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EFFECT OF BRANDING AS A COMPETITIVE STRATEGY IN SALES PERFORMANCE OF AIRTEL KENYA

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Abstract

Purpose: The purpose of the study was to establish the effect of branding as a competitive strategy in sales performance of Airtel Kenya.

Methodology: This study employed descriptive survey design. The population of this study was drawn from 600 employees of Airtel Kenya. The sampling design of this study was random sampling. A random sample of 10% of the employees was taken. The sample size of the study was 60 employees. The particular random sampling technique was lottery method. The sampling frame was all the employees of the Airtel. This study utilized a questionnaire. Qualitative and quantitative methods of data analysis were used. The Data was analyzed using Descriptive and inferential statistics. Descriptive statistics used the mean and standard deviation while inferential analysis used of correlation and regression. Analysis was made with use of Statistical Package for Social Sciences (SPSS) and Ms Excel spreadsheets.

Results: The study findings indicated that recognition & identity, customer loyalty, differentiation and quality image building affected sales performance.

Unique contribution to theory, practice and policy: The study recommends all companies to view strategy of differentiation as a more important and distinct means to achieve competitive advantage than a low cost strategy.

Key words: Competitive Strategy, Sales performance, recognition, customer loyalty and differentiation



1.0INTRODUCTION

1.1 Background of the Study

Building a brand driven culture is a lifelong commitment to a mindset and a way of life that takes time, planning and perseverance that produces intangible outputs which include greater customer satisfaction, reduced price sensitivity, fewer customer defections, a greater share of customers' wallets, more referrals, and a higher percentage of repeat business (Knapp, 2000). Customers value their relationships with their branded possessions and with marketing agents and institutions that own and manage the brand (Alexanderet *et al.*, 2002). The brand identity needs to focus on points of differentiation that offer sustainable competitive advantage to the firm.

Brand identity is based on a thorough understanding of the firm's customers, competitors, and business environment. The brand identity needs to reflect the business strategy and the firm's willingness to invest in the programs needed for the brand to live up to its promise to customers (Aaker & Joachimsthaler, 2000). Strong brands enjoy customer loyalty, the potential to charge premium prices, and considerable brand power to support new product and service launches. Companies need to have thorough understanding of customer beliefs, behaviors, product or service attributes, and competitors.

To be effective, a brand identity needs to resonate with customers, differentiate the brand from competitors, and represent what the organization can and will do over time (Aaker & Joachimsthaler, 2000). To excel, a brand image must be well planned, nurtured, supported, and vigilantly guarded (Knapp, 2000). One key to successful brand-building is to understand how to develop a brand identity to know what the brand stands for and to effectively express that identity (Aaker, 1996). A brand is a distinctive identity that differentiates a relevant, enduring, and credible promise of value associated with a product, service, or organization and indicates the source of that promise (Ward *et al.*, 1999). Companies that present a cohesive, distinctive, and relevant brand identity can create a preference in the marketplace, add value to their products and services, and may command a price premium.

Gaining competitive advantage is critical for organizations. Baltzan and Phillips (2010) define competitive advantage as 'a product or service that an organization's customers value more highly than similar offerings from its competitors' (in other words, you have something useful (products, services, capabilities) that your competitors do not have). Competitive advantages are typically temporary as competitors often seek ways to duplicate the competitive advantage (Baltzan & Phillips, 2010). In order to stay ahead of competition, organizations have to continually develop new competitive advantages. An organization can analyze, identify, and develop competitive advantages using tools such as Porter's Five Forces, three generic strategies, and value chains.

1.2 Statement of the Problem

Companies need to continuously track their brands against the effect of competition, especially in the face of aggressive competition. They should track their progress as to how their brands are doing in the marketplace, and what impact certain market interventions will have on the brand equity. Progress can be monitored in terms of the level of purchasing, consumption, brand recognition, brand recall, advertising awareness (Keller, 2003). In order to stay ahead of competition, organizations have to continually develop new competitive advantages. An organization can analyze, identify, and develop competitive advantages using



tools such as Porter's Five Forces, three generic strategies, and value chains (Bronges & Branca, 2012)

Airtel Kenya is the second best performing Telecommunication Company in Kenya. Airtel has branded severally by changing its name from Kencell to Celtel to Zain to Bharti Airtel and finally to Airtel (Brand Renaming), by reposition its product as a Kenyan and a global product as well through introduction of roaming services (brand reposition), by redesigning its logos and slogan(Brand redesigning) and by communicating to customers and employees about the intended rebranding (Brand Recommunications). The problem is that the branding efforts may have mixed results as the company brand equity and performance is still very far from Safaricom implying that the brandings efforts may have succeeded but not to the extent that the management of Airtel had forecasted. Due to the high competition in the telecomm industry there is need for Airtel to conduct branding strategies.

