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CORPORATE REPUTATION AND FIRM PERFORMANCE OF LISTED CONSUMER GOODS COMPANIES IN NIGERIA

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Abstract
This study examined the impact of corporate reputation on the performance of listed consumer goods firms in Nigeria. The study adopted an ex post facto research design, utilizing secondary data from audited annual reports of 18 purposively sampled firms over the period 2014–2023. Panel data analysis using Estimated Generalized Least Squares (PEGLS) was employed to test the relationships among variables. The findings revealed that financial market reputation, intangible value reputation, and customer reputation significantly and positively influence firm performance, indicating that strong market signals, robust intangible assets, and customer loyalty serve as key drivers of profitability. In contrast, social reputation and shareholders' reputation, exhibited positive but statistically insignificant effects on ROA, suggesting that longevity, CSR activities, shareholder returns, and scale alone are insufficient to guarantee superior performance. The study concludes that corporate reputation exerts varying degrees of impacts on performance in the Nigerian consumer goods sector. The study stresses the need for firms to strategically leverage market credibility, intangible resources, and customer relationships, and offers insights for managers, investors, and policy makers seeking sustainable profitability and competitive advantage.

Keywords: Corporate Reputation, Firm Performance, Intangible Asset, Disclosures, DRRM

1. Introduction

Corporate reputation has become increasingly acknowledged as a critical intangible asset that underpins competitive advantage, stakeholder confidence, and financial sustainability in emerging economies (Fombrun & Shanley, 1990). It is broadly defined as the collective perception of stakeholders regarding a firm's credibility, reliability, and performance relative to competitors (Limbunan & Daromes, 2022). In Nigeria's consumer goods sector, firms operate under volatile macroeconomic conditions characterized by exchange rate fluctuations, inflation, and infrastructural deficits. In such environments, reputation is not merely symbolic but functions as a strategic driver of financial performance (Maduagwu et al. 2017).

Corporate reputation is inherently multidimensional. Firm age reputation conveys legitimacy and credibility through longevity, with older firms generally perceived as more stable due to their survival across different market cycles (Fombrun & Shanley, 1990). Intangible value reputation, measured by Tobin's q, reflects the extent to which market valuation exceeds book value, underscoring the strategic importance of brand equity, innovation, and intellectual property in creating superior market positioning (Limbunan & Daromes, 2022).

Similarly, social reputation, measured through corporate social responsibility disclosure (CSRD), demonstrates a firm's commitment to ethical, environmental, and social accountability, which increasingly influences consumer and regulatory perceptions (Barnett & Salomon, 2012; Pham & Tran, 2020). Shareholders' reputation, proxied by total shareholder return (TSR), reflects firms' capacity to deliver consistent wealth through dividends and capital appreciation, thereby reinforcing investor trust (Roberts & Dowling, 2002). Lastly, customer reputation, represented by revenue growth rate, captures perceptions of product quality, trust, and brand loyalty, which are essential in the fast-moving consumer goods industry where customer switching is common (Cocis et al. (2021).

In recent years, corporate reputation (CR) has increasingly been recognized as a critical determinant of organizational competitiveness, particularly in environments characterized by intense stakeholder scrutiny and volatile economic conditions (Hsiao et al. 2024). For firms in Nigeria's consumer goods sector, which plays a pivotal role in food security, household welfare, and industrial development, reputation is not merely symbolic but a vital intangible asset with direct implications for financial performance. CR embodies multidimensional constructs, including firm age reputation, financial market reputation (proxied by price-to-earnings ratio), intangible value reputation (Tobin's q), social reputation through corporate social responsibility disclosure (CSRD), shareholders' reputation proxied by total shareholder return (TSR), and customer reputation reflected in revenue growth. Together, these dimensions represent stakeholder perceptions of legitimacy, profitability, innovation, accountability, wealth creation, and consumer loyalty.

Despite its acknowledged importance, the empirical evidence linking CR to firm performance remains inconsistent, fragmented, and context-dependent. The effectiveness hypothesis suggests that firms with stronger reputations achieve superior performance (Matzinger et al., 2023). Indeed, reputation is expected to enhance profitability by attracting consumer loyalty, signaling trust to investors, and improving operational efficiency (Pham & Tran, 2020; Bundy et al., 2022). However, results are far from unanimous. While some studies affirm a positive association between CR and financial outcomes (Maduagwu et al.

(2017), others report weak, insignificant, or even negative effects, particularly in emerging markets where institutional voids, macroeconomic instability, and regulatory weaknesses distort stakeholder expectations (Blajer-Gołębiewska, 2014). This lack of consensus raises a pressing question: does corporate reputation, in its multidimensional form, truly drive firm performance in Nigeria's consumer goods industry?

