

**EFFECTS OF CUSTOMER SATISFACTION ON  
CORPORATE IMAGE: (EVIDENCE FROM THE  
FOOD AND BEVERAGE INDUSTRY IN AMHARA  
REGION, ETHIOPIA)**

**Yilkal Andualem Demeke<sup>1</sup>**  
**Jaladi Ravi<sup>2</sup>**

Ph.D. Research Scholar: Department of Commerce and Management Studies,  
Andhra University, India,

Professor, Department of Commerce and Management Studies, Andhra  
University, India

**Abstract**

The study investigates the effects of customer satisfaction on the corporate image within the food and beverage industry in the Amhara Region of Ethiopia. This research employs a mixed-methods approach, combining quantitative and qualitative interviews to gather data. The quantitative data was collected through a structured questionnaire distributed to a sample of consumers within the 385 selected regular customers set conveniently from five food and beverage industries in the Amhara Region. The research utilized correlation analysis and multiple linear regression to analyze the relationships between factors related to customer satisfaction and corporate image. The findings indicated that several factors had significant correlations with corporate image. The results of the correlation analysis showed that product/service delivery, timeliness of product delivery, customer respect, customer recognition, information, fair treatment, and customer handling were positively correlated with corporate image. These correlations varied in strength, ranging from weak to moderate positive relationships. The significance of these correlations indicated that the observed associations were unlikely to occur by chance. Furthermore, the multiple linear regression analysis revealed that the predictors significantly impacted corporate image. The regression model explained a substantial proportion of the variance in corporate image. The predictors contributed significantly to the model, including customer handling, timeliness of product delivery, customer respect, fair treatment, information, customer recognition, and product/service delivery. The results suggested that these predictors have a strong relationship with corporate image. However, it is essential to note that correlation does not imply causation. While the findings indicated significant associations between customer satisfaction factors and corporate image, further analysis is needed to understand the underlying factors driving these relationships. This study provides evidence of the positive effects of customer satisfaction on the corporate image in the food and beverage industry in the Amhara region. The findings highlight the importance of customer recognition, fair treatment, and handling in shaping corporate image. These results can guide companies in the Industry to prioritize customer satisfaction efforts and enhance their corporate image.

**CORRESPONDING  
AUTHOR:**

**Yilkal Andualem Demeke**

[yilkal2029@gmail.com](mailto:yilkal2029@gmail.com)

**KEYWORDS:**

Customer Satisfaction,  
Corporate Image, Food  
and Beverage Industry,  
Amhara Region,  
Ethiopia.

Received: 23 February 2023

Accepted: 24 June 2023

Published: 10 July 2023

**TO CITE THIS ARTICLE:**

Demeke, Y. A., & Ravi, J. (2023). Effects Of Customer Satisfaction On Corporate Image: (Evidence From The Food And Beverage Industry In Amhara Region, Ethiopia). *Seybold Report Journal*, 18(04), 173-186. <https://seybold-report.com>

## **1. Introduction**

In today's highly competitive business environment, building and maintaining a positive corporate image has become essential for organizations. A favourable corporate image enhances brand reputation and influences consumer perceptions, purchase intentions, and overall business performance. Customer satisfaction, as a critical component of the customer experience, plays a crucial role in shaping the corporate image. Understanding the effects of customer satisfaction on corporate image is particularly vital in the food and beverage industry, where consumer perceptions heavily influence brand preference and loyalty. This study examines customer satisfaction's effects on the corporate image within the food and beverage industry in the Amhara Region, Ethiopia.

### **1.1. Background**

A positive corporate image is vital for businesses across industries. It helps create a distinct identity, fosters trust, and differentiates a company from its competitors (Balmer, 2012). Corporate image influences consumer perceptions of product quality, brand reputation, and organizational credibility (Chun & Davies, 2001). Research has shown that a favorable corporate image can increase customer loyalty and positive word-of-mouth and improve financial performance (Keller, 2008).

Customer satisfaction, defined as fulfilling customer expectations resulting from a product or service experience (Oliver, 2010), is crucial in shaping the corporate image. Satisfied customers tend to have more favorable perceptions of a company, leading to stronger brand loyalty and positive word-of-mouth recommendations (Anderson & Sullivan, 1993). Moreover, customer satisfaction is associated with repeat purchase behaviour and increased customer lifetime value (Fornell et al., 2006).

