85 and standard deviation of 1.306. These results showed that most of the respondents agree that Avon offered high quality products. The review used to say that the products offered are low quality but day by day the products improved. For example, previous fragrance cannot last longer for a day and it absorbs smells from around us. But now they created a fragrance that can last longer. It can also cause a consumer to fully recognize it, by improving the quality of the cosmetics. Also, it can also ensure customers are satisfied while buying the products. Based on the reason stated, it clearly showed that Product Quality is the main factor that can determine brand loyalty towards Avon.

RQ3: What is the relationship between the independent variables and the dependent variables in the determinants of brand loyalty towards Avon?

Based on the research, there is a significant relationship between the independent variables which consists of product quality, design, brand image, store environment, service quality and the dependent variable which is brand loyalty towards Avon. This can be proven since all of the variables' value of correlation coefficient is above 0.5 and falls under the range of either "± 0.4 to ± 0.7" or "± 0.7 to ± 0.9". The variables with correlated correlation coefficient with the range of "± 0.4 to ± 0.7" are product quality, design and store environment while the variables with strong correlation coefficient with the range of "± 0.7 to ± 0.9" are service quality and brand image.

5.3   LIMITATION OF STUDY

This research is considered to be successful, however, some potential limitations should be noted. Limitations are those characteristics of design or methodology that impacted or influenced the interpretation of the findings from the research. Through the highlights on the limitations of study, rooms for improvement in future research can be provided. The limitations of the research are as follows:

1) The sample size of our research is small which only covers the staff of Politeknik Sultan Salahuddin Abdul Aziz Shah, Shah Alam. This may cause to reduce the power of the study and increase the margin of error, which can render the study meaningless. A greater power requires a larger sample size. It would be more accurate if the sample size is larger and not only focused on a small-scale population.

2) Access for informations from the inner party of the organization is limited. The organization may not be keen to cooperate when approached to conduct the research due to protecting their competitive edge. Since our research depends on having access to the organization's data, it limits the accuracy of our data analysis.

3) The lack of prior research studies on the related topic is also one of the limitations faced by the researchers. This research requires foundations of knowledge on the

topic by citing prior research for the literature review. Therefore, having limited foundation for a deeper understanding of the research problem may affect the quality of the research. However, having few prior researches also strengthens the need for further research on this particular topic of study.

4) The respondents may be biased to one particular cosmetic product that they are loyal to which can affect their answers on the questionnaires distributed. Therefore, this may affect the data collected as well since the answers are biased.

5.4   RECOMMENDATIONS FOR FUTURE RESEARCH

Based on the limitations of the study, through a thorough evaluation made by the researchers, there are a few recommendations for the researchers in the future to improve the research's accuracy. Some of them are as follows:

1) Researchers should increase the sample size of the research by expanding the scope of study since a larger sample size offers more accurate datas and mean values. A higher sample size also allows the researchers to increase the significance level of the findings. Therefore, the confidence of the final result of the research is more likely to increase with a larger sample size.

2) The researchers may make an arrangement with the organization involve in the research for more access to reliable data.

3) More variables involved in the determinants of brand loyalty towards Avon product should be included in the research since variables drive the research process. To understand the topic studied better, researchers need variables that make the process of research possible to identify which variables have a close relation to the brand loyalty of Avon.

5.5   CONCLUSION

5.5.1   Conclusion of Descriptive Analysis

5.5.1.1 Respondent Demographic Profile

Based on the descriptive analysis in chapter 4, out of the 196 respondents, there were majority females with 180 respondents (91.8%) and the other 16 respondents (8.2%) were male.

In terms of race, 177 respondents (90.3%) were Malay, Indian 9 respondents (4.6%) followed by Chinese 8 respondents (4.1%) whereas other races comprised 2 respondents (1%).

The highest age range for the respondents is 40-49 comprising 96 of the respondents (49%). Followed by 31-39 with 39 of the respondents (19.9%) , 50-59 with 35 of the respondents (17.9%), 20-30 with 21 of the respondents (10.7%) and 50 and above are 5 of the respondents (2.5%).

Other than that, the highest occupation type for the respondents is the government sector consisting of 168 of the respondents (85.7%) followed by professionals which are 28 of the respondents (14.3%) and private sector were 0 of the respondents (0%). This is because the samples consist of the staff of Politeknik Sultan Salahuddin Abdul Aziz Shah.

