THE EFFECTIVENESS OF BRAND EQUITY ON CREATING CUSTOMER LOYALTY. A CASE OF SIGN GRAPHICS PRIVATE LIMITED COMPANY, HARARE.

AUTHORISED BY

R124252F

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The undersigned certify that they have supervised R124252F dissertation title: The effectiveness of brand equity on creating customer loyalty, in partial fulfillment of the requirements of the Bachelor of Commerce Honors in Marketing Management at Midlands State University.

Supervisor..................................................Date.............................................

Chairperson..................................................Date.............................................

External Examiner..................................................Date.............................................
FACULTY OF COMMERCE

DEPARTMENT OF MARKETING MANAGEMENT

RESEARCH SUPERVISOR ACKNOWLEDGEMENT FORM

NAME OF STUDENT          R124252F

RESEARCH TOPIC

The effectiveness of brand equity on creating customer loyalty.

I, the undersigned acknowledge that the above student has consulted me for supervision of this dissertation research until completion. I therefore advise him to submit the work for marking.

Signed .................................................. Date ..................................................

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DEDICATION

This research is dedicated to my mother. I want to thank you for the inspiration and support; you are what family means.
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I thank the almighty God for his guidance, protection and inspiration. Without his endless mercy and care I would not have been who I am today and achieved what I have at the present moment.

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Abstract

It is imperative to acknowledge that brand equity is an inseparable part of marketing and essential to the companies to create core-competencies and build strong brand experience that will impact the consumer decision making process and foster customer loyalty, Aaker (2011). This study involves assessing the effectiveness of brand equity on creating customer loyalty at Sign Graphics Private limited, Harare. The study aimed at investigating the relationship between brand familiarity and customer retention, evaluating the impact of brand awareness on repeat purchase, assessing the impact of brand image on customer perception, as well as investigating the impact of brand extension on company growth. Data collection was done using self administered and electronically mailed questionnaires. A sample size of 50 respondents was considered being corporate customers for signage products and services. Analysis was done using Statistical Packages for Social Sciences (SPSS version 16.0). The result of regression analysis indicates a positive relationship between brand awareness and customer loyalty and brand image and customer loyalty. The result of a correlation analysis also showed that there is a significant relationship between brand awareness and brand image. The researcher concluded that brand image and brand awareness have a positive impact on the formation of customer loyalty. Based on the results and conclusions, this study recommends that continuous rebranding should be instituted in order for the company to enjoy customer loyalty and patronage.
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Chapter One

General Introduction

1.0 Introduction

Understanding how or why a sense of loyalty develops in customers remains one of the crucial management issues of our day. Using brand equity, the research tried to explain how loyalty develops. This first chapter sets the basis for the research by firstly introducing the background information of the study. The chapter covered issues like the statement of the problem, objectives and research questions. The researcher tried to show the reasons for undertaking such a study. Lastly, limitations which are encountered during the research were mentioned.

1.1 Background of the study

In recent years, many authors have carried out similar researches on issues pertaining brand equity in relation to brand loyalty. Sang Hee Park (2009), in the study, ‘the antecedents and consequences of brand image: based on Keller’s customer based brand equity’ found that, consumers develop a better knowledge structure or schema about the brand as they become more aware of the brand. The results from the study also indicated that brand awareness and brand familiarity were significantly related to brand image. Sang Hee Park (2009), customers’ attitudinal brand loyalty is likely to be improved when customers perceive positive brand image through their satisfaction and trust toward a certain brand. Accordingly, these results reinforce the importance of brand image in building the customer’s brand loyalty. Hoye and Brown (1990) their study examined the importance of brand awareness in consumers’ decision making process and they found out that brand awareness was a primary factor.

Mohammad, Seyyed and Nima, (2013) carried out a study ‘Factors and elements influencing brand loyalty: A case study in customers of Khazar Gaz in Mazandaran.’ The aim of the study was to investigate the factors that influence brand loyalty of Khazar Gaz cooker at Mazandaran
province. These factors were divided on 5 categories that are: quality, availability, advertising, brand awareness and brand image. The population under study was people who bought Khazar Gaz cooker during 2012. Sample size was 282 and questionnaires were distributed among them. Data was analyzed by Spearman correlation. Their results indicated that all of factors have significant relationship with brand loyalty in which brand awareness impact more than others. They also found that brand image and customer loyalty have a significant and direct relationship.

Gholamreza, Alireza, Parvaneh, Zahra and Hasan (2011) in their research titled, ‘Survey the role of brand in building customer loyalty in financial services marketing by the approach of small firm (Case Study of Iran Melli Bank)’. The study was done with the purpose of assessing the relationship between satisfaction, value, resistance to change, affect, and trust and brand equity with customer loyalty. Spearman correlation coefficient test and path analysis equation structural and correlation between independent and dependent variable were used. So based on their results behavioral loyalty and attitudinal loyalty are largely a function of brand equity and trust. The other factors were less related to both forms of loyalty.

Ramaseshan, Rabbane and Hui (2011), researched on, ‘Role of Brand Equity on Customer Loyalty in Business Service Context of Australia’. The research investigated the effects of brand equity on customer loyalty through customer trust in business to business service context. A self-administered online survey was conducted to collect data from organizational customers of an on-hold service company in Australia. Structural equation modeling was used to analyze the data. The study revealed that brand equity has positive impact on customer loyalty. It also found that trust partially mediates the link between brand equity and customer loyalty. Ogba and Tan (2009), in their study titled, ‘Exploring the impact of brand image on customer loyalty and commitment in China’. The purpose of the study was, to examine how brand image can influence customer loyalty as well as impact on customer commitment to market offering within Chinese mobile phone market. A questionnaire was administered to 250 participants with 40 percent usable response rate. Data was analyzed using exploratory factor analysis, Cronbach an internal consistency, Anova and correlation analysis. The outcome from this study concludes that brand image can positively influence customers’ loyalty to a market offering and possibly boost customer commitment. The study also suggests that good brand image should positively impact on customers’ loyalty, which at long run should also influence customer perceived
quality, enables satisfaction and should also influence to a greater degree the extent to which customers are willing to express commitment to such offering for sustainable profit.

Al-Azzam (2013) carried out a study, ‘analysis of the antecedents of customer-based brand equity and its application to multiple destinations’ The research investigated on building the destination brand model through employing customer-based brand equity models. The findings offered support for the concept of customer-based brand equity and confirm its application to the destination context. Theory of Brand Equity Acceptance Model was used as theoretical foundations of this study. Five factors, namely destination brand awareness, destination brand image, destination brand salience, and destination brand satisfaction, toward destination brand loyalty, were tested. 350 usable questionnaires were analyzed using SPSS. Multiple regression analysis was performed to investigate the relationship between destination brand awareness, destination brand image, destination brand salience, destination brand satisfaction, and destination brand loyalty. Results showed significant, positive relationships between destination brand awareness, destination brand image, destination brand salience, destination brand satisfaction and destination brand loyalty.

Researchers have proposed that brand equity is to an extent driven by the brand association composition of the image. According to Keller (1993), favorable, unique and strong associations are assumed to provide a positive brand image which will create a bias in the mind of consumers thereby increasing the brand equity. Pitta and Katsanis (1995) also stated that a unique, favorable and strong brand image allows the brand to be easily differentiated and positioned in the consumers mind, thereby adding to the possibility of increased brand equity. This research is based on the study of the concept of brand equity and the impact that it has on the loyalty of customers. Brand equity is a concept born in 1980s. Ailawadi, Lehmann, and Neslin (2003) define brand equity as outcomes that accrue to a product with its brand name compared with those that would accrue if the same product did not have the brand name. It has aroused intense interest among business strategists from a wide variety of industries as brand equity is closely related with brand loyalty and brand extensions. Besides, successful brands provide competitive advantages that are critical to the success of companies. Brand equity has been examined from financial and customer-based perspectives. This paper will study the customer-based brand
equity which refers to the consumer response to a brand name. This is the relationship that exists between brand equity and customer loyalty. The main aim of the paper is to show the effect, if any that brand equity has on the development of customer loyalty for a business’s brand.

In increasingly competitive markets, being able to build loyalty in consumers is seen as the key factor in winning market share (Jarvis and Wilcox 1976) and developing sustainable competitive advantage. Sign Graphics is no exception. It is a company that is in the Branding industry in Zimbabwe and is facing a lot of competition from competitors such as Signs of the Times, Sign Aces, Tram Graphics just to mention the major rivals. The focus of this study will be mainly to show the brand equity constructs and how they build up loyalty for the customers of the branding industry.

Sign Graphics Market Share

![Sign Graphics Market Share Graph](image)

Source: Sign Graphics Annual Sales Journal

**Fig 1.1**

The introduction of new signage players in the industry has seen a major decline in the market share of Sign Graphics in the recent past years. As shown diagrammatically above in 2012 the signage firms recorded its first decline in the number of customers due to the unfavourable business operating environment in the economy. Before the decline, companies were in the
euphoria phase, 2009-2011. This growth phase was ushered in by the introduction of the multiple currency system in 2009 and was characterised by businesses and individuals rushing to obtain bank credit to expand (restocking and retooling) their businesses which had been starved of cash during the hyper-inflationary era and the period, 2000 – 2008, of economic decline. According to the Monetary Policy Statement, August 2014, the second phase of 2012 to date, is the reality check or a self-adjustment phase, wherein the economy is being choked with businesses now saddled with high debts, high cost of doing business characterized by high finance charges, high labour costs, antiquated or obsolete plant and equipment and the scarcity of long term international financial inflows. This adjustment phase or process has resulted in company closures, thus necessitating retrenchments, low production, high imports, narrowing tax base/revenues and the deceleration in economic growth.

