



**THE EFFECTS OF BRAND EQUITY ON CUSTOMERS' BUYING  
DECISIONS, IN THE CASE OF TOMOCA COFFEE**

**ADDIS ABABA UNIVERSITY**

**COLLEGE OF BUSINESS AND ECONOMICS**

**SCHOOL OF COMMERCE**

**DEPARTMENT OF MARKETING MANAGEMENT**

**GRADUATE STUDIES**

**A Thesis Submitted to the School of Graduate Studies of Addis Ababa  
University School of Commerce in Partial Fulfillment for the Award of the  
Degree of Master of Arts in Marketing Management.**

**BY:- YARED HAGOS G/MARIAM**

**ADVISOR:- MULUGETA G/MEDHIN (Ph.D.)**

**JUNE, 2022**

**ADDIS ABABA, ETHIOPIA**

---

# **BOARD OF EXAMINERS APPROVAL SHEET**

## **ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCE MARKETING MANAGEMENT GRADUATE PROGRAM**

**“THE EFFECT OF BRAND EQUITY ON CUSTOMERS’ BUYING  
DECISIONS; IN THE CASE OF TOMOCA COFFEE”**

**BY:**

**Yared Hagos Gebremariam**

### **Approved by Board of Examiners**

**Mulugeta G/Medhin (Ph.D.)  
Advisor Name**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Internal Examiner’s Name**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**External Examiner’s Name**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**JUNE, 2022 Addis Ababa**

**Ethiopia**

## **DECLARATION**

I, **Yared Hagos Gebremariam**, declare that the study entitled “***THE EFFECT OF BRAND EQUITY ON CUSTOMERS’ BUYING DECISIONS; IN THE CASE OF TOMOCA COFFEE***” is my original work. The study has not been submitted to any Degree or Diploma in any college or University. All sources of the materials used for this thesis have been properly acknowledged.

**Name:** Yared Hagos Gebremariam

**Date** \_\_\_\_\_

**Signature** \_\_\_\_\_

## STATEMENT OF CERTIFICATE

This is to certify that Yared Hagos Gebremariam has carried out his thesis on the topic of *“THE EFFECT OF BRAND EQUITY ON CUSTOMERS’ BUYING DECISIONS; IN THE CASE OF TOMOCA COFFEE”* for the partial fulfillment of Masters of Arts Degree in Marketing Management at Addis Ababa University school of commerce. This work is original and it is suitable for submission for the partial fulfillment of the requirement for the Degree of Master in Marketing Management.

---

Mulugeta G/Medhin (Ph.D.)  
Thesis Advisor

## **ACKNOWLEDGEMENT**

First and foremost, I would like to express my sincere praise to the Almighty God for making me alive and giving me repeated chances in life. Next to this, I would like to extend my deepest gratitude to my humble advisor Dr.Mulugeta G/Medhin, for his kind and philanthropic approach and his fruitful encouragement, critique, guidance, and support.

This research wouldn't have been possible without my dear Wife Abeba Mehari. I would like to say thank you for your unconditional love and help, and for being beside me through those stormy seasons.

I would also like to thank Mr. Solomon Alemseged ( Borufis EMS PLC) for your heartfelt support, brotherhood, and inspiration. This is your result big brother.

Thank you Mr.Hagos Gebremariam, W/o Nigsti Tesfay, Tasew H., Eskiya H., Barcho H., Brkti H., and Miraf M. for your encouragement and moral support, Mr.MelakuTsfaye for your inspiration, Mr.Leul G/Giyorgis for your amazing support throughout those challenging times, and Mr. Brook Melese W/cherkos for everything you did.

I would like to extend my special gratitude to Ato Kurubel (Managing director of ToMoCa Coffee) and Ato Bezawork (head of human resource development) and also to all supervisors and employees in every branch for your unlimited support and kind approach. The participants of the research also deserve a warm thank for their time, contribution and appreciation.

Last but not least gratitude extends to my classmates Tsega Habtegebriel and TegegneYismaw for your time and fruitful support.

# TABLE OF CONTENTS

BOARD OF EXAMINERS APPROVAL SHEET.....	i
DECLARATION.....	ii
STATEMENT OF CERTIFICATE.....	iii
ACKNOWLEDGEMENT.....	iv
TABLE OF CONTENTS.....	v
LIST OF TABLES.....	2
ABBREVIATION AND ACRONYMS.....	3
ABSTRACT.....	4
CHAPTER ONE.....	5
1. INTRODUCTION.....	5
1.1 Background of the Study.....	5
1.2 Background of the Company.....	7
1.3 Statement of the Problem.....	8
1.4 Research Question.....	10
1.5 Objectives of the Study.....	10
1.5.1 General Objectives.....	11
1.5.2 Specific Objectives.....	11
1.6 Definition of terms.....	11
1.7 Significance of the study.....	12
1.8 Delimitations / Scope of the study.....	13
1.9 Organization of the Study.....	13
1.10 Limitation of the study.....	14
CHAPTER TWO.....	15
2. REVIEW OF RELATED LITERATURE.....	15
2.1 The Concept of Brand.....	15
2.2 Definitions and Dimensions of Brand Equity.....	17
2.3 Brand Equity Models.....	18
2.4 Distinction between Purchase Intention and Purchase Decision.....	22
2.5 Empirical Evidence on Previous Researches on Brand Equity Vs. Purchase Intention / Decision.....	23
2.6 Empirical Evidence on Previous Researches on Brand Equity Vs. Purchase Intention / Decision On Beverage- Coffee Industry.....	24
2.7 Empirical Evidence on Previous Researches on Brand Equity Vs. Purchase Intention / Decision On Beverage- Coffee Industry In Ethiopia.....	26
2.8 Conceptual Framework and Hypothesis of the Study.....	27

CHAPTER THREE .....	31
3. RESEARCH METHODOLOGY .....	31
3.1 Research Approach .....	31
3.2 Research Design .....	31
3.3 Sampling Design.....	32
3.3.1 Population of the Study.....	32
3.3.2 Sampling Techniques of the Study .....	32
3.3.3 Sample Size of the Study .....	33
Source: - Owen survey,( 2022) .....	35
3.3.4SampleProcedure of the Study.....	35
3.4Data Collection of the Study.....	35
3.4.1 Sources of Data Collection of the Study .....	35
3.4.2 Methods of Data Collection of the Study.....	36
3.4.3 Procedureof Data Collection of the Study .....	36
3.5Methodsof Data Analysis.....	36
3.6Research Validity and Reliability .....	37
3.6.1 Validity .....	37
3.6.2 Reliability.....	37
3.8 Ethical considerations .....	38
CHAPTER FOUR.....	39
DATA PRESENTATION, ANALYSIS, AND INTERPRETATION .....	39
4.1. Introduction.....	39
4.2. Data screening.....	39
4.3. Reliability test.....	39
4.4. Descriptive analysis .....	40
4.4.1 Descriptive analysis of general information of the respondents .....	40
4.4.2 Respondents’ understanding and relationships with the ToMoCa’s Coffee brand .....	43
4.4.3 Descriptive Analysis of Variables.....	45
4.3.3.1. Descriptive analysis of Brand Awareness.....	46
4.3.3.2. Descriptive analysis of Perceived Quality .....	48
4.3.3.3. Descriptive analysis of Brand Association .....	49
4.3.3.4. Descriptive analysis of Brand Loyalty.....	51
4.3.3.5. Descriptive analysis of Customers’ buying decision .....	53
4.4.4 Inferential statistics .....	55
4.4.4.1 Correlation Analysis .....	55
4.4.4.2 Test for Linear regression model assumption .....	56

4.4.4.3	Regression Analysis.....	60
4.4.5	Hypothesis testing and interpretation of results.....	62
CHAPTER FIVE .....		66
SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS.....		66
5.1.	SUMMARY AND MAJOR FINDINGS.....	66
5.2.	CONCLUSIONS AND RECOMMENDATIONS .....	68
5.2.1.	CONCLUSIONS.....	68
5.2.2.	RECOMMENDATIONS .....	69
REFERENCES .....		71
APPENDIX.....		75

## **LIST OF FIGURES**

<i>Figure 1. Aaker's Brand Equity Model chapter two.....</i>	<i>18</i>
<i>Figure 2. Keller's Brand Equity Model (Brand Resonance Model) chapter two .....</i>	<i>21</i>
<i>Figure 3. Customer buying decision process chapter two.....</i>	<i>22</i>
<i>Figure 4. Conceptual framework of study chapter two .....</i>	<i>28</i>
<i>Figure 5. Normality-Histogram Graph chapter four.....</i>	<i>58</i>
<i>Figure 6. P-P Plot chapter four.....</i>	<i>58</i>
<i>Figure 7. Scatter plot chapter four .....</i>	<i>59</i>
<i>Figure 8. Significance effects of brand equity dimensions on buying decision chapter four .....</i>	<i>62</i>

## **LIST OF TABLES**

Table 1. Sample Population and distribution chapter three .....	34
Table 2 Cronbach’s Alpha Test for Reliability chapter four .....	40
Table 3. Summary of Respondents’ demographic data chapter four .....	42
Table 4. Respondents’ attitude and understanding of the ToMoCa’s Coffee brand chapter four.....	43
Table 5. Descriptive statistics of Brand Awareness chapter four .....	46
Table 6. Descriptive statistics of Brand Perceived Quality chapter four .....	48
Table 7. Descriptive statistics of Brand Association chapter four .....	49
Table 8. Descriptive statistics of Brand Loyalty chapter four .....	51
Table 9. Descriptive statistics of Customers’ buying decisions chapter four .....	53
Table 10. Summary of Overall Mean and standard deviation chapter four .....	55
Table 11. Correlation of variables chapter four. ....	56
Table 12. Normality test of variables chapter four .....	57
Table 13. Multicollinearity test chapter four.....	60
Table 14. Result of Multiple Regressions (Model Summary) chapter four .....	60
Table 15. ANOVA chapter four.....	61
Table 16. Regression Coefficient of Independent Variables chapter four .....	61
Table 17. Hypothesis testing and interpretation of results chapter four.....	62

## **ABBREVIATION AND ACRONYMS**

BAW - Brand Awareness

PQ - Perceived Quality

BAS - Brand Association

BL - Brand Loyalty

CBD – Customers' Buying Decision

## **ABSTRACT**

*The study aimed to measure the effect of brand equity on customers' buying decisions in the case of ToMoCa Coffee in Addis Ababa. The study applied Aaker's customer-based brand equity model with the four dimensions. To conduct the research descriptive and explanatory research designs were implemented. To identify the sample population, first, the research selected fifteen branches of ToMoCa Coffee of seventeen located in Addis Ababa. Next to this, the research employed a purposive sampling technique to select the final respondent from each selected branch. The suitability and convenience of the data collection instrument were tested by a sample survey. A total of 390 questionnaires were distributed to the 15 branches, and each of them received 26 questionnaires. Out of those 373 respondents filled and returned the questionnaire appropriately. It was a 95.64% response rate. The collected data were analyzed and interpreted by SPSS version 24 software. The result was measured through descriptive analysis, mean, standard deviation, and inferential analysis. According to the correlation test, the three independent variables (Perceived Quality, Brand Association, and Brand Loyalty) were demonstrated that had a strong, positive, and significant relationship with the dependent variable Customers' buying decisions. However, Brand awareness had a moderate, positive, and significant relationship with Customers' buying decisions. The multiple regression analysis test result revealed that Brand Awareness, Perceived Quality, Brand Association, and Brand Loyalty had a significant, positive, and direct influence on customers' buying decisions. Perceived quality was the highest effect on customers' buying decisions followed by Brand awareness and Brand Association. Brand loyalty had the least effect on the customers' buying decisions. It was recommended that focusing on products and service quality is a mandatory task in the beverage, and coffee industry, and companies must execute their effort on delivering quality products with state-of-the-art service.*

**Keywords:** - Brand awareness, Perceived Quality, Brand Association, and Brand Loyalty, Customers' buying decision, Customer-Based Brand Equity, and ToMoCa Coffee

# **CHAPTER ONE**

## **1. INTRODUCTION**

This chapter introduced all about the background of the study, the purpose of the study, the significance of the study, the background of the company in which the study had been conducted, what are the previous work of literature in the field all about, and the discussed ideas and the findings, statements of the problem, scope of the study, objectives of the study and organization of the study.

### **1.1 Background of the Study**

In today's advanced and complex world and technology-driven market, identifying and differentiating one's company product or service including the company itself is a mandatory and prominent task of a marketing people. To identify and differentiate one's company product from other's products in the market, especially from the competitors, the best marketing team has to execute the brand of the product and/or the company dully.

According to the American Marketing Association, A brand is a "name, word, sign, symbol, or design, or a combination of these, used to identify and differentiate the goods and services of one seller or group of sellers from those of other competitions". Former livestock owners identified and differentiated their herd of cattle and other animals from others by burning the first letter of their name or other symbol belonging to them on the body of the animals.

A brand is a sign, symbol, name, slogan, or any such thing that is used to identify as well as distinguish a specific service, product, or business. The potential customers have the awareness of the brand and its value of the brand. The term "brand awareness" refers to the ability of the customer to recognize and recall the brand under numerous circumstances and link the brand to certain memory associations with the service and product attached to the brand. Keller (2012)

In the current advanced world brand name and symbol of a company is the center of the whole marketing. A brand can be considered as a promise you can deliver the benefits to the market. Aaker (1991). The brand name encapsulates the brand's set of ideals and characteristics. As soon as a customer hears the brand name, the attributes and values of the brand should conjure before his eyes like a mentioned picture. ArunKamer and Nmeenakshi

(2006). Brand name not only delivers the promise and the benefit and the value it also has the power to influence the customers to build a relationship with it. Marketers turn their products into brands, which helps them establish a distinct identity in the minds of their customers. A brand is built by coming up with a unique name, packaging, and design, as well as rising customer expectations about the product. Branding allows clients to form associations with the brand such as prestige and economics by allowing them to build an individual identity. DeChernatony.L. D (2003).

The concept of different terminologies of a brand such as brand identity, brand image, brand position, brand management, and brand equity. Keller (1993) has been defined and discussed by several authors in the school of marketing. Out of that brand, equity is the most prominent terminology. Brand equity is the worth of a brand based on its value and strength. ArunKamer and Nmeenakshi (2006). In today's marketing, customer-based brand equity is extremely important. Consumer preference, strong stock returns, better loyalty, less vulnerability to competition marketing crises, and huge margins are all advantages of companies with substantial brand equity. Yodit (2017)

Brand equity has been studied and examined by several researchers in the case of different institutions. There is a lot of research conducted on the title of the effect of the four dimensions of brand equity, the influence of brand equity, factors affecting brand equity against purchase intentions, and/or purchase decisions such as Mohammad Reza, JalilvandNedaSamiei, and SeyedHessamaldinMahdavinia, 2011, Wensy Rantung, David P.E Sarang, and Peggy Adeline Mekel, 2014, YoditLemma 2017, NisalrochanaAgaunawal Dane 2015, EleniHailu 2021, TesfayeTamru 2019, UraelGetahun 2017, FishaTeshome2019 and others.

Most of the previous studies took the most common and widely used conceptual framework of Aaker, which is known as the customer-based brand equity model. The model comprises four elements. These four elements are brand awareness, perceived quality, brand association, and brand loyalty. Aaker (1991). Most of the researchers investigate the relationship, the influence, and the significance of the four customer-based brand equity dimension's on the consumers' purchase intention and/ or decisions. Most of them used quantitative research methods with descriptive and explanatory approaches. They prepared a self-administered questionnaire and they had gotten from 85% to 92% response rate. Most researchers have used the SPSS software of different year versions for analyzing and

interpreting the collected data. Under some of their research, they used seven points Likert scales to evaluate the attachment of every dimension against selected respondents. Even though many kinds of research were conducted on brand equity in different types of businesses they couldn't come across a common understanding or the same findings.

In the current Addis Ababa situation, under the contemporary lifestyle of the city, enjoying beverages, especially drinking coffee is reached its peak. In the coffee market of Ethiopia, one of the most influential, dominant, and acceptable brands of coffee is ToMoCa coffee. ToMoCa coffee is currently expanding its sales outlets and coffee shops highly. The number of customers who buy and use ToMoCa coffee increases day after day.

Therefore the purpose of this study will be to identify and investigate the effect of brand equity through its conceptual dimension these are brand awareness, perceived quality, brand association, and brand loyalty on customers buying decisions on the ToMoCa coffee clients.

## **1.2 Background of the Company**

ToMoCa coffee is an award-winning coffee roasting company. The family-owned firm was founded in 1953 in Addis Ababa, Ethiopia, and was the first coffee roasting company in Ethiopia to sell roasted and ground coffee to local and worldwide markets. The acronym TO.MO.CA is derived from the Italian Torrefazione Moderna café, which means modern coffee roasting.

ToMoCa coffee is regarded as the gold standard of Ethiopian coffee, delivering consistently high-quality coffee from roast to cup. They are a member of the Ethiopian Commodity Exchange (ECX) and export their product, coffee to Sweden, Germany, the USA, China, Japan, and other countries across the globe.

As it is described on the company's website clearly, the company engaged in a mission to exceed customer expectations by providing high-quality roasted coffee with excellent service at a price that is fair to the producers and customers. This is accomplished through their extensive roasting and curing experience, as well as the installation of quality control systems.

As it is stated clearly the company has a clear vision that all stakeholders to be the most reputable provider of roasted coffee in Africa and the international community as well as the preferred company for existing and future employees, clients, business partners, and

investors. It has its value these are dedicated, proficient, innovative, accountable, and cohesive.

ToMoCa has its coffee roasting, grinding, and packaging plant with a capacity of ten thousand kilograms of coffee per day. However, currently, it produces six thousand three hundred kilograms of coffee per day due to a lack of adequate supply of quality coffee on time. It uses approximately sixty-three percent of its total capacity.

ToMoCa coffee delivers hot drink services like Macchiato, coffee, tea, and coffee- espresso, and coffee and tea sprice. In addition to this, the company also delivers packed roasted and ground coffee with plastic and tin can packages with a capacity of 250gm and 500gm. To make the service full of traditional coffee ceremony it delivers some dry and soft cakes produced by its sister company beets fine foods as "bunakurs".

Besides this, the company works with total energies to make ToMoCa coffee available in selected branches of total gas stations with all kinds of fast consumable products including bank service (ATM). This new project, known by the name "Total express", is launched this year with two total gas stations which are located around Meskel square and African Union.

According to Mr. Kurubel, managing director of ToMoCa coffee, the company is on track to create 100 branches within ten years, as indicated in the company's ten-year strategic plan, which commits the company to open ten new branches each year.

ToMoCa coffee pays big attention to playing an enormous role in social responsibilities and it works a lot with disabled communities. The company delivers handmade materials like hand purses, bags, rugs, and so on to its customers which are produced by disabled craftsmen, girls, and women.

ToMoCa coffee currently has a total of nineteen branches two are out of Addis Ababa, in Bishoftu (ToMoCa yellow) and ToMoCa Kuriftu. According to Mr. Kurubel, the company's branches will reach twenty-five in number at the end of this fiscal year.

### **1.3 Statement of the Problem**

There are different researches and studies which were engaged in brand equity. These researchers were conducted on the case of different types of businesses and various institutions such as automobile industries, telecommunication, pharmaceuticals, beauty

consumptions, and beverages. Most researchers used the four dimensions of brand equity, customer-based brand equity model. Aaker (1991). In these studies, researchers attempted to look into each element of CBBE against the purchase intention or purchase decision of the customers or consumers. In different institutions and businesses, the findings and the conclusions of the researchers are different.

In the study conducted under the title of “the effect brand equity dimensions on consumers’ purchase intentions on the case of Kaldi’s coffee ” TesfayeTamiru (2019) Addis Ababa University School of Commerce. In this study, the researcher concluded that brand loyalty and brand awareness have a strong and positive influence on consumers buying intentions but on the other hand perceived quality and brand association have a weak effect on consumers buying intentions.

In another study conducted under the title of "impact of brand equity towards purchasing decision a situation on mobile telecommunication services of Srilanka". NisalRochanaGunawer Dane (2015). The researcher came up with the result of brand awareness and perceived quality has a strong positive relationship towards purchase decision however brand association and brand loyalty have less and moderate relationships with purchase decision respectively.

Other studies were conducted on the effect of brand equity on purchase intention in the case of selected dental specialty clinics in Addis Ababa. ElleniHailu (2021). Under this study, the following findings were revealed. Perceived quality has relatively the highest positive and significant effect on purchase intention. Next to perceived quality, brand awareness and brand associations have a positive and significant effect on purchase intention. But brand loyalty has the weakest effect on purchase intention. And also the researcher recommended management focus on the company’s reputation rather than chasing famous dentists to underline the significant impact of the perceived quality on the purchase intention.

The next study this statement going to access is the study conducted under the title of "measuring consumer-based brand equity in the beverage section in the case of ToMoCa coffee" the researcher conclude that all four elements or dimensions of the CBBE have a significant positive effect on the overall brand equity of ToMoCacoffee. Yodit ( 2017).

The last but not the least study engaged on CBBE was conducted under the title "the effect of brand equity of assembled automobiles on customer purchase intention. FishaTeshome,

2019, Addis Ababa University School of Commerce). In this study, the researcher concluded that brand loyalty has a strong positive and significant influence on purchase intention followed by brand associations and brand awareness. But when it comes to perceived quality, he concluded that it has a significant but negative impact on purchase intention.

As assessed above, in the Ethiopian context, there were three types of researches conducted on the beverage-coffee industry towards Brand equity. The two are in the case of Kaldis coffee and the remaining one is in the case of Tomoca coffee. The earlier one engaged on the effect of brand equity dimensions on consumers' purchase intention. TesfayeTefera (2019). The other two are engaged in measuring consumer-based brand equity in the beverage sector ToMoCa Coffee. Yodit (2017) and Kaldi's Coffee Yonas Abebe (2018) respectively.

This study will find answers to the following gaps. Firstly, it will answer what are the effects of the CBBE on customer buying decisions in the beverage industry. Secondly, it will deliver up-to-date results for the beverage – coffee, industry on the effect of brand equity on customers' buying decisions because all the three previous researches in the industry were conducted three years and four years ago. Thirdly it will deliver a specific evaluation result for each of the four dimensions of their effect on the customers' buying decisions.

## **1.4 Research Question**

The major goal of this study was to answer the main research question of the effect of brand equity on customer buying decisions, in general. And the research also was committed to answering the following sub-research questions in particular such that:-

- . What is the effect of Brand Awareness on customer buying decisions?
- . What is the effect of Perceived Quality on customer buying decisions?
- . What is the effect of Brand Association on customer buying decisions?
- . What is the effect of Brand Loyalty on customer buying decisions?