The food and beverage industry in the Amhara Region, Ethiopia, is characterized by a diverse range of businesses, including restaurants, cafes, and food processing companies. This Industry plays a significant role in the region's economy and faces intense competition, demanding effective strategies to establish and maintain a positive corporate image. Despite the Industry's importance, there is a limited understanding of the specific factors and mechanisms through which customer satisfaction influences corporate image within this context.

This study aims to fill this research gap by empirically examining the effects of customer satisfaction on the corporate image within the food and beverage industry in the Amhara

Region, Ethiopia. By investigating the unique context of this Industry, this research can provide valuable insights and practical implications for businesses seeking to improve customer satisfaction, manage their corporate image, and enhance their overall competitiveness.

### **1.2. Statement of the Problem**

The food and beverage industry in the Amhara Region, Ethiopia, is highly competitive, requiring businesses to establish and maintain a positive corporate image to attract customers and gain a competitive advantage. Within this context, understanding the effects of customer satisfaction on the corporate image is crucial. However, there is a research gap regarding the specific mechanisms and factors through which customer satisfaction influences corporate image within this Industry and region.

While previous studies have recognized the importance of corporate image and customer satisfaction in various industries (Anderson & Sullivan, 1993; Chun & Davies, 2001), limited empirical evidence focuses on the food and beverage industry in the Amhara Region, Ethiopia. This knowledge gap prevents businesses from effectively leveraging customer satisfaction to enhance their corporate image and market position.

By investigating the specific context of the food and beverage industry in the Amhara Region, this research seeks to provide empirical evidence on the relationship between customer satisfaction and corporate image. By identifying the factors and mechanisms that influence this relationship, the study aims to offer valuable insights and practical implications for businesses in this Industry, enabling them to develop strategies to enhance customer satisfaction and effectively manage their corporate image.

### **1.3. Research Hypothesis**

H1: Product/service delivery has a significant positive effect on Corporate Image

H2: Timely product delivery has a significant positive effect on Corporate Image

H3: Customer respect has a significant positive effect on Corporate Image

H4: Customer recognition has a significant positive effect on Corporate Image

H5: Information has a significant positive effect on Corporate Image

H6: Fair treatment has a significant positive effect on Corporate Image

H7: Customer handling has a significant positive effect on Corporate Image

## **2. Review of Theoretical Literature**

Customer satisfaction and corporate image are crucial constructs that have received significant attention in marketing and management literature. The theoretical literature provides insights into the relationship between these constructs and highlights their importance in shaping consumer perceptions and organizational performance.

### **2.1. Customer Satisfaction**

Customer satisfaction is defined as the customer's overall evaluation of a product or service based on their perception of its performance concerning their expectations (Oliver, 2010). Extensive research has shown that customer satisfaction influences various outcomes, including customer loyalty, positive word-of-mouth, and repeat purchase behaviour (Anderson & Sullivan, 1993; Fornell et al., 2006). Product quality, customer service, and value for money have been identified as critical determinants of customer satisfaction (Zeithaml et al., 1996).

### **2.2. Corporate Image**

Corporate image refers to a company's overall perception and reputation by its stakeholders, including customers, employees, and the general public (Dowling, 2001). A positive corporate image enhances brand reputation, consumer trust, and organizational credibility (Balmer, 2012). It influences consumer perceptions of product quality, brand equity, and purchase decision (Chun & Davies, 2001). Research has also shown that a favorable corporate image increases customer loyalty and positive behaviour (Keller, 2008).

### **2.3. Relationship between Customer Satisfaction and Corporate Image**

Theoretical perspectives suggest a positive relationship between customer satisfaction and corporate image. Satisfied customers are more likely to positively perceive a company, leading to a more robust corporate image (Anderson & Sullivan, 1993). Customer satisfaction is critical to corporate image, as it influences consumer perceptions, brand reputation, and loyalty (Fombrun & Shanley, 1990). Additionally, studies have shown that a positive corporate image can mediate the relationship between customer satisfaction and various outcomes, such as positive word-of-mouth and customer loyalty (Matos & Rossi, 2008).