1.3 General Objectives of the study

The general objective of the study was to establish the effect of branding as a competitive strategy in sales performance of Airtel Kenya.

1.3.1 Specific objectives

The specific objectives of the study included;

- i. To establish the effect of recognition and identity on sales performance of Airtel Kenya Ltd
- ii. To determine the effect of customer loyalty on sales performance of Airtel Kenya Ltd
- iii. To determine the effect of differentiation on sales performance of Airtel Kenya Ltd
- iv. To determine the effect of quality image building on sales performance of Airtel Kenya Ltd

2.0 LITERATURE REVIEW

2.1 Theoretical Literature

2.1.1 Porter Generic Strategy Theory

Porter (1984) has described a category scheme consisting of three general types of strategies that are commonly used by businesses to achieve and maintain competitive advantage. These three generic strategies are defined along two dimensions: strategic scope and strategic strength. Strategic scope is a demand-side dimension (Michael E. Porter was originally an engineer, then an economist before he specialized in strategy) and looks at the size and composition of the market you intend to target. Strategic strength is a supply-side dimension and looks at the strength or core competency of the firm. In particular he identified two competencies that he felt were most important: product differentiation and product cost (efficiency).

He originally ranked each of the three dimensions (level of differentiation, relative product cost, and scope of target market) as low, medium, or high, and juxtaposed them in a three-dimensional matrix. That is, the category scheme was displayed as a 3 by 3 by 3 cubes. In his 1980 classic *Competitive Strategy: Techniques for Analyzing Industries and Competitors*, Porter simplifies the scheme by reducing it down to the three best strategies. They are cost leadership, differentiation, and market segmentation (or focus). Market segmentation is narrow in scope while both cost leadership and differentiation are relatively broad in market scope.



Empirical research on the profit impact of marketing strategy indicated that firms with a high market share were often quite profitable, but so were many firms with low market share. The least profitable firms were those with moderate market share. This was sometimes referred to as the hole in the middle problem. Porter's explanation of this is that firms with high market share were successful because they pursued a cost leadership strategy and firms with low market share were successful because they used market segmentation to focus on a small but profitable market niche. Firms in the middle were less profitable because they did not have a viable generic strategy (Gamble, Thompson, and Strickland & John, 2010).

Porter suggested combining multiple strategies is successful in only one case. Combining a market segmentation strategy with a product differentiation strategy was seen as an effective way of matching a firm's product strategy (supply side) to the characteristics of your target market segments (demand side). But combinations like cost leadership with product differentiation were seen as hard (but not impossible) to implement due to the potential for conflict between cost minimization and the additional cost of value-added differentiation. Since that time, empirical research has indicated companies pursuing both differentiation and low-cost strategies may be more successful than companies pursuing only one strategy (Porter, 2003).

Porter's generic strategies mainly relate to the strategies that organizations adopt in an effort to improve on their competitive advantages. Differentiation strategies are necessary when rebranding since the whole objective is to differentiate the image and perception of the company. In addition a cost leadership approach may be relevant in branding strategy since you may want to reduce the cost of branding.

Competitive Advantage

		Lower Cost	Differentiali on
re Scope	Broad Target	1. Cost Leadership	2. Differentiation
Competitive	Narrow Target	3a. Cost Focus	3b. Differentiation Focus

Table 2.1 Porter Generic Strategies

2.1.2 Branding Strategy Theory

Brand strategy is aimed at influencing people's perception of a brand in such a way that they are persuaded to act in a certain manner, e.g. buy and use the products and services offered by the brand, purchase these at higher price points, donate to a cause. In addition, most brand strategies aim to persuade people to buy, use, and donate again by offering them some form of gratifying experience. As branding is typically an activity that is undertaken in a



competitive environment, the aim is also to persuade people to prefer the brand to competition (Keller, 2005)

A global brand needs to provide relevant meaning and experience to people across multiple societies. To do so, the brand strategy needs to be devised that takes account of the brands own capabilities and competencies, the strategies of competing brands, and the outlook of consumers (including business decision makers) which has been largely formed by experiences in their respective societies. There are four broad brand strategy areas that can be employed. Branding is a potent means to establish competitive advantage. The brand culture concept helps us see why this is so. Brand cultures are "sticky." Once they have accepted them as conventional wisdom, people are usually reluctant to abandon the conventions of the brand culture. Unless they have product experiences or encounter brand stories that profoundly contradict conventions, people are usually happy to maintain the taken-forgranted understandings of the brand (Armstrong & Kotler, 2005).



