

Brand Loyalty and the Mediating Roles of Brand Image and Customer Satisfaction

Imran Taqi¹

Karachi Institute of Economics and Technology, Karachi, Pakistan

Ghulam Muhammad

Mohammad Ali Jinnah University, Karachi, Pakistan

Abstract

In the present competitive era, firms can't develop and maintain a competitive edge based on physical features. Therefore, most firms use intangible aspects like brand image, which enhances customer satisfaction and promotes a sustainable relationship with customers. Given its importance, most firms focus on building and maintaining their brand image. Because of its importance, we have developed a conceptual framework that has five direct relationships and three indirect relationships. The scope of the study was focused on the branded apparel industry (J.dot). The questionnaire was administered to private universities of Karachi. We contacted 400 respondents, and 387 responded. We found that brand image does not affect brand loyalty, which is inconsistent with earlier studies. On the contrary, we found that customer satisfaction and perceived quality is positively associated with brand loyalty. Brand image and perceived quality affect customer satisfaction and brand image. Moreover, brand image does not mediate the perceived quality and brand loyalty relationship. However, customer satisfaction mediates the brand image and brand loyalty relationship. The implication for the marketers was drawn from the results. This study was limited to the J.dot apparel brand. Future studies can be carried out in other domains. The study was restricted to one city. Future studies may extend it to other cities and other countries. A comparative review may bring further insight into the brand-related elements.

Keywords: *Brand image, brand loyalty, perceived quality, customer satisfaction.*

Introduction

In the present competitive era, firms cannot develop and maintain a competitive edge based on physical features. Therefore, most firms use intangible aspects like brand image, which enhances customer satisfaction and promotes a sustainable relationship with

¹Corresponding Author: Imran Taqi; Email: imran.taqi@pafkiet.edu.pk

customers. Given its importance, most firms focus on building and maintaining their brand image. Brands are essential for both customers and firms. A firm with a strong brand image has to spend fewer resources on marketing. On the other hand, when consumers see a brand, they know what the brand may deliver (Alden, Steenkamp & Batra, 2018). Moreover, a brand not only interacts with the consumers, but it also communicates its value proposition to the customers. This interaction promotes a sustainable relationship between brands and consumers (Dinnie, 2015). Organizations with a robust and loyal customer base have several advantages. It helps a firm to increase its market share by extending its products in different categories (Govers & Go, 2016). Firms that spend considerable resources on building their brand image may have the edge over firms with a weak brand image.

Moreover, loyal customers are less price-sensitive, and even if they have a random bad experience with the brand, they may not shift to competitors (Hankinson, 2015). Many studies have acknowledged that a reputable brand has the luxury of charging a premium price that the firms can use for enhancing the brand image (Alden, Steenkamp & Batra, 2018). Perceived quality is considered an essential antecedent to “brand image, brand loyalty, and customer satisfaction” (Kim, Choe & Petrick, 2018). Past literature suggests that most of the researchers have focused on the consequences of brand elements. However, only a few studies have measured the indirect relationships of these elements (Alhaddad, 2015; Holt, 2016). Given the discussion above, we have developed the following objectives: (1) To ascertain the association of (i) brand image (ii) customer satisfaction, and (iii) perceived quality on brand loyalty (2) To determine the association of (i) brand image, and (ii) perceived quality on satisfaction and brand image respectively (3) To ascertain the mediating roles of (i) brand image on brand loyalty and customer satisfaction (4) To determine the mediating role of customer satisfaction on brand loyalty.

Literature Review

Hypothesis Development

Based on a review of the literature, we have developed a conceptual framework that has five direct hypotheses and three indirect hypotheses. The theoretical support for the developed hypotheses is discussed in the following sections.

Brand Image and Brand Loyalty

Brand image refers to “consumer perception of the brand value proposition.” A strong brand interacts with customers and communicates its value proposition more effectively. Therefore, customers develop a sustainable relationship with the brand (Sasmita & Mohd-Suki, 2015; Han, 2017). The brand image also helps customers to differentiate between competing brands and enables them to purchase those brands that are aligned with their

needs and wants. Consequently, it results in satisfaction and sustainable relationships with the brand (Chinomona, 2016; Mabkhot, Shaari & Salleh, 2017). Thus, firms marketing activities must be focused on building a strong brand image and increasing loyal customers (Puška, Stojanović & Berbić, 2018). Many firms now let customers experience the brand with friends and families that steer their emotions and enhance brand image and brand loyalty (Shabbir, Khan & Khan, 2017).

Sasmita and Mohd-Suki (2015) also acknowledge that brand image promotes sustainable relationships with customers, and it promotes consumers' repurchase intentions. Moreover, brand image not only interacts with customers, but it also depicts its quality and features that support sustainable associations with customers. A strong brand commands consumers' confidence that stimulates brand loyalty (Chinomona, 2016; Bilgin, 2018). Similarly, Shabbir, Khan and Khan (2017) found that "the success of a firm depends on its brand image and customer loyalty." Therefore, firms, while developing their marketing strategies, must also focus on brand image and brand loyalty.

H1: Brand image and brand loyalty are positively associated.

