Word - of - Mouth Communication and Brand Equity: Analysis of a Health Service Organisation

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Abstract

This study investigated the effects of word-of-mouth on brand equity. The major clients of Clinix healthcare were the population having them picked from the headquarters and branches in Lagos, Nigeria. A descriptive survey design was used for the study with a convenience sampling technique with a total sample size of 250 respondents. A structured questionnaire was distributed to respondents having established the instrument's reliability with a Cronbach's Alpha coefficient of 0.733. Construct validity and content validity were established through expert opinion. A regression technique was used in analyzing the data in order to reveal the relationship between the dependent variable and the independent variables with aid of statistical tools using SPSS version 20. The study found that word of mouth was proven to have a significant effect on brand image, brand loyalty, and brand preference. Also, according to the result of the analysis, Clinix healthcare has a strong brand image making consumers more likely to patronize and recommend the brand always. Also, Word of mouth had positive and significant effects on brand image and brand preference, with no significant effect on brand leadership (R^2=0.140). This indicates that word of mouth significantly invokes brand loyalty, brand image building, and the desirability of consumers. It is recommended that Healthcare and other health service organizations should build on customers 'preferences to optimize performance and attract organizational goodwill. The study suggested that further studies can examine the influence of word–of–mouth on organizational performance

Keywords: Word of Mouth, Brand Equity, Brand Image, Organizational Performance

Introduction

Healthcare is the maintenance or improvement of health via the diagnosis, treatment, and prevention of disease, illness, injury and other physical and mental impairments in human beings (Diyoke, Oguche & Samuel, 2019). Unfortunately, there is abysmal performance of the healthcare sector in Nigeria (Lawal, Obileye & Bakare, 2019; Dahida, Oyadiran, Obioma & Nweke, 2019). The tripartite (primary,

secondary and tertiary) provision of public health by the local, state and federal governments are at times duplicated, overlapped or confused about how roles and responsibilities are appropriated (World Bank, 2010) which results in poor service delivery.

Open door policies increased competitiveness of hospitals and other health service environments (Wu, 2011) which have poised managements to attracting and retaining customers through the development of sustainability plans, programmes and guidelines as vital components of their corporate strategies in order to improve intentions and environmental behaviours of their clients (Moise, Gil-Saura, Seric & Molina, 2019). Today, how to make a good brand impression on customers has become imperative, especially in the health services sector because consumers make decisions on the basis of brand image, trust, familiarity with organisations' products or services and referrals through word of mouth (Li, 2010). Consumers on the other hand are aware of environmental issues and feel that organisations should participate in sustainability actions (*Moise, et al, 2019*). Hence, consumers' preference for, and positive attitudes towards a brand. Consumers started to be exposed to an excessive number of advertisements through the advent of mass media. On the one hand, this was a great avenue for consumers to acquire information about products and services of companies. However, as a result of this increasing amount of information, making a decision was becoming more and more difficult. This led consumers to exchange their opinions and experiences between each other which is called word of mouth (WOM) (Arndt, 1967).

Word-of-mouth (WOM) has been frequently cited as the most effective form of communication in influencing consumers. As a result, it plays an even more important role today in shaping consumers' attitudes and buying behaviour (Isimoya & Olaniyan, 2020; Khan & Fatima, 2023; Yang et al, 2012). Word of mouth is one of the most ancient and effective mechanisms of communication in the history of human society, and it have been shown as a very cost-effective marketing tool (Godes & Mayzlin, 2004). Word of mouth (WOM) or consumer-to-consumer interaction has been the centre of discussion for a few decades now. Researchers have already shown the growing influence of WOM and it has been recognized by the marketers to be a highly credible form of marketing information (Isimoya & Olaniyan, 2020; Huang, 2011).

As evident from the Boston Consulting Group (BCG) report (2011), referrals and recommendations from friends, colleagues or other consumers can go beyond everything else. WOM is more influential in the developing markets of the world. WOM was also considered worthy of study by researchers; and it was found influential on consumers' product judgments (Khan & Fatima, 2023; Bone, 1995; Engel et al., 1969) and purchase intentions (Herr et al., 1991). Consumers often rely on WOM when approaching the purchase of a new product and service (Arndt, 1967), because WOM or Electronic Word of Mouth (E-WOM) conversations usually do not have a selling intent as it is in advertisements (Schlosser, 2011). In fact, both early and recent studies have found that WOM conversations are more influential on consumers than traditional forms of advertisements (Engel et al., 1969).

