

## Exploring the Dimensions of Customer-Based Brand Equity on Firm Performance: A Study of Azam Brand

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### Abstract

Although Tanzania market is deluged with value-for-money brands since decades ago, not all Tanzania brands achieved national recognition. The objective of this research therefore is to develop a valid and reliable model of Tanzania brand equity by assessing the dimensions of the brand equity and its constructs.

Based on 30 constructs, which were compiled from literatures, four variables were included for brand awareness, seventeen variables for brand association, five for perceived quality and four for brand loyalty. Factor Analysis was conducted to identify dimensions of brand equity and its constructs. Principal component Analysis with subsequent rotation (Varimax) was conducted on 30 constructs of a questionnaire. According to the four dimensions proposed by Aaker (1991) in the brand equity literature, a four factor solution that reduced the 30 constructs to four factors was chosen in this study.

The factors produce a Cronbach alpha of 0.96, with Eigen values greater than 1.0. The brand equity constructs with a loading below 0.6 were excluded from further analysis. 14 constructs remained in this study.

**Keywords:** Brand Awareness, Brand Associations, Brand Equity, Perceived Quality, Brand Loyalty, Azam

### Introduction

For manufacturers and producers of a vast range of products and services, brands are one of the key success factors in achieving competitive advantage through differentiation (Wood,

2000). Brands undoubtedly create added value for both firms and consumers as they play a key role in enhancing the value for both firms and consumers as they play a key role in enhancing the value of products and protecting them from imitation by competitors (Aaker,1991). In fact, “a product is something that is made in a factory; a brand is something that is bought by a customer”.

A product can be copied by a competitor; a brand is unique. A product can be quickly outdated; “a successful brand is timeless” (king, cited in Aaker, 1991, p.1). In other words, a strong brand is counted as a valuable company asset. This value, which is commonly referred to as brand equity, has drawn considerable research interest from both academics and practitioners (Wood, 2000).

Customer-based brand equity (CBBE) is a way of assessing the value of a brand in customers' minds. Branding can increase profitability in large and small-scale businesses by filling in gaps in customers' knowledge and by offering assurances. Customer-based brand equity is evaluating the consumer's response to a brand name (Keller 1993, Shocker et al. 1994). Therefore, the consumer-based brand equity is an asset of four dimensions that are brand awareness, brand associations, perceived quality and brand loyalty.

A brand can be defined as “a name, term, sing, symbol, or design, or combination of them which is intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competitors” (Kotler 1991; p. 442). These individual brand components are here called “brand identities” and their totality “the brand.” Some basic memory principles can be used to understand knowledge about the brand and how it relates to brand equity.

Equity can be considered the sum total of values associated with a brand. These might include awareness, loyalty, and recognition. The greater the equity, the more likely customers will trust and choose the company's product or service. Additionally, equity capitalizes on normal psychological tendencies, such as the sometimes longer memory about negative experiences or the cognitive laziness that creates loyalty through a customer's unwillingness to choose unfamiliar products over familiar brand products.

The importance of knowledge in memory to consumer decision making has been well documented (Alba, Hutchinsion, and Lynch 1991). Understanding the content and structure of brand knowledge is important because they influence what comes to mind when a consumer thinks about a brand. For example, in considering a soft drink purchase, a consumer may think of Azam Cola because of its strong association with the product category. Customer knowledge most strongly linked to Azam Cola should also then come to mind, such as perceptions of its taste, sugar and caffeine content, or even recalled images from a recent advertising campaign or past product experiences.

Consistent with an associate network memory model, brand knowledge is conceptualized as consisting of a brand node in memory to which a variety of associations are linked. Given this conceptualization, the key question is what properties do the brand node and brand associations have? The relevant dimensions that distinguish brand knowledge and affect consumer response are the awareness of the brand and the favorability, strength, and uniqueness of the brand in consumer memory.

These dimensions are affected by other characteristics of and relationships among the brand associations. For example factors related to the type of brand association (such its level of

abstraction and qualitative nature) and the congruity among brands associations, among others affect the favorability, strength, and uniqueness of brand associations. For the sake of simplification, emphasis is placed on the brand name, component of the brand identities, viewed as "that part of a brand which can be vocalized" (Kotler 1991, p. 442), though other components of the brand identities such as brand log or symbol) are considered also.

Building strong Customer-based brand equity is very crucial on firm performance and has been secrete for firm competition and survival, and has become a top priority for many strategic firms. The fact depicts that many business organizations have faced natural death due to poor branding and others are near to death to the same course.

