

St. MARY'S UNIVERSITY SCHOOL OF GRADUSTE STUDIES



The Effect of Brand Image on Building Customer Satisfaction and Loyalty: In The Case of Hilton Hotel Addis Ababa, Ethiopia

By:

Habtamu Belay
ID SGS/0374/2011A

Research Advisor:

Zemenu Aynadis /Asst. Prof. /

**July, 2020
Addis Ababa, Ethiopia**

**"THE EFFECT OF BRAND IMAGE ON BUILDING CUSTOMER
SATISFACTION AND LOYALTY: IN THE CASE OF HILTON
HOTEL ADDIS ABABA, ETHIOPIA"**

**A thesis Submitted to St. Mary University school of Graduated
Studies in Partial Fulfilment of the Requirements for the Degree of
Master in Marketing Management**

BY

HABTAMU BELAY (ID SGS/0374/2011A)

**July, 2020
Addis Ababa, Ethiopia**

**ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES FACILITY OF BUSINESS AND
ECONOMICS**

**The Effect of Brand Image on Building Customer Satisfaction and
Loyalty: In The Case of Hilton Hotel Addis Ababa, Ethiopia**

BY

HABTAMU BELAY (ID SGS/0374/2011A)

Approved By the Examining Committee

Dean, Graduate Studies

Signature & Date

Advisor

Signature & Date

External Examiner

Signature & Date

Internal Examiner

Signature & Date

DECLARATION

I **Habtamu Belay**, hereby declare that the thesis entitled “**The Effect of Brand Image on Building Customer Satisfaction and Loyalty: In The Case of Hilton Hotel Addis Ababa, Ethiopia**” is my original work. I have carried out the present study independently with the guidance and support of the research advisor, Zemenu Aynadis (Asst. Prof). It hasn't been submitted to the award of Any other Degree, Diploma, Fellowship or other similar titles of any other university or institution and that all sources of material used for the study have been appropriately acknowledged.

Habtamu Belay (SGS/0374/2011A)
(Candidate)

Date

Zemenu Aynadis (Asst Prof)
(The Research Advisor)

Date

Table of Contents

ACKNOWLEDGEMENT.....	i
LIST OF ABBREVIATION AND ACRIMONY.....	ii
LIST OF TABLES AND FIGURES.....	ii
Abstract.....	iii
CHAPTER ONE.....	1
INTRODUCTION.....	1
1.1. Background of the study.....	1
1.2. Statement of the Problem.....	3
1.3. Research Questions.....	4
1.4. Objectives of the study.....	4
1.4.1 General Objective.....	4
1.4.2 Specific objectives.....	4
1.5. Research Hypothesis.....	5
1.6. Significance of the study.....	5
1.7. Scope and limitation of the study.....	5
1.7.1 Scope of the study.....	5
1.7.2. Limitation of the study.....	6
1.8. Organization of the research.....	6
CHAPTER TWO.....	7
REVIEW OF RELATED LITERATURE.....	7
2.1. Theoretical Literature.....	7
2.1.1. Introduction.....	7
2.1.2 Brand.....	7
2.1.3 Brand Image.....	8
2.1.4 Corporate/Hotel Image.....	8
2.1.5 Brand Benefits.....	11
2.1.6 Customer Satisfaction.....	11
2.1.7 Customer Loyalty.....	12
2.1.8 Customer Complaint.....	13
2.2 Empirical Literature.....	13

2.2.1. Corporate/Hotel Image, Customer Satisfaction and Customer Loyalty	18
2.3. Conceptual Framework.....	19
CHAPTER THREE	21
RESEARCH METHODOLOGY	21
3.1 Research Approach	21
3.2 Research Design.....	21
3.3 Population and Sampling Techniques	22
3.2.1 Population Definition	22
3.2.2 Sampling Technique.....	22
3.2.3 Sample Size	22
3.4. Types of data and tools/ instrument of data collection	23
3.4.1. Source of data	23
3.4.2. Measuring Instruments.....	23
3.5. Procedure of Data Collection	24
3.6. Method of Data Analysis.....	24
3.7. Validity and Reliability.....	24
3.7.1 Validity	24
3.7.2 Reliability.....	25
3.8. Ethical Considerations.....	25
CHAPTER FOUR	26
RESULTS AND DISCUSSION.....	26
3. Results/Findings of the Study	26
4.1Sample and response rate	26
4.3. Respondents' profile	26
4.4 Reliability Test	28
4.4. Descriptive analysis.....	28
4.5. Correlation Analysis	32
4.6. Regression Analysis	34
4.7. Hypothesis testing.....	40
4.8. DISCUSSION.....	41
Chapter Five	43
Conclusion and recommendation.....	43

5.1 Conclusion..... 43

5.2. Limitation of the study..... 44

5.3 Recommendations 45

References 46

Appendixes:-

Annex A- Amharic Version of Questionnaire

Annex B- English Version of Questionnaire

Annex C-SPSS Output

ACKNOWLEDGEMENT

First of all I would like to thank to the almighty God and his mother who gave me the courage and power to finish this paper. My gratitude also goes to my advisor Zemenu Aynadis (Assistant professor), who had spent his precious time in advising and correcting on my draft proposal and my paper as a whole.

It would have been worthless to write this page without mentioning my beloved wife Tigist Mekkonen who have been my strength from the beginning my master's program up to this final point and also I need to pass my dearest love and appreciation to my beloved daughter Atnasiya Habtamu who have been cheering me up with her lovely words when I needed the most in the middle of my study at home as well as my thesis work.

My special thanks goes to Hilton Hotel Addis Ababa, management and staffs who gives me the permission to collect the data for my research paper and supporting me during collection of the questionnaire. also my special thanks goes to the respondent of the questionnaire who were very willing to respond even with this difficult and pandemic time on the ward, because without their response the paper will not be this alive.

Finally I would like to give my thanks to the owner of the organization in which currently working Mr. Tasew Biru who have been willing for the time as well as supporting the tuition fees. Without his support it will never be true.

List of abbreviation and acronymy

AMA -American Marketing Association,

AHA- Addis Ababa hotel owners association

WOM -Word of Mouth Communication

SPSS- Statistical Package for Social Sciences

VIF-Variance Inflation Factor

SOM - Self-Organizing Maps

List of Tables and Figures

- List of Tables

Table 2.1: Summarized Information Related to Reviewed Studies

Table 3.1: Measure of internal consistency

Table 4.1: Sample and response rate

Table 4.2: Summarizes the profile of the respondents

Table 4.3: Cronbach's alpha of independent variable

Table 4.4: Descriptive statistics of functional benefits

Table 4.5: Descriptive statistics of experiential benefits

Table 4.6: Descriptive statistics of symbolic benefits

Table 4.7: Descriptive statistics of customer satisfaction

Table 4.8: Descriptive statistics of customer loyalty

Table 4.9: correlation analysis between variables

Table 4.10 a. Regression analysis result for brand image benefits and customers' satisfaction

Table 4.10 b. Regression analysis result for brand image benefits and customers' satisfaction

Table 4.10 c. Regression analysis result for brand image benefits and customers' satisfaction

Table 4.11a: Regression Analysis of Brand Image Benefits and Customers' Loyalty

Table 4.11b: Regression Analysis of Brand Image Benefits and Customers' Loyalty

Table 4.11c: Regression Analysis of Brand Image Benefits and Customers' Loyalty

Table 4.12: Mediating effect of customer satisfaction

- List of figures

Figure 2.1: Figure 2: conceptual framework

Abstract

The main objective of the study was to assess the brand image benefits that affect customer satisfaction and loyalty and also assess the level of customer satisfaction and loyalty on brand image of Hilton hotel Addis Ababa. To this purpose the researcher has studied the customer satisfaction and loyalty of the hotel using brand image benefits. The researcher uses the qualitative method with the nature of both descriptive and convenience sampling technique was used in the study to take a sample from the population. A total sample of 384 who have taken a hotel service in Hilton hotel Addis Ababa was taken as respondents. A questionnaire was designed based on the brand image benefits in order to examine all the three factors of brand image. The researcher uses the non probability sampling technique which is convenient sampling. The analysis result shows that symbolic benefits has the highest mean value followed by experiential and functional brand image benefits respectively. The independent variables functional benefits, experiential benefits and symbolic benefits has strong and positive relationship with customer loyalty, on the other hand, functional benefits, experiential benefits and symbolic benefits has strong but relatively low relationship with customer satisfaction respectively. The results of regression analysis show that functional brand image benefits and symbolic benefits have impact on customer satisfaction. However, experiential benefits have negative impact on customer satisfaction. On the other hand functional benefit has positive impact on customer loyalty, followed by experiential and symbolic benefits respectively, As a result the research hypothesis H1 and H2 has accepted because it has a significant impact on customer satisfaction and loyalty, however, H3 which is mediating effect of customer satisfaction between brand image and customer loyalty is rejected because it has not significant impact. finally, researcher recommended that since functional brand image benefits, experiential and symbolic benefits has a lower or moderate mean value; hotel shall improve the areas presented on the recommendation part to boost customer satisfaction and loyalty.

Keywords: *Brand, Brand Image, Brand Image Benefits, Customer Loyalty, Customer Satisfaction*

CHAPTER ONE

INTRODUCTION

1.1. Background of the study

The definition of a product or service brand has received different views as much as there are authorities in the field. According to the American Marketing Association, AMA (2013), a brand is a term, design, name, symbol or any other features that distinguish one company's product to the others. On his part, Keller (2003), pointed out that a brand image is the set of beliefs, ideas and impression that a person holds regarding to an object. Further, Koo (2003), added that brand image is useful to drive loyalty, brand equity, brand performance and purchasing habits of customers.

Brand Image is the impression in the mind of customers of a brand's total personality which may be imaginary or real shortcomings and qualities. Brand gives different feelings for customers depending business industry type. For example, Brand image in hotel may give trust and security Feelings Company's brand image is possible to reveal social responsibility. Rahi (2015) *"The marketing strategy of current companies is measuring their performance by the brand image and it is a significant predictor of success"*. Thus, Companies develop their brand image depending on the market segment and business purpose.

Brand image directly relates to customer satisfaction and brand loyalty and these topics were popular studied among business researchers for many years. Nam and Ekinici (2006) explained satisfaction like: *"a person's feeling of pleasure or disappointment resulting from comparing a product's perceived performance (or outcome) about his or her expectations."* In other words, it is the difference between product or service performance and consumer expectation. If a customer gets satisfaction while using particular brand product or service, they want to purchase again specific the brand, and it leads to creating brand loyalty. The primary purpose of marketing strategies is the maintenance and development of consumer brand loyalty to create healthy competition in the market and increase service or product differentiation (Davicik and Sharma, 2015).

Brand loyalty is a general marketing concept that gives attention for the development of long-term relationship among customer and brand. It is used to evaluate the performance of marketing

strategies and brand equity (Chi & Yeh, 2009). Aghekyan-Simonian & forsythe J (2012) identified, “Brand image has specified impact on loyalty intentions that is customer repurchase intentions.

Furthermore, building strong image could be considered as an asset which assists in attracting new customer and retaining existing once, in light of this, Hague (2001), expressed brand image in terms of its merits to both companies and customers. The advantages of strong brand image for the company are company will have best price and demanded product. As a result there will be a good flow of information between company and customers and the process makes customer satisfied.

Many studies have been conducted on the association of corporate/hotel image with customer satisfaction and customer loyalty such as Kandampully & Suhartanto (2000), of which will be reviewed in the empirical literature review part of the research. The example here is that, the result of the study by Kandampully and Hu (2007) revealed that corporate image has a strong impact on customer loyalty. Moreover, Based on Kandampully & Suhartanto (2000), the combined effect of hotel image and customer satisfaction on customer loyalty is very high.

The aggressive nature of hospitality industry in attaining service perfection drives hotel operators to constantly seeking for a new approach in building strong positive experience towards their customers (Liat & Rashid, 2013). Subsequently, it is vital for hotel operators to stay adhered concerning the present and future needs to advance in the business and to react towards the needs and wants of hotel guests. Innovation and creativity is a crucial element in maintaining competitive edge in this industry (Lahap, O’Mahony & Dalrymple, 2014; Tigu, Iorgulescu & Ravar, 2013). Thus, hotel operators have to explore hard especially in creating unique and distinctive service features that be able to meet and exceed customer’s expectations (Liat & Rashid, 2013). Hence, this research is conducted to study on how brand image could affect to customer’s satisfaction and customer loyalty in Hilton Hotel Addis Ababa.

1.2. Statement of the Problem

Gobena & Gudeta, (2013) depicted that the hotel industry in Ethiopia has been developing very fast but there is still a big room for improvement when it comes to the quality of service. Again yabibal, (2010) said that lack of trained man power and ability to retaining the trained staff is a major bottleneck in hotel industry.

The satisfaction of customers is a result of their perceived service quality (Dedeoglu, Demirer & Okumus, (2015). Furthermore the higher the perceived service quality, the more satisfied customers are, which intern creates loyalty, and this may result customer returning to the hotel and recommending to others (Keith and Simmers, 2013).

Customer always searches for quality regardless of how much they will pay. Therefore, it is very obvious that there is a lot that should be improved with service quality to achieve desired customer loyalty. Improvement of overall satisfaction is what leads to greater loyalty and repeat customer retention (Rungting, 2004).

Hilton Addis Ababa hotel is the first international chain hotel in Ethiopia which has more than 50 years of experience in the hotel industry (Addis Ababa Hotel Owners Association, 2019). It is also expected that the hotel has strong brand image. However, over the past two decades competition among other international brand hotels, old age, and labour dispute between staffs and management minimized the image of the hotel that affect the service standard of the brand provided by the hotel.

