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**ADDIS ABABA UNIVERSITY SCHOOL OF GRADUATE
STUDIES DEPARTMENT OF MARKETING
MANAGEMENT**

**EFFECT OF BRAND IMAGE ON CUSTOMER SATISFACTION
AND LOYALTY.**

(A CASE OF ETHIOPIAN AIRLINES)

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Addis Ababa

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School Of Graduate Studies

Effect of Brand Image on Customer Satisfaction and
Loyalty: The Case of Ethiopian Airlines

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STATEMENT OF DECLARATION

I Hanan Ibrahim declare that this research report is the product of my work as a Master of Marketing Management student of the School of Commerce, Addis Ababa University. Where other sources, both academic and non-academic have been consulted, these are acknowledged in line with the Addis Ababa University, School of commerce referencing requirements.

Signature: _____

Hanan Ibrahim

Dated: June 18, 2014

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Abstract

The research tries to assess the impact of brand image on customer satisfaction and loyalty taking Ethiopian Airlines as a case study. Ethiopian Airlines is operating in the airline industry both on passenger and cargo handling section. The research tries to find out the level of brand image influence on Customer Loyalty and the mediating role of Customer satisfaction. Data was collected from passengers at Addis Ababa Bole international Airport and around cargo terminal areas. The analysis shows that brand image benefits: Functional, experiential and symbolic benefits have positive impact on the customer perception affecting the customer satisfaction and customer loyalty. The result also indicates that customer satisfaction mediates the relationship between brand image benefits and customer loyalty.

Keywords: Brand, Brand Image, Brand Image Benefits, Customer Loyalty, Customer Satisfaction.

Chapter 1-Introduction

The introductory chapter will start with a background of the subject and a problem discussion and the research questions, followed by the objective of this study, then hypothesis for the study will be presented. This chapter will end up with framework of the study, significance, scope and limitation of the study, and finally organization of the study will be discussed.

1.1 Background of the study

Brand could be defined as perceptual entity that leaves in the customer's mind. According to the American Marketing Association, a brand is defined as a name, term, sign, symbol or any other feature that identifies one seller's product or service as distinct from those of other sellers (Keller, 2003). Currently, the role of a brand is more than what is stated earlier. Globalization has made business to work under a high level of competition, making price-based, service-based, and other competitions difficult. This led businesses to focus highly on their brand image.

As brand image is the favorable position that customers give to a particular brand as a result of its equity, it could be the major means of differentiation and competition. Moreover, building a strong image could be considered as an asset which assists in attracting new customers as well as retaining existing ones.

It is imperative to mention service quality and customer satisfaction when discussing about customer loyalty. Satisfaction plays an important role in influencing the overall consumer behavior and consumption pattern. As loyalty is the function of satisfaction, satisfied customers tend to stay loyal and show higher commitment (Sivadas & Baker, 2000).

Brand image is indispensable for marketing where customers infer the quality of products by the brand image and are further stirred up the behavior of purchasing (Lin Chien-Hsiung, 2011).

1.2 Background of the company

Ethiopian Airlines (Ethiopian) is the fastest growing Airline in Africa. In its operations in the past close to seven decades, Ethiopian has become one of the continent's leading carriers, unrivalled in efficiency and operational success.

Ethiopian commands the lion share of the pan-African passenger and cargo network operating the youngest and most modern fleet to more than 78 international destinations across five continents. Ethiopian fleet includes ultra-modern and environmentally friendly aircraft such as the Boeing 787, Boeing 777-300ER, Boeing 777-200LR, Boeing 777-200LR Freighter and Bombardier Q-400 with double cabin. In fact, Ethiopian is the first airline in Africa to own and operate these aircraft.

Ethiopian Air Lines and often referred to as simply Ethiopian, is Ethiopia's flag carrier and is wholly owned by the country's government. Ethiopian Air Lines, was founded on 21 December 1945 and commenced operations on 8 April 1946 expanding to international flights in 1951. The firm became a share company in 1965, and changed its name from Ethiopian Air Lines to Ethiopian Airlines. Ethiopian is a member of the International Air Transport Association, and, since 1968, of the African Airlines Association (AFRAA). The airline is a Star Alliance member since December 2011.

In 1989 the Cargo Management Department was established to afford special attention to the development of the airline's cargo services. Hitherto the airline had regarded its cargo operations more as a public service commitment than as a secondary source of income.

Ethiopian Airlines announced that it would be Africa's launch carrier for the new Boeing 787 Dreamliner, with a firm order for ten of these ultra-modern jets, and an option for five more. The order for the new fuel-efficient, long-range, passenger-friendly aircraft was valued at USD 1.3 billion. Boeing begun production of the revolutionary new aircraft in 2006 and Ethiopian expects to take delivery beginning from 2011.

As of April 2013, the passenger network comprises 80 destinations, including 55 cities in Africa –16 of them within Ethiopia–, seven in Europe, two in the Americas and 16 in the Middle East and Asia; the cargo network serves 17 destinations, including ten in Africa, five in the Middle East and Asia and two in Europe. Ethiopian serves more destinations in Africa than any other airline. As of April 2013, the carrier's five densest routes are Addis Ababa–Dubai, Addis Ababa–Johannesburg, Addis Ababa–Guangzhou, Addis Ababa–Nairobi and Addis Ababa–Beijing. In late April 2012, the airline announced its plans to start serving Latin America, yet no firm dates were disclosed.

In October 2007, Ethiopian Airlines' frequent flyer program *Shebamiles* and Lufthansa's *Miles & More* entered into partnership, allowing members of each program to earn and spend miles on both airlines' networks. In July 2008, the carrier entered a strategic partnership with Lomé-based start-up airline *ASKY Airlines*, in which Ethiopian holds a 40% stake. Ethiopian Airlines is responsible for aircraft maintenance and operational management. The plan is to turn Lomé into Ethiopian Airline's regional hub for the West African market. *ASKY* started operations in January 2010 and became profitable after a few months. Ethiopian officially joined Star Alliance in December 2011.

Ethiopian Airlines records 60 accident/incident events since 1965, plus six more for Ethiopian Air Lines, the airline's former name. As of January 2013, the number of people that lost their lives in occurrences related to either carrier aircraft totals 337. The company suffered several hijacking episodes throughout its history, with one of them ending up in the carrier's deadliest

accident, when the plane plunged into the Indian Ocean due to fuel starvation in 1996. The second most deadly accident took place in 2010, when an aircraft crashed into the Mediterranean Sea, shortly after it departed Beirut–Rafic Hariri International Airport, killing all 90 people on board. The crash of a Boeing 737–200 that took place in 1988 and led to 35 fatalities ranks as the third worst deadly accident experienced by the company. Despite this, Ethiopian Airlines has a good safety record, by contrast to other African airlines.

1.3 Statement of the problems

Customer satisfaction is one of the objectives of marketing activity linking the process of purchasing and consumption with post purchase phenomena. Satisfying customers is an important element in marketing concept (Kotler & Armstrong, 2004). Even though, it is believed that customer satisfaction is the base for loyalty some researchers identified that retention strategies and other factors play more roles. In today's market merely Satisfying customers is not enough to make them loyal. Therefore, it is essential to focus on other factors affecting customer loyalty.

Airline industry in current market become more competitive compared to last decade. With this competition among the airline service providers, each of the company needs to be very concern towards consumers' needs and wants. Therefore it is important for the companies to create a great and effective brand image or identity no matter from internal and external sources. Therefore, all the competitors are willing to do so because the brand image has the direct impact to generate consumer satisfaction value. If a company failed to provide the positive brand image, it may directly or indirectly affect the consumers' decision making on choosing the airline service. Consumers may shift to the other competitors which offered better experience.

Apparently nowadays companies are concerned that today's consumers tend to be less loyal (Dekimpe, Steenkamp, Mellens, & Abeele, 1997; Bennett & Rundle - Thiele, 2005; Kapferer, 2005). Therefore companies should focus on building lasting relationship with customers and becoming their choice. The image of Airlines influences the customer's choice whether to use that specific airline or not. For Ethiopian airlines as other companies operating in the airline industry, knowing where it stands is indispensable.

Regarding the cargo service, the company recently encountered major customers complain due to the service inconsistency occurred during the return of migrants from Arab countries.

Therefore, the problem of this research is identifying the extent of brand image influence on customer satisfaction and loyalty in Ethiopian Airlines. The study will also compare if there are different level of satisfaction from passenger and cargo sector produced from functional, experiential and symbolic brand images.

1.4 Objective of the study

1.4.1 General Objective

The general objective of this study is to examine the effect of brand image on customer satisfaction and loyalty.

1.4.2 Specific objectives

The research will focus on the following specific points:

To examine the relationship between brand image (Functional, Experiential & Symbolic) and customer overall satisfaction

To examine the relationship between brand image (Functional, Experiential & Symbolic) and customer loyalty

To examine the relationship between customer overall satisfaction and customer loyalty

To assess the role of overall customer satisfaction on the relationship between brand image and customer loyalty

To investigate the effect of brand image on customer satisfaction and Loyalty.

