# The influence of service brand equity on the strength of brand relationships in the fast food industry

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#### ABSTRACT

The South African fast food industry is growing fast and rivals are competing fiercely, providing customers with an array of different choices. Given this situation, it has become increasingly important for fast food organisations to focus on elevating and sustaining a competitive advantage. One way of doing this is by maximising brand equity. In doing so, organisations can differentiate themselves in the minds of customers by encouraging a relationship with their brand. The aim of this study is to determine the influence of service brand equity on customers' relationships with their fast food brand. The population comprised fast food customers residing in the North West Province of South Africa. A cross-sectional descriptive design was followed, and a convenience sample was used to select respondents. Data were obtained by means of a self-administered questionnaire, realising 379 responses. A multiple regression analysis indicates that three brand equity dimensions, namely brand awareness, brand association and brand trust, significantly and positively influence the strength of the relationships that respondents have with their favourite fast food brand (with brand trust being the most influential dimension). Fast food outlets can, therefore, strengthen their customers' brand relationships by focusing specifically on improving these three dimensions.

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Key words: service brand equity, brand awareness, perceived quality, brand differentiation, brand associations, brand trust, brand relationships, fast food industry, fast food outlets

#### Introduction

South Africa is one of the countries with the fastest-growing fast food industries in the world (Maumbe 2012: 160). This proliferation, however, results in a highly competitive environment, with numerous local and international rivals competing for a chance of survival (Maumbe 2012: 154). Berry (2000: 128), Kim and Kim (2004: 115) and O'Cass and Grace (2012: 452) are of the opinion that a strong brand can distinguish an organisation from competitors. A strong brand is of value to customers, as it reduces the associated risk and searching expenses and also ensures customers of a certain level of quality. Organisations also benefit from strong brands through being less vulnerable to competitive marketing actions, realising larger profit margins, potentially favourable customer reactions to price changes, brand extension opportunities and building long-term customer loyalty and trust (Berry 2000: 128; Delgado-Ballester & Munuera-Alemán 2005: 187; Keller 1993: 18). Kimpakorn and Tocquer (2010: 379) are therefore of the opinion that it is vital for marketing managers to measure the equity that has been built up by their brand.

Marketing managers have long been supported by theoretical frameworks to understand how customers think and respond to brands – enabling them to implement effective customer-centred marketing activities and gain sustainable differentiation (De Chernatony 1993; Keller 1993: 2). These frameworks, however, have minimal regard for the branding of services as the focus is mainly on the branding of physical goods (Bamert & Wehrli 2005: 132; Kayaman & Arasli 2007: 93).

Berry (2000: 128) as well as Kim and Kim (2004: 116) emphasised the importance of branding in services. According to these authors, strong brands in a service setting increase customers' trust of the invisible purchase, enabling customers to better visualise and understand the intangible offering (Berry & Kim 2000: 128; Kim & Kim 2004: 116). Combined with the uniqueness of services and the growing importance of services marketing and brand equity, this study is aimed at investigating the service brand equity of an offering that contains physical elements (i.e. food), but also relies heavily on the services that augment these physical elements.

According to Kimpakorn and Tocquer (2010: 378), the foundation for branding goods and services lies in building and leveraging brand equity in order to build a strong relationship between the brand and its customers. Aaker (1996: 51) and Keller

(2008: 75) view brand relationships as the cornerstone on which strong brands are built. These authors further explain that strong brands move beyond specific product attributes to a brand identity point of view. Customers' identification/association with a brand is in turn reflected through their brand relationships (Smit, Bronner & Tolboom 2007: 627). By maintaining strong brand relationships, marketing managers can improve customer retention rates, ensure a competitive advantage, realise strong brand equity, reduce marketing costs and increase profits (Blackston 2000: 102; Keller 2008: 449). From the customers' point of view, brand relationships provide the opportunity to express themselves emotionally and socially with the reassurance of a consistent level of product quality (Dell'Olmo & De Chernatony 2000: 147).

Despite some interest from Blackston (2000) and Kimpakorn and Tocquer (2010), literature on service brand equity and its influence on brand relationships within the South African fast food industry does not exist.

#### Purpose and objectives

The study aims to uncover the influence of service brand equity dimensions on the strength of the brand relationships that fast food customers have with their favourite fast food brand in the North West Province of South Africa. The aim of the study is achieved through the formulation of the following objectives:

- Determine a demographic profile of respondents
- · Gain insights into the fast food patronage habits of respondents
- Measure the service brand equity that respondents exhibit towards their favourite fast food outlet
- Determine the strength of the brand relationships that respondents have with their favourite fast food brand.

