



Module Title: Dissertation Proposal

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Topic:

The Impact of Customer satisfaction and Brand Image on the brand loyalty of PepsiCo. A Quantitative Analysis of Full time University Students as emerging consumers.

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Abstract

Recent events happening within the global business environment, have led to several changes in the macro business environments, invariably impacting known consumer behaviour, especially in areas of maintaining loyalty to brands, as consumers adapt to rising costs of products and services. Students as emerging consumers are known to adopt savvy ways in stretching their already limited financial resource, to maintain preferences to certain known brands despite the potential negative impact on their finances. Brands represent consumers perceptions and feeling about a product or service and the real value lies in the ability of the subsequent product or service performance to capture customer preference and loyalty (Keller & Lehmann, 2006). This research seeks to understand whether it is brand image, or customer satisfactions, is the main motivation within the driving factors that influence full time university students to remain loyal to certain household known brands such as PepsiCo. Set of structured Survey questionnaire will be used to gather evidence from a nominated sample size of university students, the results will be analysed using JAMOV statistical analysis tools and tested against known empirical studies around the research area.

Introduction:

Manufactures such as PepsiCo with multiple households named brands, are faced with rising cost of production as cost of raw materials continue to rise globally. These costs are ultimately passed on to consumers and the effects of these impact known consumer behavioural patterns, leaving marketing experts with complex tasks of understanding the fast-changing dynamics within the consumer market, when making decisions on products and services development strategies.

Full time University students in particular find themselves in a peculiar situation, in that they already have limited budgets. Decisions to remain loyal to certain brands or attach preference to specific brands, despite the challenging situations caused by the rising costs, with particular reference to food and beverage essentials, is the subject of this research.

Several studies exist on branding, customer satisfaction and influences these have on consumer behaviour. Kotler and Keller(2006) suggested that brands represent consumers perceptions and feeling about a product or service and the real value lies in the ability of the subsequent product or service performance to capture customer preference and loyalty (Keller & Lehmann, 2006). While another study opines customer satisfaction as a psychological state of emotions that is displayed by a customer when a desired prospect is met, resulting to satisfaction (Namkung & Jang, 2007). This study aims to establish whether it is customer satisfaction or brand image that has more influence on full time university students' decisions on brand loyalty.

Rationale of this study:

There are over 2.6million higher education's students in the UK of which 1.88M are full time students studying their first degree (Universities UK, 2021). Majority of the students are known to finance their higher education programs using loans and other financing options and often adopt savvy ways in stretching their finances. However, students are also known to purchase food and beverages from established fast food and snacks brands such found in PepsiCo range, despite these being considered premium brands, and are preferring to sacrifice other personal requirements in favour of staying loyal to the brands. A recent study suggests that it is valuable for firms to study consumer buying behaviour, buying habits and motives, in order to adopt a more informed approach when creating marketing strategies to respond to the needs of their customers (Blackwell, et al., 2006).

Little studies exist on influences and motivations of full-time university students as emerging consumers, to choose certain household known brands such as PepsiCo range, over currently available alternatives. This research study aims at filling the gaps within existing literature by exploring the various driving factors and the combined impact of customer satisfaction and brand image has on attaining loyalty from future and emerging consumers. Several benefits can be derived from this research in that , it may help shed some more insight on what influences there are and what motivates fulltime university students in staying loyal to a brand. Furthermore, the findings of this research may help shape future market positioning strategies and help in increasing brand equity for organisation such as PepsiCo in gaining future emerging consumers.

Aim:

The main aim of this research is to investigate the Impact of Customer satisfaction and brand Image on the brand loyalty of PepsiCo, with a quantitative analysis of full-time university students as emerging consumers as the main research area.

Objectives of the Study:

- To determine the impact of brand Image of PepsiCo range products, on fulltime university students brand loyalty.
- To determine how customer satisfaction impacts on brand image and brand loyalty of PepsiCo
- To investigate what motivates university students in the UK to remain loyal to established brands such as PepsiCo.

Research Questions:

- What is the impact of brand image of PepsiCo product range on full-time university students brand loyalty?
- What is the impact of customer satisfaction on brand loyalty of PepsiCo?
- What are the motivation drivers for full-time university students to remain loyal to establish brands such as PepsiCo range?