Moreover, most existing studies treat corporate reputation as a monolithic construct, overlooking its multidimensionality. Components such as age reputation, PER, Tobin's q, CSRD, TSR, and revenue growth represent distinct stakeholder perspectives that may yield divergent effects on firm performance (Edi & Wati, 2022). Failing to account for this multidimensionality risks producing partial or misleading insights into the Corporate Reputation and firm performance nexus. Finally, there is a contextual and methodological gap. Much of the existing evidence has been generated in developed economies or in Asian emerging markets such as Malaysia and Indonesia (Razak et al., 2023; Ismail et al., 2025), with very limited studies from African contexts, particularly Nigeria.

The objective of the study is to investigate the impact of multidimensionality corporate reputation, on the firm performance of listed consumer goods firms in Nigeria using data for between 2014 and 2023.

2. Literature Review

2.1 Conceptual Literature

2.1.1 Firm Performance

Firm performance is a central construct in corporate governance and strategic management literature, as it reflects the extent to which firms are able to achieve financial and operational objectives. In this study, firm performance is measured using Return on Assets (ROA), an accounting-based indicator widely applied in empirical research. ROA is computed as the ratio of net income to total assets, providing insight into the efficiency with which management deploys resources to generate earnings (Abel et al., 2024).

Firm performance also shapes stakeholder perceptions, particularly in financial markets. Empirical evidence further supports this view: firms with consistently high ROA tend to attract investor confidence, resulting in higher stock demand and stronger market valuations (Putra et al., 2021).

As a performance indicator, Return on Assets (ROA) holds strategic importance because it signals both short-term operational success and long-term resilience. Firms with consistently strong

ROA demonstrate not only financial viability but also adaptability to competitive pressures, regulatory environments, and stakeholder expectations (Matzinger et al., 2023).

2.1.2 Corporate Reputation

Corporate reputation (CR) is widely recognized as a strategic and intangible asset that reflects the collective perceptions and evaluations of a firm by its stakeholders over time (Fombrun et al., 2000). Unlike tangible resources, CR cannot be easily transferred, replicated, or substituted, making it a unique source of sustained competitive advantage (Roberts & Dowling, 2002). It embodies judgments of credibility, trustworthiness, and legitimacy, thereby shaping both stakeholder trust and firm legitimacy in line with institutional.

From a strategic standpoint, reputation serves a dual role. As an outcome, it results from accumulated organizational actions and stakeholder experiences across dimensions such as financial management, customer engagement, governance, and corporate social responsibility (CSR) practices (Razak et al., 2023). As a resource, reputation provides firms with enduring competitive advantages, including customer loyalty, investor confidence, employee commitment, and resilience against market shocks (Matzinger et al., 2023;). Furthermore, under signaling theory, CR acts as a credible signal to external stakeholders by reducing information asymmetry regarding a firm's quality and reliability (Connelly et al., 2011).

2.1.2.1 Financial Market Reputation (Price Earnings Ratio)

Financial market reputation reflects the credibility, confidence, and expectations that investors place in a firm, particularly regarding its ability to generate sustainable earnings and long-term value. It is often proxied by the Price-Earnings (P/E) ratio, which represents the price investors are willing to pay today for a unit of expected future earnings. A higher P/E ratio signals stronger investor confidence, optimism about growth prospects, and favorable perceptions of managerial effectiveness, while a lower ratio may indicate uncertainty, risk exposure, or doubts about the firm's future earnings capacity (Matzinger et al., 2023).

Conceptually, financial market reputation is anchored in signaling theory, where the P/E ratio operates as a forward-looking indicator that communicates to investors the firm's performance quality, earnings sustainability, and governance standards (Connelly et al., 2011). It encapsulates both tangible financial performance and intangible investor trust, thereby shaping perceptions of corporate legitimacy and investment attractiveness (Razak et al., 2023; Bundy et al., 2022).

Firms with a strong financial market reputation, signified by consistently high P/E ratios, often benefit from easier access to capital, lower financing costs, and improved valuation in both domestic and international markets (Pham & Tran, 2020; Chen et al., 2021). By contrast, weak reputations reflected in low P/E ratios may constrain investment opportunities, amplify financing difficulties, and heighten vulnerability to external shocks (Edi & Susanti, 2021).

Importantly, the P/E ratio reflects more than just reported earnings. Investors evaluate earnings quality, stability, and growth potential, along with intangible factors such as innovation, strategic positioning, and risk governance, when forming expectations about a firm's future (Abel et al., 2024). This makes financial market reputation a hybrid construct, that merges market sentiment with firm fundamentals.

Moreover, financial market reputation is distinct from other dimensions of reputation (e.g., social or customer-based) because it is externally validated, market-driven, and more susceptible to cyclical fluctuations in investor sentiment and macroeconomic conditions (Bundy et al., 2022; Ferris et al., 2023). Hence, firms must continually align their strategic, operational, and governance practices with market expectations to sustain reputational capital.

In summary, financial market reputation proxied by the P/E ratio is a crucial indicator of how investors perceive a firm's earnings capacity, growth trajectory, and stability. It embodies both performance outcomes and stakeholder trust, functioning as a key intangible asset that enhances firm value, access to financial resources, and competitive advantage.

