

**THE INFLUENCE OF MARKETING STRATEGY ON BRAND LOYALTY OF
INSTANT COFFEE BRANDS: A CASE OF SUPERMARKET CUSTOMERS IN
NAIROBI**

BY

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MASTER OF BUSINESS ADMINISTRATION (CORPORATE MANAGEMENT)

KCA UNIVERSITY

2015

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**A DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT OF THE
REQUIREMENTS FOR THE AWARD OF MASTER OF BUSINESS
ADMINISTRATION IN THE SCHOOL OF BUSINESS AND PUBLIC
MANAGEMENT AT KCA UNIVERSITY**

MAY 2016

DECLARATION

I declare that this dissertation is my original work and has not been previously published or submitted elsewhere for award of a degree. I also declare that this contains no material written or published by other people except where due reference is made and author duly acknowledged.

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ABSTRACT

The instant coffee industry in Kenya has a wide range of product brands and keeping pace with this variety is not an easy task for the ordinary consumer. Most industries have come up with new brands to not only retain consumers but also to attract new ones. Such industries also acknowledge that repeat customers play an important role as such consumers are willing to spend more, purchase frequently, seek for more information, are more resilient to rival's promotions and are more likely to spread positive and constructive information about the brand. The instant coffee brand in Kenya has seen a lot of progress and rivalry, with the growth of many producers and coffee brands. The goal of every firm is to be in the lead over their rivals in every phase and dimension of the competition. To attain this, they have to take on strategies to successfully and efficiently achieve brand loyalty within their industry. Active response is expected among firms as a solution to deal with the effects of variation and competition in their environment. This study therefore sought to investigate the influence of pricing, packaging and brand awareness on brand loyalty in instant coffee brands among supermarkets customers within the Nairobi Central Business District (NCBD). The population of study comprised of 10 supermarkets licensed as large retailers operating within the Nairobi Central Business District. A semi structured questionnaire was used to collect primary data for this study. The data collected in this study using the questionnaire was prepared for analysis. This study adopted the Statistical Package for Social Sciences (SPSS) computer software. The study used two statistical tests that is Descriptive Statistics and regression analysis. Descriptive Statistics was used to analyze the background information and to examine the existence of co-relationships between variables. To investigate the effect brand awareness and packaging price had on the brand loyalty of supermarkets customer's found in Nairobi Central Business District (NCBD), regression analysis was used. From the study findings, the study concludes that brand awareness, attractive packaging and reasonable pricing positively influence brand loyalty of a product. The study findings revealed that consumers are moved to buy a product when they see advertisement of their preferred brand. The study thus concludes that advertising creates awareness of a product and thus improves the customer loyalty. The study further concludes that availability of different packaging sizes with different prices attracts more attention to consumers compared to a brand that has only one packaging size.

Key words: Market Strategy, Brand Loyalty, Supermarkets

ACKNOWLEDGEMENT

To my Family, Lecturers, and fellow Classmates.

Thank You

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LIST OF ABBREVIATIONS

EDLP	Every-Day Low Prices
NCBD	Nairobi Central Business District
NCC	Nairobi City County
SPSS	Statistical Package for Social Sciences
US	United States

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

The modern marketplace is symbolized by wide mixture of instant coffee brands. Industries improve various brands with the aim of drawing and retaining consumers (Alvarez, 2005). Many firms have noticed the significance of loyal consumers because such consumers frequently spend extra, purchase more regularly and are riveted to seek for more information for several products, get fascinated to rival's promotions and are more expected to switch loyalty and avail information to other potential consumer's (Dick & Basu, 2006).

The change from simple products to brands has not been abrupt or unavoidable. It could be argued that it sprouted out of the regulation of quality products or consumers in the mid-20th century, which forced firms to find a new way to distinguish themselves from their competitors. In the 1950s, consumer packaged goods companies like Procter and Gamble, General Foods and Unilever established the subject of brand management, or marketing as we know it now, when they observed the quality levels of products being availed by competitors around them improve. A brand manager would be accountable for giving a product an identity that differentiated it from nearly impossible to tell apart competitors.

Product characteristics that has to do with brand awareness, packaging and pricing have been found to strengthen the connection the consumer might feel towards the brand (Suresh, 2012). Consumers tend to prefer packaging that might be based on their individual preferences, favorites or learned responses which has led to certain products domination in today's changing market place (Aaker, 2010). While there are some product qualities, shades, dimensions and designs that has a positive influence on the customer's responses towards a

product, others on the other hand do lead to negative reactions from the consumers (Aaker, 2011). The rise in consumer purchasing ability has often seen most consumers ready to pay an extra coin if the product is well packaged, is reliable, convenient or has a preferred appearance (Kotler & Armstrong, 2010). Many firms have also come to the realization that pricing has a major influence in the acknowledgement of a brand or a firm by consumers (Duffy, 2007). Similarly, when companies conduct brand awareness campaigns that are effective, they are more likely to attract the attention of consumers and convince them to try out the new product or use it numerous times which leads to an increase in sales for the firm (McKee, 2010).

Packaging experts are always seeking for ways to appeal to consumers. Packaging is the first fixation a consumer sees and its shape can play a huge part in acquisition (Szaky, 2014). This doesn't conclude that looks are all that matter; ecologically-savvy customers are as equally bothered about the fate of the packaging as they are in its aesthetics. Increasingly consumers are interested in buying from brands that highlight their commitment to environmental issues. According to (Ankton, 2013) study of the over 4000 people surveyed 86 percent recycled and a massive 92 percent consider environmental sustainability when purchasing products. A number of firms have begun coming up with creative ways to bring their recycling message to their consumer base, giving incentives to consumers who recycle their packaging. These are great openings for brands to connect with their consumers. This marked the start of almost 50 years of marketing where "winning" was concluded by knowing the consumer better than your competitors and the getting the total "brand mix" right. The brand mix is not just the logo, or the price of a product. It's also the packaging, the

promotions, and the advertising, all of which is steered by precisely formulated positioning statements.

1.1.1 Marketing Strategies

Conventionally, marketing strategies have been centered on examining the physical aspects of products and services such as quantity, quality, functionality, availability, accessibility, delivery, price and customer support. With advancement, marketing managers shifted to creating value for their consumers (Clutterbuck and Goldsmith, 1998; Fudenberg, 2000; McAlexander et al., 2002). The current trend in marketing strategies is to create winning experiences for the consumers (Macmillan and McGrath, 1997; Carbone, 1998; Pine and Gilmore, 1998; Rowley, 1999; Wyner, 2000; Calhoun, 2001; Arussy, 2002; Berry et al., 2002; Gilmore and Pine, 2002; Lamperes, 2002).

In the modern day marketplace many companies are facing many challenges like increasing demanding consumers, fierce rivalry and a lot of improvement (Knox, 2004). These challenges are forcing companies to aim to review their marketing strategies to increase value of their products to keep up with the demands of the consumer. There are opinions that branding has an even higher importance in the service organizations compared to the manufacturing sector (Lovelock & Wirtz, 2001). A well-developed brand is a good marketing strategy, as it sends meaning to people about the details of the product (Berry, 2000). Berry goes on to say that when a brand is well respected it is likely that people will trust and respect the services the brand provides.

Czinkota (2000) defines packaging as the know-how of enclosing or protecting products for distribution, sale and use. Ronkainen (2007) observes packaging as a coordinated system of preparing goods for transport, warehousing and logistics. Packaging

design has become important in marketing varied consumer goods and has a key role in communicating product benefits to the consumer. Packaging design is subject to a complex set of impacts from the business environment. Some of the influences include new technology, materials development, consumer preferences. Packaging design is one of the most important aspects of marketing strategy. It's estimated that about 70% of consumer purchase decisions of prepackaged goods are made at point of purchase.

Bloch (1995), observes the importance of product design is crucial to the success of a product by ensuring the consumer notices, communicates evidence, provides stimulation and lasting effects of the products to the consumer (Rowley,2005). Good packaging requires exploration of target market; retail and external environment including social change and technological developments. Consumers acquire by image and perception of value, packaging colour and the way it can affect sales by consumer's subconscious color associations. Vasquez (2003) suggested that good packaging is far more than a salesman; it's a flag of identification and a symbol of values. Packaging represents one of the most important channels for communicating the brand message directly to the target consumer. Nancarrow et al. (1998) added that the retail environment has become saturated with competitors vying for consumer's attention, packaging has to work harder than ever if the product is to be seen through the congestion of competitive products.

Price is the worth that is put to a product or service and is another marketing strategy. A price takes into account sectors, ability to pay, economic conditions, competitor actions, trade margins and input costs. It is directed at the defined customers and against competitors. Richard (2008) describes price as one of the P's which is part of the marketing mix and can be said to the value in monetary terms that a consumer attaches to a particular service or

good. Randall (2000) adds that pricing is a strategic decision. It's a signal to the market of the quality or value positioning of the brand, and as such cannot change at will. Some companies have adopted a strategy of 'everyday low price' to their customers, cutting out expensive promotions that can disrupt production flows and confuse consumers.

Price plays an important role in the marketing of a product. After developing a product, the next step of the company is fixing the price of the product so as to market the product effectively earn some money from selling the product. If the price is not determined correctly, it could affect the sale of the product as well as the profit of the company (Deliya, 2012). A buyer's decision is largely influenced the price of the product. A company can increase and reduce the demand of a product through pricing. Pricing can also be used to regulate the competition in the market. Wrong pricing policies can also lead to legal complications apart from general ill-will and resentment among the buyer's (Kotler, 2010).

Fixing a reasonable price for the product is a tough job for the marketing manager. Some people feel that the price should be as high as the customer can pay, but others feel that it should be low enough to enable the maximum number of persons to buy the product (Reuben, 2014). The basis of competition in the market for a product is mostly its price. So the competitors carefully watch the price of the product regularly and fix the price accordingly to improve sales. At the same time price affects the total sales, total revenue and the total profit of the organization (Rowley, 2005). Pricing is an important matter not only for the organization which it produces, but also for the buyer and the society. Price signifies the value of the market offering to the buyers. Price can affect the need of the product. Also price indicate the quality of the product. Increase in price may be perceived positively by the

buyers who might interpret it as a consequence of improvement of quality. According to the law of demand, a decrease in price leads to an increase in demand (Keller, 2013).