1.2 Statement of the problem

The success of a firm depends largely on its capability to attract consumers towards its brands. In particular, it is critical for the survival of a company to retain its current customers and to make them loyal to the brand. Firms selling brands with a high rate of loyal consumers have a competitive advantage over other firms. Brand loyal consumers reduce the marketing costs of the firm as the costs of attracting a new customer have been found to be about six times higher than the costs of retaining an old one (Rosenberg and Czepiel 1983). The branding industry is fast becoming highly competitive as there are new brands being launched by competing firms time and again as well as the unfavourable economic conditions in the country. Sign Graphics has been experiencing a downward change in the company’s turnover and overall performance.

Table 1.1 annual sales

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
<th>Sales</th>
<th>Sales</th>
<th>Total yearly sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$17 000</td>
<td>$18 600</td>
<td>$21 100</td>
<td>$96 400</td>
</tr>
<tr>
<td>2015</td>
<td>$22 000</td>
<td>$22 480</td>
<td>$19 960</td>
<td>$64 440</td>
</tr>
</tbody>
</table>
2016  $16 420  $14 500  $15 000  $45 920
2017  $13 760  $14 200  $13 200  $41 160

Source: Sign Graphics Annual Sales Report

Note (the sales figures in the above table 1 are the sales for branded materials only). The table above shows a pattern of decline in sales in the four years from 2014 to 2017. The yearly sales are divided into three sections each. From 2014 to 2017 there has been a 42.7% decline in the sales of the branded materials at Sign Graphics. The company is facing a decrease in the market share to 30% with the other 70% being diluted by its major competitors like Signs of the Times, Sign Aces, Tram Graphics just to mention a few.

1.3 Objectives of the study

- To surface the relationship between brand familiarity and customer retention.
- To evaluate the impact of brand awareness on repeat purchase.
- To assess the impact of brand image on customer perception towards the company brand.
- To investigate the impact of brand extension on company market share.
1.4 Hypothesis Development

**Research Objectives**

- To investigate the relationship between brand familiarity and customer retention.
- To evaluate the impact of brand awareness on repeat purchase.
- To assess the impact of brand image on customer perception.
- To investigate the impact of brand extension on company growth.

**Null hypothesis/research questions**

- H1 There is no relationship between brand familiarity and customer retention.
- H2 There is no significance impact on brand awareness and repeat purchase.
- H3 There is no positive relationship between brand image and customer perception.
- H4 Brand extension has no positive impact on company growth.

Table 1.4

1.5 Significance of the study

**To the Researcher**

To the researcher the study is to be carried out to partially fulfill the requirements of the Midlands State University Honors degree in Marketing Management. This is also the first time that the researcher is carrying out research hence he will gain experience in the field of research. He also learns how to apply marketing concepts that are learned in the course of study in the real world of business to a real company and have an insight on how the concepts actually work.

**To the University**
To the University, the research will also contribute to the general body of academic knowledge. The research will add to the knowledge of the concepts of brand equity and customer loyalty. This will enable future researchers both other students and members of staff to have information and bases to carry out further research.

To the Organization

The organization used in the study, Sign Graphics also gains an insight into the concept of brand equity, how they can manage it and apply it to enhance customer loyalty for their products. This will help the company in coming up with better working customer retention strategies that will work well in gaining market share as well as increasing the bottom line.

1.6 Research Assumptions

Research assumed the following:

- All respondents would give honest responses.
- All the information provided by the respondents would be useful to produce the desired results
- Data from the sample would be representative of all the views from the target population
- Respondents would cooperate with the researcher

1.7 Delimitations of the study

- The study was centered on assessing the importance, maintaining and sustaining ship, of brand equity on enhancing customer retention and repeat purchase and thus in turn creates customer loyalty towards the brand Sign Graphics.
- The researcher used the company Sign Graphics to carry out the research.
- The research focused on Harare as the catchment area only.
- The study period was from November 2014 to May 2017 since this is the period that the company started experiencing a downfall in total annual sales.
- Data was obtained mainly from Belvedere where the company has a workshop which the researcher mainly used as a point of collecting information from customers.
1.8 Study Limitations

- The research relied on information from a small sample size hence results might not be generalised to the whole population of interest.
- This researcher used explanatory and exploratory research designs hence different results are likely to be generated if the same research is done using a different research design.
- The research was based both on probability and non-probability sampling methods which are likely to provide shallow information unlike if one sampling method is used in great detail.
- The research only used questioners and interviews in collecting data. However they are other techniques the researcher did not use like observation as this was not relevant to the study.

1.9 Chapter Summary

Chapter one gave an insight into the research by revealing a brief background of the problem under study. The researcher stressed objectives and research questions that gave direction of the research. Without assumptions, the research couldn’t be a reality. The researcher gave an outline of assumptions that guided the research. Key terms in the research were defined, with the importance of the study being touched. Some constraints that the researcher met were also stressed. The next chapter explores the related literature that others writers have propounded concerning the subject under review.
Chapter Two

Literature Review

2.0 Introduction
This chapter presents a collection of views, arguments and opinions from previous authors who conducted researchers in areas related to the present research. Literature evaluation focused on the influence of relationship between brand familiarity and customer retention, brand awareness on repeat purchase, brand image on customer perception, as well as brand extension on company growth. At the end of the chapter a summary of arguments, gaps identified and major insights to be contributed to the existing body of knowledge have been given.

2.1 The concept of Branding
Beckman and Rigby (2006; 316) explains a brand as name, term, sign, symbol or design (or some combination of) used to identify the product of one to differentiate them from competitive offerings. A brand name is that part of the brand consisting of words letters or symbols that make up a name used to identify and distinguish the firm’s offerings from those of competitors. Therefore a brand name is that part of the brand that is written or can be spoken (eg Kellogg’s, Roll-Royce). According to Keller (2003:316) according to the American Association (AMA) defines a brand as a term, name, sign, symbol or design or a combination of them intended to identify the goods and services of one seller or a group of them and so differentiate them from those of competitors. Strokes (2000) defined branding as a means more than just the labeling of products to distinguish one from another. Successful branding has other aspects which makes it one of the most powerful tools in modern marketing.

2.1.1 Brand equity
A concept which has been extensively discussed by both academicians and practioners over the past decade is brand equity. This is because successful brands allow marketers to gain
competitive advantage (Rao, Agarwal and Dahihoff 2004). A brand is any label that carries meaningful associations and powerful brands that create meaningful images in the minds of customers, (Keller 2003). Therefore brand equity is seen as the added value that a brand name brings to a product beyond the products functional value. It is what leads customers to go out of their way to buy a certain brand or to pay a premium price for the brand. Brands with high levels of brand equity enjoy high levels of customer loyalty. Additional feature of brand equity is that it can sometimes be transferred to new products. By using the same brand, companies substantially decrease the cost of introducing new products and the time involved in getting potential buyers to try them. Brands with high levels of equity are associated with outstanding performance including sustained price premiums, inelastic price sensitivity, high market shares and successful expansion into new categories, competitive cost structures and high profitability, (Keller and Lehmann 2003). Brand building is considered the best way of doing business because of the constant changes in the marketing environment.

Beckman and Rigby (2006:316) brand equity represents the value and stock markets place in the sum of history the customer has had a with a brand. If a brand consistently been associated with high quality and resulted in high customer satisfaction, the quality of that brand will be high. Brand equity has often been defined very broadly to include an extensive set of attributes that influence consumer choice (Lemon, Rust and Zeithaml 2001). Brand equity is built through image and meaning. The brand serves three vital roles. First, it acts as a magnet to attract new customers to the firm. Secondly, it can also serve as a reminder to customers about the firm’s products and services and finally, it can become the customer’s emotional tie to the firm. Taylor, Celuch and Goodwin (2004) suggest that brand equity and trust are consistently the most important antecedents to both behavioral and attitudinal forms of customer loyalty.

Keller (2003) defined brand equity as customer equity. Some marketers espouse an alternative but in many ways complementary view to brand equity called customer equity. Blattberg and Deighton defined customer equity in terms of the optional balance between what is spent on customer acquisition versus what is spent on customer retention. Thus according to the customer–brand equity model the power of the brand lies in the minds of consumers or customers and what they have experience and learned about the brand over time.
Aker defines brand equity as a set of five categories of brand assets and liabilities linked to a brand, its name and symbols that add to or subtract from the value provided by a product or service to a firm’s customer or both. These categories of brand assets are brand image, brand awareness, brand extension and brand familiarity and other proprietary assets (e.g. patents, trademarks and channel relationships).

Keller (2003:67) customer based brand equity occurs when the customer has high levels of awareness and familiarity with the brand and holds some strong favourable and unique brand associations in memory. For brand equity to be created, consumers must be convinced that there are meaningful differences among brands in the product or service category. The key to branding is that consumers must not think that all brands in that category are the same. Thus establishing a high level of brand awareness and positive brand image in consumer memory in terms of strong, favourable and unique brand association procedures the knowledge structures that can affect consumer response and produce different types of consumer based brand equity.

Brand equity is a multi-dimensional concept (Aaker 1996; Yoo and Donthu 2000). Aaker (1996) proposes brand awareness, associations, other proprietary assets, perceived quality, brand trust and loyalty as the dimensions and antecedents of brand equity. Steadily growing literature on brand equity suggests different dimensions of customer-based brand equity. In this research, the author will focus on brand awareness and brand image as antecedents to brand equity. Brand awareness is one of the dimensions of brand equity. It is the ability of a customer to recognize or recall that a brand is a member of a certain product category (Aaker 1991). Aaker (1991, 1996) theorized brand awareness, as one of the dimensions of customer-based brand equity. Keller (1993) working primarily on customer knowledge, advocated brand awareness and brand image as dimensions of customer-based brand equity. Lemon, et al (2001) also supports this view that brand awareness and brand image result in brand equity leading to customer loyalty. Yoo and Donthu (2000); Pappu and Quester (2006, 2008); Tong and Hawley (2009) empirically validated brand awareness as one of the dimensions of customer-based brand equity. Brand awareness is the part of knowledge equity. The depth and breadth of brand’s awareness determine brand equity (Keller 1993).
2.1.2 Brand awareness

Brand awareness ranges from simple recognition to brand recall (Laurent, Kapferere and Roussel, 1995). Brand awareness is the first and prerequisite dimension of the entire brand knowledge system in consumers’ minds, reflecting their ability to identify the brand under different conditions. Keller, (1993), defines brand awareness as the likelihood that a brand name will come to mind and the ease with which it does so. Brand awareness reflects the salience of the product in the consumer's mind and involves various levels including recognition, recall, brand dominance, and brand knowledge and brand opinion. Brand awareness is an important dimension of brand equity but is, very often an undervalued component. Not only that awareness is almost a prerequisite for a brand to be included in the consideration set (the brands that receive consideration for purchase), but it also influences perceptions and attitudes, and can be a driver for brand loyalty (Aaker 1991). The attitude activation (towards brands) is sometimes automatic (it occurs spontaneously upon the mere observation of the attitude object) and sometimes controlled (the active attention of the individual to retrieve previously stored evaluation is required). It was also proven (Farquhar 2000) that only high accessible attitudes (brands with a high level of awareness) can be relevant when purchasing or repurchasing a brand. Awareness can also influence consumer decision making by affecting brand associations that form the brand image (Keller 1998).