According to ministry of culture and tourism star rating report (2017), cited by (fortune, Jan 2020). Lack of renovations, mismatched furniture, worn carpets and leaking ceilings led the hotel to a three star rating. Consequently, the star rating also showed that the service provided by the hotel has a gap.

The positive attitude of employees that is helpfulness, motivated, friendly, energetic, disciplined and confidential employees have a significant contribution for the satisfaction of the guests. However, as indicated above the dispute mostly observed between management and staffs leads to work with less attention to the service also some of the employees are not well trained, motivated and hospitable enough to serve guests up to the standard of the brand expected by the guest.

The architectural style and infrastructural availability of the hotel is also very important part in delivering the service from the customer point of view. It has also a very big impact on the success and profitability of the hotel (Petrillose & Brewer, 2000), However, as depicted by yabibal, (2010), in this hotel, infrastructural problems such as poor internet connection, shortage of power supply and shortage of water are a major source of complain by guests. The above mentioned gaps affect the service quality dimensions and resulted in negative brand image which leads customers' dissatisfaction. This study therefore, examines the effect of brand image on customer satisfaction and loyalty in Hilton hotel Addis Ababa.

1.3. Research Questions

The following basic research questions were answered in the course of the study.

- How does brand image affect customer satisfaction?
- How does brand image affect customer loyalty?
- Does customer satisfaction mediate the relationship between brand image and customer loyalty?

1.4. Objectives of the study

1.4.1 General Objective

The general objective of this study is to examine the effect of brand image on building customer satisfaction and loyalty.

1.4.2 Specific objectives

The specific objectives include:

- To examine the relationship between brand image and customer overall satisfaction
- To examine the relationship between brand image and customer loyalty
- To describe the mediating role of customer satisfaction in brand image-customer loyalty relationship.

1.5. Research Hypothesis

After the review of various literatures in the area of brand image the following hypothesis were formulated for analysis.

H1: Brand image has significance effect on customer satisfaction

H2: Brand image has significance effect on customer loyalty

H3: Customer satisfaction has mediating effect in relationship brand image-customer loyalty.

1.6. Significance of the study

Since, Hilton hotel Addis Ababa is operating internationally; it should be able to compete and fulfil customers' needs. The hotel's should also generate high level of customer satisfaction and create favourable condition for the image and reputation. Image and reputation may help the hotel's in building strong customer relationship and ensure loyalty.

The study is expected help Hilton Hotel Addis Ababa to stay competent in the industry and also assist managers to know the most important brand image parameter which is the base for its acceptance and enhance customer satisfaction and loyalty level. The study also helps managers to update the most valuable brand image measurement points or checklists along with technological and economic development. Besides, the findings of the study will help managers to train employees on the significant of brand image dimensions for better quality service.

The study may serve as a guide line for those interested investors who want to participate in the hotel sector. The study also helps officials of the industry to monitor and control on the benefits of brand image.

Moreover, the study expected to help the researchers for enhancing his knowledge level and can be used for further researches as a stepping-stone.

1.7. Scope and limitation of the study

1.7.1 Scope of the study

In order to conduct the research manageable the researcher is focus its scope on geographically, conceptually and methodologically.

1.7.1.1. Geographically

Due to a shortage of time and budget, the research only focuses on Hilton hotel Addis Ababa.

1.7.1.2. Methodologically

The researcher use descriptive research in which descriptive research allow the researcher to describe the study systematically, factually and accurately utilizing facts, behaviours and relationship between the phenomena's being studied.

1.7.1.3. Conceptually

This study specifically focuses on exploring effect of brand image on building customer satisfaction and loyalty. Therefore, the study is delimited its content only on the concepts of brand image, customer satisfaction and loyalty perspectives with respect to the stated brand not with specific complex business detail.

1.7.2. Limitation of the study

Different bottlenecks might be hampering the smooth flow of the research. This required the researcher to show extra ordinary patience and commitment to accomplish the research. The expected limitation of this study includes:

- The respondents may not give honest and trust worthy respond.
- The covid-19 pandemic and the associated consequences. ,
- It may be difficult to get the support of managers and supervisors to be interviewed.

1.8. Organization of the research

The research paper contains five chapters. The first chapter presents the introduction part which consists of background of the study, statement of the problem, objective of the study, hypothesis, and significance of the study, scope of the study, limitation of the study and organization of the study. The second chapter presents review of related literature of the study. The third chapter focuses on research design and methodology. The fourth chapter concentrates on the data presentation, analysis and interpretation. The last chapter presents the summary, conclusion and recommendations. Finally, list of reference, bibliography and appendix is included as supplemental part of the paper.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1. Theoretical Literature

2.1.1. Introduction

This chapter discusses both theoretical review and empirical review of the study. Theoretical review discusses brand, brand image, brand image benefits, customer satisfaction, customer loyalty, relationships and comparisons of brand image with different factors and relationship between customer satisfaction and customer loyalty. Empirical review also shows the relationship between the variables and the impact of independent variable on dependent variable is depicted in the table. Finally, based on the literature review conceptual framework and hypothesis of the study are discussed

2.1.2 Brand

A brand can be described as sign or design characteristics that make unique a company's products from the rest. It entails promotion, advertisement, and packaging of products by a company. However, Different scholars have fronted various definitions of branding. Some researchers have argued that branding is the same as marketing (Özçelik, 2015). However, while there is a slight deviance in the definitions provided by different scholars, all of them agree on a mutual denominator. They argue that branding seeks to breach the gap between the customer's knowledge about an organization's brand, and the employee's knowledge about the company's brand. In this respect, this report takes two definitions. In view of Punjaisri and Wilson (2016), branding refers to the set of tactical processes that empower and align personnel to deliver the most suitable customer experience to realize brand performance in a consistent manner. The processes include communications, reward and recognition programs, as well as sustainability factors. Branding, according to Müller (2016), are the activities undertaken by a company to ensure that employees enact and deliver the brand promise that reflects the espoused brand values aimed at setting the expectations of the consumers. From the two definitions, we can establish that there are certain keywords. We have, on one hand, customer expectations, and customer experience, and on the flip side, we have delivered by workers, and empower employees. The two definitions hence imply that for branding to take place, employees must be

empowered to deliver the company brands in line with the expectations and experience of the customers.

2.1.3 Brand Image

Brand image is defined by Keller (2003) as a strong, favourable with unique brand association in recognition, which will result in positive attitude, perceived quality and positive affect in overall. He also states that brand image has been widely accepted in literature that is the perception existing in the memory of the customer.

Developing a set of brand beliefs by consumers/customers about where each brand stands according to various attributes is also important (Kotler 2003:206). The set of beliefs about a brand eventually comprises the brand image. A consumer's brand image will vary according to his/her experiences of the brand, as filtered by the effects of selective perception, selective distortion, and selective retention. Kotler (2001) defined image as "the set of beliefs, ideas, and impression that a person holds regarding an object" (P. 273). According to Keller (2003) image of the brand exists in the consumers' mind and depends on the associations that consumers have; to have a good image the brand must have unique, strong and favourable associations.

According to Hsieh, Pan, and Setiono (2004), *"A successful brand image enables consumers to identify the needs that the brand satisfies and to differentiate the brand from its competitors, and consequently increases the likelihood that consumers will purchase the brand"* Brand image has been conceptualized and operationalized in several ways. It has been measured based on attributes (Kandampully & Suhartanto, 2000).

2.1.4 Corporate/Hotel Image

Corporate image has been identified as an important factor in the overall evaluation of a firm (Bitner 1990). It is also argued to be what comes to the mind of a customer when they hear the name of a firm (Nguyen 2006). There are two principal components of corporate image: functional and emotional. The functional component is related to those tangible characteristics that can easily be measured, such as the physical environment offered by the hotel; the emotional component is associated with those psychological dimensions that are manifested by feelings and attitudes towards an organization. These feelings are derived from the numerous experiences with an organization and from the processing of information on the attributes that constitute

functional indicators of image. The association between corporate image and a hotel's offering is much more difficult to pinpoint because of the large intangible component of the hotel's offer. Rendering the intangible components tangible is therefore imperative if the hotel is to communicate quality and value to its customers (Kandampully & Hu 2007).

Hotel image is believed to play an important role on a customer's decision to use a hotel. Corporate image is mainly derived from customers past experiences. Thus, a customer's experience with the hotels' services is considered to be the factor most influential in determining their image of the hotel (Kandampully *et al.* 2000). (Echtner and Ritchie 2003), based on studies conducted on store image, identified two dimensions of image—"holistic" and attributes." The holistic dimension refers to a person's mental picturing of the phenomena as a whole, as opposed to a mere collection of independent stimuli (Zeithaml & Bitner 2012). In other words, the holistic or imaginary element of image encompasses the total impression and feeling of the phenomena engendered from any or all of the senses. The attributes dimension refers to the facilities and physical environment that forms and influences the phenomena (Echtner *et al.* 2003).

Moreover, image is considered to be an important variable in influencing marketing activities. Image is important for any organization, due to its ability to influence customers' perception of the goods and services offered (Zeithaml *et al.* 2012). As a result, image impacts on customers' buying behaviour, and this highlights the importance of maintaining a desirable image. Researcher have identified a number of factors that determine image. Norman (1991), for example, argued that image is built up in the customer's mind through the combined effects of advertising, public relations, physical image, word-of-mouth, and the customer's actual experiences with the goods and services. From these determinants, Norman (1991), deemed the customer's experience with the products and services to be the most important factor in the development of image. Similarly, Grönroos (1983), contended that image is formed by the service quality (both technical and functional quality), by traditional marketing activities (such as advertising, public relations, and pricing), and by external influences (such as tradition and word of- mouth). According to Grönroos (1983), it is service quality that represents the single most important determinant of image. Contact personnel and physical environment are used by many hotels, to successfully communicate the benefits Nguyen (2006), essentially creating a more concrete and perceivable image to its customers. Although the quality of service is "defined" by

the customer, but “created” by the employees, it is the “human factor” that holds the ultimate balance of quality in-service industries. Service providers not only deliver and create the services but are often seen as synonymous to the firm in the eyes of the customer (Surprenant and Solomon 1987). For example, Ritz Carlton hotel’s Credo “*we are ladies and gentlemen serving ladies and gentlemen*” communicates a strong service “image” to both its customers and its employees simultaneously (Bacon and Pugh 2004). To Ritz Carlton both these customer groups (external customers and internal customers) are essential not only to the firm’s success, but also to maintain a superior service image in the market. Ritz Carlton clearly communicates their firm’s service superiority by showcasing their world class employees (Bacon and Pugh 2004). To Ritz Carlton, its employees are the “ladies and gentlemen” of the hotel profession – the elite hotel professionals – who inherently familiar with how best to serve “ladies and gentlemen”. Thus the employee induced image communicates superior service to the firm’s customers. To support its world class employees, Ritz Carlton has also developed numerous service focused strategies such as empowering employees to use towards anything that will enable employees to create an out of the ordinary experience for customers (Bacon *et al.* 2004). Grönroos (1984) argued that service quality and the subsequent image gained by the firm are derived through two distinctly different dimensions namely: technical quality; and functional quality. Functional quality addresses “how” the service is offered, and considers issues such as the behaviour of customer-contact staff and the speed of service, whereas, technical quality addressed “what” is offered, and considers such issues as the end result of service provision(Kang 2006). In a hotel context, the functional aspects of services (how they are offered) has a much higher probability of influencing customers’ emotional feelings, than the technical aspects(what is offered) (Kandampully & Hu 2007). The functional aspects of the service enhance value and provide a memorable experience to the customer. Several authors have suggested that valuation of service quality should include both sets of attributes (Glynn Mangold & Babakus 1991, Baker and Lamb1994).

Theory suggests that employees service mindedness and thoughtful action enhance customer perception and therefore, lead to favourable hotel image (Mimic, Little and Dean 2006). Researchers have found image to be a very complex concept in that it is more than just the summation of all the factual attributes of a firm. Image is influenced by the interactions among

all factual and emotional elements of a firm in generating consumer's impression and suggesting a "gestalt" view of the firm's image (Dichter 1985, Keaveney and Hunt 1992).

2.1.5 Brand Benefits

"Benefits are the personal value consumers attach to the product attributes that is, what the consumers think the product can do for them" (Keller, 1993, Park, Wu, Robertson, 1986). The benefits were stated as:

- Functional benefits: Refer mainly to physiological and safety needs, as well as to desires for problem removal or problem avoidance.
- Experiential benefits: refer to what it feels like to use the product. They are related with sensory pleasure, variety and cognitive stimulation.
- Symbolic benefits: relate to underlying needs for social approval or personal expression and outer-directed self-esteem.

2.1.6 Customer Satisfaction

Customer satisfaction can be seen as a customer's perspectives in which his or her needs, wants, and expectations throughout the product or service life cycle have been met or surpassed, bringing about ensuring repurchase and delay unwaveringness (Usta, Berezina & Cobanoglu, 2014). Customer satisfaction is a business beliefs which leads to the creation of value for customers, anticipating and managing their expectations, demonstrating ability, and responsibility to satisfy their needs (Dominici & Guzzo, 2010). If the hotel industry can easily understand and satisfy customer needs, they will conceivably make greater profits than those who fail to satisfy them. Dominici *et al.* (2010) also stated that as the cost of attracting new customers is higher than the cost of retaining the existing ones, therefore, managers must focus on retaining the existing customers by improving policies and procedure in managing customer satisfaction and customer loyalty. Customer satisfaction is the most important criteria in determining the quality of service delivered to customers through the products or services and other supplementary services (Wai & Low, 2005).

Customer satisfaction is mainly derived from the physiological response with the perceptual difference gap between expectation before consumption and practical experience after consumption of service or products. It implies an accumulated temporary and sensory response.

