

Effect of Customer perceived value on Customer Loyalty

A Case of Anbessa shoe Share Company Customers In Addis Ababa

Addis Ababa University

College Of Business and Economics

School Of Commerce

Department Of Marketing Management

Graduate Program Unit

BY

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May 2017

Addis Ababa

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A Thesis Submitted to the School of Graduate Studies of Addis Ababa University School of Commerce in Partial Fulfillment for the Award of Masters of Arts degree in Marketing Management

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This is to certify that the thesis is prepared by Suleman Aman, entitled; Effect of Customer Perceived Value on Customer Loyalty A Case of Anbessa Shoe Share Company Customers In Addis Ababa: In partial fulfillment of the requirements for the award of the Degree of Master of Arts in Marketing Management with the regulation of the University and the accepted standards with respect to originality.

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Declaration

I, **Suleman Aman**, hereby declare that this Thesis titled Effect of Customer Perceived Value on Customer Loyalty a Case of Anbessa Shoe Share Company Customers in Addis Ababa is my original work. I have carried out the present study independently with the guidance and support of the research advisor, **Tewodros mesfin (PhD)**. Any other research or academic sources used here in this study have been duly acknowledged. Moreover, this study has not been submitted for the award of any Degree or Diploma Program in this or any other institution.

Suleman Aman	_____	**27th May 2017**
Student	**Signature**	**Date**

Letter of Certification

This is to certify that **Suleman Aman** has carried out his thesis on the topic entitled: Effect of Customer Perceived Value on Customer Loyalty a Case of Anbessa Shoe Share Company Customers in Addis Ababa. This work is original in nature and suitable for the award of Masters of Arts (MA) in Marketing Management.

_____

Tewodros mesfin (PhD)

27th May 2017

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List of Abbreviations

ETB-Ethiopian Birr

SPSS- Statistical Package for Social Sciences

PERVAL- Perceived Value

Abstract

- *This study examines the effect of customer perceived value on customer loyalty in case of Anbessa shoe Share Company customers in Addis Ababa. The study adopted a multidimensional value PERVAL scale developed by Sweeney and Soutar (2001) Quality value, Price value, Emotional value and social value constructs ware used. A quantitative research design was applied to research the causal relationship of customer perceived value to that of customer loyalty. A convince sampling technique was used to contact the sample respondents. Applying a structured questionnaire written in Amharic the researcher distributed to 423 peoples. The findings show that customer perceived value constructs Quality value, Price value, Emotional value and social value have a significant and positive effect on the loyalty of Anbessa shoe Share company customers in Addis Ababa. Based on these value constructs, the study revealed that people from different demographic background have different perceptions about Anbessa shoe products value. Accordingly to compete and get dominant position in competitive but growing market Anbessa shoe should develop products that appeal to each of their market segments.*

CHAPTER ONE

INTRODUCTION

The introduction chapter explains the purpose of this research. It consists of the background of the study, statement of the problem, research questions, objectives of the study, significance of the study, scope of the study, and organization of the paper.

1.1 Background of the study

The advent of new technology and new modes of communication along with modern lifestyle fueled by increased incomes have resulted in the awareness of the customers in all the industries. The dynamic competitive environment has changed the way the businesses were run in the past. The increased awareness of the customers along with increase in the number of options available to them has completely revolutionized the marketing task. The success of a firm depends largely on its capability to attract consumers' towards its brands. In particular, it is critical for the survival of a company to retain its current customers, and to make them loyal to the brand (Kotler, 1994).

According to Dekimpe et al. (1997), loyal customers and competent brands are basic elements to retain the customers and to get sustained competitive edge. Companies who want to get competitive advantage and differentiate their offerings always try to recognize the perception of customers, because on these perceptions firm can get customers' trust and commitment and make them loyal (Genesh et al., 2000).

Consumers are influenced by various factors in their choice of products and services. These factors include the values consumers assign to products. Value is the consumers' overall judgment of a given product or service (Zeithaml, 1988). Recent studies have shown that analyzing customer perceived value

may help manufacturers understand and even predict consumer behavior (Gallarza & Gil Saura, 2006). Prediction of consumer buying behavior can help brand managers gain a competitive advantage over other rival companies. This can result in high quality products that will most likely increase market share, build consumer brand loyalty, and create a sustainable competitive advantage for the firm (Slater, 1997).

Customer perceived value is commonly defined as the consumer's overall assessment of the utility of a product based on perceptions of what is received and what is given (Zeithaml, 1988). The literature has taken two distinct approaches to conceptualize customer perceived value, either as a unidimensional or a multidimensional construct (Ruiz et al., 2010). The unidimensional approach is based on the price perception or the trade-off between perceived quality and sacrifice (Chi & Kilduff, 2011; Dodds & Monroe, 1985; Monroe & Chapman, 1987). Due to its simplicity, this approach has been criticized for not being able to discern the complex and multifaceted nature of perceived value (Chen & Hu, 2010; Lin et al., 2005; Sigala, 2006). This drove researchers to put forward multidimensional models of customer perceived value in order to provide a holistic view of this complex concept. Among these, Sweeney and Souter (2001) developed the so-called 'PERVAL' scale, in which four distinct value dimensions (i.e. performance/quality, price/value for money, emotional value, and social value) can be used to assess consumer perceptions of the value of durable goods, in the pre- and post-purchase stages

Customer perceived value has become the most extensive used concept in marketing literature in recent years. It is considered as the main key to sustain the business especially in high market competition. Consequently, understanding its dimensions and the influences on customer attitude and behavior becomes crucial for all marketers. Since value is what the consumer gains from consuming the product in exchange for their monetary and non-monetary sacrifices (Zeithaml, 1988), consumers will thus seek out and use

goods and services they perceive as having value to them (Sánchez-Fernández, & Iniesta-Bonillo, 2007). The consumer's perception of value will occur at both the pre-purchase and purchase stage (Woodruff, 1997), and, thus, will influence their decision making process.

The Ethiopian footwear industry produces shoes that are globally competitive in terms of both quality and price (Samuel, 2008). But studies conducted on leather and leather products sub-sector indicated that footwear sub-sector in Ethiopia is dominated by cheap imports. As a result, the country's shoe producers face strong competition from shoes and other leather products imported from China and elsewhere (Sutton and Kellow, 2010; Tegegne, 2007).

The purpose of this study is to understand the effect of customer perceived value on customer loyalty in case of Anbessa shoe Share Company customers in Addis Ababa, Specifically taking in to account customer value dimensions proposed by Sweeney and Soutar (2001) namely functional value as quality, functional value as price, emotional value, and social value.

1.1.1 Background of the company

Anbessa shoe story begins in 1935 with the collection of popular shoe types. It was one of the pioneers; creating footwear for the locals; over its long life the company has passed through different stages. In 1935 the company was founded and operated by an Italian citizen as a shoe factory. In 1942 the company was sold to an American tannery owner Mr. Mardious Drakjan, and been named as DARMAR SHOE FACTORY' for 33 years. At this time it was operated by 85% Italians as a tannery and shoe factory with a capital of 217,000 ETB.IN 1975 Darmar was fully nationalized and organized as two public enterprises; Anbessa shoe factory and Awash tannery under the government supervision with 334 employees and 445,000 ETB capital.

In 1993 Anbessa shoe factory was reorganized to operate as an autonomous public enterprise under appointed board with 782 employees and 6,335,000 ETB capital.In 2011 Anbessa was privatized to the current owner by full amount payment bid, and was named as Anbessa shoe Share Company. Currently the company is building huge manufacturing plant on a 20,000 m2 land in Akaki Kality sub-city in Addis Ababa.

The company uses its own outlet stores under the company brand; currently the company has 34 outlets (shops) all over the country including 14 in the capital Addis. (Anbessa shoe annual magazine, 2008 E.C)

1.2 Statement of the problem

Customer loyalty is one of the most important issues organizations face today. Creating loyal customers has become more important due to significant increase in competition and concentrated markets. Businesses are trying to attract and satisfy customers and to build long-term relationship through building loyalty among customers (Gremler, 1996). Developing a network of loyal and satisfied customers is critical for the survival of many corporations (Kotler, 2004).

Dick and Basu (1994); Oliver (1999) pointed out that over the years; researchers have recognized and studied many antecedents of customer loyalty to stores, companies, and brands. Terblanche and Boshoff (2006) said that it is imperative to understand the precursor drivers of loyalty in order to leverage the greatest benefits available from it. Johnson, Herrmann and Huber (2006) as well as many other practitioners and academicians in the field of customer loyalty ascertained that the factors leading to loyalty are complex and dynamic, changing and evolving over time. Taylor, Hunter and Longfellow (2006) noted a number of important gaps in the understanding of loyalty and other relationship marketing constructs.

A critical aspect of customer value theory that is not yet fully developed concerns the antecedents and consequences (i.e. outcomes) of consumers' value perceptions. With regard to the *consequences*, existing literature clearly suggests that customer value leads to behavioral intentions, such as loyalty or re-purchase (Sánchez-Fernández & Iniesta-Bonillo, 2006), and ultimately to actual behavior (Bolton & Drew, 1991). Thus, the relationship between customer perceived value and other central concepts of the marketing discipline is still not clear (Gallarza et al., 2011; Ulaga, 2001).Hence, customer value is a key predictor of consumer choice, thus underlining the importance of value as a major constituent of relationship marketing (Cronin et al., 2000; Ulaga & Chacour, 2001).However, a more clear understanding regarding the relationship between customer value and its consequences (or outcomes) is necessary (Eggert & Ulaga, 2002 Sánchez-Fernández & Iniesta-Bonillo, 2006; Sánchez-Fernández et al., 2009).

Considering the importance of understanding customer perceived value in building long term relationship with customers and lack of research in the Ethiopian footwear market. This study attempts to examine the effect of customer perceived value on customer loyalty in the case of Anbessa shoe Share Company in Addis Ababa.

1.3 Research questions

General research question

What is the affect customer perceived value on customer loyalty of Anbessa shoe Share Company customers in Addis Ababa?

Specific research questions

RQ1. What is the perceived value of customers towards Anbessa shoe in Addis Ababa?

RQ2. Does customer perceived value (functional value as quality, functional value as price, emotional value, and social value) affect customer loyalty?

RQ3. Does customer perceived value vary across demographic profile of respondents of Anbessa shoe Share Company customers in Addis Ababa

1.4 Objectives of the study

1.4.1 General Objective

The general objective of the study was to examine the effect of customer perceived value on customer loyalty of Anbessa shoe customers in Addis Ababa.

1.4.2 Specific Objectives

1. Identify perceived value of Anbessa shoe customers in Addis Ababa.
2. To examine the effect of perceived value (functional value as quality, functional value as price, emotional value, and social value) on customer loyalty.
3. To examine the difference of perceived value across the demographic profile of customers in Addis Ababa.

1.5 Significance of the study

The shoe market in Ethiopia is growing rapidly. Different companies are introducing new brands to the market and at the same time, demand is increasing. The introduction of various brands will lead to tight competition, which in turn make consumers to face brand choice decision in the market. A clear understanding of customers perceived value towards a brand is critical to ensure that a company‘s branding and marketing efforts are matched with the needs of consumers. Therefore, this study can help in the following ways.

Anbessa Shoe share Company will know what affect customer’s loyalty towards its brand so that they can make improvements on their products and service and increase target market for their products.

The study can also be of great significance to various manufacturers and shoe traders in developing and building brands through customer loyalty. Brand managers in the industry interested in increasing sales through enhancement of customer loyalty may use the research findings as a basis of making effective and efficient decisions for improvement.

Even though information regarding customer perceived value may be helpful to marketers, research about this issue in shoe market industry and Ethiopian context is scarce. Thus, this study will have a theoretical contribution in the area in the context of Ethiopian market. Furthermore, the study will give insight for other researchers to explore and investigate more in the area, in a broader scope and wider context.

1.6 Scope of the study

The scope of the study was confined to analyze the effect of customer perceived value on customer loyalty a case Anbessa shoe customers in Addis Ababa.

Most studies on perceived value have focused on two dimensions of perceived value -these are functional value as quality and functional value as price dimensions. The present study will highlight four dimensions of perceived value developed by Sweeney and Soutar (2001) which are social value, emotional value, functional value as price and functional value as quality.

The study has also focused on customers of Anbessa shoe Share Company, the biggest footwear manufacturer in Ethiopia. Specifically the research will be conducted in Anbessa shoe stores located in Addis Ababa which are 14 in number.

1.7 Definition of key terms

Customer perceived value can be regarded as a "consumer's overall assessment of the utility of a product (or service) based on perceptions of what is received and what is given." (Zeithaml, 1988) p14.

Emotional value is the utility derived from the feelings or affective states that a product generates. Sweeney and Soutar (2001) p 203-220

Social value (enhancement of social self-concept) is the utility derived from the product's ability to enhance social self-concept, (Sweeney and Soutar, 2001) p.203-220

Functional value (price/value for money) is the utility derived from the product due to the reduction of its perceived short term and longer term costs. (Sweeney and Soutar, 2001) p.203-220

Functional value (performance/ Quality) is the utility derived from the perceived quality and expected performance of the product. (Sweeney and Soutar, 2001) p.203-220

Customer loyalty is defined as "a deeply held commitment to rebuy or re-patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior" (Oliver 1999). P 2-22.