#### Literature background

#### The fast food industry in South Africa

In line with the global trend, the South African fast food industry has experienced continual growth over the last decade, and is forecast to continue expanding (Maumbe 2012: 160; Vallie 2012). Analytix Business Intelligence (ABI) (2012) asserts that, despite changing lifestyles and a sluggish economy, South Africans are embracing the consumption of affordable, large-portioned and immediate fast food. Continual growth is noticeable in this industry, as South Africa experienced a 160% increase

(R516.3 million to R1342.9 million) in the income generated by the fast food industry between 2006 and 2012 (Stats SA 2006: 9; Stats SA 2012: 2, 3). Furthermore, the total income for the South African food and beverage industry in 2012 was estimated at R3794.7 million, with fast food outlets and takeaways (R1.9 million) as the main contributor to the annual growth rate (Stats SA 2012: 2, 3). According to ABI (2012), despite some concerns with respect to fast food being deemed unhealthy and lacking in nutritional value, the fast food industry seems unstoppable, with global revenues expected to reach R240 billion by the end of 2014. Hartford (2012) and Maumbe (2012: 148) observed that the growth of the South African fast food industry could be attributed to factors such as rising household incomes, growth in the black middle class segment, participation of females in the labour force, and the increasing value of household time. These domestic trends are influenced by increased consumerism and fast food consumption.

Although the growth of this industry seems promising, the fast food industry must be prepared to face challenges in the form of intense competition, Westernisation of diets, food safety issues, demographic changes, periodic surges in domestic food demand, technological changes and an increasing demand for food sustainability. Fast food service managers who want to survive and grow within this industry need to respond swiftly to these challenges (Amaeshi, Osuji & Nnodim 2008: 224; Pingali 2007: 282).

Maumbe (2012: 154) points out that the fast food industry in South Africa is competitive, as the industry comprises both local and global players. Fierce competition is evident among well-established domestic fast food brand names such as Steers, Wimpy, Chicken Licken, King Pie and Nando's. KFC and McDonald's can, however, be viewed as the main challengers in South Africa's changing fast food industry, with KFC dominating the industry (Euromonitor International 2012).

Maumbe (2012: 14) explains that if fast food organisations intend to survive, they need to focus on effectively meeting the needs of their target markets. This goal may be achieved by developing and implementing effective service delivery strategies such as speeding up the process of order taking and processing, promoting customer care and friendliness, and improving customer satisfaction, retention and loyalty. Berry (2000: 128,129) and Keller (2008: 243) add that by performing these core services, fast food outlets will be able to improve their service brands. Strong brands will not only increase customers' trust of the service performed, but will allow customers to better visualise and understand the intangibility thereof, which will in turn build trust-based relationships with valuable customers.

#### Service brand equity

The concept of brand equity is generally viewed from two perspectives: (1) the organisational, and (2) the customer perspective. From the organisational perspective, the brand is regarded as an asset, emphasising the potential financial benefits of the brand to the organisation (Nath & Bawa 2011: 135). The customer perspective, however, concerns customers' thoughts, feelings, perceptions and experiences of the brand (Kim, Kim, Kim, Kim & Kang 2008: 81). Therefore, from the customer perspective, marketers can improve their understanding of customers' brand preferences and decisions (Keller 2009: 143).

In marketing research, however, brand equity is mostly defined from the customer perspective as the overall value that customers place on a brand (Hsu, Hung & Tang 2012: 357; Keller 2009: 142; Nath & Bawa 2011: 135). Aaker (1991: 15) also emphasised the customer perspective by defining brand equity as "a set of brand assets and liabilities linked to a brand, its name and symbol that adds to or detracts from the value provided by a product or service to a firm and/or to the firm's customers"; in this definition, brand assets refer to the dimensions of brand loyalty, brand awareness, perceived quality and brand image. Keller (2008: 49), however, proposed the dimensions of brand equity as including brand salience, brand performance, brand image, brand feelings, brand judgements and brand relationships.

He and Li (2011: 80) remark furthermore that due to the intangible and variable nature of services, customers evaluate service brands differently from non-service brands. As customers find the evaluation of services more difficult than for non-services (Nath & Bawa 2011: 137), a greater amount of risk is associated with the procurement of services. Therefore, by ascribing a brand to the service, the perceived risk is reduced, in that the related brand indicates a 'promise' to the customer; instilling confidence and trust (Mourad, Ennew & Kortam 2011: 406).

Consequently, as neither Aaker (1991) nor Keller's (2008) sets of brand equity dimensions have been constructed specifically for the service industry, Kimpakorn and Tocquer (2010: 379) developed a conceptual model for service brand equity; incorporating the dimensions of brand awareness, perceived quality, brand differentiation, brand associations and brand trust.

#### Brand awareness

According to Keller (2009: 143), brand awareness refers to the customer's ability to recognise and/or recall a brand under different conditions. The contribution of brand awareness to brand equity lies in the strength of the brand's presence in the

customer's mind (Balaji 2011: 9), as strong brand presence can positively influence customers' future brand decisions (Kim et al. 2008: 77).

#### Perceived quality

Perceived quality is described as a customer's perception of the overall superiority of a brand with respect to its intended purpose, and relative to alternative brands (Hsu et al. 2012: 357). According to Balaji (2011: 9), a brand with high quality perceptions tends to benefit from higher customer preferences, repurchase intentions and equity. Perceived quality therefore adds to brand equity, in that it provides value to customers and presents them with more reasons to buy (Al-Hawari 2011: 152).