WOM is defined as oral, person to person communication between a receiver and a communicator whom the receiver perceives as non-commercial concerning a brand, a product, or a service (Arndt, 1967). WOM communication is conceptualized herein as a group phenomenon – an exchange of comments, thoughts, and ideas among two or more individuals in which none of the individuals represent a marketing source (Bone, 1992). In recent time, brand equity is no longer valued by large sums of money that companies invest; instead, customers are dictating the value of brand equity by what they are saying to each other. From the firm's viewpoint it is not important just to assess the word-of-mouth communication's influence on the consumers and their subsequent behavior, but it is also essential to perceive its influence on the brand equity.

Brand equity is a well-researched marketing concept that has been extensively discussed by several scholars and business practitioners over the years. Several researches have focused on conceptualizing, measuring, and identifying the antecedents of customer-based brand equity.
Previous study identified word of mouth as a prerequisite in building and strengthening brand equity. It is therefore vital to focus on word of mouth as well as the various marketing factors which build brand equity. To succeed in the current intense business competition, providing products or services with high quality is the key strategy of strong brands. Particularly, a brand must deliver to its consumers, products that are characterized by high quality and superior performance in order to influence them to develop favorable associations in their memories (Farquhar, 1989). Positive evaluation by consumers would result to positive word of mouth among customers. In past literature, word of mouth is considered as an important mechanism of information communication among customers (Khoirunnisa, & Albari, 2023; Jalilvand *et al.,* 2011). In other words, word of mouth has a key role in influencing consumers' purchase decisions and behavior. Virvilaite et al. (2015) also found that word of mouth had a significant relationship with brand equity. The authors also regarded word of mouth as a key marketing factor that could affect brand equity.

Although word of mouth was recognized as key marketing factor that influences consumer purchase behavior, there appears to be only few studies that examined its link with brand equity assets such as brand preference and brand leadership. According to Armelini (2011), future studies should be centered towards examining the link between word of mouth and brand equity assets, such as brand loyalty and brand image. Furthermore, brand equity has received high intention in physical product categories, but only few scholars have examined this concept in the service industries. Therefore, marketers have consistently faced the challenge/problem of not being able to state/ know what emphasis to place on word of mouth and how it actually affects

a) Brand image, b) Brand preference, c) Brand loyalty, and d) Brand leadership so they can plan what emphasis to place on it.

Research Questions
In finding solutions to the above research problems, the following research questions were formulated to be answered by the study:

1. Does word of mouth have effect on brand image?
2. Does word of mouth have effect on brand preference?
3. Does word of mouth have effect on brand loyalty?
4. Does word of mouth have effect on the brand leadership?

Research Objectives
The general purpose of the study is to determine the effects of word-of-mouth communication in brand equity in the health sector. The specific objectives of the study are:

1. To determine the effect of word of mouth on brand image.
2. To ascertain the effect of word of mouth on brand preference.
3. To ascertain the effect of word of mouth on brand loyalty.
4. To determine the effect of word of mouth on the brand leadership.

Research Hypotheses
The following research hypotheses stated in the null form were tested in the course of the study:

Hypothesis One:

$H1_{0:}$ Word of mouth does not have significant effect on brand image.

Hypothesis Two:

$H2_{0:}$ Word of mouth does not have significant effect on brand preference.

Hypothesis Three:

$H3_{0:}$ Word of mouth does not have significant effect on brand loyalty.

Hypothesis four:

$H4_{0:}$ Word of mouth does not have significant effect on the brand leadership.

Literature Review

Conceptual Framework

Organizations need to maintain effective communication with their consumers to ensure consumers repurchase of their brands (Dam, 2020; Flores & Yapuchura, 2012). This is achieved through marketing (Flores & Yapuchura, 2012). Marketers can create communication strategies to attract young consumers to buy their brand (Oluwafenmi & Adebiyi, 2018). Marketing communication involves personal and non-personal communication channels that include advertising, sales promotion, public relation and publicity, direct marketing, personal selling and word of mouth (WOM) (Jamieson, 2014).

Brand Equity

Aaker (1991) viewed brand equity as "a set of brand assets and liabilities linked to a brand, its name and symbol that add or subtract from the value provided to a firm and/or to that firm's customers". Uslu and Ergun, (2021) and Keller (1993) discussed the perspective of customers into brand equity and described it as the "differential effect of brand knowledge on consumer response to the marketing of the brand". Moreover, brand equity was defined in past literature as the customers' overall perceptions toward the value of a brand, which motivates them to acquire, maintain, or increase their possession of something in order to meet certain needs, wants, purposes, or desires (Broyles *et al.,* 2009). There are several dimensions of brand equity, Silva *et al.* (2012) used the following dimensions to measure brand equity: functionality, perceived quality, brand loyalty, and brand image. However, this study aims to provide a contribution to brand equity theory by using brand image, brand leadership, brand preference and brand loyalty to measure brand equity.