1.5 Research Hypothesis

After the review of various literatures in the area of brand image the following hypothesis were formulated for analysis.

H₁: There is positive relationship between brand image benefits and customer overall satisfaction.

H₂: There is positive relationship between brand image benefits and customer loyalty.

H₃: There is positive relationship between customer overall satisfaction and customer loyalty.

H₄: Customer satisfaction mediates the relationship between brand image and customer loyalty.

1.6 Significance of the problem

Companies in the airline industry are experiencing high level of competition and are struggling to attract and retain more customers. Customers' expectation has also increased tremendously. Therefore, it is important assess factors affecting customer satisfaction and loyalty and develop the necessary customer retention strategy.

Since, Ethiopian Airlines is operating internationally, it should be able to compete and fulfill customers' needs. The airline should also generate high level of customer satisfaction and create favorable condition for the image and reputation. Image and reputation may help the company in building strong customer relationship and ensure loyalty.

The study is expected to provide a valuable insight about brand image and its impact on customer satisfaction and loyalty. The outcome of the study will provide ways of customer retention mechanism through brand image.

Finally, this research is presumed to develop the knowledge of the reader on brand image and its impact on customer satisfaction and loyalty. Which will in turn gives a way for other researchers to conduct detailed researches on the problem. Eventually, this study may contribute paramount importance to previous literature in this area which will serve as additional source of reference.

1.7 Scope of the study

This research is concentrated on the effect of brand image on customer satisfaction and loyalty specifically in Ethiopian context. To study the impact comprehensively a wider area of investigation would be essential. In addition using quantitative data along with qualitative data such as focus group study and interview may result in a dependable result. However, it is necessary to narrow this research into a manageable size due to time and resource constraints.

The research will encompass those passengers who have at least one time flying experience.

1.8 Limitation of the study

The research will be conducted and will be limited to passenger and customers at Addis Ababa international Airport and Ethiopian Cargo terminal. As Ethiopian is operating in another hub at Lome, reaching international customers around that area may not be possible.

1.9 Organization of the research report

For this research, topics are arranged in a way they are easily approached such as Chapter 1 Introduction, Chapter 2 literature review, Chapter 3 Research Method, Chapter 4 Analysis & interpretation of Data, Chapter 5 conclusion & recommendation and finally references and appendix will follow.

Chapter 2-Literatur review

This chapter looks at the literature review, specifically it reviews the literature on brand, brand image, brand image benefits, customer satisfaction, customer loyalty, relationships and comparisons of brand image with different factors and relationship between customer satisfaction and customer loyalty will be discussed.

2.1 Brand

The word brand is a trademark or distinctive name identifying a product or a manufacturer. It refers a name, term, symbol, sign or design used by a firm to differentiate its offerings from those of its competitors. The brand name is the vocalizable part of the brand and the brand mark is the non-vocalizable part (Czinkota & Ronkainen, 1999).

Brand means a specific product, service, or business identity. 'Brand love', or love of a brand, is an emerging term encompassing the perceived value of the brand image (Keller, 2003).). Pearson (2005) explains a brand is constructed by features, customer benefits and values. A brand is invented when the marketing is adding value to a certain product within the process to distinguish the similar features and benefits from the other products.

2.2 Brand image

Brand image represents an important aspect of marketing activities; branding and market offering with varied definition and approaches to its conceptualization. Burleigh and Sidney; Dobni and Zinkhan; Martinez and Pina(As Cited in Ike-Elechi Ogba and Zhenzhen Tan, 2009). A widely accepted view is that brand image represents customers' perceptions of a brand as reflected by the brand associations held in consumer memory (Herzog, 1963; Keller, 1993a, b). Keller (1993a, b) argued that these associations could

originate from customers direct experience or from information obtained on a market offering or due to the impact a pre-existing associations with an organization had on consumer. Brand image is, therefore, the mental picture or perception of a brand or a branded product or service and includes symbolic meanings that consumers associate with the specific attributes of a product or service Dobni et al (As Cited in Ike-Elechi et al, 2009).

Brand image is defined by Keller (2003) as a strong, favorable with unique brand association in recognition, which will result in positive attitude, perceived quality and positive affect in overall. He also states that brand image has been widely accepted in literature that is the perception existing in the memory of the customer.

Developing a set of brand beliefs by consumers/customers about where each brand stands according to various attributes is also important (Kotler 2003:206). The set of beliefs about a brand eventually comprises the brand image. A consumer's brand image will vary according to his/her experiences of the brand, as filtered by the effects of selective perception, selective distortion, and selective retention. Kotler(2001) defined image as "the set of beliefs, ideas, and impression that a person holds regarding an object" (p. 273).According to Keller (2003) image of the brand exists in the consumers' mind and depends on the associations that consumers have; to have a good image the brand must have unique, strong and favorable associations.

According to Hsieh, Pan, and Setiono (2004), "a successful brand image enables consumers to identify the needs that the brand satisfies and to differentiate the brand from its competitors, and consequently increases the likelihood that consumers will purchase the brand" Brand image has been conceptualized and operationalized in several ways (Reynolds & Gutman, 1984; Faircloth et al., 2001). It has been measured based on attributes (i.e. Koo, 2003; Kandampully & Suhartanto, 2000); brand benefits/values (i.e. Hsieh et al., 2004; Roth, 1995; Bhat & Reddy, 1998);

Keller (1993) described that this image benefits can be classified into functional, experiential and symbolic benefits, which was originally derived from the work of Park et al. (1986). Here, the functional benefits are related to the intrinsic advantages of product or services consumption and usually correspond to the product related attributes.

Dobni and Zinkhan (1990) outlined the following relevant concepts on brand image:

- Brand image is the concept of a brand that is held by the users of the brand.
- Brand image is largely a subjective and perceptual phenomenon that is formed through the interpretation of users, whether reasoned or emotional.
- Brand image is not inherent in the technical, functional or physical concerns of the product/service or brand. Rather, it is affected and molded by marketing activities, by context variables, and by the characteristics of the perceiver.

Perceived value significantly and directly influences customer satisfaction (Kuo, Chang, Cheng, & Lai, 2012).perceived value directly influences customer loyalty (Forgas, Moliner, Sánchez, & Palau, 2010).

The purpose of image for airlines , is to reveal a distinctive identity in order to allow the airline name, symbol and logo to differentiate the airline brand from those of competitors (Park et al., 2006).Thus, having a strong and positive brand image will strengthen perceived quality and assist in the development of brand loyalty (Cretu & Brodie, 2007).

Overall, image can generate value in terms of helping customer to process information, differentiating the brand, generating reasons to buy, give positive feelings, and providing a basis for extensions (Aaker, 1991). Therefore, it is very

important to understand the development of image formation and its consequences such as satisfaction and loyalty.

2.2.1 Comparison of brand image and Brand identity

Firstly, brand identity is focused on the University, whereas brand image is focused on the stakeholders. Secondly, brand identity is created by executive managers or marketing communication strategists, whilst brand image is created by perceptions of stakeholders. Thirdly, the message is 'packaged' or 'wrapped' in terms of brand identity, and it is 'unpacked' or 'unwrapped' by stakeholders in the form of brand image. Finally, brand identity is established by marketing communication strategists, which represents the institution's reality, while brand image is received or perceived by the stakeholders, which represents the perceptions of the stakeholders. These differences between brand identity and brand image are noteworthy, and are further amplified by the view of Kapferer (2004:98) that brand identity precedes brand image.

2.2.2 Brand benefits

"Benefits are the personal value consumers attach to the product attributes -that is, what the consumers think the product can do for them" (Keller, 1993: 4; Park et al., 1986). The benefits were stated as:

- Functional benefits: Refer mainly to physiological and safety needs, as well as to desires for problem removal or problem avoidance.
- Experiential benefits: refer to what it feels like to use the product. They are related with sensory pleasure, variety and cognitive stimulation.
- Symbolic benefits: relate to underlying needs for social approval or personal expression and outer-directed self-esteem.

2.3 Customer satisfaction

Customer satisfaction is mainly derived from the physiological response with the perceptual difference gap between expectation before consumption and practical experience after consumption of service or products. It implies an accumulated temporary and sensory response. Therefore, under such a specific consumption setting, it frequently influences the overall attitude and decision-making when customers purchase products or service (Lee et al., 2010).

Satisfaction refers to the consumers or receivers' positive emotion about product or service. Indeed, this emotion is created through satisfying customers' expectations or suppliers' performance. Also degree of satisfaction or dissatisfaction depends on the relationship between customer's expectations and supplier's performance (Dadkhah, 2009).

According to Oliver (1980) as cited in Kazi Omar Siddiqi (2010), the customer satisfaction model explains that when the customers compare their perceptions of actual products/services performance with the expectations, then the feelings of satisfaction have arisen. Any discrepancies between the expectations and the performance create the disconfirmation.

