



ADDIS ABABA UNIVERSITY
SCHOOL OF COMMERCE

PROMOTIONAL ACTIVITIES AND CUSTOMER BASED BRAND
EQUITY: AN EMPERICAL STUDY IN THE ETHIOPIAN BEER
MARKET

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MAY, 2014
Addis Ababa, Ethiopia

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SCHOOL OF COMMERCE
DEPARTMENT OF MARKETING MANAGEMNT

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A Research Project Submitted to the School of Graduate Studies of Addis Ababa
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ACRONYMS

AVE: Average variance extracted

ASV: Average shared variance

BE: Brand equity

CBBE: Customer based brand equity

CR: Composite reliability

MSV: Maximum shared variance

SEM: Structural equation model

WOM: Word of mouth

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Abstract

Powerful promotion activities are among the key equipment or tools in building brand equity in organizations. However, the main challenge is, knowing different effect of these promotion activities on one's brand equity to select the right mix. The purpose of this research was to study the relationship between promotional activities and brand equity through mediation effect of brand equity dimensions using Ethiopian beer market. The structural model of the effects of promotional mix elements on brand equity defined in line with the existing theoretical findings. In order to test the defined structural model and research hypotheses survey conducted on the sample which has been selected from target population of Addis Ababa beer customers through convenience and random sampling method. Data collected using structured questioners and then data analysis performed using structural equation model in Amos 20.0 and SPSS 20. The finding showed that most of promotion activities are not currently contributing to the brand equity however, among them billboard ads, TV ads and WOM has been more or less effective.

Keywords: *brand equity, dimensions of brand equity, promotional activities, beer market, Ethiopia*

CHAPTER ONE

INTRODUCTION

1.1 Back ground of the study

In today's competitive market, in order to compete and achieve the success in the business world the companies need the efficient tools to carry out their goals. One of the most important competition tools in the business world for attracting, preserving, and increasing the consumers is having powerful brand equity (Keller, 1993). Brand equity refers to the incremental value that a specific brand name adds to a basic product (Farquhar, Han, and Ijiri, 1991), including the differential effect that brand knowledge may have on consumer responses to marketing actions by that brand (Keller, 1993). Previous academic researches along with every day business practices have shown the brand equity's importance as a marketing concept (Keller and Lehman, 2006).

Brand equity belongs to the most important research areas in marketing, as indicated by the 2004-2006 research priorities report published by the Marketing Science Institute (2006). The concept of brand equity was first introduced in marketing literature in the 1980's. During the 90's this topic received significant attention from both scientists and marketing practice, which resulted in a large number of articles and books on the subject (e.g. Aaker and Keller, 1990; Aaker, 1991; Keller and Aaker, 1992; Aaker and Biel, 1993; Keller, 1993; Aaker, 1996; Agarwal and Rao, 1996; Kapferer, 1998; Keller, 1998). The interest in brand equity is still active (e.g. Yoo et al., 2000; van Osselaer and Alba, 2000; Dillon et al., 2001; Keller, 2001; Yoo and Donthu, 2001; Moore et al., 2002; Kim and Hyun (2010).

Reason for studying brand equity arises from a strategy- oriented incentive in order to provide marketing productivity. Having more values, larger rivalry, and immense demand in most markets, has been able to increase efficiency of marketing expenses. Therefore, marketers need to take consumers behaviors as a base for making better strategy decision about target market and positioning. In order to obtain productivity in marketing, perhaps one of the most precious

assets of one organization is knowledge and awareness of brand that was made in consumer mind about investiture in corporation obvious marketing plans (Amini, 2010, p.45).

Nowadays-marketing communications are believed to contribute to building high customer based brand equity. Any marketing effort will be positively related to brand equity when it leads to a more favorable behavioral response to the focal product than to the equivalent unbranded product. Keller (2008) implies that firms endeavor to guide their customers on the road to buy their brands by means of marketing communication.

Although considerable research has been performed regarding brand equity as mentioned above. However, little empirical research has been addressed to which marketing activities influence BE (Brand equity) the focus has been on the exploration of BE, not on its sources and development. The following researches are among the few:

Yoo et al. (2000) investigate the relationships between selected marketing mix elements and BE on a perceptual level for shoes, camera film and television set brands. Their findings suggest that advertising spending and distribution intensity relate strongest to BE. Price and store image showed only slight positive effects while price deals have a negative relationship on BE.

Rahil shams (2004) reviewed the relationship among selected marketing mix components and brand equity of mobiles in young age group of Tehran city. In conceptual framework which is proposed in their study, first marketing components are linked to various dimensions, and then these dimensions are linked to brand equity. The results indicated positive effects of brand equity dimensions on brand equity and strong effects of marketing mix components on these dimensions.

Hua (2005) studied the effect of marketing mix on brand equity. This study is done in three classification, razor, soap and orange juice in Australia market to show brand equity's criteria and also to examine the proposed effects. Advertising in some media are found with positive effect on brand equity and TV advertising have more effect on providing brand equity in

comparison with publishing advertising. The effect of promotion on brand equity was complicated and only large promotion with negative effect on brand equity is found.

Villarejo-Ramos and Sanchez-Franco (2005) reviewed the effect of marketing communication and sale promotion on brand equity. Results indicate positive effect of marketing communication on brand equity and present strong protection from the criterion of perceived quality, brand loyalty, brand awareness and brand image as a preface of brand equity.

Seyfali Zarbi (2007) dealt with the evaluation of selected marketing mix components' effect on brand equity. The data analyses results by using of structural equation model support the hypotheses of the research in the case of direct effects of parameters on each other. Results indicate the positive effect of brand equity dimensions on brand equity and strong effect of selected marketing mix components on these dimensions.

Kim and Hyun (2010) presented a model for evaluating the effects of marketing mix's efforts and also for company image on brand equity in the software section of information technology. The results indicated that all the efforts of marketing mix affected on overall value of the brand equity.

Moreover most of the researches undertaken previously about relationships between marketing activities and the building of brand equity generate considerable output for the concept they have some limitation. In view of the above gap in literature reviewed; based on the proposed framework by Yoo et al. (2000) which is also used by Van Jarsvel (2007), Tanmay et al. (2009), Mahesh et al. (2010), Isabel et al. (2010), Mehran et al. (2012), Perisa (2013) and others; this study investigated specifically the effect of detailed promotional activities on customer based brand equity using the Ethiopian beer market.

1.2 Statement of the Problem

Today, achieving the stable competitive advantage is the main important tools in the business world, creating and using powerful brand equity is one of them. Brand equity is the difference in consumer choice between the focal branded product and an unbranded product given the same level of product features (Yoo, Donthu & Lee, 2000). High brand equity implies that consumers have a stronger association with the brand, perceive the brand to be of higher quality and are more loyal towards the brand. From a behavioral viewpoint, brand equity is critically important to make points of differentiation that lead to competitive advantages based on non-price competition (Aaker, 1991).

Different marketing activities are sources for developing and enhancing brand equity, especially promotion activities because they provide information regarding the brand since power of a brand lies in what customers have learned, felt, seen, and heard about the brand i.e., the customer mindset (Yoo, Donthu, and Lee 2000). Kotler (2008) also insisted that promotion activities with long-term goals can provide brand equity through creating effective link between customers and the brand which in turn provides powerful, desired and unique connections.

Given their contribution to brand equity, more than few studies focused on in explaining the relationship between marketing activities and brand equity were conducted by different scholars. However, these researches had some limitation, most of these researches focused on much broad marketing activities; marketing mix variables like advertising, distribution, and price and price promotion as the contributing factors (Yoo et al., 2000). However, not much particular study has been done on promotional activities besides some research focused individually on different promotional tools which are dominated by advertising (e.g Simon & Sullivan 1993, Ruble & Donthu 1995, Low & mohr 2000, Villarejo 2002, Bravo et al 2007, Sriram et al 2007) also price promotion (Raghubir & Corfman 1999, Taboubi et al 2003, Montaner & Pina 2008), WOM (Xu & Chan 2010, Lim & Chung 2011, Mehran et al 2012,), sponsorship (Becker et al 2006) are obtained some attentions. This make difficult to make insightful conclusions out of them, for example, when all types of advertising treated as one, the role of each type of ads (TV, radio,

printing ads) in enhancing or developing brand equity cannot be differentiated from such researches. And also when only a single promotion activity is researched the comparison which would have been made with other promotion activities in that same market could not be made.

Besides almost all of the studies especially those (Aaker, 1996; Yoo et al., 2000 and others) considered as milestone for this particular subject are focused on western consumers. In other words, in developing countries particularly in Ethiopia where huge customer markets are emerging, the importance of brand equity researches have been overlooked.

In the meantime, with growing economy and being home of many international organizations, Ethiopia is having a huge consumer market in recent years. Meanwhile people are becoming relating themselves with modernization and replacing traditional way of life with global style. Among many antecedents consumption of beverage is one of them, there is a dramatic replacement of traditional beverages for beer. As a result Ethiopian beer market is highly growing and also attracting international companies due to the change of culture and increasing number of consumers.

However there is also stiff competition among the beer companies especially since recently most government owned companies are becoming privatized and those who acquired them are very known huge international companies with ample business experience. Moreover due to several market opportunities for beer business in Ethiopia like, being a home of more than 85 million population with majority of young age, high urbanization rates and also there is high GDP growth reflecting there is money to be made which makes the beer companies to engage in all out beer war to claim the largest market share of the market. Each company has been investing in loads of advertising, new product development, sponsorships, the occasional free beer; and bars & hotels in town are plastered with one of the major companies' logos and glassware to help win over additional market share and to establish one's beers as the best.

Even though they are making a huge effort and a lot of investment on promotion activities the major challenge is to select the right mix of promotional activities to suit their particular business at a particular time and to then use it correctly to achieve a result. The challenges faced by these

companies and others in building brand equity as stated by Aaker and Joachimsthaler (2000) are: to be noticed, to be remembered, to change perceptions, to reinforce attitudes, and to create deep customer relationships. In this regard, the development of promotion activities primarily focused on building and enhancing brand equity is important in Ethiopian beer market. Therefore the motivation of this study is to investigate effect of promotional tools on brand equity using Ethiopian beer market.

1.3 Research questions

This research paper deals with, knowing the effect of promotion activities on brand equity through brand equity dimensions. Therefore, the research tried to give answers to the research questions developed for this study which are:

- ✓ What are the relationships between promotion activities and brand equity dimensions?
- ✓ What are the relationships between brand equity dimensions and brand equity?
- ✓ Which one of the promotional activities are the most influential?

1.4 Objectives of the Study

1.4.1 General objective

The main objective of this study was to investigate the effect of promotion activities on brand equity both theoretically and empirically.

1.4.2 Specific Objectives

- ✓ To examine the relationships of seven selected promotional activities, i.e., TV, Radio & outdoor (billboard) advertising, sales promotion, sponsorship and word of mouth with brand equity dimension

- ✓ To investigate the relationship between brand equity dimensions and brand equity, and
- ✓ To identify which is the most influential promotion mix in influencing brand equity.

1.5 Hypothesis of the study

The following hypothesis are formulated after a critical examination of various literatures had been performed, all mentioned hypothesis were tested in order to achieve the targeted main and specific objective of this study. In the hypothesis brand equity was the dependent variable; while, brand equity dimensions (Brand awareness, Brand association, Perceived quality and Brand loyalty) were mediators between brand equity and promotional activities and the last one is promotional activities elements which were independent variables.

1. H1a. Brand awareness has a significant positive effect on brand equity.
 H1b. Brand association has a significant positive effect on brand equity.
 H1c. Perceived quality has a significant positive effect on brand equity.
 H1d. Brand loyalty has a significant positive effect on brand equity
2. H2a. TV advertising has a significant positive effect on brand awareness.
 H2b. TV advertising has a significant positive effect on brand association
 H2c. TV advertising has a significant positive effect on perceived quality
 H2d. TV advertising has a significant positive effect on brand loyalty
3. H3a. Radio advertising has a significant positive effect on brand awareness.
 H3b. Radio advertising has a significant positive effect on brand association
 H3c. Radio advertising has a significant positive effect on perceived quality
 H3d. Radio advertising has a significant positive effect on brand loyalty
4. H4a. Outdoor (billboard) advertising has a significant positive effect on brand awareness.
 H4b. Outdoor (billboard) advertising has a significant positive effect on brand association.

- H4c.Outdoor (billboard) advertising has a significant positive effect on perceived quality.
H4d.Outdoor (billboard) advertising has a significant positive effect on brand loyalty.
5. H5a. Price sales promotions have a significant positive effect on brand awareness.
H5b. Price sales promotions have a significant negative effect on brand association.
H5c. Price sales promotions have a significant negative effect on perceived quality.
H5d. Price sales promotions have a significant negative effect on brand loyalty.
6. H6a.Non-price promotions have a significant positive effect on brand awareness.
H6b.Non-price promotions have a significant positive effect on brand association.
H6c.Non-price promotions have a significant positive effect on perceived quality.
H6d.Non-price promotions have a significant positive effect on brand loyalty.
7. H7a. Sponsorship has a significant positive effect on brand awareness.
H7b. Sponsorship has a significant positive effect on brand association
H7c. Sponsorship has a significant positive effect on perceived quality
H7d. Sponsorship has a significant positive effect on brand loyalty
8. H8a. Word of Mouth has a significant positive effect on brand awareness.
H8b. Word of Mouth has a significant positive effect on brand association
H8c. Word of Mouth has a significant positive effect on perceived quality
H8d. Word of Mouth has a significant positive effect on brand loyalty
9. H9a. TV ad has a significant positive effect on brand equity
H9b. Radio ad has a significant positive effect on brand equity
H9c. Billboard (outdoor) ad has a significant positive effect on brand equity
H9d. Price sales promotion has a significant negative effect on brand equity
H9e. Non price sales promotion has a significant positive effect on brand equity
H9f. Sponsorship has a significant positive effect on brand equity
H9g. WOM has a significant positive effect on brand equity

1.6 Significance of the study

For the industry/beer market of Ethiopia/, it has paramount benefit, by examining and identifying the promotion activities role in building and enhancing brand equity. As a result marketing managements can gain insights about the relative importance of the influence of promotion instruments on Brand Equity. Based on that, marketing budgets can be allocated more efficiently. Knowing how certain promotion activities contribute to or hurt brand equity will enable marketing managers to develop effective promotion plans. Managers need to promote brand-building activities and decrease or avoid brand-hurting activities. Any promotion effort will be positively related to brand equity when it leads to a more favorable behavioral response to the focal product than to the equivalent unbranded product. Based on that, marketing budgets can be allocated more efficiently.

The study will enriches the literature by expanding Yoo et al.'s model by examining more detailed practices in order to more systematically examine the relationship between marketing efforts especially promotional activities and brand equity building and also since this research will be performed using the Ethiopian market which has a distinctive culture from the rest of the world particularly from the West it can enhance the generalizability of findings from Yoo et al.'s and other previous studies.

Last but not least, this research will also benefit researchers by being a reference for future related researches since the topic is rarely studied in Ethiopia case.

1.7 Scope and Limitation of the study

1.7.1 Scope of the study

The scope of this study was limited to Addis Ababa area geographically. Conceptually despite there are other marketing activities which influence brand equity the focus of this study was on promotional activities which considered to be widely used in Ethiopia market. Finally the study also used only the beer market to investigate the relationship between brand equity and promotional activities by believing that this market could be representative for other similar consumer markets.

1.7.2 Limitation of the study

Although it's believed that this study will make several significant and important contributions, its limitations should be noted. To start with the time frame was very limited and there was also limitation of resource especially with respect to finance which limits in-depth treatment of the research findings which could have been done by incorporating different samples through traveling to the regional states to find more balanced view.

Most importantly absence of a reasonable number of exclusive studies and literature regarding brand equity in general and the relationship between promotional activities and customer based brand equity specifically in Ethiopian context, which would be useful to lay a more relevant factual base for the proposed study; forced this research to build up the concepts on previous works in other countries context; and also made comparison of the research findings limited which would have been made with those previous studies in Ethiopian context if they were exist.

In addition, this study was only applying selected promotional activities even though there are additional elements in promotional mix which are left out here.

1.8 Operational definition of terms

Brand Equity: a set of brand assets and liabilities linked to brand that adds or detracts the product or service value based on the customers perspectives (Aaker, 1991).