#### Brand differentiation

Brand differentiation entails the degree to which customers consider a brand as being different from competing brands (Kimpakorn & Tocquer 2010: 379). To attain brand differentiation, Dibb, Simkin, Pride and Ferrell (2012: 63) emphasise that the brand should have a unique edge over competitors, which can be realised by highlighting aspects such as the brand's strengths, features and advantages. Brand differentiation is critical in building brand equity, as brands with differential advantages tend to benefit from customer preferences (Lu, Kadane & Boatwright 2008: 318).

#### Brand associations

Brand association refers to the related knowledge a customer has of a brand in his/her mind (Keller 2008: 47). From a service perspective, Grönroos (2007: 186) distinguishes between associations related to the core service (the reason for the service's existence), the facilitating service (required to deliver the core service) and the supporting service (adding value to the core service). These associations form the criteria that customers use to evaluate the overall service offering. Brand associations, therefore, add value to brand equity, in that customers develop positive attitudes and feelings towards the brand (Till, Baack & Waterman 2011: 98).

#### Brand trust

Delgado-Ballester and Munuera-Alemán (2005: 188) fundamentally describe brand trust as the customer's belief that the brand has properties that convey consistency, competency, honesty and reliability. In other words, the customer is confident that

the specific brand favours his/her best interests (Belaid & Behi 2011: 39). Brand trust adds to brand equity, in that a trustworthy brand encourages loyalty and repurchase intentions amongst customers (Kuikka & Laukkanen 2012: 531).

From the discussions, it is evident that customers tend to have positive behaviours – such as brand loyalty, brand trust, brand preference and brand choice – towards strong brands with high equity (Hsu et al. 2012: 357). Marketers subsequently benefit from these positive behaviours in that they can charge price premium, maintain a competitive advantage, simplify brand extensions and ultimately minimise brand management cost (Nath & Bawa 2011: 135).

#### Brand relationships

Brand relationships can be described as the way in which customers relate to, or identify with, a brand (Smit et al. 2007: 627). Keller (2008: 448) remarks that lucrative brand relationships depend mostly on the establishment of brand meaning in the minds of customers – in other words, generating brand awareness, brand association, brand trust and brand image.

Dimitriadis and Papista (2010: 393–394) explain that once customers have developed a strong relationship with a brand, they are more likely to attempt the preservation of this relationship. As a result, these customers will demonstrate behaviours such as favourable word-of-mouth, cross-buying, resilience to negative information and continuity.

From the marketer's perspective, strong customer–brand relationships facilitate the acquisition of new customers, increased customer retention, stronger brand equity, reduced marketing costs and ultimately higher profits (Keller 2008: 449; Smit et al. 2007: 627).

# The influence of service brand equity on the strength of brand relationships

Table 1 provides evidence of a number of studies conducted on the constructs of *service brand equity* and *brand relationships*. Only the study of Kimpakorn and Tocquer (2010) has been identified as involving both constructs.

As can be deduced from Table 1, a number of studies were conducted on the concept of brand equity in the banking, mobile communications, hospitality, education and insurance service industries. On the concept of brand relationships, research included several service (mobile communications and banking) and non-service (car batteries, iPhone and consumer electronics) industries. As mentioned,

Service brand equity		
Source	Focus	Setting
Al-Hawari (2011)	Investigated the relationship between online service quality factors and brand equity	United Arab Emirates online banking
Balaji (2011)	Examined the interrelationship between brand equity dimensions and their impact on brand equity	Mobile service provider in India
Hsu, Hung and Tang (2012)	Constructed and implemented a model for building brand equity	Hospitality firms in Taiwan
Mourad, Ennew and Kortam (2011)	Analysed the determinants of service brand equity	Higher education in Egypt
Nath and Bawa (2011)	Constructed a scale for measuring brand equity in services	Banking, insurance, and cellular services in North India
Wang and Li (2012)	Examined how the m-commerce attributes and brand equity dimensions influence consumers' purchase intentions	Mobile services in Taiwan
Brand relationships		
Source	Focus	Setting
Belaid and Behi (2011)	Examined the role of attachment in consumer-brand relationships and its links with constructs such as trust, satisfaction, commitment and behavioural loyalty	Tunisian car battery buyers
Jurisic and Azevedo (2011)	Measured the power of brand tribalism, reputation and satisfaction in predicting the strength of customer-brand relationships	Portuguese mobile communications
Lam, Ahearne, Hu and Schillewaert (2010)	Examined the influence of market disruptions on customer-brand relationships	The initial launch of the iPhone in Spain
Petruzzellis, Romanazzi and Tassiello (2011)	Investigated the interconnection between brand relationship and contingency variables	Banking services in the Mediterranean
Sahay and Sharma (2010)	Confirmed the existence of brand relationship, and determined its influence on brand switching	Consumer electronics in Western India
Service brand equity and	l brand relationships	
Source	Focus	Setting
Kimpakorn and Tocquer (2010)	Measured brand equity and its influence on brand relationships and employee brand commitment	Luxury hotels in Bangkok

Table 1: Selected studies on service brand equity and brand relationships

the only study (found to date) that includes both service brand equity and brand relationships constructs was that of Kimpakorn and Tocquer (2010) on luxury hotels in Bangkok.