2.1.2.2 Intangible Value Reputation (Tobin's Q)

Intangible value reputation reflects how the market evaluates a firm's intangible assets, such as brand strength, innovation capacity, managerial credibility, and strategic positioning, relative to its tangible asset base. It is often proxied by Tobin's Q, which is calculated as the ratio of a firm's market value to the replacement cost of its assets (Vomberg et al., 2015). Conceptually, Tobin's Q captures the reputational premium that firms build in financial markets based on their perceived innovation, growth potential, and intangible value creation (Amadieu & Viviani, 2010; Vomberg et al., 2015).

Moreover, intangible value reputation functions as a forward-looking measure, as it encapsulates market perceptions about a firm's future capacity to sustain profitability and innovation (Pham & Tran, 2020). Unlike accounting-based measures, Tobin's Q integrates both tangible outcomes and intangible expectations, making it sensitive to investor sentiment, industry trends, and global market conditions. This market-based reputation measure therefore reflects not just what the firm has achieved, but what stakeholders believe it is capable of achieving in the future (Matzinger et al., 2023).

Intangible value reputation also carries implications for risk and stability. Firms with consistently high Tobin's Q are often better positioned to withstand market shocks, as their reputation is anchored not only in financial fundamentals but also in stakeholder trust in their intangible capabilities. Conversely, declines in Tobin's Q may signal reputational erosion, loss of innovation credibility, or weakening stakeholder confidence.

In essence, intangible value reputation, proxied by Tobin's Q, represents a multidimensional construct that links market valuation to intangible assets, innovation potential, and stakeholder trust. By capturing how much investors are willing to pay for future prospects beyond the book value of assets, Tobin's Q serves as a critical reputational measure that integrates financial markets' expectations with firms' strategic capabilities and competitive advantage.

2.1.2.3 Social Reputation (Corporate Social Responsibility Disclosures)

Social reputation reflects the collective perception of a firm's ethical conduct, social responsibility, and environmental stewardship as judged by its stakeholders (Pham & Tran, 2020). Within corporate governance and accountability frameworks, social reputation is most commonly proxied by corporate social responsibility disclosures (CSRD). These disclosures communicate a firm's commitments, activities, and performance across environmental, social, and ethical dimensions through formal channels such as annual reports, sustainability reports, and dedicated disclosures on websites (Cormier & Magnan, 2015).

The quality and extent of CSRD serve as a direct proxy for social reputation for several reasons. First, comprehensive and transparent disclosures signal genuine commitment, distinguishing substantive actions from symbolic "greenwashing" (Cho et al., 2015). Second, CSRD reflects stakeholder engagement by showing how firms respond to the concerns of employees, communities, regulators, and civil society (Fombrun & Shanley, 1990).

From a reputational standpoint, CSRD is both an asset and a risk. Detailed, verifiable, and strategic disclosures enhance credibility, stakeholder loyalty, and social legitimacy (Cormier & Magnan, 2015). They also reduce information asymmetry by signaling ethical conduct and long-term orientation (Cormier & Magnan, 2015). Conversely, inadequate or inconsistent disclosures may damage reputation by suggesting opportunism or lack of accountability.

Social reputation constitutes a critical dimension of a firm's overall corporate standing, reflecting its perceived legitimacy and esteem as a socially responsible entity within its broader community and societal context. This facet of reputation is built upon stakeholder perceptions of the company's commitment to ethical conduct, environmental stewardship, and positive social impact beyond its direct financial objectives (Pham & Tran, 2020). The construct of CSRD, along with external measures such as ESG ratings, sustainability indices, media reputation, and stakeholder surveys, together form the foundation of how social reputation is empirically assessed in both academic research and practice.

Overall, social reputation integrates ethical responsibility, stakeholder engagement, and sustainability orientation into the firm's identity, shaping how stakeholders perceive its societal role and long-term viability (Pham & Tran, 2020).

2.1.2.4 Shareholder Reputation (Total Shareholder Return – TSR)

Shareholder reputation reflects the extent to which a firm is perceived to create, maximize, and sustain wealth for its shareholders over time. It is often proxied by Total Shareholder Return (TSR), a comprehensive measure that combines both capital gains (stock price appreciation) and dividend payouts, relative to shareholders' initial investments. TSR therefore captures not only the firm's financial outcomes but also the credibility of its governance, strategic choices, and managerial stewardship in sustaining long-term value (Clausen & Hirth, 2016). Firms that consistently deliver high TSR signal managerial competence, sound financial discipline, and effective risk governance, thereby strengthening their reputation among shareholders. A positive TSR trajectory can reinforce investor loyalty, and attract new investors.

As a reputational construct, TSR goes beyond short-term profitability to incorporate long-term shareholder confidence and market credibility. It reflects not only tangible financial performance but also intangible elements such as corporate governance quality, strategic consistency, and resilience to market shocks (Ferris et al., 2023; Bundy et al., 2022). For instance, firms with high TSR are often viewed as less risky, more transparent, and better positioned for sustainable growth, enhancing their attractiveness to both institutional and retail investors (Abel et al., 2024).