Customer based Brand equity: the differential effect that brand knowledge has on consumer response to the marketing of that brand (Keller, 2003).

Brand awareness: means the ability of a consumer can recognize and recall a brand in different situations (Aaker, 1996). Brand recall means when consumers see a product category, they can recall a brand name exactly, and brand recognition means consumers has ability to identify a brand when there is a brand cue.

Brand association: consists of all brand-related thoughts, feelings, perceptions, images, experiences, beliefs, attitudes (Kotler & Keller, 2006, p. 188) and “is anything ‘linked’ in memory to a brand” (Aaker, 1991, p. 109).

Perceived quality: Perceived quality is the “customer’s judgment about a product’s overall excellence or superiority (That) is different from objective or actual quality and a judgment usually made within a consumer’s evoked set (Zeithaml, 1988).

Brand Loyalty: linked to consumer behavior in the marketplace that can be indicated by number of repeated purchases (Keller 1998) or commitment to rebuy the brand as a primary choice (Oliver 1997, 1999).

1.9 Organization of the study

This research paper consisted of five chapters, excluding reference and appendices list. The chapters are presented below.

Chapter 1: Introduction, is the preliminary chapter which provided the background to the research, statement of the problem, general and specific objective of the study, the research questions, significance of the research, describe scope of the study, outlines the limitations of the research and finally it gave conceptual and operational definition that was used throughout the study.

Chapter 2: Literature Review, provided details of the main concepts of this research which are: brand equity perspectives, customer based brand equity, the values of brand equity, conceptual frame work of the research, the relationship between brand equity and its dimensions with related hypothesis and also the part that shows the relationship between promotional activities and brand equity dimensions with detail information about different promotion activities and respective hypothesis presented.

Chapter 3: Methodology, details the research methodology design, provide clear idea about data collection procedure of the study and sampling process.

Chapter 4: Data analysis, which showed the results of the analysis of the data collected through the surveys, including descriptive statistics on the demographics of the respondents, addresses normality distribution, the validity and reliability of the constructs of interest, followed by an analysis of the data and interpretations of the findings to answer the research questions.

Chapter 5: Conclusions and Recommendations, provided the conclusions from the findings of this research, based on the research questions and hypotheses and lastly, the recommendations for further research provided.

CHAPTER TWO

LITERATURE REVIEW

2.1 Brand Equity Perspectives

Although brand equity has been of particular interest in the last twenty years, there is still no consensus about what brand equity means and how a firm can measure the value of a brand (Mackay 2001). There are two principal and distinct perspectives that have been taken by academics to study brand equity – financial and customer based. Based on their perspective their definition for brand equity is also different but complimentary and both are useful in managing brand equity.

The financial perspective evaluates the asset value of a brand name that creates to the business (Farquhar et al, 1991). Some of the definitions of brand equity based on this perspective are:

Keller (2003) cited the definition of (MSI 1988) it's the set of associations and behaviors on the part of a brand's customers, channel members and parent corporations that permits the brand to earn greater volume or greater margins than it could without the brand name, they also insisted on that BE gives the brand a strong, sustainable, and differentiated competitive advantage. Biel (1992) also defines BE simply as the additional cash flow which can be achieved by associating a brand with the underlying product or service. Similarly, Motameni & Shahrkhi (1998) stated that having brand equity increased the discounted future cash flows and revenue when it compares to the same product which did not have the brand name and it consists of differential attributes underpinning a brand which gives increased value to the firm's balance sheet (Chernatony & McDonald).

In general from thus definition, it can be seen that the financial perspective of brand equity focuses on measuring the added value in terms of cash flows, revenues, market share, or similar measures. For example, Simon and Sullivan (1993) use financial market information to calculate incremental cash flows attributable to branded versus unbranded products as the brand equity

measure, and Mahajan, Rao, and Srivastava(1994) use the purchase price when the brand is sold or acquired. Ailawadi, Lehmann, and Neslin (2003) use product-market data to calculate the difference between the revenue of a branded product and that of the store brand; they call this a “revenue premium” measure of brand equity. Financial-based measures, such as revenue premium, provide a single objective number that is credible to senior management and the financial community and acts as a useful guide to the value of a brand in mergers and acquisitions.

For Simon C., Sullivan M. (1993) the financial perspective is a top-down approach for measuring brand equity. It uses the information that encompasses the total performance of a company, such as the firm’s historical income statements, balance sheets and statements of cash flows. A top-down approach of this nature assumes a direct relationship between the firm’s profitability and brand equity, where strong financial results mean a strong brand, and conversely, negative earnings may signal poor brand equity. In assuming this single cause-effect relationship, this approach fails to include key factors within the marketing mix that beg consideration. This approach is also limited by the data it considers. In order to measure brand equity it is necessary to include aspects of the marketing mix such as price and product attributes (Simon C., Sullivan M, 1993).

The second perspective of brand equity is a consumer-based which is a measure of brand equity based on the value consumers derive from the brand name. The customer-based brand equity definitions approach the subject from the perspective of the consumer – whether it is an individual or an organization. Researchers contend that for a brand to have value it must be valued by consumers which imply that this perspective give emphasis on how the customer perceived about the brand rather than valued it through numbers.

A definition of consumer-based brand equity is given by Keller (2003) among others, as the differential effect that brand knowledge has on consumer response to the marketing of that brand. Srinivasan (1979) define brand equity as the price premium that consumers are willing to pay for the brand. While Kamakura and Russell (1993) tries to estimate a measure of brand

equity through what they call it 'brand value' and for them this brand value is the component of overall utility not explained by 'situational factors,' such as price and other Short-term marketing-mix influences on choice of consumers. Other definitions like, BE is the customer's implicit valuation of the brand in a market with differentiated brands relative to a market with no brand differentiation (Swait et al 1993), for Park and Srinivasan (1994) BE is the component of the overall preference not explained by objectively measured attributes; for Davis & Doughlass (1995) BE is the true differentiation that a brand has from the competition or the worth derived by a brand from consumers; for Faircloth (2001) BE actually represents a product's position in the minds of consumers in the marketplace and Erdem and Swait (1998) similarly mentioned that consumer-based brand equity is the value of a brand that used as a credible signal of a product's position. However, beside availability of so many definitions regarding customer based brand equity the most accepted and frequently used definition belong to Aaker (1991) who defined the brand equity as a set of brand assets and liabilities linked to brand that adds or detracts the product or service value based on the customers perspectives.

Consumer based measures of brand equity can provide valuable insights and diagnostics for the marketing or brand manager concerned about a brand's value to consumers (Marc & Mark 2009). Such measures can effectively capture the equity of strongly positioned popular brands and the equity of brands that enjoy high consumer loyalty and command a significant price premium in niche markets. While financial perspective takes top down, consumer-based perspective takes a bottom-up approach to measuring brand equity. In applying this approach, the researcher can study the branded product in itself. This comparison highlights an estimation of the products' marketing success, or "efficiency". In most literatures when marketing practitioners use the term brand equity, they tend to mean brand strength and what the brand means to the consumer which is customer based brand equity (Marc & Mark 2009) and the same goes for this research.

2.2 Customer Based Brand Equity

The conceptualizations of consumer-based brand equity have mainly derived from cognitive psychology and information economics. Brand equity research rooted in information economics draws on the imperfect and asymmetrical nature of markets (Erdem and Swait 1998). In this context, economic agents are required to transmit information about their specific characteristics by means of signals. According to Erdem et al. (2006), brand names act as signals to consumers. A brand signal becomes the sum of that brand's past and present marketing activities.

In parallel, the dominant stream of research has been grounded in cognitive psychology, focusing on memory structure (Aaker1991; Keller 1993). Aaker (1991) identified the conceptual dimensions of brand equity as brand awareness, brand associations, perceived quality, brand loyalty, and other proprietary brand assets such as patents, trademarks and channel relationships. The former four dimensions of brand equity represent consumer perceptions and reactions to the brand, while proprietary brand assets are not pertinent to consumer based brand equity. This paper, focus on customer mind-set equity, which Keller refers to as “customer-based brand equity.”

The premise of customer-based brand equity is that the power of a brand lies in what customers have seen, read, heard, learned, thought, and felt about the brand over time. In other words, the power of a brand lies in the minds of existing or potential customers and what they have experienced directly and indirectly about the brand (Keller, 1993). He insisted that creating significant brand equity involves reaching the pinnacles of the CBBE pyramid and will only occur if only the right brand building blocks are in place along with their corresponding steps. This CBBE model has four major steps namely brand identity, brand image, brand response and brand relationship; and the six building blocks are brand salience, brand performance, brand imagery, consumer judgments and feelings, and consumer brand resonance.

First step is brand identity; establishment of brand identity is based on the brand salience which refers to brand awareness; which means consumer is aware of the brand existence if he/she is able to recall and to recognize the brand. Salience represents the main building block in

developing brand equity by providing important role through brand awareness to mention some brand awareness is related to the likelihood that a brand name will come to mind easily this can increase the likelihood that the brand will be included in the consideration set, having brand awareness also affect consumers' decisions about brands even if there are no other brand associations, especially in low involvement decision settings when a minimum level of brand awareness may be sufficient for brand choice and also the formation and strength of brand associations is influenced by brand awareness (Keller, 1993).

The next step is the brand meaning which is divided into brand's performance and brand imagery. Brand performance as one of the building blocks refers to the basic purpose of the product itself, functionality, or the ability to satisfy customers' needs. This characteristic of a product is its intrinsic facet. The other building element, brand imagery, is developed from the extrinsic property of a product itself and it is connected to the possibility that the product will satisfy customer's psychological and social needs. To create brand equity, brand meaning needs favorable, strong and unique associations in that order (Keller, 2001, p. 15). In other words it does not matter how unique a brand association is unless customer evaluate it favorably, and also it does not matter how favorable a brand association is unless it sufficiently strong to be recalled and linked to the brand by the customers. it's believed that the strength of a particular brand association increases the likelihood that this association will be accessible and easily recalled; the favorability of brand associations is related to the consumers' beliefs that brand attributes and benefits will satisfy their needs and wants while the uniqueness of brand associations is related to the extent to which brand associations of one brand are not shared by other competing brands.

As stated by Keller (2001) the third step, i.e. brand responses step is the way customers respond to a brand. Responses are divided into brand feelings and brand judgments. Brand judgment is the combination of brand imagery and brand performance in the minds of the consumers. Brand feelings are customers' emotional reactions to the social currency brand evokes. What matters is how positive these responses are which will lead to the positive and accessible reactions of consumers.

Lastly, brand relationship in Keller's CBBE Model is defined as the relationship between the customer and brand, and it is related to level of personal identification of the customer with the brand which in other word refers to brand resonance. Brand resonance as a building block of brand relationship is defined as the depth of the psychological bond between the customer and the brand (Keller, 2001). It is the most valuable brand building block, with true resonance customer believed to have a high degree of loyalty

Therefore, based on the Keller's model it can be concluded that the power of the brand and its ultimate value to the firm resides with customers; it's through their learning about and their experience they make a respond to the brand: relaying with this idea it can be said in short that CBBE is the differential effect of brand knowledge on consumer response to the marketing of the brand. This brand knowledge includes brand awareness (brand recall and recognition) and brand familiarity. He also suggested that as customers respond more favorably to a product whose brand is identified and to the brand which has positive customer-based brand equity and CBBE exists when the consumer has a high level of awareness and familiarity and strong, favorable, and unique brand associations in their memory.

2.3 Brand Equity Values

A brand adds value in a number of ways. According to Aaker (1996), Brand equity creates value for both marketers and customers. It creates value for customers by first; it helps customers in formatting processing. A brand is useful in aiding customers in interpreting, processing and storing information about products and brands. Since brands are taken by customers as chunks of information which are easily decoded and stored in a proper order; it considerably reduces chaos possibilities that may occur in the absence of branding. Not to mention that brand equity allows customers to store greater quantities of information about brands without getting confused. In other words customers can simplifies this process by being aware of the brand and developing strong favorable unique association with the brand. To strengthen this thought for example Chernatony and Riley's (1977) research findings also suggests that brand equity reduces the

difficulty of one's purchase decision process by knowing the brand name one can enable to make purchase decisions with little thought.

Second, brand equity enhances customer confidence in the purchase decision through reducing anticipated risk concerning a brand purchase decision (Guerrero et al. 2000; Lassar, Mittal, and Sharma 1995). Which implies when one does not know with certainty the outcome of the purchase decision for example, because one typically does not have all of the necessary information, time, or motivation to make rational and objective purchase decisions; at this time brand equity may lead an individual to anticipate a greater level of confidence in one's brand purchase decision. This is due to as stated by (Aaker 1992, 1996; Keller 2003) one feels more confident in purchasing a brand because of familiarity with a brand and this familiarity creates confidence and also due to the fact that brand stands for consistency and assurance it provides guarantee of promised delivery.

The final value to the customer comes in the form of usage satisfaction. This refers to the cognitive process by which one compares a brand's usage outcomes to one's expectations (Cadotte, Woodruff, and Jenkins 1987; Oliver 1980), and their resultant psychological state of mind (Oliver 1999). For example, if one perceives that a brand meets/exceeds their expectations, that individual will likely experience feelings of satisfaction (Oliver 1999). For instance, satisfaction from drinking coke is different from drinking unbranded soft drinks.

Aaker also mention brand equity values for marketers: Brand equity also plays a critical role in enhancing value for the marketers through the many ways: the first thing having brand equity assets is that it helps the firm to increase the effectiveness and efficiency of marketing programs. The expenditure associated with a brand to achieve a goal generally tends to be less than an unbranded product aiming to achieve the same goal. For instance, retaining a customer is much less costly than retention when a product is unbranded; it may partially happen due to lack of brand loyalty and preference.

Secondly, firms enjoy greater loyalty which is indicated by number of repeated purchases (Keller 1998) or commitment to rebuy the brand as a primary choice (Oliver 1997, 1999). Consumers one way of showing their loyalty is by continuing to purchase the brand even though competitors have superior prices, features, and convenience this makes the firm less vulnerable to competitive marketing actions and also a greater number of loyal customers in the basket automatically reduces the expenditure that need to be incurred in maintaining a customer based. Customer loyalty also allows a firm to charge premium price once they become loyal customers tend to have more inelastic responses to price increases.

Thirdly, brand equity provides the firm with great opportunities for growth according to Aaker. Many practical business experiences can be evidences that brand equity makes growth easier for the firms through leveraging. Companies employ different strategies in leveraging their brands namely through line extensions, brand extensions, ingredient branding and co-branding, etc. In fact most firms now rely on brand extensions to achieve growth rather than launch new brands because the firm can introduce it through its established brand equity at significantly lower cost due to consumers who favorably evaluate a parent brand are more willing to try and adopt the brand extension than an unfamiliar brand in the same category. They trust a known brand name. For these reasons, brand extensions make new product introduction less expensive, it also reduce the risk of failure given the already established awareness and trust. As Taylor (2004, p1) stated that the existing well-known-strong brands represent a promise –of quality, useful features etc. - for the consumer. Thus, the extension will benefit from this fame and this good opinion about the brand to create “a compelling value proposition in a new segment or markets”.

Fourthly, Aaker states that brand equity is a good source of achieving leverage in distribution channels. It is easier to get access in the distribution chain when the brand has equity. Trade partners’ exhibit skepticism in dealing with a brand without equity because of the uncertainties it brings along with it. Therefore channels welcome brands with equity and give access to point of purchase displays, shelf space, which shows that brand equity is an implicit assurance of success.

Finally, brand equity is a provider of competitive advantage. It imposes barriers on the entry of competitors. Brands can build equity occupying positions and attribute association in a preemptive fashion; they become proprietary to a brand as a result other brands are at a disadvantage (Aaker, 1996).