Satisfaction is a positive response that resulted from an expectable unstable experience that includes observable processes. The customers compare the pre-purchase or after-purchase results with their expectations and any differences leads to insistence (Burnner et al., 2008).

2.4 Customer Complaint

Consumer complaint behavior is described as the set of all behavioral and non-behavioral responses portrayed by consumers, which involve the communication of negative perceptions relating to a consumption episode that

is triggered by dissatisfaction with that episode (Rogers and Williams As cited in Ozlem Atalik, 2007).

Although airlines have customer satisfaction as a major goal, not all airlines experiences are satisfactory from the consumer's perspective – service failures do occur in this industry. Air transportation may be particularly susceptible to the problem of service failure because of the number of different providers involved in delivering the service, the high number of passengers and the people-based nature of the service. If service failures are an unpleasant fact for airlines, then these organizations must develop clear strategies for responding to service failures as a way of minimizing the adverse effect of the complaints of their customers (Ozlem Atalik, 2007)

2.5 Customer loyalty

Customer loyalty means a commitment to doing business with specific organization and continuously purchase of certain goods and services. In another definition, loyalty is a strong commitment to repurchase a product or service of organization in the future if the product despite the potential impact of marketing efforts of competitors. (Allama Syed M. nifty Aymanh, 2010). Maintaining current customers is more logical than attracting new customers. Increase in profits of 25 percent to 95 percent is attainable, with only a mere 5% increase in customer maintaining cost (Reichhards and jones 2008).

It is very important to understand how we should measure loyalty. Although there are three approaches that can be used to measure loyalty (i.e. behavioral, attitudinal, and composite approaches), most researchers resorted to attitudinal measurement in terms of intention to repurchase and intention to recommend as an indicator of loyalty (e.g. Lau & Lee, 1999; Kandampully & Suhartanto, 2000; Sivadas & Baker-Prewitt, 2000; Chiou, Droge, & Hanvani Chi, 2002).

Service loyalty is indicated by repeat purchases or repurchases intentions (Heskett J.L., Jones, T. O. , Loveman, G. W., Sasser, W.E., and Schlesinger, 1994; Rust et al., 1995), favourable word-of-mouth, and recommendations (Rust et al., 1995; Zeithaml et al., 1996).

The attitudinal measures are concerned with consumer feelings toward the brand and stated intention such as likelihood to recommend and likelihood to repurchase the product (Schiffman & Kanuk, 2004)

Customer loyalty has become a key element in the development and implementation of airlines' strategies in the competitive milieu in which they operate (Forgas, Moliner, Sánchez, & Palau, 2010).

2.6 Brand image with Satisfaction & Loyalty

2.6.1 Brand image and customer satisfaction

Corporate image has been assessed as an important antecedent of customer satisfaction and loyalty (Wu, 2011). An organization image is an important variable that positively or negatively influence marketing activity. Image is considered to have the ability to influence customers' perception. Customer satisfaction and brand characteristics presented significantly positive relation that customer satisfaction was the provided service higher than the expectation of the customer so that the customer was satisfied (Sang, 2009).

Customers tend to explain the internal and external attributes of products and the viewpoint of image, as well as the viewpoints of feeling and perception. Brand image constructs measurement variables with user image, product image, and enterprise image that customer satisfaction and brand image show remarkably positive relation (Zhang and Mo, 2008).

2.6.2 Brand image and Customer Loyalty

Image is considered to influence customers' minds through the combined effects of advertising, public relations, physical image, word-of-mouth, and their actual experiences with the goods and services (Normann, 1991)

Eris et al. 2012. in their study entitled “the effects of brand satisfaction, trust, and commitment on the brand loyalty and purchase intention”) Strong competition and rapid technological developments in various sectors made the firms aiming to increase their market shares by gaining more customers protect their market shares. The way to protect their market shares is to create customer loyalty. The firms with loyal customer portfolios protect their existence for a long time by making their customers repeat purchases. Therefore, there are several studies in the literature about the investigation of variables affecting brand loyalty. (Ali Kazemi et al., 2013).

2.7 Service Quality and Customer satisfaction

Tse & Wilton (Fandy Tjiptono, 1997: 24) customer satisfaction or dissatisfaction is a response to the evaluation of the perceived discrepancy between expectations and service performance. Customer satisfaction is a function of expectations and service quality performance.

In marketing literature, Service Quality and Customer Satisfaction have been conceptualized as a distinct, but closely related constructs. There is a positive relationship between the two constructs (Beerli et al., 2004) as cited in Kazi Omar Siddiqi (2010). The relationship between customer satisfaction and service quality is debatable. Some researchers argued that service quality is the antecedent of customer satisfaction, while others argued the opposite relationship.

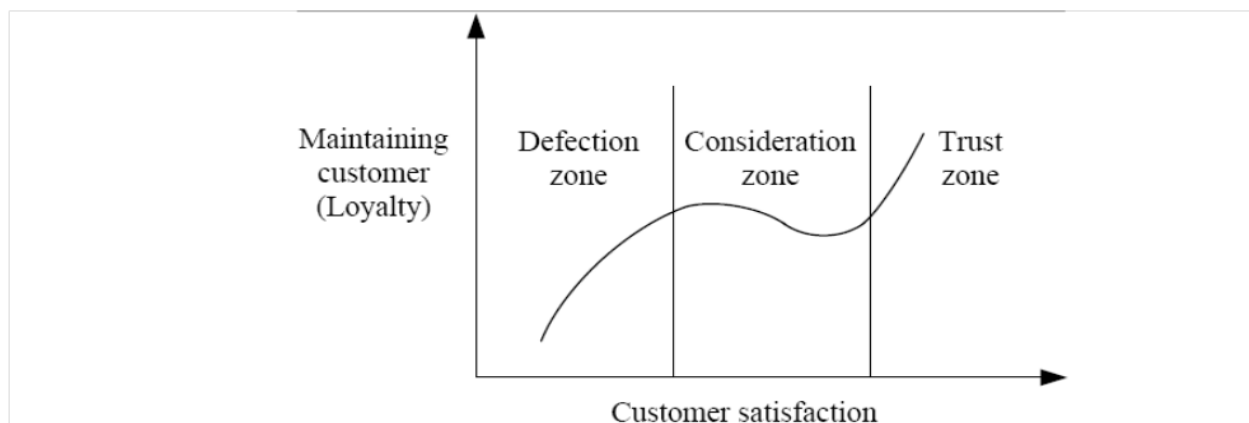
The concept of satisfaction and the quality is often equated even though these two concepts have a different understanding. In general, satisfaction is considered to have a broader concept than service quality assessment, which specifically focuses only on the service dimension. Quality of service is the focus of the assessment that reflects the customer's perception of the five specific dimensions of service. Conversely, satisfaction is more inclusive, that is, satisfaction is determined by the perception of service quality, product quality, price, situation factors, and personal factors (Zeithaml & Bitner, AS cited in Mohammed Rizan, 2010).

2.8 Customer Satisfaction and Loyalty

Brand satisfaction influences emotional commitment and there is a significant relationship between emotional commitment and re-purchase intention and loyalty. But their results could not confirm the effect of sustainable commitment on the re-purchase intention and loyalty.

Magnini and Honeycutt (2005) reported that customer emotions play an important role in driving customer satisfaction and loyalty; they discussed the importance of face recognition and name recall to customers and its effect on customer loyalty.

Figure 1: Relation between customer satisfaction and buying behavior

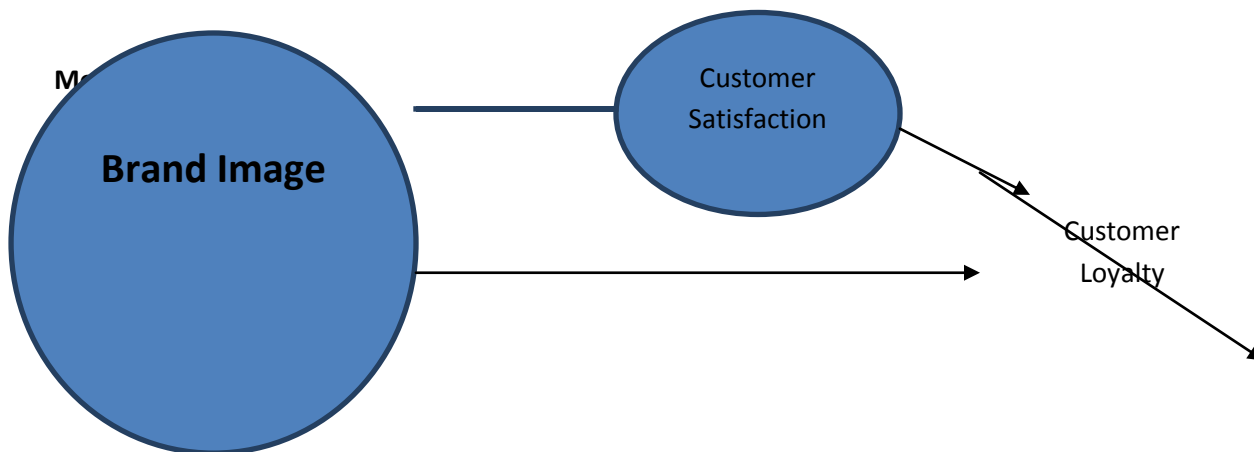


Source: (Davis et al., 2007)

Satisfied customer will tend to buy back into the same manufacturer. The desire to buy back as a result of this satisfaction is the desire to repeat the good experience and avoid a bad experience. Second, satisfaction is a factor that would encourage communication by word of mouth communication are positive. Customer satisfaction brings many benefits. Satisfied customers are less price sensitive, buy additional products, are less influenced by competitors and stay loyal longer(Ove C. Hansemark & Marie Albinsson, 2004).

