Factors affecting Brand Loyalty: a perspective of fast food restaurants

Abdul Rehman
Muhammad Zia-ur-Rehman
Dr. Waheed Akhtar

Abstract

Building brand loyalty has become more crucial, yet more complex to achieve in today’s age of immense competition. The paper discusses the brand loyalty as it is becoming an important element for gaining competitive advantage. The study looks into different key factors affecting brand loyalty in a developing country like Pakistan. The study focused on the aspects; Brand Knowledge, Brand Social responsibility, Brand Name, Product Quality, Word of Mouth and Brand Trust. The selected sample size was 300 and through a non probability purposive sampling procedure, the researcher received only 266 valid questionnaires with a response rate of 88.6%. The results revealed that all factors were found significantly related with significance level (p = .000) to brand trust except word of mouth with brand trust and brand trust with brand loyalty were partially correlated with dependent variable brand loyalty.

Key words: Brand Loyalty, brand knowledge, product quality, word of mouth, fast food restaurants

Introduction

Presently, for securing their long term profitability today businesses are agreed to develop, maintain and create brand loyalty in such a way to maintain loyal customers, but it is difficult in one way to another in such a turbulent and competitive environment. Brand loyalty is the repeat purchase of any customer that reflects his or her conscious decision to continuously purchase that product in future. In simple words brand loyalty is the positive attitude of customers towards particular brand with the intention to repeat purchasing that brand.

Brand loyalty by any customer not only represent the repeat purchase of that brand but sometimes it also refers to the psychological commitment of that customers toward that brand, therefore, brand loyalty not only mean that customer will not purchase that brand most often but also he or she will refute to purchase any other brand of same or better
quality as compared to the old one he or she is loyal to that brand. Almost the same patterns and techniques of promotion and positioning brand image in the minds of customers is used by companies, such as coupons, rebates, gift premiums, bonus packs, and all others means of attracting customers to make brand loyalty. At present, the most widely accepted practice is the use of loyalty programs to build loyalty of brand is store (reference), the brand itself, the different promotional techniques, the provision of different premiums, discount cards, co-branded credit cards, etc. Brand loyalty and brand itself has been handsomely researched topic. Companies use external cues of brand such as quality, design, taste, prestige, value and many more to place themselves in the minds of customers and remain successful in competitive market. Value of brand Coca-cola with estimate of more than 35 billion dollar valued brand and the Marlboro and Toyota, big giants in market, can be judged from their brand and are disputable for their competitors to follow or imitate.

The market trend for using fast foods is particularly emerging in Pakistan. Nowadays, fast foods become a common and popular trend as it gives young people a more tastes conscious and greater versatility and comfort. Consumer eats fast foods not only in universities, but also at home, in school, at work, or at leisure time. Moreover, there is a prominent trend in fast food industry, for which the casual tastes are converging. A positive trend confirms in Pakistan regarding the fast foods sales for the whole year.

In Pakistan, fast food market is one of the most turbulent market environments due to increased competition, environment, store environment, price, quality, promotion, brand name and its trend; these all factors affect the brand loyalty. Thus, it is of growing concern to look at consumer loyalty and shed light on factors that determine customer’s loyalty with the brand and to see differences that exist in consumer brand loyalty in different brands. In the current situation, the selection of brand in fast food has been exceptionally rapid grown in many parts of the world. Against this background, this study strives to assist the call for research to investigate different attributes of brand in the context of fast-food in Pakistan, and to further address the impacts of such factors that lead to brand trust and brand loyalty in the developing country like Pakistan.
Problem Statement

Creating loyalty about any brand and to retain customers is an essential and crucial element and factor that influence overall performance of the company. Brand loyalty is amongst the key factors critical for managers so that they can improve their customers’ retention that in turn puts its favorable impact on the overall profits. Current study attempts to see the band and width of brand loyalty from the customer’s point of view in the fast food industry, specifically to see the brand loyalty behavior of McDonald in Pakistani customers. Current study tries to see the band and width of brand loyalty from the customer’s point of view in the fast food industry, specifically to see the brand loyalty behavior of McDonald in Pakistan.