1.9 Organization of the study

The study is organized into five chapters. The chapters will be comprised of: Introduction, Review of related Literature, research design and methodology, Results and Discussions, Summary, conclusions and recommendations.

The first chapter provides a general introduction of the study including background of the study, Statement of the problem, Research questions, Objectives of the study, Significance of the study, Scope and limitation of the study, organization of the study and Definition of key Terms. Chapter two covers the literature relevant to the study. It includes concepts and theoretical framework, empirical literature as well as Hypotheses and conceptual framework. Chapter three has elaborated research design and methodology: the type and design of the study. Chapter four summarizes the findings of the study and discuss in detail. Finally chapter Five will be comprised of four sections which will include summary findings, conclusions, recommendation of and possible future research area for the study.

CHAPTER TWO

REVIEW OF RELATED LITRATURE

This chapter focuses on the review of literature and analyze past studies related to customer perceived value and loyalty. The chapter includes theoretical and empirical reviews from past studies. Critical review and the summary of the literature were carried out in this part of the study.

2.1 Theoretical Literature review

2.1.1 Concept and Definition of Customer Loyalty

Customer loyalty to specific brands has been a big focal point of strategic marketing planning over the past year's (Kotler, 1994). Strong supply of brand can only exist given that it has loyal customers. Today this is considered to be an obvious fact, but this only first surfaced in the early 1980's. Before that time, companies mainly focused on trying to steal customers from their competitors and constantly get more customers. After this fact got the attention that it deserved, the focus shifted towards keeping already existing customers. This has become more and more important strategy since now in the times of countless offers, buyers tend to jump from one brand to the next (Kapferer, 1992).It can cost up to six times as much to gain a new customer compared to what it costs to retain an existing customer. On top of that, industry, there is a possibility to increase profits up to 60% after reducing customer migration by a mere 5%.Therefore, one of the main focuses of marketers in companies should be to create loyalty in order to create customer retention (Kapferer, 1992).

Dwyer et al. (1987); Morgan and Hunt (1994) noted that the interest in customer relationships mounted first in business to business relationships and later extended to business to customer relationships as stated by Sheth and Pravatiyar (1995) and Sirdeshmukh et al. (2002). Ball et al. (2003) opined that customer loyalty needs to be incorporated as an essential construct in the

theory and practice of relationships in marketing and its antecedents should also be included for a better understanding.

Bharatwaj et al. (1993) mentioned that the organizations should start taking customer loyalty as a source of competitive advantage. Reichheld and Sasser (1990), Sheth and Parvatiyar (1995) opined that customer relationship management has got the concepts of customer loyalty and business performance fore-grounded in its framework. As put by Oliver (1999), Reichheld (2001), customer loyalty has been drawing attention from both the business and academic worlds. Majumdar (2005) stated that "Customer loyalty is a complex, multidimensional concept".

Literature on customer loyalty contains many different approaches to defining the concept of customer loyalty. These range from preference, to repeat purchase, to various degrees of commitment. (Keller, 1998) maintains that loyalty is a distinct concept that is often measured in a behavioral sense through the number of repeat purchases.

Customer loyalty is defined as "a deeply held commitment to rebuy or re-patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior" (Oliver 1999). This definition captures not only the spirit of global customer loyalty but also emphasizes the attitudinal ("…deeply held commitment…") as well as the behavioral ("…causing repetitive same-brand or same brand-set purchasing…") components of customer loyalty. The attitudinal component of customer loyalty is further developed by partitioning it into cognitive and affective dimensions.

It is expected that cognitive and affective loyalties to have independent influences on customer loyalty. For instance, sports fans might be very affectively loyalty to their local team (affectively-driven loyalty), in light of not being very cognitively loyal (high ticket prices, uncomfortable seats, in climate

weather). The partitioning of loyalty proposed is borrowed from commitment literature. Commitment is closely related to loyalty but differs in its level of reciprocity (Pritchard et al., 1999).

Jaishankar, Arnold and Kristy (2000) described loyalty as a product of repeat purchase, self-stated retention, price insensitivity, resistance to counter persuasion, and recommendation to others. Dwyer, Schurr, and Oh (1987); Fornell (1992) found that willingness to spread positive word-of-mouth about a service provider and repeat purchasing behavior are the most common indicators of customer loyalty. A number of studies have treated these two behaviors as loyalty indicators (Zeithaml et al. 1996; Sirdeshmukh et al. 2002). However, loyalty manifests itself in not only behavioral fashion but it also gets influenced by the attitudinal setup of mind.

Dick and Basu (1994) brought out the idea of relative attitudes while defining various forms of loyalty. They described loyalty as the strength of the relationship between a customer's relative attitude and repeat patronage and four dimensions had been identified: true loyalty, latent loyalty, spurious loyalty and no loyalty.

Dick and Basu (1994); Pritchard et al. (1999); Mattila (2001) defined relative attitudes as the evaluation of the service characteristics comprising the strength of that evaluation and the attitudinal differentiation which refers to the level of differentiation from substitutes.

Oliver, (1999); Knox and Walker (2001); Tsaur et al., (2002) made efforts to dig out greater knowledge and understanding in relation to the process of developing customer loyalty. Palmer et al. (2000); Knox and Walker (2001); Rowley (2005) proposed that the development of customer loyalty involves different stages and the customers who are at different stages require differentiated strategies. Customer loyalty development had been categorized into four sequential phases by Oliver (1999).

2.1.2 Theories of customer Loyalty

I. Attitudinal Loyalty

The traditional conceptualization of attitudinal brand loyalty includes cognitive, affective, and behavioral intent dimensions. Conventional brand loyalty development efforts have relied substantially on brand image building through mass media communications.

Generally speaking, loyalty implies satisfaction, but satisfaction does not necessarily lead to loyalty. Consequently, there is an asymmetric relationship between loyalty and satisfaction (Waddell, 1995; Oliver, 1999). Through extensive research, (Baldinger and Rubinson, 1996) have validated that highly loyal buyers tend to stay loyal if their attitude towards a brand is positive. In addition, the ability to convert a switching buyer into a loyal buyer is much higher if the buyer has a favorable attitude toward the brand.

II. Behavioral Intent

Behavioral intent is an intermediary between attitude and behavior (Mittal & Kamakura, 2001). It represents the intention to act in the buying decision process. Behavioral intent appears in various forms such as a predisposition to buy a brand for the first time or a commitment to repurchase a current brand. Brand loyalty research has focused on factors related to maintaining and

augmenting this repurchase commitment (Oliva& Oliver, 1992) and converting behavioral intent to an actual purchase (Kuhl& Beckmann, 1985).

III. Behavioral Loyalty

Traditionally, behavioral loyalty has been defined in terms of repeat buying behavior. Examples of conceptual and measurement issues related to behavioral loyalty can be found in (Chaudhuri and Holbrook, 2001) and (Dick and Basu, 1994). Behavioral loyalty can be expressed in different ways. For example, customers can be loyal to brands and/or they can be loyal to stores (Corstjens Lal, 2000).

2.1.3 Benefits of customer Loyalty

Firms selling brands with a high rate of loyal consumers reduce the marketing costs of the firm (Levins, 2009). Brand loyal consumers reduce the marketing cost of the firm as the cost of attracting a new customer. Levins, claim that the cost of seeking new customers is about six times higher than the cost of retaining an old one. Similarly, Holt (2008) confirms that as costs escalate, credit access shrinks and competition increases, a strong and resilient brand is the solution for obvious competitive advantage (Holt, 2008).

Holt (2009) stated that loyal customers translate into lower marketing costs and increasing revenue over a customer's life time relationship with a company. Patterson (2007) asserts that many firms are beginning to shift their marketing focus from new customers to existing customers in an attempt to secure a cohort of brand loyal customers to first ensure sustainability.

Brand loyal consumers are willing to pay higher prices and are less price sensitive Brand loyalty also provides the firm with trade leverage and valuable time to respond to competitive moves (Aaker, 1991). In sum, loyalty to the firm's brands represents a strategic asset which has been identified as a major source of the brands' equity.

A) Higher sales volume

The average company loses half of its customers every five years, equating to a 13% annual loss of customers. This statistic illustrates the challenges companies face when trying to grow in competitive environments. Achieving even 1% annual growth requires increasing sales to customers, both existing and new, by 14%. Reducing customer loss can dramatically improve business growth and brand loyalty which leads to consistent and even greater sales since the same brand is purchased repeatedly (Giddens, 2010).

B) Premium pricing ability

Studies show that as brand loyalty increases, consumers are less sensitive to price changes. Generally, they are willing to pay more for their preferred brand because they perceive some unique value in the brand that other alternatives do not provide. Additionally, brand loyalists buy less frequently on cents-off deals – these promotions only subsidies planned purchases (Aaker, 1996).

C) Retain rather than seek

Brand loyalists are willing to search for their favorite brand and are less sensitive to competitive promotions. This inelasticity results is lower costs for advertising, marketing and distribution. It is easier to reinforce behaviors than to change them and the sale is just the beginning of an opportunity to turn the purchaser into a loyalist. It costs four to six times as much to attract a new customer as it does to retain an old one. (Giddens, 2010).

D) Creating perceptions

Price premium creates the perception of quality. It follows the age-old axiom of "you get what you pay for". Price and quality of a product are two of the most important strategic variables within the marketing mix. A thorough knowledge of their interdependence is not only valuable for the product manager who sets prices and determines product design. In some instances, it can also help those

consumers who might take price as an exclusive or additional cue for evaluating the quality of a product. There is a tendency among consumers to associate higher prices with higher quality. This notion that consumers use price as an exclusive or additional variable to predict product quality could be empirically confirmed in many experimental studies.

It should be noted, however, that the importance of price in the consumer's decision making process does also to a large extent depend on situation (that is search time) and consumer-related (that is familiarity with products or brands) factors. (Gregg and Walczak, 2010)

E) Increased usage and spending

Perceived quality has been shown to positively affect customer usage. Consumers tend to select brands they perceive to be quality brands. This also connects to repeat buying or brand loyalty. Consumers tend to continue buying brands that reward them with a good experience versus repeating the evaluation process time after time (Aaker, 1996). For example, a customer who repeatedly stays at the same hotel becomes more familiar with the hotel's full product line, such as gift shops and banquet rooms. And that customer will be likely to sample other product lines of the company, thus helping the company achieve a larger share of customers.

F) Financial benefits

The advantages of customer loyalty are long-term and cumulative. The longer a customer remains loyal, the more profit a business can get from that single customer. The results of research conducted by Giddens reveal that positive financial benefits can be attained through customer loyalty (Giddens, 2010).

G) Customer acquisition

Brand building plays a central role in customer acquisition in that high equity brands attract and retain customers much more easily than new or low equity brands. This fact alone explains the high speed at which high equity brands captures market share (Giddens, 2010).

H) Enhanced return

Loyal customers are inclined to buy more types and more volume of products and services from their preferred brand, thereby generating an enhanced return over the life of the relationship. Financial benefits are actually experienced through customer spend over their lifetime. (Aaker, 1996).

I) Strategy for reducing ongoing expense

Loyalty can be a strategy for reducing ongoing expense. A company that is retaining customers is one that can, in theory, reduce its investment in customer replacement. By closing the proverbial hole in the bottom of the bucket through which customers leak out, the company can improve profitability substantially. There is an increase in the number of companies concentrating their efforts on customer retention. Attributes to the increase in retention strategies are to the following reasons: there is increasing intensity in competition; Customers are becoming more promiscuous; the cost of customer acquisition is higher than customer retention; and it makes business sense to focus on existing customers. (Giddens, 2010).

J) Lower price elasticity

Customer loyalty can be associated with lower price elasticity and willingness on behalf of the customer to pay more for the privilege of doing business. Higher margins, almost always drop to the bottom line. Brands with a high level of brand loyal customers experience lower price elasticity as customers accept the price they pay for the brand name and brand association. Some studies indicate that price reductions have actually had a negative result in sales due to the disapproval of brand loyalists (Aaker, 1996).

K) Referrals

Loyalty can be equated with the mother of all profitability engines. If loyal customers are happy customers, then it is likely they are unpaid ambassadors for a company, spreading the word on how wonderful it is to do business with the company. That saves the company real money in reduced customer acquisition costs. Customers also value their relationships with their branded

possessions and with marketing agents and institutions that own and manage the brand and as such announce the value of the brand to family, friends, social groups and work colleagues (Aaker, 1996).

2.1.4 Determinants of customer loyalty

Dick and Basu (1994); Oliver (1999) pointed out that over the years; researchers have recognized and studied many antecedents of customer loyalty to stores, companies, and brands. Terblanche and Boshoff (2006) said that it is imperative to understand the precursor drivers of loyalty in order to leverage the greatest benefits available from it. Johnson, Herrmann and Huber (2006) as well as many other practitioners and academicians in the field of customer loyalty ascertained that the factors leading to loyalty are complex and dynamic, changing and evolving over time. Taylor, Hunter and Longfellow (2006) noted a number of important gaps in the understanding of loyalty and other relationship marketing constructs.

