AN EVALUATION OF THE IMPACT OF CORPORATE REPUTATION ON BUSINESS GROWTH VARIABLES (SALES REVENUE, PROFITABILITY AND MARKET SHARE). A CASE OF FBC BANK.

BY

SHINGIRAI CHIMEDZA

A DISSERTATION SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE BACHELOR OF BUSINESS STUDIES HONOURS DEGREE IN MARKETING

OCTOBER 2012
Abstract
The research sought to evaluate the impact of corporate reputation and business growth variables (market share, revenue and profitability) using a case study of FBC bank. The research hypothesis aimed at establishing the relationship between corporate reputation and business growth variables. The research reviewed literature to establish the various concepts, theories and previous research evidence on the relationship between corporate reputation and growth variables. The resource based view of the firm places emphasis on corporate intangibles where organisations are viewed as a collection of resources that are heterogeneously distributed within and across industries. This makes the performance of the organisation distinctive due to the unique blend of resources that an organisation possesses. The research made use of an explanatory design. Questionnaires were used to solicit data from corporate clients on the reputation of FBC bank together with information from financial statements and monetary policy statements. Probability sampling was used to draw samples from the population using clients’ database. The data was analysed using correlation analysis with the help of IBM SPSS version 20 and the results were presented in the form of tables. The research established the existence of strong positive and linear relationships between corporate reputation and business growth variables and corporate reputation.

The research recommends that the bank increase their efforts in improving the bank’s financial performance in order to influence customers’ perceptions. The research also recommended that the bank should take part in reputation building activities. The bank should also take time to evaluate effectiveness of these activities.

The researcher further recommends that future researches be conducted on the impact of corporate reputation building on brand equity elements such as brand favourability, brand preference and brand loyalty to determine the extent to which corporate reputation will affect the whole purchase decision till a purchase has been made.