Brand equity is a power that a brand may have achieved in a market because of its name, sign and logo (Uslu & Ergun, 2021; Samantaray, 2015). It is the value of a brand based on the extent to which it has high brand loyalty, name awareness, perceived quality and strong brand association. Shaw (2011) defined brand equity as "a set of brand assets and liabilities linked to a brand, its name and symbol that add to or subtract from the value provided by a product or service to a firm and/or to that firm's customers". Kim and Kim (2005) rolled out three distinct types of viewpoints to be informed of brand equity in a superior way. They include: the customer-based perspective, the financial perspective and the combined perspective.

Brand equity consists of five different asset dimensions. These assets include 1) brand loyalty, 2) brand awareness, 3) perceived quality, 4) brand associations, and 5) other proprietary assets such as patents, trademarks and channel relationships. If managed well, these assets add value to the product or service

and create additional customer satisfaction, which, in turn, provide a number of benefits to the firm (Aaker, 1991).

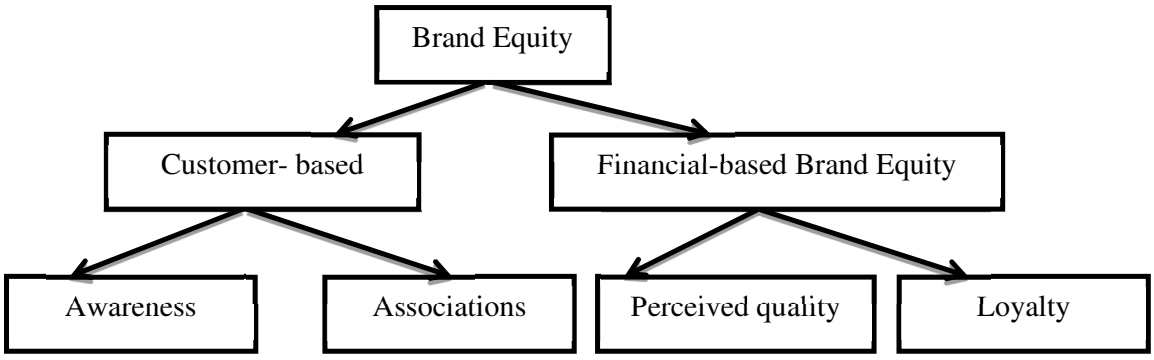

Figure 2.1: Customer Based Equity Diagram

Source: Customer-Based Equity (Keller, 2003)

Brand equity provides value to the firm in at least six ways. (Aaker 1992, 31–32) First, brand equity can enhance the efficiency and effectiveness of marketing programs. A promotion, for example, that provides an incentive to try a new flavour or new use will be more effective if the brand is familiar and if the promotion does not have to influence a consumer sceptical of brand quality. An advertisement announcing a new feature or model will be more likely to be remembered and stimulate action, if the potential consumer has a high-quality perception of the brand. Second, brand awareness, perceived quality, and brand associations can strengthen brand loyalty by increasing customer satisfaction and providing reasons to buy the product. Even when these assets are not visibly pivotal to brand choice, they can reassure the customer, reducing the incentive to try other brands. Enhanced brand loyalty is especially important in buying time to respond to competitor innovations. Third, brand equity will usually provide higher margins for products by permitting premium pricing and reducing reliance on promotions. In many contexts, the elements of brand equity serve to support premium pricing or to resist price erosion. In addition, a brand with a disadvantage in brand equity will often have to invest more in promotional activity just to maintain its position in the distribution channel.

Fourth, brand equity can provide a platform for growth by brand extensions. Fifth, brand equity can provide leverage in the distribution channel as well. Like customers, channel members have less uncertainty dealing with a proven brand name that has already achieved recognition and has established strong associations. Further, by having a strong brand, companies have the potential to gain efficiencies and synergies by the use of the product's visual impact on the store shelf and in promotion. Finally, brand equity assets provide a firm with a significant advantage: a barrier that may prevent customers from switching to a competitor.

Dimensions of Brand Equity

Qualtrics (2012) noted that brand equity largely set limit to four key basic constituents: brand awareness, brand attributes and associations, perceived quality and brand loyalty. This study adopts the following dimensions in understanding brand equity: brand image, brand preference, brand leadership and brand loyalty. Brand equity is based on the confidence level of consumers to stay loyal with brands and their willingness to spend money to buy products from that brand (Uslu & Ergun,

2021; Severi et al., 2014). Brand equity leads to a long-term relationship between marketers and consumers. Consumers with awareness, about brand equity will repurchase the products again as it is hard for them to keep changing from one brand to another (Severi et al., 2014).

