



The relationship among brand image, perceived quality, customer satisfaction and loyalty: an empirical study on Azadea group in Lebanon

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Abstract

Firms and different industries are nowadays investing hugely on developing loyalty among their customers in every possible way. Loyalty is a complex aspect which is defined by quite a lot of factors simultaneously; with some factors having direct effects while others having indirect ones. This study aims at studying the four main factors of perceived quality, brand image, customer satisfaction and customer loyalty to understand how they inter-relate. To do so a survey was developed and administered to 387 respondents using a convenience sampling technique with Azadea group customers over a three months period in the first trimester of 2018. The results will be interpreted by using suitable statistical tools for the analysis purpose. The study comes out with various recommendations and suggestions.

Keywords: brand image, brand perceived quality, customer satisfaction, consumer loyalty, Azadea group, Lebanon

Introduction

Developing loyalty among customers has been the case ever since loyalty has been shown to be largely affecting sustainable profits. Hence; strategies have been developed to enhance loyalty. Such strategies have several axes around which tactics are constituted. Studies so far have probed the impact of different variables on loyalty; those included customer satisfaction, brand image, competition among companies, technological advances... etc. In many instances, relationships have been established; for example (Andervazh *et al.* 2013) ^[6] have investigated the relationship of customer satisfaction and brand trust on brand loyalty and found out a positive relationship. Another study done by Ranjbarian *et al.* 2012 ^[38] indicated that perceived quality affects, among others, customer satisfaction which in turn affects repurchasing intention. Moreover the study conducted by Andreani, Taniaji and Puspitasari (2012) ^[7] showed positive influence strength of brand association with customer loyalty in one hand and positive influence strength of brand association with customer satisfaction on the other hand. Therefore, developing loyalty seems to be a long process which requires building on quite lot milestones.

Objectives of the study

The main objective is to demonstrate the relationship between brand image, brand perceived quality, customer satisfaction and loyalty, at one of the main retail groups in Lebanon; Azadea Group. The research objectives are:

- To demonstrate the relationship between brand image and customer satisfaction.
- To demonstrate the relationship between brands perceived quality and customer satisfaction.

- To measure the relative importance of brand image and brand perceived quality on customer satisfaction.
- To demonstrate the relationship between customer satisfaction and loyalty.
- To demonstrate the relationship between brand image, brands perceived quality and customer satisfaction with customer loyalty.
- To evaluate the success of Azadea group since it started from 1978 till now and the difference among Azadea group members of brands in terms of image, perceived quality, satisfaction and loyalty.

Model Dimensions

Brand Image: is the shopper's psychological photo of the supplying (Dobni and Zinkhan, 1990) ^[51]. And it is seen as the illustration of a company brand in the consumer's mind that is linked to a presenting (Dobni and Zinkhan, 1990) ^[51].

Brand Perceived Quality: it's the customer assessment of the product whether it meets the desired need or not (Olsen 2002) ^[35].

Customer Satisfaction: is an assessment of the apparent disparity between earlier desires and the real execution of the item as saw after its utilization (Hidayat, Saifullah & Ishak 2016) ^[20].

Brand Loyalty: is the repetition re-buy or comparative quantity of same-brand buying (Tse, David K. and Peter C. Wilton 1988) ^[46].

Retailing: Retailing includes the commercial enterprise things

to do concern in promoting items and services to purchasers for their personal, family, or house use. It includes each deal to the ultimate consumer. Retailing is the last stage in the distribution procedure. (Barry Berman and Joel R. Evans 2004) ^[10].

Review of literature

Levy, *et al.* (2004) ^[26] stated that customer satisfaction happens when the value and benefits given through a retailing process meet or surpass consumer desires and expectations, otherwise; the consumer will be dissatisfied. Only very satisfied customers are probably going to be loyal in the long run as a complex set of variables interact to generate loyalty. Many reviews reveal that such variables include, among others, brand image and brand perceived quality.

