## Does Relationship Value Management Matter When Developing Brand Reputation? A Developing Country Perspective

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#### **ABSTRACT**

The study investigates the perceived influence of relationship value management (RVM) in developing the brand reputation of a major apparel manufacturer in Botswana. A descriptive quantitative research design was followed, and primary data was collected from 120 business customers of a selected apparel manufacturer who reside in the South-East District of Botswana. A total of 85 useable questionnaires were collected for further analysis. A multiple regression analysis was applied to establish the relationship between customer orientation, employee engagement, RVM and brand reputation. The results indicate that customer orientation is directly linked to employee engagement. In addition, customer orientation and employee engagement led to a significant and positive influence on RVM. Moreover, RVM was reported to have a significant positive impact on the level of brand reputation. On the other hand, customer orientation was the strongest predictor of the brand reputation of the selected apparel manufacturer. The conceptual model tested confirms the hypothesised relationship between customer orientation, employee engagement, RVM and brand reputation. The findings can further assist apparel manufacturers in understanding how the interrelationship between customer orientation, employee engagement and RVM can boost brand reputation in a developing economy such as Botswana. Therefore, RVM can be considered to be a possible catalyst for developing a genuine and stronger brand reputation in the apparel industry of Botswana.

**Key words:** Customer orientation; employee engagement; relationship value management; brand reputation; apparel manufacturer; Botswana

#### INTRODUCTION

In the light of the fourth industrial revolution and changing business models, apparel businesses in Botswana are facing challenges in retaining a loyal customer base and reducing employee turnover. This is mainly due to increased competition for customer dominance amongst apparel businesses, as they target the same cohort of customers with similar products, thereby causing customers to switch business partners. For instance, when one apparel brand develops new merchandise, the rest are able to imitate the offering within a short period of time, indicating a lack of differentiation in the product offerings (MTI, 2018). In this regard, customers have become more knowledgeable and demanding about the products and services they require in fulfilling their individual needs, thus warranting the need for a stronger relationship-building approach to secure the reputation of the apparel businesses as a key

differentiator. From an employee perspective, apparel businesses are experiencing high attrition rates due to concerns about the lack of development and empowerment of quality employees to support the operational goals of the businesses. These concerns relate to a lack of reward and recognition, and no formal training, career advancement, or performance management, leading to employee dissatisfaction (MTI, 2018). This emphasises a greater need for relationship-building and a stronger focus on brand reputation. For this reason, a proposed focus on relationship value management (RVM) is required to address the deep-seated challenges of retaining both employees and customers to enhance brand reputation and to ensure business survival in the apparel arena (Payne & Frow, 2011).

The true value of building relationships with employees and customers may only be experienced once a business makes the effort to understand the influence of RVM on improving brand reputation. Payne and Frow (2011) describe RVM as the process of creating, maintaining and retaining value-adding relationships between an organisation and its main stakeholders. RVM is concerned with enabling businesses to attract, develop, motivate and retain employees to ensure that they can successfully create value-adding relationships with customers (Payne & Frow, 2001). RVM can also provide a holistic process and tool to assist in improving the longevity of relationships between employees and customers, thereby enabling apparel businesses to gain competitive advantage, fulfil customer needs and reduce staff turnover (Pleshko & Heiens, 2015). Conversely, the literature argues that RVM is a dynamic concept and is collectively composed of customer orientation and employee engagement (Mumuni & O'Reilly, 2014; Payne & Frow, 2001; Pleshko & Heiens, 2015). Consistent with this perspective, customer orientation refers to an organisation's affinity to satisfy customers' expectations and desires to ensure that they are permanently locked in a relationship with them (Yoo & Arnold, 2014), while employee engagement relates to a positive attitude and discretionary effort held by an employee towards assisting an organisation to succeed in the marketplace (Nazir & Islam, 2017).

In this regard, much research has concentrated on determining the linkage between these two dimensions of RVM in various industrial settings (Payne & Frow, 2011). For this reason, empirical findings of Anaza and Rutherford (2012), Popli and Rizvi (2016) and Yoo and Arnold (2014) established that studies on RVM, its antecedents and outcome have been mostly approached from a developed country (i.e. USA and South Korea) perspective, with no emphasis on how RVM can be applied to enhance brand reputation within a developing economy. However, the influence of these two selected dimensions of RVM on brand reputation has not been explored in the apparel industry of a developing economy such as Botswana. To address this research gap, the aim of this study is to further knowledge by determining how the cultivation of RVM can contribute to developing the brand reputation of a major apparel manufacturer in Botswana.