Brand Image

Brand image is a mental image or inference for a marked product or service and contains symbolic meaning that consumers recall special characteristics of a product or service (Isimoya, 2019; Operia & Back, 2008). Image is an impression perceived by the mind of a target respondent (Obamiro et al., 2014). Calling and imagination of a brand in the memory of consumers, created by the products` characteristics, make the cost and attitude toward commercial name (Arsalan & Altona, 2010). Brand image is the customers understanding of a brand that is important because of two reasons. In one hand, brand image participates in the process of decision making, and at the other hand, it affects customers' succeeding behavior (Bian & Moutinho, 2008). When there is a favorite brand image, customers will satisfy with their purchase and will be too interested in the brand; this will cause word of mouth at this respect (Unal & Aydin, 2013; Esmaeel & Spinly, 2012).

Brand image refers to the customers' perception about a brand, as reflected by brand associations held in consumer memory (Keller, 2013). Brand image creates positive or negative brand identity/positioning which could improve or demolish the overall performance of the brand. The perception of consumers about a brand refers to brand image. According to Malik et al., (2013) Brand Image plays a critical job to enhance any business performance because brand image is an indirect instrument which can optimistically change people's purchasing behavior.

Brand Preference

Brand preference can be described as the preference of a brand in conclusion of evaluations made during the buying process under the effect of the consumers' needs and the consumers' attitude about the brand (Keskin & Yıldız, 2010). There are several reasons for the consumers' preferences for a definite brand, varying from the consumer requirement specifications, the brand imagination, the consumer perceptions, the efficiency of the marketing activities, and to some social, physiological, personal, and environmental reasons (Keskin & Yıldız, 2010).

Brand preference is the bias a consumer shows when choosing a specific brand among alternatives based on the benefit or value it provides (Chang & Liu, 2009). Brand preference is measured by the degree to which a person views a focal brand as preferable to a referent brand (Tolba & Hassan, 2009).

Brand Loyalty

Brand loyalty is defined as consumer behavior that compels him or her to repeatedly purchase the products from a particular brand. Consumers who have positive feelings with a brand will not easily change to another brand (Liu, Chou & Liao, 2015). Brand loyalty results from satisfied consumers' positive perception of a product. Although there are a lot of well-known brands that enter the market from time to time, loyal consumers still consider the chosen brand as their preferred selection. Statements from Loyalty Statistics Edition (2017) observed that 17% of consumers spend more on companies that offered excellent service. According to Denoue and Saykiewicz (2009), loyal consumers will not be readily affected by their positive attitudes towards a brand regardless of changes in price. In research done on the brand loyalty construct it was found to have the strongest impact on brand equity (Tong, 2009; Lee, 2010). In another study brand equity and trust were consistently the most important antecedents to both behavioral and attitudinal forms of customer loyalty (Taylor, 2004).

Brand Leadership

Recently, in the area of luxury branding, Miller and Mills (2011) conceptualized brand leadership as a consumer assessment that a brand is successful, visionary and is up-to-date with the latest trends. The brand leadership concept helps understand market dynamics and develop strategic perspectives by offering a comprehensive landscape of perceived competitive relationships among leading and trailing brands in a specific industry segment. Brand leaders serve as a role model for followers because they possess charismatic attributes that are worthy of imitation. Brand leadership highlights perceived competitive relationships among leading and following brands, which reflects a firm's tangible competitive advantage over other brands.

Word- Of- Mouth

WOM can be described as unofficial sharing of experiences and information gained after the use of products and services between consumer groups (Yazgan, Kethuda & Çatı, 2014). Different from traditional marketing, word-of-mouth marketing permits the consumers to share their opinions, independent of messaging and manipulation. This enhances the credibility of the source of information. Secondly, word-of-mouth is interactive and bi-directional; it permits tailored flow of information from opinion leader to information seeker. This results in quick spread of word-of-mouth through several generations. Lastly, word-of-mouth gives the receiver a unique opportunity to provide feedback, allowing product development and significant data on consumer behavior, thus, creating a connection between the brand and the consumer.

Finally, although most of word-of-mouth campaigns have been random and errantly conducted, when a word-of-mouth campaign is planned diligently with the objective of reaching opinion leaders and assuring consumer participation in marketing, word-of-mouth generation can lead to success of a brand. However, not all word-of mouth is positive. When word-of-mouth is negative, it can as well lead to failure of a brand. Therefore, by placing the consumer at the centre of marketing strategies, the success or failure of a brand lies in the hands of the new consumer. Every feature of the New Economy, from globalization to digitization, from new retailing techniques to internet shopping, from fierce competition to market saturation has dramatically altered not only how consumers buy but also what they buy and why. As a result of the changes in the development, and the features of the New Economy and marketplace, a new kind of consumer has emerged.