Valkenburg and Buijzen, (2005), put forward that brand awareness commonly refers to an individual’s active and passive knowledge of a specific brand and is therefore defined as the consumer’s ability to associate a brand with its product category (Aaker 1991). In other words, it refers to the strength of a brand’s presence in the consumer’s mind (Aaker 1996) and represents a basic level of brand knowledge, (Hoyer and Brown 1990). Keller (2003) states that brand awareness is related to the strength of the brand in memory, so it is reflected by an individual’s ability to recognize a variety of brand elements, such as the brand name, logo, symbol, character, packaging and slogan under different conditions. More often than not, brand awareness is measured by two aspects: brand recognition and brand recall. While brand recognition primarily relates to the consumer’s ability to confirm prior exposure to the brand when given the brand as a cue (Keller 1998) it can also be characterized as the process of perceiving a brand based on encountered experience in the past, (Mandler 1980). Because consumers can easily identify a
brand if they have seen or heard of it previously, in the case of brand recognition, individuals are often requested to choose from many existing brand options. Brand recall, on the other hand, refers to consumer’s ability to retrieve the brand from memory when given the product category, the needs fulfilled by the category, or purchase or usage situation as a cue (Keller 1998). In the case of brand recall, thus, individuals are asked to specify the particular brand name when given the product category or purchase situation. Hence, brand recall can be seen as a more advanced level of brand awareness than brand recognition because recognizing a brand is easier than recalling it from memory in general (Keller 2003). Despite the fact that there will be consumers who can recognize a brand but not be able to recall it, both brand recognition and recall affect consumer’s decision making (Keller 2003; Macklin 1996). In other words, brand awareness with brand recognition and brand recall is a basic state which affects consumers’ decision making.

2. 1.3 Brand image
Brand image represents an important aspect of marketing activities; branding and market offering with varied definition and approaches to its conceptualization (Burleigh and Sidney 1955); Dobni and Zinkhan 1990; Martinez and Pina 2003). A widely accepted view is that brand image represents customers’ perceptions of a brand as reflected by the brand associations held in consumer memory (Herzog 1963; Keller 1993). Keller (1993) argued that these associations could originate from customers direct experience or from information obtained on a market offering or due to the impact a pre-existing associations which an organization had on consumer. Brand image is, therefore, the mental picture or perception of a brand or a branded product or service and includes symbolic meanings that consumers associate with the specific attributes of a product or service (Dobni and Zinkhan 1990; Padgett and Allen 1997; Aperia and Back 2004).

Creating, cultivating, and sustaining a specific brand image is crucial to a brand’s long-term success (Park, Jaworski, and MacInnis 1986; Ries and Trout 1986) and to differentiate between various competitors, since the image of a brand plays an integral role in building long term brand equity (Aaker 1996; Keller 1993, 2001; Park, Milberg, and Lawson 1991). Further, recent studies show that brand trust has been recognized as a key variable in a firm’s long-term relationship with its customers, which also positively affects brand loyalty (Chiou and Droge 2006; Matzler, Grabner-Krauter, and Bidmon 2008; Sichtmann 2007). Thus, it is plausible that when customers have a positive image of a certain brand, it exercises a positive influence on customer trust (Esch,
Brand image, an essential element in marketing research, is defined as perceptions about a brand as reflected by the brand associations held in consumer’s memory (Keller 1998). Although the term brand image has been broadly defined and used in various ways, one general agreement of the definition is that brand image is a consumer’s overall impression of a specific brand through the influence of a consumer’s reasoned or emotional perceptions (Dobni and Zinkhan 1990; Aaker 1996). Brand image is formed by the combined effect of brand associations (Yoo, Donthu, and Lee 2000; Keller 1998, 2003) therefore; brand association is considered an important factor in brand image. Keller (2003) defines brand association as informational nodes linked to the brand node in memory that contains the meaning of the brand for consumers. Associations come in all forms and may reflect characteristics of the product or aspects independent of the product itself (Keller 2003). Strength, favorability, and uniqueness are three dimensions of brand associations that reflect brand image (Keller 1998).

Aaker and Keller (1990) define brand extension as the stretch of the established franchise into a different class. A significant part of a brand’s value or brand equity comes from its contribution in introducing new products, with the cost of launching a new brand often prohibitively high than the use of a brand extension which represents a marketing tool to exploit the asset (Hem, Iversen and Chermatony 2011). Erdem (1998) and Sattler (2013) agreed that launching a new product with a well known brand name is cost effective and reduces consumer risk by providing a sense of security and trust through leveraging positive considerations. Kaffer (2013) argues that a new product with the same name can penetrate the market faster than a new brand the rational lies behind is that opportunity to expand and enter new markets or segments by promoting the positive values associated with the main brand which appears distinctively in that segment. Organisations always aim at improving the value of brands by leveraging this benefit through brand extension and other means.
2.1.4 Brand extension
Chung and Kim (2014) suggested that brand extension is regarded as the most effective strategy in introducing modifications or new products or services and capturing new market segments. These studies failed to address the consumer characteristics and brand specific associations as they were mainly focused on horizontal brand extensions. Amber and Styles (2010) propose that a brand extension can result from a launch through consumer’s needs that can be discovered through studying the market. Aaker(1990) suggested that brand extension improves generating customers acceptance for new launch by connecting the new product within a known brand or name, but it also risks diluting the corporate brand image by reducing or affecting the parent brand equity. Weilbacher (2014) further argues that finding consumers need and wants thereby trying to fulfill customer’s value and promise by brand extension is a way to keep customers satisfied and loyal to the organisation brand. However brand extension is defined as a form of new product introduction in which the name of an established brand name attached to a new product introduced separately in a different category, facilitating acceptance because consumers would transfer the effect and the meanings of the offering on how they perceive with the parent brand to the extension (Kotler and Armstrong 1996, Iye, Banerjee and Garber 2014).

Brands are the barriers of entry into new markets categories and also means of entry for same organizations in introducing a new product category into the market. Klint and Smith (2014) added that using an already existing brand name can substantially reduce the risk of product failure in the market and hence the opportunity for quick profits growth. Byron (2014) argues that the reason why brand extension is so popular is the notion that it creates quick growth in the cost of leading competition, redefine a new direction and gain economic scale advertising, introduce new services without advertising and achieve success through endowing it with the goodwill and increase trial of the new product and makes distribution easy. Caroline (2007) supports economic benefit to all organizations that would want to seek high profits through reducing the costs of operating and brand extension proves to be the solution in cost effective of a new product category through increasing the sales of the parent brand when employing extension and also reducing the cost of launching a new product (Tauber 2016).
2.1.5 Brand Familiarity
If a customer is satisfied with a particular brand, she / he tend to buy it again. Brand familiarity encourage customer retention because the customer is used and familiar with the brand name, knows that it fits the needs and wants and has little reason to take a chance on another brand. Once customers find the brand they like, shopping becomes easier. No longer does the customer have to make the decision on which brand to buy on each shopping trip. In retail stores the brands of various manufacturers are often stocked together on the shelves. A customer without a strong brand association is likely to buy any brand. To prevent this, manufacturer must build strong brand association feature from one category to another. Only then will this be able to withstand the intense competition (Kotler 2004). According to Rao and Steckel (1998) awareness dictates which brands can be in the consumers consideration set. The associations(quality and otherwise) provide cues for consumers of information characteristics of the brand .Parry M ,Aker (2000)emphasised the importance of defining a brand identity which consists of all the things that a marketer would like target customers to associate with his or her.

Beckman and Rigby (2006), to build brand associations you will need to conduct research on competitive brands at the same time you conduct research on your own. Start by talking to customers, including current buyers, customers of your competition, prospects and even disgruntled customers.

2.2 Customer loyalty
Customer loyalty is a buyer’s overall attachment or deep commitment to a product, service, brand, or organization (Oliver 1999; Yin Lam, Shankor, Eramillia and Murthy 2004). Whereas the linking of customer satisfaction to and with loyalty is a useful development, there remains uncertainty to what customer loyalty truly is. The concept of loyalty has diverse views in terms of its conceptualization and measurement. Various researchers tend to view the concept from different perspectives. Customer brand loyalty is generally considered the ultimate desirable marketing based outcome from strategic marketing activities (Taylor, Celuch and Goodwin 2004).

Loyalty to (Ehrenberg 1988) and (Jacoby 1971) represents customer repeat purchase a view that if interpreted may suggest that customer loyalty only exist whenever customers embark on a do again (second buying journey) on a market offering. Whereas there is a connection between repeat purchase and loyalty, in that for a customer to be seen as loyal, it may be expected that
such customer will continue with the act of buying a market offering repeatedly. It is, however, necessary to note that such view does not provide one with deep practical understanding of the concept as a customer may repeat purchase not necessarily because of a continued feeling of satisfaction or as a result of real intent to stay with a brand. But could be as a result of strong necessity for a market offering at that point in time and, therefore, may not necessarily imply the expression “loyal” to a market offering and or brand as there may be limited alternatives.

