EFFECT OF SERVICE QUALITY ON BRAND IMAGE OF LOGISTIC FIRMS IN MOMBASA COUNTY

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ABSTRACT
This study sought to examine the effect of service quality on brand image of logistic firms in Mombasa County with a case study of logistics firms in Mombasa Island. The study specifically looked at how responsiveness, reliability, empathy and assurance affect brand image of logistic firms. The target population consisted of 120 logistic managers and Human resource managers drawn from 60 logistic firms in Mombasa Island. Stratified sampling technique was used to obtain a sample size of 92 respondents using formula proposed by Yamane. Data collection was done through the use of structured questionnaires with closed-ended questionnaires. The data was summarized and tabulated using descriptive measures. Factor analysis was used to identify the underlying factors. Descriptive statistics was used to summarize the results for each of the main variables. Data analysis was done using SPSS to generate quantitative reports which were presented in the form of tabulations, percentages, mean and standard deviation. The findings established that responsiveness has a positive and significant relationship with the firm’s brand image. Further the study established that firm has improved its dependability from the customers. The study concluded that firm staff informs customer exactly when services will be performed. The study also concluded that employees of the firm provide prompt service to the clients and that the firm employees communicate the progress of service to the customers adequately. The study recommended that the firm should make it a policy to communicate to the customer exactly when services will be performed. The study also recommended that the firms should train employee on service management to attract clients and that the firm employees communicate the progress of service to the customers adequately.

Key Terms: Assurance, Brand image, Customer satisfaction, Empathy, Service quality, Reliability, Responsiveness

INTRODUCTION

Broadly, service quality is recognised as a key source of competitive advantage for organisations seeking to differentiate their service offerings. As competition increases in the marketplace, organisations are under pressure to get the optimal returns on investment. In today’s competitive global environment, delivery of quality service is considered paramount and an essential strategy for success and survival (Parasuraman et al., 2013). Organisations are under immense pressure to deliver quality service and improve efficiencies. This pressure stems from their customers who are becoming increasingly discerning and knowledgeable. Palmer (2014) holds that an important question for many organisations is the effect of providing high quality services on the company’s profitability. He argues that this has led to extensive research into the financial returns from improving all aspects of an organisation’s value-creating processes and posits that there is considerable support for a link between improvements in service quality and improvements in financial performance.

According to Gronroos (2012) service quality is the result of an evaluation process, which helps consumer compare his expectations with his perception of the service received; in other words, he places the perceived service and the expected service opposite one another. Javalgi et al., (2014) claimed that during the decision-making process, customers have very few cues while buying services while an established brand performed as crucial role in form of risk reducer and purveyor which makes the decision-making process easier (Davis, 2011). According to Lewis and Booms, (2013) service quality is a benchmark in determining how well the level of services provided able to match the expectations of customers. Therefore, when consumers are satisfied with the services provided will create loyalty and can make consumers use the product again, even be happy to recommend it to others. As the research results obtained by Dean (2010), in the communications industry in Australia, that by providing consistent service and focus on customer needs and provide added value to the consumer, it will create loyalty to the company.

In the global context, Fornell et al. (2013) presented a study as measured by American Customer Satisfaction Index (ACSI) which found that customer satisfaction was significantly related to the firm’s stock market value. In a large and wide-ranging empirical study undertaken in the United Kingdom, it was found that service providers linked with higher service quality had a significantly better return on equity than service providers with poorer quality. This phenomenon applies to organisations of all sizes (Bates et al., 2010). Zeithmal et al. (2011) reported when service quality is high then consumers are not price sensitive and remain loyal even in the face of price increase which in turn improves the company’s financial performance.

Building of brand image is also an important matter for service firms as it is a powerful determinant for products marketing. Keller (2010) defined the brand image as the “the brand relations retained in consumers’ mind causes the assumptions about a brand.” According to the Arslan and Altuna (2010) the product brand image is negatively affected by the brand expansion, but the negative effect is being reduced by the relation between the original and expansion brands. The great fall in the brand image will be occurred due to the brand expansion if the supposed image and quality of the original brand are superior. There have been positive effects of apparent quality of the brand, consumers’ brand awareness, fit perceived by the consumer, consumers’ attitudes towards the expansion on the product brand image after the expansion.

By providing good quality services and meet the expectations of consumers it will also create a positive brand image in the minds of consumers, so
that the brand can be more trusted and able to increase customer loyalty. Because the brand image is a set of beliefs, ideas and impressions of a person to a particular brand (Kotler & Keller, 2012). With a positive brand image will make consumers become increasingly believe in the products so as to create loyalty, as research conducted by Chen (2010) in the electronics industry in Taiwan and showed that, if a product has a positive brand image in the public's mind then consumers will be loyal because they believe in the product. Service serves as the most salient phenomenon that customers can experience and perceive. Hence, quality of firm’s service mainly builds up the image of that particular brand. Similarly, Nguyen and LeBlanc (2012) explained that overall brand image of the company is formed by the combined perceptions of service quality as a result of frequent service experiences. Many researchers (e.g. Gummesson & Grönroos, 2011) reported brand image to be the key factor in the evaluation of overall service quality. Keller (2010) studied brand image as a perception, held in consumer memory, of an organization which serves as a filter to influence the perceptions related to operational aspects of the organization. In his study of airline service, Ostrowski et al., (2013) argued, “positive experience over time (following several good experiences) will ultimately lead to positive image”. Kim and Kim (2013) observed that “brand image and service quality perceptions share too many features”. Aydin and Ozer (2010) found that perceived service quality directly determines the perception of brand image.