Table 2.2 Branding Concept

2.2 Empirical Review

Lynch (2006) explained that educational institutions use various marketing communication elements such as brand name, positioning statement, and brand symbol to build brand identity. Harris and de Chernatony (2001) indicated that brand identity refers to how managers and employees make a brand unique. A manager needs to define brands values and make sure that the employees values and behaviour are consistent with the brand. Nandan (2005) and Kapferer (2004) also explained that the company creates brand identity that can be identified by the stakeholder. Stern (2006) based on his/her previous studies concluded that brand identity is what the branded entity really is. Cobb (2001) agreed and defined brand identity of higher educational institution (HEI) as what a college wants to be known for.

Koh *et al.* (2009) have examined the impact of brand recognition and brand reputation on firm performance and found brand reputation has a positive influence on a firms value performance. However, brand reputation has found no significant influence on firm's performance. Tobins Q and Return – On-Asset (ROA) been used in measure the performance of the firm (Koh et al., 2009). Park et al. (2012) had examined the impact of brand logo

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toward firm performance and found influence performance with the mediating of customer commitment. Brand logo, brand recognition, and brand reputation are synonym with brand identity. Brand Identity is defined as the characteristics (such as physical specificities and qualities, personality, culture, relationship, customer reflection, and self-image) of the brand based on the visual and verbal elements that the HEI has created (Keller 2003; Bosch et al., 2006).

Strong brands enjoy customer loyalty, the potential to charge premium prices, and considerable brand power to support new product and service launches. Companies need to have thorough understanding of customer beliefs, behaviors, product or service attributes, and competitors. Customer loyalty can seem elusive and magical to those trying to obtain it. However, there are a lot of good reasons for businesses to pursue customer loyalty as a strategic objective. Customers are expensive to acquire; keeping them loyal allows you to amortize those costs. Loyal customers are often willing to pay premium prices. Loyal customers can be your most effective marketing weapons, evangelizing for your product on your behalf (Eshghi, Haughton& Topi, 2007).

According to Lin and Wang (2006) corporate and brand image have also emerged as determinants of customer loyalty. Higher levels of customer satisfaction increases loyalty by building a positive corporate image. There is a positive relation between corporate image and customer satisfaction, which leads to loyalty. Further studies have also concluded that corporate image plays a significant role in developing customer loyalty amongst existing customers (Chiou, 2004).

According to Chenhall (2005) brand managers find it hard creating brand differentiation within an existing category. Most brands spend their time trying to increase their share of existing markets. They pursue many different tactics to do so, from innovating new product functions and features and offering price promotions (which erodes brand equity) to improving product quality and creating value-added services. Some even create highly entertaining ads hoping this will help them break through the category messaging clutter. The problem with these approaches is that they are incremental and most of them can be very easily matched by the competition. In mature markets, every market position has already been taken.

According to Hsieh, Pan, and Setiono (2004) "a successful brand image enables consumers to identify the needs that the brand satisfies and to differentiate the brand from its competitors, and consequently increases the likelihood that consumers will purchase the brand". A company or its product/services which constantly holds a favorable image by the public, would definitely gain a better position in the market, sustainable competitive advantage, and increase market share or performance ((Faircloth, Capella, & Alford, 2001). In addition, several empirical findings have confirmed that a favorable image (i.e. brand, store/retail) will lead to loyalty, brand equity, purchase behavior and brand performance (Koo, 2003).