Brand awareness is the extent to which a brand is recognized by potential customers and is associated with a particular product. Brand awareness is related to the functions of brand identities in consumer's memory and can be reflected by how well the consumers can identify the brand under various situations. For a consumer to buy a brand they must first be made aware of it. Brand attitude cannot be formed and intention to buy cannot occur unless brand awareness has occurred (Rossiter & Percy, 2007). Brand awareness has been said to play an important role in determining the consideration group, this is the small group of brands which a consumer gives serious attention when making a purchase (Markin, 2013). The composition of this small group of brands which are considered during decision-making is important. A brand that is not considered cannot be chosen (Baker, 2006) and further, the probability of the brand being chosen is a function of the number of other brands in the consideration group.

In a situation where the consumer is aware of a number of brands which fit the applicable criteria, he or she is unlikely to spend much effort in finding out information on unfamiliar brands. A brand that has some level of brand awareness is far more likely to be considered, and therefore chosen, than brands which the consumer is unaware of. Additionally, the strength of awareness of the brands within the consideration set can also be significant. Wilson (2013) confirmed the importance of awareness in a study which found that the higher the position of the brand in the consumer's mind measured by unaided recall, the higher the purchase intention and the higher the relative purchase of the brand. In another

study, increases in brand awareness were shown to increase the likelihood of choice even without any accompanying change in attitude or perceptions (Nedungadi, 2010).

Brand awareness should be a vital goal of the marketing strategy efforts of a firm as it has a number of important purposes. It is widely recognized that without brand awareness occurring, brand attitude and brand image cannot be shaped. Aaker (2010) maintains strongly the case for brand building and maintaining brand equity; conclusion is made that brand name awareness as one of four major brand assets which add worth to the product or service and/or its customers. Investments in brand equity and in particular brand awareness can lead to sustainable reasonable advantages and thus to long term value. Brand awareness can add value by; placing the brand in the consumer's mind, second acting as a barrier to entry to new unestablished brands (Stokes, 2006), third, reassuring the consumer of the organization's obligation and product quality, and last providing influence in the distribution channels.

1.1.2 Supermarket Industry in Kenya

Hamlets (2008) perceive a supermarket as a self-service shop, offering a wide variety of food and household products, organized into aisles. Colin (2009) defines a supermarket as a large shop, which sells a variety of household items, in which people take from shelves, the things they want to buy and pay for them as they exit. Supermarkets self-service stores trace their start to the late 1930's and became prominent in the 1950's. Some of the original supermarkets include Woolworths which started in the 1960's in big towns. Supermarkets in emerging countries started in mid-1990 but it was limited to mainly large cities and upper middle class. The growth of supermarkets in Kenya has been attributed to such factors as increased growth, a growing middle class and its changing lifestyles; and market liberalization that harried to increased competition in the sector. The supermarket is not a new concept in Kenya, having had the first store of its kind in the 1960s (Neven & Reardon,

2005). Some of the old players in the retail industry are Uchumi Supermarkets, founded in the mid '70s and Nakumatt Supermarkets, founded in 1987. However much growth was not seen within the retail chains until the mid '90s when supermarkets grew from 5 to the current over 300 stores in Kenya (Kamau, 2008).

These range from well-established retail chains to independent one store supermarkets. The dominant players in the sector include Nakumatt, which is privately owned with a turnover of over 20 billion Kenya shillings per annum. It is the leading player in the sector with over 19 branches in Kenya as well as regional presence through a branch in Uganda and another in Rwanda. Nakumatt has been noted as a ground breaker in East and Central Africa as it is the first retailer to have its stores opens round the clock (Reuben, 2014).

Tusky's Supermarkets is another major chain in Kenya, ranking second, by sales, in the retail industry. The oldest and once leading supermarket chain, Uchumi, is also a key player in the industry. Other key retail chains are Ukwala, Chandarana, Eastmatt and Naivas Supermarkets (Kamau & Nyagah, 2008). The increased population in towns has resulted in the increased demand of goods and services causing a major transformation of the supermarket chains.

1.1.3 The Coffee Industry

Coffee is undoubtedly one of the most key agricultural commodities in world trade. However, the coffee industry worldwide is currently in a crisis. The drastic drop in prices in the last five years has severely affected countries that depend heavily on coffee export revenues as well as the livelihoods of 25 million small producers and over 125 million people who directly or indirectly depend on coffee (Kamanu, 2008).

In Kenya since October 2007, a number of policy reforms have been made in the coffee industry aimed at improving farmer's incentives and thereby increasing their control of the sector. The reforms have been undertaken gradually in phases with an objective of having minimal disruption of coffee production, processing and marketing. In Kenya Coffee ranks fourth after tourism, tea and horticulture, accounting for 10% of the total export earnings in 2000 and 6% in 2006. Over 600,000 small holders are engaged in coffee production and currently command a 48% share of the market. Coffee production has been on a declining trend. During the last decade the country's production averaged 77514 Metric Tons of clean coffee. The decline in production is more pronounced in smallholder farms where it declined by 47% during the same period. The low productivity in smallholder farms therefore remains one of the major challenges to be overcome if coffee is to remain a viable farm enterprise. (Kinuthia,2007).

Instant coffee also called soluble coffee, coffee crystals and coffee powder is a beverage derived from brewed coffee beans. Instant coffee is commercially prepared by either freeze-drying or spray drying, after which it can be rehydrated. Advantages of instant coffee include speed of preparation (instant coffee dissolves instantly in hot water), longer shipping weight and volume than beans or ground coffee (to prepare the same amount of beverage and long shelf life – though instant coffee can spoil if not kept dry. Instant or soluble coffee was invented and patented in 1890 by David Strang of New Zealand. The inventions were previously attributed to Satori Kato, a Japanese Scientist working in Chicago in 1901. The Nescafé brand which introduced a more advanced coffee refining process was launched in 1938. Others include International Roast, Extra, Folgers, Maxwell house, Robert Timms, Starbucks. In the Kenya supermarkets we have Café Pele, Gibson's Coffee,

Dorman's, Africafé, Kahawa no 1, Maasai Café, Out of Africa, Java, Pancaffé, Harvester Coffee, Mac Coffee, Kenya Highlands, Magic time, Alicaffe and Sasini. (Suresh,2012).

1.2 Statement of the Problem

The current supermarket environment is filled with a wide variety of product brands, yet the consumers are still the same. Accordingly, for the regular customer, keeping pace with the different brands might be a difficult thing to do (Suresh, Monahan & Naresh, 2012). Firms have often come up with new brands so as to both attract and retain consumers (Alvarez & Casielles, 2005). Both market experts and researchers have come to acknowledge that loyal customers play a major role to increasing a firm's sales as they spend and buy more of the product, are not too easily swayed by competitors 'promotions' and are more willing to learn more about the company or product (Bytyqi & Vegara, 2008).

Today, more firms have increased their efforts to improving their brand loyalty in the market which has seen most firms seek new avenues that they use to increase and gain more share in the market (Kent & Omar, 2005). This can be observed in the importance that is placed on creating loyal customers, improving products quality and maintenance of a competitive price range (Rowley, 2005). Globally in recent years, there has also been an increase in research on the factors that normally influence consumer's loyalty on companies brands. Rowley and Dawes (2006) did a study on how the consumers thoughts and behaviors can influence brand loyalty which led to the conclusion that the consumer expectations on the quality and nature of the company's products and services in addition to the firms or the brand image does have an influence on the loyalty of the consumer towards a brand.

Moore, Kennedy and Hurst (2008) did a study among polish customers of different cultures on the influence price had on brand loyalty. The study's conclusion was that price

was a more important factor if the consumer did have a shopping experience and also if the price of the product or service was standardized. Allender and Richards (2012) study looked at the relationship that exists between strategies used to promote price of products and services and consumers brand loyalty; the study's findings indicated that sub-brands that had large or moderate loyal consumer segments were in most cases used to provide effective price promotions which showed the loss leading idea. Another study done by Huang and Sarigollu (2012) focusing on the relationship between brand awareness and the market outcome, the brand loyalty and marketing mix showed that the experience consumers had on the use of a product was a bigger contributor to brand awareness than the other way round. A more recent study by Couste, Rous and Partal (2013) that did a survey on packaging trends, new products claims and the effect they had on brand loyalty concluded that the packaging of products played a major role in establishing a company's brand image. Most of the above researches focused more on one aspect of the marketing strategies and did not focus on all three aspects of brand awareness, price and packaging.

A few studies have been done in Africa, mainly South Africa; Dhurup (2013) explored the impact of packaging, price and brand awareness in paint retailing industry. Their conclusion was that the three did positively impact brand loyalty. The researcher major suggestion was that firm's management should come up with packaging that was more effective, promote brand awareness and encourage fair pricing so as to enhance their customers loyalty to the firms services and products. In a developing country like Kenya, wholesale and retail trade is one of the key sectors on focus in the economic development of the country. This is because the sector is the link between consumption and production which are expected to expand economic growth. Several studies have been done on different aspects

of retail chain operations that evaluate on the performance of supermarkets in Kenya. For example, Munyoki (1997) researched on pricing strategies of consumer goods in the retail market, and concluded that different pricing methods help to attract different segments of consumers. Kiilu (2008) developed a case study on corporate strategy at Nakumatt Holdings Ltd and found that the direction in terms of brand image that the company chooses to take has an effect on brand loyalty. Njiru (2010) studied price as a factor that determines brand loyalty to supermarkets in Nairobi, he concluded that price is extremely important to the company's position in relation to its target. Literature review reveals studies focusing on different aspects of supermarkets but there's limited research in terms of the influence of price, packaging and brand awareness on brand loyalty of instant coffee brands heralding a knowledge gap that this study seeks to address. This study therefore sought to answer to the question, how do the current marketing strategies employed by companies in the instant coffee industry influence brand loyalty?

1.3 Research Objectives

The general objectives of the study were to find out how brand awareness, packaging and pricing influenced brand loyalty of supermarket customers in Nairobi Central Business District. The study was guided by the following specific research objectives;

- i. To determine the influence of brand awareness strategy on brand loyalty of consumers instant coffee brands in supermarkets in Kenya.
- ii. To assess the influence of pricing strategy on brand loyalty of consumers of instant coffee brands amongst supermarkets in Kenya.
- iii. To examine the influence of packaging strategy on brand loyalty of consumers of instant coffee brands in supermarkets in Kenya.