Therefore, under such a specific consumption setting, it frequently influences the overall attitude and decision making when customers purchase products or service (Lee, Hsiao, & Yang 2010).

Satisfaction refers to the consumers or receivers' positive emotion about product or service. Indeed, this emotion is created through satisfying customers 'expectations or suppliers' performance. Also degree of satisfaction or dissatisfaction depends on the relationship between customer's expectations and supplier's performance (Dadkhah, 2009).

Customer satisfaction became among the most important antecedent that the hotel management needs to achieve while delivering services to customers. Customer satisfaction, leads to various effects and it was known to be an indicator of a company's future income and profit (Forozia, Zadeh & Gilani, 2013). In other word, service provider of hotel industry should put a priority in fulfilling customer's need as their main objectives. Furthermore, customer satisfaction has become the determinant and predictable aspects of success, therefore, hotels are not able to compete with their rivals without satisfying customers (Forozia *et al.* 2013). They further asserted that customer satisfaction analysis helps hotel operators to assess their weaknesses and flaws, solving customer's real needs and wants. In addition, Mohajerani & Miremadi (2012) postulated that customers' satisfaction will occur when customers 'perception are met or exceeds customer's expectation. Similarly, Mohajerani & Miremadi (2012) stated that customer satisfaction is defined as the individual's perception of a performance of products or services that tailored to his or her expectation. This means that if a hotel is able to fulfilling customer needs, in return they will be satisfied vice versa.

2.1.7 Customer Loyalty

Customer loyalty means a commitment to doing business with specific organization and continuously purchase of certain goods and services. In another definition, loyalty is a strong commitment to repurchase a product or service of organization in the future if the product despite the potential impact of marketing efforts of competitors. Maintaining current customers is more logical than attracting new customers. Increase in profits of 25 percent to 95 percent is attainable, with only a mere 5% increase in customer maintaining cost (Reichhards & jones 2008).

It is very important to understand how we should measure loyalty. Although there are three approaches that can be used to measure loyalty (i.e. behavioural, attitudinal, and composite

approaches), most researchers resorted to attitudinal measurement in terms of intention to repurchase and intention to recommend as an indicator of loyalty (Kandampully & Suhartanto, 2000).

Service loyalty is indicated by repeat purchases or repurchases intentions (Heskett, Jones, Loveman, Sasser, & Schlesinger, 1994), Favourable word-of-mouth and recommendations (Zeithaml, Bitner., 1996).

The attitudinal measures are concerned with consumer feelings toward the brand and stated intention such as likelihood to recommend and likelihood to repurchase the product (Schiffman & Kanuk, 2004).

Customer loyalty has become a key element in the development and implementation of hotel service“ strategies in the competitive environment in which they operate (Forgas, Moliner, Sánchez & Palau, 2010).

2.1.8 Customer Complaint

Consumer complaint behaviour is described as the set of all behavioural and non behavioural responses portrayed by consumers, which involve the communication of negative perceptions relating to a consumption episode that is triggered by dissatisfaction with that episode (Ozlem Atalik, 2007).

Although hotels have customer satisfaction as a major goal, not all hotels experiences are satisfactory from the consumer’s perspective – service failures do occur in this industry. Hotel service may be particularly susceptible to the problem of service failure because of the number of different providers involved in delivering the service, the high number of customers and the people-based nature of the service. If service failures are an unpleasant fact for hotels, then these organizations must develop clear strategies for responding to service failures as a way of minimizing the adverse effect of the complaints of their customers (OzlemAtalik, 2007)

2.2 Empirical Literature.

Kandampully & Suhartanto (2000) conducted a study in New Zealand in order to identify the determination of hotel image and customer satisfaction on customer loyalty in chain hotels located in New Zealand. The researcher considered that a loyal customer is a customer who repurchases from the service provider whenever possible, and who continues and maintains a

positive attitude towards service provider. The research model in the study by Kandampully & Suhartanto (2000) consists of three variables which are hotel image and customer satisfaction as independent variables and customer loyalty as dependent variable of which is referred to research problem. It is notable to highlight the contribution of the study conducted by Kandampully & Suhartanto (2000), which brought helpful insights for academics, practitioners and managers in the hospitality industry who are really concerned about customer loyalty in order to achieve profitability and more revenue and survive in hospitality industry which has a highly competitive era.

Kandampully & Suhartanto (2003) conducted a study in Australia with the purpose of identifying the determinants of customer loyalty such as hotel image and customer satisfaction that are positively related to customer loyalty in hotels. The research problem is referred to customer loyalty in chain hotels in Australia. As stated by Kandampully & Suhartanto (2003) *“Customer loyalty has become a topical issue in research and practice due to its proven dominance in a hotel organization’s success”*. In the research model developed by Kandampully and Suhartanto (2003), hotel image is a function of two dimensions which are holistic dimension and attributes dimension. Customer satisfaction is a function of four dimensions which are reception department, food and beverage department, housekeeping department, and price. Finally, customer loyalty is a function of two dimension that covers the concept of customer loyalty as stated by (Kandampully & Suhartanto 2000, Kandampully & Suhartanto 2003) of which are intention to repurchase, intention to recommend. The research finding showed that a desirable image leads to customer satisfaction and customer preference, whereas an undesirable image leads to dissatisfaction. This is based on examination of Self-Organizing Maps (SOM) for positioning analysis of luxury hotels.

Kandampully and Hu (2007) conducted a study in Mauritius with the purpose of determining the relationships between service quality and customer satisfaction and how they impact corporate image and customer loyalty. The research model in this study consists of four variables as independent variables and dependent variable. Three of them are independent variables which are service quality, customer satisfaction, and corporate image. And dependent variable is customer loyalty. To measure satisfaction, customers were asked to state their overall satisfaction with the hotel, their overall satisfaction with the employees’ service mindedness and the quality of services offered by the hotel. Corporate image was operationalized using the dimension of

image attributes and image holistic developed by (Kandampully and Suhartanto 2000). The results indicated that existence of a significant relationship between service quality and customer satisfaction. The relationship between service quality and corporate image was found statistically significant. This study finding suggested that customers who received high service quality formed a favourable image of the hotel. The relationship between customer satisfaction and corporate image was also found to be statistically significant. Thus, this study results clearly indicated that customer satisfaction had a positive impact on the corporate image. However, no significant impact of service quality on customer loyalty was observed. Additionally, service quality and customer satisfaction were also found to have indirect effects on customer loyalty via corporate image.

Muturi, Jackline, Sagwe (2013) Carried out a study on customer loyalty through the moderating role of corporate image as a social pressure. The aim of this research was to interrogate the mediating role of corporate image in terms of customer loyalty in Kenya. The outcomes of the study indicated that perceived service value, service quality, and social pressure had a direct and significant impact on customer loyalty or it could be said that they were significant predictors of customer loyalty; while customer satisfaction was not significant predictor of customer loyalty. In addition, relationships among service value, service quality, social pressure and customer loyalty, corporate image were shown to moderate relationship. For further clarification, table 2.1 represents summary of information relevant to reviews of studies in this section.

Table 2.1: Summarized Information Related to Reviewed Studies

No	Author(s)/ Date/ country	Title	Research problem	Research model	Research method	method Research result
1	(Kandampully et al. 2000) New Zealand	Customer loyalty in the hotel industry: the role of customer satisfaction and	Customer loyalty as dependent variable in five different chain hotels	Three variables which are hotel image and customer satisfaction	Quantitative approach, distribution of 106 questionnaires	Hotel image and customer satisfaction have significant determination on customer

		image	located in Christchurch, New Zealand	as independent variables and customer loyalty as dependent variable		loyally in five different chain hotels located in Christchurch, New Zealand.
2	(Kandampully <i>et al.</i> 2003)/ Australia	The Role of Customer Satisfaction and Image in Gaining Customer Loyalty in the Hotel Industry	Customer loyalty as dependent variable in chain hotels in Australia	Research model consists of three variables. Two of them are independent variables which are hotel image, customer satisfaction and another one is customer loyalty of which is dependent variable.	Quantitative approach, distribution of questionnaires	Hotel image and customer satisfaction with the performance of housekeeping, reception, food and beverage, and price are positively correlated to customer loyalty. Performance of housekeeping, however, was found to be one of the most important considerations for customers of hotel chains.

3	(Kandampully <i>et al.</i> 2007)/Mauritius	Do hoteliers need to manage image to retain loyal customers?	Customer loyalty as dependent variable in hotels located in Mauritius	The research model consists of four variables. Three of them are independent variables which are service quality, customer satisfaction, and corporation image. And dependent variable is customer loyalty.	Quantitative approach, distribution of questionnaires	As stated in review of article earlier
4	(Muturi, <i>et al.</i> 2013)/Kenya	“Determinants of customer loyalty in Kenya: does corporate image play a moderating Role?”	Customer loyalty as dependent variable among users of mobile services in Kenya	Service quality, service value, customer satisfaction, and social pressure as independent	Quantitative approach	perceived service value, service quality, and social pressure were predictors of customer loyalty, significantly

				variable and Customer loyalty as dependent variable		through moderating role of corporate image, but while customer satisfaction was not significant
--	--	--	--	---	--	---

2.2.1. Corporate/Hotel Image, Customer Satisfaction and Customer Loyalty

As stated, an organization’s image is an important variable that positively or negatively influence marketing activities and customer decision. Kandampully and Hu (2007), suggested that perceived service quality and customer satisfactions have important relationships in customer’s repurchasing decision process. Their study indicates that service quality and customer satisfaction are directly or indirectly related to repurchase intension as well as to positive WOM communication (Word of Mouth Communication) intentions in the hotel industry. It is imperative for hotel firms to move away from the old paradigm of marketing and advertisement. Image and loyalty are no longer the variables that can be influenced through advertisement and marketing, but are those that can be successfully managed through superior service and customer satisfaction.

Additionally, a firm’s ability to consistently deliver superior quality of service and the subsequent customer satisfaction are considered to be the primary prerequisite for gaining customer loyalty. Several studies suggested that consistently providing high quality service may help hospitality firms increase their number of brand loyal customers (Back and Parks, 2003).

The quality of service is influenced by the actions of contact employees during service delivery. Based on Kandampully & Hu (2007), the thousands of moments-of-truth that are spontaneously managed by service employees both in the presence and/or away from customers’ sight communicates quality, efficiency the service-oriented culture of the firm. The firm’s employees’ service mindedness may be considered as the collective service culture of the firm which

motivates service personnel to go beyond their job tasks to fulfil customer needs. Service minded employees therefore have the unique opportunity to establish relationship with the customer.

Service literature identifies a number of studies related to corporate image and customer satisfaction and loyalty. According to Muturi, *et al.* (2013), the services that match or exceed customer value expectation influence customer to make repeat purchases. Such repeat purchases may in the long run facilitate the formation of relationships that may foster customer loyalty. Further, they found that that corporate image has a positive moderating effect on the relationship between service value, service quality, customer satisfaction, social pressure and customer loyalty. So customers will remain loyal if the image of the service provider is good because it has a moderating effect on customer perception of service value, perceived service quality, customer satisfaction and customer loyalty.

Furthermore, study of Ostrowski (1993) show that the image of the location, employee attitude, facilities, and services of a hotel constitute important factors in determining customer loyalty. Also, based on Normann (1991), the positive correlation between hotel image and a customer's intention to repurchase, to recommend, and to demonstrate loyalty can be attributed to the role of image as a representative of reality. Therefore, customers tend to repurchase and recommend a business with a favourable image in the belief that it provides an assurance of high quality goods and services.

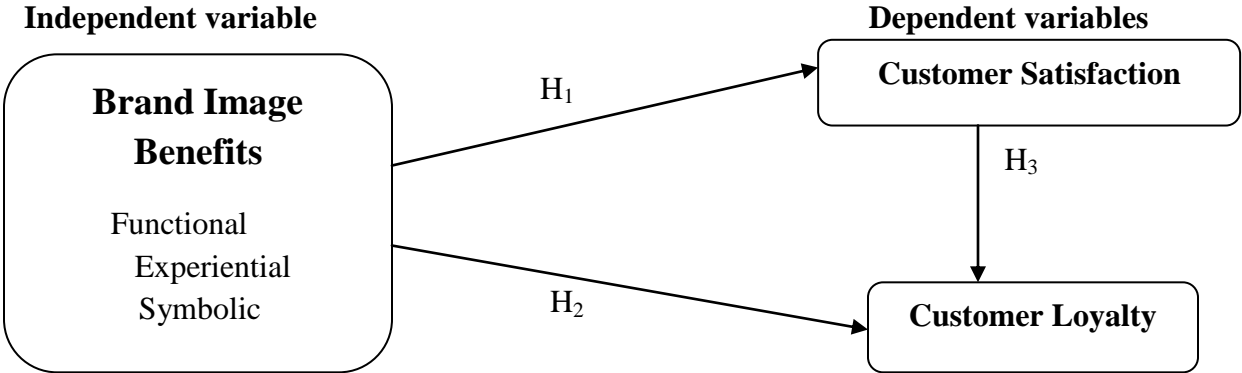
In summary, hotel firms' competitiveness is associated with higher levels of service quality and customer satisfaction. Further, customer's perception about the firms' image will have positive impact on customer loyalty. Thus, referring to the above literature, hotel image is positively associated with customer satisfaction and loyalty.

2.3. Conceptual Framework

Some researchers' findings in their research pointed out that there is relationship among brand image, customer satisfaction and customer loyalty. Kandampully and Hu (2007) state that brand image has positively influences customer loyalty Muturi, *et al.* (2013) mentioned that brand image had positive influence to customer satisfaction. Besides, based on the findings of Chao, Wu, & Yen (2015), customer satisfaction has mediating role for the relationship between service quality, customer loyalty and brand image. Al-Masallam (2015) discussed that customers' overall satisfaction does significantly influence customers' loyalty which implies that marketers

should focus on brand image benefits to achieve customer loyalty. Thus, based on the theoretical and empirical review of the study the researcher drives the following conceptual frame work.