## **1.5 Objectives of the Study**

This study had two kinds of objectives general and specific objectives. The study clearly articulated and stated the general and specific objectives of the study as follows.

### **1.5.1 General Objectives**

The general objective of this research was to identify and investigate the effect of brand equity on the customers buying decisions on To.mo.ca. Coffee. The study was based on the customer-based brand equity model of Aaker (1991) and evaluated the effect of these four dimensions on customers' buying decisions.

### **1.5.2 Specific Objectives**

1.5.2.1 To investigate the effect of brand awareness on customers' buying decisions of To.mo.ca coffee.

1.5.2.2 To investigate the effect of perceived quality on customers' buying decisions of To.mo.ca coffee.

1.5.2.3 To investigate the effect of brand association on customers' buying decisions of To.mo.ca coffee.

1.5.2.4 To investigate the effect of brand loyalty on customers' buying decisions of To.mo.ca coffee.

### **1.6 Definition of terms**

**Brand** –A distinguishing name or symbol, like as a logo, trademark, or package design, is used to identify and separate the goods or services of one seller or a group of sellers from those of competitors. Aaker (1991).

**Brand equity**– A set of brand assets and liabilities associated with a brand, its name, and symbol that add to or remove from the value provided by a product or service to a company and/or its customers is referred to as brand equity. Aaker (1991).

**Customer-based brand equity**- Customer-based brand equity is defined as the differential effect of brand knowledge on consumer response to brand marketing in which brand knowledge is characterized in terms of two components, brand awareness, and brand image, using an associative network memory model. Keller (2003) cited by Yodit (2017)

**Brand awareness**- The strength of the brand node or trace in memory, which we may assess as the consumer's capacity to identify the brand under various settings, is related to brand awareness. Keller (2013).

**Brand association-** the brand association is memory or everything in a customer's mind related to a particular brand. Aaker (1996). The brand association consists of all brand-related thoughts, feelings, perceptions, images, experiences, beliefs, and attitudes. Kotler and Keller (2006).

**Perceived quality-** The term "perceived quality" refers to a customer's overall impression of a product's or service's superiority over the competition. Aaker (1991).

**Brand loyalty-** Customers develop a positive attitude about a brand, are dedicated to a specific brand, and are willing to continue purchasing the brand in the market as a result of brand loyalty. Kotler and Armstrong (2012).

**Customer-** the customer is how Individuals, people, and organizations pick, acquire, use, and dispose of goods, services, ideas, or experiences to meet their needs and wants. Kotler and Keller (2013)

**Buying/ purchase intention-** buying/ purchase intention is defined practically as the possibility of shopping and it is subject to willing purchase, considering a purchase, and recommendation purchase. Dodds (1991) cited by FishaTeshome (2019)

**Buying/ purchase decision-** buying/ purchase decision has its process and it comprises the following five activities problem recognition, information search, Evaluation of alternatives, Purchase decision, and Post-purchase evaluation. A purchase decision is the actual purchase of goods and/or services. Maria-Cristiana MUNTHIU (2009).

## **1.7 Significance of the study**

On one hand, this research result would be helpful as secondary data for other studies. Other researchers would be used this research result and its recommendation as a secondary source for further studies. The research delivered the following signs in the directly related field, the affiliated major of the customer-based brand equity. The result of this study would fill the gap which is happening in the field of factors affecting buying/ purchase decisions. It would provide a concrete and well defined and identified answer which was articulated dully. To understand the effect of the customer-based brand equity on customer buying decisions in the beverage industry specifically in the coffee market.

## **1.8 Delimitations / Scope of the study**

This research delimited or its scope bounded under the following key aspects. Firstly, it would be delimited by Geography. This research would be conducted only on sales outlets and cafes of ToMoCa coffee which are available only in Addis Ababa, Ethiopia. According to companies profile, there are seventeen branches in Addis Ababa and only fifteen branches are covered in this study. Secondly, it is delimited by the conceptual framework of the study. To compare the result with the previous studies' results and for the relatedness of the study with other studies done and will do in the field, it used the four dimensions of the customer-based brand equity model of Aker (1991). These dimensions are commonly and widely used by researchers and authors in the field. Thirdly, according to previous researchers' methodology experience and for the relatedness of evaluation, this study used a quantitative research method with a descriptive and explanatory approach.

## **1.9 Organization of the Study**

This research thesis is constructed in five different chapters. Each chapter had its title and subtitles and also comprises different elements with them.

The first chapter was all about the introduction of the study. Under this chapter background of the study, the background of the company, statements of the problem, research question, the objective of the study, the hypothesis of the study, definition of terms, the significance of the study, scope or delimitations of the study and organization of the study were clearly stated.

Chapter two presented a review of related kinds of literature which encompasses a theoretical & empirical review of the current study and it also included a conceptual framework of the current study.

In chapter three the following subtitles comprised and discussed the research approach, research design, sample design, target population; sampling techniques, sample size, data collection instruments, and data collection methods as well as the method of data analysis and presentation.

In chapter four results and findings of the study were discussed and interpreted. In the final chapter five, the study was given a summary, conclusion, and recommendation about the result and findings.

### **1.10 Limitation of the study**

The study was conducted only on fifteen selected branches of ToMoCa coffee and its customers. The remaining four branches will not be included in the research due to their location. The study selected fifteen branches out of a total of nineteen branches, two branches are located out of Addis Ababa and the other two are located in the suburb of the city.

## CHAPTER TWO

### 2. REVIEW OF RELATED LITERATURE

This chapter discussed different reviews of the literature. It comprised and discussed the general concepts of brand, dimensions of brand equity, models of brand equity, brand equity vs. buying intentions, brand equity vs. buying decision, the theoretical and conceptual frameworks of the study, and other related works.

#### 2.1 The Concept of Brand

A brand is a common and familiar word in the marketing field. It has a crucial place in the profession. When it talks about a product, at an early age producers produce their product and deliver it to the market without any identification and differentiation measures. David A. Aaker ( 1991 ), clearly described that producers create something familiar symbols and marks on their products due to help their customers simply identify and differentiate the product from other competitors' products for the sake of customers to keep themselves from weak quality products. As it was clearly stated in the product marketing philosophy, in the early age of marketing, the product was directly attached to the quality of the product itself, especially with the durability and capacity of the product. Kotler and Armstrong( 2012)

A brand is the critical creative ability of marketing professionals. He stressed it by clearly articulating that saying perhaps the most distinctive skill of professional marketers is their ability to create, maintain, protect and enhance brands. Marketers say that branding is the art and foundation of marketing. Philip Kotler (2000). Later to this, Kotler also defined a brand as essentially a seller's pledge to provide a certain set of features, benefits, and services every time to the buyers. It is also defined as a brand is an emotional and physiological association a firm has with a customer; strong brands acquire opinions, emotions, and sometimes- physiological reactions from a customer. The brand is not just a name, it accompanies different personalities and experiences of a product to promise or guarantee the quality of the product (Keller, 2003).

Several scholars have written and discussed different ideas about brand definitions. A brand can be defined as A name, term, sign, symbol, design, or a combination of them, designed to identify the goods and services of one seller or group of sellers and to distinguish them from those of competitors. Kotler (1991). The word brand was derived from the Old Norse word brandr, which means "to burn," because brands were and still are the method by which

livestock owners identify their animals. Keller (2013). A brand is nothing but an assortment of memories in the customers' minds. A brand represents values, ideas, and even personality. It is a collection of functional, emotional, and rational associations and benefits that have captured the attention of the target market. In the mind of the customer, associations are the pictures and symbols linked with the brand or brand benefits. Furthermore, Aaker defined a brand as a distinct word or symbol (such as a logo, trademark, or packaging design) used to identify and differentiate the goods or services of one seller or a group of sellers from those of competitors. (1991).

In addition, a brand is both abstract and real. It encapsulates/whatever the company has to offer to the brand on one level and symbolizes customer expectations on another. Branding is the method through which businesses set themselves out from the competitors with their product offers. Marketing turns their products become brands, which helps them establish a distinct identity in the minds of their customers. A brand is built by coming up with a unique name, packaging, and design, as well as rising customer expectations about the product. Branding allows clients to form associations with the brand such as prestige and economics by allowing them to build an individual identity. Purchasing a brand decreases the customer's risk and simplifies his purchasing options. Customers' impressions of a product are shaped by branding. High sales, the ability to modify price premiums, and the ability to oppose distribution power all result from brand excellence. Arun Kumar and N Meenakshi (2006).

Branding has A significant role in a company's product and service achievement. Companies try to directly attach their brand to their product or services. Brand convey and deliver a direct value of an asset for the company. According to Kotler, brands are important valuable intangible assets for companies. Yodit Lemma, in her part, describes the role of Abrand as follows. In the mind of a consumer, a successful brand may build and maintain a strong favorable, and lasting impression. Companies will be able to command higher pricing, increase market share penetration through advertising, accelerate new product acceptance, and withstand price erosion if they develop a strong brand. Furthermore, businesses with powerful brands have an easier time hiring dedicated employees who are loyal to both the firm and the brand. Yodit (2017).

In general, we can conclude that a brand is any name, term, sign, symbol, design, or combination of them which help the company to identify and differentiate its product from

other competitors' product. Through different Marketing mechanisms, it develops emotions within the minds of customers and changes these emotions to define value and make them an asset to the company.

## **2.2 Definitions and Dimensions of Brand Equity**

Brand Equity: Definitions and Dimensions Brand equity is a notion that emerged in the 1980s and has since become widely utilized by advertising professionals. Barwise (1993). Because brand equity is linked to brand loyalty and brand extensions, it has piqued the interest of business strategists from a wide range of industries. ChiengFayrene Y.L, and GoiChailee (2011).The study of brand equity is becoming more prominent, as some experts have found that a company's brand is one of its most valuable assets. Consumer preferences and purchasing intentions are known to be influenced by brand equity levels. Cobb-Walgren et al. (1998). Brand equity has lately been defined in customer-based contexts. Keller (1993) and expanded to include effects on brand preferences, purchase intent, and other factors. Cobb-Walgren et al. (1998).

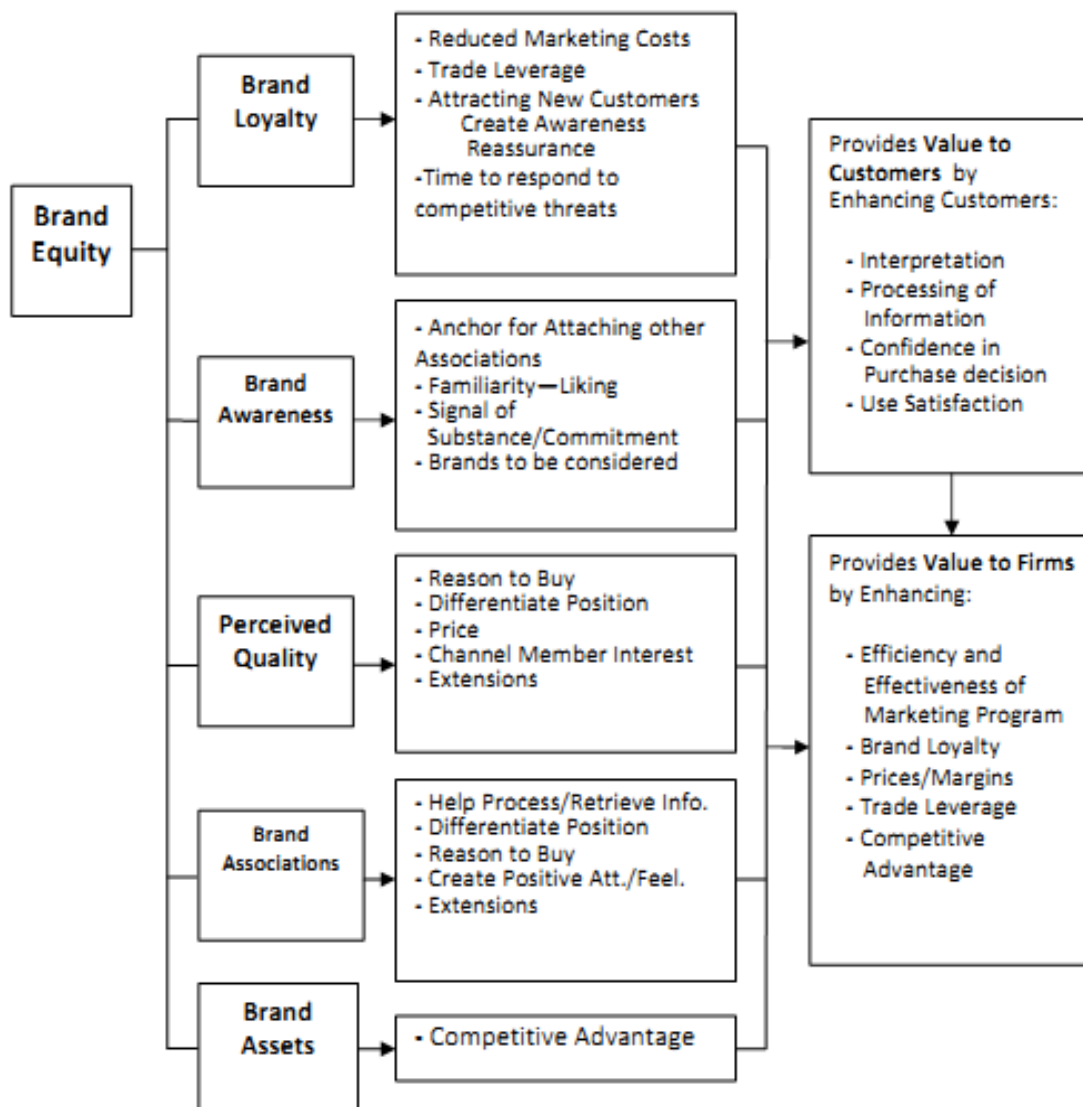
Brand equity as a concept, from its inception to the market different researchers and authors tried to define it and tried to set different perspectives to understand it. The following can show or illustrate the diversity of existing definitions and concepts of brand equity. Keller (2003) defined brand equity as it is the set of assets or liabilities of a brand that are associated with its symbol or name. These symbols can or cannot add value to its product or services. The net present worth of consumer goodwill toward a product is referred to as a brand.

Brands serve as a signal or indication about the quality and reliability of products and services, as well as their image and prestige. The other definition in the literature is that a set of brand assets and liabilities associated with a brand, its name, and symbol that add to or remove from the value supplied by a product or service to a company and/or its customers is known as brand equity. Aaker (1991). In other parts of the theoretical aspect of brand equity Kotler and Keller (2012) defined brand equity as the added value endowed on products and services. It could be mirrored in the way customers think, feel, and act about the brand, as well as in the brand's prices, market share, and profitability.

Brand equity can be defined as marketing and financial values linked to the power of a brand on the market, including real patented brand assets, brand awareness, brand loyalty, perceived brand quality, and brand association. Pride and Ferrell (2003)

### 2.3 Brand Equity Models

Brand equity studied by different scholars and there have been different models developed to understand and measure brand equity through several dimensions. There are two well-known brand equity models in the school. Asker's brand equity model and Keller's brand equity model.



**Figure 1. Aaker's Brand Equity Model**

Source: (Aaker, 1991)

In the above Aaker's brand equity model, the five brand equity components were identified clearly. Those brand equity components are brand loyalty, brand awareness, perceived

quality, brand association, and other proprietary assets. A set of brand assets and liabilities associated with a brand, its name, and symbol that increase or decrease the value supplied by a product or service to a company and/or its customers is known as brand equity. Aaker (1991).

**Brand loyalty:** - according to the model and its listed content, the extent of someone's loyalty to a brand can be expressed through the following factors or components.

Reduced market cost- it can directly refer to the value of existed and loyal customers in less or cheap cost when the company compares its cost to find a potential customer in the market.

Trade leverage - loyal customers are always being leveraged for the loyal brand.

Attracting new customers – existing customers who are loyal to the brand can be a means to attract new customers by promoting and manifesting the brand to potential buyers. By being continuous and loyal buyers of the company's products loyal customers give precious time to the company to prepare itself for responses appropriate to competitors. Aaker (1991).

**Brand awareness:** - according to components comprises under the brand awareness part of the model it expressed the awareness of customers about the brand and gives a chance to develop familiarity between the product and its users. Customers who are loyal to a given product are willing to talk about the brand by their consent. Under this step, the brand is to be considered as to what extent the brand form in a consumer's mind as part of the evoked collection of brands. Brand awareness is always supported by different impulsive signals which motivate the consumer to commit to the specific brand. Aaker (1991).

**Perceived quality:** -when a brand is considered to provide a good quality product or service it can be measured based on the reason to buy it. Most of the time the reason to buy any brand is the quality of that brand or service. After the quality of the brand, the differentiation or position ability of the brand come to a point to measure and compare it with other competing brands. Next to this price is considered as the implication or indicator of the quality of the brand. The fourth point that considers thinking about brand quality is the availability of the brand in the sales channel. Channel members are interested to accompany the brand and make it available in the market; it can manifest the quality of the product. The last but not least point in the model under perceived quality is a brand

extension. Consumers always expect the extension of their favorite brand product on a wide scale in the market. It always helps the brand equity. Aaker (1991).

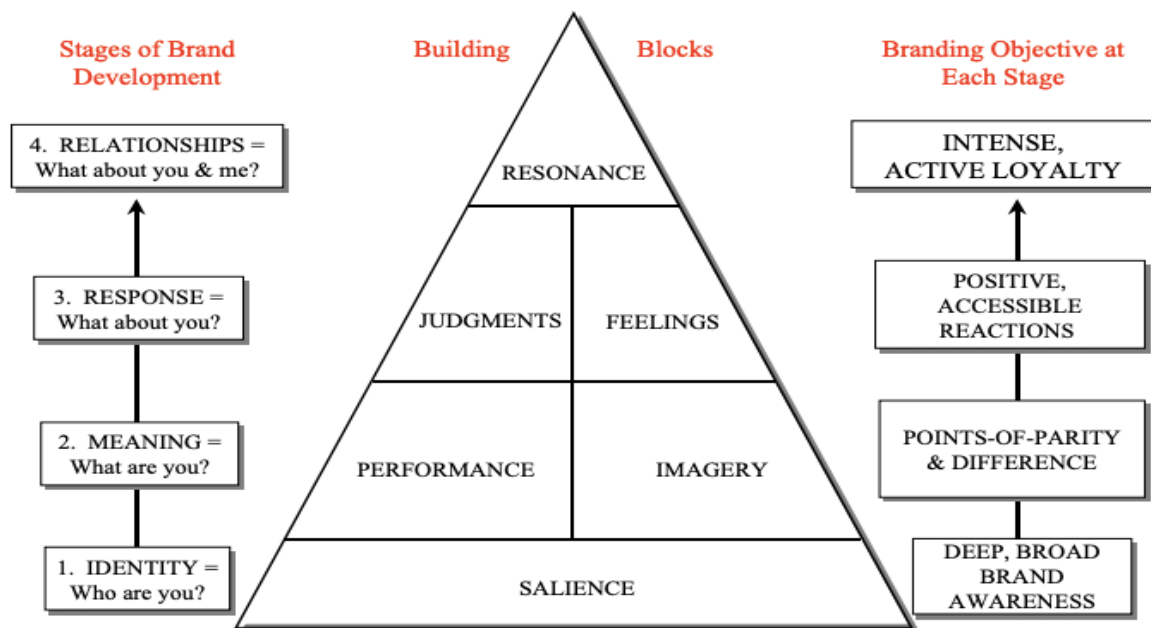
**Brand association:-**is a memory or everything in a customer's mind related to a particular brand. It can be measured by the retrieve capacity of the customer. Once they heard the information about the brand and they can retrieve it from their brain, it can be said they create an association with that specific brand. The differentiation or understanding of the position of the preferred brand helps the customer to develop an association with the brand and it can indicate the size of the connection between the customer and the brand. This developed relationship can be a reason why the customer buys the specific brand. It also helps the customer to create a positive attitude and feelings toward the brand and also committed to focusing on the extension of the brand. Aaker (1991).

**Other proprietary assets:** -These kinds of assets can be expressed by patents, intellectual property rights, trade patterns, and trademarks. These kinds of assets or rights get accumulated around the brand so that the brand can get a competitive advantage over other competing brands in the market.

In the sum of this, the company can provide value to the customer by enhancing the customer's ability to process available information and interprets it accordingly, based on their processed information get confidence to conduct the purchase decision and appropriately use the satisfaction. And in the other hand, it also provides value to the firm by enhancing the efficiency and effectiveness of marketing programs, brand loyalty, price, brand extension, trade leverage, and competitive advantage. Aaker (1991).

There are four stages of brand development. The first step is identity level or salience. It deals with the question who are you? It is all about brand recognition to generate and develop brand equity such as slogans, logos, names, and other broader identity elements of the brand. In this step, the main objective of the company is to create deep and broad brand awareness the brand. Keller (2013).

The second stage is about meaning what are you? It is all about communicating what value you offer in the marketplace. How are you different; why do people in the market prefer your brand, why your audience should care about your brand and why do they focus on your brand instead of focusing on your competitor's brand? At this level, a company works on performance and imagery.



Figure

**Figure 2. Keller's Brand Equity Model (Brand Resonance Model)**

Source: (Keller, 2013)

Performance – is demonstrating how your brand fits the needs and wants of your audience. Primary characteristics and secondary features of the company's product and the reliability, durability, serviceability, effectiveness, and efficiency of the product are entertained. The intrinsic features of a brand in terms of fundamental product or service characteristics are referred to as brand performance. Keller (2013).

Imagery –The extrinsic features of a product or service, such as how the brand tries to meet clients' psychological or social demands, are addressed by brand imagery. It is a brand alliance with the company's customers through social and psychological levels. What does the audience believe about the product brand? The main objective of this stage is points of parity and differences. Keller (2013).

