

Antecedents for Creating Loyal Relationship with Retailers: A Study on the Pharmaceutical Industry of Bangladesh

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Abstract

Purpose: The study looked at a variety of factors that go into building a loyal relationship between a company and its retailers in Bangladesh's pharmaceutical industry.

Research methodology: Ten (10) hypotheses were established based on the literature review. Furthermore, the convenience sampling technique was used to choose the samples. Data were collected from 50 different retailers. In addition, the loyalty-building aspects were assessed using the questionnaire established through an exploratory study. The data were analyzed with SPSS 22.0 with the aid of Microsoft excel.

Results: Nine out of ten variables were favorably connected with creating a loyal relationship with pharmaceutical retailers, according to the findings of the study.

Limitations: This study focused only on Dhaka and Cumilla cities of Bangladesh.

Contribution: The conclusion of the study is crucial and the outcome will have a long-term impact on how pharmaceutical companies use various types of tactics in loyalty-building programs with retailers.

Keywords: *Pharmaceuticals industry, retailer, loyalty programs, promotional strategies*

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1. Introduction

Bangladesh's pharmaceutical industries have unequalled development potential in the next years due to a variety of competitive advantages. The pharmaceutical sector is surely one of the industries in Bangladesh that it can be proud of. In actuality, it is the second-largest source of income for the government. The 1982 passage of the Drug Control Ordinance helped this sector expand. The professional knowledge, perspectives, and imaginative ideas of pharmacists working in this field are important factors in this growth. Bangladesh has around 257 licensed pharmaceutical factories, according to the Bangladesh Association of Pharmaceutical Industries (BAPI) and the Directorate General of Drug Administration (DGDA) with a total market size of over Taka 30,000 million every year, with local companies producing 95% of all medicine demand and imports accounting for the remaining 5%. Among the most regularly imported drugs are cancer therapies, vaccinations for viral infections, hormones, and other pharmaceuticals (Faisal, 2019). Moreover, it is extremely concentrated because the top 20 firms generate 85% of the revenue. Furthermore, Bangladesh's GDP has expanded at a rate of around 6% per year over the last ten years (Authority et al.). With double-digit growth anticipated by 2025, the present administration has set a goal of achieving even higher growth in the ensuing ten years. Active pharmaceutical ingredients (APIs) and a comprehensive range of pharmaceutical products, including all key therapeutic areas and dosage formats, are currently exported by the pharmaceutical sector to 79 different nations.

A leading maker and supplier of drugs for people, animals, and plants is ACME Laboratories Limited. A sizable pharmaceutical corporation with headquarters in Bangladesh, ACME Laboratories Ltd. consistently ranks among the top ten domestic and global companies. It started operating in 1954, and in 1976 it was transformed into a private limited corporation. Over 20,000 million BDT in sales were generated by ACME labs LTD in 2020. Since it began operating in Bangladesh in 1954, ACME Laboratories Ltd. has grown to become one of the nation's most prosperous commercial conglomerates, with sister companies and stakes in other industries. ACME is always seeking new ways to expand its manufacturing capabilities, as well as its sales and marketing efforts. In order to export its products, ACME has also pushed to increase its foreign marketing operations. A promotional strategy is a collection of rules and guidelines developed by a company or organization that outlines how employees should interact with potential customers to market a product or service. The promotion policy assists the company in keeping control over the message it conveys about the product or service, as well as specifying appropriate behaviors for employees to engage in while engaging with outsiders. A pharmaceutical business, for example, may have a promotion policy that its field workers must follow when meeting with doctors and merchants to advertise a drug.

The purpose of this paper is to investigate the following research question: Is there a significant impact of promotional strategies for developing loyal relationships with pharmaceutical industry retailers in Bangladesh?

The main purpose of the study is to see how effective ACME labs limited's relationship strategies are at cultivating positive relationships and loyalty with its retailers.

Besides this main objective there are a number of specific objectives, which are:

- a) Determine the state of customer preference for each component of ACME Laboratories Ltd's promotional mix.
- b) Provide information on how to keep current retailers on board in the long run.
- c) To determine the company's marketing efforts for retail satisfaction.