2.1.2.5 Customer Reputation (Revenue Growth Rate)

Customer reputation reflects the collective perception of a firm's reliability, trustworthiness, and ability to deliver sustained value to its consumers. It represents how customers evaluate the firm's products, services, and overall market behavior, and it is frequently proxied by revenue growth rate. Revenue growth serves as a tangible indicator of customer loyalty, satisfaction, and market acceptance, showing the extent to which a firm can expand its sales base and strengthen consumer confidence (Roberts & Dowling, 2002; Fombrun et al., 2000).

From a stakeholder theory perspective, customers are among the most critical stakeholders whose judgments significantly influence firm reputation and performance. Strong customer reputation reduces customer acquisition costs, encourages repeat patronage, and provides resilience against competitive and market shocks.

Customer reputation is also aligned with resource-based theory, which emphasizes that intangible assets such as brand recognition, trust, and customer loyalty are valuable, rare, inimitable, and non-substitutable resources that sustain competitive advantage. Firms with strong customer reputation often experience superior sales performance, greater market share, and enhanced resilience during economic downturns, as consumers perceive them as more trustworthy and value-driven (Bundy et al., 2022).

Furthermore, customer reputation creates a feedback loop: consistent revenue growth enhances market perception, which in turn fosters greater consumer trust, leading to further growth. Therefore, customer reputation, proxied by revenue growth rate, represents a critical dimension of firm reputation that integrates consumer trust with financial outcomes. It provides a forward-looking indicator of a firm's competitiveness, market credibility, and long-term performance by demonstrating its capacity to attract, retain, and satisfy customers consistently.

2.2 Theoretical Framework

The study used Signaling theory and the Disclosure Reputation Risk Model as the theoretical underpinning of this study, to explain how corporate reputation and firm performance are interrelated.

2.2.1 Signaling Theory

Signaling Theory provides a lens to understand how firms communicate their value and strategic intent to stakeholders. Originally proposed by Spence (1973). Signals, therefore, are deliberate actions or communications intended to convey credible information to reduce information asymmetry between managers and stakeholders (Connelly et al., 2011).

In the context of corporate reputation, signaling manifests through observable indicators of firm quality, such as financial performance, dividend declarations, CSR disclosures, and market capitalization. For instance, financial market reputation, proxied by P/E ratio, signals investors' confidence in the firm's future earnings, while Total Shareholder Return (TSR) communicates the firm's ability to generate sustained shareholder wealth. Similarly, firms with strong revenue growth rates signal superior customer trust and operational efficiency, enhancing customer reputation. Managers influence these signals by making strategic decisions regarding financial leverage, firm size expansion, liquidity management, and investment initiatives, which in turn affect firm performance (Mardini & ElleuchLahyani, 2023).

2.2.2 Disclosure Reputation Risk Model (DRRM)

The model is attributed to Igbinovia (2021) in his thesis on the mediators of social and environmental disclosures and firm value of consumer goods firms. DRRM explains how corporate disclosures influence firm reputation and, subsequently, the firm performance. The model is rooted in signaling theory and stakeholders theory, emphasizing that transparent non-financial disclosures reduce information asymmetry, improve stakeholder confidence, and strengthens customers loyalty and employees' commitment. The model suggests that Corporate disclosures influence the perception of customers and overall public image, affects reputation risk and eventually impacts the firm's profitability. The model is also for identifying firms with poor non-financial disclosure practices, which gives rise to poor reputation, asserting that a firm with ROA below industry average; Capital cost above industry average; and Tobin Q below industry average is suffering from reputation risk associated with poor disclosure practices. Poor disclosure practices imply disclosures that are not focused at improving profitability and reducing finance cost, necessitation proper reputation management (Igbinovia & Agbadua, 2023).

2.3 Empirical Reviews

Hsiao et al. (2026) examined the impact of corporate reputation on firm value and investigates the moderating role of corporate governance. Using panel data from Chinese listed chemical manufacturing firms for 2020 –2024, the study employs ordinary least squares regression, conditional process analysis, and quantile regression to test a moderated mediation framework. Environmental performance significantly enhances corporate reputation but does not directly improve firm value. Corporate reputation exhibits a negative effect on firm value, indicating potential short-term costs. However, this effect becomes positive when corporate governance quality is high. The indirect effect of environmental performance on firm value through reputation is significant only under medium to high governance levels. It highlights the critical role of corporate governance in transforming reputational capital into improved firm performance.

Oreshile et al. (2025) investigated corporate reputation risk and firm value. Using panel data of listed non-financial firms from sub-Saharan Africa from 2014 to 2020, analyzed using the least square dummy variable (LSDV) estimator, the study provides empirical evidence that corporate reputation risk diminishes firm value. Also, it found considerable evidence that high-quality environmental risk management is contingent on firm size, profitability, environmental uncertainty, and corporate risk-taking. They recommended that shareholders and regulators intensify pressure on firms to increase their investment in high-quality environmental risk management systems to signal a commitment to sound risk governance, curbing managerial opportunism, and monitoring decisions detrimental to firms' reputations and value.