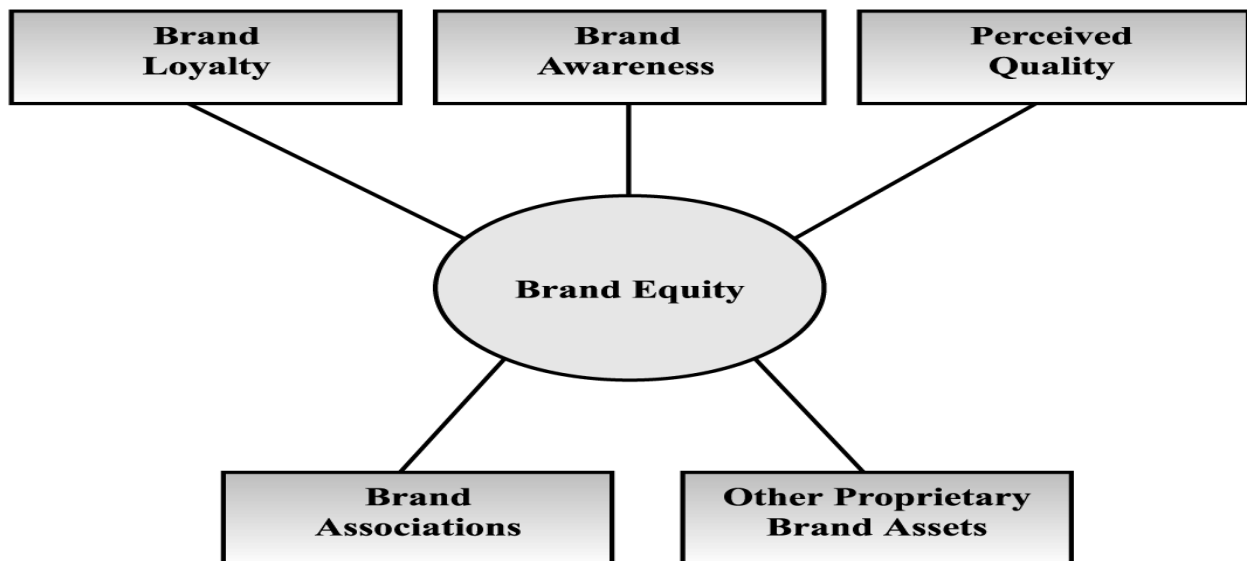
2.4 The Relationship between Brand Equity and Brand Equity Dimensions

Aaker (1991) identified the conceptual dimensions of brand equity as brand awareness, brand associations, perceived quality, brand loyalty, and other proprietary brand assets such as patents, trademarks and channel relationships.

The first four dimensions of brand equity represent consumer perceptions and reactions to the brand, while proprietary brand assets are not pertinent to consumer based brand equity.

Although Aaker's (1991) original conceptualization differentiates between brand associations and brand awareness, empirical evidence suggests that they can be combined into a single dimension (e.g., Yoo/Donthu/Lee 2000; Yoo/Donthu 2001, 2002, Washburn/Plank 2002).

Figure 1: Aakers' five dimensions of brand equity



Source: Aaker (1991)

However this study used the original Aaker (1991) four brand equity dimensions excluding proprietary brand assets dimension because it is not pertinent to consumer based brand equity.

2.4.1 Brand Awareness

Awareness is a key determinant identified in almost all brand equity models (Aaker 1991, Kapferer 1991, Keller 1992, Agarwal and Rao 1996, Krishnan 1996, Na, Marshall and Keller 1999, Mackay 2001). It's obvious that as the first step in brand equity construction, without awareness a customer cannot possibly put offerings in context. Brand awareness means the ability of a consumer can recognize and recall a brand in different situations (Aaker, 1996). From this definition it can be seen that brand awareness consists of brand recall and brand recognition. While brand recall refers a situation when consumers see a product category, they can recall a brand name exactly, and brand recognition used to describe consumers ability to identify a brand when there is a brand cue (Keller, 1993). This means, consumers can tell a brand correctly if they ever saw or heard it.

Brand awareness is measured according to the different ways in which consumers remember a brand, which may include brand recognition, brand recall, top of the mind brand and dominant brand (Aaker, 1996). As he explained the matter, Brand recognition is related to consumers' ability to confirm prior exposure to that brand when given the brand a cue which is expressed when consumer correctly discriminate that particular brand from other in similar category as having been previously seen or heard. Brand recall relates to consumers' aptitude to retrieve the brand from memory given the product category, the needs fulfilled by the category or a purchase or usage situation as a cue. Consumers required to correctly generating the brand from memory when given a relevant cue.

The basic difference between brand recognition and recall is that brand recognition happens for example when customer exposed for different brands in the same category in the supermarket they will able to differentiate the brand they are aware of among others, however in the case of brand recall customers expected to remember the brand from their memory that they are aware of while given only some clue about it.

The other level of brand awareness as stated by Aaker (1996) is Top-of-mind brand which is the brand name that first comes to mind when a consumer is presented with the name of a product classification like for example if soft drinks mentioned as a product classification then someone may say coca or Pepsi or other brand at first place. The last one Dominant Brand is the ultimate awareness level, where in a recall task; most consumers can only provide the name of a single brand for instance from soft drink classification someone only can recall Coca. From top to down their level of awareness is becoming increase that is why Aaker (1996) put recognition as important for new or niche brands and recall and top-of-mind as more sensitive and meaningful for well-known brands.

Moreover, brand awareness plays an important role in consumer decision-making. Firstly, it increases the likelihood of a brand being a member of the consideration set. (Baker et al., 1986; Nedungadi, 1990) Secondly, it has been shown that consumers adopt a decision rule to buy familiar brands. Brand awareness can affect consumers' decisions about brands even if there are no other brand associations, especially in low involvement decision settings when a minimum level of brand awareness may be sufficient for brand choice(Jacoby et al., 1977; Roselius, 1971) Lastly, it influences the formation and strength of brand associations.

Brand awareness can provide a host of competitive advantages for the marketer as it renders the brand with a sense of familiarity, it can be a sign of presence, commitment and substance, and it is also an asset that can be inordinately durable and thus sustainable. It may be extremely difficult to dislodge a brand that had achieved a dominant awareness level (Aaker, 1996):

Fundamentally, high levels of brand awareness should increase the probability of brand choice, produce greater consumer and retailer loyalty, and decrease vulnerability to competitive marketing actions (Keller, 1993).

2.4.2 Brand Association

As it is one of the building blocks in creating brand identity; brand association has received the most research attention of the brand-equity dimensions (Pike, 2002; Galarza al., 2002). Brand associations consist of all brand-related thoughts, feelings, perceptions, images, experiences, beliefs, attitudes (Kotler and Keller 2006, p. 188) and is anything linked in memory to a brand (Aaker, 1991, p. 109).

Aaker (1991) defines five areas in which Strong associations create value: first it helps process/retrieve information; that's why they are extremely important in time of purchase through the gathering of facts and specifications that otherwise could be difficult or even impossible to access, It can also affect the interpretation of facts and trigger thoughts about the experience by instantly gathered from memory which is crucial in times of decision-making.

It also differentiate/position a brand; since well-positioned brand with strong attributes has a high competitive advantage it makes it difficult for competitors to attack due to the high costs inferred to gaining those same associations. Strong association can be a reason to buy; as many brand associations are connected to product attributes and customer benefits that provide the customer with specific reasons to buy and use the brand.

In addition by adding positive feelings to the associations, it will stimulate those feelings towards the brand. Research has suggested that this is carried out through a movement of meaning from the environment, which is referred to as a culturally constituted world, and into products, through the use of advertising (McCracken, 1986).

Furthermore, it may become a basis for extensions by assuming that when a brand is well regarded in one context, it will also well regarded in another as a result a strong, positive association towards the brand makes brand extension easier This also applies to perceived quality, brand awareness, brand loyalty, and other proprietary measurements (Aaker, 1991).

Keller (1993) specifically stated that for CBBE to exist and to be positive; customer should develop a strong, favorable and unique brand association among other things. In this case the strength of brand associations is related to the strength of their connection to the brand node,

since strength of a particular brand association increases the likelihood that this association will be accessible and the ease with which this association can be recalled. While favorability of brand associations is related to the consumers' beliefs that brand attributes and benefits will satisfy their needs and wants. Indeed, the success of marketing programs is reflected in the creation of a favorable brand association. And the uniqueness of brand associations is related to the extent to which brand associations of one brand are not shared by other competing brands.

In the meanwhile, cognitive psychologists believe that memory is extremely durable, so when information is stored, it decays very slowly (Loftus & Loftus, 1980). Still being available in memory, it does not have to imply being accessible and retrieved, not without strong associations and retrieval cues (Tulving & Psotka, 1971; Aaker, 1991). So, the larger the number of cues linked to a piece of information, the greater the likelihood that the information can be recalled (Isen, 1992). Additionally, Stiegler (1961) found that brand associations could be influenced by information on objective attributes such as price and physical traits. Previous research has also shown that the differentiation, favorability and the strength of associations are important parts of brand knowledge, and this in turn is an essential source of customer-based brand equity (Keller, 1993; Fischer, et. al, 2010).

2.4.3 Perceived quality

Perceived quality is one of the main dimensions of brand equity. It is the core construct to measure brand equity (Aaker, 1996). Perceived quality is the "customer's judgment about a product's overall excellence or superiority (that) is different from objective or actual quality, a higher level abstraction rather than a specific attribute of a product, a global assessment that in some cases resembles attitude, and a judgment usually made within a consumer's evoked set" (Zeithaml, 1988, pp. 3 and 4). That means by definition users solely evaluate the product quality, not managers and/or experts.

It is also a component of brand value, which leads consumers to select a particular brand rather than another competing brand (Yoo et al., 2000). Aaker (1991) considered perceived quality as

an overall nonphysical feeling toward the brand that impacts market shares, profitability and price. He defined it as the customer's perception of overall quality or superiority of a product or service with respect to intended purpose, relative to alternatives.

Since it's impossible for consumers to make complete and correct judgments of the objective quality, they use quality attributes that they associate with quality (Zeithaml 1988, Ophuis and Van Trijp 1995, Richardson et al. 1994; Acebro'n and Dopico 2000). In this particular matter consumers use objective quality to refer to the technical, measurable and verifiable nature of products/services, processes and quality controls. From this explanation, it is obvious that High objective quality does not necessarily contribute to brand equity (Anselmsson et al. 2007). Hence, Perceived quality is formed to judge the overall quality of a product/service. Boulding and other researchers (1993) argued that quality is directly influenced by perceptions. It is therefore important for the firm to understand the relevant quality attributes with regard to brand equity.

Perceived quality is a relative concept which possesses situational, comparative, and individual attributes which are in turn affected by factors such as previous experience, education level, and perceived risk and situational variables such as purchase purpose, purchase situation, time pressure, and social background from consumers (Holbrook & Corfman, 1985). In sum, it can be said that perceived quality is a consumer subjective judgment on product quality, and he or she will evaluate product quality from their previous experiences and feelings.

Similarly, as the name of the measurement reveals, quality cannot be objectively determined due to the subjective nature of perception as customers differ in regard to needs and preferences. Perceived quality is important from a consumer perspective because when customers lack motivation to obtain information then quality brand provide a reason to buy ; "you get what you pay for it" belief comes here which is often labeled as a price premium. This can be one reason for why this is favorable from a managerial perspective because allocating a premium price generates greater margins for the company. Furthermore, the added value of perceived quality is

believed to result in higher brand loyalty, larger customer base and more efficient marketing programs (Aaker, 1991. Telliset.al. 2009).

2.4.4 Brand loyalty

Brand loyalty is considered to be the strongest path leading to brand equity and it has a positive and direct role in affecting brand equity (Atilgan et al., 2005). The American Marketing Association defines brand loyalty as “the situation in which a consumer generally buys the same manufacturer originated product or service repeatedly over time rather than buying from multiple suppliers within the category” or “the degree to which a consumer consistently purchases the same brand within a product class”. This definition describe that brand loyalty reflects how likely a customer will be to switch to another brand, especially when that brand makes a change in price, product features, communication, or distribution programs.

Grembler and Brown (1996) describe different levels of loyalty. The first one is the so called behavioral loyalty which is linked to consumer behavior in the marketplace that can be indicated by number of repeated purchases (Keller 1998) or commitment to rebuy the brand as a primary choice (Oliver 1997, 1999). The other one is cognitive loyalty which means that a brand comes up first in a consumers’ mind, when the need to make a purchase decision arises, that is the consumers’ first choice and it is also closely linked to the highest level of awareness (top-of-mind), where the matter of interest also is the brand, in a given category, which the consumers recall first. Thus, a brand should be able to become the respondents’ first choices (cognitive loyalty) and is therefore purchased repeatedly (behavioral loyalty) (Keller 1998). However, as Baldinger & Rubinson (1996) insists that a true brand loyalty can be called when consumers are both inclined to these two factors, otherwise, it can only be called a spurious brand loyalty if only cognitive and behavior factors are found.

On the other hand Chaudhuri & Holbrook (2001) mention that brand loyalty is directly related to brand price. Similarly, Aaker (1996) identify price premium as the basic indicator of loyalty; which is defined as the amount a customer will pay for the brand in comparison with another brand offering similar benefits and it may be high or low and positive or negative depending on

the two brands involved in the comparison. This is based on the assumption, as consumers become loyal to a brand they become less sensitive to a price increase.

Brand loyalty is different from other major dimensions of brand equity, by being stronger due to conditioned by prior purchase and related to the use experience, while awareness, associations, or perceived quality may be present even in the case of a brand that hasn't been used yet, brand loyalty happens to be unique from other dimensions. This can be seen in line with the emphasis given by researchers who defined brand loyalty as consumer attitudes on a brand preference from previous use and shopping experience of a product (Deighton, Henderson, & Neslin, 1994; Aaker, 1991), and it can be measured from repurchase rate on a same brand. However there are other researchers (Tseng, Liao, & Jan, 2004) who argue that purchase frequency is not equal to loyalty. For instance, consumers repurchase a product do not mean they like it but due to a convenient factor or a variety seeking behavior to purchase a certain specific product occasionally.

Solomon (1992) showed that loyalty-based buying decisions might turn into a habit and this may be resulted from current brand equity. This will benefit consumer as Loyalty caused to spend less time for seeking information and then loyal customers will benefits firms in reducing costs and implementing its works (Rundle and Bennet, 2001). Moreover, companies got a competitive advantage from loyalty; Aaker (1996) assumes that a loyal consumer base represents a barrier to entry because a satisfied customer base sends a message to others that the brand is accepted and successful.

Finally, brand loyalty is usually considered as the final destination of brand management. In fact there is a belief that brand loyalty is the core of brand equity (Aaker, 1991). The explanation for this idea is that, for instance, if customers buy a product with little or no concern to the brand name but only by looking to the price, product feature and convenience, then it is said to be there is little brand equity. But if the consumers instead continue to purchase the brand even though competitors have superior prices, features, and convenience, then it is said to be the brand has high brand equity.

2.5 Promotional Activities and Brand Equity

Marketing actions, the term Kirmani and Wright (1989) use to refer to the marketing efforts undertaken by a company, broadly correspond to marketing mix elements (the four Ps). The marketing mix comprises all controllable marketing actions that influence consumer brand knowledge (i.e., consumer psychological perceptions) and result in a positive or negative impact on brand equity (Yoo and Donthu, 2001). In 2002, Keller said that “a high level of brand awareness and strong, favorable, and unique brand associations can be created in a variety of different ways by marketing programs”. These indicate that marketing efforts are key player in building brand equity.

The idea that marketing communications contribute to brand building was first presented in 1960s, when Joyce (1967) postulated the theory that advertising changes attitudes towards brands through the AIDA (awareness, interest, desire and action) model (Argyriou, Kitchen, and Melewar 2005, 580). After that numerous theoretic models emerged in order to explain the impact of marketing communications on brands (Vakratsas and Ambler 1999). However, nowadays-marketing communications are believed to contribute to building high customer-based brand equity (Vakratsas and Ambler 1999; Yoo, Donthu, and Lee 2000). These researchers explained this by saying that the overall value of brand equity is adopted as a proxy of market performance. In an overall view, brand equity is defined in terms of the marketing effects uniquely attributable to the brand. That is, Brand equity relates to the fact that different outcomes result from the marketing of a product or service because of its brand element, as compared to outcomes if that same product or service did not have that brand identification (Tuominen, 1999, p.72).

As Belch & Belch (2009) states, while implicit communication occurs through the various elements of the marketing mix, most of an organization’s communication with the marketplace take place as part of a carefully planned and control promotional program. Promotional activities are brand building tools which are the means of marketing communication by which companies aim to inform, persuade and remind customers directly or indirectly about its product and brands. In a way, they dialog and build relationships with customers (Kotler, 2006).