Finally, the data collected about the respondents' level of income. The level of income for the respondents in every month with RM4000 and above were reported as the highest frequency, with 109 respondents (55.6%). The second highest were between RM3001-RM4000 with 56 out 196 of the respondents (28.6%). The third highest were between RM1001-RM2000 with 15 out of 196 of the respondents (7.7%). The fourth highest were between RM2001-RM3000 with 14 of the respondents (7.1%) and lastly the lowest frequency was RM 1000 and below with 2 of the respondents (1%).

5.5.1.2 Conclusion Respondent Cosmetic Outlet Preferences

Based on the general information in chapter 4, most of the respondents were familiar with Avon brand. 100% of the respondents have chosen Yes which amounted 196 or 100% out of the 196 respondents.

Next, most of the respondents knew about Avon products via recommendation, which amounted 104 or 53.1% out of the 196 respondents. The second highest is advertisement, which amounted 70 or 35.7% out of the 196 respondents and the lowest of knowledge about Avon is social media, which amounted 22 or 11.2% only out of the 196 respondents.

Other than that, most of the respondents' favourite brand is Mary Kay, which amounted 42 or 21.4% out of the 196 respondents. Second highest is Sephora, which amounted 40 or 20.4% out of the 196 respondents. Third highest is Maybelline, which amounted 37 or 18.9% out of the 196 respondents. Fourth highest is Avon, which amounted 36 or 18.4% out of the 196 respondents. Fifth highest is others, which amounted 28 or 14.3% out of the 196 respondents and the lowest is MAC Cosmetic, which amounted 13 or 6.6% out of the 196 respondents.

Furthermore, most of the respondents' choice for how often they go to a cosmetic outlet is monthly, which amounted 153 or 78.1% out of the 196 respondents. Second highest is weekly, which amounted 23 or 78.1% out of the 196 respondents. Third highest is all the time, which amounted 13 or 6.6% out of the 196 respondents and the lowest is Daily, which amounted 7 or 3.6% out of the 196 respondents.

Moreover, most of the respondents' choice for method of buying is offline, which amounted 123 or 62.8% out of the 196 respondents and the lowest method of buying is online, which amounted 73 or 37.2% out of the 196 respondents.

Other than that, the most buying choice made by the respondents is make up, which amounted 81 or 41.3% out of the 196 respondents. Second highest is skin care, which amounted 57 or 29.1% out of the 196 respondents. Third highest is body care, which

amounted 26 or 13.3% out of the 196 respondents. Fourth highest is fragrance, which amounted 15 or 7.7% out of the 196 respondents. Fifth highest is make up tools, which amounted 13 or 6.6% out of the 196 respondents and the lowest is others, which amounted 4 or 2.0% out of 196 respondents.

Finally, most of the respondents' choice opinion of shopping is the quality of the product, which amounted 53 or 26.5% out of the 196 respondents. Second highest is brand awareness, which amounted 44 or 22.0% out of the 196 respondents. Third highest is the strategic area, which amounted 39 or 19.5% out of the 196 respondents. Fourth highest is affordable price, which amounted 34 or 17.0% out of the 196 respondents. Fifth highest is monthly promotion, which amounted 28 or 14.0% out of the 196 respondents and the lowest is others, which amounted 2 or 1.0% out of the 196 respondents.

5.5.1.3 Conclusion of Reliability Test

The highest mean score for product quality is "Avon is of high quality" with a score at 4.85 with a standard deviation of 1.306, while the lowest mean score at 4.22 was achieved by "Avon's products last longer than other brands" with a standard deviation of 1.621.

Next, the highest mean score for brand image is "Avon is branded product" with a score at 5.10 with a standard deviation of 1.400, while the lowest mean score is "Avon reflects my own personality" with a score at 3.44 with a standard deviation of 1.969.

Besides, the highest mean score for design is "Avon provides a wide variety of designs" with a score at 4.79 with a standard deviation of 1.511, while the lowest score is "Design of Avon's products are trendy and fashionable" with a score at 3.56 and appeared to have a standard deviation of 1.646.

Moreover, the highest mean score for store environment is "The store is clean" with a score of 4.55 with a standard deviation of 1.282. The lowest mean score achieved by store

environment is "The colour and music inside the store are attractive" which was 3.61 with standard deviation of 1.662.

Other than that, the highest mean score for service quality is "Avon's staff are helpful, informative and customer-friendly" with a score at 4.82 with a standard deviation of 1.193, while the lowest score is "I have excellent experiences whenever I purchase Avon's product" with a score at 4.22 with a standard deviation of 1.478.

Lastly, the highest mean score for brand loyalty is "I get good value for my money" with a score at 4.43 with a standard deviation of 1.601. Meantime "I will not buy other than Avon brands if the same product is available at the outlet" shows the lowest score of 3.05 with a standard deviation of 1.913.