Sondoh Jr. *et al.* (2007) ^[41] made a research on the effect of brand image on satisfaction and loyalty on cosmetic brands. The outcomes infer that in order to reach customer loyalty marketers should center on brand image benefits and enhance it because brand image positively affects customer satisfaction and in its turn customer satisfaction positively affects customer loyalty. Also Chen (2016) ^[11] did a research on the way that brand image and satisfaction affect loyalty at education sector; the results were that brand image and customer satisfaction positively affect loyalty. Onyancha (2013) ^[36] conducted a study on “The Impact of Bank Brand Image on Customer Satisfaction and Loyalty”. The study found that brand image affect customer satisfaction and loyalty positively and that it is an important aspect in improving service quality, customer satisfaction and loyalty. Andreani, Taniaji and Puspitasari (2012) ^[7] made a research on “The Impact of Brand Image, Customer Loyalty with Customer Satisfaction as A Mediator”. The outcomes were all positive, where the effect of brand image to customer loyalty with customer satisfaction is high but with the influence of other factors. Moreover, Sulibhavi and Ashankark (2017) ^[43] did a descriptive research about the impact of brand image on Customer’s with the effect of satisfaction. The conclusion was that satisfaction is the link between brand image and customer loyalty where brand image have a positive effect on satisfaction, and satisfaction has a positive effect on loyalty. Thakur and Singh (2012) ^[45] examined a research on the intention of brand image, customer satisfaction and loyalty. The result demonstrates that in order to reach customer satisfaction and customer loyalty we should center on the importance of brand image. Another similar study done by Kambiz and Safoura (2014) ^[22] revealed that a noteworthy relationship obtained between customer and brand image and that between customer satisfaction and customer loyalty. Finally, Saeed *et al.* (2013) ^[39] conducted a study on the “Effect of Brand Image on Brand Loyalty and Role of Customer Satisfaction in it”. Finding uncovers positive and huge connections between brand image and brand loyalty with positive impact of brand satisfaction on this connection.

Othman, Kamarohim and Nizam (2017) ^[37] studied the relationship of brand perceived quality and customer satisfaction eventually leading to brand loyalty at shoes purchasing stores. The results display that brand perceived

quality and other factors clearly affect customer satisfaction positively and in result this develops brand loyalty. Kassim *et al.* (2013) ^[25] examined a study on the connection between perceived quality and customer satisfaction on brand loyalty among mobile phone users. The final result was that perceived quality has a huge positive effect on customer satisfaction and loyalty. And that there is a critical connection between perceived quality and brand loyalty. At the same time customer satisfaction mediates in the connection between brand perceived quality and brand loyalty. Also, Tabaku and Kushi (2013) ^[44] made a study on “Service Quality, Customer Satisfaction, Perceived Value and Brand Loyalty”. The discoveries exhibit that customer satisfaction; perceived value and service quality are essential determinants of brand loyalty. Moreover, Tung (2013) ^[48] conducted a study on “Customer satisfaction, perceived value and customer loyalty”. A noteworthy constructive outcome revealed from the study where positive relationship found between perceived quality and the other variables with customer satisfaction on one hand and positive relationship between customer satisfaction and customer loyalty on the other hand. A similar study done by Souki and Filho (2008) ^[42] revealed that the satisfaction level increase if the customers perceived quality increase with a lower slope to loyalty. Akbar and Parvez (2009) ^[3] researched the “Impact of Service quality, Trust, and Customer Satisfaction on Customer Loyalty”. The after effects of the investigation showed essential relationship between customer satisfaction and customer loyalty where customer satisfaction is an important link between perceived quality and customer loyalty.

Ganiyu (2017) ^[17] examines a study on customer satisfaction and loyalty at airline industry. The researcher came up with the result that customer satisfaction is critical in building and improving customer loyalty. Odunlami and Matthew (2015) ^[34] studied the impact of customer satisfaction on customer loyalty. The result was that a critical connection between customer satisfaction and customer loyalty existed. A similar study made by Andervash *et al.* (2013) get a similar result with that a positive relationship exists between customer satisfaction and customer loyalty. Awan and Rehman (2014) ^[9] conducted a study on the “Impact of Customer Satisfaction on Brand Loyalty”. The result demonstrates that customer satisfaction affect brand loyalty in many ways. Mohsan *et al.* (2011) ^[31] examined a study on the impact of customer satisfaction on customer loyalty they found that customer satisfaction has positive impact on customer loyalty. Ahmed *et al.* (2014) ^[2] made a research on the “Effect of brand trust and customer satisfaction on brand loyalty”. The result was all with positive effect. Moreover; Dehghan, Alizadeh and Mirzaei-Alamouti (2015) ^[14] conducted a survey research on “exploring the Customer Perceived Values as Antecedent of Purchase Behavior”. The results were positive considering customer value on customer satisfaction, customer satisfaction on brand loyalty and force full link between customer value, perceived value, customer satisfaction, brand loyalty and repurchase intention. Arokiasanny (2010) ^[8] studied “The impact of customer satisfaction on customer loyalty and intentions to switch in the banking”. A positive link between