Traditionally the promotional mix has included four elements: advertising, sales promotion, publicity and personal selling. In the modern perspective, direct marketing and internet marketing are the major promotional mix elements. Each element has different forms and advantages. Organization uses a variety of tools and media (broadcast, print, outdoor, in store, digital and others) to engage their audiences and generate brand awareness. Thus, this study will use the following six promotional activities which assumed to be representatives of most popular promotional activities those marketers in Ethiopia especially in beer market apply frequently; they are TV, radio, and outdoor (Billboard) advertising, sales promotion, sponsorship and word of mouth.

2.5.1 Advertising

Advertising is a powerful way of communicating a brand's functional and emotional values (de Chernatony, 2006). It defined as any paid form of non-personal communication about an organization, product, service or idea by an identified sponsor (Keller, 2008). Many advertising researchers found advertising is successful in generating brand equity (Boulding, Lee, and Staelin 1994; Chay and Tellis 1991; Johnson 1984; Lindsay 1989; Maxwell 1989). Simon and Sullivan (1993) found a positive effect of advertising spending on brand equity. Cobb-Walgren, Beal, and Donthu (1995) find that the dollar amount spent on advertising has positive effects on brand equity and its dimensions.

The advertisements' expenditures indicate the amount of the investment of the firm or company in its own brand equity and the consumer holds a positive connection between the advertisements' expenditures and the quality of the brand equity (Gil et al, 2007). This indicates that the higher the advertising spends, the higher the awareness levels are likely to be. Favorable, strong and unique brand associations can also be created by advertising (Cobb-Walgreen et al., 1995; Keller, 2007) like brand awareness, brand associations arise from consumer-brand contact. As a result advertising can contribute to brand associations through its ability to create, modify or reinforce associations with each new contact. Hence, the higher the advertising spend of a brand, the stronger and more numerous will be the associations in the consumer's mind.

These positive relationships between advertising spend perceived by the consumer and perceived quality, brand awareness and brand associations have been empirically supported by Yoo et al. (2000), Villarejo (2002), Bravo et al. (2007) and others.

In order to provide detailed managerial guidelines, this study examines the effect of three advertising media: TV, radio, and outdoor (billboard) in creating brand equity.

Television Advertising: According to Keller (2008), Television is generally acknowledged as the most powerful advertising medium as it allows for sight, sound, and motion and reaches a broad spectrum of consumers. The wide reach of TV advertising translates to low cost per exposure. From a brand equity perspective, TV advertising has two particularly important strengths. First, TV advertising can be effective means of vividly demonstrating product attributes and persuasively explaining their corresponding consumer benefits. Second, TV advertising can be compelling means for dramatically portraying non-product-related user and usage imagery, brand personality, and so on.

Radio Advertising: Radio advertising is available on national networks and on local markets. Radio stations are designated either AM or FM. Radio advertising specifically has been considered important in the following regards namely cheapness, penetration, transmission times, human voice and that it does not enforce serious attention (Jefkins and Yadin 2000). Thus radio advertising is cost effective as it appeals to the mass market which results in cost economies. The ability to reach multitudes of targeted audience makes this broadcast method economic and above all its application of the human voice has given it leverage over other passive and static media for advertising which include print, outdoor and other forms of direct mail advertising. O' Guinn, Allen and Semenik (2009) argue that radio advertising has the greatest reach and frequency as it can reach customers in their homes, vehicles, offices and even when they are outside their homes. They also realized that beyond being cheap this broadcast method has a high degree of audience selectivity which may be based on geography, demography and other socio-economic classification parameters. So as one type of advertising radio advertising has also impact on brand equity.

Outdoor advertising (Billboard): Outdoor advertising includes all forms of advertising that provide out-of-doors exposure. These forms may be pictured, written or spoken (Agnew, 1985; Nelson & Sykes, 1953; Wilson, 1952). Prevalent forms of outdoor advertising include billboards, street furniture, transit and alternative forms. Billboards are the predominant form of outdoor advertising and are further classified into bulletins, 8 sheet posters (smaller size), 30 sheet posters (larger size), wrapped 30 sheet posters, squared wrapped posters, spectaculars and wall murals based on size, shape, and placement. The term 'billboard advertising' relates to the usage of signs along the roadways and waysides for the purpose of advertising and promoting a range of products and services.

2.5.2 Sales Promotion

According to Keller (2008) Sales promotion can be defined as short term incentives to encourage trial or usage of a product or service. While Kotler (2002) provides various reasons for sales promotions, he says that sales promotions to end-customers increase short term sales and help building long term relationships, while trade promotions aimed on distributors and retailers so they buy large volumes and advertise the product more. Similarly The American Marketing Association (AMA) defined as, sales promotion is media non media marketing pressure applied for a predetermined, limited period of time in order to stimulate trial, increase consumer demand or improve product quality.

Sales promotion is generally broken into two major categories: consumer-oriented and trade oriented activities. Consumer-oriented sales promotion is targeted to the ultimate user of a product or service and includes couponing, sampling, premiums, rebates, contests, sweepstakes and various points of purchase materials. Trade oriented sales promotion is targeted toward marketing intermediaries such as wholesalers, distributors and retailers (Kotler, 2002).

Customer oriented sales promotion is further classified as price (monetary) and non-price (non-monetary) sales promotion. Most of past literature has mainly proposed that monetary promotions have a negative impact on brand equity. Focusing on the direct effects on brand equity dimensions, it is expected that monetary promotions will have a negative influence on

perceived quality and brand associations since price is one of the most important cues used by consumers to infer the quality of a product (Agarwal and Teas, 2002). This occurs when price promotions reduce reference prices, which in turn can lead to unfavorable quality evaluations (Henard and Freling, 2006). Which means if the firm keeps reducing the price in the name of promotion consumer may think that it's because the brand has inferior quality than competitors' brand. Similarly, monetary promotions can erode brand associations (Montaner and Pina, 2007) and they also find that these types of promotions have a negative impact on brand image. In addition, these campaigns are not long enough to establish long-term brand associations and can create uncertainty about brand quality (Winer, 1986), which results in more negative brand perceptions.

In short, the frequent use of price promotions has a negative impact on perceived quality and brand association dimensions because this tool leads consumers to think primarily about price, and not about the brand (Yoo *et al.* 2000).

On the other hand, researchers show that non-price promotions can differentiate brands and communicate distinctive brand attributes, contributing to the development and reinforcement of brand equity (Chu and Keh, 2006). While price promotions are primarily related to utilitarian benefits, non-monetary promotions are more related to hedonic benefits (Chandon, Wansink and Laurent, 2000). These benefits, such as entertainment and exploration, are related to experiential emotions, pleasure and self-esteem. Therefore Non-price promotions can evoke more associations related to brand personality, enjoyable experience, feelings and emotions. Furthermore they link more favorable and positive brand associations to the brand (Palazón and Delgado, 2005).

2.5.3 Sponsorship

Sponsorship is a business method for communication and marketing which, in the short and long term, has the aim of contributing to the sponsor's brand awareness and image, as well as increasing the sponsor's sales (Mikael & Magnus, 1999). It has also a different meaning like The American Marketing Associations defines it as "advertising that seeks to establish a deeper

association and integration between an advertiser and a publisher, often involving coordinated beyond-the-banner placements”. This definition points out that a sponsorship is often a part of an integrated marketing activity, however, for Pickton (2005) sponsorship is rather a form of indirect advertising, which is positioned between public relations and advertising. In the context of integrated marketing communications, sponsorship-linked marketing refers to “the orchestration and implementation of marketing activities for the purpose of building and communication of and association to a sponsorship (Cornwell, 1995, p.15). Thus, rather than considering sponsorship in its pure form, sponsorship-linked marketing entails initiatives within the promotional mix, such as advertising explicitly or implicitly mentioning the company’s sponsorship.

Sponsorship can also be regarded from the strategic perspective since “it concerns decisions about the allocation of resources to achieve organizational objectives and also because it is used to align an organization with the pressures and demands of its environment” (Slack and Bentz, 1996, p.177). Sports, arts, media, education, science and social projects and institution and television program can be sponsored; the most popular area targeted by sponsoring companies is sports. A company can sponsor an event or organize its own events, for instance for its sales team, its clients and prospect, its personnel, its distribution network (Patrick, Maggie &Joeri, 2004).

Sponsorship can distinguish in to different types one is broadcast sponsorship refers to when the sponsor influence the content of a television program, sponsorship can capitalize on the broad media coverage of sponsored events, it can be said leveraging media (Pickton and Broderick, 2005). Within the category of broadcast sponsorship, bill boarding occurs if the name of the sponsor is mentioned during a program, while product placement involves actively displaying and using the sponsors’ product during the program (Clow and Baack, 2002). Another very common type of sponsorship is prize sponsorship, where the sponsoring company pays for an award or prize within a program (Clow and Baack, 2002).Therefore Sponsorship implies that the sponsor provides funds, goods, services and know-how. The sponsored party will help the sponsor with communication objectives such as building brand awareness or reinforcing brand or

corporate image. According to Keller (2000) developing successful event sponsorship involves choosing the appropriate events, designing the optimal sponsorship program, and measuring the effects of sponsorship on brand equity.

Sponsorship can affect brand equity in different ways for instance, in 1999, Dean mentioned that once a link between the sponsoring company and the event has been created and the feeling of goodwill towards the event has resulted in a feeling of goodwill towards the sponsor, a “halo effect” might then suggest to consumers that the sponsor’s products are superior to its competitors. Similarly, Quester (1997) showed that sponsorship of sports, causes, and events has become an established communication tool to build brand awareness and preference. Moreover, to strengthen this idea Keller and Lehmann (2002) suggested that sponsored events can contribute to brand equity by increasing the awareness of the company or product name.

2.5.4 Word of Mouth

According to scholars who have previously worked on WOM, it is defined as oral, person-to-person communication between a receiver and a communicator whom the receiver perceives as non-commercial, regarding a brand, product or service (Brit, 1966; Arndt, 1967; Bayus, 1985; Bolting, 1989). Researches indicated that WOM is different from other information sources, such as advertisement in two areas, one is because of people usually think of WOM as more credible and trustworthy when compared to others, and the other one is that social networks usually accept WOM more willingly (Liu, 2006).

Herr, et al, (1991) have suggested that the effectiveness of WOM information could be explained by the fact that the information is received in a face-to-face manner and this information is more accessible to the memory, rather than information received from a less vivid format, like mass media. Other researcher has further suggested that the effectiveness of WOM can be attributed to the confidence and perceived credibility the receiver has in the information received. Often the information is sought out from people in whose opinions the receiver has extreme confidence (Kapferer, 1990) .In addition, Escalas and Bettman (2003) in their work stated that reference

groups are a strong source of brand awareness as they are linked to one's mental representation of self to meet self-verification or enhancement goals.

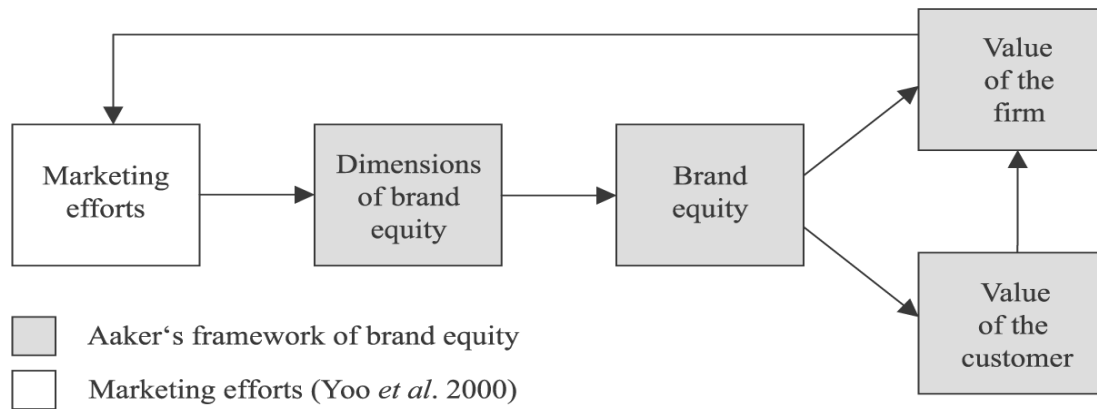
Furthermore, Sheth (1971) emphasized that WOM is more important than advertising in raising awareness of an innovation and in securing the decision to try the product. Similarly in line with this idea Xu & Chen (2010) were mentioned that positive WOM also affects the evaluation of a brand product because it implies that customers have a favorable and clear brand awareness of a product, strong association with it, high quality perception, and are loyal to it.

2.6 Conceptual Framework

Based on Aaker's (1991) and Keller's (1993) conceptualizations, Yoo and Donthu (2000) are the first to develop a psychometrically sound measure of consumer-based brand equity. Yoo, Donthu, and Lee (2000) created the Brand Equity Creation Process Model to systematically examine the relationship among marketing efforts, brand equity dimensions, and brand equity. Their model was an extension of Aaker's proposal that indicated marketing activities have significant effects on brand equity dimensions, which in turn create and strengthen the equity.

Therefore, the relationship between marketing activities and brand equity is mediated by these dimensions. It was also assumed that significant relationships exist among the dimensions themselves. Yoo et al.'s model was built based on the following conceptual framework of brand equity.

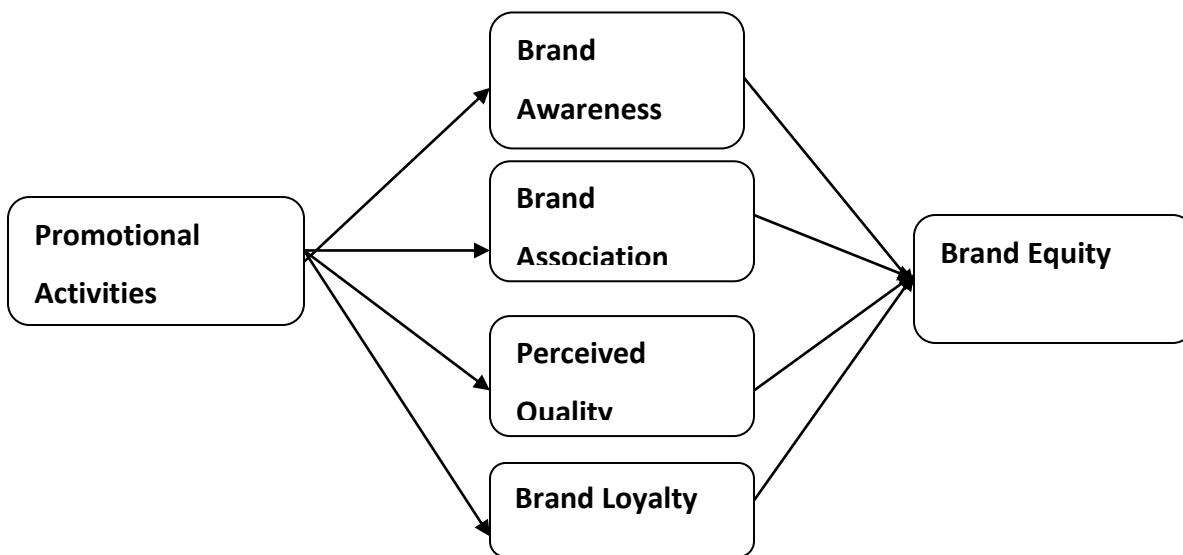
Figure 2: Conceptual framework of Yoo et al.(2000)



Sources: Aaker (1991); Yoo et al. (2000)

As one of the first studies of its kind, Yoo et al.(2000) framework provides a good starting point for further research on the linkage between marketing activities and brand equity. Brand Equity Creation Process Model (2000) was modified and empirically tested for this study, instead of generalized marketing mix activities more detailed promotional activities examined in order to provide more insightful suggestions for marketers.

Figure 3: Conceptual framework of this research



CHAPTER THREE

METHODOLOGY

3.1 Description of the Study Area

According to a report carried out in 2010 by Access Capital, an Addis Ababa-based research group, Beer is quickly becoming one of Ethiopia's favorite drinks, with consumption rates expected to increase by 15 per cent annually. The report claims that this growth in consumption is very much in line with growing population, urbanization, rising nominal incomes and economic growth rates. In 2010, beer and non-alcoholic malt consumption in Ethiopia was 3 million hectoliters which is approximately 4 liters per capita, which was below the global average of 27 liters and its less than the beer consumption of other countries in the region, such as Tanzania (7 liters), Uganda (9 liters) and Kenya (10 liters).

