The Explanatory Mechanisms Underlying the Double Jeopardy Phenomenon in Fast-Food Retailing

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According to the theory of double jeopardy in the context of marketing, larger brands not only have more buyers, but these buyers tend to be more loyal as well. Based on a survey of 650 customers, the findings validate the presence of a double jeopardy market share to loyalty pattern in the Kuwait fast-food industry. In addition, we offer and examine four possible explanations for the double jeopardy phenomenon. These include the retention effect, the familiarity effect, the design effect, and the satisfaction effect. The data indicate that retention and satisfaction are most closely associated with customer loyalty, offering some managerial implications to practitioners in the field. In summary, if a smaller competitor hopes to grow their brand at a faster rate than their larger counterparts, they should boost acquisition efforts, but also exploit the relationship between customer satisfaction and customer retention to raise their loyalty levels.

Keywords: Double Jeopardy, customer loyalty, customer retention, customer acquisition

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Introduction

The idea that "the rich get richer" has a long and well-documented tradition in the history of Western thought. For example, it was a central theme in F. Scott Fitzgerald's "The Great Gatsby", which examined the class divisions and income inequality of the 1920s (Bechtel, 2017). Similarly, the aphorism was at the core of Percy Bysshe Shelly's critique of capitalism (Mulhallen, 2015). It was even the fundamental lesson of the "Parable of Talents" found in the Book of Matthew which states that "For to all those who have, more will be given, and they will have an abundance". Evidence from the field of entrepreneurship seems to provide support for this tenet as well. For instance, in a study of entrepreneurial activity, Frid, Wyman, and Coffey (2016) found that although personal wealth appears to have no effect on venture creation and entrepreneurial entry itself, it does seem to impact the success of those ventures. Specifically, there is a positive relationship between an individual's personal assets and the profits generated from his or her new business. Therefore, with entrepreneurial success concentrated at the top of the wealth distribution, it appears that rich individuals do indeed get richer than their less wealthy counterparts.

Similarly, according to the theory of double jeopardy in the context of marketing, larger and more successful brands enjoy a twofold advantage over their smaller and less successful rivals. Specifically, larger brands not only have more buyers, but these buyers tend to be more loyal as well. On the other hand, smaller brands not only have fewer buyers, but those buyers are also usually less loyal and make fewer purchases of the brand in comparison to the customers of the larger brands (Rogers et al., 2017). In essence, larger brands win twice and, conversely, smaller brands are punished twice. This observation was termed "double jeopardy" because it seemed unfair for larger brands to enjoy both advantages and for smaller brands to suffer in both ways.

The primary direction taken by researchers studying the double jeopardy phenomenon has been on the validation of the effect in many different contexts, industries, and markets (Taneja, 2020). This is a necessary effort for any theory that purports to be accepted as a universal law. For example, in the half century since its initial discovery, empirical evidence for the double jeopardy pattern has been shown to exist within the markets for consumer durables (Bennet and Graham, 2010), packaged goods (Jung, Gruca, Rego, 2010), wine (Wilson and Winchester, 2019), social media (Rogers et al., 2017), online groceries (Cui, 2020), and even team sports (Doyle et al., 2013). Although Lynn (2013) notably examined how buyers of fast-food chains allocated their purchases across other chains, no studies to date have specifically examined the double jeopardy phenomenon within the context of fast-food. This is surprising considering that global revenue for the fast-food industry exceeded $675 billion in 2020 (IBISWorld, 2020). Given the importance of the industry, in the present study we examine the presence of the double jeopardy phenomenon among fast-food retailers. Moreover, our focus is on the country of Kuwait, one of the world's fastest growing markets for fast-food (Shaban and Alkazemi, 2019).

In the past, the double jeopardy concept was often criticized for its limited value to managers. For example, according to Dyson, Parr, and Hollis (1997), if double jeopardy is an immutable law then, despite the best efforts of marketers, it can be assumed that a small brand's market share will remain static or at best move in random patterns. Other researchers have suggested that small brands may still grow, yet this growth will almost certainly be in line with the double jeopardy pattern. Namely, there will be a relatively minor change in the loyalty metrics, such as churn rate, of the smaller brands in comparison to their larger counterparts (Sharp et al. 2002).