2. Literature review and hypothesis development

Customer loyalty is one of the most important and important aspects of any business. Customers prefer one company over another based on their behavior, regardless of the product, price, location, or other variables. Customer satisfaction is impacted by aspects of excellent service like reliability, assurance, responsiveness, and tangibility ([Amegayibor & Korankye, 2021](#)). Relationship marketing relies heavily on client loyalty and the benefits of customer retention. Client retention has an undeniable impact on a company's profitability, with a previous study claiming that acquiring a new customer is five times more expensive than keeping an existing one ([McIlory and Barnett, 2000](#)). [Khan \(2020\)](#) contends that the more strategically a company manages its employees, the greater turnover it can experience even with a comparable number of organizational personnel. Most companies nowadays spend a lot of time and money developing their customer retention and loyalty strategies.

Creating a loyal relationship with the retailers in the Pharmaceutical Industry of Bangladesh

The practice of customer retention involves keeping customers happy so that the business can establish lasting ties with them ([Hoyer and D.J. MacInnis, 2001](#)). In the business realm, [Adamson et al. \(2003\)](#) discovered a connection between a firm's marketing strategy and relationship commitment and trust. Consumer purchasing behavior in Bangladesh is mostly impacted by environmental consciousness ([Uddin, 2021](#)).

Customer loyalty is divided into two types: attitudinal loyalty, which refers to a customer's positive happiness, and behavioral loyalty, which refers to a customer's intention to buy products and/or services from them again ([Homsud & Chaveesuk, 2014](#)). [McMullan and Gilmore \(2008\)](#) defined customer loyalty as the intention of customers to acquire items from a particular brand in the future.

In today's evolving, dynamic information age, management needs leaders to meet unforeseen demands and guarantee the operation's sustainability. While doing so, guide the business to gain a

competitive edge. Organizations also expect managers to maintain a productive workplace by making effective use of the resources available ([Chow, 2020](#)).

Furthermore, once a brand becomes their favorite and preferred option, consumers will find it easier and more willing to try new items and/or services from that brand. Furthermore, [Thompson, Newman, and Liu \(2014\)](#) identified customer loyalty as a major aspect of marketing practice, defining it as a long-term commitment between customers and firms.

Since socio-cultural factors varied in their influence on entrepreneurial performance, it was determined that since people do not live in a social vacuum but rather in a social context, there is a tendency for cultural factors to influence their behavior toward business ventures, which is the burning desire to achieve self-recognition and social mobility ([Adiza, Alamina, & Aliyu, 2020](#)).

According to [Kinningham, Cooil, Aksoy, Andreassen, and Weiner \(2007\)](#), customer retention refers to how consumers choose to maintain their relationships with companies and products and retain them as clients for an extended period of time ([Rust, Lemon, & Zeithaml, 2004](#)). Providing devoted customers with products that satisfy their requirements and expectations is interwoven with it as well ([Farquhar, 2004](#)). [Alhawari \(2015\)](#) found a link between customer retention and recurring purchases made by customers, which can result in customer loyalty. Additionally, firms typically engage in product marketing activities while trying to boost sales, which may have an impact on customer loyalty ([Alvarez & Casielles, 2005](#)).

Advertising

Advertising is a form of commercial communication in which a product, service, or concept is promoted or sold through the use of an explicitly sponsored, non-personal message. Businesses that want to market their products or services are often advertising sponsors. According to [Kotler and Armstrong \(2012\)](#), advertisement is the core of a promotional mix, which is the demonstration and promotion of concepts, commodities, or facilities by a recognized sponsor that is capable of reaching all types of people, including the poor, mid, and upper classes, because it is published on multiple public media. Advertising, according to [Shimp \(1997\)](#), is inextricably linked to brand loyalty because it reinforces brand-related associations and attitudes about the brand. The effects of display and feature advertising on item sales are important. ([Kumar & Leone, 1988](#); [Woodside & Waddle, 1975](#)) discovered a link between this sort of advertising and sales growth.