Keller Kevin Lane (1993), views that a brand is said to have positive (negative) customer-based brand equity when consumers react more (less) favorable to an element of the marketing mix for the brand, they do to the same marketing mix element when it is attributed to a fictitiously named or unnamed version of the product or service.

However, despite the significance of strong customer-based brand equity on firm performance, limited studies were conducted to explore the dimensions of customer-based brand equity on firm performance in Tanzania. This created clear insight to the researcher to undergo this study, and study was very useful for further studies in this field.

There seem to be a consensus in the scholarly community that the study of customer based brand equity is of great importance in order to build and maintain a strong brand and it therefore seems relevant to the Azam Company which is a fast moving Company where it is important to be able to keep up with the competitors. Consequently the paper is intending to gauge customer's perception on brand awareness, brand associations, perceived quality and brand loyalty on Azam company product. Therefore, the paper is supportive on development of brands knowledge in Tanzania.

#### **RELATED LITERATURE: DIMENSIONS OF CUSTOMER-BASED BRAND EQUITY ON FIRM PERFORMANCE**

Brand equity has been extensively discussed in marketing literature over the past decade and there seem to be a consensus amongst the scholars that a brand has high brand equity when it generates positive connotations in the consumers' minds and is therefore likely to be the preferred purchase over other brands or non-branded products (Pappu et al, 2005; 143; Yoo et al 2001; 1; Kuhn et al 2008;41; Arvidsson 2006, ;189). Keller (1993;3) notes; that customer-based brand equity occurs when the consumer is familiar with the brand and holds some favorable, strong and unique brand associations in memory.

It has also been argued that brands with high brand equity can charge a premium price for their products (Kuhn et al 2008; 41; Arvidsson, 2006; 189). Nevertheless, exploring the dimensions of customer-based brand equity remains an important factor of brand management and can be used in order to guide marketing strategy and tactical decisions, to assess the extendibility of a brand, to evaluate the effectiveness of marketing decisions, and to track the brand's health compared to its competitors over time,' (Ailawadi 2003;.2).

Aaker adds to this idea and argues that as a part of its role in adding value for the customer, brand equity has the potential to add value for the firm by generating marginal cash flows in at least a dozen ways' (1991;16). For example sales promotions used to attract new customers and maintain current ones have a greater impact if the brand is familiar to the consumer.

Secondly, when competing brands launch an innovative product, then a loyal customer base will buy some extra time to respond to this new challenge.

### Methodology

The questionnaire is divided into two parts. The first is concerned with the demographic and the second part is thirty variables associated with the brand awareness, brand associations, perceived quality and brand loyalty. The data collection instrument is a structured questionnaire. A pool of 31 items compiled from the literature was incorporated in the questionnaire. Five variables were included for brand awareness, seventeen variables for brand association, five for perceived quality and four for brand loyalty. A Likert-scale of 1 to 5 was adopted for all the brand equity measures with the anchors 'strongly disagree' (1) and 'strongly agree' (5). The items were developed with reference to the empirical studies of Yoo and Donthu (2001) and Lassar et al (1995). The reason for referring to their scale development studies is that their scales are the most commonly accepted measure of customer-based brand equity (Washburn and Plank, 2002). Data Collection 100 questionnaires were sent to all parts of Dar es Salaam. Respondents were randomly selected. However, only 80 valid samples were used for the analysis. Data Analysis for the purposes of data analysis, SPSS was used to analyse the Cronbach's alpha, factor analysis and correlation.

### Result And Discussion

#### Demographic Characteristics

The sample indicates a balance between males (63.8%) and female (35.0%). Majority of the respondents are those aged between 18-29 (52.5%) aged between 30-41 (18.8%) aged between 42-53 (13.8%) aged between 54-65 (8.8%) and over 65 (6.3%). The breakdown of the study in terms of ages could be put in consideration since most of the ages are represented in the sample.

Table 4.1

*Composition of the Respondents in Demographic terms*

Demographic	Age	frequency	Percent	mean	Std. Dev
Gender	Male	51	63.8	1.40	1.40
	Female	29	35.0		
Age	18-29	42	52.5	1.98	1.98
	30-41	15	18.8		
	42-53	11	13.8		
	54-65	7	8.8		
	Over 65	5	6.3		
Consume of Azam product	Less than five times	13	16.3	2.24	0.716
	More than five times	35	43.8		
	infinity	32	40.0		
Favorable Azam Product	Azam Juice	67	83.8	1.00	0.000
	Azam Cola	50	62.5	1.98	0.377
	Azam Marine			2.97	0.164
	Azam Water	59	73.8	4.00	0.000
	Azam Wheat flower	53	66.3	5.00	0.000
	Azam Maize flower	37	46.3	6.00	0.000
	Azam Television	46	57.5	7.00	0.000