Literature Review:

Brand Image:

Image is defined as “the set of beliefs, ideas and impression that a person holds regarding an object” (Keller , 2001), in tying this to a brand, it is the mental representation a consumer has about a brand based on individual beliefs, ideas an impression (Malik, et al., 2012). Another author defines Brand image as “largely a subjective and perceptual phenomenon that is formed through consumer interpretation, whether reasoned or emotional” (Dobni & Zinkhan, 1990). Depending the perspective view of the author, definitions have either been based on desired image, referencing organisations perspective of brand or perceived image, referencing consumer views on a brand. The deference perspectives provide gaps in understanding the various constructs, as understanding the full meaning of a brand becomes somewhat impaired and therefore provide a need for further investigation, to gain more insight from emerging consumers.

Customer Satisfaction:

Different opinions and constructs exist on what constitutes satisfaction for customers when using a product or service. Customer satisfaction is an important concept which has been used to interpret consumer conduct. Considering the theory of expectation disconfirmation, it is said to be the “psychological state resulting when emotions surrounding disconfirmed expectations is coupled with the consumers prior feelings about the consumption experience” (Oliver & Swan, 1989). This definition suggested that when a customer’s prospects are reached or met, satisfaction is felt otherwise disappointment arises. Another author describes customers satisfaction as comprising of cognitive and affective elements, where cognitive elements consist of rational valuations attached to acquired products, and affective elements consists of displayed sentiments such as cheerfulness and pleasure, demonstrating the fulfilment of anticipation (Bigne, et al., 2018). Both definitions stem from the emotions or expressions as displayed by the customers, following an encountered experience, however, empirical studies have concluded that customer satisfaction is a consistent display of revisit intentions (Javed, et al., 2018).

Brand loyalty:

Brand loyalty is defined as a deeply held commitment to attach a preference to re-buy or re-patronize a particular product or service consistently in the future, causing a repetitive purchasing habit of same brand, irrespective of situational influences and pressures with potential to cause switching behaviour (Oliver, 1999). It was viewed as a univariate measure when considering a consumer buying behaviour (Cunningham, 1961), and later considered a complex multi-dimensional construct (Alfian, et al., 2019), as time progressed. Brand loyalty can be viewed from three suggested dimensions, behavioural, affective and attitudinal loyalty, with the various dimensions focusing on factors such as admiration or conformity

propensity, which deals with preference attached to a brand, cognitive or evaluative factors, which deals with positive evaluations associated to a brand and behavioural perspectives, which focuses on explicit brand behavioural loyalty, demonstrated through upbeat reactions from buying as well as consumption activities. Considering the later perspective, loyalty can be demonstrated on the number of times a customer buys or consumes a particular brand over a specified period.

Keller brand equity model

Branding allows for organisations to effectively create identification and communication strategies that helps differentiate one product from another. It provides beneficial identities that suggest alignment to customer expectations, creating information and communication values for consumers and brand owners (Aydin & Ulengin, 2015). Brand equity relates to the set of assets and liabilities attached to a brand that either add to or subtracts from the value provided by a product or service to a firm or its customers (Aaker, 1991). Brand equity is critical to the survival of any brand as it helps in measuring different levels of consumer engagement with a brand in response to marketing communication. Keller brand equity model is considered appropriate for this research as the model is developed from consumer perspective, leaning on important constructs such as perception, association, perceived quality, that helps measure consumer engagement with a brand over a period (Chernatony, et al., 2008). Six key stages Salience, performance, imagery, judgement, feeling, resonance, are considered within the model to help demonstrate different levels of consumer engagement at which point equity is built and maintained which can lead to gaining brand loyalty.