The studies referred to in Table 1 formed the foundation for the current research in which Kimpakorn and Tocquer's (2010) general direction is followed by including the same service brand equity dimensions (brand awareness, perceived quality, brand differentiation, brand associations and brand trust). The current study, however, excludes employee brand commitment, and focuses specifically on the influence of the brand equity dimensions on brand relationships within the South African fast food industry.

Based upon the literature presented, a number of relationships between the relevant variables are proposed. Figure 1 visually illustrates the hypothesised influence of the dimensions of service brand equity on brand relationships in the fast food industry.



Source: Based on Kimpakorn and Tocquer (2010: 382)

The following alternative hypotheses are formulated for the study:

H<sub>a</sub>1: Brand awareness significantly and positively influences the strength of the brand relationships customers exhibit towards their favourite fast food brand.

Figure 1: The hypothesised influence of service brand equity dimensions on brand relationships in the fast food industry

- $H_a^2$ : Perceived quality significantly and positively influences the strength of the brand relationships customers exhibit towards their favourite fast food brand.
- H<sub>a</sub>3: Brand differentiation significantly and positively influences the strength of the brand relationships customers exhibit towards their favourite fast food brand.
- H<sub>a</sub>4: Brand association significantly and positively influences the strength of the brand relationships customers exhibit towards their favourite fast food brand.
- H<sub>a</sub>5: Brand trust significantly and positively influences the strength of the brand relationships customers exhibit towards their favourite fast food brand.

#### Research methodology

This section provides an overview of the research design followed in the study, the study population identified and the sampling plan followed to select a sample from the population. This is followed by some insights into the design of the questionnaire used in the study, the method of data collection, as well as the data analysis strategy the researchers followed to generate the results.

#### **Research design**

In order to achieve the aim and objectives of this study, the researchers utilised a single cross-sectional descriptive design that is quantitative in nature. The researchers selected this design, since the aim of the study was to measure the main constructs of the study quantitatively to allow the use of a statistical technique to predict the influence of a number of independent variables (dimensions of service brand equity) on a dependent variable (the brand relationship construct).

#### Study population

The study population for this study can be defined as residents of the North West Province of South Africa who have purchased food at a fast food outlet at least once during the six-month period prior to the study. A sample size of 400 respondents was envisaged based upon time limits and resources requirements, and to ensure that particular statistical techniques could be utilised. In the end a total of 400 respondents took part in the study, leaving the researchers with 379 questionnaires suitable for analysis. In a similar study conducted by Kimpakorn and Tocquer (2010), a sample size of 270 with 238 useable questionnaires was realised. The sample size realised for this study therefore compares favourably with that study.

#### Sampling plan

Convenience sampling was used to select respondents from the study population. This sampling technique is a non-probability sampling technique suitable for use when a sampling frame or list of population elements is not available. Fieldworkers approached prospective respondents on the basis of convenience in the North West Province. Prospective respondents were required to have purchased food at a branded fast food outlet in the six months prior to the research being conducted. Those who met this requirement to take part in the study were approached.

#### Questionnaire

A self-administered questionnaire was used to elicit responses from the respondents. The questionnaire contains several sections that mainly include closed-ended questions. The questionnaire exhibits the following structure:

- Preamble and screening question. The questionnaire commences with a preamble that explains the aim of the questionnaire, the rights of the respondents, completion time, completion instructions, as well as the contact details of the researchers. This is followed by a screening question that establishes whether the prospective respondent has indeed bought food from a fast food outlet at least once during the past six months.
- Demographic information. The questionnaire presents a number of demographic questions in order to enable the researchers to present a profile of the typical fast food respondent.
- Patronage habits. Two questions regarding the respondent's patronage of fast food outlets were included in the questionnaire.
- The last section of the questionnaire measured the constructs relevant to the study, namely service brand equity and brand relationships. These constructs were measured on a five-point unlabelled Likert-type scale, where 1 represented 'strongly disagree' and 5 represented 'strongly agree'. The statements used to measure the dimensions of service brand equity and the brand relationships construct were adapted from the work of Kimpakorn and Tocquer (2010) specifically for measuring these two constructs within a fast food outlet context.

#### Method of data collection

Individuals who had completed an undergraduate module in Marketing Research and were registered for a graduate module in advanced Marketing Research at the time the fieldwork was conducted were selected as fieldworkers. As already mentioned, fieldworkers had to approach prospective respondents and furthermore determine their willingness as well as their suitability to take part in the study. Willing and eligible respondents were then asked to complete the questionnaire and hand it back to the fieldworker upon completion. Upon the fieldworkers' return from the field, the researchers checked the questionnaires for inconsistencies, errors and incompleteness. The data from properly completed questionnaires were captured for analysis.