Figure 2: conceptual framework



Source: Stephen, Sondoh, Mazhah, Nabsiah, Amran (2007)

CHAPTER THREE

RESEARCH METHODOLOGY

This chapter deals with the methodology adopted for the study. It includes: Research Approach, Research design, Sampling method, Source of data, Measuring instruments, Data preparation, Data analysis and interpretation, validity and reliability and Ethical considerations.

3.1 Research Approach

Research approach is the way one collects and analyzes data and it is the methods developed for acquiring trustworthy knowledge via reliable and valid procedures. Most researchers argued that the best method to use for a study depends on the purpose of the research, researcher data and the accompanying research questions.

There are two types of research approach. These are qualitative, quantitative and deductive and inductive approach. (Churchill & Iacobucci, 2005). The main difference between inductive and deductive approaches to research is that a deductive approach is aimed and testing theory, an inductive approach is concerned with the generation of new theory emerging from the data (Bryman & Bell, 2007). The distinction between qualitative and quantitative approach is a methodological issue. The decision to choose a specific methodology should be based on its suitability to answer the research question (Bryman & Bell, 2007). Asserted that qualitative research emphasizes the process of discovering how the social meaning is constructed and stresses the relationship between the investigation and the topic studied. Conversely, quantitative research is based on the measurement and the analysis of the casual relationship variables. This study used a quantitative research approach and data has analyzed qualitatively.

3.2 Research Design

According to Creswell (2014:22) *“Research designs are plans and the procedures for research that span the decisions from broad assumptions to detailed methods of data collection”*. The nature of research is both descriptive and correlation type. The descriptive method is used to study the general characteristics of respondents and their satisfaction of the service. Descriptive research studies are those studies which are concerned with describing the characteristics of a particular individual, or of a group. Correlation method is used to study the relationship between brand image benefits dimension and customer satisfaction and loyalty.

Correlation analysis studies the joint variation of two or more variables for determining the amount of correlation between two or more variables (Kothari 2004).

A questionnaire has been distributed to selected respondents (customers) to assess the effect of their satisfaction and loyalty based on the brand image benefits.

3.3 Population and Sampling Techniques

3.3.1 Population Definition

As this research is meant to target Hilton Hotel Addis Ababa, The population of the study are all customer who have service and accommodation experience in this hotel under study.

3.3.2 Sampling Technique

The study uses one of the non-probability sampling techniques which were convenience sampling technique. Convenience sampling technique is the technique in which samples drawn from that part of the population that is close to hand, readily available, or convenient. (Bhattacharjee, 2012).

The reason for using convenience sampling is because the population is too large to coordinate and also it is impossible to contact the population on their locations. Therefore, it is become suitable to use respondents who are convenient accessibility and proximity to the research.

3.3.3 Sample Size

A well-defined sampling is the process of obtaining information about the entire population by examining only part of it Kotler (2001). Since it offers cost and time of data collection and analysis sampling is a day to day practice in social science research. In this study it is impossible or impractical to access the number of Hilton hotel Addis Ababa customers at once. Which means the sample frame are not accessible ones and the population is unknown. In such case for population that is large as par to yield are representative sample for proportion and key variable of the population is qualitative. Thus the sample size for a population between one hundred thousand and three million at 95% confidence interval and 5% error term, margin is 384 (three hundred eight four). Therefore, to gather the information needed for the research on the given time and resource the sample was 384 which is recommended by (Kothari, 2004, page-179)

$$n = z^2 \cdot p \cdot q / e^2 = 384$$

Where, n= sample size

z= the value of standard variate at a given confidence level and to be worked out from table showing area under normal curve.

p=Sample proportion

q= 1-p

e = given precision rate or acceptable error

3.4. Types of data and tools/ instrument of data collection

3.4.1. Source of data

Before the study was carried out, the researcher asks permission from the hotel administrators by first presenting a letter from St. marry University School of graduate studies guidance counsellor and thesis coordinator.

Primary data:-The study uses both primary and secondary data collection method. Primary data is collected through questionnaires from selected respondents in the hotel. Some questionnaire is distributed to customers with the hard copies; whereas, most questionnaires are filled by using customer's email and phone number due to fear of covid-19 pandemic.

Secondary data: -In the secondary data collection process data is collected from books, journals, articles, prior research works, government health sector program and reports and hotel written documents that help to develop the knowledge of the topic under study.

3.4.2. Measuring Instruments

Brand image is measured using the three selected benefits: Symbolic, Functional and Experiential benefits. Symbolic benefit related questions are derived from Tsai (2005). Functional benefit measurements items were adopt from Delrio, Vazquez, and Iglesias (2011). Overall satisfaction measurement items also were adopted from Oliver (1980), Grace and O'cass (2005), Taylor and Baker (1994). In the study four items adopted from Zelthaml, Berry, and Parasuraman (1996) were used to measure loyalty intention to reuse the service and their willingness to recommend the branded hotel. To accommodate the special nature of the industry

some of the questions were self-developed and others are adjusted to fit for the context of the study. Questioners were developed for customers using brand image benefits dimensions which are functional benefits, experiential benefits and symbolic benefits and the dependent variables customer satisfaction and customer loyalty dimension and also it is tested by using five-point Likert scales measurements in which respondents can indicate their extent of agreement or disagreement in order to measure the variables in both Amharic and English language as “strongly agree”= 5, “agree”=4, “neutral”=3, “disagree”=2, “strongly disagree”=1.

3.5. Procedure of Data Collection

In this research, after the data have been secured, preparing table to list the variables, sorting variables, counting the variables, represent them in “code”, entering in to computer to use SPSS, and editing was done.

3.6. Method of Data Analysis

A descriptive statistical method is used to analyze the data that gained from the questionnaire and analyzed using the Statistical Package for Social Sciences (SPSS) version 20. All questions were coded with values, imputed into computer software, that is, Statistical Packages and descriptive statistics were used in the form of tabulation, percentage and mean to summarize the result. Correlations of the dimensions were analyzed and also regressions analysis is also used to analyze the impact and the relationship between the dependent and independent variables.

3.7. Validity and Reliability

3.7.1 Validity

Validity is the most critical criterion and indicates the degree to which an instrument measures what it is supposed to measure. Validity can also be thought of as utility. In other words, validity is the extent to which differences found with a measuring instrument reflect true differences among those being tested. (Kothari, 2004).

In order to achieve this, two validity measurements are used, The first one is Content validity which is the extent to which a measuring instrument provides adequate coverage of the topic under study (Kothari, 2004). In this study, the researcher used brand image benefits dimensions which are the most appropriate methods that is used to measure customer satisfaction

and loyalty. The second one is Statistical conclusion validity which examines the extent to which conclusions derived using a statistical procedure is valid. The right statistical tools were used in order to test the hypothesis and also to conclude the study.

3.7.2 Reliability

We can say a measuring instrument is reliable if it provides consistent results. (Kothari, 2004) Reliability is conducted to assess data quality. Cronbach's alpha was used to measure the internal consistency of the measurement items.

3.8. Ethical Considerations

In order to keep the confidentiality of the data given by respondents, the respondents were not required to write their name and assured that their responses will be treated in strict confidentiality. The purpose of the study was disclosed in the introductory part of the questionnaire. Furthermore, the researcher tried to avoid misleading or deceptive statements in the questionnaire. Lastly, the questionnaires were distributed only to voluntary participants.

CHAPTER FOUR

RESULTS AND DISCUSSION

4. Results/Findings of the Study

This chapter presents the data collected from respondents has been analysed and interpreted. It comprises respondents' profile, reliability analysis, descriptive analysis, correlation analysis among brand image benefit dimensions and customer satisfaction and loyalty, and regression analysis results for relative importance of brand image benefits dimensions.

4.1. Sample and Response Rate

The research took 384 customers as a sample. The questionnaire was self-administered and convenient sampling was used to target customers. 310 questionnaires were collected and used for analysis with a response rate of 80.73%.

Table 4.1: Sample and response rate

Questionnaires	Number	Percentage
Number of questionnaires distributed	384	100
Returned questionnaires	310	80.73
Non returned questionnaires	74	19.27
Total usable questionnaires	310	80.73

Source: Own Survey (2020)

4.2. Respondents' Profile

The first part of the questionnaire consists of the demographic characteristics of respondents that requested a limited amount of information related to personal and demographic. Accordingly, the following variables about the respondents were summarized and described in the subsequent table. These variables includes; gender, age, purpose of trip, nationality and usage rate.

From the total of the respondents male customers constitute the highest percentage 72.6% of respondents while the female constituted 27.4% of the respondents. The age group between 30-40 which account for 44% of the total study sample which is the largest percentage followed by age group below 30 consisting 38.1% while the age group above 30 is the least with 17.1% of the respondents. The study shows that 51.3% of the respondents were business customers which are

the largest group in terms of purpose of trip. Customers with the purpose of personal reasons account for 48.7% and no customer for the purpose of tour while the researcher collects the data. The study also shows that 51.3% of the customers were from Africa while 20.3% of customers were from Asia. Thus, 71.6% of customers are from Africa and Asia. The rest 13.9%, 11.3% and 3.2% of customers are from Europe, South America and North America respectively. When it comes to frequency of use of service, 31.3% use the service monthly, followed by 27.7% respondents using the service for at least twice a year. 16.1% use three times, 12.6% four times a year and 8.1% used the service at least once in a year. The rest 4.2% use the service frequently, rarely or could not determine the rate. Because of the covid-19 pandemic and the stay home order imposed by most global nations and internal lows not allowed to move from their country affect the real figure of the data collected from the respondents.

Table 4.2 Summarizes The Profile of The Respondents.

Respondents Characteristics		Frequency	Percent
Gender	Male	225	72.6
	Female	85	27.4
	Total	310	100
Age	below 30 years	118	38.1
	30-40 years	139	44.8
	More than 40 years	53	17.1
	Total	310	100.0
Purpose of Trip	Business	159	51.3
	Personal	151	48.7
	Tour	-	-
	Total	310	100.0
Nationality	Africa	159	51.3
	South America	35	11.3
	Asia	63	20.3
	Europe	43	13.9
	North America	10	3.2
	Total	310	100.0
Usage Rate	Once	25	8.1
	Two times	86	27.7
	Three times	50	16.1
	Four times	39	12.6
	Monthly	97	31.3
	Others	13	4.2
	Total	310	100.0

Source: Own Survey (2020)

4.3 Reliability Test

Reliability analysis was computed to test whether the scale used in the study is internally consistent and consistently measures the criterion variable using the reliability procedure in SPSS (version 20.0). According to the standard set by Hair Jr, (2007, p. 244) as cited by Neway (2012) [Alpha Coefficient Range, (< 0.6= Poor), (0.6 to < 0.7= Moderate) (0.7 to < 0.8= Good), (0.8 to <0.9= Very Good) and (> 0.9= Excellent)]. Based on the range given all individual dimensions except symbolic brand image benefits which is “Very Good” range with the value of 0.893, the overall reliability Cronbach’s alpha of functional benefits and experiential benefits is “Excellent”, with the value of 0.979 and 0.974 respectively. Therefore we can say that there is a greater internal consistency between the items and it consistently measures the intended dimension of the variables.

Table 4.3: Cronbach's alpha of independent variables

Measurement	No of Items	Cronbach’s Alpha
Brand Functional Benefit	4	.979
Brand Experiential Benefit	4	.974
Brand Symbolic Benefit	4	.893

Source: Own Survey (2020)

4.4. Descriptive analysis

The analysis of this study was done using descriptive statistic, from these the researcher used the mean scores of each variable. The main reason for using this measurement was to demonstrate the average responses of respondents for each question that was included under each dimensions of the predictor variable. The interpretation is made based on the following measurement scale intervals or range. Mean scores 4.51-5.00 excellent or very good, 3.51-4.50 good, 2.51-3.50 average or moderate, 1.51-2.50 fair and 1.00-1.50 is poor (Poonlar

Btawee: 1987) as cited by Hailu (2013). The mean value of each dimension with detail analysis as follows:

Table 4.4: Descriptive Statistics of functional benefits

No	Items	Mean	Grand Mean	Standard deviation
1	The hotel performs the promise that it makes for the customer.	3.32	3.22	1.261
2	The hotel provides adequate support during delivery of service at all time	3.46		1.224
3	The hotel provides good service quality with affordable price	2.93		1.245
4	The hotel has all the service that I need	3.20		1.248

Source: Own Survey (2020)

Functional benefits of brand image refer mainly to physiological and safety needs, as well as to desires for problem removal or problem avoidance. It is regarded as the most important determinant of customer satisfaction and loyalty. According to the above table, functional benefits with 3.22 values from the descriptive statistics grand mean indicate that customers' perceive that functional benefits being offered by the hotel is average or moderate, the mean score fall within a range of 2.93 to 3.46.is under an average functional benefits range.

The greatest contribution item for the higher mean is Item No.2 which is providing adequate support during delivery of service and the lower mean value is Item No. 3 the provision of good service quality with affordable price.

Table 4.5: Descriptive Statistics of experiential benefits

No	Items	Mean	Grand Mean	Standard deviation
1	I feel Delighted when I am served at Hilton hotel Addis Ababa	3.36	3.68	1.304
2	The hotel brand increases my frequency of use	3.95		1.081
3	The hotel provides me dependable service	3.68		1.162
4	I feel safe with Hilton Hotel service	3.76		1.188

Source: Own Survey (2020)

The experiential benefits dimension involves to what it feels like to use the product. They are related with sensory pleasure, variety and cognitive stimulation. According to the above table, experiential benefits with 3.68 values from the descriptive statistics grand mean indicate that respondents’’ perceive that experiential benefits being offered by the hotel is good, the mean score of 3.36-3.95 is under good experiential benefit range.