It greatly influences what they were buying and how they evaluate the products (Little, 2015). Information that comes from family, friends and neighbours are considered more effective than advertisements and presentations (Little, 2015).

According to Word-of-Mouth Marketing Association, 92% of consumers worldwide trust recommendations from friends and family more than any form of advertising, and 2007 Nielsen Global Survey, 78% of people found "recommendations from consumers" is the form of advertising that they trust most (Yang et al.,2012). WOM can also be a highly efficient means for gaining new customers and a large market share (Garnefeld et al., 2010).In other words, WOM communication is the key in influencing consumers purchasing decisions and has a significant relationship with brand equity (Virvilaite, et al., 2015).

When the product or service performs according to consumer's expectations, consumer will adopt favourable attitudes toward the brand. The outcome of this positive experience may lead to positive word-of-mouth and in many cases brand loyalty and advocacy. Positive word of- mouth, thus, is product-related information transmitted by satisfied consumers to others (Nyilasy, 2007). However, when the product or service does not match consumer's expectation, the result of this experience will be dissatisfaction. Feeling highly disappointed, in psychological context, the consumer will take

actions to reduce his/her discomfort. What becomes clear is that negative word-of-mouth can influence consumer's attitude toward a brand and reduce credibility of a company. However, it can as well be an opportunity for companies to turn it into positive word-of-mouth. This can be achieved through listening to the consumer's complaint and providing an adequate solution. In either case, positive or negative word-of-mouth communication can surely influence a brand's performance depending on the company's response positively or negatively.

Positive WOM

When there is positive WOM, productivity of marketing is enhanced because word of mouth often complements and extends the effects of advertising (Dam, 2020; Hogan et al., 2004). Sheth (1971) concluded that WOM was more important than advertising in raising awareness of an innovation and in securing the decision to try the product due to source reliability and the flexibility of interpersonal communication (Day, 1971). In a study by Day (1971), WOM was nine times as effective as advertising at converting unfavorable or neutral predisposition into positive attitudes.

Negative WOM

On the other side, when the message is negative, companies should increase their marketing efforts in order to compensate negative WOM. It does appear that negative WOM has a more powerful impact than positive recommendations (Arndt, 1967, Bone, 1995), meaning that the financial efforts to avoid or compensate negative WOM are proportionally bigger than the savings that companies might get due to positive WOM. WOM in marketing context refers to informal communications between private parties concerning evaluation of goods and services.

Theoretical Framework

Self-Determination Theory

According to Self-Determination Theory, humans were assumed to be active and growth-oriented organisms that naturally tend to pursue psychological development, continuously strive for challenges, and integrate external experiences and sense of self (Deci& Ryan, 2000). These natural propensities require continuous support from the social environment to function effectively. They argued that these needs were inherent and ubiquitous, and had little difference across different gender, groups or cultures. The autonomy need is the desire to self-organize experience and behavior and to have activity consistent with integrated sense of oneself. When an individual perceives autonomy (for example, expressing opinions and taking actions), or he can decide on his own in a high degree, he feels that he can control his own behaviors, and becomes the space owner of himself. The relatedness need refers to the desire to establish emotional bonds and affiliation with someone or a group - to be loved, understood and appreciated, also to experience a sense of belongingness. It reflects the need of being connected emotionally with someone who is important. The competence need is described as the trust that an individual believes his behaviors can reach a certain level in order to complete an activity and to control the environment. For example, a valid and right challenge will fully arouse one's enthusiasm. In summary, the social context satisfying these needs can facilitate the social context that thwarts satisfaction of these needs, by contrast, results in lower motivation, work performance and happiness (Liu & Zhang, 2010). According to Self-Determination Theory, an individual's motivation and behaviors should be examined by whether the environment satisfies the needs for autonomy, competence and relatedness.

Relationship Strength

Bristor (1990) indicated that the WOM communication network is the social network consisting of WOM communicators and their relationships between each other. The relationship strength, which is the extent of the association between people, is considered as the power to connect one and another in this social network. People in weak ties may be stranger or merely know each other. Contradictory, in strong ties, people have very close relationships, such as neighbors or friends. Prior research has mainly examined the effect of the relationship strength on WOM from the perspective of WOM receivers. For example, Smith (2002) showed that the effect of WOM on purchasing decision is influenced by the relationship strength, no matter the purpose is hedonic or pragmatic. Wirtz and Chew (2002), on the other hand, indicated that compared with consumers in weak ties, consumers in strong ties are more likely to engage in WOM. In this research, we propose that relationship strength increases satisfaction of three psychological needs, thus influences the motivation for and intention of WOM.