Sales presentation

The sales presentation strategy of a product or service meant to initiate and close a sale of the product or service is a line of discussion that aims to persuade someone or something. According to [Areni, Duhan, and Kiecker \(1999\)](#), in-store sales presentations can help boost profits from all product categories. In-store presentation displays include products such as standing displays, rack edges, sham packs, standees, hanging signage, goods islands, counter presentation units, show packs, billboards, posters, and banners ([Rust & Zahorik, 1993](#)). In addition, [Hickling and Miller \(2008\)](#) noted that in-store sales presentations can serve as an alternative channel in typical marketing landscapes with limited advertising options.

Training

Training is identified as an effective method of acquiring understanding, capabilities, experiences, and attitudes in order to achieve job requirements and please customers ([Gomez-Mejia 2007](#)). Moreover, employee training not only improves their skills but also sharpens their thinking skills and creativity, allowing them to make better decisions more quickly and efficiently ([David & Sutton, 2011](#)). Furthermore, it enables personnel to effectively engage with customers and answer their problems in a responsible way ([Hollenbeck, Derue, and Guzzo, 2004](#)). [Rowden and Conine \(2005\)](#) claim that trained personnel are better at achieving customer satisfaction.

Product quality

Quality is defined as exceeding and fulfilling consumer expectations. [d'Astous and Jacob \(2002\)](#) define product quality as "conformance to criteria." Regular retailers are the most responsive to a brand's price offer ([Shimp, 1997](#)). Now, creating retailer loyalty is being touted as a universal approach for all firms to deal with the marketplace's ever-increasing competition.

Customers' perceptions of quality might have an impact on their buy retention due to the link between customer satisfaction and retailer satisfaction. If a customer's perceived quality improves, the likelihood of their purchasing from you again in the future rises as well. As a result, it is the most important factor in influencing customers' purchasing decisions ([Angelova & Zekiri, 2011](#)). Furthermore, [Campón-Cerro, Hernández-Mogollón, and Alves \(2017\)](#) identified a link between perceived quality and retailer satisfaction, which can lead to retailer loyalty. Furthermore, according to [Iglesias and Guillén \(2004\)](#) and [Zeithaml \(1988\)](#), perceived quality can represent a customer's evaluation of a product or service's superiority. [Vera \(2015\)](#) and [Anderson, Fornell, and Lehmann \(1994\)](#) noted that merchants' perceptions of quality might be used to assess current companies' performance from their perspective.

In-store display

An in-store display is a set-up that comprises signage and, in some cases, other elements such as the products themselves. The major objective of these displays, which can be found throughout the store, is to urge customers to purchase a specific product. The in-store display can help enhance profitability from sales across all product categories ([Areni et al., 1999](#)). In-store presentation displays include products such as standing displays, rack edges, sham packs, standees, hanging signage, goods islands, counter presentation units, show packs, billboards, posters, and banners ([Milliron, Woolf and Appelhans, 2012](#)). Furthermore, according to ([Hickling & Miller, 2008](#)), the in-store presentation can serve as an alternative channel in typical marketing landscapes with limited advertising options.

Discounts

The most common type of product promotion is discounts. In addition, [Cook and Yurchisin \(2017\)](#) looked at how discounts can change a buyer's behavior and intentions when purchasing a medicinal product. The most generally used and popular discounts are straight price discounts of a product, as well as previous reductions based on the amount of the same product purchased (the more, the larger the discount). Many retail firms use various types of discounts in advertising, display, and other forms of marketing to directly attract potential customers to buy the offered goods, according to [Xu and Huang \(2014\)](#). Additionally, according to [Srinivasan, Pauwels, Hanssens, and Dekimpe \(2004\)](#), a lot of consumer products companies prioritize investing in sales promotional price strategies. Many manufacturers are willing to offer promotional pricing as a sales incentive when pushing a certain product offering to potential retailers ([Empen, Loy, & Weiss, 2015](#)).

Free sample

A free sample, sometimes known as a "freebie," is a portion of food or another product (such as beauty items) offered to customers at shopping malls, supermarkets, retail stores, or through other channels such as the Internet. Free samples, coupons, special deals, and other forms of price manipulation are the most common means of sales promotion, according to ([Peattie & Peattie, 1994](#)). ([Cook & Yurchisin, 2017](#)) and ([Briesch, 2012](#)) describe rebates, gifts, and other product marketing activities in pharmaceutical retailing. Product promotions are a common tactic for businesses to increase brand recognition and sales.

