ROLE OF BRAND CULTURE IN INFLUENCING THE PERCEIVED VALUE OF OFFERINGS TO CUSTOMERS IN THE HOSPITALITY INDUSTRY IN NIGERIA

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ABSTRACT

This study critically examines the role of brand culture in influencing the perceived value of offerings to customers within the hospitality industry in Nigeria. To achieve this objective, a total of 434 customers drawn from six different hotels in Lagos state, Nigeria, were sampled. The data were analyzed using regression and Pearson correlation analysis. The result showed that brand culture has positive significant influence on the perceived value of offerings to customers. Based on the findings of the study, some important recommendations have been made.

Keywords: Brand, Brand Culture, Customer Perceived Value.

INTRODUCTION

Brands consist of both intangible and tangible elements (Maden, 2013) and as such, it brings to the fore the cultural perspective embedded therein. Brand culture as a concept refers to "the cultural codes developed by brands at a significant level, which influence the comprehension and the value of a brand in the marketplace" (Barbu, 2012). While a lot of extant studies in the developed countries (Yan, 2011; Holt, 2003) have suggested that brand culture was advantageous to organizations, it also goes to say that the absence of brand culture could affect some critical aspects of modern-day brands and inevitably, the customers' consumption experience and value. Now, not only were majority of these studies theoretical and conceptual, they were also predominantly carried out in the developed countries. As such, there is a need to situate the assessment of the effects of brand culture on the overall customer satisfaction in a more specific perspective particularly within the Nigerian context. It becomes imperative therefore, to empirically ascertain whether brand culture influences the perceived value of offerings to customers in the hotel sector of Nigeria. Therefore, this study was aimed at determining the role of brand culture in influencing the perceived value of offerings to customers. The hypothesis that was formulated was:

> H_0:   *Brand culture does not play significant role in influencing the perceived value of offering to customers.*

LITERATURE REVIEW

Brand Culture

Brands are made up of elements that are both tangible and intangible (Taiwo & Ward, 2016). They consist of attributes that are visual, physical, as well as socio-psychological beliefs and values. Aside from being influenced by culture, brand also represents some form of cultural asset. Brand culture as a concept is defined by Barbu (2012) as 'the cultural codes created by brands at a significant level (history, images, myths, art, communities, beliefs), that influence the comprehension and the value of a brand on the market'. Brand culture can be defined as a blend of different elements useful in the identification and differentiation of service or organization from other competitors (Adeola & Ezenwafor, 2016). Some of these elements are; logos, names, designs, icons, norms, cultural traits and phenomena embedded inside the elements, as well as cultural traditions, perceptions and emotional characteristics which these cultural traits represent. The core of a brand is its culture and as such brand culture can be viewed as a superior crux of the culture of the organization and helps in displaying the brand's essential values. The understanding and experience of customers regarding the value they place on services or products (before or after usage) is greatly shaped by the brand culture. Yan (2011) argued that, customers are often attracted to the values inherent in brands enhancing their confidence and preference in the brand culture. Similar, Holt (2003) noted that, customers' senses are influenced by the brand culture, which ultimately affects their overall consumption experience of the brand. Thus, a lot of the important attributes of contemporary brands are affected by brand culture including the value of the brand and experience of customers with the brand. Also, Holt (2003) highlighted four primary sources of brand culture. These sources create stories involving the brand and they include; the firm, customers, influencers and popular cultures. There are many cultural elements that are contained in and affect brand culture. Some of these are; national culture effects, the effect of the brand's country of origin, the differences in culture and behavior of customers, marketing strategy of the firm-whether customization or standardization, intercultural management policy, perceived world-wideness, language and its relation to the culture of the organizational. A major factor that affects brand culture strongly is the national culture, which according to Hofstede refers to the total orientation of the mind. A brand's image is shaped by the beliefs, values, myths, perceptions of the effects of the country of origin. For example, based on the country of origin, Italy is known for her aesthetics and related to it, thus, the country's image is transferred to Italian brands.

Customer Perceived Value

Delivering superior value to customers is indisputably a major task for service firms in today's competitive business environment (Hansen, Samuelsen & Silseth, 2008) because higher customer value increases customer satisfaction; thereby instilling customer loyalty; which, in turn, generates increased profitability because of improved sales volume which results from the repeat purchases of customers and their encouraging word-of-mouth advertising (Liu, Petruzzi & Sudharshan, 2007). Customer Perceived Value (CPV) has been defined as "the consumer's overall assessment of the utility of a product or service based on perceptions of what is received and what is given" (Zeithaml, 1988). This definition is one of the earliest and the most widely cited definition of the concept. This means that CPV connotes the 'trade-off' customers make between the perceived benefits and perceived sacrifice (Dev & Schultz, 2005; Monroe, 2003).

Holbrook (1999) defined it as "the consumer's relative preference for an object or experience and the personal perception of advantage arising out of a customer's association with an organization's offering". Woodruff (1997), attempting to merge the definitions above, described customer perceived value as when "consumers think about products or services as bundles of specific attributes and attribute performances". There are two essential conceptions established within the concept of Customer Perceived Value (CPV). Firstly, customer perceived value results from the pre-purchase perception of the customer (that is, a consumers' expectation), customer's evaluation of the transaction process (customer's expectation versus actual experience) and the post-purchase assessment of the service (customer's expectation versus experience). Secondly, customer perceived value involves differentiating between the benefits (such as quality) customers receive and the perceived sacrifice both monetary and non-monetary (such as, price, time and effort) they had to make. (Dodds, Monroe & Grewal, 1991; Monroe, 2003) however observed that, "Buyers perceptions of value represent a trade-off between the qualities or benefits they perceive in the product or service relative to the sacrifice they perceived by paying the price". Therefore, the maximization of CPV comes from the organization increasing its quality of service or reducing the sacrifices customers make by minimizing the time and effort spent in getting the service, reduction in price paid for the service (Adeola, 2016).