customer satisfaction and customer loyalty whereas a negative relationship with customer intention to change banks was revealed.

Ismail (2016) ^[21] examined a study on relationship between brand image and customer satisfaction. A positive and strong relationship was detected between brand image and customer satisfaction. Hamid *et al.* (2015) ^[18] made a study about the cooperation impact of service quality and brand image on customer satisfaction through healthcare sector. The outcomes showed that cooperation impact of service quality and brand image positively affects customer satisfaction. Malik, Ghafoor and Iqbal (2012) ^[29] conducted a study on the “Impact of Brand Image, Service Quality and price on customer satisfaction”. Researchers found an interaction between brand image, service quality and price with customer satisfaction. An increase in price lead to negative effect on customer satisfaction, brand image positively affect customer satisfaction and customer loyalty and the most important factor that affect customer satisfaction was the quality. Ranjbarian *et al.* (2012) ^[38] made a descriptive study included “An Analysis of Brand Image, Perceived Quality, Customer Satisfaction and Re-purchase Intention”. Result found that perceived quality influence store image, customer satisfaction and repurchase intention in one hand and image affects customer satisfaction and in its turn customer satisfaction affects repurchase intention on the other hand. Milfelner, Snoj and Pisknik Korda (2009) ^[30] measured perceived quality, satisfaction, value and image. The result were positive and solid between perceived hotel quality and Perceived value; no clear link between quality and satisfaction, positive between image and quality and finally big effect of perceived value and satisfaction. Hannan *et al.* (2014) ^[19] conducted an empirical study on “The Influence of Perceived Quality, Perceived Value, And Customer Expectation on Customer Satisfaction”. The result was positive where all variables have positive effect on customer satisfaction. Saleem *et al.* (2015) ^[40] conducted a studied perceived quality and purchase intention with consumer satisfaction. The founding was that consumer purchase intention is essentially related with customer satisfaction and perceived product quality. As for Nasser M, Salleh and Gelaiden (2012) ^[32] they examined a study on the link between perceived quality, brand image, customer expectations and other factors with customer satisfaction. The result was positive and satisfying except one variable which is customer expectation was not statistically significant. Hsiung (2011) ^[21] did “A study on the relations between the brand image and customer satisfaction”. Result showed that brand value and brand characteristics that brand image have affect positively on customer satisfaction while no clear report on the relation between brand association and customer satisfaction. Aberdeen, Syamsun and Najib (2016) ^[1] researched “The Effect of Brand Awareness and Image on Consumer Perceived Quality and Purchase Intension”. The conclusion was that customer purchase intention is affected directly and indirectly by brand awareness, brand image and perceived quality. Choi and Kim (2013) ^[12] did “The Study of the Impact of Perceived Quality and Value of Social Enterprises on Customer Satisfaction and Re-Purchase Intention”. These investigation models three elements which are perceived quality, perceived value and customer

satisfaction that impact social enterprise consumers repurchase intention. A positive relationship was obtained between all the variables.

Alhaddad (2015) ^[4] conducted a study on the significance of the connections between the brand images, brand trust and brand loyalty on mobile sectors. The outcome demonstrates that brand image positively affects brand trust and both brand trust and brand image have a constructive outcome on brand loyalty. Yudhy, S.E and M.M (2017) ^[49] studied the “The Effects of Service Quality and Brand Image toward Consumer Loyalty”. Looking at the results service quality and brand images are factors that can influence customer loyalty.

