

Research Proposal

“Brand Loyalty in the Age of Digital Transformation in Unilever Bangladesh”

Course: Visions for the Future - Theoretical Perspectives on Management

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Introduction

The digital transformation in this global business environment has changed the world, and Bangladesh is not an exception to it. With rapid growth in internet penetration, smartphone usage, and social media engagement, Bangladeshi consumers are increasingly interacting with brands online. Unilever Bangladesh Limited (UBL), one of the biggest FMCG companies in the country has adopted digital tools like social media marketing, tie-ups with e-commerce platforms, digital loyalty programs, and data-based consumer insights to boost customer engagement and brand loyalty. In the context of Bangladesh, brand loyalty factors in the past were habitual purchasing, trust, availability of the product, and advertising to the masses. However, the rise of e-commerce platforms (e.g., Daraz, Chaldal, Shwapno), digital content creators, and consumers' around-the-clock access to product information have heightened competition and reduced switching inertia. There is a comparison of brands, prices, reviews, and experiences undertaken before a product is purchased by the consumer. Therefore, grasping the impact of digital transformation on brand loyalty in Unilever Bangladesh is crucial to maintaining leadership in the market and fostering strong customer connections.

Research Aim and Objectives

Aim: To examine how digital transformation influences brand loyalty in Unilever Bangladesh and identify digital strategies that strengthen customer loyalty.

Objectives:

- To explore the impact of digital transformation on brand loyalty among Unilever Bangladesh consumers.
- To identify key digital factors (social media, e-commerce, mobile apps, influencer marketing) influencing customer loyalty toward Unilever products.

- To investigate challenges Unilever Bangladesh faces in building brand loyalty in a digital environment.
- To provide strategic recommendations for enhancing digital-driven brand loyalty in Unilever Bangladesh.

Research Questions

- i. How does digital transformation influence brand loyalty at Unilever Bangladesh?
- ii. What digital touchpoints and factors shape customer loyalty toward Unilever's brands?
- iii. What are the main challenges Unilever Bangladesh faces in retaining loyal customers in the digital era?
- iv. How can Unilever Bangladesh optimize digital tools to strengthen long-term loyalty and repeat purchases?

Literature Review (Brief Overview)

Digital transformation enhances consumer experience and engagement (Vial, 2019). In emerging markets, digital media significantly shapes loyalty (Islam & Rahman, 2020). Unilever globally has shifted toward data-driven, digital-first marketing (Grewal et al., 2020). Social media increases emotional attachment (Dessart et al., 2015), and influencer marketing boosts trust in South Asian markets (Hassan & Hussain, 2021). However, digital transparency and competitive promotions enable customers to switch easily (Toufaily et al., 2013).

Gap Identified: Limited empirical studies exist on digital loyalty development in Bangladesh's FMCG sector, especially focused on Unilever Bangladesh.

Core Challenges: The core challenges of sustaining brand loyalty in the age of digital transformation for Unilever Bangladesh stem from a rapidly evolving consumer landscape driven by technology, heightened competition, and shifting expectations. Consumers now enjoy greater access to information, price comparisons, and alternative brands through e-commerce platforms and social media, increasing the

tendency to switch brands quickly. Digital channels also create intense content saturation and influencer fatigue, making it difficult for brands to stand out authentically. Meanwhile, rising customer expectations for personalized experiences, fast digital engagement, and seamless omnichannel service require significant investment in data capabilities and agile marketing execution. Additionally, concerns over data privacy and trust, coupled with dependency on third-party platforms like Daraz and Chaldal, limit direct control over consumer relationships. These challenges are further intensified by Bangladesh's digital divide, where urban consumers are digitally active, but many rural consumers still rely on traditional touchpoints, demanding a balanced loyalty strategy across diverse segments. Collectively, these dynamics make building and maintaining loyalty in the digital era more complex, requiring strategic innovation, credible brand communication, and customer-centric digital engagement.

Expected Outcomes

- Social media, e-commerce platforms, and loyalty apps will significantly enhance customer retention.
- Personalization and influencer endorsements will drive trust and repeat purchase behavior.
- Key challenges include strong competition, consumer privacy concerns, and increasing expectations.
- Recommendations will support Unilever Bangladesh in strengthening digital loyalty strategies.

Research Significance

This research will help Unilever Bangladesh and similar FMCG companies:

- Improve customer retention strategies
- Enhance digital marketing effectiveness
- Strengthen personalization efforts
- Build strong long-term consumer loyalty in digital platforms

References

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