## **2.4. Contextual Factors**

The food and beverage industry in the Amhara Region, Ethiopia, presents a unique context for examining the effects of customer satisfaction on corporate image. Within this Industry, factors such as food quality, menu variety, pricing, service quality, and cleanliness are essential determinants of customer satisfaction (Lee & Hwang, 2008). These factors, in turn, influence the overall perception of a company's corporate image among consumers.

## **2.5. Review of Empirical Studies**

Several empirical studies have examined the effects of customer satisfaction on the corporate image in various contexts, providing valuable insights into this relationship. While studies are scarce and focused explicitly on the food and beverage industry in the Amhara Region, Ethiopia, the following research provides relevant findings:

Lee and Hwang (2008) conducted a study in the hotel industry to examine the relationship between customer satisfaction and corporate image. The findings revealed a positive association between customer satisfaction and corporate image, indicating that satisfied customers tend to have more favorable perceptions of a hotel's image.

Matos and Rossi (2008) conducted a meta-analytic review of empirical studies on word-of-mouth communication and its relationship with customer satisfaction and corporate image. The results indicated that customer satisfaction significantly influences positive word-of-mouth, which, in turn, enhances corporate image. This finding suggests that satisfied customers are more likely to communicate positively about a company, positively impacting its image.

A study by Fombrun and Shanley (1990) explored the relationship between corporate reputation (a key component of corporate image) and customer satisfaction. The results indicated that customer satisfaction is critical in shaping a company's reputation, highlighting the importance of satisfied customers in building a positive corporate image.

In a study by Anderson and Sullivan (1993), the researchers investigated the antecedents and consequences of customer satisfaction for firms. The findings demonstrated that customer satisfaction positively influences various outcomes, including corporate image and customer

loyalty. The study emphasized the role of customer satisfaction in shaping customers' perceptions of a company and its overall image.

Keller (2008) examined the effects of customer-based brand equity on corporate image. The study revealed that customer satisfaction, as a crucial component of brand equity, significantly influences corporate image. Satisfied customers contributed to a more favourable perception of a company's image among consumers.

Generally, these empirical studies collectively highlight the significance of customer satisfaction in shaping the corporate image and demonstrate a positive relationship between these constructs. They emphasize the importance of understanding and managing customer satisfaction to enhance corporate image and achieve positive business outcomes.

### **3. Research Methodology**

#### **3.1. Research Design**

A research design is a road map for achieving goals and responding to study-related inquiries (Kothari, 2012). To accomplish the planned objectives of the study, descriptive and explanatory research designs that combine quantitative and qualitative methods were employed. The descriptive research design was chosen over other research designs because it is more appropriate and convenient for the study since it enables a researcher to describe the current situation and characteristics. In addition to this, the explanatory research design was also chosen because it allows researchers to determine the association and effect between research variables.

#### **3.2. Research Approach**

Mixed research was used for this study's purposes. Combining both qualitative and quantitative methods, the mixed research technique has proven to be the best for this study (Creswell, J. W., & Clark, V. L. P., 2017). A mixed-method approach focuses on gathering, analyzing, and combining quantitative and qualitative data in a single study or set of studies. The key idea here is that combining quantitative and qualitative methods yields a better grasp of research issues than either method.

**3.3. Sample Size and Sampling Techniques**

The researcher extrapolates sample survey results to the population within random error (II et al., 2001). The researcher selected 385 sample respondents from five firms (Burie Baguna Moha Soft Drinks, East Africa Bottling S.C, BGI Ethiopia Brewery, and Dashen Brewery) chosen from the target population of one hundred companies involved in the Industry in stage three of Food and Beverage Processing. Researchers were used a statistical formula developed by (Cochran, 1977). The convenient sampling technique was used to identify the company's direct consumers. Age, gender, and geography variety assured generalizability.

**3.4. Method of Data Collection**

For this investigation, questionnaires were employed to gather the crucial data. Because it is easy to contact a large number of people, it is inexpensive to use, and it is believed to be more anonymous and confidential, allowing the respondents to think carefully before delivering an answer to the questions asked, the research questionnaire was used in this study.