Djumarno, Sjafar and Djameluddin (2017) ^[16] studied the influence of brand image, product quality and relationship marketing on customer satisfaction and loyalty on network devices. The conclusion was that customer satisfaction was affected by each variable alone and collectively by all, the same applied for customer loyalty. Lin, Li and Tsay (2015) ^[28] investigated the effects of brand image, quality and customer satisfaction on customer loyalty through health and beauty products. The result was that quality, brand image and customer satisfaction impacted and related clearly and totally to customer loyalty. Liao (2012) ^[27] examined an empirical study on “The Casual Effects of Service Quality, Brand Image, Customer Satisfaction on Customer Loyalty”. Direct connection have been founded between service quality, brand image and customer satisfaction with customer loyalty, where indirect one have been founded between service quality and loyalty through customer satisfaction. Also, Dib and Al-Msallam (2015) ^[15] conducted a study on “The Effects of the Determinants of Customer Satisfaction on Brand Loyalty”. Somehow positive result came out considering the effect of customer awareness of perceived quality, brand image and price fairness on customer satisfaction and customer loyalty. Finally, Karunanithy and Rasanayagam (2013) ^[24] made a study on the “Impact of Customer Satisfaction on Customer Loyalty”. A huge association was obtained between the variables of customer satisfaction and customer loyalty. But some variables were in less effect of another; pricing and brand image have the low effect relatively quality have the big effect. But as conclusion all variables of customer satisfaction affects customer loyalty.

Most of the literature concluded that brand image, perceived quality, customer satisfaction and loyalty are almost always interlinked.

Methodology of the study

Determining the relationship among brand image, perceived quality, customer satisfaction and loyalty at Azadea (retail group) in Lebanon on 2018, is the purpose of this quantitative study.

The researcher chooses to use a survey as the method of data collection; the survey in this research is the most relevant and appropriate to the study purpose. The sample of the study is 387 customers. The size is considered to be appropriate, under the assumptions that the size of the community is more than 100,000 individuals, and for the level of confidence of 95%, the value of standard normal variable is 1.96, the standard deviation is 30%, and the standard error is to be not more than 3%.

Accordingly the equation is as follows

$$n=(S^*Z)^2/e^2= (1.960 \times 0.3)^2/0.3^2= 384 \text{ subjects.}$$

Where

- n= number of subjects (sample size)
- s= the value of standard normal variable.
- z= standard deviation.
- e= standard error (Tull & Hawkins, 1993) [47]

The collected data from steady and constant self administered questionnaires are evaluated using statistical methods and then results are interpreted. Questionnaires are categorized into 3 parts where part 1 consists of questions related to customer’s knowledge of Azadea Group brands, part 2 questions related to the research key variables: brand image, brand perceived quality, customer satisfaction and loyalty and finally part three consists of questions related to demographic variables.

Problem statement

Loyalty is a complex aspect which is defined by quite a lot of factors simultaneously, which sometimes make it so difficult to measure the effect of each alone; apart from others. Yet, among those factors, some have direct effects while others have indirect ones. Knowing that indirect effects can be as powerful as direct ones sometimes, studying such effects can be of significant interest to understand the market dynamics and some of the rules which govern them. For Lebanese retail groups to keep up with competing international groups, they need to understand the different variables crucial to

satisfaction and loyalty. Do such variables include aspects such as brand image and brand perceived quality? Will they need to invest more on such aspects? Or shall they worry less about those?

Limitations of the study

The findings of this study have to be interpreted considering few limitations:

1. The study sample is a convenience sample so that we cannot generalize the results of the study to Lebanese society and to other retailer groups.
2. The study conducted on some districts only and not to all Lebanese districts.
3. The study is limited on branding and is not extended to other retail sectors.
4. The study is also limited to study branding within Azadea group only and not extended to other group.

Data analysis

Sample profile

Table (1) shows the sample profile of this study, the respondents are formed of 36.7% males and 63% females aging "between" 18 to 51 and above years old. 60.7% of them held a Bachelor; while the other 39.3% are post graduate. The respondents have a personal monthly income ranging between 1000 to over 2000 dollars. Also the respondents job title vary between still student with 42.4%, employed with 40.8%, business person with 7.8%, unemployed with 2.8% and self-employed with 6.2%.