In a study conducted by Mohammadian and Ronaghi (2010) nowadays, for the most manufacturing firms operating in competitive markets, the consumer's image of their brand is particularly important. One of the strategies by which companies influence the costumers' image of their brand is the brand extension strategy. This study seeks to determine the effect of brand extension strategies upon brand image in the sport apparel market among the physical education students of Isfahan University and Khorasgan Azad University. In this research, by using two re-tests, the right brands and products were chosen to be studied. Then the tests were carried out on two brands and two products. Such variables as, the consumer's



initial brand image (before brand extension), perceived fit between the extended product and other products of the brand and consumer's attitude to extension were analyzed as possible variables affecting the quality of brand image in the sport apparel market.

3.0 METHODOLOGY

This study employed descriptive survey design. The population of this study was drawn from 600 employees of Airtel Kenya. The sampling design of this study was random sampling. A random sample of 10% of the employees was taken. The sample size of the study was 60 employees. The particular random sampling technique was lottery method. The sampling frame was all the employees of the Airtel. This study utilized a questionnaire. Qualitative and quantitative methods of data analysis were used. The Data was analyzed using Descriptive and inferential statistics. Descriptive statistics used the mean and standard deviation while inferential analysis used of correlation and regression. Analysis was made with use of Statistical Package for Social Sciences (SPSS) and Ms Excel spreadsheets.

4.0 DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Sample Characteristics for Respondents

The respondents were asked to indicate their gender. The results showed that majority (62%) of the respondents was males and 38% were females. These results are indicative of a male dominated work environment in the Airtel Kenya. This implied that gender had an impact on sales performance. The respondents were also asked to indicate their highest level of education. The results showed that 46 of the respondents were post graduates, 42 % were educated up to university level, while only 12% were educated up to college level. The findings imply that the respondents were educated and this would help in the growth of the enterprise sales. This implied that level of education had an impact on sales performance. The respondents were told to indicate their number of years in current employment. Majority 48% of the respondents indicated that they had worked for more than 10 years, 22% of the respondents indicated they had worked for a period between 3-5 years, 16 % of the respondents indicated that they had been in the current employment for a period between 1-2 years and 14 % of the respondents indicated that had been in the current employment for less than one year. This implied that the respondents had a remarkable experience and therefore they were reliable for the study. This implied that number of years in current employment had an impact on sales performance. The respondents were asked to indicate the sector their position in the Company. The results further showed that majority (48%) were in supervisory management positions, 42% of the respondents were in middle management positions while 10% of the respondents were in top management positions. The findings implied that the company had a fine management ratio. The respondents were asked to indicate their age. Results in Figure 4.5 revealed that (36 %) of the respondents were aged between 41 to 50 years, 30 % were aged between 31 to 40 years, 22 % were 51 years and above while 12% were between 21 to 30 years. The findings imply that most of the respondents were at their career peak. The findings also imply that a significant number of the respondents were middle aged hence a relatively less dynamic work force. This implied that age had an impact on sales performance.

4.2 Descriptive Analysis

4.2.1 Sale performance

The study had one dependent variable (Sale performance) and four predictor variables. Table 4.1 displays results of responses regarding Sale performance. Majority 82.0% of the



respondents indicated that the company offered training to the staff to enhance smooth transactions with the customers, 82.0% of the respondents felt that the company had effective sales managers who communicated clearly with team members. 74.0% of the respondents stated that the company motivated sales team, 82.0% of the respondents indicated that the company offered quality products to their customers while 68.0% of the respondents agreed that the company had established a 24 hour working team to serve the customers. This was supported by a mean score of 3.91 and a standard deviation of 1.26 and this implied that majority and agreed with the statements. This implied that the company offers a high level of customer service for the long term success of the company.

Table 4.1: Sale performance

Table 4.1. Sale performant							
Statement	Strong ly Disagr ee	Disagr ee	Neutra l	Agree	Strong ly Agree	Mea n	Std Dev
The company offers training to the staff to enhance smooth transactions with the customers	14.0%	2.0%	2.0%	56.0%	26.0%	3.78	1.27
The company has effective sales managers who communicate clearly with team members	12.0%	2.0%	4.0%	36.0%	46.0%	4.02	1.30
The company motivates sales team	8.0%	8.0%	10.0%	30.0%	44.0%	3.94	1.27
The company offers quality products to their customers	12.0%	2.0%	4.0%	44.0%	38.0%	3.94	1.27
The company has established a 24 hr working team to serve the customers	2.0%	16.0%	14.0%	28.0%	40.0%	3.88	1.17
Average						3.91	1.26

4.2.2 Recognition & Identity

The first objective of the study was to establish the effect of recognition & identity on sales performance of Airtel Kenya Ltd. The respondents were asked whether recognition & identity affected sales performance. 87% of the respondent said yes while only 13% indicated no. This implied that recognition & identity was a determinant of sales performance.