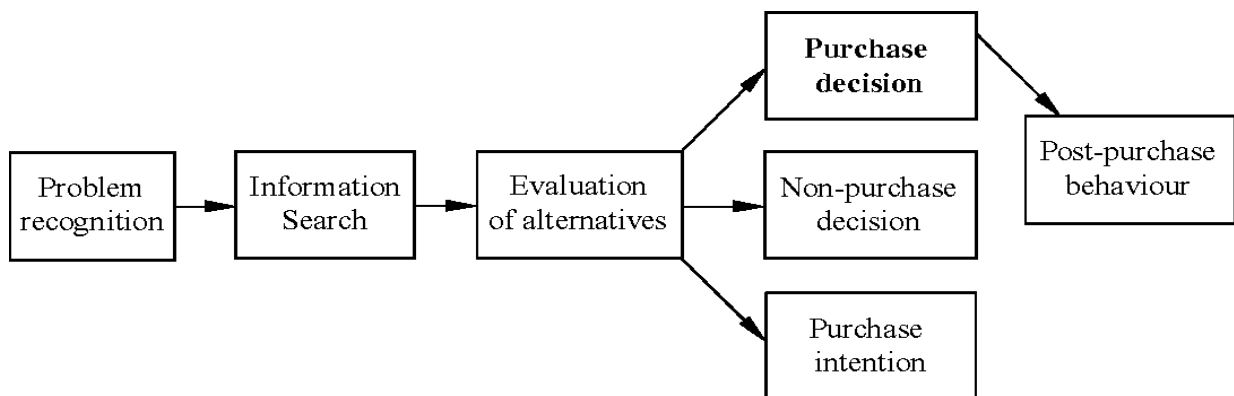
The third stage is about responses. It is all about how are you perceived? How do the customers respond to the company's brand messaging and what response does the brand evoke. What is the audience think about until the brand comes? Brand reactions can be divided into two categories: brand judgments and brand feelings. Customers' thoughts and evaluations of the brand are the focus of brand judgments. The emotional responses and reactions of customers to a brand are known as brand feelings. What do they feel, and what emotion have they evoked from the audience through your messaging or imagery and

association. The main objective of this stage is to create a positive and accessible reaction to the brand (Keller, 2013).

The last step is resonance, a relationship between the audience and the company. It is all about dealing with the question of what about you and me? It develops behavioral loyalty, and attitudinal attachment with the brand creates a sense of community with the company and its brand creates active engagement for the future relationship. The main objective of this stage is to create active and intensive loyalty for the brand (Keller, 2013).

## 2.4 Distinction between Purchase Intention and Purchase Decision

Purchase intention is subject to willing purchase, considering a purchase, and recommendation purchase, EleniHailu(2021) cited Rooze (2014). According to this, purchase intention has come a little bit first then the purchase decision. According to Maria-Cristiana MUNTHIU (2009), the consumer buying decision has the following steps illustrated on a diagram.



**Figure 3. Customer buying decision process**

Source Maria- Cristiana MUNTHIU (2009)

Based on the above-illustrated diagram, after an information search and the identification of possible alternatives, the consumer is expected for three things. For non- purchase decisions, purchase intention, and purchase decisions. The first one is non- purchase decision. It is an immediately stopped decision may be because of a lack of a better alternative or a product appropriate to satisfy the need or want. The second one is purchase intention. This is created by accepting the best alternative. But, still, it can postpone the purchase time or change the

mind. Unexpected situational factors and attitudes of others. Maria- Cristiana MUNTHIU (2009) might influence the purchase intention of consumers to get a final decision.

The third one is making a purchase decision. It has happened when the consumer fulfills all the process of the buying decision dully. After that, the post-purchase behavior and other related things including long-lasting relationships based on consumer satisfaction will happen. According to Ying-Fang Huang and Hoang Sa Dang (2014) cited Schiffman and Kanuk (2007) consumers purchasing decision-making has been done since they desire to satisfy their need and want through the searching, buying, using, and disposing of process. Most of the time consumers focus on identifying alternatives to satisfy their unsatisfied need and want.

## **2.5 Empirical Evidence on Previous Researches on Brand Equity Vs. Purchase Intention / Decision**

There are several kinds of research conducted on the effect and impact of brand equity on consumer and/or customer purchase intention, buying behavior, and buying decisions. The followings are the most common ones which are available on google scholar.

The first one is engaged on the title of the impact of brand equity on purchasing decisions a situation on mobile telecommunication service of Sir Lanka. NisalRochanaGunawardane, (2015). In this study, the researchers used three hundred questionnaires and the sample collected from Colombo and Gampaha districts. Finally, the study found Both brand loyalty and perceived quality have moderate positive relationships with consumers' purchase decisions.

The purpose of this study is to see if Aaker's brand equity model can be used to predict recurrent purchases of imported beauty care goods, a survey on female customers of Pakistan. It was conducted by three researchers. Under this research, two hundred twenty-one actual customer responses were used. The research employed purposive sampling techniques to get the needed respondents. The research was exploratory and seven points Likert scale was used. The research findings showed that brand loyalty, brand quality, and brand association are the significant dimensions while having recurrent purchase decisions. On the other hand, brand awareness has found weaker support for recurrent purchase decisions. SaimaUlfat, Dr.AsifMuzaffar, Professor Dr. Muhammad Shoaib (2014).

The other related study on brand equity is titled the effect of brand equity components on purchase intention and the application of Aaker's model in the automobile industry. Two hundred and forty-two people completed self-administered questionnaires for the study. In terms of the current empirical research, brand awareness, brand association, brand loyalty, and perceived quality all had a major impact on purchase intention, and it should be noted that the correlation of the four exogenous constructs was significant and all positive. Aaker (1991).

The effect of brand equity assembled automobile on customer purchase intention; an empirical study of the automotive industry in Ethiopia. Fisha (2019). The study used a quantitative research approach. It applied a self-administered questionnaire for a three hundred eighty-seven sample population and found the following results. According to the research findings brand awareness, brand association, and brand loyalty have a positive and significant influence on purchase intentions. Brand loyalty has the strongest influence followed by brand association and brand awareness. Perceived quality on its part, has a significant but negative influence on customers' purchase intention.

The other research was conducted under the title of the effect of brand equity on purchase intention in the case of selected dental specialty clinics in Addis Ababa. EleniHailu (2021). In this study, a quantitative research approach with a descriptive and explanatory research design was used based on a structured questionnaire. The study used three hundred twenty-six respondents. Based on the findings of the study all four dimensions of brand equity (brand awareness, brand association, brand loyalty, and perceived quality) had a significant positive effect on purchasing intention. Out of that, the perceived quality had the highest effect followed by brand awareness. But, brand loyalty had the least effect on customers' purchase intention.

## **2.6 Empirical Evidence on Previous Researches on Brand Equity Vs. Purchase Intention / Decision On Beverage- Coffee Industry**

The first one is engaged in the title "the effect of brand equity on consumers' buying behavior in Starbucks Manado town square" by Janet DevinaKoaha, and Johan Tumiwa, 2016. The research tried to examine the application and practicality of Aakers' brand equity model to recurrent purchase decisions for Starbucks coffee. In this research, the researchers used the quantitative research method. They used one hundred respondents with convenience sampling techniques. It is a method that selects its respondents because of their

availability at the time; it is the best way of selecting sampling under a situation with time limitations. Janet DevinaKoaaha, and Johan Tumiwa (2016). In this study, they found on one hand brand awareness, brand loyalty, and perceived quality have a significant and positive influence on consumers' buying behavior. On the other hand, the brand association has no significant and positive impact on consumer buying behavior. The study used an exploratory research method and used two hundred eleven respondents sampled by purposive sampling method. The study found the following findings. Brand awareness, brand loyalty, and perceived quality have a significant effect on recurrent purchase decisions. But, a brand association has found a weaker effect on recurrent purchase decisions.

The next research was prepared by eleven researchers under the title of the influence of brand equity on consumers buying decisions at Starbucks. In the beginning, they predicted that the brand equity of Starbucks would affect the consumers' purchase decisions. They used a hundred respondents to conduct this research and distributed a questionnaire survey through the internet. The targeted population for the research was Starbucks consumers from Malaysia, India, and Indonesia. Finally, they concluded that; according to their research brand equity has a positive influence on consumers' purchase decisions. (Dilip D 1, Rupesh Sinha<sup>2</sup>, Chin Pei Wen<sup>3</sup>, Daisy Mui Hung Kee<sup>4</sup>, ChoongShu Ching<sup>5</sup>, Lew Ke Er<sup>6</sup>, Somya Agarwal<sup>7</sup>, Rudresh Pandey<sup>8</sup>, TheofilusWelyna Putra<sup>9</sup>, LiemGai Sin<sup>10</sup>, Yap Wen Yan<sup>11</sup>)

The other research study engaged in the beverage coffee industry was conducted under the title "the effect of brand equity, marketing mix, and lifestyle toward purchase decision at the coffee shop in Bogor". It was prepared by KhairunnisaRahmah, UjangSumarwan, MukhamadNajib( 2018). In this study, the researchers used two hundred seventy-one respondents based on a non-probability sampling technique namely the convenience sampling method. The study found that the brand equity variables, brand awareness, brand association, perceived quality, and brand loyalty have a direct and significant effect on the purchase decision process. According to the conclusion, the higher brand equity has the higher being purchase. It shows that through different mechanisms companies' do basic marketing to increase the brand equity of their company. These things directly help the company's performance by influencing the consumers to create a buying intention and being a push factor to affect their buying decision (KhairunnisaRahmah, UjangSumarwan, MukhamadNajib( 2018).

The next research was engaged in coffee under the title of “Enhancing purchase intention through marketing activities and brand equity: An exploration of local brand coffee” by Surikhan, U., Panyapan, W., Kamkankaew, P., Thanitbenjasith, P., Limpiangkanan, P. &Kaewma, K. (2019). The study used a quantitative research method and the data were collected through documents, concepts, and research studies. It applied a structured questionnaire and participated five hundred customers as a sample population. According to the research findings, only brand awareness has positively and strongly positively related to enhancing purchase intention. For the remaining three variables, brand association, perceived quality, and brand loyalty didn’t find empirical evidence of their significance in enhancing purchase intention. Surikhan, U., Panyapan, W., Kamkankaew, P., Thanitbenjasith, P., Limpiangkanan, P. &Kaewma, K., (2019).

The last but not the least study in our studying related literature was conducted under the title of “empirical analysis on purchase intention on a coffee beverage in Taiwan”. It was studied by Ying-Fang Huang and Hoang Sa Dang (2014). The researchers used two hundred sixty respondents and were analyse the research by exploratory factor analysis and regression analysis. The findings were described as a brand and product image with other factors including price, promotion, motivation, and environment are critical and have an impact on coffee drinker’s purchase intention. In this research, the perceived quality through good flavor and test has a principal role on purchase intention. Ying-Fang Huang and Hoang Sa Dang (2014).

## **2.7 Empirical Evidence on Previous Researches on Brand Equity Vs. Purchase Intention / Decision On Beverage- Coffee Industry In Ethiopia**

There are three kinds of research available in our university’s databases that were conducted on the beverage industry - coffee. The first one is studied by Yodit Lemma under the title “Measuring consumer-based brand equity in the case of TOMOCA coffee” (2017). The second one is studied by Yonas Abebe under the title “Measuring Customer Based Brand Equity: The case of Kaldi’s Coffee” (2018). The third one is studied by TesfayeTamiru in the title called: “The effects of brand equity dimensions on consumer purchase intention in a case of Kaldis coffee” (2019).

Under the third research, “the effects of brand equity dimensions on consumer purchase intention in a case of Kaldis coffee” TesfayeTamiru (2019). The study used a quantitative research approach and descriptive and exploratory research design. The study collected data

through a self-administered questionnaire and distributed the questionnaire to a four hundred twenty-four sample population. Based on the study's findings all four dimensions had a positive and statistically significant effect on consumer purchase intention. Specifically, the study underlined and concluded that brand loyalty and brand awareness had a positive and strong influence on consumer buying intentions. On the other hand, it concluded that perceived quality and brand association had a weak effect on consumer purchase intention Tesfaye (2019).

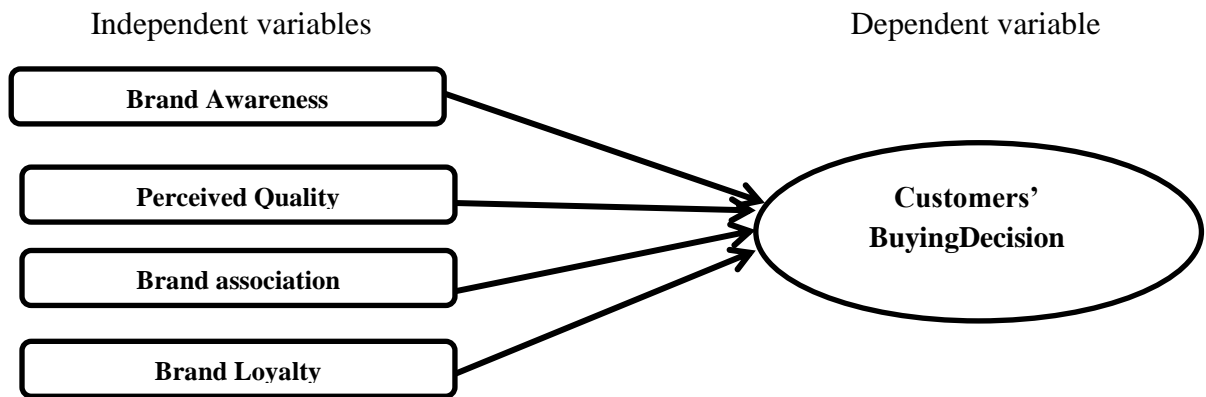
The next study conducted under the title "Measuring Customer Based Brand Equity: The case of Kaldi's Coffee" used Aaker's CBBE model and a quantitative research method approach was applied. It also used a convenience sampling method was employed to identify the final respondent. 386 participants were involved and the structured questionnaire was the data collecting instrument. Based on the findings the study concluded that the four dimensions of CBBE have a positive significant effect and contribution to brand equity. Furthermore, brand loyalty was discovered to be the most important factor in Kaldi's coffee brand equity. Yonas (2018)

In the first research, "Measuring consumer-based brand equity in the case of TOMOCA coffee" Yodit (2017). The research applied a quantitative research approach. It also used a structured questionnaire for four hundred twenty-two respondents. The findings show that all the dimensions of customer-based brand equity have a positive significant influence on brand equity. But, when the research compares all dimensions to each other according to their influence, brand loyalty gets the highest level to affect the brand equity of TOMOCA coffee. There remaining three dimensions of brand equity, brand awareness, brand association, and perceived quality do not strongly influence the overall brand equity of TOMOCA coffee. Yodit (2017).

## **2.8 Conceptual Framework and Hypothesis of the Study**

As it is mentioned in the hypothesis part of this study the relationship between brand equity and the customer buying decision is direct, positive, and significant. Under this study, there will be two major variables, brand equity the independent variable of the study, and customer's buying decision the dependent variable of the study. Under brand equity, there are four dimensions brand awareness, perceived quality, brand association, and brand loyalty, which help us to evaluate brand equity. These dimensions are also independent

variables in this study. The relationship between the independent variable of the study and the dependent variable of the study is demonstrated as follows.



*Figure 4. Conceptual framework of the study*

Source: -David Aaker(1991)

In this study there are two research variables brand equity and customer's buying decision. Brand equity, with its four elements of brand awareness, perceived quality, brand association, and brand loyalty is an independent variable and on the other hand, the customer's buying decision is a dependent variable. The study will generate its hypothesis as follows:-

### **Brand awareness and Customers' buying decisions**

Brand awareness is the consumer's ability to identify the brand under different conditions (Kotler 2000). It includes the ability of a potential buyer's recognize and remembers or recall the product. Aaker (1996) high level of brand awareness can make the product likely to be more purchased. Janet DieainaKoapalia and Johan Tumiwa (2016). Brand awareness is achieved by exposing the brand to the public regularly. In this case, it comes up with two things. It necessitates consumers' capacity to accurately distinguish the brand as having been previously seen or heard, referred to as brand recognition, and their ability to recall the brand from memory, referred to as brand recall. Customers are exposed to buying a product whose brand comes to their mind immediately. So brand recognition and brand recall have an impact on the customer buying decision. Therefore, based on the above specific reasons brand awareness has a direct, positive, and significant effect on the customer buying decision.

H1 - Brand awareness has a direct, positive, and significant effect on customer buying decisions.

## **Perceived quality and Customers' buying decisions**

Perceived quality is the customer's decision about a product's overall superiority or advantage that is different from objective quality or actual quality. Objective quality refers to the technical, measurable, and verifiable nature of a product or service, process, and quality control. Zethamal (1988). Perceived quality may also be defined as a customer's overall impression of the grandeur and quality of a product or service to the competition. Customer happiness is mostly determined by the product and service quality. Customers always expect what kinds of products and services can be delivered to them before trying any product or service. Once they tested and tried a given product they always perceived something about that product to satisfy their future need or want. Therefore the expectation of the product's quality through perceiving the product is mandatory. In this case, the impact of perceived quality on a customer's buying decision comes to the front. The high quality of products perceived in customers' minds can have a high impact on buying or recurrent buying decisions. Therefore the perceived quality of a product or service has a direct, positive, and significant effect on the customer buying decisions.

H2 – perceived quality has a direct, positive, and significant effect on customers' buying decisions.

## **Brand association and Customers' buying decisions**

Brand association is memory or everything in a customer's mind related to a particular brand. Aaker (1996). It can be developed directly from a customer's personal experience and engagement with the brand, or indirectly through the brand's depiction in advertising or other sources of information such as word of mouth. It consists of brand-related thoughts, feelings, perceptions, images, experiences, beliefs, attitudes, and anything linked in memory to a brand. Kotler and Keller (2006) this means brand association refers to customers' association and interpretation of the brand, which contains a functional and emotional attachment with the given brand. This association with a given brand makes the customer always cautious about what they will be ordered when they want to satisfy their need and want. The associated brand with their specific need always come to mind according to the basic principles of the brand association. Therefore, the customer always buys or orders a brand of product to satisfy their need, this makes the brand association has a direct, positive, and significant effect on customers' buying decisions.

H3 –The brand association has a direct, positive, and significant effect on customers' buying decisions.

### **Brand loyalty and Customers' buying decisions**

The strength of a brand's performance when compared to other similar available options is characterized as brand loyalty. This is frequently quantified in terms of price sensitivity or recurrent purchasing behavior. It is linked with customer behavior in the market which can be indicated by several repeated purchases or commitment to re-buy the brand as a primary choice. When a consumer needs to make a purchase decision, cognitive loyalty means that a brand comes to mind first, that is a consumer's first choice. Keller (1998). It is expressed by the customer's commitment to using the specific brand continuously and how they invite and suggest the brand to others. Brand loyalty will not exist without a user experience. Aaker (1991). People show their loyalty by buying and using the given product. Once customers are loyal to a specific product brand they always buy and use the brand and make influence other users to make that specific brand their first choice. And in any situation, those loyal customers stand by their brand. Therefore brand loyalty has a direct, positive, and significant effect on customers' buying decisions.

H4 - Brand loyalty has a direct, positive, and significant effect on customers' buying decisions.

### **Brand equity and Customers' buying decisions**

Brand equity has four elements or dimensions. As we hypothesize in the previous part all four elements have a strong, positive, and significant effect on customers' buying decisions. Therefore Brand Equity (customer-based brand equity) has a direct, positive, and significant effect on customers' buying decisions.

H5 – Brand equity (customer-based brand equity) has a direct, positive, and significant effect on customers' buying decisions.

## CHAPTER THREE

### 3. RESEARCH METHODOLOGY

This chapter comprises what kinds of research methodology had been applied to conduct this research thesis and what kinds of research methodologies had been employed to conduct this research thesis. In this chapter, the research approach, types or design of the research, sampling design of the research, sources, methods, procedures of data collection, research instrument, and data analysis methods had been discussed and stated clearly.

#### 3.1 Research Approach

There are two basic approaches to research, a quantitative approach, and a qualitative approach. The quantitative approach entails the collection of data in quantitative form, which may then be submitted to formal and rigid quantitative analysis. Inferential, experimental, and simulation techniques to study are sub-categories of this approach. The goal of an inferential research approach is to create a database from which to infer population features or associations. This usually refers to survey research, in which a sample of the population is researched (interviewed or observed) to identify its features, and then the population as a whole is assumed to have the same traits. The experimental method is distinguished by a larger degree of control over the research environment, and in this case, some factors are altered to see how they affect other variables. The simulation approach entails creating an artificial environment in which user data and information can be created. C.R. Kothari (2004).

The subjective assessment of attitudes, views, and behavior is central to the qualitative method to research. The researcher's observations and impressions are used to do the study in this scenario. The results of such a study are either non- quantitative or have not been subjected to a rigorous quantitative analysis. Focus group interviews, projective approaches, and depth interviews are commonly utilized methodologies. C.R. Kothari, (2004). Quantitative research examines the relationship between variables to test objective ideas. Creswell (2009). Therefore this research applied the quantitative research approach.

#### 3.2 Research Design

The concept, structure, and technique of an inquiry developed to gain answers to research questions and control variation is known as a research design. C.G.Beri (2008). A research

design facilitates research to be as efficient as possible yielding maximal information. To put it another way, the purpose of study design is to allow for the collection of relevant evidence with the least amount of effort, time, and money possible. However, how all of this can be accomplished is largely determined by the research goal. The four types of research aims are (i) exploration, (ii) description, (iii) diagnosis, and (iv) experimentation. C.R. Kothari (2004). Farhadi (2009) in his part broadly classified the research approach as exploratory, descriptive, and explanatory

To conduct this research both descriptive and explanatory research designs were applied to examine the effect of brand equity (brand awareness, brand association, perceived quality, and brand loyalty) on customers buying decisions. This research explained and described the effects of brand equity on customers' buying decisions.

### **3.3 Sampling Design**

#### **3.3.1 Population of the Study**

The population is defined as the entire group of individuals, events, or objects having common observable characteristics. Copper and Schindler (2006). The population is the total sum of collected units from which the researcher draws some inferences from the study (Tesfaye Tamiru 2019).

The target population of this study was customers of ToMoCa coffee in Addis Ababa who occasionally or/and regularly use the product and service. The sample population was taken from customers of ToMoCa coffee in selected fifteen branches located in Addis Ababa. These branches were ToMoCa Historical- in front of Cathedral School, ToMoCa Office bar- Under Haron Tower, ToMoCa Gallery- Sarbet, ToMoCa Meet up- Wolosefer, ToMoCa Roastery- Bole Medhanialem, ToMoCa Sefer- Hayahulet beside Yilma butchery, ToMoCa Blue- Meskel flower, ToMoCa Sip, and Create-Bole under Kellela building, ToMoCa Tsegaye Gebremedhin- Legehare, ToMoCa Express- Meskel Adebabay total, ToMoCa Express- Bulgariya total, ToMoCa Green- In front of African Union, ToMoCa Black and White- Dembel city center, ToMoCa Camera –Atlas - In front of Safari, ToMoCa Unity park- national palace.