The greatest contribution item for the higher mean for experiential dimension is Item No.2 which is the hotel brand increases my frequency of use and the lower mean values is Item No.1 which is the delighted feelings of the respondents’’ when served at the hotel. In general with this result we can say that customers have good perception towards the experiential aspect of brand image.

Table 4.6: Descriptive Statistics of Symbolic benefits

No	Items	Mean	Grand Mean	Standard deviation
1	The hotel brand helps me to better fit in to my social group	3.83	3.39	1.161
2	The hotel brand helps me feel acceptable & gave me recognition	3.10		1.180
3	Have been Served at Hilton hotel increases my self esteem	2.85		1.300
4	The hotel’s brand image is outstanding and gives me a good impression	3.80		1.185

Source: Own Survey (2020)

The symbolic benefits dimension relate to underlying needs for social approval or personal expression and outer-directed self-esteem.

According to the above table, symbolic benefits with 3.39 values from the descriptive statistics grand mean indicate that customers’ perceive that symbolic benefits being offered by the hotel is good, the mean score of 2.85-3.83 is under good brand image benefits range.

The greatest contribution item for the higher mean for symbolic dimensions is Item No.1 which is the hotel brand helps me to better fit in to my social group. In general with this result we can say that customers have good perception towards the symbolic benefits of the hotel

service. In general symbolic benefits, take a dominant position compared with the other independent variables of brand image.

Table 4.7: Descriptive Statistics of customer Satisfaction

No	Items	Mean	Grand Mean	Standard deviation
1	The hotel has convenience infrastructure availability	2.88	2.88	1.274
2	The service provided by the hotel's perfectly fits my expectation	2.71		1.238
3	The hotel staffs are knowledgeable to introduce and explain all services that I need.	3.30		1.263
4	Overall, I am satisfied with the decision to stay at this hotel	2.65		1.288

Source: Own Survey (2020)

The customer satisfaction dimension refers to the physiological response with the perceptual difference gap between expectation and practical experience after consumption of service or products.

According to the above table, customer satisfaction with 2.88 values from the descriptive statistics grand mean indicate that customers' perceive that quality of service being offered by the hotel is average or moderate, the mean score of 2.65-3.30 is under an average customer satisfaction range.

The greatest contribution item for the higher mean for customer satisfaction dimension is Item No.3 which is the knowledge of the staffs to introduce and explain the service. and the lower mean value is item No.4 which is the satisfaction level of the respondents' regarding to the decision to stay at the hotel. In general with this result we can say that customers have an average or moderate satisfaction towards the service standard of the hotel.

Table 4.8: Descriptive Statistics of customer Loyalty

No	Items	Mean	Grand Mean	Standard deviation
1	I will recommend relatives and friends to use the hotel	2.87	2.71	1.167
2	I will purchase additional service from the hotel	2.81		1.170
3	I will remain using the hotel service	2.55		1.291
4	I will consider the hotel as my first choice for my future trip	2.62		1.316

Source: Own Survey (2020)

The customer loyalty dimension refers to a strong commitment to repurchase a product or service of organization in the future.

According to the above table, customer loyalty with 2.71 values from the descriptive statistics grand mean indicate that the repurchase intention of customers' is an average or moderate, the mean score of 2.55-2.87 is under an average or moderate customer loyalty range.

The greatest contribution item for the higher mean for customer loyalty dimension is Item No.1 which is the recommendation of the hotel to relatives and friends, and the lower mean value of the customer loyalty dimension is item No. 3 which is the retaining of the customer using the hotel service. In general with this result we can say that customers have an average or moderate repurchase intention of the service towards the customer loyalty dimension.

4.5. Correlation Analysis

Correlation analysis was conducted to investigate the relationship between brand image dimensions, which are functional, experiential and symbolic benefits with customer satisfaction and loyalty.

A correlation analysis with Pearson's correlation coefficient(r) was conducted on all the independent and dependent variables to explore the relationship between variables using SPSS version 20. In this study, Bivariate Pearson Correlation was used to examine the relation between

functional benefits, experiential benefits and symbolic benefits of brand image as independent variables and customer satisfaction and customer loyalty as dependent variables.

To interpret the strengths of relationships between variables, the guidelines suggested by Field (2005) were followed, mainly for their simplicity. His classification of the correlation coefficient (r) is as follows: 0.1 – 0.29 is weak; 0.3 – 0.49 is moderate; and ≥ 0.5 is strong.

Table 4.9: Correlation Analysis between Variables

Dimensions	Functional benefits	Experiential benefits	Symbolic Benefits	Customer satisfaction	Customer loyalty	Brand image
Functional benefits	1	.956**	.925**	.873**	.963**	.981**
Experiential benefits	.956**	1	.947**	.835**	.927**	.987**
Symbolic Benefits	.925**	.947**	1	.830**	.900**	.974**
Customer satisfaction	.873**	.835**	.830**	1	.815**	.864**
Customer loyalty	.963**	.927**	.900**	.815**	1	.950**
brand image	.981**	.987**	.974**	.864**	.950**	1

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

Source: Own Survey (2020)

The correlations of the variables are shown in Table 4:8, each variable correlates perfectly with itself, as evidenced by the coefficients of +1.00 at the intersection of a particular variables' row and column.

According to table 4:8, Pearson correlation matrix shows that there is strong positive correlation between functional benefits and customer satisfaction, with a relationship ($r=0.873$), experiential benefits and customer satisfaction are correlated with a relationship ($r=0.835$), symbolic benefits and customer satisfaction are correlated with a relationship ($r=0.830$). As per the person's correlation, the r value range is >0.5 thus, variables are strongly correlated.

The other dimensions between customer loyalty and brand image benefits has strong positive correlation for both between functional benefits and customer loyalty with a relationship ($r=0.963$), experiential benefits and customer loyalty are correlated with a relationship ($r=0.927$), symbolic benefits and customer loyalty are correlated with a relationship ($r=0.900$). And the result of correlation analysis assure that customer satisfaction and customer loyalty are correlated with a relationship ($r=0.815$).

In general, according to Pearson's Correlation Matrix functional benefits is the one with strongest association with customer loyalty with the value of 0.963, and symbolic benefits has relatively low association with customer satisfaction with the value of 0.830.

4.6. Regression Analysis

Linear regression estimates the coefficients of the linear equation, involving one or more independent variables that best predict the value of the dependent variable (Hailu 2013). In this research, the regression uses brand image benefit dimensions as independent variables against customer satisfaction and customer loyalty as dependent variable. A regression analysis examines the relation of the dependent variable to specified independent variables. Multiple linear regressions were conducted to identify the relationship and to determine the most dominant variables that influenced the customer satisfaction and loyalty of the hotel service.

The significance level of 0.05 was used with 95% confidence interval. The dependent variable was overall customer satisfaction and customer loyalty; the independent variables include the brand image benefits, which are functional benefits, experiential benefits, and symbolic benefits. The reason for using this multiple regression analysis was to examine the direct effect of these brand image benefits on customer satisfaction and loyalty towards Hilton hotel Addis Ababa customers', and the output is shown in the table below. In order to show the impact that each dimension has on the dependant variable, the study checked the Standardized Coefficients. The table shows the slope of multiple regression analysis.

4.6.1. Regression Analysis of Brand Image Benefits and Customers' Satisfaction

The results show in table 4.9 a, b, & c that brand image benefits has the power to explain customer satisfaction. In this case the results of correlation of brand image benefits and customers' satisfaction, sig level, F-value and adjusted R square are taken in to consideration.

Table 4.10 a. Regression analysis result for brand image benefits and customers' satisfaction

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.876 ^a	.768	.766	.47063

a. Predictors: (Constant), symbolicBenefit, functionalBenefit, experientialBenefit

Source: Own Survey (2020)

In the table 4.10 a model summary from the analysis in the above table R (0.876a) indicates correlation of the three independent variables with the dependent variable, customer satisfaction the weighted combination of the predictor variables (brand image dimensions) explained or affect approximately 76.8% (R square) of the variance of customer satisfaction, the remaining 23.2 % is by extraneous variables.

Table 4.10 b. Regression analysis result for brand image benefits and customers' satisfaction

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	224.284	3	74.761	337.538	.000 ^b
Residual	67.776	306	.221		
Total	292.060	309			

a. Dependent Variable: customersatisfaction

b. Predictors: (Constant), symbolicBenefit, functionalBenefit, experientialBenefit

Source: Own Survey (2020)

Table 4.10 b, the ANOVA test, it is noticed that F value of 337.538 is significant at the 0.000 level. Therefore, from the result, it can be concluded that with 76.8% of the variance (R Square) in customer satisfaction is significant and the model is appropriately measure active construct.

Table 4.10 c. Regression analysis result for brand image benefits and customers' satisfaction

Coefficients ^a						
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	.552	.101		5.485	.000
	functionalBenefit	.656	.077	.814	8.525	.000
	experientialBenefit	-.134	.096	-.157	-1.389	.166
	symbolicBenefit	.210	.081	.227	2.588	.010

a. Dependent Variable: customersatisfaction

Source: Own Survey (2020)

Based on multiple linear regression analysis, the above table 4.10 c reveals the impact of each brand image dimensions and their significance. The impact of, functional benefits, experiential benefits and symbolic benefits on customers' satisfaction are 0.814, -0.157 and 0.227, respectively. By examining this beta weight of data analysis result the finding shown that functional benefits making relatively larger contribution to the prediction model.

This informed us the predicted change in the dependent variable for every unit increase in that predictor. This signifies that for every additional point or value in the functional benefits one could predict a gain of 0.814 points on the customer satisfaction provided that other variables being held constant. The same is for symbolic benefits. On the other hand -0.157of experiential benefits indicates every additional point on the experiential benefits measure leads to decrement of 0.157 points on the customer satisfaction provided that other variables remain constant. The negative beta value suggests that when experiential benefit are not in accordance with expectations (with negative deviation), customer satisfaction declines. However, experiential

benefits have insignificant effect on the level of customer satisfaction with the value of -- 0.157 .

Generally, customer satisfaction is primarily predicted by higher level of functional benefits and symbolic benefits and to a lesser extent by experiential benefits, in Hilton hotel Addis Ababa. functional benefit received the strongest weight in the model followed by symbolic benefits this shows that they are the dominant brand image benefits in Hilton Hotel Addis Ababa.

4.6.2. Regression Analysis of Brand Image Benefits and Customers' Loyalty

As it is clearly indicated in the table 4.10 a, b & c, brand image benefits have significantly explained customer loyalty, In this case the results of correlation of brand image benefits and customers' satisfaction, sig level, F-value and adjusted R square are taken in to consideration.

Table 4.11a: Model Summery

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.963^a	.928	.927	.32501

a. Predictors: (Constant), symbolicBenefit, functionalBenefit, experientialBenefit

Source: Own Survey (2020)

The results show in the table 4.11 a model summary from the analysis in the above table R (0.963a) indicates correlation of the three independent variables (functional benefits, experiential benefits and symbolic benefits) with the dependent variable, customer loyalty the weighted combination of the predictor variables (brand image dimensions) explained or affect approximately 92.8% (R square) of the variance of customer loyalty, the remaining 7.2 % is by extraneous variables. This result also indicates that the variables are strongly predicting customer loyalty.

Table 4.11b: ANOVA

ANOVA ^a						
Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	416.000	3	138.667	1312.754	.000 ^b
	Residual	32.323	306	.106		
	Total	448.323	309			

a. Dependent Variable: customerloylty

b. Predictors: (Constant), symbolicBenefit, functionalBenefit, experientialBenefit

Source: Own Survey (2020)

The ANOVA test in the table 4.11b shows that F value of 1312.754 is significant at the 0.000 level. Therefore, from the result, it can be concluded that with 92.8% of the variance (R Square) in customer loyalty is significant and the model is appropriately measure active construct the brand image also significantly explains customer loyalty (dependent variable).

Table 4.11c: Regression Analysis of Brand Image Benefits and Customers' Loyalty

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.470	.069		-6.770	.000
	functionalBenefit	.870	.053	.872	16.376	.000
	experientialBenefit	.057	.066	.054	.861	.390
	symbolicBenefit	.049	.056	.043	.871	.384

a. Dependent Variable: customerloylty

Source: Own Survey (2020)

The coefficient value in table 4.11 c reveals the impact of each brand image dimensions and their significance. The impact of, functional benefits, experiential benefits and symbolic benefits on customers' loyalty are 0.872, 0.054 and 0.043, respectively. By examining the beta value of data

analysis result functional benefits of brand image have the most significantly influence customer loyalty than that of experiential and symbolic benefits, and the symbolic benefits have the least influence on customer loyalty. From the result we can say that functional benefits contribute relatively larger to the prediction model followed by experiential benefits and symbolic benefits.

This informed us for every additional point or value in the functional benefits one could predict a gain of 0.872 points on the customer loyalty provided that other variables being held constant. The same is for experiential and symbolic benefits.

Generally, customer loyalty is primarily predicted by higher level of functional benefits and experiential benefits and to a lesser extent by symbolic benefits, in Hilton hotel Addis Ababa. Functional benefit received the strongest weight in the model followed by experiential benefits and symbolic benefits.

4.6.3. Mediating effect of customer satisfaction

Mediating effect of customer satisfaction on the relationship between brand image benefit and customer loyalty is presented as follow.