Objectives of study

Aims and objectives of the current study are,

i. To understand the factors that leads to build brand trust in between the customer and the company.

ii. To analyse different variables that play crucial role among consumers in selecting and using products such as fast food.

iii. To identify the factors that are responsible for creating brand loyalty among consumers and to investigate empirically the impact and influence of those factors on brand loyalty, of McDonald in Pakistani settings.

Literature review

Brand means the symbol, sign and name of the product. In the changing world brands have become more important for the purchasing. Brand selection is critical decision for the customers. Companies try to enhance the image of the brand and this image increase the loyalty of the brand. More brand loyalty leads to repurchase behaviour of the consumer (Ref). Various researchers defined brand loyalty in different ways. Relationship theory of brand suggests that, brand is a tool that connects customers and suppliers to the firm and is a mean to sustain such relationship in long run (Davis, Oliver, &Brodie, 2000; Chang & Chieng, 2006). Brand affects and helps customers to choose a good brand that satisfies their needs and wants and to choose the right product and firm for any specific or given product or service.
There is a rich amount of work done by marketers on building and maintaining brand loyalty and how to develop that loyalty at the passage of time more efficiently and effectively that firm and customers both behave loyal toward each other (Schultz and Bailey, 2000).

Researchers and academicians developed different models, theories and frameworks to see how brands affect consumer behaviour from different perspectives. For example two customer based models of brand equity that were developed by Aaker’s (1991) and Keller’s (1993), clearly emphasized on how consumers evaluate, and perceive any particular brand by application of different brand personality, image and awareness factors and knowledge structures by firms and companies.

Several researchers argued and suggests to marketers and firms that brand loyalty should be considered as a fact that consumers build their relationship with any specific brand as they make relationship with one another in personal lives, because brand loyalty is one of the important and major objectives for businesses and firms to achieve competitive advantage over rivals and competitors and to get profitable outcomes in long term (Wernerfelt, 1991; Chow and Hoden, 1997; Hofman et al., 1998; Fournier, 1998; Grossman, 1998; Munize and O’Guinn, 2001; Young et al., 2010).

To carry out such an important issue and attribute of brand equity, brand loyalty give us several new insights to see that, how does any brand create value to its customers? Why do some brands have more value than others? The more any brand valued strongly means that firm will create more extended value of that brand globally to consumers, by differentiating their brands either the goods or services more valued than those of their competitors (Aaker, 1991; Kotler, 1996). Distillers of Whisky in early sixteenth century use to ship their products in the wooden barrels with the name of that product burned into the barrel. , According to Aaker (1991), in 1835 a brand named Old smuggler was introduced for quality reputation and special distilling process for bootleggers.

Therefore, numerous researchers believed that antecedents of brand loyalty are dynamic and complex in nature that evolves over time with the changing needs of customers (Johnson, Herrmann, and Huber, 2006). Researchers highlighted that there are still some factors that need to be understand and need to be analysed from the perspective of customer loyalty with any specific brand (Taylor, Hunter, and Longfellow, 2006).

**Fast food industry and brand loyalty**
Fast food industry is a fast growing industry that is rapidly changing customer eating habits. This rapid growth of fast food witness the increase in income level of middle class consumers in third world and developing countries, changing eating needs of young and adults and the rising and penetration of multi-national food chains in these countries. Small business purchase should also have rich involvement. Scarce resources that are available to firms causes greater business failure risk. In business sector relationship with customers and suppliers is becoming highly important as well as accountability and decision making is becoming most crucial. Psychological models of individual behaviour which indentifies that attitudes predicts following behaviour (Ajzen & Fishbein, 1991). Behavioural loyalty causes the attitudinal loyalty which further causes the brand loyalty (Ref).

