Investigating the relationships between corporate image, customer-based brand equity, and purchase intention.

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Abstract

The relationship between corporate image and consumer behavior is a well-recognized field of study, irrespective of the limited empirical studies conducted to this accord. In the wake of a more competitive global landscape, brands enter into strategic partnerships with downstream and upstream collaborators to take their products to the market. The purpose of this research was to investigate the role of specific product brands' customer-based brand equity within the relationship between the corporate image of a wholesaler and the purchase intention of the product brands' products by consumers.

The approach for the study was quantitative and conducted amongst motor vehicle drivers in South Africa. Adequate data was collected through online survey questionnaires from 360 respondents. This data was studied through covariance based structured equation modelling with mediation analysis, utilizing AMOS version 25.

The findings of the research indicated that the corporate image of the distributor, influences the brand loyalty, brand associations and perceived quality of the product brands positively. It further indicated that corporate image does not directly influence the purchase intention of the product brands, however brand association and perceived quality mediate the relationship between corporate image and purchase intention. An interesting finding was the lack of mediation of brand loyalty on the relationship between corporate image and purchase intention.

The key findings of this research will assist marketeers and strategists alike in determining how they could best leverage corporate images in their brand building activities. It also contributes to the body of knowledge on the antecedents and consequences of customer-based brand equity and provides the impetus to study this field further.

Keywords

Corporate image, customer-based brand equity, purchase intention, signalling theory

Declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

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1. CHAPTER 1 – INTRODUCTION TO RESEARCH PROBLEM

1.1. Background to the problem

South Africa (SA) remains the preferred destination for automotive manufacturers seeking to both retail their products in country; as well as to manufacture and export their products across the globe (Business Monitor International, 2018b). According to a study by Business Monitor International (2018a), SA is still the most favourable country in South Saharan Africa (SSA) to manufacture vehicles in, due to its access to first world manufacturing and production facilities; high levels of locally-produced minerals and metals; right hand drive production capabilities; as well as lower industry risks compared to its regional peers.

From a retail perspective, SA is one of the top three most attractive destinations in the region, the other two being Botswana and Mauritius. Ranked 2nd amongst its peers, SA is seen as an attractive retail environment due to its relatively low risk business environment, developed automotive market, relatively high consumer purchasing power and high quality of road infrastructure (Business Monitor International, 2018b). The SA market is more mature in comparison to the rest of SSA, which has invariably led to a growth in competition and attracted a wide range of brands, with no single brand holding excessive market share.

Figure 1 below, depicts the total industry sales for March 2018 which exemplify the wide range of brands that are retailed in country. The rankings of these brands in terms of sales volumes rarely changes month on month. Brands such as Kia and Hyundai which consistently form part of the top ten largest retailers by volume, have similar business models wherein they are distributed in South Africa by a third-party being Imperial. This distribution can be in terms of wholesale, retail or both forms of distribution by the same third party. The same applies for smaller brands such as Mitsubishi and Tata as well, which are distributed in country by Imperial from a wholesale perspective and retailed by different companies through franchise agreements including the Imperial retail division.

Total market – March 2018	
Manufacturer	Volume
TOYOTA	11,378
VOLKSWAGEN GROUP SA	7,541
FMC	5,595
NISSAN	5,410
HYUNDAI AUTOMOTIVE SOUTH AFRICA	3,065
RENAULT	1,904
BMW GROUP	1,713
ISUZU MOTORS SOUTH AFRICA	1,581
KIA SOUTH AFRICA	1,517
MAZDA SOUTHERN AFRICA	1,246
SUZUKI AUTO	1,012
HONDA	942
JAGUAR LAND ROVER	649
MAHINDRA	503
VOLVO GROUP SOUTHERN AFRICA	351
OPEL	255
GREAT WALL MOTORS	222
FIAT GROUP	200
SCANIA	186
CHRYSLER SA	181
MAN	181
TATA	180
VOLVO CARS	143
PORSCHE	141
MITSUBISHI MOTORS SA	139
IVECO	119
PCSA	118
FAW TRUCKS	100
SUBARU	100
JMC	71
BABCOCK	41
POWERSTAR	34
SCUDERIA SOUTH AFRICA	11
MASERATI SOUTH AFRICA	10
BENTLEY	8
VECV SOUTH AFRICA	7
MERCEDES-BENZ SA	2,379
Total	**49,233**

Figure 1: Market overview March 2018 (NAAMSA, 2018)

Wholesale distribution companies often forge agreements with retail companies such as Barloworld, Unitrans, Supergroup, Imperial retail and McCarthy Motors to take responsibility of the retail and aftersales service aspects of the value chain. These retailers do not have any product differentiation as they are all distributing the same product, from the same wholesaler and manufacturer and thus have to rely on differentiating themselves through their own corporate image. Wholesale distributors such as Imperial seek to align themselves with retailers whose corporate associations bode well for business growth. This phenomenon is not limited in the relationship between wholesaler and retailer, but also between the global manufacturer and national distributor.

At a retail level, most vehicle dealerships operate as: either dealer groups of various brands controlled by a single parent company; or franchise dealers who are OEM retailers; or independent dealers who hold no affiliation to any manufacturer (Pretorius, 2017). These different types of business models are argued to offer varied buying experiences and thus the influence of the parent companies on various vehicle brands becomes a pertinent field of interest in understanding consumers reaction to the corporate brand and its influence on the purchase intention of the vehicle. A study by McKinsey found that branding is one of the internal dealership practices that can substantially increase performance (Caicedo, Carlos, Mitchke, Mark, & Vander Ark, 2007). This indicates the need for branding in the complex paradigm of corporate and product-based branding, to be studied further.

1.2. Research Problem and Objectives

1.2.1. Academic Perspective

The influence of corporate image on consumer purchase intentions is a field that has been researched through various lenses. The role of customer-based brand equity (CBBE) in this relationship is an understudied area of research that requires further investigation. The foundation of signalling theory, stems from a view that signals are observed and/or responded to by people in ways that imply a high degree of rationality in individuals (Drover, Matthew, & Corbett, 2018). Building on existing literature, corporate image is considered as a signal for purchase intention and customer-based brand equity. Literature reviewed on corporate image as a signal, has indicated that the high degree of rationality in consumers, on their responses to signals, needs to be tested further to validate the formation of asymmetries between the firm and consumers (Pecot, Merchant, Valette-Florence, & De Barnier, 2018). This rationality alludes to an interpretation that a particular type of corporate image would result in a certain response from consumers. Spence, (1974) held this view of rationality as well, when he posited that the seller either knows or can anticipate the buyer's responses to the signal they communicate.

Furthermore, it was argued that certain favourable corporate image dimensions, may be unknown to the average consumer, even though they may contribute towards customer-based brand equity or purchase intention (Pecot et al., 2018). This is a result of consumers basing their perceptions on what has been communicated to them about the

brand and not necessarily on the intended image that the company wished to portray. This notion requires further testing to validate the materiality of corporate image with regards to consumers intention to purchase a particular brand.

From the academic perspective of marketing, the relationship between company image and consumer behaviour has been well recognized even though there is a lack of empirical evidence to this accord (Nguyen & Leblanc, 2001). Whilst it has been contended that customers have different types of associations with a company and these result in different influences on product evaluations (Berens, Van Riel, & Van Bruggen, 2005), these associations and their influences still need to be tested. Results from a study conducted in the IT sector in Korea found that corporate image influences perceived quality and does not influence brand loyalty or brand association (Kim & Hyun, 2011). Brand association, brand loyalty and perceived quality were constructs of Aaker's' (1992) brand equity model. However further studies conducted suggested that corporate image influences attitudinal loyalty directly and indirectly through perceived value (Jha, Deitz, Babakus, & Yavas, 2013).

There has been some evidence that proved that as constructs of corporate image, corporate ability influences product evaluations more than corporate social responsibility (Berens et al., 2005). Further studies have postulated that giving customers more information and providing evidence on CSR practices, will enhance perceived quality, brand preference and customer loyalty (Tingchi Liu, Wong, Shi, Chu, & Brock, 2014). There have been studies proving that purchase intention is a consequence of brand equity, however further studies in different contexts still need to be conducted to give imperial evidence to academic models built on this hypothesis (Buil, Martínez, & de Chernatony, 2013).

Throughout all results that were found, there was a lack of evidence empirically demonstrating the relationship of corporate image as a whole to specific brand equity constructs and how this affects purchase intention, which would form the motivation for further studies into this relationship.

1.2.2. Business Perspective

Over time, businesses have evolved and become more complex. In the automotive sector, there have been a number of vertical and horizontal alliances such as the Fiat

Chrysler alliance (Balcet, Commisso, & Calabrese, 2013), where platform sharing has become ubiquitous. Companies such as Mitsubishi have moved from alliances, such as the DaimlerChrysler alliance to the Renault-Nissan alliance (Gill, 2012). Each manufacturer has their own unique brand image that they wish to express across their stakeholders. This image is carried across their touch points globally which enables consumers as well as other stakeholders to be able to identify them and differentiate them from their competitors. Manufacturers invest resources into positioning their brands and offering their model derivatives across a number of markets across the globe (Talay, Townsend, & Yeniyurt, 2015). Each of these brands would have their own respective measure of brand equity. It has been argued that when managing a variety of brands across various markets, the brands and their markets should be managed as a cohesive portfolio rather than as separate products (Aaker, 1996). Automotive manufacturers such as Kia, Hyundai, Mitsubishi and Tata all have their own brand image which is standard across the globe and managed centrally by the manufacturer.

These manufactures ensure that there is homogeneity in their logos, slogans, signage, colours used across every single market, which expresses their specific brand image. The same would also apply on the branding of their product ranges. There is also an alignment between the corporate image and product branding as in more recent times, firms have been shifting from product branding to corporate branding as products between competitors become more homogenised (Jo Hatch & Schultz, 2003). This is prevalent in the automotive industry with platform sharing and strategic alliances of global OEM's resulting in similar products being offered under different company banners.

To enter into markets such as South Africa, a number of these manufacturers have had to enter into strategic relationships with local conglomerates such as Imperial to distribute their products to the end user. This means that in delivering their products to the end consumer there is an influence of a third parties' corporate image. The third-party controls critical phases in the value chain, being the national wholesale, retail and aftersales service of the products. This increases the complexity and challenges of managing the portfolio of brands in these markets as the manufacture is not in control of these crucial stages in taking product to market. The manufacturers views on how to position the product in country may differ to that of their partner in country. This influence of the downstream collaborators' image has yet to be examined, to determine if they influence the purchase intention of consumers on their products directly, or indirectly through CBBE which is argued to influence purchase intention.

There is a need for further research in this field in an emerging market context, given the rich history many of the corporates have and how corporate image might be a greater influence on CBBE in this study, than similar studies conducted elsewhere. Furthermore, it is clear that previous research conducted on corporate image and brand equity focused on a linear relationship between the product and the company without the complexity of the influence of an intermediary being a local distributor and retailer that delivers the brand to consumers.

Thus, the fundamental question emanating from the body of literature was "Does corporate image influence purchase intention and is brand equity a mediator in this relationship?". In order for the study to provide an answer to this question and in the context of the perspectives already articulated, the research aims to understand if:

- Corporate image influences purchase intention.
- Corporate image influences brand associations.
- Corporate image influences brand loyalty.
- Corporate image influences perceived quality.
- Brand equity mediates the relationship between corporate image and purchase intention.

1.3. Research Purpose

This research aims to validate the rationality in consumers responses to signals that was argued by Pecot et al., (2018) by studying if relationships exists across a given sample of respondents to questions relating to corporate image, customer-based brand equity and purchase intention. To enable academics and corporates alike to validate the notion of corporate image influencing consumer behaviour in the same manner. The research aims to determine if corporate image reduces uncertainties with regards to brand loyalty, brand associations, perceived quality and the purchase intention of motor vehicle brands by consumers across a number of sampling units.

This contribution to the body of knowledge on corporate image, CBBE and purchase intention will assist marketers and researchers alike in developing expanded CBBE models that place greater focus on some of the antecedents and consequences of CBBE that have yet to be fully explored. As the insights into consumers perceptions with

regards to the image of a company, and how these perceptions influence individual and company level results (Jha et al., 2013), corporate image would thus be studied as an antecedent to CBBE dimensions of brand loyalty, perceived quality as well as brand association. Corporate image will also be studied as a driver to purchase intention and in turn, the influence of brand equity as a mediator between corporate image and purchase intentions will be examined. This will add further insight into corporate images' influence on firm and individual level outcomes of brand equity and purchase intention.

The study will also seek to determine if there are any separating equilibriums in the customer-based brand equity dimensions and corporate image of the various car brands.

This research is important as it aims to assist retailers and local distributors to gain deeper insights into the effects of their corporate image on the brands that they trade and how they can leverage their corporate image to lower their own barriers to entry or improve purchase intention and increase their competitive advantage. Furthermore, the aim of this research is to assist global firms in the development of deeper insights into attributes of their downstream partners which would facilitate the growth of their brands in country.

1.4. Scope of the Research

This research will be conducted in the automotive sector where purchase intentions are more planned and semi planned. This is a field where the brand of a product is expected to influence the purchase intention. The participants to this research were consumers of motor vehicles and were also accessible to the researcher. The findings of this research are however not limited to the motor industry and extend to other industries where similar relationships exist between company and product.

1.5. Structure of the research

The structure of the study that will seek to determine the findings of the research questions and can be divided into the following chapters:

- Chapter 2: Expound further on recent academic literature which underpinned this study and provide cogent arguments to the derived hypotheses.

- Chapter 3: Provide clear hypotheses that were derived from the literature review and research aims.
- Chapter 4: Explain and justify the research methodology to be used in the study and the possible limitations to the study.
- Chapter 5: Present the results of the research in a concise methodological manner.
- Chapter 6: A discussion of the hypotheses, in the context of the insights gained in the research findings, in relation to the literature review and research aims.
- Chapter 7: A Summary of the foremost findings of the study, the recommendations for future research, as well a balanced view of the academic and business implications thereof.

2. CHAPTER 2 - LITERATURE REVIEW

2.1. Introduction

The purpose of this research is to understand the nature of the relationships between corporate image, customer-based brand equity and purchase intention with the aim of establishing if corporate image influences purchase intention and determining the role of brand equity in this relationship. This chapter provides an overview of the relevant academic literature that form the basis of this study. This chapter is structured in a manner that seeks to firstly provide guidance on the lens in which the literature was reviewed through a review on the underlying theory to the research, this is followed by a review of the relevant academic literature on each construct and the arguments therein that provide insights into the hypotheses drawn on this research.

The chapter begins with a review on the relevant literature on signalling theory which is the academic theory underpinning this study and the lens through which this literature will be reviewed. The relevance of corporate image, brand equity and purchase intention are imbedded into this section.

It then followed to provide a review on recent academic literature on corporate image, by firstly providing clear understanding of corporate image, its similarities to corporate reputation and the various lenses in which it has been studied. It then provides succinct evidence on corporate image being studied in the context of customer-based brand equity and purchase intention.

This is then followed on by a review on customer-based brand equity. The review on brand equity highlights the current debates and models in academic literature on the composition of customer-based brand equity, if further illustrates the lens that this research will frame customer-based brand equity. The review expounds on the relevance of Aaker's CBBE model for the purpose of this research and the relevant constructs from this model that will be studied further in this research. This section also highlights the relevance of brand equity in this study.

This section is then followed by reviews on recent academic literature on brand associations, brand loyalty and perceived quality as constructs of Aaker's brand equity model and debates on how each of these constructs are found to have a unique relationship with corporate image.

The next section is a review of purchase intentions and the relevant theories that have been utilised to study this construct. The review expounds on purchase intentions being; unplanned; partially planned and planned; can be influenced through brand equity and corporate image. The theory of planned behaviour is also introduced which provides insights into the planned behavioural intent of consumers and the various influences that can occur at a corporate and brand level are also reviewed.

Finally, a succinct overview of the main findings leading to the research questions, hypotheses and research methodology.

2.2. Signalling theory

The concept of signalling theory, finds its origins through the literature disseminated by Michael Spence, in the body of knowledge relating to competitive and optimal responses to signals. It was reasoned that decision makers, whether they be consumers, investors or employees, possess limited knowledge on which they base their decisions. This limited knowledge, was postulated to be information gaps, whereby gaps of information exist between buyers and sellers (Spence, 1974). This information gap was not only argued to exist between buyer and seller, but in more wider relationships such as in human resourcing where employers hire on limited information; banking sectors and their lending criteria as well as higher education admission criteria (Spence, 1974). Buyers were argued to be less informed about a product or service than the seller and the seller at times, communicates a signal to which the purchaser may respond to (Spence, 1974). The emitted signal is partly dependant on the purchaser's response to the signal.

Spencer's (1974) view on signals was later interpreted as behaviours or characteristics of a company which by design or accident either change the belief that others had of the company or transmits information to others about the firm (Drover et al., 2018). As literature developed on signalling theory, focus was placed on the responses to the signals, which has in more recent times been studied on an underlying assumption that their responses to signals were rational (Drover et al., 2018). Within this rationality it was further argued that there are different modes of cognitive processing, therefore a signal can be noticed differently by individuals and lead to nuanced responses (Drover et al., 2018). However, in a study on cognitive outcomes of signals, it was presupposed that if signals carried the relevant content, were clear and consistent in their message' and more importantly credible, there would be an expected consistency in responses to the signals (Pecot et al., 2018). There has been supplementary literature to this notion as it

was argued that quality signals that are credible are a resolution for information asymmetry, where there may be a dichotomy of views between buyers and sellers on the value of a product (Cheung, Xiao, & Liu, 2014).

It is on the basis of this understanding of signalling theory, that further interrogations on signals are necessitated as corporates by chance or purposefully express a certain image to their consumers. This image is processed differently or, if the signal is credible, may be processed in similar manners by consumers, which may directly translate to an intent to purchase the firm's products or, indirectly, as the image may influence brand equity which is thus argued to lead to purchase intention.

Brands are argued to be signals as they encapsulate and represent a company's past, present and future marketing activities (Pecot et al., 2018). Brands are argued to be a measure by which a consumer evaluates a product in times of uncertainty which supports the view of studying consumer-based brand equity in terms of its influence on purchase intentions (Pecot et al., 2018).

Studies on the separating equilibrium in signalling theory, provide different lenses on the study of signals. Signalling theory's uniqueness, was argued to be on its emphasis to create a separating equilibrium, whereby quality signals sent by the seller are utilised by buyers in making decisions as they have been proven to meet expectations when tested before (Bergh, Connelly, Ketchen, & Shannon, 2014). This found resonance in this study as perceptions on a firm's capabilities and its success in the market, can form signals that consumers base their decisions on to purchase the company's products or services. The perceptions on the firms' success in the market or its capabilities may be as a result of a signal of performance sent by the seller that met previous consumers expectations.

The image built may thus be argued to be developed through the firm creating a perception that it would perform at a certain level through its products and services, and delivering on the expectation. It is however prudent to take cognisance of the view that the perception that the firm may perform at a certain level may have been a function of the firms' communications and consumers may behave in certain ways towards the firms' products and services due to the knowledge they have gained on the company, through the firm's communications. Furthermore, the brand equity that the firm has developed with consumers may also be signals that assist consumer in making purchasing decisions. Once consumers purchase a brands' products, the separating equilibriums manifest themselves in the affirmations of the firms' corporate image or brand equity

developed. In this regard experience with the brand is then deemed to have created separating equilibriums for both brand equity constructs and corporate image. It is then found to be pertinent to study the relationship between corporate image, brand equity and purchase intention from consumers who have directly experienced brands that were distributed by a single corporate, whereby it is assumed that separating equilibriums exist and the views expressed by consumers are informed through experience.

Be it through a separating equilibrium or through an expressed signal which has not yet been validated, the influence of these signals on brand equity and how that influences the relationship from the corporate image signal to the purchase intention behaviour of consumers still needs to be investigated.

2.3.　Corporate Image

Corporate image has been interpreted as the "perception or image that people have of a company" (Brown & Dacin, 1997, p. 69). This perception is a result of peoples' experience with, or impressions of the company and contributes to the overall image of the organisation (Mostafa, Lages, Shabbir, & Thwaites, 2015). According to Price (1987) in Nguyen and Leblanc (2001), corporate image is the outcome of a sensory process arising from ideas, feelings, and experiences with a company that created memories, these memories are mentally assimilated into images of the firm. Corporate image is not confined to those who have had experience with the firm before, people with limited information on the company may also hold their own image of the company, on the basis of communications received through sources such as advertisements and word of mouth (Atilgan, Aksoy, & Akinci, 2005). Based on studies by Furman (2010) as well as Wan and Schell (2007), corporate image was also referred to as the net knowledge, beliefs, ideas, feelings or impressions about an organisation (Ko, Hwang, & Kim, 2013). This indicates a commonality in literature on the connotations of corporate image and how it can be created in the minds of people.

Corporate Image was often argued to be interchangeable with corporate reputation and corporate identity as consumers perceive all aspect of a business (Ko et al., 2013; Su, Swanson, Chinchanachokchai, Hsu, & Chen, 2016; Kang & Yang, 2010). Based on findings by Logsdon and Wood (2007), corporate reputation is said to be "the long term combination of the stakeholders' assessment about what the firm is, how well it meets its commitments and conforms to stakeholder expectations and how well the firm's

overall performance fits with its socio political environment" (Cretu & Brodie, 2007, p. 232).

Whether it be the ideas; feelings; beliefs; or impressions that are developed through experiences, or through other ways in which the image of the entity has been communicated to the public, corporate image is consistent in a number of the dimensions in which it is tested. Mostafa and Lages et al (2015), developed a conceptual framework to investigate the determinants of corporate image that arises from the service recovery process. The research found that interactional justice which is driven by an explanation, or courtesy; or a general satisfaction with the service recovery, have a statistically positive correlation with corporate image. In this context, corporate image was established by either the perceptions of the company, or perceptions of its customer orientation and its presentation to the public (Mostafa et al., 2015).

Kim and Hyun (2011) studied the relationship of corporate image to perceived quality; brand loyalty; brand association in the IT industry. Their findings indicated that corporate image is determined by the perception of the company's customer orientation, level of experience as a hi-tech company and lastly by the degree to which it was perceived as being a leader in its sector (Kim & Hyun, 2011). In another study measuring the antecedents of customer loyalty in the mobile telecommunications market, corporate image was a function of the perceptions of the company's: stability and establishment; leading in its sector, its innovation and outlook and its social contribution to society (Aydin & Özer, 2005).