Ball et al. (2004) mentioned that measuring customer loyalty and its determinants into different markets and countries may bring out significant variance in the explanation of loyalty. Brady et al. (2005) argued that despite various studies focusing on drivers of loyalty, scholars as well as practitioners are still lacking in the understanding of loyalty determinants and their relative importance.

The following section elaborates relationship marketing variables which are considered to be the antecedents of customer loyalty in the extant literature and attempts to mark out their consequences in terms of loyalty specific behaviors.

2.1.4.1 Perceived Value

Perceived value is the trade-off between what customers receive and what they have to pay to obtain a product/service (Monroe, 1991; Zeithaml, 1988). Customer perceived costs are often represented and measured by price (Brady and Cronin, 2001; Lam et al., 2004; Sweeney et al., 1999; Varki and Colgate, 2001; Wang et al., 2004). Other non-monetary costs include time and physical and mental effort (Zeithaml et al., 2009). These types of costs are different across individual consumers and situations (Tam, 2004).

Researchers asserted that this broader definition of perceived customer value provides conceptual richness (Broekhuizen, 2006). Summarizing the previous definitions, perceived customer value can be defined as a consumer's perception of the net benefits gained in exchange for the costs incurred in obtaining the desired benefits. However, the term perceived value is often used interchangeably with other value concepts in consumer and marketing research, such as consumer value, and consumption value.

Despite the varying terms and definitions on perceived value, there are commonalities between them: perceived value is linked through the use to some product, service or object; perceived value is something subjectively perceived by consumers rather than objectively determined, and perceived value typically involves a tradeoff between what the consumer receives and gives to acquire and use a product or service. A customer perceived value is the pivot in relationship marketing and customer loyalty; therefore, the role of value in consumer loyalty has still received significant attention.

Recent researchers argue that perceived value is more complex and difficult to measure. Apart from functional (utilitarian) value such as price and product quality, other types of consumption value like shopping enjoyment should be considered by scholars and managers (Lee & Overby, 2004). Although a

number of value types have been identified in the literature. For example, use value, intrinsic value, acquisition value, or transaction value. Utilitarian value and hedonic value appear to be two universal value types most appropriate for describing consumer shopping behavior.

2.1.4.1.1 Concept of customer Perceived Value

The lack of agreement related to the definition and conceptualization of perceived value among the scholars have indicated that perceived value can be described as the complex construct (Lapierre, 2000). The differences of opinions can be seen from two major perspective or view of perceived value; those are as uni-dimensional construct and multi-dimensional construct (Sanchez-Fernandez and Iniesta-Bonillo, 2007). Although the majority of the researchers agree that perceived value should be considered as multi-dimensional construct. Sanchez-Fernandez and Iniesta-Bonillo (2007) concluded that the critics among the researchers have contended that multidimensional construct are conceptually ambiguous, the dimensions explained are less variance and the relationships between the dimensions and other construct somehow are confound.

However this lack of agreement does not mean to have no consensus at all in conceptualizing perceived value. The general concept that can be understood is that perceived value involves the relationship between customer and the product (Holbrook, 1996) which is strongly related to the utility or benefits the customer get in return for the money or any other cost they spend (Zeithaml, 1988) including both cognitive and affective aspect Holbrook and Hirschman (1982).

As defined by Zeithaml (1988) that perceived value is "... the consumer"s overall assessment of the utility of a product based on perceptions of what is received and what is given". The receive components can be referred to the benefits get from using the product while the given component can be referred

to the customer sacrifice in acquiring the product including monetary and non-monetary aspect. In this regard, Zeithaml (1988) described value in four different ways: (1) value as low price, (2) value as whatever the consumer wants in a product, (3) value as the quality get from the price the customer pay, and (4) value as what is get for what is given.

Perceived value has been of major concern for brand managers. Analyzing perceived value is important because it will help manufacturers to predict consumer behavior and invest in products to make consumers loyal to their brands (Zeithaml, Berry, & Parasuraman, 1996). In recent years, researchers have studied and confirmed the significance of perceived value in maintaining customers (Wang & Wang, 2010). Vieira (2013) argues that when firms compensate customers' time, effort and price paid for their products, the customers become more committed to the product.

Sánchez-Fernández and Iniesta-Bonillo (2007) claimed that the definition of perceived value is both uni-dimensional and multidimensional. Initial studies on perceived value viewed it as uni-dimensional and grouped it as perceived value, price based (Monroe, 1990) and as means to end theory (Zeithaml, 1988). Perceived value has been defined as "the consumer's overall assessment of the utility of a product based on perceptions of what is received and what is given" (Zeithaml, 1988, p. 14). From the uni-dimensional perspective, perceived value can be measured by asking the consumers to assess the value they get from consumption of a product. However, the uni-dimensional approach gives a limited perspective of the concept of perceived value (Sánchez-Fernández & Iniesta-Bonillo, 2007).

Other researchers have studied perceived value from a multidimensional perspective for instance: customer value hierarchy (Woodruff, 1997); utilitarian and hedonic value (Babin & Babin, 2001); axiology or value theory (Mattsson, 1992); consumption value theory (Sheth et al., 1991) and as collective personal experience (Holbrook, 1994). From a multidimensional perspective, perceived

value can be viewed as being composed of several constructs such as price, quality benefits and sacrifices (Holbrook, 1994; 1999; Sheth et al., 1991; Sweeney & Soutar, 2001) which influences consumer choices. Hence, perceived value is a complex concept, which can be best understood from both one-dimensional and multidimensional perspectives (Sánchez-Fernández & Iniesta-Bonillo, 2007).

From a multidimensional perspective of perceived value, the theory of consumption values laid a foundation for many studies. This theory of consumption value was developed by Sheth et al., (1991). It assumes that consumers choose products based on a variety of values that are important to them. In their study, five consumption values were elicited as; functional, social, emotional, conditional and epistemic. Functional value is the ability of the product to perform its stated functions in relation to its cost and length of use. Social value is the ability of a product to fulfill social needs such as the need to belong. Emotional value is the product's ability to give the consumer positive feelings towards it. Conditional value is the products ability to be an alternative in a given circumstance, while epistemic value is the characteristic of the product to satisfy the consumer's desire for knowledge. Most times, consumers may not get all the values they desire, but they will accept less of one value in order to obtain more of another value. Sheth et al. (1991) concluded that the theory of consumer choice values can be used to direct, define and clarify consumer consumption behavior.

2.1.4.1.2 Dimension of Perceived Value

Since the concept of perceived value is related to product benefits, thus it is important to understand how this value is seen or viewed by the customer and what type of value or dimensions that can be created by the company. In this regard, several authors have identified and proposed several dimensions of value based on their own theory. Among those are:

Value Hierarchy Model

The Value hierarchy model conceptualize value into three hierarchy levels which are desired attributes, desired consequences, and desired end-states or goal and purposes, in which the lower levels are the means by which the higher level ends are achieved. In this model, Woodruff (1997) defined perceived value as customer's perceived preference for an evaluation of those product attributes, attribute performances, and consequences arising from use that facilitate (or block) achieving the customer's goals and purpose in use situations.

Woodruff (1997) suggests that the customer may either use their goal to attach and evaluate the preference attribute and attribute performance (moving down hierarchy), or think the product as a bundle of attributes then form the certain attribute based on their ability to facilitate the desired consequences that help them to achieve their goals and purposes.

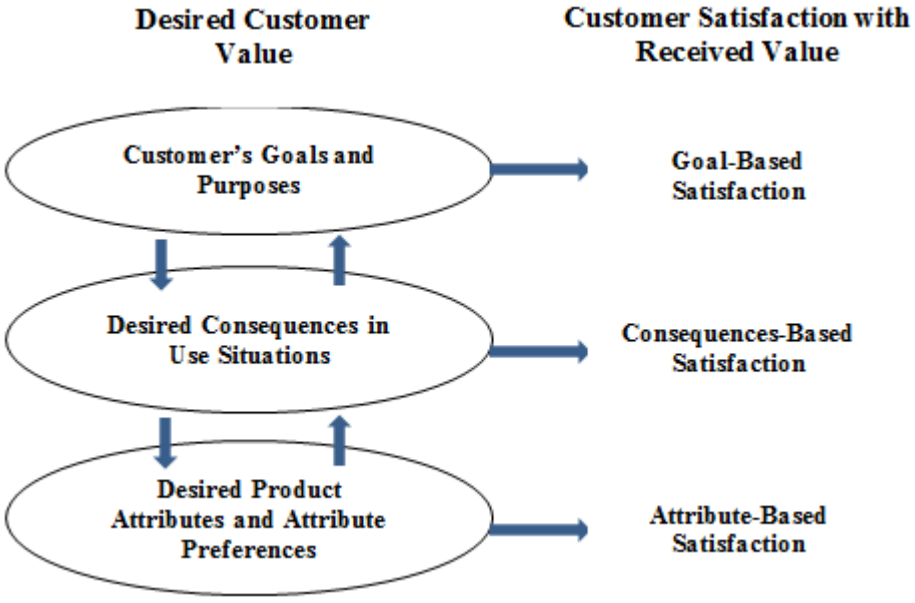


Figure 2.1 Customer value hierarchy model

(Source, Woodruff, 1997)

Utilitarian and Hedonic Model

Holbrook and Hirschman (1982) had a notion that value should not only be viewed from utilitarian perspective in which the product is valued based on its performance or functions, but also include the experiential perspective in which the product is valued based on the experience or the feeling arouse from consumption, including the symbolic and hedonic aspect. Consequently, the utilitarian and hedonic model was proposed and has given big contribution on perceived value concept.

By dichotomizing value into utilitarian and hedonic value, it will help researchers to view value in better perspective. This dichotomization of value has been considered as the basis conceptualization of value in multi-dimensional approach (Sanchez-Fernandez and Iniesta-Bonillo, 2007) in which many other dimensions of value have been proposed based on this perspective.

Consumption Value Theory

Underlying from the utilitarian and hedonic perspective, the broader theoretical framework of perceived value has been developed by Sheth *et al.* (1991a; 1991) in their theory of consumption value which is based on the customer decision or choice whether to buy or not to buy, to choose between two products or to choose one particular brand over another. They suggested five dimensions of value namely functional value which is related to the utilitarian or functional purpose of the product, social value which is related to the image obtained from the society, emotional value which is related to the feeling arouse from using the product, epistemic value which is related to the curiosity or desire for knowledge or novelty seeking, and conditional value which is derived due to specific situation or circumstances that faced by the consumers.

Holbrook Typology of Consumer Value

According to Holbrook (1996) perceived value can be defined as "an interactive relativistic preference experience." By interactive He meant that value entails the relationship between the customer and the product, it is comparative, subjective, and specific to the context. He claimed that the customer perceived the value not in the purchase stage however during the consumption stage.

Holbrook (1996) developed a framework that produces the dimension of value based on three dichotomies or three key dimension of value which are 1) extrinsic versus intrinsic, 2) self-oriented versus other-oriented and 3) active versus reactive. Based on these dichotomization He proposed eight dimensions of consumer value namely efficiency value, play value, excellence value, aesthetic value, status value, ethics value, esteem value, and spirituality value. He argued that each dimensions are interrelated to each other.

2.2 Empirical review

This part has comprised prior researches that were done within this area in the past. It discuss the rationale of the researches which have related concepts with the research questions of this study their findings, methodologies ,implications and recommendations for researchers and practitioners has been discussed

Due to its significant impact on consumer choices, perceived value studies have been done in various industries using the consumption theory viewpoint as their basis (Chi & Kilduff, 2012; Gillarza & Gil Saura, 2006; Sweeney & Soutar, 2001; Wang, Lo, Chi & Yang, 2004; Wang &Wang, 2010; Yang & Peterson, 2004). Gillarza & Gil Saura (2006) also studied perceived value in the tourism industry. Value dimension, perceived value, satisfaction and loyalty of university students travel behavior were investigated. The study revealed that a higher perception of value led to a higher consumer satisfaction and an intention to repurchase and recommend to others. Satisfied consumers, who

got what they wanted from services provided, were willing to use the services again leading to brand loyalty.

Sweeney and Soutar (2001) wanted to get a comprehensive understanding of perceived value, so they asked consumers to give their opinions about values they get from consuming different brands. Their study was an extension of the work of Sheth et al. (1991) from the study; values were generated and classified into social, emotional and functional. The study concluded that consumers evaluated products from a multidimensional perspective, in terms of utility, value for money, ability to enjoy and have fun, and ability of the product to give an impression to others. Four out of the six values suggested by Sheth et al. (1991) namely functional value - quality, functional value - price, emotional value; and social value were generated. Epistemic value and conditional value were not reported. Sweeney and Soutar (2001) then developed the Sweeney and Soutar (2001) PERVAL scale which measures the consumer's perceptions of the value of products and brands. The PERVAL scale helps to assess how values influence consumers buying attitude and behaviors.