1.4 Research Questions

- i. Does brand awareness strategy employed by supermarkets in Kenya affect brand loyalty of consumers of instant coffee brands?
- ii. Does the pricing strategy employed by supermarkets in Kenya result in brand loyalty of consumers of instant coffee brands?
- iii. Does the packaging strategy used by supermarkets in Kenya enhance brand loyalty of consumers of instant coffee brands?

1.5 Limitations of the study

A response rate of 66% was achieved in this study. The target response for the study was the coffee consumers of instant coffee brands. Some of the limitations of the study included unwillingness of some consumers to respond to questions, some consumers had limited time. In many cases the researcher had to visit a supermarket more than once to get audience. The researcher also found it difficult convincing the respondent to provide information. Promising the respondent that the information provided would be treated with a lot of confidentiality and that it was meant for class work only was not very convincing. Nevertheless, efforts were made to achieve the objective of this study.

1.6 Significance of the Study

The study provides some exposure to the rapidly evolving Kenyan consumer market which in turn provides unique insights into the wants and desires of the various sectors of the population. This type of information is likely to add value to marketing managers and retailers seeking to gain competitive advantage within a changing revolving Kenyan market place. Instant coffee has become an integral part of the lives of the Kenyan consumers thus the need for differentiation to direct consumer choice.

1.7 Scope of the Study

The study concentrated on customers visiting supermarkets in Nairobi Central Business District and investigated the influence brand awareness, pricing and packaging had on brand loyalty in instant coffee brands among supermarket customers in Nairobi Central Business District.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter focused on the review of literature and analyze past studies related to brand loyalty and the influence of price, packaging and brand awareness on brand loyalty. This chapter includes theoretical and empirical reviews from past studies.

2.2 Theoretical Review

The research sought to investigate the influence of marketing strategy on brand loyalty of instant coffee brands: a case of supermarket customers in Nairobi. It was based on the branding theories, economic theory, and consumer based theory

2.2.1 Branding Theories

In marketing theory, several brand theories have been identified during 1985-2006. These theories reflect a development where the focus has shifted from the sending end of brand communications in the first period of time has then turned their attention to the receiving end in the second period. In this chapter we will read about two theories namely Economic and Consumer based theories.

2.2.2 Economic Theory

In the economic theory it's expected that the brand can be controlled and managed by the firm. If management gets the marketing mix right the brand will be successful and strong. Consumers in this approach to brand management are perceived to be more or less passive receivers of marketing messages who analyze and evaluate brand messages rationally

(Berthon, 2003). This perception of the consumer is associated with how the concept the economic man perceives exchanges of goods and consumption. The assumptions and premises of the economic theory have their origin in the theoretical model of exchange derived from micro economic theory and marketing. The model of exchange in micro-economics is purely theoretical model which means that the assumption and key models are the result of theoretical rather than empirical research. Smith (2009) argued that if one would let market forces govern the allocation of resources and the exchange of goods, the invisible hand would allocate resources in a way that optimizes both the individual and the societal beneficial use of available resources. In this perception of market forces lies an assumption that individuals pursue self-interest and attempt to maximize revenue or utility function. The principle of the “invisible hand” assumes that resources are allocated according to where they will give the highest possible functional outcome or revenue because efficient methods of production will be adopted by manufacturers in order to accommodate the utility maximizing behavior displayed by the individual (Machas, 2008).



Figure 2.1: Economic Theory

2.2.3 Consumer Based Theory

In this theory the brand is perceived as a cognitive construal in the mind of the consumer. It's assumed that a strong brand holds strong unique & favorable associations in the minds of consumers. It is assumed that a strong brand holds strong unique and favorable associations

in the minds of consumers. In this theory attention shifts from the sender towards the receiving end of brand communication. The consumer is the owner of the brand in this approach (Kennedy, 1977). Brand value creation takes place by molding the brand associations held in the consumer's mind. Understanding the consumer is hence central in this take of brand value creation but it's important to notice that the approach implies a specific view on the consumer. The consumer is analyzed by means of theories adopted from cognitive psychology and the information processing theory of consumer choice.

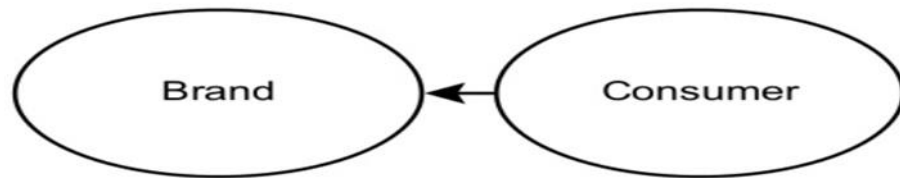


Figure 2.2: Consumer Based Theory

2.3 Empirical Review

Retail supermarket outlets today operate in a changing environment and each of them seeks to dominate the market using more competitive means that are based on brand awareness, packaging and pricing which has seen such retail outlets to seek new marketing ways to increase and gain a new share in the market (Kent & Omar, 2003). This can be observed by the more emphasis that has been put on the creation of loyal customers, maintenance of competitive and fair pricing and improving the packaging quality of products (Rowley, 2005).

2.3.1 Influence of Pricing on Brand loyalty

Pricing is a significant strategic variable as it has a direct relationship with the firm's goals and also because it has to interact with the different elements of marketing mix (Yesawich,

2004). A competitive price allows a company to define its products and services, send competitive messages to rival companies, segment the market and also create new incentives to consumers to purchase the product or service (Huber, 2007). A firm should price its goods and services in such a way that the firm is able to gain some profit, the price satisfies consumers in addition to the price adapting different challenges such as competition that might be found in the market (Sahay, 2007).

Pricing is a very significant aspect, for many consumers. Price can be more important on decision making than that of quality, brand name and others. Consumer consideration to decide product brand is mainly based on price. The main question is how consumer brand decision is effected by price variations. According to research buyers have a range of acceptable prices for considering purchases. Thus buyers may not purchase a product when price is seen as very high or when price is seen to be too low. Therefore, the acceptable price range notion provides the suggestion that perceived value is positive when prices are acceptable. However, perceived value will be positive when the utility concluded from the inception of quality is greater than the utility sacrificed by paying the price (Monroe, 2006). Blair (2007) confirms that consumers are delicate to their perception of the highest and lowest prices in the marketplace. The threat of consumer anger can account for the stability of prices from one period to the next while also having the likelihood for explaining some of the responses of the economy. Price may be used for judging quality when other product material is not available (Monroe, 2006).

For an extended period, one attribute of the brand that has been studied by researchers is brand price. Gabor and Gardener (1971) have indicated that price is used by consumers as an alternate for quality in the absence; of brand information and that the importance of price

in quality opinions reduces when a number of other brand signals are present. On initiation new product most marketers use price discount to attract consumer buying. This strategy is used in line with the intention believed that whenever price is presented in a discount format; it can perform an informative role in brand choice. Moore and Olshavsky (2006) found from their research that the attraction of a reduced unfamiliar brand does not continue to increase as the size of the price discount increases. In most cases, marketers are also in a dilemma whether to use a discounted or a fixed price (Abedniya, 2011). A price that is fixed does not give the consumer the chance to negotiate and it remains constant whether the consumer decides to buy the product or not (Ahmad & Vays 2011; Nagle and Holden 1994). On the other hand, a discounted price might see the price reduced by different margins if it becomes a necessity to encourage buyers to buy more (Leisen & Prosser 2004) this is different from the fixed price strategy as in this case the fixed price does not allow the product or service to be part of products whose prices can be discounted or be part of a promotion (Boonlertvanich, 2009). Marketers should also use effective price communication means using different medias and at the point of sale so as to encourage consumers to learn more on the value of the product and also encourage more sales (Romani, 2006). Price is a significant instrument which does affect the destiny and performance of the firm or the product or service and it is therefore logical to say that there is a relationship between price and the brand loyalty.

There are different pricing strategies available which can be used to influence how consumers make their purchasing decisions (Cataluna, 2005). The fact that there are different pricing varieties that are open to marketers present both an opportunity and a dilemma on which of the strategies the marketers can use (Boonlertvanich, 2009). This becomes even

more difficult since the marketers are aware that whichever strategy they choose, it should be consistent with the firm's return on investment, positioning, sales and profits goals. Thus companies can choose to price their products high, low or opt to be price followers (Paliwoda & Thomas 1998). Other pricing methods that have been popularly used by firms include; 'high and low prices' (hi-lo) and the 'every-day low prices' (EDLP) methods (Cataluna, 2005). The EDLP strategy has often been used by retailers as an advertising strategy to stabilize sales and also attract new customers (Alvarez & Casielles, 2005).

The quoting of single figure prices or simple one-dimensional pricing has led to the use of more psychological pricing methods that seek to exploit existing information-elaborating process among consumers as a result of how the prices are presented (Boonlertvanich). An example, a firm might decide to price a product at USD 9.99 rather than stating a price of USD10.00 (Romani, 2006). This can lead customers to believe that the stated price is lower which can see sales increase for the product (Lamb *et al.* 2008). Reference pricing when used as a pricing strategy does present different challenges to the firm's marketers (Abedniya, 2011). Reference price is the price that the customers can use to compare the price listed for a product with the discounted price (Anttila, 2004). The use of a reference price allows the customer to decide whether the price is too high or too low as they make their purchasing decisions. Some retailers when they observe that a retail outlet does price its products highly conclude that the retail has an air of luxury which can lead to repeated purchases (Dunne & Lusch, 2008). Since there are different segments in the market that prefer different prices, some of the retailers do stock broad products or household products so as to attract the market section that might be price sensitive (Yelkur, 2000). This strategy is used due to the fact that there are consumers that might not be willing to pay high

prices as it would mean that they would have to give up more resources for the good or service than they can afford. However, for others a high price makes them perceive the product to be of a better quality and prestigious (Jin & Sternquist, 2003).

2.3.2 Packaging and Brand Loyalty

Due to the shifting of customer's lifestyle, the role that packaging plays is also constantly changing. Packaging is as used as part of the marketing mix element of promotion. Packaging is also used as an important aspect of communication to transmit imagery. Better packaging can in most instances influence decisions due to its advertising ability and thus influence sales. The brand experience focus is both on every aspect of the product trial and all the product commitment levels. Packaging can be said to be a collection of different activities which are part of manufacturing, designing and putting the product in a container or wrapping it up so as to protect, store, transport, identify and promote the end product (Kent & Omar, 2003). The ability of the packaged product to reflect the qualities of the product to buyers who might be unbiased or unsuspecting is an element of packaging that is in most instances over looked (Gonzalez & Twede, 2007).