5.5.2   Conclusion of Inferential Analysis

5.5.2.1 Pearson Correlation Analysis

All the five independent variables were free from multicollinearity problems as all correlation values are less than 0.9. Pearson correlation test is also used to measure the relationship between each independent variable and dependent variable. All these five independent variables have established a significant relationship with brand loyalty towards Avon products as their p-value is less than 0.05. Hence, product quality, brand image, design, store environment and service quality have established a significant relationship with brand loyalty towards Avon products.

5.5.2.2 Multiple Linear Regression

According to the output of Multiple Linear Regression, the R= 0.707 implied that 70.7% of the variation on determinant of brand loyalty towards Avon product could be explained by two independent variables in this recent. Brand Image (BI) and Service Quality (SQ) established significant positive relationships, while Product Quality (PQ), Design (D) and

Store Environment (SE) was found not to be significant towards brand loyalty towards Avon products. Meanwhile, Multiple Linear Regression also concluded that Brand Image (BI) had the stronger determinant of brand loyalty towards Avon products.

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APPENDIX A: 30 SETS OF PILOT TEST

Reliability Statistic for Product Quality		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Item	N of items
.902	.905	6

Reliability Statistic for Brand Image		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Item	N of items
.891	.894	5

Reliability Statistic for Design		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Item	N of items
.922	.924	4

Reliability Statistic for Store Environment		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Item	N of items
.941	.942	6

Reliability Statistic for Service Quality		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Item	N of items
.935	.936	6

Reliability Statistic for		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Item	N of items
.953	.956	6

DIPLOMA IN BUSINESS STUDIES

DETERMINANTS OF BRAND LOYALTY TOWARDS AVON

<u>Survey Questionnaire</u>

Dear respondents,

We are students from Politeknik Sultan Salahuddin Abdul Aziz Shah, Commerce Department, pursuing a Diploma in Business Studies. We are conducting a research on the factors that influence customer's brand loyalty towards Avon products for our final year project.

In order to gather information regarding to the above matter, we sincerely hope that you could spare a few minutes to complete this survey. To secure your confidentiality, you do not have to write your name on this survey. We deeply appreciate your cooperation and thank you for lending us your time to complete this survey.

QUESTIONNAIRE

This questionnaire is aimed to get your opinion about the factor that influenced Avon's brand loyalty in Shah Alam. Your real opinions regarding this survey is very necessary for the analysis of our research.

Instruction

1. This survey consisting of 3 sections. Section A, B and C. Please complete all questions.

2. The content of this survey will be kept strictly confidential.

SECTION A: DEMOGRAPHIC PROFILE

Kindly fill in your personal information. Please TICK (/) your answer in the box given.

1. GENDER

☐ Male
☐ Female

2. RACE

☐ Malay
☐ Chinese
☐ Indian
☐ Others

3. AGE

☐ 20-30
☐ 31-39
☐ 40-50
☐ 51-59
☐ 60 and above

4. OCCUPATION TYPE

☐ Professional
☐ Private sector
☐ Government sector
☐ Student

5. INCOME CATEGORY

- ☐ RM1000 and below
- ☐ RM1001 – RM2000
- ☐ RM2001 – RM3000
- ☐ RM3001 – RM4000
- ☐ RM4000 and above

SECTION B: GENERAL QUESTION

Please **TICK (/)** your answer in the box given.

1. ARE YOU FAMILIAR WITH AVON BRAND?

- ☐ Yes
- ☐ No

2. IF YES, HOW DID YOU KNOW AVON?

- ☐ Advertisement
- ☐ Social Media
- ☐ Recommendation

3. WHAT IS YOUR FAVOURITE COSMETIC? (choose only one)

- ☐ Sephora
- ☐ MAC Cosmetics
- ☐ Avon
- ☐ Mary Kay
- ☐ Maybelline

Others: _____ (please state)

4. HOW OFTEN DO YOU GO TO COSMETIC OUTLET? (choose only one)

- ☐ All the time
- ☐ Daily
- ☐ Weekly
- ☐ Monthly

5. WHICH METHOD DO YOU PREFER WHEN BUYING COSMETIC PRODUCTS?

- ☐ Online
- ☐ Offline

6. WHAT DO YOU BUY THE MOST IN COSMETIC OUTLET? (choose only one)

- ☐ Fragrance
- ☐ Make up
- ☐ Make up tools
- ☐ Skin care
- ☐ Body care
- ☐ Others: _____ (Please state)

7. In your opinion, why some people prefer shopping at cosmetic outlet? (choose one)

- ☐ Affordable price
- ☐ The quality of the product
- ☐ Brand awareness
- ☐ Strategic area
- ☐ Monthly promotion
- ☐ Others: _____(please state)

SECTION C: MARKETING

This section seeks your opinion regarding the beauty product. Please indicate how strongly you agree and disagree with the statements given on the following Likert scale. Please circle the number which best describes your respond.