Table 4.12: Mediating effect of customer satisfaction

Model		Coefficients ^a						
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-.825	.070		-11.819	.000		
	brandimage	1.029	.019	.950	53.286	.000	1.000	1.000
2	(Constant)	-.816	.071		-11.499	.000		
	brandimage	1.052	.038	.971	27.391	.000	.254	3.944
	customersatisfactio	-.030	.044	-.024	-.677	.499	.254	3.944

a. Dependent Variable: customerloylty

Source: Own Survey (2020)

As table 4.12 clearly shows customer satisfaction does not have mediating effect on brand image-customer loyalty relationship. In this case the results of correlation of brand image and customers' satisfaction, sig level, are taken in to consideration.

The mediating role of customer satisfaction on the relationship between brand image benefit and customer loyalty was analyzed. The outcome in the table 4:11 proved through the hierarchical regression analysis that Customer loyalty has positive effect on brand image whereas; customer satisfaction does not mediate the relationship between brand image benefit and customer loyalty. However, the significance level is 0.499 the mediating role of customer satisfaction is insignificant.

4.7. Hypothesis Testing

As the study proposed with one hypotheses to be tested, and an attempt was made in line to this (i.e. testing of hypotheses) by drawing supports from the analysis provided above.

The hypothesis set by the researcher in the chapter one were;

H1: Brand image has significance effect on customer satisfaction

Brand image deals with a strong, favourable with unique brand association in recognition. The correlation in table 4:8 shows that brand image is positively related with customer satisfaction with a value of 0.864. The impact is also statistically significant because <0.05 which is 0.000. Therefore, the hypothesis “Brand image has significance effect on customer satisfaction.” **is accepted.**

H2: Brand image has significance effect on customer loyalty.

The correlation in table 4:8 shows that Brand image has significance effect on customer loyalty with a value of 0.950. The impact is also statistically significant because $P < 0.05$ which is 0.000 as indicated in table 4:10c. Therefore, the hypothesis “Brand image has significance effect on customer loyalty.” **is accepted.**

H3: Customer satisfaction has mediating effect in relationship brand image-customer loyalty.

As indicated in the Table 4:8 shows that customer loyalty is positively related with customer satisfaction with a value of 0.950. However, as indicated in the hierarchical regression table 4:11 the P value is 0.499 which is greater than 0.05. Therefore, the impact is not significant. As a result the hypothesis “Customer satisfaction has mediating effect in relationship brand image-customer loyalty” **is rejected**

4.8. DISCUSSION

Based on the data analysis the major findings are summarized as follows;

Out of the sample of 310 respondents, 72.6 % were males and 27.4% were females; the age groups of the respondents are 44.8% between 30 – 40 years, 38.1% below 30 years old and 17.1 % above 40 years; in terms of the purpose of trip 51.3% business customers, 48.7% personal customers and because of covid-19 pandemic no customer in the purpose of tour; the nationality of the respondent 51.3% of respondents' were from Africa and only 20.3% of the respondent comes from Asia, the rest 13.9%, 11.3% and 3.2% are from Europe north America and South America respectively. the frequency of service 31.3% of respondents' are monthly use, 27.7% use the service twice, 16.1% are use the service three times, 12.6% use the service four times, 8.1% use the service once and 4.2% of respondents' are use the service frequently, rarely or could not determine the rate. In general the majority of the customers comes to Hilton hotel Addis Ababa is for business purpose.

The computed mean scores of brand image dimensions helps to measure the customer satisfaction and loyalty of the hotel. and the result shows that the brand image benefits of the hotel is closer to good and the result of the data analysis shows functional benefits with grand mean score of 3.22, experiential benefits 3.68, symbolic benefits 3.39, customer satisfaction 2.88, customer loyalty 2.71. The higher confirmed dimension by the respondents 'is experiential benefit followed by symbolic benefits and functional benefits, however, lower brand image benefits dimensions by the respondents are functional benefits. Whereas, the highest dependent variable grand mean is customer satisfaction 2.88 and the lower is customer loyalty 2.71, In general, the result of the study shows that customers have good attitudes towards the brand image benefits of the hotel.

From data analysis the Cronbach's Alpha for this study is 0.979 which shows that there is internal consistency among the variables.

According to Pearson correlation matrix functional benefits, experiential benefits and symbolic benefits has strong associations with customer loyalty, With a value of 0.963, 0.927 and 0.900 respectively. Whereas, customer satisfaction also has strong but relatively low association with functional benefits, experiential benefits and symbolic benefits with a value of 0.873, 0.835 and 0.830 respectively, As per the person's correlation, the r value range from

=>0.5 shows variables are strongly correlated. Finally functional benefits is the one with large (strong) association with both customer satisfaction and brand loyalty with the value of 0.873 and 0.963 respectively. Therefore, the researcher confirmed that the dimensions of brand image benefits vary in driving customer satisfaction and loyalty in a given service sector.

According to the result of regressions analysis functional benefits has the highest impact on overall customer satisfaction with beta value of 0.814, symbolic benefits influences customer satisfaction with a beta value of 0.227. whereas, Experiential benefits does not have significant influence on overall customer's satisfaction with beta value of -0.157. As a result functional benefits has dominant effects on customer satisfaction and Experiential benefits has least influence towards customers of Hilton hotel Addis Ababa. On the other hand, functional benefits has the highest impact on customer loyalty with beta value of 0.963, experiential benefits 0.927 and symbolic benefits 0.900 respectively. Therefore the researcher confirmed that both brand image dimensions has the highest impact towards customer loyalty. In addition the analysis result indicate that 76.8% of customer satisfaction is influenced by brand image, however, the remaining percentage (23.2%) is influenced by other extraneous variables that are not included in this study. On the other hand, 92.7% of customer loyalty is significantly explained by brand image. Therefore, in measuring customer satisfaction the hotel should take a care by including all the factors that can affect customer satisfaction, whereas, regarding customer loyalty the hotel has strong position.

Finally, the entire hypotheses made were tested and brand image has positively related and have significant impact on customer satisfaction and customer loyalty so the hypotheses are accepted. Whereas, the mediating effect of brand image towards customer satisfaction and loyalty is not significant so the hypothesis is rejected. Generally, all the assumptions made were not accepted.

CHAPTER FIVE

CONCLUSION, LIMITATION OF THE STUDY AND RECOMMENDATIONS

In this chapter the study draws conclusions and recommendations based on the discussion in the aforementioned chapters.

5.1 Conclusion

The major objective of this study was to assess the effect of brand image on customer satisfaction and loyalty in the case of Hilton hotel Addis Ababa. In order to accomplish this objective the researcher distributed 384 questionnaires to sample respondents (customers) in Hilton Hotel Addis Ababa from February 21, 2020- May 30, 2020 and collected 310 completely filled questionnaires for data analysis. In addition, the researcher attempted to identify which of the brand image dimension(s) achieved higher perceived performance in the side of customers and identified which brand image benefits have higher and lower impact on customer satisfaction and loyalty at Hilton Hotel Addis Ababa. Moreover, the study identified which areas require improvement and additional investment.

Based on the result of those correlation both brand image benefits functional benefits, experiential benefits and symbolic benefits. are positively and strongly correlated with customer satisfaction and customer loyalty dimensions, from this highest brand image effect of customer satisfaction are observed in the functional and experiential benefits and the least brand image effects of customer satisfaction is observed in symbolic benefits. In the case of customer loyalty both brand image benefits are strongly correlated with the value ranges from 0.963-0.900. From the study it is concluded that the selected respondents are relatively not satisfied with brand image benefits related with customer satisfaction.

The mean score, as shown in table 4:3, table 4:4 and 4:5 with the mean value score of Hilton hotel Addis Ababa customers are not satisfied with functional benefits and symbolic benefits of brand image, Therefore, we can say that customers perceive that functional and symbolic benefits being offered by the hotel is an average or moderate except good mean score of experiential benefits.

In hypothesis testing brand image are positively related and have an impact on customer satisfaction and customer loyalty so the hypotheses are accepted. The mediating effect of customer satisfaction in relation with customer loyalty and brand image is not significant so the hypothesis is rejected.

In conclusion, Hilton Hotel Addis Ababa major problem is system of updating the service with the standard the brand demands, in addition to this, The other major problem mentioned is availability of infrastructural facilities in the guest access areas as well as the guest rooms, because one dissatisfaction reason of customer is having outdated facilities.

Therefore, In order to increase customer satisfaction and loyalty the main aim of the hotel should be met, which is increasing the service standard of the hotel with the level the brand internationally has and updating the infrastructural availability and structural defects clearly observed in the guest rooms and other guest accessed areas of the hotel.

Finally, as long as the hotel is developed to help customers, assessing the customers' satisfaction and loyalty is important in some interval to see the status of the system.

5.2. Limitation of the study

The limitation of the study were because of covid_19 pandemic it was very difficult to get enough customers with dispersed age, gender and nationality in the hotel as well as not willing to bring hard copy questionnaire from customer side. However, the limitation overcome through discussing the aim of the research genuinely and letting them to fill without contacts of any paper by receiving their email and send the questionnaire through email and using the phone communication.

As this research was conducted on Hilton hotel Addis Ababa customers, other interested researcher may conduct research on hotel based on the star classification by using combining quantitative and qualitative method of data collection instrument. In addition the future research may also be directed to analyse the effect of brand image on customer satisfaction and loyalty of manufacturing and service industry by adding other dimensions of brand image benefits to overcome the short coming of this study.

5.3 Recommendations

The following recommendations are forwarded by the researcher based on the results of the analysis and conclusion made above to help Hilton Hotel Addis Ababa.

- Since functional benefits has the one dimension which has a lower mean value in assessing customer satisfaction and loyalty, Hotel management and employees must performs as it promises, have willingness and readiness to provide adequate support during delivery of service and provide good service quality with affordable price. This can be achieved by giving a supplementary training to hotel staffs.
- Since symbolic benefits has an average or moderate mean value in assessing customer satisfaction and loyalty. The hotel shall provide an access to help customers to have better fit in social group, accept and give recognition to customers.
- The other lower mean value among the dimensions is customer satisfaction and customer loyalty. It is an imperative fact that customers experience influences customer's decision and satisfaction. Therefore, the hotel should focus on providing the services with all the quality and fulfilment of expectations so that the customers develop good perception of the brand and use it. As the repurchase intention is one factor of satisfaction and is highly affected by the customer experience the hotel should work hard to insure that all customers are served diligently and get the service more than their expectation.
- Customer satisfaction surveys should also be conducted periodically as the contingency in such type of industries influence the purchase intentions of customers. As most hotels are providing the same service and customers are more of safety and service standard conscious, the hotel should measure the satisfaction rate of customers from time to time. In addition it should identify the antecedents for customer satisfaction.
- Finally, conducting the detail research whenever changes exist from extraneous factor that is out of the dimensions of the researcher used is advisable for the hotel management.

REFERENCES

- Aghekyan-Simonian, M., Forsythe, S., Kwon, W. S., & Chattaraman, V. (2012). The role of product brand image and online store image on perceived risks and online purchase intentions for apparel: *Journal of Retailing and Consumer Services*, 19(3), 325-331.
- Addis Ababa, Hotels Owners trade secretarial Association, (2018/2019). Hotel grading Report: Addis Ababa Ethiopia.
- Alamah, Seyyed Sohsen, Nokte San, Imaneh. (2010.) "The effect of service quality on customer loyalty (case study: four and five star hotels)." *Business management*, volume 2, issue 5, pages 109 to 124.
- American Marketing Association (2013). Definition of Brand.
- Al-Msallam, S. 2015. 'Customer Satisfaction and Brand Loyalty in the Hotel Industry': *European Scientific journal* October 2015 special edition Vol. 1 ISSN:1857-7881
- Bacon, T. R. and D. G. Pugh (2004). "Ritz-Carlton and EMC: The gold standards in operational behavioural differentiation." *Journal of Organizational Excellence* 23(2): 61-76.
- Baker, J. And J. Lamb, Charles W (1994). "Measuring architectural design service quality." *Journal of Professional Services Marketing* 10(1): 89-106.
- Bitner, M. J. (1992). "Service scopes: the impact of physical surroundings on customers and employees." *The Journal of Marketing*: 57-71.
- Bitner, M. J. (1990). "Evaluating service encounters: the effects of physical surroundings and employee responses." *The Journal of Marketing*: 69-82.
- Bryman, A. & Bell, E. (2007) "Business Research Methods", 2nd edition, Oxford University Press.
- Chi, H. K., Yeh, H. R., & Yang, Y. T. (2009). The impact of brand awareness on consumer purchase intention: The mediating effect of perceived quality and brand loyalty. *The journal of international management studies*, 4(1), 135-144.
- Churchill, G. A., & Iacobucci, D. 2005. *Marketing Research: Methodological Foundations* (9thed.). Mason, Ohio: Thomson South Western.