The theoretical contribution of this study is based on developing a model for understanding the interrelationship between customer orientation, employee engagement, RVM and brand reputation in the context of a developing economy. From a managerial perspective, this study contributes to providing insights to apparel manufacturers in Botswana on how they can cultivate the two selected dimensions of RVM in order to strengthen brand reputation with their customers and employees.

This paper describes the theory grounding the study and provides a discussion of the key constructs. Furthermore, a conceptual theoretical model is proposed and research hypotheses for the study are outlined. An explanation of the research methodology is followed by the results, the findings, the managerial implications, the limitations and future research opportunities.

#### LITERATURE REVIEW

#### Theory grounding the study

The connection between RVM and brand reputation is grounded in the theory of relationship marketing, described by Gronroos (2017) as all marketing activities geared towards establishing, developing and maintaining and where necessary terminate relationships with customers to ensure mutual value and benefits to all parties involved in the relationship. As organisations increase their emotional bond between their employees and customers, they are more likely to develop high-order products and service capabilities that translate into improved levels of RVM (Yeh, 2016). Relationship marketing thus provides support for the inclusion of RVM as a mechanism for diagnosing the success of relationship-building and maintenance, leading to higher levels of attraction, satisfaction and retention (Payne & Frow, 2017). This in turn leads to a stronger competitive position and increased market share as customer needs are successfully met (Han & Hyun, 2015), thereby strengthening brand reputation. Tai (2011) reveals that RVM also raises the perception of enhancing the strength and longevity of relationships amongst employees by enabling them to put more effort in maintaining quality relationships with customers and developing a favourable reputation for the business. This argument is reinforced by Korda and Snoj (2010) as well as Sheth (2017), who contend that RVM contains the attributes of relationship marketing as it encourages a business to focus on the intuitive appeal and derived benefits of a long-term relationship with stakeholders, which leads to increased profitability and a stronger brand reputation in the long run. Therefore, brand reputation can be enhanced by the implementation of RVM, as predicted by the theory of relationship marketing.

#### Relationship value management (RVM)

RVM has its origins in relationship marketing theory and is concerned with a holistic approach to long-term relationships (Payne & Frow, 2011). More specifically, RVM was first introduced in 2001 by Payne, Holt and Frow (2001) as a managerial tool for maximising value to customers through an integrated management of key stakeholders. Furthermore, RVM is an essential ingredient in building successful relationships in the apparel arena by enabling businesses to broaden and deepen relationships so that consumers will no longer switch business partners (Aurier & N'Goala, 2010). This results in strengthened relationships, allowing businesses to achieve a greater differentiation and improve their overall performance (Aurier & N'Goala, 2010). Wang and Feng (2012) conclude that RVM creates an enabling environment for assessing and meeting the needs of multiple stakeholders, thereby enriching the longevity of relationships.

There is much confusion and debate in the literature regarding the central dimensions that constitute RVM (Payne et al., 2001). This is due to the multidimensional properties of RVM, resulting in a lack of consensus among researchers about the factors that measure RVM (Payne & Frow, 2011). In this regard, previous studies of Mumuni and O'Reilly (2014), Payne et al. (2001) and Pleshko and Heiens (2015) argue that customer orientation and employee engagement are the main dimensions of RVM. For the purpose of this study, these two dimensions are considered.

#### Customer orientation

Anaza and Rutherford (2014) contend that customer orientation is a complex construct and its definition varies from one study to the next. This implies that there is a lack of consensus in literature regarding the definition of customer orientation (Yoo & Arnold, 2014). For this

reason, the current study adopts Smirnova, Rebiazina and Frosen (2017)'s definition of customer orientation as it provides insights and deeper understanding regarding how customer orientation is approached within a product-market context and how it relates to addressing the needs of customers. In this regard, customer orientation refers to a set of beliefs that establish customers' needs and satisfaction as a priority for an organisation (Smirnova et al., 2017). Customer orientation is beneficial to apparel manufacturers because it enables them to create superior value through service improvement, product development and personalised solutions to satisfying customer needs, leading to increased competitive advantage (Tang, 2014). An organisation with a stronger customer orientation tends to outperform its rivals because it has a better understanding of customer needs, makes the required adjustments to products and services to suit customers' requirements and can forecast changes in the demand for its offerings (Ziggers & Henseler, 2016). Thus customer orientation is at the heart of RVM because it reflects the tendency of an organisation to respond to the current and future needs of customers, and advances its ability to sense changes in the customer base and how to respond effectively to those changes (Frambach, Fiss & Ingenbleek, 2016).