What is common in all of these studies is that the perceived image developed by consumers of the company is generally based on whether the entity is a leading company in its sector, the level of experience or the level of stability and firm establishment in its industry, its orientation and outlook, and its social contribution for society which aligns with the presentation of the company to the public. Whether it is studied as an outcome of service recovery process, or as an influencer to customer loyalty or other brand equity dimensions, the image that people develop on a company holds value in various disciplines. It is through the studies by Kim and Hyun (2011) and Aydin and Özer, (2005) that the study on corporate image and its influence in the marketing and consumer behaviour fields has found expression in this study and is to be further interrogated.

A company has a multitude of primary and secondary stakeholders, who may perceive the firm in different lights, such as government, employees, consumers and shareholders

(Brown & Dacin, 1997). With this in mind there can be no unanimously shared corporate image for any company by its stakeholders (Jha et al., 2013). Therefore, this research narrowed corporate image to its perception by consumers and the public alike.

As companies become attuned with the value of a favourable corporate image by its stakeholders, they are able to target their corporate branding efforts to the relevant stakeholders, that would assist them to meet their goals and needs (Heinberg, Ozkaya, & Taube, 2018). From a consumer perspective, companies undertake various corporate branding activities to create a favourable image in consumers, which are envisaged to improve sales performance and enhance brand equity (Heinberg et al., 2018). Corporate image has also been posited as a perception that the consumer has on the company which can reduce uncertainty of the purchase in the purchasing decision process in favour of, or against the company's products (Heinberg et al., 2018). As corporate image is perceived, these branding efforts may not be received in the manner in which they are intended due to other influences such as negative experiences which may negate all corporate branding initiatives. In the context of planned or partially planned purchases, the reduction in uncertainty in the product through a perceived favourable corporate image of being a market leader in a given solution would affect pre-purchase satisfaction. This leads to the consideration that a relationship exists between corporate image, customer-based brand equity and purchase intention.

Corporate image was studied using signalling theory, proving that it influences product brand equity (Heinberg et al., 2018). It was further studied using social identity theory that people would want to be affiliated with a company with a more favourable corporate image than its competitors and thus purchase intention of its products would increase (Wei, Chang, Lin, & Liang, 2016). However, Wilkins and Huisman, (2014) correctly argued that corporate image alone is not sufficient to provide assurance on the success of the brand, as it was found in this study that whilst a favourable image may influence consumers perceptions of a brand, it did not influence their buying behaviour. This juxta positioning of views from various literature with regards to corporate image and its influence on consumer behaviour, provides further support to the view that the relationships between corporate image, customer-based brand equity and purchase intention is nuanced in various context and should be examined further.

2.4. Brand Equity

It was the view of Keller and Lehman (2006) that at a fundamental level, brands act as an indication of a firm's offering. Brands are built on actual products, the associated marketing activity and use or non-use by customers and others. Keller and Lehman (2006) further held a view that financially, brands are an asset to any organisation over and above the products and manifest themselves at a customer; product; and financial market level. In the context of this study, brand equity literature was reviewed at a customer markets level.

From a customer perspective, brands simplify choice through what they promise the customer, be it reliability or trust or any other attribute which would form part of the customer decision making process (Keller & Lehmann, 2006). Brands would thus inform the purchasing decision of consumers as attributes such as reliability may be order qualifiers that enable the brand to form part of the consumers' consideration or order winners that enable your product to be selected above the competitors' products. Studies indicate that high brand equity of a product or service, results in target buyers behaving positively towards that product (Kim & Hyun, 2011).

Keller's seminal work on CBBE was conceptualised in his 1993 study, where he defined the concept of CBBE as "the differential effect of brand knowledge on consumer responses to the marketing of the brand" (Buil et al., 2013, pg. 116).
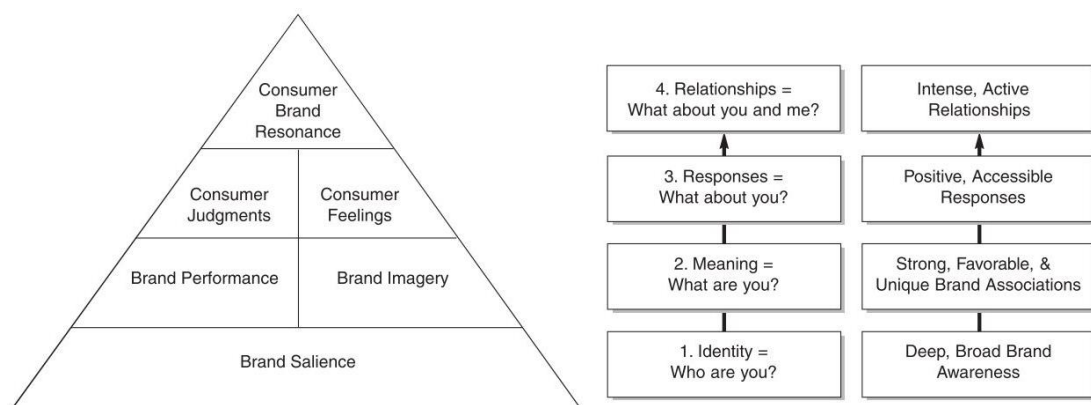
Figure 2: Customer-Based Brand Equity Pyramid (Keller, 2001)

The above pyramid by Keller signifies the six building blocks that are required to create a strong brand (Keller, 2001). it is clear from Keller's model that brand building was a processed phenomenon and to create a specific relationship with a consumer, businesses would need to understand where they were positioned in the mind of the

consumer, in accordance to the pyramid, and the next pragmatic steps that would need to be taken to build the brand and influence consumer behaviour.

Keller's theory on brand equity was proposed to be one of two most influential conceptualisations of brand equity, the second being Aaker's' 1991 theory on brand equity (Baalbaki & Guzmán, 2016). Aaker (1991), defined brand equity as "a set of brand assets and liabilities linked to a brand, its name and symbol which add to or subtract from the value provided by a product or service to a firm and/or to that firms' customers" (Buil et al., 2013, pg.116). The assets referred to in this context are the dimensions of CBBE that Aaker proposed in his model of brand equity being: brand awareness; brand association; brand loyalty and perceived quality (Baalbaki & Guzmán, 2016).
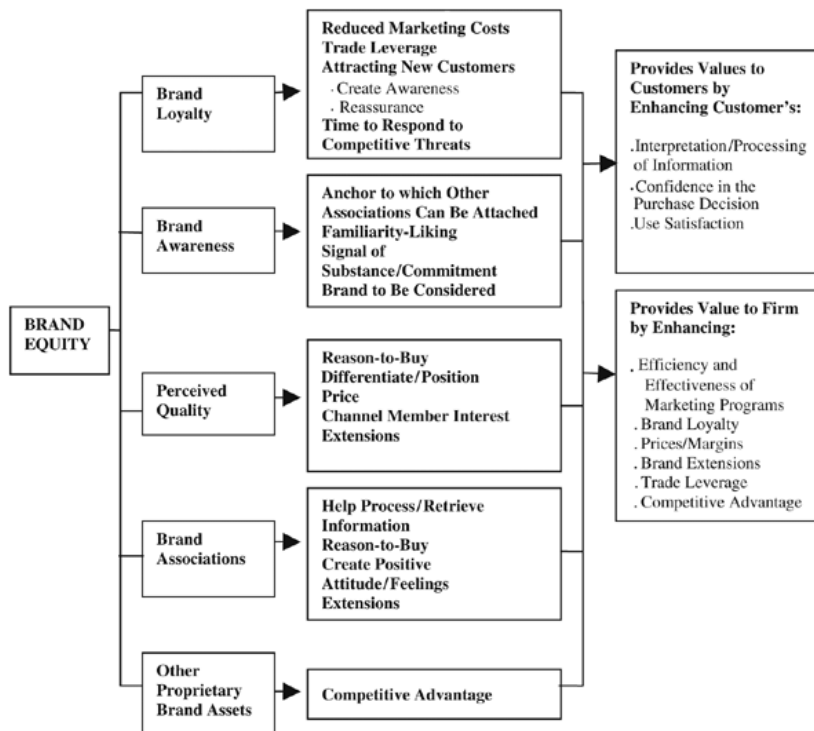
Figure 3: Customer-Based Brand Equity Model (Aaker, 1992)

The Aaker model of CBBE allows researchers to study CBBE through the lenses of the antecedents used to develop brand equity and enables researchers to obtain granular details of CBBE based on these antecedents. Each antecedent has a distinct purpose and none more so than the other. Whilst Keller had the view that you first needed to develop deep awareness before association, Aaker's model suggests that these dimensions of brand equity can be developed simultaneously.

Furthermore Aaker's model was seen to have influenced what was argued to be the most robust customer based brand equity scale in literature, which was developed by Yoo and Donthu 2001 (Baalbaki & Guzmán, 2016). In developing and validating a multidimensional CBBE scale, a three dimensional scale was developed which encompassed: Brand awareness with association, brand loyalty and perceived quality (Yoo & Donthu, 2001). The theoretical studies by Aaker on CBBE were limited as he did not develop a tested scale to measure CBBE, this was done through more recent studies such as those by Kim and Hyun, (2011), Yoo, Donthu, & Lee, (2000); and Buil et al., (2013) (Christodoulides, Cadogan and Veloutsou, 2015). In some of these studies, such as those by Kim and Hyun, (2011) and Yoo and Donthu, (2001), there was no statistically significant difference between brand awareness and brand association hence the development of the three dimensional scale (Christodoulides et al., 2015). It can be argued that fundamentally the constructs are different, and these findings should still be validated in different settings to determine if brand awareness and brand association should be collapsed from Aaker's model and a new construct be included that would represent both constructs.

Throughout the debates on these constructs, Aaker's (1991) model on CBBE has still been cited as the most widely used in studies on CBBE (Christodoulides et al., 2015). There has been a number of studies reviewed by Christodoulides and de Chernatony (2010) that have proven that brand associations are a critical element of CBBE (French & Smith, 2013). The distinct positive associations of a brand are said to lead to the superiority of the brand from the consumers perspective and thus indicate that brand associations have a relationship with overall brand equity (French & Smith, 2013). More recent studies have contended that the assets, mentioned in Aaker's' 1991 definition of CBBE being an asset, are brand awareness, brand association, brand loyalty and perceived quality (Buil et al., 2013).

These assets were conceptualised by Aaker (1991) to be the four elements of brand equity and were validated through imperial studies by Kim and Hyun, (2011), Yoo and Donthu, (2001) and Buil et al., (2013) as influencing overall brand equity (Christodoulides et al., 2015). A recent study on the financial implications of CBBE found that positive brand loyalty and perceived value all positively influence CBBE in a positive manner which leads to financial gain for the firm (de Oliveira, Silveira, & Luce, 2015).

Within the context of purchase intention, it was found through the studies by Raggio and Leone (2007) and Reichheld (2001) that favourable brand associations as a construct of brand equity leads to higher levels of loyalty and purchase intention (Johnson, Lee, & Ashoori, 2018). This was further propositioned by Aaker in his CBBE model, which suggested that the CBBE assists consumers in processing information and brings confidence to a purchase decision. Based on his model in figure 3, the influence of brand equity on purchase intentions may be derived from any of the various constructs to CBBE. The concept of CBBE places consumers and their perceptions of the brand at the center of the conversation and Aaker's' model with its constructs provides diverse lenses in which to examine the brand. Equally so, the model enables researchers to study the nuanced influence of concepts such as corporate image on various dimensions of CBBE.

Brand equity was conceptualised by Keller (1993) to be the differentiating result of consumers knowledge on the brand in terms of their feedback to the brand and the overall utility possessed by a brand in comparison to its competitors (Chekalina, Fuchs, & Lexhagen, 2018). Knowledge of the brand in this context refers to both the level of awareness that consumers have of the brand and the relevant associations of the brand. In Keller's (1993) conceptualisation, brand equity is argued to lead to a certain form of behaviour from consumers which will result in a level of performance by a firm in respect to its performance against its competitors. This further supports the notion that strong brand equity would lead to purchase intent from consumers as it is conjectured as a driver to consumer behaviour.

Notwithstanding its other functions, brand equity was later argued by Keller (2008) to be a measure of marketing efforts effectiveness (Chekalina et al., 2018). This draws the study of brand equity back to constructs which could be viewed as antecedents to and influencing brand equity. Marketing efforts are not at a product level only as previous research has provided evidence in certain instances, a corporate branding strategy may result in higher returns in comparison to branding efforts at the individual brand level (Keller & Lehmann, 2006). In this context, marketing efforts to enhance the corporate image may then be measured by their influence on the strength of brand equity that the firm possess with its consumers. The indirect mediation effect of brand equity on

corporate image and its relation to the consumers' purchase intention provides insight into the breadth of signals that sellers can send buyers to purchase their products.

The influence of marketing efforts to customer behaviour through brand equity's mediating role was further validated in a study that found that advertisement expenditures may be justified if they enhance CBBE. CBBE was found to positively impact stock returns after the showcase of the advertisement at large sporting events (Raithel, Taylor, & Hock, 2016). This occurrence was found to be nuanced as these advertisements were more effective on brands with lower levels of brand equity than those with high levels of brand equity (Raithel et al., 2016). This suggests that signals from a single corporate image may resonate differently with consumers from different brands. in the context of the automotive field, a corporate distributor of various vehicle brands, may be viewed in different lights by consumers of various brands and even if they were to hold the same image of the company, the effect on brand equity may be nuanced.

The literature on brand equity has over the years tested and proven that brand loyalty, brand associations and perceived quality dovetail to customer-based brand equity and need not be tested any further.

2.4.1. Brand Loyalty

Simplistically, brand loyalty could be stated to be the extent of attachment that a customer has for any specific brand (Leckie, Nyadzayo, & Johnson, 2016). Some of the earlier views of brand loyalty, which were expressed by Shen, Choi, and Chow (2017) were from Aaker (1991) who stated that brand loyalty is an attachment that a customer has, and Oliver (1999) who stated that brand loyalty was a deeply held commitment to repurchase a product or service consistently in the future. The definition by Oliver (1999) seemed to have been summarised by Shen, Choi, and Chow (2017) as it was found in Chaudhuri and Holbrook (2001), that this commitment by the consumer caused repetitive buying of the same band or set of brands, in spite of situational influences and marketing efforts which may cause the consumer to switch brands. By virtue of consumers with brand loyalty being less sensitised to situational factors, there is more certainty in the future planned or unplanned purchase intention of consumers towards specific brands.

Brand Loyalty has been studied for decades, one of the earlier articulations by Jacoby and Kyner (1973) posited by Aydin and Özer (2005) was that "brand loyalty is the biased behavioural response over time, by the consumer, in regards to one or more alternative brands out of a set of such brands, and is a function of a phycological process" (p. 911). Further views of brand loyalty related the subject to "consumers' repetitive purchasing behaviour over a stretch in time, with a positively predisposed emotive evaluation, or behavioural inclination towards a specific product choice" (Sasmita & Mohd Suki, 2015, p. 278). These definitions all point to either an attachment or commitment by the individual to a brand, and an intent to purchase it in the future, which indicates that brand loyalty is a desirably attribute to possess for any brand which aims at growing sales and retaining customers.

This commitment or attachment relates to two distinct aspects of brand loyalty which is behavioural and attitudinal brand loyalty. Behavioural loyalty is viewed as the repeated purchases of the specific brand (Chaudhuri & Holbrook, 2001). Furthermore, as a behaviour, "consumer loyalty was measured as the long term choice probability of a brand" (Shen et al., 2017).

Attitudinal loyalty on the other hand, refers to a disproportional commitment with regards to a unique value association of the brand (Chaudhuri & Holbrook, 2001). Attitudinal loyalty can also be defined as the commitment a consumer has with the focal brand and intention to repurchase the brand (Leckie et al., 2016). It is important to note that brand trust, which has been argued to be an antecedent to customer loyalty (Laroche, Habibi, & Richard, 2013), is linked to both attitudinal and behavioural brand loyalty (Chaudhuri & Holbrook, 2001).

However, as a dimension to brand equity for the purpose of this research, the focus was narrowed down to consumer intentions and thus attitudinal brand loyalty.

The terms brand loyalty and customer loyalty have been used interchangeably, as previous definitions of customer loyalty found in Aydin and Özer (2005) are similar to those used by Chaudhuri and Holbrook (2001) in their definition of brand loyalty. The difference seems to rest in the choice of terminology used by Aydin and Özer (2005). They posit that customer loyalty is either "stochastic or deterministic", the former relating to loyalty as a behaviour and the later as an attitude. Based on these definitions it was proposed that customer loyalty and brand loyalty could be used interchangeably as the stochastic and deterministic perspectives are very similar to the behavioural and attitudinal loyalty.

Research conducted in Turkey found that corporate image had a positive effect to customer loyalty although the results found were not statistically significant (Aydin & Özer, 2005). This was argued to be a result of the characteristics of the market rather than the validity of the hypothesis, in respect to the effect being statistically proven to be positive (Aydin & Özer, 2005). However, if brand loyalty can be gained through a value association to the brand, it can be argued that a high corporate image in the minds of the consumer may be a value association that influences brand loyalty. From the literature, it is can be deduced that corporate image may be formed through experiences with the company, these experiences, whether directly or indirectly through others, may have been on more than one occasion, and depending on the experiences, a consumer may or may not form attitudinal and behavioural loyalty towards the brand. Furthermore, the impressions; ideas; or beliefs that were part and parcel of the corporate image that was formed, may lead to a value association and thus influence attitudinal loyalty.

As a favourable image of the firm may help consumers reduce uncertainty pertaining to future service performance of the brand, it is proposed that by reducing uncertainty there is an increase commitment to that brand in the future (Jha et al., 2013). This becomes an intangible asset to the firm as customers differentiate the product from other brands in a positive manner, which results in a competitive advantage for the company as they can purchase or recommend the product to others (Cossío-Silva, Revilla-Camacho, Vega-Vázquez, & Palacios-Florencio, 2016). The company being perceived as a market leader in its industry was argued to be inferred to the perceived value of the brand, as being a market leader would suggest that your products or services are of superior value to those of your competitors. In the context of attitudinal loyalty, perceived value has been determined to be an antecedent of attitudinal loyalty (Cossío-Silva et al., 2016).

According to Oliver (1999) and Back (2005), attitudinal loyalty comprised of cognitive, affective and conative loyalty (Shamah, Mason, Moretti, & Raggiotto, 2018). Cognitive loyalty referred to functional attributes of the product, affective loyalty being the appreciation of the brand and satisfaction with it, and conative loyalty being a commitment to repurchase the product (Shamah et al., 2018). Consumers were argued to develop attitudinal loyalty in phases whereby they initially develop cognitive loyalty, then affective and finally conative (Back, 2005). The initial development of cognitive loyalty was from the belief on the attributes, then the affective loyalty would result from the satisfaction with its performance which then results in the consumer being conatively loyal in future (Back, 2005). As attitudinal loyalty begins with a cognitive belief in the

attributes of the product, a favourable image towards the company's establishment and performance in its sector, may be contended to be attributed not only to the company but its products too.

Based on the findings on the relationship between corporate image and brand loyalty in literature, it is hypothesised that:

H1a: Favourable corporate image positively influences brand loyalty

2.4.2. Perceived Quality

The study of perceived quality by its very nature indicates that the results thereof would be subjective as the quality elements of a product or brand would be as perceived through the eyes of the consumer. The basis of those perceptions by the consumer may comprise of a multitude of factors which may or may not have risen through experience.

Throughout the literature, perceived quality was defined in numerous ways. In certain parts of literature it is interpreted as the consumer's judgement about the excellence or superiority of a product as a whole (Tingchi Liu et al., 2014). In other parts of literature, drawing on Aaker's (1991) work on brand equity, perceived quality was viewed as the subjective judgement by a consumer of a product (Chi, Yeh, & Yang, 2009). This subjective judgement was explained to be based on either the consistency of the product specification or an evaluation on the added value of a product (Chi et al., 2009). The antecedents to perceived quality are not limited to this definition as value for money and distribution performance have also been found to be drivers of perceived quality (Kim & Hyun, 2011). Drawing on the knowledge of corporate image, an image of a company being well established in a specific sector may lead to a perception by consumers on its consistency in delivering on a specific product specification.

Perceived quality was also found to be influenced by previous experiences, education levels, perceived risk, purchase purpose, purchase situation, time pressures and social backgrounds of the consumer (Chi et al., 2009). Evaluating goods or services distributed by a company that have a favourable image with the consumer, may reduce the perceived risk in the product and thus increase the perceived quality of the product. Aaker (1996) also articulated how perceived quality attributes differ by product category

and industry as he provided the example that the quality attributes of a bank would be very different to those of a beer.

As in the case with other dimensions of brand equity, the perceived quality judgment is not always based on experiences or trials as consumers may have a perception about the quality of a product without ever using it (Akdeniz & Calantone, 2017). This subjective form of determining quality segues the discussion on perceived quality into the existing dichotomy between objective and perceived quality. Objective quality was defined as the actual superiority or excellence of a product, whereby the quality features of a product exist whether the consumer acknowledges them or not (Akdeniz & Calantone, 2017). It was found in Aaker's (1996) work that perceived quality involves a certain frame of reference of a product or service in relation to its competitor. This can be both an advantage and disadvantage to the firm as a favourable perception on the quality aspects of a product, may provide the product with quality aspects that are not objectively present in the product and the same can be argued for poor quality perceptions that may be perceived even though they do not exist. An ideal scenario for a company is for consumers to be in the knowledge of all objective quality aspects of their products and also have additional subjective favourable quality evaluations which invariably increase the value proposition of the product.

This comparison that consumers make between competitor offerings and your own is ever changing as new products come on the markets or products are improved. Consumers may base their quality perception of a brands future products on their experiences with previous products' performances or a general previous bad image they may have had of the product (Chi et al., 2009). This was also found in the literature on service quality, as customers' current assessments were found to be influenced by their previous outlooks regarding quality of the service (Sierra, Iglesias, Markovic, & Singh, 2017). These examples show evidence of the separating equilibrium in signalling theory being exacted in supporting or negating a company's image or a brands perceived quality.

The objective vis a vis subjective discussion on quality is more intricate as the tangibility of products enable standardised levels of quality whereas the intangibility of services make it more difficult to homogenize service quality (Sierra et al., 2017). This then calls into question the validity of an objective quality claim in the service environment.

As perceived quality was also found to be influenced by previous experiences, brand loyalty would then also be argued to influence perceived quality. This was argued by Aaker (1996), that perceived quality by loyal customers would differ to those switching from another brand and differ to those loyal to another brand. This was validated in a study on CBBE in the airline industry, where attitudinal loyalty was found to influence perceived quality (Bianchi, Pike, & Lings, 2014).