At present the industry includes five major breweries, those are Meta Abo, Harar, Bedele, Dashen and BGI Ethiopia (Castel Group Holdings); which currently all are owned by private investors. Their production capacity—as opposed to actual production—is close to 3.6 million hectoliters per annum after incorporating the near-term expansion activities of Dashen, Meta and Harar breweries which shows significant growth from a level of just 1.0 million hectoliters in 2003/04 (Access Capital, 2010).

Even if until 2004/2005, Meta was the leading brewery having the lion's share of the market, followed by Dashen and BGI Ethiopia respectively. However, due to the promotional activities, production innovations, and consumer preferences, market shares have shifted remarkably in recent years. According to Access Capital's estimate of 2010 market shares BGI claims almost half of the country's market share and has a particularly dominant share (of nearly two-thirds) in Addis Ababa with current production level is around 1.5 million hectoliters. Dashen Brewery comes in second with current production capacity of 0.75 million hectoliters per annum, followed by Meta and Harar Brewery with annual capacity of 0.6 and 0.45 million hectoliters respectively. Bedele Brewery is the smallest of all the beer producers (Access Capital, 2010).

Beer industry in Ethiopia goes way back in time, when the first brewery established in 1992 which is St. George Brewery. The factory is now owned by BGI, an internationally acclaimed Brewing Company that operates in many countries. With plants in Addis Ababa, Kombolcha and Hawassa, the French owned BGI Ethiopia currently remains as the country's largest brewer with its 2,717 total employees. After adding a new plant in Hawassa in 2011, with the capacity to produce 400,000hl, its annual beer production has now reached 1.9 million hecto-litres and also currently it's undertaking the construction of winery around Zeway. It produces St. George and Castel beers in addition to newly (early 2013) released Amber beer and also draught beers in similar brand names.

Meta Abo Brewery is located in the town of Sebata, 27 km from Addis Ababa. The brewery was established in 1963 by the Ethiopian Government and Ethiopian private nationals as a share company with a starting capital base of 2 million Birr. However, currently it's owned by Diageo Plc. (DGE), the U.K.-based company, which produces Guinness beer, Smirnoff vodka and Johnnie Walker whisky. The company has a production capacity of 350,000 hl and produces bottled (Meta & Meta premium), Malta (alcohol free) and draught beer. While bottled beer is supplied to all markets in the country, draught beer is only supplied to the city of Addis Ababa and the towns located within 120 km from Addis Ababa using their liaison office and distribution center in Addis Ababa

Harar Brewery Share Company was founded in 1984 and is based in Harar, Ethiopia. It has a capacity of 450,000hl a year, produces under three brands; Harar, Hakim Stout and HararSofi (alcohol free) beers. As of August 11, 2011, the company operates as a subsidiary of Heineken NV.

Bedele Brewery who offers beers under Bedele Choice, Bedele Special, Bedele Normal beers and Bedele Draught Beer names with an annual production capacity of 300,000hl, was founded in 1993. It is Located in the South Western of Ethiopia, Oromia Region, Illubabor Zone Bedele City, 483 km from Addis Ababa. As a part of government privatization program since August 11, 2011, the company is owned by Heineken NV.

The last one is Dashen brewery established in 2000, in the historical town Gondar it's named after Mount Dashen, Ethiopia's highest mountain elevation (4523 meters). Even though its current production output stand at 300,000 hectoliters (91 million bottles) the expansion program is undertaking to reach at 750,000 hectoliters (or 225,225,225 Bottles) in addition to opening Gondar Malt Factory, which will be the second malt factory for the country after Asela malt factory. Currently it produces Dashen beer and Royal and Dashen drought (30lit & 50lit).

3.2 Research Approach and Design

There are three types of research approach; the first one is Qualitative research which involves studies that do not attempt to quantify their results through statistical summary or analysis. In a way it seeks to describe various aspects about behavior and other factors studied in the social sciences and humanities. In qualitative research data are often in the form of descriptions, not numbers. The other one is Quantitative research which engages in systematic and scientific investigation of quantitative properties and phenomena and their relationships. The objective of quantitative research is to develop and employ mathematical models, theories and hypotheses pertaining to natural phenomena. The process of measurement is central to quantitative research because it provides the fundamental connection between empirical observation and mathematical expression of an attribute (Abiy et al., 2009). The third one is mixed which consisted of both qualitative and quantitative approach. Regarding this particular research quantitative research approach were employed due to the fact that it involved hypothesis testing, factor analysis, and other quantitative method of analysis.

This research was employed non experimental casual research design which involves studying naturally occurring variation in the dependent and independent variables, without any intervention by the researchers. Causality refers to the relationship between events where one set of events (the effects) is a direct consequence of another set of events (the causes). Causal inference is the process by which one can use data to make claims about causal relationships. Non experimental casual research designs can be either cross-sectional or longitudinal.

This study is a cross-sectional survey research since all data are collected at one point in time. Surveys are useful in targeting very specific populations, identifying characteristics of a population from a small group of individuals; making standardized questions measurement more precise by enforcing uniform definitions on the participants, thereby obtaining high reliability more easily; and survey data are easily quantifiable and are responsive to different regression analysis. With the survey method, it is hoped that the findings from the sample customers could be generalized into a large target population (Babbie, 1990).

3.3 Data Collection

Primary and secondary (collected from texts, journals and magazines) data were used for this study. Fin (1995) identifies four types of data collecting methods: self-administered questionnaires; interviews; structured record reviews and structured observations.

For this study structured questionnaire data collecting method were used. Because of, first, this method is easy to standardize and produce results that are easy to summarize, compare, and generalize. Secondly, it's easy to use with large sample by fitting diverse experiences into predetermined response categories. Thirdly, it contribute to reliability by promoting greater consistency; since every respondent is asked the same question in the same way, therefore, it assured that everyone in the sample answers exactly the same questions. In order to obtain correct information from consumers a number of closed ended questions will be made-up

The questionnaire consisted two parts .The first one were regarding the Demographical Background of the respondents' while the second one were related to the dependent variable (Brand Equity) , independent Variables (promotional activities) and mediators (brand equity dimensions).

3.3.1 Product Stimuli

In order to examine and measure the effects of promotional activities and dimensions of brand equity on brand equity, this study focuses on beer products in Ethiopian market. Since currently there are only five brands (St. gorge, Harar, Bedelle, Dashen and Meta) in the market which are manageable in number all are included in the study. From the five listed brands, respondents

were asked to select the one they are most familiar with, and then to answer all the statement in the questionnaire for that particular brands.

3.3.2 Instrumentation and Measurements

The purpose of the instrument developed for this study is to test the 39 formulated research hypotheses. It is important that the instrument accurately measure the underlying constructs used in formulating these hypotheses. The measurement used in the study was borrowed and/or adapted from previous measures.

The questionnaire designed for this study was originally drafted in English, translated into Amharic, then back-translated into English. To ensure the correct meaning of the translated version, two native Amharic-speaking MA graduates from Addis Ababa University were asked to review the transcribed copies in English and Amharic. Their suggestions were incorporated into the final version of the questionnaire. The questionnaire consisted of Likert-type statements about which respondents were asked to indicate their degree of agreement using a five-point scale (with anchors of 1 = strongly disagree and 5 = strongly agree), consistent with Yoo et al. (2000). The final version of the questionnaire was made up of four major parts: (1) evaluation of overall brand equity (2) evaluation of selected promotion activities, (3) evaluation of four dimensions of brand equity, and (4) demographic questions.

Yoo et al. (2000) examined consumer-perceived rather than actual marketing mix elements. They had two reasons for this choice. First, it was not feasible to control actual marketing efforts in the study. Second, perceived marketing efforts played a more direct role in consumer psychology than actual efforts, which would not change consumer behavior unless the consumers perceived them to exist. Thus, perceived marketing efforts have a stronger meaning and hence explain consumer behaviors more effectively than actual marketing efforts (Yoo et al., 2000). Similar concept were used for seven selected promotional activities elements (TV, Radio, Outdoor advertising, Price and non-price sales promotion, event sponsorship and WOW) in this study.

The dimensions brand equity was structured 4 parts as: perceived quality, brand loyalty, brand awareness, and brand association. The scales of perceived quality and brand loyalty were

borrowed from Yoo et al. (2000) and Pappu, Quester, and Cooksey (2005). Perceived quality measured consumers' subjective judgment about a brand's overall excellence or superiority and addressed overall quality rather than individual elements of it (e.g., "Products from X would be of very good quality"). Brand loyalty items captured the consumer's overall commitment to being loyal to a specific brand (e.g. "I consider myself to be loyal to X"). The brand awareness scale, borrowed from Yoo et al. (2000), measured the strength of the brand in a consumer's memory as reflected by the consumer's ability to identify various brand elements (e.g., "I am aware of X"). The brand association scale was based on Aaker (1996), Keller (1993), and Pappu et al. (2005). Brand association was measured by how strong, favorable, and unique the brand image was in the minds of the customer (e.g., "I like and trust the company that makes X"). Similarly, overall brand equity were measured with a scale of 4 items i.e., "if another brand has same feature as this brand", "same price as this brand", "as good as this brand" and "this brand is definitely my choice".

The promotional activities consist of 7 dimensions: advertising (TV, Radio, and Billboard), word of mouth, price and non-price sales promotion, and event sponsorship effect on four brand equity dimensions were measured with 28 items 4 items for each constructs. Price promotions were measured as the perceived relative frequency of the price deals presented for the focal brand (e.g., "Price deals for X are offered frequently"). Non-price promotions were measured as the perceived relative frequency of the non-price deals presented for the focal brand. Gifts and prize draw were used to represent non-price promotion. The scale was adapted from Yoo et al.'s measure of price promotions by replacing the words "price deals" with non-price promotion terms such as "gifts" or "prize draws" (e.g., " Non-price promotions like gifts or prize draws for X are frequently offered"). All type of advertising (TV, Radio, and Billboard) were measured brand equity dimensions using the same 4 items as such: "X of this brand is seen frequently on TV or other media, "X this brand is seen very interesting, funny, exciting", "X of this brand is very popular" and "X of this brand is easy to remember". Word of mouth were measured similarly but by adding the phrase "I heard from my friends", like "This brand is easy to remember after my friends mentioned it". Finally sponsorship was measured the perceived relative frequency of the sponsorship presented for the focal brand as such: "This brand frequently sponsors various events like, sports, music or other events".

3.4 Sampling

Sampling is the selection of a fraction of the total number of units of interest for the ultimate purpose of being able to draw general conclusions about the entire body of unit (Parasuraman, 2004:356). There are several decisions to be made in organizing a sample such as identifying target population, selecting sampling technique and determining the sample size.

3.4.1 Target population

Population is defined as ‘the complete set of units of analysis that are under investigation (Davis 2000, p. 220). Proctor (2003:102) defines population as the total group to be studied. Consistently the target population for this study was customers of the beer market in Addis Ababa city.

3.4.2 Sampling technique and procedure

According to the methodology literature, there are two main sampling methods, probability and non-probability sampling (Zikmund, 2000). In this study the lack of access to a list of the population being studied (unavailability of the sampling frame) makes fully randomized samples (probability sampling) expensive and difficult to obtain, as a result multi stage sampling were used. First convenience sampling used to select the areas and then systematic random sampling was used to select respondents.

The procedure was first, three main destination areas of customers’ which were considered as a place where different type customers from different areas of the city are gathered were selected based on observation, and 128 respondents for each area were assigned. Then 30 bars and restaurants and hotels, 10 from each area were chosen by considering their level of similarities. Respondents were selected from customers who were willing to complete a questionnaire while spending time in those places without any discrimination by gender or age (considering all are above 18), to randomize the samples every odd number entrant was contacted. In addition to the researcher six university graduate students who received orientations about the data collection were administered the surveys.

3.4.3 Sample size

The issue of 'how large' a sample size should be has not been entirely resolved (Hair, Anderson, Tatham & Black1995). Since the population size of this research is unknown, unknown population sample formula were used. Using a 95% confidence level, 0.5 standard deviation and a margin of error (confidence interval) of +/- 5% and level corresponds to a Z-score which is a constant value needed for the equation sample size were determined . Hence, z-score for95% confidence level is 1.96.

The formula is:

$$\text{Necessary Sample Size} = (Z\text{-score})^2 * \text{Std Dev} * (1 - \text{StdDev}) / (\text{margin of error})^2$$

Then by inserting the values of each variable the sample size is identified

$$((1.96)^2 * .5(.5)) / (.05)^2$$

$$(3.8416 * .25) / .0025$$

.9604 / .0025 = 384.16, the sample size for this study happened to be 384.

3.5 Data Analysis Method

As discussed earlier, the study employed consumer surveys to gather data, and the quantitative evaluation of customers' attitudes and behaviors (on five-point scales) was used to examine the relationships of factors under the framework. Descriptive analysis was used to analyze the demographic data of the sample and; data analysis method used for inferential statistics which examined the relationships of the variables was structural equation model (SEM). Hence, both of these methods were conducted with SPSS 20.0 and Amos 20.0.

SEM is a general statistical modeling technique to establish relationships between variables. A key characteristic of SEM is that observed variables are conceptualized as representing a number of latent variables (latent constructs). These latent variables cannot be directly measured but only inferred from (the relationships between) measured variables. The vast majority of marketing

constructs are by nature latent variables which have not amenable to direct measurements; examples include brand attitudes, customer satisfaction, and perceived value, repurchase intentions and perceived quality (Bollen, 1989). As a result SEM is the best method to do analysis with such type of variables since it's used to test 'complex' relationships between observed (measured) and unobserved (latent) variables and also relationships between two or more latent variables.

Structural equation models (SEMs) are similar to combining multiple regression and factor analysis. However SEM is superior over these techniques by fulfilling all of the following shortcomings of multiple regression method. Regression analysis is limited in several ways: to begin with multiple dependent or outcome variables are not permitted; mediating variables cannot be included in the same single model as predictors; each predictor is assumed to be measured without error; the error or residual variable is only latent variable permitted in the model and also multicollinearity among the predictors may hinder result interpretation.

SEM can simultaneously estimate all path coefficients and test the significance of each causal path, permitting the evaluation of the model performance as a whole (Bagozzi, 1981, 1982). It uses confirmatory factor analysis (CFA) to reduce measurement error by having multiple indicators per latent variable; it has the attractive graphical modeling interface; and it has the ability to test models with multiple dependents, to model mediating variables, to model error terms, to test coefficients across multiple between-subjects groups, and to handle difficult data (time series with auto correlated error, non-normal data, incomplete data).

A two-step model-building approach was used in the study, in which the measurement models were tested prior to testing the structural models:

1. Before testing the hypotheses, three methods—reliability analysis, validity analysis, and confirmatory factor analysis were used to select and assess the final items to be used for hypothesis testing.
2. The structural model was employed to get the path estimates, and to test the hypotheses.

CHAPTER 4

RESULTS AND DISCUSSION

This chapter includes an analysis of the data and a presentation of the results from the study. SPSS 20.0 and AMOS 20.0 Graphics (SEM package) are used first to get to know the data and prepare for analysis; secondly, to assess the measurement model and reliability/validity of measures; and third to analyze the structural model. SEM is an extension of the general linear model (GLM) that enables researchers to test a set of regression equations simultaneously. Finally, the 39 proposed research hypotheses were tested according to the results from the structural equation model. Findings are described and discussed for each hypothesis.

4.1 Demographic characteristics

All data were examined for missing and outlier contamination. Of the 384 surveys, 356 were considered valid and were used in this study, making a valid response rate of 93 percent. 28 responses (about 7 percent) were eliminated from the study because they were not completed or showed certain systemic response patterns.

Table 4.1: Demographic characteristics of Respondents

Characteristics		Frequency	Percent
Gender	Male	296	83.1
	Female	60	16.9
Age	19-22	69	19.4
	23-29	156	43.8
	30-40	77	21.6
	41-66	25	7.0
	Missing value	29	8.1
	No education	2	.6
	Elementary completed	38	10.7

Education	High school graduate	126	35.4
	Diploma	117	32.9
	Bachelor degree and above	73	20.5
Marital Status	Single	241	67.7
	Married	105	29.5
	Divorce	10	2.8
Monthly income	100-700	74	20.8
	701-1500	99	27.8
	1501-3000	99	27.8
	3001 and above	62	17.4
	Missing value	22	6.2
Beer consumption	Every day	29	8.1
	Most of the days in a week	109	30.6
	Only on weekends	171	48.0
	Once in a while	38	10.7
	Rarely	9	2.5
Brand familiarity	Bedelle	44	12.4
	Dashen	38	10.7
	Harar	10	2.8
	Meta	93	26.1
	St. Gorge	171	48.0

Gender

Table 4.1 shows the information of 356 responders in this research by dividing from gender; there are 83.1% male and the remaining 16.9% were female. (Since out of the 384 surveys, 356 were considered valid and were used in this study, the total frequency was indicated as a total number of 356). This implies male beer consumer were dominant in the market.