Three major integrated activities define and measure customer orientation within RVM: customer attraction, customer satisfaction and customer retention (Payne et al., 2001). A focus on these three sub-constructs is important in the apparel context, as organisations can gain a depth of customer knowledge about satisfying their needs, thus creating an enabling environment to enhance product experience and the consumption of product offerings, which in turn encourages customers to make additional purchases and spread positive recommendations about the organisation (Nguyen & Waring, 2013). Arnold, Fang and Palmatier (2011) define customer attraction as the process of gaining information about potential consumers, measuring their potential value and allocating resources to acquire those with the greater long-term value. On the other hand, Flint, Blocker and Boutin (2010) view customer satisfaction as the overall assessment and emotional evaluation of the extent to which customers are pleased with an organisation's offerings. Customer retention, for its part, is the extent to which a customer purchases the same offering from a provider over a sustained period of time (Dastane & Fazlin, 2017). Therefore, apparel businesses should strive to strengthen their market position by maximising customer attraction, customer satisfaction and customer retention, thereby contributing to the survival of a business and increased profitability in the long run (Payne et al., 2001). For the purpose of this study, these three sub-constructs are considered for evaluating customer orientation.

#### Employee engagement

Lemon and Palencha (2018) describe employee engagement as the extent to which employees connect with their job positions, organisations and external stakeholders. Employee engagement plays a central role in the apparel industry, as it provides insight into how employees perceive their job roles and provides a pathway for retaining employees who work energetically, and feel dedicated to and mentally absorbed in their work (Keating & Heslin, 2015). This argument is supported by Ruck, Welch and Menara (2017), who suggest that employee engagement enables organisations to gain a better understanding of how employees express themselves cognitively and emotionally during job performance, thereby increasing their willingness to contribute to work-related ideas, information and opinions in meeting the goals of the organisation. Bode and Singh (2017) conclude that employee engagement is the backbone of RVM, as it emphasises that employees need to be developed, motivated and retained at all costs to ensure an organisation's operational efficiency and competitiveness.

Given the importance of employee engagement to apparel businesses, it is essential that organisations understand the sub-constructs behind employee engagement within RVM. These

sub-constructs are: employee recruitment, employee satisfaction and employee retention (Payne et al., 2001). These three factors contribute to the development of employee-oriented behaviours among organisations by enabling them to build positive employee attitudes towards their work, leading to more committed and highly satisfied employees who feel valued in their job positions (Keating & Heslin, 2015). Adeola and Adebiyi (2016) describe employee recruitment as a process that brings together a group of candidates who are potentially qualified for the vacant position created by the organisation. On the other hand, Hatane (2015) asserts that employee satisfaction is the degree to which employees like their jobs, while Pittino, Visintin, Lenger and Sternard (2017) define employee retention as a procedure for acquiring, developing and retaining talented individuals. Apparel manufacturers should therefore entrench these three drivers of employee engagement in their operations in order to retain a better pool of employees and to maximise their return on investment, given the contribution of these individuals to the success of the business (Payne et al., 2001). These three variables have been adopted in this study to examine employee engagement.

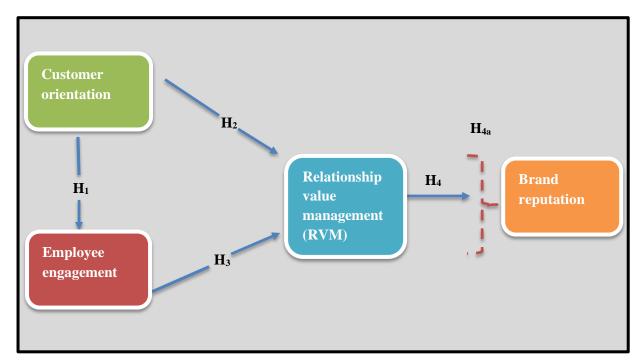
#### **Brand reputation**

According to Fernandez-Gamez, Gil-Corral and Galan-Valdivieso (2016), brand reputation refers to a collective representation of past actions and results of a brand in meeting the expectations of customers and other stakeholders. Brand reputation offers several advantages to apparel businesses, including the ability to charge premium prices, to establish stronger relationships with customers, to enhance competitive advantage and to generate more customer loyalty (Balmer, 2011). Similarly, a higher level of brand reputation strengthens customers' perception of the perceived benefits of a brand, which ultimately contributes to a reduction in decision-making uncertainty and increased product knowledge (Tournois, 2015). Therefore, organisations can strengthen their market position through the use of brand reputation as a way to monitor and measure the extent to which they engage in a continuous and ethical dialogue with their key stakeholders (Dijkmans, Kerkhof & Beukeboom, 2015).

