INTRODUCTION

With the competitive and complex nature of today’s general retailing environment, researchers and practitioners see the links between retail image, loyalty metrics, and financial performance metrics (e.g., profitability) as critical to better understand how customers form a retail image (Kumar & Shah 2004, Pan & Zinkhan 2006). Despite the growing research attention paid to the links between retail image and critical constructs (e.g., customer satisfaction, repeat patronage behaviors and word of mouth behaviors), little agreement exists on the nature of these linkages (e.g., Chebat, Sirgy & St-James 2006; Dawar & Parker 1994; Hartman & Spiro 2005, etc.). The links between retail image and other critical constructs have been conceptualized as symmetric and positive in nature by some researchers (Dawar & Parker 1994; Hartman & Spiro 2005), while others suggest the relationship is asymmetric and non-linear (Anderson & Mittal 2000; Gomez, McLaughlin & Wittink 2004). Given the different perspectives on the relationships between retail image and other critical constructs, an important question emerges- what is the actual role of retail image in creating retail/customer loyalty?

Some of the confusion surrounding the nature and role of retail image comes from differing conceptualizations of retail image. Some researchers view retail image as a higher-order construct influenced by lower-order determinants such as convenience, retail environment, etc. (Chebat, Sirgy & St-James 2006; Finn & Louviere 1996). Other researchers conceptualize retail image as a consumer perception of the importance of certain attributes (Berry, Seiders & Grewal 2002; Brennan & Lundsten 2000). A third conceptualization views retail image as an overall attitudinal-based construct composed from a variety of attributes of the store (Darley & Lim 1993; Finn & Louviere 1996). Despite the three different conceptualizations of retail image, the relational role of retail image has gone unnoticed to date. In the current study overall restaurant image (ORI), among known customers, is the customer’s attitudinal-based positive or negative impression of a restaurant that acts as a positive reinforcement relational enabler of customer loyalty, customer satisfaction and customers’ repeat patronage behaviors (intention to revisit and repurchase). Specifically, does established retail image transform into a triggering mechanism that acts as a positive reinforcement enabler and directly influence consumer judgments of (a) overall satisfaction/dissatisfaction with the restaurant, (b) intention to recommend the restaurant, (c) intention to revisit the restaurant and (d) loyalty feelings towards the restaurant? Further, how might customers’ overall retail restaurant images differ across different brands of restaurants that are of the similar type (i.e., all brands are casual-sit-down restaurants)?

In brief, this study contributes to the literature by investigating the relational role retail image plays with other critical constructs. This relational role perspective presents a new interpretation of retail image within a restaurant context, and can shed light on the nature of the linkages between retail image and other critical constructs. This research also highlights the importance of knowing which dimensional
indicators are most important to the customer in forming retail image, which can help retailers shape marketing policy. This study incorporates Attitude Theory (Ajzen & Fishbein 1980) and Disconfirmation Expectancy Theory (Anderson 1973; Oliver 1980, 1997) to describe the theoretical underpinnings of retail image. Finally, the paper also examines the generalizability of retail image amongst casual sit down restaurants.

MODEL

Intuitively consumers who are unfamiliar and inexperienced with a restaurant rely on their initial perceptions of the restaurant to make a choice. However, this research argues that experienced restaurant consumers rely on their relational image of the restaurant to make a choice, and that image can positively reinforce perceptions of overall satisfaction, loyalty and likelihood to recommend and revisit the restaurant. Please see Figure 1 for the overall conceptual model of this research.

Dimensional indicators describe the restaurant components customers employ to evaluate a restaurant (Baker et al. 2002; Darley & Lim 1993). Customers consider the importance and performance of these dimensional indicators, combining them to form an overall impression of a restaurant (Ajzen & Fishbein 1980).

H1: The overall attitudes of the dimensional indicators directly influence an experienced customer’s overall positive (or negative) image impression of different restaurants.