Other authors like (Hess and Story 2005) seem to view loyalty as preference and commitment, respectively. While preference may represent an attribute of loyalty, there may be strong difficulty in accepting loyalty to directly mean commitment in that both concepts follow similar principles but are indeed different. Oliver (1999) also suggests that ultimate customer loyalty is a function of perceived product superiority, personal fortitude, social bonding, and their synergistic effects. Further analysis of Oliver’s discussion tend to suggest not that loyalty is commitment, but that loyalty is an aspect of commitment called attitudinal or emotional component of commitment. Uncles, Dowling and Hammond (2003) viewed customer loyalty from a 3 dimensional perspectives, an approach that seems to originate from (Meyer and Allen 1991) study on employee commitment; where loyalty is referred to as favorable attitudes or beliefs for one brand which could seem to be an emotional attachment to that brand. Second, loyalty can be seen as a behavioral factor, for example, the purchase behavior to one special brand and loyalty as an accident approach that presumes the correlation between attitudes and behavior.

Creating customer’s brand loyalty is a major outcome of branding (Gilmore 2002). According to (Jacoby and Kyner 1973), brand loyalty is the biased behavioral response expressed over time through individual decision making with respect to one or more alternative brands out of a set of such brands, and is a function of psychological evaluative processes. Similarly, (Aaker 1991) views brand loyalty as the attachment that the customer has to a brand. In the same vein (Oliver 1997) defines loyalty as a deeply held commitment to repurchase or re-patronize a preferred product/service consistently in the future, thereby causing repetitive same brand or same brand set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior. Brand loyalty is a multidimensional construct which includes attitudinal and behavioral dimensions (Jacoby and Kyner 1973; Dick and Basu 1994; Baldinger and Rubinson 1996). Dick and Basu (1994) emphasize that loyalty should integrate both attitudinal and
behavioral aspects because customer loyalty is not only the result of psychological processes but also behavioral expressions. Likewise, Oliver’s (1997) definition of brand loyalty also includes two perspectives of brand loyalty: behavioral and attitudinal brand loyalty.

2.2.1 Behavioural loyalty
The behavioral perspective of loyalty, which is frequently used by most researchers, focuses on a consumer’s actual purchase behavior of a certain brand over time (Newman and Werbel 1973; Ehrenberg and Goodhardt 2000). To highlight this view (Newman and Werbel 1973) define customer’s loyalty as those who repurchased a brand, considered only that brand, and did no brand-related information seeking. Additionally, Hammond, East, and Ehrenberg (1996) emphasize the fact that brand loyalty is exposed through patterns of constant patronage and actual spending behaviors, so they define brand loyalty as consumers’ repeat purchasing of a brand. In the same way, Jacoby and Chestnut (1978) measure loyalty as a repeat purchasing behavioral-pattern without considering the consumer’s intention. In this perspective, researchers measure behavioral loyalty as patterns of actual customer purchase by asking consumers how often they purchase certain brands or services (Reynolds and Arnolds 2000; Pritchard, Havitz and Howard 1999; Back and Parks 2003; Back 2005). This method is based on consumer recall rather than counting actual purchases. Bloemer and Kasper (1995) characterize spurious brand loyalty as repeat purchasing behavior without any attitudinal or psychological bonding brand attributes and distinguish it from true brand loyalty, which is a function of psychological processes based on brand commitment. While spurious loyalty refers to behavioral aspects of loyalty, such as simple repeat purchase behavior without emotional or psychological bonding, true loyalty refers to attitudinal aspects of loyalty with consumer’s commitment.

2.2.2 Attitudinal loyalty
Marketing researches have also undertaken studies to examine attitudinal loyalty that focuses on consumer’s preference of emotional commitment toward a brand or individual’s behavior intention such as intention to recommend and intention to repurchase (Dick and Basu 1994; Dorsch, Grove, and Darden 2000; Mellens, Dekimpe, and Steenkamp 1996). Attitudinal brand loyalty centers on consumer’s commitment toward a certain brand, hence it represents a favorable attitude toward a specific brand in a chain of cognition, affection, and conation (Oliver 1997). Commitment has been defined as an enduring desire to maintain a valued relationship (Moorman, Zaltman and Deshpande 1992). In Bloemer and Kasper’s model (1995), true brand
loyalty with consumer’s commitment refers to this type of attitudinal brand loyalty. Jacoby and Chestnut (1978) emphasize that attitudinal aspects of loyalty is needed in order to approach the perspective of consumers’ beliefs, affection, and intention. Therefore, attitudinal loyalty, which represents the nature of loyal customers, is specified by what people express rather than what people really do (Farr and Hollis 1997). Researchers measure attitudinal loyalty based on several factors: customer’s intention of repeat purchase (Anderson and Sullivan 1993; Cronin and Taylor 1992; Chiou and Droge 2006), recommendation to others (Boulding, Kalra, Staelin, and Zeithaml 1993); Reich, McCleary, Tepanon, and Weaver 2005) low switching to better competitors (Narayandas 1996), attachment (Back 2005), or willingness to pay a price premium (Narayandas 1996; Zeithaml, Berry, and Parasuraman 1996).

Whatever represents the meaning of brand loyalty as the list of authors with varied approaches seems endless, the fact remains that brand loyalty exist as a result of the interaction between a customer’s relative attitude to a special brand, and also their repeat purchase behavior for that brand. Brand loyalty may, therefore, exist as a result of repeat purchase or due to the absence of perceived differences between brand alternatives (Muncy 1996). It could also exist as a result of simple habitual purchase behavior (Assael 1998), which could mean long or short-term involvement on repeat purchasing of a market offering or brand. Knowledge of brand loyalty is, therefore, necessary as according to (Wood 2000) brand image is tailored to the needs and wants of a target market so as to facilitate brand loyalty. That is customer involvement in repeat purchase behavior on a brand and the success or otherwise of this process determines the degree of brand loyalty and will probably have influence on consumer long-term loyalty. Traditionally in marketing literature it has been considered that loyalty is a component of brand equity (Aaker 1991), whereas others argue that loyalty is an outcome of brand equity (Van Riel, Pahud de Mortanges and Streukens 2005) and it could positively influence the customer’s willingness to stay, repurchase, and recommend the brand (Vogel, Evanschitzky and Ramaseshan 2008); in other words, a strong brand may result in increased customer loyalty. However, many researchers are now saying that loyalty is an outcome of brand equity (Taylor, et al 2004; Van Riel, et al 2005). It is argued that brand equity has a strong impact on customers’ loyalty intentions (Vogel, et al 2008) and it is likely to influence a customer’s willingness to stay, repurchase, and recommend the brand.


2.3 Theories and conceptual models

Lemon et al, (2001), argued that brand equity is built through brand awareness and brand image. They said that the first step in creating customer loyalty was when a customer became aware of a brand in a product category. Then, after a customer is aware of the brand, there are images that the customer forms in the mind about the brand in question. Those images whether positive or negative will prompt the customer to remember the brand in the future. Thus the awareness and the images formed occupy a share in the mind of the customer, thus creating brand equity for the brand. If the brand is easily recognizable and easily retrieved from the memory of the customer under given circumstances, this will help the customer in placing the brand in the evoked set when embarking on purchasing activities. This in turn will result in brand loyalty once the customer has formed positive perceptions and association through brand awareness and brand image. This is highlighted below.

![Diagram of brand equity](image)

**Fig 2.1 brand equity is built through image and meaning.**

**Source: Lemon et al (2001)**

Keller (2001) explained brand strength based on both macro and micro considerations. Market leadership and market share comprise brand strength on macro considerations while micro considerations include consumer familiarity, knowledge, preferences, and loyalty. Macro considerations evaluate the performance of the brand in the market, whereas micro considerations evaluate consumer perceptions of the brand. First, considering micro perspectives
of brand strength, (Keller 1993) offered customer-based brand equity and defined it as “the differential effect of brand knowledge on consumer responses to the marketing of the brand.” The differential effect is verified by comparing consumers’ responses to the brand marketing with their responses to the same marketing of an unbranded product. Consumer response to marketing means consumer perceptions, preferences, and behaviors occurring from marketing mix activities. In Keller’s model (Fig 2.2 Keller’s Customer-Based Brand Equity Framework), customer-based brand equity is comprised of two parts: customer perceptions (brand knowledge comprising of brand awareness and brand image) and behaviors (brand responses, consumers respond to a branded product and an unbranded product) and brand relationships and loyalty. Keller (2004) placed emphasis on consumers’ brand knowledge and brand responses, which are the two main consumer related sub-constructs of brand equity. He defines brand knowledge in terms of brand awareness and brand image.

![Fig 2.2 the knowledge structure](image)

Source: Keller (2004)

In Keller’s model (Figure 2.3 Keller’s Customer-Based Brand Equity Framework), customer-based brand equity is comprised of two parts: customer perceptions (brand knowledge) and behaviors (brand responses). Keller (2001) placed emphasis on consumers’ brand knowledge and brand responses, which are the two main consumer related sub-constructs of brand equity. According to the model, building a strong brand involves four steps that include establishing proper brand identity that is establishing the breadth and depth of brand awareness, creating the proper brand meaning through strong, favorable and unique brand associations (image) eliciting
positive, accessible brand responses (brand equity building) and forging brand responses with customers that are characterized by intense active loyalty (resulting customer loyalty).

The model developed from Keller’s building customer based brand equity model is shown below.

![Customer based brand equity model](image)

**Fig 2.3 Customer based brand equity model**

**Source: Keller (2001)**

Taylor, et al (2004) in an article entitled "The importance of brand equity on customer loyalty", according to (Baldinger and Rubinson 1996) view, has provided a model for customer loyalty under the influence of brand. They regard satisfaction, value, resistance to change, emotions, trust and brand equity among the factors have significant impact on customer loyalty. Assessing the relationship between the components of the model has been used as a conceptual model to examine the role of brand in the formation of customer loyalty. The Effectiveness factors of customer loyalty below and the results showed that brand equity influences the development of customer loyalty.