Therefore, although replication studies are important to help validate the concept, simply recognizing the presence of double jeopardy may provide only limited managerial value. Instead,

only by understanding the explanatory mechanisms that govern the operation of the phenomenon can managers hope to effectively work within the constraints imposed by double jeopardy. Unfortunately, very little research has been undertaken to help understand the factors that drive double jeopardy. Although Sharp et al. (2002) acknowledge that double jeopardy is likely to occur in un-partitioned markets with a relative lack of differentiation between brands that can lead to asymmetries in brand-related knowledge, the psychological mechanisms underlying the concept have not been fully explored. Consequently, we offer and examine four possible explanations for the double jeopardy phenomenon. These include the retention effect, the familiarity effect, the design effect, and the satisfaction effect. We conclude with an analysis of our findings and a discussion of their managerial implications.

Background and Hypotheses

The double jeopardy effect was actually first identified by sociologist William N. McPhee in 1963. McPhee observed that comic strips read by fewer people were also liked less by those fewer people (McPhee, 1963). Investigating further, McPhee also identified the same pattern in the case of radio programs. It was Ehrenberg (1996) who first suggested that double jeopardy might represent a basic scientific law within competitive business markets that can be reliably substantiated over a wide range of contexts. Although the effort to do so is largely ongoing, many researchers are of the opinion that double jeopardy is one of the most famous and important discoveries in marketing (Greenacre et al., 2015; Uncles, Ehrenberg, and Hammond, 1995).

Moreover, if one is to fully accept the double jeopardy theory, then it becomes doubtful that advertising, promotion, or other marketing efforts would be capable of disrupting the pattern in the long run (Yang, Bi, and Zhou, 2005). In fact, proponents of the double jeopardy theory argue that "smaller brands should anticipate that their marketing effort will not attract as many customers, nor as many loyal purchasers as those of larger brands. This is a natural disadvantage that is a feature of the market, not necessarily a flaw in strategy" (Greenacre et al., 2015, p.p. 752-753). Furthermore, in the face of the natural law for double jeopardy, any sales gains from the short-term promotional efforts of smaller brands should usually be temporary, not lasting longer than the promotion period itself (Ehrenberg and Goodhardt, 2002). As stated by Ehrenberg, Goodhardt and Barwise (1990), "Trying to buck the DJ [double jeopardy] trend might look suspiciously like trying to make aeroplanes fly by waiting for breakdowns in the law of gravity" (p.90). Consequently, with so many scholars in agreement with the theory, we offer the first hypothesis in the context of the Kuwaiti fast-food market.

H1:   A positive relationship exists between market share and customer loyalty for fast-food brands in the Kuwait market.

When using the term customer loyalty, it should be noted that we are employing the Dick and Basu (1994) composite definition for true loyalty. According to this view, true loyalty is conceptualized as a combination of loyal repeat purchase behavior and positive attitude towards the brand. This is in contrast to what can be termed as spurious loyalty, which may involve repeat purchases in the absence of a biased attitudinal disposition. Although the composite definition of loyalty has been questioned in the past (e.g. Sharp, Sharp, and Wright, 1999), it is necessary to consider the consumer's psychological when examining the underlying processes that drive a behavior, as outlined in the subsequent hypotheses.

The Retention Effect

The retention effect suggests that buyers prefer to purchase those brands with which they have had previous experiences (Vaughn 1980). That is because, in most instances, stable and enduring brand attitudes can only be formed after the buyer has actually tried and used the product. On the basis of past experience, the emotional and functional brand components become organized and maintained within memory, forming the foundation on which the buyer's future decision process functions (Rodrigues and Brandão, 2021). So, as buyers gain sensory, cognitive, and affective experiences with a product, the category structures in memory become more detailed and developed. In turn, these remembered experiences have a strong impact on future consumer choices, thereby enhancing customer retention (Alba and Hutchinson 1987; De Luca and Botelho, 2020).