Study of consumers’ attitude is important for the measurement of the impact on the purchase behaviour. Determination of preference, intention, loyalty, and brand equity are also studied from attitude study (Ajzen & Fishbein, 1991), (Chaudhuri and Holbrook, 1999), (Keller, 1993). External actions by certain target market are known as behaviour in specific time and context. Different measurements of brand attitude and purchase habits are expressed by brand loyalty. The distribution decision of the company is also valuable element; it can differentiate a company from the other one. It is very important to provide the product to the consumer at convince place. Research conducted by Lin and Chang (2003) found that the distribution channel convenience of the brands had significant impact on buying behaviour of the consumer.

Promotion is another important element which includes the advertising activities, personal selling appeals, public relation. Companies built the strong relation with customers through different promotional appeals like Cash Discounts, Rebates, and other benefits. These activities are helping the company to enhance the loyalty of the brand. Through personal selling companies promote the products and their service and this efforts of the company increase the purchase intension of the consumer and positive attitude towards the product and as well as the image of the organization (To and Leung, 2001).

**Brand loyalty**

Since 1960s, brand loyalty has been defined as an attitudinal and behvioral concept, but few researchers have incorporated these dimensions. Brand loyalty is a broadly
discussed and researched phenomenon that reflects both attitudinal and behavioral aspects to measure customers perceptions of product or service (Dick and Basu, 1994; Baldinger and Rubinson, 1996).

According to Ehrenberg and Goodhardt, (2000), research in fragmented behavioural concepts of brand loyalty still needs to be verified with the attitudinal observations and actions of loyal customers (Patterson et al., 1997; Dorsch et al., 2000; Young et al., 2010). Nemours researchers has been identified brand loyalty as a crucial factor that is the output of brand personality traits positioned by the companies in the mind of consumer (Aksoy and Ozsomer, 2007; Yelmez, 2007).

**Brand Social Responsibility Image (BSRI)**

According to Angelidis and Ibrahim (1993), corporate social responsibility of any firm is the corporate social action by any company to satisfy social needs of customers. Additionally, Beliveau, Cottrill, and O’Neill (1994) argue and used the word corporate social responsiveness as alternative word for corporate social responsibility.

According to Brown & Dacin’s (1997), the corporate attitude and the corporate social responsibility both enhance evaluation of products by customers. BSRI positively influence new product response by consumers.

According to Reich (2002), BSRI is the overall impact on customer’s evaluation of product quality, service quality and brand loyalty. In this regard customer would be more conscious about the increasing patronage by the producers to enhance their BSRI and meet customer needs and expectations Becker, Cudmore, & Hill (2006).

Reich’s (2002), introduced the BSRI in hospitality sector, to see the brand awareness and market share of companies. In the context of BSRI Fleming, Coffman & Harter (2005), introduced BSRI as a humanistic approach to see its impacts on the employees and on customers engagement. BSRI itself is an important cue of brand equity that is synonymously used with the corporate social responsibility of any company towards the society (ref). BSRI research and the engagement of company in the welfare of customers can be positively correlated to increased revenues and profit, and commitment towards society. Despite this general recognition of BSIR, it lacks the main characteristic and novelty agreement on what it really means to customers (Valor, 2005; Lantos, 2001; O’Dwyer, 2003; Brammer and Millington, 2008). According to Kusum et
al. (2011) CSR efforts, that are directly related to the products that consumers buy and employees who serve those customers, result in significant and positive behavioral loyalty of customers.

**Brand Name**

Brand name is an important attribute of Brand equity that is sometimes used synonymously with the identity or image of product. Development of brand name is an expensive process (Kohli and Thakor, 1997). Brand name is central to capture the association of product and the customer in a very reasonable fashion, and is very successful mean of communication to give positive image of that product to the customers.

Brand name should be unique and easy to remember that will attract customers and give an insight to the reputation of companies in market with preference to their names (Keller, 2008). Brand name distinct product of companies than that of the rivals and give competitive advantage over competitors (Zeugner -Roth, et al., 2008).