Parasuraman et al. (2013) discovered a new model for measuring service quality provided by various organizations especially in banking sector. In this proposed model of service quality measurement, gap analysis is used to find the difference between customers' expected service performance and actual service performance. Thus when the expected level of service to be provided to the customers are greater than the actual level of service provided by any organization, then the service quality offered is considered as low and vice versa. This model was developed initially to measure customer perception of service quality for the banking and financial services but later refined to sectors such as hospitality, telecommunications and healthcare. Despite some arguments on this service quality model, the determinants accounted for measuring service quality are found to be reliable and could be used in various situations and been practiced by many researchers.

The brand is one kind of name, design, and symbol, or also perhaps the mark of the combination of three. It can be confirmed by entrepreneur’s product or the service, in order to distinguish the differences with other competitors (Aaker, 2012). Similarly, brand quality is more valuable for firms facing increasing competition, i.e., unanticipated decreases in industry concentration (Sundar, Kapil, & Andre, 2011). Kandampully and Hu (2010) stated that brand image consisted of two main components; the first is functional such as the tangible characteristics that can be measured and evaluated easily. The second is emotional such as feelings, attitudes and beliefs the one have towards the organization. These emotional components are consequences from accumulative experiences the customer have with the passage of time with the organization. Although service quality as “perceived by customers” (Zeithaml et al., 2011), but the service provider is the one who create and deliver the service. Service providers are the organization’s ambassadors; because they hold the ultimate balance of quality in service in the customers’ mind (Surprenant & Solomon, 2010).

Grönroos (2012) emphasized the extreme importance of brand image for service firms because when the customers use service, they see the firm and its resources by their judgment of the interaction between them and their service providers. His findings depicted that the customers formulate image as they see the components of the firm and develop
their perceptions. The definition by Kurtz and Clow (2011), “the overall or global opinion customers have of a firm or organization” depicts threat customers show high tendency of patronizing the firm if they develop high perceptions of its image. Logistics service quality is satisfying the demand of customers who receive logistics service (Mentzer et al., 2013) in which it is a significant tool that can lead success of a company by increasing firm flexibility and improve level of service supply that it can be considered as an essential factor to secure competitive advantage among competitive firms (Stank et al., 2012).

The subject of service quality continues to arouse considerable interest from different stakeholders – organizations, customers, academicians, practitioners (Negli, 2015). Clow and Vorhies (2010) argue that quality is the lifeblood that brings increased patronage, competitive advantage and long term profitability. Defining and monitoring the quality of a service is very different from defining and monitoring the quality of a tangible product (Baron, Harris & Hilton, 2014). In contrast to manufacturing, service organizations produce a product that is intangible. Usually, the complete product cannot be seen or touched; it is experienced. Examples of services include repairing a car, providing professional advice, experience of staying at a vacation resort, and learning at a university. The intangible nature of the product makes defining its quality difficult (Baron, Harris & Hilton, 2014). Service quality gives a company an important edge to differentiate from its competitors in a competitive environment. It provides a competitive advantage and results in customer satisfaction (Ladhari, 2012).

The concept of image refers to the influence that an entity has on the minds of people and includes three areas of: product image, brand image and organizational image (Rastegar et al., 2013). The brand image includes knowledge, customer opinions and physical and non-physical characteristics of the product; the image that customers grant to a product (lee et al., 2011). This image is made in the customer’s mind and therefore depends on his/her knowledge and perception of the brand. These dependencies and the established image enable the marketers for brand distinguishing, positioning, and extension and make the customers able to organize and retrieve the information about purchasing a product (Alimen & Cerit, 2010). To evaluate the brand image, Martinez et al. (2013), consider all the concepts related to the characteristics, interests and attitudes formed in the customers’ mind as the communication networks and state that the implications (associations) may be related to the brand function (cognitive) or the brand personality and the capability associated with the customers and the overall reputation of the brand (Pina et al., 2013). The quality of logistic service is an important key marketing concept that helps to create brand value (Mentzer, Flint, & Hult, 2011). Delivering the finished goods to consumers is a critical activity in any business. Moreover, it is crucially important to identify customer-related activities such as order receiving, sales and marketing, and processing, and shipment of the ordered goods.

Service quality has been found in the literature to be a competitive tool for many companies. This is even much more pronounced in today’s highly globalised, industrialised and competitive markets. Consumer awareness, stiff competition and standard of living are forcing many businesses to pay more attention to brand image strategy (Kadir et al., 2011). Many businesses, big and small, are routing more efforts to retain existing customers rather than to acquire new ones. This is because the cost of acquiring one new customer is greater than cost of retaining existing customers (Safwan et al., 2010). There is a general agreement by scholars that the concept of service quality and brand image is highly interrelated. Service quality is considered a critical determinant of
competitiveness that can help an organization to differentiate itself from other organizations and gain a competitive advantage. Nowadays, an increasing number of customers are equipped with a high volume of data and have a higher power for risk-taking. They are, based on the higher value achieving elsewhere, prone to change the store, so that changing the store by the customers have become as a norm and also a challenge for retailers (Githagui and Ngugi, 2013).