Chi (2013) also used the Sweeney and Soutar (2001) PERVAL Scale and investigated the role of contingency factors on perceived value of casual sportswear. The results indicated that consumers considered price value more highly than other values. One reason for this observation was the economic situation from the recession of 2010. As a result, hedonic value was less likely to be considered by the consumers in their choice of sportswear. Perceived value was influenced by age, gender, income level and retailer type but not the race of the consumer. The author concluded that perceived value should be assessed all the time, because it is an ongoing process. Besides that, perceived value fluctuates and can influence the relationship between the apparel company and the consumer if it is not monitored

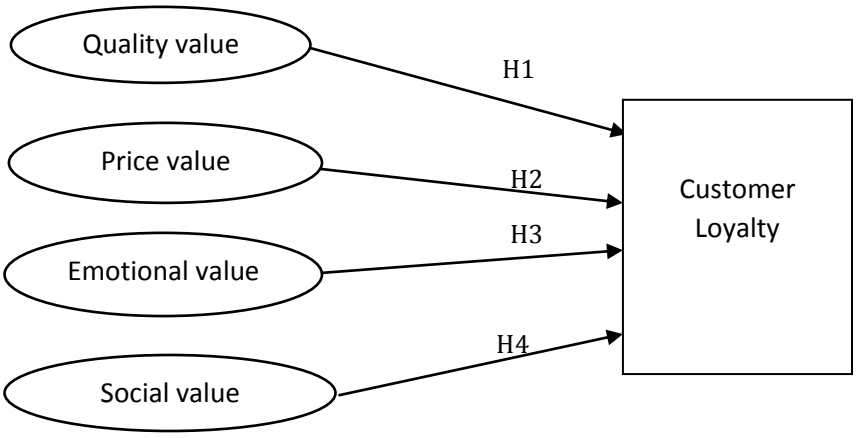
Wang, Lo, Chi and Yang (2004), adapted the Sweeney and Soutar (2001) PERVAL scale, but omitted the price dimension and added non-monetary items, time, effort and energy. All the four dimensions of perceived value

(functional, social, emotional, and perceived sacrifices) were found to be significant and affected customer loyalty.

Similarly, Chi and Kilduff (2012) studied perceived value of sportswear brands among the US consumers using Sweeney and Soutar (2001) PERVAL model. The model was used without omitting any of the four dimensions of perceived value - emotional, value, social value, quality value (performance) and price value (money). Unlike Wang et al., (2004), Chi and Kilduff (2012) argued that though the results indicated that all four dimensions influenced the consumers, they only accounted for 77% of the variance, but the remaining 23% may have been caused by other factors such as the epistemic and conditional values that were not measured in the study.

2.3 Conceptual framework and Hypotheses of the study

2.3.1 Conceptual framework of the study



(Source; Researchers Own, 2017)

2.3.1 Hypotheses of the study

Quality value and Customer loyalty

Is the utility derived from the perceived quality and expected performance of a product Sweeney, G.N. Soutar (2001). Product quality allows a firm put itself distinctively in the market and charge higher price to consumer. High price for branded products are justified by consumer quality assumptions that come with the brand name. In addition it gives a competitive advantage with leads to gain in profit margin and market share.

Quality is also another important factor considered by consumers during the purchase decisions (Ritter, 2008). Quality is important for impacting brand choice because it is the portion of personal risk that a consumer takes on the decision making process in evaluating the purchase of a product. Product quality adds many benefits to any organization (Woodside, 2009). Consumers ultimately choose a particular brand if they perceived that brand to be quality (Boateng, 2013). Consumers may prefer a particular brand because they perceives the brand to offer quality benefits and may repurchase the single brand or switch brands due to the tangible quality of the product they tested. Empirically, several studies verified the significance of the perceived brand attributes in shaping consumer preferences. Romaniuk and Sharp, (2003) differentiate between positioning the brand based on single specific attribute or using a cluster of attributes, and brand loyalty. They demonstrate that unique, single brand attribute does not enhance consumer brand loyalty. Similarly, Romaniuk and Gillard, (2007) advocate that unique brand associations will not build stronger preferences. The multi-attributes brands have strong share in consumers mind affect brand preferences and loyalty. Consumers believe that the more features a brand has increases its capability and usability (Thompson et al., 2005).

Hence, the following hypothesis between Quality value and customer loyalty is proposed:

H1 Quality value has a significant positive effect on customer loyalty

Price value and Customer loyalty

The utility derived from the product due to the reduction of its perceived short term and longer term costs. Sweeney, G.N. Soutar (2001). In retail markets, consumers are value driven, where value is considered a tradeoff among price and value.

Price can serve as an indicator of quality for consumers. The higher the price of a product, the more perceived risk a consumer incurs (Quester and Smart, 1998). In general, consumers often associate a high-priced retail product with higher quality than those of lower pricing (Lambert, 1972). However, some researchers believe that this quality and price relationship is too simplistic (Sweeney and Soutar, 2001). Prices are used by marketers in retail stores in order to appeal to different consumers on different levels.

Hence, the following hypothesis between price value and customer loyalty is proposed:

H2 Price value has a significant positive effect on customer loyalty

Emotional value and Customer loyalty

Emotional value is the utility derived from the feelings or affective states that a product generates. Sweeney, G.N. Soutar (2001).In the customer-centric era, the competitive battleground of differentiator is gradually shifting from the physical attributes of the product to render customers an exceptional experience through enhancing the emotional aspect of value (Mascarenhas et al., 2006; Sandström et al., 2008). This is because the emotional bonds formed between companies and customers are difficult for competitors to emulate. Thus, firms nowadays are striving to achieve sustainable competitive advantage by adding emotional value to their core offerings (Freemantle, 1999; Mascarenhas et al., 2006).

In general, emotional value denotes “the utility derived from the affective states that a product or service generates” (Wang et al., 2004, p. 172). Similarly, Lai (1995) described emotional value as “the perceptual benefit acquired from a

product's capacity to arouse feelings or affective states" (p. 383). The product and brands may provide non utilitarian benefits such as fun and enjoyable experience that generates emotional value for the consumer.

Emotional values leads consumer to brand loyalty, paying a premium and influence other to purchase the brand. Therefore emotional attachment toward the brand may be able to predict their preference commitment and even consumer willingness to make the sacrifice (Ritter, 2008).

Hence, the following hypothesis between Emotional value and customer loyalty is proposed:

H3 Emotional value has a significant positive effect on customer loyalty

Social value and Customer loyalty

Social value (enhancement of social self-concept) is the utility derived from the product's ability to enhance social self-concept Sweeney, G.N. Soutar (2001). According to Kotler et al., (1999) personal influence plays a distinctive role in the consumers' decision process. Consumers consult each other for opinions of new products and brands and the advice of other people can strongly influence the buying behavior.

Many social psychology studies (Henry (2001) demonstrating individual conformity to a group norms conformed that, individuals do imitate group behavior. The desire to imitate the group behavior often leads an individual to buy the same brand or products. Groups could exert influence on the ownership of a product, decisions on what brand to buy or both (Francis, 1987).

Hence, the following hypothesis between Social value and customer loyalty is proposed:

H4 Social value has a significant positive effect on customer loyalty

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

In this chapter, the researcher discuss about the research approach, research method, research design, population, sampling technique, procedure of data collection and method of data analysis to be used by the study.

3.1 Research approach

A research approach is the arrangement of conditions for collections and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. In fact, the research approach is the conceptual structures with in which research is collected; it constitutes the blue print for the collection, measurement and analysis of data (Setltiz, et. al. 1962).

Inductive and deductive approaches represent two ways to conduct a research. Inductive approach, also known in inductive reasoning, starts with the observations and theories are proposed towards the end of the research process as a result of observations Goddard, W. & Melville, S. (2004).

According to (Bhattacherjee, 2012), the goal of deductive research reasoning is to test concepts and patterns known from theory using new empirical data. Hence deductive research reasoning is theory-testing research which is the objective of the research under consideration. The goal of theory-testing is not just to test a theory, but also to refine, improve, and possibly extend it (Bhattacherjee, 2012).

Hence this study on the Effect of customer perceived value on customer loyalty has followed a deductive form of scientific research approach because at this level building theory is very difficult and beyond the capacity of the researcher.

3.2 Research method

There are two basic research methods, which are quantitative and the qualitative method. Quantitative research method places greater emphasis on the numerical data and statistical test to achieve conclusion that can be generalized (Saunders, 2012). Hence for this study Quantitative survey was utilized. Surveys are a popular method of collecting primary data. The broad area of survey research encompasses any measurement procedures that involve asking questions of respondents. They are a flexible tool, which can produce both qualitative and quantitative information depending on how they are structured and analyzed. According to Zikmund (1994), a survey technique can gather data from a sample of people by using a questionnaire.

In this study, the researcher applied a survey technique by distributing self-administered questionnaire to gain feedback from respondents and to gain more understanding about customer perceived value and loyalty of Anbessa Shoe customers in Addis Ababa.

3.3 Research design

Research design is a blueprint for fulfilling the research objectives and answering the research questions (Anol Bhattacherjee, 2012). The function of research design is to provide for the collection of relevant information with minimal expenditure of effort, time and money.

Researches can be classified into three main categories of exploratory, descriptive and explanatory. This classification is mainly based on the formation of research questions. What can be accomplished by research questions and how the results will be used (YIN 2003).

Descriptive research is a way to precisely, portray the profile of persons or events and therefore is often used in research areas where the research problem is well known and well-structured and there is no need to investigate

the cause and effect relationship among factors. (Saunders, Lewis and Thornhill 2007).

Explanatory research to the contrary of descriptive, aims to analyze the casue and effect relationships and aims to explain which cause produces what effect (YIN 2003). Therefore explanatory research is used when it is required to show that one factor determines the value of another factor based on a cause and effect relationship.

The purpose of this study was to examine the Effect of customer perceived value on customer loyalty the case of Anbessa shoe Share Company customers In Addis Ababa. Hence the research design that was applied for this study is a combination of both descriptive and explanatory research design.

3.4 Population and sampling Technique.

3.4.1 Population

Population is defined as "the complete set of units of analysis that are under investigation, while element is the unit from which the necessary data is collected" (Davis 2000, p. 220).The target population for these study was all customers of Anbessa shoe share company who purchase shoe from the company stores in Addis Ababa.

3.4.2 Sample size

Determining sample size is very important issue because samples that are too large may waste time, resource and money. While samples that are too small may lead to inaccurate results. Anbessa shoe share company's customers are numerous in number. Therefore, to gather the information needed for the research on the given time and resource the resulting sample in this study was determined as follows.

According to Cochran (1977), for the population that are large to yield a representative sample for proportions which is valid; where N is a sample size,

Z is the Abscissa of the normal curve that cuts off an area "α" at the tails, the tails are (1- α) equals the desired confidence level i.e. 95%."E" denotes the desired level of precision, "p" is the estimated probability of attribute that is present in the population. "q" is 1-p. The value for Z is found in the statistical tables which contain the area under the normal curve.

$$N = Z^2 pq/E^2$$

$$= \frac{1.96_2 * 0.5*0.50}{0.05^2}$$

$$=384.16$$

The calculated sample size is for the desired precision or CI width assuming that there is no problem with non-response or missing values. If this is the case, the investigators will not achieve the desired precision. Therefore, according to Naing, Rusli (2006), it is wise to oversample by 10% to 20% of the computed number required depending on how much the investigators would anticipate these discrepancies. Hence by adding 10% margin for non-response or missing values the sample size for this study will be 423.

3.4.3 Sampling technique

Sampling technique is a definite plan for obtaining a sample from a given population. It refers to the technique or the procedure the researcher would adopt in selecting items for the sample. As a priori the researcher must decide the number of sample or sample size that he or she is going to use for the study. The sampling process is to choose the sampling frame, which is the list of elements from which a sample may be drawn: also called the working population (Zikmund, 2000).

According to Saunders, there are generally two types of sampling, namely probability sampling and non-probability sampling (Saunders, Lewis & Thornhill 2007).

The study used non probability sampling method. First Quota sampling was used to divide the 423 questionnaires in total to and an equal or proportionate representation. Therefore, with a sample size of 423 questionnaires and 14 Anbessa shoe stores, it means the researcher needed to distribute 30 questionnaires (423/14=30.21) at each store for gaining a greater representation.

Then to collect the data from respondents the study adopted convenience sampling in which the population elements are selected based on ease of access (Kothari, 2004) the researcher selected respondents based on their availability to the survey. The reason behind such selection is because convenience sampling is straightforward, quick and less expensive to conduct the data collection at ease (David,2011). The respondents were contacted at Anbessa shoe stores while they were shopping and were asked for their voluntary involvement in to the survey.