(1= strongly disagree, 2= disagree, 3= slightly disagree, 4= undecided, 5= slightly agree, 6= agree, 7= strongly agree)

No	Question	Strongly Disagree	Disagree	Slightly Disagree	Undecided	Slightly Agree	Agree	Strongly Agree
	PRODUCT QUALITY							
1	Avon's products last longer than other brands.	1	2	3	4	5	6	7
2	Avon's products are safe to use and does not damage customer's skin.	1	2	3	4	5	6	7
3	Avon offers cosmetic products with many colours suitable for all types of skin tones (example: compact powder, lipsticks, etc).	1	2	3	4	5	6	7
4	Avon's products have good functional quality.	1	2	3	4	5	6	7
5	Avon is of high quality.	1	2	3	4	5	6	7
6	Avon's product is of very consistent quality.	1	2	3	4	5	6	7

No	Question	Strongly Disagree	Disagree	Slightly Disagree	Undecided	Slightly Agree	Agree	Strongly Agree
	BRAND IMAGE							
1	Avon is reputable.	1	2	3	4	5	6	7
2	Avon brand image attracts me to purchase the products.	1	2	3	4	5	6	7
3	Avon is selected regardless of price.	1	2	3	4	5	6	7
4	Avon reflect my own personality.	1	2	3	4	5	6	7
5	Avon is a branded product.	1	2	3	4	5	6	7

No	Question	Slightly Disagree	Disagree	Slightly Disagree	Undecided	Slightly Agree	Agree	Strongly Agree
	DESIGN							
1	Avon provides wide variety of designs.	1	2	3	4	5	6	7
2	The design of Avon's products catches my attention.	1	2	3	4	5	6	7
3	Avon products have distinctive features.	1	2	3	4	5	6	7
4	Designs of Avon's products are trendy and fashionable.	1	2	3	4	5	6	7

No	Question	Strongly Disagree	Disagree	Slightly Disagree	Undecided	Slightly Agree	Agree	Strongly Agree
	STORE ENVIRONMENT							
1	Avon outlets are located in accessible locations.	1	2	3	4	5	6	7
2	Avon provide sufficient outlets.	1	2	3	4	5	6	7
3	The interior display is attractive.	1	2	3	4	5	6	7
4	The colour and music inside the store are attractive.	1	2	3	4	5	6	7
5	The store is clean.	1	2	3	4	5	6	7
6	The layout of the store is well-organized.	1	2	3	4	5	6	7

No	Question	Strongly Disagree	Disagree	Slightly Disagree	Undecided	Slightly Agree	Agree	Strongly Agree
	SERVICE QUALITY							
1	Avon provides superior service.	1	2	3	4	5	6	7
2	Avon's staffs are helpful, informative and customer-friendly.	1	2	3	4	5	6	7
3	Avon has fair system for handling of complaints.	1	2	3	4	5	6	7
4	I feel good about what Avon offers to its customers.	1	2	3	4	5	6	7
5	I have excellent experiences whenever I purchase Avon's products.	1	2	3	4	5	6	7
6	Salespersons of the stores have neat appearance.	1	2	3	4	5	6	7

No	Question	Strongly Disagree	Disagree	Slightly Disagree	Undecided	Slightly Agree	Agree	Strongly Agree
	BRAND LOYALTY							
1	Avon would be my first choice.	1	2	3	4	5	6	7
2	I consider myself to be loyal to this brand Avon	1	2	3	4	5	6	7
3	I will not buy other than Avon brands if the same product is available at the outlet.	1	2	3	4	5	6	7
4	I will recommend Avon to someone who seeks my advice.	1	2	3	4	5	6	7
5	I get good value for my money.	1	2	3	4	5	6	7
6	I say positive things about Avon to other people.	1	2	3	4	5	6	7

THANK YOU FOR TAKING PART IN THIS SURVEY. YOUR COOPERATION IS HIGHLY APPRECIATED.

