



EFFECT OF BRAND IMAGE ON BRAND LOYALTY: EVIDENCE FROM CHAIN FAST FOOD ESTABLISHMENTS IN UMUAHIA, ABIA STATE, NIGERIA

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Abstract

This study examined the relationship between brand image (brand communication, brand trust, and perceived quality) and brand loyalty. The study was a survey in which a purposive sample size of 200 was used, while accessibility sampling technique was utilized in the administration of the research instrument with the help of three research assistants. The research instrument was subjected to Cronbach Alpha reliability test to determine its usability and a reliability coefficient of 0.74 obtained; confirming its adequacy for the study. Regression analysis on SPSS Version 24 was used in analysing the data generated for the study. Results indicated that brand image has positive and significant relationship with brand loyalty, as all the variables used as predictors of brand loyalty showed positive and significant Adjusted R square and F values respectively; Brand Communication(0.725, 2.884), Brand Trust(0.3996, 1.462), Perceived Quality(0.652, 2.451), Brand satisfaction (0.965, 2.139). On the strength of the findings, it is therefore concluded that brand image has positive and significant relationship with brand loyalty and can indeed impact brand loyalty. In view of the findings, it is recommended among others that operators of chain fast food establishments in the study area should fulfil service promises, see trust as the key to brand building, and continuously improve on the quality of service offerings as all these and more contribute in shaping brand image which ultimately impacts brand loyalty.

Keywords: *Fast food, Brand Image, Communication, Trust, Loyalty*

Introduction

The image of an organization can confer on it a competitive advantage. Thus brand image has featured and has continued to feature in the scheme of things in the business world such that it has become a competitive strategic option particularly in the service industry where the major item traded is invisible, intangible, perishable, and is produced, and consumed simultaneously. Brand is among the most valuable properties of an organization that can be harnessed in acquiring more market share and profitability. Not only that brand image contributes significantly in developing brand equity (Mao, 2010), but it is also responsible for developing reliance on the brand (Alhaddad, 2015a). Reliance and propensity to purchase repetitively has always been more for brands with relatively higher brand image and brand equity (Delgado and Aleman, 2005). Brand image deals with what a customer perceives about what a brand wants to communicate. It is like a virtual image in the minds of customers on the basis of their past experience concerning the product,

perception on the basis of marketing communication from marketer's side or exposure to product through a member of a formal or informal reference group that the customer is part of. Before we seek to explore the association between brand image and customer loyalty, it is essential to understand brand image and its relation to brand identity in the context of building brand equity, and in turn customer satisfaction and brand loyalty. Every brand desires to differentiate itself from competitive brands and in order to do that, it tries to develop a unique selling proposition. Developing unique selling proposition is important but more important is to make people perceive that in the form of a message. At times, it is observed that the message might not get translated in a way that the company wants customers to perceive it; brand identity. What the customers actually perceive the message as is termed brand image.

Brand image can be seen as what customers perceive a brand to be as against what the company wants them to

perceive about its brand (which is called brand identity) (Keller 2008). Therefore, brand identity has become very critical in brand development as anterior studies suggest (Kim and Hyun, 2011; Murad and Ali, 2015; Burman *et al.*, 2009). Both researchers and practitioners have concluded that brand identity plays a vital and effective role in distinguishing a brand from its competitors (Kapferer, 2008; Keller, 2008). Brand identity is seen as an internal construct that emanates unilaterally from the organization; what managers want the brand to be and that requires stability over time (Aaker, 1996; Kapferer, 2008). Based on their identity, brands are recognized by customers and are distinguished from other rivals. Accordingly, brand managers should develop and maintain a clear and consistent identity, so that brands can serve as stable references for consumers (Aaker, 1996; Kapferer, 2008). However, in recent studies, the impacts of brand identity on consumers' brand loyalty have been measured comprehensively and multilaterally (He and Li, 2010; He *et al.*, 2011). Brand identity is an intra-organizational factor which promotes brand equity (Burmman *et al.*, 2009). Paramount studies have been conducted on brand equity which have measured the role of external factors such as customers' satisfaction, brand perceived value, customers' satisfaction, brand perceived quality and so on (Kim and Hyun, 2011; Tong and Hawley, 2009; Lassar *et al.*, 1995).

