Antecedents of Thai Select restaurant brand loyalty in the United Kingdom

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Abstract:
This study examined the determinants of Thai Select restaurant brand loyalty which included restaurant brand image, staff service quality, perceived quality, brand awareness, and brand association on brand loyalty. Of the estimated 1,600 Thai restaurants within the United Kingdom, only 57 have been certified as having the authenticity and quality of Thai Select, which functions as a global branding effort for Thai restaurants by the Thai government. LISREL 9.1 was used to conduct a confirmatory factor analysis, and structural equation modelling to test the 12 hypothesized interrelationships affecting overall brand loyalty. Questionnaires were administered to 550 patrons at 13 London metropolitan restaurants. Results showed that the latent variables staff service quality, brand awareness, restaurant brand image, brand awareness, and perceived quality had a total value of 0.88, 0.54, 0.47, 0.42, and 0.26, respectively. Specifically, dining patrons felt that the most important aspect of staff service quality was that the staff could communicate effectively, were knowledgeable about the food they served, and could deliver the food on time.

JEL Classifications: M31, M37

Keywords: Brand association, brand awareness, brand image, oriental food, restauranteurs


1. Introduction

Multiculturalism has become an intrinsic part of the British way of life, with Thai cuisine being one of the more delectable Asian dishes that dining patrons frequently choose. Today, it is estimated that there are over 1,600 Thai restaurants within the United Kingdom (UK); a majority of which are owned by Thai immigrants (Gerrard, 2014).

This however has not always been the case: the first Thai restaurant (Bangkok on Bute Street in South Kensington) emerged in 1967 in London; then Thai restaurants were slowly growing from the four in the 1970s to nearly 300 over the next 25 years (Thai lords, 2014).

Globalization of commerce, and the subsequent rise of flights to Asia for both trade and tourism have contributed to remarkable increase in the number of Thai food restaurants in the UK. In the CNN Travel survey of 35,000 individuals, three Thai dishes scored the fourth, fifth, and sixth positions out of a total of 50 world class dishes (Cheung, 2011). These dishes included Thailand's hot and spicy shrimp soup, better known as Tom Yum Goong, Phad Thai (a fried-noodle dish), and Som Tum (Papaya salad).

The estimated number of Thai restaurants in the world is over 15,000 (Department of International Trade Promotion, 2014). However, in some establishments standards have been lacking, with no clear definition of what constitutes 'Thai food'. As a quality standard mechanism, the 'Thai Select' program was established by the Thai Department of
International Trade Promotion (DITP) to certify and promote 29 authentic Thai cuisine dishes around the world (Department of International Trade Promotion, 2014). The objective was to increase the recognition of quality Thai restaurants and processed Thai food products as well as to encourage Thai restauranteurs and food producers to raise their quality while maintaining authenticity (Thai Select, 2014). Many Thai embassies also participate in the program, having lists of ‘Thai Select’ certified restaurants and companies on their embassy websites for their respective countries (Royal Thai Embassy-Berlin, 2016).

Thai restaurants in 2013 made up 0.6% of full service restaurant visits in the UK, with customers spending a total of £122,044,000 (Thai lords, 2014). Further evidence of the growing popularity of Asian cuisines in the UK came from a 2016 online survey of 3,051 adult consumers (Thompson, 2016). The Wing Yip Oriental Food Report (2016) stated that although Chinese takeout is still the rave (75% have eaten Chinese takeaway), 56% had tried Thai food, while 39% chose to eat Thai food regularly. Research by the NPD Group has also shown that an average individual spends £17.50 per visit to a UK located Thai restaurant. This compares to research from the same study in which £9.56 was spent at a non-Thai restaurant (Thai lords, 2014).

Within the UK restaurant scene, business groups have been established to spread the pleasure of dining on Thai Tom Yum Goong, whose each customer spends an average of £25 in the evenings, and £12-13 during lunch time (Gerrard, 2014). Recognized names in this sector include the Giggling Squid started in 2009; it in mid-2017 has grown to 21 establishments whose owners are also working on creating a scalable brand. According to Gerrard (2014), other top and emerging Thai restaurant groups include Busaba Eathai (founded 1999), Koh Thai Tapas (founded 2009), Rosa’s (founded 2008), and the Thai Leisure Group (owner of Chaophraya) (founded 2004). The latter has big plans for its emerging casual-dining brand Thaikhun (Gerrard, 2014; Thai lords, 2014).

1.1. Creating Thai Select restaurant brand loyalty

According to Park (2009), diners are looking for restaurants which provide value, convenience, and healthier alternatives, while a well-defined brand image in the restaurant business is an essential prerequisite to thrive and survive in a rapidly growing global market. Park (2009) indicated that restaurant patrons are looking for value, convenience, and healthier alternatives in their dining experience. Furthermore, the researcher also determined that restaurateurs, wishing to thrive in a rapidly growing global market, must also develop a well-defined brand image.