The product's packaging can influence consumer's association with a company's products (Del Rio, Vazquez & Iglesias 2001). The packaging should be done in a way that ensures that the handling of the product does not destroy the contents inside the package (Silayoi & Speece, 2007). Increasing of the product sales should also be an important aim of packaging (Deliya & Parmar, 2012). Packaging should also enable the consumer to associate a product to a particular manufacturer when the product is located in a shelf and also allow the consumer to use packaging as a means of differentiating the product from other competing brands (Cronje et al, 2003).

Packaging also provides an important role of non-verbal communication as the appearance of a product provide a way in which a consumer can learn and also influence the believe process of consumers as two thirds of all stimulate is communicated to the brain through visual effect (Zaltman, 1997). Wright (2006) further notes that packaging is an effective way to market products as most consumers buying choices are influenced by the design and the appearance of the product in addition to other product aspects such as smell, touch, taste and feel.

An important factor at the point of sale which influences consumer purchasing decision is packaging as it has become an important aspect of the process of selling (Silayoi & Speece 2004). Today's retail firm's present to consumers' different messages on the package of products (Klevas 2005; Nancarrow, Wright & Brace 1998). When there are different products from which consumers can choose from, the consumers tend to rely on externalities such as packaging to make their buying decisions and also to make decision on the quality of the product (Rundh, 2005). This has led marketers to use packaging as a form of visual communication to not only persuade but also inform their customers during the purchasing and consumption processes (McNeal & Ji, 2003).

So as to achieve the proper visual and aesthetics effect, it is important to use packaging in such a way that it communicates the proper value of the brand and the proper product (Mowen & Minor, 2001). This, presents the point at which effective packaging value is. Visual cues such as the color used, images and the material used on the package can influence greatly whether the product will be purchased at the point of sale or if it won't (Imram, 1999). With self-service strategy being often used in retail firms, packaging

characteristics act as the 'quiet salesman on the shelf' (Silayoi & Speece, 2004). A fair amount of value is also added to the product due to effective packaging (Underwood, Klein and Burke, 2001) in addition to acting as a tool to help consumers differentiate the product from others which can positively influence the purchasing decision of the consumer (Wells, Farley and Armstrong, 2007). Packaging further can influence the opinion of a consumer on a product, can enhance the product image and can attract a consumer to a given brand (Vila & Ampuero, 2007).

Bed (2008), did a study on the practices used for the labelling, packaging and branding of new products by manufacturing firms dealing with consumer products, the study findings showed that the use of an effective packaging method can help a firm get an important marketplace position and also improve its image in the consumer's mind. Broad bridge and Morgan (2007), further noted that most customers want the self-assurance on the product reliability, packaging and performance before they can make a buying decision. Hysen and Mensur (2008) study concluded that the right packaging influenced the buying of dairy products by consumers in a positive way. Findings in a study by Gupta (2009) also show that effective packaging is positively linked with impulse buying behavior in the food retailing industry, which justifies the use of sales packaging in that industry. It appears, then, that effective packaging is a crucial instrument in shaping the purchase decisions of consumers.

2.3.3 Impact of Brand Awareness on Brand Loyalty

Brand awareness means the ability of a consumer to identify and recall a brand in different circumstances (Aaker, 2011). Brand awareness consists of brand recall and brand identity. Brand recall means when consumers see a product category, they can recall a brand name

exactly, and brand acknowledgment means consumers has ability to identify a brand when there is a brand signal. That is, consumers can tell a brand correctly if they ever saw or heard it. Moreover, Hoeffler and Keller (2002) indicate that brand awareness can be distinguished from brand depth and brand width. Depth means how to make consumers to recall or identify brand easily, and width expresses implies when consumers purchase a product, a brand name will come to their minds at once. If a product owns brand depth and brand width at the same time, consumers will think of a specific brand when they want to buy a product. That is, the product has higher brand awareness. Moreover, brand name is the most important element in brand awareness (Davis, Golicic and Marquardt, 2008). As a consequence, brand awareness will affect purchase decision through brand association, and when a product owns a positive brand image, it will help in marketing activities (Keller, 1993).

A brand name offers symbol that can assist consumers to identify service providers and to predict service results (Herbig & Milewicz, 1993; Janiszewski & Osselaer, 2000; Turley and Moore,1995). Brand awareness plays an significant role on purchase purpose because consumers tend to buy a familiar and well-known product (Keller, 1993; Macdonald & Sharp, 2000). Brand awareness can help consumers to recognize a brand from a product category and make purchase choice (Percy & Rossiter, 1992). Brand awareness has a great influence on choices and can be a prior consideration base in a product category (Hoyer & Brown, 1990). Brand awareness also acts as a critical factor in the consumer purchase intention, and certain brands will collect in consumers' mind to influence consumer purchase decision. A product with a high level of brand awareness will receive higher consumer preferences because it has higher market share and quality evaluation (Dodds et al., 1991; Grewal et al., 1998).

According to Naziaet al (2011) in daily life humans watch billboards while crossing roads, in the streets, watching TV, and going on drive face a number of advertisements. Similarly, humans read newspaper and listen radio and come across different announcements from different companies. According to Naziaet (2011) Companies invest huge money on these announcements and the purpose behind this promotion is product sale and customer loyalty. According to Barton (1999) Personal selling carry personal relations which make it unique. Through personnel selling awareness can be created in more effective manner as because questions can be answered through this type of promotion method. Jagdish (1995) noted that the strength of personal selling is that it is flexible & provides immediate feedback. The sales presentation can be tailored based upon the wants of customer. Many customers don't know what they want & it is through personal selling that marketer can help him out. Kristof (2001), in his study observed that sales promotion is a short term benefits offered by the company for the enhancement of sale or attraction of consumers. Sales promotion can take the form of extra quantity, coupons; buy one get one free, free sample among others. Similarly, public relation has also an impact on consumer buying behavior.

Keller (1993) defined brand image as a particular frame of reference by which the consumer is associating a particular brand. A good image enhances the value of the brand in the eyes of the consumer by increasing its likeability/desirability and differentiating it from other competing brands (Hsieh, Pan, & Setiono, 2004). The outcome of the favorable image is the increase in loyalty, equity, consumer buying behavior and overall performance of brand (Koo, 2003; Keller, 1993; Hsieh et al., 2004 & Roth, 1995). Brand image is measured in terms of benefits a brand is offering or some attributes the brand is having or the usage of the brand (Malhotra's 1981 & Roth, 1995). Brand awareness is used as a way of showing just

how well knowledgeable the consumer is about a product, how easily the knowledge is retrieved from the memory of the consumer and how strong the brand presence is in the consumers memory (O'Guinn, Allen & Semenik, 2009). It can also be said to be the probability that a consumer will easily recognize the existence and presence of the company service or product (Mowen & Minor, 2001). The main types of brand awareness are; 'top of the mind awareness and 'aided awareness' (Farris, 2010). In top of the mind awareness, the consumer can recollect the brand name due to the fact that the consumer associates the brand with the right category of the product while aided awareness is where the consumer recognizes the product from a given list of different brand names (Keller, 2008). Despite the fact that both brand awareness methods have different characteristics they are both important when used in their rightful domains. Brand awareness also incorporates brand recognition whereby consumers can confirm that they are aware of a particular brand as they have been previously been exposed to it. Another aspect of brand awareness is brand recall which is the ability of the customer to give the name of a brand when presented with a cue such as the brand category need, logo or brand product category. (Liu, Heyes & Ko, 2010).

There are different ways that brand awareness can influence the consumer decisions. Consumers can be influenced by their brand awareness to make buying decisions (Hoyer and Brown, 1990). Recognition of a brand can make consumers consider purchasing the product (MacDonald and Sharp, 2000). Additionally, brand awareness enables a consumer to classify a particle brand into the correct product or service category and also identify the products and services sold under the brand name (De Chernatony & Horn 2003). Thus it can be noted that a well-known brand is most likely to do better in the market compared to a lesser known brand (Yoo, Donthu & Lee, 2000). Brand awareness does positively increase the

performance of the brand in the market (Huang & Sarigollu, 2012). The observations made above show that brand awareness can influence the buying decisions of consumers due to having a positive prediction on the brand and the influence it has on foregoing insights.

2.3.4 Measuring Brand Loyalty

Brand loyalty is derived from consumer's evaluations of a brand or service which influences consumers to repeatedly purchase the same product that satisfied consumers' needs better than others (Hoyer & McInnis, 2000). Regardless of the measure a single one-dimensional measure is probably insufficient for measuring brand loyalty. Only recently have there been attempts to incorporate more than one operationalization in the same study. Massy, Frank and Lodahl (2005) analyzed a variety of purchase variables and found out that their brand loyalty measures all loaded heavily on the same factor. In an attempt to examine the construct validity of brand loyalty, Olson and Jacoby administered 12 specific brand loyalty measures to 177 toothpaste purchasers. The optimal factor-analytic solution accounted for 67% of the variance and yielded four factors labeled behavioral brand loyalty (27%), attitudinal brand loyalty (17%), multiband loyalty (14%) and general brand loyalty (9%). Olson and Jacoby (2012) therefore concluded that brand loyalty consists of both behavioral and attitudinal components.

Another explanation offered for the inconclusive findings is that while operational definitions abound there are no conceptual definitions of brand loyalty. Regardless of how sophisticated the operationalization before a phenomenon can be measured one must clearly define what it is and what it is not. Moreover, while operational definitions may be sufficient for specifying how to measure brand loyalty and may under certain conditions enable one to make reasonably good predictions regarding future buying behaviors they are quite arbitrary

and provide nothing more than a surface understanding. Almost all are based on overt purchase acts. As such attention is focused almost exclusively on the outcome of rather than reasons for behavior.

2.4 Conceptual Framework

Figure 2.4 presents the study conceptual framework. The independent variables are; brand awareness, pricing strategy and packaging strategy. The dependent variable is brand loyalty.