#### THEORETICAL MODEL DEVELOPMENT

Figure 1 depicts the proposed theoretical model for this study, illustrating the four constructs of the study and the hypothesised relationships between these constructs.

Figure 1: Theoretical model



The research of Anaza and Rutherford (2012) propound that there is a direct relationship between customer orientation and employee engagement within the apparel environment. It has also been found that employees who are more oriented towards fulfilling the needs of customers, are more likely to put more effort in their work, leading to increased levels of engagement (Popli & Rizvi, 2017). Yoo and Arnold (2014) validates this argument by stating that the promotion of customer orientation contributes to sustained employee engagement amongst in the business environment. This suggest that customer orientation is a critical element for fostering employee engagement. On the basis of this theoretical argument, the following hypothesis is proposed:

 $H_1$ : There is a significant positive relationship between customer orientation and the employee engagement of a selected apparel manufacturer in Botswana

# The relationship between customer orientation and relationship value management (RVM)

Frambach et al. (2016) deem customer orientation as the essence of RVM, as it motivates apparel business to build intimate relationships with customers by delivering superior value and ensuring that their expectations are met. Payne et al. (2001) opine that customer orientation is a significant predictor of RVM amongst service and product-oriented businesses. Itani, Kassar and Loureiro (2019) support this notion by stating that customer orientation enables organisations to respond to the needs of customers by listening to their requests and treating them in a professional manner, thereby influencing the customer's

perception of RVM. On the basis of this foregoing discussion, the following hypothesis is offered:

*H*<sub>2</sub>: Customer orientation significantly and positively influence the RVM of a selected apparel manufacturer in Botswana

# The relationship between employee engagement and relationship value management (RVM)

Bode and Singh (2017) posit that highly engaged employees are more inclined to build relationships with customers, thereby creating a basis for development of RVM. The previous work of Yoo and Arnold (2014) found out that employee engagement has a positive impact on the level of RVM. Similarly, Payne et al. (2001) stipulate that employee engagement allows employees to be cognitively and emotionally connected to their efforts for fulfilling their promises to customers, which provides the foundation for fostering RVM into business operations. In consideration of this theoretical evidence, the following hypothesis is proposed:  $H_3$ : Employee engagement significantly and positively influence the RVM of a selected apparel manufacturer in Botswana

#### The relationship between RVM and brand reputation

RVM is an essential predictor of and catalyst for creating a stronger reputation in the apparel arena (Grissemann, Plank & Brunner-Sperdin, 2013). Men (2012) and Terblanche (2015) established that RVM has a significant and positive influence on the brand reputation of firms in emerging economies of China and South Africa. He and Li (2011) add that the promotion of RVM through customer orientation and employee engagement is positively related to building a genuine brand reputation in the marketplace. This suggests that an emphasis on RVM can generate good perceptions about the organisation in the minds of its stakeholders, leading to stronger brand reputation (Shirin & Kleyn, 2017). In the light of this earlier evidence, the following hypothesis is offered:

H<sub>4</sub>: RVM significantly and positively influence the brand reputation of a selected apparel manufacturer in Botswana

Considering the above theoretical evidence of the interrelationship between RVM and brand reputation, this study also seeks to address the following sub- hypothesis:

 $H_{4a}$ : There is a difference in the influences of RVM dimensions on the brand reputation of a selected apparel manufacturer in Botswana

#### RESEARCH METHODOLOGY

#### Research design

The study employed a descriptive research design in order to gather empirical results and conclusions that can contribute significantly to the research phenomenon under investigation (Malhotra, 2010). Therefore, this design incorporates the elements of a quantitative research approach, in order to fulfil the aim of the study and increase the utility of its findings through a survey approach (Creswell, 2009).

