



International Conference of Organizational Innovation

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Conference Date

July, 26-28 2016

Location

Hall of Meeting Center , Beijing, China



PROCEEDINGS OF 2016 ICOI THE INTERNATIONAL CONFERENCE ON ORGANIZATIONAL INNOVATION

July, 26 – 28, 2016

Editor

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WELCOMETO THE INTERNATIONAL CONFERENCE ON ORGANIZATIONAL INNOVATION, BEIJING, CHINA



On behalf of the International Association of Organizational Innovation, I welcome you to the 2016 The International Conference on Organizational Innovation. This conference is the largest ever!

It is an honor and a pleasure for me to be in this great city of Beijing and to interact with all of you distinguished scholars and business men & women at this conference! I look forward to exploring the city and the country of China.

The International Association of Organizational Innovation has had a great year! The main activities of the Association are hosting this conference and publishing *the International Journal of Organizational Innovation*. As a presenter at this Conference, you are automatically included as a member of the Association.

Besides hosting this conference, I also serve as the Editor of the *International Journal of Organizational Innovation*, the journal sponsored by this Association. I encourage all of you to consider submitting the papers that you are presenting at this conference for publication in the journal (You will receive a 33% discount if you submit the paper you present at this conference - see the details in your Conference Materials). Another professional opportunity available to you is to serve as an Assistant Editor for the journal and review paper submissions to the journal. Send an email to me if you are interested in serving as an Assistant Editor of IJOI.

I would like to thank all of the people who worked very hard to organize this conference. I know the effort that they had to use in getting this conference together. I especially thank the Administrators, Faculty and Staff of the College of Economics and Management at the Beijing University of Chemical Technology for hosting this conference. I would also like to thank my colleague and former student, Dr. Chich-Jen Shieh for his hard work organizing this conference.

I look forward to meeting you all and working with you over the next few days.

For those of you who have published in the Journal or serve as an Assistant Editor, please come up and introduce yourself to me.

Please take the opportunity to explore this exciting city and country. Enjoy the conference!

Dr. Frederick Dembowski,

President, The International Association of Organizational Innovation

Editor, The International Journal of Organizational Innovation

Hibernia National Bank Endowed Professor, Southeastern Louisiana University

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2016The International Conference on Organizational Innovation Agenda

DATE : July, 26 2016, Tuesday

LOCATION : Hall of Meeting Center , Beijing, China

| TIME | ACTIVITY | PLACE |
|-----------------|---|---------------------------------|
| 08 : 30—09 : 00 | REGISTRATION | |
| 09 : 00—10 : 00 | <p><u>Conference Host :</u> Dr. Alex Maritz: La Trobe University, Australia</p> <p><u>Conference Grand Opening Speech :</u> 1. Prof. Dr. Frederick Dembowski, President of International Association of Organizational Innovation. USA 2. Prof. Dr. Dian Agustia, Universitas Airlangga, Indonesia</p> <p><u>Honored VIP Speech :</u> 1. Dr. Yuming Zhai, Shanghai Institute of Technology, China 2. Dr. Harold G. Kaufman, NYU Tandon School of Engineering, USA 3. Dr. Alex Maritz: La Trobe University, Australia 4. Dr. Muhammet USAK, Gazi Universitesi, Turkey 5. Dr. Zh. Kalitchin, Bulgaria 6. Dr. Bal Kishan Dass, Department of Mathematics, University of Delhi, India 7. Dr. Tomáš Tichý, VŠB-TU Ostrava, Czech Republic 8. Dr. Szu-Yuan Sun, National Kaohsiung First University of Science, Taiwan 9. Dr. Chih Yuan Huang, Kao Yuan University, Taiwan</p> | Hall of Conference Center |
| 10 : 00—10 : 30 | Tea Time and Academic Exchange | |
| 10 : 30—11 : 15 | <p>Keynote Presentation (1) Speaker : Dr. Sydney Engelberg Topic: Master Class Workshop on "Paradoxical Leadership in Organizational Innovation and Change."</p> | Hall of Conference Center |
| 11 : 15—12 : 00 | <p>Keynote Presentation (2) Speaker : Dr. Frederick L. Dembowski Topic: Business and Education: A Symbiotic Relationship</p> | Hall of Conference Center |
| 12 : 00—13 : 30 | Lunch | |