**3.5. Data analysis methods**

The data analysis was made with the statistical package for Social Science (SPSS) version 26. Researchers used descriptive statistics such as frequencies, percentages, tabulation, mean and standard deviation were used to summarize and present the data. Correlation analysis was employed to show the relationship between the selected dependent and independent variables. The multiple linear regression model for the study was presented as follows:

$$Y_i = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \beta_7 X_7 + e \dots\dots\dots (1)$$

Where,  $Y_i$ , Crprate Image

$X_1$ , Product/service delivery  $\epsilon$  ..... Error term

$X_2$ , Timely product delivery

$X_3$ , Customer Respect

$X_4$ , Customer Recognition

$X_5$ , Information

$X_6$ , Fair treatment

$X_7$ , Customer handling

$\beta_0$ --- is the regression intercept

( $\beta_1$ ----- $\beta_7$ ) are the regression coefficients;

### **3.6. Reliability and Validity**

Researchers examined the construct validity of the study to ensure the research materials' standards. Peer reviews offer another method for determining whether a question is appropriate. Before gathering data, a pilot test was also conducted to gather pertinent feedback for the investigation. A correlation coefficient was also calculated for the independent and dependent variables to verify that they are positively correlated and can be utilized as reliable indicators. Cronbach's coefficient alpha, one of the most widely used indicators of internal consistency, should ideally be higher than 7 (Pallant, 2002). As a result, the measurements' reliability guarantees that they are error-free and produce accurate findings. The range of 0 to 1, or Cronbach's coefficient alpha, was used to measure internal consistency.

## **4. Data Analysis and Interpretation**

### **4.1. Sex, Age and Education Level Distribution of Respondents**

As shown in Table 1 below, Female respondents accounted for 47.8% (184) of the total, while male respondents accounted for 52.2% (201). This indicates a relatively balanced representation of both sexes in the study. The findings can be considered representative of both male and female perspectives within the sample population.

The largest age group was 26-32 years, representing 33.0% (127) of the respondents. The age groups 18-25, 33-40, 41-47, 48-55, and 56-above accounted for 14.5%, 21.0%, 15.8%, 13.5%, and 2.1% of the respondents, respectively. The study encompasses a wide age range, allowing for insights into the perspectives of different age groups. However, it is worth noting that the sample may be slightly skewed towards younger adults.

Female respondents accounted for 47.8% (184) of the total, while male respondents accounted for 52.2% (201). This indicates a relatively balanced representation of both sexes in the study. The findings can be considered representative of both male and female perspectives within the sample population.

The largest age group was 26-32 years, representing 33.0% (127) of the respondents. The age groups 18-25, 33-40, 41-47, 48-55, and 56-above accounted for 14.5%, 21.0%, 15.8%, 13.5%, and 2.1% of the respondents, respectively. The study encompasses a wide age range, allowing for insights into the perspectives of different age groups. However, it is worth noting that the sample may be slightly skewed towards younger adults.



**Table 1: Sex, Age and Education Level Distribution of Respondents**

Items		Frequency	Per cent
<b>Sex of Respondents</b>	Female	184	47.8
	Male	201	52.2
	Total	385	100.0
<b>Age of Respondents</b>	18-25	56	14.5
	26-32	127	33.0
	33-40	81	21.0
	41-47	61	15.8
	48-55	52	13.5
	56-above	8	2.1
	Total	385	100.0
<b>Education Level of Respondents</b>	No Schooling	28	7.3
	Primary	89	23.1
	Secondary	82	21.3
	Diploma	52	13.5
	Degree	75	19.5
	Masters	48	12.5
	Ph.D. and above	11	2.9
	Total	385	100.0

The education levels of the respondents varied significantly. Most respondents had completed primary education (23.1%, 89), followed by secondary education (21.3%, 82). Other education levels included no schooling (7.3%, 28), diploma (13.5%, 52), degree (19.5%, 75), master's (12.5%, 48), and PhD and above (2.9%, 11). The study captures the perspectives of individuals with diverse educational backgrounds, providing insights from various levels of education. However, most respondents have completed primary and secondary education, potentially influencing the overall perspectives reflected in the findings.

Overall, the distribution of respondents based on sex, age, and education level provides a comprehensive overview of the sample population. These demographics allow for insights into the perspectives of both males and females, various age groups, and individuals with different

educational backgrounds. Understanding the demographic composition of the sample is essential for interpreting the findings and generalizing the results to the target population.