The notion of cognitive loyalty in band equity is a consumer expectation on the performance of the product, this can be compared with the notion of perceived quality being the judgement of the superiority or excellence of a product. To this degree, the attitudinal loyalty of consumers towards the product may also be influenced by perceived quality developed on the product. This supports the notion that there is covariance within the CBBE constructs, the validity of the covariance would not form part of the scope of this research. It is known that previous perceptions may inform the perceived quality of future products, thus the image held of the company as a whole may also then influence quality perceptions in future, as good corporate image gives trustworthiness and credibility to consumers which may influence perceived quality of a brand (Kim & Hyun, 2011).

Corporate image has previously been found to be, amongst other variables, a function of a company's social contribution to society (Aydin & Özer, 2005). It has henceforth been argued that high ethical behaviour by companies, builds consumer trust and thus influences the perception of quality in the product or service offerings that consumers hold (Markovic, Iglesias, Singh, & Sierra, 2018). This supposition was empirically proven by Swaen and Chumpitaz, whereby perceptions on the company's CSR activities were found to positively influence quality perceptions of its goods and service offerings (Markovic et al., 2018). This provides evidence that the influence of corporate image on perceived quality is not only based on perception of the firms' commercial successes, but its conduct as a corporate citizen as well.

It has been found that consumers are not always au fait with all the quality aspects of a product and rely on the signals communicated by the company such as its advertising and branding activities (Pappu & Quester, 2016). The quality aspects of the firm's offering often find expression in these signalling efforts by the firm. Not only is quality directly expressed, but firms send signals of innovativeness, which was found by Stock

(2011) to serve as a signal for expected utility of a brand (Pappu & Quester, 2016). Innovativeness in this context, would be at a corporate level of the firm.

The following hypothesis is proposed, based on the diverse academic literature reviewed expounding on the relationship between corporate image and perceived quality:

H1b: Favourable corporate image positively influences perceived quality

2.4.3. Brand Association

Brand association has in previous literature, been considered as part and parcel of the same brand equity construct as brand awareness in quantitative studies (Yoo & Donthu, 2001; Yoo et al., 2000). This was found to be a result of brand awareness and brand association failing to pass discriminant validity tests in previous studies and the two constructs showing a high correlation towards each other (Yoo & Donthu, 2001).

The manner in which consumers associate a particular brand to a product that they aim to own, has been argued to imply brand awareness and is a construct of brand equity (Sasmita & Mohd Suki, 2015). Earlier definition of brand awareness by Keller (1993) states that "brand awareness is the degree in which consumers are aware with the distinctive qualities or image of a particular brand of product or service offering" (Barreda, Bilgihan, Nusair, & Okumus, 2015, p. 600).

The extent of familiarity or strength mentioned in both Aaker and Keller's definitions may be argued to represent the general strength of the brand (Nguyen et al., 2011). Brand association on the other hand, which is often mentioned as part and parcel of the same brand equity construct as brand awareness, is anything that is linked in memory of a brand (Shekhar Kumar, Dash, & Chandra Purwar, 2013). It is important to note that there is a distinction in the treatment of these brand equity elements as seen in the models by Kim and Hyun, (2011) and Jalilvand, Samiei, and Mahdavinia, (2011). The study by Kim and Hyun, (2011) considered brand association and brand awareness to be one construct whereas the study by Jalilvand et al., (2011) keeps these as separate constructs. Aaker, (1996) in his seminal work on CBBE, gave cogent arguments on the distinction between the two.

He referred to brand awareness as the saliency of the brand in the consumers mind and brand association as the unique associations to a brand or group of brands. Based on the literature of Aaker (1996), and more recent studies by French and Smith, (2013), the

approach to separate brand association and brand awareness by Jalilvand et al., (2011) is correct and as such will be taken in this study. In selecting which of the two to study, brand awareness was considered particularly important for new brands as well as new category buyers of established brands, whereas brand association was considered particularly important for established brands (Romaniuk, Wight, & Faulkner, 2017). As the study is to be conducted on established brands, focus will be placed on brand association rather than brand awareness.

Whilst a link to a brand may be stronger because of experiences or exposure to the brand (Shekhar Kumar et al., 2013), these experiences or exposures can lead to a positive or negative disposition on the brand. Furthermore not all brand associations have the same level of importance or significance, favourable evaluations that are unique to a brand imply superiority and thereby perceived quality (French & Smith, 2013). This would lead one to an inference that the relationship between perceived quality and brand association would display covariance, as Nguyen et al. (2011) theorized that the greater the perceived quality of the brand, the more favourable the associations.

In Keller's (1993) seminal work on customer-based brand equity, his conceptualisation of brand knowledge may be argued to be similar to what Aaker viewed as brand association. Brand knowledge was found by Keller (1993) to be associations about a brand recalled by memory (French & Smith, 2013). Information on the brand is gathered together and puzzled together to form a complex associative network of the brand which is referred to as brand knowledge (French & Smith, 2013). In the study of brand association, similar occurrences are found to those in brand knowledge literature. Brand associations are considered to be related to the "brand node or trace in memory, as reflected by the consumers ability to identify a brand under different conditions, which represent the favourable, strong, and unique associations in consumer memory" (Loureiro, 2013, pg.143).

As corporate image is known to be the result of consumers perception of a firms' experience or level of superiority in its industry, there would thus be positive associations towards the products that the company is offering and thus good corporate image would lead to higher levels of positive brand associations. Good corporate image was posited to be a key driver to creating relevant association in the buyers mind (Kim & Hyun, 2011). As corporate image forms an antecedent to brand association in this study, the findings by Kotler (1991) that there are commonalities in the perceived attributes or benefits derived from the corporate image and product brand, supports the hypothesis that

corporate image influences brand associations (Keller & Lehman, 2006).

Brand associations have also been found to possess levels of resilience as consumers have been found to reject negative new associations that may appear due to incongruencies that may appear in the overall brand image (Saenger, Jewell, & Grigsby, 2017). This was argued by Sujan and Bettman (1989) to be as a result of the cognitive effort necessary to house inconsistencies in the network of associations in the mind of the consumer (Saenger et al., 2017). This argument may then infer that should corporate image drive associations which are not aligned with the current network of associations in consumers mind, these new associations would not influence or affect current brand associations in any way. In contrast, if the corporate image associations are congruent with the current network of associations, the strength of these associations may be enhanced. This was encapsulated in the study by Brown and Dacin (1997), where brand associations were categorised into two distinct categories of ability and social responsibility (Johnson et al., 2018).

Brand associations were segmented into the brands commitment to deliver quality products and its commitment to societal issues (Johnson et al., 2018). From these distinct categories, the dimensions of corporate image that relate to the firms' stability and success in its sector are posited to influence associations of the brands ability or commitment to deliver quality products. The firms' level of corporate social responsibility would in like manner, influence the associations consumers have of the brands commitment to societal issues. It has been found that consumers value ability more than social responsibility as it informs product competence which is a desired outcome of any purchase decision (Johnson et al., 2018). This provides insights into the type of signals that would assist companies in building value into their products for consumers.

It is therefore hypothesised that:
H1c: Favourable corporate image positively influences brand associations

2.5. Purchase Intention

One of the few definitions of purchase intention, was found in the work of Dehghani and Tumer, (2015) who theorized from the literature of Grewal, Monroe, and Krishnan (1998) that consumers' willingness to buy may be defined as the likeliness of the intention to purchase the product or service. It was argued by Chi, Yeh, and Yang (2009), that the work of Engel, Blackwell and Miniard (1995) on consumer purchase decision making, may contain one of the most recognised consumer decision making models. The literature by Engel et al., (1995) expounds on the types of purchase intention found which are: unplanned buying; partially planned buying and planned buying (Chi et al., 2009).

The theory holds that unplanned purchases are impulsive purchases, partially planed purchases entail deciding on a product beforehand and deciding on the brand in store, planned purchases would be deciding on the product and the brand beforehand (Chi et al., 2009). The drivers of purchase intention, regardless of its form are wide ranging. Kotler (2003) proposed that individual attitudes such as preferences and unpredictable situations drive purchase intention (Chi et al., 2009). In support of the proposition by Kotler, Oliver (1980) theorised that consumers prior expectation about the performance of a firm, informs the attitude that the consumer has towards the product or service and thus influences their purchase intention (Cronin & Taylor, 1992). This resonates with the review on signalling theory and the view that signals sent by companies influence the brand and thus purchase intention. This theory also held that through further encounters with the company and the development of separating equilibriums, the attitude will change, this was proved to be true in the research by Cronin and Taylor (1992) where service satisfaction was proved to influence purchase intention.

It is in the individual attitudes where brand equity is expected to influence purchase intention through the added or diminished value that is endowed on the product or service from the brand equity dimensions. Further evidence by Chen, Hsu and Lin (2010), demonstrating the breadth of purchase intention drivers, was extrapolated from the literature, where it was contended that purchase intention is the result of pre-purchase satisfaction (Shang, Wu, & Sie, 2017).

Pre-purchase satisfaction may be argued to be stemming from subjective factors such as perceived quality or a favourable corporate image that sends signals of product quality. It was postulated that purchase intention is dependent on perceived value and recommendations from other people (Dehghani & Tumer, 2015).

According to Keller (2003), through brand awareness, brand equity fulfils an essential function in customer decision making, by bringing advantages of consideration and choice (Jalilvand et al., 2011). Aaker (1991) held the view that favourable brand associations would generate a reason for consumers to purchase the goods or services (Jalilvand et al., 2011). These findings support the view that brand equity would influence purchase intention.

The theory of planned behaviour has been used to further study purchase intention as it highlighted the importance of purchase intention as a behavioural intention in which case, behavioural intent is deemed as a determinant to the behaviour of a person and by so saying, purchase intent would lead to a purchase (Kim, Ferrin, & Rao, 2008). The drivers to purchase intent when this theory was used were different, they were perceived risk; perceived value; and familiarity based on experiences, through the understanding of brand equity literature and the constructs: perceived quality; favourable associations; and attitudinal brand loyalty can all be viewed as perceptions of value in the product. The relationship between perceived value and purchase intention was tested and found to be true in further studies by Wang and Hazen (2016), as well as in the study by Kim et al. (2012) (as cited by Bonsón Ponte, Carvajal-Trujillo, & Escobar-Rodríguez, 2015). Furthermore it was proven that despite situational influences, which are known to influence purchase intention, high brand loyalty can cause repetitive same brand purchase in spite of the situational influences (Shen et al., 2017).

Perceived quality, favourable brand associations and high attitudinal loyalty can all be argued to contribute to the perception the consumer may have of value from the product and service and thus warrant the supposition that brand equity influences purchase intention.

Moreover, within the discussions on branding, consumers have been found that in their consumption of luxury goods, their purchase intentions in certain instances are motivated by brands that represent a certain status in society (Eastman, Iyer, Shepherd, Heugel, & Faulk, 2018). This is dependent on the prevalent culture at the time, as in some parts, individuals determine their levels of success on the goods they possess and how these are perceived by others (Eastman et al., 2018). Motor vehicles being luxury items due to their value, would exemplify similar patterns of consumer behaviour, certain parts of society may view people's levels of success by the type of car that they drive or own. Companies may also send signals to consumers that would influence the level of status that would be associated with the purchase of a particular product through them. This is

seen in consumers who would be willing to pay a premium for a purchase through a particular dealership, due to a service level expectation from the staff in the dealership, built through reputation. The premium charged by those dealerships contributes to the status that the person seeks to attain in society. This supports the argument that a favourable corporate image may influence purchase intentions directly.

However, it was proven in a study that a combination of various constructs of brand equity influence purchasing intention (Foroudi, Jin, Gupta, Foroudi, & Kitchen, 2018). Constructs of brand equity such as: perceived quality; brand associations; and brand loyalty are argued to also yield the same results of positively influencing purchase intention. As corporate image is a perception that is argued to influence brand equity, the discussion on corporate image and the CBBE constructs that influence purchase intention, steers the research into the hypotheses that the firms' corporate image and its relationship to purchase intention is mediated by these brand equity constructs. This notion is motivated by the review of various literature that support the relationships between corporate image and the brand equity constructs. The contributions that corporate image has on purchase intention is therefore hypothesised to be created through brand equity as consumers would purchase a product not necessarily due to the holding company's image, but rather the translation of the company's image into CBBE constructs that create value for the customer.

When reviewing corporate image, focus is predominately placed on the levels of successes that the firm has achieved over time which place inferences on product quality. The roles of corporates as socially responsible anchors in an environment should not be understated or neglected. It has been found that green marketing, whereby companies are seen as making profit in a sustainable way to the environment, significantly influences perceptions of social responsibility which enhances the firms' image and leads to purchase intention (Ko et al., 2013). Sending the correct signals to consumers in this regard can not only be limited to branding initiatives, as is argued that firms need to gain consumer based environmental legitimacy and that entails substantive commitments to the sustainability of their environments (Li, He, Liu, & Su, 2017).

This extends to all aspects of a firm's operation as it has also been established that consumers punish companies that do not seem to be contributing their fair share of taxes, by showing a lower willingness to pay for its products (Hardeck & Hertl, 2014). On the inverse, consumers have a higher willingness to pay for goods from a company that is seen to be a responsible citizen in terms of its taxes, as a form of corporate social

responsibility (CSR), this can lead to price premiums, loyalty and word of mouth advertisements by consumers, creating brand advocates and agents (Hardeck & Hertl, 2014). The case on corporate image and its influence on purchase intention is further strengthened based on these findings on CSR and purchase intention.

It is therefore hypothesised that:

H2: Positive corporate image has a positive influence on purchase intention

As constructs of CBBE, it is therefore hypothesised that:

H3: Brand loyalty mediates the influence of corporate image on purchase intention
H4: Perceived quality mediates the influence of corporate image on purchase intention
H5: Brand associations mediates the influence of corporate image on purchase intention

2.6. Conceptual Model

The arguments presented in the review are illustrated in the conceptual model of the literature review in Figure 4 below:
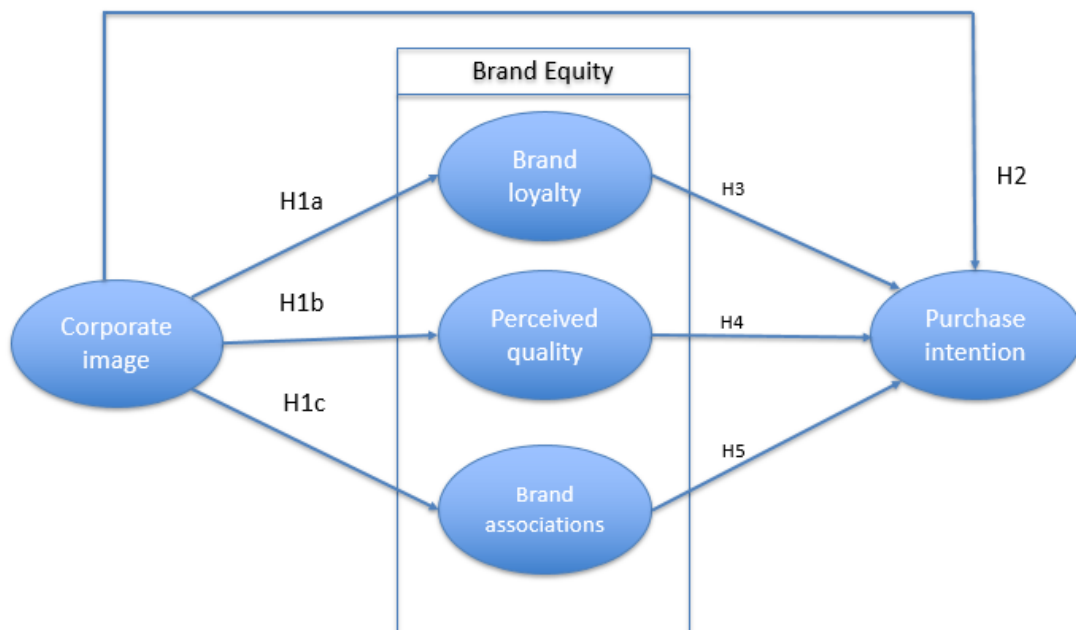
Figure 4: Conceptual Model on corporate image, customer-based brand equity and purchase intention (Source: Jalilvand et al., 2011; J. H. Kim & Hyun, 2011).

The six hypotheses illustrated above are a depiction of the study that is to follow. The direction of the arrows are a reflection of the propositions emanating from the literature review and the relationships hypothesised to exist. The labels depicted from H1a up until H5 are the hypotheses formed that will seek to answer the research question in chapter 1. The multiple mediators in the model are deemed to be operating in parralel.

2.7. Chapter Summary

The chapter begins with a succinct review of signalling theory as the underlying theory to the study. It provides a comprehensive review of signalling theory in academia and its relevance in the marketing and strategy literature of corporate image, brand equity and purchase intention.

This is followed with a coherent and rigorous review of corporate image, reflecting on the concept of corporate image and dovetailing it to consumer behaviour aspects of brand equity and purchase intention. It details the relevance and necessity of studying corporate image and its influence on brand equity and purchase intention. It further provides guidance into the perspective that the study will be conducted on as a firm's image is interpreted by a multitude of stakeholders, this research focuses on consumers only.

The proceeding section of this chapter focuses on brand equity. The concept of customer-based brand equity is explored in detail and the nuanced perspectives of Aaker (1992) and Keller (2001) are juxtaposed to illustrate the nuances in perspective and provide insights into the perspective that this research will seek to explore. Cogent arguments are made on the motivation to utilise Aaker's (1992) model and each of the constructs are studied further.

Brand loyalty is the first construct to be reviewed and the review illustrates the various forms of brand loyalty and how attitudinal loyalty can be argued to be influenced by corporate image. Perceived quality as a construct of brand equity is also explored and the nature of the relationship between corporate image and perceived quality is interrogated. This relationship is interrogated in the aspect of a corporate image based on a perception of a firm's success in industry or stability, as well from the perceptions of a firm's CSR activities. Both of these perspectives are argued to influence perceived

quality positively. As a construct of brand equity, brand associations are robustly reviewed and the argument to study brand associations and not brand awareness is succinctly provided. The review presents various perspectives supporting the proposition that corporate image influences brand associations.

The chapter then follows with a review on purchase intention, dissecting the types of purchase intentions (unplanned, partially planned, planned). This is then followed with a review of the various lenses in which purchase intention can be studied and theories underpinning its study. The theory of planned behaviour is discussed as a theory necessitating the need for the study of purchase intentions as a consumer behavioural study. Contrasting perspectives are reviewed on the upside of corporate image on brands and purchase intention, as well as the negative effects of unfavourable corporate images on purchase intention. The role of brand equity on the relationship between corporate image and purchase intention is clearly demonstrated in a coherent manner.

The chapter is then summarised in a conceptual model based on Kim and Hyun's, (2011) conceptual model studying corporate image and its influence on Aaker's (1992) brand equity constructs and overall brand equity, as well as Jalilvand et al., (2011) conceptual model studying Aaker's (1992) brand equity model and its influence on purchasing intention of consumers.

An assessment of the arguments expressed and the hypotheses drawn from them is detailed in chapter six, where these will be compared to the findings expressed in chapter five. The chapter will articulate the similarities and differences expressed in the literature to this research's findings which would contribute to the body of knowledge on this topic.

3. CHAPTER 3 – RESEARCH QUESTIONS

3.1. Introduction

The research sought to understand the influence of corporate image on purchase intentions of consumers. The study also sought to examine the role of customer-based brand equity in this relationship and how CBBE relates to both constructs. Chapter 1 provides the academic and business rationale of the study, which is to be conducted in the automotive industry. There are various supporting industry insights provided in chapter 1 to exemplify the relevance of this study in this industry, as well as its expanded relevance into other industries. The purpose of this research in contributing to the body of knowledge on the topic is emphasised in chapter 1.

Within the literature review in chapter 2, the studies on corporate image are found to focus on its relationship with a multitude of variables such as brand equity and purchase intention, however these two constructs have yet to be studied as part of a single conceptual model that evaluates corporate image as a marketing and strategy tool, to influence brand equity and purchase intention of consumers.

Research on the constructs of Aaker's' brand equity model has predominately been in the context of them as dimensions of brand equity and influencing overall brand equity. Through the study of signalling theory and an understanding of the literature on brand associations; brand loyalty; and perceived quality, deductive reasoning was employed to develop the research questions that led to the hypothesis being developed throughout chapter 2. These hypotheses and research questions enabled the research to be sub grouped into the respective constructs and the relationship between them as they flow throughout the conceptual framework. This will enable this research to answer the research question posed in chapter 1.

Based on the research studied found in academic literature, the research questions emanating from the study, transcended into the following hypotheses which will be tested in the study.

3.2. Research Question 1

Is there a significant, positive relationship between corporate image and brand loyalty?

H1a: Positive corporate image influences brand loyalty positively.

3.3. Research Question 2

Is a significant, positive relationship between corporate image and perceived quality?

H1b: Positive corporate image influences perceived quality positively.

3.4. Research Question 3

Is there a significant, positive relationship between corporate image and brand association?

H1c: Positive corporate image influences brand association positively.

3.5. Research Question 4

Does corporate image influence purchase intention?

H2:   Positive Corporate image has a positive influence on purchase intention.

3.6. Research Question 5

Does brand equity mediate the relationship between corporate image and purchase intention?

H3:   Brand loyalty mediates the influence of corporate image on purchase intention.
H4:   Perceived quality mediates the influence of corporate image on purchase intention.
H5:   Brand associations mediates the influence of corporate image on purchase intention.

4. CHAPTER 4 – RESEARCH METHODOLOGY AND DESIGN

4.1. Research methodology and design

The impetus for this research was two-fold. The first was to determine if corporate image influences the purchase intention of a particular product brand and the second was to determine the role of the product brands' brand equity in this relationship between corporate image and purchase intention. It is important to understand the central assumptions or beliefs held by the researcher in order for one to gain perspective on the approach that the researcher undertook in conducting this research. This study aimed to determine the relationship between measurable and observable variables and as such was underpinned by a positivism philosophy (Scotland, 2012). Corporate image, brand loyalty, brand associations, and purchase intention are all latent variables as they are not directly observed but inferred from other variables that are observed (Billiet, 2017). The observable variables are found in the survey questions that are grouped together to infer on each latent variable (Billiet, 2017). The relationships between corporate image, brand equity dimensions as latent variables were studied to determine if corporate image influences purchase intention and the role of brand equity in this relationship.