Update information

For numerous reasons, such as the necessity for product knowledge, a store may participate in a brand discussion forum ([Brodie, Ilic, Juric, & Hollebeek, 2013](#)). Furthermore, consumers today have more options than ever before, and if they do not find what they want at a reasonable price and in a pleasant environment, they will shop elsewhere ([Zachman & Folker, 2009](#)).

Order processing time

Order processing is the process of fulfilling a customer's order, as the name suggests. Picking, packaging, and delivering the products to a carrier are all parts of the order processing procedure. The carrier then completes the process of transporting the items to the designated locations of the customers. Research conducted by [\(Bloemer & De Ruyter, 1998\)](#) explains that in time order processing has a positive effect on loyalty. Research by [\(Nguyen & LeBlanc, 1998\)](#) in [Wijaya B. S. \(2013\)](#) also proved a positive and significant influence between order processing time and customer loyalty.

Credit purchasing facility

A credit facility is a form of loan used in corporate or commercial finance. It enables the borrowing company to borrow money over a longer length of time rather than having to reapply for a loan each time it requires funds. A credit facility, in effect, allows a corporation to take out an umbrella loan to generate money over a long period of time. Payment at a later date often reveals some purchase decisions among the consumers. Cash, checks, debit or credit cards, electronic fund transfer, and digital money are the different forms of monetary instruments to facilitate purchase [\(Braga, Isabella, & Mazzon, 2013\)](#). Moreover, [Hirschman \(1979\)](#) reported that a credit purchase facility is viewed as a relatively painless and convenient way of spending. A credit purchase facility enables a retailer to minimize his or her cash balances [\(Zywicki, 1999\)](#).

Hypotheses are given below:

H1: Advertising has a positive effect on building positive relationships and loyalty with retailers toward a company in the pharmaceutical industry of Bangladesh.

H2: Sales presentation has positive effect on building positive relationship and loyalty with retailers towards a company in pharmaceutical industry of Bangladesh

H3: In-store promotion has positive effect on building positive relationship and loyalty with retailers towards a company in pharmaceutical industry of Bangladesh.

H4: Free sample regarding company products has positive effect on building positive relationship and loyalty with retailers towards a company in pharmaceutical industry of Bangladesh.

H5: Training regarding company products has positive effect on building positive relationship and loyalty with retailers towards a company in pharmaceutical industry of Bangladesh.

H6: Credit Purchase facility has positive effect on building positive relationship and loyalty with retailers towards a company in pharmaceutical industry of Bangladesh.

H7: Discount on products has positive effect on building positive relationship and loyalty with retailers towards a company in pharmaceutical industry of Bangladesh.

H8: Product quality has positive effect on building positive relationship and loyalty with retailers towards a company in pharmaceutical industry of Bangladesh.

H9: Order processing system regarding company products has positive effect on building positive relationship and loyalty with retailers towards a company in pharmaceutical industry of Bangladesh.

H10: Update information regarding company products has positive effect on building positive relationship and loyalty with retailers towards a company in pharmaceutical industry of Bangladesh.