In fact, it has long been recognized that many choices are more strongly determined by previous knowledge and experience rather than by the influence of immediate marketing stimuli (Narayana and Markin 1975). For example, while an effective advertising campaign may increase the chances that a brand can become part of a consumer's consideration set, this will not necessarily improve its chance of being purchased (Stocchi, Banelis, and Wright, 2016). Instead, more often than not, the consumer's choice actually comes from the "reconsideration set", which consists of brands that the consumer has already purchased on a prior occasion (Spiggle and Sewall, 1987). Therefore, we would expect that as buyers gain direct experience with a brand, that brand will also be likely to retain these customers in the future. We would also expect firms with larger market shares to belong to more consumer reconsideration sets. In other words, the retention effect suggests that customers would be more likely to consider re-buying from those brands that are already in their purchase repertoires and which therefore have the largest market shares. This expectation is summarized in H2a.

H2a: There is a positive relationship between retention and customer loyalty.

The Familiarity Effect

Even if consumers lack direct experience with a product, brand familiarity alone can have an important impact on consumer purchase decisions. One example of this is provided by the mere exposure phenomenon, an interdisciplinary theory regarding the preattentive analysis and automatic processing of stimuli in the sensory environment (Sperling, 1960). According to the mere exposure phenomenon, simple exposure to a stimulus, even in the absence of detailed information processing, can still influence an individual's subsequent actions. One explanation for this effect is that mere exposure alone can create a sense of familiarity that renders a stimulus less threatening, and thus activates approach behavior (Zajonc 1980).

Furthermore, individuals appear to form a memory trace of the exposure that may inform their future evaluation and choice behavior (Grimes and Kitchen, 2007). Specifically, familiar brands may have a preexisting structure of associations and linkages in memory and these cognitive structures may enable superior encoding and storage of new messages that relate to the product (De Canha, Ewiing, and Tamaddoni, 2020). In addition, familiarity also leads to lower attribute processing during decision making, as consumers will rely on the brand perception more than on objective product attributes (Raggio, Leone, and Black, 2014). Thus, in comparison to the less familiar smaller brands, the high familiarity of high market share brands can facilitate and inform the purchase decision and attract more triers. These more familiar brands also have higher advertising budgets that will continually reinforce the desirability of the brand in the minds of

those triers. Thus, the familiarity effect, especially for previously tried brands, may contribute to the double jeopardy competitive advantage. This expectation is summarized in H2b.

H2b: There is a positive relationship between the percentage of customers who have tried a brand and customer loyalty.

The Design Effect

A phenomenon we call the design effect suggests that buyers prefer brands which possess the most desirable features and attributes. For example, SERVQUAL, the well documented service quality measurement instrument developed by Parasuraman, Zeithaml and Berry (1988), is largely based on the assumption of a linear relationship between service attribute performance and customer satisfaction. One explanation for this may be provided by the psychological concept of gratitude, which can be thought of as an emotional appreciation of a benefit received. Consumers often feel grateful and appreciative when desirable benefits are delivered by well designed products (Emmons & McCullough, 2003). In turn, the emotional response of gratitude is frequently followed by a desire to reciprocate, which often manifests in customer loyalty (Palmatier et al., 2009).

Moreover, the relationship between product design and purchase frequency is recursive. Not only do consumers reward well designed products with repeat purchases, but consumer opinions about product attributes tend to vary according to the frequency with which they have been bought in the past (Castleberry and Ehrenberg, 1990). Users of a brand are therefore more likely to have positive beliefs about its attributes (Barnard and Ehrenberg 1990). Thus, as described by Michael and Smith (1999), the double jeopardy patterns for brand-name products emerge because the larger brands are more closely associated with positive attributes by consumers. This expectation can be summarized in the context of fast-food retailing as follows:

