

IMPACT OF CORPORATE IMAGE ON CUSTOMER LOYALTY

¹ Brahmmanand Sharma, ² Neeru Kumari, ³ Shivani Chaturvedi

¹ Assistant Professor, ² Student, ³ Student

¹ Department of Management,

¹ Prestige Institute of Management, Gwalior, India

Abstract: The study was conducted to determining the impact of Corporate Image on Customer loyalty. The study was conducted to identify and establish the relationship between corporate image and customer loyalty. The study was casual in nature and survey method will be used for data collection. For the study of this research work non probability sampling technique was used on 200 respondents. The final results of analysis confirmed that there is strong and significant positive relationship between corporate image and customer loyalty. In other words, if corporate image is high, the customer loyalty for that brand would also be high.

IndexTerms – Corporate Image, Customer Loyalty.

1.INTRODUCTION

Corporate image is an important tool for any successful company to protect its market share among the competitors and to get high level of profits through retained customers, obviously the customers are directed to buy goods and services from a company with good corporate image to reduce the decision making consequence risk.

The concept of corporate image initially started to be explored in the beginning of the 1950s. Corporate image is a set of perceptions about a brand the consumer forms as reflected by brand associations

Automobile industry-

The automobile industry began in the 1890s with hundreds of manufacturers that pioneered the horseless carriage.

The automobile industry designs, develops, manufactures, markets and sells the world motor vehicles. The automobile industry is one of the most important economic sectors by revenue.

The term automobile industry usually does not include industries dedicated to automobiles after delivery to the customer, such as repair shops and motor fuels filling stations.

World wide trends

Global production of motor vehicle

| Year | Production | Change |
|------|------------|--------|
| 2001 | 56,304,925 | -3.5% |
| 2002 | 58,994,318 | 4.8% |
| 2003 | 60,663,225 | 2.8% |
| 2004 | 64,496,220 | 6.3% |
| 2005 | 66,482,439 | 3.1% |
| 2006 | 69,222,975 | 4.1% |
| 2007 | 73,266,061 | 5.8% |
| 2008 | 70,520,493 | -3.7% |
| 2009 | 61,791,868 | -12.4% |
| 2010 | 77,857,705 | 26.0% |
| 2011 | 79,989,155 | 3.1% |
| 2012 | 84,141,209 | 5.3% |
| 2013 | 87,300,115 | 3.7% |
| 2014 | 89,747,430 | 2.6% |
| 2015 | 90,086,346 | 0.4% |
| 2016 | 94,976,569 | 4.5% |

1.1 Conceptual Framework

Corporate Image

A corporate image refers to how a corporation is perceived. It is generally accepted image of what a company “stands for”. The creation of corporate image is an exercise in perception management. It is created primarily by marketing experts who use public relations and other forms of promotion to suggest a mental picture to the public. Typically, a corporate image is designed to be appealing to a public, so that the company can spark an interest among consumers, create share of mind, generate brand equity and thus facilitate product sale.

Corporate image, or reputation, describes the manner in which a company, its activities, and its products or services are perceived by outsiders. In a competitive business climate, many businesses actively work to create and communicate a positive image to their customers, shareholders, the financial community, and the general public. A company that mismanages or ignores its image is likely to encounter a variety of problems. "Reputation problems grow like weeds in a garden."

Corporations are not only form of organizations that create these types of images. Government, charitable organizations, criminal organizations, religious organizations, political organizations, and educational organizations all tend to have a unique image an image that is partially deliberate and partially accidental, partially self-created and partially exogenous.

Loyalty

Customer loyalty is a concept gaining more and more attention in today's business when loyal customer are considered as essential components to organizational success. Loyal customer tends to purchase more often, spend more money and usually enhance a positive word of mouth. Consequently, corporations of today strive to identify and manage effective methods of actively enhancing loyalty, including customer loyalty programs.

Automobile corporations operate in an industry characterized by few customer contacts with large monetary value. There are major profits potentials and each customer is worth more than only the sales price for a car. As a result, the management of customer loyalty is an essential activity within this industry.

Customer loyalty is determined by three factors: relationship strength, perceived alternatives and critical episodes.