METHODOLOGY

A descriptive research design was adopted to elicit information from customers of the selected hotels. The data gathered were sourced via the administration of structured questionnaire to the customers of six selected hotels in Lagos State, Nigeria. The data were basically quantitative in nature, consisting of the socio-economic characteristics of customers as well as their responses on the role of brand culture in influencing the perceived value of offerings to customers. Six hundred (600) copies of the questionnaires (shared proportionately, that is, based on the number of rooms available in each hotel) were administered to the customers of each of the six sampled hotels and 434 copies of questionnaires representing about 72.3% were retrieved. The study employed the use of regression analysis to test the hypothesis because the data consisted of a combination of ordinal and nominal data. This was used to examine the predictive capabilities of brand culture on customers' perceived value among the sampled hotels in Nigeria.

DATA ANALYSIS AND PRESENTATION OF RESULTS

Table 1
COEFFICIENT OF REGRESSION ANALYSIS OF THE ROLE OF BRAND CULTURE ON PERCEIVED VALUE OF OFFERINGS TO CUSTOMER IN THE SIX HOTELS

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.779	0.196		14.182	0.000
	HP	0.234	0.040	0.303	5.859	0.000
	DL	-0.019	0.042	-0.027	-0.441	0.659
	CO	0.101	0.051	0.136	2.003	0.046
	IN	0.076	0.047	0.098	1.626	0.105
R				0.414a		

Table 1
COEFFICIENT OF REGRESSION ANALYSIS OF THE ROLE OF BRAND CULTURE ON PERCEIVED VALUE OF OFFERINGS TO CUSTOMER IN THE SIX HOTELS

R^2	0.172
Adj R^2	0.164
F-value	22.234
Sig.	0.000b
Predictors: (Constant), IN, HP, DL, CO	
Dependent variable: Customers' Perceived Value (CPV)	

Source: Researcher's Field Survey (2017)

Interpretation of Result

The results from Table 1 above reveal the extent to which the variance in the dependent variable (Customers Perceived Value) is explained by the independent variable (brand culture dimensions). In this case, the R^2=0.172 connotes that 17.2% of the variance in brand culture dimensions can explain the variance in customers perceived value. The adjusted R square shows a 0.164 (that is, 16.4%) variability of the independent variable (brand culture dimensions: hospitality, diligence, consistency and innovation). The standard error of the estimate is 0.3612, which signifies the error term. This means that a unit increase in brand culture dimensions will lead to an increase in Customers Perceived Value. The table also shows that the F value=22.234 at 0.000b Significance level, implying that, brand culture has a significant effect on the Perceived Value of offerings to customers. In addition, the Table shows the simple model that expresses the extent to which brand culture influences customers perceived value and which of the variables included in the model contributed the most to the prediction of the dependent variable. The study is interested in comparing the contribution of each independent variable; therefore, beta values are used for the comparison. The model revealed that hospitable culture had more statistical significance in predicting customers perceived value, recording the highest beta value of (beta=0.303, with a T value higher than 1.96, Sig.-0.000 $p<0.05$) than other variables: while consistency scale had (beta=0.136, Tval higher than 1.96, Sig.-0.046 $p<0.05$). This means that hospitable culture makes the strongest unique contribution to explaining customers' perceived value than the other variables while diligence does not make significant contribution.

DISCUSSION OF FINDINGS

In this study, the hypothesis was aimed at finding out whether brand culture plays significant role in influencing customers' perceived value of offerings. The result from data analysis indicated that the brand culture of hotels significantly influences the perceived value of offerings to customers in that industry. As such, hospitable culture and consistency were found to have more statistical significance in predicting customers perceived value than the other variables. Prior studies (Maden, 2013; Wuestefeld, Hennigs, Schmidt & Wiedmann, 2012) have shown that the role of brand culture is to keep the awareness growing about the service or product/organization. This is the reason hospitality and consistency is often the most important in the determination of brand performance. The study also finds that the primary role of brand culture is to distinguish the service of one hotel from another. The integration of the components

of the brand name and brand personality competitiveness mix, hospitability, consistency and promotion strategies are determinants of sales improvement (Aaker, 2011; Keller, 2003).

Inferring from the work of Milliken & Martin, it was deduced that brand culture plays an important role in shaping a customer's perception of service script effectiveness during a service encounter. That is, physical appearance may provide a visual cue to the customer that she/he shares the same or similar culture as the service employee. In such cases, culture is likely to be a non-factor and factors other than culture (e.g., personality) may affect customer perceptions of service effectiveness. On the other hand, physical appearance may provide a visual cue to the customer that she/he does not share the same culture as the service employee and that additional cultural differences (for instance, language) are likely to exist between the customer and the service employee; differences that will possibly make the customer's experience with the service encounter (facilitated by the service script) fall outside of his/her zone of acceptance.

RECOMMENDATIONS AND CONCLUSIONS

This study shows that brand culture plays a significant role in influencing the perceived value of offerings to customers. To enhance the perceived value of offerings to customers in the hospitality industry, brand culture could present a new competitive edge that the industry should leverage. As such, operators and managers of hotels must endeavor to pay attention to their brand culture, because a failure to do so could reduce the satisfaction of their customers which may erode the chances of a repeat patronage (visit). While the hotel management focuses on their services, they also need to consistently pay attention to maintaining an atmosphere of hospitable culture that facilitates value-adding interactions between its customers and employees. For employees to be hospitable and diligent, management should consistently provide equitable reward because the employees are the ones who will deliver the services to customers.

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