H2c: There is a positive relationship between the perception of servicescape design elements and customer loyalty.
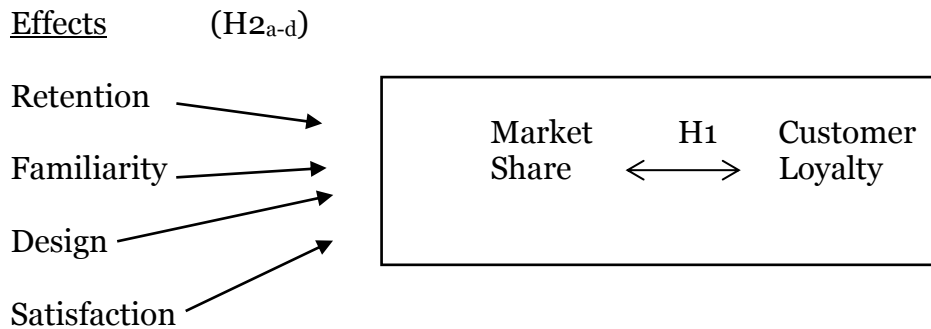
The Satisfaction Effect

The final possible explanation for the double jeopardy phenomenon to be examined can be thought of as the customer satisfaction effect. Many larger firms today have begun to implement a customer-centric business strategy that seeks to fully understand and anticipate customer needs. Often referred to as customer relationship management (CRM), the overall aim is to enhance customer satisfaction by tailoring all aspects of the customer experience to their needs (Galvão et al., 2018). This goes well beyond simple product design elements and often encompasses the use of a wide variety of tools, technologies and procedures to support the relationship with the customer (Dehghanpouri, Soltani and Rostamzadeh, 2020).

Given the resources that are required to implement a concerted CRM effort, the concept is most likely to be initiated by large companies with high market share and sales revenue, and less likely to be seen in small or medium sized enterprises (Herman, Sulhaini, and Farida, 2021). Furthermore, evidence suggests that these activities can contribute to the sustained success of these companies (Trif, Dutu, and Tuleu, 2019). In fact, a previous study in the Jordanian market indicates that customer knowledge and trust, two of the central pillars of CRM, are important factors in predicting customer satisfaction among fast-food consumers (Mahawrah, Shehabat,

and Abu-Shanab, 2016). Thus, satisfaction may serve as a proxy for CRM efforts in this industry, as fast-food retailers are increasingly pursuing this outcome through the application of sophisticated knowledge management and data mining tools (Kashani and Shahmirzaloo, 2017). Moreover, it can be anticipated that companies capable of pursuing extensive CRM efforts that enhance customer satisfaction may be able to parlay those activities into double jeopardy advantages. This expectation is summarized in H2d. The theoretical model governing the investigations for all hypothesized explanations is provided in Figure 1 below.

H2d: There is a positive relationship between customer satisfaction and customer loyalty.

Figure 1: Double Jeopardy Model

Effects   (H2$_{a-d}$)

Retention

Familiarity

Design

Satisfaction

Market Share $\longleftrightarrow$ H1 $\longleftrightarrow$ Customer Loyalty

Setting and Data Collection

Thanks largely to their vast oil reserves, the nations comprising the Gulf Cooperation Council, which includes Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates, are among the wealthiest countries in the world (Amadeo, 2021). As such, the region also enjoys some of the world's highest average annual income per capita for citizens. Kuwait is a prime example. With a GDP per capita of roughly 50,000 USD, Kuwaiti consumers have a high discretionary income (The World Factbook, 2021). Including foreign nationals, who make up about 60 percent of the population, Kuwait has a total population of approximately 4.5 million people. About ninety percent of the population are located in urban areas, primarily around Kuwait City (Shawki, 2019). This lucrative and highly condensed consumer market represents an important opportunity for retailers and services marketers. Also, dining out is an increasingly common practice in Kuwait, and this includes the many popular fast-food restaurants operating in the country (Shaban and Alkazemi, 2019). Additionally, the presence of a large number of competitors in the industry, including both large and small fast-food chains, makes the Kuwait fast-food market an ideal setting within which to examine the operation of the double jeopardy phenomenon.