Brand loyalty can generate profit (Aaker, 1991), and plays a key role in marketing research to assess the strength of brand equity (Severi & Ling, 2013). In addition, Yoo, Donthu, & Lee (2000) and Atilgan, Aksoy, & Akinci (2005) have stated that strong brand association leads to higher brand loyalty.

Therefore, it is imperative to acknowledge that brand loyalty is an inseparable part of marketing; it is essential for Thai restaurants to create core-competencies while building strong brand experiences that impact the diner’s decision-making process.

1.2 Problem statement

Although there has been a significant rise in the popularity of Thai cuisine within the UK, the recent boom in the number of restaurants has put a serious strain on the mostly Thai immigrant-owned establishments. One frequently mentioned problem has been the tightening of immigration laws preventing the ability of small restaurants to maintain their quality while expanding their brand, as each restaurant requires four highly skilled Thai chefs. As restaurants have sought non-Thai natives to supplement their staff, the quality,
and the authenticity of 'Thai dishes' has therefore suffered. Also, Thai cuisine requires unique and specialized ingredients that are not native to the UK, thus requiring expensive imports to maintain a high standard. Some restaurants have, therefore, taken 'shortcuts', in both staff expertise and ingredient substitutes. This is one reason for the establishment of the Thai Select branding process, which is slowly making headway in establishing, certifying, and retaining the reputation of Thai cuisine around the world. It has, therefore, become imperative to carry out a qualitative and quantitative study to evaluate the UK Thai restaurant branding process, and what constitutes Thai Select restaurant brand loyalty. Having selected 13 Thai restaurants, a systematic sampling method was employed to select the Thai restaurant patrons. The data gathered in this study may provide restaurateurs and industry leaders information relating to how they may increase their brand loyalty over time, and thus their profitability.

2. Literature review

2.1. Staff service quality (SQ)

In the early years of service quality literature, Grönroos (1984) was one of the first to be recognized for the development of a service quality model, in which it was stated that a service is an activity or series of activities of intangible nature that normally, but not necessarily, take place in interactions between the customer and service employees.

Rust & Oliver (1994) later developed a model for the service industry, which included three factors consisting of customer-employee interaction, service environment, and service outcome. Building upon Rust & Oliver's (1994) model, Brady & Cronin's (2001) conceptualization of service quality also offered a three-factor model comprising three dimensions including interaction quality, physical environment quality, and outcome quality. These models are consistent with Johns & Howard (1998), who discussed service quality in food-service operations and characterized it as individualized, intangible, and subjective in nature. Chow, Lau, Lo, Sha, & Yun (2007) also saw significant links between service quality and customer satisfaction in Chinese restaurant operations; while Lertwarinawit & Gulid (2011) concluded there are significant positive relationships between service quality and value, satisfaction, and brand trust within the Bangkok medical tourism sector.

Jasinskas, Streimikiene, Svaigzdiene, & Simanavicius (2016) also discussed hotel service quality and customer loyalty. They found that conformity of expected quality with the experienced quality has a significant influence on the customer's loyalty, which in turn increases the hotel's competitive ability and the retention of loyal customers.

Other studies concerned with the food service sector service-quality perception have revealed specific elements including low price, food quality (food taste and nutrition properties), value for money, service, location, brand name, and image (Johns & Howard, 1998). Other factors include the food's hygiene, balance, and healthiness, physical provisioning which includes the layout, furnishings, and cleanliness, the atmosphere (feeling and comfort), and the service received (speed, friendliness, and care) during the meal's experience (Chow et al., 2007; Johns & Pine, 2002).

2.2. Restaurant brand image (RI)

Keller (1993; 2003) wrote that brand knowledge comes from a mix of brand image and brand awareness; but in fact it is difficult to measure because it is made up by the perceptions about the brand (Baalbaki, 2012). Ryu et al. (2012), however, determined that
the quality of the physical environment, food, and service were significant factors in a restaurant's image. Word of mouth also plays a significant role in brand images, and brand loyalties in international fast food restaurants in Malaysia (Hanaysha, 2016).

### 2.3. Perceived quality (PQ)

Grönroos (1984) is commonly cited as the originator of the first service quality model by using the 'perceived service quality' construct that has served as the basis for most research concerning this topic ever sense (Tamagni & Zanfardini, 2006). Aaker (1996) later determined that one of the main elements of brand equity is perceived quality.

This is consistent with Ryu et al. (2012) who determined that the quality of the physical environment and food were significant predictors of customer perceived value within the restaurant industry. Additionally, Kim & Kim (2004) determined the importance of product quality, brand image, and brand loyalty in brand equity.