**Product Quality**

Product Quality covers the features, aroma, aesthetics and characteristics of a product or service that allows satisfying definite or inferred needs of customers. According to Russel and Taylor (2006), product quality is the fitness of use of the conformance to the requirement of customers. In service industry context product quality is considered as service quality that includes the approach how that service provider for example the airline, restaurants, banks and retail stores serve their customers, how the product they offer satisfy customer needs as physical quality of product and how such particular product apparently communicate that brand image to build brand loyalty and in result brand equity (Bitner 1992; Booms and Bitner 1982; Tsaur, Chang, and Yen 2002).

**Brand Trust**

Trust of a customer on brand trust leads to brand loyalty that in result create commitment and association of that customer with that brand which then creates highly valued exchange relationships. Commitment with brand by customer is a continuous and enduring expected desire that company wants to maintain (reference). Therefore, commitment of loyalty of customer that results from the brand trust is very important to continuously maintain value relationship with customers. According to Curran et al.,
(2003) Brand trust creates satisfaction, and is well researched for consumer services (Ganesh et al., 2000).

**Word of Mouth**

In the marketing context, Word of Mouth or WOM is defined as the informal communications directed or shared by other consumers about the characteristics, ownership, quality, usage of any particular product or service or the producers or sellers of that particular product or service (Westbrook 1987). WOM is a peer to peer communication that spread a word about some specific service or brand after experiencing it bad or good that fulfils their needs or wants. WOM is specific and successful in nature as compare to other marketing or promotional tool, but it encompass the reliability and trustworthiness of that product or service about which any customer talk both positively or negatively.

**Brand Knowledge**

Brand knowledge is an attribute of brand equity that comprises of brand image and brand awareness. According to Keller (2003), Brand knowledge is the ability of consumers that identify the brand in different situations. Brand awareness is a facet of brand knowledge that has been widely researched (Aaker, 1991; Keller, 1993).

**Research model**

The study followed the research model having elements like brand social responsibility, brand knowledge, brand name, product quality and word of mouth and their contribution towards brand trust which ultimately creates brand loyalty.

**Figure 1 Research Model**
Hypothesis statements

H1: There is a positive relationship between Brand Social Responsibility Image (BSRI) and Brand Loyalty (BL).

H2: There is a positive relationship between Brand Name (BN) and Brand Trust (BT).

H3: There is a positive relationship between Word of mouth (WOM) and Brand Trust (BT).

H4: There is a positive relationship between Brand Knowledge (BK) and BL.

H5: There is a positive relationship between Product Quality (PQ) and BL.

H6: There is a positive relationship between Brand Trust (BT) and BL.

Methodology

The main concept is that brand loyalty basically represents the probability that those who have bought a specific brand would chose the same brand within the next buying decision in a similar context (simple repurchase) or a different context (price increase, and respectively, distribution decrease). Brand loyalty significance was extended towards the active involvement of loyal consumers in brand promotion (recommendations).

Respondents of the different demographics background were chosen from the different universities of Rawalpindi and Islamabad (Pakistan). The survey was conducted during the weekends over a time frame of two months, and the researcher went personally to the targeted locations and distributed questionnaires to the respondents. A total of 300 sets of questionnaires were distributed to respondents at the universities of Rawalpindi and Islamabad, only 266 questionnaires were received and were valid so the response rate was 88.66%. To conduct the study, primary data were used by the researcher to analyze brand loyalty on quick service restaurants. Primary data were collected by using self-administered questionnaires which were distributed to respondents who were briefed on the purpose of the study. A self-administered questionnaire in English is developed and was divided into three sections: brand loyalty, consumer’s favourite...
restaurants and factors which influence brand loyalty. The scale of brand social responsibility image was adopted from Brown and Dacin (1997); Product quality from Oh and Jeong (1996); Brand name from Yee and Sidek (2008); Brand loyalty had two construct which were Attitudinal Brand Loyalty and Behavioral Brand Loyalty was taken from Pritchard et al. (1999); Reynolds and Arnold (2000) respectively. All the items of the scale measured on five point likert scale ranges from 1 = Strongly disagree to 5 = Strongly agree.