The relationship between corporate image and customer-based brand equity has already been conceptualised and tested in the model by Kim & Hyun (2011) in *Appendix B*, the relationship between brand equity and purchase intention was also conceptualised and tested in the model by Jalilvand et al, (2011) *in Appendix B*. The approach therefore was deductive, as a deductive approach is one which involves "the testing of a theoretical proposition by using a research strategy specifically designed for the purpose of its testing" (Saunders & Lewis, 2012, p. 108), as well the testing of constructs to add to the body of knowledge in any field (Janiszewski, Labroo, & Rucker, 2016). The stated hypotheses on: corporate image; elements of brand equity; and ultimately purchase intention were tested using research strategies that have been used before and tested for correctness. This data was analysed with the knowledge that it provided an accurate depiction of each element that was tested.

The methodological choice for this research was a mono method as a single data collection technique was utilised, in the form of a survey. The nature of the study does

not require the researcher to use more than one method as the dimensions to all of the constructs have already been developed. In terms of the type of study embarked upon, explanatory studies have, through various studies been associated with quantitative research (Cornelissen, 2017). As the survey was quantitative and sought to establish the reason behind the relationship between corporate image and purchase intention, the study was deemed to be explanatory. Saunders and Lewis (2012) further expounded on explanatory studies as those focused on "studying a situation or a problem in order to explain the relationship between variables" (p. 113). The study was motivated by the lack of research explaining the relationship between corporate image; brand equity; and purchase intention. The aim of the study was to test the relationship between these variables and provide a critical analysis on the results of the study in respect to the literature reviewed in this field.

Quantitative research has been posited as being ideal for studies that aim to infer findings on a population, and prove causality amongst constructs and was thus utilised in this research (Zyphur & Pierides, 2017). Studying the relationships between the constructs would not infer a study of causality, yet in the same respect to prove causality there would have to be a relationship between the constructs and through testing of the strength of that relationship, causality may be found. The strategy implored was a survey as it was viewed as a model quantitative research approach to study the relationships between the constructs. Saunders and Lewis (2012) view a survey as involving the structured collection of data from a sizeable population. As the study sought to determine if relationships exist in construct's that have already been proven to exist, a survey was deemed to be an ideal approach to conduct a mono method study of this nature. The study was a cross sectional study as it measured consumer perceptions at a particular time. Data was collected through self-completed email surveys on both Google Forms and Survey Monkey and analysed using IBM AMOS version 25 to find correlations. In analysing the results, a structured equation model was selected as the preferred analysis tool.

4.2. Population

When conducting research on a sample, the term population was not used in its colloquial meaning, as the full set of cases that could be studied (Saunders, Lewis, & Thornhill, 2016). The term population is interchangeably linked with statistical population, population of interest and universe as all of these terms define a group of people or other

units of study to whom the results are intended to generalise (Taylor, 2012). The term universe however is avoided because it implies infinite number of units and a population is a finite collection of units (Lepkowski, 2011). In determining the population for this study, the researcher was guided by Lepkowski (2011), who posited that there is either an inherent characteristic or a particular characteristic of interest in the group that defines it as a population to the researcher.

The motor industry was selected as the particular industry that the relationship between corporate image, CBBE and purchase intention will be tested. Based on the motivation for this study, the literature reviewed and hypotheses consequently developed, the population was determined to be all consumers of cars in South Africa. The targeted population for this study however would be all consumers of Tata, Kia, Mitsubishi and Hyundai vehicles. This population was chosen as these brands are all distributed by Imperial and thus the corporate image signals sent would be from the same firm. The firm would not be selective in the signals it sent to various clusters of customers. The responses to these signals may have been nuanced however as articulated in the introduction to this research. These brands form the majority of brands distributed by the firm and were thus found to be fitting for this study. The targeted age group for these consumers would be between 18 – 65 years, these would be economically active people who make purchase decisions on vehicles.

To quantify this population will be challenging as consumers of motor vehicles can be both businesses as well as individual consumers. The focus of this study is on the business to consumer relationship. According to the latest BMI report (2018), the South African new passenger sales market is expected to reach 373 500 units sold in 2018, of which the brands in question for this study would constitute roughly ten percent of this market (Branquinho, 2017). This is not a pure indication of the total number of consumers of these cars in the country during the year. There are a number of variables that make it challenging to quantify this population such as: passenger vehicle sales also include fleet, rental, government and business sales; consumers who purchase more than one unit; used vehicle sales not accounted for; consumers of commercial vehicles for private use; the number of consumers who had purchase intentions but could not fulfil the sale due to some or other reason should also be considered. These are a handful of numerous reasons why the population could not be quantified.

It can therefore be concluded that although finite, they could not be quantified for the purpose of this study. The population is therefore all people who are consumers of motor vehicles, the particular characteristic of interest in this population is the consumption of passenger cars.

4.3. Unit of analysis

The unit of analysis can be defined as "the persons or things being studied." (Vogt, 2011, p. 333). Based on the population, the unit of analysis will be a consumer of motor vehicles in South Africa. The research is specific in seeking consumers of motor vehicles within South Africa and for this reason, the study will measure the corporate image of the local distributor, as the local distributor predominantly distributes vehicles within the South African shores.

4.4. Sampling method and sampling size

Saunders and Lewis (2012) articulated the definition of a sample as a subgroup of the whole population. It is important to consider the appropriateness of the sample to be used in the research as it relates to the research question (Saunders & Lewis, 2012). A sample can enable generalisability of the research conducted to the entire population (Saunders, Lewis, & Thornhill, 2009). Sampling provides a valid alternative to a census (which is a study on the entire population), as in the case with this particular research, it would be impractical to study the entire population due to financial and time constraints (Saunders et al., 2016).

When conducting probability sampling, a sampling frame is used as a comprehensive list of all units in the population from which your sample will be drawn (Saunders & Lewis, 2012).There are four motor vehicle companies which are all distributed by the same local distributor in South Africa. The distributor provided the researcher with the databases to conduct this research. For the purpose of this research, the consumers of these four motor vehicle brands were selected based on the respective brands databases provided. These databases formed the sampling frame as complete lists of cases from the entire population. These databases formed an ideal sampling frame as they comprised of sampling units who have previously or currently own the brands that were used in the test. As the databases were from distributers who are owned by Imperial (the corporate

brand), the sampling units would have also had some form of interaction with the company whose corporate image will be tested. Thus, the sampling units would have had experience with both the company as well as the respective brands. This element of experience with the brand was added as a qualifying question in the survey (Appendix A). Probability sampling methods were thus used from the sampling frame.

Within that sample frame, the fact that the consumers are from four different brands enables the researcher to use cluster sampling. Cluster sampling allows the researcher to divide the population into discrete groups based on any naturally occurring grouping (Saunders et al., 2016). The key attribute in this research will be the manufacturers of the products that will be studied which were Kia, Hyundai, Mitsubishi and Tata. From the sub groups, data was collected from every case within the subgroups (Saunders et al., 2016).

In determining the sampling size, the researcher paid cognisance to the covariance based structured equation modelling (CB-SEM) data analysis method that was utilised in the study. The methodology informs the sample size required for this study. The literature review revealed a were a number of studies conducted using SEM where sample sizes varied from 1662 (Aydin & Özer, 2005), to 394 (Bian & Forsythe, 2012) and 230 (Barreda et al., 2015). As a guidance, Mancha and Leung, (2012) recommended that a minimum of 200 respondents are required when conducting SEM. Further guidelines are given by Hair, Black, Babin, and Anderson, 2010, who stated that a minimum of 150 sampling units for SEM models that comprise of seven or less constructs and have no under identified constructs. The study consists of five constructs and each of the constructs are not under identified in terms of the number of items that make up the construct.

Using the formula below from Saunders, Lewis, and Thornhill, (2016) to calculate targeted populations, the minimum sample for this study was placed at 200 participants. The response rate was estimated to mirror the response rate in the pilot study. The guideline by Saunders, Lewis, and Thornhill, (2016) was that the response rate on self-completed, internet (web based) questionnaires is generally 11% or lower, the findings from the pilot test gave evidence of a response rate of 1.1%. Thus, given the sample size the study being 200 people, the survey was aimed to be sent to approximately 18100 people. The researcher was only able to access a database that contained 10 772

records which were all contacted and asked to take part in the study in accordance with the cluster sampling technique. The below formula provides guidance to the calculation of the number of people the survey is to be sent to.

$$n^a = \frac{n \times 100}{re\%}$$

(Saunders et al., 2016)

Initially the questionnaire was intended to be distributed through google forms, however due to the limitations in google forms with regards to the number of emails it can send in a day, the survey was later distributed through Survey Monkey. Google forms could not send out the survey to over 1000 people per day and in some instances, could not send to 500 responses in a day. From the 10 772 records, 900 were contacted through google forms and the balance through Survey Monkey. A total number of 474 responses were gathered from Survey Monkey and a further 46 responses were gathered from Google forms. In total the response rate at 4.8% was much higher than anticipated and higher than the response rate on the pilot study. From the 520 responses a further 160 records were removed due to disqualification or incompleteness which resulted in a sample size of n = 360 that was found to be suitable for the study and was utilised in the analysis.

4.5. Measurement instrument and data collection tool

As stated in the choice of methodology, the research instrument that was used, was in the form of a survey questionnaire using Likert rating scales. "A survey is a system for collecting information from or about people to describe, compare, or explain their knowledge, attitudes and behaviours" (Fink, 2011, pg. 2). The study aimed to collect information about peoples' behaviours and the questionnaire was found to be an ideal tool to use. Using an internet based self-completed questionnaire, was the preferred instrument given the time and financial constraints available to complete the study. Saunders, Lewis and Thornhill (2016) also found that in previous literature, a questionnaire could be referred to as a general term referring to all methods of data collection whereby the individuals are required to respond to the same set of questions in a prearranged structure. As the research attempted to test the hypotheses, previously developed questionnaires found in the literature of brand equity and corporate image and purchase intention were utilised, and inferences have been drawn from the findings. The researcher required the same set of questions in the same structure to be asked of the participants in order for the data to be collected and analysed.

Corporate Image was established as the independent or exogeneous latent variable in the study and was studied using observable variables from the questionnaire by Cretu and Brodie (2007) on company reputation which are: being well managed; being product driven; being successful; innovative; having a customer focus; keeping you informed about what is happening in the company and being a good corporate citizen. These are detailed in Appendix A. As a latent variable, corporate image questions were nuanced in various studies and in certain observable variables were found to be industry specific (Jha et al., 2013; J. H. Kim & Hyun, 2011; Mostafa et al., 2015; N. Nguyen & Leblanc, 2001). The study by Cretu and Brodie (2007) encapsulates the common observable variables in these various studies for this latent variable. These questions were tested on a seven-point scale with one being poor and seven being excellent.

CBBE measures on the other hand was studied using perceived quality, brand loyalty tools by Yoo, Donthu, and Lee, (2000), Brand associations were studied using tools by Christodoulides, Cadogan, and Veloutsou, (2015). This was due to the fact that Yoo, Donthu, and Lee, (2000) considered brand associations and brand awareness as one construct and thus as a latent variable, the study by Christodoulides, Cadogan, and Veloutsou, (2015) was found to be more comprehensive for this construct for the confirmatory factor analysis to indicate that this latent variable was well represented. These were all placed as dependant or endogenous variables to the study owing to the influence of corporate image on these variables. In the mediation analysis between the exogenous variable, corporate image, and the endogenous variable, purchase intention, the brand equity elements would then be mediating variables. The purpose of studying these variables was to understand how corporate image relates to CBBE. These were tested individually on seven-point Likert scales with one being "strongly disagree" and seven "strongly agree". These are consistent with the brand equity dimensions that have previously been studied for customer-based brand equity and were studied as mediating variables that transmit the effect of corporate image to purchase intention (Saunders et al., 2016). This was based on the view that to an extent, corporate image influences purchase intention through brand equity and thus brand equity would need to mediate this relationship. This lends itself to the notion that the role of brand equity in this regard is indirect and is expressed by the following equation (Hayes, 2012):

$$Y = i_Y + c_1'X + b_1M + e_Y$$

Figure 5: Indirect mediation equation (Hayes, 2012).

Purchase intention as a dependant or endogenous variable, was measured through Bian and Forsythe's (2012) scale used in the study on purchase intention of luxury brands. Brand equity constructs and purchase intention were studied using seven-point Likert scales, keeping the same order of statements throughout the instrument.

Experience with the brand was also measured as a qualifying question, based on the qualifying question for experience used in the study by Boonghee; Yoo and Donthu, (2001). A draft of the questionnaire that was used, has been included in Appendix A

4.6. Pilot test

A pilot study was conducted before the survey was disseminated to the targeted sample with the aim of determining the reliability and validity of the measurement scales. This assisted the researcher in evaluating if the questions would be understood by respondents and as a secondary objective, determining the response rate that could be expected once the survey was sent to a wider audience which would inform the feasibility of a full scale study (Van Teijingen & Hundley, 2011). This would assist the researcher in implementing any changes that would be necessary to improve the likelihood of success in the main study as recommended by Van Teijingen and Hundley, (2011).

The questionnaire was initially distributed to 460 people, 200 Kia customers, 200 Hyundai customers and 60 Mitsubishi customers from the same sampling frame which would be utilised for the main study. Only 5 people responded and due to time constraints, the pilot was snowballed to people who met the sampling unit criteria amongst the researcher's networks to gain sufficient responses necessary in SEM pilot studies as Cronbach Alpha's and inter item correlations were tested on each construct. The results from the pilot study (n=31) are provided in appendix D and the questionnaire was found to be fit to be disseminated for the final study unchanged. Based on the guidelines by Ornstein, (2014), of 20 to 50 respondents on pilots for studies aimed at a few hundred responses, a target of 30 pilot respondents was placed for a main study that would require 200 respondents. The aim was to gather results from participants that would be similar to those in the main study to be able to control the test and implement

changes where necessary. Following the responses to the pilot, there were no changes made to the questionnaire as the constructs were found to be understood.

4.7. Data gathering process and collection method

In gathering the data, it is important that ethical clearance is gained from the GIBS ethics committee (GIBS, 2018). The questionnaires was self-administered as it was completed electronically by the respondents (Saunders et al., 2016). The data was gathered using the internet, with Google forms and Survey Monkey e-mails being the preferred method of communicating the survey with the respondents (Saunders et al., 2016). A list of addresses was obtained from the respective brands CRM custodian and ethical clearance was granted.

4.8. Data analysis approach

Data was collected using Likert rating scales, as it is a method of assessing perceptions (Barnette, 2012). The data was analysed through SPSS and AMOS version 25. The researcher conducted a multivariate analysis of the data through covariance based, structured equation modelling (CB-SEM) (Hair, Ringle, & Sarstedt, 2011).

CB-SEM is a technique that focuses on reproducing a theoretical covariance matrix (Hair et al., 2011). Covariance-based was selected as the structured equation model for this study as the study aimed to test signalling theory and its' effect in the marketing and strategy fields, covariance-based SEM is ideal for theory testing and confirmation (Hair et al., 2011). Based on evidence from the literature reviewed and subsequent hypotheses formed, the study aimed to test signals from a company influencing product brands and thus CB-SEM as a tool for theory testing, was deemed to be an ideal modelling tool to use. Furthermore, the structural relationships between the latent constructs were focused on in this study rather than the predictive accuracy, which supported the use of CB-SEM (Hair et al., 2011). The large sample size also enabled the researcher to use CB-SEM. As SEM enables the researcher to conduct a factor analysis as well as measure model fit in what is defined as the two step SEM process (Hair, Black, Babin, & Anderson, 2010), it was determined to be an ideal analysis approach for this study to test the hypotheses in chapter 3.

Furthermore, a multiple mediation test was performed on the mediation of the brand equity elements to the relationship between corporate image and purchase intention. The multiple mediators were deemed to be operating in parallel as the d-links between the brand equity constructs were undirected and the relationships between them would signify covariance (Pieters, 2017). It was determined that within studies of this nature, mediators are not manipulated and their direction of causal flow may be underpinned by intuition on the area of investigation or theoretical justification (Hayes, 2012).

The direction of the causal flows was not motivated by intuition but through theoretical implications found in the study by Buil et al., (2013), where it was found that: brand awareness influences perceived quality and brand associations; brand associations influence brand loyalty; perceived quality influences brand loyalty and perceived quality; brand associations and brand loyalty all have a positive effect to overall brand equity. Aaker's, 1996 argument that perceived quality by loyal customers would differ to those switching from another brand and differ to those loyal to another brand provides further evidence to support the covariance argued in the mediators.

In conducting the study, a methodological approach was followed which was sub divided into the steps below:

Step 1: Data preparation
The data sets from Survey Monkey and Google forms was exported into excel, whereby they were prepared for analysis in SPSS or AMOS. A coding book was established for the demographic questions as the output from Google forms and SPSS differed. Once the coding was complete, the responses were then manually interrogated to remove all incomplete, ineligible or disqualified responses.

Step 2: Sample Demographic statistics
The sample data's demographic responses were then analysed to provide readers with a sense on the demographic composition of the sample. These were limited with common items such as race, income and profession were intentionally omitted from the demographics. The age, gender, experience with the company at retail level and experience with the brand were found to provide sufficient context for the purpose of this study.

Step 3: Preliminary analysis: Exploratory factor analysis

The five constructs presented in the conceptual model underwent an exploratory factor analysis through a Kaiser-Meyer Olkin measure of sampling adequacy as well as a Bartlett's test of Sphericity. This enabled the researcher to confirm the appropriateness of the data for factor analysis as posited by Hair et al., (2010). This was followed by a Scree test to give guidance to the number of factors to be analysed as well as factor rotation (orthogonal) to simplify the factor structure (Joseph F. Hair et al., 2010).

Step 4: Analysis of the measurement model

Using AMOS for the SEM, a confirmatory factor analysis was conducted on the measurement model and the model was tested for normality through skewness and kurtosis coefficients. A number of model fit indices were then measured and the results are provided for in chapter five. The measurement model was also tested for reliability and validity with Cronbach Alpha tests being run for reliability; average variance extracted (AVE) for convergent validity and AVE square roots coefficients for discriminant validity (Hair, Babin, & Krey, 2017).

Step 5: Analysis of the structural model

A range of model fit indices were utilised to confirm if the model fit was satisfactory to examine the hypotheses of the study. These were both absolute as well as incremental fit indices. This was then followed by the path estimates of the structured model in relation to the hypotheses.

Step 6: Mediation analysis

The final step was the direct and indirect mediation analysis conducted on the mediating effects of brand associations, perceived quality and brand loyalty on the relationship between corporate image and purchase intention.

4.9.   Strategies to ensure quality of data

4.9.1. Validity

In terms of questionnaires, assessing validity refers to an assessment of the ability of the questionnaire to measure what the researcher intended it to measure (Saunders et al.,

2016). In assessing validity, the researcher determined content, criterion-related and construct validity (Saunders et al., 2016).

As content validity refers to the extent that the measurement questions in the questionnaire covers the investigation questions. Using prior questionnaires that have tested the constructs of brand equity, corporate image and perceived quality provide the researcher with this validity.

Criterion-related validity is focused on the ability of the measures to make correct predictions (Saunders et al., 2016). To prove the alternate hypotheses, correlations were analysed between the variables and the criterion-validity established therein.

In terms of the convergent validity of the latent variable, Hair et al., (2011) provided guidance of a minimum 0.50 average variance extracted within the indicators of the latent variable if using reflective measures. This method was utilised in the study and presented in chapter five.

In terms of discriminant validity, which is the extent to which a construct is distinct from other constructs and unique (Hair et al., 2010). The more thorough approach of comparing the square of the correlation estimates with the AVE's of comparable constructs was utilised and presented in chapter five (Hair et al., 2010).

4.9.2. Reliability

Reliability can be interpreted to mean the consistency of the study (Saunders et al., 2009). Reliability must be measured with validity as respondents can consistently interpret a question in a way that was not meant by the researcher (Saunders et al., 2016). In testing reliability, the researcher made use of a Cronbach Alpha statistic and tested if the alpha coefficient met the recommended score of 0.7 and above as suggested by Saunders et al., (2016).

A pilot test was conducted to test reliability and validity so the questionnaire could be refined if need be (Saunders et al., 2016). This was sent to 460 participants. The Cronbach Alpha's on all constructs were above 0.7 and the inter item correlations on the observable items were all positive in the pilot study. The results on the main study are presented in chapter five.

4.10. Research ethics

This research has passed the necessary ethical clearance with the Gordon Institute of Business Science (GIBS), to ensure that the respondents' confidentiality and anonymity is assured, consent was granted by the relevant companies for conducting research on their customers. Due care was taken that the research does not pose possible harm or disadvantage to the consumer in accordance with GIBS, (2018) requirements.

4.11. Limitations

The study on brand equity elements or corporate image may be influenced by the individuals evolving experience with the brand. Considering that a motor vehicle is a luxury purchase which is owned for a relatively long period of time (over 12 months), that experience may evolve as the vehicle ages and can be influential to the users' views and is not tested in the study. A new vehicle buyer may be filled with the euphoria of the purchase and favourable perceptions than one who has had their vehicle for some time and has had service failure from the aftersales departments and thus formed different perceptions of the brand or company. This also segues to the next limitation that there are other influences on purchase intention and brand equity elements which are not explored in this study. The model is thus limited in its explanation of the antecedents of purchase intention, brand awareness, brand loyalty and perceived quality.

 The ability to infer the study to the population is limited as the population was not clearly defined quantitatively and the sampling frame chosen from the four brands may not be representative of the population.

It has also been found that besides the growing number of studies on CB-SEM, it does not focus on explained variance and in this respect may be argued to lack a level of detail in its findings in terms of predictive statistics (Hair et al., 2011). The current study focuses on a single model, however it takes cognisance of the possibility of the presence of theoretically distinct but statistically equivalent models that may have existed from the test (Pieters, 2017).

The study was conducted on consumers who have had experience with the brand, further studies can focus on both consumers who have had experience with the company and those who have not and examine if there is a difference in views between the two on the brand equity and purchase intention elements.

5. CHAPTER 5 – RESULTS

This chapter presents the findings from the quantitative data that was collected and analysed through the research methodology expounded on in the previous chapter of this study. These findings aim to answer the research questions set out in chapter 3 which culminated as a result of the literature reviewed on corporate image, customer-based brand equity and purchase intention. The results with be structured in a manner that first provides demographic statistics on the sample. This will then be followed with the relevant descriptive statistics which will be followed by the relevant principle component analysis results. This will then be followed by the measurement model factor analysis, reliability and validity tests as well as model analysis findings. The results on the structural model test as well as the mediation analysis will then be presented to answer the hypotheses presented in chapter 3.