### 2.4. Brand awareness (BA)

Aaker (1996) identified brand awareness as one of four key dimensions in brand equity, while Keller (1993) defined brand knowledge as brand awareness and brand image. Later, Aaker (1996) also indicated that brand awareness is a key and essential element of brand equity which is often overlooked, which according to Cobb-Walgren et al. (1995) is a key selecting factor among consumers.

This is consistent with Kim & Kim (2004) who determined that brand awareness had the strongest direct effect on revenues for quick-service restaurants. Confirmation of this also came from earlier studies by Chow & Holden (1997) and Heskett et al. (1994) who determined that increasing the percentage of loyal customers by as little as 5% can increase profitability by as much as 30% to 85%. This was also consistent with Tan et al. (2015) who stated that in the initial stages of brand building, brand awareness played a crucial role.

Therefore, from the above and other research the following observed variables were included in the study. These were identified as: 1) I was aware of this Thai restaurant through word-of-mouth before I came here (BA1); 2) This Thai restaurant has a unique atmosphere compared to other Thai restaurants (BA2); and 3) I recognize this Thai restaurant when I see it advertised (BA3). Also, from the review of the literature and development from the above concepts, the following hypothesis was created (see also the Figure 1):

**H11**: Brand Awareness (BA) has a direct positive impact on Brand Loyalty (BL).

### 2.5. Brand association (BA)

Brand associations are a crucial element of a brand's success, as well as brand image and brand knowledge (Farquhar & Herr, 1993), since they convey the attitude developed toward a given brand by consumers (Aaker, 1996).

This is consistent with Marinkovic et al. (2014; 2015) which determined that Serbian diners preferred restaurants with atmosphere and quality of interaction on guest satisfaction, with price having no statistical significance on guest satisfaction. In addition,
satisfaction, along with atmosphere and perceived price emerged as a significant trigger of revisit intentions.

This was consistent with Jang et al. (2011) which discovered for full-service diners in American Chinese restaurants, an authentic atmosphere significantly influences consumers' positive and negative emotions.

Njite (2005) also determined that in the fine dining sector of US restaurants, employee-related brand associations play a significant role in consumer brand preference. In the quick service sector, price determines brand preference. For both restaurant sectors, employee competence and systems organization significantly influenced consumer brand preference.

2.6. Brand loyalty (BL)

Dick & Basu (1994) determined that customer loyalty is the strength of the relationship between an individual's relative attitude and repeat patronage, and further indicated that customer loyalty is not only a behavioural phenomenon, but the customer's attitude as well. Garland & Gendall (2004) confirmed this, and stated that both attitude and behavior are important determinants of customer loyalty. Park (2009) also determined that customer satisfaction and trust were crucial in establishing a customer's attitudinal brand loyalty. Oliver (1997) additionally defined customer loyalty as a deeply held commitment to re-patronize a preferred service consistently in the future.

Brand loyalty is about building and sustaining customer relationships (Chow & Holden, 1997); as products come and go, the focus needs to be on customer relationships (Rust et al., 2000). Modern branding focuses on creating loyalty to the brand, while building long lasting relationships through a long-term focus (Baalbaki, 2012), and a deeply held commitment to re-patronize despite potential switching influences (Oliver, 1999). Chaudhuri & Holbrook (2001) used three surveys to compile data from 107 brands, and determined that brand trust and brand affect combined to determine purchase loyalty and attitudinal loyalty.

2.7. Hypothesized model

Therefore, from the above and other research the following observed variables for staff service quality (SQ) were included in the study. These were identified as: 1) responsive staff (SQ1); 2) food delivered on time (SQ2); 3) staff is knowledgeable about food (SQ3); 4) staff can communicate effectively (SQ4); and 5) courteous staff (SQ5). Also, from the review of the literature and development from the above concepts, the following hypotheses were created, which are presented in Figure 1:

**H1:** Staff Service Quality (SQ) has a direct positive impact on Restaurant Brand Image (RI).

**H2:** Staff Service Quality (SQ) has a direct positive impact on Perceived Quality (PQ).

**H3:** Staff Service Quality (SQ) has a direct positive impact on Brand Awareness (BA).

**H4:** Staff Service Quality (SQ) has a direct positive impact on Brand Loyalty (BL).

**H5:** Staff Service Quality (SQ) has a direct positive impact on Brand Association (BS).
Furthermore, for the latent variable restaurant brand image (RI), the following observed variables were included in the study. These were identified as: 1) authentic Thai cuisine (RI1); 2) good value for the money (RI3); and 3) food quality focused (RI4). This led to the development of the following additional hypotheses:

**H6:** Restaurant Brand Image (RI) has a direct positive impact on Perceived Quality (PQ).

**H7:** Restaurant Brand Image (RI) has a direct positive impact on Brand Loyalty (BL).

**H8:** Restaurant Brand Image (RI) has a direct positive impact on Brand Awareness (BA).

**H9:** Restaurant Brand Image (RI) has a direct positive impact on Brand Association (BS).

From the literature review and theory for perceived quality (PQ), the following observed variables were included in the study. These were identified as: 1) superior ingredients (PQ2); 2) delicious taste (PQ3); and 3) enticing smell (PQ4). Also, from the review of the literature and development from the above concepts, the following hypothesis was created:

**H10:** Perceived Quality (PQ) has a direct positive impact on Brand Loyalty (BL).

Concerning brand association (BS), the following observed variables were included in the study. These were identified as: 1) This Thai restaurant has credibility (BS1); 2) This Thai restaurant is different by comparison. (BS1); 3) This Thai restaurant has superior dishes (BS1); 4) This Thai restaurant has a personality (BS1); and 5) This Thai restaurant has high value (PLA). This led to the creation of the final hypothesis:

**H12:** Brand Association (BS) has a direct positive impact on Brand Loyalty (BL).

Finally, for brand loyalty (BL), the following observed variables were included in the study. These were identified as: 1) I am loyal to this Thai restaurant (BL1); 2) This is my 1st choice for a Thai restaurant (BL2); 3) This Thai restaurant has a positive image (BL3); 4) I recommended this Thai restaurant to others (BL4); and 5) I have no plans to switch to another Thai restaurant (BL5).

From the above, the following hypothesized model in Figure 1 was created.
Methodology

3.1. Population and sample

From the Department of International Trade Promotion online database (2017) of both Thai Select and Thai Select Premium restaurants in the UK, 57 restaurants were identified, of which 13 restaurant owners were contacted to request that a team of 4 students and one professor be allowed to survey both their lunch and dinner patrons for a single day during a 28-day period between 2-30 January 2017. All restaurant entrepreneurs contacted agreed to the survey team's request.

3.2. Questionnaire development

The researchers brought the draft questionnaire with the assessment form to five experts in their respective fields to evaluate validity, content and English language usage. Research validity verification is accomplished by various methods, including the use of the Index of Item Objective Congruence (IOC) (Hambleton, Swaminathan, Algina, & Coulson, 1978), which by definition should have an IOC score $\geq 0.50$ to be considered acceptable, while scores reaching $\geq 0.90$ being classified as 'excellent'. Items with an IOC score $\leq 0.50$ are rejected or revised (Tavakol & Dennick, 2011). Furthermore, during December 2016, qualitative research was conducted by use of in-depth, semi-structured, guided interviews with four Thai restaurant entrepreneurs, and 1 Thai academic which covered the following six topics:

1. Measurement of restaurant staff service quality (SQ);
2. Measurement of restaurant brand image (RI);
3. Measurement of perceived quality (PQ);
4. Measurement of brand awareness (BA);
5. Measurement of brand association (BS);

3.3. Try-out period

After questionnaire development, the reliability value was calculated by using Cronbach's alpha (Cronbach, 1990; Tavakol & Dennick, 2011), to ensure whether there was consistency with the internal items. The scale used consisted of a 7-point Likert (1932) agreement scale with '7' = strongly agree, '4' = no opinion, and '1' = strongly disagree. The try-out phase was undertaken with 30 Thai Select brand restaurant patrons who were not part of the subsequent survey. Therefore, for the research questionnaire to reach a value of 'excellent', its value of Coefficient $\alpha$ must be at least 0.9 (George & Mallery, 2010). After pre-test determination, Cronbach's $\alpha$ ranged between 0.89-0.96, which indicated the questionnaire items as very reliable.

3.4. Sample size

Population size for the survey was initially established from owner estimates of their daily patrons. From this estimate, it was found that sample sizes suggested by Mertler (2016), who stated that population sizes of approximately 1,500 should set a goal of 20% for the sample ($n=300$), was a good target. Research from the US National Education Association
(NEA) by Krejcie & Morgan (1970) also suggested a slightly higher sample number of 380. Therefore, the researchers targeted the higher number for the research sample.

With these numbers in mind, the survey team began on 2 January 2016 at the Mango Tree Thai restaurant in London. As restaurant permission was limited to one day only, and the team could not return, high goals were set. With this number range of required questionnaires in mind, the surveyors then chose to use systematic sampling, which is a method suggested by Hair, Hult, Ringle, & Sarstedt (2016), in which a sampling interval is used to obtain the restaurant's patron sample.

3.5. Data analysis

This study used structural equation modeling to examine the proposed model, whose analysis was conducted using two stages. In the first stage, all items generated were included in a confirmatory factor analysis (CFA) measurement model for Thai restaurant overall brand loyalty. Results from this determined that variables with less than a 0.5 factor loading or having a discriminant validity lower than 0.5 were not calculated. The subsequent run can be found in Table 1, with included 24 remaining variables.