Brand image has been found to have a positive and significant relationship with customer satisfaction and customer loyalty in a wide body of work (He *et al.*, 2011; Mao, 2010; Alhaddad, 2015b). Brand loyalty occurs when favourable beliefs and attitudes for certain brands manifest in repeat buying behaviour (Keller, 2008). Defining brand loyalty is seemingly difficult because of the different attributes it possesses. People are driven towards certain brands on account of quality of service, product itself, price, over all brand image and brand personality. The choice of fast food brands by consumers is influenced and shaped by these variables as well. Brand loyalty is a basis of brand equity that is created by a number of factors, major among them is experience. Whenever a customer purchase a product or service, it is with certain pre conceived expectations on the basis of brand image of the brand those products are associated with. There can be a number of cases; one can be when the service received does not congruent with expectations, the customer stays unsatisfied, secondly when expectations are met, the customer stays satisfied, and the third case occurs when expectations are overwhelmingly met in which case the customer is delighted. Delighting customers is not common in markets where there are a large number of firms operating and producing strikingly similar products such as the fast food market.

Fast food organizations play important roles in world economy; creating jobs, wealth, and contributing to Gross Domestic Product (GDP). Today's business world is characterised by intense competition and fast food organizations are not insulated from such. Fast food

orientation has remained a dominant lifestyle amongst Nigerians of various classes in the urban areas and cities. Some years ago, modern fast food consumption was an exclusive reserve of the high-class and middle-class income earners (Kim and Kim, 2005). These days, however, observation has shown that people of various classes in the urban areas patronize fast food firms; some regularly and many periodically. The industry has experienced noticeable growth from the early 1970s when the first modern and oldest fast food chain Mr. Biggs, owned by UAC, was founded up to date and has steadily contributed to the economic development of Nigeria. Fast food organizations offer products and services that are strikingly similar such that differentiation becomes difficult and almost impossible. This poses a challenge to smooth management of such organizations in terms of maintaining happy and loyal clientele, capable of securing long-term profitability. The image of an organization as perceived by customers is believed to have influence on repeat purchase and says a lot of things about the organizations. Hence brand image might influence brand loyalty in fast food operation. Tong and Hawley (2009), argue that consumers not only purchase the products/services but also the image associated with such products/services. Interestingly, research findings suggest that in firms where brand image is very close to brand identity, customer satisfaction is reasonably high, and where brand image is not close to brand identity, such firms have to work proportionally high on other factors that significantly contribute to customer satisfaction (Kim and Hyun, 2011). Thus, firms that have relatively high brand image can save a substantial amount of cost that gets incurred on factors that contribute significantly to customer satisfaction.

Competition in the fast food market continues to increase on a daily basis on account of new brands entering the market; through franchising, and globalization among others. The intensity of competition in the fast food industry in Nigeria means that fast food establishments must place high premium on customer retention (loyalty). Leveraging the power of store image remains one of the secrets of leading establishments/brands world over. However, many fast food establishments particularly in developing economies including Nigeria might perform below expectation in the management of the key attributes that form the basis of brand image perception by consumers on account of the gap in literature that motivated this study. Although many studies have been carried out in the field of branding; brand image, brand loyalty, brand awareness, brand association among others in varied sectors and industries world over, however most of such studies have centred on developed economies of Europe, America, and Asia. Thus, not much has been done in this area in Nigeria and particularly in fast food operation to empirically determine the relationship between brand image and brand loyalty. This presents a gap in literature and thus the motivation for this study as a number of studies have shown that consumers act as they perceive (Murad and Ali, 2015; Naeini, Mosayebi,

and Hamidi, 2017; Sharma, 2020; Setyayawan *et al.*, 2020). The assertion that consumers act as they perceive is more realistic in the choice of fast food brands by Nigerian consumers who might be influenced by the perceptual meanings formed regarding the image of any of such brands particularly in terms of brand communication, brand trust, perceived quality, and brand satisfaction. The main objective of this study is to determine the influence of brand image on brand loyalty in chain fast food establishments in Umuahia, Abia State. The specific objectives sought to determine;

1. The influence of brand communication on brand loyalty in chain fast food establishments in the study area.
2. The effect of brand trust on brand loyalty in chain fast food establishments in the study area.
3. The extent to which perceived quality can influence brand loyalty in chain fast food establishments in the study area.
4. The influence of brand satisfaction on brand loyalty in chain fast food establishments in the study area.

Hypotheses of the Study

H₀₁: There is no significant relationship between brand communication and brand loyalty in chain fast food establishments in the study area.

H₀₂: There is no significant relationship between brand trust and brand loyalty in chain fast food establishments in the study area.

H₀₃: There is no significant relationship between perceived quality and brand loyalty in chain fast food establishments in the study area.