5.1. Sample demographic composition

The demographic composition of the study is presented below and focuses on age, gender, experience with the company at a retail level. The unit of analysis for this study was consumers of motor vehicles and the targeted population was consumers of Kia, Hyundai, Mitsubishi and Tata vehicles which are all distributed by Imperial.

Table 1: Sample distribution by age

Age	Frequency	Valid Percent (%)
18-24	28	7,8%
25-29	77	21,5%
30-39	93	26,0%
39-49	75	20,9%
49 +	85	23,7%
Total	358	100,0%

Of the total 360 responses that were utilised for the study, only 358 respondents answered the question of age. The age groups of the respondents were fairly spread out with people between the aged of 30-39 years displaying the highest percentage of

completed responses (26,0%). The youngest group of respondents between the ages of 18-24 had the lowest number of respondents (7.8%).

Table 2: Sample distribution by gender

Gender	Frequency	Valid Percent (%)
Male	140	39,1%
Female	217	60,6%
Prefer not to answer	1	0,3%
Total	358	100,0%

The statistics relating to the gender mix show that the survey results were slightly skewed towards females, with 217 females (60,6%) completing the survey, 140 males (39.1%) and a single respondent (0.3%) who preferred not to mention their gender.

Table 3: Sample distribution of other demographics

	Frequency	Valid Percent (%)
Have you purchase your vehicle from an Imperial dealership?		
Yes	120	33,4%
No	207	57,7%
Maybe	6	1,7%
Not sure	26	7,2%
Total	359	100,0%

The statistics relating to the number of respondents who had previous experience with Imperial at a retail level, indicate that 207 respondents which form the majority of responses (57.7%) did not purchase their vehicle from an Imperial dealer. Only 120 responses (33.34%) could confirm to purchasing their vehicle from Imperial.

Table 4: Sample distribution of demographics which are representative of targeted population

	Frequency	Valid Percent (%)
Please select one of the following vehicle brands that you have either owned or purchased?		
Tata	3	0,8%
Mitsubishi	22	6,1%
Hyundai	211	58,6%
Kia	124	34,4%
Total	360	100,0%

The targeted population consisted of people who had purchased one of the four major vehicle brands that were Imported and wholesaled by Imperial. For a respondent to be regarded as a valid participant, they were required to select the motor vehicle brand that they have purchased or owned before. Any respondent who indicated that they had never purchased or owned one of these vehicles was summarily disqualified from the survey and thus their frequency would not be reported on in this table. The table indicates that 211 respondents (58.6%) had either purchased or owned a Hyundai car, which made respondents of Hyundai cars, the largest group of responses in the study. Only 3 (0.8%) of respondents indicated that they had purchased Tata cars, resulting in Tata having the least number of respondents. A total of 124 respondents (34.4%) had either owned or purchased a Kia car before thus resulting in 335 (93%) of respondents having either purchased a Kia or Hyundai car before.

5.2. Latent variables descriptive analysis

Table 5 represents the descriptive statistics from the observable and latent variables that were reviewed in chapter 2 and hypothesised in chapter 3. These stemmed from the sample of 360 respondents who adequately completed the questionnaire. The central tendency measures in Table 5, provide further insights into the data analysed from the conceptual model constructs. The measures were based on Likert rating scale responses that ranged from one (strongly disagree) to seven (strongly agree).

Table 5: Central tendency measures of corporate image

Items	Corporate image	Mean	Standard Deviation
CI	**Construct corporate image**	**4,80**	**1,20**
CI1	Being well managed	4,98	1,39
CI2	Having customer focus	4,98	1,45
CI3	Keeping you informed about what's happening with the company	4,10	1,67
CI4	Being a good corporate citizen	4,59	1,43
CI5	Being product driven	4,98	1,39
CI6	Being successful	5,10	1,35
CI7	Being innovative	4,87	1,36

Seven items were used to measure corporate image, the mean responses across the items was on the higher end of the scale and in terms of specific questions, the company scored the least on CI3 (mean = 4.10) and the highest on CI6 (mean = 5.10).

Table 6: Central tendency measures of brand loyalty

Items	Brand loyalty	Mean	Standard Deviation
LO	**Construct brand loyalty**	**4,77**	**1,74**
LO1	I consider myself to be loyal to brand	5,19	1,78
LO2	Brand would be my first choice	4,94	1,87
LO3	I will not buy other brands if my brand is not available at the store	4,17	2,14

Three items were used to measure brand loyalty, most of the respondents submitted rankings which were in the higher end of the scale, with LO1 (mean = 5.19) being the highest average scored question and LO3 (mean = 4.17) being the lowest.

Table 7: Central tendency measures of perceived quality

Items	Perceived quality	Mean	Standard Deviation
QL	**Construct perceived quality**	**5,93**	**1,03**
QL1	Brand is of high quality	6,03	1,14
QL2	The likely quality of Brand is extremely high	5,79	1,30
QL3	The likelihood that the functionality of Brand would be very high	5,87	1,14
QL4	The likelihood that Brand is reliable is very high	6,01	1,12
QL5	Brand must be of very good quality	5,94	1,17

Five items were utilized to measure perceived quality, most of the respondents submitted rankings that were on the higher end of the scale with QL1 (mean = 6.03) being the highest scored and QL2 (mean = 5.79) being the lowest.

Table 8: Central tendency measures of brand association

Items	Brand association	Mean	Standard Deviation
AA	**Construct brand association**	**4,80**	**1,02**
AA1	Some characteristics of Brand come to my mind quickly	5,23	1,53
AA2	Brand has strong associations	5,08	1,46
AA3	Brand has unique associations	4,96	1,48
AA4	Brand has favourable associations	5,06	1,44
AA5	It is clear what my car brand stands for	4,94	1,63
AA6	I can quickly recall the symbol or logo of Brand	6,25	1,17
AA7	I do not have difficulty in imagining my car brand in my mind	2,04	1,66

Seven items were utilized to measure brand association, most of the respondents

submitted rankings that were on the higher end of the scale with AA6 (mean = 6.25) being the highest scored and AA7 (mean = 2.04) being the lowest.

Table 9: Central tendency measures of purchase intention

Items	Purchase intention	Mean	Standard Deviation
PI	**Construct purchase intention**	**5,46**	**1,59**
PI1	If I were going to purchase a passenger vehicle, I would consider buying this brand	5,57	1,61
PI2	If I were shopping for a vehicle brand the likelihood I would purchase this vehicle brand is high	5,41	1,67
PI3	My willingness to buy this vehicle brand would be high if I were shopping for a vehicle brand.	5,42	1,64
PI4	The probability I would consider buying this vehicle brand is high	5,42	1,67

Four items were utilized to measure purchase intention, most of the respondents submitted rankings that were on the higher end of the scale with PI1 (mean = 5.57) being the highest scored and PI2 (mean = 5.41) being the lowest.

5.3. Exploratory factor analysis

An exploratory factor analysis was performed to test the structure of the main constructs of the study. Moreover this assisted the researcher to empirically assess the intercorrelation of the variables and whether they can produce representative factors (Hair et al., 2010). In determining the appropriateness of the factor analysis through the study of the entire correlation matrix (Hair et al., 2010), Kaiser-Meyer-Olkin (KMO) of sampling adequacy and a Bartlett's test of sphericity was performed for statistical significance of the correlation matrix' significant correlations.

Table 10: KMO and Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.944
Bartlett's Test of Sphericity	Approx. Chi-Square	8936.891
	df	351
	Sig.	.000

According to Table 10, the suitability of the data is supported as the KMO value (.944) is superior to the threshold of 0.5 which was a rule of thumb as a sufficient guideline from Hair et al., (2010) as well as the 0.6 threshold for a good factor analysis by Pallant, (2007); the Bartlett's test of sphericity is significant (.000) and stronger than the significance ($p < .050$) which was deemed appropriate for a factor analysis.

A principle component analysis with orthogonal rotation (Varimax) as a factor extraction method, was the preferred technique utilised in the study to determine the lowest number of factors which could be used to represent the interrelations within the variable sets (Pallant, 2007). Through the use of this method, data was gathered of the components with high eigenvalues and arranged by order of importance. Table 11 provides details regarding the contribution of each factor to the total variance.

Table 11: Total Variance Explained

Total Variance Explained									
	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
Component	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	12,650	46,852	46,852	12,650	46,852	46,852	5,160	19,112	19,112
2	3,259	12,070	58,921	3,259	12,070	58,921	4,886	18,095	37,207
3	1,725	6,388	65,309	1,725	6,388	65,309	4,235	15,686	52,892
4	1,253	4,641	69,950	1,253	4,641	69,950	4,106	15,206	68,098
5	1,016	3,765	73,715	1,016	3,765	73,715	1,517	5,617	73,715

The principal component analysis resulted in the evidence of five factors with eigenvalues greater than one. Based on Table 11, the component number one has the highest eigenvalue (12.650) which corresponds to 46.852% of the total variance, whilst component five has an eigenvalue of 1.016 which represents 3.765% of the total variance.

A Scree test was conducted to assist in determining the number of factors to retain. The latent root criterion of one was used. The graphical depiction of the Scree test in Figure 5 may suggest that that according to the shape of the curve, maximum number of factors

to be extracted, would end at component six where the curve begins to straighten, as a result of the latent root criterion only five components were used in Table 11.
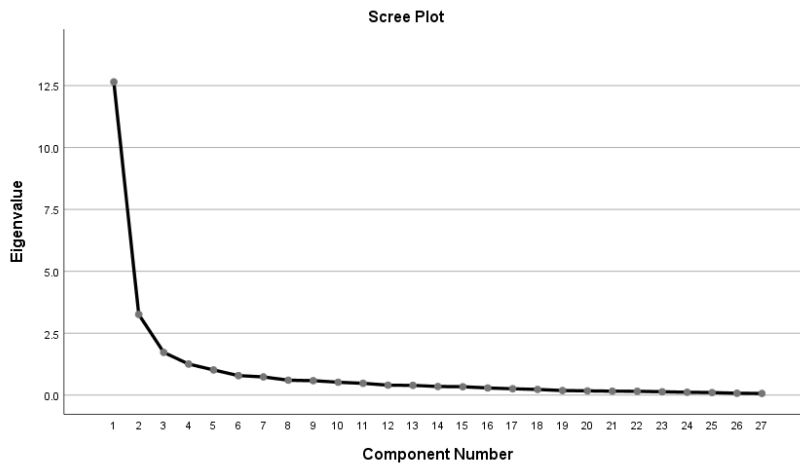
Figure 5: Scree Plot

The rotated component matrix in Table 12 provides further clarity on the items associated with each component.

Table 12: Rotated Component Matrix

	Rotated Component Matrix[a]				
	Component				
	1	2	3	4	5
CI1	0.794				
CI2	0.842				
CI3	0.705				
CI4	0.829				
CI5	0.850				
CI6	0.815				
CI7	0.766				
QL1				0.702	
QL2				0.734	
QL3			0.305	0.806	
QL4				0.799	
QL5				0.791	
rQL6				0.348	0.528
LO1		0.556	0.481		
LO2		0.661	0.475		
LO3		0.542	0.546		
AA1		0.377	0.634		
AA2		0.362	0.716		
AA3			0.795		

AA4		0.302	0.728		
AA5			0.684		
AA6					0.550
rAA7					0.850
PI1		0.836			
PI2		0.857			
PI3		0.834			
PI4		0.837			
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.					
a. Rotation converged in 7 iterations.					

The simplicity of Varimax rotation approach with regards to the component-variable loading between -1 and +1, provided the researcher with a clear view on the separation of the variables to each component. Following the results from the matrix, the last component (component 5) could not be considered as an adequate factor for this study as the variables. Although showing high loadings above 0.5 to component five, the researcher considered the options available to respecify the factor model, and deleted (rQL6, AA6 and rAA7) as they were found to be of minor importance to the study as perceived quality (five variables) and brand association (five variables) had sufficient variables loading in each component to continue with the analysis. The additional component would not align to the theoretical conceptual model (Figure 4) depicted in chapter 2.

Although brand loyalty and purchase intention loaded on the same component, the theoretical structure of the conceptual model would not enable the merging of brand loyalty (independent variable) and purchase intention (dependant variable) into a single component, as suggested by the exploratory factor analysis. Given this constraint, the researcher had to consider five factors with a separate factor for brand loyalty to purchase intention as suggested by the conceptual model. This was followed by an evaluation of the measurement model.

5.4. Measurement model Assessment

This section will consist of confirmatory factor analysis (CFA) measures which aim to provide insight into the: normality of the data set; reliability of the observable variables from the questionnaire in terms of their consistency in the measurement of the latent variable; validity measures of the survey, to assist the researcher in assessing if the

variables accurately represents the latent constructs; as well as model fit indices of the measurement model.

5.4.1. Normality testing

Table 13: Assessment of Normality

Items	Skewness	Kurtosis
CI1	-0,366	-0,004
CI2	-0,504	0,074
CI3	-0,084	-0,574
CI4	-0,141	-0,182
CI5	-0,414	-0,095
CI6	-0,425	-0,030
CI7	-0,294	-0,060
QL1	-1,353	2,019
QL2	-1,360	2,104
QL3	-1,186	1,712
QL4	-1,446	2,556
QL5	-1,371	1,965
LO1	-0,787	-0,372
LO2	-0,629	-0,625
LO3	-0,144	-1,318
AA1	-0,713	-0,054
AA2	-0,459	-0,285
AA3	-0,437	-0,266
AA4	-0,517	-0,058
AA5	-0,596	-0,361
PI1	-1,178	0,655
PI2	-1,062	0,372
PI3	-1,007	0,286
PI4	-1,038	0,280

Table 13 above indicates the Skewness and Kurtosis coefficients of all of the items that appeared in the measurement model. The most commonly used critical values are approximately 2.58 (.01 significance value) and 1.96 (.05 significance value) (Hair et al., 2010). The results indicate a normal distribution of data for all items used to measure the constructs as most of their coefficients are within the -2.58 and +2.58 band. Since the normality is supported, the researcher could confidently use the maximum likelihood method to assess the model fit of the final measurement model. A summary of the model

fit indices on both the initial and final measurement models is presented in Table 14.

5.4.2. Model fit analysis

Table 14: Summary of model fit Indices

Fit Indicator	Threshold adapted from Hair et al. (2014: 579-580)	Reference	Initial measurement model	Final measurement model
CMIN/DF (Chi-square/degree of freedom)	Less than 3 (good) Between [3-5] (acceptable) Above 5 (bad)	(Mullis, Martin, Foy, & Hooper, 2016)	2.639	2.557
RMSEA (Root Mean Square Error of Approximation)	Less than .05 (good) Between [.06-.1] (acceptable) Above .1 (bad)	(Hair et al., 2010)	0.068	0.066
NFI (Normed Fit Index)	Less than .80 (bad) Between [.80-.90] (acceptable) Above .90 (good)	(Hair et al., 2010)	0.929	0.941
CFI (Comparative Fit Index)	Less than .90 (bad) Above .90 (good)	(Hair et al., 2010) Tabachnick & Fidell (2007)	0.954	0.967
TLI (Tucker Lewis Index)	Less than .80 (bad) Between [.80-.90] (acceptable) Above .90 (good)	(Hair et al., 2010)	0.948	0.962
GFI (Goodness-Of-Fit-Index)	Less than .80 (bad) Between [.80-.90] (acceptable) Above .90 (good)	(Hair et al., 2010) Tabachnick & Fidell (2007)	0.873	0.862
AGFI (Adjusted Goodness-Of-Fit-Index)	Less than .80 (bad) Above .80 (good)	(Mullis et al., 2016)	0.843	0.828

The initial measurement model provided for in Appendix E depicts the measurement model before refinements. The initial model fit indices for the initial model indicate a slightly poorer fit to the final measurement model. The final measurement model in Figure 6 displayed satisfactory fit indices according to Table 14: (CMIN/DF=2.557; GFI =.862; AGFI=.828; TLI =.962; CFI = .967; NFI =.941, RMSEA =.066).

5.4.3. Factor analysis
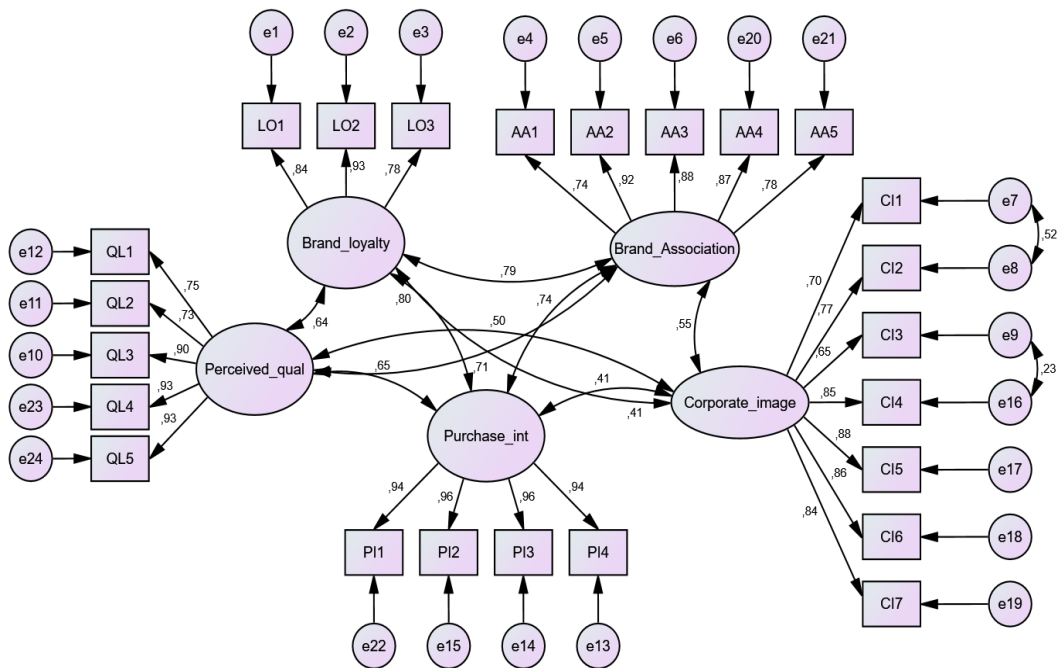
Figure 6: Final Measurement Model

The final measurement model indicates a significant and lower Chi-squared (x^2 =525,475; p value= 000; df =240) in comparison with the initial measurement model in Appendix E (x^2 638,680, p value= 000; df=242), which implies that the final measurement model is a more improved measurement model. The initial model was improved by adding the correlations between: e7 and e8; e9 and e16.

The final measurement model presents all five constructs represented in the theoretical conceptual model in Figure 4. Brand association initially had seven items but only five were kept in the final measurement model because of validity concerns. These items are discussed in the exploratory factor analysis section of the results. Perceived quality also had six items of which five were kept in the measurement model.

All items represented in the final measurement model are presumed to be valid in the context of this study. The reliability and validity will be confirmed through the assessment presented in Table 15. The contribution of each item to the study is confirmed by its factor loading, any factor loading above 0.5 is acceptable and ideally they should be higher than 0.7 (Hair et al., 2010), whilst anything below 0.5 is considered a poor measure. From the measurement model above, each factor can be seen to have loaded above the 0.5 threshold which suggests that there is convergent validity of all the items. Further robust statistical evidence is provided to establish the reliability and validity of

the measurement instrument used in the study.

5.4.4. Reliability and Validity testing

Table 15: Reliability and Validity Assessment

Constructs	Items	Factor loadings	P-value	Cronbach's Alpha	CR	AVE	Final number of items and initials
Brand loyalty	LO1	.84	***	.882	.887	.725	
	LO2	.93	***				3(3)
	LO3	.78	***				
Brand association	AA1	.74	***	.922	.923	.708	
	AA2	.92	***				
	AA3	.88	***				5(7)
	AA4	.87	***				
	AA5	.78	***				
Corporate image	CI1	.70	***	.928	.924	.638	7(7)
	CI2	.78	***				
	CI3	.65	***				
	CI4	.85	***				
	CI5	.89	***				
	CI6	.86	***				
	CI7	.84	***				
Perceived quality	QL1	.75	***	.929	.93	.728	
	QL2	.73	***				
	QL3	.90	***				
	QL4	.93	***				5(6)
	QL5	.93	***				
Purchase intention	PI1	.94	****	.973	.973	.901	
	PI2	.96	****				
	PI3	.96	****				4(4)
	PI4	.94	****				
Notes:							
***: significance at 0.01 level.							
CR= composite reliability; AVE: Average variance extracted () = initial number of items							

Cronbach's Alpha was used to measure the internal consistency of the constructs. Composite Reliability (CR) was also provided to augment the current measures of reliability. A minimum Cronbach Alpha and composite reliability score of 0.7 and 0.6

respectively are acceptable (Hair et al., 2017, 2010). Convergent validity can be assessed by using both the factor loadings and the Average Variance Extracted (AVE) which should be above 0.5 (de Oliveira, Silveira, & Luce, 2015; Hair et al., 2017).

The overall results indicate good reliability of all the scales utilized in the study. The Cronbach Alpha's are all above 0.7 and the composite reliability measures are all above 0.7 as well. The table indicates that all the factor loadings are above 0.5, similarly all the AVE's are also above 0.5.

All of the estimates provided, confirm that there is convergent validity of all the items in the measurement model and all items selected are good measures of their respective constructs. The statistical evidence of discriminant validity is assessed and discussed through the matrix of correlation and AVE square root coefficients in Table 16.

Table 16: Correlation and Square root of AVEs Matrix

CONSTRUCTS	PQ	LO	AA	CI	PI
PQ	**0,853**				
LO	0,637	**0,852**			
AA	0,707	0,79	**0,841**		
CI	0,504	0,413	0,546	**0,798**	
PI	0,648	0,804	0,736	0,409	**0,949**

It is advised that as a general rule, the square root of the AVE for each construct should be larger than the correlation between two different constructs in a model (Gefen, 2005). According to Table 16, there is no discriminant validity concerns in the final measurement model. The correlation coefficients between constructs are lower than the square roots of the AVE's for each construct. The correlation between PQ and LO (0.637) is lower than the square root of AVE for PQ (0.853). The same observation is denoted for each of the other latent variables in the measurement model.