#### 4.2. Correlation Analysis

Product/service delivery positively correlates at 0.224 with corporate image, which is significant at 0.01. it implies a weak to moderate positive relationship between product/service delivery and corporate image. As product/service delivery increases, corporate image increases, and vice versa.

**Table 2: Correlation Analysis Result**

		Corporate image	Product/service delivery	Timeliness product delivery	Customer Respect	Customer Recognition	Information	Fair treatment	Customer handling
Corporate image	Pearson Correlation	1							
	Sig. (2-tailed)								
Product/service delivery	Pearson Correlation	.224**	1						
	Sig. (2-tailed)	.000							
Timeliness product delivery	Pearson Correlation	.153**	.127*	1					
	Sig. (2-tailed)	.003	.012						
Customer Respect	Pearson Correlation	.130*	.305**	.121*	1				
	Sig. (2-tailed)	.011	.000	.017					
Customer Recognition	Pearson Correlation	.340**	.494**	.098	.130*	1			
	Sig. (2-tailed)	.000	.000	.054	.010				
Information	Pearson Correlation	.140**	.483**	.037	.273**	.291**	1		
	Sig. (2-tailed)	.006	.000	.468	.000	.000			
Fair treatment	Pearson Correlation	.318**	.495**	.115*	.212**	.515**	.375**	1	
	Sig. (2-tailed)	.000	.000	.024	.000	.000	.000		
Customer handling	Pearson Correlation	.268**	.440**	.157**	.170**	.411**	.402**	.303**	1
	Sig. (2-tailed)	.000	.000	.002	.001	.000	.000	.000	

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

\* . Correlation is significant at the 0.05 level (2-tailed).

Timeliness of product delivery positively correlates 0.153 with corporate image, which is

significant at the 0.01 level. This implies a weak positive relationship between the timeliness of product delivery and corporate image. As the timeliness of product delivery increases, corporate image tends to increase, and vice versa. Customer respect positively correlates 0.130 with corporate image, which is significant at 0.05. This implies a weak positive relationship between customer respect and corporate image. As customer respect increases, corporate image increases, and vice versa. Customer recognition positively correlates 0.340 with corporate image, which is significant at the 0.01 level. This implies a moderate positive relationship between customer recognition and corporate image. As customer recognition increases, corporate image increases, and vice versa. Information positively correlates 0.140 with Corporate Image, which is significant at 0.01. This implies a weak positive relationship between information and corporate image. As information increases, corporate image tends to grow, and vice versa. Fair treatment positively correlates 0.318 with corporate image, which is significant at 0.01. This implies a moderate positive relationship between fair treatment and corporate image. As fair treatment increases, corporate image increases, and vice versa. Customer handling positively correlates 0.268 with corporate image, which is significant at 0.01. This implies a moderate positive relationship between customer handling and corporate image. As customer handling increases, corporate image increases, and vice versa.

Overall, the correlations suggest that customer recognition, fair treatment, and handling have the strongest positive relationships with corporate image, followed by product/service delivery, timely product delivery, customer respect, and information. The significance of these correlations indicates that the relationships observed are unlikely to occur by chance. However, it's important to note that correlation does not imply causation and further analysis is needed to understand the underlying factors driving these relationships.

### **4.3. Multiple Linear Regression**

Researchers conducted an ANOVA (Corporate Image) to examine the relationship between the predictors (Customer Handling, Timeliness of Product Delivery, Customer Respect, Fair treatment, Information, Customer Recognition, and Product/Service Delivery) and the dependent variable (Corporate Image). The results revealed a statistically significant overall model,  $F(7, 377) = 28.566$ ,  $p < .001$ .

**Table 3: Analysis of Variance Results**

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4.059	7	.580	28.566	.000 <sup>b</sup>
	Residual	7.652	377	.020		
	Total	11.711	384			

a. Dependent Variable: Corporate Image

b. Predictors: (Constant) *Customer Handling, Timeliness of Product Delivery, Customer Respect, Fair Treatment, Information, Customer Recognition, Product/Service Delivery*

The regression model accounted for a significant proportion of the variance in the dependent variable, as indicated by the regression sum of squares (S.S.) of 4.059. This implies that the predictors collectively explain a substantial amount of the variance in the dependent variable.