H₀₄: There is no significant relationship between brand satisfaction and brand loyalty in chain fast food establishments in the study area.

Research Design

This research was a descriptive survey and it was considered appropriate on account of having been used successfully in previous studies: Andreani *et al.*, (2012); Tu *et al.*, (2013); Naeni *et al.*, (2017); Sharma (2020); and Setyayawan *et al.*, (2020). These anterior studies adopted this design and were able to achieve the specified objectives of the studies.

Area of Study

The study was carried out in Umuahia, the capital of Abia State and it is located in South East geo-political zone of Nigeria. Umuahia consists of Umuahia North and Umuahia South. Umuahia North Local Government Area is located within Latitude 5° 20' and 30° N, of the Equator and Longitude 7° 40', and 7° 50' E of the Greenwich meridian. Umuahia is located in the South-East geopolitical zone of Nigeria. Notable fast food establishments operate in Umuahia such as De Choice, Crunchies, Apples, Kilimanjaro, among others. However, the geographical scope of this study was limited to Umuahia metropolis as only fast food

establishments in operation within this area were used for the study.

Population for the Study

The population for the study included all customers of chain fast food establishments in Umuahia metropolis who visited these fast food establishments during the period of this study between October and December 2020.

Sample, Sampling Technique, and Data Collection

The researchers purposively used three major chain fast food establishments in Umuahia for the purpose of data generation for the study. Accessibility sampling technique was employed as only accessible Customers filled copies of the research instrument administered for the study which were subsequently collected on the spot to increase return rate using three research assistants. The research instrument used was a structured questionnaire designed on a four-point scale of; strongly Agree (SA) = 4 Points, Agree (A) = 3 Points, Disagree (D) = 2 Points, and Strongly Disagree (SD) = 1 Point, with a mean value of 2.5. The instrument was subjected to reliability test using Crombach Alpha and a reliability coefficient of 0.73 was obtained confirming the usability of the instrument. The choice of these establishments and the administration of the research instrument were based on observed customer throughput and perceived image of the establishments. The distribution is shown on Table 1.

Data Presentation, Analysis, and Discussion

Data collected for the study was analyzed using both descriptive and inferential statistical tools. The descriptive analysis featured as a way of describing the properties of the data to show the variations in responses and opinions using frequencies and percentage denotations as well as other descriptive items. The parametric inferential analysis was done with the use of regression analysis on SPSS version 24 to determine the relationships between the independent variables (Brand communication, Brand Trust, Perceived Quality, and Brand Satisfaction) on the dependent variable (Brand Loyalty) as can be seen on the hypotheses formulated for the study. Out of the 200 copies of the questionnaire administered on the respondents only 175 copies representing 87.5% were used for the study.

Results and Discussion

Inferential Statistics and Test of Hypotheses

H₀₁: *There is no significant relationship between brand communication and brand loyalty in chain fast food establishments in the study area*

From Table 2, Regression analysis was conducted with brand loyalty as the dependent variable and brand communication as the independent variable. The adjusted R square is 0.725 implying that 72.5% of brand loyalty is explained by the variable, brand communication. The F value of 2.884 with significant value at 5%, indicate that the regression line was good. The t-value is positively signed and significant at 5%

level, indicating a direct relationship between brand communication and brand loyalty. Therefore, the null Hypothesis was rejected and the alternative hypothesis accepted which states that brand communication has a significant relationship with brand loyalty. This finding is in line with the findings of Tu *et al.* (2013); Setyawan *et al.* (2020). Brand communication shapes brand perception which ultimately influences consumer decision making regarding brand choice and association. Customers tend to identify and associate with a brand on the strength of brand communication through promotional messages or W.O.M. Brand association becomes strong when customer expectations are met in line with the promises made through brand communication. Andreani, *et al.* (2004) noted that the strength of brand association impacts customer satisfaction and customer loyalty.

H₀₂: There is no significant relationship between brand trust and brand loyalty in chain fast food establishments in the study area

From Table 3, Regression analysis was conducted with brand loyalty as the dependent variable and brand trust as the independent variable. The adjusted R square is 0.396, implying that 39.6% of brand loyalty is explained by brand trust variable. The t-value is positively signed and significant at 10% level, indicating a direct relationship between brand loyalty and brand trust. Therefore, the null Hypothesis was rejected and the alternative hypothesis was accepted which states that brand trust has a significant relationship with brand loyalty. The findings of Guenzi, Johnson, and Castaldo (2009); Keh and Xie (2009) are in support of this result. Trust is the confidence and belief which customers have for some organizations. The confidence and belief translate to having positive or favourable brand association. Thus in fast food operations, service effectiveness ultimately increases the trust of customers which has direct connection with brand loyalty.