Conceptual Framework

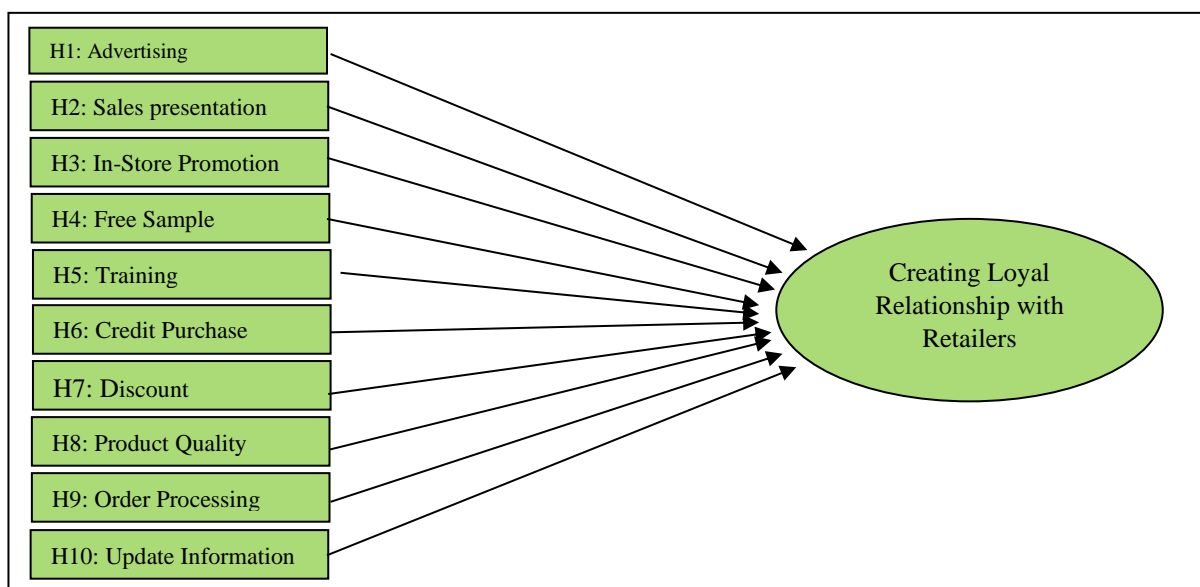


Figure 1. Research model on antecedents for creating a loyal relationship with the retailers

3. Research methodology

Research design

In this research, ten factors have been identified that influence ACME laboratories limited for cultivating positive relationships and loyalty with its retailers in the pharmaceutical industry of Bangladesh. The study was conducted through a survey. First, a descriptive research design was used to better understand the influencing elements. The impact of these factors on retailer attitudes was then investigated using quantitative research.

Data collection technique

Data was gathered from both primary and secondary sources. A questionnaire was used to obtain primary data from retailers in Dhaka and Cumilla, Bangladesh, who are in the pharmaceutical sector. The information was gathered through firsthand interviews. Secondary data was gathered from journals, publications, and a number of books available on the internet.

Sample size and sampling technique

In order to fulfill the requirement of research objectives, a total number of 50 retailers have been chosen by using the convenience sampling technique who were purchasing pharmaceuticals products from the company and selling to the people of Dhaka and Cumilla during the period of August 2021 to October 2021. A pilot survey was conducted on 10 respondents to test the reliability of the questionnaire and to avoid ambiguity.

Research instrument

The questionnaire survey approach was used as the primary methodology for this investigation. From August to October 2021, a survey was performed. A systematic survey questionnaire was used to collect primary data.

Measurement of dependent and independent variables

Respondents were asked to place tick marks on the right side of various statements for the purposes of the study. The dependent and all independent variables were assessed using a five-point Likert scale. For each statement in the survey questionnaire, the response scales were as follows: 1 = strongly disagree, 5 = strongly agree.

Data analysis

Data were analyzed by using software SPSS- 22.0 version. The following statistical techniques were applied to analyze the data:

- a) Cronbach's Alpha (Appendix: Table-1)
- b) Linear Regression (Appendix: Table-3)

a) Cronbach's alpha

Cronbach's alpha coefficient is used to assess the degree of internal consistency using a five-point scale. On a 5-point scale, 1 means strongly disagree and 5 means strongly agree. In general, an alpha value of 0.60 is considered acceptable.

Cronbach's values greater than 0.70 indicate higher internal consistency in the measured dimension and thus greater reliability, according to [Nunnally \(1978\)](#). [Guilford \(1965\)](#) believed that a Cronbach's value greater than 0.70 indicates a high level of reliability and that a value less than 0.35 indicate that the data is unreliable and should be excluded. Cronbach's alpha for all variables in this study is 0.667, which is greater than 0.60 (Table-1). As a result, it is clear that the questionnaire used in this study had high internal reliability and could be relied on for subsequent statistical analysis and interpretation.

b) Regression analysis

Linear regression analysis is used to assess the impact of each independent variable on the dependent variable and to test the hypotheses produced. The data has been analyzed by using software SPSS 22.0 version. The general form of the model was as follows:

$$\hat{y} = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \beta_7 X_7 + \beta_8 X_8 + \beta_9 X_9 + \beta_{10} X_{10}$$

Where, \hat{y} = loyalty of the retailers, α = Intercept Value (Slope), β 's = Regression Coefficients, X_1 = Advertising, X_2 = Sales presentation, X_3 = In-Store Promotion, X_4 = Free Sample, X_5 = Training, X_6 = Credit Purchase, X_7 = Discount, X_8 = Product Quality, X_9 = Order Processing and X_{10} = Update Information.