	Thuraya satellite Phone	21	26.3	8.00	0.000
	Azam Coconut Milk	41	51.3	9.00	0.000
	Azam Biscut	53	66.3	10.00	0.000
	Azam Ice Cream	62	77.5	11.00	0.000
	Azam Bread	43	53.8	12.00	0.000
	Azam Milk	41	51.3	13.00	0.000
	Azam Transport	31	38.8	14.00	0.000
	Azam Plastic	19	23.8	15.05	0.229
	Azam AICD	7	8.8	16.00	0.000

Source: Researcher's field data analysis 2018.

### Variable Description

There are four main variables in this study namely **brand awareness (BAW)**, **brand associations (BAS)**, **perceived quality (PQU)** and **brand loyalty (BLO)**. Since in each variable series of statement was developed to measure respondent perception on dimensions of customer-based brand equity on firm performance focus on Azam brands, this justifying of using likert scale is to get an overall measurement of a contributing variable (Likert 1932). Thus perception of Azam brand customer based products was measured on ordinal scale level of five-point likert scale i.e., 1=Strongly Agree, 2=Agree, 3=Neutral, 4=Disagree and 5=Strongly Disagree (Bowling 1997 and Burns & Grove 1997). The study collected primary data from 50 dominance respondents from educational institutions like secondary schools, colleges, universities, business people retailers and laymen in Dar es Salaam in Tanzania.

### Descriptive Statistics

According to Trochin, (2006) a descriptive statistics are used to describe the basic features of the data in a study, with the purpose to present quantitative descriptions in simple summaries about the sample and the measures of the study in a sensible way. In descriptive statistics data set a measure commonly by measure of central tendency and measure of variability or dispersion. Babbie (2009) explain further Measures of central tendency include the mean, median and mode while measures of variability include the standard deviation (or variance), the minimum and maximum values of the variables, kurtosis and skewness. From table 4.2 below information regarding study variable brand awareness (BAW), brand associations (BAS), perceived quality (PQU) and brand loyalty (BLO). The data presented in sensible way based on the mean score and standard deviation. Below is the table summary;-

Table 4.2

#### *Descriptive Statistics for Each Variable*

VARIABLE	MEAN	STANDARD DEVIATION
<b>Brand loyalty (BLO)</b>	14.05	5.037
<b>Perceived quality (PQU)</b>	20.78	4.639
<b>Brand associations (BAS)</b>	61.98	19.625
<b>Brand awareness (BAW)</b>	17.16	5.753

Source: Researcher's field data analysis 2018

**Correlation and Kaiser-Meyer-Olkin (KMO)**

According to Wang (2014) correlation measures the strength bivariate linear relationship of the variables. The correlation coefficient for each pair of variables is given by the correlation matrix (R-matrix). The purpose of correlation is to discover if there strong or weak; positive or negative relations between variables. As noted by Hair et al. (2009) the value of correlation can range between -1 and +1. This means that, the values closer to either -1 or +1 indicate either strong negative or positive relationship respectively; also values closer to zero indicate weak relationship. But degrees of caution have to be established since problem of multi colinearity may exist, once variables have very strong relationship (Robert and William, 1975) and (Kock, Ned and Lynn, Gary, 2012). This problem hinders effective estimation in factor analysis. So caution is required in the correlation analysis since correlation is the basis for factor analysis.