The regression's mean square (M.S.) value was .580, indicating the average amount of variance explained by each predictor in the model. A higher mean square suggests a more significant contribution of each predictor in explaining the dependent variable.

The residual sum of squares (S.S.) was 7.652, representing the unexplained variance in the dependent variable. The residual sum of squares measures the discrepancy between the regression model's observed values and the predicted values. The total sum of squares (S.S.) was 11.711, representing the total variance in the dependent variable.

These findings suggest that the predictors (Customer Handling, Timeliness Product Delivery, Customer Respect, Fair treatment, Information, Customer Recognition, and Product/Service Delivery) collectively significantly impact the dependent variable (Corporate Image). The obtained F-value of 28.566, with a p-value less than .001, indicates that the model is statistically significant.

Therefore, we can conclude that the predictors included in the model have a strong relationship with the dependent variable. However, it is essential to note that additional factors or variables not included in the analysis might also contribute to the variance in the dependent variable.

**Table 4: Multiple Regression Model Summary**

<b>Model Summary</b>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.896 <sup>a</sup>	.803	.799	.14247

a. Predictors: (Constant), *Customer Handling*, *Timeliness of Product Delivery*, *Customer Respect*, *Fair Treatment*, *Information*, *Customer Recognition*, *Product/Service Delivery*

Researchers conducted a multiple regression analysis to examine the relationship between the predictors (*Customer Handling*, *Timeliness of Product Delivery*, *Customer Respect*, *Fair treatment*, *Information*, *Customer Recognition*, and *Product/Service Delivery*) and the criterion variable. The overall model was statistically significant,  $p < .001$ . The model accounted for a substantial proportion of the variance in the criterion variable, with an R-square of .803.

The coefficient of determination (R-square) indicates that approximately 80.3% of the variance in the criterion variable can be explained by the predictors included in the model. This implies that the predictors collectively have a moderate effect in predicting the criterion variable.

The adjusted R-square, which considers the number of predictors and the sample size, was .799. This suggests that the predictors can explain approximately 79.9% of the variance in the criterion variable after adjusting for the degrees of freedom.

The standard error of the estimate (S.E.) was .14247, indicating the average distance between the observed and predicted values of the criterion variable. A lower standard error suggests that the model has better predictive accuracy.

Overall, the results indicate that the predictors (*Customer Handling*, *Timeliness of Product Delivery*, *Customer Respect*, *Fair treatment*, *Information*, *Customer Recognition*, and *Product/Service Delivery*) collectively explain significant variance in the criterion variable. However, it is essential to note that other unmeasured variables may further enhance the model's predictive ability.

**Table 5: Multiple Regression Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficient	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
(Constant)	3.477	.095		36.638	.000	3.290	3.663
Product/Service Delivery	.036	.016	.128	2.273	.024	.005	.068
Timeliness of Product Delivery	.051	.015	.146	3.334	.001	.021	.080
Customer Respect	.077	.017	.203	4.544	.000	.111	.044
Customer Recognition	.040	.014	.149	2.809	.005	.012	.068
Information	.087	.011	.401	7.963	.000	.109	.066
Fair Treatment	.073	.014	.267	5.120	.000	.045	.101
Customer Handling	.092	.016	.288	5.685	.000	.060	.124

a. Dependent Variable: Corporate Image

The constant term (intercept) was statistically significant, with a coefficient of 3.477 ( $p < .001$ ). This indicates that when all predictors are zero, the estimated mean value of the dependent variable is 3.477.

The predictors (Customer Handling, Timeliness of Product Delivery, Customer Respect, Fair treatment, Information, Customer Recognition Product/Service Delivery) had a significant positive relationship with the dependent variable (Corporate Image), with a standardized coefficient (beta) of .288, .146, .203, .267, .401, .149, and .128 respectively with ( $p < .001$ ). This implies that a one-unit increase in Predictor Variables is associated with a one-standard-deviation increase in each predictor variable corresponding to .288, .146, .203, .267, .401, .149, and .128 standard deviations increase in the dependent variable.

Overall, the results suggest that Customer Handling, timeliness of Product Delivery, Customer Respect, Fair treatment, Information, Customer Recognition, and Product/Service Delivery are significant predictors of the dependent variable (Corporate Image).