#### **3.3.2 Sampling Techniques of the Study**

Due to the enormous population size of the study, because of the time and cost constraints, and the convenience of the application, the study employed the non- probability sampling

technique to select and conduct the research. This sampling method involves the purposive or deliberate selection of particular units of the universe for constituting a sample that represented the universe. Kothari (2004)(as Israel Tewodros cited 2019).

The study employed the non-probability sampling method of purposive sampling technique to select the final respondents for the study, twenty-six branch customers of each selected branch. Based on the selected sampling technique, purposive sampling the study selected the final respondents based on their frequency of use either occasionally or regularly within specified dates.

### 3.3.3 Sample Size of the Study

When selecting the sample size required to estimate the population mean, three factors must be taken into account. These are the extent of error or imprecision allowed, the degree of confidence desired in the estimate, and the estimate of the standard deviation of the population. C.G.Beri (2008). The sample size might be constrained by factors such as limited resources, availability of respondents, time, or money. When it comes to such a study like this dealing with an infinite population it must use the well-known and acceptable formula. Most of the previous research deals with the infinite population, to find the optimal sample size for research used the following formula.

$$n = Z^2 * p * q / e^2$$

Where n = required sample size for the infinite population.

Z score = Degree of confidence which is determined based on the confidence level. The confidence level is the probability that the value of a parameter falls within a specified range of values.

Confidence Level	Z- value
90%	1.645
95%	1.960
99%	2.576

This study consider 95% confidence level and the Z score is 1.96

P = Population proportion (assume 50% of the total population = 0.5)

q = Probability of negative response (0.5)

e= Tolerable margin of error – a small amount that is allowed for in case of miscalculation or change of circumstance,  $(0.05)^2$

Thus,  $n = (1.96)^2 * 0.5 * 0.5 / (0.05)^2 = 384.16$  is the sample size for infinite population. The study planned to distribute and collect data from 390 sample people by distributing twenty-six questionnaires to each branch equally. But, the returned questionnaire was 373 out of 390, which means 95.64% of the questionnaire were filled and collected appropriately. The remains 17 questionnaires were not returned. It means 4.36% of the total questionnaires. The distribution and the response and returned rate were illustrated and measured as follows.

Table 1. Sample Population and distribution

NO.	BRANCH NAME	ADDRESS	Distributed Questionnaire	Returned Questionnaire	The present return rate
1	Historical	Piazza, In front of cathedral school	26	26	100
2	Office bar	Piazza, UnderHaron tower	26	26	100
3	Galleria	Sarbet beside Fantu super market	26	24	92.3
4	Meet up	Wolosefer, Mulugetarealestate	26	26	100
5	Roastery	Bole MedhanialemKategna	26	24	92.3
6	Camera	Atlas, in front of Safari	26	26	100
7	Village	Hayahulet beside Yilma butchery	26	25	96.15
8	Blue	Meskel flower Aster Plaza	26	25	96.15
9	Sip and create	Bole, Underkellela building(Desalegne hotel)	26	24	92.3
10	Black and white	Dembel city center	26	24	92.3
11	Unity Park	National palace	26	26	100
12	Xpress	MeskelAdebabay total	26	20	76.92
13	TsegayeGebremedhin	Legehare	26	26	100
14	Green	In front of Africa Union	26	26	100
15	Xpress	Bulgariya total	26	25	96.15
<b>Total</b>			<b>390</b>	<b>373</b>	<b>95.64</b>

Source: - Owen survey,( 2022)

### **3.3.4 Sample Procedure of the Study**

This study followed the non-probability sampling method. As the study decided, the sample size was above the sample population part, this study covered 385 people. The study distributed this sample size to the fifteen selected ToMoCa Coffee branches and each branch got approximately twenty-six questionnaires. So, the questionnaire was distributed in person at the time of peak hour for ToMoCa Coffee which is from 9:30 AM to 11:00AM and from 2:30 PM to 7:00PM till evening. First, the study distributed the first fifteen questionnaires for each of the fifteen branches to apply to the sample survey study. The sample survey study outcome showed that the data collecting instrument was reliable and the time chosen to distribute the questionnaire was convenient and suitable to do the main data collecting instrument distribution.

## **3.4 Data Collection of the Study**

### **3.4.1 Sources of Data Collection of the Study**

There are two kinds of data collection methods, primary data collection method, and secondary data collection method. Primary data is first-hand data that are collected by the researcher. The primary data collected for conducting research will be used as secondary data for other research. G.C. Bari (2008). Primary data is either collected through observation or direct communication, direct communication such as interviews or questionnaires (C.R. Kothari).

Secondary data is any data which have been gathered earlier for some other purpose. G.C. Bari (2008). These are books, research results, journals, websites, articles, newspapers, magazines, and seasonal reports.

This research collected different information or data from a primary data source and a secondary data source. These primary data were collected from ToMoCa Coffee customers through questionnaires and collected their answers and taken as the primary data source of the study. And as a secondary data source, the study used journals, books, articles, and other published and unpublished documents to accomplish this study.

### **3.4.2 Methods of Data Collection of the Study**

This research employed a questionnaire as a primary data source and journals, books, websites, magazines, and seasonal reports as secondary data sources. The questionnaire was self-administered and it happened in face-to-face communication with all sample population. Just to collect basic information about the company and to get consent to distribute the data collecting instrument in person communication were applied with the concerned body of the respected company management member and represented officers.

### **3.4.3 Procedure of Data Collection of the Study**

The research collected both primary and secondary data. The primary data was collected from the self-administered questionnaire. The questionnaire was used as a data collection instrument and was prepared in both Amharic and English languages. When distributed to sample respondents based on their preference of language medium almost all customers preferred to use the Amharic version of the questionnaire. The secondary data was collected by finding both hard copy materials such as books, magazines, and reports and soft copy materials by downloading journals, articles, and e-books.

To collect the primary data, first, the study carried out a sample survey and through that, the survey study identified the selected branches, understood the environment, identified the convenience of the questionnaire against the sample population, and defined the convenience of the selected time to reach variety customers of ToMoCa.

### **3.5 Methods of Data Analysis**

The study used the quantitative data analysis method to analyze and interpret the data. The quantitative data analysis method is used for three common purposes. The first one is to measure differences between groups, the second one is to assess relationships between variables and the third one is to test hypotheses scientifically. The quantitative approach has two main branches descriptive statistics and inferential statistics. The former focuses on describing the contents of the sample and the latter, in its part focuses to make predictions about the population. G C Beri (2008).

This study collected the analysis thoroughly based on descriptive statistics accompany by the mean, median, mode, and standard deviation of the variables and inferential statistics to examine and evaluate the relationship between the independent and dependent variables.

And also the study employed the SPSS updated software version 24 and through that, all collected data were analyzed and interpreted dully.

### **3.6 Research Validity and Reliability**

#### **3.6.1 Validity**

It simply means that a test or instrument is accurately measuring what it's supposed to do. To conduct this research the study used or applied a self-administered questionnaire as a research instrument. Those questionnaires were adapted from Mohammad Amir Adam and Sameer NasirAkber (August 2016). So, the questions which were available in the questionnaire were delivered accurate measurements for the research.

#### **3.6.2 Reliability**

Reliability measures the stability or consistency of the research. The research instrument (the questionnaire) must deliver a consistent and sustainable result for the research. To check the reliability of the research instrument (the questionnaire) the study applied a pilot survey by distributing fifteen questionnaires, for each selected fifteen branches and examined the reliability of the instrument by SPSS version 25.

### **3.7 Data analysis and presentation**

This study used or employed descriptive analysis to determine the direct happening and realities within variables and other basic questions. What happens for a specific sample at a specific time in a descriptive analysis, gives a clear picture of observed behavior. The descriptive statistics also used mean and standard deviation FOR all variables, and questions about the respondent profile, demography, relationship with the company, and all independent and dependent variable relationships were clearly defined. Pallet (2005), mentioned by Tesfaye Tamiru (2019)

And also the study employed inferential statistics. Under this inferential statistics to identify and define the inter variables relationship between the dependent variable (customers' buying decision) and independent variables (brand awareness, perceived quality, brand association, and brand loyalty). Next to this, the research identified the linear regression test model assumption through normality test, multi co linearity test, linearity test, and heteroskedasticity test. And finally, the research applied the regression analysis to identify the significance, the relationship, and the influence of independent variable with and over

dependent variable through regression coefficient,  $R^2$ , ANOVA, and multiple regressions of the above analysis were applied.

### **3.8 Ethical considerations**

The study distributed and collected a primary data collecting instrument (questionnaire) based on internationally accepted research data collection manner. The respondents were informed about the purpose of the research and the confidentiality of information which were given by them. The consent of the respondents was mandatory and they were given information voluntarily and their privacy was in the account.

## **CHAPTER FOUR**

### **DATA PRESENTATION, ANALYSIS, AND INTERPRETATION**

#### **4.1. Introduction**

This chapter comprised data presentation, data analysis, and interpretation of the available data in different ways and it is also accompanied by descriptive statistics for the first and second parts of the research instrument and described the findings result through a table. The third part of the research instrument was analyzed by seven Likert. It was also dully illustrated in the form of mean, standard deviation with normality, correlation, and regression test.

#### **4.2. Data screening**

As was described clearly in the previous chapter sample population and sample distribution part, the study used a self-administered questionnaire as a primary data source and distributed three hundred ninety (390) questionnaires, twenty-six to each of the fifteen selected branches. According to the final response and return three hundred seventy-three (373) were returned after being filled appropriately. This showed us the response rate was 95.64%. The remained 4.35% was not collected either not returned by the customer or it was not filled appropriately.

#### **4.3. Reliability test**

Reliability measures the stability or consistency of the research. The research instrument (the questionnaire) must deliver a consistent and sustainable result for the research. To check the reliability of the research instrument (the questionnaire) the study applied a pilot survey by distributing fifteen questionnaires, for each selected fifteen branches and examined the reliability of the instrument by SPSS version 25 and got the following result and it demonstrated as follows.

Table 2. Cronbach's Alpha Test for Reliability

<b>Reliability Test Result</b>		
<b>Variables</b>	<b>Cronbach's Alpha</b>	<b>item</b>
<b>Brand Awareness</b>	.749	4
<b>Brand Perceived Quality</b>	.828	4
<b>Brand Association</b>	.912	5
<b>Brand Loyalty</b>	.735	4
<b>Customers buying decision</b>	.785	4
<b>Total of all Variables</b>	.927	21

Source- Own survey, (2022)

## 4.4. Descriptive analysis

### 4.4.1 Descriptive analysis of general information of the respondents

The first part of the data collecting instrument was the general profile information of the customer. This consisted of age, gender, marital status, income, education, and occupation. It is clearly described through a table and descriptive sentences as follows.

As can be seen clearly from the below table out of the total of 373 respondents 92 of them or 24.7% were aged 18-30, and 168 respondents were aged between 31-45 these were 45% of the total respondents. Customers aged 46-60 and above 60 were 97 that means 26% and 16 or 4.3% of the total respondents respectively. It showed that about 70% of occasional and regular users of ToMoCa Coffee were youngsters and adults.

The below table also showed how many males and females participated in the study. Out of the total participants of the study 292 (78.3%) were male and 81 (21.7%) were female. It showed us most of the customers of ToMoCa Coffee who use ToMoCa Coffee occasionally and regularly were males.

Concerning to marital status of the respondents as can be seen from the table below 233 (62.5%) of the total respondents were married and 140 (37.5%) of the total respondents were single.

The below table also showed the monthly income level of the respondents. As can be seen, from the below table 30 (8%) of the total respondents were people who earned under 5,000

birr. Under the second category 5,001 – 10,000, 65 (17.4%) of the total respondents were gathered. 92 (24.7%) respondents were earn 10,001– 20,000 monthly. 52 (13.9 %) of the respondents failed in the range between 20,001- 30,000 per month. As can be seen clearly, from the table below 24(6.4%) of respondents were earn in the range of 30,001-40,000. It also showed that 30(8%) and 80 (21.4 %) of respondents failed in the income range of 40,001-50,000 and 50,001 and above respectively. The table below, it showed that more than 74% of the total respondents earned more than 10,000 birrs per month. It could be indicated that most of ToMoCa Coffee’s occasional and regular users were people with a better income.

Considering the educational status of the respondents the below table demonstrates as follows that 70(18.8%)of respondents were up to preparatory study. It also showed that 56(15 %) of respondents were diploma holders. The remaining 141 (37.8%) and 106 (28.4%) of the total respondents were first degrees, and second degrees and above in their educational status. It showed that 247 (66.2 %) of the total respondents had a very good educational background and status.

When it comes to occupational status as can be seen from the table 148 (39.7 %) of the total respondents were self-employed, 40(10.7 %) respondents worked for non-governmental institutions, 142 (38.1%)respondents worked for private institutions, and companies, 39 (10.5 %)respondents worked for governmental institutions, and the remained 4 (1.1 %) respondents were pensioner. Concerning this 57(15.3%) of the respondents had 1 - 5 years of work experience, 127(34.0%) and 189 (50.7 %) of respondents also had 6 – 10 years and more than 10 years of work experience respectively.

Table 3. Summary of Respondents' demographic data

Items		Frequency	Valid Per cent	Cumulative Per cent
1. Age	18-30	92	24.7	24.7
	31-45	168	45.0	69.7
	46-60	97	26.0	95.7
	60 +	16	4.3	100.0
	Total	373	100.0	
2. Gender	Male	233	62.5	78.3
	Female	140	37.5	100.0
	Total	373	100.0	
3. Marital Status	Single	233	62.5	62.5
	Married	140	37.5	100.0
	Total	373	100.0	
4. Monthly Income	Less than 5,000 Birr	30	8.0	8.0
	5,000 – 10,000 Birr	65	17.4	25.5
	10,001-20,000 Birr	92	24.7	50.1
	20,001 – 30,000 Birr	52	13.9	64.1
	30,001-40,000 Birr	24	6.4	70.5
	40,001 – 50,000 Birr	30	8.0	78.6
	Above 50,001	80	21.4	100.0
	Total	373	100.0	
5. Educational background	High School	70	18.8	18.8
	Diploma	56	15.0	33.8
	Degree	141	37.8	71.6
	Master Degree and above	106	28.4	100.0
	Total	373	100.0	
6. Occupation	Business Owner	148	39.7	39.7
	International Organization Employee	40	10.7	50.4
	Private Company Employee	142	38.1	88.5
	Gov't Employee	39	10.5	98.9
	Pensioner	4	1.1	100.0
	Total	373	100.0	
7. Work experience	1 – 5 years	57	15.3	15.3
	6 – 10 years	127	34.0	49.3
	10 years +	189	50.7	100.0
	Total	373	100.0	

Source: - Owen survey,(2022)

#### 4.4.2 Respondents' understanding and relationships with ToMoCa's Coffee brand

Based on the answers the respondents answered for the six questions generated to understand the relationship and understanding of customers about the brand ToMoCa Coffee, the research could collect the following understanding and relationships of customers with the specified brand ToMoCa Coffee.

According to the collected questionnaire and as can be seen clearly in the below table, out of the total respondents of 373 people 255(68.4%) of them were using ToMoCa Coffee almost every day. Besides this 67(18.0%) of the respondents were using ToMoCa Coffee three to five days a week. 8 (2.1%) of the respondents and 43 (11.5%) of respondents were use ToMoCa Coffee weekly and occasionally respectively. Therefore, it showed that 322(86.32%) of the total respondents use ToMoCa Coffee regularly.

Item nine, in the below table, demonstrated how those respondents found ToMoCa Coffee for the first time. As can be seen, 47(12.6%) were found ToMoCa Coffee for the first time through word of mouth, or they were told by someone else. 225(60.3%) respondents

Table 4. Respondents' attitude and understanding of ToMoCa's Coffee brand

8. How often do you use coffee?	Almost Daily	255	68.4	68.4
	3 to 5 days a week	67	18.0	86.3
	Weekly	8	2.1	88.5
	occasionally	43	11.5	100.0
	Total	373	100.0	
9. How do you first find ToMoCa?	Through word of mouth (told by someone)	47	12.6	12.6
	Invited by another person (somebody)	225	60.3	72.9
	you met casually	95	25.5	98.4
	Promotion	6	1.6	100.0
	Total	373	100.0	
10. How long do you use ToMoCa coffee?	1 to 6 months	33	8.8	8.8
	6 months to 1 year	20	5.4	14.2
	1 year to 4 years	131	35.1	49.3
	5 years to 10 years	104	27.9	77.2
	More than 10 years	85	22.8	100.0

	Total	373	100.0	
11. Do you prefer ToMoCa coffee to other coffee brands?	Yes	316	84.7	84.7
	No	57	15.3	100.0
	Total	373	100.0	
12. Why do you prefer ToMoCa Coffee to other coffee brands?	Because of its taste	242	64.9	64.9
	Because of its service	67	18.0	82.8
	Because it is near to your place	21	5.6	88.5
	Because of its price	3	.8	89.3
	Because of its convenience	16	4.3	93.6
	Because of the company's image	24	6.4	100.0
	Total	373	100.0	
13. How do you rate the quality of the coffee and service supply by ToMoCa Coffee?	Best	161	43.2	43.2
	Very Good	147	39.4	82.6
	Good	62	16.6	99.2
	Moderate	3	.8	100.0
	Total	373	100.0	

Source: - Owen survey, (2022)

were came to ToMoCa Coffee for the first time through invitation by another person or somebody. 95(25.5%) and 6(1.6%) of respondents met ToMoCa Coffee for the first time casually and through promotion respectively. Therefore, above 60% of ToMoCa coffee customers come to ToMoCa through invitation by somebody else who experienced the coffee before.

When it comes to identifying how long respondents use ToMoCa coffee, 33(8.8%) of respondents use ToMoCa coffee in the range of 1 to 6 months, 20(5.4%) respondents use ToMoCa coffee in the range of 6 months to 1 year, 131(35.1%) respondents use ToMoCa coffee with the range of 1 year to 4 years, 104(27.9%) respondents use ToMoCa coffee with the range of 5 years to 10 years and 85(22.8%) respondents use ToMoCa coffee with the range of more than 10 years. Therefore, above 50 % of respondents were use ToMoCa coffee for more than ten years.

As can be seen in item eleven 316(84.7%) respondents prefer ToMoCa coffee to other coffee brands and 57(15.3%) respondents do not prefer ToMoCa coffee to other coffee

brands. Therefore, about 85% of respondents have come to ToMoCacoffeebecauseToMoCa coffee is their preference.

When it comes to evaluating the reason why the customers prefer ToMoCa coffee over other brands, the research identified that from the total respondents of 373 customers 242(64.9%) respondents preferred ToMoCa Coffee over other coffee brands because of its taste, 67(18.0%) were prefer ToMoCa Coffee than other coffee brands because of its service, 21(5.6%) responded they use ToMoCa Coffee because it is near to their place, 3(0.8%) of respondents responded they prefer it due to its price, 16(4.3%) and 24(6.4%) respondents preferred ToMoCa Coffee due to its convenience and the company's image respectively. Therefore, about 65% of ToMoCa Coffee customers prefer ToMoCaCoffee for its taste.

Concerning item thirteen, those respondents were asked to rate the quality of the coffee and they responded as follows. 161(43.2%) of respondents rated the quality of the ToMoCa Coffee and its service supply as the best. 147(39.4%) of the total respondent rated the quality of ToMoCa Coffee and its service supply as very Good. The remained 62(16.6%) and 3(0.8%) respondents rated the quality of ToMoCa Coffee and its service supply as Good and moderate respectively. Therefore above 82% of the total respondents rated the quality of ToMoCa Coffee and its service supply as very good and above.

#### **4.4.3 Descriptive Analysis of Variables**

The research used descriptive statistics to demonstrate the overall qualitative descriptions appropriately. Under these situations, the research employed mean and standard deviations to evaluate which brand equity dimension is a more important and prominent determinant factor in the customer's buying decision process. To determine this, the researches computed the mean and standard deviations of all dimensions of brand equity. According to EleniHailu (2021), the mean value can be seated as follow. If the mean score value was between 1:00- 1:80, it showed the strong disagreement of the respondents about the stated statement. If it was in the range of 1:81-2:60, it showed the disagreement of the respondents with the statement. If it was being in the range of 2:61-3:40, it showed the respondents' neutrality about the statement. In this case, the respondents neither agreed nor disagreed with the statements. If it was between 3:41-4:20 it showed that the respondents agreed with the statement. If it was between in the range of 4:21:5:00 it showed that the respondents strongly agreed with the statement. In the meantime, the grand or aggregate Mean showed

the level of importance and the level of influence of the brand equity dimension over the customers buying decisions.

### 4.3.3.1. Descriptive analysis of Brand Awareness

Table 5. Descriptive statistics of Brand Awareness

Brand Awareness	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Stand. deviation
I know Tomoca is a coffee roasting, grinding, packing and selling company.	5 (1.3%)	9 (2.4%)	87 (23.3%)	178 (47.7%)	94 (25.2%)	3.93	.836
I can recognize Tomoca coffee easily from other coffee brands	7 (1.9%)	10 (2.7%)	118 (31.6%)	151 (40.5%)	87 (23.3%)	3.81	.889
When I think of having coffee, Tomoca comes first to my mind.	5 (1.3%)	25 (6.7%)	59 (15.8%)	149 (39.9%)	135 (36.2%)	4.03	.954
I know Tomoca offers a variety of coffees.	2 (0.5%)	25 (6.7%)	64 (17.2%)	174 (46.6%)	108 (29.0%)	3.97	.882
Overall mean and sta. deviation of Brand Awareness						3.8023	.84339

Source: SPSS Output, (2022)

As is clearly stated in the above table respondents showed their level of agreement and disagreement with the seven-point Likert methods as follows. According to the first question about brand awareness, 94(25.2%) and 178(47.7%) of respondents strongly agreed and agreed with the statement “I know ToMoCa Coffee is a coffee roasting, grinding, packing and selling company” respectively. 5(1.3%) and 9(2.4%) of respondents strongly disagreed and disagreed respectively too. The remained 87(23.3%) of the respondents stood neutral toward the statement. Therefore, 272(72.9%) of the total respondents agreed with their knowledge that ToMoCa Coffee is a coffee roasting, grinding, packing, and selling company.

According to the second question about brand awareness, 87(23.3%) and 151(40.5%) of respondents strongly agreed and agreed with the statement “I can recognize ToMoCa Coffee easily from other coffee brands” respectively. 7(1.9%) and 10(2.7%) of respondents strongly disagreed and disagreed respectively too. The remaining 118(31.6%) of the respondents

stood neutral for the statement. Therefore, 238(63.8%) of the total respondents agreed that they can recognize ToMoCa Coffee easily from other coffee brands.