Xu and Zheng (2024) explored the effect of intangible reputation, focusing on its mediating role between ESG performance and firm value, proxied by Tobin’s Q, among Chinese A-share firms. Using structural equation modeling (SEM), the study found that reputation partially mediates the relationship between ESG performance and Tobin’s Q, thereby amplifying firm value. They recommended that firms strategically invest in ESG initiatives and reputation management to strengthen market valuation. The study concluded that intangible reputation is a strategic asset that drives firm performance, enhancing both financial and non-financial outcomes.

Kartawinata and Maharani (2022) examined the effect of intangible value reputation on firm performance among Indonesian firms. The study employed correlation and regression analysis to determine the relationship between corporate reputation, measured through intangible assets, and firm valuation, proxied by Tobin's Q. Findings revealed a positive association, indicating that firms with strong intangible reputations are valued higher by investors. The authors recommended that firms actively manage and communicate their reputational assets to maximize market valuation. The study concluded that intangible reputation is a critical driver of firm value, as reflected in Tobin's Q, highlighting the strategic importance of non-financial assets in enhancing firm performance.

Cocis et al. (2021) investigated the relationship between customer satisfaction and firm performance in the airline industry. Using survey data combined with regression modeling, the study assessed how customer perception influences financial and market outcomes. Results showed that airlines with higher customer satisfaction ratings achieved superior profitability and market valuation compared to their peers. The authors recommended that firms prioritize customer experience management as a strategic tool for maintaining competitive advantage. The study concluded that customer reputation, as driven by satisfaction and loyalty, is a critical intangible asset that significantly enhances revenue and overall firm performance.

Maduagwu et al. (2017) investigated the effect of intangible corporate reputation on firm performance, measured by Tobin's Q, in Nigerian listed firms, including consumer goods companies. The study applied regression analysis to evaluate the relationship between reputation and market-based performance. Findings revealed a significant positive relationship, indicating that firms with stronger reputations achieve higher market valuation. The study concluded that intangible corporate reputation is a critical resource for creating value and enhancing financial performance, emphasizing the strategic importance of non-financial assets. Similarly, they examined the effect of customer perception on firm performance among listed consumer goods firms in Nigeria using regression technique. Findings revealed that quality products and favorable working conditions significantly enhanced productivity and profitability.

3. Methodology

This study adopted an ex post facto research design because the variables under investigation, are historical and cannot be manipulated by the researcher.

The population of this study consists of the 20 consumer goods firms listed on the Nigerian Exchange Limited (NGX) as of December 31, 2023.

Out of the 20 firms in the population, a sample size of 18 firms was selected for analysis. The selection was based on the availability and consistency of data across the study period of 2014 to 2023.

The study relied solely on secondary data, which were extracted from the annual reports and accounts of the sampled firms for the period 2014–2023.

The study adapted the model of Juniarti et al. (2023), which linked ESG disclosure, firm reputation, leverage, and firm size to financial performance. The adapted model is specified as follows:

$$ROAi,t = \gamma 0 + \gamma 1FARi,t + \gamma 2FMRi,t + \gamma 3IVRi,t + \gamma 4CSRDi,t + \gamma 5SHRi,t + \gamma 6CUSTRi,t + \gamma 7LEVi,t + \gamma 8FSi,t + \varepsilon i,t$$

Where:

ROAi,t = Return on Assets of firm *i* at time *t* (proxy for firm performance)

FARi,t = Firm Age Reputation

FMRi,t = Financial Market Reputation (Price Earnings Ratio)

IVRi,t = Intangible Value Reputation (Tobin's Q)

CSRDi,t = Social Reputation (CSR Disclosure)

The CSRD index for each firm-year observation was computed as:

$$CSRDi,t = \frac{\sum_{j=1}^{n} di,j,t}{n}$$

where di,j,td represents the disclosure score (1 or 0) for firm *i* on item *j* in year *t*, and *n* denotes the total number of disclosure items considered. The resulting index ranges from 0 to 1, with higher values indicating greater levels of CSR disclosure and, consequently, stronger social reputation.