Empirical Framework

Latif et al. (2019) carried out a study to determine the relationship between word of mouth (WOM) communication and brand equity of sport products among consumers in Kuantan, Pahang. Four hundred and sixty-one consumers from Kuantan, Pahang participated in the study. Participants completed WOM communication questionnaires originally designed by Uslu *et al*. (2013), and the brand equity questionnaire originally designed by Yoo and Donthu (2001) and Lassar *et al*. (1995). The results showed high level of WOM communication of mean of 3.56 and (SD= .72) and the brand equity dimensions indicated highest mean on "perceived quality" 3.73 with (SD= .63). The *r*-value was (p<.487) and it indicated a significant positive relationship between WOM communication and brand equity. The findings of the study provide theory and understanding for marketers in influencing consumers to have positive WOM communication and brand equity towards sports brands.

Martensen and Gronholdt [2016] also studied how consumer emotion and choice got affected by word-of-mouth with reference to the service industry. The study investigated the mediating role of emotion for WOM and social norm. The findings showed positive WOM significantly influenced the behavioral attitude and intention and negative WOM only slightly impacted the behavioral intention. However, NWOM (negative WOM) strongly affected the behavioral attitudes via negative emotions. Social norm impacted directly PNOM (positive WOM), NWOM, behavioral attitude and behavioral intention.

Moradi and Zerai (2011) conducted a study about the effects of the brand equity on the brand preference, purchase intent, and about the moderating role of the country of origin in this relationship. They detected that the brand equity affects the brand preference positively in their study of about 700 students from 3 different state universities in Iran who have laptops and cell phones, it was found that brand loyalty has positive effects on active word of mouth communication.

Ike-Elechi & Tan (2009) investigated the effect of brand image on brand faithfulness and brand commitment in China. Statistical population was chosen from cities of Chicago and Si Chuan. Behavioral analysis showed that brand image has a positive and meaningful effect on the customers interest and commitment to the brand, and this favorite image has a longitudinal effect on the customer`s mental image about quality of the brands and produces satisfaction and commitment to the brand.

Research Methodology

For the purpose of this research, the descriptive survey research design was adopted which entailed the use of questions to elicit responses. This study was conveniently chosen to be undertaken at the

Headquarter and a branch of Clinix Healthcare limited, located respectively at Anthony and Abule-Egba, Lagos, Nigeria. While the population used for this study are numbers of registered customers to the two branches of the organisation as at the day the questionnaire is administered - 700; the sample size according to the sample size determination table by Krejcie & Morgan, (1970) is 248; a total sample size of 250 respondents was adopted.

With the aid of quota sampling technique, thirty-six respondents were chosen from Abule-Egba branch out of the one hundred registered customers in the branch. While two hundred and fourteen customers were selected out of the 600 registered customers at the head office branch. The major source of data for this research was the primary data. Information used for the purpose of this research was obtained through personal collection directly from source and through the use of questionnaire. The research adopted the convenience sampling technique. Questionnaires were used as the primary data collection instrument, and were administered to the Consumers of Clinix Healthcare Limited services. The questionnaires administered were adopted from previous research conducted by Chang and Ko (2014), Wang and Yu (2015), Yoo et al (2000), Sirgy et al (1997), Yildiz et al (2016), Wang and Yu (2015) and Tusjek et al (2013).

Method of Data Analysis

Primary data collected was analyzed using the regression statistical tool through the use of the Statistical Package for Social Sciences (SPSS).

Test of Hypotheses

Hypothesis One: Word of mouth does not have significant effect on brand image.

Table 1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.346[a]	.120	.116	.53197

a. Predictors: (Constant), WOM

***Source: Field Survey* (2023)**

Coefficient of Multiple of Determination (R^2)

The adjusted R-square value (coefficient of determination) in table 7 of 0.116 implies ***WOM*** accounts for 11.6% of the total variations in ***BI*** (Brand Image). The remaining 88.4% are due to other likely factors that can as well have effects on brand equity but are not included in this model.

Table 2: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.567	1	9.567	33.808	.000[b]
	Residual	70.182	248	.283		
	Total	79.749	249			

a. Dependent Variable: BI

b. Predictors: (Constant), WOM

***Source: Field Survey* (2023)**

Overall Test of Significance of the Estimated Regression Model

This analysis examined the significance of all explanatory variables using F-test. In the table 8 above, the F-statistic is 33.808 with the corresponding p-value of 0.000 (less than 5%). This implies that the independent variable (***WOM***) significantly affects the dependent variable ***BI*** (Brand Image).