DATE : July, 26 2016, Tuesday

LOCATION :

Room F , Beijing, China

| Time | Topic of Seminar | Country/Region |
|---|--|---------------------------------------|
| Session 6.1 13 : 30 14 : 50 | Chair : Dr. Sydney Engelberg Hebrew University Jerusale, Israel | |
| | 1.16R-072: Understanding Housewife's Loyalty: Is there Pure Loyalty? | Gancar C Premananto, Indonesia |
| | 2.16R-084: Managing Organizational Resources, Business Environmental Analysis and Evaluation of Competitive Advantage: The Case of East Java Manufacturing Companies | Lena Ellitan, Indonesia |
| | 3.16R-046: Creating Knowledge Using SECI Model as a Knowledge Management Phase to Improve Nurses' Ability in Undertaking Parenteral Therapy | Tatin Wahyanto, Indonesia |
| | 4.16R-056: Management Accounting and Control Systems Effect on Knowledge Management of University | Sondang Mariani Rajagukguk, Indonesia |
| | 5.16R-021: Exploration on the Chinese E-Retailers' Home Delivery Strategy | Chengbo Wang, UK |
| 14 : 50 15 : 00 | Tea Time | |
| Session 6.2 15 : 10 16 : 30 | Chair : Dr. Dien Mardiyah, Universitas Airlangga, Indonesia | |
| | 1.16R-060: The Effect of Service Quality Atribut in Academic to Student Satisfaction | Yetty Dwi Lestari, Indonesia |
| | 2.16R-093: Implementation of Blended Learning in The Learning at Malang Regency High School | Enny Sustiyatik, Indonesia |
| | 3.16R-119: The Rainbow Signal System: The Concept of one International M&A (Mergers & Acquisitions) Computer Software Patent | David Chih-Hsiang Chen, Taiwan China |
| | 4.16R-120: The Lighthouse Signal System: The Concept of one Domestic M&A (Mergers & Acquisitions) Computer Software | David Chih-Hsiang Chen, Taiwan China |
| | 5.16R-067: Antecedent and Consequences of Share Responsible in Service Exchanges | Dien Mardhiyah, Indonesia |
| 18 : 00 | Welcoming Dinner | |

Understanding Housewife's Loyalty: Is There Pure Loyalty?

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Abstract

Many researches on loyalty program have been conducted for a long time, but there are things can still be explored about it. All producers need their product to be able to elicit pure loyalty out of their customers. This research tries to explore whether there is pure loyalty among housewives for consumer goods or most products only have divided loyalty type? Decision making process by housewives will be getting important and dominant in the future, so that an understanding on this process shall be valuable. The exploration using qualitative research is conducted by an online interview, direct in-depth interview and FGD in order to find out the truth on loyalty in consumer goods. The results state that most of consumption patterns show divided loyalty for some brands in their consideration set. Pure loyalty is happens when there are risks.

Keywords: Housewives, divided loyalty, pure loyalty, divided loyalty

"Loyalty is rare.. if You find it, keep it." (NN)

UNDERSTANDING HOUSEWIVES' LOYALTY: DOES PURE LOYALTY EXIST?

Gancar C Premananto

(Master of Management, Airlangga University)

Cecilia Wening Prismaningtyas

(Faculty of Economic and Business, Airlangga University)

Many researches on loyalty program have been conducted for a long time, but there are things can still be explored about it. All producers need their product to be able to elicit pure loyalty out of their customers. This research tries to explore whether there is pure loyalty among housewives for consumer goods or most products only have divided loyalty type? Decision making process by housewives will be getting important and dominant in the future, so that an understanding on this process shall be valuable. The exploration using qualitative research is conducted by an online interview, direct in-depth interview and FGD in order to find out the truth on loyalty in consumer goods. The results state that most of consumption patterns show divided loyalty for some brands in their consideration set. Pure loyalty is happens when there are risks.

