Impact of Facebook as a Social Media Platform on Brand Image of Franchise Restaurants in DHA Karachi

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Abstract:- This study was conducted to determine if reviews on Facebook affected the brand image of franchise restaurants, regression model was applied. Facebook is a new place of communication and interaction; people share their opinions, experiences, and reviews with each other where one bad review can change the customers mind about the Restaurant's image. The method of primary data collection was close ended questionnaire administered to 121 youth living in Defence Housing Authority in Karachi. Brand attributions were also in focus to see from which attributions restaurants brand image is made. The study also examined the correlation between Facebook reviews and brand image of restaurants, correlation between different factors that makes up brand image such as quality, advertising and ambience. A strong positive correlation occurred between Ambience and Brand image. Different strategies for Franchise restaurants were also derived to handle the reviews on Facebook and deal them effectively.

Keywords:- Social media, Facebook, Franchise restaurant, Facebook reviews, Brand image.

I. INTRODUCTION

Brand image is a symbolic concept which is created inside people's mind. It comprises of expectations and information regarding product, it has a psychological aspect. For instance, due to its standards McDonalds has a strong image among franchise restaurants. This image was not since beginning, it was created by advertising, food quality and other brand attributions. Social media has taken over the world by storm in the past 15 years. This new phenomenon also known as user generated media, works for different purposes with various service providers all around the globe. Since in one study it was not possible to study all platforms of social media so that is why Facebook was chosen as a social media platform to be the best fit.

Facebook allows you to connect with friends, friends of friends, coworkers and other people who have common backgrounds and also share interest which are similar. This social networking service is provided through Facebook. The information that restaurants do not want to go viral and reach their customers is served by the same social network Facebook that spreads good reviews of consumers. Including everything from negative reviews to comments about food, quality, and ambiance can do serious damage to brand image of restaurants. The conversational tone of social media is so informal that reviews and comments which are well intentioned can be misinterpreted.

A. Overview

Brand image refers to the perceptions which consumers have in their minds. These perceptions of consumers are different from each other. Today, the brand image of restaurants is as vital as the food itself or services it provides. A strong image of brand is considered as a powerful intangible asset for restaurants which make customers confident that the food is desirable. But nowadays, consumers can influence the buying decision of others through intense use of social media as it provides consumers a platform to raise their voice and their views about their experience. This is why restaurants work hard to build their brand image and be successful. Facebook as a social media platform is explored to see if Facebook reviews affects brand image of restaurants. Research is done to find out the key challenges to manage the brands in new and competitive environment of social media.

B. Aim of Research

The research aim was to find out if social media affects the brand image of restaurants. Mainly Facebook is focused as a social media platform.

- C. Research Objectives
- To find out if there is a correlation between Facebook and brand image of restaurants.
- To find out what attributions make up the restaurants brand image.
- To find out if brand image is important when selecting a restaurant.
- To find out if a restaurant's image is affected by reviews on Facebook.
- D. Research Questions
- Is there a correlation between Facebook and brand image of restaurants?
- What attributions make up the restaurants brand image?
- Is brand image important when selecting a restaurant?
- Is restaurant's image affected by reviews on Facebook?
- E. Research Problem

The reason of choosing this topic for research is that to identify the key challenges arising from Facebook reviews and to manage the brands in this new environment of social media.

F. Hypothesis

H1: Facebook reviews has a significant correlation with Restaurants' brand image.

H2: Facebook reviews has significant impact on Restaurant's Brand image.

G. Significance

The benefit of this study is to the restaurant brands, since this will help them take this research further as to what strategies should be applied to improve their brand image by turning negative commentators into brand advocates. Also useful for restaurant goers.

II. LITERATURE REVIEW

The reason of this literature review is to provide support for the hypothesis which has been made previously. It describes brand image and social media, and how Facebook is used as a social media platform, Franchise restaurants in Karachi and the impact of Facebook on brand image.

A. Brand Image

In the marketing sphere brand image is an extensively discussed concept. The definition for brand image can be given as following: Brand image represents how people see the uniqueness of brand as compared to its competition, it consists of different opinions about the brand that people have (Faircloth, 2005). Brand image is explained by customer's perceptions about the brand that are reflected by the associations that consumers have in their mind (Keller, 1993). According to Iversen Hem (2008), brand image also describes that different people have different symbolic meaning that they attach with the brand, these symbolic meaning are based on characteristics and attributes of brand.