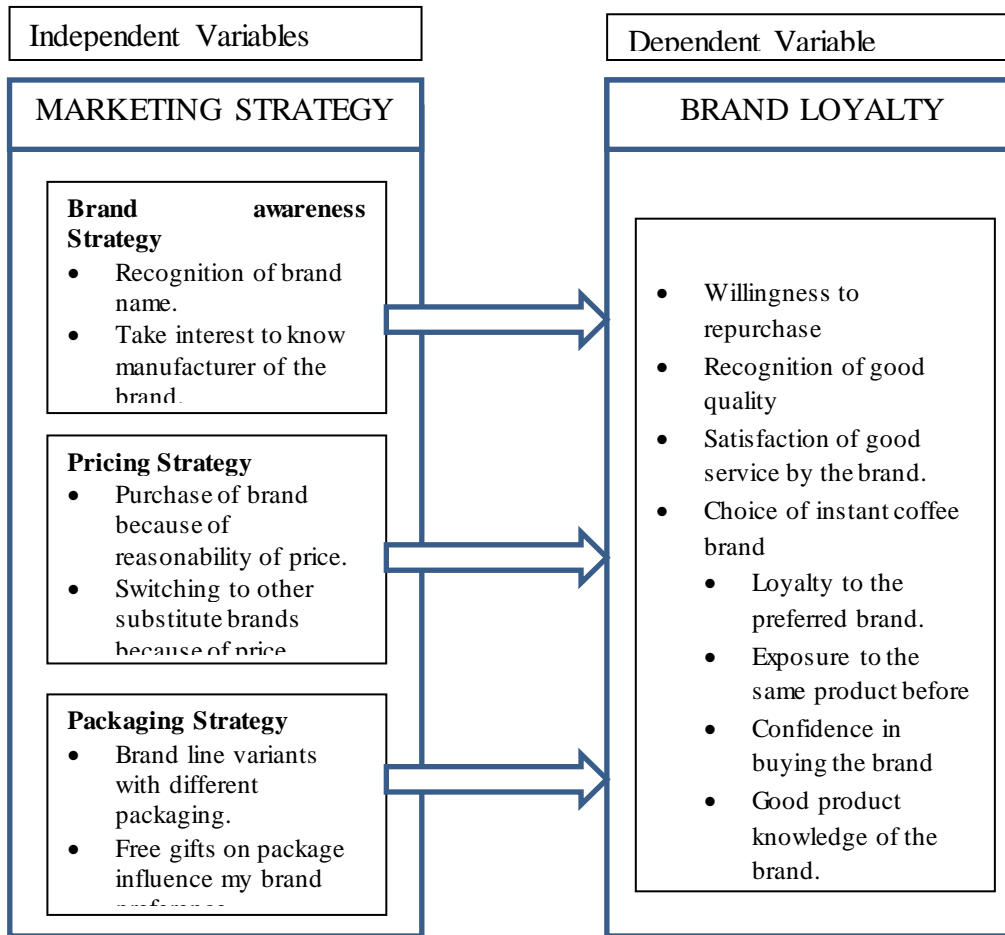


Figure 2.3: Conceptual Framework

2.5 Operationalization of Variables

2.6 Research Hypothesis

The study shall test the following research hypothesis;

H₀₁: Packaging has no significant influence on brand loyalty

H₁: Packaging strategy affects brand loyalty

H₀₂: Pricing has no significant influence on brand loyalty

H₂: Pricing strategy affects brand loyalty

H₀₃: Brand awareness has no significant influence on brand loyalty

H₃: Brand awareness strategy affects brand loyalty.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the research design, study population, the sampling techniques and the instruments that were used to collect data for the research. It also details how data was analyzed, validated, and tested.

3.2 Research Design

A research design is a plan and structure of investigation used to obtain answers to research questions (Kothari, 2009). The research design for this study took the form of a descriptive survey. According to Mugenda and Mugenda (2010) survey is a form of analysis where studies are done on institutions and from the study, data generalizations and inferences are drawn. Survey method allows for generalization of findings but it is also descriptive in nature which suits the purpose of this study. In order to examine the effect of pricing, packaging, brand awareness on brand loyalty descriptive research design was used. As indicated by Mugenda (2010), descriptive survey is a method of collecting information by reviewing or administering a questionnaire to a sample. Descriptive research is preferred because it allows for use of questionnaire to collect data and was used to explain packaging, price and brand awareness on brand loyalty.

3.3 Target Population

The target population in this study was instant coffee consumers who purchase the coffee in supermarkets in Nairobi Central Business District (NCBD). According to the City Council of Nairobi there are 10 supermarkets in the NCBD, as shown in Appendix 2. From the population, a list was taken from the Nairobi City County (NCC) who is the authority that issues business licenses to all operating business in Nairobi. The Nairobi City County

classifies supermarkets sizes in terms of floor size as; Hypermarket-over 100 employees over 5001 sq.m, Mega –Supermarket-50-100 employees, between 3001 to 5000 sq.m, Large Supermarket - 21 to 50 employees, between 300 to 3000 sq.m, Medium Supermarket – 5 to 20 employees, between 50 to 3000 sq.m and Small Supermarket –Up to 4 employees, less than 50 sq.m.

3.4 Sample Size and Sampling Procedure

The study adopted convenience sampling procedure, and used a sample of 280 consumers. The study sought to collect 20 questionnaires from each of the ten supermarkets, resulting in a sample size of 200 respondents as shown in Table 3.1. Convenience sampling was most appropriate due to lack of an adequate sampling frame, enlisting all the customers. Dhurup (2013), in a study of the paint retailing industry, had no sample frame and adopted the convenience sampling approach to identify 221 suitable respondents. Fatih (2014) in a study examining price perception for sports shoe customers in Turkey adopted convenience sampling to sample 638 consumers who voluntarily responded in survey.

Table 3.1: List of Supermarkets in NCBD

	Supermarket	Street	Apprx Floor Size Sqm	Area	Sample Size
1	Ukwala	Tom Mboya	3001-5000	CBD	20
2	Tuskeys Bebabeba	Tom Mboya /Mondlane	3001-5000	CBD	20
3	Tuskeys Pioneer	Moi Avenue	3001-5000	CBD	20
4	Nakumatt Moi Avenue	Moi Avenue	5000 and above	CBD	20
5	Karrymatt Down Town	Moi Avenue	3001-5001	CBD	20
6	Nairobi Matt	Moi Avenue	300-3000	CBD	20
7	Tuskys Imara	Tom Mboya /Accra Rd	5000	CBD	20
8	East Matt Tom Mboya	Tom Mboya Street	3001-5000	CBD	20
9	Nairobi Matt	Accra Road	3001-5000	CBD	20
10	Tuskys Karasha	Kenyatta Avenue	3001-5000	CBD	20
				Total	200

3.5 Data Collection

In this study both primary and secondary data were used. Primary data is defined as first-hand information collected for the study at hand. Primary data was collected using self-administered questionnaires and an assistant researcher. The assistant researcher positioned herself in each supermarket and requests the respondent to spare a few minutes and answer questions about the instant coffee product he or she has bought. The researcher filled out the questionnaire on behalf of the consumer based on the responses from the consumer. This method of data collection was preferred because it allows the researcher to collect data from relevant respondents only (mall intercept). Secondary data was collected by reviewing marketing journals and brochures, Of particular interest in this study was information on packaging, price, brand awareness and brand loyalty for instant coffee brands.

3.6 Instrumentation

In this study the instrument to be used was a questionnaire. The questionnaire (Appendix 2) is structured to have four sections. Section A provided background information. Section B sought information on brand awareness. Section C sought information on packaging. Section D sought information on pricing and finally Section E found out information on brand loyalty.

The questionnaire had to a large extent structured questions. A 5 point likert scale was used in measurement where 1 stands for strongly disagree and 5 stands for strongly agree. A cover letter (Appendix 1) was attached to introduce the respondents to the study.

3.7 Validity and Reliability

As a test of research quality of the study adopted validity tests. The questionnaire was pilot tested to check its face validity. Validity is defined by (Coopers & Schinder, 2003) as the

extent to which a measure correctly represents the concept of the study. The instrument in Appendix II, was administered to 5 instant coffee consumers and they were encouraged to give feedback on question difficulty ambiguity or non-clarity. Their suggestions were used to improve on the final survey instrument. The questionnaire in Appendix II was tested for reliability.

Reliability is a measure of repeatability or consistency. The Cronbach alpha (α) test of reliability was used to test the reliability of the items in the instruments. An alpha value (α) greater than or equals to 0.7 was interpreted to mean the instrument is reliable. According to Guilford (1965) suggestion, when Cronbach's α is greater than 0.7, it shows the questionnaire has a relative high internal reliability.

3.8 Data Analysis

The data collected in this study using the questionnaire was prepared for analysis. Data preparation entailed editing, coding, transcription and cleaning. This study adopted the Statistical Package for Social Sciences (SPSS) computer software. The study used two statistical tests that is Descriptive Statistics and regression analysis. Descriptive Statistics was used to analyze the background information and to examine the existence of co-relationships between variables. Regression analysis was used to determine how brand awareness, price and packaging influenced brand loyalty in Nairobi Central Business District (NCBD) based supermarkets. Further regression analysis was also used to investigate the existing correlation and the effect the independent variables had on the dependent variable.

The estimated regression model will take the form of;

$$BL = \alpha_0 + \beta_1 P + \beta_2 P_g + \beta_3 BA + \epsilon_0$$

Where:

BL	=	Brand Loyalty
α_0	=	Constant related to the regression model
P	=	Pricing
Pg	=	Packaging
BA	=	Brand awareness
B ₁	=	Co-efficient of Price
B ₂	=	Co-efficient of packaging
B ₃	=	Co-efficient of brand awareness
ε_0	=	Error term associated with the regression analysis.

CHAPTER FOUR

DATA ANALYSIS AND DISCUSSION

4.1 Introduction

This chapter discusses the interpretation and presentation of the findings obtained from the field. The chapter presents the background information of the respondents and the findings of the analysis based on the objectives of the study. The response rate was 66%. Descriptive and regression analysis has been used to discuss the findings of the study.