#### Data analysis strategy

The researchers made use of the Statistical Package for Social Sciences (SPSS), Version 20 to analyse the date. Prior to analysis, the SPSS data file containing the captured data was scrutinised for transmittal errors and cleaned.

In order to describe the demographic profile and patronage habits of respondents, counts and frequencies were calculated for each of the demographic and patronage habit variables. To present the descriptive results for all the statements measuring the constructs of the study, means and standard deviations were calculated.

The researchers furthermore assessed construct validity and internal consistency reliability of the scales measuring service brand equity and brand relationships. Validity was ensured by using scales found valid in a previous study, and the internal consistency reliability of the scales measuring the five dimensions of service brand equity as well as for the brand relationships construct was assessed through the calculation of Cronbach's alpha coefficients. A Cronbach's alpha coefficient of 1.00 indicates that the scale is perfectly reliable, whilst a value 0.7 is considered the lower cut-off point for acceptability (Pallant 2010: 6). Once reliability was established, an overall mean score for the five dimensions of service brand equity and the brand relationships construct could be calculated. The overall mean scores for the five dimensions of service brand equity were compared with the aid of a paired samples t-test to determine significant differences in the level of agreement respondents assigned to statements measuring these dimensions. The researchers relied on a 95% confidence level and a resulting significance of 0.05 to interpret the results of the hypotheses formulated for the study.

In order to test the proposed model and the related alternative hypotheses formulated, a standard multiple regression analysis was considered most suitable. Before the statistical technique could be conducted, however, the researchers ensured that the assumptions of multiple regression highlighted by Pallant (2010: 150,151) were met. These assumptions include ensuring that the sample size is adequate, guarding against singularity and multi-colinearity between the independent variables, dealing

with outliers and addressing issues related to the distribution of the overall mean scores calculated for dependent and independent variables (Pallant 2010: 150, 151).

#### Findings of the research

This section presents the results of the study by firstly presenting the demographic profile of respondents, their fast food outlet patronage habits, and the descriptive statistics for all the statements measuring their level of agreement with statements measuring the level of service brand equity towards, and strength of brand relationships with, their favourite fast food outlet.

This is followed by the findings related to the reliability and validity of the scales used to measure these two constructs. The overall mean scores for the dimension of service brand equity and the brand relationships construct are presented and compared.

The findings in terms of the assessment of the assumptions for conducting a standard multiple regression analysis are presented. This is followed by the results of the standard multiple regression analysis.

#### Demographic profile of respondents

Table 2 presents the demographic profile of respondents who took part in the study. It is evident from Table 2 that the majority of respondents are 26 years of age and younger, representing young generation Y customers (59.9%). The majority of the respondents have completed a matric qualification (48.3%), are female (58.0%), speak Afrikaans as their home language (77.6%) and are employed full-time (46.4%).

#### Fast food outlet patronage habits of respondents

Table 3 shows the respondents' favourite fast food outlet. The section also reports on the average amount respondents spent per person when they last bought food from their favourite fast food outlet.

It is evident from Table 3 that KFC is the respondents' favourite fast food outlet (39.9%), followed by McDonald's (19.8%) and Debonairs (12.2%). The respondents spent on average R76.57 at their favourite fast food outlet the last time they bought food there.

Demographic characteristics	Frequency	Percentage	
Age			
26 and younger	227	59.9%	
27 to 35	34	9.0%	
36 to 47	52	13.7%	
48 to 66	53	14.0%	
67 and older	13	3.4%	
Total	379	100.0%	
Highest level of education			
Primary school	5	1.3%	
Some high school	16	4.2%	
Matric/grade 12	182	48.3%	
Technikon/University of Technology diploma/degree	48	2.7%	
University or postgraduate degree	126	33.5%	
Total	37	100.0%	
Gender			
Male	158	42.0%	
Female	218	58.0%	
Total	376	100.0%	
Home language			
Afrikaans	294	77.6%	
English	42	11.1%	
Nguni (Zulu, Xhosa, Swati, Ndebele)	6	1.6%	
Sotho (Sepedi, SeSotho, Tswana)	34	9.0%	
Venda/Tsonga	0	0.0%	
Other	3	0.7%	
Total	379	100.0%	
Employment status			
Full time	175	46.4%	
Part time	21	5.6%	
Self-employed	16	4.2%	
Student	139	36.9%	
Housewife/househusband	5	1.3%	
Retired	7	1.9%	
Unemployed	14	3.7%	
Total	377	100.0%	

Table 2: Demographic pro	file
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Variable	Frequency	Percentage
Favourite branded fast food outlet		
Debonairs	46	12.2%
KFC	151	39.9%
McDonald's	75	19.8%
Nando's	23	6.1%
Scooters	12	3.2%
Steers	42	11.1%
Other	29	7.7%
Total	378	100.0%

Service brand equity and brand relationships

This section reports the descriptive results for the scales measuring the five dimensions of service brand equity and the construct brand relationships. The mean and standard deviation for each statement are presented in Table 4.