Brand image is made and influenced by associations which creates and comprises the brand meaning for the consumers. The three kinds of associations are strong, unique or favorable. These associations also determine the customer responses which are different from each other and also effect the brand equity (Keller, 1993). Brand messages can be easily processed and accepted by consumers with more effective communication as they have favorable brand image in their mind about a particular brand. According to Dolich (1969), brand image is also significantly important for buying behavior of people as it helps consumers decide if the particular brand is for him/her or not. Assurance in the mind of customers about particular characteristics of product and service is brand image. According to Keller (1993), brand image refers to the perceptions that consumers have in their mind. These perceptions are totally different from each other due to the brand identity which is communicated to the market.

B. Social Media

Social media is described as word of mouth online forums. It includes forums, blogs, discussion boards, social network (Mangold F, 2009). Highly interactive platforms are created through social media, individuals are brought together and communities are created by using technologies of web based and mobile. Social media is used to discuss, share and co create the user generated content by organization and people (Kietzmann et al., 2011).

According to Blackshaw and Nazzaro (2004), people also uses social media as the new source of information available online for educating each other about brands, issues, services and products. This information is circulated and used by consumers for different purposes. There is a diverse ecosystem of different sites of social media on internet. Each site differs from each other by their functionality and scope. For example, some social media sites are focus on professional networks, some are for general masses, and some are media sharing sites, while others are blogging platforms. Professional networks include Xing and LinkedIn, media sharing sites include Flickr, YouTube and Picasa, and blogging platforms include WordPress and BlogSpot while Facebook and my space are for general masses (Kietzmann et al., 2011). Recently Social media family has been joined by micro blogging (location specific) by twitter and Foursquare. It provides 140 characters per message limited space with updates on organizations and people real time.

C. Facebook

The new phenomena of user generated media also known as social media provides different services and serve different purposes all around the globe. Since there are many social media platforms, it was not possible to study all in one study, so for this particular research Facebook was chosen as a best fit. Mark Zuckerberg founded Facebook in 2004 as a privately held company. This social media company provides the people a platform to communicate with their friends, friends of friends, family colleagues etc. According to Facebook, the information is shared by mapping the real world social connections of people digitally. The network was open to any person above 13 and with an email address in September 2006. Consequently, Facebook became the most popular website of social networking due to its rapid growth. It was announced in July 2010 that Facebook had above 585 million users around the globe.so marketers, different organization, brands should avail this tool of social media to communicate with their customers and connect with them.

At first Facebook was made for the purpose of personal use but now it is mainly used by organizations which are not working for profit (non-profit organization), government, news media and corporations to provide information and to promote their goals, brands and institutions. Facebook is unique platform as compared to other social media sites. It comprises of all seven different functional blocks of social media. Facebook has two fundamental features such as Profile and Homepage. Profile includes education, interests, work background, contact information; it basically provides all the information about the person. While Home page is the newsfeed which is the feed of friends that is personalized and includes pages updates too. Apart from this Facebook have other core applications like videos, pages, photos, events, groups that allow people to share the information and connect with other people with their network connection. According to Facebook, the users of Facebook can like the information that others have posted in their network and also share it by remaining on the same webpage. For example, a New York Times article or a photo in a magazine. Further it includes other features that are very interactive like chat, wall posts, status updates, poke and personal message to communicate with each other.

D. Franchise Restaurants

In the late 90's international franchises of food started setting up in Pakistan as people in Pakistan are food lovers and likes to dine out. In 1993 the first major brand KFC came to Pakistan. Then in 1998 Subway and McDonald's came to Pakistan followed by Dunkin Donuts in 1993. These popular brands were the pioneers of food franchising in Pakistan. In terms of spread and reach KFC is the largest as it has more than 70 restaurants across Pakistan as compared to subway which has 39 restaurants. While McDonalds is one of the most famous restaurants in Pakistan with more than 27 outlets. Apart from that the first casual dining franchises were brought by Tapal group in 2001 in Pakistan. In Pakistan franchising started increasing in the mid of 2000s, at first it was slow in the early 2000s but then gradually its growth increased by number of brands internationally known entered in Pakistan's market of franchise with a massive boom. The different food franchises in Karachi are Burger King, Domino's, Fat burger, Nando's, Johnny Rockets, Hardees, KFC, Pizza hut, McDonalds, TGI Fridays, Subway, etc.