Table 3: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.676	.487		3.445	.001
	WOM	.593	.102	.346	5.814	.000

a. Dependent Variable: BI

***Source: Field Survey* (2023)**

Test of Significance of Individual Coefficient

Table 13 above presents the result of the regression estimates of ***WOM*** on ***BI***. The intercept coefficient ($\boldsymbol{\alpha_0}$) is 1.676 with standard error, t-stat. and p-value of 0.487, 3.445 and 0.001 respectively. The slope coefficient ($\boldsymbol{\alpha_1}$) of ***WOM*** with respect to ***BI*** (brand image) is 0.593 with standard error, t-stat. and p-value of 0.102, 5.814 and 0.000 respectively. The slope coefficient ($\boldsymbol{\alpha_1}$) is positive. This implies that word of mouth has positive effect on Brand Image. With the p-value of the t-statistic of 0.000 (less

than 5%), it is concluded that word of mouth has significant effect on brand image and the null hypothesis is rejected.

Hypothesis Two: Word of mouth does not have significant effect on brand preference.

Table 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.127[a]	.016	.122	.48199

a. Predictors: (Constant), WOM

***Source: Field Survey* (2023)**

Coefficient of Multiple of Determination (R^2)

The adjusted R-square value (coefficient of determination) in table 7 of 0.12 implies ***WOM*** accounts for 12% of the total variations in ***BP*** (Brand Preference). The remaining 88% are due to other likely factors that can as well have effects on brand equity but are not included in this model.

Table 5: ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.939	1	.939	4.042	.045[b]
	Residual	57.615	248	.232		
	Total	58.554	249			

a. Dependent Variable: BP

b. Predictors: (Constant), WOM

***Source: Field Survey* (2023)**

Overall Test of Significance of the Estimated Regression Model

This analysis examined the significance of all explanatory variables using F-test. In the table 8 above, the F-statistic is 4.042 with the corresponding p-value of 0.045 (less than 5%). This implies that the independent variable (***WOM***) significantly affects the dependent variable ***B*P** (Brand Preference)

Table 6: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.295	.441		7.474	.000
	WOM	.186	.092	.127	2.010	.045

a. Dependent Variable: BP

***Source: Field Survey* (2023)**

Test of Significance of Individual Coefficient

The slope coefficient (α_2) of ***WOM*** with respect to ***BP*** (brand preference) is 0.186 with standard error, t-stat. and p-value of 0.092, 2.010 and 0.045 respectively. The slope coefficient (α_2) is positive. This implies that word of mouth has positive effect on Brand preference. With the p-value of the t-statistic of 0.000 (less than 5%), it is concluded that word of mouth has significant effect on brand preference and the null hypothesis is rejected.

Hypothesis Three: Word of mouth does not have significant effect on brand loyalty.

Table 7: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.214[a]	.046	.042	.36778

a. Predictors: (Constant), WOM

***Source: Field Survey* (2023)**

Coefficient of Multiple of Determination (R^2)

The adjusted R-square value (coefficient of determination) in table 7 of 0.042 implies ***WOM*** accounts for 4.2% of the total variations in ***BL*** (Brand Loyalty). 95.7% are due to other likely factors that can as well have effects on brand equity but are not included in this model.

Table 8: ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1.605	1	1.605	11.869	.001[b]
	Residual	33.545	248	.135		
	Total	35.150	249			

a. Dependent Variable: BL, b. Predictors: (Constant), WOM

***Source: Field Survey* (2023)**

Overall Test of Significance of the Estimated Regression Model

This analysis examined the significance of all explanatory variables using F-test. In the table 8 above, the F-statistic is 11.869 with the corresponding p-value of 0.001 (less than 5%). This implies that the independent variable (***WOM***) significantly affects the dependent variable ***BL*** (Brand Loyalty).

Table 9: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.509	.336		10.432	.000
	WOM	.243	.071	.214	3.445	.001

a. Dependent Variable: BL

***Source: Field Survey* (2023)**

Test of Significance of Individual Coefficient

The slope coefficient ($\boldsymbol{\alpha_3}$) of ***WOM*** with respect to ***BL*** (brand loyalty) is 0.243 with standard error, t-stat. and p-value of 0.071, 3.445 and 0.001 respectively. The slope coefficient ($\boldsymbol{\alpha_3}$) is positive. This implies that word of mouth has positive effect on Brand loyalty. With the p-value of the t-statistic of 0.000 (less than 5%), it is concluded that word of mouth has significant effect on brand loyalty and the null hypothesis is rejected.

Hypothesis four: Word of mouth does not have significant effect on the brand leadership.

Table 10: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.064[a]	.014	.140	.53414

a. Predictors: (Constant), WOM

***Source: Field Survey* (2023)**

Coefficient of Multiple of Determination (R^2)

The adjusted R-square value (coefficient of determination) in table 7 of 0.140 implies ***WOM*** accounts for 14% of the total variations in ***BLS*** (Brand Leadership). 86% are due to other likely factors that can as well have effects on brand equity but are not included in this model.