It can thus be concluded that the relationships illustrated in the final measurement model (Figure 6), fit the data satisfactorily. All of the instruments used in this model are reliable and valid in the context of this study. Given that the CFA provided satisfactory results, the researcher proceeded with the structural model.

5.5. Structural model assessment

This section will detail the results pertaining to the hypotheses developed in chapter two and expounded on in chapter 3. Whilst each regression weight is between two constructs, the structural path coefficients depicted in the structural model will provide evidence of the existence or non-existence of relationships between latent variables within the frame of the theoretical model developed. These results follow the previous stages of SEM conducted whereby the measurement model was tested for validity and reliability and found to be fit to continue. In testing the structural relationships, the overall and relative model fit was tested and the structural parameter estimates were determined. These are depicted in the diagram below (Figure 7) through the one-headed arrows on the path diagram on the latent variables.

5.5.1. Model Fit assessment
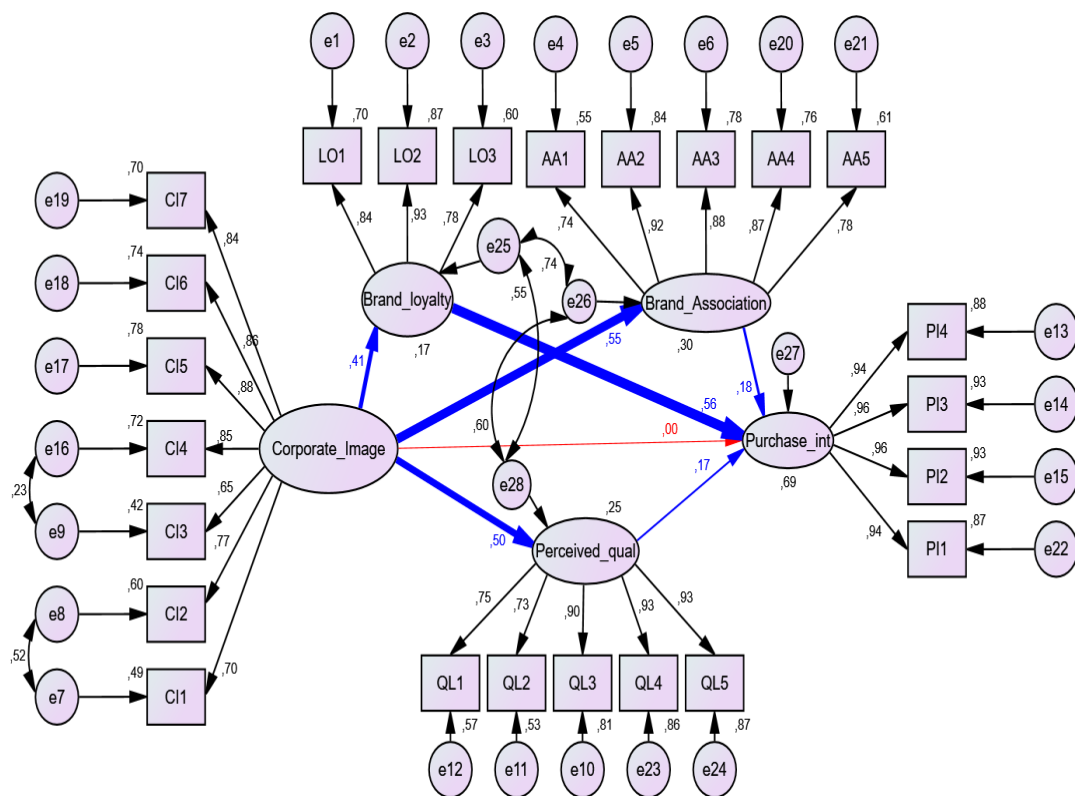
Figure 7: The Structural Model Fit Assessment

In assessing the model fit validity, the structural model was measured with measures that corresponded to those utilized with the measurement model. The structural model

(Chi-square =525.475; p value =.000; df =240) displayed satisfactory indices: (CMIN/DF=2.189; GFI =.893; AGFI=.867; TLI =.962; CFI = .967; NFI =.941; RMSEA =.058). it can be concluded that the structural model can be used with confidence to examine the research hypotheses of the study.

5.5.2. Hypothesis testing

This section will provide the results of the testing of hypotheses: H1a; H1b; H1c; H2; H3; H4 and H5. These were determined through the path estimates from the structural model. The standardised regression weights are provided as well as their level of significance.

Hypothesis 1a: Positive corporate image influences brand loyalty positively.
Hypothesis 1a related to the relationship between the corporate image of a firm and the brand loyalty that consumers have towards its product brands. This was tested using path estimates in the structural equation model. Corporate image was found to have a positive and significant effect on Brand loyalty as its P value (***) is lower than .01. This means that when corporate image goes up by 1 standard deviation, brand loyalty will also increase by 0.413 of its own standard deviation, this is found at a confidence level above 99%. Accordingly, H1a is supported.

Table 17: Regression weights of corporate image and brand loyalty

Dependent variables		Independent variables	Estimate	P value
LO	<- -	CI	.413	***

Hypothesis 1b: Positive corporate image influences perceived quality positively.
Hypothesis 1b related to the relationship between the corporate image of a firm and the perceived quality that consumers have towards its product brands. This was tested using path estimates in the structural equation model. Corporate image was found to have a positive and significant effect on perceived quality as its P value (***) is lower than .01. This means that when corporate image goes up by 1 standard deviation, perceived quality will also increase by 0.502 of its own standard deviation, this is found at a confidence level above 99%. Therefore, H1b is supported.

Table 18: Regression weights of corporate image and perceived quality

Dependent variables		Independent variables	Estimate	P value
PQ	<- -	CI	.502	***

Hypothesis 1c: Positive corporate image influences brand association positively.

Hypothesis 1c related to the relationship between the corporate image of a firm and the brand associations that consumers have towards its product brands. This was tested using path estimates in the structural equation model. Corporate image was found to have a positive and significant effect on Brand association as its P value (***) is lower than .01. This means that when corporate image goes up by 1 standard deviation, brand association will also increase by 0.546 of its own standard deviation, this is found at a confidence level above 99%. Consequently, H1c is supported.

Table 19: Regression weights of corporate image and brand association

Dependent variables		Independent variables	Estimate	P value
AA	<- -	CI	.546	***

Hypothesis 2: Positive Corporate image has a positive influence on purchase intention.

Hypothesis 2 related to the relationship between the corporate image of a firm and the purchase intention of the product brands by consumers. This was tested using path estimates in the structural equation model. Corporate image was found to not have a positive and significant effect on purchase intention as its P value (.948) is greater than.05 and supports this statement. This means that improving corporate image would not directly translate into improved purchase intention of the brands products. Therefore, H2 is supported.

Table 20: Regression weights of corporate image and purchase intention

Dependent variables		Independent variables	Estimate	P value
PI	<--	CI	-.003	.948

Table 21 provides evidence of the regression weights of the customer-based brand equity constructs and their respective effects on purchase intention. Brand loyalty, brand association and perceived quality all have a positive effect on purchase intention. Brand loyalty was seen to possess the highest loading estimate (.557).

Table 21: Regression weights of customer-based brand equity constructs and purchase intention

Dependent variables		Independent variables	Estimate	P value
PI	<--	LO	.557	***
PI	<--	AA	.180	.013
PI	<--	PQ	.168	.001

5.6.   Mediation analysis

Following the results from Table 17 to Table 21, partial mediation could no longer be considered as corporate image does not have a direct, statistically significant relationship with purchase intention. Therefore, the section that follows will detail the full mediation test that was conducted.

5.6.1. Hypothesis testing

Hypothesis 3: Brand loyalty mediates the influence of corporate image on purchase intention.

The results from the mediated model of corporate image's effect on purchase intention, explained through brand loyalty, are provided in Table 22. The results indicate that corporate image alone does not have a significant effect on purchase intention (p = .873)

at a 99% confidence level, brand loyalty does not mediate this relationship as well, as the indirect effect of corporate image on purchase intention via brand loyalty indicated a negative (-.015) and non-significant (p = .433) indirect relationship, Therefore, H3 is not supported.

Table 22: Brand loyalty mediating - The indirect, direct and total effect of corporate image on purchase intention

Proposed mediator	Direct effect of Corporate image on Purchase intention		Indirect effect of Corporate image on purchase intention		Total Effect of Corporate image on Purchase intention		Findings
	Coef	*p*	Coef	*P*	Coef	P	
Brand loyalty	.008	.873	**-.015**	**.433**	-.007	.786	No mediation

Hypothesis 4: Perceived quality mediates the influence of corporate image on purchase intention

The results from the mediated model of corporate image's effect on purchase intention, explained through perceived quality, are provided in Table 23. The results indicate that corporate image alone does not have a significant effect on purchase intention (p = .881) at a 99% confidence level. Perceived quality however fully mediates this relationship, as the indirect effect of corporate image on purchase intention via perceived quality proved to be a significant indirect relationship (p = .004) at a 99% confidence level. Therefore, H4 is supported.

Table 23: Perceived quality mediating - The indirect, direct and total effect of corporate image on purchase intention

Proposed mediator	Direct effect of Corporate image on Purchase intention		Indirect effect of Corporate image on purchase intention		Total Effect of Corporate image on Purchase intention		Findings
	Coef	p	Coef	P	Coef	P	
Perceived quality	.008	.881	.032	.004	.040	.242	Full mediation

Hypothesis 5: Brand association mediates the influence of corporate image on purchase intention.

The results from the mediated model of corporate image's effect on purchase intention, explained through brand association, are provided in Table 24. The results indicate that corporate image alone does not have a significant effect on purchase intention (p = .767) at a 99% confidence level. Brand association however fully mediates this relationship, as the indirect effect of corporate image on purchase intention via brand association proved to be a significant indirect relationship (p = .000) at a 99% confidence level. Therefore, H5 is supported

Table 24: Brand associations mediating - The indirect, direct and total effect of corporate image on purchase intention

Proposed mediator	Direct effect of Corporate image on Purchase intention		Indirect effect of Corporate image on purchase intention		Total Effect of Corporate image on Purchase intention		Findings
	Coef	p	Coef	P	Coef	P	
Brand association	.021	.767	.037	.000	.058	.288	Full mediation

5.7. Chapter summary

In summation, Chapter five presented the results which sought to answer the research questions set out in chapter three, which culminated as a result of the literature reviewed on corporate image, customer-based brand equity and purchase intention. The demographic data indicated more female (60.6%) to male (39.1%) respondents to the survey and a fairly even spread of participants between the age's groups of 25-29 up to and including those older than 49 years.

The exploratory factor analysis conducted to test the structure of the main constructs of the study, supported the theoretical understanding of the observable variables and their associated latent variables and indicated the minor changes in terms of the observable variables that would subsequently be removed. Within the measurement model assessment, the normality of the data was tested in terms of its Skewness and Kurtosis and most of the coefficients were within the -2.58 and +2.58 band. In establishing the validity and reliability of the measurement model, a number of model fit indices were tested and the final measurement model was found to be a good fit for the study. Within the validity and reliability testing, the Cronbach Alpha results for all constructs were found to be above 0.7 and the AVE's above 0.5. The CFA loadings also indicated convergent validity as all items loaded above 0.5, whilst the correlation and square root of AVE's indicated discriminant validity as the correlation coefficients between constructs was lower than the square roots of the AVE's for each construct.

The structural model also indicated a good model fit through the various indices. The covariance SEM indicated that H1a, H1b, H1c and H2 were supported. The mediation tests proved that H4 and H5 were supported, however H3 was not supported. The next chapter will provide detailed discussions into the results gathered in the context of the research problem formulated in Chapter one, the literature reviewed in Chapter two and the ensuing hypotheses formulated therein.

6. CHAPTER 6 – DISCUSSION OF RESULTS

6.1. Introduction

This chapter expands on the results emanating from chapter five through a robust discussion which will incorporate elements from the methodology expounded on in chapter four based on the problem formulated in Chapter one and the rigorous review of the relevant literature in Chapter two. With the study underpinned by signalling theory, it aimed to investigate the effect of corporate image on CBBE and purchase intention. Subsequent to the pilot, the results from the study indicated a higher response rate of 4.8%, up from the 1.1% response rate received from the pilot. The increase was seen to be a function of the collection method as the pilot was disseminated through google forms and due to its distribution limitations, only the first 900 sampling units were contacted through the same platform for the main study. The remaining respondents were reached through Survey Monkey which enabled the researcher to collect a total of 520 responses (Survey Monkey = 474, Google forms = 46). The response rate fell within the estimates by Saunders, Lewis, and Thornhill, (2016) estimates of 11% or lower on self-completed, internet-based questionnaire. It is however worth noting that a higher response rate could have been reached as due to time constraints, the data was only collected over a two-week period.

Following the relevant factor analysis', reliability and validity tests that were completed, the results from Chapter five pertaining to the hypotheses formulated in Chapter two are discussed. The results met the CB-SEM assumptions of sample size, normality of distribution and model complexity (Hair et al., 2011). In terms of sample size, given the guidance by Mancha and Leung, (2012) of a minimum 200 respondents for SEM; as well as the views by Hair et al., (2010), of a minimum 150 sampling units for SEM models that comprise of seven or less constructs and have no under identified constructs, the current responses were found to be sufficient. With regards to the normality of distribution, the 360 responses which were complete and used for the study was above the threshold of 15 respondents for each parameter estimated to meet the assumption of multivariate normality Hair et al., (2010).

The chapter would henceforth begin with a discussion regarding the demographics of the respondents to the study. This was aimed at providing further insights into the contextual variables that informed the results from the hypotheses tested and highlight

any biases that may be assumed from the results. The results which stemmed from a covariance-based SEM conducted in IBM AMOS version 25 and mediation analysis are discussed. These discussions will follow the structure of the hypotheses discussed in Chapter three and discussed within the context of the literature reviewed in chapter two.

Thus, the discussions relating to the hypotheses will begin with a review of corporate image and its effect on brand loyalty, perceived quality and brand association. These discussions explore the signals that a company expresses through its corporate image and the effects on customer based brand equity constructs that were defined by Aaker, (1992). This is followed by a discussion on corporate image and its direct effect on the purchase intention of these brands as well as its indirect effects which occur through the brand equity constructs mediating the relationship between corporate image and purchase intention.

6.2.   Sample demographics

The sample distribution by age (Table 1) indicates an even distribution between participants from the different age groups. Thus, the results from each hypothesis are a balanced view from respondents across all age groups that are eligible to be considered part of the population and the results cannot be argued to be skewed to a specific generation. It is however critical to note that when considering results pertaining to corporate image, 57.7% of respondents had not purchased their vehicle from an Imperial dealership. Within the business perspective of the research problem in Chapter one, corporate image was discussed in the context of international OEM's entering the South African market through strategic partnerships, whereby the local company would distribute the products of the OEM at a wholesale level. Within this environment, the retail distribution channels would be through franchise agreements with various companies. In this study Imperial was the local wholesale company whose corporate image was tested. The results indicate that 57.7% of consumers did not have experience with Imperial at a retail level in comparison with 33.4% of respondents who had experience with the company at both wholesale and retail levels.

The signals expressed by Imperial would be consistent regardless of the level of engagement with consumers i.e. at wholesale only or retail and wholesale level. An argument may be made however that consumers perceptions of these signals and how they experience them may be nuanced depending on the varied levels that they may

have engaged with the firm at a wholesale only or wholesale and retail level.

It is critical to note that as a qualifying question that inferred an existence of experience with the brands, the mean scores on constructs such as perceived quality (μ = 5.93; SD = 1,03) formed separating equilibriums with regards to the quality signals sent by the car brand. The results were skewed to some brands more than others. 58.6% of respondents were Hyundai customers and 34.4% were Kia customers. Of the four brands that formed part of the survey, over 93% of respondents were from these two brands which have both been distributed by Imperial for over five years. As the volume drivers in the passenger market between these four brands (Figure 1), this was to be expected. It was also expected that Hyundai customers would form the highest number of respondents to the survey due to their sales volumes. In the context of this study, it is however viewed that there would be no sampling bias based on any demographical results.

The section to follow considers the results within the context of the literature reviewed.

6.3.   Hypothesis 1a: Positive corporate image influences brand loyalty positively.

All seven questions which were drawn from literature to represent corporate image were found to accurately measure corporate image. From the results it can be seen that consumers had a favourable image of the company with the mean score being 4.8 (SD = 1.20). Within these results, it is found that respondents scored the firm the highest with regards to the perceptions they had of it being successful, with a mean score of 5.1 (SD = 1.35). The firm was scored the lowest with regards to the perception that people have of the firm keeping them informed of what is happening in the company, with a mean of 4.1 (SD = 1.67).

Corporate image is known to be the perception held by people of a company (Brown & Dacin, 1997), net knowledge, impressions, beliefs or ideas that people may have of a company (Ko et al., 2013). It can be deduced from the mean scores on corporate image, that consumers have nuanced views of the entity as mean scores varied on the various questions, even though there were inter item correlations between them. The findings of this research that consumers held a favourable image of the entity is underpinned by viewpoints of Ko et al., (2013), who consider corporate image to be a net perception which would thus consider strong and weak aspects of the firms image.

Brand loyalty scores from drivers of the vehicles were reasonably high at 4.77 (SD = 1.74), although not to the point that consumers would not consider buying any other brands if their current brand was unavailable as LO3 from Table 6 scored 4.17 (SD = 2.14) which was the lowest scoring in the set of questions.

These results indicate that by Oliver's (1999) definition, there is a form of commitment to repurchase the brands based on the survey results (Shen et al., 2017), or at the very least a positively predisposed inclination towards the brands (Sasmita & Mohd Suki, 2015).

It was argued from the literature that a positive corporate image influences brand loyalty positively. The results from the study indicate that corporate image has a positive and significant effect on brand loyalty (Estimate = 0.413; P value = ***). The path coefficient from the structural model (Figure 7), indicates the direction and nature of the relationship tested between corporate image and brand loyalty. This was the first of three hypotheses tested which were investigating the relationship between corporate image and three CBBE constructs from Aaker's, (1992) model in Figure 3.

These results were contrary to the findings by Kim and Hyun, (2011), whereby the relationship between corporate image and brand loyalty existed, but the relationship was not significant. This however supports the findings by Aydin and Özer, (2005) that corporate image influences customer loyalty and the lack of significance in their results may have been due to market characteristics. It was argued by Jha et al., (2013) that through a reduction in uncertainty, there is an increased commitment to a brand in future. As the firm signalled an image of being: successful; product driven; well managed; with customer focus, the uncertainty that consumers may have had in the products would have subsequently been reduced through the association with the company possessing a favourable corporate image. The notion by Cossío-Silva et al., (2016) that products from firms perceived as market leaders in their industry, are presupposed to offer superior value to their competitors, as well as the view that perceived value is an antecedent to attitudinal loyalty, can be supported by the findings of this study. The company was seen as being successful and well managed, which may have influenced the perceived value that could be extracted from its products.

Driving cognitive loyalty ultimately results in conative loyalty, whereby consumers

commit to repurchasing a product (Shamah et al., 2018). It is clear that corporate branding initiatives that focus on establishing the credibility of a firm in terms of its success in the market, would bode well for the development of attitudinal or cognitive loyalty by consumers towards its products.

6.4. Hypothesis 1b: Positive corporate image influences perceived quality positively.

All observable variables that were utilised to measure perceived quality, were found to be reliable and the mean score of 5.93 (SD = 1,03) indicate the high perceptions consumers have on the excellence or superiority of the brands products (Tingchi Liu et al., 2014). It may be argued that the experience with the cars has created a separating equilibrium, with regards to the quality signals that may have been sent by the brands, being met through experience post the purchase of the vehicle (Bergh et al., 2014). This may be a contributing factor to the high mean score on perceived quality.

The relationship between corporate image and perceived quality was tested through the SEM, as the second construct of customer-based brand equity that formed part of the study. The results found that corporate image has a positive and significant effect (Estimate = .502; P value = ***) on perceived quality, which supported the hypothesis and findings by Kim and Hyun, (2011), who considered the image of the company as a whole and its influence on quality perception of the brands products. This may suggest to Kim and Hyun, (2011), that corporate image and its influence on perceived quality may not be a phenomenon of intangible and complex products only, where the corporate provides the quality assurance, but also on tangible high value items as well.

Within the responses on corporate image, the perception of the firm being a good corporate citizen mean score (mean = 4.59; SD = 1.43) was slightly below the latent variable mean (mean = 4.80; SD = 1.2). It was established in previous studies that company CSR influences perceived quality as high ethical behaviours of the firm build consumer trust and thus influence perceptions of quality over a firms products (Sierra et al., 2017).

Whilst it is not recommended for the measure of being a good corporate citizen to act as a proxy for ethical behaviour or CSR activities, it is noted that even though this was not a high scoring aspect of corporate image, the path estimate between the two latent

variables was strong. Whilst it can be argued to an extent that the results from the SEM relating to corporate image and perceived quality support the findings of Sierra et al., (2017), deeper studies may need to be conducted regarding the nuanced effects on perceived quality that may exist between aspect pertaining to ethical behaviours of a firm, in contrast to those pertaining to the success of a firm in its industry.

In the previous section, the reduction in uncertainty that corporate image develops on brands was supported by the H1a results. As perceived quality was found to be influenced by perceived risk (Chi et al., 2009), a compelling case can be put forward of a favourable corporate image possessing the ability to reduce uncertainty or risk on a brand and thus influence brand loyalty and perceived quality. Its relationship with brand association as the final construct of CBBE to be studied will follow in the following section.

6.5.   Hypothesis 1c: Positive corporate image influences brand association positively.

Hypothesis 1c sought to investigate the relationship between corporate image and brand association. The mean scores of brand association included AA7 which was subsequently removed following reliability and validity concerns. The mean scores of brand association from Table 8 were fairly high (mean = 4.80; SD = 1.02). Respondents scored higher than the overall construct mean on questions pertaining to the strength, uniqueness and favourability of the associations they had with the brands.

These results should be interpreted with the understanding that the respondents had previous experience with the brands, through either purchasing or owning them. Literature on brand association has presented the paradigms that find resonance within signalling theory in discussions pertaining to separating equilibriums, as it was postulated that previous experiences with a brand strengthen the associations that people ascribe to brands (Shekhar Kumar et al., 2013). The mean scores also support the notion that the greater the perceived quality of the brand, the more favourable the associations (Nguyen et al., 2011). Any support of this view, would still need to corroborated through statistical tests which do not form part of the scope of this study.