There is always the danger of bias entering into this type of sampling technique. But if the investigators are impartial, work without bias and have the necessary experience so as to take sound judgment, the results obtained from an analysis of deliberately selected sample may be tolerably reliable. However, in such a sampling, there is no assurance that every element has some specifiable chance of being included. Sampling error in this type of sampling cannot be estimated and the element of bias, great or small, is always there. As such this sampling design in rarely adopted in large inquires of importance. However, in small inquiries and researches by individuals, this design may be adopted because of the relative advantage of time and money inherent in this method of sampling (Kothari, 2004).

3.5 Data collection

3.5.1 Source of data

The researcher used both primary and secondary sources of data in the study. The secondary data was collected from publications including journals, articles, and various materials that have relevance to this study. The primary data was collected through administering questionnaire from selected customers who had purchased Anbessa shoe Share Company products.

3.5.2 Data collection instruments

The researcher collected data using self-administered questionnaires. A set of selected questions was used to collect data from the respondents in the sample population. These include close ended questions as well as five point likert scale ratings. Each item see Appendix of the questionnaire was adopted and modified to address a specific objective of the study. The measurement items are presented in the table below.

Three items for Quality value dimension the brand is of high quality, Has consistent quality and has good functional quality was adapted from Sweeney & Soutar (2001).

For price value dimension three items were also taken from Sweeney & Soutar (2001) which are is reasonably priced, Offers value for money and Brand X is a good product for the price.

Three items for emotional value dimension Brand X would make me want to use it,

Brand X makes me feel good about myself, and Brand X makes me feel attractive ware adopted from Sweeney & Soutar (2001) and one item Wearing this brand makes me feel important is adopted from Sontag & Lee (2004).

For social value dimension two equations were adopted from Sweeney & Soutar (2001) which are Brand X improve the way I am perceived and Brand X would make a good impression on other people. Another two items are adopted from Sontag & Lee (2004), which are Brand X would give its owner social approval and how I look in Brand X is important because I want people to accept me.

Customer loyalty constructs I consider myself to be loyal to the brand and when buying a Shoe Brand X would be my first choice were adopted from Yoo, Donthu & Lee (2000) and I am still willing to buy Brand X even if its price is a little higher than that of its competitors, I would love to recommend Brand X to my friends and relatives and I shall continue to use Brand X in the future were adopted from Pappu,Quester & Cooksey (2005).

3.6 Data analysis techniques

Data in this study was analyzed using the combination of both descriptive and inferential statistical analysis. With regards to the descriptive analysis percentages, means, standard deviations and frequencies of the respondent's demographics and the most influential variables of customer loyalty among customers of Anbessa Shoe in Addis Ababa was calculated.

With regards to inferential statistics, correlation as well as a regression analysis was used to investigate the most important questions and objectives of this study and to arrive at the core findings of the study with regards to the hypotheses forwarded. The correlation analysis reports the magnitude and direction of relationships between variables in the study. These variables are the four independent variables (functional value as quality, functional value as price, emotional value, social value) and the dependent variable (customer loyalty). In order to accomplish all the above requirements, the researcher used software to analyze the data. As a result, SPSS version 21 was used to analyze the data.

3.7 Reliability

The internal consistency or reliability of the measurement items under each variable or construct is an important test of sound measurement. For this study Cronbach's alpha was used to assess the internal consistency of variables in the research instrument. Cronbach's alpha is a coefficient of reliability used to measure the internal consistency of the scale; it represented as a number between 0 and 1. According to Zikmund et al., (2010) scales with coefficient alpha between 0.6 and 0.7 indicate fair reliability, a Cronbach's alpha score of .70 or higher are considered as adequate to determine reliability.

Table 3.1 Reliability analysis of variables

Measurements	Cronbach's Alpha	Number of items
Quality Value	.725	5
Price Value	.844	4
Emotional Value	.777	4
Social Value	.844	4
Customer Loyalty	.850	5
Reliability of all items	.928	22

(Source: Researcher's survey, 2017)

3.8 Validity

Validity is the most critical criterion and indicates the degree to which an instrument measures what it is supposed to measure. In other words, validity is the extent to which differences found with a measuring instrument reflect true differences among those being tested, (C.R. Kothari, 2004). In order to ensure the quality of the research design content and construct validity of the research will be checked.

According to C.R Kothari (2004) content validity is the extent to which a measuring instrument provides adequate coverage of the topic under study. If the instrument contains a representative sample of the universe, the content validity is good. Its determination is primarily judgmental and intuitive. It can also be determined by using a panel of persons who shall judge how well the measuring instrument meets the standards, but there is no numerical way to express it. For this study content validity was verified by the advisor of this research, who looked into the appropriateness of the questions and the scales of measurement. In addition, discussions with fellow researchers as well as the feedback from the pilot survey were another way of checking the appropriateness of the questions.

3.9 Ethical consideration

This study like other academic researches abides by ethical issues and moral conducts for the privacy of respondents. In order to keep the confidentiality of the data given by respondents, the respondents were not required to write their name and were 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 FOUR

DATA ANALYSIS AND DISCUSSIONS

4.1 Introduction

This chapter presents the data analysis and discussion of the research findings. Descriptive, focusing on the description of the sample population as well as inferential statistics, which makes inferences about the population based on the data from the sample population, are presented in this chapter. The data analysis was undertaken with the help of computer statistics package (IBM SPSS version 21). The data presented was statistically treated in order to discover the relationship of the variables involved in the study.

Out of the 423 questionnaires sent out, 407 were returned during a period of two weeks' time. Of the total 407 questionnaires which were returned, 14 were discarded because they were not fully completed, and the rest 393 representing a response rate of 93 % are used for analysis.

4.2 Demographic profile of respondents

Before starting the analysis of the data some background information such as demographic data, is useful in order to make the analysis more meaningful for the readers. The purpose of the demographic analysis in this research is to describe the characteristics of the sample such as the number of respondents, proportion of males and females in the sample, range of age, income, and education level of respondents. Each frequency description of demographic variables is presented in the table below.

As it can be seen from the table (4.1) below majority of the respondents are Male representing 255(64.9%) while the remaining 138(35.1%) of respondents are female. Regarding the age of respondent's majority of the respondents 154(39.2%) are between the ages of 36-44 followed by the group within the age group of 26-35 97(24.7%) this shows majority of the respondents are middle aged. The rest of the respondents consists, 83 (21.1 %) with the age of 45-55

and, 50(12.7%) in between the age of 18 and 25 and 9(2.3%) are above the age of 56.

Table 4.1: Summary of Demographic Profile of Respondents

Demographic characteristics		Frequency	Percent
Gender	Male	255	64.9
	Female	138	35.1
	Total	393	100.0
Age	18 -25	50	12.7
	26-35	97	24.7
	36-44	154	39.2
	45-55	83	21.1
	56 and above	9	2.3
	Total	393	100.0
Education level	primary school	59	15.0
	secondary school	82	20.9
	diploma	116	29.5
	first degree	123	31.3
	second degree and above	13	3.3
	Total	393	100.0
Income level	less than 5000	129	32.8
	5000-10000	153	38.9
	10000-15000	60	15.3
	15000-20000	25	6.4
	above 20000	26	6.6
	Total	393	100.0

(Source: Researcher's survey, 2017)

From the table above (4.1) we can see that majority of respondents have first degree accounting for (31.3%) of total respondents followed by diploma holders (29.5%) and second degree and more holders represent 13 (3.3%) this shows that majority of the respondents are well educated. of the remaining

respondents 82(20.9%) attended secondary school the rest 59(15%) have primary school education level.

Regarding the income level of respondents majority 153(38.9%) of the respondents have a monthly income between 5000 and 10000 ETB followed by 129 (32.8%) who earn a monthly income below 5000 ETB. The rest 60(15.3%), 25(6.4%) and 26(6.6%) earn monthly income of 10000-15000, 15000-20000 and 20000 ETB respectively.

items		Frequency	Percent
number of years as a customer	less than 3 years	77	19.6
	3-5 years	81	20.6
	5-10 years	151	38.4
	more than 10 years	84	21.4
	Total	393	100.0
frequency of shop visit per year	one time	56	14.2
	two times	143	36.4
	three times	147	37.4
	four and more times	47	12.0
	Total	393	100.0
Do you buy other shoe brand	Yeas	369	93.9
	No	24	6.1
	Total	393	100.0

(Source: Researcher's survey, 2017)

Finally all respondents were asked general questions in order to find out their relationship with the brand. Firstly respondents were asked about the number of year as Anbessa shoe customer and most of them 151(38.4%) have been customers for about 5 up to 10 years followed by 84(21.4%) more than 10 years and 77 (19.6%) have less than 3 years of relationship. Regarding frequency of shop visit per year majority 147(37.4%) of the respondents visit Anbessa shoe stores three times per year. finally respondents were asked if they also buy other shoe brands in order to find out if there is split loyalty and

almost all 369(94%) respondents answered yeas showing that they do have split loyalty to the brand.

4.3 Descriptive statistics of study variables

In the following section a descriptive analysis of means and standard deviation is calculated on each of the measurement items and variables in the study. One statistical approach for determining equivalence between groups is to use simple analyses of means and standard deviations for the variables of interest for each group in the study (Marczyk, Dematteo and Festinger, 2005).The mean indicates to what extent the sample group on average agrees or does not agree with the different statement. The lower the mean, the more the respondents disagree with the statement. The higher the mean, the more the respondents agree with the statement.

Table 4.2 Quality value dimension

Measurement items	Mean	Std. Deviation
Anbessa shoe products are of high quality	3.84	.812
Anbessa shoe product have consistent quality	3.44	.932
Anbessa shoe product are comfortable	3.90	.704
The style of the brand is suitable for me	3.46	.925
Anbessa shoe product have good functional quality	4.26	.685
Quality Value	**3.78**	**.564**

(Source: Researcher's survey, 2017)

Based on the table 4.2 above quality value (the utility derived from the perceived quality and expected performance of the product) has the highest mean score 3.72 and standard deviation of 0.564 showing that customers give more value to the quality aspect of the shoe. Out of the five statements about quality value, statements about shoe durability and Anbessa shoe products are comfortable score the highest mean 4.26 and 3.90 respectively. This indicates that customers perceive Anbessa shoe products have more quality value compared to other value dimensions in the study.

4.3 Price value dimension

Measurement items	Mean	Std. Deviation
The brand Are reasonably charged	3.60	1.090
The brand offer good value for money	4.02	.813
The price of the product is good indicator of its quality	3.55	.994
Anbessa shoe products Are very economical	3.61	1.040
Price Value	**3.69**	**.817**

(Source: Researcher's survey, 2017)

As it can be seen from the above table price value has a mean score of 3.69 and standard deviation of .817 out of the four statements used to measure price value Anbessa shoe products offer good value for money score the highest mean 4.02 and standard deviation of 0.813 followed by Anbessa products are economical with a mean value of 3.61 and standard deviation 1.04 out of the four statements the price of the product is good indicator of its quality score 3.55 mean value and 0.994 standard deviation relatively lower than the other statements.

4.4 Emotional value dimension

Measurement items	Mean	Std. Deviation
The brand would make me want to use it	3.45	.922
The brand would makes me feel good about my self	3.49	.915
The brand would make me feel attractive	3.63	.808
The brand would make me feel relaxed	3.88	.733
Emotional Value	**3.61**	**.657**

(Source: Researcher's survey, 2017)

In the above table (4.4) emotional value has a mean score of 3.61 and standard deviation 0.657. Emotional value is the utility derived from the feelings or affective states that a product generates. Out of the four statements "wearing Anbessa shoe make me feel relaxed" has the higest mean score 3.88 and standard deviation 0.733, wearing Anbessa shoe make me feel attractive has the seconds highest mean score 3.63 and standard deviation 0.808. This indicates that emotional value generated by using Anbessa shoe is important for customers to continue their relationship with the brand

4.5 Social value dimension

Measurement items	Mean	Std. Deviation
The brand would improve the way I am perceived	3.07	.926
The brand makes a good impression on other people	3.30	.856
The brand would give me social approval	3.34	.849
How I look in Anbessa shoe is important because I want people to accept me	3.47	.860
Social Value	**3.29**	**.721**

(Source: Researcher's survey, 2017)

As we can see from the above table 4.2 there are four statements presented for respondents to evaluate social value which is the utility derived from the product's ability to enhance social self-concept. Of the four statements "how I look in Anbessa shoe is important because I want people to accept me" has the highest mean score 3.47 and standard deviation 0.860 and "The brand would improve the way I am perceived" score the lowest mean 3.07 and standard deviation of .926. Over all social value has a mean score 3.29 and standard deviation 0.721.

4.6 Customer loyalty

Measurement items	Mean	Std. Deviation
I consider myself to be loyal	3.81	.811
When buying a Shoe Anbessa shoe would be my first choice	3.56	.985
I am still willing to buy Anbessa shoe even if its price is a little higher than that of its competitors	3.50	.945
I would love to recommend Aanbessa shoe to my friends and relatives	3.93	.744
I shall continue to use Anbessa shoe in the future	4.22	.659
Customer Loyalty	**3.80**	**.662**

(Source: Researcher's survey, 2017)

In order to test customer's loyalty to the brand the respondents were asked five questions and the overall mean score for all items is 3.80 which is the highest and standard deviation 0.662 of the five statements "I shall continue to use Anbessa shoe in the future" has the highest mean 4.22 with a standard deviation 0.659 showing customers commitment in using the brand in the

future " Recommendation to friends and relatives" has a mean score 3.93 and standard deviation 0.744. In general we can see that respondents are loyal to the brand as seen by the mean score which is high. Customer loyalty can be seen as the tendency of a consumer to select a single brand among many similar product brands and continually buy it several times (Aaker, 1991).

