Factors Affecting Customer Loyalty towards Hearty Heart Cosmetics: A Case Study Local Brand in Yangon, Myanmar

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Abstract

This research aims to determine the factors affecting customer loyalty towards Hearty Heart Cosmetics, a local brand in Yangon, Myanmar. The objectives of this research are: 1) to determine the impact of perceived value on customer loyalty; 2) to determine the impact of customer satisfaction on customer loyalty; 3) to determine the impact of service quality on customer loyalty; 4) to determine the impact of brand image on customer loyalty; 5) to determine the impact of trust on customer loyalty; 6) to determine the impact of customer intimacy on customer loyalty; 7) to explain customer loyalty, perceived value, customer satisfaction, service quality and brand image, trust and customer intimacy. The questionnaire was distributed to 400 samples to collect the data. The data were analyzed by using descriptive statistics such as frequency, percentage, mean, and standard deviation (S.D.). Inferential statistics was used to test the hypotheses and used multiple linear regression analysis at the significant level of 0.05. In this research, the results revealed that there are four variables that have a significant effect on customer loyalty namely: perceived value, customer satisfaction, brand image, and trust. The other two variables service quality and customer intimacy   have no significant effect on customer loyalty .
Keywords: perceived value, customer satisfaction, service quality, brand image, customer loyalty, trust, customer intimacy, local cosmetic brand

Introduction

Nowadays, cosmetics is one of the daily needs for most women because cosmetics make them feel more confident and attractive. Therefore, using cosmetics is a way to support women's appearance. Most women use cosmetics not only just as makeup but also they use products that are called body care. The online article "Myanmar Skin Care Products Market: Country Opportunity Analysis and Industry Forecast, 2021–2027" mentioned that the Myanmar skin care products market size was valued at $ 272.3 million in 2019 and is projected to extent $ 501.6 million by 2027, registering a CAGR of 8.6% from 2021 to 2027. Skincare products include those products which improve skin integrity and provide relief to skin conditions, so enhancing the appearance. Several types of skincare products available in the market include cream, lotion, masks, and serums. Skincare products are manufactured using various ingredients such as chemical compounds, medicinal herbs, or natural ingredients (Vig & Deshmukh, 2020). Growth in product awareness, rise in the diffusion of retail sales, and flow in disposable income provides motivation to the Myanmar skincare products market. Furthermore, the increase of global