### Table 1. Latent and Observed Variables

<table>
<thead>
<tr>
<th>Latent Variables</th>
<th>Observed Variables (24 Items)</th>
<th>References and Theory</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Service Quality (SQ)</td>
<td>(SQ1) Responsive staff. (SQ2) Food delivered on time. (SQ3) Staff is knowledgeable about food. (SQ4) Staff can communicate effectively. (SQ5) Courteous staff.</td>
<td>Brady &amp; Cronin (2001); Chau &amp; Kao (2009); Chow et al. (2003); Gröroos (1984); Jasinskas et al. (2016); Cheng (2014); Johns &amp; Howard (1998); Johns &amp; Pine (2002); Lertwarinawit &amp; Guild (2011); Parasuraman et al. (1985); Rust &amp; Oliver (1994);</td>
</tr>
<tr>
<td>Restaurant Brand Image (RI)</td>
<td>(RI1) Authentic Thai cuisine. (RI3) Good value for the money. (RI4) Food quality focused.</td>
<td>Baalbaki (2012); Hanaysha (2016); Keller (1993); Ryu et al. (2012)</td>
</tr>
<tr>
<td>Brand Awareness (BA)</td>
<td>(BA1) I was aware of this Thai restaurant through word-of-mouth before I came here. (BA2) This Thai restaurant has a unique atmosphere compared to other Thai restaurants. (BA3) I recognize this Thai restaurant when I see it advertised.</td>
<td>Aaker (1996); Chow &amp; Holden (1997); Cobb-Walgreen et al. (1995); Heskett et al. (1994); Keller (1993); Kim &amp; Kim (2004); Lee, Back &amp; Kim (2009); Tan et al. (2015)</td>
</tr>
<tr>
<td>Brand Association (BS)</td>
<td>(BS1) This Thai restaurant has credibility. (BS2) This Thai restaurant is different by comparison. (BS3) This Thai restaurant has superior dishes. (BS4) This Thai restaurant has a personality. (BS5) This Thai restaurant has high value.</td>
<td>Aaker (1996); Farquhar &amp; Herr (1993); Jang et al. (2011); Marinkovic et al. (2014, 2015); Njite (2003)</td>
</tr>
<tr>
<td>Brand Loyalty (BL)</td>
<td>(BL1) I am loyal to this Thai restaurant. (BL2) This is my 1st choice for a Thai restaurant. (BL3) This Thai restaurant has a positive image. (BL4) I recommended this Thai restaurant to others. (BL5) I have no plans to switch to another Thai restaurant.</td>
<td>Atilgan et al. (2005); Baalbaki (2012); Chaudhuri &amp; Holbrook (2001); Dick &amp; Basu (1994); Garland &amp; Gendall (2004); Horovitz (2016); Jin, Lee, &amp; Huffman (2012); Oliver (1997); Park (2009); Rust et al. (2000); Ryu et al. (2012); Yoo et al. (2000)</td>
</tr>
</tbody>
</table>
4. Results

4.1. Patron demographics

Table 2 shows the results of the 550 audited surveys from the 13 Thai Select and Thai Select Premium brand restaurants in the UK. Regarding the sample demographics of the 550 restaurant patrons, males comprised 53.3% and females 46.7%. Education results revealed that 29.5% had completed high school, 28.2% had not completed high school, 15.1% had some college, and 27.3% had a bachelor degree or higher. Also, 59.3% or 326 indicated they were working within the 'serving class' as waiters, clerks, etc.

<table>
<thead>
<tr>
<th>General Data</th>
<th>Frequency</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>293</td>
<td>53.30</td>
</tr>
<tr>
<td>Female</td>
<td>257</td>
<td>46.70</td>
</tr>
<tr>
<td>Total</td>
<td>550</td>
<td>100.00</td>
</tr>
<tr>
<td><strong>Education Level</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than high school degree</td>
<td>155</td>
<td>28.20</td>
</tr>
<tr>
<td>High school degree</td>
<td>162</td>
<td>29.50</td>
</tr>
<tr>
<td>Some college</td>
<td>83</td>
<td>15.10</td>
</tr>
<tr>
<td>Undergraduate degree</td>
<td>148</td>
<td>26.90</td>
</tr>
<tr>
<td>Graduate degree</td>
<td>2</td>
<td>0.40</td>
</tr>
<tr>
<td>Total</td>
<td>550</td>
<td>100.00</td>
</tr>
<tr>
<td><strong>Occupation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service class</td>
<td>326</td>
<td>59.30</td>
</tr>
<tr>
<td>Business</td>
<td>59</td>
<td>10.70</td>
</tr>
<tr>
<td>Professional</td>
<td>135</td>
<td>24.50</td>
</tr>
<tr>
<td>Dependent</td>
<td>30</td>
<td>5.50</td>
</tr>
<tr>
<td>Total</td>
<td>550</td>
<td>100.00</td>
</tr>
<tr>
<td><strong>Prior dining experience</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>First time</td>
<td>3</td>
<td>0.50</td>
</tr>
<tr>
<td>Repeat</td>
<td>547</td>
<td>99.50</td>
</tr>
<tr>
<td>Total</td>
<td>550</td>
<td>100.00</td>
</tr>
</tbody>
</table>