Customer Satisfaction and Brand Loyalty

For decades, many firms have focused on enhancing customers' satisfaction because it has a direct link with brand loyalty (Ong, Nguyen & Syed-Alwi, 2017; Aburumman & Nieto, 2019). It has also been found that satisfied customers not only stay with the brand but also generate positive word of mouth for the brand (Kim, Kim & Lee, 2016; Elsäber & Wirtz, 2017). Consequently, these aspects not only enhance the brand image but prevent customers from switching to other brands (Rather & Sharma, 2016). A satisfied customer might shift to other brands, but loyal customers stay with the brand over time (Lee, Moon, Kim & Mun, 2015). Satisfaction is an antecedent of brand loyalty. Therefore, satisfied customers, due to repeat purchases, enhance firms' revenue and profit (Susanty & Kenny, 2015). Many studies have documented that satisfaction "has a direct effect on brand loyalty," and it, through commitment, also affects brand loyalty (Ong, Nguyen & Syed-Alwi, 2017). Past studies have also acknowledged that satisfied and loyal customers continue to purchase the same brand, and in the long run, it becomes their habit (Lee, Moon, Kim & Mun, 2015). Moreover, satisfied and loyal customers due to the random incidence of bad experience neither generate negative WOM nor switch to competitors (Rather & Sharma, 2016; Cooper, Newell & Atkinson, 2019).

H2: Customer satisfaction and brand loyalty are positively associated.

Perceived Quality and Brand Image

Consumers' perception of the quality of a brand stimulates brand image (Kim, Choe & Petrick, 2018). Many past studies have acknowledged that both actual quality and perceived quality have an association with the brand image (Alhaddad, 2015; Vinh & Phuong, 2017). However, the effect of the former is more significant than the latter. Many brands, besides spending resources on the physical quality of the product, also devote considerable resources to enhance consumer perception about the quality of the brand (Wang, 2016). Brands that have a high-quality image can extend their products in other categories as compared to brands that have a low-quality perception (Hamid, Ibrahim, Seesy & Hasaballah, 2015; Paramita & Alifahmi, 2017).

H3: Perceived quality and brand image are positively associated.

Brand Image and Customer Satisfaction

Past studies have acknowledged that brand image stimulates customers' satisfaction due to which they not only develop a sustainable relationship with a brand but also generate positive WOM communication (Chao, Wu & Yen, 2015; Anwar, Min & Dastagir, 2019). Similarly, Mohammed and Rashid (2018) found that brand image is an influential antecedent to customer satisfaction and loyalty due to which firms spend substantial resources on building and enhancing their brand image. Many studies have also acknowledged that due to a reputable brand image, customers besides being loyal to the brand are not vulnerable to the competitors' value proposition.

Similarly, Lahap, Ramli, Said, Radzi, and Zain (2016) argue that a strong brand image not only attracts new customers but helps retain existing customers. Thus, a strong base of satisfied customers, enable firms to increase their market shares, and maintain their leadership. Moreover, when a strong brand extends to other product categories, the satisfied customers not only purchase the extended brand but also persuade their friends and peers to buy the same (Neupane, 2015). It has also been documented that most of the newly launched products fail due to the saturated market. However, if the brand image of a product is stable and customers are satisfied with it, the chances of extended brand failures reduce (Nazir, Ali & Jamil, 2016; Hannes, 2019).

Brands like human beings have a personality which is known as a brand persona. The similarity between customer and brand personality traits not only attracts customers but also enhances their satisfaction level (Hamid, Ibrahim, Seesy & Hasaballah, 2015). It has also been found "that brand image has a direct and indirect effect on brand loyalty." Moreover, many researchers acknowledge that "brand image promotes customer satisfaction and brand loyalty," and these two elements affect brand image (Neupane, 2015; Veloso, Magueta,

Ribeiro & Alves, 2018).

H4: Brand image and customer satisfaction are positively associated.

Perceived Quality and Brand Loyalty

Consumers have two perceptions of the quality of a brand. One is objectivity, and the other is perceived quality. The former is related to product features, consistency, and performance (Chang, Wu, Lin & Chang, 2016; Kim, Choe & Petrick, 2018). The latter is based on intangible factors, including peer experience and price perception. Although both are important for enhancing brand loyalty, the effect of consumer quality perception on brand loyalty is significantly more substantial than the actual quality of a product (Purwoko & Sihombing, 2018). However, marketers have suggested that the disparity between perceived quality and real quality of a brand adversely affects consumers' brand loyalty (Saleem, Rahman & Umar, 2015). Many past studies have concluded that the relationship between perceived quality varies from one industry to another. However, this is more significant in sectors where the switching cost is high (García-Fernández, Gálvez-Ruíz, Fernández-Gavira, Vélez-Colón, Pitts & Bernal-García, 2018).

H5: Perceived quality and brand loyalty are positively associated.

Perceived Quality, Brand Image and Brand Loyalty

Perceived quality has several effects on a brand. For example, such a brand can charge premium prices and give an edge over competitors. Consumers' positive quality perception motivates them to buy the brand consistently (Kim, Choe & Petrick, 2018). Moreover, if consumers have a strong quality perception about a brand, they would not hesitate to purchase its extended brand. The four components of perceived quality are intrinsic, extrinsic, appearance, and performance. All of them individually and collectively effect brand image.