Major factors that negatively affect customer loyalty:

- The customer moves out of the service area
- The customer no longer has a need for the product or services
- More suitable alternative providers become available
- Poor handling of a critical episode

Customer Loyalty

Loyalty in three ways: behavioral loyalty, attitudinal loyalty and composite loyalty. The behavioral approach argues that the repeat purchasing of a brand over time by a consumer completely accounts for loyalty. Behavioral concepts strictly look at the repeat purchase behavior expressed in terms of revealed behavior such as proportion of purchase, purchasing frequency and probability purchase. Attitudinal loyalty includes a degree of dispositional commitment associated with the repeat purchase behavior. The attitudinal perspective assumes that consistent buying of a brand is a necessary but not sufficient condition to "true" brand loyalty and it must be complemented with a positive attitude towards this brand to ensure that this behavior will be pursued further.

Various antecedents of customer loyalty is given;

1. Customer satisfaction
2. Trust
3. Commitment
4. Corporate image
5. Trust, commitment and loyalty

Loyalty and Automobile sector

A brief evaluation of brand loyalty reveals that today, this particular business discipline has been transformed into one of the most sought after areas by small and large organizations alike. Take the name of Japanese automobile names of Toyota, Honda or even the German made the Mercedes vehicle. One may observe that each has successfully gained a significant market share of the global automobile industry simply because of the efforts and endeavors put into make their brand customer friendly, efficiently, economically viable and perhaps most important of all the safety elements.

The object of creating brand loyalty, as of recent studies, is to build a relationship with the customers as well as to instill in ideas within their minds as to the nature of the organizations, their category of customer and how the respective organizations extends its relationship with the customer at large. In addition brand loyalty also transcends the respective products.

1.2 Review Of Literature

Kuusik (2007) studied the influence of various factors on customer loyalty and by the help of his survey analyzed four measure factor that affect the loyalty that are satisfaction, trustworthiness, Image and importance of relationship and their role on loyalty.

Pire (2008) in his dissertation addresses how determinants differ in their influence on customer loyalty and explains different determinants for loyalty in his dissertation.

Tatiana Anisimova (2013) demonstrate that a corporate brand, image acts as a critical predictor of consumer satisfaction thus providing support for the research proposition. The three components of consumer value (functional, emotional and symbolic) were found to be critical and consistent predictors of consumer satisfaction. Corporate associations and core organizational values were also found to be the drivers of consumer satisfaction and loyalty.

Tatiana Anisimova (2015) reveal consistent favorable and significant effects of corporate brand symbolism on both consumer satisfaction and loyalty.

Tor Wallin Andreassen (1998) stated that corporate image impacts customer loyalty directly whereas customer satisfaction does not. This finding was consistent with high and low service expertise. These results challenge the disconfirmation paradigm which predicts customer satisfaction as the primary route to customer loyalty. From a managerial perspective, information regarding the relative strength of the two routes is vital with regard to resource allocation in order to improve customer loyalty.

Bolton and Drew et. al. (1991) evaluates corporate image is believed to be an important factor influencing the perception of quality, customers' evaluation of satisfaction with the service, and customer loyalty.

Tor Wallin Andreassen (1998) states corporate image can be an extrinsic information cue for both existing and potential buyers and may or may not influence customer loyalty (e.g. willingness to provide positive word-of-mouth). Corporate image is consequently assumed to have an impact on customers' choice of company when service attributes are difficult to evaluate. Corporate image is established and developed in the consumers' mind through communication and experience. Corporate image is believed to create a halo effect on customers' satisfaction judgment. When customers are satisfied with the services rendered, their attitude toward the company is improved. This attitude will then affect the consumers' satisfaction and loyalty with the company.

Folkes et. al. (1988) expect that a service company's image will function as a filter in the perception of quality, value, satisfaction and as a simplification of the decision process when consumers choose where to purchase services. Perceived performance of product quality on attribute level is believed to impact the satisfaction judgment of the transaction and the perception of value.

Hart et. al. (2004) corporate image and its influence on customer loyalty was evaluated using path analysis. The results are generally consistent with the previous study, with corporate image having a significant impact on core service and customer satisfaction perceptions. Corporate image was found to have only a marginally significant direct influence on customer loyalty, though the total effects of corporate image (both direct and indirect) on customer loyalty are much more substantial

Tatiana Anatolevna Anisimova (2007) explains that corporate values, its image, corporate brand personality and functional consumer benefits are the most critical and consistent predictors of both attitudinal and behavioral loyalty which combines within the customer loyalty for a product.