Keywords: *Housewives, divided loyalty, pure loyalty, divided loyalty*

“Loyalty is rare.. if You find it, keep it.” (NN)

INTRODUCTION

Research Background

Consumer loyalty is the ultimate aim of marketing activities. Dick and Basu (1994) also stated that the main activity of marketing department is to develop, maintain, and increase consumers' loyalty on products/services. As the competition grows fiercer, maintaining the consumers to keep consuming the products has become the producers' main concern. It is often taught that maintaining consumers' loyalty is cheaper than putting any attempts to gain new consumers (Reichheld, 1993; 1996). Roberts (2015) states that brand loyalty remain a topic of robust inquiry by marketers and advertisers. Its take trillion dollars invested in advertising and other communication media to make consumers loyal to their brand. Brand loyalty just like a marketing nirvana that should be achieved by company.

For most household products, the most important loyalty to keep belongs to housewives' loyalty. Kartajaya et al (2005) affirmed that a housewife is not only controlling her husband and childrens' purchases but also causes domino effects to other families. A survey conducted by Markplus & Co in 14 big cities in Indonesia found that a mother is the dominant decision maker for kitchen utensils, children's outfits, generic medicines, children's education, and family holiday. Together with the father, the mother also plays an important role in decision making on important goods, such as house, insurance, saving, and household products. Thus, it is confirmed that the housewives play dominant roles in households' decision making (Kaihatu et al., 2008).

Statistical numbers also show that that understanding on women's loyalty as consumers is necessary. Barletta (2004, p.vii), quoting Tom Peter, stated that:

“Statistics showed that 83% women are responsible for consumer purchase; 94% for house furniture; 92% for family holiday; and 91% for house purchase. Fifty-one percent of electronic users are women and sixty percent of them are car buyer, which comprised of 90% overall buyers. The similar findings are also found in service field: 89% women are in charge of opening new bank account, 80% of health care decision is made by women, and more than 2/3 of the shopping budget is spent on health care.”

In their respective households, women are then called as the “household's financial managers” (Abibich, 2004).

The aforementioned studies have highlighted the importance of women's roles in households, particularly the housewives. Thus, maintaining housewives' loyalty is essential for the marketers, especially for household products and services' marketers.

In Indonesia, the role of housewives is increasingly significant due to its overwhelmingly and increasingly large number. The number of women in productive age (15-65 years old) in Indonesia is accounted for 123 million people, comprising of 67% of overall population (BPS, 2015). Women, according to the research of Rasyid (2014), like to spend their spare time in shopping centers. In addition, nowadays, the number of working women is increasing as well. Nielsen's (2011) study found out that Indonesian women are more well-informed due to their activeness in seeking information. In a family, the more well-informed consumers are, the more active and the more demanding they are; particularly due to the escalating number of middle class and their purchasing power.

The crucial problem related to loyalty is that the understanding on its concept is still ongoing. Rundle-Thiele (2005) stated that even though the concept was introduced 70 years ago, it is still considered as an extremely complex one. The research for Rundle-Thiele (2005) itself discussed that consumers loyalty is not merely a simple concept; it has some complex dimensions that are compelling to be investigated.

Aditya (2004) even concluded that this construct still needs maturing process in order to gain theoretical legitimacy and practical usage. It is supported by the explanation from Uncles et al (2003). They affirmed that loyalty definition itself has not obtained a universally accepted definition; thus, it causes measurement issues and research findings' accumulation problems.

The other problem related to loyalty concept is the practical phenomenon that loyalty toward one brand for certain product or service is almost unheard of at the moment. Loyalty expected by the produces is the genuine loyalty toward one brand (genuine/hard core loyalty). Yet, the reality is, consumers often have split or divided loyalty. As the product choice grows more diverse, the consumers often become increasingly disloyal to one specific brand and accept more brands that can fulfill their needs (Thompson, 1996; Ehrenberg et al., 2004; Yim dan Kannan, 1999). A research on football fans conducted by Dwyer (2011) confirmed the divided loyalty in sport team. Someone can support more than one sport team; thus, the time and money spent are divided as well.