4. Results and Discussion

Hypothesis 1

H1: Advertising has a positive effect on building positive relationships and loyalty with retailers toward a company in the pharmaceutical industry of Bangladesh.

$R = 0.480$ indicates that there is a positive link between advertising (X_1) and retailers' loyalty (\hat{y}). The proportion of the overall variation in that is accounted for by the variance in X_1 is $R^2 = .231$. R^2 is a metric for determining the strength of an association. Adjusted $R^2 = .215$ for the number of independent factors and sample size to see how many extra independent variables will contribute to explaining the association with limited sample size. And $F = 14.398$, $Sig = .000$ explains the model's satisfactory goodness of fit. The relationship between retailer loyalty and advertising is crucial. As a result, based on these findings, it can confidently conclude that H1 is accepted.

Hypothesis 2

H2: Sales presentation has a positive effect on building positive relationships and loyalty with retailers towards a company in the pharmaceutical industry of Bangladesh

Here, $R = .590$, so there is a positive relationship between sales presentation (X_2) and the loyalty level of the retailers (\hat{y}). $R^2 = .348$, it signifies the proportion of the total variation in \hat{y} that accounts for the variation in X_2 . R^2 is a measure of the strength of an association. $R^2 = .334$ for the number of independent variables and sample size to determine how many additional independent variables will contribute to explaining the relationship with small sample size. And $F = 25.582$, $Sig = .000$ adequately explains the model's goodness of fit. Retailer loyalty and sales presentation have a significant relationship. As a result of these findings, it is possible to conclude with certainty that H2 is accepted.

Hypothesis 3

H3: In-store promotion has a positive effect on building positive relationships and loyalty with retailers towards a company in the pharmaceutical industry of Bangladesh.

Here, $R = .539$, so there is a positive relationship between in-store promotion (X3) and the loyalty level of the retailers (\hat{y}). $R^2 = .291$, it signifies the proportion of the total variation in \hat{y} that accounts for the variation in X3. R^2 is a measure of the strength of an association. $R^2 = .276$ for the number of independent variables and sample size to determine how many additional independent variables will contribute to explaining the relationship with small sample size. And $F = 19.663$, $Sig = .000$ adequately explains the model's goodness of fit. Retailer loyalty and in-store promotion have a significant relationship. As a result of these findings, it is possible to conclude with certainty that H3 is accepted.

Hypothesis 4

H4: Free sample regarding company products has a positive effect on building positive relationships and loyalty with retailers towards a company in the pharmaceutical industry of Bangladesh.

Here, $R = .468$, so there is a positive relationship between the free sample (X4) and the loyalty level of the retailers (\hat{y}). $R^2 = .219$, it signifies the proportion of the total variation in \hat{y} that accounts for the variation in X4. R^2 is a metric for determining the strength of an association. Adjusted $R^2 = .203$ for the number of independent factors and sample size to see how many extra independent variables will contribute to explaining the association with limited sample size. And $F = 13.446$, $Sig = .001$ explains the model's reasonable goodness of fit. The association between merchant loyalty and free samples is substantial. As a result, based on these findings, it is possible to conclude that H4 is acceptable.

Hypothesis 5

H5: Training regarding company products has a positive effect on building positive relationships and loyalty with retailers towards a company in the pharmaceutical industry of Bangladesh.

Here, $R = .571$, so there is a positive relationship between training (X5) and the loyalty level of the retailers (\hat{y}). $R^2 = .267$, it signifies the proportion of the total variation in \hat{y} that accounts for the variation in X5. R^2 is a metric for determining the strength of an association. Adjusted $R^2 = .252$ for the number of independent factors and sample size to see how many extra independent variables will contribute to explaining the association with limited sample size. And $F = 17.473$, $Sig = .000$ explains the model's satisfactory goodness of fit. The relationship between retailer loyalty and training is essential. As a result, based on this analysis, it can confidently conclude that H5 is accepted.