4.4 Inferential Statistics

4.4.1 Correlation Analysis

This study employs the correlation analysis, which investigates the strength of relationships between the studied variables. A correlation coefficient expresses quantitatively the magnitude and direction of the liner relationship between two variables (either positive or negative) and the intensity of the relationship (-1 to 1. General guidelines for correlations, correlation level of .10 to .30 are considered small, correlations of .30 to .70 are considered moderate correlations of .70 to .90 are considered large, and correlations of .90 to 1.00 are considered very large. The researcher used one of the most commonly used types of correlation coefficient which is Pearson correlation coefficient methods because of the statistical accuracy that usually results from this method and the result is presented in the table below.

As it can be seen from the table 4.3 below all perceived value dimensions (Quality value, Price value, Emotional value and Social value) have significant and positive correlation with customer loyalty with the range of .567 to .668 which is moderate at a significant level of P=0.01.

I. Relationship between Quality value and Customer loyalty

From the table below Quality value is positively correlated with customer loyalty. Correlation is moderate at r=0.651and significant level less than P<0.01. Quality Value is the utility derived from the perceived quality and expected performance of the product. Sweeney, G.N. Soutar (2001). Consumers consider quality of a product in making purchase decision. The higher the quality of the product the more likely the consumers make a decision to make

purchase. When customers perceive the shoe that they are buying fulfills the quality they are looking for they tend to be loyal to the brand.

Table 4.7 Correlations Analysis

		Quality Value	Price Value	Emotional Value	Social Value	Customer Loyalty
Quality Value	Pearson Correlation	1				
	Sig. (2-tailed)					
Price Value	Pearson Correlation	.610**	1			
	Sig. (2-tailed)					
Emotional Value	Pearson Correlation	.581**	.555**	1		
	Sig. (2-tailed)					
Social Value	Pearson Correlation	.371**	.485**	.602**	1	
	Sig. (2-tailed)					
Customer Loyalty	Pearson Correlation	**.627****	**.651****	**.668****	**.567****	1
	Sig. (2-tailed)					

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

(Source: Researcher's survey, 2017)

II. Relationship between Price value and Customer loyalty

From the above table 4.7 we can see that Price value is positively correlated with customer loyalty (r=.651) at a significant level less than P<0.01.This indicates that perceived price value is moderately correlated with customer loyalty in the case of Anbessa shoe share company customers in Addis Ababa. In retail markets, consumers are value driven, where value is considered a tradeoff among price and value. Price can serve as an indicator of quality for consumers and whenever consumers perceive that they are getting their money worth mostly they consider making repeat purchase leading to loyalty to the brand.

III. Relationship between Emotional value and Customer loyalty

Regarding emotional value the correlation is positive and significant with the value R=.668 at a significant level less than P<0.01. Of all the independent variables emotional value has the highest correlation value with customer loyalty considering Anbessa shoe customers in Addis Ababa.

IV. Relationship between Social value and Customer loyalty

Social value has positive correlation at a value of r=.567 at a significant level less than P<0.01.The correlation is moderate showing that the more customers perceive the product to give them social acceptance the more likely they commit to buying the product.

4.4.2 Testing the assumptions for multiple regression

4.4.2.1. Normality assumption

Before conducting a multiple regression normality of data should be checked because multiple regressions require that the independent variables in the analysis be normally distributed. Even though there are many testes for normality in this study statistical test Skewness and kurtosis are used to assess normality of the data. Skewness refers to the symmetry of distribution and kurtosis refers to the peakness of distribution (Tobachinck and Fidell (2006) as cited by Ebrahim, A Study of Brand Preference: An Experiential View, 2013). For variables with normal distribution the values of skewness and kurtosis are zero, and any value other than zero indicates deviation from normality (Hair, 2010). According to Hair (2010) the most commonly acceptable criteria value for (Kurtosis/Skewness) distrbution is ±2.58. For this study kurtosis and skewness of variables are calculated for items as showen in the table 4.5 below.

4.8 Skwness and Kurtosis checking for normality of the data

		Customer Loyalty	Quality Value	Price Value	Emotional Value	Social Value
N	Valid	393	393	393	393	393
Mean		3.8046	3.7817	3.6953	3.6101	3.2964
Median		3.8000	3.8000	3.7500	3.7500	3.2500
Skewness		**-.201**	**-.091**	**-.274**	**-.419**	**.171**
Std. Error of Skewness		.123	.123	.123	.123	.123
Kurtosis		**.172**	**.832**	**-.370**	**.351**	**-.004**
Std. Error of Kurtosis		.246	.246	.246	.246	.246

(Source: Researcher's survey, 2017)

As we can see from the above table Skwness and Kurtosis are within acceptable range ±2.58 and we can consider the date to be normally distributed.

4.4.2.2 Multicollinearity Assumptions

Multicollinearity arises when at least two highly correlated predictors are assessed simultaneously in a regression model. The statistical literature emphasizes that the main problem associated with multicollinearity includes unstable and biased standard errors leading to very unstable p-values for assessing the statistical significance of predictors, which could result in unrealistic and untenable interpretations.

Multicollinearity can be detected using tolerance value and variance inflator factor (VIF) value. The muliticollinearity in this study was checked using the Tolerance and VHF value. As it is showed in the table 4.6 below all independent variables have a Tolerance value greater than 0.1 and a VHF value less than 10. The VIF, which stands for variance inflation factor, is computed as "1/tolerance," and it is suggested that predictor variables whose VIF values are greater than 10 may merit further investigation (Robert, 2006).

Table 4.9 Multicollinearity

Model		Collinearity Statistics	
		Tolerance	VIF
1	Quality Value	.540	1.853
	Price Value	.535	1.868
	Emotional Value	.476	2.099
	Social Value	.602	1.662

(Source: Researcher's survey, 2017)

4.4.3 Regression Analysis

Multiple regression is a statistical method through which one can analyze the relationship between a dependent variable or criterion variable with the set of independent or prediction variable (Dillon, 1993). As a statistical tool multiple regression is frequently used to achieve best prediction equation for a set of variables given both dependent and the predictors, control for conducting factors to evaluate the contribution of specific variables or set of variables and find structural relationship and provide explanation for multiple relationship (Robert, 2006).

In order to see the contribution of the dependent variables (Quality Value, Price value, Emotional Value and Social) in affecting the dependent (Customer Loyalty) variable and to test the proposed hypothesis multiple regression was conducted.

As we can see from appendix 4 the regression model explains how much of the dependent variable is explained by the four independent variables. Adjusted R Square statistic tells us the proportion of variance in the dependent variable that is accounted for by the independent variables. In this case the co- efficient of determination adjusted (R^2) is 0.605. This implies that about 60.5% of the dependent variable (i.e. customer loyalty) can be explained by the independent variables (i.e. Quality value, price value, emotional value and social); the rest about 39.5% is explained by other exogenous factors outside of the model or variables that are not included in the model such as store environment, service quality…etc.

The ANOVA table in appendix 5 has F value 150.92 and a significance value of 0.00 when all variables considered together this implies that the regression model fits the data. F statistics explains how well the regression model fits the data. If the f-statistics is big and the significance level less than 0.05 then the hypothesis of no linear relationship between the independent variable and dependent variable is rejected.

Table 4.10 Regression analysis of perceived value dimensions

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.398	.152		2.621	.009
	Quality Value	.282	.051	.240	5.559	.000
	Price Value	.214	.035	.264	6.072	.000
	Emotional Value	.271	.046	.268	5.836	.000
	Social Value	.174	.038	.189	4.614	.000
a. Dependent Variable: Customer Loyalty						

(Source: Researcher's survey, 2017)

As we can see from the table above multiple regression analysis reveals that all the four independent variables (Quality value, price value, emotional value and social value) positively affect customer loyalty of Anbessa shoe share company customers in Addis Ababa with a significant value (P=.000) the result confirms with previous studies by, Wang, Lo, Chi and Yang (2004) and Chi and Kilduff (2012.

From the above table 4.8 we can have the following general formula for the model under the study.

The regression equation is

$CL = \alpha + \beta 1x1 + \beta 2x2 + \beta 3x3 + \beta 4x4$ ..... (1)

$CL = \alpha + \beta 1QV + \beta 2PV + \beta 3EMV + \beta 4SV$ ..... (2)

$CL = 0.398 + 0.240QV + 0.264PV + 0.268EMV + 0.189SV$ ..... (3)

The regression model from table 4.8 above result shows that keeping other variables constant 0.240 unit increase in quality value will bring a unit increase in the loyalty of Anbessa shoe customers in Addis Ababa. 0.264 unit increase in price value will have a unit increase impact on the loyalty of Anbessa shoe customers in Addis Ababa. 0.268 unit increase of Emotional value will have a unit increase on the loyalty of Anbessa shoe customers in Addis Ababa. 0.189 unit increase in Social value will have a unit increase on the loyalty of Anbessa shoe customers in Addis Ababa.

Table 4.11 Summary Outcome of Research Hypotheses

Hypotheses	Taste	Result
Ho: Quality value does not have a significant positive effect on customer loyalty of Anbessa Shoe customers in Addis Ababa.	Multiple Regression	Ho: Rejected
Ho: Price value does not have a significant positive effect on customer loyalty of Anbessa Shoe customers in Addis Ababa.	Multiple Regression	Ho: Rejected
Ho: Emotional does not have a significant positive effect on customer loyalty of Anbessa Shoe customers in Addis Ababa.	Multiple Regression	Ho: Rejected
Ho: Social value does not have a significant positive effect on customer loyalty of Anbessa Shoe customers in Addis Ababa.	Multiple Regression	Ho: Rejected

(Source: Researcher's survey, 2017)

In general as table 4.11 clearly shows, among the four dimensions, multiple regression (Beta coefficients) analysis revealed that.

i. **Quality value and customer loyalty**.

Quality value is regarded as the third most important factor customer loyalty towards Anbessa. For the questions raised in this category, quality value was expected to affect customer loyalty positively and significantly and the researcher also retained the hypothesis. This result is also supported by the work of Chi and Kilduff (2012) and Wang, Lo, Chi and Yang (2004).

ii. **Price value and customer loyalty**

Price value takes the second place that customers perceive to be important factor affecting their loyalty towards Anbessa shoe. Customers evaluate the value of the product from the price they pay. For the questions raised in this category, price value was expected to affect customer loyalty positively and significantly and the researcher also retained the hypothesis. This result is also supported by the work of Chi and Kilduff (2012) and Wang, Lo, Chi and Yang (2004).

iii. **Emotional value and customer loyalty**

Emotional value is the first most significant factor that is perceived to be important in affecting customer loyalty towards Anbessa shoe. For the four questions raised in this category, Emotional value was expected to affect customer loyalty positively and significantly and the researcher also retained the hypothesis. This result is also supported by the work of Chi and Kilduff (2012) and Wang, Lo, Chi and Yang (2004).

iv. **Social value and customer loyalty**

Finally, social value has the fourth significant effect on customer loyalty of Anbessa shoe customers. And there were four questions raised in this category, Social value was expected to affect customer loyalty positively and significantly and the researcher also retained the hypothesis. This result is also supported by the work of Chi and Kilduff (2012) and Wang, Lo, Chi and Yang (2004).

4.5 Customer perceived value based on profile of respondent

In order to answer weather customer perceived value dimensions vary across different demographic profile of respondents. Independent sample t-test were used to assess gender and one way analysis of variance (ANOVA) were conducted to test the remaining demographic variables.

4.5.1 Customer perceived Value based on Gender.

Independent sample t-test was used to assess if there exists a difference in value perception of customers towards Anbessa shoe. The table blew presents the result of analysis

Table 4.12 Customer perceived Value based on gender

	Gender	N	Mean	Mean Difference	df	Sig. (2-tailed)
Quality Value	**Male**	255	3.8549	.20853	391	**.000**
	Female	138	3.6464	.20853	322.221	**.000**
Price Value	**Male**	255	3.7078	.03574	391	**.679**
	Female	138	3.6721	.03574	308.071	**.669**
Emotional Value	**Male**	255	3.6490	.11098	391	**.110**
	Female	138	3.5380	.11098	265.186	**.118**
Social Value	**Male**	255	3.2294	-.19088	391	**.012**
	Female	138	3.4203	-.19088	269.682	**.013**
Customer Loyalty	**Male**	255	3.8298	.07183	391	**.306**
	Female	138	3.7580	.07183	297.625	**.296**

(Source: Researcher's survey, 2017)

Based on Independent sample t-test on the table 4.10 above we can see that there is a significant difference with mean value of male and female regarding quality value with a mean value 3.8549, (SD= .58603) for Male value and mean value 3.6464 (SD= .49717) is significant at P<0.01. This implies that male give more value to the quality aspect of the shoe than that of the female.