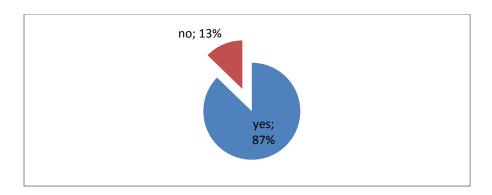


Figure 4.1: Effect of recognition & identity on Sales Performance

The respondents were also asked to indicate to what extent does recognition & identity affects sales performance.65% of the respondent indicated that recognition & identity affects sales performance to a great extent, 25% of the respondents indicated to a very great extent, 6% indicated to low extent while 4% indicated to a very low extent. This implied that recognition & identity had a great impact on sales performance.

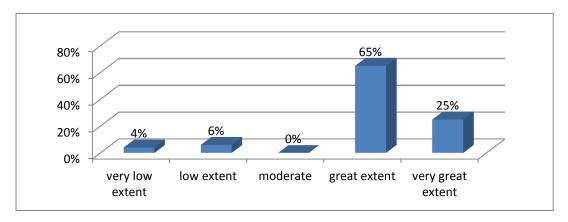


Figure 4.2: Extent of recognition & identity on Sales Performance

Results on Table 4.23 show that 82.0% of the respondents agreed that the company Logo had made customers to make choices, 82.0% of the respondents indicated that the company had carefully created brand guidelines for their brand identity, 86.0% of the respondents indicated that the company had put in place consistent messages to build brand recognition, 94.0% of the respondents indicated that the company had selected color choice of the target customers while 76.0% of the respondents agreed that the company had created a consistent visual style for recognition. These findings were supported by a mean of 3.99 and a standard deviation of 1.16. This suggested the company had branded itself in a certain way that is significant for better recognition of the company.

Table 4.2: Recognition & Identity

Statement	Strong ly Disagr ee,	Disa gree	Neutr al	Agree	Strong ly Agree	Mean	Std Dev
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The company Logo have made customers to make choices	14.0%	2.0%	2.0%	56.0%	26.0%	3.78	1.27
The company have carefully created brand guidelines for their brand identity	12.0%	2.0%	4.0%	36.0%	46.0%	4.02	1.30
The company has put in place consistent messages to build brand recognition	10.0%	0.0%	4.0%	34.0%	52.0%	4.18	1.21
The company has selected color choice of the target customers	2.0%	0.0%	4.0%	58.0%	36.0%	4.26	0.72
The company has created a consistent visual style for recognition	12.0%	8.0%	4.0%	50.0%	26.0%	3.70	1.28
Average						3.99	1.16

4.2.3 Customer Loyalty

The second objective of the study was to establish the effect of customer loyalty on sales performance of Airtel Kenya Ltd. The respondents were asked whether customer loyalty affected sales performance. 78% of the respondent said yes while only 22% indicated no. This implied that customer loyalty was a determinant of sales performance.

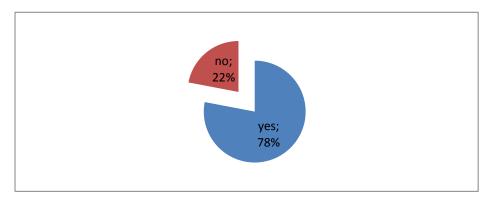


Figure 4.8: Effect of Customer Loyalty on Sales Performance

The respondents were also asked to indicate to what extent does customer loyalty affects sales performance. 73% of the respondent indicated that customer loyalty affects sales performance to a great extent, 25% of the respondents indicated to a very great extent, while only 4% indicated to a very low extent. This implied that customer loyalty had a great impact on sales performance.