Gutierrez (2014) state that nowadays many company simplifies the loyalty scheme concept. Gutierrez state that research by McKinsey the average household can be signed up to as many as 23 different loyalty programmes, so it will be impossible for them to loyal to one brand.

Dwyer's and Gutierrez's research are one of the inspiring studies for this study because even football fans can have divided loyalty, what's more of the housewives in purchasing daily necessities in this day when there are so many loyalty program conducted by different company?

Research Questions' Formulation

This study tries to comprehend the loyalty concept owned by the housewives regarding their loyalty on the consumed brands. Is there any totally genuine loyalty for a certain brand or is there only divided loyalty? What causes the divided loyalty?

The aforementioned accounts described in introduction part showed that a research on loyalty concept is crucial to be conducted. Practical contribution from this study for the

producers is to be brands that is considered by the consumers for consumption, particularly for new products or the not-chosen brands. A study on divided loyalty is compelling as well, because consumer behavior studies tend to examine the genuine loyalty only.

Role in a Household

In a household, the decision making on product purchases definitely occurs, as considered in Hawkins and Mothersbaugh's (2012, p.207-208) study. The decision making—direct or indirect—in a household involves at least two or three family members. The process is related to the involvement role of the family members.

Hawkins and Mothersbaugh (2012, p.208) conveyed several roles of family members as follows:

- a. Initiator: the family members who initiate the list of needed goods to be fulfilled;
- b. Information gatherer: the family members who are expert and interested in gathering information on certain products;
- c. Influencer: the family members who influence evaluation process, selection criteria, and the final choice;
- d. Decision maker: the individual who makes the final choice. There is also a possibility of joint decision-making;
- e. Purchaser: the family members who conducted the final purchase;
- f. User: the family members who merely use the product. There are single-user products and joint-user products.

Schiffman and Kanuk (2014, p.283) added other roles: preparers, maintainers, and disposers. The preparers are the family members who ready the use of purchased products; the maintainers repair the products so that it keeps being useable; and the disposers throw away the unused products.

There are several categories related to the decision-making on purchasing products (Hawkins dan Mothersbaugh, 2012, p.209):

- a. Husband-dominant decision;
- b. Wife-dominant decision;
- c. Joint-decision;
- d. Individualized/autonomic decision;
- e. Child-dominant decision

Schiffman and Kanuk (2014) stated that these types of dominations can be shifted and heavily influenced by cultural factor. Based on previous studies by Shiffman and Kanuk (2014), the shifting happening is related to the decline of husband-dominant decision and increase of wife-dominant decision. In some countries, like China, child-dominant decision is also escalating. This study also shows the importance of studies on housewives' loyalty; particularly those also aim to examine the domination of certain household products.

Loyalty Concept

Even though loyalty is a long-standing concept in marketing, yet the scholars have not reached an agreement on its definition. To put it simply, loyalty means the purchase and repurchase for certain product category (Neal, 2000). Yet if it is further examined, the definition grows more complex.

Uncles et al. (2003) suggested that there is an ongoing debate on the definition of loyalty. Based on their findings, Uncles et al (2003) showed that there are three major categories for loyalty definition:

- a. Loyalty as an attitude related to the strong relationship with a certain brand (Model 1);
- b. Loyalty as a form of behavior—can be drawn from past behavioral pattern (Model 2);
- c. Loyalty as a form of individual characteristic and purchase circumstance (Model 3).

Uncles et al (2003) stated that loyalty in marketing is directed towards customer loyalty and brand loyalty. The differences for those two concepts are: the customer loyalty is embedded in consumer, while the brand loyalty is embedded in a certain brand.

The different definitions also cause the loyalty measurement differs as well, as suggested by Aditya (2004). Some loyalty measurements traditionally measure the aspect of behavioral loyalty, i.e. the proportion of purchase, the purchase probabilities in the future, dll. The other groups criticize the behavioral loyalty measurement due to the negligence that repurchase behavior is sometimes caused by circumstantial factor, not genuine loyalty. Therefore, the measurement of customer loyalty heavily depends on the definition and perspective: attitudinal, behavioral, or circumstantial aspects.