A non probability purposive sampling procedure was adapted for this study as the respondents should necessary be the customers of the quick service restaurants. For the researcher visited different universities of Rawalpindi/Islamabad and got the questionnaires filled from students. A time span of two months was dedicated to complete the survey. Before distributing the questionnaire all the contents were explained to the respondents. Total number of 300 questionnaires were distributed out of them 266 completely filled questionnaires were returned back.

To analyze the data gathered, SPSS (Statistical package for social sciences) was used. To confirm and test the model fit of the current study author used SEM (Structural equation model) technique using AMOS 16.0. Demographic information such as age, gender, education, income level were tested and presented in shape of tables with definitions and to see the interrelationships between independent and dependent variables author of the current study tested Pearson correlation technique.

Before distribution of final questionnaire, a pilot study was conducted to see the reliability and validity of the questionnaire; in this regard 120 questionnaires were distributed among fast food consumers to see how much our questionnaire will measure the perceptions and opinions of such customers who use fast food products. After collection of these questionnaires, it was observed that questionnaire statements were reliable and consistent with the main topic of the study, to measure perceptions of fast food consumers.
Table 1: Profile of Respondents (Descriptive Statistics)

<table>
<thead>
<tr>
<th>Age</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 25 years</td>
<td>40</td>
<td>15</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>26-30</td>
<td>70</td>
<td>26.3</td>
<td>26.3</td>
<td>41.4</td>
</tr>
<tr>
<td>31-35</td>
<td>90</td>
<td>33.8</td>
<td>33.8</td>
<td>75.2</td>
</tr>
<tr>
<td>36-40</td>
<td>66</td>
<td>24.8</td>
<td>24.8</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>266</td>
<td>100</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Married</td>
<td>139</td>
<td>52.3</td>
<td>52.3</td>
<td>52.3</td>
</tr>
<tr>
<td>Un-Married</td>
<td>127</td>
<td>47.7</td>
<td>47.7</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>266</td>
<td>100</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>158</td>
<td>59.4</td>
<td>59.4</td>
<td>59.4</td>
</tr>
<tr>
<td>Female</td>
<td>108</td>
<td>40.6</td>
<td>40.6</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>266</td>
<td>100</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Education</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intermediate</td>
<td>54</td>
<td>20.3</td>
<td>20.3</td>
<td>20.3</td>
</tr>
<tr>
<td>Bachelors</td>
<td>113</td>
<td>42.5</td>
<td>42.5</td>
<td>62.8</td>
</tr>
<tr>
<td>Masters</td>
<td>99</td>
<td>37.2</td>
<td>37.2</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>266</td>
<td>100</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

Reliability analysis

To measure, conceive and present reliable answers after distribution of questionnaire of the study, Table 2 shows the overall Chronbach alpha of the scale items that is .91, this value is more than acceptable of recommended value of 0.50.

Table 2: (Overall Reliability Statistics)

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.917</td>
<td>28</td>
</tr>
</tbody>
</table>
Variable wise Reliability analysis

For reliability analysis, individually Cronbach’s Alpha was also found about Brand social responsibility, Brand Name, Brand loyalty, Brand trust, Word of Mouth, Brand Knowledge and Perceived Quality etc. which was found good.

Opinions of respondents /Descriptive analysis

To see the mean score and standard deviation of the responses of respondents about their perceptions of McDonald’s, author of the study computed and presented mean and standard deviation in the following table.