At the time of the study, sixty-eight fast-food restaurant brands (i.e., McDonalds, Burger King, KFC, Hardees, Great Steak & Potato, Dodo, GubGub) were operating 540 different stores in Kuwait. Evidence suggests that multiple outlet chains tend to possess specialized skills and resources that may not be available to single outlet proprietorships (Baena, 2018). Therefore, in the present study we chose to focus only on the fifty-three fast-food retailers with multiple stores in the Kuwait market. Interviews with the home-office marketing managers of each fast-food chain were conducted by trained professional interviewers. Each interviewer was assigned the task of gathering information on a variety of details including: date of entry into the Kuwait

market, the number of stores operating in the Kuwait market, the average number of customers per day, and the average spending per customer visit. Eliminating the four chains that failed to provide the requested data left forty-nine multiple-outlet fast-food retail chains operating 508 stores, about 94% of the market, for inclusion in the study. Table 1 reveals information about the fast-food retailers by number of stores.

Table 1: Fast-Food Restaurant Details

# of Stores	# of Chains	Total # of Stores
2	6	12
3	8	24
4	4	16
5	7	35
6	4	24
7	6	42
9	4	36
10	1	10
12	1	12
13	1	13
23	1	23
32	2	64
41	1	41
50	1	50
52	1	52
54	1	54
Total	49	508

In addition, in order to collect consumer responses, a series of personal intercept interviews were conducted. Secondary data sources, including The World Factbook (2021) and information from the Kuwait Public Authority for Civil Information provided age and gender statistics which were used as guidelines for the percentages of adults to be included in a quota sample of the consumer population. Six-hundred and fifty people were contacted and interviewed. Forty-nine interviews were discarded as incomplete. In the end, six-hundred and one respondents adequately answered the interviewers' questions and were included in the study. No significant differences in either age or gender groups were evident between the respondents and the population as a whole (X^2=2.76, d.f.=2, p=0.10), indicating that the sample was representative of the Kuwaiti population with regard to both age and gender distributions. Subjects were asked to identify their estimated fast-food consumption activities within the past three months, a common time frame when measuring past behaviors in survey research that avoids over taxing of the respondents' memories (Bradburn, Rips, and Shevell, 1987). The interviews revealed that at the time of the study, the respondents were patronizing an average of 6.46 (out of forty-nine) fast-food restaurant brands with a range from one to seven.

Variables

The study included a variety of constructs necessary to test the hypotheses outlined in Figure 1 earlier. Specifically, six constructs were included in the study: (1) market share, (2) customer loyalty, (3) the percentage retention of triers for the retention effect, (4) the percentage of triers as a surrogate for the familiarity effect, (5) the distance from individual responses to brand centroids as a surrogate for the design effect, and (6) the average satisfaction rating from current users of the brand as a surrogate for the satisfaction effect. Table 2 shows the descriptive statistics for each indicator used in the analyses.

Table 2: Descriptive Statistics for Test Variables

Indicator	Avg.	Min.	Max.	S.E.	Alpha for Composite Measure
Market Share of Total Spending (MSHARE)	2%	.02%	15.8%	0.004	0.927
Customer Loyalty (LOYAL%)	14.6%	0%	71.4%	0.017	
Retention (RET%)	56%	37%	92%	0.018	
Triers (TRIERS%)	41%	8%	94%	0.033	
Deviation from Desired Design (DIST)	23.89	20.71	26.96	0.136	
Satisfaction Rating (SAT)	6.40	4.64	8.37	0.110	