Davis et al. (2007) suggest that the behavioral relationship between satisfaction and loyalty is not a linear one and has two levels of crises threshold. Figure 1 shows that when satisfaction reaches above the level of certain threshold (trust zone), buying behavior increases rapidly. When satisfaction decreases to lower threshold (defection zone), buying behavior decreases rapidly. Between threshold levels (consideration zone), buying behavior is constant. They believe that satisfaction should be high enough to stimulate behavioral loyalty, or it should be low enough to reduce it.

Figure2. Research framework



Source: (Yu-Te Tu, Wang, Chang, 2012)

Chapter 3- Research Methodology/Design

This chapter deals with the methodology adopted for the study. It includes: Research design, Sampling method, Source of data, Measuring instruments, Data preparation, Data analysis and interpretation, and Ethical considerations.

3.1 Study design

The objective of this research is to identify the effect of Brand image on customer satisfaction and loyalty. To test hypothesis and investigate research objective, both descriptive and inferential statistic have been utilized in this study through the use of such statistical tools as, reliability analysis using Cronbach's alpha, descriptive statistics, correlation and hierarchical regression analysis. The descriptive analysis was used to analyze the frequencies and percentages of each measurement factors, correlation was used to analyze the relations among factors and test hypothesis from hypothesis 1 to hypothesis 3 and finally, hierarchical regression analysis was employed to identify brand image effect on customer loyalty through the mediating factor i.e. customer satisfaction and test the hypothesis from hypothesis 4 to 6.

3.2 Sampling design

3.2.1 Population definition

As this research is meant to target passenger and cargo customers of Ethiopian Airlines, the population for the study will be passengers and cargo customers who are using Ethiopian Airlines and have at least one flying experience with Ethiopian. Since Addis Ababa airport is the main hub for Ethiopian Airlines operation, it will have a good pool of different passengers and cargo customers from different areas of the world with diverse cultural background and interest.

3.2.2 Sampling technique

The questionnaire will be distributed among the passengers and cargo customers at Addis Ababa International Airport and Ethiopian Airlines cargo terminal. Selection of respondents was by convenience sampling (non-probability sampling); customers who used the airline service at least for once and who use the service recently were included in the sample. Questionnaires were administered to the passengers and customers by giving insight on the objective and significance of the study.

3.2.3 Sample Size

Ethiopian Airlines' number of passengers and cargo customers is numerous. Therefore, to gather the information needed for the research on the given time and resource the sample will be 384 which is determined using the following formula, which is based on 95% confidence interval and 5% error term, is recommended by scholars (WWW.businessadvocacy.net.)

$$n_0 = \frac{z^2 p (1-p)}{e^2}$$

$$n_0 = \frac{1.96^2 0.5 (1-0.5)}{0.05^2}$$

$$\text{Sample size} = 384$$

3.3 Source of data

Primary data:-In this research, primary data will be gathered by using questionnaire answers from respondents who are the passengers of Ethiopian.

Secondary data:-The research will also incorporate the data which have been intended to examine issues of brand image in the case of Ethiopian by company document.

3.4 Measuring instruments

Brand image will be measured using the three selected benefits: Functional, Experiential and Symbolic benefits. The questions will be derived from earlier developed questions from Del Rio, Vazquez, and Iglesias (2001) and Nizar Souiden, Norizan M., and Heung-J(2006) and will be adjusted to fit for the context of the study. To accommodate the special nature of the industry some of the questions will be self developed. Questions on brand image benefits will be asked and the respondents will respond on a scale which ranges from 1 for "strongly disagree" to 5 for "strongly agree".

Brand Loyalty will be measured based on the repurchase intention & willingness to recommend for others, using five-point Likert scale ranging from 1 for "very unlikely" to 5 for "very likely". The questions will be adopted from Faizan Mohsan et al, 2011 and will be adjusted to fit for the context of the study.

Customer Satisfaction will be measured by a five-item scale taken from Oliver (1980), Grace and O'Cass (2005), and Taylor and Baker (1994). The respondents will answer the questions by indicating their level of agreement/ disagreement to the statement stated, using the scale from 1 for "strongly disagree" to 5 for "strongly agree".

3.5 Data preparation

In this research, after the data have been secured, preparing table to list the variables, sorting variables, counting the variables, represent them in "code", entering in to computer to use SPSS, and editing will be done.

3.6 Data analysis and interpretation

Data in this study was analyzed using both descriptive and inferential statistics. Descriptive statistics was used to interpret data in general and for testing hypothesis and investigating research objectives inferential method has been used using statistical package for social science (SPSS) version 20.

Descriptive statistics has been used to interpret demographic variables of the respondents and to discover the frequencies of each dimension whereas inferential statistics was used for hypothesis testing such as correlation and hierarchical regression.

3.7. Ethical considerations

In order to keep the confidentiality of the data given by respondents, the respondents were not required to write their name and assured that their responses will be treated in strict confidentiality. The purpose of the study was disclosed in the introductory part of the questionnaire. Furthermore, the researcher tried to avoid misleading or deceptive statements in the questionnaire. Lastly, the questionnaires were distributed only to voluntary participants.

Chapter 4- Data Analysis

In this chapter, the data collected from respondents has been analyzed and interpreted. It comprises reliability analysis, respondents' profile, correlation analysis among service quality dimensions and service quality and regression analysis results for relative importance of service quality dimensions.

4.1. Sample and response rate

The research took 384 customers as a sample (192 for each passenger and cargo customers). The questionnaire was self administered and convenient sampling was used to target customers. 355 questionnaires were collected and used for analysis with a response rate of 92.45%.

Table 4.1: Sample and response rate

Questionnaires	Number	Percentage
Returned	355	92.45%
unreturned	29	7.55%
Total	384	100%

Source: Survey result

4.2. Reliability analysis

The study used Cronbach alpha to assess the internal consistency of the research instrument. According to George and Mallery (2003), consistency result could be interpreted as follow: > .9 Excellent, > .8 Good, > .7 Acceptable, > .6 Questionable, > .5 Poor, and < .5 Unacceptable.

Table 4.2: Measure of Internal Consistency- Cronbach's alpha

Measurement	N of Items	Cronbach's Alpha
Brand Functional Benefit	4	.945
Brand Experiential Benefit	4	.947
Brand Symbolic Benefit	4	.948
Customer Satisfaction	4	.961
Customer Loyalty	5	.952

Source: Survey result

The alpha coefficients of every item was conducted and found to be more than 0.945. Therefore it can be inferred that all measures are internally consistent.

4.3. Respondents' profile

4.3.1. Gender of respondents'

In the following table the respondents gender is presented with their respective frequency of occurrence and percentage.

Table 4.3: Gender of respondents

Gender	Frequency	Percent	Cummulative Percent
Male	230	64.8	64.8
Female	125	35.2	100
Total	355	100	

Source: Survey result

As shown in the above table among the randomly distributed questionnaire the majority of the respondents i.e. 230 (64.8%) were male and the rest 125 (35.2%) were female.

4.3.2. Age Category

The age category of the respondents could be summarized as follow

Table 4.4: Age of respondents

Age	Frequency	Percent	Cummulative Percent
Less than 30 years	98	27.6	27.6
30-40 years	168	47.3	74.9
More than 40 years	89	25.1	100
Total	355	100	

Source: Survey result

The majority of the respondents (47.3%) fall within the age group of 30 to 40 years old, followed by 27.6% of respondents are less than 30 years of age, and the rest 25.1% are above forty.

4.3.3. Purpose of Trip

As for the purpose of the trip the research used three item measures i.e. business, personal, and Tour. The result is presented in the following table

Table 4.5: Purpose of trip

Purpose	Frequency	Percent	Cummulative Percent
Business	217	61.1	61.1
Personal	105	29.6	90.7
Tour	33	9.3	100
Total	355	100	

Source: Survey result

The result shows that most of the respondents use the service for business purpose(217-61.1%), followed by 105 (29.6%) of respondents for personal reason, like visiting family and other related things, and lastly 33(9.3%) of respondents use the service for tourism. From this we can conclude that customers who use the Airline’s service are mostly business people especially those customers who use the cargo service are mostly business customers.

