## **EVALUATION OF CONSUMER BRAND ASSOCIATION** ON PREFERENCE OF TEA LEAVES PACKED BY KTDA FIRMS IN KENYA

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#### BRAND EQUITY AND BRAND ASSOCIATION

A core component of CBBE is the network of brand associations in consumers' memory (Christodoulides and de Chernatony, 2010, Keller, 2003). These associations include functional qualities, benefits, purchase and consumption situations (Keller, 1993). Brand associations can underpin the consumer's propensity to consider and buy the brand. Under an associative model of memory structure and retrieval (Anderson and Bower, 1979, Collins and Loftus, 1975). Brand association generally means anything that consumers think or relate to a given brand. This linkage is mental and may elements of the brand such as product attributes, product uses, life style, product class, its competitors and country of origin of the brand. Brand association refers to how consumers perceptions in respect to a brand are reflected and stored in their memory. This is how individual consumers give meaning and value to brands based on individual interactions and experiences with the brand and its elements in general resulting in visual pictures and images of the brand. Interaction and experiences arise when consumers are exposed to a brand's advertising, when they buy and use the brand and when they are told by others about the brand. In day to day brand management, the role of brand custodians is usually to try influence the brand's position in consumer's mind and key objective is to achieve a favorable position for the brand that results in positive brand association that is distinct and unique to the brand relative to competition.

Brand association can be measured and levels of association determined in terms of strength. Brand association is important because favorable brand associations are useful to the firm because they lead to repeat sales and more brand referrals. Brand association influence the processing and recall of information by consumers, it enables a brand to be differentiated and gives reason why it should be bought. Brand association just like brand loyalty further generates positive attitudes and feelings that justifies brand extension. Aaker (1991) asserts that although brand association may be weak in brand choice, they greatly influence purchase behavior and determine consumer satisfaction.

Brand association can be identified through classes of association which are mainly brand attributes, brand benefits and brand attitudes. Attributes refers to product features that describes and distinguishes a product or service thus directly relating to a specific brand. Attributes can be distinguished according to how directly they relate to product or service performance. Further, attributes can be classified into product-related and non-product-related attributes (Keller 1993). Product related attributes includes what makes up the product, while non-product attributes are attributes associated with its purchase or consumption. Second type of brand association is brand benefits which refers to personal value and meaning that consumers assign to the product or service. This is further divided into functional benefits, experiential benefits, and symbolic benefits based on underlying motivation. The third type of brand association is brand attitudes which refers to how the overall evaluation of a brand by consumers and is more abstract compared to brand attributes and benefits. Brand attributes perhaps are more important since they form the basis for consumers action and behavior towards a given brand. Brand attitudes are dependent on brand attributes and benefits. Brand association can vary according the extent of favorability, strength and uniqueness in the eyes of the consumer. Favorability is achieved to the extent of in which a brand attributes are perceived to be superior and leads to good performance, similarly positive brand benefits experienced all lead to favorable brand attitudes which lead to strong brand association in the memory of consumers that gives a brand an edge over its competitors. This leads strong

favorable evaluated brand associations that are exclusive to the brand and can be inferred to mean brand superiority and thus strong brand equity.

To bring out this variable of brand equity, the study will use the dimensions of product/service attributes, customer benefits and brand attitude to measure the favorability or strength of brand association as brand equity variable.

#### HISTORY OF KTDA FIRMS IN KENYA

KTDA is a private company owned by about 600,000 smallholder tea farmers spread across 16 tea growing counties in Kenya. The farmers are shareholders to 54 tea companies that own KTDA (H) and its 8 subsidiary companies.

Some of the 54 tea factory companies have expanded by setting up satellite factories in their neighborhoods to accommodate the extra leaf. The satellite factories are 15, adding up to 69 the total number of tea factories owned by smallholder tea farmers.

The eight subsidiary companies owned by KTDA (H) add value to the tea value chain. These companies include Chai Trading Company Limited, KTDA (Management Services), Majani Insurance Brokers, Kenya Tea Packers Limited, Greenland Fedha Limited, KTDA Foundation, Tea Machinery and Engineering Company Ltd, KTDA Power Company Limited and KTDA (MS).

#### STATEMENT OF THE PROBLEM

Brand association refers to how consumers perceptions in respect to a brand are reflected and stored in their memory. Most studies that have been documented include studies in sectors such as fast-moving consumer goods (FMCG) in India (Mohan, Sequeira, 2014), airlines in Taiwan (Chen, Tseng, 2010), sportswear in China (Jin Su, 2014), universities in America (Pinar, Trapp, Girard and Boyt, 2014) and FMCG in Europe (Nesboja, 2013). Locally, a study was done by Ali (2014) on brand equity and firm performance, He found that brand equity building is an important part of brand building and that positive corporate image has positive effect on brand image in pharmaceutical industry. This study therefore sought to evaluate consumer brand association on preference of tea leaves packed by KTDA firms in Kenya. A few KTDA firms have been noted to perform well financially and thus it is imperative to evaluate consumer preference on tea packed by KTDA firms.