4.2. Confirmatory factor analysis (CFA)

LISREL (Linear Structural Relationships) 9.10 software was used to conduct a confirmatory factorial analysis (CFA) prior to structural equation modeling (Jöreskog & Sörbon, 2015) which examined the general fit of the proposed model with data and to identify the overall relationships among these constructs. Evaluation of the empirical quality of a CFA model can be evaluated in terms of statistical tests, goodness of fit measures, and similar criteria, each of which with its own strengths and weaknesses (van...
The results of the CFA indicated overall good model fit and suggested no modification to the specified factor structure. All items loaded strongly on their respective constructs, with loadings well above a threshold of 0.60. Overall, the measurement model had good model fit.

4.4. Construct validity

Construct validity uses both convergent (e.g., item reliability, composite reliability (CR) and average variance extracted (AVE)), and discriminant validity in combination to establish overall validity (Campbell & Fiske, 1959; Chau, 1997). Table 3 shows the values of the square root of the AVE in bold along the diagonal while the other values are the correlations between constructs. Table 3, therefore, shows that the AVE values meet the criteria for discriminant validity as determined by Cohen (1988), as well as indicating the positive relationships with the variables being most correlated at the statistically significant level of $p < 0.01$. In addition, the AVE value needs to be larger than 0.50, indicating that more than 50% of the item's variance is captured by the construct (Chin, 1998). One can conclude that the discriminant validity for all constructs has been achieved.

**Table 3. CFA Analysis, Reliability, and Convergent Validity on Brand Loyalty**

<table>
<thead>
<tr>
<th>Construct</th>
<th>mean</th>
<th>SD</th>
<th>(SQ)</th>
<th>(RI)</th>
<th>(PQ)</th>
<th>(BA)</th>
<th>(BS)</th>
<th>(BL)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff service quality (SQ)</td>
<td>4.49</td>
<td>0.89</td>
<td>0.74*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restaurant Brand Image (RI)</td>
<td>4.38</td>
<td>0.90</td>
<td>0.61*</td>
<td></td>
<td>(0.76*)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perceived quality (PQ)</td>
<td>4.54</td>
<td>0.96</td>
<td>0.71*</td>
<td>0.60*</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand awareness (BA)</td>
<td>4.58</td>
<td>0.95</td>
<td>0.73*</td>
<td>0.55*</td>
<td>0.67*</td>
<td></td>
<td></td>
<td>(0.76*)</td>
</tr>
<tr>
<td>Brand association (BS)</td>
<td>4.36</td>
<td>0.91</td>
<td>0.78*</td>
<td>0.47*</td>
<td>0.65*</td>
<td>0.67*</td>
<td></td>
<td>(0.73*)</td>
</tr>
<tr>
<td>Brand Loyalty (BL)</td>
<td>4.61</td>
<td>0.91</td>
<td>0.75*</td>
<td>0.58*</td>
<td>0.73*</td>
<td>0.73*</td>
<td>0.70*</td>
<td>(0.72*)</td>
</tr>
</tbody>
</table>

Note: The bold numbers in the diagonal row are squared roots of the AVE, which is the square root of the AVE shared between the constructs and their measure. Off diagonals are the correlations between constructs. The bold numbers should be greater than any other corresponding row or column entry in order to support discriminant validity. All * correlations are significant at $p < 0.01$.

4.5. The direct effect (DE), indirect effect (IE), and total effects (TE)

Table 4 shows the direct effect (DE), indirect effect (IE), and total effect (TE) of each construct on brand loyalty (Bollen & Long, 1993). There were 5 factors having direct effects including staff service quality (SQ), restaurant brand image (RI), perceived quality (PQ), brand awareness (BA), and brand association (BS). The $p$ value is the 'level of significance' with a $p$ value of 5% ($p = 0.05$) or 1% ($p = 0.01$). Additionally, Hair et al. (2016) has indicated that R² values should be higher than 0.25.
4.6 Structural equation model (SEM)

The SEM results (Figure 2 and Table 6) from the Thai Select restaurant brand loyalty study showed that all models met the required criteria as the chi-square index was not statistically significant at 434.02, the Chi-square/df (434.02/208) = 2.09, the p value was= 0.00, CFI = 0.99, GFI = 0.94, AGFI = 0.91, RMR = 0.03, RMSEA = 0.04, and CN = 317.54. The latent variables SQ, BA, RI, BS, and PQ had a total value of 0.88, 0.54, 0.47, 0.42, and 0.26, respectively. Results of hypotheses testing are shown in Table 5, Table 6, and Figure 2.