Baker et al. (2002) studies found no direct significant relationship between corporate image and customer loyalty. However, this study did find a marginally significant influence, which could be explained by the greater importance placed upon store image by retailers, as well as the overall more involved (both cognitive and affective) consumer storefront retail experience

Kaur, Harsandaldeep, (2013) purpose of this study is to test an integrative model to examine the relations among customer satisfaction, trust, commitment, corporate image, attitudinal loyalty and behavioral loyalty. It also aims to examine the mediating roles of commitment and corporate image on causal relationships between trust and loyalty. purpose of this study is to test an integrative model to examine the relations among customer satisfaction, trust, commitment, corporate image, attitudinal loyalty and behavioral loyalty. It also aims to examine the mediating roles of commitment and corporate image on causal relationships between trust and loyalty.

Chung-Yu et. al. (2012) results suggest that corporate image impacts customer loyalty in both newer and older relationships. Whereas in newer relationships, corporate image has a cardinal influence on switching costs, in more-established relationships switching costs are influenced primarily by perceived value. In both cases, switching costs influence customer loyalty

De Leaniz et. al. (2016) his study investigates the influence of corporate image - comprised of functional and emotional aspects - and reputation on customer loyalty. Results show that functional and emotional image have a positive influence on corporate reputation corporate reputation has a positive influence on customer loyalty. This study may help managers use their resources more effectively by focusing on corporate image and reputation as important strategic assets to enhance customer loyalty.

Stan et. al. (2013) study has two key objectives. First, we investigate how image perceptions, service quality and customer satisfaction contribute to customer loyalty. The results show that the organizational image customers hold of the service provider and perceived service quality have a similarly strong relationship with customer loyalty. Moreover, both, service quality and organizational image are significantly and positively correlated with customer satisfaction. The findings highlight that it is in particular through the formation of customer satisfaction that service quality and organizational impact customer loyalty. Second,

we investigate the role of switching costs in the development of customer loyalty. The findings indicate that perceived switching costs, here assessed in terms of price sensitivity, have by far the strongest, positive and direct impact on customer loyalty in comparison to the other antecedents included in the model.

Daniel Kipkirong et. al. (2013) results indicate that perceived service value, service quality and social pressure were significant predictors of customer loyalty, while customer satisfaction was not significant. Corporate image was found to moderate the relationship between service value, service quality, social pressure and customer loyalty. social pressure is an important determinant of customer loyalty. Second, corporate image plays a moderating role in customer behavior. Thus firms eager to engender customer loyalty should invest in corporate image.

Eman Mohamed Abd-El-Salam et. al. (2013) explore the relationship among corporate image and reputation, service quality, customer satisfaction and customer loyalty. Despite the significant academic interest in service quality, customer satisfaction and customer loyalty. corporate image consisted of two main components; the first is functional such as the tangible characteristics that can be measured and evaluated easily. The second is emotional such as feelings, attitudes and beliefs the one have towards the organization. These emotional components are consequences from accumulative experiences the customer have with the passage of time with the organization.

Nesset, Erik et. al. (2011) finding is that a customer's perception of store assortment only influences perception of image and ultimately loyalty indirectly via satisfaction, whereas price evaluation and service quality works directly both through image building and satisfaction creation. Satisfaction creation seems to be more important for store loyalty than image building.

Ernest Emeka Izogo et. al. (2015) outcomes show that service quality and image and reputation dimensions are significant predictors of customer satisfaction and loyalty with the commitment dimension accounting for the highest degree of this impact. Also there is causal link between perceived service quality and customer satisfaction, and which of this construct has a direct impact on customer loyalty and customer satisfaction plays a mediating role between service quality and customer loyalty

Oliver (1999) argued that satisfaction and loyalty are not surrogates for each other and that it is possible for a customer to be loyal without being highly satisfied and to be highly satisfied and yet not be loyal.

Singh et. al. (2014) objective of this study is to assess the impact of branding strategy on the consumer loyalty. It has been found that devise corporate branding strategy does not directly leads to consumer loyalty, rather it enhances corporate image and positive corporate image leads to corporate loyalty which finally results to brand loyalty.

Harmeen Soch (2014) states that corporate image plays a moderating role in customer behavior. Thus firm's eager to engender customer loyalty should invest in corporate image. Corporate image was found to moderate the relationship between service value, service quality, social pressure and customer loyalty.