APPENDIX C: DESCRIPTIVE STATISTICS

A) Product Quality

Descriptive Statistic					
	N	Minimum	Maximum	Mean	Std. Deviation
Avon's products last longer than other brands.	196	1	7	4.22	1.621
Avon's products are safe to use and do not damage customer's skin.	196	1	7	4.70	1.214
Avon's offers cosmetic products with many colours suitable for all skin tones (example: compact powder, lipsticks, etc.	196	1	7	4.60	1.390
Avon's products have good functional quality.	196	1	7	4.55	1.386
Avon's is of high quality.	196	1	7	4.85	1.306
Avon's product is of very consistent quality.	196	1	7	4.77	1.346
Valid N (listwise)	196				

B) Brand Image

Descriptive Statistic					
	N	Minimum	Maximum	Mean	Std. Deviation
Avon is reputable.	196	1	7	4.69	1.553
Avon brand image attracts me to purchase the products.	196	1	7	3.80	1.658
Avon is selected regardless of price.	196	1	7	3.58	1.875
Avon reflects my own personality.	196	1	7	3.44	1.969
Avon is a branded product.	196	1	7	5.10	1.400
Valid N (listwise)	196				

C) Design

Descriptive Statistic					
	N	Minimum	Maximum	Mean	Std. Deviation
Avon provides a wide variety of designs.	196	1	7	4.79	1.511
The design of Avon's products catches my attention.	196	1	7	3.85	1.776
Avon products have distinctive features.	196	1	7	4.26	1.481
Design of Avon's	196	1	7	3.56	1.646

products are trendy and fashionable.		
Valid N (listwise)	196	

D) Store Environment

Descriptive Statistic					
	N	Minimum	Maximum	Mean	Std. Deviation
Avon outlets are located in accessible locations.	196	1	7	4.11	1.515
Avon provides sufficient outlets.	196	1	7	3.66	1.639
The interior display is attractive.	196	1	7	3.85	1.472
The colour and music inside the store are attractive.	196	1	7	3.61	1.662
The store is clean.	196	1	7	4.55	1.282
The layout of the store is well organized.	196	1	7	3.82	1.638
Valid N (listwise)	196				

E) Service Quality

Descriptive Statistic					
	N	**Minimum**	**Maximum**	**Mean**	**Std. Deviation**
Avon provides superior service.	196	1	7	4.43	1.367
Avon's staff are helpful, informative and customer-friendly.	196	1	7	4.82	1.193
Avon has a fair system for handling complaints.	196	1	7	4.38	1.277
I Feel good about what Avon offers to its customers.	196	1	7	4.37	1.457
I have excellent experiences whenever I purchase Avon's products.	196	1	7	4.22	1.478
Salespersons of the stores have neat appearances.	196	1	7	4.58	1.231
Valid N (listwise)	196				

F) Brand Loyalty

Descriptive Statistic					
	N	Minimum	Maximum	Mean	Std.Deviation
Avon would be my first choice.	196	1	7	3.27	1.843
I consider myself to be loyal to this brand Avon.	196	1	7	3.44	2.108
I will not buy other than Avon brands if the same product is available at the outlet.	196	1	7	3.05	1.913
I will recommend Avon to someone who seeks my advice.	196	1	7	4.16	1.564
I Get good value for my money.	196	1	7	4.43	1.601
I say positive things about Avon products to other people.	196	1	7	4.42	1.502
Valid N (listwise)	196				

APPENDIX D: SWOT ANALYSIS

STRENGTHS	WEAKNESSES
● Well-known company ● Strong brand image ● Environmentally friendly ● Various types of products ● Clear target segment	● Lack in advertising ● Declining revenue growth ● Poor marketing ● Lack of retail stores ● Customer declining ● Lack brand development ● Overproduction
OPPORTUNITIES	THREATS
● Market development ● Increase e-commerce ● Hire agents ● Online portal selling	● Increasing in competitors ● Evolutions of trends ● Economy unstable ● Currency fluctuation ● Technological development by competitors.

APPENDIX E: GRANTT CHART

Activities	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13	Week 14
Form a group Choose title Determine supervisor	█													
Discuss about the issue Discuss proposal introduction		█												
Cheeking Chapter 1 with supervisor			█											
Discuss about research objectives Discuss about chapter 2			█											
Discuss about chapter 1 until chapter 3				█										
Discuss topic 1 until 3 Discuss about questionnaire				█										
Checked proposal in chapter 1 until 3					█									
Present the proposal to supervisor Checked proposal with supervisor					█									
Discuss about hypothesis Do questionnaire					█									
Discuss and checked questionnaire						█								
Develop questionnaire							█							
Checked pilot test using SPSS Proceed to analyzed population Reliable data								█						
Distributed actual data among staff of Politeknik Shah Alam									█					
Analysis data										█	█			
Prepared report												█		
Final report													█	
Present FYP														█