Regarding internal reliability, the Cronbach’s α of each item ≥ 0.70 (Tavakol & Dennick, 2011). After deleting items not meeting the required criteria, the composite reliabilities (CR) of all constructs were calculated to assess construct internal consistency shown in Table 6.
TABLE 5. RELIABILITY AND VALIDITY TESTING

<table>
<thead>
<tr>
<th>Latent variables</th>
<th>Item</th>
<th>CSS</th>
<th>Alpha</th>
<th>Chi square to df ratio</th>
<th>p value</th>
<th>RMSEA</th>
<th>CR</th>
<th>AVE</th>
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</thead>
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<tr>
<td>Restaurant brand image</td>
<td>RI</td>
<td>0.80</td>
<td>0</td>
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<td>0.00</td>
<td>0.81</td>
<td>0.58</td>
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<tr>
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</tr>
<tr>
<td></td>
<td>RI3</td>
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<tr>
<td>Perceived quality</td>
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<td>0.00</td>
<td>0.77</td>
<td>0.53</td>
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<tr>
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<td></td>
<td></td>
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<tr>
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<td>PQ4</td>
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<tr>
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<td>0.00</td>
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</tr>
<tr>
<td>Brand association</td>
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<td>0.00</td>
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<td></td>
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<td>Brand loyalty</td>
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<td>1.55</td>
<td>0.21</td>
<td>0.03</td>
<td>0.84</td>
<td>0.52</td>
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<tr>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>BL2</td>
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</tr>
<tr>
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</tr>
<tr>
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</tr>
</tbody>
</table>

Note: CSS - completely standardized solution; alpha - Cronbach’s alpha; CR - construct reliability; AVE - average variance extracted; RMSEA - root mean square error of approximation. For factor loadings are all statistically significant (p < 0.01).

FIGURE 2. FINAL MODEL

Note: * - indicates a significance level at 0.05; ** - indicates a significance level of 0.01. The dash line represents the rejected hypothesis.
TABLE 6. HYPOTHESES TESTING RESULTS

<table>
<thead>
<tr>
<th>HYPOTHESES</th>
<th>COEF.</th>
<th>T-VALUE</th>
<th>RESULTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: Staff service quality (SQ) has a direct positive impact on RI.</td>
<td>0.73</td>
<td>13.62**</td>
<td>accepted</td>
</tr>
<tr>
<td>H2: Staff service quality (SQ) has a direct positive impact on PQ.</td>
<td>0.73</td>
<td>10.69**</td>
<td>accepted</td>
</tr>
<tr>
<td>H3: Staff service quality (SQ) has a direct positive impact on BA.</td>
<td>0.87</td>
<td>12.50**</td>
<td>accepted</td>
</tr>
<tr>
<td>H4: Staff service quality (SQ) has a direct positive impact on BL.</td>
<td>0.55</td>
<td>16.05**</td>
<td>accepted</td>
</tr>
<tr>
<td>H5: Staff service quality (SQ) has a direct positive impact on BS.</td>
<td>0.88</td>
<td>13.68**</td>
<td>accepted</td>
</tr>
<tr>
<td>H6: Restaurant brand image (RI) has a direct positive impact on PQ.</td>
<td>0.17</td>
<td>3.84**</td>
<td>accepted</td>
</tr>
<tr>
<td>H7: Restaurant brand image (RI) has a direct positive impact on BL.</td>
<td>0.20</td>
<td>2.55*</td>
<td>accepted</td>
</tr>
<tr>
<td>H8: Restaurant brand image (RI) has a direct positive impact on BS.</td>
<td>0.14</td>
<td>3.52**</td>
<td>accepted</td>
</tr>
<tr>
<td>H9: Restaurant brand image (RI) has a direct positive impact on BA.</td>
<td>0.02</td>
<td>0.48</td>
<td>rejected</td>
</tr>
<tr>
<td>H10: Perceived quality (PQ) has a direct positive impact on BL.</td>
<td>0.26</td>
<td>2.03*</td>
<td>accepted</td>
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<tr>
<td>H11: Brand awareness (BA) has a direct positive impact on BL.</td>
<td>0.54</td>
<td>4.90**</td>
<td>accepted</td>
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<tr>
<td>H12: Brand association (BS) has a direct positive impact on BL.</td>
<td>0.42</td>
<td>3.12**</td>
<td>accepted</td>
</tr>
</tbody>
</table>

Note: **Relationships are significant at the < 0.01 level, * - Relationships are significant at the < 0.05 level; Coef. - standardized regression coefficients.