Table 4.3  
Correlation Matrix for Ministered Variable

Brand aware ness					Brand associations (BAS)													Percei ved qualit y					Brand loyalty									
	B A W 1	B A W 2	B A W 3	B A W 4	B A W 5	B A S 1	B A S 2	B A S 3	B A S 4	B A S 5	B A S 6	B A S 7	B A S 8	B A S 9	B A S 0	B A S 1	B A S 2	B A S 3	B A S 4	B A S 5	B A S 6	B A S 7	P Q U 1	P Q U 2	P Q U 3	P Q U 4	P Q U 5	B L O 1	B L O 2	B L O 3	B L O 4	
B A W 1	.09	.16	.24	.40	.01	.05	.13	.22	.29	.39	.41	.49	.51	.59	.61	.69	.77	.82	.89	.90	.93	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05
B A W 2	.09	.16	.24	.40	.01	.05	.13	.22	.29	.39	.41	.49	.51	.59	.61	.69	.77	.82	.89	.90	.93	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05
B A W 3	.16	.24	.40	.01	.05	.13	.22	.29	.39	.41	.49	.51	.59	.61	.69	.77	.82	.89	.90	.93	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05	
B A W 4	.24	.40	.01	.05	.13	.22	.29	.39	.41	.49	.51	.59	.61	.69	.77	.82	.89	.90	.93	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05		
B A W 5	.40	.01	.05	.13	.22	.29	.39	.41	.49	.51	.59	.61	.69	.77	.82	.89	.90	.93	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05			
B A S 1	.05	.13	.22	.29	.39	.41	.49	.51	.59	.61	.69	.77	.82	.89	.90	.93	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05
B A S 2	.13	.22	.29	.39	.41	.49	.51	.59	.61	.69	.77	.82	.89	.90	.93	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	
B A S 3	.22	.29	.39	.41	.49	.51	.59	.61	.69	.77	.82	.89	.90	.93	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05		
B A S 4	.29	.39	.41	.49	.51	.59	.61	.69	.77	.82	.89	.90	.93	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05			
B A S 5	.39	.41	.49	.51	.59	.61	.69	.77	.82	.89	.90	.93	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05				
B A S 6	.41	.49	.51	.59	.61	.69	.77	.82	.89	.90	.93	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05					
B A S 7	.49	.51	.59	.61	.69	.77	.82	.89	.90	.93	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05						
B A S 8	.51	.59	.61	.69	.77	.82	.89	.90	.93	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05							
B A S 9	.59	.61	.69	.77	.82	.89	.90	.93	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05								
B A S 0	.61	.69	.77	.82	.89	.90	.93	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05									
B A S 1	.69	.77	.82	.89	.90	.93	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05										
B A S 2	.77	.82	.89	.90	.93	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05											
B A S 3	.82	.89	.90	.93	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05												
B A S 4	.89	.90	.93	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05													
B A S 5	.90	.93	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05														
B A S 6	.93	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05															
B A S 7	.94	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05																
B A S 8	.95	.96	.97	.98	.99	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05																	
B A S 9	.96	.97	.98	.99	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05																		
B A S 0	.97	.98	.99	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05																			
P Q U 1	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05		
P Q U 2	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05			
P Q U 3	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05				
P Q U 4	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05					
P Q U 5	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05						
B L O 1	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05		
B L O 2	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05			
B L O 3	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05				
B L O 4	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05	.01	.02	.03	.04	.05					





In above matrix clusters of variables with high inter-correlations are represented, these clusters of variables could well be “manifestations of the same underlying variable” (Rietveld & Van Hout 1993: 255). Reverse to factor analysis correlation matrix for all manifested variable have to be generated, also they have to be inter-correlated but they should not correlate too highly (extreme multi collinearity and singularity) as this would cause difficulties in determining the unique contribution of the variables to a factor to other and last the correlation coefficients greater than 0.3 in absolute value are indicative of acceptable correlations (Field 2000: 444). Result shows that the correlation coefficients among the observed variables regarding brand awareness (BAW), brand associations (BAS), perceived quality (PQU) and brand loyalty (BLO), indicates that no variables which are highly correlated that can bring in the problem of extreme multi collinearity at determinant 0.00001 (Field 2000: 445).

Table 4.4  
*KMO and Bartlett Test for Ministered Variable*

<b>KMO and Bartlett's Test</b>		<b>BAW</b>	<b>BAS</b>	<b>PQU</b>	<b>BLO</b>
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	KMO	0.534	0.608	0.584	0.694
Bartlett's Test of Sphericity	Approx. Chi-Square	38.793	304.143	66.200	49.157
	Df	10	136	10	6
	Sig.	0.000	0.000	0.000	0.000

Source: Researcher's field data analysis, 2018.

Kaiser-Meyer-Olkin (KMO) measures sampling adequacy. Its value ranges between 0 and 1. A value close to 0 indicates that the factor model will be inappropriate while a value closer to 1 will indicate the factor model is appropriate. Generally, KMO values greater than 0.5 are acceptable otherwise there is a need of expanding the sample size (Kaiser 1974). In our analysis KMO value are brand awareness (BAW) 0.534, brand associations (BAS) 0.608, perceived quality (PQU) 0.584 and brand loyalty (BLO) 0.694, which is fair and we are sure that our factor analysis model is appropriate.

As initiated by Bartlett (1937), Bartlett's test of sphericity is used to test the existence of an identity matrix in our correlation matrix. This identity matrix occurs when each pair of variables indicates zero correlation. Thus, if we reject the null hypothesis which states that the correlation matrix is an identity, then our factor model will be correct. Table 4.5 show that there is inter-correlation on manifested variable which has significance value of 0.000 for brand awareness (BAW), 0.000 for brand associations (BAS), 0.000 for perceived quality (PQU) and 0.000 for brand loyalty (BLO). This means that the test was significant value of 0.000 is less than 0.05 thus, factor analysis will be applicable for our data.