Hypothesis 6

H6: Credit Purchase facility has a positive effect on building positive relationships and loyalty with retailers toward a company in the pharmaceutical industry of Bangladesh.

Here, $R = .382$, so there is a positive relationship between credit purchase (X6) and the loyalty level of the retailers (\hat{y}). $R^2 = .146$, it signifies the proportion of the total variation in \hat{y} that accounts for the variation in X6. R^2 is a measure of the strength of an association. $R^2 = .128$ for the number of independent variables and sample size to determine how many additional independent variables will contribute to explaining the relationship with small sample size. And $F = 8.205$, $Sig = .006$ adequately explains the model's goodness of fit. Retailer loyalty and credit purchase have a significant relationship. As a result of these findings, it is possible to conclude with certainty that H6 is accepted.

Hypothesis 7

H7: Discount on products has a positive effect on building positive relationship and loyalty with retailers towards a company in the pharmaceutical industry of Bangladesh.

Here, $R = .591$, so there is a positive relationship between discount (X7) and the loyalty level of the retailers (\hat{y}). $R^2 = .349$, it signifies the proportion of the total variation in \hat{y} that accounts for the variation in X7. The strength of association is measured by R^2 . Adjusted $R^2 = .335$ for the number of independent variables and sample size to determine how much additional independent variables will contribute to explaining the relationship with a small sample size. And $F = 25.734$, $Sig = .000$ adequately explains the model's goodness of fit. Retailer loyalty and discount have a significant relationship. As a result of these findings, it is possible to conclude with certainty that H7 is accepted.

Hypothesis 8

H8: Product quality has a positive effect on building positive relationships and loyalty with retailers towards a company in the pharmaceutical industry of Bangladesh.

Here, $R = .614$, so there is a positive relationship between product quality (X8) and the loyalty level of the retailers (\hat{y}). $R^2 = .378$, it signifies the proportion of the total variation in \hat{y} that accounts for the variation in X8. R^2 is a metric for determining the strength of an association. Adjusted $R^2 = .365$ for the number of independent factors and sample size to see how many extra independent variables will contribute to explaining the association with limited sample size. And $F = 29.122$, $Sig = .000$ explains the model's satisfactory goodness of fit. The association between store loyalty and product quality is significant. As a result, based on these findings, it can confidently conclude that H8 is accepted.

Hypothesis 9

H9: Order processing system regarding company products has a positive effect on building positive relationships and loyalty with retailers towards a company in the pharmaceutical industry of Bangladesh.

Here, $R = .569$, so there is a positive relationship between the order processing system (X9) and the loyalty level of the retailers (\hat{y}). $R^2 = .324$, it signifies the proportion of the total variation in \hat{y} that accounts for the variation in X9. The strength of association is measured by R^2 . Adjusted $R^2 = .310$ for the number of independent variables and the sample size to find out additional independent variables with a small number of sample size how much will contribute to explain the relationship. And $F = 22.997$, $Sig = .000$ explains the model's goodness of fit which is satisfactory. The loyalty level of the retailers and the order processing system has a significant relationship. Therefore, on the basis of these results, it can infer with confidence that H9 is accepted.

Hypothesis 10

H10: Update information regarding company products has a positive effect on building positive relationships and loyalty with retailers towards a company in the pharmaceutical industry of Bangladesh.

Here, $R = .415$ indicates that there is a poor link between update information (X10) and retailer loyalty (\hat{y}). The proportion of the overall variation in \hat{y} that is accounted for by the variance in X10 is $R^2 = .172$. R^2 is a metric for determining the strength of an association. Adjusted $R^2 = .155$ for the number of independent factors and sample size to see how many extra independent variables will contribute to explaining the association with limited sample size. And $F = 9.984$, $Sig = .103$ explains the model's unsatisfactory goodness of fit. The level of retailer loyalty and the latest information have no meaningful link. As a result, based on these findings, it is safe to conclude that H10 is rejected.