Locally, a review of literature on service quality and brand image shows that there is a dearth of studies in the subject area. For instance, Omollo (2011) carried out a study on the effect of service quality management on the financial performance of commercial banks in Kenya. The study revealed that service quality management was important in ensuring better financial performance. A study by Doreen (2013) on service quality and operational performance in tour operators in Kenya found that despite significant level of implementation of various quality components, firms are still unable to attain high operational performance. Onyancha (2013) in his study on effect of bank brand image on customer satisfaction found that customer satisfaction is the key of loyalty intention and that if customers are satisfied, they may create base of loyalty easily. However these studies have failed to address service quality in relation to brand image of logistic firms. Furthermore extant reviewed literature on service quality has focused on commercial banks (Onyancha, 2013; Omolo, 2011). This had left a research gap that needed to be addressed hence the current study examined the effect of service quality on brand image of logistic firms with special focus on logistic companies in Mombasa Island.

**Research Objectives**
- To determine the effect of empathy on brand image of logistic firms in Mombasa Island
- To determine the effect of reliability on brand image of logistic firms in Mombasa Island
- To determine the effect of assurance on brand image of logistic firms in Mombasa Island
- To determine the effect of responsiveness on brand image of logistic firms in Mombasa Island
- To find out the effect of assurance on brand image of logistic firms in Mombasa Island.

**Research Hypotheses**

- \( H_01 \): There is no significant effect of responsiveness on brand image of logistic firms in Mombasa Island.
- \( H_02 \): There is no significant effect of reliability on brand image of logistic firms in Mombasa Island.
- \( H_03 \): There is no significant effect of empathy on brand image of logistic firms in Mombasa Island.
- \( H_04 \): There is no significant effect of assurance on brand image of logistic firms in Mombasa Island.

**RELATED LITERATURE**

**Theoretical Review**

**Parasuraman Gaps Model**

Service quality is a function of the differences between expectation and performance along the quality dimensions (Parasuraman et al., 2010). Customer perceptions are needed to be met and exceeded. It requires from companies to study the buyer behavior of their existing and potential customers and to devise programs and initiatives to offer superior customer service. Customer services expectations consist of two levels: desired and adequate. Desired level of expectations is the level of service a customer wanted to be performed, while the adequate level of expectation is the “acceptable” level of service by the customer (Parasuraman et al., 2010).

According to Brown and Bond (2008), "the gap model is one of the best received and most heuristically valuable contributions to the services literature". The model identifies seven key discrepancies or gaps relating to managerial perceptions of service quality, and tasks associated with service delivery to customers. The first six gaps (Gap 1, Gap 2, Gap 3, Gap 4, Gap 6 and Gap 7) are identified as functions of
the way in which service is delivered, whereas Gap 5 pertains to the customer and as such is considered to be the true measure of service quality. The Gap on which the SERVQUAL methodology has influence is Gap 5.

**Customer Satisfaction Theory**
The customer satisfaction theory approach as noted by Hasan and Kerr (2013) delineates service quality as the difference between the expectations and perceptions of the customer in regard to a certain service and the reality perceptions. The theories present more emphasis or primary significance on the perceptions of the customer as opposed to the technical aspects of production which is the case in the attribute theory. Therefore, customer satisfaction theory focuses more on the satisfaction of the needs and wants of the customers. As a result, a large number of entities try as much as possible not only to meet the expectations of their customers in their daily activity but also exceed them in their long term plan. This requires firms to develop an operational process that is customer focused while at the same time committing considerable amount of resources that positions clients and meeting their various expectations since they are crucial assets to the financial of an enterprise.

Customer satisfaction according to Oliver (2009), can be determined by subjective (e.g. customer needs, emotions) and objective factors (e.g. product and service features). The heart of the satisfaction process is the comparison of what was expected with the product or service’s performance. Customers usually form expectations prior to purchasing a product or service. As suggested by Atkinson (2008), the consumption of or experience with the product or service produces a level of perceived quality that is influenced by expectations. Under the customer satisfaction theory therefore, it is perceived that if performance exceeds expectations, satisfaction increases, but if perceived performance falls short of expectations, the disconfirmation is more.

**Social Exchange Theory**
Social exchange theory has been identified as a useful theoretical basis for explaining customer loyalty (Wangenheim, 2009). According to social exchange theory (SET), firms maintain or exit exchange relationships depending upon expectations about costs and benefits of the relationship, weighted against the expected benefits of alternative relationships. Therefore, when a firm has multiple options, it will choose the most beneficial relationship, and it will remain as long as expectations regarding costs and benefits regarding the current relationship surpass a certain threshold (Wangenheim, 2009). Expectations about future costs and benefits are mainly influenced by prior experiences in the relationship and depend on past experience, so satisfying experiences increase the motivation to remain in the relationship (Wangenheim, 2009).