A strong brand interacts with customers and communicates its value proposition more effectively. Therefore, customers develop a sustainable relationship with the brand (Sasmita & Mohd-Suki, 2015; Greve, 2014; Paramita & Alifahmi, 2017). A brand image also helps customers to differentiate between competing brands that enable them to purchase those brands that are aligned with their needs and wants. Consequently, it results in satisfaction and sustainable relationships with the brand (Titi & Anang, 2018). Thus, firms marketing activities must be to building a strong brand image and increasing loyal customers (Alhaddad, 2015). Many firms now let customers experience the brand with friends and families that steer their emotions and enhance brand image and brand loyalty (Shabbir, Khan & Khan, 2017; Subagyo, 2019).

H6: Brand image mediates the association between perceived quality and brand loyalty.

Perceived Quality, Brand Image and Customer Satisfaction

Products contain different tangible and intangible aspects that have a significant association with perceived quality. Consumers that have a high-quality perception of a brand also have positive associations with their image (Veloso, Magueta, Ribeiro & Alves, 2018). Consumers differentiate brands based on their perceived quality perception. Many past studies have found that a high perceived quality and brand image are positively associated. Therefore, these studies suggest that firms should focus on the tangible and intangible aspects of the products. This physical and intangible aspect will not only improve customers' quality perception but will also help in building a sharp brand image (Yoo, Donthu, and Lee, 2000; Hakimi, Nawi, Ismail, Hasan, Ibrahim & Nasir, 2018). Customers' trust towards a brand is an essential predictor of perceived quality. Therefore, firms can enhance customers' confidence towards a brand by letting them experience it with family and friends.

Brand image is an essential predictor of customer satisfaction. A highly satisfied customer develops a sustainable relationship with the brand and also recommends the brand to his/her family and peers (Chao, Wu & Yen, 2015). Given a strong association between brand image and customer satisfaction (Mohammed & Rashid, 2018; Anwar, Min & Dastagir, 2019) suggest that firms should focus on enhancing their brand image. Consumers who are satisfied with a brand do not switch to other brands and get distressed if that brand is not available (Lahap, Ramli, Said, Radzi & Zain, 2016; Hakimi, Nawi, Ismail, Hasan, Ibrahim & Nasir, 2018). Consumers are not only satisfied with a brand that has a strong image but remain loyal to it. The brand communicates its value proposition to customers. Thus, a firm needs to deliver more than what it promised to the customers, as it will have a positive effect on both customer satisfaction and brand image (Nazir, Ali & Jamil, 2016; Sangwan & Bhakar, 2018).

H7: Brand image mediates the association between perceived quality and customer satisfaction.

Brand image, Customer Satisfaction and Brand Loyalty

Many firms use brand personification strategies for changing customers' attitudes towards a brand or a product. Consumers that have a similar personality with brand persona are not only attracted to the brand but are satisfied with it (Hamid, Ibrahim, Seesy & Hasaballah, 2015; Yang, Yang, Chang & Chien, 2017). Brand image has a direct effect on brand loyalty and, through satisfaction effects brand loyalty. Brand image is an essential predictor of customer satisfaction. A long term sustainable relationship requires that the

brand exceeds customers' expectations (Neupane, 2015; Dunuwille & Pathmini, 2016).

It has also been found "that brand image has a direct and indirect effect on brand loyalty." Similarly, "brand image promotes customer satisfaction and brand loyalty," and these elements affect brand image (Neupane, 2015; Cho & Bae, 2017). Therefore, firms encourage existing customers to promote their products to new customers (Pratama & Suprpto, 2017). Firms focus on enhancing the sustainable relationship as they realize that attracting new customers is more expensive than retaining old customers (Yoo, 2016; Ong, Nguyen & Syed- Alwi, 2017). Satisfied and loyal customers are not only vulnerable to competitors' prices, but they ignore the random unpleasant experience. However, if firms consistently deliver below what they have promised to their customers, they may switch to competitors. Many studies have acknowledged that satisfied and loyal customers continue to purchase the same brand, and in the long run, it becomes their habit (Lee, Moon, Kim & Mun, 2015; Azizan & Yusur, 2019). Moreover, satisfied and loyal customers due to the random bad experience neither generate negative WOM nor switch to competitors. If a customer does not acquire the brand to they are faithful; then they may postpone their purchases (Rather & Sharma, 2016; Jana & Chandra, 2016).

H8: Customer satisfaction mediates the association between brand image and brand loyalty.

Methodology

Population and Sample Size

The target population for the study comprises of students from private business universities in Karachi. The reason for selecting this population is that university going students are more brand conscious. The sample size for the study was 387, which we have calculated at a 95 percent confidence level and a 5% percent margin of error. Since the sample frame for our target population is not available, therefore, we have used non-probability sampling. We visited the selected universities to distribute the questionnaires. During the data collection process, the authors fulfilled all ethical requirements, such as acquiring permission from the heads of the institutions. The authors also conveyed the aims and purpose of the study to the students. The students were informed that the collected data would be used for academic purposes only.

Scales and Measures

The authors have used a close-ended questionnaire for collecting the data. It was based on a five-point Likert-scale with four latent variables and 19 indicator variables. The summary of the sources through which we adapted the questionnaire is presented in Table 1.