5. Discussion

5.1. Staff service quality

Hypotheses testing results from the use of LISREL 9.1 are summarized in Table 7, which shows that H1 is supported with a standardized regression coefficient of 0.73, at a p value of 0.01, indicating that SQ has a direct and positive impact of RI. This was consistent with Grönroos (1984) in which it was concluded that each customer has their own perception of service quality, with service quality being predicted by the convenience of the customer's experience (Zeithaml et al., 1996).

The study also found support in H2, as SQ had a direct and positive impact on RI, which also had a standardized regression coefficient score of 0.73, at a p value of 0.01. Chau & Kao (2009) has also suggested that service quality and its dimensions have a direct bearing on customers' evaluation of an organization and the intentions to choose the service provided.

Staff service quality (SQ) was also found to have direct and positive impacts on BA (H3=0.87), on BL (H4=0.55), and on BS (H5=0.88). Specifically, dining patrons felt that the most important aspect of SQ was that the staff could communicate effectively (SQ4=0.82), were knowledgeable about the food they served (SQ3=0.80), and could deliver the food on time (SQ2=0.76). This is supported by findings from Park (2009)
which clearly showed the primary effect of brand awareness and brand familiarity as the antecedents to brand image.

5.2. Restaurant brand image (RI)

Concerning the Thai Select restaurant brand image (RI), hypothesis H6 was supported due to a standardized regression coefficient score of 0.17, at a p value of 0.01. The same was true for the RI impact on BL (H7=0.20) and BA (H8=0.14). However, the only hypothesis rejected was the RI impact on BA (H9=0.02). Restaurant brand image (RI) to the Thai restaurant patron partially came from the diner's perception of receiving good value for the money spent (RI3=0.87), as well as the sense that there was a focus on food quality (RI4=0.72) which was authentic (RI1=0.70). This supported H6 that brand image positively influences perceived quality.

5.3. Perceived quality (PQ)

Perceived quality (PQ) was also found to have a direct and positive impact on BL (H10=0.26). Overall however, PQ seems to be one of less significant factors contributing to a patron's perception of their Thai dining experience. Supporting this was the survey's results for the importance of an enticing smell (PQ4=0.75), the requirement for superior ingredients (PQ2=0.73), a delicious taste (PQ3=0.68).

5.4. Brand awareness (BA)

Hyun & Kim (2011) concluded that within the restaurant chain industry, brand awareness was determined to be the foundation of brand equity, with brand awareness being a prerequisite of brand loyalty which supports H11 (0.54). Supporting this was the survey's results which showed that atmosphere uniqueness, when compared to other Thai restaurants, was judged to be most important (BA2=0.82). This was followed by prior awareness of the restaurant coming from word of mouth (BA1=0.81), and advertising (BA3=0.73). Support for these findings come from Njite (2005), which also determined that in the fine dining sector of US restaurants, employee-related brand associations play a significant role in consumer brand preference.

5.4. Brand association (BS) and brand loyalty (BL)

Aaker (1991) believed that brand association and brand equity are strongly interrelated, while Yoo et al. (2000) confirmed that strong brand association leads to higher brand loyalty. Han et al. (2015) also saw the positive effect of brand association on brand reputation. These researchers all support H12 in which BS is positively associated with BL (H12=0.42).

This is consistent with previous research which has shown that a restaurant's environment and food quality positively influence brand image, which, therefore, influences brand loyalty in full service restaurants (Jin et al., 2012). This study supported this as patrons indicated they had no plans to switch to another Thai restaurant (BL5=0.89), and were loyal to their Thai restaurant (BL1=0.88). The patrons also felt that the restaurant had a good image (BL3=0.85).

Other researchers support these findings. According to Horovitz (2016), taste is the top reason given by restaurant brand loyalist, while Lee, Back, & Kim (2009) suggested that
customers' emotions play the dominant role in explaining satisfaction and brand loyalty. This is also supported by Ryu et al. (2012) who determined that a diner's perceived value is indeed a significant determinant of customer satisfaction, and customer satisfaction is a significant predictor of behavioural intentions. Yoo et al. (2000) also stated that brand loyalty is powerful in a customer's purchase decision and deters the willingness to shift to a competitor's brand. As a result, it was concluded that brand loyalty is the core of a brand's value.

6. Conclusion

Brand positioning strategy involves your value relative to your competition. There are three dimensions to establishing value propositions - what it is you 'do', why it's 'relevant', and how it is 'different' (Pinta & Utama-ang, 2016). In the case of Thai Select brand restaurants in the UK, all three components are met as 'do' is accomplished by serving the world's recognized best cuisine, the 'relevant' is met by establishing a higher quality standard and certifying the authenticity and quality over non-Thai Select restaurants, and the 'different' is met by other organizations' assistance in promoting the brand, such as each country's Thai embassy and Thailand's Department of International Trade Promotion. With these items in place, brand loyalty can be assured.

References


Antecedents of Thai Select restaurant brand loyalty in the United Kingdom