The basic SET assumption is that parties enter into and maintain relationships with the expectation that doing so will be rewarding. After a review of the social exchange theory literature, Lambe, Wittmann and Speckman (2008) postulate that 1) exchange interactions result in economic and/or social outcomes, 2) those outcomes are compared over time to other exchange alternatives to determine dependence on the exchange relationship, 3) positive economic and social outcomes over time increase the partners’ trust of each other and commitment to maintaining the exchange relationship, and 4) positive exchange interactions over time also produce relational exchange norms that govern the exchange partners’ interactions. Therefore, social exchange theory assumes self-interested actors who transact with other self-interested actors to accomplish individual goals that they cannot achieve alone (Lawler & Thye, 2010).
Rater Model
Commercial businesses like to be able to assess in advance what their customers expect from the product and/or services they buy. The RATER model is a convenient method to measure customer expectations (Zeithaml, Parasuraman and Leonard Berry, 2008). They first mentioned the RATER model in their book ‘Delivering Quality Service’ from 1990. Companies can use the RATER model to improve their individual services. They need customer information that they can obtain using the RATER model. Measurement of service quality in the public sector, from a best value perspective, should consider customer expectations of the service as well as perceptions of the service.

To achieve quality service delivery certain aspects or dimensions of service quality, based on SERVQUAL or RATER model, should be observable among the customers. SERVQUAL instrument comprises 22 statements used to assess service quality across five dimensions: Tangibles, Reliability, Responsiveness, Assurance, and Empathy, with each statement used twice that is once to measure expectations and once to measure perception. Tangibles refers to the physical evidence of the service such as appearance of physical facilities, tools and equipment used to provide the service, appearance of personnel and communication materials. Reliability is the ability to perform the promised service in a dependable and accurate manner. That is the service being performed correctly on the first occasion, the accounting being correct and records being up date. Responsiveness refers to willingness of employees to help customers and provide a prompt timely service. Assurance refers to knowledge and courtesy of employees and their ability to convey trust and confidence. Empathy refers to care and individualized attention the firm provides to customers (Parasuraman et al., 2010).

In China, Lassar et al. (2011) administrated SERVQUAL along with the Technical/Functional Quality model to 65 banking customers in an effort to empirically compare their ability to predict levels of customer satisfaction. It was found out that the Technical/Functional Quality model was a superior predictor of customer satisfaction compared to SERVQUAL. This might be one of the limiting factors in the application of SERVQUAL when measuring customer satisfaction. Despite this, a study done by Brunetto and Wharton (2012) on the relationship between employees service delivery and customer satisfaction resulted in inverse relationship where employees were at least slightly dissatisfied with communication frequency, directness and bidirection, and even more dissatisfied with the mode of communication processes (face-to face, email, manuals etcetera). As a result, employees slightly agreed that they did experience ambiguity in relation to customers, their supervisors and ethical issues.
Conceptual Framework

**Responsiveness**
- Communication
- Prompt service
- Willingness to help customer

**Reliability**
- Dependability
- Consistency

**Empathy**
- Individual attention
- Customer caring
- Understanding customer needs

**Assurance**
- Competence
- Credibility
- Courtesy

**Brand Image**
- Repeat purchase
- Loyalty
- Favourability

**Independent Variables**    **Dependent variable**

*Figure 2: Conceptual framework*

*Source: Author (2019)*

**Review of Variables**

**Responsiveness**
Providing service in a timely manner is highly appreciated by customers. Good service providers understand this aspect (Iqbal et al., 2010). Furthermore, firms that value efficiency pay attention to the services they offer so that they can have an advantage and use this to keep off competitors (Karim & Chowdhury, 2014). Bank customers look for banks that willingly help them in their banking operations. Customer satisfaction may be achieved in the banking sector when the service provider is willing to assist its customers when required (Akbaba, 2009) also stated that “responsiveness is positively related to customer satisfaction and customers can refers others if satisfied”. Therefore, word of mouth (WOM) advertisements are important for the banks. Key aspects under responsiveness include keeping customers informed as to when services will be performed, prompt service to customers, willingness to help customers and Readiness to respond to customers request (Armstrong, 2012).

According to Timothy (2012) the steps taken to keep customers informed when problems occur can strengthen or harm the relationship. Keeping customers well informed of what is going on can have lasting effects on the relationship. By letting customers work out their problems and not being proactive, firms miss an opportunity to strengthen customer relationships (Armstrong, 2012). If the customer gets the understanding that you’re working hard trying to fix the problem, then the customer will feel well taken care of and feels that he is getting his money worth (Ramzi, 2010).

In today’s’ economy, customers are more aware and have a pool of choice as to where to spend their money and time. Letting customers know as to when services will be performed increases a firms’ chance of retaining current customers as well as gaining new ones (Armstrong, 2012). Also, being concise and getting to the point quickly is a good way to respect customer’s time that shows responsiveness. Regular and honest feedback while informing customers is a must. For this to happen properly, firm staff must be proactive and specific. The firm should be able to develop a progress and development plan. Moreover it should be able to link the employee’s performance with the firms’ goals so that they can offer services that will satisfy customers (Ojo, 2010).

**Reliability**
Reliability is the most important dimension of e-Commerce quality, which is also an important dimension in the SERVQUAL scale. Reliability depends on handling customer service issues, performs the services right the first time; offers services on time, and maintain a record of error-free. Moreover, they define reliability as the most significant factor in
conventional service (Parasuraman et al., 1991). Reliability also consists of the right order fulfillment; accurate records; accurate quote; right in the bill; Results are more accurate than commissions; keep the promise of service.