The market share variable used in the study (MSHARE) was a multi-item composite measure comprised of four separate market share indicators: (i) the percentage of total customer spending towards a brand (MS_TCS), (ii) the percentage of total customers per day of a brand (MS_TCD), (iii) the percentage of current users of a brand (MS_CU), and (iv) the percentage of total customer visits to a brand (MS_TCV). Market share of customer spending (MC_TCS) had an average for the forty-nine brands of 2%, a range from .02% to 15%, and a standard error of 0.004. Market share of customers per day (MS_TCD) had an average for the forty-nine brands of 2%, a range from .02% to 20%, and a standard error of 0.006. Market share of the number of current users (MS_CU) had an average for the forty-nine brands of 2%, a range from .02% to 7%, and a standard error of 0.002. Finally, market share of total customer visits to a brand (MS_TCV) had an average for the forty-nine brands of 2%, a range from .01% to 21%, and a standard error of 0.005. A

principal-components factor analysis was performed on the four market share indicators with results revealing a single factor explaining 87.6 % of the original variance. In addition, the combined variable had an alpha reliability of 0.927. Thus, there is strong justification for averaging all four indicators into one overall market share variable. The resulting variable, MSHARE, had an average for the forty-nine brands of 2%, a range from .02% to approximately 16%, and a standard error of 0.004.

Customer loyalty (LOYAL%) was measured in a manner consistent with the Dick and Basu (1994) loyalty framework, which defines loyalty as a function of both attitude and behavior. According to Dick and Basu (1994), loyalty can be defined as when a customer exhibits both high levels of behavior towards a brand and a high positive attitude towards a brand. To estimate attitudes, respondents were asked to rank up to five preferred brands on a five-point scale. Zero scores were assigned to the unranked brands. To estimate behavior, visits to the fast-food restaurants were tabulated. A respondent was classified as loyal towards a brand if a brand was in the top five scores for both behavior (visits) and attitude (preference ranks). Utilizing this procedure, it is possible for a respondent to be classified as loyal to more than one brand. In fact, the findings indicate that the respondents were loyal to an average of 2.59 fast-food brands each. This finding is consistent with the Barnard and Ehrenberg (1997) split-loyalty point of view that sees a given brand's customers as actually loyal to a repertoire of one or more other habitual brands. Thus, the total number of 'loyals' in the sample was found to be 1,557. Then, the number of loyal buyers for each brand was divided by the total number of loyals ($X_i/1557$) to find the LOYAL% for each brand. LOYAL% had an average for the forty-nine brands of 14.6%, a range from 0 to 71%, and a standard error of 0.017.

The retention percentage (RET%) was used to measure the retention effect. Retention is defined for each brand as the number of respondents who indicated that they were current users of the brand divided by the number respondents who had actually tried the brand. The average RET% for the forty-nine brands was approximately 56%, with a range from 37% to 92%, and a standard error of 0.018.

To assess the familiarity effect, the percentage of customers who have tried a brand (TRIERS%) was calculated by asking respondents to indicate any brands that they had ever previously used. The total number of triers for each brand was then divided by the sample size (#Triers/601) to arrive at the percentage of the sample that tried a particular brand. TRIERS% had an average for the forty-nine brands of 41%, a range from 8% to 94%, and a standard error of 0.033.

To assess the design effect, respondents rated the impact of a variety of design elements on their decisions to purchase from the various fast-food restaurants. In particular, fourteen design elements were suggested by previous research and validated through depth interviews (Choudhary and Singh, 2017; Chun and Nyam-Ochir, 2020). These elements included factors such as food quality, customer service, cleanliness, and the overall servicescape. Each design element was rated on a semantic differential scale ranging from 1 (unimportant) to 10 (very important). The respondent ratings were then added and averaged for the users of each brand. Finally, the average absolute distance (DIST) from the users of each brand to the centroid for that brand was factored, with larger distances indicating that the design of a particular restaurant brand is farther away from the desires of the using segment. The DIST variable had an average for the forty-nine brands of 23.89, with a range from 20.71 to 26.96, and a standard error of 0.136.

Finally, the average satisfaction rating (SAT) was used as a surrogate for the satisfaction effect. Respondents were asked to rate each brand that they had used at some time on a semantic differential scale from 1 (terrible) to 10 (excellent). The SAT variable had an average for the current users of the forty-nine brands of 6.40, with a range from 4.64 to 8.37, and a standard error of the mean of 0.11.