<table>
<thead>
<tr>
<th>Table 3: Correlation results</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Brand Loyalty</td>
</tr>
<tr>
<td>Brand Trust</td>
</tr>
<tr>
<td>Brand Social Responsibility</td>
</tr>
<tr>
<td>Brand Name</td>
</tr>
<tr>
<td>Perceived Quality</td>
</tr>
<tr>
<td>Word of Mouth</td>
</tr>
<tr>
<td>Brand Knowledge</td>
</tr>
</tbody>
</table>

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

Scale: 1= Strongly Disagree, 5= Strongly Agree (N=266)

On the basis of the descriptive statistics it shows that consumers shown their responses towards the brand loyalty of McDonald’s positively, as shown in the mean of the items.

Correlation results of the current study that is the associating between the variable are presented in the above table 3, all the variables are consistent with the hypothesis of the study and their values are more than 0.5 and were achieved significant value of less than 0.01.
To see the interrelationship between different factors and accept or reject hypothesis, the author calculated correlations in Table 3 that shows correlation results of the current study. For example, the relationship between independent and dependent variable shows significant relationships.

**Hypothesis results**

**Hypothesis 1**
To see the relationship between Brand social responsibility image and brand trust, results of the correlation test of the current study reveals positive relationship between these two factors i.e. (r = .653) with significant value (p = .000). It means that brand social responsibility image of McDonald’s is positively related to brand trust, that shows that Brand social responsibility image of McDonald promote and develop brand trust of consumers that indirectly influence and made brand loyalty of consumers with McDonald in Pakistan, so we conclude that brand social responsibility image is positively related to brand trust of consumers in McDonald’s services and products, therefore we accept H1.

**Hypothesis 2**
Correlation results of Brand name and brand trust reveals that there is positive relationship between the brand name of McDonald’s and the trust perceptions of respondents with (r = .683) with significant value of (p = .000). It shows that the relationship between brand name of McDonald and brand trust of consumers on McDonald is positive related to each other that then create brand loyalty of consumers with McDonald. Therefore we accept the H2 and concludes that brand name of McDonald is positive related to development of trust of consumers in McDonald.

**Hypothesis 3**
Perceived quality of McDonald by consumers was found positively related with brand trust of consumers in McDonald’s. The values of correlation that is (r = 6.00) with significant value of (p = .000) reveals positivity of perceived quality with the brand trust of McDonald, that shows that our H3 hypothesis is accepted which was hypothesized that there is a positive relationship between Perceived quality and brand trust of consumers in McDonald’s.
Hypothesis 4
Relationship between word of mouth advertising of McDonald and building of trust was also found positive but partially related to brand trust of consumers in McDonald’s. values of correlation of word of mouth was \( r = .487 \) that is acceptable value near to 0.50, with significant value of \( p = .000 \), it shows that word of mouth is related positively to brand trust of consumers that leads indirectly with the brand loyalty of consumers in McDonald’s services and products. Therefore correlation results of word of mouth and brand trust is accepted that is compatible with our hypothesis 4, which assumed that, there is a positive relationship between word of mouth and brand trust.

Hypothesis 5
After computing correlations of Brand knowledge and brand trust it was found that brand knowledge of consumers about McDonald’s is positively related with their brand trust in McDonald with correlation values of \( r = .734 \) at significant value of \( p = .000 \). Therefore we can say that the correlation results are more than acceptable value of 0.50 and we then accept the hypothesis 5 that supposed that there is a positive relationship between brand knowledge of McDonald’s and the development of brand trust in McDonald.

Hypothesis 6
In light of the Table 14, relationship between Brand trust was related positively with brand loyalty \( r = .344 \) with significant value \( p = .000 \), so it is concluded that relationship between brand trust and brand loyalty is positive and consumers of fast food rely on McDonald’s services and products, therefore we accept H6 that there is a positive relationship between brand trust and brand loyalty.