Table 1: Summary of the Constructs

Construct	No of Items	Authors
Brand Image	6	Low and Lamb Jr (2000)
Brand Loyalty	5	Upamannu & Bhakar (2014)
Perceived Quality	4	Yoo, Donthu & Lee (2000)
Customer Satisfaction	5	Upamannu & Bhakar (2014)

Pilot Test and Data Analysis

A pilot test is recommended before the actual survey. In the pilot test, five students from a local university were recruited. After explaining the aim and objective of the study, the recruited students were asked to fill the developed questionnaire. The objective of the pilot test was to identify ambiguity in the language and content of the questionnaire. We have used Smart PLS 3.21, and SPSS version 23 for data analysis. It is inclusive of reliability, validity, descriptive statistics, measurement, and structural models.

Results

Descriptive Statistics

The descriptive statistics of the constructs are presented in Table 2.

Table 2: Descriptive Statistics

	Cronbach's Alpha	Mean	Std. Dev.	Skewness	Kurtosis
Brand Image	0.887	3.98	1.12	1.32	-0.83
Brand Loyalty	0.860	4.66	1.36	-0.82	-0.57
Perceived Quality	0.883	4.77	1.97	-0.94	-0.91
Customer Satisfaction	0.846	4.32	1.31	2.13	-1.64

The results show that the highest Cronbach's alpha value is for brand image (Mean= 3.98 SD=1.12, $\alpha=.887$), and the lowest is for customer satisfaction (Mean= 4.32, SD=1.131, $\alpha=.846$). As all the Cronbach's alpha values are at least 0.60, therefore it is inferred that the constructs used in the study have acceptable internal consistency (Hair, Anderson, Tatham & Black, 1998). The Skewness values ranged from -0.82 to 2.13. Similarly, the highest Kurtosis value is -1.64, and the lowest is -0.57. All the skewness and kurtosis values are between ± 3.5 , therefore, it is inferred that the constructs do not deviate from the requirements of univariate normality (Hair et al., 1998).

Convergent Validity

The convergent validity results are presented in Table 3.

Table 3: Convergent Validity

	Mean	Std. Dev.	Composite Reliability	AVE
Brand Image	3.98	1.12	0.915	0.643
Brand Loyalty	4.66	1.36	0.905	0.705
Perceived Quality	4.77	1.97	0.92	0.741
Customer Satisfaction	4.32	1.31	0.891	0.624

The results show that all composite reliability values are higher than 0.70, and the AVE values are higher than 0.60, which suggests that the constructs satisfy the convergent validity requirements.

Discriminant Validity

The discriminant validity results are presented in Table 4.

Table 4: Discriminant Validity

	B.I.	BL	C.S.	PQ
Brand Image	0.802			
Brand Loyalty	0.519	0.84		
Customer Sat.	0.565	0.717	0.861	
Perceived Quality	0.508	0.557	0.642	0.79

The results show that the values of the square root of average variance extracted are greater than the each pair of correlation; thus, it is inferred that all the constructs are unique and distinct (Hair et al., 1998)

Confirmatory Factor Analysis

The results from confirmatory factor analysis are presented in Table 5.

Table 5: Confirmatory Factor Analysis

	Brand Image	Customer Satisfaction	Brand Loyalty	Perceived Quality
A1	0.639			
A2	0.831			
A3	0.821			
A4	0.858			
A5	0.824			
A6	0.819			
B1		0.822		

	Brand Image	Customer Satisfaction	Brand Loyalty	Perceived Quality
B2		0.850		
B3		0.880		
B4		0.889		
D1			0.792	
D2			0.823	
D3			0.901	
D4			0.839	
E1				0.844
E2				0.853
E3				0.857
E5				0.556
E6				0.799

The results show that the factor loadings of all indicator variables are higher than 0.70, which indicates that they adequately explain the respective constructs.

Path Coefficients

We have developed five direct hypotheses and three indirect hypotheses. The path coefficients are presented in Table 6. Moreover, the measurement and structural models are presented in Figure 1 and Figure 2, respectively.

Table 6: Path Coefficients

	Beta	T-Stats	P Values	Results
Direct Hypotheses				
Brand Image -> Brand Loyalty	0.137	1.366	0.086	Rejected
Customer Satisfaction -> Brand Loyalty	0.548	4.895	0.000	Accepted
Perceived Quality -> Brand Loyalty	0.142	1.786	0.037	Accepted
Brand Image -> Customer Satisfaction	0.568	7.967	0.000	Accepted
Perceived Quality -> Brand Image	0.517	7.186	0.000	Accepted
Indirect Hypotheses				
Per. Quality -> Br. Image -> Br. Loyalty	0.071	1.344	0.09	Rejected
Per. Quality -> Br. Image -> Cust. Sat.	0.293	4.518	0.000	Accepted
Br. Image -> Cus. Sat. -> Br. Loyalty	0.311	4.102	0	Accepted

The results suggest that of the five direct hypotheses, one was rejected, and the rest were accepted. Similarly, of the three indirect hypotheses, one was rejected, and the rest were accepted.