### **Reliability Measure of Variables**

Any research based on measurement must be concerned with the accuracy or dependability. In this study a likert survey instruments were used, it is essential to discern that the instrument have to be elicit consistent and reliable response even if were replaced with other similar questions. Such kind of instrument which generated from such a set of questions that

return a stable response, then your variable is said to be reliable. As noted by Thorndike, Cunningham, Thorndike, & Hagen, (1991) reliability refers to the accuracy and precision of a measurement procedure. Reliability comes to the forefront when variables developed from summated scales are used as predictor components in objective models; it is a function of properties of the underlying construct being measured, the test itself, the groups being assessed, the testing environment, and the purpose of assessment. The measurement of reliability is Cronbach's alpha is an index of reliability associated with the variation accounted for by the true score of the underlying construct (Hatcher, 1994). As developed by Cronbach, (1951). Alpha coefficient ranges in value from 0 to 1 and may be used to describe the reliability of factors extracted from dichotomous. The higher the score, the more reliable the generated scale is. Nunnally (1978) and Welman and Kruger (2001:141), has indicated 0.7 to be an acceptable reliability coefficient but lower thresholds are sometimes used in the literature, but other scholar such as Zidmund, Babin, Carr & Griff (2010) argue that acceptable levels of reliability depend on the purpose of the instrument and research purposes can be as low as 0.60. However as noted by Parasuraman et al (1985) that in some situation where by a diagnostic instrument used for making decisions about individuals for instance a psychological measure Cronbach alpha should be much higher as 0.95.

Table 4.5

*Cronbach's Alpha Reliability Measure for All Variables*

<b>Variables</b>	<b>N of Items</b>	<b>N of observations</b>	<b>Cronbach's Alpha</b>
<b>Brand Awareness (BAW)</b>	5	80	0.458
<b>Brand Awareness (BAS)</b>	17	80	0.784
<b>Brand Awareness (PQU)</b>	5	80	0.622
<b>Brand Awareness (BLO)</b>	4	80	0.666
<b>Overall Alpha</b>	<b>31</b>	<b>80</b>	<b>0.857</b>

Source: Researcher's field data analysis, 2018.

Table 4.5 above provides the Cronbach's alpha for each observed variable regarding challenges facing procurement functions in Tanzania. The overall Cronbach's alpha coefficient is 0.789 indicating a good reliability.

### **Component Factor Analysis**

Factor analysis is a multivariate statistical technique for data reduction. It compresses sets of complex data without losing data integrity, to form reduced set of factors, which are assumed to represent the observed variables under consideration. Gorsuch (1983:4) more that factor analysis helps reduce a number of variables to a meaningful, interpretable and manageable set. In this study factor analysis will be used to establish whether the variables: Positive Influences of customer based brand equity (PCI) and Negative Influences of customer based brand equity (NCI). Therefore, all factor loadings must be statistically significant at a minimum to confirm the discriminated validity of the measuring instrument used in the study. In this study, the sample size was 81 which are confirmed by Camrey and Lee (1992), Garson (2008) and Noruis (2005) in terms of the factor analysis sample size rule on number of constrain. In this study, the principal-component exploratory factor analysis with the support of statistical

package SPSS 17.0 was adopted so as to obtain sound and clean solutions for our problem. Below is the table 4.6 shown result of factors analysis.

Table 4.6  
Factor Loadings on Perception of African Multinational Enterprises in Tanzania

Latent Variable	Component Factor Analysis							Communalities
	Factor 1		Factor 2			Factor 3		
Brand Awareness	Envisage Brand			Recall Brand				
BAW1	0.839					0.716		
BAW2			0.690			0.492		
BAW3			0.815			0.699		
BAW4			0.601			0.621		
BAW5	0.812					0.678		
Brand Associations	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6		
	Secure Brand	Esteem Brand	Reliable Brand	Identity Brand	Aptitude brand	Social brand		
BAS1						0.721	0.658	
BAS2			0.515				0.519	
BAS3			0.725				0.541	
BAS4			0.542	0.483			0.532	
BAS5	0.546				0.457		0.640	
BAS6	0.414		0.404		0.482		0.605	
BAS7		0.401	0.497				0.664	
BAS8	0.807						0.678	
BAS9				0.460		-0.532	0.663	
BAS10	0.714						0.630	
BAS11	0.820						0.740	
BAS12					-0.712		0.693	
BAS13		0.481		-0.500			0.685	
BAS14		0.868					0.803	
BAS15		0.700				0.420	0.741	
BAS16				0.823			0.710	
BAS17					0.635		0.544	
Perceived Quality	Factor 1			Factor 2				
	Reliable Brand			Informed Brand				
PQU1	0.816						0.674	
PQU2	0.826						0.692	
PQU3	0.700						0.492	
PQU4				0.857			0.738	
PQU5				0.852			0.736	
Brand Equity Construct	Factor 1							
	Brand Loyalty							
BLO1	0.710						0.504	
BLO2	0.822						0.676	
BLO3	0.665						0.443	
BLO4	0.673						0.452	