The results from the SEM study, presented in Table 19, indicate that corporate image has a positive and significant effect on brand association (Estimate = .546; P value = ***)

and consequently H1c is supported. This supports the views by Kim and Hyun, (2011) that good corporate image was a key tool that could be used to develop favourable associations of the brand in the consumers mind. Kotler's (1991) found commonalities between perceived attributes or benefits from the corporate image and product brand (Keller & Lehman, 2006). These may be ascribed to the confidence people may have in firms that are seen as successful, product focused and innovative (such as the firm in this study), to distribute products that are of high quality or of value to the consumer.

This does not discount the influence of the firm being perceived as a good corporate citizen as influencing brand associations, however drawing inferences from the study by Johnson et al., (2018), consumers value ability over corporate social responsibility as this informs product competence. The positive relationships that corporate image has with perceived quality and brand associations and the questions posed on corporate image which predominately focus on ability rather than social responsibility and their high outcomes give credence to the case made by Johnson et al., (2018).

6.6.   Hypothesis 2: Positive Corporate image has a positive influence on purchase intention.

It was previously presupposed in the beginning of Chapter two that credible corporate image signals that are processed in a similar manner by consumers may lead to purchase intention directly or indirectly through CBBE constructs. Hypothesis two investigates this direct relationship between corporate image and purchase intention.

The central tendency measures of purchase intention were fairly high, in contrast to central tendency measures of the other constructs, purchase intention was the highest. The central tendency measure of purchase intention was 5.46 and the standard deviation was fairly low at 1.59. The responses to these questions yielded similar mean scores however it was noticeable that PI1 in Table 9 which referred to the consideration to purchasing the product was higher than the construct score, with a mean of 5.57 and a standard deviation of 1.61.

Purchase intention was theorised as being categorised into planned, partly planned and unplanned buying (Chi et al., 2009). With motor vehicles being such high value purchases, which would require a fairly sizeable capital outlay or finance arrangement to procure, it was viewed as a partly planned or planned purchase decision. The partly

planned decision would refer to a consumer who may have decided on a vehicle segment beforehand but decide on the brand in store (Chi et al., 2009). Focusing on consumers who display partial buying characteristics or behaviours, the mean scores of PI1 finds further expression in this study. From the high mean scores for PI1 a case can be made that through experience with the brand, certain separating equilibriums were formed which presented a perceived value in the product. This subsequently enabled the brand to form part of the consideration set for consumers next purchase decision.

The results from the SEM with regards to H2 brings further nuances to the understanding of the relationship between corporate image and purchase intention. The results indicate that the relationship between corporate image and purchase intention is not statistically significant, and although the relationship is inverse, which could be translated to corporate image negatively affecting purchase intention, it is critical to note that the relationship is very weak (estimate = -.003; P value = .948). This contradicts earlier views that a favourable corporate image may directly create pre-purchase satisfaction that leads to purchase intention. It was earlier hypothesised that a corporate image holds a certain status' in society, and as Eastman et al., (2018) found that in consumption of luxury goods, purchase intentions were motivated by societal status, corporate image would influence purchase intention. The results do not contradict Eastman et al., (2018) altogether, but bring forth a nuanced view that whilst consumers may seek to be associated with companies with high corporate image, a favourable corporate image alone does not possess the gravitas in social status that consumers seek in society to warrant a purchase intention.

The section that follows investigates the influence of CBBE constructs within the relationship between corporate image and purchase intention.

6.7. Hypothesis 3: Brand loyalty mediates the influence of corporate image on purchase intention.

The results from H2 indicated that no direct relationship existed between corporate image and purchase intention. The value of corporate image within CBBE has been proven in H1a, H1b as well as H1c and it is justifiable to state that corporate image has a perceived value to consumers. Whilst this may not directly lead to purchase intention, research from Cronin and Taylor, (1992), finds that consumers prior expectations about the performance of the firm, informs the attitude that consumers have towards the

products and service that the firm offers and ultimately influences purchase intention. From this finding and the results from H2, it is evident that consumers develop expectations of a firm from its image, however these expectations inform the attitude that consumers have towards the products or services. These attitudes can thus be seen to be intervening processes that explain the relationship between corporate image and purchase intention, or in statistical terms be referred to as mediators (Hair et al., 2010).

Within the context of this study, the CBBE constructs were seen as these intervening processes that explain this relationship. Hypothesis three seeks to investigate the indirect effect of corporate image on purchase intention through brand loyalty, which acts as an intervening mediator. The results from Table 22 indicate that brand loyalty does not mediate the relationship between corporate image and purchase intention (coefficient = -.015; P value = .433). The results can be interpreted to indicate that there is no statistical relationship between a firm's favourable corporate image with consumers and the level of loyalty consumers have towards brands by the company, to generate a predisposition to purchase the brands products in future. Table 21 indicates that there is a strong positive direct relationship (estimate = .557; P value = ***) between brand loyalty and purchase intention and as indicated in H1a corporate image has a positive and significant effect of brand loyalty.

It can thus be seen that even though brand loyalty and purchase intention have a statistical positive relationship, and corporate image and brand loyalty have a statistical positive relationship, these relationships are separate and are not interlinked. The effects of corporate image to brand loyalty may be argued to yield other behavioural characteristics in consumers. A case can also be made to consider brand loyalty as a similar outcome to purchase intention, as in the rotated component matrix (Table 12), most of the brand loyalty variables loaded under the same component as purchase intention. Furthermore, the strength of the relationship between brand loyalty to purchase intention in Table 21, vis a vie the relationships between brand association or perceived quality to purchase intention may also give credence to the similarity of brand loyalty to purchase intention. The measures utilised to test brand loyalty were found to be reliable and valid and were sourced from the study by Boonghee; Yoo and Donthu, (2001), which are widely acceptable and credible. The same can be said regarding the purchase intention measures from Bian and Forsythe, (2012). To this effect, the discriminant validity tests in Table 16 indicates that the square root of the AVE of brand loyalty is larger than the correlation between brand loyalty and purchase intention and vice versa, thus the constructs are unique.

This discussion therefore attempts to bring to the fore the notion that by virtue of consumers being loyal to a brand, they have concomitantly developed an intent to possibly purchase it in future. Brand loyalty would thus be a behavioural intent from the consumer. Bringing a theoretical perspective on brand loyalty, Chaudhuri and Holbrook, (2001) referred to brand loyalty as a commitment by a consumer towards a brand and an intention to repurchase the brand. The "intent to repurchase the brand" can be interpreted as a purchase intention, to support the views of this discussion. Within the frame of this mediation analysis, corporate branding initiatives could be focused on developing brand loyalty only which may be sufficient to reach commercial business objectives.

6.8. Hypothesis 4: Perceived quality mediates the influence of corporate image on purchase intention.

Perceived quality was the second CBBE construct to be tested as an intervening process in the relationship between corporate image and purchase intention. Based on the findings by Shang et al., (2017) which contended that purchase intention is the result of pre purchase satisfaction, and the inferences developed therein that corporate image has an effect on perceived quality which ultimately leads to a purchase intention. These findings supported the notion that purchase intention was dependent on perceived value (Dehghani & Tumer, 2015), through the effect that corporate image has on perceived quality, a perception of value is created for the consumer which leads to a purchase intent.

The results from the study indicate that perceived quality fully mediates the relationship between corporate image and purchase intention as the indirect effect of corporate image on purchase intention via perceived quality proved to be a significant indirect relationship (Coefficient = .032; P value = .004). This is the first evidence in the study of the corporate brand affecting the product brand to the extent that consumers intend on purchasing the product and the mechanism behind this effect. Based on signalling theory, this presents compelling evidence to the effect of the indirect influences of corporate signals on purchase intention, through customer-based brand equity constructs.

Although H3 contradicted the findings of prior research concerning expectations of

consumers about the performance of the firm, informing their attitude towards the products and service that the firm offers and ultimately influencing purchase intention (Cronin & Taylor, 1992). The findings in H4 give evidence to the mechanism's in which Cronin and Taylor, (1992), views exist and supports the literature. These findings support the views that a pre-purchase satisfaction was created through the mediation of perceived quality. If a firm had a favourable corporate image, it may result in perceived quality of the brand, which may create a pre-purchase satisfaction that results in a purchase intention.

In considering the explanations to perceived quality proving to be a mediator and brand loyalty not, it is argued that brand loyalty is a behavioural intent or a determination to behaviour (Kim et al., 2008), perceived quality on the other hand is a judgement on the product (Tingchi Liu et al., 2014). In considering the mediation of CBBE on corporate image to purchase intention, it is argued that CBBE constructs relating to judgments on the products mediate, and CBBE constructs relating to behavioural intent do not mediate this relationship. The constructs of CBBE categorised as either being judgements are perceived quality and brand associations, the construct of CBBE that is categorised as being behavioural intent is brand loyalty. The discussions to follow on H5 will either support or contradict this viewpoint.

6.9. Hypothesis 5: Brand associations mediates the influence of corporate image on purchase intention.

In the study of brand associations, favourable evaluations towards a brand were determined as implying superiority of the product and thereby making inferences to the quality of the product (French & Smith, 2013). The inferences towards the superiority of the product would suggest that these are judgements placed on the products and the results from H5 would be similar to those from H4.

The results from H5 indicates that brand associations fully mediate the relationship between corporate image and purchase intention (coefficient = 0.037; P value = .000). Fundamentally the results support the hypothesis drawn from the literature that companies send signals to consumers that inform the attitudes consumers have towards the product and this influences their behaviour with respects to their intention to purchase (Cronin & Taylor, 1992). It is suggested that through informing consumers attitude towards a product, a form of pre-purchase satisfaction or perceived value is created that

affects purchase intention (Dehghani & Tumer, 2015).

The results also support the developing narrative in Chapter six that CBBE constructs relating to a judgement on a product mediate the corporate image signals in influencing purchase intention. The results do not however support the notion that CBBE constructs relating to behavioural intent do not mediate corporate image signals in influencing purchase intention, as in supporting one form of relationship of CBBE, a study does not contradict the existence of another form of relationship of CBBE to purchase intention. Further studies may need to be conducted on CBBE constructs that relate to behavioural intent and how they mediate corporate image and purchase intention relationships.

Finally, it was found that brand associations possess a level of resilience as consumers reject negative new associations as they create incongruencies in the overall brand image of the brand (Saenger et al., 2017). Thus, the favourable corporate image (Table 5), was congruent with the current network of brand associations (Table 8), which were favourable and thus resulted in these favourable images being able to influence consumers purchase intentions indirectly through the network of brand associations. This can be interpreted to mean that for corporate image to be mediated by brand associations, they both have to be either positively or negatively perceived by consumers. Whilst H1b results in Table 19 indicate that corporate image influences brand associations, it is argued that it enhances the network of associations. In exploring this topic further, it may be encouraged that a cause and effect study be conducted to test the resilience of brand associations and the level at which corporate image signals would inversely change associations that consumers ascribe to a brand i.e. if consumers had negative associations towards a brand, how strong would the corporate image influence need to be for consumers to change those negative associations into favourable ones.

6.10. Summarised research findings

From the discussion of the research results, Figure 8 portrays a graphical depiction of the results from the study, in the context of the conceptual model presented in chapter two. The research objective of understanding the relationship between corporate image, customer-based brand equity and purchase intention is achieved.
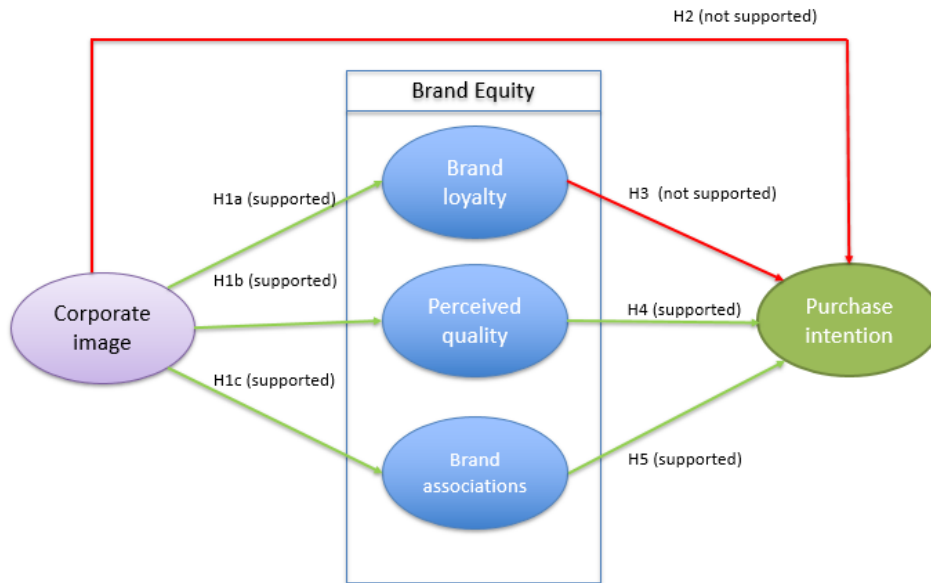
Figure 8: Summarised research findings

6.11. Chapter summary

This chapter entailed a succinct discussion of the results emanating from the study. The demographic discussion brought to the fore the contextual factors that may have influenced the results. The discussion then ensued to interrogate the results from each hypothesis in the context of the literature reviewed and juxtaposed these results with some of the results emanating from previous studies. Within each hypothesis discussion, the respective constructs were also discussed and some of the nuances in the results on the questions answered formed part of these discussions. The discussion led to the development of key insights for academics and business enterprises to consider.

7. CHAPTER 7 – CONCLUSION

7.1. Introduction

This study was formulated on the theoretical assumption that a favourable corporate image would form signals that would influence customer-based brand equity and purchase intention. This was motivated by the view that signals are responded to by individuals in a manner that implies a high degree of rationality (Drover et al., 2018). Nguyen and Leblanc, (2001) supported this view as they expressed by what means corporate image has a relationship with consumer behaviour and the lack of academic evidence available to this end. In further reviews of the relevant literature in this field, corporate image was attested to influence perceived quality, brand associations, as well as brand loyalty (Jha et al., 2013; Keller & Lehmann, 2006; Kim & Hyun, 2011). In the same respect, it was argued that corporate image influences pre purchase satisfaction (Shang et al., 2017), this pre purchase satisfaction was argued to be a favourable corporate image of the firm or a high CBBE of the product brand. Thus corporate image would influence purchase intention directly and indirectly through the customer-based brand equity constructs.

This became a pertinent field of study in emerging markets as the researcher articulated in chapter one, the various strategic partnerships, alliances and business combinations that have ensued to deliver global automotive products to the South African market. The significance of selecting the best local company to partner with, which would provide global partners with a competitive advantage with respects to their customer-based brand equity and how this translates to a purchase intent from consumers was brought to the fore.

This chapter concludes the research by articulating the fundamental findings that emanated from the research, the implications these may have on the respective academic and business societies. This chapter goes further into elaborating on the limitations that the researcher was cognisant of throughout this research, which exist in both the research methodology and other respects which should be considered in the readers interpretation. These findings, implications and limitations dovetail into the proposed suggestions for future research.

7.2. Principle findings

The research achieved its intended objective set out in chapter one of understanding the influence of corporate image on purchase intention and the role of CBBE in this relationship. The results of this study were summarised and discussed in chapter six, the findings expressed the extent to which the hypotheses supported or contradicted the literature. The rationality in consumers' responses to signals argued by Pecot et al., (2018) in respect to corporate image influencing consumers behaviour in a consistent manner was supported in these findings. This is due to the results from hypotheses 1a, 1b and 1c, if there were no consistencies in the manner in which corporate image influences the CBBE elements, the relationships would not have been found to be statistically significant.

Arguments were made by scholars that research on the image of a company and its influence on brand equity has a greater contribution in literature pertaining to business markets rather than consumer markets (Kim & Hyun, 2011). These were juxtaposed to previous findings which held that consumers' prior expectations relating to the performance of the firm, inform the attitudes consumers hold towards a product and thus influence purchase intention and thus illustrating the importance of such research in consumer markets (Cronin & Taylor, 1992). The study supported the literature which highlighted the relevance in consumer markets, as the results found that corporate image influences brand loyalty, perceived quality and brand associations which were all constructs of Aaker's, (1992) customer-based brand equity model presented in Figure 3 and thus pertinent fields of interest in consumer markets.

In determining the role of corporate image and the CBBE constructs in driving purchase intention, various perspectives from academic literature were considered and reviewed. The common theme in the literature indicated that purchase intention was a function of perceived value in the product (Bonsón Ponte et al., 2015; Wang & Hazen, 2016). A combination of the brand equity constructs were also proven to have influenced purchase intention (Foroudi et al., 2018). The results from Table 21 supported previous findings of brand equity constructs influencing purchase intention and thus brand equity was interpreted to be of value to the consumer in the purchasing decision. Juxtaposed with the findings from Table 20 which did not support H2, in that corporate image does not directly influence purchase intention and thus may not have been of value in the decision -making process.

Thus, in determining the branding dimensions that matter in consumers purchase intentions, these principle findings indicate that only the CBBE constructs should be taken into consideration and corporate branding should be ignored. The results from the mediation analysis presented further nuances to this view.

The results indicated that brand associations and perceived quality mediate the relationship between corporate image and purchase intention. They also indicated that brand loyalty does not mediate this relationship. These indicated that corporate image is of value in the consumer purchase decision, albeit through certain mediators. The discussion on these findings, brought to question, the mediation of behavioural characteristics of consumers, in comparison to consumer judgements based on their perceptions of the brands, and how corporate image interacts with these two perspectives.

7.3. Implications for academics

The findings contribute to the growing body of literature on branding in consumer markets and signalling theory. The results supported the views by Kim and Hyun, (2011) that results on corporate image and its influence to the CBBE constructs may provide different results if studied in another market. In the South African context, the results indicated that corporate image affects all three constructs significantly and thus propels the impetus for further investigations of these relationships in different industries and markets.

Whilst it was contended that consumers hold various types of associations with a company and these result in different influences on product evaluations (Berens et al., 2005), this study articulated on the various types of associations that exist in the South African automotive context and the nuanced influences they possess or do not possess. It thus created the propulsion to externally validate these findings in other industries in order for scholars to fully expand on the current theoretical frameworks on the antecedents and consequences of CBBE.

Not only are the antecedents and consequences to CBBE significant for academics, but the insights into the characteristics of each CBBE constructs and how they each interact with corporate image or purchase intention may be a cause for current CBBE models

utilised for business purposes be studied further and expanded upon. Furthermore, if corporate image is not a perceived value that directly influences purchase intent but CBBE, then its role in consumer markets needs to be clarified and explored further as academics would need to understand its overall value in relation to consumers. As decision makers in corporate become attuned to the value of a favourable corporate image by its stakeholders, it would serve them well to implement corporate branding initiatives to meet their goals with their respective stakeholder. This notion is supported in this study but limited to the company's relationship with its consumers and the development of CBBE is concerned (Heinberg et al., 2018). The firm has a multitude of stakeholders and its value to the remaining primary and secondary stakeholders may need to be further understood by academics.

7.4. Implications for business

In building on the findings by Heinberg et al., (2018), global businesses seeking to enter into the South African automotive industry, should be mindful of the role that the corporate image of a local distributor would entail in developing the product brand locally and influence consumers towards its products. The results inform business, that corporate image does not have a direct influence in developing purchase intention, but it does however have a direct influence in developing attitudinal brand loyalty. In the case of this study, attitudinal brand loyalty refers to the disproportional commitment to a unique value association of a brand and an intent to repurchase it (Chaudhuri & Holbrook, 2001; Leckie et al., 2016). In managing the relationships with their current customers, global brands may find value in partnering with a successful local distributor to enhance the current attitudinal loyalty consumers have with their products. The results may also motivate global entities to consider the effects of the local distributor on the other primary and secondary stakeholders to their brand in the local market.

The study also assists local corporates to examine the image that they are portraying to consumers. The validation of signalling theory from this literature should motivate companies to examine the existence of asymmetries or lack thereof between how the firm considered themselves to be perceived by consumers and how consumers actually perceive them (Cheung et al., 2014). Furthermore, local companies can develop targeted corporate branding strategies to enhance specific brand equity elements such as perceived quality or brand loyalty. The knowledge of brand loyalty being the strongest influencer to purchase intention may encourage companies to study loyalty further and

understand the antecedents to brand loyalty such as brand trust, or perceived value, or the functional attributes, or satisfaction with performance of the product (Cossío-Silva et al., 2016; Laroche et al., 2013; Shamah et al., 2018).

7.5. Limitations

The study was not without its limitations. In chapter four, the researcher delves deep into the limitations of the research methodology of the study. The study is conducted on previous consumers of the brands and thus their growing experience with the product may be skewed due to the overall product performance over the period. It was stated that consumers who may have recently purchased their vehicle, may be filled with the euphoria of the new vehicle purchase that their perceptions of the brand and their purchase intention may be different to consumers who have owned their vehicles for a longer period of time. Further evidence to support this limitation, can be found in the higher Kurtosis of the perceived quality constructs in Table 13. All of which ranged from 1.712 (QL3) to 2.556 (QL4) which although fell within the band of normality of 2.58 at a .01 level of significance, still indicate slight peeks more than other constructs (Hair et al., 2010). Consumers unanimity in their perceptions of quality may have been due to the sampling technique employed.

Consumers who have never owned nor purchased the brand may hold different perceptions regarding the perceived quality, brand associations and attitudinal loyalty towards the brand. They may also have different perceptions of the company whose corporate image was tested and thus these limitations in the diversity of the sample, limit the study's findings and its generalisability. The sample size of 360 participants, which was 4.8% of the sampling frame, is not representative of the entire population and the output cannot be generalisable to the entire population of economically active people who make purchase decisions on motor vehicles in South Africa. The sample size also limited the researcher in the level of analysis that could be conducted as there may have been merit in conducting the study for each brand individually and analysing the nuances in the results between large brands such as Kia and Hyundai to the responses from smaller brands such as Tata. However, at a 93% contribution to the total sample size, the results are taken to predominately reflect the views of Hyundai and Kia customers.

7.6. Suggestions for future research

It is therefore concluded that the study should be conducted in future across various automobile brands as separate studies and the results of each brands relationship with corporate image and purchase intention compared with the aim of providing deeper levels of insights into this topic. The topic of attitudinal loyalty as a behavioural outcome should be further investigated and the notion of attitudinal loyalty being an intent to repurchase the brand and thus a purchase intention should be further investigated as purchase intention may be found to not be a consequence of brand equity but rather a construct of customer-based brand equity. Scholars should also consider studying the relationship between corporate image and brand equity constructs that are found to be behavioural intentions in comparison to those that are deemed to be judgments on the products. The mediation of corporate image on brand equity constructs such as perceived quality and brand association which are judgements on the products (Tingchi Liu et al., 2014), in comparison to the mediation of corporate image on brand loyalty which is a behavioural intent (Kim & Hyun, 2011) will need to be studied further.