SHRi,t = Shareholders' Reputation (Total Shareholder Return)

CUSTRi,t = Customer Reputation (Revenue Growth Rate)

LEVi,t = Leverage

FSi,t = Firm Size

εi,t = Error term

$\gamma 0$= Constant or Intercept

$\gamma 1 to \gamma 8$= Coefficients

t.=2013-2024

Operationalization of Variables

Table 1: Variable Measurement and Source

Variables	Definition	Type	Measurement	Apriori	Source
Financial Market Reputation	Investor perception of firm reputation through profitability and market confidence	Independent	Price–Earnings Ratio (PER = Market Price per Share ÷ Earnings per Share)	+	Edi & Wati (2022)
Intangible Value Reputation	Market-based measure of intangible assets reflecting corporate reputation	Independent	Tobin's Q = (Market Value of Equity + Total Liabilities) ÷ Total Assets	+	Kartawinata & Maharani (2022)
Social Reputation	Stakeholders' perception of social responsibility and ethical conduct	Independent	CSR Disclosure Index (ratio of disclosed items to total expected items, based on GRI framework)	+	Pham & Tran, (2020)
Shareholders' Reputation	Investor trust measured through shareholders' returns	Independent	Total Shareholder Return (TSR = Capital Gain + Dividend ÷ Initial Share Price)	+	Roberts & Dowling (2002)
Customer Reputation	Perception of customers through sales growth and loyalty	Independent	Revenue Growth Rate (RGR = ΔRevenue ÷ Previous Year Revenue × 100)	+	Cocis et al. (2021)
Firm Age	Length of time a firm has been in existence since incorporation or listing	Control	Natural logarithm of firm age (years)	+	Leite & Carvalhal (2016); Edi &Wati (2022)
Firm Size	Relative scale and operational capacity of the firm	Control	Natural logarithm of total assets	+	Juniarti et al. (2023)
Leverage	Degree of financial risk arising from debt financing	Control	Debt-to-Equity Ratio (Total Debt ÷ Total Equity)	-	Edi &Wati (2022)
Firm Performance	Profitability of a firm relative to its assets	Dependent	Return on Assets (ROA = Net Profit ÷ Total Assets × 100)	Nil	Juniarti et al. (2023)

Source: Researcher's Compilation (2026)

4. Data Presentation and Analysis

Descriptive statistics summarize the data and provide insights into the distribution of the variables. Diagnostic tests are conducted to check for issues such as multicollinearity, heteroskedasticity, and serial correlation. The PEGLS regression is then employed to obtain efficient and robust estimates of the relationship between corporate reputation, and firm performance.

Table 2: Descriptive Statistics

	Mean	Median	Std. Dev.	Jarque-Bera	Probability
ROA	0.058	0.028	0.563	51549.11	0.000
FA	50.500	52.000	20.098	0.06	0.968
FMR	-2.121	7.827	144.156	125207.30	0.000
IVR	4.796	1.169	14.258	4609.48	0.000
CSRD	0.314	0.333	0.240	1.77	0.414
SHR	0.638	0.000	4.185	119748.00	0.000
CUSTR	0.134	0.079	0.334	3005.73	0.000
FS	7.481	7.698	1.004	21.48	0.000
LEV	0.626	0.616	0.283	3117.14	0.000

Source: Researcher's Computation (2026)

Firm performance, measured by return on assets (ROA), exhibits a mean value of 0.058, indicating that, on average, the firms generated modest returns relative to their total assets.

Financial Market Reputation (FMR), measured using the price–earnings ratio (PER), had a mean of –2.121. Intangible Value Reputation (IVR), proxied by Tobin's Q, recorded a mean of 4.796, with values ranging from 0.195 to 103.964. The average suggests that, on the whole, firms tend to be valued more highly by the market relative to their asset base. Social Reputation, operationalized through the CSR Disclosure Index (CSRD), had a mean of 0.314, indicating that, on average, firms disclosed approximately 31% of the expected CSR items under the GRI framework. Shareholders' Reputation (SHR), measured through Total Shareholder Return (TSR), recorded a mean of 0.638, reflecting modest average returns to shareholders. Customer Reputation (CUSTR), proxied by revenue growth rate, had a mean of 0.134, indicating that firms experienced modest average growth in sales revenue over the study period.

4.1.2 Correlation Matrix

The correlation matrix was used to examine the strength and direction of associations among the study variables. This helps to identify preliminary relationships and check for potential multicollinearity that may affect the regression results.

Table 3: Correlation Matrix Estimates

	ROA	FA	FMR	IVR	CSRD	SHR	CUSTR	FS	LEV
ROA	1.000								
FA	-0.073	1.000							
FMR	0.044	0.142	1.000						
IVR	0.031	-0.277	-0.437	1.000					
CSRD	0.004	0.070	-0.055	0.135	1.000				
SHR	0.008	0.026	0.033	-0.020	0.052	1.000			
CUSTR	-0.004	-0.079	0.054	-0.093	0.039	-0.030	1.000		
FS	-0.083	0.429	0.269	-0.547	-0.133	0.051	0.166	1.000	
LEV	-0.293	0.044	0.076	0.196	-0.078	0.006	0.016	0.031	1.000

Source: Researcher's Computation (2026)

The correlation matrix shows the degree and direction of association between firm performance, measured by Return on Assets (ROA), and the explanatory variables.