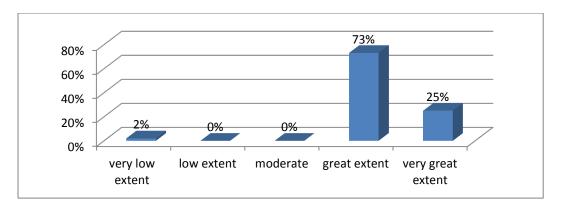


Figure 4.3: Extent of Customer Loyalty on Sales Performance

Results in Table 4.4 indicate that 74.0% of the study participants assented that the customers were aware of the brand,84.0% of the study participants indicated that the customers identified with a brand ambassadors who were being used to promote the brands of the company, 68.0% of the study participants agreed that the products of the company were of high quality, 74.0% of the study participants indicated that the customers had expressed their intention to continue using the products of the company, 80.0% customers had expressed their willingness to tell others about the products of the company and 74.0% of the respondents agreed that the company had strong patterns and trademarks. These findings show that most of the tax payers perceived the tax system to be oppressive in terms of cost and they agreed with most of the statements as supported by a mean score of 4.02 and standard deviation of 1.18. These results allude to the fact that consistent branding lead to better recognition for a company those messages are the ones that will stick in the public's mind the longest.

Table 4.3: Customer Loyalty

Statement	Strong ly Disagr ee	Disagr ee	Neutra l	Agree	Strongl y Agree	Mea n	Std Dev
The customers are aware of the brand	8.0%	8.0%	10.0%	30.0%	44.0%	3.94	1.27
The customers identify with a brand ambassadors who are being used to promote the brands of the company	2.0%	8.0%	6.0%	26.0%	58.0%	4.30	1.04
The products of the company are of high quality	2.0%	24.0%	6.0%	38.0%	30.0%	3.70	1.20
Customers have expressed their intention to continue using the products of the company	6.0%	12.0%	8.0%	30.0%	44.0%	3.94	1.25



Customers have expressed their willingness to tell others about the products of the company	10.0%	10.0%	6.0%	24.0%	50.0%	3.94	1.38
The company has strong patterns and trade marks	0.0%	6.0%	14.0%	22.0%	58.0%	4.32	0.94
Average						4.02	1.18

4.2.4 Differentiation

The third objective was to establish the effect of differentiation on sales performance. The respondents were asked whether differentiation affected sales performance. 85% of the respondent said yes while only 15% indicated no. This implied that differentiation was a determinant of sales performance.

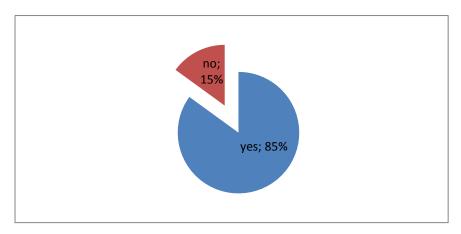


Figure 4.4: Effect of Differentiation on Sales Performance

The respondents were also asked to indicate to what extent does differentiation affects sales performance. 74% of the respondent indicated that differentiation affects sales performance to a very great extent, 21% of the respondents indicated to a great extent, 3% of the respondents indicated to a low extent and 2% indicated to a very low extent. This implied that differentiation had a great impact on sales performance.

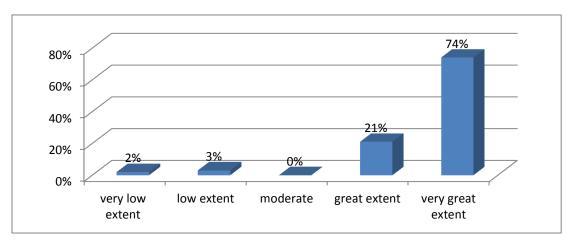




Figure 4.5: Effect of Differentiation on Sales Performance

Results in Table 4.5 indicated that 68.0% of the study participants indicated that the company had established attractive design which had a very effective way to differentiate, 90.0% of the study participants indicated that the company had established unique product design which was easy to differentiate, 82.0% of the study participants agreed that the company offered quality service to the customers than its competitors, 72.0% of the study participants indicated that the company had controlled prices which enabled the customer differentiate form other competitors while 66.0% of the respondents agreed that the company enhanced quality customer relationship to ensure the customers were loyal and stand up among other competitors. These findings were supported by a mean score of 3.97 and standard deviation of 1.12. This implied that the company had a great competitive advantage that made its products much easier to sell.