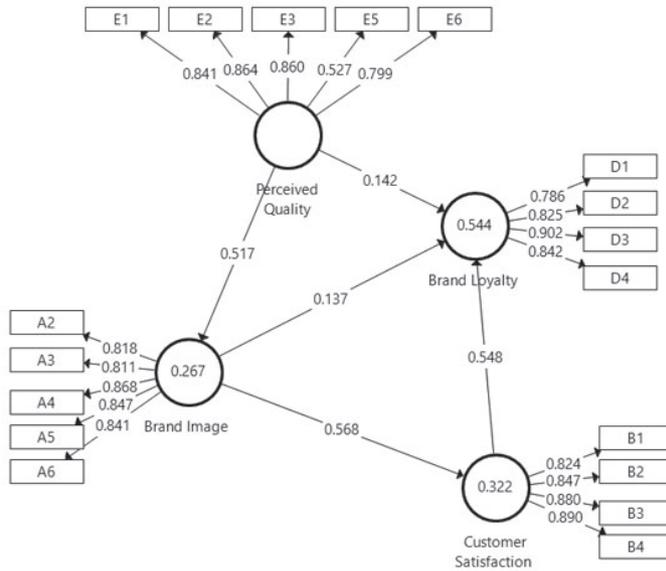


Figure 1: Measurement Model

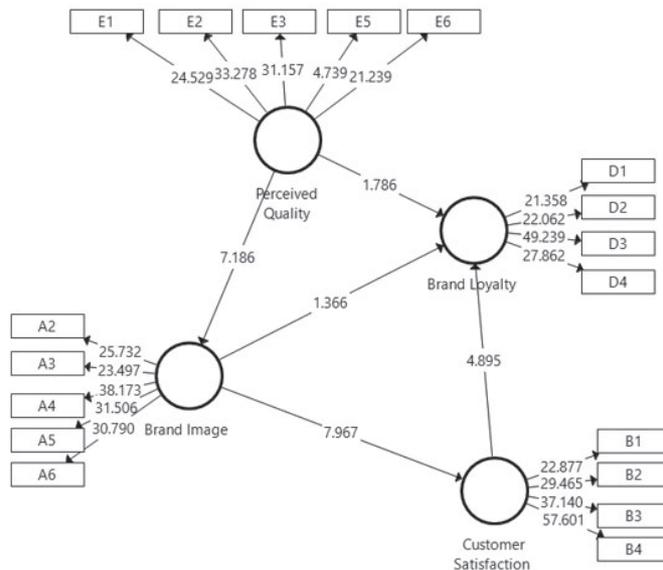


Figure 2 : Structural Model

Discussion and Conclusion

Discussion

The hypothesis on the association of brand image and brand loyalty was rejected. The finding is inconsistent with earlier studies. A strong brand interacts with customers and communicates its value proposition more effectively. Therefore, customers develop a sustainable relationship with the brand (Sasmita & Mohd-Suki, 2015). Brand image also helps customers to differentiate between competing brands that enable them to purchase those brands which are aligned with their needs and wants. Consequently, it results in satisfaction and sustainable relationships with the brand (Chinomona, 2016). Thus, all marketing activities are focused on building a strong brand image and increasing loyal customers (Alhaddad, 2015). Many firms now let their customers experience the brand with friends and families to enhance brand image and brand loyalty (Puška, Stojanović & Berbić, 2018).

The hypothesis of customer satisfaction and brand loyalty was also accepted. For decades, most firms have focused on enhancing customer satisfaction because it has a direct link with brand loyalty (Ong, Nguyen & Syed-Alwi, 2017). It has also been found that satisfied customers not only stay with the brand but also generate a positive word of mouth for the brand (Elsäber & Wirtz, 2017). Consequently, these aspects not only enhance the brand image but prevent customers from switching to other brands (Rather & Sharma, 2016). A satisfied customer might shift to other brands, but loyal customers stay with the brand for a long time (Lee, Moon, Kim & Mun, 2015). Satisfaction is an antecedent of brand loyalty. Therefore, satisfied customers, due to repeat purchases, enhance firms' revenue and profit (Susanty & Kenny, 2015).

The hypothesis of perceived quality and brand image was accepted. Many past studies have acknowledged that both actual quality and perceived quality have an association with the brand image (Alhaddad, 2015). However, it has also been found that the effect of the former is more significant than the latter. Many brands, besides spending resources on the physical quality of the product, also devote considerable resources to enhance consumer perception about the quality of the brand (Saleem, Rahman & Umar, 2015). It has also been documented that brands that have high-quality image can extend their products in other categories in comparison to the brands that have a low-quality perception (Hamid, Ibrahim, Seesy & Hasaballah, 2015).

The hypothesis of brand image and customer satisfaction was accepted. Past studies have acknowledged that brand image stimulates customers' satisfaction due to which they not only develop a sustainable relationship with a brand but also generate positive WOM communication (Chao, Wu & Yen, 2015). Similarly, Mohammed and Rashid (2018) found

that brand image is an antecedent to customer “satisfaction and loyalty” due to which firms should spend substantial resources on building and enhancing their brand image. Many studies have also acknowledged that due to a strong brand image, customers besides being loyal to the brand are not vulnerable to competitors’ value proposition.

The hypothesis of perceived quality and brand loyalty was accepted. It has also been documented that consumers’ perceived quality promotes brand loyalty (Alhaddad, 2015). However, marketers have suggested that a disparity between perceived and actual quality will adversely affect consumer’s perception of quality and brand loyalty (Saleem, Rahman & Umar, 2015). Many earlier studies found that the relationship between perceived quality varies from one industry to another. However, this is more significant in sectors where the switching cost is high.