According to the third question about brand awareness,135(36.2%)and149(39.9%)of respondents strongly agreed and agreed with the statement “When I think of having coffee, ToMoCa Coffee comes first to my mind.” respectively.5(1.3%) and 25(6.7%) of respondents strongly disagreed and disagreed respectively too. The remained 59(15.8%)of the respondents stood neutral for the statement. Therefore, 284(76.1%) of the total respondents agreed when they think of having coffee, ToMoCa Coffee comes first to their mind.

According to the fourth question about brand awareness,108(29.0%)and174(46.6%)of respondents strongly agreed and agreed with the statement “I know ToMoCa Coffee offers a variety of coffees” respectively.2(0.5%)and 25(6.7%) of respondents strongly disagreed and disagreed respectively too. The remained 64(17.2%)of the respondents stood neutral toward the statement. Therefore, 282(75.6%) of the total respondents agreed they do know that ToMoCa Coffee offers a variety of coffees.

When it comes to mean and standard deviation, as can be seen from the above table of the mean and standard deviation of brand awareness, all statements were scored the mean value in the range of 3:41-4:20. This showed that all the statements were accepted and agreed upon by the respondents. The aggregate or the grand Mean of brand awareness (Mean=3.8023) with a standard deviation (.84339) showed that respondents agreed with the importance and influence of brand awareness on their buying decisions.

The result showed that in the first place most of ToMoCa coffee customers are aware of ToMoCa is a coffee roasting, grinding, packing, and selling company. Secondly, they identify ToMoCa coffee easily from other coffee brands it really helps the customers to differentiate and recognize their favorite or their preference taste simply and develop awareness. Thirdly they agreed when they think of having coffee, ToMoCa coffee came first to their mind and they agreed that ToMoCa offers them a variety of coffees. The agreements showed that the customers are very aware of their preferences and recognize them very well. The awareness level of customers about the ToMoCa leads them to decide to buy the product and use the service.

### 4.3.3.2. Descriptive analysis of Perceived Quality

Table 6. Descriptive statistics of Brand Perceived Quality

Perceived Quality	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Stand. deviation
ToMoCa coffee provides me with a good taste.	2 (0.5%)	11 (2.9%)	56 (15.0%)	161 (43.2%)	143 (38.3%)	4.16	.823
The aroma of ToMoCa coffee gives me a refreshing feeling	2 (0.5%)	11 (2.9%)	62 (16.6%)	156 (41.8%)	142 (38.1%)	4.14	.834
I become energized after having ToMoCa coffee	5 (1.3%)	7 (1.9%)	62 (16.6%)	154 (41.3%)	145 (38.9%)	4.14	.855
Drinking ToMoCa coffee makes me active for longer hours	2 (0.5%)	6 (1.6%)	67 (18.0%)	184 (49.3%)	114 (30.6%)	4.08	.770
Overall mean and sta. deviation of Brand Perceived Quality						3.9336	.74175

Source: SPSS Output, (2022)

As is clearly stated in the above table respondents showed their level of agreement and disagreement with the seven-point Likert methods as follows. According to the first question about the brand's perceived quality 143(38.3%) and 161(43.2%) of respondents strongly agreed and agreed with the statement "ToMoCa Coffee provides me a good taste" respectively. 2(0.5%) and 11(2.9%) of respondents strongly disagreed and disagreed respectively too. The remained 56(15.0%) of the respondents stood neutral for the statement. Therefore, 304(81.5%) of the respondents believed ToMoCa Coffee provides a good taste for them.

According to the second question about the brand's perceived quality 142(38.1%) and 156(41.8%) of respondents strongly agreed and agreed with the statement "I can recognize ToMoCa Coffee easily from other coffee brands" respectively. 2(0.5%) and 11(2.9%) of respondents strongly disagreed and disagreed respectively. The remained 62(16.6%) of the respondents stood neutral toward the statement. Therefore, 298(79.9%) of the respondents believed the aroma of ToMoCa Coffee gives them a refreshing feeling.

According to the third question about the brand's perceived quality 145(38.9%)and154(41.3%)of respondents strongly agreed and agreed with the statement "I become energized after having ToMoCa Coffee" respectively.5(1.3%)and 7 (1.9%) of respondents strongly disagreed and disagreed respectively too. The remained 62(16.6%)of the respondents stood neutral toward the statement. Therefore, 299(80.2%) of the respondents believed that they become energized after having ToMoCa Coffee.

According to the fourth question about the brand's perceived quality 114(30.6%)and 184(49.3%)of respondents strongly agreed and agreed with the statement "Drinking ToMoCa Coffee makes me active for longer hours" respectively.2(0.5%) and 6 (1.6%) of respondents strongly disagreed and disagreed respectively too. The remained 67(18.0%) of the respondents stood neutral towards the statement. Therefore, 298(79.9%) of the respondents believed that drinking ToMoCa Coffee makes them active for longer hours.

When it comes to mean and standard deviation, as it was clearly stated in the above table of the mean and standard deviation of the brand perceived quality, the aggregate or the grand Mean of brand awareness (Mean=3.9336) with standard deviation (.74175) showed that respondents were agreed by the importance and influence of brand perceived quality on their buying decisions.

As it can be seen in the above table customers agreed that ToMoCa provides them a quality taste of coffee and its aroma gives them a refreshing feeling, become energized after having it, and make they are active for longer hours. It showed that the quality of a product perceived by customers makes them decide to buy the product and use the service.

### 4.3.3.3. Descriptive analysis of Brand Association

Table 7. Descriptive statistics of Brand Association

Brand Association	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Stand. deviation
I feel proud when I invite people to ToMoCa coffee.	5 (1.3%)	9 (2.4%)	69 (18.5%)	189 (50.7%)	101 (27.1%)	4.00	.821
I experience a sense of socialization and shared some status at ToMoCa	7 (1.9%)	10 (2.7%)	104 (27.9%)	160 (42.9%)	92 (24.7%)	3.86	.885

coffee							
I respect and admire people who prefer Tomoca coffee.	5 (1.3%)	27 (7.2%)	110 (29.5%)	135 (36.2%)	96 (25.7%)	3.78	.957
ToMoCa coffee has very unique brand image, compared to competing brands.	5 (1.3%)	24 (6.4%)	139 (37.3%)	144 (38.6%)	61 (16.4%)	3.62	.879
I like and trust the image of the brand ToMoCa coffee and the company ToMoCa.	5(1.3%) )	26 (7.0%)	145 (38.9%)	144 (38.6%)	53 (14.2%)	3.57	.866
Overall mean and sta. deviation of Brand Association						3.7657	.75669

Source: SPSS Output,(2022)

As can be seen from the above table for the statement “I feel proud when I invite people ToMoCa Coffee” in the first question for brand association, 101(27.1%) and 189(50.7%) of the respondents strongly agreed and agreed respectively. simultaneously, 5(1.3%) and 9(2.4%) of the respondents strongly disagreed and disagreed respectively. the remained 69(18.5%) of the respondents were neutral to the statement. Therefore, 290(77.7%) of the respondents believed they feel proud when they invite people ToMoCa coffee.

In the second statement “I experience the sense of socialization and shared some status at ToMoCa coffee” of brand association, 92 (24.7%) and 160 (42.9%) of the respondents strongly agreed and agreed respectively. simultaneously, 7(1.9%) and 10 (2.7%) of the respondents strongly disagreed and disagreed respectively. the remaining 104(27.9%) of the respondents were neutral to the statement. Therefore, 252(67.6%) of the respondents believed that they experience a sense of socialization and shared some status at ToMoCa coffee.

In the third statement “I respect and admire people who prefer ToMoCa Coffee” of brand association,96(25.7%) and135(36.2%)of the respondents strongly agreed and agreed respectively. simultaneously, 5(1.3%) and 27(7.2%) of the respondents strongly disagreed and disagreed respectively. the remaining110(29.5%)of the respondents were neutral to the statement. Therefore, 231(61.9%) of the respondents agreed that they have respect for and admire those who prefer ToMoCa Coffee.

In the fourth statement “ToMoCa Coffee has a very unique brand image, compared to competing brands” of brand association, 61(16.4%) and 144(38.6%) of the respondents strongly agreed and agreed respectively. simultaneously, 5(1.3%) and 24(6.4%) of the respondents strongly disagreed and disagreed respectively. the remaining 139(37.3%) of the respondents were neutral to the statement. Therefore, 205(55%) of the respondents agreed that ToMoCa Coffee has a very unique brand image, compared to competing brands.

In the fifth statement “I like and trust the image of the brand ToMoCa Coffee and the company ToMoCa ” brand association, 53(14.2%) and 144(38.6%) of the respondents strongly agreed and agreed respectively. simultaneously, 5(1.3%) and 26(7.0%) of the respondents strongly disagreed and disagreed respectively. the remaining 145(38.9%) of the respondents were neutral to the statement. Therefore, 197(52.8%) of the respondents agreed that they have trust the image of ToMoCa Coffee and the company ToMoCa.

When it comes to mean and standard deviation, as can be seen from the above table of the mean and standard deviation of the brand association, the aggregate or the grand Mean of brand association (Mean=3.7657) with standard deviation (.75669) showed that respondents were agreed by the importance and influence of brand association on their buying decisions.

According to the above answers customers were building long-lasting relationships based on the attachment they have created through time. As can be seen in the table the association and socialization with the specific brand can develop by feeling proud when they invite people to ToMoCa coffee, socializing and creating common status with each other, developing awareness and respect for people who prefer the same brand, and they develop trust and good image for the ToMoCa brand. This all showed that through being aware of a specific brand and enjoying the perceived quality customers develop socialization and association with the company and with other customers.

#### 4.3.3.4. Descriptive analysis of Brand Loyalty

Table 8. Descriptive statistics of Brand Loyalty

Brand Loyalty	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Stand. deviation
When consuming coffee, ToMoCa coffee will be my first choice.	5 (1.3%)	22 (5.9%)	90 (24.1%)	143 (38.3%)	113 (30.3%)	3.90	.945

I am loyal to ToMoCa coffee and I would love to recommend ToMoCa coffee to others.	5 (1.3%)	11 (2.9%)	113 (30.3%)	153 (41.0%)	91 (24.4%)	3.84	.873
I am still willing to buy ToMoCa coffee even if its price is a little higher than that of its competitors.	5 (1.3%)	29 (7.8%)	108 (29.0%)	141 (37.8%)	90 (24.1%)	3.76	.952
I will keep on buying ToMoCa coffee as long as it provides me with satisfactory products.	5 (1.3%)	43 (11.5%)	96 (25.7%)	141 (37.8%)	88 (23.6%)	3.71	.996
Overall mean and sta. deviation of Brand Loyalty						4.1300	.67091

Source: SPSS Output,(2022)

As can be seen from the above table for the statement “When consuming coffee, ToMoCa Coffee will be my first choice” of the first question for brand loyalty, 113(30.3%) and 143 (38.3%) of the respondents strongly agreed, and agreed respectively. simultaneously, 5(1.3%)and22(5.9%) of the respondents strongly disagreed and disagreed respectively. the remained 90(24.1%)of the respondents were neutral to the statement. Therefore, 256(68.6%) of the respondents agreed that ToMoCa Coffee is their first choice.

In the second statement, “I am loyal to ToMoCa coffee and I would love to recommend ToMoCa coffee to others” brand association, 91 (24.4%)and153(41.0%)of the respondents strongly agreed and agreed respectively. simultaneously, 5(1.3%) and 11(2.9%) of the respondents strongly disagreed and disagreed respectively. the remaining113(30.3%)of the respondents were neutral to the statement. Therefore, 244(65.4%) of the respondents agreed they are loyal to ToMoCa Coffee and they would love to recommend it to others.

In the third statement “I am still willing to buy ToMoCa Coffee even if its price is a little higher than that of its competitors” brand association, 90(24.1%)and141(37.8%)of the respondents strongly agreed and agreed respectively. simultaneously, 5(1.3%) and 29(7.8%) of the respondents strongly disagreed and disagreed respectively. The remaining108(29.0%) of the respondents were neutral to the statement. Therefore, 231(61.9%) of the respondents expressed their agreement to continue buying even if the price is a little higher than that of other competitors.

In the fourth statement “I will keep on buying ToMoCa Coffee as long as it provides me satisfied products” brand association, 88(23.6%)and141(37.8%)of the respondents strongly agreed and agreed respectively. simultaneously, 5(1.3%) and 43(11.5%) of the respondents strongly disagreed and disagreed respectively. the remained 96(25.7%)of the respondents were neutral to the statement. Therefore, 229(61.4%) of the respondents agreed they will keep on buying ToMoCa Coffee as long as it provides them with satisfactory products.

When it comes to mean and standard deviation, as it was clearly stated in the above table of the mean and standard deviation of brand loyalty, the aggregate or the grand Mean of brand loyalty(Mean=4.1300) with standard deviation (.67091) showed that respondents were agreed by the importance and influence of brand loyalty quality on their buying decisions.

As can be seen in the above table, brand parameter questions were agreed on by most of the customers. They specified they are loyal to the ToMoCa coffee. Loyalty comes to mind after they are aware of the brand, specified with the quality, and associate themselves with the brand. It leads to long-lasting relationships and makes them loyal to the brand. Once they are loyal to the brand they are always willing to buy the product and promote it to make people buy the product and use the service.

#### 4.3.3.5. Descriptive analysis of Customers’ buying decision

Table 9. Descriptive statistics of Customers’ buying decision

Customers buying decision	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Stand. deviation
My awareness regarding ToMoCa coffee guides my purchase decision.	8 (2.1%)	38 (10.2%)	140 (37.5%)	137 (36.7%)	50 (13.4%)	3.49	.923
The overall assessment of the quality of ToMoCa coffee affects my purchase decision.	8 (2.1%)	25 (6.7%)	157 (42.1%)	137 (36.7%)	46 (12.3%)	3.50	.873
My purchase decision depends on how others think about me with ToMoCa coffee.	5 (1.3%)	9 (2.4%)	97 (26.0%)	194 (52.0%)	68 (18.2%)	3.83	.796
In the future, I will keep buying ToMoCa coffee.	5 (1.3%)	11 (2.9%)	113 (30.3%)	153 (41.0%)	91 (24.4%)	3.84	.873

					)		
Overall mean and sta. deviation of Customers' buying decision						3.6676	.62948

Source: SPSS Output,(2022)

According to the first question about the Customers' buying decision 50(13.4%) and 137(36.7%) of respondents strongly agreed and agreed with the statement "My awareness regarding ToMoCa Coffee guides my purchase decision" respectively. 8(2.1%) and 38(10.2%) of respondents strongly disagree and disagree respectively. The remaining 140(37.5%) of the respondents stood neutral for the statement. Therefore, 187 (50.1%) of the respondents agreed that their brand awareness guides their purchase decision.

According to the second question about the Customers' buying decision 46(12.3%) and 137(36.7%) of respondents strongly agreed and agreed with the statement "The overall assessment of the quality of ToMoCa Coffee affects my purchase decision" respectively. 8(2.1%) and 25 (6.7%) of respondents strongly disagreed and disagreed respectively. The remaining 157(42.1%) of the respondents stood neutral for the statement. Therefore, 183(49%) of the respondents agreed that the brand's perceived quality affects their purchase decision.

According to the third question about the Customers' buying decision 68(18.2%) and 194(52.0%) of respondents strongly agreed and agreed with the statement "My purchase decision depends on how others think about me with ToMoCa Coffee" respectively. 5(1.3%) and 9 (2.4%) of respondents strongly disagreed and disagreed respectively. The remained 97(26.0%) of the respondents stood neutral for the statement. Therefore, 262(70.2%) of the respondents agreed that their purchase decision depends on how others think about them with ToMoCa Coffee.

According to the fourth question about the Customers' buying decision 91(24.4%) and 153(41.0%) of respondents strongly agreed and agreed with the statement "In the future, I will keep buying ToMoCa Coffee" respectively. 5(1.3%) and 11 (2.9%) of respondents strongly disagreed and disagreed respectively. The remaining 113(30.3%) of the respondents stood neutral for the statement. Therefore, 244(65.4%) of the respondents agreed that they will keep buying ToMoCa Coffee in the future.

When it comes to mean and standard deviation, as can be seen in the above table the grand or aggregate mean of the four independent variables (Mean=3.6676) with standard deviation (.62948) showed that respondents agreed that independent variables had an impact and influence on the customers' buying decision.

Based on the above table customers are influenced to decide to buy ToMoCa's product and use its services by their awareness of the brand, their perceived quality developed in their mind, the association they developed with the brand, and the company, and their loyalty to the brand. It showed that most of the customers agreed that the four dimensions of brand equity affect their buying decision.

Table 10. Summary of Overall Mean and standard deviation

Variable Items	N	Mean	Std. Deviation
<b>Brand Awareness</b>	373	3.8023	.84339
<b>Perceived Quality</b>	373	3.9336	.74175
<b>Brand Association</b>	373	3.7657	.75669
<b>Brand Loyalty</b>	373	4.1300	.67091
<b>Customers' buying decision</b>	373	3.6676	.62948

Source: SPSS Output,(2022)

#### 4.4.4 Inferential statistics

##### 4.4.4.1 Correlation Analysis

This study employed correlation analysis, which evaluated and examined the relationship between independent variables with the dependent variable and also investigate the relationship between independent variables and each other. According to Yodit Lemma (2017) cited by Marczyk, Dematteo, and Festinger, (2005), correlations are a prominent tool to analyse the relationship between two and /or more variables.

According to EleniHailu (2021) cited Field (2005) evaluating the intensity of the relationship between different variables can be guided as follows. When the correlation result is 0.1 – 0.29 it shows a weak relationship between variables when the result is between 0.3 – 0.49 it shows a

moderate or medium relationship between variables. When the result is greater than 0.5(> 0.5) it shows a strong relationship between variables.

Table 11. Correlation of variables.

		<b>Brand Awareness</b>	<b>Perceived Quality</b>	<b>Brand Association</b>	<b>Brand Loyalty</b>	<b>Customers buying decision</b>
<b>Brand Awareness</b>	Pearson Correlation	<b>1</b>				
	Sig. (2-tailed)					
	N	373				
<b>Perceived Quality</b>	Pearson Correlation	<b>.219**</b>	<b>1</b>			
	Sig. (2-tailed)	.000				
	N	373	373			
<b>Brand Association</b>	Pearson Correlation	<b>.128*</b>	<b>.729**</b>	<b>1</b>		
	Sig. (2-tailed)	.013	.000			
	N	373	373	373		
<b>Brand Loyalty</b>	Pearson Correlation	<b>.125*</b>	<b>.824**</b>	<b>.658**</b>	<b>1</b>	
	Sig. (2-tailed)	.016	.000	.000		
	N	373	373	373	373	
<b>Customers' buying decision</b>	Pearson Correlation	<b>.492**</b>	<b>.688**</b>	<b>.581**</b>	<b>.596**</b>	<b>1</b>
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	373	373	373	373	373

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

Source: SPSS Output,(2022)

As can be seen from the above correlation table three independent variables which were Perceived Quality, Brand Association, and Brand Loyalty had a strong, positive and significant relationship with the dependent variable Customers' buying decision with a result Pearson correlation coefficient and p-value or Sig. (2-tailed)( $r = .688^{**}$ ,  $p < 0.01$ ), ( $r = .581^{**}$ ,  $p < 0.01$ ), ( $r = .596^{**}$ ,  $p < 0.01$ ) respectively. However, Brand awareness had a moderate, positive, and significant relationship with Customers' buying decisions, as a result, the Pearson correlation coefficient and p-value or Sig. (2-tailed)( $r = .492^{**}$ ,  $p < 0.01$ ).

#### 4.4.4.2 Test for Linear regression model assumption

It is necessary to check the basic assumptions of the conventional linear regression model at the start of the econometrics investigation (CLRM). The following are the fundamental basic assumptions of a classical linear regression model, such as multi-co-linearity, heteroskedasticity, and normality of the data tests.

#### 4.4.4.2.1 Normality test

The normalcy assumption must be met, according to Brooks (2008), to run hypothesis tests about the model parameter. The histogram, as well as Skewness and Kurtosis, are used to detect normality.

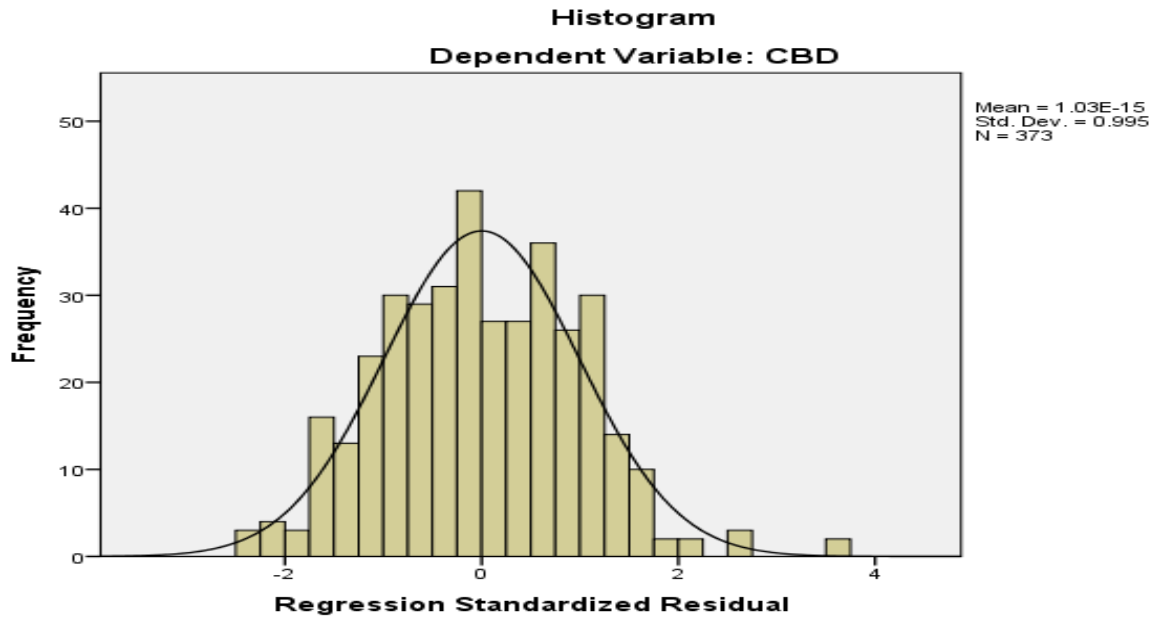
Running descriptive statistics to obtain skewness and kurtosis is a standard test for normalcy. When the data are normally distributed, skewness and kurtosis should be between the range of +2 to -2, according to (Hair, et al., 1998). As seen in table 1, the Skewness and Kurtosis results demonstrate that all variables have values ranging from +2 to -2.