Tatian Anisimova (2012) results demonstrate that a corporate brand acts as a critical predictor of consumer satisfaction thus providing support for the research proposition. The three components of consumer value (functional, emotional and symbolic) were found to be critical and consistent predictors of consumer satisfaction. Corporate associations and core organizational values were also found to be the drivers of consumer satisfaction.

Andreassen et. al. (1998) develop a strong corporate image is very important for companies because this can lead to customer preference for first time customers as well as loyalty in existing customers. Clearly, once a customer has had a first service encounter with an organization the image they hold is further influenced by this experience. Hence shown that corporate image can have a direct impact on loyalty but also there is evidence that the relationship between image, loyalty and satisfaction is positive.

Bowen & Shoemaker, (1998) customer loyalty is concerned with the likelihood of a customer returning, making business referrals, providing strong word of mouth, as well as offering references and publicity.

Fornell (1992) identified satisfaction as an overall evaluation based on the total purchase and consumption experience of the target product, or service performance compared with prepurchase expectations over time.

Slater, (1997) have recommended that companies should adjust their strategies to retain customers in order to achieve superior customer value delivery as customer value incorporates both the costs and benefits of staying with a company. As such, customers' perceived value is considered as a strong driver of customer retention.

Frank Pons (2009) results show that recalls contested by manufacturers have a significant negative impact on manufacturers' image, as well as on consumers' loyalty and purchase intentions. On the other hand, voluntary recalls or improvement campaigns have a significant positive impact on the manufacturer's image, as well as consumers' loyalty and purchase intentions.

Fornell, (1992) states that corporate image can be an extrinsic information cue for both existing and potential buyers and may or may not influence customer loyalty. Corporate image is consequently assumed to have an impact on customers' choice of company when service attributes are difficult to evaluate. Corporate image is established and developed in the consumers' mind through communication and experience. Corporate image is believed to create a halo effect on customers' satisfaction judgment.

Reichheld (1996) customers may become loyal to business that can deliver superior value relative to the offerings of competitors. In return, they are willing to invest more into their relationship with the company over time, which leads to increased marketing savings for the organization as well as a higher turnover– ultimately leading to greater profit.

1.3 Rationale of the study

The current study would be focus on finding out the relationship of corporate image and its impact on customer loyalty. In several researches the phenomena of corporate image are commonly expressed. The finding of the study are have revealed a fact that corporate image to a greater extent affects customer loyalty. On the basis of previous researches the fact is very clear that if the

service provider wants to exit in the competition circle must provide quality service and maintain corporate image and its reputation. Another variable which play the vital role in deciding the loyalty of customer toward product or service is customer satisfaction. As in the interest of Automobile services provider it is important to give services at their best along with satisfaction. Therefore, the need to study the relationship between corporate image and its impact on customer loyalty is generated.

1.4 Objective of the study:

- To establish the cause and effect relationship between corporate image and customer loyalty.
- To identify the underling factor of the corporate image and customer loyalty.
- To establish the cause and effect relationship between customer loyalty and automobile sector.

2. Research Methodology

| Variable Name | Cronbach's Alpha | N of Items |
|------------------|------------------|------------|
| Corporate image | .848 | 15 |
| Customer loyalty | .720 | 12 |

2.1 The study

The study will be casual in nature and survey method will be used for data collection

2.2 Research design

2.2.1 The Population:

The populations of the study was all the customer of the automobile in the Gwalior city.

2.2.2 Sample size:

Size of population in the current study was 200 respondents those who are users of various automobile available in Gwalior

2.2.3 Sampling Element:

The individual respondents in the current study was treated as sampling elements in the current study

2.2.4 Sampling Technique:

Non probability purposive sample technique was used in current study

2.3 Tools for data collection:

Modified and re-standardize questionnaire was used for data collection in the current study on the likert type of scale. Value 1 indicates minimum agreement of respondents, 5 indicates the maximum agreement of the respondents.

2.4 Tools for data analysis:

- Reliability test was applied to check the reliability of the questionnaire of all the variable used in the current study.
- Exploratory factor analysis was applied on corporate image and customer loyalty to find out the underlying factor of measure used in the current study.
- Regression test was applied to identify the impact of corporate image on customer loyalty.