BLO5	0.710	0.504
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Source: Researcher's field data analysis 2018.

The component factor analysis result shown in table 4.6 reveals that out of five items expected to measure **brand awareness** give new two factors. two items loading in factor one (1) BAW1 and BAW5 this means that respondents viewed these items as measure of a single construct renamed as and labeled **Envisage Brand**, envisage brand is the brand that creates mental picture to the customers thus Azam brand was regarded as envisage because it has strong imaginative power. Three items loading in factor two (2) BAW2 BAW3 and BAW4 this means that respondents viewed these items as measure of a single construct renamed as and labeled **Recall Brand**. Recall brand is the brand which is well connected with a product type or class of products by consumers. Also communalities on all variables are considered to be more that 60%.

The component factor analysis result shown in table 4.6 reveals that out of seventeen items expected to measure **brand association** give new six factors. Five Items loading in factor one (1) BAS5, BAS6, BAS8, BAS10 and BAS11. This means that respondents viewed these items as measure of a single construct renamed as and labeled **Secure Brand**; secure brand is the brand that ensures health security to the customers thus Azam is perceived to be secure brand as it is health centered brand.

Four items loading in factor two (2) BAS7, BAS13, BAS14 and BAS15 this means that respondents viewed these items as measure of a single construct renamed as and labeled **Esteem Brand**. Esteem Brand or goodwill is customers' respect for and attraction to a particular brand. It's not to be confused with brand awareness or familiarity, which is the level of recognition of a brand. While a brand might be well known (a good thing), it may not in fact be well regarded (not a good thing). Esteem Brand is about the favorable sentiment toward a brand.

Five Items loading in factor three (3) BAS2, BAS3, BAS4, BAS6 and BAS7, this means that respondents viewed these items as measure of a single construct renamed as and labeled **Reliable Brand**. The reliable brand offers comparable quality at lower prices, and enables customer to meet and exceed his or her expectations to such brand. I appreciate that the Reliable Brand prices remain consistent. And they are less expensive than other brands while still being quality products. The products fit my budget and help us keep the facilities in great shape. (Debbie Mayberry) President QES Solutions Inc.

Four Items loading in factor four (4) BAS4, BAS8, BAS13 and BAS16 this means that respondents viewed these items as measure of a single construct renamed as and labeled Identity Brand. Azam Brand is viewed as Identity Brand because it coordinates all forms of media both online and in print with matching graphics, phrases, fonts, images and ideas to ensure the company is always represented in a professional manner.

Four Items loading in factor five (5) BAS5, BAS6, BAS11 and BAS17 this means that respondents viewed these items as measure of a single construct renamed as and labeled **Aptitude brand**. Aptitude brand refers to the strategic brand with well Design positioning which identify and introduce itself.

Three Items loading in factor six (6) BAS1, BAS9 and BAS15 this means that respondents viewed these items as measure of a single construct renamed as and labeled **Social brand**. A social brand is any company, product, or individual that uses social technologies to communicate with social customers, their partners and constituencies, or the general public. Also communalities on all variables are considered to be more than 60%.

The component factor analysis result shown in table 4.6 reveals that out of five items expected to **Perceived Quality** give new two factors. Three Items loading in factor one (1) PQU1, PQU2, and PQU3. This means that respondents viewed these items as measure of a single construct renamed as and labeled **Reliable Brand**. Two items loading in factor two (2) PQU4 and PQU5, this means that respondents viewed these items as measure of a single construct renamed as and labeled **Informed Brand**. An informed brand means a brand which its information's are everywhere, most people have full knowledge on every information about the brand. Also communalities on all variables are considered to be more than 60%.

The component factor analysis result shown in table 4.6 reveals that out of five items expected to measure **Brand Equity Construct** give only one factor. Five Items loading in factor one (1) BLO1, BLO2, BLO3, BLO4 and BLO5 this means that respondents viewed these items as measure of a single construct renamed as and labeled **Brand Loyalty**. Brand loyalty is a result of consumer behavior and is affected by a person's preferences. Loyal customers will consistently purchase products from their preferred brands, regardless of convenience or price. Azam brand is perceived as Brand loyalty due to the tendency of her customers to preferences on purchasing frequently Azam products than any other brand.