Table 1: Sample Profile

Respondent Profile	Item	Frequency	Percentage
Gender	▪ Male	142	36.7
	▪ Female	244	63.0
	▪ Non	1	.3
Total		387	100.0
Age	▪ 18-35	315	81.4
	▪ 36-50	68	17.6
	▪ Above 51	4	1.0
Total		387	100.0
Education	▪ Bachelor	235	60.7
	▪ Post Graduate	152	39.3
Total		387	100.0
Job Title	▪ Student	164	42.4
	▪ Employed	158	40.8
	▪ Business Person	30	7.8
	▪ Unemployed	11	2.8
	▪ Self-employed	24	6.2
Total		387	100.0
Monthly Income (\$)	▪ Under 1000	250	64.6
	▪ 1000-2000	101	26.1
	▪ Over 2000	36	9.3
Total		387	100.0

Reliability and validity test

Reliability Test

Measuring reliability is the first and foremost way to assess the quality of any scale (Churchil, 1991) [13]. It measures the degree that the measurements used are free of error (Zikmund, 2000: 200) [50]. Coefficient alpha is used to measure the

reliability of the variables. According to Nunnly (1995) [33], the minimum level for this coefficient ranges between 50% and 60%. During the initial testing of the measurements used in this study, the alpha coefficients used to measure the consistency in the current study ranged between 0.676 and 0.845 which are well above the minimum level acceptable.

Construct Validity Test

Construct validity, specifically convergent and discriminate, was assessed using factor analysis, principles components and varimax with Kaiser Normalization Rotation Method, which is considered one of the most effective methods used to run a factor analysis (Allam, 2000: 713-714) [5]. This analysis is based on two measures, namely:

First: The value of Kaiser-Meyar-Olikin (KMO), which reflects the appropriateness of the scale. The minimum acceptable range according to this parameter is between 0.50 and 0.60.

Second: Bartlett of Sphericity, which must achieve a certain level of significance, where the P-value are less than or equal to 0.05 (Nunnly, 1995) [33].

In the current study, the KMO values ranged between 0.706 and 0.86 while the Bartlett of Pherecity test produced P-values equal to 0.000. The Cronbach-alpha was used to also measure the converged validity. According to the reliability test the researcher deleted items number 5 and 7 for brand image variable to improve the coefficient of Cronbach-alpha sot that concept was measured using only 5 items. Table (2) provides the synthesis results of the validity and reliability tests of the study variables.

Table 2: The synthesis results of validity and reliability test

Variables	No. of elements	Coefficient Alpha	KMO test	Test of Bartlett
Brand Image	5	0.676	0.706	X2= 277.571 P= 0.000
Perceived Quality	8	0.812	0.817	X2= 1086.483 P= 0.000
Satisfaction	8	0.845	0.817	X2= 1053.177 P= 0.000
Loyalty	9	0.775	0.86	X2= 763.220 P= 0.000

Nomo logical validity

The analysis and the study of the correlation matrix between the variables showed a positive relationship and statistically significant evidence between the independent and dependent variables. As evidenced by the correlation matrix, there is no

problem of multi-co-linearity between the independent variables and the correlation coefficient between them which doesn't exceed 0.8, which refers to the possibility of using multiple regression analysis to test the hypotheses.

Table 3: The correlation matrix

Variables		Image	Quality	satisfaction	loyalty
Image	Pearson Correlation	1	.218**	.256**	.326**
	Sig. (2-tailed)		.000	.000	.000
	N	387	387	387	387
Quality	Pearson Correlation	.218**	1	.123*	.147**
	Sig. (2-tailed)	.000		.016	.004
	N	387	387	387	387
satisfaction	Pearson Correlation	.256**	.123*	1	.522**
	Sig. (2-tailed)	.000	.016		.000
	N	387	387	387	387
Loyalty	Pearson Correlation	.326**	.147**	.522**	1
	Sig. (2-tailed)	.000	.004	.000	
	N	387	387	387	387

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

* . Correlation is significant at the 0.05 level (2-tailed).

Hypothesis Test

Simple regression: It is used to test hypothesis number H1, H2 and H4.

H1: Brand image has positive and significant effect on customer satisfaction.

H0: There is no significant effect of brand image on customer satisfaction.

As shown in table number 4: $r=0.256$ and $r^2=0.066$ there is a positive relationship between the two variables, thus H1 is supported and H0 is rejected.

H2: Brand perceived quality has positive and significant effect on customer satisfaction.