Financial Market Reputation (FMR) shows a weak positive correlation with ROA (r = 0.044), indicating that firms with stronger market reputation may experience marginal improvements in profitability. Similarly, Intangible Value Reputation (IVR) and Social Reputation (CSRD) display very weak positive correlations with ROA (r = 0.031 and r = 0.004, respectively), implying that intangible value and CSR disclosure may contribute, albeit slightly, to firm performance. Shareholders' Reputation (SHR) also exhibits a weak positive relationship with ROA (r = 0.008), suggesting that shareholder confidence has minimal direct effect on profitability. Customer Reputation (CUSTR) is negatively but insignificantly related to ROA (r = –0.004), indicating that revenue growth may not directly translate into improved profitability in the short term.

4.2. Diagnostic Test

Diagnostic tests were conducted to validate the robustness of the regression model. The Variance Inflation Factor (VIF) test was used to check multicollinearity among explanatory variables. The Breusch-Pagan serial correlation test assessed autocorrelation in the panel data, while the Breusch-Pagan-Godfrey heteroskedasticity test examined the constancy of error variances. These tests ensured the reliability and consistency of the Panel Estimated Generalized Least Square (PEGLS) estimations.

Table 4: Diagnostic Test Estimates

Variance Inflation Factors			
Variable	Coefficient Variance	Centered VIF	
C	0.1498	NA	
FAR	0.0000	1.3062	
FMR	0.0000	1.2812	
IVR	0.0000	1.8319	
CSRD	0.0307	1.0723	
SHR	0.0001	1.0089	
CUSTR	0.0158	1.0705	
FS	0.0028	1.7412	
LEV	0.0232	1.1226	
Breusch-Godfrey Serial Correlation LM Test:			
F-statistic	16.4726	Prob. F(2,169)	0.0000
Obs*R-squared	29.3651	Prob. Chi-Square(2)	0.0000
Heteroskedasticity Test: Breusch-Pagan-Godfrey			
F-statistic	6.5845	Prob. F(8,171)	0.0000
Obs*R-squared	42.3904	Prob. Chi-Square(8)	0.0000
Scaled explained SS	1340.6000	Prob. Chi-Square(8)	0.0000

Source: Researcher's Computation (2026)

Multicollinearity Test (Variance Inflation Factor).

The results of the Variance Inflation Factor (VIF) analysis reveal that all explanatory variables fall well below the critical threshold of 10, suggesting that multicollinearity is not a major issue in the model.

Serial Correlation Test (Breusch-Godfrey).

The Breusch-Godfrey Serial Correlation LM test reports an F-statistic of 16.4726 with a probability value of 0.0000 and an Obs*R-squared statistic of 29.3651 with a probability of 0.0000. Both values are significant at the 1% level, indicating the presence of serial correlation in the residuals.

Heteroskedasticity Test (Breusch-Pagan-Godfrey).

The results of the Breusch-Pagan-Godfrey heteroskedasticity test show an F-statistic of 6.5845 (p = 0.0000), an Obs*R-squared statistic of 42.3904 (p = 0.0000), and a Scaled Explained SS statistic of 1340.6000 (p = 0.0000).

4.2.3 Panel Estimated Generalized Least Square

Given the evidence of serial correlation and heteroskedasticity from the diagnostic tests, the study employed the Panel Estimated Generalized Least Squares (PEGLS) technique. This method is robust to cross-sectional and time-series related disturbances and provides efficient estimates compared to conventional panel regression models. The results were evaluated at the 5% significance level to ensure statistical reliability and validity of inferences.

Table 5: Regression Estimates

Dependent Variable: ROA				
Method: Panel EGLS (Cross-section weights)				
R-squared	0.7235	F-statistic	16.1186	
Adjusted R-squared	0.6786	Prob(F-statistic)	0.0000	
S.E. of regression	0.3859	Durbin-Watson stat	1.5436	
Variable	**Coefficient**	**Std. Error**	**t-Statistic**	**Prob.**
C	0.2148	0.1612	1.3327	0.1846
FAR	0.0014	0.0021	0.6760	0.5001
FMR	0.0004	0.0001	3.1692	0.0018
IVR	0.0189	0.0065	2.9016	0.0043
CSRD	0.0847	0.1097	0.7723	0.4411
SHR	0.0011	0.0013	0.8719	0.3846
CUSTR	0.0287	0.0130	2.2179	0.0280
FS	-0.0119	0.0330	-0.3613	0.7184
LEV	-0.4153	0.0354	-11.7262	0.0000

Source: Researcher’s Computation (2026)

4.3 Model Statistics

The Panel Estimated Generalized Least Squares (PEGLS) regression produced an R-squared of 0.7235, indicating that approximately 72.35% of the variation in firm performance (ROA) among listed consumer goods firms in Nigeria is explained by the combined effect of the independent variables (corporate reputation dimensions, firm size, and leverage). The adjusted R-squared of 0.6786 further confirms the robustness of the model, accounting for the number of predictors.

4.3 Discussion of Findings

The findings are discussed below in line with the study’s objectives, prior empirical studies, and theoretical underpinnings.