4.3.4. Nationality of Respondents

As listing and compiling every nation is difficult the research used five measure items summarized in the continent the nationality belongs to. The result is presented in the below table

Table 4.6: Nationality of respondents

Nationality (continent)	Frequency	Percent	Cummulative Percent
Africa	307	86.5	86.5
South America	4	1.1	87.6
Asia	18	5.1	92.7
Europe	16	4.5	97.2
North America	10	2.8	100
Total	355	100	

Source: Survey result

Majority of the respondents were from Africa i.e. 86.5 %, 5.1% from Asia, 4.5% from Europe, 2.8% from North America and only four i.e. 1.1% were from South American. This confirmed the conclusions from earlier studies that most of the customers are African, and as the airline has most of its roots in Africa it usually operates in this continent.

4.3.5. Type of customer

The questionnaires were distributed for both passenger and cargo customers in equal proportion i.e. out of the sample size 384 half were used for passengers and the other half was distributed for cargo customers. The summary is presented in the below table

Table 4.7: Types of customers

Service Type	Frequency	Percent	Cummulative Percent
Passenger	183	51.5	51.5
Cargo	172	48.5	100.0
Total	355	100.0	

Source: Survey result

Out of the 384 questionnaires distributed, 355 were collected out of which 183 were from passengers and the rest 172 were from cargo customers. Since the response rate is high for both type of customers the ratio of the respondents was approximately proportional. This will give a proper and valid result when compiling and analyzing the rest of the data.

4.3.6. Number of years as Ethiopian customer

The respondents were asked for how long they had been the Airline customer. Four measure items was used to take their response. The respondents were selected to be passengers and cargo customers who at least have one time flying experience and were given the opportunity to choose the number of years in time interval as less than three years, 3-5 years, 5-10 years, and more than ten years and the result is as follow:

Table 4.8: years as Ethiopian customers

No. of years	Frequency	Percent	Cummulative Percent
Less than 3 years	124	34.9	34.9
3-5 years	124	34.9	69.9
5-10 years	72	20.3	90.1
More than 10 years	35	9.9	100
Total	355	100	

Source: Survey result

Most of the respondents were customers who use the service less than five years. Those who use the service for less than three years and those between three and five years encompass equal proportion of 34.9%(124 respondents for both items). 20.3% of the respondents (72 in number) used the service from

five to ten years, and the rest 35 respondents (9.9%) are those customers who used the service for more than ten years.

4.3.7. Frequency of service use

As the research is to measure brand image effect it considers customers who have at least one or more schedule to us the service a year. Most of the respondents were frequent customers who use the service several times a year. The respondents were requested to point the rate of their service usage and the following table displays the result.

Table 4.9: usage rate

Usage rate/year	Frequency	Percent	Cummulative Percent
Once	103	29	29
Twice	117	33	62
Three times	49	13.8	75
Four times	40	11.3	87
Monthly	34	9.6	96
Others	12	3.4	100
Total	355	100	

Source: Survey result

As shown in the above table the majority of the respondents 177(33%) use the service for at least twice a year, followed by 103(29%) respondents using the service for at least once a year. 49(13.8%) use three times, 40(11.3%) four times a year and 34(9.6%) used it monthly. The rest 12 respondents (3.4%) use the service frequently, rarely or could not determine the rate.

4.4. Descriptive analysis

The mean value of each dimension with detail analysis as follows:

Table 4.10: Frequency Functional benefit

N=355

Functional benefit	Mean	Standard deviation
Fulfills promises	3.86	.928
Flying safety	3.81	1.092
Dependability	3.79	1.036
Provide adequate support	3.85	1.054

Source: Survey result

According to the analysis made all the items used to measure functional benefits of brand image have positive results. The mean scores fall within a range of 3.79 to 3.86. This implies that the brand has positive functional benefits.

The experiential benefit was also measured in a four measure items and the mean score for each response is presented below.

Table 4.11: Frequency Experiential benefit
N=355

Experiential benefit	Mean	Standard deviation
Ethiopian makes me fill good	3.97	.975
Provides prompt service	3.93	.993
Ethiopian gives me pleasure	3.95	1.052
Increased my usage rate	3.93	1.079

Source: Survey result

The mean score of the experiential benefit of brand image resulted in the interval 3.93-3.97. Thus the results of the respondents indicate that, more of the respondents have good experience with the service the used for this brand.

Symbolic benefit was measured in four item measures and the result is as follow

Table 4.12: Frequency Symbolic benefit

N=355

Symbolic benefit	Mean	Standard deviation
Prevented me from looking cheap	3.81	1.073
Helps me to fit in to my social group	3.79	1.113
Makes me feel acceptable & gave me recognition	3.72	1.132
Increased myself esteem	3.67	1.165

Source: Survey result

Concerning symbolic benefit of brand image customers have positive view; the mean result appeared to be between 3.67 to 3.81.

The mean score for customer satisfaction was also analyzed as the brand image benefits. And it is presented as follow

Table 4.13: Frequency customer Satisfaction

N=355

Customer satisfaction	Mean	Standard deviation
Overall I am Satisfied	3.95	.973
I did the right thing when I used this brand	3.91	.997
The brand perfectly fits my expectation	3.88	1.000
The service is excellent	3.88	1.010

Source: Survey result

Regarding the customer satisfaction the result showed that majority of the customers are satisfied with the service they got from this brand. The mean ranges from 3.88 to 3.95. The overall satisfaction was higher than all the results indicting most of the times customers are satisfied with the company's service.

Finally customer loyalty was measured in five item measure as follow:

Table 4.14: Frequency customer Loyalty

N=355

Customer Loyalty	Mean	Standard deviation
I often tell positive things about the Airline	4.00	.966
I always use this company's service	3.92	1.019
This brand is my first choice	3.94	1.026
I recommend family & relatives to use the brand	3.92	1.041
I shall continue to use the brand in the future	4.00	1.014

Source: Survey result

The customer loyalty dimensions were positive and showed that most customers are loyal to the company especially in using the service for the future and word of mouth communication.

4.5. Correlation analysis

Hypothesis testing

The correlation analysis result was carried out to test the hypothesis set for the study and determine the associations. It exhibits the relationship between brand image, customer satisfaction and customer loyalty. The level of association as measured by Pearson's co-efficient that falls between -1.0 and +1.0, which indicates the strength and direction of association between the two variables. If the correlation result of two variables lies between -1 and 0, the two variables are negatively related, if the correlation result of lies between 0

and 1, they are positively related, and the correlation is 0, this means there is no relation between the two variables. As for the extent of the relation Field, A. (2005), suggests the following guidelines:

1. $r=.10$ to $.29$ or $r=-.10$ to $-.29$
small
2. $r=.30$ to $.49$ or $r=-.30$ to $-.4.9$
medium
3. $r=.50$ to 1.0 or $r=-.50$ to -1.0
large

Table 4.15: Collinearity Analysis

Constant	Tolerance	Variance inflation factor (VIF)
Functional benefit	0.234	4.277
Experiential benefit	0.183	5.466
Symbolic benefit	0.215	4.653

Dependent variable: Customer Loyalty

The multi-collinearity statistics revealed the Tolerance value greater than 0.1 and VIF value significantly below 10. This shows that there was no multi-collinearity problem with in the model.

4.5.1. Correlations of Brand image with customer satisfaction

The correlations for each of the brand image benefits were considered and finally their mean, as total brand image, was presented.

Table 4.16: Brand benefit with customer satisfaction

	Overall satisfaction	P-Value
Functional benefit	.863	.000
Experiential benefit	.896	.000
Symbolic benefit	.870	.000
Brand image	.922	.000

Correlation is significant at the 0.01 level

Source: Survey result

The above table explains the correlation between the functional benefit as independent variable and the dependent variable of overall customer satisfaction. As it is already indicated through the table, the two variables have significantly positive relationship.

The relationship with experiential benefits is also shown through the above table. The correlation result of the two variables, experiential brand benefit and overall customer satisfaction is .896. This implies that the two variables are positively related. In addition, the $r=.896$ value indicates that there is a significant correlation relationship with customer satisfaction.

The relationship between symbolic benefit and customer satisfaction is also shown. The correlation result of the two variables is .870. This implies that the two variables are positively related. In addition, the $r=.870$ value indicates that symbolic benefit maintains positive correlation relationship with overall customer satisfaction.

The above table shows the correlation between the brand image as independent variable and customer satisfaction as the dependent variable. As it is already

indicated through the all the previous results, the two variables have significantly positive relationship. This implies that the two variables influence each other's positively relationship. In addition, the $r=.922$ value indicates that brand image maintains significant correlation relationship with the overall customer satisfaction

4.5.2. Correlations of Brand image with customer Loyalty

The relationship between functional benefit of brand as independent variable and customer loyalty as dependent variable is presented below in the following table. The correlation result for the two variables is 0.831. This implies the two variables are also positively related. In addition, the $r= .831$ indicates that functional brand benefit maintains significant correlation relationship with the customer Loyalty.