**Table 6: Hypothesis test results summary**

<b>N.o</b>	<b>Hypothesis</b>	<b>Decision</b>
1	H1: Product/service delivery has a significant positive effect on Corporate Image	<b>Accepted</b>
2	H2: Timely product delivery has a significant positive effect on Corporate Image	<b>Accepted</b>
3	H3: Customer respect has a significant positive effect on Corporate Image	<b>Accepted</b>
4	H4: Customer recognition has a significant positive effect on Corporate Image	<b>Accepted</b>
5	H5: Information has a significant positive effect on Corporate Image	<b>Accepted</b>
6	H6: Fair treatment has a significant positive effect on Corporate Image	<b>Accepted</b>
7	H7: Customer handling has a significant positive effect on Corporate Image	<b>Accepted</b>

#### **4.4. Conclusion**

The correlation analysis in the study examines the relationship between customer satisfaction factors and corporate image in the food and beverage industry in the Amhara Region. The analysis reveals the following key findings:

- Product/service delivery, timeliness, product delivery, customer respect, customer recognition, information, fair treatment, and customer handling positively correlate with corporate image.
- The strongest positive correlations with the corporate image are observed for customer recognition, fair treatment, and handling.
- The correlations are significant at the 0.01 level, indicating that the observed relationships are unlikely to occur by chance.

The multiple linear regression analysis further investigates the impact of the predictors (customer handling, timeliness, product delivery, customer respect, fair treatment, information, customer recognition, and product/service delivery) on corporate image. The regression analysis reveals the following findings:

- The overall model is statistically significant, indicating that the predictors collectively explain a substantial amount of the variance in corporate image.
- The predictors collectively account for approximately 80.3% of the variance in corporate image.
- The coefficients of determination (R-square) indicate that the predictors have a moderate effect in predicting corporate image.
- The standardized coefficients (beta) show that all predictors have a significant positive relationship with corporate image.

The regression coefficients provide further insight into the relationship between the predictors and corporate image:

- Product/service delivery, timeliness of product delivery, customer respect, recognition, information, fair treatment, and handling have significant positive coefficients.
- The coefficients indicate the strength and direction of the relationship between each predictor and corporate image.
- A one-unit increase in each predictor is associated with a standardized increase in corporate image.

In summary, the study finds that customer satisfaction factors, including customer recognition, fair treatment, customer handling, product/service delivery, timeliness product delivery, customer respect, and information, have significant positive correlations and effects on corporate image in the food and beverage industry in the Amhara Region. These findings highlight the importance of these factors in shaping the perception of corporate image and emphasize the need for businesses in the Industry to prioritize customer satisfaction to enhance their overall image.

#### **4.5. Recommendation**

Based on the findings of the correlation and multiple regression analyses, researchers made the following recommendations regarding the effects of customer satisfaction on the corporate image in the Food and Beverage Industry in the Amhara Region:



- **Emphasize Product/Service Delivery:** The analysis indicates that product/service delivery has a positive and significant correlation with corporate image. Therefore, focusing on improving the quality and delivery of products/services is recommended to enhance the overall corporate image.
- **Enhance Timeliness of Product Delivery:** The correlation analysis shows that the timeliness of product delivery is positively correlated with corporate image. Businesses should prioritize efficient and timely delivery of products to meet customer expectations and positively influence corporate image.
- **Foster Customer Respect:** The analysis indicates that customer respect positively correlates with corporate image. Organizations should train their staff to treat customers respectfully, provide attentive and courteous service, and promptly address customer concerns and feedback.
- **Increase Customer Recognition:** The correlation analysis highlights a robust positive relationship between customer recognition and corporate image. To enhance corporate image, businesses should implement strategies to recognize and appreciate their customers, such as loyalty programs, personalized offers, and special acknowledgments.
- **Provide Information Transparency:** The analysis suggests that information transparency positively influences corporate image. Organizations should ensure precise and accurate customer communication, provide relevant and up-to-date information about products, services, and policies, and be transparent in their business practices.
- **Maintain Fair Treatment:** Fair treatment of customers is positively correlated with corporate image. Ensuring fairness in pricing, promotions, and customer handling processes is important. Organizations should avoid discriminatory practices and strive for equal and ethical treatment of all customers.
- **Improve Customer Handling:** The analysis indicates that customer handling significantly correlates with corporate image. To enhance corporate image, businesses should focus on training their employees in effective customer service skills, complaint resolution, and maintaining positive customer interactions.