Safwan et al. (2010) argued that reliability shows the service provider’s ability to perform services in a dependable and accurate manner. Furthermore, it involves doing it right the first time and it is a crucial service component of customers (Messay, 2012). It is noted that being reliable is an exceptionally important quality to have, especially in the banking industry (Ghost & Gnanadhas, 2011). Reliability improvement is key in-service quality enhancement efforts. This is because when a firm is unreliable, they communicate less concern to what customers care about. Customers may form a negative perception about the firm and will switch to a competitor without second thoughts (Sakhaei et al., 2014).

It is not easy for many types of service businesses to maintain a higher level of reliability day in day out. Customers view, experience and judge mishaps in the service sector immediately they interact with the firm (Mudassar et al., 2013). In such a sector, variability occurs largely when services are being offered. It is difficult for service providers to control such variations since each employee is somewhat different from the others in personality, skills and attitudes (Mohammad & Alhamadani, 2011). The key aspects under reliability include providing service as promised, dependability in handling customer service problems, performing services right at the first time and maintaining error free records (Armstrong, 2012).

**Empathy**

The basis of empathy is rooted in understanding the needs of customers and giving them individual attention. Employee and customer interactions are reflected through the empathy dimension (Armstrong, 2012). Service customers have an expectation on how the service provider should understand and be concerned about their individual needs and wants. As a service provider, trying to understand the situation from the customer’s point of view gives a clearer picture of what is happening (Toosi & Kohonali, 2011). The key aspects under empathy include giving customers’ individual attention, employees who deal with customers in a caring fashion and employees who understand the needs of their customers (Armstrong, 2012).

In today’s competitive business world, any positive change is likely to create competitive advantage. Employees who pay attention to their customers certainly provide a positive impression in the mind of a customer (Siddiqi, 2011). Customers appreciate a company that offers them options and alternatives, especially when the company representatives make them feel like they would like their customers to have the best interests by giving them individual attention. This technique makes customers feel important and that they are provided special treatment (Kariru & Aloo, 2014). It is important not only to understand what a customer says, but how a customer feels so as to give them the desired attention. A required skill to assist in offering this is being able to recognize and understand customer’s emotional state (Mohsan et al., 2011).

**Assurance**

Assurance refers to instilling confidence in customers and making them feel safe in their transactions; consistently courteous employees with the knowledge to answer customers’ questions (Zaithaml, 2012). In a service firm, the most efficient method for minimizing mistakes is ensuring activities are done right the first time. This involves ensuring that all tasks are done in the required manner first and every other time in a firm (Toosi & Kohonali, 2011). The first step to completing service processes right the first time is to measure the current level of performance. Employees can start by measuring the number of transactions that meet this goal and comparing this to
the total number of transactions. Any process that receives input from another internal process should be measured. Employees can then approach the problem in a logical manner and find the reasons behind poor performance in service (Onditi et al., 2012).

**Brand Image**
Keller (2010) defined brand image: “perceptions about a brand as refer to any brand aspect within the consumer memory. A higher favorability of the brand image builds a positive attitude towards the brand products, and additionally, a good brand image has a positive impact on the purchase intention (Simonian et al., 2012). Brand image can be measured from the physical appearance of a product or service. This physical appearance can lead to the high-low perception in the customers’ mind (Martinez, 2010). Furthermore, Keller (2010) suggests Multi-Dimensional Scaling (MDS) approach to measure brand image. This includes the whole elements of brand image, such as favorability of brand association, strength of brand association, and uniqueness of brand association.

Earls et al., (2012) also say that strong brand image can make customers loyal. But whenever customers’ needs change and the brand cannot respond these changing needs, according to Steel (2009), customers will tend to switch another brand (in Miller & Muir, 2010). Building a positive brand image can influence repeat purchase because a strong brand image can lead to customer loyalty. Furthermore, Schultz (2010) states that customers who are loyal to certain brand will recommend it to other people and not easily influenced by competitors to make purchases (Sondoh et al., 2011).

**METHODODOLOGY**
A descriptive survey design was deployed to carry out this study. Bryman and Bell (2011) define a descriptive research as one that is used to obtain information to portray the participants in an accurate way. It is usually concerned with describing a population with respect to specific variables. Quantitative data was analyzed by employing descriptive statistics and inferential analysis using statistical package for social science (SPSS) version 23. The study used multiple regression analysis to generate the coefficients. The analysis was done at 5% level of significance. To figure out the logical connection between independent variables and dependent variables, correlation analysis was used. On the other hand, regression analysis helped find out the extent to which the research variables related with each other. The following regression model was used:

\[ Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon \]

Where:
- \( Y \) = Brand Image
- \( \alpha \) = Regression intercept or constant (value of dependent variable when all independent variables are zero)
- \( \beta_1 - \beta_4 \) = Regression coefficient for each independent variable
- \( X_1 \) = Responsiveness
- \( X_2 \) = Reliability
- \( X_3 \) = Empathy
- \( X_4 \) = Assurance
- \( \varepsilon \) = Error Term

The multiple correlation coefficients \( R \) was used to test the strength of the relationship between the independent variables and the dependent variable.