Analyses

In order to test the hypotheses, a number of statistical tests were performed. The results are shown in Table 3, Table 4, and Table 5. H1 suggests that double jeopardy is evident in our fast-food sample from Kuwait. Correlations were used to test H1, which states that customer loyalty is positively related to market share. Table 3 reveals the statistics related to this analysis. As noted in the table, our combined attitudinal and behavioral measure of loyalty exhibits a significant and positive bi-variate correlation with market share ($r=0.797$, $p=0.000$). This finding provides some degree of support for H1. Additionally, it is revealed that, even when controlling for distribution intensity, in terms of the number of stores per brand, loyalty is still significantly and positively correlated with market share ($r=0.648$, $p=0.000$). This finding provides further evidence in support of H1. Therefore, it is reasonable to conclude that the double jeopardy phenomenon is evident among multi-outlet fast-food restaurants in the Kuwait market.

Table 3: Correlations between Market Share and Loyalty

		Market Share of Total Spending (MSHARE)		Market Share of Total Spending (MSHARE)
	r	0.797		0.648
LOYAL%	*p*	0.000		0.000
	n	49		49
		Bi-variate		Controlling for Distribution Intensity

In addition, as previously outlined, we offer and examine four alternative explanations for the double jeopardy phenomenon. These include the experience effect, the familiarity effect, the design effect, and the satisfaction effect. Having established that market share is associated with brand loyalty, we conducted further investigations to assess the impact of each alternative explanatory mechanism on brand loyalty as well. Correlations and regression analysis were used to test these hypotheses. Table 4 reveals the statistics related to the bi-variate correlation analysis. As noted in the table, the surrogate indicators for each of the four explanatory mechanisms are correlated with brand loyalty: RET% ($r=0.750$, $p=0.000$), TRIERS% ($r=0.642$, $p=0.000$), DIST ($r=-0.483$, $p=0.043$), and SAT ($r=0.714$, $p=0.000$). These findings suggest that any of the four effects may possibly be related to double jeopardy.

Table 4: Bi-variate Correlations for Double Jeopardy Explanations

		LOYAL%	Conclusion
Retention Effect RET%	*r*	0.750	possible explanation for DJ
	p	0.000	
	n	49	
Familiarity Effect TRIERS%	*r*	0.642	possible explanation for DJ
	p	0.000	
	n	49	
Design Effect DIST	*r*	-0.483	possible explanation for DJ
	p	0.043	
	n	49	
Satisfaction Effect SAT	*r*	0.714	possible explanation for DJ
	p	0.000	
	n	49	

In order to determine which of the effects may be most closely associated with the loyalty aspect of double jeopardy, the four surrogate indicators were included in a regression with brand loyalty as the outcome variable. Table 5 reveals the statistics related to the regression analysis. As noted in the table, the overall regression equation itself was significant (F=26.724, *p*=0.000). Furthermore, closer examination of Table 5 reveals that RET%, a measure of the retention effect, exhibits a significant impact on brand loyalty (t=2.337, *p*=0.000), as does SAT, a surrogate for the satisfaction effect (t=4.314, *p*=0.024). Therefore, the findings offer the greatest level of support for both the retention effect and the satisfaction effect which are summarized in $H2_a$ and $H2_d$.

Table 5: Regression Results for Double Jeopardy Explanations

LOYAL% = SAT + TRIERS% + DIST + RET%							
		SS	*df*	*MS*	*F*	*p*	*Conclusion*
	Regression	0.495	4	0.124	26.724	0.000	predictors important
	Residual	0.204	44	0.005			
	Total	0.699	48				
Effect		*Coeff.*	*SE*		*t*	*p*	
Ho (Int.)		0.146	0.017		8.451	0.000	
H1 (Int.)		-0.325	0.304		-1.072	0.290	
Retention	RET%	0.322	0.138		2.337	0.024	**probable DJ explanation**
Familiarity	TRIERS%	0.114	0.064		1.773	0.083	
Design	DIST	-0.008	-0.012		-0.679	0.500	
Satisfaction	SAT	0.068	0.016		4.314	0.000	**probable DJ explanation**