3. Result and Discussion

3.1 Reliability Measures

Cronbach alpha reliability methods have been applied to calculate the reliability of all items in the questionnaire. Reliability test using SPSS software and the reliability test measures are given below-

Alpha Reliability Statistics

It is being considered that reliability value should be more than 0.7, and it can be seen that in almost all the reliability method applied here, reliability value is quite higher than the standard value, so all the item in the questionnaire are highly reliable.

3.2 Factor analysis

Factor analysis for corporate image

In order to find out factor affecting corporate image, SPSS software was used. Principle component analysis was carried out with varimax rotation and kaiser normalization using SPSS software.

KMO and Bartlett's Test^a

| | |
|--|--------------------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | .869 |
| Bartlett's Test of Sphericity | Approx. Chi-Square |
| | 1029.692 |
| | Df |
| | 105 |
| | Sig. |
| | .000 |

Principal component analysis was applied on corporate image score. The Kaiser- Meyer-Olkin Measure of Sampling Adequacy Value was 0.869 indicating that the sample was adequate to consider the data as normally distributed. The Bartlett's Test Sphericity was tested through Chi-Square value 1029.6 significant at 0% level of significance indicating that the data has low sphericity and is therefore and is therefore suitable for factor analysis.

Table showing the result of factor analysis for corporate image

| FACTOR NAME | EIGEN VALUE | %OF VARIANCE EXPLAINED | ITEM NO. | ITEM | ITEM LOADING |
|-----------------------|-------------|------------------------|----------|---------------|--------------|
| Image oriented | 4.628 | 33.739 | 2 | Authentic | .384 |
| | | | 6 | Innovative | .737 |
| | | | 7 | Loyal | .408 |
| | | | 8 | Responsible | .568 |
| | | | 11 | Successful | .678 |
| | | | 12 | Techno-friend | .502 |
| | | | 13 | Trustworthy | .686 |
| | | | 14 | Unique | .647 |
| | | | 15 | Up-to-date | .668 |
| Relationship building | 2.115 | 15.423 | 3 | Committed | .463 |
| | | | 4 | Cooperative | .447 |
| | | | 9 | Social | .596 |
| | | | 10 | Sophisticated | .897 |
| Negative behavior | 1.183 | 8.628 | 1 | Aggressive | .973 |
| | | | 5 | Dominant | 1.067 |

Factors are as follows Image oriented : this factor includes 9 items statement 2, 6, 7, 8, 11, 12, 13, 14 & 15 and their item loadings are .384, .737, .408, .568, .678, .502, .686, .647, .668. Its Eigen value is 4.628. It is the most important factor which contribute 33.739 % in questionnaire.

Relationship building : this factor includes 4 items statement 3, 4, 9 & 10 and their item loading are .463, .447, .596, .897. Its Eigen value is 2,115. It is the important factor which contribute 15.423% in questionnaire.

Negative behavior : this facto includes 2 item statement 1 & 5 and their item loadings are .973, 1.067. Its eigen value is 1.183. It contributes 8.628% in the questionnaire.

Factor analysis for customer loyalty

In order to find out factor affecting customer loyalty, SPSS software was used. Principle componenet analysis was carried out with varimax rotation and kaiser normalization using SPSS software

KMO and Bartlett's Test

| | |
|--|--------------------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | .815 |
| Bartlett's Test of Sphericity | Approx. Chi-Square |
| | 618.983 |
| | Df |
| | 66 |
| | Sig. |
| | .000 |

The Kaiser- Meyer-Olkin Measure of Sampling Adequacy Value was 0.815 indicating that the sample was adequate to consider the data as normally distributed. The Bartlett's Test Sphericity was tested through Chi-Square value 618.983 significant at 0% level of significance indicating that the data has low sphericity and is therefore and is therefore suitable for factor analysis.