Table 12. Normality test of variables

	N	Skewness		Kurtosis	
		Statistic	Std. Error	Statistic	Std. Error
BAW	373	<b>-.403</b>	.126	<b>.265</b>	.252
BPQ	373	<b>-.709</b>	.126	<b>.821</b>	.252
BAS	373	<b>-.582</b>	.126	<b>.848</b>	.252
BL	373	<b>-.697</b>	.126	<b>1.237</b>	.252
CBD	373	<b>-.442</b>	.126	<b>1.124</b>	.252
Valid N (listwise)	373				

Source: SPSS Output, (2022)

As can be seen in the above table the result got the Skewness and Kurtosis within the previously stated standard of the mean interval. And also Figure 5 and Figure 7 clearly showed the histogram and scatter plot of the data distribution in a graph and plot manner. As can be seen in the previously stated figures the data distribution of the study laid at a normal rate and it is acceptable to understand the data were fairly distributed.

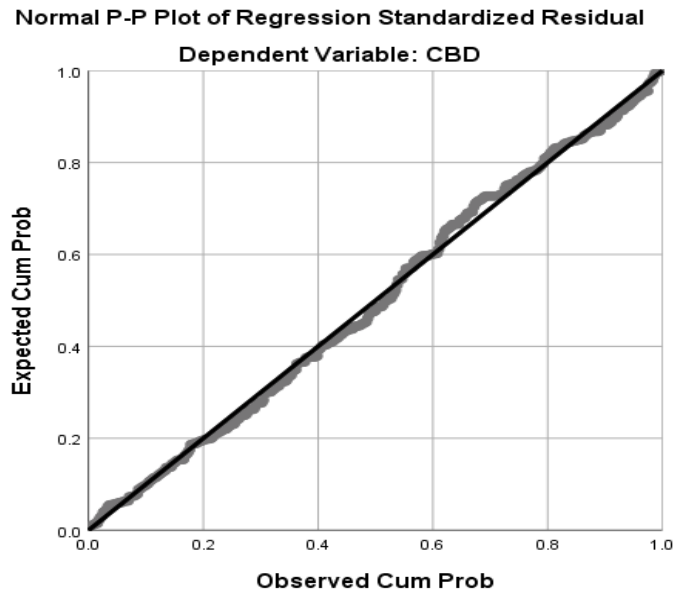


*Figure 5. Normality-Histogram Graph*

Source: SPSS Output,(2022)

#### 4.4.4.2.2 Linearity Test

It is clear from Figure6 that all independent factors had a linear relationship with the dependent variables. Scatter plots with predicted values show linear relationships with standardized residuals.



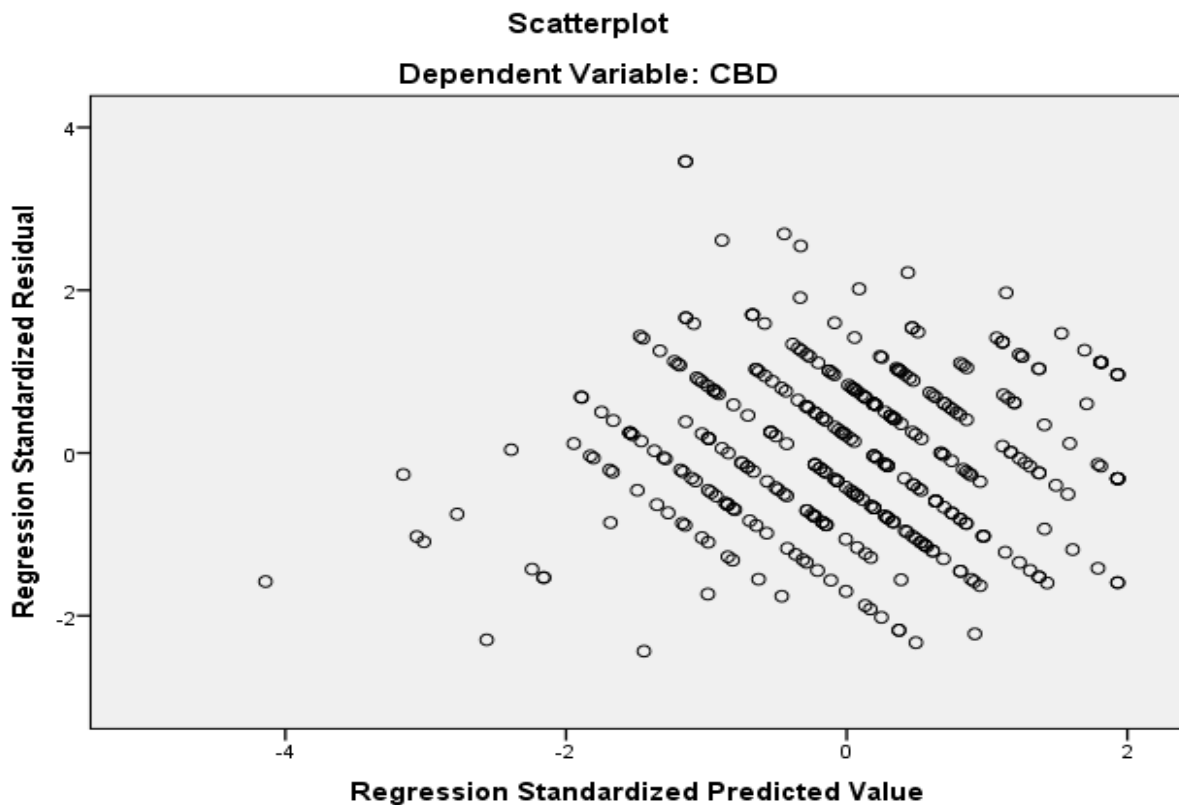
*Figure 6. P-P Plot*

Source: SPSS Output, (2022)

#### 4.4.4.2.3 Heteroskedasticity Test

The heteroskedasticity test is critical because if the model contains heteroskedasticity, the OLS (Ordinary Least Square) estimators are no longer the best option (Brooks 2008).

The scatter plot, as shown in Figure 7 has the approximate shape of a rectangle pattern with no clustering or systematic. This indicates that the homoscedasticity assumption is met or that there is no major violation.



*Figure 7. Scatter plot*

Source: SPSS Output,(2022)

#### 4.4.4.2.4 Multi-co-linearity test

The Variance Inflation Factor is used to determine the presence of multi-co-linearity in a model. According to Gujarati (2004), there is a problem of multi-co-linearity if the variance inflation factor equals or surpasses 10. Lower amounts of VIF are preferable, but larger levels of VIF may hurt the regression results.

Table 13. Multi-co-linearity test

Independent Variables	Collinearity Statistics (VIF)
Brand Awareness	1.062
Perceived Quality	4.016
Brand Association	2.185
Brand Loyalty	3.211

Source: Own Survey,(2022)

As shown in the table above, the variance inflation factor calculated using the data indicates that multi-co-linearity is not a severe issue, as the VIF for all independent variables is less than 10, allowing all independent variables to be included in the model estimation.

### 4.4.4.3 Regression Analysis

#### 4.4.4.3.1 Explained Variation (R<sup>2</sup>)

To determine how much of the variation in the consumer buying decision is explained by the four independent factors. The R<sup>2</sup> number indicates how much variance in the dependent variable is explained by the model Tesfaye Tamiru, (2019).

The R<sup>2</sup> value in the study is .618, which means the given model could explain 61.8% of the relationship between independent variables (Brand loyalty, Perceived quality, Brand Awareness, and Brand Association), and the dependent variable (Customers' buying decision) could be explained. On the other hand, the remained 38.2% of consumer buying decisions were explained by other factors.

Table 14. Result of Multiple Regressions (Model Summary)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1.	.786 <sup>a</sup>	.618	.614	.39111

a. Predictors: (Constant), brand loyalty, Brand awareness, Brand association, Perceived quality

Source: Own Survey, (2022)

#### 4.4.4.3.2 Evaluating the independent variables based on the ANOVA result (F-test)

The significance value in the ANOVA table in this study is 0.000, which is less than 1%, indicating that there is a substantial simultaneous effect of brand equity characteristics on customers' buying decisions.

The regression coefficient ( $\beta$ ) describes a unit change in the independent variable that causes an average change in the dependent variable. The independent variable with the bigger Un-standardized coefficient is more influential, and it will be a more important determinant in predicting the dependent variable.

Brand perceived quality, with a beta Un-standardized Coefficient value of .319, made the most unique contribution to consumer purchase intention, followed by Brand awareness, with a beta Un-standardized Coefficient value of .277, Brand associations, with a beta Un-standardized Coefficient value of .149, and Brand loyalty, with a beta Un-standardized Coefficient value of .115.

Table 15. ANOVA

		Sum of Squares	Df	Mean Square	F	Sig.
1.	Regression	91.112	4	22.778	148.910	0.000b
	Residual	56.291	368	153		
	Total	147.402	372			
a. Dependent variable CBD b. Predictors: (Constant), brand loyalty, Brand awareness, Brand association, Perceived quality						

Source: Own Survey, (2022)

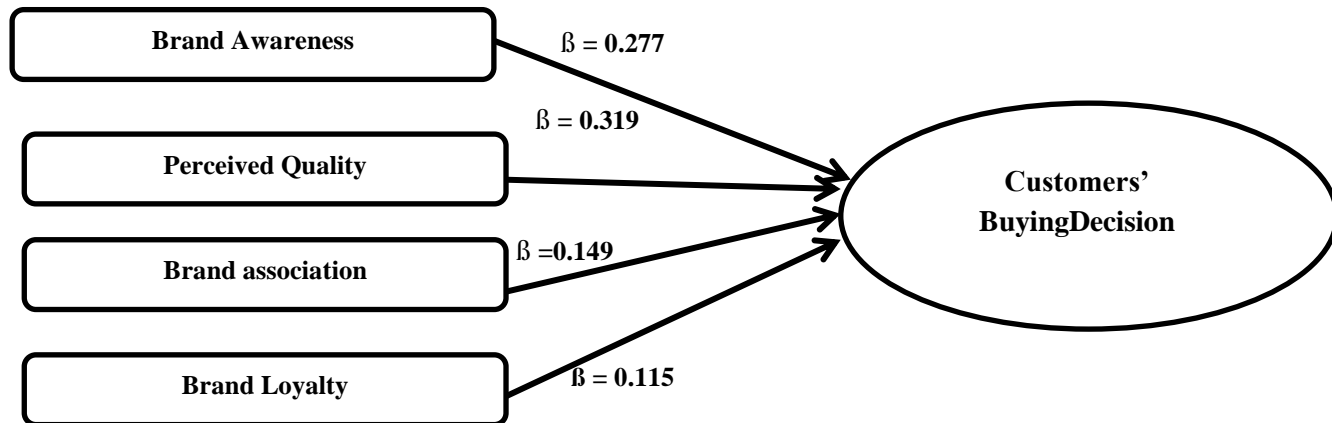
Table 16. Regression Coefficient of Independent Variables

Independent Variables	Un-standardized Coefficients		Standardized Coefficients	t	Statistical Significance	Level of Influence
	B	Std. Error	Beta			
<b>(Constant)</b>	.325	.150		2.162	.031	
BAW	.277	.025	.372	11.193	.000	Second
BPQ	.319	.055	.376	5.817	.000	First
BAS	.149	.040	.179	3.760	.000	Third
BL	.115	.054	.122	2.118	.035	Fourth

Source: Own Survey, (2022)

We can get the following generic formula for the model under investigation from the table above.

$$CBD = 0.325 + 0.277 * BAW + 0.319 * PQ + 0.149 * BAS + 0.115 * BL$$



*Figure 8. Significance effects of brand equity dimensions on buying decision*

Source: Own Survey, (2022)

#### 4.4.5 Hypothesis testing and interpretation of results

The study result revealed the acceptance or rejection of the pre-stated hypothesis based on the regression test analysis as follows.

Table 17. Hypothesis testing and interpretation of results

Hypothesis	Decision	Reason
<b>H1</b> - Brand awareness has a direct, positive, and significant effect on customers' buying decisions.	<b>H1: Supported</b>	0.277, p<0.05
<b>H2</b> - Perceived quality has a direct, positive, and significant effect on customers' buying decisions.	<b>H2: Supported</b>	0.319, p<0.05
<b>H3</b> - The Brand association has a direct, positive, and significant effect on customers' buying decisions.	<b>H3: Supported</b>	0.149, p<0.05
<b>H4</b> - Brand loyalty has a direct, positive, and significant effect on customers' buying decisions.	<b>H4: Supported</b>	0.115, p<0.05
<b>H5</b> - Brand equity has a direct, positive, and significant effect on customers' buying decisions.	<b>H5: Supported</b>	

Source: Own Survey, (2022)

**H1.** This hypothesis is supported through  $\beta = 0.277$ , P value of 0.000 at  $P < 0.05$ . It showed that Brand awareness has a direct, positive, and significant effect on a customer's buying decisions. A one unit change or increase in Brand awareness leads the Customers' buying decisions to increase or change by 0.277. It means the effect is direct and positive that the increases in Brand awareness make and increase customers' buying decisions.

**H2.** This hypothesis is supported through  $\beta = 0.319$ , P value of 0.000 at  $P < 0.05$ . It showed that the perceived quality has a direct, positive, and significant effect on customers' buying decisions. The regression study revealed that a one unit change or increase in Perceived quality leads the Customers' buying decisions to increase or change by 0.319. It means the effect is direct and positive that the increases in perceived quality make and increase customers' buying decisions.

**H3.** This hypothesis is supported through  $\beta = 0.149$ , P value of 0.000 at  $P < 0.05$ . It showed that Brand association has a direct, positive, and significant effect on a customer's buying decision. A one unit change or increase in Brand association leads the Customers' buying decisions to increase or change by 0.149. It means the effect is direct and positive that the increases in Brand association make an increase in customers' buying decisions.

**H4.** This hypothesis is supported through  $\beta = 0.115$ , P value of 0.000 at  $P < 0.05$ . It showed that Brand loyalty has a direct, positive, and significant effect on a customer's buying decisions. A one unit change or increase in Brand loyalty leads the Customers' buying decisions to increase or change by 0.115. It means the effect is direct and positive that the increases in Brand loyalty make an increase in customers' buying decisions.

**H5.** This hypothesis is supported by the overall result of the above four brand equity dimensions. It showed that, due to the direct, positive, and significant effect of all independent variables on the customer buying decisions, it can be accepted that Brand equity has a direct, positive, and significant effect on customers' buying decisions.

## 4.5 Discussion of the Findings

The main goal of this research is to see how brand equity affects customers' purchasing decisions and to determine the impact of brand equity on customers' buying decisions in the case of ToMoCa coffee in Addis Ababa, Ethiopia by using Aaker's brand equity model from 1991.

The study's findings revealed some fascinating information. The grand or aggregate mean of the four independent variables (Mean=3.6676) with a standard deviation (.62948) showed that respondents agreed that independent variables had an impact and influence on the customers' buying decisions.

When it comes to the regression test analysis, the study found that all four independent variables have a direct, positive, and significant influence on customers' buying decisions. Based on their beta ( $\beta$ ) result and P value Perceived quality, Brand awareness, Brand association, and Brand loyalty had a different level of impact or effect on the dependent variable customers' buying decision.

The study examined and demonstrated whether the findings of this study were compatible or inconsistent with those of other studies covered in the literature review section in general and the empirical review portion in particular in this section.

- Based on the study findings of Tesfaye Tamiru (2019) who engaged in beverage coffee, all four dimensions had a positive and significant effect on consumer purchase intention. Specifically, the study underlined and concluded that brand loyalty and brand awareness had a positive and strong influence on consumer buying intentions. On the other hand, it concluded that perceived quality and brand association had a weak effect on consumer purchase intention.
- NisalRochanaGunawardane, (2015). In this study, which engaged in mobile telecommunication service, the researcher found that both brand loyalty and perceived quality have moderate positive relationships with consumers' purchase decisions.
- Dr.AsifMuzaffar, and Professor Dr. Muhammad Shoaib (2014)in this study, engaged in imported beauty care goods. The research findings showed that brand loyalty, brand quality, and brand association are significant and positive influences while having recurrent purchase decisions. On the other hand, brand awareness has found weaker support for recurrent purchase decisions.

- Fisha Teshome (2019), study engaged in assembled automobiles, According to the research findings brand awareness, brand association, and brand loyalty have a positive and significant influence on purchase intentions. Brand loyalty has the strongest influence followed by brand association and brand awareness. Perceived quality on its part has a significant but negative influence on customers' purchase intention.
- EleniHailu (2021), the study engaged in selected dental specialty clinics. Based on the findings of the study all four dimensions of brand equity had a significant positive effect on purchasing intention. Out of that, the perceived quality had the highest effect followed by brand awareness. But, brand loyalty had the least effect on customers' purchase intention.
- Janet DevinaKoaaha, and Johan Tumiwa (2016)in a study, found one hand brand awareness, brand loyalty, and perceived quality have a significant and positive influence on consumers' buying behavior. On the other hand, the brand association has no significant and positive impact on consumer buying behavior.
- KhairunnisaRahmah, UjangSumarwan, and MukhamadNajib( 2018) the study found that the brand equity variables, brand awareness, brand association, perceived quality, and brand loyalty have a direct and significant effect on the purchase decision process.

According to the above findings of previous research, all except Janet DevinaKoaaha, and Johan Tumiwa (2016), concluded that the brand equity dimensions (brand awareness, perceived quality, brand association, and brand loyalty) had a significant effect irrespective of what the business was engaged in. However, Janet Devina Koaaha, and Johan Tumiwa (2016) only brand association declared that brand association had no significance in Starbucks Manado buying decision. On the other hand, all findings concluded that the brand equity dimensions had a positive effect on customers' buying decisions irrespective of what the business was engaged in except Fisha Teshome (2019) concluded that perceived quality had a negative effect on assembled automobile customers buying decision.

When it comes to the compatibility and consistency of the research findings, this research study's findings were almost consistent and compatible with those of other studies covered in the literature review section. In most cases, the brand equity dimensions had a significant and positive effect with different levels of influence in different industries and companies.

## CHAPTER FIVE

### SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

#### 5.1. SUMMARY AND MAJOR FINDINGS

- ❖ The primary findings were described in this section, and the study findings were expanded upon. The goal of this study was to use Aaker's brand equity model from 1991 to determine the impact of brand equity (brand awareness, perceived quality, brand association, and brand loyalty) on customers' purchasing decisions.
- ❖ Data were collected through a data collection instrument that was a structured questionnaire which was adapted from Mohammad Amir Adam and Sameer NasirAkber (August 2016). The instrument was structured in three groups. The first part of the data collecting instrument was the general profile information of the customer. This consisted of age, gender, marital status, income, education, and occupation. Under this, the study identified that about 70% of occasional and regular users of ToMoCa Coffee were youngsters and adults.
- ❖ Concerning marital status 233 (62.5%) of the total respondents were married.
- ❖ On the other hand, it showed that more than 74% of the total respondents earned more than 10,000 birr per month and it could be indicated that most of ToMoCa Coffee's occasional and regular users were people with a better income.
- ❖ It also showed that 247 (66.2 %) of the total respondents had a very good educational background and status.
- ❖ Regarding occupation, 87.5% of respondents worked either in their own business or worked in an international organization or worked in private companies.
- ❖ And also about 51% of the total respondents had more than ten years and above work experience.
- ❖ In the second part of the instrument, the respondents answered the six questions generated to understand the relationship and understanding of customers about the brand ToMoCa Coffee. The found result showed that 322(86.32%) of the total respondents use ToMoCa Coffee regularly.
- ❖ Above 60% of ToMoCa coffee customers come to ToMoCa for the first time through invitation by somebody else who experienced the coffee before.

- ❖ Above 50 % of respondents were used ToMoCa coffee for more than ten years.
- ❖ About 85% of respondents have come to ToMoCa coffee because ToMoCa coffee is their preference
- ❖ About 65% of ToMoCa Coffee customers prefer ToMoCa Coffee for its taste.
- ❖ Above 82% of the total respondents rated the quality of ToMoCa Coffee and its service supply as very good and above.
- ❖ According to the correlation test, the three independent variables those were Perceived Quality, Brand Association, and Brand Loyalty had a strong, positive and significant relationship with the dependent variable Customers' buying decisions. However, Brand awareness had a moderate, positive, and significant relationship with Customers' buying decisions.
- ❖ According to the Mean and standard deviation result, the aggregate or the grand Mean of brand awareness (Mean=3.8023) with standard deviation (.84339), perceived quality (Mean=3.9336) with standard deviation (.74175), brand association (Mean=3.7657) with standard deviation (.75669), and brand loyalty (Mean=4.1300) with standard deviation (.67091) showed that respondents were agreed by the importance and influence of brand awareness on their buying decisions. In the meantime, the grand or aggregate mean of the four independent variables (Mean=3.6676) with a standard deviation (.62948) showed that respondents agreed that independent variables had an impact and influence on the customers' buying decisions.
- ❖ Under the regression test analysis, the study found that all four independent variables have a direct, positive, and significant influence on customers' buying decisions. Based on their beta ( $\beta$ ) result and P value Perceived quality, Brand awareness, Brand association, and Brand loyalty had  $\beta = 0.319$ ,  $\beta = 0.277$ ,  $\beta = 0.149$ , and  $\beta = 0.115$  results respectively and it showed that they had a different level of impact or effect on the dependent variable customer buying decision. A specified beta change of the independent variable causes a unit change in the dependent variable. According to the results brand perceived quality had the highest effect on customer buying decisions followed by brand awareness and brand association. Brand loyalty had the least effect on customers' buying decisions.

## 5.2. CONCLUSIONS AND RECOMMENDATIONS

### 5.2.1. CONCLUSIONS

Brand equity is well-known as one of the most important ideas in brand management and business practice. It can assist marketing managers in differentiating themselves from their competition to acquire a market competitive edge. This study looked at the impact of brand equity on consumer purchase decisions, including brand awareness (H1), perceived quality (H2), brand association (H3), and brand loyalty (H4).