#### Sampling technique and data collection

The empirical phase of the study included a quantitative research approach to conducting the survey. The target population of this empirical phase comprised all business customers of a major apparel manufacturer in Botswana, which has the largest market share (40%) and a stronger competitive position within the apparel industry (MTI, 2018). For this reason, these customers of a selected apparel manufacturer are regarded as the main revenue generators in the apparel industry. A targeted sample of 120 customers who met the sample requirements was included in this study. A stratified sampling technique was used for partitioning the population (i.e., customers of the selected apparel manufacturer) into subgroups on the basis of their location (Malhotra, 2010) within the South-East District of Botswana. The South-East District was selected because it contributes 80% of the development and growth of apparel firms in Botswana (MTI, 2018). The sub-group was composed of business customers of the major apparel manufacturer located within the urban centres of the South-East District such as Gaborone, Lobatse, Tlokweng, Otse and Ramotswa. Within the identified strata, a convenience sampling approach was used to draw a sample that was willing to participate in the study. The combination of these sampling methods enabled the researchers to gather a large number of responses at a lower cost and within a short period of time, thereby improving sampling adequacy (Malhotra, 2010).

Self-administered questionnaires were used to collect primary data for the purpose of this study. The questionnaires were distributed by the marketing representative of the selected apparel manufacturer across the South-East District areas in Botswana. The first part of the questionnaire gathered the respondents' demographic information, while the remaining part focused on the scales of the constructs observed in this study. The respondents were requested to rate a series of statements on the questionnaire using a five-point Likert scale, where 1 indicated 'strongly disagree' and 5 indicated 'strongly agree'.

The data was collected over a three-week period. Out of the total of 120 questionnaires that were distributed, only 85 complete questionnaires were retrieved for further analysis, representing a response rate of 71%. The realised sample thus falls within the minimum sample size range of 100-250 for conducting an analysis with three constructs as recommended by Malhotra (2010).

#### **Development of the measurement instrument (questionnaire)**

Only measurement variables that had proven to be valid and reliable previously were considered for the purpose of this study. These measurement variables were adapted from previous studies to suit the apparel environment in Botswana. Customer orientation was measured by the scale of Reinartz, Kraftt and Hoyer (2004) and included twelve measurement variables. The nine measurement variables for employee engagement were adapted from the empirical scale provided by Lytle, Hom and Mokwa (1998). The contribution of RVM was unobserved in measuring its effect on brand reputation and hence it was regarded as a composite variable constituting of customer orientation and employee engagement. Brand reputation was measured by the scale provided by Walsh, Beatty and Shiu (2009) and included eighteen items. Table 1 provides a description of the statements pertaining to the different constructs that were included in the study.

**Table 1: Development of measurement scales** 

Table 1: Development of measurement scales		T	
Construct, scale item	Origin Literature		
Customer orientation (12 items)			
The clothing retailer offers innovative and quality services/products tailored to expectations of current and future customers	Adapted	Reinartz et al. (2004)	
	-		
The clothing retailer has a formal process for systematically			
including customer requirements in development of new products and services			
The clothing retailer is customer focused and well initiated to			
respond to client requirements and proposals			
The clothing retailer sets high value on independent and			
supportive tools that assist in making product decisions			
The clothing retailer offers personalised services and benefits to			
suit the clients' demands			
The clothing retailer delivers products and services that exceed			
customers' expectations			
The clothing retailer provides customers with support systems to			
help them get more value out of their purchase			
The clothing retailer interacts with customers to design offerings			
that meet customers' unique and changing needs			
The clothing retailer maintains an interactive two-way communication with customers			
The clothing retailer is structured to optimally respond to unique			
customers with different values			
The clothing retailer systematically attempts to manage the			
expectations of customers			
The clothing retailer systematically attempts to customise			
products/ services based on the value of customers			
Employee engagement (9 items)			
Management of the clothing retailer seems to hire employees with	Adapted	Lytle et al. (1998)	
reasonable experience and good market advantage		, , , , , , , , , , , , , , , , , , , ,	
Management of the clothing retailer seems to employ employees			
who noticeably celebrates excellent service and supports proactive			
customer complaint system			
Management of the clothing retailer seems to attract employees with extensive product and service knowledge tailored to client			
specifications  Management of the elething rateilar game to pay attention to			
Management of the clothing retailer seems to pay attention to			
recognizing unique competencies of employees in offering personalised products			
Management of the clothing retailer seems to offer employees			
freedom and authority to act independently in order to provide			
excellent service			
Management of the clothing retailer seems to have high standards	1		
in maintaining good relations with its employees in provision of			
service and products to clients			
Management of the clothing retailer seems to motivate and give			
productive feedback to employees to serve the clients timeously			
Management of the clothing retailer seems to provide adequate	1		
resources to enhance employees' ability to provide excellent			
service			
	1	i	