Age

All participants in the study were older than 18 years of age. Out of total valid number of respondents (356) 29 of them were not mentioned their age. The youngest age was 19 and the oldest age was 66. The most respondents' ages were between 23 and 29 years old, which occupied 43.8%. The age between 30 and 40 years old were ranking the second place which took 21.6% followed by respondents who were between 19 and 22 years old (19.4%) and the respondents whose age is between 41 and 66 years old were account for the smallest percentage (7.0%). This indicates youth and adults choose to have beer when they spend quality time with their friends.

Education

From 356 respondents, a total of 35.4% respondents were high school graduates; 32.9% of respondents had diploma; 20.5% respondents had bachelor degree and above and only 0.6 % (n=2) respondents were illiterate.

Marital Status

About 67.7 percent of the participants were single (n = 241), the number of participants who are married were 105 (29.5%) and participants who are divorce were only 2.8% (n= 10).

Income

In this study monthly income of the respondents were examined. From the total number of respondents (356) 22 of them were not respond for this particular category. About 27.8 percent of the respondents reported a personal monthly income between 1501 and 3000 ETB (Ethiopian birr) (n = 99), similarly 27.8%(n= 99) of respondents had a personal monthly income of between 701 and 1500 ETB ; 20.8% respondents earn monthly income of from 100 to 700 ETB and only 17.4% of the respondents earn above 3000 ETB monthly.

Most familiar brand

Table 4.1 has demonstrated the selection of most familiar brand, 48% respondents selected St. Gorge as the most familiar brand which ranks the first place whereas Meta was occupied 26.1%

which ranks second place. Subsequently, 12.4% and 10.7% participants were chose Bedelle and Dashen respectively as their most favorable brand and Harer Beer only obtained 2.8% it makes it the least popular relatively to other brands since only 10 respondents out of 356 respondents choose it as their favorable brand.

Consumption pattern

Among 356 respondents 48% of them which counts 171 were respond that they consume beer only on weekends; 30.6% (n= 109) of respondents were said they consumed most of the days in a week; 10.7% of them are consuming beer once in a while more over 8.1% of the respondents were consuming beer on daily basis and on the contrary only 2.5% of the respondents were said they rarely consume beer.

Table 4.2: cross tabulation of beer consumption with marital status, education level and monthly income

Characteristics		Beer Consumption pattern					Total
		Every day	Most of the days in a week	Only on weekends	Once in a while	Rarely	
Marital status	Single	4.2%	18.0%	35.7%	7.9%	2.0%	67.7%
	Married	3.1%	11.8%	11.5%	2.5%	0.6%	29.5%
	Divorce	0.8%	0.8%	0.8%	0.3%	0.0%	2.8%
Education level	No education	0.6%	0.0%	0.0%	0.0%	0.0%	0.6%
	Elementary completed	0.6%	2.5%	6.2%	1.1%	0.3%	10.7%
	High School completed	2.8%	12.1%	16.6%	2.8%	1.1%	35.4%
	Diploma	2.5%	9.3%	15.7%	4.2%	1.1%	32.9%
	First degree and above	1.7%	6.7%	9.6%	2.5%	0.0%	20.5%
Monthly income	100-700	0.6%	6.6%	12.6%	1.8%	0.6%	22.2%
	701-1500	0.9%	7.2%	16.5%	4.5%	0.6%	29.6%
	1501-3000	6.0%	11.7%	9.9%	1.8%	0.3%	29.6%
	3001 and >	0.9%	6.0%	8.1%	2.7%	0.9%	18.6%

In general, as it can be seen from table 4.2 the majority of beer consumers were single, its reasonable given that they got enough time and money to spend since they don't have family responsibility. Lower middle (701-1500) and upper middle (1501-3000) income earner consumers were consuming beer more than others, indicating beer is the middle class choice of enjoyment. High school completed consumers were the leaders in consuming beer followed by diploma holders, majority of thus groups were much of self-employed they had flexible work environment and had more access to disposable income than employed and monthly income earners.

4.2 Normality, Reliability and Validity Tests

Normality

According to Bagozzi and Yi (1998), one of the first things that should be done in the evaluation of structural model is assessment of the adequacy of input data and statistical assumption underlying any estimation methods used in analysis. The estimation of SEM parameters requires continuous data with normal distribution. A common rule-of-thumb test for normality is to run descriptive statistics to get skewness and kurtosis. Skew should be within the +2 to -2 range when the data are normally distributed. Kurtosis also should be within the +2 to -2 range when the data are normally distributed (Hair, et al., 1998).

Normality analysis for 12 variables was conducted with SPSS 20.0. As a result, all 12 variables in this study are within +2 to -2 range. That means they are normally distributed.

Table 4.3: Skewness and Kurtosis

Constructs	Skewness	Kurtosis
Overall brand equity	-1.59	2.00
Brand awareness	-1.02	1.34
Brand association	-0.67	0.35
Perceived quality	-1.06	1.22
Brand loyalty	-0.69	-0.39

TV advertisement	-0.73	-0.37
Radio advertisement	-0.54	-0.81
Billboard advertisement	-0.63	-0.39
Price sales promotion	0.23	-0.89
Non price sales promotion	-0.13	-0.12
Sponsorship	-1.04	0.47
Word of Mouth	-1.02	0.44

Reliability

Reliability refers to the internal consistency exhibited by the manifest indicators of each construct in Structural Equation Modeling. Barclay and his colleagues (1994) recommend that a measurement of the internal consistency of the construct Cronbach's alpha should be taken into consideration, with a minimum criterion of approximately 0.70 (Nunnally, 1978; Hair et al. 1998). Thus, Cronbach's Alpha was calculated for all factors. Almost all constructs were produced the highest Cronbach's alpha that were between 0.96 and 0.98 with the exception of brand awareness (0.67) that had value lower than the recommended value, however, it was not dropped from the study because its value of Cronbach's Alpha was very close to the acceptable value of 0.70. As a result, all constructs were accepted as being reliable for the research.

Table 4.4: Cronbach's Alpha of Constructs

Constructs	Number of Items	Cronbach's Alpha
Brand Loyalty	4	0.96
Brand Association	4	0.98
Brand Awareness	4	0.67
Perceived quality	4	0.96
Overall Brand equity	4	0.98

TV advertisement	4	0.97
Radio Advertisement	4	0.98
Billboard Advertisement	4	0.97
Word of Mouth	4	0.97
Sponsorship	4	0.97
Price sales promotion	4	0.97
Non price sales promotion	4	0.98

Validity

Although almost all latent variables in this study demonstrated acceptable reliability with Cronbach's alpha, Cronbach's alpha does not guarantee validity, therefore construct validity should be considered. Construct Validity is used to ensure that the measure is actually measure what it is intended to measure (i.e. the construct), and no other variables. In this research two of construct validity testing methods were used.

Convergent validity, according to Campbell and Fiske (1959), is when, in the presence of other scale items for other constructs, the scale items in a given construct move in the same direction (for reflective measures) and thus highly correlate. This differs from reliability in that tests of reliability include only the scale items for a single construct and are not compared to other constructs.

In addition to convergent validity, discriminant validity analysis also needed to be considered in this study. Discriminant validity refers to the principle that the indicators for different constructs should not be so highly correlated as to lead one to conclude that they measure the same thing. The discriminant validity of the measures—the degree to which items differentiate among constructs or measure distinct concepts—is assessed by examining the correlations between the measures of potentially overlapping constructs (Campeau, Higgins and Huff, 1999).

The thresholds given by Hair et al. (2010) states as follows: For reliability, Composite Reliability (CR) > 0.7, for convergent validity, CR > AVE (Average variance extracted), AVE > 0.5, for

discriminant validity, Maximum Shared Variance (MSV) < AVE, Average Shared Variance (ASV) < AVE. As it showed in table 4.5 constructs in this study had a good level of both convergent and discriminant validity.

Table 4.5: Validity of Constructs (CR, AVE, MSV and ASV)

Constructs	Composite Reliability (CR)	Average Variance Extracted (AVE)	Maximum Shared Variance (MSV)	Average Shared Variance(ASV)
Brand Loyalty	0.96	0.87	0.35	0.11
Brand Association	0.95	0.85	0.15	0.05
Brand Awareness	0.72	0.53	0.22	0.06
Perceived quality	0.92	0.75	0.29	0.06
Overall Brand equity	0.97	0.90	0.35	0.10
TV advertisement	0.97	0.89	0.30	0.12
Radio Advertisement	0.98	0.92	0.29	0.08
Billboard Advertisement	0.96	0.87	0.30	0.11
Word of Mouth	0.97	0.90	0.19	0.09
Sponsorship	0.96	0.87	0.20	0.07
Price sales promotion	0.97	0.89	0.07	0.03
Non price sales promotion	0.98	0.92	0.12	0.06

4.3 Structural Equation Model (SEM)

Structural equation model or SEM is a very general statistical modeling technique that has been used to describe a large number of statistical models used to evaluate the validity of substantive theories with empirical data. Statistically, it represents an extension of general linear modeling

(GLM) procedures, such as the ANOVA and multiple regression analysis. It is widely used in behavioral science.

Basically SEM consists of two parts: the measurement model and the structural model. The measurement model specifies how the latent variables or the hypothetical constructs are measured in terms of the observed variables and describes the measurement properties through Confirmatory Factor Analysis (CFA) on the other hand the structural equation model specifies the causal relationships among the latent variables and describes the causal effects through Path Analysis (PA).

4.3.1 Confirmatory factor analysis (measurement model testing)

CFA is particularly useful for testing a measurement model as it allows for correlated errors of measurement (Hair, et al., 1998). A measurement model was set to have 48 items comprising 12 constructs (latent variables) in this study. AMOS 20.0 maximum likelihood method was used to examine each construct and its standardized loadings.

Bollen (1989) suggested that standard loading and squared multiple correlations between items and constructs should be used for measurement model testing. The analysis results for this study indicated that all 48 items were loaded highly on their corresponding construct ($p > 0.05$ in all cases) and the t-values of those items were greater than 2.0 (Segars and Grover, 1993). The analysis of the squared multiple correlations demonstrated that most of the items met the recommended criteria of 0.40 (Taylor and Todd, 1995) except one item which belongs to awareness construct with low individual standard loading was eliminated to improve the loadings of the rest of the item. This means, overall, that the items shared substantial variance with their hypothesized constructs.

Table 4.6: Parameter Estimates for the Measurement Model

Constructs	Items	Standard Loadings	T - Values	Squared Multiple correlations
Overall brand equity	OverallBE1	0.97	-	0.94
	OverallBE2	0.96	47.94	0.93
	OverallBE3	0.90	33.53	0.81
	OverallBE4	0.97	49.75	0.94
Brand Loyalty	Loyalty1	0.95	-	0.89
	Loyalty2	0.96	39.67	0.96
	Loyalty3	0.90	31.18	0.81
	Loyalty4	0.93	35.51	0.87
Brand Association	Association1	0.91	-	0.83
	Association2	0.93	30.33	0.87
	Association3	0.93	30.50	0.87
	Association4	0.91	28.56	0.83
Brand Awareness	Awareness1	0.64	8.56	0.45
	Awareness2	0.67	8.70	0.45
	Awareness3	0.66	-	0.43
Perceived Quality	Perquality1	0.92	22.22	0.84
	Perquality2	0.87	21.13	0.78
	Perquality3	0.82	18.61	0.67
	Perquality4	0.84	-	0.70
TV Ad	TVadv1	0.91	32.53	0.83
	TVadv2	0.95	38.31	0.89
	TVadv3	0.98	44.12	0.95
	TVadv4	0.95	-	0.89
Radio Ad	Radioadv1	0.95	-	0.91
	Radioadv2	0.96	42.99	0.92
	Radioadv3	0.98	48.97	0.96
	Radioadv4	0.96	44.86	0.93
Billboard Ad	Billboard1	0.96	40.18	0.89
	Billboard2	0.92	36.65	0.85
	Billboard3	0.92	35.62	0.84
	Billboard4	0.96	-	0.93
Price sales promotion	Price promotion1	0.94	34.85	0.86
	Price promotion2	0.96	39.10	0.91
	Price promotion3	0.95	39.56	0.92
	Price promotion4	0.93	-	0.89
Non price sales	Non price SP1	0.95	41.89	0.91

promotion	Non price SP2	0.97	46.52	0.94
	Non price SP3	0.97	47.21	0.94
	Non price SP4	0.96	-	0.91
Sponsorship	Sponsors1	0.93	-	0.87
	Sponsors2	0.95	35.53	0.90
	Sponsors3	0.95	34.88	0.89
	Sponsors4	0.93	31.74	0.85
WOM	WOM1	0.95	39.57	0.89
	WOM2	0.96	43.07	0.92
	WOM3	0.96	-	0.91
	WOM4	0.95	40.80	0.90

The Fit of the Measurement Model

Absolute fit indices determine how well a priori model fits the sample data (McDonald and Ho, 2002) and demonstrate which proposed model has the most superior fit. These measures provide the most fundamental indication of how well the proposed theory fits the data. Included in this category are the Chi-Squared test, RMSEA, GFI, the RMR and the TLI.

Hu and Bentle (1999) suggest that GFI, NFI, CFI, and TLI values above 0.90 are generally interpreted as representing a good fit, whereas a value of RMSEA below 0.10 indicates a good fit and value of RMR below 0.09. Due to large samples, a significant Chi-square (X^2) does not indicate poor fit because the Chi-square is easily influenced by the size of the sample (unlike other criteria). In addition to the disadvantage of the Chi-square statistic, the ratio of Chi-square to its degree of freedom, X^2/df , is further used to indicate a good fit. It is suggested that a ratio of 3:1 or less indicates an adequate fit.

In terms of model fit, the test of the measurement model for this study demonstrated that it had a good fit to the data. The data shown in Table suggest that, except for Chisquare (X^2) and GFI, all other criteria met the recommended values suggested by Hu and Bentle (1999). A Chi-square (X^2) value of 2038.2 with a degree of freedom of 968 for the measurement model was found. The p value of X^2 was equal to 0.00, which does not meet the criteria for a fit model ($P \geq 0.05$). However, it was accepted that X^2 is not an appropriate criterion for a study that has a large

sample size (Browne and Cudeck, 1993; Marsh, 1994), and that X2 becomes more sensitive as the number of indicators rises (Hair et al., 1998). This study had a large sample size (356 valid respondents) and a large number of indicators (48 items), so X2 was not an appropriate testing criterion for model fit for this study. Although GFI was lower than the recommended value of 0.90, it could be considered close (0.81). Therefore, it could be articulated that the measurement model of this study had an acceptable level of fitness. Other fitness indices met the recommended minimum values as well: Chi-square (X2)/df of 2.11, NFI of 0.92, TLI of 0.95, CFI of 0.95, RMR of 0.03, and RMSEA of 0.05 (see Table 4.7).

Table 4.7: Reported Values of Model Fit for the Measurement Model

Fit Measures	Recommended Values	Values from the model	Conclusion
Chi-square (X2)	$P \geq 0.05$	0.00	Not fit
Chi-square (X2)/df	≤ 5.00	2.11	Fit
Goodness of Fit (GFI)	≥ 0.90	0.81	Moderately fit
Norm Fit Index (NFI)	≥ 0.90	0.92	Fit
(TLI)	≥ 0.90	0.95	Fit
Comparative Fit Index (CFI)	≥ 0.90	0.95	Fit
Root Mean Square Residual (RMR)	≤ 0.09	0.03	Fit
Root Mean Square Error of Approximation (RMSEA)	≤ 0.10	0.05	Fit

4.3.2 Structural Model Testing

Once the measurement model had been tested for suitability, the estimation of the structural model followed. A measurement model is used for defining the relations between observed and unobserved variables, whereas a structural model is employed to examine the relations among latent variables in a proposed model (Byrne, 1998).