Table showing the result of factor analysis for customer loyalty

| FACTOR NAME | EIGEN VALUE | %OF VARIANCE EXPLAINED | ITEM NO. | ITEM | ITEM LOADING |
|-------------|-------------|------------------------|----------|------|--------------|
|-------------|-------------|------------------------|----------|------|--------------|

| | | | | | |
|-------------------|-------|--------|----|---|------|
| Customer oriented | 3.766 | 31.381 | 9 | Right solution was not provided for the vehicle problem | .750 |
| | | | 5 | Members of staff of company are courteous and friendly in handling your grievances and complaints | .729 |
| | | | 7 | Providing service as promised | .711 |
| | | | 8 | Giving users individual attention | .662 |
| | | | 11 | The service provider is sound in its technical support | .566 |
| Customer loyalty | 1.916 | 15.966 | 1 | You have been loyal to company and you are not considering changing to another company | .785 |
| | | | 3 | Your loyalty to company has been constantly increasing over time | .738 |
| | | | 2 | You can tolerate minor mistakes from staff of company and their actions do not affect your loyalty negatively | .637 |
| | | | 4 | You will recommend company to friends and relatives | .574 |
| Dissatisfaction | 1.102 | 9.183 | 10 | Employees are fair in dealing with the original parts. | .801 |
| | | | 6 | Original parts are not use in service | .769 |
| | | | 12 | On the spot service is not available | .759 |

Factors are as follows

Customer oriented : this factor includes 5 items statement 9, 5, 7, 8, 11 and their item loadings are .750, .729, .711, .566, .662. Its eigen value is 3.766. It is the most important factor which contribute 31.381 % in questionnaire.

Customer loyalty : this factor include 4 items statement 1, 3, 2, 4 and their item loadings are .785, .738, .637, .574. Its eigen value is 1.102. it is important factor which contribute 15.966% in questionnaire.

Dissatisfaction : this factor indicates 3 item statement 10, 6, 12 and their item loadings are .801, .769, .759. Its eigen value is 1.102 and its contribution is 9.183 % in questionnaire.

3.3 Regression Analysis

Regression analysis of corporate image on customer loyalty.

The regressions is calculated by taking the total of corporate image and customer loyalty by using SPSS software. In this the corporate image is independent variable and customer loyalty is dependent variable. Therefore, regressions is calculated by taking dependent and independent variable.

Model Summary^b

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|--|-------------------|----------|-------------------|----------------------------|---------------|
| 1 | .529 ^a | .279 | .276 | 5.04337 | 1.711 |
| a. Predictors: (Constant), INDEPENDENT | | | | | |
| b. Dependent Variable: VAR00002 | | | | | |

This table displays R; R squared adjusted R square and Standard Error. R is the correlation between the observed and predicted values of the dependent variables. The value of R lies between the range -1 to +1. The sign of R indicates the direction of relationship (positive or negative). The absolute of R indicates the strength with larger absolute values indicating stronger relationship. So here in the above table of model summary we have the R value .529 which lies between -1 to 1, showing a moderate relationship.

R squared is the proportion of variation in the dependent variable explained by the regression model the value of R squared ranged from 0 to 1. So here the value of R square which was found to be .279.

ANOVA^b

| Model | Sum of Squares | Df | Mean Square | F | Sig. |
|--------------|----------------|-----|-------------|--------|-------------------|
| 1 Regression | 1952.306 | 1 | 1952.306 | 76.755 | .000 ^a |
| Residual | 5036.249 | 198 | 25.436 | | |
| Total | 6988.555 | 199 | | | |

a. Predictors: (Constant), INDEPENDENT (corporate image)

b. Dependent Variable: VAR00002 (customer loyalty)

The F statistics is the regression mean square divided by the residual mean square. Here F value is 76.755 which is significant at 0% level of significance. This means that final model significantly improves our ability to predict the dependent variables. Since the F value is coming out to be 76.755 which is significant at .000 level of significance. Therefore, the model is showing the good fit.

Coefficients^a

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|--------------|-----------------------------|------------|---------------------------|-------|------|
| | B | Std. Error | Beta | | |
| 1 (Constant) | 20.715 | 2.502 | | 8.278 | .000 |
| INDEPENDENT | .399 | .045 | .529 | 8.761 | .000 |

a. Dependent Variable: VAR00002

 $Y = a + bx + \text{error}$

Customer loyalty = 20.715 + .399 (corporate image) + error

X = corporate image (independent variable)

Y = customer loyalty (dependent variable)

 $Y = a + bx$

X = corporate image (Independent variable)

R square indicate 27.9 % of variance explained by corporate image in customer loyalty. Relationship between corporate image as independent variable and customer loyalty as dependent variable is significant as indicated by Beta value of .529 between these two variable and t test value of 8.761 which is significant at .000% level of significance.

The above result indicates that there is strong and significant positive relationship between corporate image and customer loyalty. In other words if corporate image is high, the customer loyalty for that brand would also be high.