A study, ‘the antecedents and consequences of brand image: based on Keller’s customer based brand equity’ carried by Park (2009) found that, consumers develop a better knowledge structure or schema about the brand as they become more aware of the brand. The results from the study also indicated that brand awareness and brand familiarity were significantly related to brand...
image. Sang Hee Park (2009), customers’ attitudinal brand loyalty is likely to be improved when customers perceive positive brand image through their satisfaction and trust toward a certain brand. Accordingly, these results reinforce the importance of brand image in building the customer’s brand loyalty. Lavidge and Steiner (1961) are of the view that brand awareness can be explained by the hierarchy of effects model. The model was built around four stages of communication results: awareness, comprehension, conviction, and action. Since its first publication, there have been numerous variations published, each a variation of the hierarchy of effects model since they show several phases of communication, progressing from initial awareness up to the decision to make a purchase. Lavidge and Steiner (1961) first suggested that consumers respond in terms of a hierarchy of effects, which is a sequence of stages a prospective buyer goes through right from the first day he or she gets exposed to the brand, that is, the initial awareness of a product to eventual action (either trial or adoption of the product). The stages are illustrated in below:

2.4 Empirical literature review

These are studies that have been carried out by other researchers on the topic of brand equity and customer loyalty. A lot of research has been carried out in the field of brand image, brand awareness, brand equity and customer loyalty. Below are the summarized researches and the conclusions that the various researchers came to make based on the studies that they carried out. These give the researcher the research gap for this research study to be carried out. Sang Hee Park (2009), in the study, ‘the antecedents and consequences of brand image: based on Keller’s customer based brand equity’ found that, consumers develop a better knowledge structure or schema about the brand as they become more aware of the brand. The results from the study also indicated that brand awareness and brand familiarity were significantly related to brand image. Sang Hee Park (2009), customers’ attitudinal brand loyalty is likely to be improved when customers perceive positive brand image through their satisfaction and trust toward a certain brand. Accordingly, these results reinforce the importance of brand image in building the customer’s brand loyalty.

Hoye and Brown (1990) their study examined the importance of brand awareness in consumers’ decision making process and they found out that brand awareness was a primary factor.
Mohammad, Seyyed and Nima, (2013) carried out a study ‘Factors and elements influencing brand loyalty: A case study in customers of Khazar Gaz in Mazandaran.’ The aim of the study was to investigate the factors that influence brand loyalty of Khazar Gaz cooker at Mazandaran province. These factors were divided on 5 categories that are: quality, availability, advertising, brand awareness and brand image. The population under study was people who bought Khazar Gaz cooker during 2012. Sample size was 282 and questionnaires were distributed among them. Data was analyzed by Spearman correlation. Their results indicated that all of factors have significant relationship with brand loyalty in which brand awareness impact more than others. They also found that brand image and customer loyalty have a significant and direct relationship.

Gholamreza, Alireza, Parvaneh, Zahra and Hasan (2011) in their research titled, ‘Survey the role of brand in building customer loyalty in financial services marketing by the approach of small firm (Case Study of Iran Melli Bank)’. The study was done with the purpose of assessing the relationship between satisfaction, value, resistance to change, affect, and trust and brand equity with customer loyalty. Spearman correlation coefficient test and path analysis equation structural and correlation between independent and dependent variable were used. So based on their results behavioral loyalty and attitudinal loyalty are largely a function of brand equity and trust. The other factors were less related to both forms of loyalty. Ramaseshan, Rabbanee and Hui (2011), researched on, ‘Role of Brand Equity on Customer Loyalty in Business Service Context of Australia’. The research investigated the effects of brand equity on customer loyalty through customer trust in business to business service context. A self-administered online survey was conducted to collect data from organizational customers of an on-hold service company in Australia. Structural equation modeling was used to analyze the data. The study revealed that brand equity has positive impact on customer loyalty. It also found that trust partially mediates the link between brand equity and customer loyalty.

Ogba and Tan (2009), in their study titled, ‘Exploring the impact of brand image on customer loyalty and commitment in China’. The purpose of the study was, to examine how brand image can influence customer loyalty as well as impact on customer commitment to market offering within Chinese mobile phone market. A questionnaire was administered to 250 participants with 40 percent usable response rate. Data was analyzed using exploratory factor analysis, Cronbach an internal consistency, Anova and correlation analysis. The outcome from this study concludes
that brand image can positively influence customers’ loyalty to a market offering and possibly boost customer commitment. The study also suggests that good brand image should positively impact on customers’ loyalty, which at long run should also influence customer perceived quality, enables satisfaction and should also influence to a greater degree the extent to which customers are willing to express commitment to such offering for sustainable profit. Al-Azzam (2013) carried out a study, ‘analysis of the antecedents of customer-based brand equity and its application to multiple destinations’ The research investigated on building the destination brand model through employing customer-based brand equity models. The findings offered support for the concept of customer-based brand equity and confirm its application to the destination context. Theory of Brand Equity Acceptance Model was used as theoretical foundations of this study. Five factors, namely destination brand awareness, destination brand image, destination brand salience, and destination brand satisfaction, toward destination brand loyalty, were tested. 350 usable questionnaires were analyzed using SPSS. Multiple regression analysis was performed to investigate the relationship between destination brand awareness, destination brand image, destination brand salience, destination brand satisfaction, and destination brand loyalty. Results showed significant, positive relationships between destination brand awareness, destination brand image, destination brand salience, destination brand satisfaction and destination brand loyalty. Researchers have proposed that brand equity is to an extent driven by the brand association composition of the image. According to Keller (1993), favorable, unique and strong associations are assumed to provide a positive brand image which will create a bias in the mind of consumers thereby increasing the brand equity. Pitta and Katsanis (1995) also stated that a unique, favorable and strong brand image allows the brand to be easily differentiated and positioned in the consumers mind, thereby adding to the possibility of increased brand equity.

2.5 Chapter Summary

The chapter looked at what other authors say on customer loyalty, brand equity. Generally, the information from books, journals and the Internet were used in line with the research objectives. Literature review enabled the researcher to compare what different authors say about the
research objectives that he intends to solve. However, literature review is not meant to be exclusive or provide final solution to the problems for the organization.

Chapter Three

Research Methodology

3.0. Introduction

This chapter explains the procedures that were undertaken by the researcher in carrying out the project. The researcher looked at such sub topics like research design, type of data, the sampling technique and sample size. The researcher also examined all the instruments that were used in the research. The techniques to be applied were also outlined in this chapter. Descriptive research empowered the researcher to investigate the problem with greater clarity and to measure the stated objectives more successfully. The researcher also used quantitative research methodology. Bell and Opine (2002; 50) stated the quantitative research will always look for patterns, similarities and items of particular significance and the key concept with the quantitative research design is quantity. Again the researcher used statistical means therefore attaching numerical value so as to classify data.

3.1. Research design

A research design is a plan for collecting and analyzing evidence that make it possible for the investigator to answer whatever questions he or she has posed (Saunders, Lewis and Thornhill 2009). McDaniel and Gates (2002) see it as a plan for addressing the research objective. In fact, the research design is the conceptual structure within which research is conducted; it constitutes the blueprint for the collection, measurement and analysis of data in order to resolve a research problem also showing which individuals that were be used in the study, when, where and under which circumstances they were studied. The researcher considered the sampling population in Harare, Belvedere where Sign Graphics workshop is situated. The research was both descriptive
and exploratory in nature in trying to understand the fall in the Sign Graphics market share and the sales and profit trends.

3.1.1 Descriptive Research

According to Beri (2006) he defines descriptive research as the purpose of providing an accurate view of some aspect of marketing. It will involve statistical research, describing data and characteristics understudy. The proper instruments for this design would be questionnaires to collect data concerning customization, loyalty schemes and product based selling. Descriptive statistical methods such as frequency tables, average percentages and cross tabulations were used to describe and summaries responses to research questions. Descriptive research is as a marketing research strategy to better describe marketing problems, situations on markets (Kotler and Armstrong 2004), and the descriptive research made it convenient for use of questionnaires in collecting data from the airlines. The respondents gave data to be used for analysis as to why customers are leaving Sign Graphics and when the market share started to decline.

3.1.2 Exploratory Research

According to Kotler (2000) he states that this type of research is significant in enlighten nature of problems and suggest possible solutions. The researcher used this technique to get more information about financial statistics, sales trends and information from internal records. This type of research made it clear as to why the there is decline in the market share, low customer retention and the decrease in the annual sales volume.

3.2 Target Population

A target population is the complete group of objects or elements relevant to the research project (Hair, Black, Babin and Anderson 2010). It is the larger population to whom the study results are to be generalized (Saunders,s et al 2009). The target populations in this research were the people
with functional businesses that are in branding and Signage Printing in Harare. These are aged from 20 years to 41 years and above, the people who are eligible in making decisions about the brands that they purchase.

3.2.1 Sample

A sample is a group or individuals selected as a representative of the total population. According to Kuhn (2003) he states that it is a limited number taken from a large group for testing and analysis on the assumption that the chosen representatives stands for the entire target population. It was not possible to study the whole population hence the need to choose a sample. The researcher will use both probability and non-probability methods of sampling. Probability sampling methods are those that each variable has a possibility of being selected, and in this case the researcher used simple random and stratified random sampling method. Non probability methods are those that they are no exactly assurance that the variables will be chosen and the researcher used convenient non probability sampling method. The researcher looked at the management, employees and airlines chosen from the list of the target population. The respondents were given equal chances of being selected. It gave each individual and airline an equal chance of being chosen. This method provided a fair distribution of customers to be chosen.