Table 11: ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.294	1	.294	1.030	.311[b]
	Residual	70.755	248	.285		
	Total	71.049	249			

a. Dependent Variable: BLS

b. Predictors: (Constant), WOM

***Source: Field Survey* (2023)**

Overall Test of Significance of the Estimated Regression Model

This analysis examined the significance of all explanatory variables using F-test. In the table 8 above, the F-statistic is 1.030 with the corresponding p-value of 0.311 (greater than 5%). This implies that the independent variable (***WOM***) does not significantly affect the dependent variable ***BL*** (Brand leadership).

Table 12: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.105	.489		10.451	.000
	WOM	-.104	.102	-.064	-1.015	.311

a. Dependent Variable: BLS

***Source: Field Survey* (2023)**

Test of Significance of Individual Coefficient

The slope coefficient ($\boldsymbol{\alpha_4}$) of ***WOM*** with respect to ***BLS*** (brand leadership) is -0.104 with standard error, t-stat. and p-value of 0.102, -1.015 and 0.311 respectively. The slope coefficient ($\boldsymbol{\alpha_4}$) is negative. This implies that word of mouth has positive effect on Brand loyalty. With the p-value of the t-statistic of 0.311 (greater than 5%), it is concluded therefore that ***WOM*** has negative and insignificant effect on brand leadership. Therefore, the null hypothesis is accepted.

Discussion of Findings

Sequel to the results of the analysis presented above in alignment with the stated research objectives, the following findings have been established: a) word of mouth to a very high extent affects all brand assets analyzed in this study and; b) it is a veritable tool for building brand equity, predicting and managing consumer behavior.

The following conclusions were drawn from the analysis of the hypothesis:

Word of mouth has significant effects on the image of a brand. The analysis also showed a positive relationship between both variables. Responses gathered showed that word of mouth helped in building brand equity, awareness, increasing market share and aiding brand loyalty. It is important that positive word of mouth is maintained as the brand as opinion leaders as its consumers. Most respondents affirmed to seeking out negative reviews about the brand before patronizing, hence a good image and perception should always be maintained.

There exists a negative and insignificant relation between word of mouth and brand leadership. Brand leadership is built through the implementation of other marketing tools and strategies and not necessarily, word of mouth. Users of the Clinix healthcare brand gave credit to other marketing tools such as pricing, innovation and service delivery as measures for brand leadership.The results of the analysis depicted a high level of brand loyalty. Most of the respondents were loyalists who were unlikely to switch to another similar competitor. This is because they considered the band as a superior to others. The analysis revealed that majority of the respondents highly preferred the brand to others owing to quality service delivery and offerings. However, product offerings, customer relations, reporting formats should be improved.

Conclusions

With reference to results of the study conducted and having adopted a number of theories and models in examining the constructs: word of mouth and brand equity, it is concluded that word of mouth is a veritable tool for building brand equity and achieving the overall marketing objectives at the top management levels. All dimensions analyzed in this study should be properly and adequately managed. The result of the analysis of the effect of word of mouth on brand leadership revealed that other factors contribute in building brand equity. Factors including product features, brand features, market/brand awareness as well as brand performance.

This research work has contributed to marketing and branding literature, however has been limited based on time and resources constraints.

Recommendations

Sequel to the summary of findings and conclusions, it is recommended that:

Clinix Healthcare Limited and other organizations should focus on building, controlling and maintaining positive word of mouth, by responding promptly to feedbacks from client, improve on patients' waiting time, turnaround time for reports and customer care services should be improved upon.

Clinix Healthcare Limited should adopt and implement different strategies such as better staff retention and satisfaction, customer- retention and relations strategies, for better work effectiveness and developing a positive image.

Clinix Healthcare Limited should improve service delivery processes and brand offers as this will help block competitors and to secure their market by creating apps with good interface for easy flow of information, accessibility of the facility to clients, having good working tools in all departments to enable work flow.

These recommendations can be adopted by all types and levels of companies (SMEs, small and large scale enterprises, etc).

Suggestions for Further Studies

The study of the effect of word of mouth on brand equity is not exhaustive and open for future improvements as the marketing world evolves. The present study has established a positive significant relationship between word of mouth and three dimensions of brand equity: brand image, brand loyalty and brand preference. However, areas for further studies generated in the course of this research include:

i. Examination of the effect of word of mouth on the financial performance of an organization.
ii. A critical analysis of the influence of word of mouth in non-marketing industries.
iii. An examination of the influence of word-of-mouth organizational performance.

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