$R^2_{adj} = 0.682$

Discussion

The first objective of this study was to determine if the phenomenon referred to as double jeopardy exists in multi-outlet fast-food restaurants in the Kuwait market. This is an important analysis because researchers continue to recognize that ongoing replication and extension of previous double jeopardy studies are necessary to help determine the conditions under which the phenomenon holds (Mecredy et al., 2021). This is especially important if we are to validate the concept as a universal law in marketing. Consistent with H1, our findings did in fact reveal a relationship between market share and customer loyalty, even when controlling for distribution intensity. This finding therefore does in fact indicate the presence of a market share to loyalty double jeopardy pattern in the Kuwaiti fast-food market. An additional purpose of the study was to determine which, if any, of the proffered effects might be an important factor which might help explain the operation of the double jeopardy phenomenon. The data indicate that retention (H2$_a$) and satisfaction (H2$_d$) are most closely associated with customer loyalty, which suggests that the retention effect and the satisfaction effect may be strong underlying mechanisms that drive the relationship between market share and loyalty. Therefore, in addition to validating the double jeopardy phenomenon in yet another unique context, our study also offers some managerial implications to practitioners in the field.

In recent years, marketers have begun to realize the substantial benefits associated with retaining existing customers. This can be difficult, as "churn", or turnover in a firm's customer base, is quite common in most retail environments. Unfortunately, high churn rates can also be very costly as the expense of acquiring a new customer is typically far higher than the cost of simply serving an existing customer (Tamaddoni, Stakhovych, and Ewing, 2017). Not surprisingly, customer retention has become one of the central objectives for retailers and an integral component of CRM activities (Min et al., 2016). With regard to retention, our findings in support of H2$_a$ are also consistent with research by Ciunova-Shuelska et al. (2017), which demonstrates that a customer retention orientation has a significant and direct impact on customer loyalty. Thus, double jeopardy could operate through the lower churn rate of large market share brands, which may subsequently translate into an imbalance in loyal purchases. In summary, our study suggests that if smaller competitors are interested in growing their brands, aside from necessarily acquiring more new customers, they should try to do so by emphasizing retention rather than by attempting to convince their current customers to buy more often. Customer retention, even for less regular purchasers, can also have profound effects on a firm's profitability. According to a widely cited paper by Reichheld (1994), it typically costs much less to serve existing customers than it does to attract new customers.

It should also be recognized that no two customers are identical and that different customers may have different perceptions of the attractiveness of incentives that may be offered by a firm's customer retention initiatives (Tamaddoni, Stakhovych, and Ewing, 2017). More importantly, double jeopardy suggests that the effectiveness of these initiatives may also be unequally distributed between the high performing and the low performing firms. Indeed, Chen and Liu (2019) note that the relationship between customer satisfaction and customer retention is stronger among more strategically proactive firms. In summary, their research suggests that more satisfied customers lead to better retention outcomes, and this effect is more pronounced among the market share leaders who have been able to implement successful CRM efforts. Similarly, our findings lend some additional evidence to support the satisfaction effect as an explanation for double jeopardy, as customer satisfaction proved to have a significant and direct impact on customer loyalty as well, confirming H2$_d$.

Nevertheless, our study should be evaluated with several caveats in mind. First, our study may be time and context dependent. A narrow focus on the Kuwait fast-food market only provides one of the many pieces of evidence necessary to validate the double jeopardy phenomenon as a universal law in marketing. Secondly, the variables analyzed were based mostly on survey research. Instead, future researchers may wish to operationalize several of the variables with actual customer visits, sales, or other behavioral data. Finally, the analysis of the various explanatory mechanisms was merely exploratory and the findings should be considered as preliminary. Future researchers may choose to conduct additional analyses to further validate the hypothesized relationships and the causal links among the variables studied.

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