It is evident from Table 4 that the respondents agreed the most with the service brand equity statements related to the brand association dimension, namely, "This fast food outlet has good food" (mean = 4.07; SD = 0.867) and "This fast food brand offers value for money" (mean = 3.90; SD = 0.921). The respondents also agree strongly with the statement "This fast food brand serves high quality food" (mean = 3.90; SD = 0.935), which is related to perceived quality.

The respondents agreed least with the statement "Staff members at this fast food outlet give me special attention" (mean = 2.96; SD = 1.163), which is related to perceived quality dimensions, and "I never had a bad experience with this fast food brand" (mean = 3.28; SD = 1.330), which is related to the brand trust dimension.

With respect to the statements measuring brand relationships, the respondents agreed the most with the statement "I really love this fast food brand" (mean = 3.95; SD = 0.884) and the least with "I am always interested in learning more about this brand" (mean = 2.76; SD = 1.208).

#### Reliability

Table 3:

The results of the internal consistency reliability test are presented in Table 5. From Table 5 it can be seen that all four of the dimensions and the one construct for which Cronbach's alpha coefficients were calculated are above the cut-off point of 0.7.

## Table 4: Descriptive statistics for service brand equity dimensions and the brand relationships construct

Statements	Mean	SD
Brand awareness		
When I think of fast food outlets in my area, this brand first comes to mind.	3.83	0.97
Perceived quality		
Staff members at this fast food outlet give me special attention.	2.96	1.16
Staff members perform services right the first time.	3.60	0.98
It is very convenient to purchase from this fast food outlet.	3.83	0.95
I can rely on this fast food brand to keep promises and		
perform with the best interest of the customers at heart.	3.62	0.95
This fast food brand serves high quality food.	3.90	0.93
This fast food brand serves high quality beverages.	3.88	0.90
Brand differentiation		
This fast food brand really stands out from the other brands of fast foods.	3.60	0.94
This fast food brand has unique features that other brands of fast foods do not have.	3.66	0.95
Brand association		
This fast food outlet has attractive décor.	3.53	0.96
This fast food outlet offers a secure environment.	3.52	0.90
This fast food outlet is a safe place to go to.	3.56	0.96
The staff members appear neat.	3.73	0.86
Staff members are available to provide service.	3.68	0.87
The facilities are clean.	3.75	0.84
This fast food outlet has a good ambience.	3.68	0.80
This fast food outlet has good food.	4.07	0.86
This fast food outlet has good beverages.	3.93	0.85
This fast food outlet has good service.	3.77	0.87
This fast food brand offers value for money.	3.90	0.92
Brand trust		
I have never had a bad experience with this fast food brand.	3.28	1.33
feel confident in this fast food brand.	3.79	0.90
This fast food brand has a good reputation with customers.	3.91	0.87
This fast food brand is honest and sincere in addressing my concerns.	3.55	0.96
If this fast food brand makes a claim or promise about its service, it is probably true.	3.62	0.97
know that this fast food brand does its best to satisfy me.	3.63	0.93
	Table 4 o	continue

Table 4 continued		
Statements	Mean	SD
I know that if I have a problem as a customer of this fast food brand, they would do their best to help me.	3.53	0.973
Brand relationships		
I really love this fast food brand.	3.95	0.884
It makes sense to purchase from this fast food outlet instead of any other brand of fast food.	3.71	0.960
I feel almost as if I belong to a club with other customers of this fast food brand.	2.93	1.196
I really like to talk about this fast food brand to others.	3.03	1.203
I am always interested in learning more about this brand.	2.76	1.208
I would be interested in service or merchandise with this brand's name on it.	2.77	1.314
I am proud to have others know I use this brand.	3.27	1.192
I like to follow news about this fast food brand closely.	2.77	1.289

All the scales measuring the dimensions of service brand equity and the brand relationships construct can therefore be considered reliable, and an overall mean score can therefore be calculated for each. Brand awareness was measured with only one statement, and a Cronbach's alpha coefficient was therefore not calculated.

Table 5: Reliabilities

Constructs/Dimensions	Number of statements	Cronbach's alpha coe cient
Service brand equity		
Brand awareness	1 statement	Coefficient not calculated
Perceived quality	6 statements	0.811
Brand differentiation	2 statements	0.711
Brand association	11 statements	0.910
Brand trust	7 statements	0.893
Brand relationships	8 statements	0.899

#### Validity

Kimpakorn and Tocquer (2010: 382) found that the scales measuring the dimensions of service brand equity and the construct brand relationships illustrate convergent validity through qualitative research involving in-depth interviews and expert opinions. Therefore, the scales adopted from their work can be considered valid for measuring service brand equity and brand relationships in a fast food outlet context.