E. Brand Image and Facebook

According to Kuksor, Shachar and Wang (2013), the pivotal role of making brand stories, being authors has been lost by managers with the introduction of social media especially through Facebook. Social media has changed and progressed through many generations and eras, different authors, researchers and academia has defined in numerous ways. On Facebook each and every user has a voice, this is expressed through posts, shares, comments and likes. This voice and informal tone on Facebook can affect the image of brand. Some consider social media as social interaction of the most recent form, while others argue that it started from the interpersonal communication forms through email. The tri branding efforts can be drive if social media is proactively leverage by companies and boost their brand. The same social network Facebook that serves to spread good consumer reviews can also serve to spread negative reviews and comments about brands. The literature on social media topic is very vast, different kinds of arguments exist. The topic of brand image has been a lot researched upon by both corporate and academic worlds (Acar and Polonsky, M (2007).

According to Manfred Bruhn (2012), Empirical study on social media and traditional communication results indicated that they have a significant impact on brand equity. In this study it was found out that social media effect brand image while traditional media effect brand awareness. Further social media communication is also of two types in which firm created communication effect brand image while user generated one effects on hedonic image of brand. Marketers research how to build and maintain the loyalty of brand, they have use different means like social media marketing to retain their customers and maintain brand loyalty (Erdoğmuş, İ. E., & Cicek, M. (2012). When brands enter the world of social media such as on Facebook they take a big risk of exposing their brand to be talked and praised about or sometimes humiliated through negative reviews and comments. In the market place the impact has been magnified of consumer to consumer communication. It is easy for people to communicate about products and services with many other people due to the birth of internet based social media (Mangold, W. G., & Faulds, D. J. (2009).

III. METHODOLOGY

A. Research Method

Qualitative research method is used in the research.

B. Research Dimension

The research dimension used is "Causal Research", to know how Facebook reviews effects the brand image of restaurants.

C. Time Orientation

Time orientation used in the research is "cross-sectional" because in this research the respondent responded at one point of time.

D. Data Collection and tools

The research includes both primary and secondary data. Primary data has been collected for the purpose of a specific inquiry about the topic.

For collecting primary data, close-ended questionnaires were conducted. Each questionnaire included 15 questions, out of which 6 questions were for the dependent variable that is the Brand image and 6 questions were for the independent variable that is Facebook, while rest of the 3 questions were based on Franchise Restaurants. Total 150 questionnaires were filled out of which 121 valid responses were used. While secondary data was accumulated through published articles online. The authentication of these articles is given in references.

E. Sampling

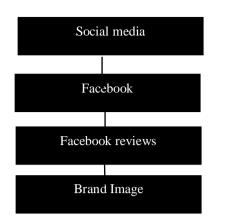
Youth living in Defence Housing Authority in Karachi is the population of the study from which 121 random students are selected, which is the sample of study. The reason for selection of this particular area is due to the fact that the youth of this area prefer franchise restaurants more. The age group of 15-29 years is taken as youth in Pakistan.

F. Data Reliability

To check the significance in the results Cronbach Alpha test was applied. It gave a reliability of 0.774 for 15 items which is greater than 0.6, so the result shows that the data is reliable. Further the data used is authentic and reliable since there was consistency in results.

G. Conceptual framework

It shows the link between Facebook as a Social media platform and Brand image. In this dependent variable is the Brand Image while independent variable is Facebook reviews.



IV. ANALYSIS

Data collected from close ended questionnaire was first complied then coded and lastly was analyzed through statistical package of social science (SPSS). Cronbach Alpha was used to test the reliability of data while Pearson correlation was used to analyze the correlation between Facebook reviews and brand image of franchise restaurants. Also, correlation between the different factors that makes up brand image. Further, Regression was used to check the impact of Facebook reviews on brand image.

A. Reliability Analysis

Case Processing Summary

		Ν	%
Cases	Valid	121	100.0
	Excluded ^a	0	.0
	Total	121	100.0

a. Listwise deletion based on all variables in the procedure.

The above table shows that the total numbers of respondents are 121 out of which 100% cases were valid while 0% cases were excluded.