4. Implications

- This study is intended to be useful contributions to the organizations to understand what are the factors in the corporate image those are effective in customer loyalty.
- It is also intended to be useful contributions for further researchers because it provide link between customer loyalty in corporate image.
- This study intended to be useful contributions to the automobile industry and organizations that focus on corporate image as important factor.
- This study provides several theoretical as well as managerial implications in the field of automobile sector. This study also contributes towards better understanding of factors affecting automobile users behavior.

5. Reference

- Singh, B. (2014). Impact of corporate branding strategy on the consumer loyalty: An empirical investigation. *International Journal of Marketing & Business Communication*, 3(1).
- Wang, C. Y., & Wu, L. W. (2012). Customer loyalty and the role of relationship length. *Managing Service Quality: An International Journal*, 22(1), 58-74.
- Kipkirong Tarus, D., & Rabach, N. (2013). Determinants of customer loyalty in Kenya: does corporate image play a moderating role?. *The TQM Journal*, 25(5), 473-491.
- Devaraj, S., Matta, K. F., & Conlon, E. (2001). Product and service quality: the antecedents of customer loyalty in the automotive industry. *Production and Operations Management*, 10(4), 424-439.
- Abd-El-Salam, E. M., Shawky, A. Y., & El-Nahas, T. (2013). The impact of corporate image and reputation on service quality, customer satisfaction and customer loyalty: testing the mediating role. Case analysis in an international service company. *Journal of Business and Retail Management Research*, 8(1).
- Izogo, E. E., & Ogba, I. E. (2015). Service quality, customer satisfaction and loyalty in automobile repair services sector. *International Journal of Quality & Reliability Management*, 32(3), 250-269.

- Kaur, H., & Soch, H. (2013). Mediating roles of commitment and corporate image in the formation of customer loyalty. *Journal of Indian Business Research*, 5(1), 33-51.
- Hart, A. E., & Rosenberger III, P. J. (2004). The effect of corporate image in the formation of customer loyalty: An Australian replication. *Australasian Marketing Journal (AMJ)*, 12(3), 88-96.
- Nesset, E., Nervik, B., & Helgesen, Ø. (2011). Satisfaction and image as mediators of store loyalty drivers in grocery retailing. *The International Review of Retail, Distribution and Consumer Research*, 21(3), 267-292.
- Souiden, N., & Pons, F. (2009). Product recall crisis management: the impact on manufacturer's image, consumer loyalty and purchase intention. *Journal of Product & Brand Management*, 18(2), 106-114.
- Chaudhuri, A., & Holbrook, M. B. (2001). The chain of effects from brand trust and brand affect to brand performance: the role of brand loyalty. *Journal of marketing*, 65(2), 81-93.
- Cheng, T. E., Lai, L. C. F., & Yeung, A. C. (2008). The driving forces of customer loyalty: a study of internet service providers in Hong Kong. *International Journal of E-Business Research*, 4(4), 26.
- Anatolevena Anisimova, T. (2007). The effects of corporate brand attributes on attitudinal and behavioural consumer loyalty. *Journal of consumer marketing*, 24(7), 395-405.
- Anisimova, T. (2013). Evaluating the impact of corporate brand on consumer satisfaction. *Asia Pacific Journal of Marketing and Logistics*, 25(4), 561-589.
- Anisimova, T. (2013). Evaluating the impact of corporate brand on consumer satisfaction. *Asia Pacific Journal of Marketing and Logistics*, 25(4), 561-589.
- Anisimova, T. (2016). The effects of corporate brand symbolism on consumer satisfaction and loyalty: Evidence from Australia. *Asia Pacific Journal of Marketing and Logistics*, 28(3), 481-498.
- Wallin Andreassen, T., & Lindestad, B. (1998). Customer loyalty and complex services: The impact of corporate image on quality, customer satisfaction and loyalty for customers with varying degrees of service expertise. *International Journal of service Industry management*, 9(1), 7-23.
- Stan, V., Caemmerer, B., & Cattani-Jallet, R. (2013). Customer loyalty development: The role of switching costs. *Journal of Applied Business Research*, 29(5), 1541.
- Xu, L., Blankson, C., & Prybutok, V. (2017). Relative contributions of product quality and service quality in the automobile industry. *Quality Management Journal*, 24(1), 21-36.