SPPSS AMOS 20.0 Graphics was used to run the structural model and test the hypothesized relationship between constructs. Maximum likelihood estimation and correlation matrix were used to test the structural model.

The structural model of this study included all variables from the measurement model, since all of them had significant factor loadings. It specified the perceived marketing efforts as exogenous variables, and they were related to the endogenous variables—brand equity dimensions and brand equity dimensions in turn were related to overall brand equity. The constructs and their hypothesized relations were tested simultaneously. The model fit criteria used in testing the measurement model were employed to test the structural model, and goodness-of-fit statistics indicated that the structural model revealed a satisfactory fit.

A Chi-square (X^2) 2236.6 value with a degree of freedom of 918 for the structural model was found in this study. The p value of X^2 was equal to 0.00, which does not meet the criteria for a fit model ($p \geq 0.05$). However, this is expected due to large sample size and a large number of indicators in the study. All other fitness indices met the recommend values: Chi-square (X^2)/df of 2.28, NFI of 0.92, TLI of 0.94, CFI of 0.95, RMR of 0.09, and RMSEA of 0.06 (see Table 4.8). Therefore, the structural model of this study showed an acceptable model fitness level. The next step was to test the relationships between constructs included in the structural model.

Table 4.8: Reported Values of Model Fit for the Structural Model

Fit Measures	Recommended Values	Values from the model	Conclusion
Chi-square (X^2)	$P \geq 0.05$	0.00	Not fit
Chi-square (X^2)/df	≤ 5.00	2.28	Fit
Goodness of Fit (GFI)	≥ 0.90	0.79	Moderately fit
Norm Fit Index (NFI)	≥ 0.90	0.92	Fit
(TLI)	≥ 0.90	0.94	Fit
Comparative Fit Index (CFI)	≥ 0.90	0.95	Fit
Root Mean Square Residual (RMR)	≤ 0.09	0.09	Fit
Root Mean Square Error of Approximation (RMSEA)	≤ 0.10	0.06	Fit

4.4 Results of Hypotheses and Discussion

This study examined twelve latent variables, seven exogenous variables and five endogenous variables were included in the proposed model of the research. The seven exogenous variables were selected marketing activities and among the five endogenous variables one is overall brand equity and the rest four were brand equity dimensions. The 39 hypotheses of the study were tested by structural equation model. Among them, 4 referred to the relationship between brand equity and brand equity dimensions and 28 hypotheses addressed the relationship between marketing activities and brand equity dimensions and the final 7 belongs to the relationship between promotion activities and brand equity.

The rule of 1.96 t-values was used as the critical value (at the 0.05 significance level). According to this cutoff value, of the 39 hypotheses in this study, only 13 were supported ($p < .05$), and 25 were not. Due to the fact that all the hypotheses were developed based on findings from Western consumers, therefore, most of the hypothesis were not supported in this market is an expected and reasonable result. Because there is a huge cultural, social, economic situations and marketing infrastructure development differences among other things that could make the customer to think in different way.

The following section, then, interprets the results from the structural equation model and discusses the hypotheses. Figure 4 shows the overall structural model which used to analyze the data.

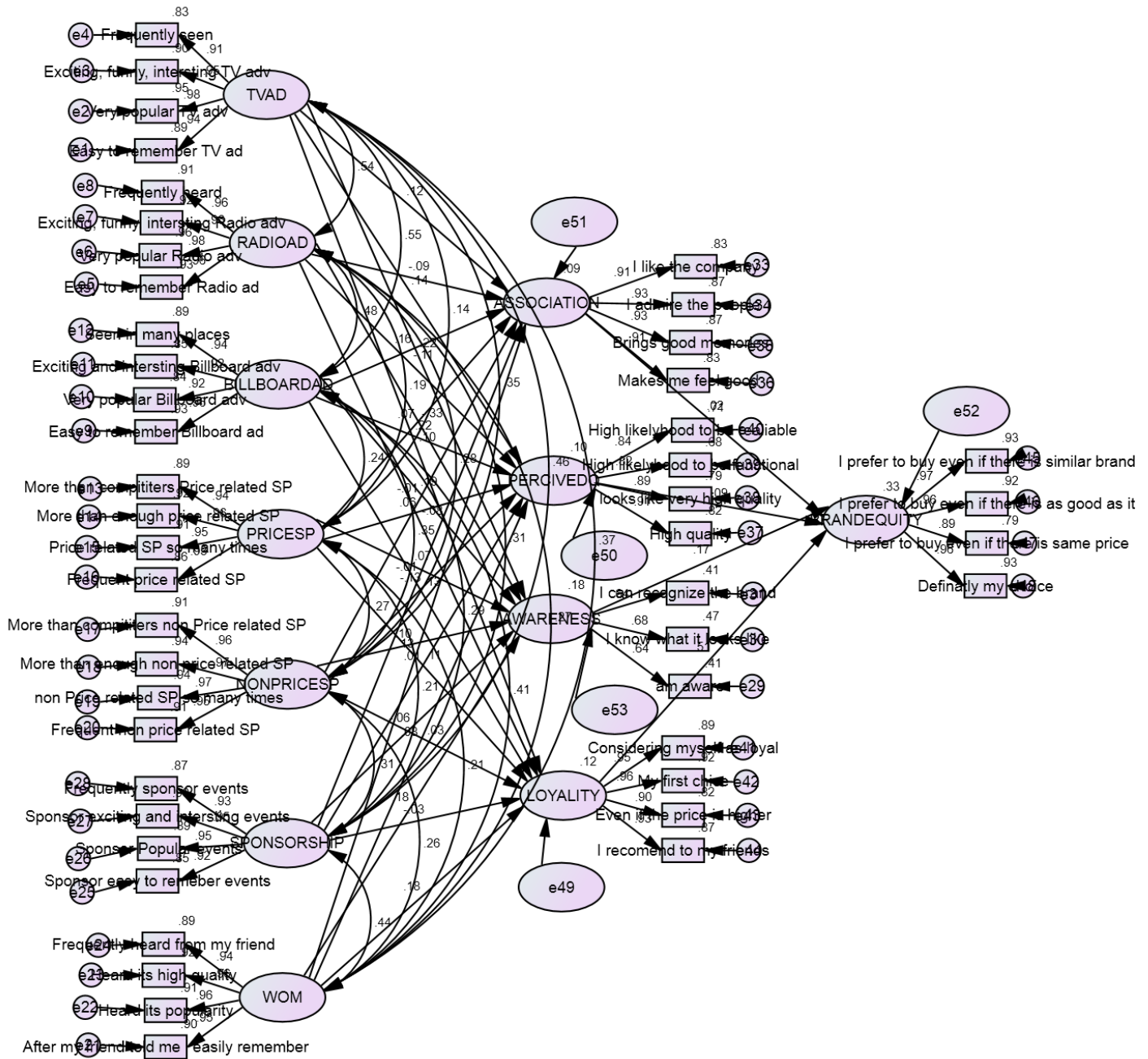


Figure 4: Overall structural equation model of the study

Relationships between Brand Equity Dimensions and Overall Brand Equity

Hypotheses 1a to 1d were formulated to determine whether significant relationships existed between brand equity dimensions and brand equity in the Ethiopian beer market. From four hypotheses two of them were supported.

In testing H1a and H1d, brand awareness ($\beta = 0.17$, $T=3.001$) and brand loyalty ($\beta = 0.51$, $T=10.814$), it was evident that they had significant influence on brand equity. As it was stated in the literature brand awareness is the foundation of building brand equity this was proved by this research also. The result also showed that brand loyalty was positively related to brand equity. It was in fact the most influential one among other dimensions over brand equity. This finding is consistent with previous conceptualizations as Marinova et al. (2011); Yoo et al. (2000); Tong and Hawley, 2009; and Erenkol and Duygun (2010). Hence, H-A1 and H-A2 were supported.

H1b and H1c argued that brand association ($\beta= 0.02$, $T=0.389$) and perceived quality ($\beta= 0.09$, $T=1.87$) had a positive influence on brand equity. In this study, even if they had somewhat comparative hypothesized effects on brand equity, though both turned out insignificant at $p=0.05$. Consistent with previous findings (e.g., Swait, Erdem, Louviere, and Dubelaar (1993); Tong, X. and Hawley, J.M. (2009)).The two hypotheses were empirically unsupported in the Ethiopian context. However, it's possible that perceived quality and brand associations might affect brand equity by influencing brand loyalty first; as it was stated by Yoo and Donthu (2002); who were found a very weak relationship between these two dimensions (brand association and perceived quality) and brand equity, thus, perceived quality and brand associations might affect brand equity by influencing brand loyalty first. They insisted that among the constructs, loyalty is a more holistic construct, closer to brand equity, whereas quality and associations are specific evaluative constructs. This could be also the case in this study since the result from structural equation model found that there was a positive significant relationship between brand loyalty and brand association and between brand loyalty and perceived quality.

Table 4.9: Relationships between Brand Equity Dimensions and Brand Equity

Hypothesis	From	To	Standard coefficient	T-value	Results
H1a	Brand awareness	Overall brand equity	$\beta = 0.17$	3.001	Fail to accept the null hypothesis
H1b	Brand association	Overall brand equity	$\beta = 0.02$	0.389	Fail to reject the null hypothesis
H1c	Perceived quality	Overall brand equity	$\beta = 0.09$	1.87	Fail to reject the null hypothesis
H1d	Brand loyalty	Overall brand equity	$\beta = 0.51$	10.814	Fail to accept the null hypothesis

Relationships between Promotion Activities and Brand Equity Dimensions

Test of Hypotheses H2a to H2-d

H2a, H2b, H2c, H2d hypothesized that TV advertisement is likely to influence positively brand awareness, Brand association, brands' perceived quality and brands' loyalty. The proposed relationships were supported by the result only for the first hypothesis which stated the positive impact of TV Ad on Brand awareness ($\gamma_1 = 0.22$, $T = 2.509$). The rest were not supported with results brand association ($\gamma_8 = 0.12$, $T = 1.573$), Perceived quality ($\gamma_{27} = 0.14$, $T = 1.818$) and brand loyalty ($\gamma_{28} = 0.1$, $T = 1.436$).

These results suggest that even though TV advertisement in Ethiopia may not necessarily influence customers' association with the brand; their loyalty to the brand or brands' perceived quality it can enhance their awareness about a particular brand. Therefore, H2b, H2c, H2d were unsupported (see Table 4.11). XIAO TONG (2006) found similar result in Chinese market, as he stated this might be due that TV ad is losing its effectiveness in promoting brand image and high quality perception in Chinese market especially for Chinese youth, because they are slightly older media and deliver to an unsegment audience; about 78 percent of Chinese people think

today's ads are boring. Even if it's difficult to say that TV ad is losing its effectiveness in Ethiopian market since other relatively modern medias are not yet developed as much as the Chinese market. However, it can be said that once they become aware of the particular brand it is commonly seen that TV viewers in Ethiopia normally either change the channel or find something else to do when a commercial break comes on.

Table 4.10: Relationship of TV advertisement and Brand Equity Dimensions

Hypothesis	From	To	Standard coefficient	T- value	Results
H2a	TV Ad	Brand awareness	$\gamma_1 = 0.22$	2.509	Fail to accept the null hypothesis
H2b	TV Ad	Brand association	$\gamma_8 = 0.12$	1.573	Fail to reject the null hypothesis
H2c	TV Ad	Perceived quality	$\gamma_{27} = 0.14$	1.818	Fail to reject the null hypothesis
H2d	TV Ad	Brand loyalty	$\gamma_{28} = 0.1$	1.436	Fail to reject the null hypothesis

Test of Hypotheses H3a to H3-d

H3a, H3b, H3c, H3d postulated that Radio advertisement was likely to increase brand awareness, association; brand's perceived quality and loyalty. However in the result, it's found out a surprising reverse relationship; that Radio advertisement had negative effect on all of brand equity dimensions; brand awareness ($\gamma_7 = -0.33$, $T = -4.126$), association ($\gamma_{18} = -0.09$, $T = -1.398$); brand's perceived quality ($\gamma_{17} = -0.11$, $T = -1.669$) and loyalty ($\gamma_{16} = -0.08$, $T = -1.189$). This may be due to, radio advertisement may not be appropriate for some type of products or marketers in Ethiopia may not using it appropriately in such a way that affects brand equity dimensions in a positive manner. It seems brand information carried in radio ads couldn't really seep into the consumer's mind favorably. Indicating that customers might become irritated by

Radio ads which lacks creativity and who failed to develop affection, to create beliefs and to form positive attitude on. Hence, all hypotheses were unsupported (see table 4.12).

Table 4.11: Relationship of Radio advertisement and Brand Equity Dimensions

Hypothesis	From	To	Standard coefficient	T- value	Results
H3a	Radio Ad	Brand awareness	$\gamma_7 = -0.33$	-4.126	Fail to reject the null hypothesis
H3b	Radio Ad	Brand association	$\gamma_{18} = -0.09$	-1.398	Fail to reject the null hypothesis
H3c	Radio Ad	Perceived quality	$\gamma_{17} = -0.11$	-1.669	Fail to reject the null hypothesis
H3d	Radio Ad	Brand loyalty	$\gamma_{16} = -0.08$	-1.189	Fail to reject the null hypothesis

Test of Hypotheses H4a to H4d

H4a, b, c and d hypothesized that Billboard (outside) advertisement was positively related to brand awareness, brand association, perceived quality and brand loyalty. The paths to brand awareness ($\gamma_2 = 0.19$, $T=2.338$), brand association ($\gamma_9 = 0.17$, $T=2.354$), perceived quality ($\gamma_{25} = 0.22$, $T= 3.141$) and brand loyalty ($\gamma_{26} = 0.13$, $T= 1.974$) were all positive (see Table 4.13). That is, seeing different billboards on the streets, on companies' vehicles; on different service delivery gateways (bar and restaurants, hotels and similar destination areas) and other sources makes customers to be aware of different aspects of the particular brand; to create favorable, strong, unique association; to have high quality perception and to be loyal to the brand. Billboard (outside) advertisement was an effective device for strengthening all brand equity dimensions and building linkage with consumers in Ethiopia. Hence, all H4a, b, c and d were supported.

Table 4.12: Relationship of Billboard (outside) advertisement and Brand Equity Dimensions

Hypothesis	From	To	Standard coefficient	T- value	Results
H4a	Billboard Ad	Brand awareness	$\gamma_2 = 0.19$	2.338	Fail to accept the null hypothesis
H4b	Billboard Ad	Brand association	$\gamma_9 = 0.17$	2.354	Fail to accept the null hypothesis
H4c	Billboard Ad	Perceived quality	$\gamma_{25} = 0.22$	3.141	Fail to accept the null hypothesis
H4d	Billboard Ad	Brand loyalty	$\gamma_{26} = 0.13$	1.974	Fail to accept the null hypothesis

Test of Hypotheses H5a to H5d

Hypotheses H5a posited that price promotion is likely to increase brand awareness and on the contrary, hypotheses from H5b to H5d hypothesized that price promotion negatively affects brand association, perceived quality and brand loyalty. The paths from price promotion to brand awareness ($\gamma_4 = 0.07$, $T = 1.145$), brand association ($\gamma_{22} = 0.07$, $T = 1.304$), perceived quality ($\gamma_{23} = 0.06$, $t = 1.085$) and brand loyalty ($\gamma_{24} = 0.13$, $t = 1.940$) were positive but turned out insignificant at $p = 0.05$. That is, frequent price promotion activities could not cheapen both brand quality and brand image in consumers' minds and it's also not hurt brand loyalty in addition it could not either increase awareness of the brand. Thus, all Hypotheses H5a to H5d were not supported.