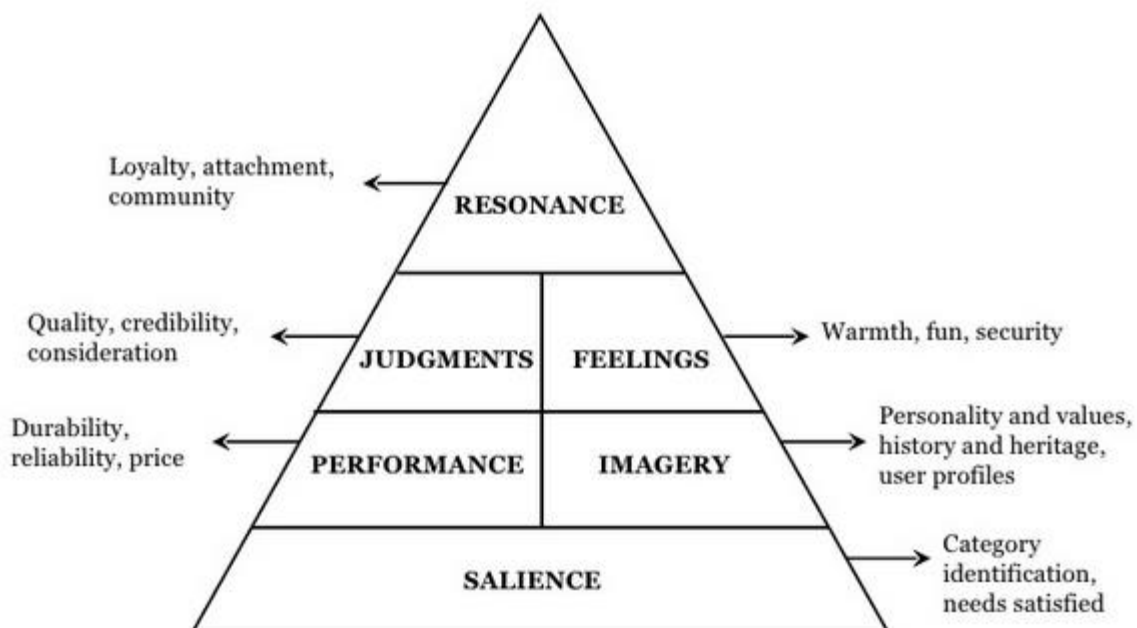


Fig1: source (Gustafsson, 2021)

Part Two:

Research Methodology:

The term research is defined as a logical and systematic approach used in gathering new information needed for a specific purpose, usually intended to find solutions to a scientific or social problem derived through objective and systematic analysis (Goundar, 2012). Research methodology deals with the structured process applied when conducting research and seeks to provide structured explanation to the reasons for a research, steps taken and expected findings and allows for agile planning of a research objectives. It provides basis for easy evaluation and validity of the research project.

The Research Onion:

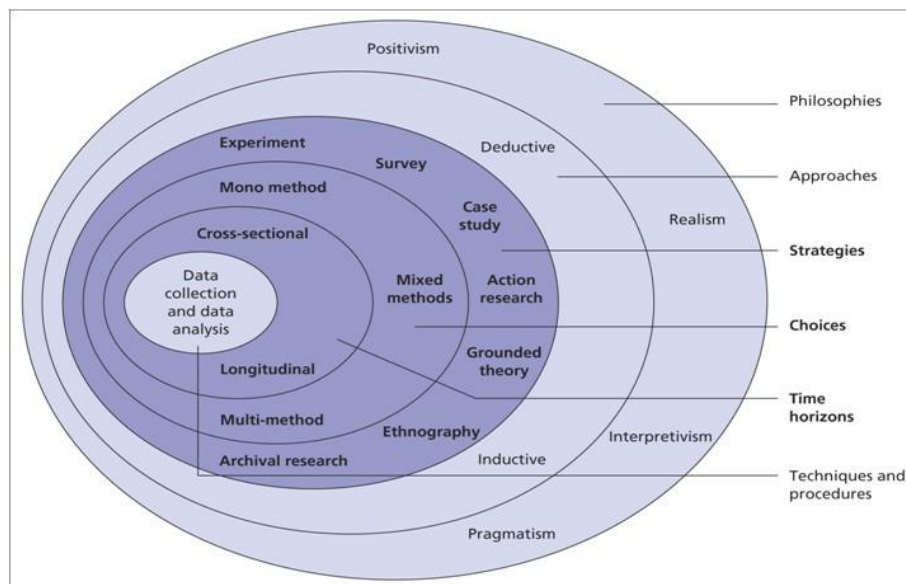


Fig 1: Source: (Melnikovas, 2018).

The epistemology for this research will be based on the philosophy of Positivism and will be adopted in managing scientific evidence associated with the main area of study. The ontological approach will provide grounds to accurately test existing hypothesis against newly gathered evidence in the form of feedback from survey questionnaires analysed, as the study aims to provide logical explanations on driving factors impacting consumer behaviour in maintaining brand loyalty.

Research Approach:

Considering existing literature as initial framework for this research, a combination of deductive approach as well as research findings, will be adopted to allow for guided methods based on scientific evidence, as findings will be tested against suggested hypothesis.

Consumer behavioural theory such as the Utility theory, which proposes that consumers make choices based on expected outcomes of their decisions (Loudon, 1993), Maslow motivation needs theories, Keller's Brand equity model, will be considered and used as a reflecting point and information deduced to provide critical analysis while establishing understanding of findings from research findings.