**Stratified random sampling method**

In this method the researcher had to subdivide the target population into groups. The strata will be divided into management, shop floor workers and airlines. This method ensured that proportionate representatives from each group have a chance of being chosen. Due to financial constraints and tied up schedules by the respondents the researcher made use of the available respondents. The most convenient customers were made use of and helped in giving information at the appropriate time.
3.2.2 Sample size

A sample was drawn out the whole target population. The nature of business was used to determine the sample size and a small sample size is going to be used since the population is homogeneous mostly branding companies operating in the same vicinity. The researcher used sample of 44 out of the total population of 50 respondents.

3.2.3 Determining sample size

According to Krejcie and Morgan (2012), the ever increasing need for a representative statistical sample in empirical research has created the demand for an effective method of determining sample size. Determination of sample size differs depending on the research design. To simplify the process of determining the sample size for a finite population, Krejcie& Morgan (1970), came up with a model using sample size formula for finite population and according to this model sample size for this research was a hundred (50) respondents.

3.3 Data Sources

The researcher used secondary and primary data sources to gather information.

3.3.1 Secondary data

This is information which has been previously collected by other persons for a different use than of the study. According to Chin (2001), he states that secondary data refers to data that already
exists and has been collected for some other issues. The researcher will obtain the data from Sign Graphics strategic business plan, sales records, the company’s marketing plan and the company website, (www.signgraphics.co.zw).

3.3.2 Primary data

This is information collected specifically for the research and the researcher obtained this data from the targeted respondents. This is the first hand information and the main sources of this data are the management, shop floor workers and airlines.

3.4 Research instruments

The researcher will make use of questionnaires.

3.4.1 Questionnaires

Unstructured and structured questionnaires were used by the researcher. Structured questionnaires are less time consuming and unstructured ones allow room for additions and subtractions of the questions on the questionnaire. Also the researcher drafted a likert scale questions to customers to answer the agreement or disagreement questions. Multiple choice questions were drafted and they have a possibility to bring out various ideas since the respondent is given room for three or more answers. The researcher made of self-administered questionnaires and to management who might have tight schedules the questionnaires were administered using the pick and drop technique.

3.5 Data Collection Procedures and Administration
The researcher obtained a letter from the university which helped in carrying out the data collection at the company and helped in introducing the researcher to the participants. The researcher made use of secondary data and use of questionnaires, observations and interviews to obtain data. The questionnaires were self-administered to the shuffler customers and pick and drop method was used for the managerial team and airline respondents. Also the researcher sought for permission from the company to ask for assistance from students on work related learning to help distribute the questionnaires. Moreover on the secondary data the researcher asked for permission from the university to conduct an internal research and present the documents to the company for permission to look into their documents.

3.6 Validity and reliability

The questionnaires and secondary data have to be measurable. They should provide valid data which is reliable and pertaining to the study. The researcher made use of the triangulation method for qualitative data using more than one method to collect the data. Also the researcher used the pilot study for quantitative data, doing a pre-test of questionnaires or a small comparison of related studies and conducting an analysis before the actual study. Since the population is homogeneous a small sample size was used to improve external validity.

3.7 Data Analysis and Presentation tools

Both secondary and primary data was collected for systematic analysis of the findings. The researcher used various methods in presenting data that are tables, graphs and Statistical package for social sciences (SPSS) in quantifying and analyzing data collected. After collecting raw data it has to be converted into processed data for east understanding and presentation. The research findings were edited to correct mistakes by respondents before being presented for analysis. The researcher will use bar graphs, pie charts and tables for presentation of data and to make it easier to understand.
3.8 Ethical considerations.

The research participants will be given a clear understanding of the research before being involved. The researcher will also assure respondents that the research results will be used for academic purposes and not for any purposes that would affect the respondents in any way. Respondent’s names will not be disclosed to protect privacy and confidentiality. Moreover, the researcher is going to clarify to the respondents that the exercise will be voluntary. No one will be penalized by the outcome of the results and that they were not going to lose any benefits by not responding, thus no one was forced to participate in the research and the will not lose anything by not responding.

3.9 Chapter Summary

The aim of this episode was to look into the research methodology and framework that the researcher employed to collect information. Therefore, the researcher employed purposive, stratified and convenience sampling techniques to choose samples among companies, managers and consumers to study on. Secondary and primary data was collected using firm’s records and websites and questionnaires respectively, graphs and tables are employed for data analysis and presentation in chapter 4. Chapter four outlines the results and interpretations.
Chapter Four

Data presentation analysis and discussion of findings

4.0 Introduction

The chapter presents analysis of data that was generated from the questionnaires. Tables and scree plots were used to give a detailed presentation, examination and analysis of the results and findings from the research, basing on the responses obtained from the respondents. These findings from the respondents are organized, analyzed and presented so that a correct interpretation of the situation can easily be understood. The chapter presents the data collected from the field, statistical description was used.

4.1 Response Rate

The table below is a presentation of the questionnaire response rate from the respondents.

**Table 4:1 Response Rate**

<table>
<thead>
<tr>
<th>Participants</th>
<th>Distributed</th>
<th>Collected</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers</td>
<td>50</td>
<td>44</td>
<td>88</td>
</tr>
<tr>
<td>Total participants</td>
<td><strong>50</strong></td>
<td><strong>44</strong></td>
<td><strong>88</strong></td>
</tr>
</tbody>
</table>

**Source:** Primary Data
As shown on table 4.1 the overall study response rate is 88% as 44 questionnaires were successfully collected from the 50 distributed. The 12% that were not successfully collected was caused by some respondents unavailable during the time of collection with some questionnaires spoiled by the respondents. This however did not affect the reliability and validity of the results since a response rate of 88 percent and above is deemed reliable and good enough to produce valid results as postulated by Mallon (2011).

4.2 Demographic profile of respondents

The table below, table 4.2 shows the demographic profile of the respondents. It can be noted from the table that, most of the respondents were between the ages of 31 to 50 years of age which is the most active age group and this can add on to the reliability of the study. On the qualifications of the respondents 39% have certificate/diplomas and 39% have degrees and higher education, this mean that about 66% of the respondents have attained a tertiary education and this can also add on to the reliability of the results since the level of education can determine one’s level of understanding. From this, the results can be said to be reliable since the right group of respondents was approached.

Table 4.2 demographic profile

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>N</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sex</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>34</td>
<td>77</td>
</tr>
<tr>
<td>Female</td>
<td>10</td>
<td>23</td>
</tr>
<tr>
<td>Total</td>
<td>44</td>
<td>100</td>
</tr>
</tbody>
</table>

Age
### Highest Level of Education Attained

<table>
<thead>
<tr>
<th>Level</th>
<th>n</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td>6</td>
<td>14</td>
</tr>
<tr>
<td>secondary</td>
<td>9</td>
<td>20</td>
</tr>
<tr>
<td>Certificate / diploma</td>
<td>17</td>
<td>39</td>
</tr>
<tr>
<td>Degree or higher qualification</td>
<td>12</td>
<td>27</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>44</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Data from field study

#### 4.3 Reliability test of the sample size.

The sample consisted of 50 respondents of which all of the respondents were customers of Sign graphics.

Reliability test of the sample size was tested using the statistical package of social science and it was statistical proven that the sample size was reliable because according to Cronbach’s alpha which is the measure of internal consistency, that is how closely related sets of item are as a group, which states that result 0.7 and within this range of 0.7-1 is reliable. Hence the result of 0.874 proves that the sample is reliable as shown by the following reliability statistics table.

<table>
<thead>
<tr>
<th>Age Group</th>
<th>21 – 30</th>
<th>31 – 40</th>
<th>41 – 50</th>
<th>51 and above</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of respondents</td>
<td>10</td>
<td>18</td>
<td>14</td>
<td>2</td>
<td>44</td>
</tr>
<tr>
<td>Percentage</td>
<td>22</td>
<td>42</td>
<td>32</td>
<td>4</td>
<td>100</td>
</tr>
</tbody>
</table>

n=44
Reliability Statistics

Table 4.3

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>Number of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.874</td>
<td>4</td>
</tr>
</tbody>
</table>

Since the sample is proven to be statistical reliable, this means that the respondents were reliable and the researcher can depend on the information provided by respondents in enhancing customer loyalty through facilitating brandy equity. Reliability is all about being consistent in performance and dependability. According to Milligan (2012), reliability is the ability of service provider to achieve and perform the service accurately in a reliable appropriate way. However the reliability of the sample does not imply that the responses that were given by selected respondents could have been the same if the researcher was to ask each and every employee of the society this is because people are different and they have different views since they are affected by anything that happens in the organization in different ways.

Therefore assumptions are that since the sample size was statistically proven to be reliable, this means that the researcher can depend on these responses to compute the study.

4.4 Sample size adequacy.

Sample adequacy can be defined to be as the appropriateness of the selected respondents for the target population. In this study the target population was 500 respondents which consisted of both employees and members of the organization. A sample of 50 respondents was drawn from
that target population as proposed by Lucy (2006), that if the target population is above 200 you will need to use 10% of the target population, thus 10/100 * 500 = 50. The sample size was proven to be adequate by SPSS factor analysis which is a statistical method used to test variability of results and responses. Keiser-Meyer–Olkin and Bartlett test (KMO and Bartlett) which state that values between 0.8 and 1 indicate that the sample is adequate. The more the measure the more the data is appropriate for analysis, in other words the narrow spread correlations gives more room for favorable factor analysis. In this research the sample is proved to be adequate because the KMO and Bartlett test’ values are greater than 0.8 and there are in the rage of 0.8-1 as shown by the following statistical table.

By means of adequacy of the sample it means that the numbers of selected respondents were appropriate to answer the questioners, and the responses were sufficient enough to address the research objectives of this study and the responses could be of great use.

**Reliability test**

The questionnaires were deemed reliable in answering the research topic under study. Reliability can also be made biased by demographic factors, according to Cronbach’s Alpha states that for a test to be reliable it should range from 0.7-1 on the scale table and the questions and responses on research underway proved to be reliable since they scored a range of 0.887 as postulated by the Cronbach’s Alpha table below.