- Creswell, J. W. (2005). *Educational Research: Planning, Conducting and Evaluating Quantitative and Qualitative Research* (2nd Ed.): Pearson Merrill Prentice Hall.
- Creswell, J. W. (2014). *Research design: Qualitative, quantitative, and mixed methods approach*. Thousand Oaks: SAGE.
- Dadkhah. Mohammad Reza. (2009). "Customer orientation", Publisher ShahreAshoub, sixth edition, Tehran science centre - applied arts and culture, unit 38, Tehran.
- Davcik, N. S., & Sharma, P. (2015). Impact of product differentiation, marketing investments and brand equity on pricing strategies: A brand level investigation. *European Journal of Marketing*, 49 (5/6), 760-781.
- Dedeoglu, B.B., Demirer, H. and Okumus, F. (2015) differences in service quality perception of stakeholders in the hotel industry: *international journal of contemporary hospitality management* 27.
- Del Rio, A. B., Vazquez, R., & Iglesias, V. (2001). The role of the brand name in obtaining differential advantages. *Journal of Product and Brand Management*, 10 (7), 452–465.
- Dichter, E. (1985). "What's in an image?" *Journal of consumer marketing* 2(1): 75-81.
- Dominic, G., & Guzzo, R. (2010). Customer satisfaction in the hotel industry: A case study from Sicily. *International Journal of Marketing Studies*, 2(2), 3-12.
- Echtner, C. M. and J. Ritchie (2003). "The meaning and measurement of destination image: (Reprint of original article published in v. 2, no. 2, 1991: 2-12.)." *Journal of tourism studies* 14 (1): 37.
- Faizan M., Muhammad M.N., M. Sarfraz Khan, Zeeshan S., Numan A., Impact of customer satisfaction on customer loyalty and intentions to switch: evidence from banking sector of Pakistan. *International Journal of Business and Social Science* Vol. 2 No. 16; September 2011
- Field, A.P. (2005). *Discovering statistics using SPSS* (2nd edition) London: sage.
- Forgas, S., Moliner, M. A., Sanchez, J., & Palau, R. (2010). Antecedents of airline passenger loyalty: low-cost versus traditional airlines. *Journal of air transport management*, 16(4), 229-233.

- Forozia, A. zaheh, M.S, and Colani, M.H (2013). Customer satisfaction in hospitality industry: Mikkle east tourists at 3 star hotels in Malaysia: Research journal of applied sciences, engineering and technology, 5 (17), 4329-4335.
- Glynn Mangold, W. and E. Babakus (1991). "Service quality: The front-stage vs. the back-stage perspective." journal of services marketing 5(4): 59-70.
- Gliem. Joseph A and Gleim, Rosemary R. (2003).calculating interpreting and reporting cronbach's alpha reliability coefficient for likert type scale.
- Gobena, E.C. & Simmers, C.S. (2013).Hotel sector investment in Ethiopia, journal of business management 1(2): 35-54
- Grace, D., & O'Cass, A. (2005). Examining the effects of service brand communications on brand evaluation. Journal of Product and Brand Management, 14(2), 106–116.
- Grönroos, C. (1983). Strategic Management and Marketing in the Service Sector, Marketing Science Institute.
- Grönroos, C. (1984). "A service quality model and its marketing implications." European Journal of marketing 18 (4): 36-44.
- Hague, P. (2001), the Power of Industrial Brands.B2B International,(online). P.28.Retrieved from https://en.wikipedia.org/wiki/P_Hague
- Haile Tariku Tesfaye (2011) “Statistical Analysis of Patients’ Satisfaction with Hospital Services: A Case Study of Shashemene and Hawassa University Referral Hospitals, Ethiopia” Arbaminch University, College of Natural Sciences Department of Statistics Arbaminch, Ethiopia
- Heskett, J.L., Jones, T. O., love Man, G. W., Sasser, W.E., and Schlesinger, L. L. (1994), “Putting the service-profit chain to work”, Harvard business review, march-April, pp .164-174.
- Hsieh, M. H., Pan, S. L., & Setiono, R. (2004). Product-, corporate-, and country-image Dimensions and purchase behaviour: A multicounty analysis. Journal of the Academy of Marketing Science, 32(3), 251–270

- Kandampully, J., & Suhartanto, D. (2000). Customer loyalty in the hotel industry: the Role of customer satisfaction and image. *International Journal of contemporary Hospitality management*, 12(6), 346–351.
- Kandampully, J. and D. Suhartanto (2003). "The role of customer satisfaction and image in gaining customer loyalty in the hotel industry." *Journal of Hospitality & Leisure Marketing* 10 (1-2): 3-25.
- Kandampully, J. and H.-H.Hu (2007). "Do hoteliers need to manage image to retain loyal customers?" *International journal of contemporary hospitality management* 19 (6): 435-443.
- Kang, G.-D. (2006). "The hierarchical structure of service quality: integration of technical and functional quality." *Managing Service Quality: An International Journal* 16(1): 37-50.
- Keith, N.K. & simmers, C, s, (2013). Measuring hotel service quality perceptions: the disparity between comment cards & LODGSERV. *Academy of marketing studies journal* 17: 119-131.
- Keller, K. L. (2003). Conceptualizing, measuring, and managing customer-based brand equity. *Journal of Marketing*, 57(1), 1–22.
- Keller, K. L. (1993). "Conceptualizing, measuring, and managing customer based brand Equity." *Journal of Marketing*, 57(1), 1–22.
- Keaveney, S. M. and K. A. Hunt (1992). "Conceptualization and operationalization of retail store image: A case of rival middle-level theories." *Journal of the Academy of Marketing Science* 20 (2): 165-175.
- Kothari, C.R. (2004) *Research Methodology Methods and Techniques*. 2nd Edition, New Age International Publishers, New Delhi.
- Kotler, P. (2001). *A Framework for Marketing Management*. Upper Saddle River, NJ: Prentice-Hall.
- Koo, D. M (2003). Inter-relationships among store images, store satisfaction, and store loyalty among Korea discount retail patrons. *Asia Pacific Journal of Marketing and Logistics*, 15 (4), 42–71.

- Lahap, J., Ramli, N.S., Mohd Said, N., Mohd Radzi, S. & AdliZain, R. 2014, "A Study of Brand Image towards Customer's Satisfaction in the Malaysian Hotel Industry", 6th International Research Symposium in Service Management, Elsevier Ltd, pp-149-157. Retrieved from [http:// www.science direct.com](http://www.science-direct.com).
- Lee, M.S., Hsiao, H.D. And Yang, M.F. (2010). "The study of the relationships among experimental marketing, service quality, customer satisfaction and customer loyalty". *International journal of organizational innovation*, 3 (2), 353-379
- Liat, C. B., & Abdul Rashid, M. Z. (2011). A study of service quality, customer satisfaction, corporate image and customer loyalty in the hotel industry in Malaysia. *International Research Conference and Colloquium* (pp. 21-30). Kuala Lumpur: Kuala Lumpur Press.
- Mikic Little, M. And A. M. Dean (2006). "Links between service climate, employee commitment and employees' service quality capability." *Managing Service Quality: An International Journal* 16 (5): 460-476.
- Mohajerani, P., and Miranadi, A. (2012) customer satisfaction modelling in hotel industry: A case study on kishislan in Iran. *International Journal of marketing studies*, 4 (3) / 134-152.
- Müller, M., (2016) Brand-cantered control: a study of internal branding and normative control. *Organization Studies*.
- Muturi, et al. (2013). "Determinants of customer loyalty in Kenya: does corporate image play a moderating role?" *The TQM Journal* 25 (5): 473-491.
- Nam, J., Ekinci, Y., & Whyatt, G. (2011). Brand equity, brand loyalty and consumer satisfaction. *Annals of tourism Research*, 38(3), 1009-1030.
- Nguyen, N. (2006). "The collective impact of service workers and service scope on the corporate image formation." *International Journal of Hospitality Management* 25 (2): 227-244.
- Normann, R. (1991). *Service Management: Strategy and Leadership in Service Business*, Wiley.
- Oliver, R. L. (1980). A cognitive model of the antecedents and consequences of satisfaction decisions. *Journal of Marketing Research*, 17 (4), 460–469.

- Oliver, R. L., & Sarbo, W. S. (1980). 'Response Determinants in Satisfaction Judgments': *Journal of Consumer Research*, 14 (4), 495–507.
- Ostrowski, P. L, et al. (1993). "Service quality and customer loyalty in the commercial airline industry." *Journal of Travel Research* 32(2): 16-24.
- Özçelik, G., (2015) Engagement and retention of the millennial generation in the workplace through internal branding: *International Journal of Business and Management*, 10 (3), p.99.
- OzlemAtalik, (2007). Customer complaints about airline service: A preliminary study of Turkish frequent flyers Vol. 30 No. 6, 2007 pp. 409-419
- Park, J.-W., Robertson, R., & Wu, C.-L. (2006). "Modelling the impact of airline service quality and marketing variables on passengers" *Future behavioural intentions. Transportation planning and technology*, 29(5), 359-381
- Petrillose, M.J. & Brewer, P.B. (2006). An exploration of customer retention factors in lasvegas resort properties. *Gaming research and review journal*. 5(2)
- Polit, D. and Hungler, B. 1997. *Essentials of nursing research: methods, appraisal, and utilization* (4th ed). J. B. Lippincott Company: Philadelphia, Pennsylvania, USA.
- Punjaisri, K. and Wilson, A., (2016) The Role of Internal Branding in the Delivery of Employee Brand Promise. In *Advances in Corporate Branding* (pp. 91-108). Palgrave Macmillan UK.
- Rahi, S. (2015).Moderating role of brand image with relation to internet banking and customer loyalty: A case of branchless banking: *The Journal of Internet Banking and Commerce*, 20(3).
- Richards, K.A., Jones, E. (2008).” Customer relationship management: finding value drivers”. *Industrial marketing management* 37, 120–130
- Rungting, (2004). Customer satisfaction, customer retention, and market share: *Journal of retailing*. 69. 193-215.
- Schiffman, L. G., & Kanuk, L. L. (2004).*Consumer behavior* (8th Ed.). New York: Prentice-Hall.

- Setiono R. (2004). Product, Corporate and Country image dimension and purchase behaviour: A multi country analysis: *Journal of the academy of marketing science*. Vol 32 No 3.
- Stephen, L., Sondoh Jr, Maznah, W. O., Nabsiah, A. W., Ishak, I., and Amran, H. (2007). The Effect of Brand Image on Overall Satisfaction and Loyalty Intention in the Context of Color Cosmetic. *Asian Academy of Management Journal*, Vol. 12, No. 1, 83–107, January 2007
- Surprenant, C. F. and M. R. Solomon (1987). "Predictability and personalization in the service encounter." *The Journal of Marketing*: 86-96.
- Suryabrata, Sumadi. (2003). *Research Methodology*: Raja Grafindo Persada, Jakarta
- Ta vakol, M. & Dennick, R. (2011). Making sense of Cranach's alpha. *International journal of Medical Education*, 2, pp.53-55
- Temesgen, M. (2020, January 18). Years from Hilton, *fortune*, retrieved from <http://www.addisfortune.news/years-from-hilton>.
- Tigu, G., Iorgulescu, M. C., & Ravar, A.S. (2013). The Impact of creativity and innovation in the hospitality industry on customers: *Journal of Tourism Challenges and Trends*, 6 (1), 9-33.
- Tsai, S. P. (2005). Utility, cultural symbolism and emotion: A comprehensive model of brand purchase value. *International Journal of Research in Marketing*, 1–15.
- Wai, C. P., & Low, K. L. T. (2005). Are traveller satisfied with Malaysian hotels? *International Journal of Contemporary Hospitality Management*, 17 (3), 217-227.
- Yabibal Mulualem Walle (2010), "Tourist flows and its Determinants in Ethiopia," Ethiopian Development Research Institute, Addis Ababa, Ethiopia, working paper 001.rki
- Yu-Te, Wang T.C & H C.Chang (2012). Corporate brand image and customers satisfaction on Loyalty: An Empirical study of star bucks coffee in Taiwan. *Journal of Social and Development Science*.
- Zeithaml, V. A. & Bitner, M. J. (2012). *Services Marketing: Sixth Edition*, McGraw-Hill Higher Education.
- Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (1996). The behavioural consequences of service quality. *Journal of Marketing*, 60 (2), 31–46.

Appendix

Appendix A. English version questionnaire

ST.MARY'S UNIVERSITY

School of Graduate Studies

Department of Marketing Management

Dear Respondent,

The purpose of this thesis questionnaire is to collect primary data for conducting a study on the effect of brand image on customer satisfaction and loyalty: in the case of Hilton Hotel Addis Ababa in partial fulfilment of the Master of Arts degree in marketing management program at St. Mary's university.

I kindly request you to provide me reliable information. Your highly esteemed responses for the questions are extremely important for successful completion of my thesis. The information you provide will be used only for the purpose of the study and will be kept strictly confidential.

Thank you in advance for your cooperation.

Researcher's name: **Habtamu Belay**

Mobile no.: 0911 53 04 97

GENERAL INFORMATION

- No need of writing your name
- Use (√) to indicate your answer

PART ONE: PERSONAL PROFILE

A. Gender:

Male Female

B. Age:

Less than 30 30 to 40 Greater than 40

C. What is the Purpose of your trip? Business Personal Tour

D. In which continent your nationality belongs to?

Africa South America Asia Europe North America

F. How many times do you use the service in a year?

Once Twice Three times Four times Monthly

Other please state _____

PART II: BRAND IMAGE BENEFITS

The following statements relate to your feelings about Hilton Hotel Addis Ababa. For each statement, please show the extent to which you believe Indicating the number from “1” to “5” representing your feeling. There is no right or wrong answer; what matters is the number that best shows your perception about the hotel.

		Scale of Measurement:				
		(1) Strongly Disagree	(2) Disagree	(3) Indifferent	(4) Agree	(5) Strongly Agree
Functional Benefits		Answer				
		1	2	3	4	5
1	The hotel performs the promise that it makes for the customer.					
2	The hotel provides adequate support during delivery of service at all time					
3	The hotel provides good service quality with affordable price					
4	The hotel has all the service that I need					
Experiential Benefits						
5	I feel Delighted when I am served at Hilton hotel Addis Ababa					
6	The hotel brand increases my frequency of use					
7	The hotel provides me dependable service					
8	I feel safe with Hilton Hotel service					
Symbolic Benefits						
9	The hotel brand helps me to better fit in to my social group					
10	The hotel brand helps me feel acceptable & gave me recognition					
11	Have been Served at Hilton hotel increases my self esteem					
12	The hotel’s brand image is outstanding and gives me a good impression					
Customer Satisfaction						
13	The hotel has convenience infrastructure availability					
14	The service provided by the hotel’s perfectly fits my expectation					
15	The hotel staffs are knowledgeable to introduce and explain all services that I need.					