Reliability Statistics

Cronbach's Alpha	N of Items
.774	15

The above table shows the reliability statistics for 15 items is 0.774 which is greater than 0.6, so the result shows that the data is reliable.

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B. Correlation

Correlations

		Brand image	Facebook
Brand image		1	.306**
	Correlation		
	Sig. (2-tailed)		.001
	Ν	121	121
Facebook	Pearson	.306**	1
	Correlation		
	Sig. (2-tailed)	.001	
	Ν	121	121

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

Parametric data is analyzed using Pearson correlation which is a statistical technique. In the above table, the Pearson value of 0.306 shows that there is a positive weak correlation between Facebook reviews and Brand Image of restaurants. Thus, a good Facebook review about a restaurant results in good brand image. Further the value of 0.001 which is less than 0.01 shows that it is significant and there is a significant correlation between Facebook reviews and brand image, so the hypothesis mentioned in chapter 1 that Facebook reviews has a significant correlation with restaurant's brand image.

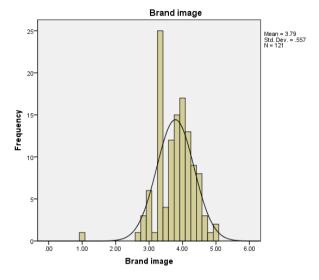
Correlations

		Brand image
Quality	Pearson Correlation	.548**
	Sig. (2-tailed)	.000
	Ν	121
Advertising	Pearson Correlation	.421**
	Sig. (2-tailed)	.000
	Ν	121
Ambience	Pearson Correlation	.612**
	Sig. (2-tailed)	.000
	Ν	121
Brand image	Pearson Correlation	1
	Sig. (2-tailed)	
	Ν	121

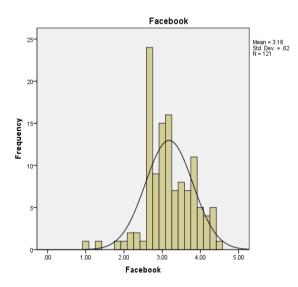
**. Correlation is significant at the 0.01 level (2-tailed).

In the above table the Pearson value of 0.548, shows that there is a positive moderate correlation between quality and brand image, so a restaurant that serves quality food has a good brand image. The significant value of 0.000 is less than 0.01, this proves the values significance. The Pearson value of 0.421, shows that there is a positive weak correlation between advertising and brand image, so a restaurant which promotes food through advertising creates a fair brand image. The significance of 0.000 is less than 0.01, this proves values significance. The Pearson value of 0.612, shows that there is a positive strong correlation between ambience and brand

C. Regression Model



Normality of data is checked, to see if the data is normally distributed or not. Bell curve is used to identify if data is normally distributed or not. It depends on two factors standard deviation and mean. The standard deviation identifies the width and height of the bell while mean determines the position of the center. In the above graph, a normal bell curve is made. This data distribution shows that the data is normally distributed and parametric which makes it fit for single linear regression.



In the above graph, a normal bell curve is made. This data distribution shows that the data is normally distributed and parametric which makes it fit for single linear regression.

Model Summary

Model	R	R Square	Adjusted R Square
1	.306ª	.094	.086

The R value of 0.306 in the above table shows that there's a positive weak correlation between the two variables that is

Facebook reviews and Brand image. Since single linear regression was applied so the R square value will be considered. The R square value is 0.094 which represents a weak impact of Facebook reviews on the dependent variable that is Brand image.

 $ANOVA^b$

Model		F	Sig.
1	Regression	12.328	.001ª

a. Predictors: (Constant), Facebook

b. Dependent Variable: Brand image

The above table shows that the F value is 12.328, which is greater than 4 so it proves that it is significant. While the significance value is 0.001 which is less than 0.05, this shows the goodness fit of the model proving the findings fit and reliable.

Coef	ficients ^a
COUL	icicius

	dized	Standardiz ed Coefficient s		
Model	В	Beta	t	Sig.
1 (Consta nt)	2.911		11.461	.000
Faceboo k	.275	.306	3.511	.001

a. Dependent Variable: Brand image

The sign on the coefficients which is positive shows the direction of the effect. The B value of the respective variable in the above table shows positive impact of it on the dependent variable that is Brand Image. While the t value of the variable is 3.511 which is greater than 2 proving its significance. The significance value of the respective variable is 0.001 which is below than 0.05 proving its significance which leads us to conclude that the hypothesis mentioned in chapter 1 is accepted.