**Table 4.4**

**Reliability Statistics**

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>Cronbach's Alpha Based on Standardized Items</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.886</td>
<td>.887</td>
<td>18</td>
</tr>
</tbody>
</table>
4.5 The effects of brand image on customer perception

The first objective was to analyze the effect of brand image on creating customer perception. The brand quality offered by Sign Graphics meant to enhance the performance of the organization to maintain and grow its customer perception. This was also done by the continuous improvement of quality. The respondents were asked how they perceived quality of Sign Graphics brands to them if any quality programs have been implemented. Management highlighted the need for continuous improvement on quality through constant quality audits and customer complaints on quality handling.

4.5.1 Analysis by Hypothesis: The effects of brand image on customer perception

Brand image helps in formulating customer perception since it results in customers perceiving or deeming the brand of being of high quality as compared to other brands of its competitors. Gummerson (2016) advocated that a positive brand perception helps in building customer loyalty through portraying a good brand image picture in the minds of customers’. In this research hypothesis is accepted at 95% confidence level and below 0.005 significant levels which is the critical value. As shown by KMO and Bartlett test the tested hypothesis is below the critical value and it 0.001, hence statistical it is accepted that brand image has an effect on customer perception. Companies should however work extra hard in coming up with good brand images that will install customer trust and loyalty towards the company brand in relation to that of competitors.
KMO and Bartlett's Test

<table>
<thead>
<tr>
<th>Measure</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</td>
<td>.874</td>
</tr>
<tr>
<td>Bartlett's Test of Approx. Chi-Square</td>
<td>357.788</td>
</tr>
<tr>
<td>Sphericity</td>
<td></td>
</tr>
<tr>
<td>Df</td>
<td>10</td>
</tr>
<tr>
<td>Sig.</td>
<td>.000</td>
</tr>
</tbody>
</table>

Table 4.5

Source: SPSS results 2017

The five questions that aimed in addressing this objective showed that the first question that read 'brand image enhances customer perception' constituted a total of 93.482% of the total responses; this in turn will put the company brand in a better position to fight competition from competing brands. The significance level is at 0.001 and it is highly accepted in the understudy.
### Total Variance Explained

<table>
<thead>
<tr>
<th>Component</th>
<th>Initial Eigenvalues</th>
<th>Extraction Sums of Squared Loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>% of Variance</td>
</tr>
<tr>
<td>1</td>
<td>4.674</td>
<td>93.482</td>
</tr>
<tr>
<td>2</td>
<td>.146</td>
<td>2.912</td>
</tr>
<tr>
<td>3</td>
<td>.095</td>
<td>1.903</td>
</tr>
<tr>
<td>4</td>
<td>.046</td>
<td>.923</td>
</tr>
<tr>
<td>5</td>
<td>.039</td>
<td>.779</td>
</tr>
</tbody>
</table>

Table 4.5.1

Extraction Method: Principal Component Analysis.

Source; SPSS results 2017
The objective has been accepted that there is a relationship between brand image and customer perception, though only 1 out of 5 components showed that there is a positive relationship between these two variables. This means that there is a serious need for the organization to carry out more brand image researches, that is, indulging in more researches on how to improve the brand image of the company by introducing new packaging, designs, and attractive logos to capture more minds of customers. However, the other four components show a negative relationship, but it does not imply that the organization should not consider other variables as they enhance other activities such as organizational productivity.

**4.6 Impact of brand familiarity on customer retention.**

Brand familiarity encourages customer retention because the customer is used and familiar with the brand name, knows that it fits the needs and wants and has little reason to take a chance on another brand.
4.6.1 Analysis by Hypothesis: The Impact of brand familiarity on customer retention.

In this research hypothesis is accepted at 95% confidence level and below 0.005 significant levels which is the critical value and the adequacy level is at 0.822 and it is accepted since it is above the level of 0.006. As shown by KMO and Bartlett test the tested hypothesis is below the critical value and it 0.001 and it highly accepted in the study, statistically it is noted that brand familiarity have an impact on customer retention. Hence the customers’ needs to be made closer to the brand and thus creating close familiarity with the brand so as to facilitate retention and alleviating the chances of brand switching.

Table 4.6.1

**KMO and Bartlett's Test**

| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | .822 |
| Bartlett's Test of Approx. Chi-Square Sphericity | 253.773 |
| Df | 6 |
| Sig. | .000 |

*Source: SPSS RESULTS (2017)*

Table 4.7
The scree plot depicts that the one component is positively contributing to the objectives as it is the one rising towards the positive. This component proves to be so vital to attainment of organisational goals and achievements and this means that is should be critically analyzed and practiced more often so that its existence will the organization goals and desires met accordingly.

4.7 The effect of brand awareness on repeat purchase.

Brand awareness reflects the salience of the product in the consumer's mind and involves various levels including recognition, recall, brand dominance, and brand knowledge and brand opinion. Brand awareness is an important dimension of brand equity as it triggers repeat purchases and will ensure business growth and survival of the firm.
4.6.1 Analysis by hypothesis: effects brand awareness on repeat purchase.

Hypothesis is accepted at 95% confidence level and below 0.005 significant levels which is the critical value. KMO and Bartlett test hypothesis is below the critical value, 0.001 and statistical analysis proves that brand awareness influences repeat purchase. Brand awareness programs like advertising should be carried out so as to make the customers more aware of the company brand and this will in-turn prompt a rise in repeat purchases.

Table 4.8

KMO and Bartlett’s test

| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | .838 |
| Bartlett's Test of Approx. Chi-Square | 227.666 |
| Sphericity Df | 6 |
| Sig. | .000 |

a. Based on correlations

Hypothesis highlighted that there is a positive relationship between brand awareness and repeat purchase that is enhanced through continuous brand awareness programs and brand significance. The first component is contributing 90.704% rate of the total 100% and this shows that this factor is more vital than the others.
### Total Variance Explained

<table>
<thead>
<tr>
<th>Component</th>
<th>Initial Eigenvalues&lt;sup&gt;a&lt;/sup&gt;</th>
<th>% of Variance</th>
<th>Cumulative %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>5.442</td>
<td>90.704</td>
<td>90.704</td>
</tr>
<tr>
<td>2</td>
<td>.351</td>
<td>5.857</td>
<td>96.562</td>
</tr>
<tr>
<td>3</td>
<td>.147</td>
<td>2.447</td>
<td>99.009</td>
</tr>
<tr>
<td>4</td>
<td>.059</td>
<td>.991</td>
<td>100.000</td>
</tr>
<tr>
<td>Rescaled</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>5.442</td>
<td>90.704</td>
<td>90.704</td>
</tr>
<tr>
<td>2</td>
<td>.351</td>
<td>5.857</td>
<td>96.562</td>
</tr>
<tr>
<td>3</td>
<td>.147</td>
<td>2.447</td>
<td>99.009</td>
</tr>
<tr>
<td>4</td>
<td>.059</td>
<td>.991</td>
<td>100.000</td>
</tr>
</tbody>
</table>

Extraction Method: Principal Component Analysis.

Table 4.7.2
Again the scree plot is depicting only a single variable out of the four contributing more towards the positive margin of the independent variable which shows it’s more vitality in relation to its other regressed variables.

4.8 The effect of brand extension on market share.

It is crucial for a company to engage in brand extension on its’ existing brand categories as it helps in creating more market share of its brands as compared to that of its competitors. This will also ensure future survival and continued sustained company growth.
4.8.1 Analysis by hypothesis: effects brand extension on market share.

In this research hypothesis is accepted at 95% confidence level and below 0.005 significant levels which is the critical value. As shown by KMO and Bartlett test the tested hypothesis is below the critical value and it 0.001, statistically it is noted that brand extension have an impact on market share.

Table 4.8.2

KMO and Bartlett's Test

| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | .802 |
| Bartlett’s Test of Approx. Chi-Square | 189.217 |
| Df | 6 |
| Sig. | .000 |

Source: SPSS 2017

Hypothesis tests showed that there is positive relationship between these two variables, brand extension and market share. On the factor loading, variable one proves to be the most significant one since it has the most positive contribution towards the independent variable that market share with an overall cumulative percentage rate of 86.357%.
### Total Variance Explained

<table>
<thead>
<tr>
<th>Component</th>
<th>Initial Eigenvalues</th>
<th>Extraction Sums of Squared Loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>% of Variance</td>
</tr>
<tr>
<td>1</td>
<td>3.454</td>
<td>86.357</td>
</tr>
<tr>
<td>2</td>
<td>.283</td>
<td>7.079</td>
</tr>
<tr>
<td>3</td>
<td>.223</td>
<td>5.572</td>
</tr>
<tr>
<td>4</td>
<td>.040</td>
<td>.992</td>
</tr>
</tbody>
</table>

Extraction Method: Principal Component Analysis.

Table 4.8.3
4.8 Customer overall view of brandy equity on creating customer loyalty.

. Questions that were answered by customers posed a general view of how brand equity activities impact on customer loyalty basing on the assumptions that customers have little or no knowledge on what brand equity is all about. They responses were positively fare as those who strongly agreed constituted 80% of the responses and those who strongly disagreed constituted 20% of the response. Out of the 44 respondents to the questionnaires, 80% response rate showed that they
are in favor of the company brand and will not immediately switch to other brands as long as the current brand is still satisfying their desires at affordable prices.