H₀₃: There is no significant relationship between perceived quality and brand loyalty in chain fast food establishments in the study area

From Table 4, Regression analysis was conducted with brand loyalty as the dependent variable and perceived quality as the independent variable. The adjusted R square is 0.652, implying that 65.2% of brand loyalty is explained by perceived quality variable. The F value of 2.451 is significant at 5%, indicating that the regression line was good. The t-test is positively signed and significant at 5% level, indicating a direct relationship between perceived quality and brand loyalty. Therefore, the null Hypothesis was rejected and the alternative hypothesis accepted; which states that perceived quality has a significant positive relationship with brand loyalty. The findings of Hedging *et al.* (2009); Jing *et al.* (2014); and Anyanwu (2019), support this finding. Customers act as they perceive (Sharma *et al.*, 2020), this implies that customers will favourably be disposed to associating with a brand whose brand features are perceived to be delightful. Perceived service quality in

fast food operations must be seen to be high enough to delight customers on a regular basis, guarantee repeat purchase and increase switching cost since the propensity to switch is indirectly proportional to switching cost, and this guarantees brand loyalty.

H₀₄: There is no significant relationship between brand satisfaction and brand loyalty in chain fast food establishments in the study area

From Table 5, Regression analysis was conducted with brand loyalty as the dependent variable and brand satisfaction as the independent variable. The adjusted R square is 0.965, implying that 96.5% of brand loyalty is explained by brand satisfaction. The F value of 2.139 is significant value at 10%, indicating goodness of fit of the regression line. The t-value is positively signed and significant at 5%, implying a direct relationship between brand satisfaction and brand loyalty. Therefore, the null Hypothesis was rejected and the alternative hypothesis accepted, which states that brand satisfaction has a significant relationship with brand loyalty. This finding is supported by the findings of Andreani *et al.* (2012); Tu *et al.* (2013), but contrary to the findings of Sharma (2020), whose finding indicated that brand loyalty is achievable with or without customer satisfaction. But customer satisfaction is an antecedent to building a relationship that is anchored on trust between a customer and an organization (Keh and Xie, 2009; Guenzi, *et al.*, 2009). Organizations that delight customers with quality services always are ultimately building long lasting customer relationship that engenders positive brand association and advocacy leading to brand loyalty.

Conclusion

In view of the findings of the study, it is concluded that brand image has positive significant relationship with brand loyalty in chain fast food operations in Umuahia, Abia State. On the strength of these findings, operators of Fast food companies should make good their service promises to the delight of the customers and ensure that right communication channels are opened such that guarantees that the brand identity as intended by them is what is perceived by customers during purchase situations. Operators of fast food companies should see trust as the key to brand building, to develop confidence in the customers and attract customer commitment at all times by showing dependability and reliability. Fast food companies should on a continuous basis improve on their service offerings to remain competitive as this impact on perceived quality, thereby catalysing brand association and advocacy. Brand satisfaction should be made a top priority in fast food companies and efforts should equally be made to track customer satisfaction index through feedback mechanisms as this keeps a tab on switching behaviour.

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Table 1: Population Frame

S/N	Chain Fast Foods	Respondents
1)	Crunches	67
2)	De Choice	66
3)	Kilimanjaro	67
	Total	200

Source: Field survey, 2020

Table 2: Model Summary

Model	R	t-value	Adjusted R square	Std. Error of the estimate	F
1	.699 ^a	2.247 777*	0.725	.91893	2.884

a. Predictor: (Constant), brand communication

b. Dependent variable: brand loyalty

Table 3: Model Summary

Model	R	t-value	Adjusted R square	Std. Error of the estimate	F
1	.213 ^a	1.674	0.396	.63452	1.462

a. Predictor: (Constant), brand trust

b. Dependent variable: brand loyalty

Table 4: Model Summary

Model	B	t-value	Adjusted R square	Std. Error of the estimate	F
1	.061 ^b	2.117	0.652	.84391	2.451

a. Predictor: (Constant), perceived quality

b. Dependent variable: brand loyalty

Table 5: Model Summary

Model	B	t-value	Adjusted R square	Std. Error of the estimate	F
1	.091 ^a	2.247	0.965	.78543	2.139

a. Predictor: (Constant), brand satisfaction

b. Dependent variable: brand loyalty