**FINDINGS**

**Responsiveness**
Seeking to establish the effect of responsiveness on brand image, the study sought the views of logistic firm staff on the extent to which the given aspects of responsiveness affected brand image as indicated by their level of agreement. A Likert scale data was collected rating the extent of agreement in a scale of 1 to 5 where 1 was the strongly disagree whereas 5 was the strongly agree indicator. The results from the
collected responses were analysed based on means and their standard deviations to show the variability of the individual responses from the overall mean of the responses per each aspect. The mean results were therefore given on a scale interval where a mean value of up to 1 was an indication of a strong extent of disagreement; 1.1 – 2.0 is disagree; 2.1 – 3.0 is a moderate extent of agreement, 3.1 – 4.0 agree and a mean value of 4.1 and above is an indication of a strong extent of agreement. Findings on responsiveness are as presented in Table 1 below;

Table 1: Responsiveness

<table>
<thead>
<tr>
<th>Description</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The firm staff advice customer exactly when services will be delivered.</td>
<td>4.56</td>
<td>.944</td>
</tr>
<tr>
<td>The employees of the firm provide prompt service to the customers.</td>
<td>4.05</td>
<td>.618</td>
</tr>
<tr>
<td>The firm employees communicates the progress of service to the customers adequately</td>
<td>4.26</td>
<td>.783</td>
</tr>
<tr>
<td>Employees of the firm are able to handle customer complaints directly and immediately</td>
<td>4.35</td>
<td>.943</td>
</tr>
<tr>
<td>Employees of the firm respond quickly to customer needs</td>
<td>4.26</td>
<td>.583</td>
</tr>
</tbody>
</table>

From table 1 above, the respondents agreed (mean = 4.56; std. dev. = .944) indicating that firm staff advised the customer exactly when services will be delivered. The respondents strongly agreed that employees of the firm provided prompt service to the clients as shown by a mean of 4.05 with a standard deviation of .618. Findings also showed that, the respondents agreed (mean = 4.26; std. dev. = .783) indicating that the firm employees communicated the progress of service to the customers adequately. The employees of the firm were able to handle customer complaints directly and immediately as reported by the respondents who agreed to this fact which obtained a mean of 4.35 and a standard deviation of .943. Findings also showed that, the respondents agreed (mean = 4.26; std. dev. = .583) indicating that the employees of the firm respond quickly to customer needs. These findings were in agreement with Turk and Avcilar (2009) investigated the effects of service quality of audit firms on customer satisfaction and behavioural intentions. They found that customer satisfaction mediated perceived service quality dimensions and customer loyalty. They also found that responsiveness among the most important dimensions dimension of the service quality of audit firms.

Reliability

The findings under this section were also based on the means and standard deviation for the data that was collected through the likert scale measuring the level of agreement of the respondents with respect to the given aspects of reliability. The results on reliability are as presented in Table 2 below;

Table 2: Reliability

<table>
<thead>
<tr>
<th>Description</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The firm has to ensure dependability service.</td>
<td>4.26</td>
<td>.483</td>
</tr>
<tr>
<td>The firm services are consistent all the time</td>
<td>4.51</td>
<td>.511</td>
</tr>
<tr>
<td>The firm services are reliable hence affect brand image positively</td>
<td>4.31</td>
<td>.423</td>
</tr>
<tr>
<td>The customer cargo is handled with care by the firm</td>
<td>4.31</td>
<td>.423</td>
</tr>
</tbody>
</table>
As shown in the table 2, the respondents strongly agreed that firm had improved its dependability from the customers. This was according to the mean obtained of 4.51 with a standard deviation of 0.483 showing that the respondents had a strong extent of agreement and there was no much deviation of the responses from the mean value. The respondents also agreed that the firm services were consistent all the time as shown by a mean of 4.51 for agree and a standard deviation of 0.511. Further, the respondents agreed to a strong extent that the firm services are reliable hence affect brand image positively. This was shown by a mean of 4.31 with a standard deviation of 0.423 for a strong extent of agreement. Also the respondents agreed to a strong extent that the customer cargo is handled with care by the firm. This was shown by a mean of 4.31 with a standard deviation of 0.423 for a strong extent of agreement. The findings above resonated with the conclusions drawn by Turk and Avci (2009) that the most important dimensions dimension of the service quality of audit firms followed by reliability, responsiveness, empathy, and lastly tangibles.

**Empathy**

Table 3: Empathy

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees of the firm give customers personal attention</td>
<td>4.20</td>
<td>.383</td>
</tr>
<tr>
<td>The firm operates according to the business hours that are convenient to most of the customers</td>
<td>4.31</td>
<td>.723</td>
</tr>
<tr>
<td>The behaviour of the employees indicates that they understand customer needs</td>
<td>4.26</td>
<td>.583</td>
</tr>
<tr>
<td>The firm employees care for the customers</td>
<td>4.25</td>
<td>.467</td>
</tr>
</tbody>
</table>

As shown in the table 3, the respondents strongly agreed that employees of the firm gave customers personal attention. This had a mean of 4.20 with a standard deviation of 0.383. The firm operated according to the business hours that were convenient to most of the customers. This was as indicated by a mean of 4.31 with a standard deviation of 0.723. The behaviour of the employees indicated that they understood customer needs as indicated by a mean of 4.26 and standard deviation of 0.583. Finally respondents agreed that the firm employees care for the customers.