Management of the clothing retailer seems to offer excellent				
incentives and rewards to employees to maintain productivity and				
high service standards to clients				
Brand reputation (18 items)				
The clothing retailer seems to have excellent leadership	Adapted	Walsh	et	al.
The clothing retailer seems to have a clear vision of its future		(2009)		
The clothing retailer seems to recognise and take advantage of				
market advantage				
The clothing retailer stands behind the services and products that				
it offers				
The clothing retailer offers products and services that of good				
value for money				
The clothing retailer is a strong reliable company				
The clothing retailer seems to recognise and take advantage of				
market opportunities				
The clothing retailer looks like it has strong prospects for future				
growth				
The clothing retailer appears to make financially sound decisions				
The clothing retailer appears to support good causes				
The clothing retailer seems to be environmentally responsible				
The clothing retailer seems to maintain high standards in the way				
that it treats people				
The clothing retailer looks like a good company to work for				
The clothing retailer seems to be well managed				
The clothing retailer seems to treat its people well				
The clothing retailer has employees who are concerned about				
customer needs				
The clothing retailer has employees who treat customers				
courteously				
The clothing retail treats its customers fairly				

#### **DATA ANALYSIS**

The empirical data stemming from the quantitative phase of the study, was captured, edited and cleaned using the Statistical Package for Social Sciences (SPSS) version 22. A combination of descriptive and inferential statistical procedures was used to analyse the data. The findings from the analysis were used to determine whether or not the hypotheses for the study could be accepted or not. A number of statistical procedures were used to analyse the reliability and validity of the measuring instrument. These procedures included: descriptive analysis, reliability analysis, confirmatory factor analysis and multiple regression analysis.

#### **RESULTS**

#### Validity and reliability

The validity of the questionnaire was attended to by ensuring that the scale items of the different constructs in the study supported the formulated research hypotheses and measured what the survey intended to measure. For this reason, the researchers developed the questionnaire from empirically validated theory and the scale items adopted for the survey instrument were sourced from previously tested studies (Lytle et al., 1998; Reinartz et al. 2004; Walsh et al., 2009), thus content validity can be confirmed. A pilot study involving fifteen respondents who matched the sampling frame was also completed. Construct validity was

ensured in this study, as all the factor loadings (0.65-0.90>0.50), the Kaiser-Meyer-Olkin statistic (KMO=0.95>0.50) and Bartlett's test of sphericity ( $\chi 2 = 934.652$ , p < 0.001) were well within the required limits, as suggested by Malhotra (2010). The reliability of the measuring instrument was assessed through the Cronbach's alpha test statistic. The Cronbach's alpha values for the different constructs in the study are shown in Table 2. The values of the constructs were all above the cut-off point of 0.70, as recommended by Malhotra (2010). Thus, the conclusion can be drawn that all measured scales in the study are reliable and valid.

**Table 2: The reliability of the measurement constructs** 

Construct	Cronbach's alpha
Customer orientation (12 items)	0.888
Employee engagement (9 items)	0.874
Brand reputation (18 items)	0.880

#### Sample profile

The majority of respondents who took part in the survey were business customers of a selected apparel manufacturer located in Gaborone (52%), followed by those who were based in Lobatse (20%). On average, these businesses were owned largely by citizens (37%), whilst approximately 32% of the businesses were privately owned by foreign nationals. It is evident that most of the businesses operate within the service environment (44%), with only 27% had been found to operate within the manufacturing sector. Table 3 provides an illustration of the sample profile for the study.

**Table 3: Sample profile for the survey** 

S	urvey profile (questionna	ire)
Demographics	Frequency	Percentage (%)
Location		
Gaborone	44	52
Lobatse	17	20
Ramotswa	11	13
Tlokweng	8	9
Otse	5	6
Total	85	100
Ownership		
State-owned enterprise	16	19
Private enterprise-locally owned	31	37
Private enterprise-foreign owned	27	32
Joint venture	11	12
Total	85	100
Industrial sector		•
Manufacturing	23	27
Service	37	44
Both	25	29
Total	85	100