Table 4.17: Brand benefit with customer Loyalty

	Customer Loyalty	P-Value
Functional benefit	.831	.000
Experiential benefit	.848	.000
Symbolic benefit	.847	.000
Brand image	.886	.000

Correlation is significant at the 0.01 level

Source: Survey result

The above table shows the relationship between the two variables, experiential brand benefit and customer loyalty. The correlation result is 0.340. This indicates that the two variables are positively related. Additionally, the $r=.848$

value also implies that the experiential benefit of brand for this company has high amount of correlation relationship with Customer loyalty.

The table also explains the relation between symbolic brand benefit and customer loyalty. The correlation result is 0.847 as indicated in the table revealing the positive relation between the two variables. The result, $r=.847$ value shows symbolic benefit is highly correlated to customer Loyalty.

With a Pearson value (r) of 0.886, the correlation is positive as the r value of 0.886 is greater than 0.5. The association between brand image and Customer Loyalty is statistically significant because of the p-value of 0.000, resulting. This also shows a positive relationship between these two factors, and the strength of the relationship is seen in the p-value obtained.

4.5.3. Correlations of customer satisfaction with customer Loyalty

Table 5.18: Customer Satisfaction and Customer Loyalty

	Customer Loyalty	P-Value
Customer Satisfaction	.858	.000

Correlation is significant at the 0.01 level
Source: Survey result

With a Pearson value (r) of 0.858, the correlation is positive as the r value of 0.858 is greater than 0.5. The association between Customer Satisfaction and Customer Loyalty is statistically significant. This also shows a positive relationship between these two factors, and the strength of the relationship is seen in the p-value obtained.

4.6. Regression Analysis

Mediating effect of customer satisfaction on the relationship between functional brand image benefit and customer loyalty, experiential brand image benefit and customer loyalty, and brand image benefit and customer loyalty is presented as follow.

Table 4.19: Mediating effect of customer satisfaction

Dependent Variable	Independent variable	Std. beta step-1	Std. beta step-2	Sig. Level
Customer loyalty	Functional image	.831	.353	.000
	Mediator-Satisfaction		.553	.000
Customer loyalty	Experiential image	.848	.402	.000
	Mediator-Satisfaction		.498	.000
Customer loyalty	Symbolic image	.847	.412	.000
	Mediator-Satisfaction		.500	.000

Source: Survey result

Customer loyalty has positive effect on customer loyalty as it has been proved earlier through the correlation analysis. In addition Customer satisfaction partially mediates the relationship brand functional benefit has on customer loyalty. However as the significance level is <0.001 the mediating role of customer satisfaction should be regarded well.

Again when analyzing the effect of customer satisfaction on the relationship between experiential brand image benefit and customer loyalty, customer satisfaction has partial mediating role. Yet the amount stated on the table explains that the role is not minimal with the significance level.

Finally the mediating role of customer satisfaction on the relationship between Symbolic brand image benefit and customer loyalty was analyzed. The outcome also was approaching the last two results but a bit higher which is a beta of 0.412.

4.7. Summary of Findings

The objective of this study is to assess the effect of Brand Image on Customer Satisfaction and Loyalty. The study was conducted by distributing questionnaires to 384 passengers and cargo customers with which 335 questionnaires have been collected. To test the reliability of the data collecting instrument (all items used), Cronbach alpha coefficients were computed for the 30 questionnaires administered for pilot survey. The Cronbach alpha coefficients were within the range of 0.966 and 0.917.

The relations among the different items were measured using Pearson correlation coefficient. The hierarchical regression method of analysis was used to test the mediating effect of customer satisfaction on the relation between brand image benefits and loyalty.

The result conformed that customer satisfaction moderately affect the relationship between brand image and customer loyalty. The finding is consistent with previous studies such as Sondoh Jr et al.,(2007), Ali Kazemi (2013) and Ogba et al., (2009).

The result of the correlation analysis resulted in positive relationship between all the subjected measures. It also showed that customer loyalty is highly

affected by brand image. This contradicts the result in the study Sondoh Jr et al.,(2007) which found that symbolic benefit has a negative effect on satisfaction and loyalty. However confirms to the study results Tsai's (2005) which revealed that symbolic, affective and trade off value is positively related to customers' repurchase intention. This was also supported in the study of Ogba et al., (2009).

Survey result

Table 4.20: Results

Hypothesis	Statement of the hypothesis	Result
H01	There is no positive relationship between brand image benefits and customer overall satisfaction	Rejected
H02	There is no positive relationship between brand image benefits and customer loyalty	Rejected
H03	There is no positive relationship between customer overall satisfaction and customer loyalty	Rejected
H04	Customer satisfaction doesn't mediate the relationship between brand image and customer loyalty	Rejected

Source: Survey result

Chapter 5- Conclusion and recommendation

In this chapter the study draws conclusions and recommendations based on the discussion in the aforementioned chapters.

5.1 Conclusion

The primary objective of the study was to assess the effect of brand image on customer satisfaction and loyalty taking Ethiopian Airlines. The finding of the study confirmed that there is a positive relationship among the measures used. The result demonstrated that the company has a positive brand image. All the three benefits of brand (i.e. Functional, Experiential, and Symbolic) are positively perceived by most customers.

Functional benefit of brand image was found to be positively related to customer satisfaction and loyalty. Customer satisfaction also mediates the relation between brand functional benefit and customer loyalty.

Among the three benefits the experiential benefit has the most value for the customers followed by the functional benefit. From this we can conclude that customers give more value for experiential and functional benefit of brand image. Customer satisfaction as a mediator also has a significant role in the relation between brand experiential benefit and customer loyalty.

Symbolic benefit also has a positive relation with both customer satisfaction and customer loyalty. Therefore, from these we can conclude that brand image benefits are positively related to customer satisfaction and customer loyalty. In addition, customer satisfaction mediates the relation between symbolic brand image benefit and customer loyalty.

The finding also revealed that both Customer satisfaction has higher results showing that the company most of the time fulfill the need of its customers. This in turn resulted in customer loyalty.

The study also reveals the high level of customer loyalty. This shows that the company has numerous loyal customers. From this we can conclude that the customers are willing to use the company's service without comparing other brands. In addition the customers recommend the brand for others and will have higher intention for repurchase.

Brand image highly affects the customer satisfaction for the company. The finding showed that experiential benefit of brand highly affects the customer satisfaction followed by the symbolic benefit. However it showed all the benefits significantly affect the customer perception.

Regarding brand image effect on loyalty, the study revealed that brand image affects customer loyalty significantly. Similar to the previous outcome experiential benefit has higher effect on the loyalty intention of customers.

Finally the mediating effect of customer satisfaction has been analyzed. Here the study revealed that customer satisfaction has positive impact on the relationship between brand image and customer loyalty. Customer satisfaction as a mediator has higher impact on the relation between symbolic benefit of brand image and customer loyalty. It also has positive impact on experiential benefit of brand image and loyalty, where as it partially affects the relation of functional benefits of brand image and customer loyalty.

5.2 Recommendation

Based on the findings of the study and conclusions made, the following possible recommendations are given.

- The study showed the significant effect of brand image on customer satisfaction and loyalty. Therefore companies should focus on building positive brand image.
- As the Airline industry is moving to a very intense competition and those airlines with lower cost are aggressively competing with price reduction, there is an urgent need to find other means of competition. Therefore the company should conduct different surveys to generate new marketing strategies. It should also give more attention to find ways of building a feeling of intimacy between the consumer and the brand.
- It is an imperative fact that customers experience influences customer's decision and satisfaction. Therefore the company should focus on providing the services with all the quality and fulfillment of expectations so that the customers develop good perception of the brand and use it. As the repurchase intention is one factor of satisfaction and is highly affected by the customer experience the company should work hard to insure that all customers are served diligently and get the service more than their expectation.
- Customer satisfaction surveys should also be conducted periodically as the contingency in such type of industries influence the purchase intentions of customers. As most airline companies are providing the same service and customers are more of safety conscious, the company should measure the satisfaction rate of customers from time to time. In addition it should identify the antecedents for customer satisfaction.

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APPENDICES

QUESTIONNAIRE

Addis Ababa University

School of Commerce

MA Program in Marketing Management

Dear Respondent,

I am Hanan Ibrahim a graduate student at Addis Ababa University School of Commerce. Currently, I am conducting a research study on “Effect of Brand image on customer satisfaction and Loyalty in Ethiopian Airlines” in partial fulfillment of Master of Arts Degree in Marketing Management at Addis Ababa University School of Commerce (AAUSC). I request your help to spend some minutes of your time by filling the provided questionnaire.

The questionnaire is purely for academic purpose and your answers will be treated confidentially. Your genuine input is highly important to the analysis.

Thank you in advance for your cooperation in filling the questionnaire.