Customer loyalty has direct positive impacts on restaurant performance (e.g., profitability, revenue, etc.), because loyal customers buy more and create positive word of mouth, among other important impacts (Wallace, Giese & Johnson 2004; Wright & Sparks 1999). In this research, restaurant loyalty is seen as a comprehensive direct global expression of the consumer’s attitude towards a restaurant.

H2: An experienced customer’s overall restaurant image directly (positively) influences his/her customer loyalty feelings toward different restaurants.

Consumers typically use their expectations toward retailer dimensions as benchmarks for comparing performance (Anderson 1973; Oliver 1980; Sprend, MacKenzie & Olshavsky 1996) and determining overall satisfaction or dissatisfaction with a retailer (Bernhardt, Donthu & Kennett 2000, Szymanski & Henard 2001). Experienced restaurant customers, who have already established restaurant image, use the image as a benchmark that directly influences their future satisfaction (or dissatisfaction) judgments of their dining experiences at a restaurant.

H3: An experienced customer’s overall restaurant image directly influences their overall post-consumption assessment of their satisfaction (dissatisfaction) of restaurant dining experiences.

Within the consumer loyalty literature, intentions to recommend and revisit are important outcome behaviors associated with strong levels of loyalty (Dick & Basy 1994; DuWors & Haines 1990; Kumar & Shah 2004; Magi 2003). We investigate intentions to recommend different, yet similar, restaurants to friends and neighbors as the likelihood of a behavioral outcome that is directly influenced by a customer’s overall retail image. We also investigate intentions to revisit different restaurants as a behavioral outcome, which relates positively to overall retail image.

H4: An experienced customer’s overall restaurant image positively relates to the likelihood that the customer will undertake some type of recommending behavior.
**H5**: An experienced customer’s overall restaurant image directly relates to that customer’s post-consumption desire to revisit different, yet similar restaurants.

When considering the generalizability of retail image amongst different kinds of restaurants, logically it seems reasonable that customers will have different retail images for different types of restaurants (i.e., fast food vs. casual sit down, casual sit down vs. fine dining). However, it remains unclear whether the retail image customers construct is specific to a single restaurant, or whether it generalizes to multiple restaurants within the same category (i.e., all casual sit down restaurants).

**H6**: An experienced customer’s overall restaurant image is specific to a specific restaurant.

**RESEARCH METHODS**

This research followed a two-stage research design (Churchill 1979). In the first stage, two focus groups were conducted with student and non-student experienced restaurant consumers (n=8 for each focus group) to determine which attributes best represent overall restaurant image and which restaurants to study. Based upon the insights of the focus groups, we determined the seven most frequently mentioned dimensional indicators include food quality (100%), restaurant familiarity (94%), acceptable service (88%), friendly employees (75%), restaurant knowledge/experience (75%) competitive prices (64%) and restaurant atmosphere (64%). In this study, we control for restaurant familiarity and knowledge/experience through sampling, so the five remaining dimensional indicators make up overall restaurant image. Additionally, the focus group suggested Applebee’s Neighborhood Grill & Bar, Chili’s Grill & Bar, and Red Lobster Restaurant represented three casual sit down restaurants.

In the second stage, a self-administered restaurant image survey was conducted with 400 randomly selected consumers who had experience and knowledge of all three causal sit down restaurants. The study’s constructs were pretested using industry accepted five-point and six-point assumed-interval direct scale measures, standardized symmetrical and asymmetrical rating scales, and global measure formats that all met the required reliability and validity characteristics. For interested readers, standard statistical descriptions of these measures can be obtained by contacting the authors.

**RESULTS & DISCUSSION**

To test the study’s main hypothesized relationship linkages among the model’s constructs we employed correlation analyses, z-test procedures and simple regression analysis. Our sample population consisted of males (45%) and females (55%) of student (52%) and non-student (48%) status. The majority (62%) of respondents were single, full-time employees (60%).