4.2 Internal Validity Test of Key Concept

Table 4.2: Reliability Coefficients

Scale	Cronbach's Alpha	Number of Items
Brand Awareness	0.819	9
Packaging	0.718	9
Pricing	0.829	6
Average	0.789	

Source: Author (2015)

A pilot study was carried out to determine internal validity of key concepts. The internal validity test involved the sample respondents from customers. Reliability of the questionnaire was evaluated through Cronbach's Alpha which measures the internal consistency. Cronbach's alpha was calculated by application of SPSS for reliability analysis. The alpha coefficient values ranges from 0-1 and can be used to describe how reliable the factors from the multi formatted and dichotomous scales or questionnaires are. A generated scale that has a higher value is more reliable. According to Cooper & Schindler (2008), 0.7 is the more acceptable reliability coefficient. Table 4.2 shows that pricing had the highest reliability ($\alpha=0.829$) followed by brand awareness ($\alpha=0.819$) and packaging ($\alpha=0.718$). on average the questionnaire had Cronbach alpha of 0.789. This illustrates that all the three scales were

reliable as their reliability values exceeded the prescribed threshold of 0.7.

4.3 Demographic Information

The demographic information contains useful for the study concerning the respondents age, gender, and rating of the brand instant coffee.

Table 4.3: Gender of the Respondents

Gender	Frequency	Percent
Male	74	56.1
Female	58	43.9
Total	132	100.0

The study sought to determine the gender of the respondents. From the study findings, majority of the respondents as shown by 56.1% were males whereas 43.9% of the respondents were female. This is an indication that both genders were fairly involved in the study and that most of the coffee consumers were male gender (56%) compared to 44% of the female gender.

Table 4.4: Age of the Respondents

Age	Frequency	Percent
Under 20 years	26	19.7
21-30 years	60	45.5
31-40 years	32	24.2
41-50 years	14	10.6
Total	132	100.0

The respondents were requested to indicate their age category. The findings show that most of the respondents as shown by 45.5% were aged between 21 and 30 years, 24.2% of the respondents were aged between 31 and 40 years, 19.7% of the respondents indicated less than 20 years while 10.6% of the respondents indicated that they were aged between 41 and

50 years. These findings show that all the age categories were represented in this study. More so that a majority of the respondent (45%) were in the age bracket of 21 to 30 years.

Table 4.5: Respondents rating the brand of instant coffee

	Very great extent	Great extent	Moderate extent	Very Low extent	Total Percent
Gibsons Coffeee	0	9.1	0	0	9.1
Dormans	37.1	36.4	12.9	0	86.4
Africafe	5.3	0	3.8	0	9.1
Kahawa No 1	7.6	16.7	21.2	11.4	56.9
Maasai Café	1.5	0	0	0	1.5
Out of Africa	0	1.5	3.8	0	5.3
Nescafe	45.5	28.8	11.4	9.1	94.8
Java	4.5	0	3.8	0	8.3
Sasini	3.8	10.6	14.4	0	28.8

The study sought to determine the extent to which respondents like brand of instant coffee, from the findings the study found that coffee brand rated to very great extent were nescafe as shown by 45.5%, dorman shown by 37.1% , Africafe as shown by 5.3% , Java as shown by 4.5% and Maasai café as shown by 1.5%. Gibson coffee was rated to great extent as shown by 9.1%. Coffee brand rated to moderate extent were Kahawa No 1 as shown by 21.2%, Sasini as shown by 14.4% and Out of Africa as shown by 3.8%. The most popular brand of coffee was Nescafe as shown by 94.8%, followed by Dormans as shown by 86.4%, Kahawa No 1 as shown by 56.9%, Sasini as shown by 28.8%, Africafe and Gibsons Coffeee as shown by 9.1% in each case, java as shown by 8.3%, Out of Africa as shown by 5.3 and Maasai Café as shown by 1.5%. This clearly shows that Kenyan has different perception in relation to different coffee brands in the country.

4.4 Brand Awareness

The study sought to determine the influence of brand awareness strategy on brand loyalty of consumers to instant coffee brands in supermarkets in Kenya. The respondents were requested to indicate their level of agreement on some statements relating to brand awareness.

Table 4.6: Statements Relating to Brand Awareness

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std Deviation
I know the name of my preferred coffee brand	0	0	0	21	111	4.8409	.36715
I take interest to find out the manufacturers of the instant coffee brand	8	15	20	56	33	3.6894	1.1467
I can distinguish one instant coffee brand from the other	15	8	11	48	50	3.8333	1.3086
The amount of advertising directed at the instant coffee brand has helped me as consumer recognize this brand	0	0	14	100	18	4.0303	.49330
Am aware who the competitors of my preferred brand are	15	0	11	79	27	3.7803	1.1278
I have been exposed to sales representative and shelf merchandisers, talking about the product	0	0	19	75	38	4.1439	.64361
I have enough knowledge of the brand and can explain the benefits	0	6	25	78	23	3.8939	.73368
A highly advertised brand influences my product choice	0	6	5	101	20	4.0227	.61117
When I see advertisement of my preferred instant coffee brand I am moved to buy	0	15	6	36	75	4.2955	.99417

From the findings, majority of the respondents strongly agreed that they know the name of their preferred coffee brand, as shown by a mean of 4.8409. Majority of the respondents

further agreed that when they see advertisement of their preferred instant coffee brand they are moved to buy, as shown by a mean of 4.2955, they have been exposed to sales representative and shelf merchandisers, talking about the product, as shown by a mean of 4.1439, the amount of advertising directed at the instant coffee brand has helped them as consumer recognize this brand, as shown by a mean of 4.0303, a highly advertised brand influences their product choice, as shown by a mean of 4.022, they have enough knowledge of the brand and can explain the benefits, as shown by a mean of 3.8939, they can distinguish one instant coffee brand from the other, as shown by a mean of 3.8333, they are aware who the competitors of their preferred brand are, as shown by a mean of 3.7803 and that they take interest to find out the manufacturers of the instant coffee brand, as shown by a mean of 3.6894.

4.5 Packaging

The study sought to assess the influence of packaging on brand loyalty of consumers of instant coffee brands amongst supermarkets in Kenya, and therefore requested the respondents to indicate their level of agreement with some statements relating to packaging.

Table 4.7: Statements Relating to Packaging

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std Deviation
Am attracted to buy when I see many sizes of my preferred brand	0	0	33	41	58	4.1894	.81149
My choice of buying a product is determined by its packaging style	0	6	40	56	30	3.8333	.83040
Good and attractive packaging adds value and quality to the product	0	8	19	82	23	3.9091	.74603
Attractive packaging does not make product identification easier	0	8	29	80	15	3.7727	.72671
Good packaging is appealing to me	0	0	36	61	35	3.9924	.73616
I sometimes buy products I didn't plan for because of their attractive packaging	0	19	25	52	36	3.7955	1.00182
My brand preference is influenced by free gifts on package	0	6	5	88	33	4.1212	.67711
Am aware of the packaging trends of my favorite coffee brand	0	14	2	53	63	4.2500	.92773
I can identify my favorite coffee brand through its packaging	0	6	22	49	55	4.1591	.86342

Majority of the respondents agreed that they are aware of the packaging trends of their favorite coffee brand, as shown by a mean of 4.2500, they are attracted to buy when they see many sizes of their preferred brand, as shown by a mean of 4.1894, they can identify their favorite coffee brand through its packaging, as shown by a mean of 4.1591, their brand preference is influenced by free gifts on package, as shown by a mean of 4.1212, good packaging is appealing to them as shown by a mean of 3.9924, good and attractive packaging adds value and quality to the product, as shown by a mean of 3.9091, their choice of buying a product is determined by its packaging style, as shown by a mean of 3.8333, they sometimes

buy products they didn't plan for because of their attractive packaging, as shown by a mean of 3.7955 and that attractive packaging does not make product identification easier, as shown by a mean of 3.7727.

4.6 Pricing

The study further sought to examine the influence of pricing strategy on brand loyalty of consumers of instant coffee brands amongst supermarkets in Kenya. The study therefore requested the respondents to indicate their level of agreement with some statements relating to pricing.

Table 4.8: Statements Relating to Pricing

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std Deviation
I purchase my preferred coffee brand because the price is reasonable	0	0	8	77	47	4.2955	.57610
I will buy any coffee brand as long as it is cheap	0	0	31	78	23	3.9394	.63915
I purchase my preferred coffee brand when there is promotional or discounted pricing	0	11	17	72	32	3.9470	.84089
Am attracted to buy when I see many sizes of different prices	0	0	11	79	42	4.2348	.59077
Price fluctuations affect my choice of brand	0	6	0	89	37	4.1894	.65537
I look at price to judge quality of brand when other products information is not available	0	2	35	64	31	3.9394	.74912

From the study findings, majority of the respondents agreed that they purchase their preferred coffee brand because the price is reasonable, as shown by a mean of 4.2955, they are attracted to buy when they see many sizes of different prices, as shown by a mean of 4.2348, Price fluctuations affect their choice of brand, as shown by a mean of 4.1894, they purchase

their preferred coffee brand when there is promotional or discounted pricing, as shown by a mean of 3.9470, they look at price to judge quality of brand when other products information is not available, as shown by a mean of 3.9394 and that they will buy any coffee brand as long as it is cheap, as shown by a mean of 3.9394.

4.7 Brand Loyalty

The respondents were requested to indicate their level of agreement with some statements relating to brand loyalty.

Table 4.9: Statements Relating to Brand Loyalty

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std Deviation
I am satisfied with the quality of the brand	0	15	11	73	33	4.4091	.59199
I consider myself a loyal consumer of my preferred brand	0	15	11	73	33	3.9394	.88893
I generally buy the same brands I have always bought	0	0	47	47	38	3.9318	.80260
I am very confident in buying my preferred coffee brand	0	6	2	72	52	4.2879	.71548
I have enough product knowledge of my preferred coffee brand	0	0	8	77	47	4.2955	.57610
I generally buy the same brand because it is the only one that is distributed and nationally advertised and distributed by the shop	0	0	28	89	15	3.9015	.56433

From the study findings, majority of the respondents agreed that they are satisfied with the quality of the brand, as shown by a mean of 4.4091; have enough product knowledge of my preferred coffee brand as shown by mean of 4.2955, they are very confident in buying their preferred coffee brand, as shown by a mean of 4.2879; they consider themselves a loyal consumer of their preferred brand, as shown by a mean of 3.9394; they generally buy the

same brands they have always bought, as shown by a mean of 3.9318; and that they generally buy the same brand since it is the only brand the shop they shop in distribute and advertise as indicated by a mean of 3.9015.