- ❖ The output of the research showed that customers believed a perceived quality in the minds of customers has a prominent effect on deciding to buy ToMoCa Coffee's product. Its effect is widely understandable and expressed by customer's preference basis that was taste and satisfaction of the coffee. Therefore, ToMoCa Coffee customers prioritize the taste of the product, and the quality perceived in their minds about ToMoCa Coffee influences them to decide to buy. It scored the highest influence out of the remaining three dimensions with  $\beta = 0.319$  and it can be concluded that perceived quality has the highest significant effect on ToMoCa Coffee customers' buying decisions and also a higher correlation with customers' buying decisions.
- ❖ Next to this, based on the research findings brand awareness is the second significant factor to make a buying decision for ToMoCa Coffee's customers. The knowledge they acquire about ToMoCa Coffee influences them to choose and buy the specific ToMoCa Coffee products. This is implied by the beta result  $\beta = 0.277$  and this confirmed that brand awareness is a second significant effect on ToMoCa Coffee customers' buying decisions.
- ❖ Based on the outcome, it can be concluded that brand association was found third significant factor out of the four brand equity dimensions with a beta result of  $\beta = 0.149$ . According to the results, customers association with ToMoCa Coffee through the experience, socialization, shared status, and the trust they developed in the brand led them to decide to buy ToMoCa Coffee other than other brands. The brand association has the third significant effect on ToMoCa Coffee customers' buying decisions.

- ❖ From the result obtained, it can be concluded that Brand loyalty was the least impact on influencing the ToMoCa Coffee customers' buying decisions with a beta result of  $\beta = 0.115$ . It defined that the effect of brand loyalty on the ToMoCa Coffee customers' buying decision is the least when compared to the remaining three dimensions.
- ❖ Overall, we discovered that brand equity had a significant favorable impact on customer purchasing decisions. All study hypotheses are approved, in brief. As a result; brands with higher degrees of brand equity are more likely to create higher amounts of customers' purchase decisions.

### **5.2.2. RECOMMENDATIONS**

According to the findings, it can be seen that Brand equity is a prominent factor in the customers buying decisions. It was all about the awareness of customers about the brand, the customer's understandings, what is in their minds about the product (perceived quality), how they associate themselves with the specified brand, and to what extent they are loyal to the specified brand. All those things must be fulfilled by delivering quality products and investing lots of knowledge and experiences to improve the perceived quality of the product also it needs to improve socialization with customers, create different awareness creation packages and finally retain the customers by making them recurrent purchase decision and make them loyal for the ToMoCa Coffee.

As it can be clearly stated under the findings perceived quality of ToMoCa Coffee has the highest impact on customers' buying decisions. So, ToMoCa Coffee must keep the quality of its products and invest in different quality test mechanisms to keep it up. Highly focus on collection, roasting, and grinding and also preparing the final product and delivering it in state-of-the-art service. As the study finding stated clearly above 60% of ToMoCa coffee customers come to ToMoCa for the first time through invitation by somebody else who experienced the coffee before. So, focusing on the taste and the service is mandatory to keep going in success.

To improve customers association and loyalty to the brand the company should create different gatherings, special customer's day events, and recognition programs to develop familiarity, socialization, status creation, and affiliation with the company, the company's product, and the customers.

The chain of command of the company is so impressive and the company's human resource development and capacity-building activities are an enormous influence on customer handling and hospitality. Staff communication and ways of customer handling have a direct relationship with product quality and customer satisfaction. Therefore, the company should execute the above-mentioned activities on the new and on process branches to keep the consistency and uniformity of the service throughout the branches.

Customers who are satisfied with the quality of their chosen product are more likely to purchase the same brand again in the future. High product quality also translates to higher customer satisfaction, which improves customers' purchasing decisions. Therefore, focusing on products and service quality accompanied by awareness creation develop association, and create a fertile platform to cultivate loyalty.

### **5.3. DIRECTIONS FOR FUTURE RESEARCH**

This study had been focused on ToMoCa Coffee's branches which are available in Addis Ababa. It also used Aaker's brand equity model. These findings only reflect the actions, attitudes, and purchasing decisions of respondents in Addis Ababa. The study had some limitations which would generate by the sampling method or techniques and the number of participants. It was also focused only on a single company. The result didn't have any comparison and contrast with other coffee brands and companies. It will be better if other researchers work in the beverage industry and more focus on comparing two or more companies through different models and identify what would happen in the relationship and influence of brand equity and purchase decision.

## REFERENCES

- Aaker, D., 1991. *Managing Brand Equity*. New York: Free press.
- Aaker, D. A., 1996. *Managing Brand Equity: Across Products and Markets*. *California Management Review*, 38(3), pp. 102-120.
- American Marketing Association. (2004). What Are the Definitions of Marketing and Marketing Research? [Online] Available: <http://www.marketingpower.com/4620.php> (September 23rd, 2010).
- Arun Kumar and N Meenakshi, (2006). *Marketing Management*, Vikas Publishing House PVT LTD, first edition, PP 207- 248
- Barwise, P. (1993) Brand equity: snark or boojum? *International Journal of Research in Marketing*.10 (1).p.93-104
- Brooks, C. (2008). *Introductory econometrics for finance* (2nd ed.) Brooklyn, NY: Cambridge University Press
- Chieng, M. &Goi, D. (2011).*Essentials of Marketing*.3rd ed., Pearson Education Ltd., Prentice hall.
- Cobb-Walgren, W. (1998).The impact of hospital brand image on service quality, patient satisfaction and loyalty, *African Journal of Business Management* 5(15), 4873-4882.
- Cooper, D. R. & Schindler, P. S. (2014). *Business research methods*. 8th ed. New York: Mcgraw Hill.
- Creswell, /. W., 2009. *Research Design: Qualitative, quantitative, and mixed methods approach*. 3rd ed. California: SAGE Publications, Inc.
- C.R. Kothari, 2004. *Research Methodology: Methods and Techniques* (Second revised edition) New Age International (P) Limited Publishers. 4835/24, Ansari Road, Daryaganj, New Delhi – 110002
- De Chernatony L. and McDonald M. (2003). *Creating Powerful Brands: In Consumer, Service and Industrial Markets*. 3rd ed., Butterworth-Heinemann.
- Dilip D 1, Rupesh Sinha2, Chin Pei Wen3, Daisy Mui Hung Kee, ChoongShu Ching5, Lew Ke Er6, Somya Agarwal7, Rudresh Pandey8, TheofilusWelyna Putra9, LiemGai Sin10, Yap Wen Yan11, *The Influence of Brand Equity on Consumer Purchase Decisions at Starbucks*, ORCID ID: 0000-0001-7921-9950

- ElleniHailu, 2021. The effect of brand equity on purchase intention in the case of selected dental specialty clinics in Addis Ababa: Unpublished St. Mary's University MA Thesis.
- Farquhar, P. (1989). Managing Brand Equity, Marketing Research, Vol.1 (September), pp. 24-33.
- FishaTeshome, 2019. The effect of brand equity assembled automobile on customer purchase intention; an empirical study of the automotive industry in Ethiopia: Addis Ababa: Unpublished Addis Ababa University MA Thesis.
- Farhadi, M., 2009, Improving Profitability Model In Insurance Industry, Considering Inflation: The Case Study Of Automobile Insurance In Iran. Unpublished Master Thesis, Lulea University of Technology. Iran
- G.C. Bari, 2008. Marketing research, fourth edition, published by the Tata McGraw- Hill Publishing Company Limited 7 West Patel Nagar, New Delhi 110 008.
- Gujarati, N. (2004). Basic Econometrics. New York: McGraw Hill Companies.
- Hair, J. Anderson, R., Tatham, R. & Black, W. (1998).Multivariate Data Analysis. 5th ed. Upper Saddle River, NJ: Prentice Hall.
- Israel Tewodros, 2020. Effect of Product Packaging on Consumer Buying Behavior: The Case of Senselet Food Processing Company (Sun Chips): Addis Ababa: Unpublished Addis Ababa University MA Thesis.
- Janet DevinaKoapaha, Johan Tumiwa, 2016. The effect of brand equity on consumer buying behavior in Starbucks Manado town square: Jurnal EMBA Vol.4 No.1, Hal. 1178-1188
- Kapferer, J.N.(1998) Strategic Brand Management: Creating and sustaining brand equity long term. 2nd Ed. Kogan Page: London.
- Keller, K. L., 1993. Conceptualizing, Measuring, and Managing Customer-Based Brand Equity. Journal of, 57(1), pp. 1-22.
- Keller, K. L. (1998). Strategic Brand Management, Building, measuring, and managing brand equity. New Jersey: Prentice Hall.
- Keller, L.K., 2003, Strategic Brand Management Building, Measuring, And Managing Brand Equity, New Jersey: Prentice Hall
- Keller, K. L., 2013. Strategic Brand Management: Building Measuring and Managing Brand Equity. 4th ed. London: Pearson Education Limited

- KhairunnisaRahmah, UjangSumarwan ,MukhamadNajib, (2018). The effect of brand equity, marketing mix, and lifestyle toward purchase decision at a coffee shop in Bognor. *Journal of Consumer Sciences: Vol. 03, No. 02, 01-15*
- Kotler, P. (1991). *Marketing Management: Analysis, Planning Implementation, and Control. 7 the*, Upper Saddle River NJ: Prentice Hall.
- Kotler, P. (2000). *Marketing Management.The Millennium Edition*. Upper Saddle River, NJ: Prentice Hall.
- Kotler, P & Armstrong, G. (2012).*Principles of Marketing. 14Ed*. Prentice Hall: NewJersey
- Kotler, P. and Keller, K. L. (2006).*Marketing Management. 12th Ed., Inc-* Upper Saddle River, New Jersey: Pearson Education
- Kotler, P. and Keller, K.L. (2009).*Marketing Management. 13th Edition*, Upper Saddle River, New Jersey: Pearson Prentice
- Kotler, P. and Keller, K.L (2012).*Marketing Management. 14 th ed.*, Upper Saddle River, NJ: Pearson Prentice Hall
- Maria-Cristiana MUNTTHIU, 2009. The buying decision process and types of buying decision behavior. *Sibiu Alma Mater University Journals.– Volume 2, no. 4*
- Mohammad Reza Jalilvand, NedaSamiei, SeyedHessamaldinMahdavinia, 2011. The Effect of Brand Equity Components on Purchase Intention: An Application of Aaker’s Model in the Automobile Industry. *International Business and Management: Vol. 2, No. 2. 2011, pp. 149-158*
- Muhammad Amir Adam and SameenNasirAkber (2016).The impact of brand equity on consumer purchase decision of cell phones, *European Journal of Business and Innovation Research Vol.4, No.4, pp.60-133*
- NisalRochanaGunawardane, 2015. Impact of Brand Equity towards Purchasing Desition: A Situation on Mobile Telecommunication Services of Sri Lanka: *Journal of Marketing Management, Vol. 3, No. 1, pp. 100-117*
- SaimaUlfat, Dr.AsifMuzaffar, Professor Dr. Muhammad Shoaib (2014).To Examine the Application and Practicality of Aakers’ Brand Equity Model in Relation with Recurrent Purchases Decision for Imported Beauty Care products (A study of female customers’ of Pakistan)ISSN 2222-2839.

- Simon, C.J. and Sullivan, M.W. (1993). The measurement and determinants of Brand Equity: A Financial Approach. *Marketing Science*, 12(1), 28-53.
- Surikhan, U., Panyapan, W., Kamkankaew, P., Thanitbenjasith, P., Limpiangkanan, P. &Kaewma, K. (2019). Enhancing purchase intention through marketing activities and brand equity: An exploration of a local brand coffee bar in Thailand. *Global Journal of Business, Economics, and Management: Current Issues*. 9(1), 008–015.
- TesfayeTamiru, 2019. The effects of brand equity dimensions on consumer purchase intention in a case of Kaldis coffee, Addis Ababa: Unpublished Addis Ababa University MA Thesis.
- UraelGizachew, 2017. Pharmacist’s Perception of Brand Equity in the Case of Lagap Pharmaceutical: Addis Ababa: Unpublished Addis Ababa University MA Thesis.
- WensyRantung, David P.E Saerang, and Peggy Adeline Mekel, 2014. The influence of brand loyalty, brand awareness, and perceived quality on the consumer buying decision of Yamaha Vixion motorcycle in MANADO: *Jurnal EMBA Vol.2 No.3*, Hal. 058-067
- Ying-Fang Huang<sup>1</sup>, Hoang Sa Dang, (2014). An Empirical Analysis on Purchase Intention on Coffee Beverage in Taiwan: *European Journal of Business and Management: Vol.6, No.36*.
- Yodit, Lemma, 2017. Measuring Consumer Based Brand Equity: The Case of Tomoca Coffee, Addis Ababa: Unpublished Addis Ababa University MA Thesis.
- YonasAbebe, 2018.Measuring Consumer Based Brand Equity: The Case of Kaldi’s Coffee Addis Ababa: Unpublished Addis Ababa University MA Thesis.
- Zeithaml, V.A. (1988). Consumer Perceptions of Price, Quality, and Value: A Means-End Model and Synthesis of Evidence. *Journal of Marketing*, 52(3), 2-22.

# APPENDIX



## QUESTIONNAIRE

### ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCE

#### DEPARTMENT OF MARKETING MANAGEMENT

Dear respondents,

My name is YaredHagosGebremariam, a Masters of Arts student in Addis Ababa University School of Commerce, Marketing Management department. I am conducting a research thesis to identify the effect of brand equity on customers' buying decisions in the case of ToMoCa coffee. The purpose of this questionnaire is to collect data to identify the effect of brand equity elements (Brand awareness, Perceived quality, Brand association, and Brand loyalty) on customer buying decisions.

Your participation in the research and your honest and sincere response will help the research by playing a great role to achieve fully in particular and getting appropriate and reliable results to the field of the study in general. I can assure you that all the responses will be kept confidential and will be used only for academic purposes. You are supposed to participate only by your consent and the study doesn't need your name at all.

I thank you in advance for your indispensable and indisputable role in the study by filling out the prepared questionnaire based on your consent. If you have any inconvenience or questions related to the questionnaire or other related issues please feel free to contact me through

Phone number # +251 911 542536 or

Email address: [yaredhago@gmail.com](mailto:yaredhago@gmail.com)

## Part One

### Profile of the respondent

Please mark [X] in the appropriate box to indicate your choice

1. Age      18 – 30      31 – 45      46 – 60      > 60
2. Gender      Male      Female
3. Marital Status      Single      Married
4. Income  
5,000 Birr      5,000 – 10,000 Birr      10,001-20,000  
20,001 – 30,000      30,001-40,000      40,001 – 50,000      Above  
50,001
5. Educational background  
High School      Diploma      Degree  
Master Degree and above
6. Occupation  
Business Owner      International Organization Employee  
Private Company Employee      Gov't Employee  
Pensioner
7. Work experience      1 – 5 years      6 – 10 years      > 10 years

## Part two

### General Questions

8. How often do you use coffee?  
Almost Daily      3 to 5 days a week  
Weekly      occasionally
9. How do you first find ToMoCa?  
Through word of mouth (told by someone)      you met casually  
Invited by another person(somebody)      Promotion
10. How long do you use ToMoCa coffee?  
1 to 6 months      6 months to 1 year      1 year to 4 years  
5 years to 10 years      More than 10 years
11. Do you prefer ToMoCa coffee to other coffee brands?  
Yes      No
12. Why do you prefer ToMoCa Coffee to other coffee brands?  
Because of its test      Because of its service  
Because of the convenience      Because of its price  
Because of it is near to your place      Because of company's image
13. How do you rate the quality of the coffee and service supply by ToMoCa Coffee?  
Best      Very Good      Good      Moderate

## Part Three

### Evaluation of Dimensions

No.	Brand Equity Dimensions.	Strongly Disagree	Disagree	Neither agrees Nor disagree	Agree Strongly	Agree
<b>A. Brand Awareness</b>		1	2	3	4	5
1.	I know ToMoCa is a coffee roasting, grounding, packing, and selling company.					
2.	I can recognize ToMoCa coffee easily from other coffee brands					
3.	When I think of having coffee, ToMoCa comes first to my mind.					
4.	I know ToMoCa offers a variety of coffees.					
<b>B. Perceived Quality.</b>		1	2	3	4	5
1.	ToMoCa coffee provides me with a good taste.					
2.	The aroma of ToMoCa coffee gives me a refreshing feeling					
3.	I become energized after having ToMoCa coffee					
4.	Drinking ToMoCa coffee makes me active for longer hours					
<b>C. Brand Associations</b>		1	2	3	4	5
1.	I feel proud when I invite people ToMoCa coffee.					
2.	I experience a sense of socialization and shared some status at ToMoCa coffee.					
3.	I respect and admire people who prefer ToMoCa coffee.					
4.	ToMoCa coffee has very unique brand image, compared to competing brands.					
5.	I like and trust the image of the brand ToMoCa coffee and the company ToMoCa					

<b>D. Brand Loyalty</b>		1	2	3	4	5
1.	When consuming coffee, ToMoCa coffee will be my first choice.					
2.	I am loyal to ToMoCa coffee and I would love to recommend ToMoCa coffee to others.					
3.	I am still willing to buy ToMoCa coffee even if its price is a little higher than that of its competitors.					
4.	I will keep on buying ToMoCa coffee as long as it provides me with satisfactory products.					
<b>E. Customers' buying decision</b>		1	2	3	4	5
1.	My awareness regarding ToMoCa coffee guides my purchase decision.					
2.	The overall assessment of the quality of ToMoCa coffee affects my purchase decision.					
3.	My purchase decision depends on how others think about me with ToMoCa coffee.					
4.	In the future, I will keep buying ToMoCa coffee.					

**Source: -Mohammad Amir Adam and Sameer NasirAkber(August 2016)**



SEEK WISDOM, ELEVATE YOUR INTELLECT AND SERVE HUMANITY!



**መጠይቅ**

**አዲስአበባዩኒቨርሲቲዮንግድስራትምህርትቤት**

**የማርኬቲንግናጅመንትትምህርትክፍል**

ውድምላሽሰጪ

ሙሉስሜያሬድሐጎስጉብረማርያምየተባልኩበአዲስአበባዩኒቨርሲቲዮንግድስራትምህርትቤትየማርኬቲንግናጅመንትትምህርትክፍልየሁለተኛዲግሪተማሪስሆንዮሁለተኛዲግሪትምህርቴንለማጠናቀቅእንዲረዳኝበቶሞካቡናብራንድእናበቶሞካደን በኛችየመግዛትውሳይየማሳለፍሂደትመካከልያለውንግንኙነትእናተጽእኖበማጥናትላይእገኛለሁ።

ስለሆነምየእርሳየተከበሩደንበኛየዚህመጠይቅተሳታፊመሆንእናመጠይቁንበእውነተኛመረጃላይተመስርተውበአግባቡመመለስጥናቱንበአግባቡለማጠናቀቅእናውጤቱምትክክለኛመረጃላይየተመሰረተግኝትእንዲሆንስለሚረዳውመጠይቆቼንበልበሙሉነትእናበቅንነትእንድትሞሉልንእንጠይቃለን። የሚሰጡትምምላሽሆነበዚህመጠይቅውስጥየሚሞሉዋቸውመረጃዎች ለዚህትምህርትጥናትአገልግሎትብቻእንደሚውሉከወዲሁአረጋግጣለሁ።

በመጠይቁላይእናበአጠቃላይበጥናቱዙሪያአስተያየትእናጥያቄካለዎትከታችበተመለከተውአድራሻእንደሚያገኙኝእየገለጽኩወደርለሌለውትብብርዎምስጋናዬንከወዲሁአቀርባለሁ።

ያሬድሐጎስጉብረማርያምስልክቁጥር +251 911 54 25 36.