D. Summary of Study Hypothesis Testing Results

Hypothesis	Result
H1: Facebook reviews has a	Accepted
significant correlation with	
Restaurants' brand image	
H2: Facebook reviews has	Accepted
significant impact on Restaurant's	
Brand image	

E. Discussion

Regression is used to tell us the impact of the independent variable on the dependent variable, while correlation is used to tell us the relation between different variables. Regression was applied to see whether the impact of Facebook reviews exists on brand image of franchise restaurants while correlation was applied to check the relationship between Facebook reviews and Brand image.

F. Findings

Social media provides consumers a platform to raise their voice and their views about their experience, reviews can affect the brand image of restaurants. Also, the strong image of a restaurant makes consumer feel confident about the desirability of a restaurant. Quality, Advertising, and Ambience are the factors that creates positive brand image of a restaurant. Lastly, the selection of restaurant is based on Brand Image, so restaurants should manage their brand image.

> Brand Image

- 42.1% of respondents agreed that Brand Image is an important factor when selecting a restaurant.
- 47.9% of respondents agreed that the brand image of a restaurant is as vital as the food it provides.
- 58.7% of respondents agreed that the strong image of a restaurant makes you feel confident about its desirability.
- 51.2% of respondents strongly agreed that quality of food helps build a strong brand image.
- 61.2% of respondents agreed that promoting food through advertisements help create a positive brand image.
- 47.1% of respondents agreed that ambience is another factor that creates brand image of a restaurant.
- Franchise Restaurants
- 42.1% of respondents prefer Franchise Restaurants for dining out.
- 41.3% of respondents agreed that Franchise restaurants have good brand image.
- 31.4% of respondents agreed that selection of restaurant is based on its brand image
- ➢ Facebook
- 49.6% of the respondents agreed that they see reviews/experiences about a restaurant on Facebook.
- 35.5% of the respondents do not post reviews/experiences about a restaurant on Facebook.
- 28.9% of the respondents agreed that their friends post reviews about a restaurant on Facebook.
- 37.2% of the respondents agreed that reviews/experiences about a restaurant on Facebook affect their decision.
- 20.7% of the respondents agreed that despite negative reviews about a restaurant, they still go there.

V. CONCLUSION

Social media is a key to either attract or drive away the customers which are potential. Reviews and experiences on Facebook range from positive to negative or in some cases neutral too. Online reviews on Facebook can be a threat to the image of a restaurant which eventually might cost the business. The impact of a review on Brand image is such that it can change the person's mind of not eating at a specific restaurant. This is the reason why reviews on Facebook need to be handled by Franchise restaurants and deal with it effectively.

A. Recommendations

Restaurants should identify positive messages of customers and recruit advocates to their brand to increase positive social buzz about their restaurant. They should provide instant feedback channels to their customers to reduce bad reviews on Facebook. Because most of the customers post these reviews when they are unable to find a way to voice themselves. Therefore, managers of the restaurant should ask their customers about their experience and their suggestions. Also, the response to the complaints should be quick, since this shows the customers that they have been heard and might not turn into a bad online review. Restaurants should respond to reviews on social media both good and bad by thanking customers who posted good reviews and solve the issues of the customers who posted bad reviews. As they might update their negative review into a favorable one after their issues have been solved. A social marketing strategy should be built by restaurants to show people on social media about their original and authentic brand image. Also, restaurants should participate in online conversations about them to address the complaints before they turn into a bad review.

Lastly, incentives can be offered to the customers who posted bad reviews by encouraging them to revisit and have positive experience which might make them revise their bad review into a positive one. In addition to that, restaurants should focus on increasing user engagement on social media platforms by offering incentives to those customers who provide their valuable feedback on the Facebook page or other platforms. This will lead to a greater hype for the restaurant through word of mouth as well as through the specific social media platform, resulting in high user engagement and a positive overall brand image.

B. Limitatns

This research was concerned with Facebook only not the other social media platforms. Due to the shortage of time other social media platforms were not focused. They should be further explored within this study to see the different social media platforms impact on brand image of franchise restaurants.

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