The hypothesis on the mediating effect of brand image on perceived quality and brand loyalty was rejected. Many brands, besides spending resources on the tangible quality of the product, also devote considerable resources to enhance consumer “perception about the quality of the brand” (Saleem, Rahman & Umar, 2015). Moreover, consumers’ confidence in a brand promotes brand loyalty (Chinomona, 2016). Similarly, Shabbir, Khan, and Khan (2017) found that the “success of a firm depends on its brand image and customer loyalty.”

The hypothesis on the mediating effect of brand image on perceived quality and customer satisfaction was accepted. It has been documented that brands that have a high-quality perception can extend their products in other categories in comparison to the brands that have a low-quality perception (Hamid, Ibrahim, Seesy & Hasaballah, 2015). Brands are like a human being with a personality that is known as a brand persona.

The hypothesis on the mediating effect of customer satisfaction on brand image and brand loyalty was accepted. Mohammed and Rashid (2018) found that brand image is an antecedent to customer satisfaction as well as loyalty due to which they suggested that firms should spend substantial resources to build and enhance their brand image. Many studies have also acknowledged that due to a strong brand image, customers besides being loyal to the brand are not vulnerable to the competitors’ value proposition. For decades most firms have focused on enhancing customers’ satisfaction because it has a direct link with brand loyalty (Ong, Nguyen & Syed- Alwi, 2017). It has also been found that satisfied customers not only stay with the brand but also generate positive word of mouth for the brand (Elsäber & Wirtz, 2017). Consequently, these aspects not only enhance the brand image but prevent customers from switching to other brands (Rather & Sharma, 2016).

Conclusion

The results suggest that brand image does not affect brand loyalty, which is inconsistent with earlier studies. On the contrary, we found that “satisfaction and perceived quality is positively associated with brand loyalty.” Brand image and perceived quality affect customer satisfaction and brand image. The brand image does not mediate “perceived quality and brand loyalty”. And customer satisfaction mediates brand image and brand loyalty. Based on the empirical results, we suggest that marketers should spend sustainable resources on building a brand image that enhances customer satisfaction. Moreover, brand image and customer satisfaction, directly and indirectly, affect customer relationships and satisfaction levels. In other words, the findings reinforce the view that building and maintaining a strong brand image is essential. Consumers give more importance to quality perceptions than actual quality. However, marketers must focus on both actual quality and consumers’ quality perception. This study was limited to the J.dot apparel brand. Future studies can be carried out in other domains. The study was restricted to one city, and future studies may extend it to other cities and other countries. A comparative review may bring further insight into the brand-related elements.

Annexure 1

Constructs and Items in the Questionnaire

Brand Image

I think that this brand is friendly.

I think that this brand is modern.

I think that this brand is popular.

I think that this brand is useful.

I think that this brand is gentle.

I think that this brand is artificial.

Brand Loyalty

Brand loyalty creates commitment in the mind of consumers.

Pricing strategies of the brand make the consumer more loyal to it.

Proper communication between the brand and consumers promote loyalty.

Positives WOM generated by the consumers enhances brand loyalty.

Firms with strong loyal customers have to spend fewer resources on marketing,

Perceived Quality

X is of high quality.

The likely quality of X is exceptionally high.

The likelihood that X would be functional is very high.

The likelihood that X is reliable is very high.

X must be of outstanding quality.

Satisfaction Scale

X brand makes me feel delighted.

X brand gives me pleasure.

X brand Increases my frequency of use.

X brand makes me feel good.

X brand prevents me from looking cheap and another brand.

References

- Aburumman, N., & Nieto, A. (2019). The Effect Of Products Attributes Customer Satisfaction On Brand Loyalty In The Electronic Appliances Industry: Case Of Jordan. *Oradea Journal of Business and Economics*, 4(Special), 39-51.
- Alden, D. L., Steenkamp, J. B. E. M. & Batra, R. (2018). Cultural Branding. *Managing Brands in 4D: Understanding Perceptual, Emotional, Social, and Cultural Branding*, 27, 218-236.
- Alhaddad, A. (2015). A structural model of the relationships between brand image, brand trust, and brand loyalty. *International Journal of Management Research and Reviews*, 5(3), 137-144.
- Anwar, S., Min, L., & Dastagir, G. (2019). Effect of Service Quality, Brand Image, Perceived Value on Customer Satisfaction and Loyalty in the Chinese Banking Industry. *International Journal of Business, Economics and Management Works*, 6(3), 24-30.
- Azizan, N. S., & Yusr, M. M. (2019). The influence of customer satisfaction, brand trust, and brand image towards customer loyalty. *International Journal of Entrepreneurship*, 2(7), 93-108.
- Bilgin, Y. (2018). The effect of social media marketing activities on brand awareness, brand image, and brand loyalty. *Business & Management Studies: An International Journal*, 6(1), 128-148.
- Chang, C. C., Wu, H. Y., Lin, H. H. & Chang, H. Y. (2016). A Study of Customer's Perceived Quality, Perceived Value, Expectation, and Satisfaction to Its Brand Loyalty: The Case of "Globe Trotter" Sportswear in Taiwan. *ASBBS Proceedings*, 23(1), 112-129.
- Chao, R. F., Wu, T. C. & Yen, W. T. (2015). The Influence of Service Quality, Brand Image, and Customer Satisfaction on Customer Loyalty for Private Karaoke Rooms in Taiwan. *The Journal of Global Business Management*, 11(1), 59-67.
- Chinomona, R. (2016). Brand communication, brand image, and brand trust as antecedents of brand loyalty in Gauteng Province of South Africa. *African Journal of Economic and Management Studies*, 7(1), 124-139.
- Cho, K. H. & Bae, H. S. (2017). Convergence study of the in-flight meal quality on customer satisfaction, brand image, and brand loyalty in airlines. *Journal of the Korea Convergence Society*, 8(12), 317-327.
- Cooper, L., Newell, A., & Atkinson, D. (2019). Investigating the impact growth has on customer satisfaction and brand loyalty: the case of the little Britain pub company. *Economic and Social Development: Book of Proceedings*, 194-204.
- Dinnie, K. (2015). *Nation Branding: Concepts, Issues, Practice*. United Kingdom: Routledge.
- Dunuwille, V. M. & Pathmini, M. G. S. (2016). Brand image and customer satisfaction in the mobile phone market: a study based on customers in the Kandy district. *Journal of Business Studies*, 3(1), 1-13.
- Elsäßer, M. & Wirtz, B. W. (2017). Rational and emotional factors of customer satisfaction and brand loyalty in a business-to-business setting. *Journal of Business & Industrial Marketing*, 32(1), 138-152.