**Assurance**

Table 4: Assurance

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees have knowledge to handle customer needs effectively</td>
<td>4.31</td>
<td>.723</td>
</tr>
<tr>
<td>The firm employees respond to customer queries with courtesy</td>
<td>4.05</td>
<td>.618</td>
</tr>
<tr>
<td>Employees in the firm are consistently polite with customers</td>
<td>4.26</td>
<td>.483</td>
</tr>
<tr>
<td>The employees of the firm are competence in their job</td>
<td>3.84</td>
<td>.675</td>
</tr>
</tbody>
</table>

As shown in the table 3, the respondents strongly agreed that employees of the firm gave customers personal attention. This had a mean of 4.20 with a standard deviation of 0.383. The firm operated according to the business hours that were convenient to most of the customers. This was as indicated by a mean of 4.31 with a standard deviation of 0.723. The behaviour of the employees indicated that they understood customer needs as indicated by a mean of 4.26 and standard deviation of 0.583. Finally respondents agreed that the firm employees care for the customers.

Findings as presented in table 4 showed that the employees had knowledge to handle customer needs effectively This is as indicated by the level of agreement of the respondents where this obtained a
mean of 4.31 and a standard deviation of 0.723 indicating that the respondents agreed to this fact. Findings also showed that the firm employees responded to customer queries with courtesy (mean = 4.05; std. dev. = .618). The findings also showed that employees in the firm were consistently polite with customers (mean = 4.26; std. dev. = .483). Finally respondents agreed that the employees of the firm were competence in their job (mean = 3.84; std. dev. = .675). The findings above resonated with the work of Sadia et al. (2013) who carried out a research entitled as how the quality of services affected the brand equity and concluded that the quality of services led not only to satisfy the customer’s expectations of standard services, but also it causes to enhance the assurance to abilities of a brand.

**Brand image**

The study results on brand image were as presented in Table 5. The findings were on means and standard deviation showing the extent of the respondents’ agreement on the brand image aspects given.

<table>
<thead>
<tr>
<th>Table 5: Brand image</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The firm image has improved over the last 3 years</td>
<td>4.51</td>
<td>.811</td>
</tr>
<tr>
<td>Higher favourability of the brand image builds a positive attitude towards the brand products</td>
<td>4.35</td>
<td>.343</td>
</tr>
<tr>
<td>Repeat purchase is a key indicator of brand image performance</td>
<td>4.31</td>
<td>.582</td>
</tr>
</tbody>
</table>

According to the findings in table 5, the firm image had improved over the last 3 years. The respondents agreed to this with a mean of 4.51 and a standard deviation of 0.811. Higher favourability of the brand image builds a positive attitude towards the brand products. The respondents had a strong extent of agreement to this aspect (mean = 4.35; std. dev. = .343). Further, findings show that repeat purchase is a key indicator of brand image performance respondents strongly agreed as indicated by a mean of 4.31 and a standard deviation of 0.582. The findings are in agreement with the proposition by Edward and Wang (2015) who conducted a research entitled as the impact of services of the foodstuffs brand equity on consumer’s perception of nutritional value, physical risk and brand preference and concluded that the awareness of the brand services and the brand image have the different effects on consumer’s perception of nutritional risk and value.

**Correlation Analysis**

A simple bivariate correlation of the variables was exhibited in Table 6. This table provided the Pearson’s correlation coefficient for the selected variables. The highest correlation coefficient is 0.719 which indicated that multicollinearity between variables did not exist. The reason being that social science researchers normally used bivariate correlation higher than 0.80 as a benchmark for identifying multicollinearity between variables.

<table>
<thead>
<tr>
<th>Table 6: Correlation analysis</th>
<th>Responsiveness</th>
<th>Reliability</th>
<th>Empathy</th>
<th>Assurance</th>
<th>Brand image</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>.653**</td>
<td></td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Page: 514**
Empathy  Pearson Correlation .719** .680** 1
  Sig. (2-tailed) .000 .000
Assurance Pearson Correlation .680** .534** .543** 1
  Sig. (2-tailed) .000 .000 .000
Brand image Pearson Correlation .577** .457** .523** .110 1
  Sig. (2-tailed) .000 .000 .000 .316
**. Correlation is significant at the 0.01 level (2-tailed).

Regression Analysis and Hypothesis Testing

In this study, regression analysis was carried to show the relationship between the dependent and the independent variables. The dependent variable was the brand image of logistic firms as measured by repeat purchase, loyalty and favourability whereas the independent variables were responsiveness, reliability, empathy and assurance.

Findings under this section presented the results on the relationship test between the dependent and independent variables. Regression test was carried out to show the extent of effect of service quality on brand image of logistic firms. The significance of the regression model was tested at the 5 % level of significance through F-statistics which shows the level of reliability of the so developed models in presenting the relationship between service quality and brand image.

Results under regression analysis gave the regression model summary which showed the extent of variability of brand image due to the influence of the predictor variables (service quality) as given by the coefficient of determination, the ANOVA table which shows the significance of the regression model as well as the regression coefficients.