The findings suggest that factors including product/service delivery, timeliness, customer respect, recognition, information transparency, fair treatment, and customer handling collectively

contribute to building a positive corporate image. By focusing on these areas and making improvements, businesses in the Food and Beverage Industry in the Amhara Region can enhance customer satisfaction and positively impact their corporate image.

### **COMPETING INTERESTS**

The author has no competing interests to declare.

### **Author's Affiliation**

#### **Yilka Andualem Demeke**

PhD Research Scholar, Department of Commerce and Management Studies, Andhra University,  
Andhra Pradesh, India

[yilka2029@gmail.com](mailto:yilka2029@gmail.com)

#### **Jaladi Ravi**

Professor, Department of Commerce and Management Studies, Andhra University,  
Andhra Pradesh, India

### **COPYRIGHT:**

© 2023 The Author(s). This is an open-access article distributed under the terms of the Creative Commons Attribution 4.0 International License (CC-BY 4.0), which permits unrestricted use, distribution, and reproduction in any medium, provided the original author and source are credited. See <http://creativecommons.org/licenses/by/4.0/>. *Seybold Report* is a peer-reviewed journal published by Seybold\_Publications.

**HOW TO CITE THIS ARTICLE:**

Demeke, Y. A., & Ravi, J. (2023). Effects Of Customer Satisfaction On Corporate Image: (Evidence From The Food And Beverage Industry In Amhara Region, Ethiopia). *Seybold Report Journal*, 18(04), 173-186. <https://seybold-report.com>

**References**

- Anderson, E. W., & Sullivan, M. W. (1993). The antecedents and consequences of customer satisfaction for firms. *Marketing Science*, 12(2), 125-143.
- Balmer, J. M. T. (2012). Corporate marketing, corporate branding, and corporate strategy: Seeing through the fog. *European Journal of Marketing*, 46(7/8), 1013-1034.
- Chun, R., & Davies, G. (2001). E-reputation: The role of mission and vision statements in positioning strategy. *Journal of Brand Management*, 8(4), 315-333.
- Cochran, W. G. (1977). Sampling Techniques, Third Edition, Page 75 read with 51. In *John Wiley and Sons, Inc.*
- Creswell, J. W., & Clark, V. L. P. (2017). *Designing and conducting mixed methods research*. Sage publications.
- Dowling, G. R. (2001). *Creating corporate reputations: Identity, image, and performance*. Oxford University Press.
- Fombrun, C., & Shanley, M. (1990). What's in a name? Reputation building and corporate strategy. *Academy of Management Journal*, 33(2), 233-258.
- Fornell, C., Rust, R. T., & Dekimpe, M. G. (2006). The effect of customer satisfaction on consumer spending growth. *Journal of Marketing Research*, 43(1), 1-10.
- II, J. E. B., Kotrlik, J. W., & Higgins, C. C. (2001). Determining appropriate sample size in survey research. *Information Technology, Learning, and Performance Journal*, 19(1), 43-50.

- Keller, K. L. (2008). *Strategic brand management: Building, measuring, and managing brand equity*. Pearson Education.
- Kothari, R.C (2012). *Research methodology in New Delhi: New Age International (P) Limited Publishers*.
- Lee, Y. K., & Hwang, J. S. (2008). Factors affecting customer satisfaction in the hotel industry: The relationship between customer satisfaction and customer loyalty. *The Journal of Hospitality Research*, 32(3), 399-428.
- Matos, C. A., & Rossi, C. A. V. (2008). Word-of-mouth communications in marketing: A meta-analytic review of the antecedents and moderators. *Journal of the Academy of Marketing Science*, 36(4), 578-596.
- Oliver, R. L. (2010). *Satisfaction: A behavioral perspective on the consumer*. Routledge.
- Pallant, J. F., & Lae, L. (2002). Sense of coherence, well-being, coping and personality factors: Further evaluation of the sense of coherence scale. *Personality and individual differences*, 33(1), 39-48.
- Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (1996). The behavioral consequences of service quality. *Journal of Marketing*, 60(2), 31-46.