Research Strategy:

The proposed strategy for this research will be Survey technique to support deductive reasoning. Keeping in mind the predetermined assumptions, survey technique will provide basis to address key research questions as set of structured questions will be used to investigate main research areas. Keeping in mind the philosophy of Positivism, information collected can be properly managed to address main research area, where data on consumer preferences towards branded products can be collated and analysed.

Quantitative and qualitative data approaches are types of research strategies that can be used in any research study. Quantitative data approach reflects information in numeric forms allowing for easy analysis while qualitative data uses descriptive details in data collection (Goundar, 2012). Quantitative research method will be appropriate for this research as it deals with numeric information and will allow for Mono methods to be easily applied in developing the research, due the type of questioning strategy that is proposed in this survey being closed questions. Cross-sectional data study will be collected over 10weeks due to the time frame available to complete the research study, which current stands at 16 weeks.

Sampling Method:

Sampling is a process of analysing a predetermined number of observations taken from a larger group of population to help test research objectives, where it is not possible to observe or measure the entirety of the target study area, allowing research to ability to generalise their finding to the wider population (Bhardwaj, 2019). There are several types of sampling methods available to researchers and are divided into two main areas known as probability and non-probability sampling. Probability sampling is a method used when there are known probability outcomes or highly homogenous population, e.g., simple random sampling and cluster sampling, while non-probability sampling is where there is no known probability within sample size e.g., convenience and purposive sampling.

Convenience sampling method will be applied due proximity issue of the sample population. Research data will be obtained from a sample of no more than fifty(50) full-time university students, made of male and female between 19-40years old. Students will predominantly come from University of Wales Trinity St David, London campus. Students may have part-time employment of no more that 16hours per week. Student sample will come from undergraduate, certificate course students, and postgraduate students at no more than MBA level. Available students from the named Population parameters will be surveyed within the allowed time frame of 3weeks. The above sample size has been chosen due the time-frame

available to conclude this research, though the sample can be extended to other campuses within the institution, it is assumed that gaining the required feedback may become problematic which may impact on accuracy of the research findings. Existing literature will be used to support finding should this become the case. Future studies on this area may seek to further widen the research sample size in order to get a wider demography within the sample size.

Data Collection methods:

A combination of primary and secondary research will be used in collecting required evidence for analysis. Primary research is based on the principle of a scientific method of collecting raw or first-hand data or information using questions or hypothesis, that are measurable, observable and not prone to bias (Driscoll, 2011). A set of structured questionnaires will be used to conduct primary research around the subject area. The conceptual model of investigation may need to be extended if intended or required number of responses are not achieved through initial investigation. Secondary investigations in forms of academic and literature reviews will be used to support primary research findings and to test hypothesis within research area.

Permission will be sought and obtained from the University of Wales Trinity St David, London campus data management and compliance officer, to gain access to suggested student sample size, survey questionnaire will be distributed to student at the University, using online survey portals such as survey monkey or similar free platforms. A total of ten(10) closed questions will be included in survey and respondent will be required to complete the questionnaire in no more than ten(10) minutes.

Analysis of Data:

This research study will adopt a quantitative data approach. Requested background information from research sample of 50 respondents from University of Wales Trinity St David London campus, will be collated in numeric format for analysis. Information will be compiled using excel spread sheet where data will be sorted to reflect the requested survey demographic components. Collated data will be analysed using JAMOVI graphics analysis version 2.3.12. and represented in tables, graphs and numeric values represent in percentage values. Due to the single source of data collection, issue of common method bias will be tested to ensure validity of result analysis (Podsakoff, et al., 2003). If CMB is found to be present, these will be resolved by applying statistical remedies such as the Harman's single-factor test (Chin, et al., 2013). However, initial care will be taken when designing the survey and sample sizes to minimise the risk of CMV issues.

Research Ethics:

Research ethics refers to a set of moral principles designed to guide researchers using information gathered during a research study, to ensure the use of such information, does not knowingly or unknowingly harm participant associated with their study or research who have provided information for the benefits of the research study (Kumar, 2019). Data collected for purposes of this research study, will be handled strictly in line with the Current data protection Act of 1998, ensuring all personal information are kept private and confidential and only used for the purpose for which they were collected. Consent and confidentiality permissions will be initially obtained from survey participants through electronic formats, before access to survey is granted. Only personal information such as age and gender relevant to study will be collected and will not be shared with anyone and only used for the purposes of the study.

Ghant Chart:

	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13	Week 14	Week 15	Week 16
Introduction																
Literature review																
Research Methodology																
Creating Questionnaire																
Collection of Data																
Analysis of Data																
Discussion/ Interpretation of Data																
Conclusion & Recommendations.																

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