



INFLUENCES OF CORPORATE BRAND IMAGE ON CUSTOMER LOYALTY; THE MEDIATION ROLE OF CUSTOMER PERCEIVED VALUE AND CUSTOMER SATISFACTION

(with special reference to Food and Beverage sector in Fast Moving
Consuming Goods industry)

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ABSTRACT

Creating competitive advantage in the business domain is a key factor in enhancing the survival of businesses especially in globalized business environment. For defeating competitors firms can use few strategic tools such as enhancing brand image and customer perception which results in improved customer loyalty. Besides, most of the studies have found the key antecedents of customer loyalty only. However, scholars have approached with new studies which focus on the mediation effect on customer loyalty. Accordingly, this study is conducted with the aim of examining the influences of corporate brand image on customer loyalty in food and beverage sector. Further to have the better understanding of interrelationship between brand image and customer loyalty, customer perceived value and customer satisfaction were utilized as mediators. Data were collected through a questionnaire filled by 150 consumers who purchased food and beverage products from self-service retail stores in Colombo district and systematic sampling method was used to derive the sample. Correlation coefficient, Simple linear regression analysis and the Sobel test were used for the statistical analysis of data. The results claimed that, there is a strong positive significant relationship between corporate brand image and customer loyalty where the correlation coefficient is 0.755 and R square Value of the regression analysis was 57%. Further, the mediator analysis concluded that there is a partial mediation effect of customer perceived value and customer satisfaction on the relationship between corporate brand image and customer loyalty. Hence this study recommends the Food and Beverage managers, practitioners and manufacturers to implement strategies to create brand image, customer perceived value and enhance the customer satisfaction which lead to improve the customer loyalty.

Keywords: Corporate Brand Image, Customer Perceived Value, Customer Satisfaction, Customer Loyalty