የኢሜልአድራሻ:- [yaredhago@gmail.com](mailto:yaredhago@gmail.com)

**ክፍልአንድ**

**ስለመልስሰጪ**

**እባክዎ መልስሰጪ መለስ የሚያስፈልግ የሚመዘኑትን ስርዓት [X] ምልክት ያድርጉ**

1. እድሜ  - 30    31 - 45     60 > 60
2. ጾታ  ወንድ ሴት
3. የጋብቻ ሁኔታ  ያገባ ያላገባ
4. የገቢ መጠን \$5,000  5,000 - 10,000  10,001 - 20,000   
 20,001 - 30,000  30,001 - 40,000  40,001 - 50,000  50,001 በላይ
5. የትምህርት ዝግጅት  እስከ ሁለተኛ ደረጃ ትምህርት ዲፕሎም   
 ጀመሪያ ዲግሪ ሁለተኛ ዲግሪ  በላይ
6. የስራ ሁኔታ   
 ርጅት ባለቤት በአለም አቀፍ ተቋም ስራተኛ   
 ልዩ ርጅት ሠራተኛ የመንግስት መስጠት ርጅት
7. የስራ ልምድ 1-5 ዓ  - 10 ዓመት > 10 ዓመት

**ክፍል ሁለት**

**ጠቅላላ መረጃ**

8. በቶሞካቡና የትኩስ ነገር አጠቃቀም እንዴት ይገለጻል?  
 በየ  ሰዓት እስከ አምስት ቀን በሰዓት   
 በየ  ቱኦን ደቦ
9. ለመጀመሪያ ጊዜ ቶሞካቡና ለመጠጣት በምን አገልግሎት ጠጡ?  
 ሰውነት ማሻሻያ ለሌላ ሰው ተጋብጦ   
 በአገልግሎት ማስገኘት  ያደረግኩ
10. ቶሞካቡናን ለምን ያህል ጊዜ ተጠቅመዋል?  
 ከ1 እስከ 6 ወራት ከ6 ወራት እስከ 1 አመት   
 ከ1 አመት እስከ 4 አመት ከ5 አመት እስከ 10 አመት   
 ከ10 አመት በላይ
11. ቶሞካቡናን የድርጅት አርማ (Brand) ከሌሎች የቡና አርማዎች ይመርጡ ታል?  
 አዎ  አይ
12. ቶሞካቡናን ከሌላ የቡና አርማ ስለምን ይመርጡ ታል?  
 ዕውቀት ስሜት ስለ  በአቅራቢያ የሰማኝ   
 በዋጋው  ነጥብ ስሜት ስለ  ናም ስል
13. እርስዎ በቶሞካቡና የሚያገኙትን ምርት እና አገልግሎት ደረጃ ስጡ ቢባሉ የትኛውን ደረጃ ይሰጡ ታል?  
 ምርጥ  ጥሩ መካከለኛ

## ክፍል ሶስት

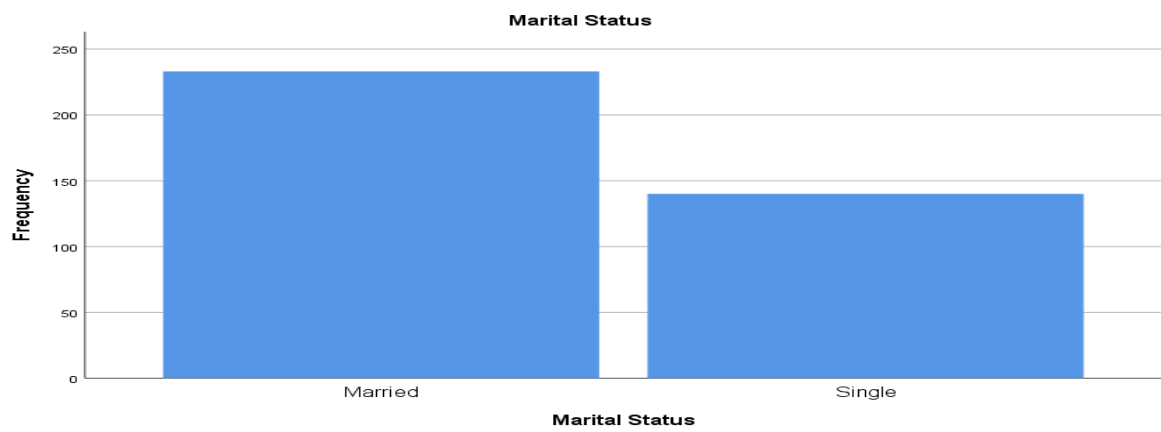
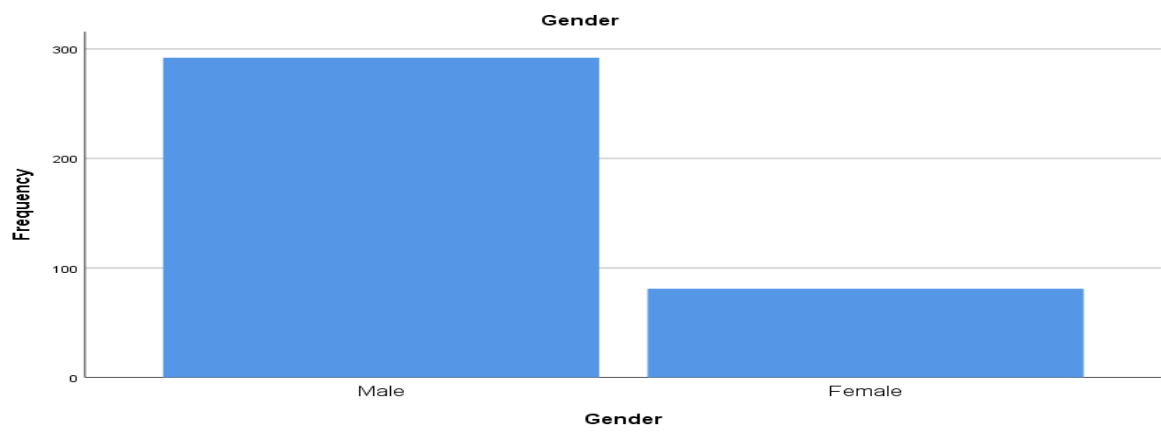
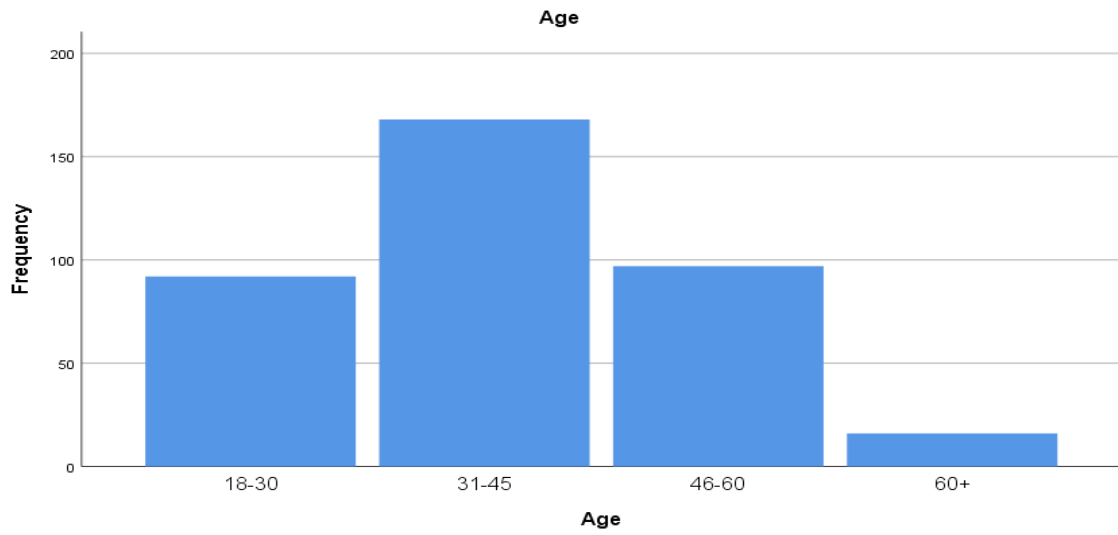
### Evaluation of Dimensions

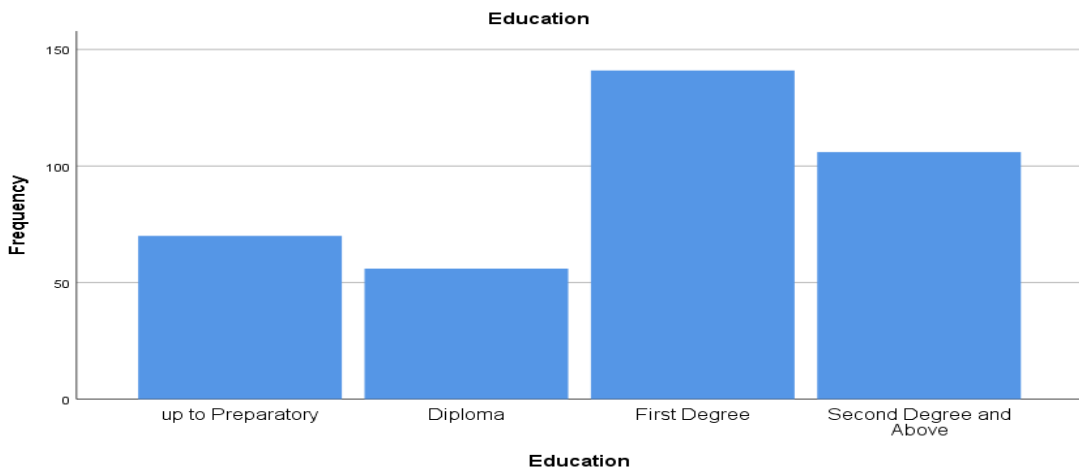
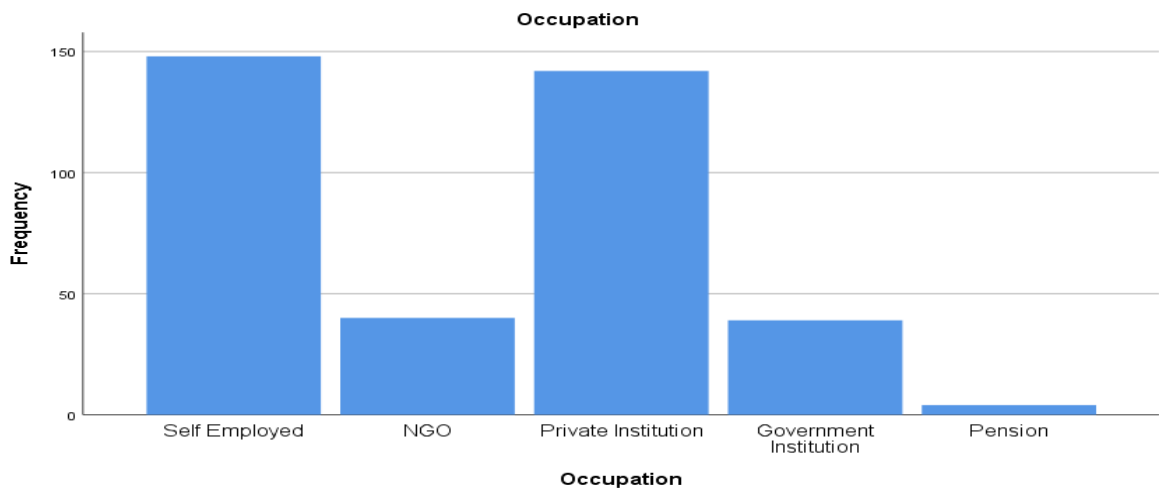
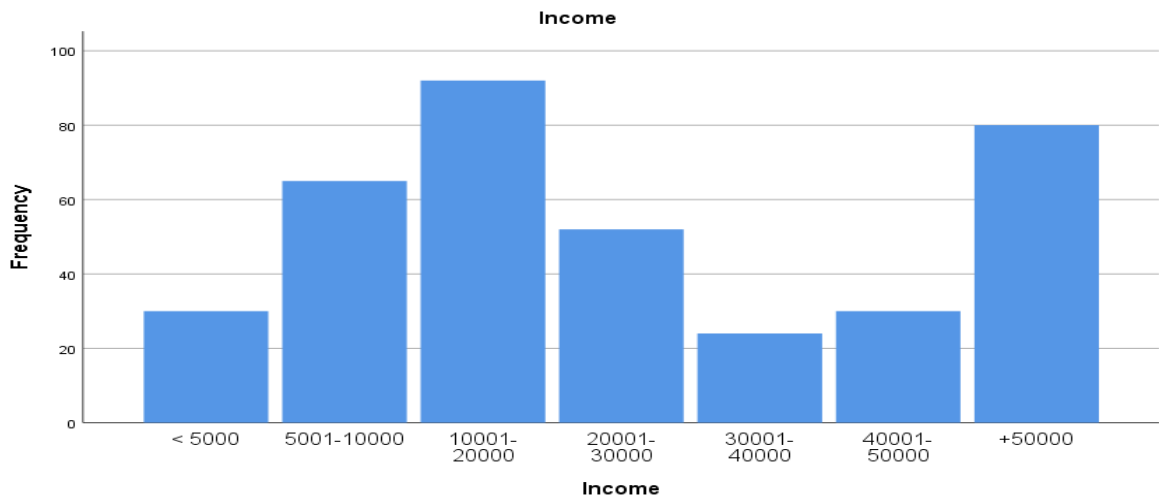
የመስማማት ደረጃዎችን የሚገልጽ ምርጫ ለማመልከት የምልክት በተዘጋጀው ክፍት ቦታው ስጥ እንዲያስቀምጡ በአክብሮት አጠይቅዎታለሁ።

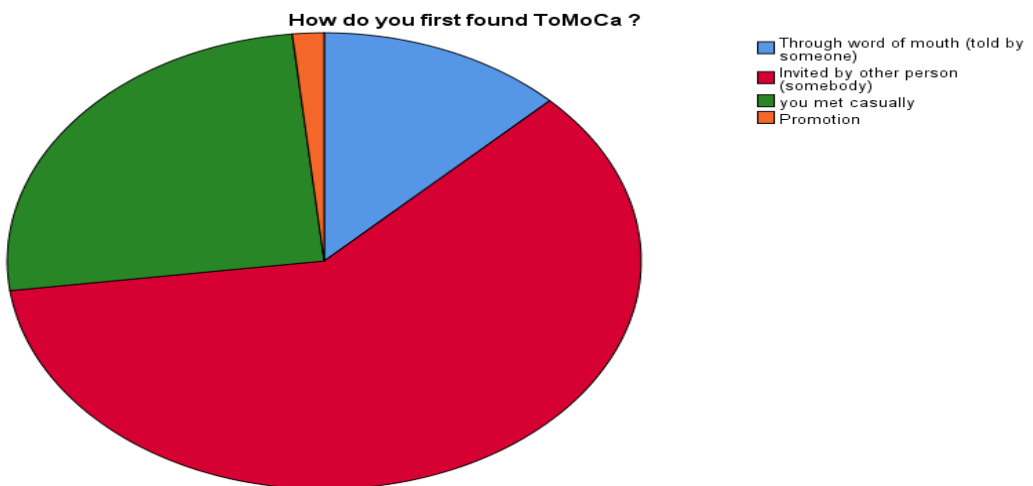
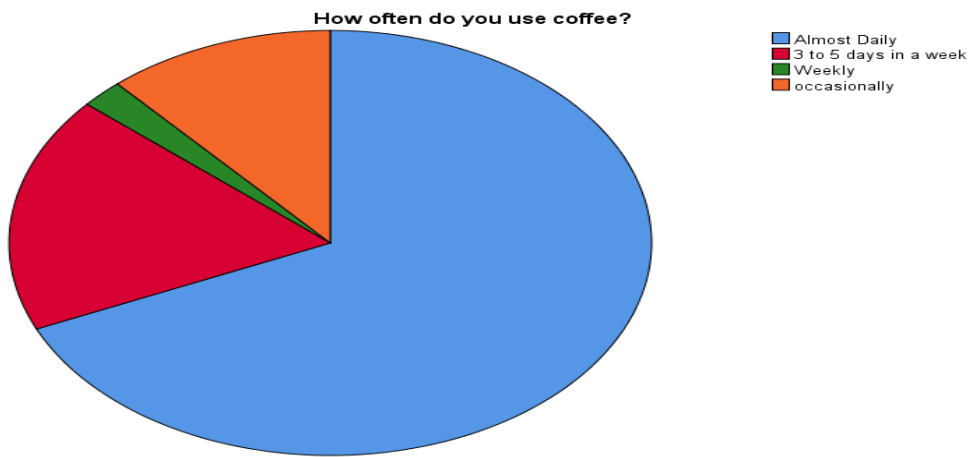
“X”

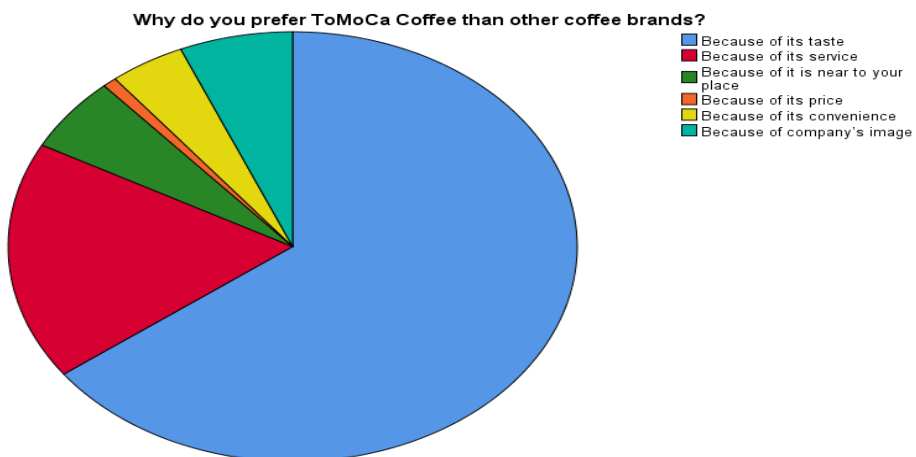
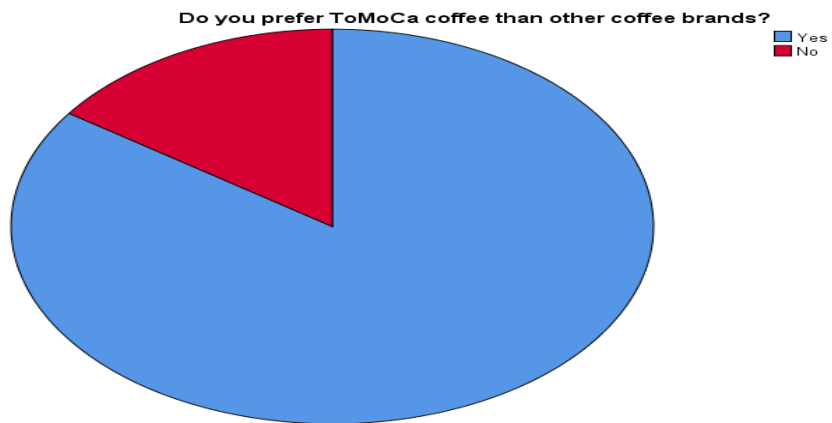
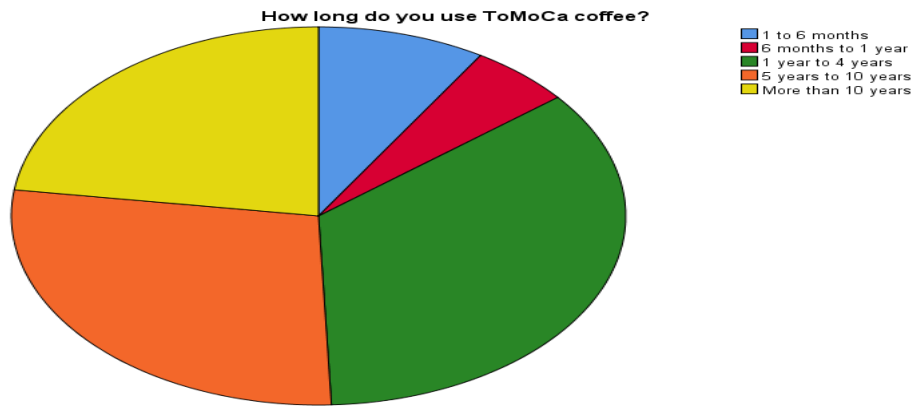
No.	Brand Equity Dimensions.	በከፍተኛ ሁኔታ አልስማምም Strongly Disagree	አልስማምም Disagree	ገለልተኛ Neither agrees Nor disagree	እስማማለሁ Agree	በከፍተኛ ሁኔታ እስማማለሁ Strongly Agree
<b>ሀ. የብራንድ ግንዛቤ (Brand Awareness)</b>		1	2	3	4	5
1.	ቶሞካቡና፡- በናቆልቶ፣ ፈጭቶ፣ አሽንጥሚሽጥካም ፓኒመሆኑን አውቃለሁ።					
2.	ቶሞካቡናን ከሌላ የቡና ምርቶች ብራንድ በቀላሉ መለየት እችላለሁ።					
3.	ቡና የመጠጣት ፍላጎት ሲኖረኝ ወይም ቡና መጠጣት ሲያምረኝ መጀመሪያ ወደ አይምሮ ዩሮ ማወቅ የሚመጣው ቶሞካቡ ነው።					
4.	ቶሞካቡና የተለያዩ ጠቃሚ ስራዎችን እንደሚያቀርብ አውቃለሁ።					
<b>ለ. በልምድ የሚገኙ ብቃቶች (Perceived Quality).</b>		1	2	3	4	5
1.	ቶሞካቡና ለኔ ጥሩ ጣዕም ያለው ቡና ያቀርብልኛል።					
2.	የቶሞካቡና መዘወድ ሲያውደኝ የመታደስ እና የመነቃቃት ስሜት ይሰጠኛል።					
3.	ቶሞካቡናን ስጠጣ በአዲስ ጉልበት እናንቃት እሞላለሁ።					
4.	ቶሞካቡናን መጠጣት ለረጅም ሰዓታት በተነቃቃት ስሜት ውስጥ እንድቆይ ያደርገኛል።					
<b>ሐ. ከብራንድ ጋር የተያያዘ (Brand Associations)</b>		1	2	3	4	5
1.	ሌሎች ሰዎችን ቶሞካቡና እንደሚጠጡ ጋብዝኩራት ይሰማኛል።					
2.	ቡና ማህበራዊ ህይወትን የሚሳደግ እና የሚመስሉ ጎንደጎች የማግኘት እድል ይሰጠኛል።					

		በከፍተኛ ሁኔታ አልስማማ ም 1	አልስማ ማም 2	ገለልተኛ 3	እስማማለ ሁ 4	በከፍተኛ ሁኔታ እስማማ ለሁ 5
3.	ቶሞካቡናምርጫቸውየሆኑስዎችንአከብራለሁ፤አደንቃለሁም፡፡					
4.	ቶሞካቡናከሌሎችብናዎችጋርሲነጻጸርልዩየብራንድገጽታአለው፡፡					
5.	ቶሞካቡናእንደብራንድአወደዋለሁእንደድርጅትደግሞአተማመንበታለሁ ፡፡					
<b>መ. የብራንድታማኝነት (Brand Loyalty)</b>		1	2	3	4	5
1.	ቡናመጠጣትሳስብቶሞካቡናየመጀመሪያምርጫዬነው፡፡					
2.	እኔየቶሞካቋሚናታማኝደንበኛነኝእናምቶሞካቡናንሌሎችእንዲጠጡብፍቅር እጋብዛለሁ፡፡					
3.	ከተፎካካሪዎቹእንጻርቶሞካቡናየተወሰነየዋጋጭማሪቢኖረውምየእኔቡናመጠጣትምርጫ ቶሞካቡናነው፡፡					
4.	የእርካታዬምንጭየሆነውንቡናእስከቀረበልኝድረስቶሞካቡናንመጠጣቴንእ ቀጥላለሁ፡፡					
የመስማማትደረጃዎችንየሚገልጽምርጫለማመልከትየ “X” ምልክትበተዘጋጀውከፍትቦታውስጥእንዲያስቀምጡበአክብሮትአጠይቅዎታለሁ፡፡						
		በከፍተኛ ሁኔታ አልስማማ ም Strongly Disagree	አልስማ ማም Disagree	ገለልተኛ Neither agrees Nor disagree	እስማማለ ሁ Agree	በከፍተኛ ሁኔታ እስማማ ለሁ Strongly Agree
<b>ሠ. የደንበኞችየመግዛትውሳኔ (Customers' buying decision)</b>		1	2	3	4	5
1.	ስለቶሞካቡናያለኝግንዛቤቶሞካቡናንእንደገዛ/ እንድጠቀምያደርገኛል፡፡					
2.	ቶሞካቡናያለውየጥራትደረጃቶሞካቡናንእንደገዛ/ እንድጠቀምያደርገኛል፡፡					
3.	ሠዎችቶሞካቡናንለሚጠቀምሰውያላቸውመረዳትቶሞካቡናንእንደገዛ/ እንድጠቀምያደርገኛል፡፡					
4.	ለወደፊትምቶሞካቡናንመግዛቴን/ መጠቀሜንእቀጥላለሁ፡፡					









How do you rate the quality of the coffee and service supply by ToMoCa Coffee?