On Financial Market Reputation and Firm Performance, the findings showed that financial market reputation, proxied by PER, had a significant positive effect on ROA. This indicates that firms with strong earnings signals and market credibility attract investor confidence, thereby improving performance. The result is in line with a priori expectation, as financial market reputation is anticipated to strengthen firm value by enhancing investor trust and market perception. The Nigerian evidence supports the signaling theory, since market-based reputation provides credible signals to investors about profitability and growth prospects, thereby reinforcing firm performance.

The study revealed that intangible value reputation, measured by Tobin's Q, significantly improved firm performance. This finding is in line with a priori expectation, as firms with strong intangible assets are expected to leverage brand strength, innovation, and ESG practices to enhance financial outcomes. The result is consistent with Kartawinata and Maharani (2022) and Xu and Zheng (2024), who reported that intangible assets play a critical role in enhancing firm valuation and overall performance. The finding aligns with the resource-based view (RBV), which posits that intangible assets constitute unique, valuable, and inimitable resources that provide sustainable competitive advantage, thereby confirming that strong intangible reputations positively influence profitability.

Social reputation was found to have a positive but insignificant impact on ROA, suggesting that CSR initiatives, while important for building legitimacy and stakeholder trust, do not generate immediate financial returns. This finding is partially against a priori expectation, which anticipated that CSR activities would enhance both reputation and firm performance. From a theoretical perspective, the result aligns with legitimacy theory, which posits that firms engage in CSR to maintain social approval and long-term sustainability rather than immediate financial gain. For Nigerian consumer goods firms, CSR enhances social legitimacy and trust among stakeholders, but its contribution to short-term profitability appears limited.

The study showed that shareholder reputation, proxied by Total shareholders ratio, did not significantly affect firm performance, indicating that investor perceptions and returns do not immediately translate into enhanced profitability. This finding is against a priori expectation, which anticipated that stronger shareholder reputation would positively influence ROA. In the Nigerian consumer goods context, while shareholder confidence may contribute to long-term firm stability and value, it does not directly impact profitability in the immediate.

Customer reputation, measured by revenue growth rate, was found to have a significant positive effect on firm performance, indicating that firms with strong customer loyalty and satisfaction achieve higher profitability. This finding is in line with a priori expectation, which anticipated a positive relationship between customer reputation and ROA. It supports Cocis et al. (2021) and Maduagwu et al. (2017), who demonstrated that customer satisfaction and loyalty drive superior financial and long-term performance. Theoretically, this aligns with the resource-based view (RBV), as customer reputation represents a valuable, rare, and inimitable intangible resource that provides sustainable competitive advantage.

5. Conclusion and Recommendations

This study investigated the influence of corporate reputation dimensions on the performance of listed consumer goods firms in Nigeria. The analysis revealed that financial market reputation, intangible value reputation, and customer reputation have significant positive effects on firm performance, as measured by ROA. Specifically, firms with strong market credibility, demonstrated by price-to-earnings ratios, are able to signal profitability and stability to investors, thereby enhancing financial performance. Similarly, intangible value reputation, proxied by Tobin's Q, was found to significantly improve performance. In this context, intangible assets, such as brand equity, innovation capabilities, and ESG practices, act as unique and inimitable resources that strengthen competitive advantage and profitability. Customer reputation, measured through revenue growth, also significantly enhances performance, highlighting the role of customer loyalty and satisfaction as critical intangible resources that drive sustainable financial outcomes.

In contrast, social reputation and shareholders' reputation, exhibited positive but statistically insignificant effects on performance. This indicates that CSR activities, shareholder returns, and operational scale alone do not automatically enhance profitability in the Nigerian consumer goods sector. Overall, the study concludes that corporate reputation influences firm performance in differentiated ways. While market-based reputation, intangible assets, and customer loyalty are strategic drivers of profitability, other dimensions such as CSR, shareholder trust, and size require complementary actions to translate into tangible financial benefits. These results provide practical insights for managers and policymakers: to enhance performance, firms should focus on building credible market signals, strengthening intangible resources, fostering customer relationships, and managing leverage carefully. By strategically cultivating reputational assets and optimizing financial structures, listed consumer goods firms in Nigeria can achieve sustainable profitability, competitive advantage, and long-term corporate resilience.

Based on the findings of this study, the following recommendations are proposed for listed consumer goods firms in Nigeria:

i. Firms are therefore encouraged to maintain transparent and consistent financial reporting, communicate profitability signals effectively, and actively manage investor relations. By ensuring strong earnings signals and credibility in financial markets, firms can attract investors, sustain market confidence, and improve performance.

ii. Investments in the development, protection, and strategic utilization of intangible resources is essential. Efforts should include strengthening brand recognition, investing in innovation, and integrating ESG practices to enhance competitive advantage and long-term profitability.

iii. Firms should prioritize customer satisfaction and loyalty through product quality, affordability, and responsive customer service. Strategies to enhance customer experience, including reward programs, service excellence, and feedback systems, can directly contribute to higher revenue growth and profitability.

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