A slightly different loyalty dimension was depicted by Rundle-Thiele (2005). Rundle-Thiele (2005) also suggested that there were different opinions on loyalty definition and

measurement. In the early beginning of this concept, in 40s and 50s, two-dimensional concept of loyalty emerged, i.e. attitudinal loyalty and behavioral loyalty. Yet based on Rundle-Thiele's (2005) factor analysis results, there are other dimensions of loyalty: pure (or genuine) loyalty and impure loyalty; making this concept more multidimensional.

Related to pure loyalty, Dwyer (2011) further proposed a concept on divided loyalty. It is supported by Kotler and Keller (2016, p.282) that loyalty can be divided into hard core loyalty, split loyalty, shifting loyalty, and switchers. Meanwhile, the current researches are mostly examined pure loyalty.

Research Approach

Qualitative research is the most appropriate approach for this study, because the main aim of this research is to comprehend and explore, instead of merely testing the influence of one variable to other variables. This research aims to explore how the housewives play their parts in the decision making of household goods' purchase. What kind of loyalty occurs during the process?

This qualitative research is conducted by employing in-depth interview and focus group discussion (FGD) using an open question guide, as well as probing techniques. It aims to explore deeper in the mind and heart of the participants.

The recording transcripts is written as a verbatim transcription and included in appendix. Verbatim transcription is one of the methods to record useful verbal data in order to facilitate the audit process in the data analyses conducted by other parties (Halcomb and Davidson, 2006).

The analyses of verbatim transcription are conducted by identifying the main concepts (themes/categories) used in the qualitative research. The identified theme or concept shall be discussed by giving verbatim quotation. The verbatim quotation is given as a form of proof to justify the findings (Corden, 2007; Corden and Sainsbury, 2006).

The analyses are also conducted by examining the different characteristics of the informants, i.e. the difference between the last-year college student with the early year, as well as the highly innovative lecturer with the low innovative level lecturers.

Informants

In the qualitative research, the informants' characters have to be specified since the beginning stage of a research. For this research, the main informants are middle-class housewives. The group is chosen as they have many alternatives of brands and products, as well as capable in actually making purchases. The lower-class housewives basically do not have many brands and products' choices due to their limited financial capabilities. As for the upper-class housewives, the authors have accessibility issues to gather the informants. The informants are sought in three middle-class residential areas.

This research is focused on the comprehension on how the housewives choose the household products and thus, elicit their loyalty toward the chosen products. The objects of this research are the housewives routinely purchased the household's products, particularly the Fast Moving Consumer Goods (FMCG). FMCG products are divided into these following three categories:

- Personal care;
- Household necessities;
- Food and beverages.

Interview Guide

An open interview still needs a guide. The following list contains the things shall be asked to the respondents:

- a. The types of purchase for households' product/service involving the housewives;
- b. Where, how, and with whom the purchases are conducted;
- c. Are they genuinely loyal to the certain brands/products and what caused the loyalty;
- d. For what kind of products the housewives depict divided loyalty and what caused it to happen;
- e. For what product the housewives own no loyalty and what the reasons are.

The Validation of Qualitative Research

In this qualitative research, the validation is conducted using triangulation method (Shenton 2004; Guion 2002), i.e. by comparing the results from FGD and in-depth interviews. The findings are considered valid if they are confirmed (Guion 2002).

The other validation is using more than one researcher and informant. On the other hand, other people can also judge whether the analyses are conducted well by reading the verbatim quotation presented in the discussion section. In other words, the identified theme/concept has to be identified based on the information from more than one source or informants (Shenton, 2004). Yet, for exploration purpose, as much information as possible are gathered from the participants, even though they only come from one person.

Results and Discussions

Based on the interview and FGD results, some groups of issues can be discussed, particularly related to behavior and loyalty in choosing retailers and products. Generally, the wife is the decision-maker for daily/monthly shopping decision. For this research, only the regular (monthly/daily) shopping routine is scrutinized, not the impromptu ones.