The study was conducted on a firm which had a positive corporate image and the mean scores on the brands CBBE constructs were also positive. Further studies may need to be conducted on the effects of a company with a negative corporate image on the CBBE constructs and purchase intention. Within the same context it may be prudent to study the cause and effect of a favourable corporate image on a brand with unfavourable CBBE constructs and the extent to which the corporate image can influence the negative CBBE constructs perceptions to positive perceptions towards the brands. Future research can test the level of resilience that Saenger et al., (2017) refers to in his vie of brand associations and their rejection of new associations, which are incongruent to the overall image of the brand. This can be studied utilising cognitive dissonance theory which states that inconsistencies incite discomfort in consumers (Fritz, Schoenmueller, & Bruhn, 2017). These inconsistencies are defined by Hinojosa, Gardner, Walker, Cogliser, & Gullifor, (2016) in their articulation of Festinger's (1957) views of when people who possess more than one cognition which contradict each other, they enter into an unpleasant mode of dissonance until they reach a level whereby they can alter their cognitions. The aspect of consumers rejecting new associations with the brand that are incongruent with the overall image of the brand can be studied in this context.

7.7. Conclusion

In understanding the role of customer-based brand equity on the relationship between corporate image and purchase intention, the study provided relevant insights into the role of corporate image in influencing customer-based brand equity constructs as well as the lack of direct influence corporate image has on purchase intention. The study also provided key insights into the mediating role brand associations and perceived quality, as well as the non-mediating role of brand loyalty, as customer-based brand equity constructs, to the relationship between corporate image and purchase intention.

To conclude, Wilkins and Huisman, (2014) had argued that corporate image alone is not sufficient to provide assurance on the success of the brand, whilst a favourable image may influence consumers perceptions of a brand, it did not influence their buying behaviour directly. Whilst this research supports the findings of Wilkins and Huisman, (2014), it also provided further perspectives on the role of corporate image in contributing to the success of a brand. Even though it may not directly influence purchase intention, its ability to influence perceived quality, brand loyalty and brand associations should be exploited as marketeers and strategists seek to develop brands. Its influence on purchase intention through brand associations and perceived quality as mediators should also be interrogated and exploited in this complex environment of businesses that deliver through other entities in the value chain.

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9. Appendices

9.1. Appendix A: Draft survey questionnaire

The draft questionnaire was developed to be used on the sample group. The brand loyalty, brand association, perceived quality and purchase intention questions were on each brand. The compulsory question answered on experience with the brand would take the respondent to the brand loyalty, brand association, perceived quality and purchase intention questions for that specific brand or disqualify them if they had not had previous ownership of a car from the respective brand.

Section A – Descriptive Data

1. **Demographic data**
   - Age
     - o 18-24
     - o 25-29
     - o 30-39
     - o 39-49
     - o 49 +
   - **Gender**
     - o Male
     - o Female
     - o Prefer not to say
     - o Other
   - **Have you purchased a vehicle from an Imperial dealership before?**
     - o Yes
     - o No
     - o Maybe
     - o Not Sure
   - **Please select one of the following vehicle brands that you have either owned or purchased: *****
     - o Tata
     - o Mitsubishi
     - o Hyundai
     - o Kia

o None of the above

*** compulsory question

2. Corporate image

Questionnaire will use the 7-point scale where 1 means
"poor" and 7 means "excellent".

When you think of the overall impression you have of **Imperial**
how do you rate them on:

- Being well managed

- Having customer focus

- Keeping you informed about what's happening with the company

- Being a good corporate citizen

- Being product driven

- Being successful

- Being innovative

2. Vignette

Now, thinking about everything you have rated so far for Imperial.   indicate your level
of agreement on the following statements with a score from 1 - 7 (1 = Strongly
disagree; 7 = Strongly agree), given that Brand is distributed by Imperial.

3. Brand Equity

All items will be measured on 7-point Likert-type scales, with anchors of 1 =
strongly disagree and 7 = strongly agree.

a. Perceived quality

- QL1 **Brand** is of high quality.

- QL2 The likely quality of **Brand** is extremely high.

- QL3 The likelihood that **Brand** would be functional is very high.

- QL4 The likelihood that **Brand** is reliable is very high.

- QL5 **Brand** must be of very good quality.

- QL6 **Brand** appears to be of very poor quality. (r)

b. Brand Loyalty

- LOI I consider myself to be loyal to **Brand.**

- LO2 **Brand** would be my first choice.

- LO3 I will not buy other brands if **Brand** is available at the store.

c. Brand association

- AA1 Some characteristics of **Brand** come to my mind quickly.
- AA2 **Brand** has strong associations
- AA3 **Brand** has unique associations
- AA4 **Brand** has favourable associations
- AA5 It is clear what **Brand** stands for
- AA6 I can quickly recall the symbol or logo of **Brand**.
- AA7 I have difficulty in imagining **Brand** in my mind. (r)

4. Purchase intention
Measures for individual characteristics will be rated on a 7-point Likert-type scale ranging from strongly disagree to strongly agree

- PI1 If I were going to purchase a **passenger vehicle**, I would consider buying this brand.
- PI2 If I were shopping for a **vehicle brand** the likelihood I would purchase this **vehicle brand** is high.
- PI3 My willingness to buy this **vehicle brand** would be high if I were shopping for a **vehicle brand**.
- PI4 The probability I would consider buying this **vehicle brand** is high.

9.2. Appendix B: Conceptual models

Conceptual models from academic literature that motivated this research's conceptual model.
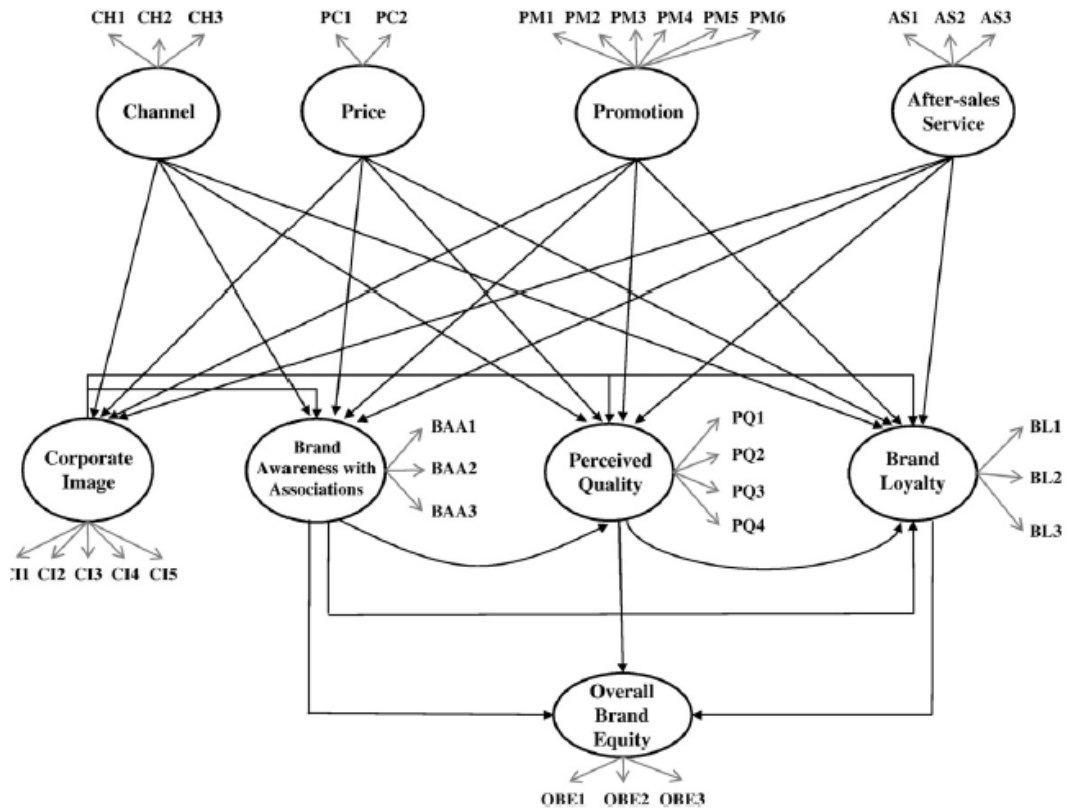

Figure 2 Structural-relationships among marketing-mix efforts, corporate image and brand equity (Kim & Hyun, 2011).
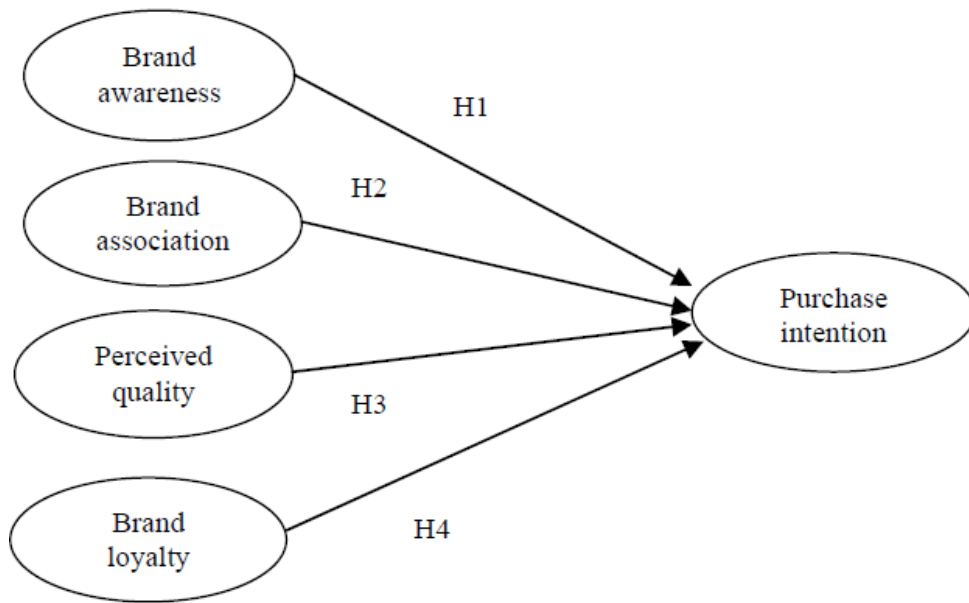
Figure 3 Brand equity elements relationship to purchase intention (Jalilvand et al., 2011)**.**

9.3. Appendix C: Consistency matrix

Corporate image and its' influence on customer-based brand equity and purchase intention.

10.

PROPOSITIONS/ QUESTIONS/ HYPOTHESES	LITERATURE REVIEW	DATA COLLECTION TOOL	ANALYSIS
1 Positive corporate image influences brand loyalty positively	Kim & Hyun, 2011 Aydin & Özer, 2005 Tingchi Liu, Anthony Wong, Shi, Chu, & L. Brock, 2014	Question 2 and 3b in questionnaire	Covariance based, structured equation modelling
2 Positive corporate image influences perceived quality positively	Kim & Hyun, 2011 Kevin Lane Keller & Lehman, 2006 Buil et al., 2013	Question 2 and 3a in questionnaire	Covariance based, structured equation modelling
3 Positive corporate image influences brand association positively	Kim & Hyun, 2011 Tingchi Liu, Anthony Wong, Shi, Chu, & L. Brock, 2014	Question 2 and 3c in questionnaire	Covariance based, structured equation modelling
4 Positive Corporate image has a positive influence on purchase intention	Ko et al., 2013, Eastman, Iyer, Shepherd, Heugel, & Faulk, 2018	Question 2 and 5 in questionnaire	Covariance based, structured equation modelling
5 Brand loyalty mediates the influence of corporate image on purchase intention.	Foroudi, Jin, Gupta, Foroudi, & Kitchen, 2018 Kim, Ferrin, & Rao, 2008	Question 2, 3b and 5 in questionnaire	Mediation analysis

6 Brand associations mediates the influence of corporate image on purchase intention	Foroudi, Jin, Gupta, Foroudi, & Kitchen, 2018 Kim, Ferrin, & Rao, 2008	Question 2, 3a and 5 in questionnaire	Mediation analysis
7 Perceived quality mediates the influence of corporate image on purchase intention	Foroudi, Jin, Gupta, Foroudi, & Kitchen, 2018 Kim, Ferrin, & Rao, 2008	Question 2, 3c and 5 in questionnaire	Mediation analysis

9.3. Appendix D: Pilot Study results

9.3.1. Corporate image

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.867	.876	7

Chronbach Alpha is above 0.7

Inter-Item Correlation Matrix							
	Being well managed	Having customer focus	Keeping you informed about what's happening with the company	Being a good corporate citizen	Being product driven	Being successful	Being innovative
Being well managed	1,000						
Having customer focus	0,823	1,000					
Keeping you informed about what's happening with the company	0,324	0,512	1,000				
Being a good corporate citizen	0,432	0,577	0,556	1,000			
Being product driven	0,535	0,479	0,333	0,426	1,000		
Being successful	0,463	0,600	0,140	0,446	0,638	1,000	
Being innovative	0,433	0,657	0,357	0,516	0,669	0,624	1,000

Inter item correlations all positive

Item-Total Statistics					
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Being well managed	30.53	25.999	.642	.822	.849
Having customer focus	30.53	23.805	.808	.894	.827
Keeping you informed about what's happening with the company	31.34	24.684	.472	.553	.877
Being a good corporate citizen	30.84	24.846	.652	.480	.846
Being product driven	30.44	23.931	.670	.729	.843
Being successful	30.28	26.209	.625	.652	.851
Being innovative	30.91	21.959	.714	.714	.838

Corrected item-total correlation all above 0.5 except for "keeping you informed about what is happening in the company". Was monitored not removed in the final study.

9.3.2. Perceived Quality

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.794	.848	6

Above 0.7

Inter-Item Correlation Matrix

	QL1	QL2	QL3	QL4	QL5	QL6
QL1	1.000					
QL2	.147	1.000				
QL3	.655	.338	1.000			
QL4	.723	.365	.903	1.000		
QL5	.756	.244	.780	.856	1.000	
QL6	.463	.224	.241	.284	.252	1.000

All positive

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
QL1	27.7188	22.015	.696	.679	.738
QL2	28.3438	21.588	.325	.208	.840
QL3	27.7188	21.886	.741	.816	.731
QL4	27.5625	21.093	.808	.883	.715
QL5	27.6563	21.136	.713	.778	.729
QL6	28.6563	21.588	.362	.276	.822

QL2 to be monitored

9.3.3. Brand Loyalty

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0,896	0,898	3

Above 0.7

Inter-Item Correlation Matrix			
	LOI1	LOI2	LOI3
LOI1	1,000		
LOI2	0,921	1,000	
LOI3	0,642	0,678	1,000

All positive

Item-Total Statistics				
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
LOI1	8,53	11,612	0,849	0,848	0,807
LOI2	8,59	11,217	0,877	0,860	0,781
LOI3	9,38	12,371	0,673	0,461	0,959

All corrected item-total correlations above 0.5

9.3.4. Brand Association

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.864	.855	7

Above 0.7

Inter-Item Correlation Matrix							
	AA1	AA2	AA3	AA4	AA5	AA6	AA7
AA1	1.000						
AA2	.844	1.000					
AA3	.794	.922	1.000				
AA4	.788	.859	.827	1.000			
AA5	.664	.796	.730	.840	1.000		
AA6	.098	.193	.253	.081	-.058	1.000	
AA7	-.034	.228	.276	.146	.297	.054	1.000

AA7 was reverse coded, AA6 to be monitored in final study

Item-Total Statistics					
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	**Corrected Item-Total Correlation**	Squared Multiple Correlation	**Cronbach's Alpha if Item Deleted**
AA1	32.0323	32.166	**.742**	.785	**.828**
AA2	32.1613	30.273	**.926**	.908	**.800**
AA3	32.3226	30.959	**.911**	.874	**.804**
AA4	32.0323	31.099	**.843**	.833	**.813**
AA5	32.1613	32.340	**.760**	.782	**.826**
AA6	31.2258	41.981	**.125**	.216	**.908**
AA7	31.0323	41.766	**.199**	.329	**.893**

AA6 to be monitored in final study

9.3.5. Purchase intention

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0,980	0,981	4

Above 0.7

Inter-Item Correlation Matrix				
	PI1	PI2	PI3	PI4
PI1	1,000			
PI2	0,891	1,000		
PI3	0,908	0,946	1,000	
PI4	0,915	0,935	0,965	1,000

All positive results

Item-Total Statistics					
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	**Corrected Item-Total Correlation**	Squared Multiple Correlation	**Cronbach's Alpha if Item Deleted**
PI1	14,45	19,856	**0,921**	0,850	**0,982**
PI2	14,71	20,146	**0,946**	0,904	**0,975**
PI3	14,84	20,073	**0,968**	0,948	**0,969**
PI4	14,74	20,065	**0,966**	0,943	**0,969**

9.4. Appendix E: Initial Measurement Model
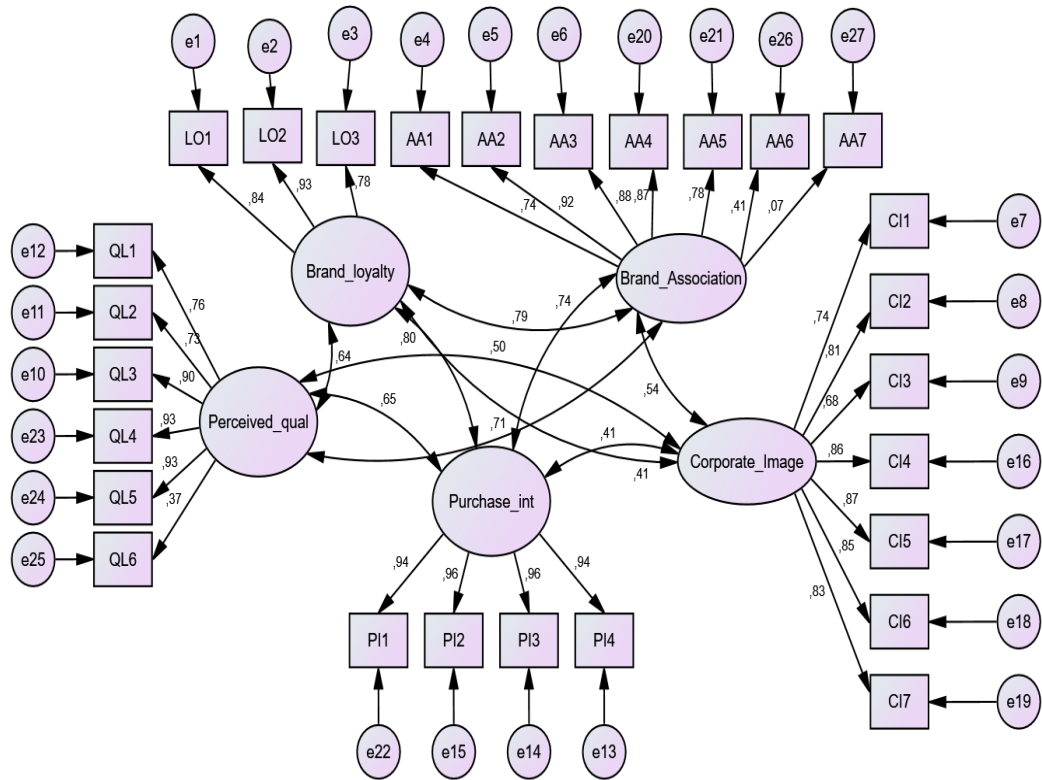
12 July 2018

Magasa Thato

Dear Thato

Please be advised that your application for Ethical Clearance has been approved.

You are therefore allowed to continue collecting your data.

Please note that approval is granted based on the methodology and research instruments provided in the application. If there is any deviation change or addition to the research method or tools, a supplementary application for approval must be obtained

We wish you everything of the best for the rest of the project.

Kind Regards

GIBS MBA Research Ethical Clearance Committee

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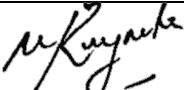
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   - No copyright laws have been broken by using copyrighted material without prior permission or acknowledgement.

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Student details

Surname:	MAGASA	Initials:	T
Student number:	17337080		
Email:	17337080@mygibs.co.za		
Phone :	072 150 8236		

Qualification details

Degree:	MBA	Year completed:	2018
Title of research:	GIBS		
Supervisor:	MIGNON REYNEKE		
Supervisor email:	mignon.reyneke@gmail.com		

Access

A.	My research is not confidential and may be made available in the GIBS Information Centre and on UPSpace.	X

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.

Signature:		**Date: 06/11/2018**
Supervisor signature:		**Date:** 06/11/2018

17. APPENDIX 5   CERTIFICATION OF ADDITIONAL SUPPORT

(Additional support retained or not - to be **completed by all students)**

Please note that failure to comply and report on this honestly will result in disciplinary action

I hereby certify that (please indicate which statement applies):

- ✓ *I DID NOT RECEIVE any additional/outside assistance (i.e. statistical, transcriptional, thematic, coding, and/or editorial services) on my research report: ……………………………………………………………………………*

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If any additional services were retained– *please indicate below which:*

- ✓ *Statistician*

- ☐ *Coding (quantitative and qualitative)*

- ☐ *Transcriber*

- ☐ *Editor*

Please provide the name(s) and contact details of all retained:

NAME   :   EMILE SAKER NKWEI
EMAIL ADDRESS   :   emile@osmozconsulting.co.za
CONTACT NUMBER :   078 780 3795
TYPE OF SERVICE :   Computing the statistics from results

NAME: …………………………………………………………………………………………...

EMAIL ADDRESS: …………………………………………………………………………..

CONTACT NUMBER: …………………………………………………………………………

TYPE OF SERVICE: …………………………………………………………………..

NAME: …………………………………………………………………………………………...

EMAIL ADDRESS: …………………………………………………………………………..

CONTACT NUMBER: …………………………………………………………………………

TYPE OF SERVICE: …………………………………………………………………..

I hereby declare that all *interpretations (statistical and/or thematic) arising from the analysis; and write-up of the results for* **my study was completed by myself without outside assistance**

NAME OF STUDENT: THATO MAGASA

………………………………………………………………………………………

SIGNATURE:
………………………………………………………………………………

STUDENT NUMBER: 17337080

……………………………………………………………………………….. ………

STUDENT EMAIL ADDRESS: 17337080@mygibs.co.za

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