16	Overall, I am satisfied with the decision to stay at this hotel					
Customer Loyalty						
17	I will recommend relatives and friends to use the hotel					
18	I will purchase additional service from the hotel					
19	I will remain using the hotel service					
20	I will consider the hotel as my first choice for my future trip					

Appendix B. Amharic version questionnaire

ቅድስተ ማርያም ዩኒቨርሲቲ

ድህረ ምረቃ ፕሮግራም

የገበያ አመራር ትምህርት ክፍል

ውድ መላሽ

የዚህ ጥናት መጠይቅ አላማ በገበያ ጥናት የድህረ ምረቃ መመሪያ ጥናት ለማዘጋጀት ግብአት ይሆን ዘንድ የመጀመሪያ ደረጃ መረጃ መስጠት ሲሆን የጥናቱ ርዕስም ምስል መግለጫ በደንበኞች እርካታና ታማኝነት ላይ ያለውን አስተዋፅኦ "Effect of Brand Image on Customer Satisfaction and loyalty" ለመገምገም ነው። ስለዚህም የተከበራችሁ ደንበኞች ጥቂት ጊዜያችሁን መስዋዕት በማድረግ ስለድርጅቱ ያለዎትን አመለካከትና ተዛማጅ ጉዳዮች ላይ ያለዎትን አስተያየት ይሰጡኝ ዘንድ በትህትና እጠይቃለሁ።

ለመጠይቁ የሚሰጡት ማንኛውም ምላሽ ምስጢራዊነቱ ሙሉ ለሙሉ የተጠበቀ ስለሆነ ያለስጋት ምላሽ ይሰጡ ዘንድ እየጠየኩ በተጨማሪም ለትምህርታዊ አገልግሎት ብቻ የሚውል መሆኑን ላረጋግጥልዎት እወዳለሁ። መጠይቁን ለመሙላት ፈቃደኛ ስለሆኑ በቅድሚያ አመሰግናለሁ።

የጥናቱ አድራጊ:- ሀብታሙ በላይ

ስልክ : 0911 53 04 97

አጠቃላይ መረጃ

- ስሞትን መጻፍ አያስፈልግዎትም።
- ይህንምልክት (✓) በመጠቀም መልሶዎን ይሰጡ።

ክፍል አንድ: የግል መግለጫ

- ሀ: ምግብ 1: ወንድ 2: ሴት
- ለ: እድሜ፤ 1. ከ18 እስከ 35 በታች 2. ከ36 እስከ 50
3. ከ51 እስከ 65 4. ከ65 በላይ

ሐ. የጉዞዎ አላማ ምንድን ነው? 1. ለስራ ጉዳይ 2. ለግል ጉዳይ 3. ለጉብኝት

መ: ዜግነትዎ በየትኛው አህጉር ይካተታል?

1. አፍሪካ 2. ደቡብአሜሪካ 3. እስያ 4. አውሮፓ 5. ሰሜን አሜሪካ

ሠ. የድርጅቱን አገልግሎት በአመት ለምን ያህል ጊዜ ይጠቀማሉ?

1. አንዴ 2. ሁለቱ 3. ሶስቱ 4. አራቱ 5. በየወሩ 6. ሌላ ካለ _____

ክፍል ሁለት : የምስለ መግለጫ ጥቅሞች እና ተዛማጅ ጥያቄዎች

ከዚህ በመቀጠል የቀረቡት ዓርፍተ ነገሮች ስለሂልተን ሆቴል አዲስ አበባ ያለዎትን ስሜት ያመለክታሉ። ስለዚህ ለድርጅቱ ባለዎት አመለካከት ትክክለኛ ነው ብለው የሚያስቡትን ከ 5 እስከ 5 ከቀረቡት አማራጮች መካከል ይህን ምልክት (✓) በመጠቀም መልሶዎን ይስጡ። '1' በጣም አልሰማምም '2' አልሰማምም '3' ገለልተኛ '4' እስማማለሁ እና '5' በጣም እስማማለሁ።

		የመለኪያ መሰፈርት:				
		1. በጣም አልሰማምም	2. አልሰማምም	3. ገለልተኛ	4. እስማማለሁ	5. በጣም እስማማለሁ
ተግባራዊ ጥቅሞች		መልስ				
		1	2	3	4	5
1	ሆቴሉ ለደንበኞች የገባውን ቃል ሙሉ በሙሉ ይተገብራል					
2	ሆቴሉ በአገልግሎት አሰጣጥ ሂደት ለእንግዶች በማንኛውም ሰዓት በቂ ድጋፍ ያደርጋል					
3	ሆቴሉ በተመጣጣኝ ዋጋ ጥራት ያለው አገልግሎት በመስጠት ላይ ነው					
4	ድርጅቱ የምደልጋቸውን አገልግሎት ሁሉ አለው ብዬ አምናለሁ					
ተሞክሮአዊ ጥቅሞች						
5	የሂልተን ሆቴል ደንበኛ በመሆኔ ጥሩ ስሜት ይሰማኛል።					
6	የሆቴሉ ስም አገልግሎቱን በተደጋጋሚ እንድጠቀም አድርጎኛል					
7	ሆቴሉ ለደንበኞቹ ፈጣን የሆነ አገልግሎት ይሰጣል					
8	በሂልተን ሆቴል አገልግሎት አሰጣጥ ደህንነት ይሰማኛል					
መገለጫዊ ጥቅሞች						
9	ሆቴሉ ከማህበረሰብ ክፍል ጋር በተሻለ መልኩ እንድቀረጽ ረድቶኛል					
10	የሆቴሉ ስም እና ዝና ተቀባይነት እንዳገኝ ረድቶኛል					
11	በሂልተን ሆቴል አዲስ አበባ በመጠቀሚያ የራስ መተማመኔን አሳድጎታል					
12	የሆቴሉ ደንበኛ በመሆኔ የተሻለ አቅም ያለው ሰው መስዩ እንድታይ አድርጎኛል					
አጠቃላይ እርካታ						
13	ሆቴሉ በቂ የሆነ የመሰረተ ልማት አቅርቦት አለው					
14	ሆቴሉ የሚሠጠውን አገልግሎት በጠበቅኩት መልኩ አግኝቼዋለሁ።					
15	የሆቴሉ ሠራተኞች ድርጅቱ ስለሚጠሰጠው አገልግሎት ለማስተዋወቅ እንዲሁም ለማብራራት በቂ እውቀት አላቸው ብዬ አምናለሁ					
16	ሆቴሉ የሚሰጠውን አገልግሎት ለማግኘት መወሰኔ እርካታ ይሰጠኛል					
የደንበኞች ታማኝነት						
17	ቤተሰቤን እንዲሁም ወዳጆቼን የሆቴሉ ተጠቃሚ እንዲሆኑ እመክራለሁ					
18	ወደ ፊት የዚህ ሆቴል አገልግሎት ተጠቃሚ መሆኔን እቀጥላለሁ					
29	የሆቴሉ ደንበኛ ሆኜ እቀጥላለሁ					
20	ወደፊት ባለኝ ጉብኝት ሆቴሉን የመጀመሪያ ምርጫዬ አደርገዋለሁ					

Appendix C. SPSS Output

➤ FREQUENCY ANALYSIS

Gender

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid male	225	72.6	72.6	72.6
female	85	27.4	27.4	100.0
Total	310	100.0	100.0	

Age

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid less than 30	139	44.8	44.8	44.8
30 to 40	118	38.1	38.1	82.9
greater than 40	53	17.1	17.1	100.0
Total	310	100.0	100.0	

What is the Purpose of your trip?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Business	159	51.3	51.3	51.3
Personal	151	48.7	48.7	100.0
Total	310	100.0	100.0	

In which continent your nationality belongs to?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Africa	159	51.3	51.3	51.3
South America	35	11.3	11.3	62.6
Asia	63	20.3	20.3	82.9
Europe	43	13.9	13.9	96.8
north america	10	3.2	3.2	100.0
Total	310	100.0	100.0	

How many times do you use the service in a year?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Once	97	31.3	31.3	31.3
Twice	86	27.7	27.7	59.0
Three Times	50	16.1	16.1	75.2
Four Times	39	12.6	12.6	87.7
Monthly	25	8.1	8.1	95.8
Others	13	4.2	4.2	100.0
Total	310	100.0	100.0	

➤ **Cronbach Alpha**

- **Functional benefits**

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.979	.979	4

- **Experiential Benefits**

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.974	.975	4

- **Symbolic Benefit**

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.893	.899	4

- **Customer satisfaction**

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.768	.767	4

- **Customer Loyalty**

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.981	.982	4

➤ **Descriptive Statistics**

- **Functional Benefits**

Descriptive Statistics

	N	Mean	Std. Deviation
The hotel performs the promise that it makes for the customer.	310	3.32	1.261
The hotel provides adequate support during delivery of service at all time.	310	3.46	1.224
The hotel provides good service quality with affordable price	310	2.93	1.245
The hotel has all the service that I need	310	3.20	1.248
Valid N (listwise)	310		

- **Experiential Benefits**

Descriptive Statistics

	N	Mean	Std. Deviation
I feel Delighted when I am served at Hilton hotel Addis Ababa	310	3.36	1.304
The hotel brand increases my frequency of use	310	3.95	1.081
The hotel provides me dependable service	310	3.68	1.162
I feel safe with Hilton Hotel service	310	3.76	1.188
Valid N (listwise)	310		

- **Symbolic Benefits**

Descriptive Statistics

	N	Mean	Std. Deviation
The hotel brand helps me to better fit in to my social group	310	3.83	1.161
The hotel brand helps me feel acceptable & gave me recognition	310	3.10	1.180
Have been Served at Hilton hotel increases my self esteem	310	2.85	1.300
The hotel's brand image is outstanding and gives me a good impression	310	3.80	1.185
Valid N (listwise)	310		

- **Customer Satisfaction**

Descriptive Statistics

	N	Mean	Std. Deviation
The hotel has convenience infrastructure availability	310	2.88	1.274
The service provided by the hotel's perfectly fits my expectation	310	2.71	1.238
The hotel staff is knowledgeable to introduce and explain all services that I need.	310	3.30	1.263
Overall, I am satisfied with the decision to stay at this hotel	310	2.65	1.288
Valid N (listwise)	310		

- **Customer Loyalty**

Descriptive Statistics

	N	Mean	Std. Deviation
I will recommend relatives and friends to use the hotel	310	2.87	1.167
I will purchase additional service from the hotel	310	2.81	1.170
I will remain using the hotel service	310	2.55	1.291
I will consider the hotel as my first choice for my future trip	310	2.62	1.316
Valid N (listwise)	310		

➤ **Correlation Analysis**

		Correlations					
		functionalBenfit	experientialBenefit	symbolicBenefit	customersatisfaction	customerloyalty	brandimage
functionalBenefit	Pearson Correlation	1	.956**	.925**	.873**	.963**	.981**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	310	310	310	310	310	310
experientialBenefit	Pearson Correlation	.956**	1	.947**	.835**	.927**	.987**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	310	310	310	310	310	310
symbolicBenefit	Pearson Correlation	.925**	.947**	1	.830**	.900**	.974**
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	310	310	310	310	310	310
customersatisfaction	Pearson Correlation	.873**	.835**	.830**	1	.815**	.864**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	310	310	310	310	310	310
customerloyalty	Pearson Correlation	.963**	.927**	.900**	.815**	1	.950**
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	310	310	310	310	310	310
brandimage	Pearson Correlation	.981**	.987**	.974**	.864**	.950**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	310	310	310	310	310	310

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

➤ **Regression Analysis**

- Regression analysis result for brand image benefits and customers' satisfaction

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.876 ^a	.768	.766	.47063

a. Predictors: (Constant), symbolicBenefit, functionalBenefit, experientialBenefit

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	224.284	3	74.761	337.538	.000 ^b
	Residual	67.776	306	.221		
	Total	292.060	309			

a. Dependent Variable: customersatisfaction

b. Predictors: (Constant), symbolicBenefit, functionalBenefit, experientialBenefit

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.552	.101		5.485	.000
	functionalBenefit	.656	.077	.814	8.525	.000
	experientialBenefit	-.134	.096	-.157	-1.389	.166
	symbolicBenefit	.210	.081	.227	2.588	.010

a. Dependent Variable: customersatisfaction

- **Regression analysis result for brand image benefits and customers' loyalty**

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.963 ^a	.928	.927	.32501

a. Predictors: (Constant), symbolicBenefit, functionalBenefit, experientialBenefit

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	416.000	3	138.667	1312.754	.000 ^b
	Residual	32.323	306	.106		
	Total	448.323	309			

a. Dependent Variable: customerloylty

b. Predictors: (Constant), symbolicBenefit, functionalBenefit, experientialBenefit

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	-.470	.069		-6.770	.000
	functionalBenefit	.870	.053	.872	16.376	.000
	experientialBenefit	.057	.066	.054	.861	.390
	symbolicBenefit	.049	.056	.043	.871	.384

a. Dependent Variable: customerloylty

- Mediating effect of functional benefit with customer satisfaction

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
	brandimage	1.029	.019	.950	53.286	.000	1.000	1.000
2	(Constant)	-.816	.071		-11.499	.000		
	brandimage	1.052	.038	.971	27.391	.000	.254	3.944
	customersatisfactio	-.030	.044	-.024	-.677	.499	.254	3.944

a. Dependent Variable: customerloylty