Table 4.4: Differentiation

Statement	Stron gly Disag ree	Disagr ee	Neutral	Agree	Strong ly Agree	Mea n	Std Dev
The company has established attractive design which has a very effective way to differentiate	0.0%	20.0%	12.0%	28.0%	40.0%	3.88	1.15
The company has established unique product design which is easy to differentiate	2.0%	4.0%	4.0%	28.0%	62.0%	4.44	0.91
The company offers quality service to the customers than its competitors	12.0%	2.0%	4.0%	44.0%	38.0%	3.94	1.27
The company has controlled prices which enables the customer differentiate form other competitors	2.0%	14.0%	12.0%	44.0%	28.0%	3.82	1.06
The company enhances quality customer relationship to ensure the customers are loyal and stand up among other competitors	0.0%	26.0%	8.0%	28.0%	38.0%	3.78	1.22
competitors Average						3.97	1.12

4.2.5 Quality Image Building

The third objective was to establish the effect of quality image building on sales performance. The respondents were asked whether quality image building affected sales performance. 85% of the respondent said yes while only 15% indicated no. This implied that quality image building was a determinant of sales performance.

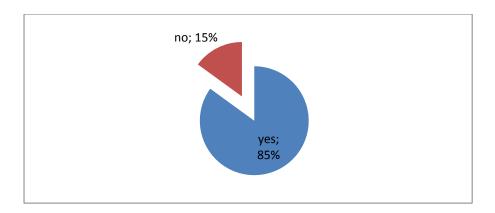


Figure 4.6: Effect of Quality Image Building on Sales Performance

The respondents were also asked to indicate to what extent do quality image building affects sales performance. 55% of the respondent indicated that quality image building affects sales performance to a very great extent, 22% of the respondents indicated to a great extent, 12% of the respondents indicated to a low extent and 11% indicated to a very low extent. This implied that quality image building had a great impact on sales performance.

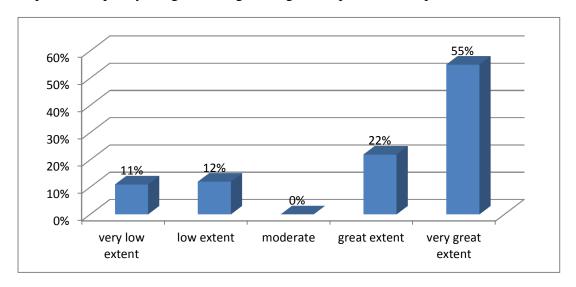


Figure 4.7: Extent of Quality Image Building on Sales Performance

Table 4.6 presents results of responses that addressed the forth objective of the study. Results indicated that 68.0% of the respondents agreed that brand image differentiated the brand from its competitors, 60.0% of the respondents m agreed that the quality brand image increased market share or performance, 62.0% of the respondents indicated that a favorable brand image led to customer loyalty and satisfaction, 90.0% indicated that a positive brand image reduced the consumer's perceived risk while 88.9% of the respondents indicated that good image in the consumer's mind facilitated. The findings were supported by a mean score of 4.04 and standard deviation of 1.03 which implied that majority of the respondents agreed with the statements. This implied that the outward expression of the brand, including its name and visual appearance symbolizes the brand's differentiation from competitors and is vital to improve the sales performance of the company.

Table 4.5: Quality Image Building



Statement	Strong ly Disagr ee	Disagr ee	Neutra l	Agree	Strongl y Agree	Mean	Std Dev
Brand image differentiate the brand from its competitors	2.0%	16.0%	14.0%	28.0%	40.0%	3.88	1.17
Quality brand image increase market share or performance	6.0%	26.0%	8.0%	16.0%	44.0%	3.66	1.42
A favorable brand image leads to customer loyalty and satisfaction A positive brand image	0.0%	22.0%	16.0%	32.0%	30.0%	3.70	1.13
reduces the consumer's perceived risk Good image in the	0.0%	4.0%	6.0%	26.0%	64.0%	4.50	0.79
consumer's mind facilitates the process of determining the product's line	0.0%	0.0%	6.0%	42.0%	52.0%	4.46	0.61
Average						4.04	1.03

4.3 Inferential Statistical Analysis

4.3.1 Pearson's Bivariate Correlation

Bivariate correlation indicates the relationship between two variables. It ranges from 1to -1 where 1 indicates a strong positive correlation and a -1 indicates a strong negative correlation and a zero indicates lack of relationship between the two variables. The closer the correlation tends to zero the weaker it becomes. The correlation between sales performance and recognition identity was positive (0.481) and significant (0.021). The correlation between sales performance and customer loyalty was strong and positive (0.755) and significant (0.010). This shows that a change in sales performance and customer loyalty changed in the same direction (0.755). However the relationship is statistically significant at a p value of 0.010. The correlation between sales performance and differentiation and quality image building, was 0.359 and 0.380 respectively and all had statistically significant relationships.