## **Managerial Implication And Conclusion**

### **Managerial Implication**

This paper has broadly and systematically analyzed four principle questions; first is customers' perception on brand loyalty, second is the customers' perception on perceived quality, third is customers' perception on brand associations and the last one is customers' perception on brand awareness towards Azam brand.

### **Brand Awareness**

Keller (2003, p.76) defines awareness as " the customers' ability to recall and recognize the brand as reflected by their ability to identify the brand under different conditions and to link the brand name, logo, symbol, and so forth to certain associations in memory". Azam brand in Tanzania is the most popular brand and many customers purchase its products because the awareness of the brand is very high, many customers showed their high level of memorizing Azam brand and its products.

### **Brand Association**

Aaker (1996) conceptualizes brand awareness that must precede brand associations. That is where a consumer must first be aware of the brand in order to develop a set of associations (Washburn and Plank, 2002). Healthy assurances, goodwill, comparable quality at lower prices are some of the reasons why many customers prefer Azam brand products. Azam also coordinates all forms of media both online and printing, together with a very well organized and designed positioning and take a good advantage of social

media technology to communicate to its customers. This has made it brand to win customers mind and be one of the most successful brand in Tanzania.

**Perceived Quality**

Perceived quality is related to a consumer’s judgment of a product or brand’s overall superiority or excellence (Zeithaml, 1988). The quality of the brand matters and for Azam brand, customers are happy and satisfied with the quality. High perceived quality allows for consumers to be convinced about buying the brand; for differentiation of the brand from competition; and for the firm to charge a premium price and then extend the brand (Aaker, 1991). Perceived quality is hence formed to judge the overall quality of a product/service. Boulding et al. (1993) argued that quality is directly influenced by perceptions. Consumers use the quality attributes to ‘infer’ quality of an unfamiliar product. It is therefore important to understand the relevant quality attributes are with regard to brand equity.

**Brand loyalty**

Finally, Aaker (1991, p. 39) defines the fourth dimension, brand loyalty, as “the attachment that a customer has to a brand”. Loyalty is a core dimension of brand equity. Aaker (1991, p. 39) defines brand loyalty as the attachment that a customer has to a brand and customers have shown how attached to Azam brand are and this created the loyalty and for marketers this is a very big advantage. Gil et al. (2007) have shown that loyalty is an important dimension of equity; and if brand loyalty is established, then brand equity will be the result. When a customer is loyal to a product or a brand, they consider it as their first option or choice and they are not influenced or affected by the strategies that are employed by competitors to lure them or get their attention (Tong and Hawley, 2009)

**Conclusion Base on Regression Analysis.**

In order to arrive on scientific conclusion regression analysis was used, below w is table and discussion. **Note that: EBL** stands for Equity Brand Loyalty, **EBA** stands for Equity Brand Awareness, **EPQU** stands for Equity Perceived Quality, **EBAS** stands for Equity Brand Association and **CON** stands for Consumer.

Below is the Regression summary on Table 6

Table 6  
Regression summary

Model Summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	.317 <sup>a</sup>	.101	.013	.761	
a. Predictors: (Constant), <b>EBL, EBAW, EPQU, EBAS</b>					
ANOVA <sup>a</sup>					
Model	Sum of Squares	df	Mean Square	F	Sig.
1Regression	2.652	4	.663	1.146	.348 <sup>a</sup>
Residual	23.717	41	.578		
Total	26.370	45			
a. Dependent Variable: <b>CON</b> b. Predictors: (Constant), <b>EBL, EBAW, EPQU, EBAS</b>					
Coefficients <sup>a</sup>					

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.911	1.060		1.803	.079
EBAW	-.005	.037	-.021	-.137	.892
EBAS	-.012	.020	-.153	-.615	.542
EPQU	.003	.051	.010	.052	.959
EBL	.079	.042	.405	1.898	.065

a. Dependent Variable: **CON**

**Source:** Authors based on analysis in SPSS.20.

The “R” value is the correlation coefficient between the dependent variable and the independent variables. According to the Model Summary, the value of correlation coefficient “R” of four independent variables Predictors (Constant), **EBL**, **EBAW**, **EPQU** and **EBAS** with the dependent variable (CON) is 0.317. Therefore, there is positive and moderate correlation between four independent variables and dependent variable.