H0: There is no significant effect of brand perceived quality on customer satisfaction.

As shown in table number 4: $r=0.123$ and $r^2=0.015$ there is a positive relationship between the two variables, thus H2 is supported and H0 is rejected.

H4: Customer satisfaction has positive and significant effect on customer loyalty.

H0: There is no significant effect of customer satisfaction on customer loyalty.

As shown in table number 4: $r=0.522$ and $r^2=0.273$ there is a positive relationship between the two variables, thus H4 is supported and H0 is rejected.

Table 4: Simple regression analysis results for the Hypothesis: H1, H2 & H4

Hypothesis	Independent variable	Dependent variable	R	R ²	Adjusted R ²	Analysis of variance				
						Sum of squares	Degrees of freedom	Mean of Squares	F- Value	P- Value
H:1	Brand Image	Customer Satisfaction	0.256	0.066	0.063	REG.: 10.612	1	10.612	27.041	0,000
						ERR.: 151.085	385	0.392		
						Total: 161.697	386			
H:2	Brand Perceived Quality	Customer Satisfaction	0.123	0.015	0.012	REG.: 2.432	1	2.432	5.879	0.016
						ERR.: 159.265	385	0.414		
						Total: 161.697	386			
H:4	Customer Satisfaction	Customer Loyalty	0.522	0.273	0.271	REG.: 36.497	1	36.497	144.401	0,000
						ERR.: 97.307	385	0.253		
						Total: 133.803	386			

Multiple Regressions

Multiple regressions are used to verify H3; it is used to test the effect of brand image and brand perceived quality (independent variables) on customer satisfaction (dependent

variable). And for H5; it is used to test the effect of brand image, brand perceived quality and customer satisfaction (independent variables) on customer loyalty (dependent variable).

Table 5: Multiple regression analysis results for the Hypothesis: H3 & H5

Hypothesis	Independent variable	Dependent variable	R	R ²	Adjusted R ²	Analysis of variance				
						Sum of squares	Degrees of freedom	Mean of Squares	F- Value	P- Value
H:3	Brand Image & Brand Perceived Quality	Customer Satisfaction	0.265	0.070	0.065	REG.: 11.366	2	5.683	14.517	0,000
						ERR.: 150.330	384	0.391		
						Total: 161.697	386			
H:5	Brand Image, Brand Perceived Quality & Customer Satisfaction	Customer Loyalty	0.561	0.314	0.309	REG.: 42.041	3	14.014	58.491	0,000
						ERR.: 91.762	383	0.240		
						Total: 133.803	386			

Table 5 represents the correlation coefficient R. Since R=0.265 for H3, there is a positive correlation between the independent variables (brand image and brand perceived quality) and the dependent variable (customer satisfaction). And since R=0.561 for H5, there is a positive correlation between the independent variables (brand image, brand perceived quality and customer satisfaction) and the dependent variable (customer loyalty).

Also table 5 represents the coefficient of determination R

square. For H3; R square = 0.070 which depict 7% change in customer satisfaction is due to the combination of brand image and brand perceived quality. However, there are 93% of the variance remain unexplained in this study. As for H5; R square = 0.314 which depict 31.4% change in customer loyalty is due to the combination of brand image, brand perceived quality and customer satisfaction. However, there are 68.6% of the variance remain unexplained in this study.

Table 6: Coefficients results for H3 & H5

H	Independent variable	Dependent variable	Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	
				B	Std. Error	Beta			
H:3	Brand Image & Brand Perceived Quality	Customer Satisfaction	1	(Constant)	2.509	.275		9.112	.000
				Quality	.070	.051	.070	1.389	.166
				Image	.261	.055	.241	4.777	.000
H:5	Brand Image, Brand Perceived Quality & Customer Satisfaction	Customer Loyalty	1	(Constant)	1.199	.238		5.047	.000
				Satisfaction	.424	.040	.466	10.626	.000
				Image	.193	.044	.196	4.390	.000
				Quality	.043	.040	.047	1.074	.284

As shown in table 6, for H3 the p-value of brand image = 0.000 (less than 0.05) which means it's significant whereas P-value of brand perceived quality = 0.166 (p>0.05) which means it's not significant to predict the variation in the dependent variable (customer satisfaction). And as for H5 P-value of satisfaction and value of brand image equal to 0.000 (less than 0.05) which means it's significant where P-value for brand perceived quality is equal to 0.284 (p>0.05) which means it's not significant to predict the variation in the dependent variable (customer loyalty).