Table 4.6: Correlations

Variable		Sales performa nce	Recognitio n identity	Custome r loyalty	differe ntiatio n	Quality image building
Sales performance	Pearson Correlation	1				
	Sig. (2-tailed))				



Recognition	Pearson					
identity	Correlation	0.481		1		
	Sig. (2-					
	tailed)	0.021				
Customer	Pearson					
loyalty	Correlation	0.755	0.372		1	
	Sig. (2-					
	tailed)	0.010	0.044			
Differentiati	Pearson					
on	Correlation	0.359	0.785	0.427	1	
	Sig. (2-					
	tailed)	0.011	0.023	0.001		
Quality						
image	Pearson					
building	Correlation	0.380	0.577	0.236	0.738	1
	Sig. (2-					
	tailed)	0.019	0.031	0.099	0.000	

**. Correlation is significant at the 0.01 level (2-tailed).

4.3.2 Regression Analysis

The study employed multiple linear regression analysis in testing the influence of the predictor variables on the dependent variable. Table 4.8 shows the results for testing the robustness of the regression model. The results indicate that the regression model best fits in explaining sales performance. This is supported by a composite strong and positive correlation of 0.846 and a coefficient of determination (R Square) of 0.716. This means that the predictor variables of the study can explain at least 71.6% of the variation in sales performance. The standard error of estimate (0.28962) is negligible which shows that the sample is close representative of the study population.

Table 4.7: Regression Model Fitness

Indicator	Coefficient
R	0.846
R Square	0.716
Std. Error of the Estimate	0.28962

Table 4.9 shows the results on analysis of variance (ANOVA). Table 4.9 revealed that the combined effect of the predictor variables is significant in explaining sales performance with an F statistic of 28.332 and a p value of 0.010.

Table4. 9: Analysis of Variance (ANOVA)

Indicator	Sum of Squares	Df	Mean Square	F	Sig.
Regression	9.506	4	2.376	28.332	0.000
Residual	3.7745	45	0.084		
Total	13.28	49			

Table 4.10 displays the regression coefficients of the independent variables. The results reveal that recognition & identity, customer loyalty, differentiation and quality image



building are positively and statistically significant in explaining sales performance. The findings imply that all the independent variables were strong determinants of sales performance. The beta coefficient indicates the direction and degree of influence of the predictor variable on the dependent variable. For example, a beta coefficient of 0.432 of recognition identity means that a unit change in sales performance causes or leads to a 0.432 positive unit change in sales performance.

Table 4.8: Regression Coefficients

Variable	Beta	Std. Error	T	Sig.
(Constant)	0.529	0.413	1.279	0.207
Recognition identity	0.432	0.124	3.492	0.001
Customer loyalty	0.769	0.091	8.479	0.025
Differentiation	0.664	0.178	3.727	0.001
Quality image building	0.344	0.106	3.250	0.012

5.0 CONCLUSION AND RECOMMENDATIONS

5.1 Conclusions

The study led to conclusion that the company Logo has made customers to make choices, the company has carefully created brand guidelines for their brand identity, the company has put in place consistent messages to build brand recognition, the company has selected color choice of the target customers and the company has created a consistent visual style for recognition.

The study led to conclusion that the customers are aware of the brand, the customers identify with a brand ambassadors who are being used to promote the brands of the company, the products of the company are of high quality, customers have expressed their intention to continue using the products of the company, customers have expressed their willingness to tell others about the products of the company and the company has strong patterns and trademarks.

The study also led to conclusions that that brand image differentiated the brand from its competitors, quality brand image increased market share or performance, a favorable brand image led to customer loyalty and satisfaction, positive brand image reduced the consumer's perceived risk and that good image in the consumer's mind facilitated the process of determining the product's line.

5.2 Recommendations

The study recommends all companies to view strategy of differentiation as a more important and distinct means to achieve competitive advantage than a low cost strategy.

The study recommend that all company needs to establish a clear and consistent brand identity by linking brand attributes with the way they are communicated which can be easily understood by the customers.

The study recommends that companies need to have thorough understanding of customer beliefs, behaviors, product or service attributes, and competitors.

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