#### Overall mean scores

Table 6 presents the overall mean scores calculated for the five dimensions of service brand equity and for the brand relationships construct. From Table 6 it can be seen that for the service brand equity dimensions, brand awareness obtained the highest overall mean score (mean = 3.83; SD = 0.972), whilst brand trust obtained the lowest score (mean = 3.61; SD = 0.893). The brand relationships construct realised an overall mean score of 3.14 and a standard deviation of 0.893. It is furthermore evident that all the means are above 3.00. Taking into account that the mid-point of the scale is 2.50, it can be said that all the mean scores are fairly positive.

Based upon the results of the paired samples t-tests, the overall mean scores for brand awareness and brand association are significantly higher than those of perceived quality, brand differentiation and brand trust respectively (p-value < 0.05 for each pair of dimensions). Overall, respondents agreed significantly more with statements related to the brand awareness and brand association dimensions of service brand equity.

Constructs/Dimensions	Mean	SD
Service brand equity		
Brand awareness	3.83	0.972
Perceived quality	3.64	0.703
Brand differentiation	3.64	0.823
Brand association	3.75	0.634
Brand trust	3.61	0.785
Brand relationships	3.14	0.893

Table 6: Overall mean scores

#### Assessing the assumptions of multiple regression

The assumptions for standard multiple regression analysis stated earlier had to be met before a standard multiple regression analysis could be conducted. For this particular study where five independent variables were tested, a minimum sample size of 90 respondents was required (Pallant 2010: 150). A sample size of 379 respondents, which is well above the required 90 respondents, was achieved.

Furthermore, it was also established that multicolinearity does not exist between the independent variables. This is evident from the fact that the correlation between pairs of independent variables is not excessively high. In all instances, the correlation coefficient is below 0.9. The tolerances for the independent variables are all above 0.1,

indicating that multiple correlation between independent variables is not high. None of the variance inflation factors (VIF) are above the value of 10; multicolinearity is therefore not evident, since only values above 10 indicate multicolinearity (Pallant 2010: 158).

Furthermore, no outliers could be identified, taking into account that the variables concerned were all measured on a five-point scale, and the results of the dependent variables were normally distributed. Based upon these findings, a standard multiple regression analysis could be conducted.

#### Multiple regression results

The results of the Pearson product moment correlation conducted as part of the standard multiple regression analysis indicate that there are significant linear relationships between each of the independent variables (the five service brand equity dimensions) and the dependent variable (brand relationships) (p-value < 0.05). The correlations range between 0.342 and 0.555, which are weak to moderate.

In the model summary presented in Table 7, an  $R^2$  value of 0.379 is evident. Thus 37.9 % of the variability in brand relationships can be assigned to the five service brand equity dimensions. From Table 8, representing the results of the ANOVA, it is evident that at least one regression weight is significantly different from 0 (p-value = 0.000).

Table 7: Model summary

Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Standard error of the estimate
1	0.615	0.379	0.369	0.710

Tab	Table 8: ANOVA						
Мо	del	Sum of squares	df	Mean square	F-value	p-value	
1	Regression	98.886	5	19.777	39.275	0.000*	
	Residual	162.145	322	0.504			
	Total	261.031	327				

It is furthermore evident from Table 9 that the p-value for the constant, 0.446, is greater than 0.05. The null hypothesis that the constant is 0 can therefore not be rejected, and the constant was subsequently excluded from the model before the model was tested again (Eiselen, Uys & Potgieter 2007: 164).

Mo	del	Standardised coe -value	cient t	p-value
1	Constant		-0.762	0.446
	Perceived quality	-0.022	0.312	0.755
	Brand differentiation	0.058	1.129	0.260
	Brand association	0.240	3.349	0.001*
	Brand trust	0.325	4.671	0.000*
	Brand awareness	0.169	3.508	0.001*

Table 9: Coefficients

It is evident from Table 10, representing the results of the ANOVA once the constant was removed, that the model is valid (p-value = 0.000).

Мо	del	Sum of square	df	Mean squares	F-value	p-value
1	Regression	3323.718	5	664.744	1295.983	0.000*
	Residual	165.675	323	0.513		
	Total	3489.393	328			

Table 10: ANOVA

From Table 11, it can be seen that three of the five dimensions of service brand equity significantly influence brand relationships. Brand trust produced the highest  $\beta$ -value of 0.420 (p-value = 0.000), followed by brand association ( $\beta$ -value = 0.350; p-value = 0.002), and brand awareness ( $\beta$ -value = 0.182; p-value = 0.000).

Model		Standardised coe cient -value	t	p-value
1	Perceived quality	-0.036	-0.356	0.722
	Brand differentiation	0.076	1.062	0.289
	Brand association	0.350	3.180	0.002*
	Brand trust	0.420	4.686	0.000*
	Brand awareness	0.182	3.475	0.000*

Table 11: Coefficients

\* p-value of 0.05 or less is statistically significant

Based upon these results, the following findings were made regarding the alternative hypotheses formulated for the study:

- $H_a^1$  that brand awareness significantly and positively influences the strength of the brand relationships customers exhibit towards their favourite fast food brand can therefore be accepted ( $\beta$ -value = 0.182; p-value = 0.000).
- $H_a^2$  that perceived quality significantly and positively influences the strength of the brand relationships customers exhibit towards their favourite fast food brand can therefore be rejected ( $\beta$ -value = -0.036; p-value = 0.722).
- $H_a^3$  that brand differentiation positively influences the strength of the brand relationships customers exhibit towards their favourite fast food brand can therefore be rejected ( $\beta$ -value = 0.076; p-value = 0.289).
- $H_a^4$  that brand association significantly and positively influences the strength of the brand relationships customers exhibit towards their favourite fast food brand can therefore be accepted ( $\beta$ -value = 0.350; p-value = 0.002).
- $H_a^5$  that brand trust significantly and positively influences the strength of the brand relationships customers exhibit towards their favourite fast food brand can therefore be accepted ( $\beta$ -value = 0.420; p-value = 0.000).

Figure 2 presents the dimensions of service brand equity that significantly and positively influence the strength of brand relationships of fast food customers.



Figure 2: The influence of service brand equity dimensions on brand relationships in the fast food industry

It is evident from Figure 2 that an improvement in three dimensions of service brand equity, namely brand awareness, brand association and brand trust, will significantly and positively improve the strength of the brand relationships that fast food customers have with their favourite fast food brand.

#### Discussion

The extant literature suggests that a strong brand with high equity positively influences the relationship that customers have with the brand. Since brand equity is generally implemented within a physical products setting, this study aimed to contribute to the limited existing research on *service* brand equity by implementing brand equity within a fast food service context.

The findings indicate that respondents agreed significantly more with statements related to the brand awareness and brand association dimensions of service brand equity. Moreover, three of the five service brand equity dimensions – namely, brand awareness, brand association and brand trust – were found to positively and significantly influence customers' brand relationships with their fast food outlets. Brand trust, in particular, had the strongest influence on brand relationships. It was further determined that an improvement in these three dimensions (i.e. brand awareness, brand association and brand trust) will significantly and positively improve the strength of customers' brand relationships with their fast food outlets. Thus, if a fast food brand wishes to strengthen the relationship with its customers, the focus should be on *creating brand awareness, broadening brand associations* and *conveying trust* regarding the brand to customers.

#### Creating brand awareness

To create brand awareness, fast food outlets need to ensure that their customers are so familiar with the brand that they will be able to immediately recognise and/or recall it. Fast food outlets should, consequently, have communication strategies in place to constantly remind customers of their brand, thereby maintaining the brand's presence in the customers' minds.

#### Broadening brand associations

Respondents agreed most that their favourite fast food outlet 'offers good food' and 'offers value for money'. However, fast food outlets need to bear in mind that brand associations are not based solely on customers' knowledge and perceptions of the core service offering, but also on the *facilitating* and *supporting* service offerings. In other words, despite the fact that the outlet probably offers good food, customers can still have a negative association with the brand, based on aspects such as décor, safety, friendly and available staff and clean facilities. Fast food outlets should therefore communicate, position and differentiate their brand on all three elements of their service offering (i.e. the core service, facilitating service and supporting service).

#### Brand trust

Since brand trust was identified as having the strongest influence on brand relationships, it is evident that fast food outlets need to pay special attention to the trust component of brand equity. Some of the biggest issues with customers trusting a brand seem to be related to the way in which the fast food outlets deal with problems and complaints. Problem-solving and complaint-handling issues can negatively influence the customer's fast food experience, thus resulting in decreased trust in the brand and negative brand associations. Fast food outlets therefore need to ensure that their brand consistently conveys trust properties, such as competency, honesty and reliability, to customers.

### Limitations and future research

Firstly, and perhaps most importantly, this study was restricted to the service setting of fast foods. The results can thus not be generalised to all service types. Thus, future research may consider replicating this study in other service industries, which will provide greater confidence in generalising the current results. Furthermore, the results of this study were limited to one province in South Africa, namely the North West Province, which indicates that representativeness for the whole of South Africa cannot be claimed. Future research could consider expanding this study by including all the provinces of South Africa. The sample furthermore mostly comprised white South Africans, and consequently does not represent the demographic distribution of the province with respect to the race of its residents. According to Maumbe (2012: 159), the rise in the black middle class segment and eating out offer huge opportunities for fast food outlets that wish to differentiate their service offerings. It is therefore suggested that future studies include a larger portion of the black middle class segment in the sample, using quotas based upon race, gender and age. It is also suggested that a fast food outlet's customer data base can be considered as a sampling frame for selecting a probability sample for a study focusing on the particular restaurant's customers. Lastly, the construct of brand awareness was measured with only one item, as was done by Kimpakorn and Tocquer (2010) in their study from which the statements used to measure the constructs in this study were adapted. It is suggested that brand awareness could in future be measured using multiple statements.

## Conclusion

It is evident from the study that fast food organisations can improve brand relationships by focusing on improving three dimensions of service brand equity, namely brand

awareness, brand association and brand trust. This can be realised when fast food outlets remind customers of their brand and uphold the quality and value of fast food products provided, as well as the provision of effective action in response to any negative customer experiences.

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