Discussion of the findings

According to the model coefficients of the components, gift and update information has no significant beneficial link with creating retailer loyalty to a pharmaceutical company. Advertising, sales presentation, in-store promotion, free sample, training, credit buy, discount, product quality, and order processing systems, on the other hand, have major associations with creating retailer loyalty towards a pharmaceutical firm. Furthermore, the data show that advertising, sales presentation, in-store promotion, training, discount, and order processing system have the most impact on a pharmaceutical company's ability to develop retailer loyalty.

5. Conclusion

Customer loyalty is defined as a customer's faith in a firm and its products, which leads to increased sales. The ability of a company to identify the needs of a retailer is critical to its success. Attracting and retaining retailers is a difficult undertaking for marketers. Distinct rivals provide different benefits to shops by providing innovative and appealing features. As a result, the company should focus on the right value proposition of the offered product to establish a distinct position in the minds of merchants. The correct value offer should be determined based on the dynamic preferences of the target market. However, with the results of current market research, pharmaceutical business marketers should always be aware of retailers' preferred value to offer.

Implication

This study's findings have several key implications for future research. This paper can benefit both researchers and business people. The researchers can gain an understanding of how to build a loyal relationship with the customers or retailers. Moreover, pharmaceutical industry leaders can use the outcome of the study to gain insight into retailers' preferences.

Limitations and study forward

The insufficient sample size and confined sampling area are the study's key flaws. It was not possible to obtain data from retailers in all of Bangladesh's major cities. The sample size was drawn from Dhaka and Cumilla, two cities in Bangladesh. Researchers can replicate this concept in different places in the future to generalize the findings of this study. As a result, it does not represent the full scenario of retailers' preferences to be loyal to a specific company. Furthermore, the paper's findings are subject to alter over time and in different situations. By increasing the sample size, more research can be done. Future studies could involve a big number of retailers from around Bangladesh to assess their preferences and desire to be loyal to a single pharmaceuticals firm such as loyal to ACME Laboratories of Bangladesh Limited.

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Appendix

Table 1. Reliability Statistics

| Reliability Statistics | |
|-------------------------------|---------------------|
| Cronbach's Alpha | No. of Items |
| .667 | 50 |

Table 2. Mean Value of the Variables

| Mean Value of the Variables | |
|------------------------------------|-------------------|
| Variables | Mean Value |
| Advertising | 4.0390 |
| Sales presentation | 4.1300 |
| In-Store Promotion | 4.1040 |
| Free Sample | 4.2000 |
| Training | 4.0001 |
| Credit Purchase | 3.0100 |
| Discount | 3.0189 |
| Product Quality | 4.0050 |
| Order Processing | 4.0201 |
| Update Information | 4.0003 |

Table 3. Result of Regression Analysis

| Predictors | Model Summary | | | | ANOVA | | Coefficients | |
|--|----------------------|-----------------|--------------------------|-----------------------------------|--------------|-------------|---------------------|----------|
| | R | R Square | Adjusted R Square | Std. Error of the Estimate | F | Sig. | Beta | t |
| Advertising (X₁) | .480 | .231 | .215 | .54773 | 14.398 | .000 | .480 | 3.794 |
| Sales presentation (X₂) | .590 | .348 | .334 | .50439 | 25.582 | .000 | .590 | 5.058 |
| In-Store Promotion (X₃) | .539 | .291 | .276 | .52599 | 19.663 | .000 | .539 | 4.434 |
| Free Sample (X₄) | .468 | .219 | .203 | .55196 | 13.446 | .001 | .468 | 3.667 |
| Training (X₅) | .517 | .267 | .252 | .53471 | 17.473 | .000 | .517 | 4.180 |
| Credit Purchase (X₆) | .382 | .146 | .128 | .57712 | 8.205 | .006 | .382 | 2.864 |
| Discount (X₇) | .591 | .349 | .335 | .50387 | 25.734 | .000 | .591 | 5.073 |
| Product Quality (X₈) | .614 | .378 | .365 | .49268 | 29.122 | .000 | .614 | 5.396 |
| Order Processing System (X₉) | .569 | .324 | .310 | .51349 | 22.997 | .000 | .569 | 4.796 |
| Update Information(X₁₀) | .415 | .172 | .155 | .56820 | 9.984 | .103 | .415 | 3.160 |