Besides that, Model Summary also indicates the coefficient of determination (R square) which can help in explaining variance. The R square figure of the three independent variables is 0.13. These also mean that independent variables (**EBL**, **EBAW**, **EPQU** and **EBAS**) can explain 1.3% of the variation in dependent variable (**CON**). However, it 98.7% (100% - 1.3%) still remain unexplained in this research. In other words, there are other additional variables that are important in explaining **CON** that have not been considered in this research (these could be; income price, attitude, fashion, status and others) which can be researched further by other scholars.

Based on (ANOVA), the p-value is 0.345 which is greater than alpha value 0.05. Besides that, the F-statistic is significant at the value of 1.146. Therefore, the model is a good descriptor of the relation between the dependent and predictor variables. As a result, the independent variables (**EBL**, **EBAW**, **EPQU** and **EBAS**) are statistically significant to explain the variance in (brand performance). Thus Null hypothesis ( $H_0$ ) is rejected and alternative hypothesis ( $H_1$ ) is accepted.

The four independent variables are the factors that determine brand performance. This can be expressed in the Regression equation in this format below:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3$$

Based on the Coefficients, the regression equation for the customer satisfaction is:

$$\text{Con} = 1.911 + (0.37 \times -0.005) + (0.020 \times -0.012) + (0.051 \times 0.003) + (0.042 \times 0.079).$$

From the Coefficient’s table, location of EBL is the first and most significant independent variable in this research since its t-value is 1.898 and p-value is 0.065, which is greater than alpha value 0.05. This also shows that equity brand loyalty (EBL) of Azam products is significance to predict Consumer Satisfaction (CON). Besides that, Equity brand loyalty (EBL) is the predictor variable that contributes the highest to the variation of the Consumer Satisfaction (CON) because Beta value (under standardized coefficients) for this predictor variable is the largest (0.405) if compared to other predictor variables (EBAW, EBAS, EPQU). Equity perceived quality (EPQU) is significant independent variable where it carries out the t-value 0.052 and the p-value 0.959, which is greater than the alpha value 0.05. This shows that Equity perceived quality (EPQU) is significant to predict consumer satisfaction (CON). In

addition, Equity perceived quality (EPQU) contributes Beta value (under standardized coefficients) for this predictor variable 0.010

Equity Brand Association (EBAS) is another significant independent variable where as its t-value is -0.615 and p-value is 0.542, this is less than alpha value of 0.05. This represents that the Equity Brand Association (EBAS) is not significant to predict Consumer Satisfaction (CON). Besides, Equity Brand Association (EBAS) contributes the third highest to the variation of the Consumer Satisfaction (CON) its Beta value (under standardized coefficients) for this predictor variable is minus (-0.153).

Equity Brand Awareness (EBAW) is the last significant independent variable where as its t-value is -0.137 and p-value is 0.892, this is less than alpha value of 0.05. This represents that the Equity Brand Awareness (EBAW) is not significant to predict Consumer Satisfaction (CON). Equity Brand Awareness (EBAW) contributes the least highest to the variation of the Consumer Satisfaction (CON) where as its Beta value (under standardized coefficients) for this predictor variable is minus (-0.021).

Generally, the results indicate that Equity brand loyalty (EBL) and Equity perceived quality (EPQU) have a significant relationship with Consumer Satisfaction (CON). However, there is no significant relationship between Equity Brand Association (EBAS) and Equity Brand Awareness (EBAW) with Consumer Satisfaction (CON)

### **Recommendation**

From the findings, the researchers of the study found that consumer satisfaction has significance relationship with brand loyalty and perceived quality. In another word the firm performance of Azam as a Brand depends much on how consumer perceived the quality of its product and the loyalty of the Brand to consumers. Moreover the insignificant relationship of brand awareness and brand associations with consumer satisfaction has made the study to have room for further studies. There are other variables for firm performance which relate to consumers than those explained above. Most consumers seems to have very little awareness of the brand and how brand associate itself but due to successful positioning of Azam Brand consumers trust its products above other Brands. However the study is limited as only Brand Equity explained and leaves other variables like price, fashion attitudes and so on untouched.

Consumer-based brand equity application in terms of brand will provide quantitative measures to the success of the brand building efforts, in spite the fact that equity cannot be built in short term but long term with carefully designed marketing strategies. No one would deny that brands, now more than ever, are owned by consumers; they shape them, they use them, and they even market and promote them. Consumers have become the storytellers, and the individual power of each unique story is part of the brand's equity. (Baalbaki and Guzman, 2016). Although brand is not the only measure for the firm performance, the study shows that it is the strongest tool for the long term business success if it is well designed, established and maintained.

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