4.10 Chapter summary

The chapter four looked at data presentation, analysis and interpretations of findings on the effectiveness of brand equity on customer loyalty. The information gathered using questionnaires. The data analyzed shows that there is a positive relationship between the dependent variables of brand equity the independent variable customer loyalty. This chapter also showed results in form of tables and graphs and conducting some test to find the relationship between variables. Analysis produced the following results:-

- The adequacy level was found to be at 0.822 which is above the pegged 0.006 level of inverse regression amongst correlating variables. The results also showed that brand awareness and brand image themselves are highly correlated with a correlation coefficient value of 0.759. This means that the two constructs work together to create brand equity and their management will provide a company with a wealth of benefits.
- Brand awareness can be seen to be a dimension that has a strong influence on consumer’s brand equity resulting in customer loyalty to brands. This was evidenced by a beta value of 0.838 which shows that there is a strong positive relationship between brand awareness and brand loyalty.
- Hypothesis tests showed that there is positive relationship between these two variables, brand extension and market share. On the factor loading, variable one proves to be the most significant one since it has the most positive contribution towards the independent variable that market share with an overall cumulative percentage rate of 86.357%.
- Regression analysis of brand image and brand loyalty produced a beta value of 0.822 showing that brand image and brand loyalty do have a strong positive relationship. With Brand image, the researcher found out that there were some differences between competing brands on all the three attributes of brand image. Respondents rated on the following attributes “the brand has high quality and I consider the brand as a reliable one”. Sign Graphics tends to have a preferable packaging since it was ranked high in the
attribute “the brand has neat and attractive packaging”. From our respondents rating of brand image attributes, it can be seen to be an important factor on brand equity in building customer loyalty.
Chapter five

Conclusion and recommendations

5.0 Summary

It is imperative to acknowledge that brand equity is an inseparable part of marketing and essential to the companies to create core-competencies and build strong brand experience that impact the consumer decision making process and foster customer loyalty, Aaker (2011). This study involves assessing the effectiveness of brand equity on creating customer loyalty at Sign Graphics Private limited, Harare. The study aimed at investigating the relationship between brand familiarity and customer retention, evaluating the impact of brand awareness on repeat purchase, assessing the impact of brand image on customer perception, as well as investigating the impact of brand extension on company growth. Data collection was done using self administered and electronically mailed questionnaires. A sample size of 50 respondents was considered being corporate customers for signage products and services. Analysis was done using Statistical Packages for Social Sciences (SPSS version 16.0). The result of regression analysis indicates a positive relationship between brand awareness and customer loyalty and brand image and customer loyalty. The result of a correlation analysis also showed that there is a significant relationship between brand awareness and brand image. The researcher concluded that brand image and brand awareness have a positive impact on the formation of customer loyalty. Based on the results and conclusions, this study recommends that continuous rebranding should be instituted in order for the company to enjoy customer loyalty and patronage.

5.1 Conclusions
Study makes the following conclusions:-
5.1.1 Impact of brand awareness on repeat purchase

In this study, brand awareness can be seen to be a dimension that has a strong influence on consumer’s brand equity resulting in customer loyalty to brands. This was evidenced by a beta value of 0.838 which shows that there is a strong positive relationship between brand awareness and brand loyalty.

5.1.2 Impact of brand extension on company market share.

Hypothesis tests showed that there is positive relationship between these two variables, brand extension and market share. On the factor loading, variable one proves to be the most significant one since it has the most positive contribution towards the independent variable that market share with an overall cumulative percentage rate of 86.357%.

5.1.3 Impact of brand image on customer perception.

Regression analysis of brand image and brand loyalty produced a beta value of 0.822 showing that brand image and brand loyalty do have a strong positive relationship. With Brand image, the researcher found out that there were some differences between competing brands on all the three attributes of brand image. Respondents rated on the following attributes “the brand has high quality and I consider the brand as a reliable one”. Sign Graphics tends to have a preferable packaging since it was ranked high in the attribute “the brand has neat and attractive packaging”. From our respondents rating of brand image attributes, it can be seen to be an important factor on brand equity in building customer loyalty.
5.1.4 Relationship between brand familiarity and customer retention.

Lastly a positive hypothesis was derived when brand familiarity was regressed against customer retention. The adequacy level was found to be at 0.822 which is above the pegged 0.006 level of inverse regression amongst correlating variables. The results also showed that brand awareness and brand image themselves are highly correlated with a correlation coefficient value of 0.759. This means that the two constructs work together to create brand equity and their management will provide a company with a wealth of benefits.

Wrapping up there is a relationship between brand equity and brand loyalty. Brand equity in this study was taken to be made up of two constructs brand awareness and brand image. Therefore, from the validation of the two hypotheses between brand awareness and brand loyalty and; brand image and brand loyalty, it automatically validates the relationship between brand equity and brand loyalty.

5.2 Recommendations

The following recommendations are being preferred;

- Managers should concentrate their efforts primarily on creating brand equity for their brands. Brand equity is a very important factor in the creation of customers that are loyal to brands which will translate to building a customer base and improvement in the bottom line of the company (Kotler 2014)

- Secondly, brand awareness and brand image, are two major important constructs that make up brand equity which have high importance and in the construction of brand equity and ultimately creating loyalty in customers. In the highly competitive Signage industry, the key is to create awareness and a unique, favorable, and strong brand image to provide customers with a reason to buy the brand, then work to keep their loyalty and gain their repeat purchases.
Signage brand marketers should have a detailed knowledge and understanding of the main attributes of brand image which include neat and attractive packaging, high quality, and reliability of the brand. These should be intensively advertised across different media, for their brand to build a favorable image.

The company should use many and consecutive promotional activities through mass media and the internet which are very popular in branding industry, so that they achieve awareness on the same platform as the competing brands (Aaker 2012). Besides that, other more advanced and creative ways of reaching out to customers and improving a firm’s brand awareness exist. For example, support activities and charity involvement in cultural, sports, social and other kinds of public events.

Signage marketers should focus their efforts in creating intensive distribution channels that have good store image as well. The intensive distribution reduces the sacrifice that consumer makes to acquire the product. The store image includes an attractive physical environment and the level of service that the customer receives when they visit the store. These are the elements that will enhance the awareness of the brand in the consumers’ mind, build a favorable image of the brand and attribute a wealth of benefits to the firm.

Specifically, the managers in branded signage can utilize the developed brand image and brand awareness scale from this study, as a diagnostic instrument, to examine if the consumers’ perception toward their restaurants brand is parallel to the chain brand’s mission, vision and goals. By identifying the consumers’ perception of brand image toward their brand, managers can not only compare it with competing brands and differentiate it from other signage brands, but also determine what is important for targeted consumers in the market.
5.4 Area of further research

The current research focused on brand equity endeavoring brand familiarity on customer retention, brand awareness on repeat purchase, brand image on customer perception, as well as brand extension on company growth so further researches can be done on brand equity whilst looking at some elements that builds it that are not mentioned in the current context.

Future researches should consider obtaining a more comprehensive and representative sample by using other sampling frames and sampling method in order to reduce the shortcomings of the sample selection.
REFERENCE LIST


Gholamreza, J.,Alireza, A.,Parveneh, P.,Zahre, A., and Hasan, K., (2011). ‘Survey the role of brand in the formation of customer loyalty in financial services marketing by the approach of


service quality,’ Journal of Marketing, 60(2), 31-46.


APPENDICE 1

QUESTIONNAIRE

Introduction
My name is R124252F I am currently studying an Honours Degree in Marketing Management with the Midlands State University. I am carrying out a research titled ‘THE EFFECTIVENESS OF BRAND EQUITY ON CREATING CUSTOMER LOYALTY,’. This research is purely for academic purposes and the information obtained will be treated with utmost confidentiality. I therefore, kindly request that you assist by completing the questionnaire.

Part A: General and demographic information
Fill in the blank spaces provided or please tick (√) the box that corresponds to your response where applicable.

1. Gender: 1)Female □ 2) □ Male

2. Age: 1) Below 30 □ 2) 31 to 40 □ 3) 41 to 50 □ 4) above 50 □

3. Respondent’s highest level of education:
   1) Primary □ 2) Secondary □ 3) Certificate/Diploma □ 4) Degree or Higher □
   Other: Specify..............................................................

4. How long have you been in business with Sign Graphics?
   1) Up to 1 year □ 2) 1 to 5 years □ 3) 6 to 10 years □ 4) over 10 years □
**Part B: brand familiarity on customer retention**

(1) **SA**- strongly agree,(2) **A**- agree,(3) **NS**- Not Sure, (4) **D**- disagree (5) **SD**- strongly disagree

1 2 3 4 5

a). This brand is familiar to me

b). I can quickly recall the logo/ symbol of the brand

c) I can recognize the brand among competing brands

d) Have you made use of any of our products in branding so far?

**Brand Image on customer perception**

(1) **SA**- strongly agree, (2) **A**- agree,(3) **NS**- Not Sure,(4) **D**- disagree (5) **SD**- strongly disagree

1 2 3 4 5

a) The brand has neat and attractive packaging

b) The brand has high quality

c) I consider the brand as a reliable one

d) Does the image of our brands helps in building customer perception
5. **Brand awareness on repeat purchases**

(1) **SA**-strongly agree,(2) **A**-agree,(3) **NS**- Not Sure,(4) **D**-disagree (5) **SD**-strongly disagree)

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
</table>

a) I regularly buy this brand

b) I intend to buy this brand again

c) I will not switch to another brand next time

d) Has the continuous awareness programs done by Sign Graphics helped in building repeat purchases recently

e) Does the brand significance increase the acceptance of the brand

**Brand extension on market share**

(1) **SA**-strongly agree,(2) **A**-agree, (3) **NS**- Not Sure,(4) **D**-disagree (5) **SD**-strongly disagree)

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
</table>

a) I think it is a good idea to change the name of Sign Graphics

b) I think it is a nice name.

c) I think the use of a product like *Sign Graphics* is very important

d) Does the extension of the product category of signage products by Sign Graphics helped in the increase in the company market share
1) How would you describe your overall opinion of our brand in relation to other brands
........................................................................................................................................................................
........................................................................................................................................................................
........................................................................................................................................................................

2) How often do you visit the company website?
(1) often  (2) very often  (3) not at all

3) Any suggestions on improving the company website so as to improve the image of the company Sign Graphics overall?
........................................................................................................................................................................
........................................................................................................................................................................
........................................................................................................................................................................
........................................................................................................................................................................

Thank you for your time!