There also exist a difference between Male and Female in-terms of social value in which females give more value to social value with mean score 3.4203 and SD=.73803 and mean sore 3.2294 and SD=.70349 for males with a significant level P<.05.

In-terms of other tow value dimension i.e. Price value and Emotional value there is no significant difference between male and female respondents of Anbessa shoe Customers in Addis Ababa with a significant value P>0.05.

4.5.2 Customer Perceived Value based on Age.

A one-way ANOVA test is used to see if the mean value of all the groups is the same. To test whether the groups' mean between different age groups are the same is represented by the F-ratio.

As per table (see Appendix 6), the study shows that from the four dimensions of customer perceived value significant difference between age group is observed with regards to Quality value, Emotional value and Social value with Quality value at F= 6.892, P<0.01, which is 0.000, Emotional value F= 3.483, P<0.01 which is .008 and Social value F=3.575, P<0.01. For the other variable which is Price value the result shows that there is no significant difference between age group at P=0.145 which is greater than 0.05.

When we compare (see Appendix 6) the mean value for different age groups regarding the above three variables (Quality value, Emotional value and Social value) are presented. Accordingly the result shows that there is a difference between value perceptions between different age groups of Anbessa shoe customers in Addis Ababa. Customers with the age above 56 having the

highest mean value for the above three variables this might be because older people are very critical in evaluation of product in-terms of its value.

4.5.3 Customer Perceived Value based on Education Level

From the analysis presented in Table (see Appendix 7). All the variable Quality value, Price value, Emotional value and Social value show significance difference between different educational level withe F=4.811, 3.168,2.819 and 3.552 at $p<0.05$, which is 0.001, 0.014, 0.025 and 0.007 respectively. When we compare (see Appendix 5) the mean value for different groups we can see that people with higher education score more value for the above four variables.

4.5.4 Customer Perceived Value based on Income Level

As per table (see appendix 8), the study shows that from the four constructs of customer perceived value significant difference between income groups is observed with regards to Quality value and Price value with F= 2.590, $P<0.05$, which is 0.036, and F= 2.445, $P<0.05$ which is .045. For the other two variables Emotional value and Social value the result shows that there is no significant difference between income group at $P>0.05$.this implies that people with different perception about Quality and Price of the product which affects their loyalty towards a brand

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter presents the major finding of the study, conclusion, and recommendation and finally end up by giving some possible suggestion for future research areas.

5.1 Summary of major findings

This study was designed and carried out in order to see the effect of customer perceived value on customer loyalty taking Anbessa shoe customers in Addis Ababa as a study population. For the purpose of this study 393 sample respondents were used to find out their value perception in-terms affecting their loyalty towards the brand. Thus the study applied a multi-dimensional value perceptive by taking PERVAL scale proposed bay Sweeney & Soutar (2001) which are Quality value, Price value, Emotional value and Social value as an independent variable and Customer loyalty as dependent variable. The study also tried to see of the four independent variables which have the highest effect on customer loyalty in case of Anbessa shoe customers.

Based on the conceptual framework and objective of the study 22 item questionnaire was used in a 5 point likert scale. The data from respondents was collected from all Anbessa shoe shops found in Addis Ababa which are 14 in number and the collected data was analyzed using SPSS version 21 software.

Of the respondents in the sample 255 (64.9%) ware male and the remaining 138 (35.1%) are female. The demographic profile of the respondents tells us that the respondents are comprised of different age, education and income groups.

By comparing the mean value of each item it was found that respondents gave highest aggregate mean score for Quality value, Price value, Emotional value and Social value respectively.

The result of inferential statistics indicates that all four variables Quality value, Price value, Emotional value and Social value have a positive and moderate correlation with customer loyalty in the case of Anbessa shoe customers in Addis Ababa. Of this Emotional vale has the highest correlation coefficient followed bay Price value, Quality value and Social value respectably.

The result of hypothesis indicates that all four proposed hypothesis Quality value, Price value, Emotional value and Social value does positively affect customer loyalty was accepted. This result is also supported by the work of Chi and Kilduff (2012) and Wang, Lo, Chi and Yang (2004).

The first hypothesis which is customers perception of Quality value does positively affect customer loyalty was accepted. The second hypothesis Price value does positively affect customer loyalty was also accepted. In the same manner the third and fourth hypothesis Emotional value does positively affect customer loyalty and Social value does positively affect customer loyalty in case of Anbessa shoe customers in Addis Ababa was accepted.

Based on the regression analysis customers consider Emotional value high in affecting their loyalty towards Anbessa shoe. In a contrary of the four independent variables Social value is low in affecting their loyalty towards the brand.

Finally customer loyalty was found to be positively explained by the sum of the four independent variables by 60.5% in this study and the reaming 39.5% of the dependent variable (i.e. Customer Loyalty) has been explained by other exogenous variables outside of the proposed mode

5.2 conclusion

The primary purpose of this study was to investigate the effect of customer perceived value on customer loyalty. The study examines Anbessa shoe customers in Addis Ababa and the value perception behind their loyalty towards the brand. The study adopted PRVAL scale by Sweeney, G.N. Soutar (2001) i.e. Quality value, Price value, Emotional value and social value as a variable that affect customer loyalty.

The study answered the first research question what is the perceived value of Anbessa shoe customers. Most of respondents believe that the brand has consistent quality and is of high quality.

In retail markets, consumers are value driven, where value is considered a tradeoff among price and value. In-terms of price Anbess shoe customers believe that the products have reasonable price and economical.

Consumers develop emotional feelings toward a product specifically a brand, these emotions to ward a particular brand can have a major influence on their loyalty. The product and brands may provide non utilitarian benefits such as fun and enjoyable experience that generates emotional value for the consumer. In this study Most of respondents believe that the brand give them feelings such as relaxation and attractiveness.

The other factor considered to affect customer loyalty is Social value. In this study Most of respondents moderately believe that the brand would improve their social status and give them social approval.

From the inferential statics we can conclude that Perceived value constructs; quality value, price value, social value and emotional value, directly affect customer loyalty. If a product seems to give a consumer any of perceived value constructs, then the consumer will be loyal to it. These results agree with

previous studies that show consumers consider several factors in their choice of products, by Sweeney and Soutar, (2001).

Based on the data analysis out of the four value construct Emotional value was the most significant affecting customer loyalty of Anbessa shoe customers. However, the other value constructs; quality value, price value, social value also have influenced their loyalty but their intensity was relatively smaller in their respective order.

Finally there is an observed difference between demographic profile of respondents and their value perception towards the brand.

5.3 Recommendations

Based on the findings from the study, the discussion that followed and the conclusion drawn in line with the study objectives, the following points are recommended for Anbessa shoe Share Company in to better position its brands in the growing market both in demand and competition.

- In the analysis findings shows that consumer perception regarding the quality of the product is important in their loyalty towards the brand. Hence Anbessa should confirm to the quality requirement of the customers in order to keep them loyal.

- Today, although non-price factors are becoming increasingly important since people have more parameters to consider, price remains significant and essential still consumers are value driven, where value is considered as a tradeoff among price and value. Hence management should constantly check the price perception off customers about the product and make adjustments accordingly.

- Marketing people in the company should give much emphasis and use emotional associations in their marketing communication because the results from the study show that emotional values are significant and very important for customers to continue using the brand.

- A buyer can be influenced by its culture. It includes values, preferences, and behavior that a person gets from its family or other institutions. Influence by others is a factor that marketers cannot shape. However by linking the brand with popular events with either a selected or broad group of consumer and emphasizing the social group in their marketing communication can identify their brand with social groups.

- The results of this study concluded that there is a significant variation in value perception of different demographic groups. To compete and get dominant position in competitive but growing market Anbessa shoe should develop products that appeal to each of their market segments.

5.4 Limitations and directions for future research

The study has focused on examining the effect of customer perceived value taking PRVAL scale by Sweeney & Soutar (2001) i.e. Quality value, Price value, Emotional value and social value as a variable that affect customer loyalty. There is a limitation with regard to the sample where the samples are taken from customers of Anbessa shoe found in Addis Ababa.

Hence there is a room for improvement the researcher suggests the following future areas.

- Additional research can be done on industry level by taking different shoe manufacturers and retailers in the country.
- The study has only covered four perceived value constructs; future research can be done including additional variables like shopping

environment, brand name, customer service that can affect customer loyalty.

- Further research could also be conducted to a different product category, expanded to a larger sampling size or geographical area so that the result can generate higher outcomes of the confidence level.

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Appendices

APPENDIX 1: Questionnaire in English

QUESTIONNAIRE
Addis Ababa University
School of Commerce
MA Program in Marketing Management

Dear Respondents

I (The researcher) would like to express my deepest gratitude for your cooperation to express your real feeling in this questionnaire. I am a graduate student at Addis Ababa University School of Commerce and Currently conducting a research study on "Effect of customer perceived value on customer loyalty, A case of Anbessa Shoe Share Company Customers in Addis Ababa" in partial fulfillment of Master of Arts Degree in Marketing Management. The questionnaire is purely for academic purpose and your answers will be treated confidentially. I request your help to spend some minutes of your time by filing the provided questionnaire. Your genuine input is highly important to the analysis.

If you would like further information about this study, or have problem in completing this questionnaire please contact me via +2519 24783978

PART 1. GENERAL INFORMATION

Demographic Data (please put a "√" mark on the box that best describes you)

1. Gender: Female ☐ Male ☐

2. Age: 18- 25 ☐ 26- 35 ☐ 36-44 ☐ 45-55 ☐ 56 and above ☐

3. Educational Background: Primary education ☐ Secondary education ☐

Diploma ☐ First Degree ☐ Masters and above ☐

4. Monthly income in ETB: < 5000 ☐ 5000-10000 ☐ 10000-15000 ☐ 15000- 20000 ☐

>20000 ☐

5. Number of years as Anbessa shoe customer?

Less than 3 Years ☐ 3-5 Years ☐ 5-10 Years ☐ More than 10 Years ☐

6 How many times do you visit Anbessa store in a year?

Once ☐ Twice ☐ Three times ☐ Four times and more ☐

7. Do you also bay other shoe brands? Yes ▭ No ▭

PART 2. Basic research questions

Please select the degree of agreement/disagreement **1=strongly disagree, 2= disagree, 3= neutral, 4= agree and 5= strongly agree** with the following statements associated with your perception towards Anbessa shoe. **(Encircle the alternative number that best describe your view).**

No	Measurement Items	Rating Scale				
		Strongly Disagree(1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree(5)
Quality value		1	2	3	4	5
1	Anbessa shoe products are of high quality	1	2	3	4	5
2	Anbessa shoe products have consistent quality	1	2	3	4	5
3	Anbessa shoe products are comfortable	1	2	3	4	5
4	The style of the brand are suitable for me	1	2	3	4	5
5	Anbessa shoe products have good functional quality	1	2	3	4	5
Price value		1	2	3	4	5
6	Anbessa shoe products are reasonably charged	1	2	3	4	5
7	Anbessa shoe products offer good value for money	1	2	3	4	5
8	The price of the product is good indicator of its quality	1	2	3	4	5
9	Anbessa shoe products are very economical	1	2	3	4	5
Emotional value		1	2	3	4	5
10	The brand would make me want to use it	1	2	3	4	5
11	Using the brand makes me feel good about my self	1	2	3	4	5
12	Using the brand makes me feel attractive	1	2	3	4	5
13	Wearing Anbessa shoe makes me feel relaxed	1	2	3	4	5
Social value		1	2	3	4	5
14	The brand would improve the way I am perceived by others	1	2	3	4	5
15	The brand would make a good impression on other people	1	2	3	4	5

16	The brand would give me social approval	1	2	3	4	5
17	How I look in Anbessa shoe is important because I want people to accept me	1	2	3	4	5
Customer loyalty		1	2	3	4	5
18	I consider myself to be loyal to Anbessa shoe	1	2	3	4	5
19	When buying a Shoe Anbessa shoe would be my first choice	1	2	3	4	5
22	I am still willing to buy Anbessa shoe even if its price is a little higher than that of its competitors	1	2	3	4	5
21	I would love to recommend Aanbessa shoe to my friends and relatives	1	2	3	4	5
22	I shall continue to use Anbessa shoe in the future	1	2	3	4	5

APPENDIX 1: Questionnaire in Amharic

ለደንበኞች የተዘጋጀ መጠይቅ
አዲስ አበባ ዩኒቨርስቲ
ንግድ ስራ ትምህርት ቤት
የገበያ አመራር ትምህርት ክፍል ድህረ ምረቃ መርሃ ግብር