PART I. GENERAL INFORMATION

Please put a tick (✓) mark corresponding to your response

A. Gender:

Male

Female

B. Age:

Less than 30

30 to 40

Greater than 40

C. What is the Purpose of your trip?

Business

Personal

Tour

D. In which continent your nationality belongs to?

Africa

South America

Asia

Europe

North America

E. Which Airline services are you using?

Passenger

Cargo

F. Number of years as Ethiopian customer?

Less than 3 Years

3-5 Years

5-10 Years

More than 10 Years

G. How many times do you use the service in a year?

Once

Twice

Three times

Four times

Monthly

Other please state _____

PART II Brand Image Benefits

The following statements relate to your feelings about Ethiopian Airlines. For each statement, please show the extent to which you believe Indicating the number from “1” to “5” representing your feeling. There is no right or wrong answer; what matters is the number that best shows your perception about Ethiopian

Scale of Measurement									
(1) Strongly Disagree (2) Disagree (3) Indifferent (4) Agree (5) Strongly Agree					Answer				
Functional Benefit					1	2	3	4	5
1	The Company fulfills the promises that it makes for the customers								
2	I feel safe flying with Ethiopian								
3	Perform service dependably								
4	The Company provides adequate support at all time								
Experiential Benefit					1	2	3	4	5
5	Flying with Ethiopian makes me feel good								
6	I feel Delighted when I fly with Ethiopian								
7	The company provides prompt service for customers								
8	Flying with Ethiopian gives me pleasure								
9	The brand increased my frequency of use								
Symbolic Benefit					1	2	3	4	5
10	The brand Prevented me from looking cheap								
11	The brand helps me to better fit in to my social group								
12	The brand helps me feel acceptable & gave me recognition								
13	Using Ethiopian increases myself esteem								
Overall Satisfaction					1	2	3	4	5
14	Overall I am Satisfied with the service								
15	I did the right thing when I used this brand								
16	The brand perfectly fits my expectation								
17	Considering the Airline service the service is excellent								
Customer Loyalty					1	2	3	4	5
18	I often tell positive things about the Airline to other people								
19	I always use this company's service								
20	This brand is my first choice								
21	I recommend family, friends and relatives to use the brand								
22	I shall continue to use the brand in the future								

ለደንበኞች የተዘጋጀ መጠይቅ

አዲስ አበባ ዩኒቨርሲቲ

ንግድ ስራ ትምህርት ቤት

የገበያ አመራር ትምህርት ክፍል ድህረ ምረቃ ፕሮግራም

ውድ መላሽ

ይህ መጠይቅ የተዘጋጀው በአዲስ አበባ ዩኒቨርሲቲ የንግድ ስራ ትምህርት ቤት ድህረ ምረቃ ተማሪ ሲሆን ምስል መገለጫ (Brand Image) በደንበኞች እርካታና ታማኝነት ላይ ያለው አስተዋፅኦ (Effect of Brand Image on Customer Satisfaction and loyalty) በሚል አርዕስት የኢትዮጵያ አየር መንገድን በመውሰድ ለሚደረግ ጥናት ግብአት ይሆን ዘንድ ነው። ስለዚህም የተከበራችሁ ደንበኞች ጥቂት ጊዜያችሁን መስዋዕት በማድረግ ስለድርጅቱ ያለዎትን አመለካከትና ተዘማጅ ጉዳዮች ላይ ያለዎትን አስተያየት ይሰጡኝ ዘንድ በትህትና እጠይቃለሁ።

ለመጠይቁ የሚሰጡት ማንኛውም ምላሽ ምስጢራዊነቱ ሙሉ ለሙሉ የተጠበቀ ስለሆነ ያለስጋት ምላሽ ይሰጡ ዘንድ እየጠየኩ በተጨማሪም ለትምህርታዊ አገልግሎት ብቻ የሚውል መሆኑን ላረጋግጥልዎት እወዳለሁ። መጠይቁን ለመሙላት ፈቃደኛ ስለሆኑ በቅድሚያ አመሰግናለሁ።

ክፍል አንድ:

መመሪያ:- እባክዎ ለጥያቄዎቹ በመልስነት ከቀረቡት አማራጮች ውስጥ ምልክት (✓) በማድረግ ምላሽዎትን ይሰጡ።:

ሀ: የታ ወ ሴት

ለ: እድሜ ከ30 በታች ከ30-40 ከ40-50 ከ50 በላይ

ሐ: የጉዞዎ አላማ ምንድን ነው? ለስራ ጉዳይ ለግል ጉዳይ ለጉብኝት

መ: ዜግነትዎ በየትኛው አህጉር ይካተታል?
አፍሪካ ደቡብ አሜሪካ አስያ ሮይ ሰሜን

አሜሪካ

ሠ: የትኛውን የአየር መንገድ አገልግሎት ይጠቀማሉ?
የመንገደኞች አገልግሎት የካርጎ አገልግሎት

ረ: ለምን ያህል ጊዜ የኢትዮጵያ አየር መንገድ ደንበኛ ሆነዋል?
ከሦስት ዓመት በታች ከሦስት እስከ አምስት ዓመት
ከአምስት እስከ አስር ዓመት ከአስር ዓመት በላይ

ሰ: የድርጅቱን አገልግሎት በአመት ለምን ያህል ጊዜ ይጠቀማሉ?

አንዴ ሁ ጊዜ አራት በየወሩ ሌላ

ካለ _____

ክፍል ሁለት

ከዚህ በመቀጠል የቀረቡት ዓርፍተ ነገሮች ስለኢትዮጵያ አየር መንገድ ያለዎትን ስሜት ያመለክታሉ። ስለዚህ ለድርጅቱ ባለዎት አመለካከት ትክክለኛ ነው ብለው የሚያስቡትን ከ1-5 ከቀረቡት አማራጮች መካከል ይህን ምልክት (✓) በመጠቀም መልሶዎን ይሰጡ። '1' በጣም አልሰማማም '2' አልሰማማም '3' ገለልተኛ '4' እስማማለሁ እና '5' በጣም እስማማለሁ።

የመለኪያ መሰፈርት									
(1) በጣም አልሰማማም (2) አልሰማማም (3) ገለልተኛ (4) እስማማለሁ (5) በጣም እስማማለሁ					መልስ				
ተግባራዊ ጥቅሞች					1	2	3	4	5
1	ድርጅቱ ለደንበኞች የገባውን ቃል ሙሉ በሙሉ ይተገብራል								
2	በኢትዮጵያ አየር መንገድ በመብረሪያ ደህንነት ይሰማኛል								
3	በአገልግሎቱ አሰጣጥ ላይ እምነት አለኝ								
4	አየር መንገዱ በማንኛውም ሰዓት በቂ ድጋፍ ወይም እርዳታ ያቀርባል								
ተሞክሮአዊ ጥቅሞች					1	2	3	4	5
5	በኢትዮጵያ አየር መንገድ በመብረሪያ ጥሩ ስሜት ይሰማኛል								
6	ድርጅቱ ለደንበኞቹ ፈጣን የሆነ አገልግሎት ይሰጣል								
7	የድርጅቱ ስም በራሱ አገልግሎቱን በተደጋጋሚ እንድጠቀም አድርጎኛል								
8	በኢትዮጵያ አየር መንገድ መብረሪያ ታላቅ ደስታን ይሰጠኛል								
መገለጫዊ ጥቅሞች					1	2	3	4	5
9	ይህ ድርጅት ርካሽ ወይም ቅናሽ እንዳላይ እድርጎኛል								
10	ይህ ድርጅት ካለኝ የማህበረሰብ ክፍል ጋር በተሻለ መልኩ እንድዋሀድ ረድቶኛል								
11	ድርጅቱ ተቀባይነት እንዳገኘ አግዞኛል								
12	የኢትዮጵያ አየር መንገድን በመጠቀሜ በራስ መተማመኔን አሳድጎታል								
አጠቃላይ እርካታ					1	2	3	4	5
13	በአጠቃላይ በድርጅቱ አገልግሎት ረክቻለሁ								
14	ይህን ድርጅት መምረጤ ትክክለኛ ውሳኔ ነው								
15	የድርጅቱን አገልግሎት በጠበኩት መልኩ አግንቼዋለሁ								
16	የአየር መንገድ አገልግሎቶችን ግምት ውስጥ በማስገባት ድርጅቱ የሚሰጠው አገልግሎት የላቀ ነው								
የደንበኞች ታማኝነት					1	2	3	4	5

17	ብዙ ጊዜ ስለ አየር መንገዱ በጎ ነገሮችን እናገራለሁ					
18	ሁሌም የምጠቀመው የዚህን ድርጅት አገልግሎት ብቻ ነው					
19	ድርጅቱ የመጀመሪያ ምርጫዬ ነው					
20	ቤተሰቤን እንዲሁም ወዳጆቼን የድርጅቱ ተጠቃሚ እንዲሆኑ እመክራለሁ					
21	ወደፊትም የዚህ ድርጅት ተጠቃሚ መሆኔን እቀጥላለሁ					