- García-Fernández, J., Gálvez-Ruíz, P., Fernández-Gavira, J., Vélez-Colón, L., Pitts, B. & Bernal-García, A. (2018). The effects of service convenience and perceived quality on perceived value, satisfaction and loyalty in low-cost fitness centers. *Sport Management Review*, 21(3), 250-262.
- Greve, G. (2014). The moderating effect of customer engagement on the brand image–brand loyalty relationship. *Procedia-Social and Behavioral Sciences*, 148, 203-210.
- Govers, R. & Go, F. (2016). *Place Branding: Glocal, Virtual And Physical Identities, Constructed, Imagined and Experienced*. New York: Springer.
- Hakimi, N., Nawi, N. C., Ismail, M., Hasan, M. Z. M., Ibrahim, A. H. & Nasir, N. A. M. (2018). The Roles of Islamic Religiosity, Brand Image, and Knowledge on Relationship between Perceived Value and Tourist Satisfaction: *International Journal of Business and Management*, 13(8), 101-107.
- Hair, J. F. Jr., Anderson, R. E., Tatham, R. E., & Black, W. F., (1998). *Multivariate data analysis (5th ed.)*. New Jersey: Prentice- Hall International, Inc.
- Han, J. S. (2017). Effects of brand image on purchase intention and brand loyalty: Focused on the mediating role of brand trust. *Culinary Science and Hospitality Research*, 23(2), 135-145.
- Hamid, A. A., Ibrahim, S. B., Seesy, A., & Hasaballah, H. (2015). Interaction effect of perceived service quality and brand image on customer satisfaction. *Asian Journal of Management Sciences*, 3(10), 1-8.
- Hankinson, G. (2015). *Rethinking The Place Branding Construct*. In *Rethinking Place Branding*. New York: Springer, Cham.
- Hannes, S. Y. (2019). The Effect of Sales Promotion, Brand Image, and Online Customer Experience toward Repurchase Intention Mediated by Customer satisfaction. *iBuss Management*, 7(3), 26-43.
- Holt, D. (2016). Branding in the age of social media. *Harvard Business Review*, 94(3), 40-50.
- Jana, A. & Chandra, B. (2016). Role of brand image and switching cost on customer satisfaction-loyalty dyadic in the mid-market hotel sector. *Indian Journal of Marketing*, 46(9), 35-52.
- Kim, S. H., Kim, M. S. & Lee, D. H. (2016). The effects of personality traits and congruity on customer satisfaction and brand loyalty: evidence from coffee shop customers. *Advances in Hospitality and Leisure*, 12, 3-33.
- Kim, S. S., Choe, J. Y. J. & Petrick, J. F. (2018). The effect of celebrity on brand awareness, perceived quality, brand image, brand loyalty, and destination attachment to a literary festival. *Journal of Destination Marketing & Management*, 9, 320-329.
- Lahap, J., Ramli, N. S., Said, N. M., Radzi, S. M. & Zain, R. A. (2016). A study of brand image towards customer's satisfaction in the Malaysian hotel industry. *Procedia-Social and Behavioral Sciences*, 224, 149-157.
- Lee, D., Moon, J., Kim, Y. J. & Mun, Y. Y. (2015). Antecedents and consequences of mobile phone usability: Linking simplicity and interactivity to satisfaction, trust, and brand loyalty. *Information & Management*, 52(3), 295-304.