#### **Factor analysis**

A confirmatory principal component analysis was conducted on the measured constructs using an orthogonal rotation of Verimax. The Kaiser-Meyer-Olkin measure verified the sampling adequacy for the analysis (KMO = 0.845 which exceeds the cut-off point of 0.70)

and all KMO values for individual factors ranged between 0.73 and 0.95, which is well above the acceptable limit of 0.50 (Malhotra, 2010). Bartlett's test of sphericity ( $\chi^2$ = 934.65, p < 0.001), indicated that correlations between the constructs were sufficiently large for principal component analysis. A further analysis was run to obtain the eigenvalues for each of the measured constructs after rotation. Measured components had eigenvalues over Kaiser's criterion of 1 and in combination explained **67.97%** of the variance after rotation. Consequently, none of the factors loaded highly on each other and therefore only four factors were extracted from the analysis. Table 4 below provides a summary of the confirmatory factor analysis after rotation.

Table 4: Confirmatory factor analysis results

Measurement Set	KMO Statistic	Eigenvalues	% of Variance Explained by each Factor (after rotation)
Customer orientation (12 items)	0.824	0.919	21.352
Employee engagement (9 items)	0.731	1.064	19.672
RVM (unobserved variable/composite construct)	0.950	1.058	17.616
Brand reputation (18 items)	0.889	1.027	9.332
Overall variance explained=67.97	7%		
KMO measure of sampling adequacy = 0.845			
Bartlett's test of sphericity ( $\chi$ 2= 934.65, p = 0.001)			

### Hypothesis testing: Multiple regression analysis

Multiple regression analysis was performed to determine the relationships between customer orientation, employee engagement, RVM and brand reputation. The results are reflected in Table 5.

Table 5: The interrelationship between customer orientation, employee engagement, RVM and brand reputation

Hypotheses	Direct path estimates (β)	Probability value (p)	Hypothesis result ( <i>p</i> <0.05)	Variance explained (R <sup>2</sup> )
H <sub>1</sub> Customer orientation employee engagement	> 0.145	0.000	Supported	0.783
H <sub>2</sub> Customer orientation RVM	→ 0.236	0.000	Supported	
H <sub>3</sub> Employee engagement RVM	→ 0.189	0.000	Supported	
H <sub>4</sub> RVM Brand reputation	→ 0.244	0.000	Supported	
H <sub>4a</sub> Customer orientation Brand reputation	→ 0.210	0.000	Supported	
H <sub>4a</sub> Employee engagement	0.132	0.000	Supported	

Table 5 provides insight into the findings with respect to the hypotheses formulated for the study. All four hypotheses including the sub-hypothesis can be supported. Firstly, a positive

and significant relationship between customer orientation and employee engagement ( $\beta$ =0.145, p=0.000). This is in line with H<sub>1</sub> and so the prediction is supported. Secondly, the results indicated that customer orientation had a positive and significant influence on RVM. Therefore, H<sub>2</sub> is strongly supported ( $\beta$ =0.236, p=0.000). Thirdly, employee engagement had a positive and direct association with RVM ( $\beta$ =0.189, p=0.000), so H<sub>3</sub> can be fully accepted. Fourthly, the results indicated that RVM exerted a positive and significant impact on the level of brand reputation. This is in conjunction with H<sub>4</sub> and so the prediction is supported ( $\beta$ =0.244, p=0.000). Remarkably, customer orientation had the strongest influence ( $\beta$ =0.210, p=0.000) on brand reputation, with H<sub>4a</sub> fully accepted. Overall, customer orientation, employee engagement and RVM predicted 78% of the variation (R<sup>2</sup>) in brand reputation.

#### **DISCUSSION**

The study makes both a theoretical and a practical contribution. From a theoretical perspective, the results confirm that the measurement scales used to measure customer orientation, employee engagement and brand reputation are reliable and valid. The model as proposed has been verified, confirming the interrelationship between customer orientation, employee engagement, RVM and brand reputation in a developing market context.

From a managerial perspective, the study contributes by potentially assisting apparel businesses to understand how the linkage between customer orientation, employee orientation and RVM can foster brand reputation. It is important to note that the expectations of employees and customers change over time, due to market trends and the strength of their relationship with the organisation (Payne & Frow, 2011). It is important, therefore, for apparel businesses to remain innovative and relevant in their highly competitive environment by studying the changing needs of customers and increasing the level of employee engagement by conducting market research, thus ensuring that both employees and customers remain committed to their relationship with the organisation.