Roles in Family's Decision-Making

In case of retail shops and general shoppings' choices, the wife is the decision maker.

"In my house, I make decision on household's shopping... [I] also decide on monthly/regular shopping for the minimum number of spending and the children's needs" (VR, 28 years old)

"Daily necessities... clothes..." (AM, 40 years old)

"[I] do it myself. Nope...my husband said it's up to me." (PM, 32 years old)

"In [my] house... Hmm... of course it is me who's doing the shopping and deciding. [My] husband only gave the money (laugh)" (DWR, 50 years old)

"Doing the monthly shopping, obviously it's me...whether there are stocks [of daily necessities] or not, definitely I will go shopping each month. Just in case... The decision maker is obviously me." (YNW, 48 years old)

"Here [in my house] I do the shopping. The one making decision is also me. [My] mother, children, and [younger] siblings merely ask me for a favor to buy anything, if they have any requested goods." (AED, 38 years old)

"In [my] house, I do all the shopping. My husband only knows everything's done already." (LCI, 32 years old)

"Of course shopping is absolutely a mother's business" (SW, 44 years old)

For the husbands, their roles are to decide on more expensive or more specified goods, such as electronic goods and vehicles.

“...husband takes care of electricity bills. [What about saving, insurance, and children’s education?] Oh. Those shall be husband’s [responsibility].” (VR, 28 years old)

“Electronic goods... [What about vehicles?] Yeah... All things require huge spending.” (RT, 38 years old)

“Electronic and all goods require huge amount of money, like transportation vehicles.” (AM, 40 years old)

In a household, there are products divided into wife’s and husband’s domains. This kind of condition reflects the traditional family role as the role division is still done traditionally and gendered (sex role stereotypes).

Based on the findings above, those are still in line with the previous study by Lavin (1991; 1993). Lavin affirmed that the shopping roles are difficult to be altered. Even though the respondents are well-educated, they are still reluctant to transfer the traditional shopping role to their spouses. This research also finds that shopping is still women’s “main duty”, as well as the decision making involving daily necessities and regular shopping. In line with Abibich (2004), the women, as wives, play the role as the “household’s financial manager”. While the responsibility or decision making for electronic, machinery, and other highly specified goods, belongs to the husband. Furthermore, the roles for other family members are also important in the family’s decision making. The mother also especially pays attention to the other family members’ opinion, particularly for joint products. Therefore, the mother tends to employ an accommodative purchase decision to accommodate various preferences for every product type and brand the family uses (Solomon, 2007, p.429).

Behaviour and Loyalty in Choosing the Products

Related to loyalty problems, there are several loyalty patterns among mothers/wives:

- a. Purchased products based on pure loyalty

Among the highly competitive consumptive and exhaustive products, the housewives have used several products from the same brands all the time. For these kinds of products, if they can find it in one retail store, they will spend time to look for it in other stores.

“Yes, for certain products. Like detergents, fabric softener, toothpaste, shampoo... All kinds of toileteries” (RT, 38 years old)

“For monthly necessities, always [buy it with] husband... Also for my cosmetics.” (VT, 28 years old)

“Always use the same [brand] for soap and toothpaste” (AM, 40 years old)

“Rarely for shampoo or body care... Rarely trying out new ones.” (AED, 38 years old)

Based on the statements above, we can see that genuine loyalty can occur for various kinds of products, particularly for personal care ones.

The followings are their reasons for always choosing the same brands:

a.1. Due to the influence from the family members, particularly the close relatives.

Family members’ influence is essential for housewives as it is related to the acceptance toward their choices. Thus, there will be a **social risk** if they do not conform to it.