Reliability analysis

Functional benefit

Reliability Statistics

Cronbach's Alpha	N of Items
.945	4

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
The company fulfills the promises that it makes for the customer	11.45	9.016	.838	.938
I feel safe flying with Ethiopian	11.50	8.002	.866	.929
Perform service dependably	11.52	8.137	.903	.917
The Company provides adequate support at all time	11.46	8.175	.873	.926

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
15.31	14.547	3.814	4

Experiential Benefit

Reliability Statistics

Cronbach's Alpha	N of Items
------------------	------------

.947	4
------	---

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Flying with Ethiopian makes me feel good	11.81	8.743	.836	.941
The company provides prompt service for customers	11.85	8.519	.864	.932
Flying with Ethiopian gives me pleasure	11.83	8.017	.904	.919
The brand increased my frequency of use	11.85	7.956	.885	.926

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
15.78	14.512	3.810	4

Symbolic Benefit

Reliability Statistics

Cronbach's Alpha	N of Items
.948	4

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
The brand Prevented me from looking cheap	11.18	10.515	.823	.947

The brand helps me to better fit in to my social group	11.19	10.004	.873	.932
The brand helps me fill acceptable	11.26	9.670	.915	.919
Using Ethiopian increases myself esteem	11.32	9.624	.886	.928

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
14.99	17.392	4.170	4

Customer satisfaction

Reliability Statistics

Cronbach's Alpha	N of Items
.961	4

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Overall I am Satisfied with the service	11.67	8.200	.902	.949
I did the right thing when I used this brand	11.71	8.116	.891	.952
The brand perfectly fits my expectation	11.74	8.064	.900	.949
Considering the Airline service the service is excellent	11.74	7.930	.919	.944

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
15.62	14.175	3.765	4

Customer Loyalty

Reliability Statistics

Cronbach's Alpha	N of Items
.952	5

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
I often tell positive things about the Airline to other people	15.77	14.537	.823	.948
I always use this company's service	15.85	14.295	.804	.951
This brand is my first choice	15.84	13.708	.891	.936
I recommend family, friends and relatives to use the brand	15.86	13.534	.903	.934
I shall continue to use the brand in the future	15.77	13.655	.914	.932

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
19.77	21.531	4.640	5

Frequency Distribution

Age

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Less than 30	98	27.6	27.6	27.6
Valid 30 to 40	168	47.3	47.3	74.9
Valid Greater than 40	89	25.1	25.1	100.0
Total	355	100.0	100.0	

What is the purpose of your trip?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Business	217	61.1	61.1	61.1
Personal	105	29.6	29.6	90.7
Tour	33	9.3	9.3	100.0
Total	355	100.0	100.0	

In which continent your nationality belongs to

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Africa	307	86.5	86.5	86.5
South America	4	1.1	1.1	87.6
Asia	18	5.1	5.1	92.7
Europe	16	4.5	4.5	97.2
North America	10	2.8	2.8	100.0
Total	355	100.0	100.0	

Which Airline service are you using?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Passenger	183	51.5	51.5	51.5
Cargo	172	48.5	48.5	100.0
Total	355	100.0	100.0	

Number of years as Ethiopian customer

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Less than 3 years	124	34.9	34.9	34.9
3-5 years	124	34.9	34.9	69.9
5-10 years	72	20.3	20.3	90.1
More than 10 years	35	9.9	9.9	100.0
Total	355	100.0	100.0	

Number of years as Ethiopian customer

	Frequency	Percent	Valid Percent	Cumulative Percent
Less than 3 years	124	34.9	34.9	34.9
3-5 years	124	34.9	34.9	69.9
Valid 5-10 years	72	20.3	20.3	90.1
More than 10 years	35	9.9	9.9	100.0
Total	355	100.0	100.0	

How many times do you use the service in a year?

	Frequency	Percent	Valid Percent	Cumulative Percent
Once	103	29.0	29.0	29.0
Twice	117	33.0	33.0	62.0
Three times	49	13.8	13.8	75.8
Valid Four times	40	11.3	11.3	87.0
Monthly	34	9.6	9.6	96.6
others	12	3.4	3.4	100.0
Total	355	100.0	100.0	

Correlation analysis

Correlations

		Meanfunctional	MeanSat
Meanfunctional	Pearson Correlation	1	.863**
	Sig. (2-tailed)		.000
	N	355	355
MeanSat	Pearson Correlation	.863**	1
	Sig. (2-tailed)	.000	
	N	355	355

** . Correlation is significant at the 0.01 level (2-tailed).

Correlations

		MeanExpe	MeanSat
MeanExpe	Pearson Correlation	1	.896**
	Sig. (2-tailed)		.000
	N	355	355
MeanSat	Pearson Correlation	.896**	1
	Sig. (2-tailed)	.000	
	N	355	355

** . Correlation is significant at the 0.01 level (2-tailed).

Correlations

		MeanSym	MeanSat
MeanSym	Pearson Correlation	1	.870**
	Sig. (2-tailed)		.000
	N	355	355
MeanSat	Pearson Correlation	.870**	1
	Sig. (2-tailed)	.000	
	N	355	355

** . Correlation is significant at the 0.01 level (2-tailed).

Correlations

		MeanBrand	MeanSat
MeanBrand	Pearson Correlation	1	.922**
	Sig. (2-tailed)		.000
	N	355	355
MeanSat	Pearson Correlation	.922**	1
	Sig. (2-tailed)	.000	
	N	355	355

** . Correlation is significant at the 0.01 level (2-tailed).

Correlations

		Meanfunctional	MeanLoy
Meanfunctional	Pearson Correlation	1	.831**
	Sig. (2-tailed)		.000
	N	355	355
MeanLoy	Pearson Correlation	.831**	1
	Sig. (2-tailed)	.000	
	N	355	355

** . Correlation is significant at the 0.01 level (2-tailed).

Correlations

		MeanExpe	MeanLoy
MeanExpe	Pearson Correlation	1	.848**
	Sig. (2-tailed)		.000
	N	355	355
MeanLoy	Pearson Correlation	.848**	1
	Sig. (2-tailed)	.000	
	N	355	355

** . Correlation is significant at the 0.01 level (2-tailed).

Correlations

		MeanSym	MeanLoy
MeanSym	Pearson Correlation	1	.847**
	Sig. (2-tailed)		.000
	N	355	355
MeanLoy	Pearson Correlation	.847**	1
	Sig. (2-tailed)	.000	
	N	355	355

** . Correlation is significant at the 0.01 level (2-tailed).

Correlations

		MeanBrand	MeanLoy
MeanBrand	Pearson Correlation	1	.886**
	Sig. (2-tailed)		.000
	N	355	355
MeanLoy	Pearson Correlation	.886**	1
	Sig. (2-tailed)	.000	
	N	355	355

** . Correlation is significant at the 0.01 level (2-tailed).

Correlations

		MeanSat	MeanLoy
MeanSat	Pearson Correlation	1	.858**
	Sig. (2-tailed)		.000
	N	355	355
MeanLoy	Pearson Correlation	.858**	1
	Sig. (2-tailed)	.000	
	N	355	355

** . Correlation is significant at the 0.01 level (2-tailed).

Regression Analysis

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.	99.0% Confidence Interval for B	Correlations	Collinearity Statistics
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	B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1 (Constant)	.861	.114		7.570	.000	.566	1.155					
Meanfunctional	.809	.029	.831	28.039	.000	.734	.883	.831	.831	.831	1.000	1.000
2 (Constant)	.509	.104		4.915	.000	.241	.778					
Meanfunctional	.344	.049	.353	6.955	.000	.216	.472	.831	.348	.178	.255	3.917
MeanSat	.546	.050	.553	10.899	.000	.416	.675	.858	.502	.280	.255	3.917

a. Dependent Variable: MeanLoy

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	99.0% Confidence Interval for B		Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	.695	.111		6.235	.000	.406	.984					
	MeanE xpe	.826	.027	.848	30.077	.000	.755	.898	.848	.848	.848	1.000	1.000
2	(Constant)	.492	.104		4.728	.000	.223	.762					
	MeanE xpe	.392	.056	.402	6.975	.000	.246	.537	.848	.348	.179	.198	5.049
	MeanSat	.491	.057	.498	8.647	.000	.344	.638	.858	.419	.222	.198	5.049

a. Dependent Variable: MeanLoy

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	99.0% Confidence Interval for B		Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF

1	(Constant)	1.132	.098		11.54 3	.000	.878	1.385					
	MeanSym	.754	.025	.847	29.89 2	.000	.688	.819	.847	.847	.84 7	1.000	1.000
2	(Constant)	.656	.099		6.600	.000	.399	.914					
	MeanSym	.366	.045	.412	8.094	.000	.249	.484	.847	.396	.20 3	.244	4.100
	MeanSat	.493	.050	.500	9.833	.000	.363	.623	.858	.464	.24 7	.244	4.100

a. Dependent Variable: MeanLoy