ውድ መላሽ
እኔ በአዲስ አበባ ዩኒቨርስቲ የንግድ ሥራ ት/ቤት የድህረ ምረቃ ተማሪ ስሆን ይህንን ጥናታዊ ጽሁፍ ያዘጋጀሁት ለድህረ ምረቃ የጽሁፍ ማሟያ ነው፡፡ይህ መጠይቅ *የደንበኛ ግንዛቤ እሴት* (Customer perceived value) *በደንበኞች ታማኝነት ላይ ያለውን ተጽዕኖ* (Effect of Customer perceived value on Customer loyalty) በሚል አርዕስት በአዲስ አበባ የሚገኙ የአንበሳ ጫማ ደንበኞችን በመውሰድ ጥናት ለማድረግ ግብአት ይሆን ዘንድ ነው።ለመጠይቁ የሚሰጡት ማንኛውም ምላሽ ምስጢራዊነቱ ሙሉ ለሙሉ የተጠበቀ ስለሆነ ያለስጋት ምላሽ ይሰጡ ዘንድ እየጠየኩ በተጨማሪም ለትምህርታዊ አገልግሎት ብቻ የሚውል መሆኑን ላረጋግጥልዎት እወዳለሁ።

ስለዚህም የተከበራችሁ ደንበኞች ጥቂት ጊዜያችሁን መስዋዕት በማድረግ ስለአንበሳ ጫማ ያለዎትን አመለካከትና ተዘማጅ ጉዳዮች ላይ ያለዎትን አስተያየት ይሰጡኝ ዘንድ በትህትና እጠይቃለሁ። መጠይቁን ለመሙላት ፈቃደኛ ስለሆኑ በቅድሚያ አመሰግናለሁ። ስለ ጥናቱ የበለጠ መረጃ ከፊለጉ እንዲሁም መጠይቁን በመሞላት ላይ ችግር ከገጠሞት በስልክ ቁጥር +251-924 783978 ደውለው ሊያገኙኝ ይችላሉ፡፡

ክፍል አንድ፡፡ አጠቃላይ መረጃ

የሥነ-ህዝብ መረጃ (እባክዎ ከቀረቡት አማራጮች ውስጥ እርስዎን በደንብ ሚገልጾት ሳጥን ላይ ምልክት (√) በማድረግ ምላሽዎትን ይስጡ፡፡)

1. ፆታ ሴት ☐ ወንድ ☐
2. እድሜ 18- 25 ☐ 26- 35 ☐ 36-44 ☐ 45-55 ☐ 56 እና በላይ ☐
3. የትምህርት ደረጃ :- የመጀመሪያ ደረጃ ☐ ሁለተኛ ደረጃ ☐ ዲፕሎማ ☐ የመጀመሪያ ድግሪ ☐ ሁለተኛ ደረጃ ድግሪ /ማስተርስ/ እና ከዛ በላይ ☐
4. ወርሃዊ ገቢ በብር ?ከ5000 በታች ☐ 5000-10000 ☐ 10000-15000 ☐ 15000- 20000 ☐ ከ20000 በላይ ☐
5. ለምን ያህል አመት የአንበሳ ጫማ ደንበኛ ሆነዋል?

   ከ 3 ዓመት በታች ☐ ከ3-5 ዓመት ☐ ከ5-10 ዓመት ☐ ከ10 ዓመት በላይ ☐
6. የአንበሳ ጫማ መደብሮችን በአመት ምን ያህል ግዜ ይጎበኛሉ?

   አንድ ግዜ ☐ ሁለት ግዜ ☐ ሶስት ግዜ ☐ አራት ግዜ እና ከዛ በላይ ☐
7. እርሶ ሌላ አይነት ብራንድ ጫማዎቸንም ይገዛሉ?

   አዎ ☐ አይ ☐

ክፍል 2 የጥናቱ መሰረታዊ ጥያቄዎች

እባክዎትን በአንበሳ ጫማ ላይ የተገነዘቡትን እሴት ከታች ከተገለጹት አረፍተ ነገሮች መሰረት የመስማማት መጠንዎን ይግለጹ 1 በጣም አልስማማም ፤ 2 አልስማማም ፤ 3 ገለልተኛ ፤ 4እስማማለሁ ፤ 5 በጣም እስማማለሁ (የእርሶን እይታ በደንብ የሚገልጽሎት ምርጫን ይክበቡ)

ተ.ቁ	መለኪያ መስፈርቶች	የመመዘኛ መስፈርት				
		በጣም አልስማማም (1)	አልስማማም (2)	ገለልተኛ (3)	እስማማለሁ (4)	በጣም እስማማለው (5)
የምርት ጥራት እሴት		1	2	3	4	5
1	የአንበሳ ጫማ ምርቶች ከፍተኛ ጥራት አላቸው	1	2	3	4	5
2	የአንበሳ ጫማ ምርቶች ወጥነት ያለው ጥራት አላቸው	1	2	3	4	5
3	የአንበሳ ጫማ ምርቶች ምቹ ናቸው	1	2	3	4	5
4	የአንበሳ ጫማ እስታይል ለኔ ተስማሚ ነው	1	2	3	4	5
5	የአንበሳ ጫማ ምርቶች ጠንካራ ናቸው	1	2	3	4	5
የዋጋ እሴት		1	2	3	4	5
6	የአንበሳ ጫማ ምርቶች ምክንያታዊ የሆነ የመሸጫ ዋጋ አላቸው	1	2	3	4	5
7	የአንበሳ ጫማ ምርቶች ለተከፈለባቸው ገንዘብ ጥሩ ዋጋ ይሰጣሉ	1	2	3	4	5
8	የአንበሳ ጫማ የመሸጫ ዋጋ የምርቱን ጥራት ጥሩ ጠቋሚ ነው	1	2	3	4	5
9	የአንበሳ ጫማ ምርቶች በጣም ዋጋ ቆጣቢ ናቸው	1	2	3	4	5
ስሜታዊ እሴት		1	2	3	4	5
10	አንበሳ ጫማ የሚለው ብራንድ ምርቱን እንድጠቀም ፍላጎት ያሣድርብኛል	1	2	3	4	5
11	አንበሳ ጫማ የሚለው ብራንድ ስለራሴ ጥሩ ስሜት እነዲሰማኝ ያደርጋል	1	2	3	4	5
12	አንበሳ ጫማ መጫማት ሳቢ ገጽታ እንደተላበስኩ እንዲሰማኝ ያደርጋል	1	2	3	4	5
13	አንበሳ ጫማ መጫማቴ ዘና ያለ ስሜት እንዲሰማኝ ያደርጋል	1	2	3	4	5
ማህበራዊ እሴት		1	2	3	4	5

14	የአንበሳ ጫማ ብራነድ /መጠቀም/ በሰዎች ዘንድ ያለኝን ምልከታ የተሻለ እንዲሆን የደርጋል	1	2	3	4	5
15	የአንበሳ ጫማ ብራንድ /መጠቀም/ በለሎች ሰዎች ዘንድ መልካም አመለካከትን ያጎናጽፋል	1	2	3	4	5
16	የአንበሳ ጫማ ብራነድ/ መጠቀም/ በማኅበረሰቡ ዘንድ ተቀባይነትን እንዲኖረኝ የደርጋል	1	2	3	4	5
17	አንበሳ ጫማ የሚያላብሰኝ/የሚሰጠኝ/ ገጽታ ለኔ ወሳኝ ነው ምክንያቱም በሰዎች ዘንድ ተቀባይነት እነደኖረኝ ስለምፈልግ	1	2	3	4	5
የደንበኛ ታምኝነት		1	2	3	4	5
18	እኔ ራሴን የአንበሳ ጫማ ታማኝ ደንበኛ እንደሆንኩኝ አስባለሁ	1	2	3	4	5
19	ጫማ በገዛሁ ግዜ ሁሉ አንበሳ ጫማ የመጀመረያ ምርጫዬ ነው	1	2	3	4	5
20	የአንበሳ ጫማ የመሸጫ ዋጋ ከሌሎች ተፎካካሪዎች አንጻር የተወሰነ ጭማሪ ቢኖረው እንኳ አንበሳ ጫማን ለመግዛት ፍቃደኛ ነኝ	1	2	3	4	5
21	ቤተሰቦቼ እንዲሁም ጓደኞቸ የአንበሳ ጫማ ምርቶችን እንዲጠቀሙ እመክራለሁ	1	2	3	4	5
22	ወደፊትም የአንበሳ ጫማ ምርቶች ተጠቃሚ መሆኔን እቀጥልበታለሁ	1	2	3	4	5

APPENDIX 3. Constructs measures

Construct/number items	Adapted/Adopted From	Item
Quality value (3)	Sweeney& Soutar (2001)	of high quality Has consistent quality has good functional quality
Price value (3)	Sweeney& Soutar (2001)	Is reasonably priced Offers value for money Brand X is a good product for the price
Emotional value (4)	Sweeney& Soutar (2001) Sontag & Lee (2004).	Brand X would make me want to use it Brand X makes me feel good about myself Brand X makes me feel attractive Wearing this brand makes me feel important
Social value (4)	Sweeney& Soutar (2001) Sontag & Lee (2004).	Brand X improve the way I am perceived Brand X would make a good impression on other people Brand X would give its owner social approval How I look in Brand X is important because I want people to accept me
Customer Loyalty (5)	Yoo, Donthu & Lee (2000). Pappu,Quester & Cooksey (2005).	I consider myself to be loyal to the brand When buying a Shoe Brand X would be my first choice I am still willing to buy Brand X even if its price is a little higher than that of its competitors I would love to recommend Brand X to my friends and relatives I shall continue to use Brand X in the future

APPENDIX 4: Reliability Statistics and Tests

Scale: Quality value Reliability statistics

Case Processing Summary

		N	%
Cases	Valid	393	100.0
	Excluded[a]	0	.0
	Total	393	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.725	5

Scale: Price value Reliability statistics

Reliability Statistics

Cronbach's Alpha	N of Items
.844	4

Scale: Emotional value Reliability statistics

Reliability Statistics

Cronbach's Alpha	N of Items
.777	4

Scale: Social value Reliability statistics

Reliability Statistics

Cronbach's Alpha	N of Items
.844	4

Scale: Customer loyalty Reliability statistics

Reliability Statistics

Cronbach's Alpha	N of Items
.850	5

APPENDIX 4: Model Summary Perceived value dimensions

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.780[a]	.609	.605	.41661
a. Predictors: (Constant), Social Value, Quality Value, Price Value, Emotional Value				

APPENDIX 5: ANOVA table

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	104.770	4	26.193	150.914	.000[b]
	Residual	67.341	388	.174		
	Total	172.112	392			
a. Dependent Variable: Customer Loyalty						
b. Predictors: (Constant), Social Value, Quality Value, Price Value, Emotional Value						

APPENDIX 6: One-way ANOVA Based on Age

		Sum of Squares	df	Mean Square	F	Sig.
Quality Value	Between Groups	8.292	4	2.073	6.892	.000
	Within Groups	116.696	388	.301		
	Total	124.988	392			
Price Value	Between Groups	4.547	4	1.137	1.717	.145
	Within Groups	256.902	388	.662		
	Total	261.449	392			
Emotional Value	Between Groups	5.859	4	1.465	3.483	.008
	Within Groups	163.194	388	.421		
	Total	169.053	392			
Social Value	Between Groups	7.237	4	1.809	3.575	.007
	Within Groups	196.353	388	.506		
	Total	203.590	392			
Customer Loyalty	Between Groups	13.995	4	3.499	8.585	.000
	Within Groups	158.117	388	.408		
	Total	172.112	392			

(Source: Researcher's survey, 2017)

APPENDIX 7: One-way ANOVA Based on Education Level

		Sum of Squares	df	Mean Square	F	Sig.
Quality Value	Between Groups	5.906	4	1.477	4.811	.001
	Within Groups	119.082	388	.307		
	Total	124.988	392			
Price Value	Between Groups	8.269	4	2.067	3.168	.014
	Within Groups	253.180	388	.653		
	Total	261.449	392			
Emotional Value	Between Groups	4.775	4	1.194	2.819	.025
	Within Groups	164.278	388	.423		
	Total	169.053	392			
Social Value	Between Groups	7.191	4	1.798	3.552	.007
	Within Groups	196.399	388	.506		
	Total	203.590	392			
Customer Loyalty	Between Groups	7.658	4	1.915	4.517	.001
	Within Groups	164.453	388	.424		
	Total	172.112	392			

(Source: Researcher's survey, 2017)

APPENDIX 8: One-way ANOVA Based on Income Level

		Sum of Squares	df	Mean Square	F	Sig.
Quality Value	Between Groups	3.250	4	.813	2.590	.036
	Within Groups	121.738	388	.314		
	Total	124.988	392			
Price Value	Between Groups	6.454	4	1.613	2.455	.045
	Within Groups	254.995	388	.657		
	Total	261.449	392			
Emotional Value	Between Groups	3.147	4	.787	1.840	.120
	Within Groups	165.906	388	.428		
	Total	169.053	392			
Social Value	Between Groups	4.822	4	1.206	2.353	.053
	Within Groups	198.768	388	.512		
	Total	203.590	392			
Customer Loyalty	Between Groups	3.961	4	.990	2.285	.060
	Within Groups	168.151	388	.433		
	Total	172.112	392			

(Source: Researcher's survey, 2017