“I choose any products based on my husband or my child’s liking, not based on its freebies.” (VT, 28 years old)

“...[no loyalty] except for toothpaste, soap, and deodorant. For those products, my husband is unwilling to change the products.” (AM, 40 years old)

“For anything with flavors—such as noodles, sauces, teas—are definitely [my] husband and child’s choices, because the products need to suit their tastes as well.” (DWR, 50 years old)

“If I change the products, my kid will be angry as it probably doesn’t suit his/her taste (laugh). S/he only wants Indomie for the lunchbox.” (ES, 35 years old)

a.2. Due to the direct effect of product consumption

Some products are purchased out of loyalty as trying out new brands may cause switching cost (unsuitable for them) and elicit some other risk factors, such as functional/performance risk and physical risk.

“Because my skin is rather sensitive, so I don’t dare to change the products, afraid for the direct effect, aren’t I? If [we talk about] cooking oil, it’s different. No direct effect...but for cosmetics, the effect directly appears.” (VT, 28 years old)

“For personal care, as it is directly related to skin health, obviously [I] can’t just change it. For beauty products like powder, lipstick, etc, I seldom use [those] and

whatever brands I use, not causing any problems for [my] skin.” (AM, 40 years old)

“Nope [not changing products]... because skin care depends on suitability, doesn't it? [If I change it], it may be not suitable. Dangerous.” (AED, 38 years old)

a.3. Due to satisfaction with personal taste

Some food/beverage products are purchased due to the suitability with consumers' taste.

There will be performance risk when they change the brand.

“Ah, nope [not changing]. Cause there are no complaints. It suits [my] taste.” (DWR, 50 years old)

“It's about taste, okay? The coffee's or tea's taste is different for each brand, right?” (SW, 44 years old)

“[The taste] is suitable with mine. For others brand, nope [not suitable]...” (IND, 36 years old)

“Yeah, yeah...because it depends [on personal taste]. If it's suitable, then difficult to change, right? (laugh).” (IM, 28 years old)

b. Purchased products based on split/divided loyalty

Split loyalty can be applied for various products. The housewives mention that they usually buy various brands for snacks and various cleaning products in their purchase behavior pattern, proving the existence of divided loyalty. If the wanted brand is not available at a store, there are other alternative brands to choose from. But those alternative brands are still included in the consideration set and the customers still feel reluctant to switch to other brands beyond the consideration set.

“Snacks...soaps. Usually only 2 brands.” (RT, 38 years old)

“For laundry soap, [I] keep changing according to my needs. While for cooking oil, [it keeps changing] because of discounted price. I just change the brand for those 2 products.” (VT, 28 years old)

“As I said, for rice, I prefer selepan rice. If I can't find it, then I buy another certain brand.” (AM, 40 years old)

“Besides Rinso, we also use Attack. If there are no stocks for those brands, SoKlin is also ok. [I] haven't tried other brands. For the diswashing soap, I use Sunlight

and Sleek. For floor cleaners, I use Superpel and SoKlin. As for insect repellent, I use Baygon or Hit.” (MER, 27 years old)

“[If the product is not available], I seek for other detergent brands. Not always [using] Attack. Hmm...can choose between SoKlin and Rinso. For the floor cleaners, usually [I use] either Wipol or SoKlin. For fabric softener, usually [I use] either SoKlin or Molto. As for dishwasher soap, [I choose] either MamaLemon or Sunlight.” (IM, 28 years old)

“Not really [not changing]... but usually [I use] between Sunlight or MamaLemon. Besides those two, I have never tried. As for...what was that again? Fabric softener? [I use] Softener, Molto, or SoKlin. While for floor cleaners, [I use] either SuperPel or SoKlin.” (DWR, 50 years old)

“Nope. So for cooking oil, it must be Bimoli, Filma, Sunco, or Sania. I never use bulk oil or cooking oil from Hypermart brands or such.” (ES, 35 years old)

“Hhhmm...[I use] either MamaLemon or BuKrim. But for floor cleaners, [I usually use] SoKlin. Superpel is also okay, if it offers promotion” (PMC, 32 years old)

The reasons for the split loyalty’s purchase behavior regarding some brands are listed as follows:

b.1. Seeking varieties

Trying something new is one of the main reasons to switch brands so that the customers will not be bored.