4.8 The Influence of Marketing Strategy on Brand Loyalty

Prior to carrying out regression analysis the study conducted a normality test to check on multi collinearity of the data. Collinearity diagnostics measure how much regressor are related to other regressors and how this affects the stability and variance of the regression estimates. The existence of multicollinearity is a vital problem in applying Multiple Regression Model. Multicollinearity is a situation when independent variables in the regression model are highly inter-correlated. Multicollinearity inflates the variances of the parameter estimates and hence this may lead to lack of statistical significance of individual predictor variables even though the overall model may be significant. To detect for multicollinearity, the study examined the correlation matrix or by using Variance Inflation Factor (VIF) as shown in Table 4.10 below.

Table 4.10: Collinearity Statistics

	Tolerance	VIF
Brand Awareness	0.072	4.855
Packaging	0.243	3.117
Pricing	0.243	3.109

The Variance Inflation Factor (VIF) quantifies the severity of multicollinearity in an ordinary least-squares regression analysis. VIF's greater than 10 are a sign of multicollinearity; the higher the value of VIF's, the more severe the problem. Results show that all the three variables had a variance inflation factors (VIF) of below 5. This implies that there was no collinearity with the variables thus all the variables were maintained in the regression model.

Multiple regression analysis is a statistical method utilized to determine the relationship between one dependent variable and one or more independent variables (Hair *et al.*, 2010). This study employed a multiple linear regression analysis using brand loyalty as the dependent variable and independent variables comprising of brand awareness strategy, price strategy and packing strategy.

4.9 Influence of pricing, packaging, brand awareness on brand loyalty

The study sought to establish the influence of pricing, packaging, brand awareness on brand loyalty among supermarket customers in Nairobi Central Business District. Multiple regression analysis was used where the dependent variable and independent variables comprising of brand awareness strategy, price strategy and packing strategy. The study assumed that a linear relationship between the independent variable and the dependent variable and adopted Ordinary Least Square Method of estimation in testing the relationship between the two variables in the regression model below.

$$BL = \alpha_0 + \beta_1 P + \beta_2 Pg + \beta_3 BA + \varepsilon_0 \dots \dots \dots (i)$$

From the above equation BL was Brand Loyalty, α_0 stood for the constant related to the regression model, P, stood for the Pricing, Pg, stood for the packaging, BA stood for the brand awareness where β_1 , β_2 , β_3 were the coefficient for the independent variables and ε_0 stood for the error term associated with the regression analysis.

4.9.1 Influence of packaging on brand loyalty

Table 4.11: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.362	.131	.124	.39748

a. Predictors: (Constant) Packaging

In table 4.11 model one had coefficient of determination (R^2) =0.131, indicating that 13.1% variation in brand loyalty was explained by the model leaving 86.9% of the variation unexplained. Despite being significant (p-value = 0.000) model one provided a very weak fit.

Table 4.12: Analysis of variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.096	1	3.096	19.599	.000
	Residual	20.539	130	.158		
	Total	23.635	131			

a. Dependent Variable: Brand Loyalty

b. Predictors: (Constant) Packaging

H_{01} : Packaging has no significant influence on brand loyalty

H_1 : Packaging strategy affects brand loyalty

Result from the regression analysis in the ANOVA output presented in table 4.12, which shows model one was significant (p-value = 0.000) at 5% explaining the linear relationship between packaging and brand loyalty.

Table 4.12 presents the coefficient of packing. Using the model packaging had p-value = 0.000. The study rejected the null hypothesis (H_{01}) at 5% level of significance, therefore packaging significantly influence on brand loyalty.

Table 4.13: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig
		B	Std. Error	Beta		
1	(Constant)	2.670	.324		8.251	.000
	Packaging	.356	.080	.362	4.427	.000

a. Dependent Variable: Brand Loyalty

Using multiple regression analysis, the study sought to establish the influence of packaging on brand loyalty among supermarket customers in Nairobi Central Business District. Assuming a linear relationship between the independent and the dependent variable and guided by OLS estimation methods, the relationship between the independent and dependent variables as presented by the regression model was tested.

$$BL = \alpha_0 + \beta_1 Pg$$

From the data in the above table the established regression equation was

$$BL = 2.670 + 0.356 Pg$$

From the above regression equation, it was revealed that holding packaging to a constant zero, brand loyalty would be at 2.670. A unit increase in packaging would lead to increase in brand loyalty by a factor of 0.356.

4.8 Influence of pricing on brand loyalty among supermarkets

Table 4.14: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.231	.053	.046	.41488

a. Predictors: (Constant), Pricing

In table 4.14 model one had coefficient of determination (R^2) = 0.053, indicating that 5.3% variation in brand loyalty was explained by the model leaving 94.7% of the variation unexplained. Despite being significant (p-value = 0.008) model one provided a very weak fit.

Table 4.15: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.259	1	1.259	7.315	.008
	Residual	22.376	130	.172		
	Total	23.635	131			

a. Dependent Variable: Brand Loyalty

b. Predictors: (Constant), Pricing

H_{02} : Pricing has no significant influence on brand loyalty

H_2 : Pricing strategy affects brand loyalty

Result from the regression analysis in the ANOVA output presented in table 4.15, which shows model one was significant (p-value = 0.008) at 5% explaining the linear relationship between packaging and brand loyalty.

Table 4.16 presents the coefficient of packing. Using the model packaging had p-value = 0.000. The study rejected the null hypothesis (H_{02}) at 5% level of significance, therefore pricing significantly influence on brand loyalty.

Table 4.16: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig
		B	Std. Error	Beta		
1	(Constant)	2.679	.525		5.107	.000
	Pricing	.346	.128	.231	2.705	.008

a. Dependent Variable: Brand Loyalty

Using multiple regression analysis, the study sought to establish the influence of pricing on brand loyalty among supermarket customers in Nairobi Central Business District. Assuming a linear relationship between the independent and the dependent variable and guided by OLS estimation methods, the relationship between the independent and dependent variables as presented by the regression model was tested.

$$BL = \alpha_0 + \beta_1 P$$

From the data in the above table the established regression equation was

$$BL = 2.679 + 0.346 P$$

From the above regression equation it was revealed that holding pricing to a constant zero, brand loyalty would be at 2.679, a unit increase in pricing would lead to a increase in brand loyalty by a factor of 0.346.

4.9 Influence of brand awareness on brand loyalty

Table 4.17: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.065	.004	-.003	.42550

a. Predictors: (Constant) Brand Awareness

In table 4.17 model one had coefficient of determination (R^2) =0.004, indicating that 0.4% variation in brand loyalty was explained by the model leaving 99.6% of the variation unexplained. Despite being significant (p-value = 0.000) model one provided a very weak fit.

Table 4.18: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.099	1	.099	.547	.461
	Residual	23.536	130	.181		
	Total	23.635	131			

a. Dependent Variable: Brand Loyalty

b. Predictors: (Constant) Brand Awareness

H_{03} : Brand awareness has no significant influence on brand loyalty

H_3 : Brand awareness strategy affects brand loyalty.

Result from the regression analysis in the ANOVA output presented in table 4.18 , which shows model one was insignificant (p-value = 0.461) at 5% explaining the linear relationship between brand awareness and brand loyalty.

Table 4.19 presents the coefficient of packing. Using the model packaging had p-value = 0.461. The study did not reject the null hypothesis (H_{03}) at 5% level of significance, therefore brand awareness does not significantly influence on brand loyalty.

Table 4.19: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig
		B	Std. Error	Beta		
1	(Constant)	3.879	.293		13.231	.000
	Brand awareness	.053	.072	.065	.740	.461

a. Dependent Variable: Brand Loyalty

Using multiple regression analysis, the study sought to establish the influence of brand awareness on brand loyalty among supermarket customers in Nairobi Central Business District. Assuming a linear relationship between the independent and the dependent variable and guided by OLS estimation methods, the relationship between the independent and dependent variables as presented by the regression model was tested.

$$BL = \alpha_0 + \beta_1 BA$$

From the data in the above table the established regression equation was

$$BL = 3.879 + 0.053BA$$

From the above regression equation it was revealed that holding brand awareness to a constant zero, brand loyalty would be at 3.879, a unit increase in pricing would lead to a increase in brand loyalty by a factor of 0.053.

4.10 Influence of Marketing Strategy on Brand Loyalty

Table 4.20: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.368	.136	.115	.39948

a. Predictors: (Constant), Pricing, Brand Awareness, Packaging

From the finding in the above table, the coefficient of determination (R^2) = 0.136, indicating that 13.6% variation in brand loyalty was explained by the model leaving 86.3% of the variation unexplained. Despite being significant (p-value = 0.000) model one provided a very weak fit.

Table 4.21: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.208	3	1.069	6.701	.000
	Residual	20.427	128	.160		
	Total	23.635	131			

a. Dependent Variable: Brand Loyalty

b. Predictors: (Constant), Pricing, Brand Awareness, Packaging

Result from the regression analysis in the ANOVA, shows that model was significant (p-value = 0.000) at 5% explaining the linear relationship between pricing, brand awareness, packaging and brand loyalty.

Table 4.22: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.804	.507		5.533	.000
	Brand Awareness	-.061	.077	-.074	-.786	.434
	Packaging	.380	.111	.387	3.427	.001
	Pricing	.004	.182	.002	.019	.985

a. Dependent Variable: Brand Loyalty

From the data presented in table above, the established regression model was

$$BL = 2.804 - 0.061BA + 0.380 Pg + 0.004 P$$

From the above regression equation, it was revealed that holding packaging, pricing and brand awareness to a constant zero, brand loyalty would be at 2.804, the study revealed that a unit increase in brand awareness would lead to decrease in brand loyalty by a factor of 0.061. Since the study was of various brands, this suggests that the consumer is aware of various brands, and brand loyalty could reduce from one brand to another. On the other hand, increase in packaging would lead to increase in brand loyalty by a unit of 0.380, concluding that the availability of various packaging sizes affects brand loyalty. Finally, a further unit increase in pricing would lead to increase in brand loyalty by a factor 0.004, given that the study was of various brands, customers may be attracted to other coffee brands if prices increase.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presented the discussion of key data findings, conclusion drawn from the findings highlighted and recommendation made there-to. The conclusions and recommendations drawn were focused on addressing the objective of the study. The researcher had intended to establish the influence of pricing, packaging and brand awareness on brand loyalty among supermarket customers in Nairobi Central Business District.