Summary of hypotheses
Current study reveals that Out of 6 hypothesis 5 hypothesis were positive related with the brand trust and then brand trust was also related positively with brand loyalty of consumers in McDonald’s Pakistan. Values of hypothesis were Brand trust \( r = .344 \), \( p = .000 \), Brand Name \( r = .683 \), \( p = .000 \), Brand social responsibility image \( r = .653 \), \( p = .000 \), Brand Knowledge \( r = .734 \), \( p = .000 \), Perceived quality \( r = .600 \), \( p = .000 \), Word of mouth \( r = .487 \), \( p = .000 \) respectively. All the items except brand trust and word of mouth were related significant positively related with
correlation values more than 0.50, that reveals that our study results were significant and positive towards building of trust and brand loyalty of consumers in McDonald’s Pakistan.

**Table 4: Regression Analysis**

<table>
<thead>
<tr>
<th>Model Summary</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td>R</td>
</tr>
<tr>
<td>------</td>
<td>---</td>
</tr>
<tr>
<td>1</td>
<td>.845&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

*a. Predictors: (Constant), Brand Knowledge, Brand Trust, Word of Mouth, Perceived Quality, Brand Name, Brand Social Responsibility Dependent variable: Brand Loyalty

Regression analysis for the brand loyalty of McDonald is presented in the Table 15. The results of regression analysis shows that there is a significant variance created by independent variables in brand loyalty of consumers in McDonald ($R^2 = .714$) that means that 71% of changes created by the independent variables in brand loyalty of consumers in McDonald.

**Regression coefficients**

The variables when reviewed one by one individually reveal the following results shown in Table 5
Table 5: Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardize Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>-2.010</td>
<td>.612</td>
<td>-3.286</td>
</tr>
<tr>
<td></td>
<td>Brand Social Responsibility</td>
<td>-.279</td>
<td>.056</td>
<td>-.515</td>
</tr>
<tr>
<td></td>
<td>Brand Name</td>
<td>.469</td>
<td>.080</td>
<td>.507</td>
</tr>
<tr>
<td></td>
<td>Perceived Quality</td>
<td>.523</td>
<td>.058</td>
<td>.562</td>
</tr>
<tr>
<td></td>
<td>Brand Trust</td>
<td>-.008</td>
<td>.039</td>
<td>-.009</td>
</tr>
<tr>
<td></td>
<td>Word of Mouth</td>
<td>.071</td>
<td>.049</td>
<td>.079</td>
</tr>
<tr>
<td></td>
<td>Brand Knowledge</td>
<td>.376</td>
<td>.044</td>
<td>.451</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Brand Loyalty

Conclusion and Recommendations

Conclusively, the study explains the important factors that play an important and crucial role in the development of trust and loyalty of consumers in the Products and services of McDonald’s in Pakistan. Different brand equity factors such as Brand name, Brand trust, and Brand social responsibility, perceived quality, word of mouth, and brand knowledge were discussed in current study. It is concluded that all the factors of current study were important and were effective under the umbrella of brand equity to influence brand trust and brand loyalty, except the word or mouth and brand trust, the new insights of current study suggest us to see more in depth wider and in-depth analysis of these factors to not only see their impact from consumers point of view but also to see how much all those factors influence brand loyalty of consumers combined with non effective factors of current study. Current study highlighted the important factors of brand equity to develop a new thinking of brand management practices for marketing managers in developing new ideas and differentiated products and services for consumers in developing countries like Pakistan.
The service sector in Pakistan has seen many ups and downs since the adoption of brand equity tools and techniques for developing their image in general public and in the eyes of customers. Current study was only limited to project and investigate only few variables in light of past research, so it is suggested that for the likelihood of enhancing positive attitude of customers towards accepting fast foods as an alternate of traditional foods companies should give attention to provide not only foreign tasted foods but also give new shapes and styles to traditional foods that more and more customers visit and eat variety of meals at the same time. From research point of view, the incorporation of purchase intention factors that leads to customer actual purchase of the product is an essential factor for future studies however brand persona and brand made in country or the foreign country food perceptions can also be incorporated for better understandings and to get new insights for fast food businesses.

References