“[I] like to try new fragrance for soaps... Hehe, yes, [I am] never satisfied.” (RT, 38 years old)

b.2. The marketing activities of the competitors

The sale promotional activities are still the main tool to influence customers, yet they need to be adjusted to the main market’s target.”

“For cooking oil, usually I look for the discounted ones.” (AM, 40 years old)

“Hmmm where did I buy? From Indomaret’s promotional programs.” (PMC, 32 years old)

“Advertisement definitely influences [me]. [I’m] interested, and then [I] try. Coincidentally, it is also suitable for every family member.” (ES, 35 years old)

“Yes, we are interested in the discounted price, but only for the same level of brands.” (IND, 36 years old)

“If we go shopping, usually there are SPG (Sales Promotional Girls) offering the products, right? Because of that, sometimes I’m interested to try...other than due to the discounted price, of course.” (IMD, 32 years old)

b.3. For different usage

A respondent comes forth with an interesting answer regarding the usage of more than one brand. She said it is due to a different usage purpose. It is actually common because in one household, there are several members with different activities and interests; thus, makes it possible for a housewife to buy more than one brand for the same products.

“Ee...[for detergent] we’re fanatics about Rinso for a long time. But now we also use Attack (for other products, [I] don’t try other brands). For me, [the other brands] are not clean and the fragrance is different...also, [I think] it’s suitable for me. (AED, 38 years old)

c. Shifting loyalty

Based on the interviews’ findings, there are some customers shifting from one brand to another after being loyal to the previous one.

The shift happens because they think the products are no longer suitable with their newly developed needs.

“...when I was a teenager, I used Red-A. While now I use Sariayu as it is suitable for my need and age.” (VT)

Discussion

FMCG products (*Fast moving consumer goods*) have the same choice to obtain genuine loyalty, divided loyalty, or non-loyalty. Though genuine loyalty is more clearly seen for personal care products, but it can also be applied for food products. One of the more important aspects that show the difference in loyalty is related to the existing risk in the consumption process. Some products may elicit functional risk, physical risk, and social risk.

Proposition: The perception of the existing functional risk, physical risk, and social risk influence the decision making on brand/product loyalty among the housewives.

The producers shall be able to elicit the possible risks that may occur from brand switch, if they want their consumers to be loyal. Especially for brands that already on consumer's consideration set. Company should raise the involvement of the product by raise its risk. Housewives need acceptance from her family members. In a contrary, brands that are outside of consumers consideration set should use other family members to influence their Mom, because Housewives will not easily to change their choice / loyalty.

The middle-class housewives usually have already set their mind to consider certain brands only. Thus, it means that the current product commodity shall be aimed to branded products. Also, brand management becomes more essential for the companies.

For the divided loyalty, basically it applies for brands perceived as having similar quality. The housewives have several brand choices inside their minds as the evoked set and consideration set. Among the various brands offered in retail stores, the housewives will focus on several choices to simplify regular decision making. They often use a heuristics aspect formed by mental shortcuts. The housewives then determine simple attributes that considered important to make decisions, such as best price and sales promotion for branded products, nearest or the most inclusive retail stores, or other family members' choices.

Suggestion and Implication

Based on the discussion and conclusion, the following implications are gathered:

Practical Implication

1. Every product and brand has the same opportunities to gain loyalty from their consumers. The products that pose the most risk are the most likely ones to get it.
2. The companies shall track the brand position in consideration set for certain product categories from time to time. The effectivity of promotional activities can be observed based on the brand position in consideration set.
3. Continuous research on housewives' loyalty is essential for household products' marketers, particularly due to the growing role of housewives.

Implications for Future Research

1. This research specifically aims for products chosen by the mothers/wives. Therefore, the next research can be directed to find out about the decision made by husband and children, or the joint decision making ones.
2. As women's role keeps growing, an understanding on their roles from time to time needs to be continuously examined.
3. Loyalty has always been related to product satisfaction. Other related variable is switching cost. This research shows that other determinant can be applied for loyalty is the perceived risks (functional, physical, and social). Launching *fear appeal* in advertisements is one of the ways to elicit it, though there are ethical problems related to such conduct.

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