From a theoretical perspective, the study makes four contributions. Firstly, it establishes that there is a positive and significant relationship between customer orientation and employee engagement, as hypothesised in the study. This finding is congruent to the theoretical evidence provided by Popli and Rizvi (2017) and Yoo and Arnold (2014) who argue that customer orientation is directly linked to employee engagement within the product-market industry. Secondly, customer orientation and employee engagement were found to exert a direct influence on RVM. This result corresponds with the work of Bode and Singh (2017) and Itani, et al. (2019), which suggest that the cultivation of customer orientation and employee engagement contributes to the success of RVM in the marketplace. Thirdly, the study reports that RVM has a significant and positive impact on the level of brand reputation. The direction of this relationship is supported by the empirical findings of Men (2012) and Terblanche (2015), who opine that RVM is an essential driver for stimulating brand reputation. Finally, customer orientation was found to be the strongest predictor of brand reputation and can thus be used by future researchers to study the extent of its influence on sustaining the reputation of apparel businesses. These results confirm that customer orientation and employee engagement are interelated and in a combined manner through RVM impacts on the brand reputation of a selected apparel manufacturer in a developing economy such as Botswana.

### MANAGERIAL IMPLICATIONS

Firstly, apparel businesses should enhance their customer orientation levels by being a customer specialist. This can be achieved by listening to customers, including them in the product development process and ensuring that their needs are addressed. It is important to note

that panel discussions may be preferable in this case, as this would enable customers to engage and share their interests with the business, thereby creating a stronger emotional bond between the concerned parties. This would capture the attention of customers, as they would perceive the business to be concerned about their product and service requirements, which in turn would generate a favourable perception about the business which contributes to improved levels of employee engagement, sustains the longevity of RVM and consequently lead to an increased brand reputation.

Secondly, the owners of apparel businesses need to improve their engagement with employees by building internal relationships with them. This can be done by conducting quarterly training in the areas of service delivery, relationship-building and product support. Apparel businesses also need to conduct daily motivational sessions, offer performance reward schemes and create an open door policy that enables employees to share their concerns and career development needs within the business. This creates a good impression about the business in the minds of employees, as they will feel valued; and in turn they will translate this positive behaviour into customers, thereby building a stronger RVM and in turn fostering brand reputation in the long run.

Lastly, the management of apparel business need to focus on developing a responsive RVM programme that encompasses on strengthening the brand reputation of apparel manufacturers. This can be achieved by creating an RVM programme that focuses on listening to customers' requests and winning their hearts through continuous dialogue, offering superior services, providing a wide variety of apparel options to choose from and fulfilling the business' obligations towards addressing their individual needs. This creates a sense of identification and confidence into the business, leading to increased customer's interest in establishing a mutual relationship and in turn enhances their service-related experience. In this regard, apparel businesses must be prepared to go the extra mile to ensure that they build value-adding relationships with their customers by keeping their promises and exceeding their expectations, which fosters their emotional bond with the business and consequently improves the level of brand reputation.

#### LIMITATIONS AND FUTURE RESEARCH DIRECTIONS

The research findings are limited to the perceptions of customers and employees of a selected apparel manufacturer operating within the South-East District of Botswana and cannot be generalised to other geographical regions in the country or in other parts of the world. Future research could include a larger sample drawn from different parts of the country to achieve a better generalisation from the results. In addition, other factors besides customer orientation and employee engagement should be considered in order to gain a better understanding of how RVM can influence brand reputation.

#### **CONCLUSION**

The purpose of the study was to determine how the cultivation of RVM can contribute to developing the brand reputation of a selected apparel manufacturer in Botswana. The findings supported all four hypotheses including the sub-hypothesis (H<sub>1</sub>, H<sub>2</sub>, H<sub>3</sub>, H<sub>4</sub>, H<sub>4a</sub>) in the study. The results indicated that customer orientation is directly linked to employee engagement. In addition, customer orientation and employee engagement were found to jointly have a positive impact on the level of RVM. Further to this, RVM established in this manner

exerts a positive and significant influence on brand reputation. Notably, customer orientation was found to be the most significant predictor of brand reputation. These findings, therefore, contend that RVM can empower apparel businesses to stimulate customer orientation, employee engagement and RVM in order to boost their brand reputation.

The impact of this paper has been to provide recommendations to apparel businesses on how to cultivate the level of customer orientation, employee engagement and RVM to ensure improved levels of brand reputation. The implementation of customer orientation, employee engagement and RVM strategies can assist apparel manufacturers to build stronger ties with their constituents by providing quality products and differentiated service offerings, thereby leading to increased brand reputation in a developing economy such as Botswana.

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