- Low, G.S. & Lamb Jr, C.W., 2000. The measurement and dimensionality of brand associations. *Journal of Product & Brand Management* 9(6), 350-370.
- Mabkhot, H. A., Shaari, H. & Salleh, S. M. (2017). The influence of brand image and brand personality on brand loyalty, mediating by brand trust: An empirical study. *Jurnal Pengurusan (UKM Journal of Management)*, 50, 71-82.
- Mohammed, A. & Rashid, B. (2018). A conceptual model of corporate social responsibility dimensions, brand image, and customer satisfaction in the Malaysian hotel industry. *Kasetsart Journal of Social Sciences*, 39(2), 358-364.
- Nazir, B. Ali, M. & Jamil, M. (2016). The impact of brand image on customer retention: a mediating role of customer satisfaction in Pakistan. *International Journal of Business and Management Invention*, 5(3), 56-61.
- Neupane, R. (2015). The effects of brand image on customer satisfaction and loyalty intention in the retail supermarket chain, UK. *International Journal of Social Sciences and Management*, 2(1), 9-26.
- Ong, K. S., Nguyen, B. & Syed Alwi, S. F. (2017). Consumer-based virtual brand personality (CBVBP), customer satisfaction, and brand loyalty in the online banking industry. *International Journal of Bank Marketing*, 35(3), 370-390.
- Paramita, P. D. & Alifahmi, H. (2017). Islamic brand equity: the effect of perceived quality, *Corporate Brand Image, and Brand Personality to Brand Loyalty*, 1, 798-818.
- Pratama, H. & Suprpto, B. (2017). The Effect of Brand Image, Price, and Brand Awareness on Brand Loyalty: The Rule of Customer Satisfaction as a Mediating Variable. *Global Journal of Business & Social Science Review*, 5(2), 52-57.
- Purwoko, F. D. & Sihombing, S. O. (2018). The relationship between marketing activities, perceived quality, brand awareness, and brand association on brand loyalty: an empirical study. *Middle-East Journal of Scientific Research*, 26(4), 455-462.
- Puška, A., Stojanović, I. & Berbić, S. (2018). The impact of chocolate brand image, satisfaction, and value on brand loyalty. *Economy & Market Communication Review/Casopis za Ekonomiju i Trziszne Komunikacije*, 8(1), 37-54.
- Rather, R. & Sharma, J. (2016). Brand loyalty with hospitality brands: The role of customer brand identification, brand satisfaction, and brand commitment. *Pacific Business Review International*, 1(3), 76-86.
- Sangwan, A. D., & Bhakar, S. S. (2018). The effect of service quality, brand image, and customer satisfaction on customer loyalty: evidence from the hotel industry. *Prestige International Journal of Management & IT-Sanchayan*, 7(1), 1-15.
- Saleem, S., Rahman, S. U. & Umar, R. M. (2015). Measuring customer-based beverage brand equity: Investigating the relationship between perceived quality, brand awareness, brand image, and brand loyalty. *International Journal of Marketing Studies*, 7(1), 66.
- Sasmita, J. & Mohd-Suki, N. (2015). Young consumers' insights on brand equity: Effects of brand

- association, brand loyalty, brand awareness, and brand image. *International Journal of Retail & Distribution Management*, 43(3), 276-292.
- Shabbir, M. Q., Khan, A. A. & Khan, S. R. (2017). Brand loyalty brand image and brand equity: the mediating role of brand awareness. *International Journal of Innovation and Applied Studies*, 19(2), 416-423.
- Subagyo, H. (2019). The Effect of Destination Brand Awareness on Destination Brand Loyalty Through Brand Image, Perceived Brand Quality, Brand Value, and Brand Satisfaction in Banyuwangi City As a Tourism Objective. *Archives of Business Research*, 7(8), 211-225.
- Susanty, A. & Kenny, E. (2015). The relationship between brand equity, customer satisfaction, and brand loyalty in coffee shop: Study of Excelso and Starbucks. *ASEAN Marketing Journal*, 7(2), 14-27.
- Titi, A., & Anang, A. S. (2018). The effect of new identity, new image, and repositioning as a process of rebranding toward brand loyalty, brand associations, perceived quality as part of brand equity. *Russian Journal of Agriculture and Socio-Economic Sciences*, 76(4), 253-263.
- Upamannyu, N. K. & Bhakar, S. S. (2014). Effect of customer satisfaction on brand image & loyalty intention: A study of the cosmetic products. *International Journal of Research in Business and Technology*, 4(1), 296-307.
- Veloso, C. M., Magueta, D., Ribeiro, H. & Alves, S. R. (2018). The links between service quality, brand image, customer satisfaction, and loyalty in the retail industry. *Economic and Social Development: Book of Proceedings, Paris*, 497-511.
- Vinh, T. T. & Phuong, T. T. K. (2017). Examining the interrelationships among destination brand image, destination perceived quality, tourist satisfaction and tourist loyalty: evidence from Danang city, Vietnam. *International Journal of Tourism Policy*, 7(4), 352-374.
- Wang, Y. H. (2016). Brand image, perceived quality, perceived value and purchase intention-an example of awarded funds. *Advances in Investment Analysis and Portfolio Management*, (7), 215-235.
- Yang, K. F., Yang, H. W., Chang, W. Y. & Chien, H. K. (2017, December). The effect of service quality among customer satisfaction, brand loyalty and brand image. In *2017 IEEE International Conference on Industrial Engineering and Engineering Management (IEEM)* (pp. 2286-2290).
- Yoo, Y. J. (2016). The effect of servicescape on customer satisfaction and brand loyalty in franchise coffee shops: The mediating effect of brand image. *The Journal of the Korea Contents Association*, 16(6), 785-801.
- Yoo, B., Donthu, N. & Lee, S. (2000). An examination of selected marketing mix elements and brand equity. *Journal of the Academy of Marketing Science*, 28(2), 195-211.