Correlation and multiple regression analyses were performed on the five separate dimensional attitudes of overall restaurant image to ensure the five dimensions are significant predictors of overall restaurant image. The importance mean values for the five image indicators ranged from 5.75 (food quality) down to 4.53 (atmosphere). Using multiple mean Z-tests procedures, each of these mean values were compared against the scale value of a five, which represents “definitely important.” The results suggest that the importance magnitudes associated with the dimensional indicators of food quality (x=5.75), acceptable service (x=5.46) and friendly employees (x=5.24) are significantly greater that the “definitely important” scale point value of 5 at p< .001. The mean value of competitive prices (x=4.75) proved to be statistically equal to “definitely important” at p< .01. The mean value of restaurant atmosphere (x=4.53)
was significantly less than being “definitely important.” The correlations between each dimensional attribute and the corresponding importance and performance measures ranged between .50 and .69 for Applebee’s, .56 and .72 for Chili’s and .56 and .74 for Red Lobster. Overall, the strong to very strong correlation magnitudes provide adequate support for the internal reliability of the dimensional attributes impacting retail image. In addition, the inter-correlations between dimensional indicators range from .27 to .51 for Applebee’s, .35 to .53 for Chili’s and .34 to .57 for Red Lobster. While these inter-correlations were statistically significant at p< .01, their interpretive strengths are “weak” to “moderate” at best, suggesting discriminant validity between the indicators.

Hypotheses 1-5 were tested using simple regression analysis procedures. To test H1, a simple regression of the five dimensional indicators predicting overall restaurant image reveals support for H1 across all three restaurants. Standardized beta weights range from .17 to .39 for Applebee’s, .11 to .34 for Chili’s and .14 to .39 for Red Lobster. These beta weights indicate that for all three restaurants, these dimensional indicators have positive effects on overall restaurant image. While some indicators contributed relatively less than others, all indicators were significant at the p< .001 level across the three restaurants (explaining a sizable amount of the variance- .74 for Applebee’s, .76 Chili’s, and .77 for Red Lobster).

Moving now to loyalty (H2), the analyses indicate that overall restaurant image alone has a strong positive impact on customer loyalty (beta weights: .65 for Applebee’s, .61 for Chili’s and .71 for Red Lobster; adjusted R²: .41 for Applebee’s, .37 for Chili’s and .50 for Red Lobster). In support of H2, as overall restaurant image becomes more positive, the image reinforces customer loyalty more. In addition to loyalty, we see very strong linkages between overall restaurant image and overall dining satisfaction (beta weights: .95 for Applebee’s, .95 for Chili’s and .95 for Red Lobster; adjusted R²: .90 for Applebee’s, .91 for Chili’s and .90 for Red Lobster). For experienced customers, overall restaurant image does reinforce satisfaction, supporting H3.

Further, hypothesis 4 is supported, showing overall restaurant image increases experienced customer’s positive word of mouth behavior (beta weights: .64 for Applebee’s, .57 for Chili’s and .73 for Red Lobster; adjusted R²: .41 for Applebee’s, .32 for Chili’s and .53 for Red Lobster). Additionally, overall restaurant image has a positive influence on customers’ post-consumption intentions to revisit the restaurant (beta weights: .59 for Applebee’s, .56 for Chili’s and .62 for Red Lobster; adjusted R²: .34 for Applebee’s, .31 for Chili’s and .38 for Red Lobster), supporting H5. Finally, looking at the overall restaurant image for the three restaurants, we find partial support for H6. The overall restaurant image for Applebee’s is not significantly different from Red Lobster’s ($\mu_A= 4.07, \mu_R= 3.99, t= 1.582, p> .114$), however, the overall restaurant image for Applebee’s is significantly different from Chili’s ($\mu_A= 4.07, \mu_C= 4.54, t= -9.975, p< .001$) and Chili’s overall restaurant image is significantly different from Red Lobster’s ($\mu_C= 4.54, \mu_R= 3.99, t= 10.207, p< .001$).

Full references & Tables available upon request.