As shown in table 6, for H:3 brand image is significantly contribute the highest to the variation of the dependent variable (customer satisfaction) with the highest Beta value (0.241) if compared to other predictor variable (brand perceived quality). This means that brand image makes the strongest unique contribution to explain the variation in dependent variable (customer satisfaction), when the variance explained by all other predictor variables in the model is controlled for. But, that doesn't mean that other variables are not important. And for H:5 customer satisfaction is significant

and contributes the highest to the variation of the dependent variable (customer loyalty) with the highest Beta value (0.466) if compared to other predictor variable (brand image and brand perceived quality). Direct after customer satisfaction comes brand image which is significant and contributes the next highest to the variation of the dependent variable (customer loyalty) with best value (0.196) if compared to other predictor variable (brand perceived quality). This means customer satisfaction followed by brand image make the strongest unique contribution to explain the variation in dependent variable (customer loyalty), when the variance explained by all other predictor variables in the model is controlled for. But, that doesn't mean that other variables are not important.

Conclusion

To conclude, as rival companies arise on a steady basis in the retail industry, it has been proved over again that the concepts of brand image, brand perceived quality, customer satisfaction and customer loyalty formed the basis to keeping up with the everlasting challenge of preserving and enhancing profitability on the long term. In this study, we have demonstrated that all four concepts were significantly correlated in a way that perceived quality and brand image have direct effect on customer satisfaction which in turn is positively linked with loyalty. The present study aimed to test in the field of retail group in some district of Lebanon, the relationship between a set of variables namely the brand image, brand perceived quality, customer satisfaction and customer loyalty. More specifically, customers of Azadea group were found to be thinking high of the brand image as shown by results of the multiple regression analysis represented where brand image is the most important factor in explaining satisfaction and loyalty with P-Value 0.000.

Recommendations

Recommendations for Practical Applications

This study recommends that Azadea group foster an environment which helps monitoring the four concepts and their interrelations as studied. More specifically and based on the study results Azadea Group should focus on brand image to achieve satisfaction and loyalty as follows:

1. Satisfaction

- a. Make customer familiar with brands; since most of Azadea group customers are between 18 and 35 social media advertisements can reach customers more easily and effectively.
- b. Create symbols of each brand.
- c. Facilitate customer recognition through understanding their values, needs and preferences.
- d. Use media and advertisement to attract customer attention.
- e. Use media and advertisement to give customer information about trends and fashion.
- f. To measure customer values and believes and then produce products to meet these values and believes.

2. Loyalty

- a. Measure customer expectations and produce brands that exceed customer's expectations.

- b. Make their brands the best by telling brand's story, showing brand's personality, make it meaningful and focus on brand's strength.
- c. To specify customer's needs and meet these needs.
- d. Make customers feel it's a wise choice to buy from these brands by fulfilling customer's values, believes and needs.
- e. Make customer feel it's a right thing to buy from these brands by focusing on the brands value.
- f. Make customer feel it's a good shopping experience by put more effort on the store design and environment.
- g. Make customer feel more delighted with the brands by constant follow up, offering more than they expected, expressing gratitude towards them, never break promise, respond instantly, offer excellent customer services and rewards customers for loyalty.

Factors that can help doing so include, but not limited to, developing marketing strategies, conduct market studies, assessing general fashion taste, reviewing competitors strategies, investing on HR resources and friendly spaces, conducting regular customer satisfaction surveys and others.

Recommendations for future research

Future research should focus on the effect of brand image and perceived quality on satisfaction and loyalty in the context of retail group where it can be made broader to other sectors such as hotel industry and educational sector. In addition, the researcher recommends that this study can be replicated with the same retail group in a different context. Culture, norms and believes can differ largely from one country to another. And also the researcher recommends that this study can be replicated with other branding retail group other than Azadea Group. Another recommendation is that researcher can study the effect of values and consumer advantages on image because according to Jean-Noel Kapferer (1992) ^[23], brands can carry out quite a lot of roles that put in value as well as consumer advantages.

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