Model summary

Table 7: Coefficient of determination results

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.715a</td>
<td>.511</td>
<td>.486</td>
<td>1.676</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Assurance, Reliability, Empathy, Responsiveness

Table 8: ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>234.865</td>
<td>4</td>
<td>58.716</td>
<td>20.893</td>
<td>.000b</td>
</tr>
<tr>
<td>Residual</td>
<td>224.829</td>
<td>80</td>
<td>2.810</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>459.694</td>
<td>84</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Brand Image

b. Predictors: (Constant), Assurance, Reliability, Empathy, Responsiveness
Table 9: Regression Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>6.893</td>
<td>1.205</td>
<td>5.722</td>
</tr>
<tr>
<td></td>
<td>Responsiveness</td>
<td>.505</td>
<td>.100</td>
<td>.791</td>
</tr>
<tr>
<td></td>
<td>Reliability</td>
<td>.149</td>
<td>.076</td>
<td>.220</td>
</tr>
<tr>
<td></td>
<td>Empathy</td>
<td>.017</td>
<td>.083</td>
<td>.030</td>
</tr>
<tr>
<td></td>
<td>Assurance</td>
<td>.445</td>
<td>.086</td>
<td>.561</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Brand Image

DISCUSSION

The first objective of establishing the effect of responsiveness on brand image, responsiveness has a positive and significant relationship with the firm’s brand image according to results above (B=0.505, P<0.000). Therefore this implied that a unit increase in responsiveness would lead to an increase in brand image by a coefficient factor of 0.505. Hypothesis testing conducted at 95% confidence level on responsiveness confirmed its significant effect on the dependent variable, hence the Null hypothesis was rejected.

The second objective of determining effect of reliability on brand image of logistic firms, according to results above, reliability indicated a positive and significant effect on the logistic firms’ brand image (B=0.149, P>0.052). This gave evidence of a significant relationship between reliability and brand image of logistic firms. Hypothesis testing conducted at 95% confidence level on reliability confirmed its insignificant effect on the dependent variable, hence we fail to reject Null hypothesis.

Further, it was observed that empathy was statistically insignificant this was because its probability value was more than 5%, p>0.836. These findings contradicted with the hypothesis of this study which predicted a statistically negative significant relationship between service quality and brand image. Hypothesis testing was also conducted on this variable at 95% confidence level and it was found out that empathy had no statistical significant effects on brand image of logistics firms, hence failing to reject the Null hypothesis.

The fourth objective of assessing the effect of assurance on brand image of logistic firms, as per table findings above, assurance had a positive and significant effect on brand image of logistic firms (B=0.445, P<0.000). The findings indicated a P-Value of 0.000 showing that there was a significant relationship between assurance and brand image of logistics firms. A beta of 0.445 indicated a positive relationship. Conducting Hypothesis testing on this variable at 95% confidence interval concluded that assurance had statistically significant effects on brand image of logistic firms, hence the Null hypothesis was rejected. These results were corroborated by Edward and Wang (2015) who conducted a research entitled as the impact of services of the foodstuffs brand equity on consumer’s perception of nutritional value, physical risk and brand preference and concluded that the awareness of the brand services and the brand image have the different effects on consumer’s perception of nutritional risk and value.

Table 10: Hypothesis Testing

<table>
<thead>
<tr>
<th>Hypothesis Statement</th>
<th>Test Model</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Responsiveness \( Y = \beta_1X_1 + \epsilon \)  P<0.05 Rejected
Reliability \( Y = \beta_2X_2 + \epsilon \)  P>0.05 Fail to reject
Empathy \( Y = \beta_3X_3 + \epsilon \)  P>0.05 Fail to reject
Assurance \( Y = \beta_4X_4 + \epsilon \)  P<0.05 Rejected

**CONCLUSION**

The study concluded that firm staff tells the customer exactly when services will be performed. The study also concluded that employees of the firm provide prompt service to the clients and that the firm employees communicate the progress of service to the customers adequately. The employees of the firm are able to handle customer complaints directly and immediately and that the employees of the firm respond quickly to customer needs.

The researcher concluded that firm had improved its dependability from the customers. The study further concluded that firm services are consistent all the time. Also the firm services are reliable hence affect brand image positively and that the customer cargo is handled with care by the firm.

The study further concluded that employees of the firm give customers personal attention. The firm operated according to the business hours that are convenient to most of the customers. The behaviour of the employees indicated that they understand customer needs. Finally the study concluded that the firm employees cared for the customers.

The study further concluded that employees have knowledge to handle customer needs effectively. Further the study concluded that firm employees respond to customer queries with courtesy and that employees in the firm are consistently polite with customers. Finally it is concluded that employees of the firm are competence in their job.

**RECOMMENDATIONS**

- The logistics firm should have effective communication policy hence advising customers on the progress of their cargo and the delivery time.
- The Logistics firms should train employee on customer relations Management which will enable the employees understand how to relate and effectively communicate to their customers.
- The Logistics managers of logistic firms should ensure the information given to customers are reliable, accurate and consistent
- On empathy, the study recommended that employees of the firm should be trained on giving customers personal attention. The firms’ employees should be inducted on how to better understand customer needs.
- Finally the study recommended that employees should be trained on how to handle customer needs effectively. Further the study recommends that employees should always respond to customer queries with courtesy and that employees in the firm should be polite to the customers.

**Suggestions for Further Research**

The study only covered logistic firms in Mombasa Island. Logistics industry is just one of the many sectors in our economy, meaning that a wide knowledge gap exists and there is need to carry out similar research in these sectors. The adoption and implementation of service quality management practices in all sectors of Kenyan economy will go a long way in improving service delivery; better customer satisfaction hence improved GDP.
REFERENCES