#### RESEARCH OBJECTIVE

Evaluation of consumer brand association on preference of tea leaves packed by KTDA firms in Kenya.

#### RESEARCH HYPOTHESES

Consumer brand association has no statistical significant influence on preference of tea leaves packed by KTDA firms in Kenya.

#### BRANDZ MODEL

This model was developed by marketing research consultants Millward Brown and WPP. The model is premised upon key brand dimensions of presence, relevance, performance, advantage, and bonding based on consumer understanding and perceptions. The model argues that consumers think sequential and start with familiarity, use and experiences, comparison with competing brands and eventual emotional connection if any. At each step as they interact with the brand they ask questions of a brand and get answers through memory, feelings, experiences and emotions. The model highlights presence, relevance, performance, advantage and bonding as key steps taken during such an interaction which results in a relationship between brand and consumers.

This model advocates that the stronger the relationship between brands and its consumers, the more they spend on such brands and similarly the weaker the relationship, the less consumers spend on brands. The model uses a pyramid concept with strong brand relationship being at the top and weaker brand relationship at the bottom of the pyramid. The challenge for marketers is to develop activities and programs that help consumers move up the pyramid. In terms of application, this model uses familiar concepts used in local market with more bias to new product development and brand positioning. This model is relevant to this study based on how it conceptualizes relationship between consumers and brands such as product performance, familiarity, comparison to competing products etc.

#### Consumer brand association on preference of tea leaves packed by KTDA firms in Kenya.

Regarding the consumer brand association on preference of tea leaves packed by KTDA firms in Kenya, Table 4.7 shows that most respondents agree to a moderate extent (34.6%), great extent (32.7%), very great extent (16.3%), little extent (14.4%), and no extent (1.9%) are affected by brand association. This means that consumers made a serious consideration on quality when making a choice on which brand of tea leaves to consume.

**Table 1 Cumulative Descriptive Percentage on Consumer Brand Association** 

	Frequency	Percent	Valid Percent	Cumulative Percent
Very Great Extent	17	16.3	16.3	16.3
Great Extent	34	32.7	32.7	49.0
Moderate Extent	36	34.6	34.6	83.7
Little Extent	15	14.4	14.4	98.1
No Extent	2	1.9	1.9	100.0
Total	104	100.0	100.0	

#### Consumer brand association and Preference of tea leaves packed by KTDA factories

H<sub>03</sub>. Consumer brand association has no statistical significant influence on preference of tea leaves packed by KTDA firms in Kenya.

Table 2. Pearson Correlation results Evaluation of Consumer brand association and Preference of tea leaves packed by KTDA factories

Variable		Consumer brand association	Consumer preference
Service Quality	Pearson Correlation	1	.483**
	Sig. (2-tailed)		.000
	N	104	104
Consumer Pref	Pearson Correlation	.483**	1
	Sig. (2-tailed)	.000	
	N	104	104

<sup>\*\*.</sup> Correlation is significant at the  $\overline{0.05}$  level (2-tailed).

From Table 4.11, the results reveal that there is a relatively weak positive relationship between Consumer brand association and Preference of tea leaves packed by KTDA factories (r = 0.483, p < 0.05). Hypothesis states that Consumer brand association has no statistical significant influence on preference of tea leaves packed by KTDA firms in Kenya.. The researcher accepts the alternative hypothesis (H<sub>a</sub>) and concludes that there is sufficient evidence, at 5% level of significance that there is a positive relationship Consumer brand association on preference of tea leaves packed by KTDA firms in Kenya

# **REGRESSION RESULTS**

Table 3 indicates the regression result of consumer preference and the explanatory variables.

Table 3 Regression Result of Consumer brand Association and the Explanatory Variables

Coefficients <sup>a</sup> Model	Unstandardized Coefficients		Standardized Coefficients		Sig.	Collinearity Statistics	
(Constant)	<b>B</b> .345	Std. Error .334	Beta	1.033	3 .304	Tolerand	ce VIF
Consumer Brand Association	.279	.105	.245	2.662	.009	.726	1.377

a. Dependent Variable: Consumer preference

Regression results in table 4.15 indicated that there exist a positive relationship which is statistically significant (β =0.021, P<0.05). The results also indicate there exists a positive relationship between Consumer brand association on preference of tea leaves packed by KTDA firms in Kenya. which is statistically significant (β =0.279, P<0.05). Numerically this implies that that a unit increase in consumer brand association leads to an increase in consumer preference by 0.279.