5.2 Summary of the Study Findings

In this section the results of the study are discussed in line with research objectives. The results are compared with previous studies.

5.2.1 Brand Awareness and Brand Loyalty

The study sought to determine the influence of brand awareness strategy on brand loyalty of consumers to instant coffee brands in supermarkets in Kenya. The findings revealed that majority of the respondents agreed that they know the name of their preferred coffee brand, when they see advertisement of their preferred instant coffee brand they are moved to buy, they have been exposed to sales representative and shelf merchandisers, talking about the product, the amount of advertising directed at the instant coffee brand has helped them as consumer recognize this brand, a highly advertised brand influences their product choice, they have enough knowledge of the brand and can explain the benefits, they can distinguish one instant coffee brand from the other, they are aware who the competitors of their preferred brand are, and that they take interest to find out the manufacturers of the instant coffee brand. These findings were found to be consistent with the findings of Keller (1993) who argued

that brand awareness will affect purchase decision through brand association, and when a product owns a positive brand image, it will help in marketing activities. He further added that brand name offers a symbol that can assist consumers to identify service providers and to predict service results. On brand awareness the study found it significantly affect brand loyalty.

5.2.2 Packaging and Brand Loyalty

The study sought to assess the influence of packaging on brand loyalty of consumers of instant coffee brands amongst supermarkets in Kenya. The findings unfolded that majority of the respondents agreed that they are aware of the packaging trends of their favorite coffee brand, they are attracted to buy when they see many sizes of their preferred brand, they can identify their favorite coffee brand through its packaging, their brand preference is influenced by free gifts on package, Good packaging is appealing to them, Good and attractive packaging adds value and quality to the product, their choice of buying a product is determined by its packaging style, they sometimes buy products they didn't plan for because of their attractive packaging, and that Attractive packaging does not make product identification easier. These findings concur with those of Del Rio, Vazquez & Iglesias (2001) that noted that consumer's decision to associate with a certain company product can be influenced by the packaging decisions made by such a company. Similarly, the findings were consistent with those of Wright (2006) noting that packaging can be used as an effective strategy to market a firm's products as most consumers buying decisions are influenced by the design and appearance of a product and other product aspects such as taste, smell, texture and touch. The study found that there was significant positive relationship between packaging and brand loyalty among coffee consumers.

5.2.3 Pricing and Brand Loyalty

The study further sought to examine the influence of pricing strategy on brand loyalty of consumers of instant coffee brands amongst supermarkets in Kenya. From the study findings, majority of the respondents agreed that they purchase their preferred coffee brand because the price is reasonable, they are attracted to buy when they see many sizes of different prices, Price fluctuations affect their choice of brand, they purchase their preferred coffee brand when there is promotional or discounted pricing, they look at price to judge quality of brand when other products information is not available, and that they will buy any coffee brand as long as it is cheap. These findings were found to be consistent with the findings of Blair (2007) who confirms that consumers are sensitive to their perception of the highest and lowest prices in the marketplace. The findings also concurred with Gabor and Gardener (1971) who argued that price is used by consumers as a substitute for quality in the absence of brand information and that the importance of price in quality perceptions reduces when a number of other brand signals are present. The current study found that pricing significantly influence brand loyalty.

5.3 Conclusion

The study concludes that market strategy significantly influenced brand loyalty among supermarket customers in Nairobi Central Business District, as the study found that brand awareness positively affects brand loyalty of consumer's instant coffee brands in supermarkets in Kenya. The study also found that that packaging strategy positively influence brand loyalty of consumers of instant coffee brands in supermarkets in Kenya. The

study further found that pricing strategy negatively influence brand loyalty of consumers of instant coffee brands amongst supermarkets in Kenya.

5.4 Recommendations

The study recommends that there's need for the policy makers in the coffee sector to design policies aimed at enhancing the adoption of various marketing strategies as this influence loyalty of their coffee brands. This will assist in the growth of the coffee sector in the country.

The study recommends that, there is need for the marketing managers in the coffee sector to use the Consumer Based Theory when marketing their coffee brand, as the theory is anchored on the cognitive construal of the consumer minds, this will assist in forming strong unique and favorable associations in the minds of consumers and their brands.

The study recommends that there is need for the management of firms dealing with coffee brands to adopt various marketing strategies in order to influence loyalty of their brands among the consumer. There is need for the management of coffee firms to use the various marketing strategies to gain competitive advantage within a changing revolving Kenyan market place.

5.5 Recommendations for Further Research

The study sought to establish the influence of pricing, packaging, brand awareness on brand loyalty among supermarket customers in Nairobi Central Business District. There is need for a study to be done on other factors influencing brand loyalty among supermarket customers in Nairobi Central Business District.

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APPENDICES

Appendix 1: Research Questionnaire

SECTION A: BACKGROUND INFORMATION

Background information

1. Name of supermarket chain _____

2. Gender () Female ()

3. What is your age bracket? Tick where applicable

a) Under 20years ()

b) 21-30 years ()

c) 31- 40 years ()

d) 41-50 years ()

e) Over 50 years ()

4. Indicate to what extent you like any three of the following instant coffee brands

(5) Very Great Extent(4) Great Extent (3) Moderate Extent (2) Low Extent. (1) Very low extent.

Coffee brands						
		Very Great Extent	Great Extent	Moderate Extent	Low extent	Very Low extent.
No.s	Coffee brand	5	4	3	2	1
1	Cafe Pelé					
2	Gibson's coffee					
3	Dorman's					
4	Africafe					

5	Afrimate					
6	Kahawa no 1					
7	Maasai Café					
8	Out of Africa					
9	Nescafe					
10	Jave					
11	Pancaffe					
12	Harvester Coffee					
13	Mac Coffee					
14	Kenya Highlands					
15	Magic time					
16	Alicaffe					
17	Sasini					

5. SECTION B: Brand Awareness

Indicate the extent of agree or disagree with the following statements.

(5) Strongly Agree (4) Agree (3) Neutral (2) Disagree (1) Strongly Disagree

Brand Awareness						
		SA	A	N	D	SD
No.s	Statement	5	4	3	2	1
1	I know the name of my preferred coffee brand.					
2	I take interest to find out the manufacturers of the instant coffee brand					
3	I can distinguish one instant coffee brand from another.					
4	The amount of advertising directed at the instant coffee brand has helped me as a consumer recognize this brand.					
5	Am aware who the competitors of my preferred brand are.					

6	I have been exposed to sales representatives and shelf merchandisers, talking about the product.					
7	I have enough knowledge of the brand and can explain the benefits.					
8	A highly advertised brand influences my product choice.					
9	When I see advertisement of my preferred instant coffee brand I am moved to buy.					

SECTION C: PACKAGING

Indicate the extent of agree or disagree with the following statements.

(5) Strongly Agree (4) Agree (3) Neutral (2) Disagree (1) Strongly Disagree

PACKAGING						
		SA	A	N	D	SD
No.s	Statement	5	4	3	2	1
1	Am attracted to buy when I see many sizes of my preferred brand.					
2	My choice of buying a product is determined by its packaging style e.g. reuse for other products.					
3	Good and attractive packaging adds value and quality to the product.					
4	Attractive packaging does not make product identification easier.					
6	Good packaging is appealing to me					
7	I sometimes buy products; I didn't plan for because of their attractive package.					
8	My brand preference is influenced by free gifts on packaging.					
9	Am aware of the packaging trends of my favorite coffee brand					

10	I can identify my favorite coffee brand through its packaging.					
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SECTION D: PRICING

Indicate the extent of agree or disagree with the following statements.

(5) Strongly Agree (4) Agree (3) Neutral (2) Disagree (1) Strongly Disagree

PRICING						
No's	Statement	SA	A	N	D	SD
1	I purchase my preferred coffee brand because the price is reasonable.					
2	I will buy any coffee brand as long as it's cheap.					
3	I purchase my preferred brand when there's promotional or discounted pricing.					
4	Am attracted to buy when I see many sizes of different prices.					
5	Price fluctuations affect my choice of brand					
6	I look at price to judge quality of brand when other product information is not available.					

SECTION D: BRAND LOYALTY

Indicate the extent of agree or disagree with the following statements.

(5) Strongly Agree (4) Agree (3) Neutral (2) Disagree (1) Strongly Disagree

BRAND LOYALTY						
No's	Statement	5	4	3	2	1
1	I am satisfied with the quality of the brand					
2	I consider myself a loyal consumer of my preferred brand.					

3	I generally buy the same brands I have always bought.					
4	I am very confident in buying my preferred coffee brand					
5	I have enough product knowledge of my preferred coffee brand.					
6	I generally buy the same brand because it is the only nationally advertised and distributed brand carried by the store I shop in.					

Operationalization of variables

Type of Variable	Variable	Operationalization
Dependent Variable	Brand Loyalty	<ul style="list-style-type: none"> • Willingness to repurchase. • Recognition of good quality. • Satisfaction of good service by the brand. • Choice of instant coffee brand. • Loyalty to the preferred brand. • Exposure to the same product before. • Confidence in buying the brand. • Good product knowledge of the brand.
Independent Variable	Packaging	<ul style="list-style-type: none"> • Brand line variants with different packaging. • Choice of buying is determined by packaging style i.e. reuse for other products. • Good and attractive packaging adds value and quality to the product. • Attractive packaging does not make product identification easier. • Good packaging is appealing • Impulse buying because of attractive packaging. • Free gifts on package influence my brand preference. • Am aware of the packaging trends of my favorite brand. • Can identify favorite coffee brand through packaging.

	Pricing	<ul style="list-style-type: none"> • Purchase of brand because of reasonability of price. • Switching to other substitute brands because of price. • Purchase of brand because of promotional or discounted pricing. • Different brand line variants with different pricing. • Price fluctuations affect purchase decision. • Use of price to judge quality of brand when other information not adequate.
	Brand Awareness	<ul style="list-style-type: none"> • Recognition of brand name. • Take interest to know manufacturer of the brand. • Distinguish one coffee brand from another. • Advertising has helped consumer recognize brand. • Knowledge of competitors • Exposure of sales representative and shelf merchandisers talking about the product. • Can explain benefits of the brand • Influence of choice through high advertising.