Table 4.13: Relationship of Price sales promotion and Brand Equity Dimensions

Hypothesis	From	To	Standard coefficient	T- value	Results
H5a	Price sales promotion	Brand awareness	$\gamma_4 = 0.07$	1.145	Fail to reject the null hypothesis
H5b	Price sales promotion	Brand association	$\gamma_{22} = 0.07$	1.304	Fail to reject the null hypothesis
H5c	Price sales promotion	Perceived quality	$\gamma_{23} = 0.06$	1.085	Fail to reject the null hypothesis
H5d	Price sales promotion	Brand loyalty	$\gamma_{24} = 0.13$	1.940	Fail to reject the null hypothesis

Test of Hypotheses H6a to H6d

H6a, b, c and d stated that non-price promotion is likely to strengthen brand awareness, brand association, perceived quality and brand loyalty. A path from non-price promotion to brand awareness ($\gamma_5 = 0.97$, $t=1.413$) indicated that it is not effective in generating interest in a brand in the Ethiopian beer market. Moreover, results reveal that non-price promotion could not significantly enhance both brand association ($\gamma_{13} = -0.01$, $t= -0.129$) and also brand loyalty ($\gamma_{15} = 0.03$, $t= 0.490$). That is, non-price promotion used by marketers could not add a favorable brand association to brands or encourage consumers' brand loyalty. Therefore, H6a, H6b and H6d were not supported. On the contrary, non-price sales promotion could increase perceived quality ($\gamma_{14} = -0.13$, $t= -2.093$) of the brand. This means when customers are exposed with different gifts and prizes in the name of the brand they will perceive the brand as a high quality. Hence, H6c was supported (see table 4.14).

Table 4.14: Relationship of Non Price sales promotion and Brand Equity Dimensions

Hypothesis	From	To	Standard coefficient	T- value	Results
H6a	Non price sales promotion	Brand awareness	$\gamma_5 = 0.97$	1.413	Fail to reject the null hypothesis
H6b	Non price sales promotion	Brand association	$\gamma_{13} = -0.01$	-0.129	Fail to reject the null hypothesis
H6c	Non price sales promotion	Perceived quality	$\gamma_{14} = -0.13$	-2.093	Fail to reject the null hypothesis
H6d	Non price sales promotion	Brand loyalty	$\gamma_{15} = 0.03$	0.490	Fail to reject the null hypothesis

Test of Hypotheses H7a to H7d

H4a, b, c and d hypothesized that Sponsorship was positively related to brand awareness, brand association, perceived quality and brand loyalty. However it's found out that any of them were not supported with the result, brand awareness ($\gamma_3 = -0.06$, $t= -0.860$), brand association ($\gamma_{12} = -0.12$, $t= -0.185$), perceived quality ($\gamma_{10} = 0.01$, $t= 0.143$) and brand loyalty ($\gamma_{11} = -0.03$, $t=$

0.490). Given that the marketers are currently seen sponsoring so many events and programs the result seems unrealistic or disappointment for the marketers. However the problem is sponsoring here and there does not guarantee the needed result. Instead it creates confusion to customers to associate which sponsored event/program with the brand. Not to mention that sponsoring effort mainly lacks exclusivity, when one company sponsor an event or a program there will be also other more than few companies sponsoring that particular event or program this could create a difficult situation for the audience to remember who the sponsors were and at the same time developing positive attitude towards the sponsors without remembering all of them could be much to ask for. Moreover, when customers exposed for to many sponsors message they could perceive it as not different from advertisement as a result they will ignore it instead of associating it with the event then the marketer end up losing the “halo effect” which was expected to happen from sponsoring that particular event or program. Hence, H4a, b, c and d were not supported.

Table 4.15: Relationship of Sponsorship and Brand Equity Dimensions

Hypothesis	From	To	Standard coefficient	T- value	Results
H7a	Sponsorship	Brand awareness	$\gamma_3 = -0.06$	-0.860	Fail to reject the null hypothesis
H7b	Sponsorship	Brand association	$\gamma_{12} = -0.12$	-0.185	Fail to reject the null hypothesis
H7c	Sponsorship	Perceived quality	$\gamma_{10} = 0.01$	0.143	Fail to reject the null hypothesis
H7d	Sponsorship	Brand loyalty	$\gamma_{11} = -0.03$	-0.490	Fail to reject the null hypothesis

Test of Hypotheses H8a to H8d

H8a, b, c and d hypothesized that WOM could positively influence brand awareness, brand association, perceived quality and brand loyalty. The proposed relationships to brand awareness ($\gamma_6 = 0.18$, $t = 2.479$), brand association ($\gamma_{21} = 0.13$, $t = 2.085$) and brand loyalty ($\gamma_{19} = 0.18$, $t = 2.902$) are supported by the result of this study. As acknowledged by Ilfeld and Winer (2002) to be the one that have the biggest influence on brand equity along with advertising among all

marketing communication tools, found to be true especially in the Ethiopian market where its culture and social life is in favor of word of mouth communication. Since Ethiopians are known for their family, friend, society closely related life style, opinion of others or information which received from others have very much influence on consumers mind. On the other hand it's found that WOM had not significant effect on perceived quality ($\gamma_{20} = 0.08$, $t = 1.298$) this means customers used their own perception towards brands' quality instead of others. Hence, H8a, b, d were supported but not H8c which had not supported (see Table 4.17).

Table 4.16: Relationship of Sponsorship and Brand Equity Dimensions

Hypothesis	From	To	Standard coefficient	T- value	Results
H8a	Word of Mouth	Brand awareness	$\gamma_6 = 0.18$	2.479	Fail to accept the null hypothesis
H8b	Word of Mouth	Brand association	$\gamma_{21} = 0.13$	2.085	Fail to accept the null hypothesis
H8c	Word of Mouth	Perceived quality	$\gamma_{20} = 0.08$	1.298	Fail to reject the null hypothesis
H8d	Word of Mouth	Brand loyalty	$\gamma_{19} = 0.18$	2.902	Fail to accept the null hypothesis

Relationships between Promotion Activities and Brand Equity

The relationship of each promotion activities element to brand equity is mediated by brand equity dimensions. Because every brand equity dimension contributes positively to brand equity, if a promotion element affects brand equity dimensions positively, it is expected to lead to an increase in brand equity. Therefore, these hypotheses were judged by using an analysis of indirect effects of promotion variables on brand equity. In the structural model, no direct path between marketing mix variables and brand equity was specified. Instead, as conceptualized previously, brand equity was indirectly affected through the mediating brand equity dimensions. The results found were consistent with the previous findings that revealed the effect of promotion activities on each brand equity dimensions. As it showed on below table only TV

advertisement, billboard and Word of Mouth had a significant positive effect on brand equity in Ethiopian beer market. Radio Ad and sponsorship and price promotion had a reverse impact on brand equity from the hypothesized one and non-price sales promotion had positive coefficient but was not significant.

Table 4.17: Indirect Relationships from Promotion Activities to Overall Brand Equity

Hypothesis	From	To	Standard coefficient	p- value	Results
H9a	TV Ad	Brand Equity	0.10	0.05	Fail to accept the null hypothesis
H9b	Radio Ad	Brand Equity	-0.11	0.03	Fail to reject the null hypothesis
H9c	Billboard Ad	Brand Equity	0.12	0.21	Fail to accept the null hypothesis
H9d	Price sales promotion	Brand Equity	0.07	0.04	Fail to reject the null hypothesis
H9e	Non price sales promotion	Brand Equity	0.02	0.57	Fail to reject the null hypothesis
H9f	Sponsorship	Brand Equity	-0.03	0.55	Fail to reject the null hypothesis
H9g	Word of Mouth	Brand Equity	0.13	0.01	Fail to accept the null hypothesis

The reasons might be promotion activities seemed focused on increasing sales in order to get the majority of the market share rather than on building brand equity. As many marketing experts emphasized effective promotion activities should be easily recognized, develop affection, create beliefs and form positive attitude. Then this effectiveness will produce positive quality association (perceived quality), build strong commitment (brand loyalty), bring familiarity (brand awareness), and the availability linked to certain association (brand association). However this market promotion activities lacks originality, companies copying each other's promotion efforts; lack creativity, boring and similar promotion activities without considering audience

segments; lack variety, focused only in a few promotion efforts due to this among other factors marketers more or less failed to create strong, favorable and unique association; and to enhance brand familiarity and loyalty for their brands through promotional activities. Moreover this findings might implied that customers might not had similar perception for promotion activities as the Westerns do as it mentioned before, as opposed to the Westerns which had individualistic culture; Ethiopians had a very close relationships with in families, relatives even societies as a result they are more comfortable and confident to their peers opinions much more than the companies messages through promotional efforts. This was also evident as the result showed that WOM was the most influential promotion activities in the Ethiopian market.

In general, this chapter has presented the analyses of measurement reliability and validity, an analysis of the measurement and structural models, the results of hypothesis testing, and a discussion on the research hypotheses outcomes. Overall, it has been shown that the data in this study achieved acceptable levels of measurement reliability and validity, while the measurement model showed a good fit. In addition, the structural model demonstrated that 14 out of 39 proposed hypotheses in this study were supported with a good fit level.

Chapter Five

Conclusion and Recommendation

5.1 Conclusion

The purpose of this study was investigating the effect of promotional activities on brand equity through the mediating role of brand equity dimensions. To archive this objective a research model consisting of twelve variables with 39 hypothesized relationships were proposed, generally based on the analysis made the following conclusion were drawn.

A result for the hypothesis that emphasized effects of each brand equity dimensions on brand equity indicated that only brand awareness and brand loyalty had a positive significant effect on brand equity by showing brand loyalty was the strongest one in impacting brand equity. The remaining dimensions (brand association and perceived quality) had insignificant effect on brand equity directly. However, perceived quality and brand associations might affect brand equity by influencing brand loyalty first.

From advertising Medias included in this research, billboard (outdoor) advertisements were more effective than other type of ads in affecting all of the brand equity dimensions in Ethiopian beer market. While TV ads found to be more appropriate in creating awareness, on other hand, Radio ads were not successful in strengthen brand equity dimensions. This showed that customers might became irritated by marketers who lacks creativity and who failed to develop affection, to create beliefs and to form positive attitude on Radio ads and could be also true for TV ads.

Price related sales promotions did not found to be cheapening both brand quality and brand image and hurt brands loyalty in consumers' minds. The data also did not support the positive effect price promotion has on brand awareness. That is, frequent price promotion activities did not found to be cheapening both brand quality and brand image and hurt brands loyalty in Ethiopian consumers' minds and also price-based promotion is not likely to encourage the trial/adoption of a brand or product in this market.

Similarly, the finding revealed that non-price promotion could not add on brand familiarity and could not significantly enhance brand association, and brand loyalty.

According to the findings of this research sponsorship in Ethiopia beer market was not effective at promoting a sponsor's brand; at communicating brand personality and quality to the audience and also at enhancing brand loyalty. This indicated most of the time sponsors lacks exclusivity and because they make it difficult to differentiate sponsoring effort from formal advertisement it's difficult to create the halo effect, so the objective of enhancing brand awareness and loyalty and reinforcing brand image could not be achieved here.

WOM was the most influential one among other promotional activities in affecting brand equity dimensions which is in line with Ethiopian culture where there is close relation among families, relatives and also society as a whole; opinions of others are very much respected and make difference though keeping in mind that customer wants to perceive the quality of the brand by their own judgments.

In general, from all of the findings it could be concluded that most of promotion activities performed in the Ethiopian beer market did not had significant impact on brand equity even those promotions which had significant impact exhibited a weak relationship with brand equity. Radio ad, non-price sales promotion and also sponsorships were found insignificant in affecting overall brand equity. However the result of price sales promotion showed that it has positive effect on brand equity as opposed to the hypothesized negative relationship. On the other hand, the result revealed that WOM was the most influential one followed by billboard ad and TV ad.

5.2 Recommendations

Based on the findings and the conclusion the following recommendations were forwarded,

- ❖ Since Radio ads by their nature require audiences' attentions, marketers should make the ads unique, attractive, and interesting to be heard and to gain listeners attention in such away, Radio ads could impact customers to become familiar with the brand; to associate them to the brand; to enhance their loyalty to the brand.
- ❖ To improve TV ads influence on brand association, perceived quality and loyalty and also in order to enhance its effect on brand equity, marketers really need to pay more and closer attention to the content, frequency, and timing of advertising. The content should

be more specific and strong that help customers to develop association, to perceive the brand as a high quality and to contribute in creating loyal customers. Frequency of TV ads should be also considered because too much advertising might irritate customers and lead them to not give attention when the ads seen on TV and finally TV ads should run in selective time and programs as much as possible when the targeted audience believed to be watching TV.

- ❖ Regarding billboard (outdoor) ad, marketers should still continue their efforts towards improving the quality, creativity, originality and strength of the contents of the ads in order to keep the consistency and successes of this particular ad in enhancing brand equity. They should be also more careful to not create visual pollution by putting outdoor ads everywhere which could annoy customers.
- ❖ The result showed a green light for marketers to promote their brands by using different price sales promotion activities such as giving free products, discount price once in a while, and others, however, this should be done with caution because frequent use of such kind of promotions might increases consumers' price sensitivity and causes them to think primarily about deals and not about the utility provided by the brand this in return can reduce brand equity in the long run.
- ❖ Marketers could do better to change the role of non-price sales promotion; they should apply non-price promotions, such as extra products, premiums (t-shirts, capes, key holders, calendar, agenda and etc.), and different contest prizes, in unconventional way by centering on end consumers and making brands as active and engaging as possible like they are doing for their distributors. Thus will help to improve customers attitude towards non price sales promotion and finally to contribute in creating strong brand equity.
- ❖ To improve sponsorship effectiveness in enhancing and reinforcing the brand equity dimensions and brand equity as a whole, marketers should consider where their commercial sponsorship efforts should be allocated. Instead of sponsoring here and there,

saving resources; choosing the appropriate events that could make a big impact on consumers and make that exclusive as much as possible in addition to making sponsoring message specifically related to the sponsored event or program will make a difference. In this way the brand could become related to few and known events and programs and with the help of specific message content, customer could easily remember the sponsor and associate the brand with those sponsored events as a result the halo effect (feeling of goodwill towards the event result in a feeling of goodwill towards the sponsor) will happen finally.

- ❖ In the meantime, it's time to marketers to take action to strengthen WOM, which is very important way of promotion in the beer market. Because it's hard to say that marketers in Ethiopia deliberately make a direct effort to develop such positive WOM influence for their brands. Marketers should create environments that will enhance favorable conversation about that particular brand through facilitating social events like beer festivals, and developing a network where individuals share opinions and experiences online especially for those who have access to internet.
- ❖ Moreover, marketers should give emphasis and capitalize on promotion activities that could strength brand loyalty since it's the most influential one on affecting brand equity. Focusing on promotion activities such as billboards and WOM which found to be the most effective in enhancing brand loyalty in this market could be helping. And also promotion activities like TV ads that can create the awareness level which helps to develop brand association should be emphasized. Meanwhile, we have seen that also brand association and perceived quality could influence brand equity through strengthen brand loyalty so marketers shouldn't ignore their role; efforts has to be made to create high perception of quality and a strong, favorable and unique association to the brand.

❖ In general, marketers should consider the following points:

- ✓ Marketers should develop and implement long-term integrated promotion strategies as a means of avoiding fulfillment of certain short-term goals (e.g. short-term increase in sales) instead focusing on building brand equity which increase the possibility for long-term sales growth and achievement of sustainable competitive advantages.
- ✓ When allocating marketing budgets to individual promotion mix elements, marketers should paid attention to the potential impact of a specific promotion mix element on the creation of brand equity. For example, currently marketers should give emphasis for strengthen TV ads, Billboard (outdoor) ads, WOM and price sales promotion, by not forgetting to allocate budgets and efforts for improving effectiveness of other promotional activities.
- ✓ Marketers should deliver strong message which is consistent with the brand image and other aspect of the brand throughout all promotion activities used by the company in order to improve effectiveness of promotion activities and avoid deterioration of the achieved brand equity.

5.3 Areas for Future Research

❖ First, given Ethiopia is country of many nation and nationalities with their own respective cultures, attitudes and behaviors, study focused only on the biggest and the capital city of Ethiopia, Addis Ababa might not enough to made in-depth treatment of the research findings. Further studies may need to be conducted by incorporating different samples through traveling to the regional states.

- ❖ Finally, this study used only one specific market, beer market to examine the theory, however future research has to make efforts to test the hypothesis using different and many product categories which represent variety of markets.

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Appendices

APPENDIX I

English version survey questioners

Dear respondents,

First I would love to say thank you for your willingness to give your honest and accurate response. I am currently working on my master's degree in marketing management in Addis Ababa university school of commerce. These questioners are prepared for the purpose of my research which is used for Partial Fulfillment of the requirement of the degree of Master of Arts in Marketing Management.

The aim of this research is to investigate the effect of promotional activities on brand equity using Ethiopian beer industry. The finding of this research is expected to contribute in differentiating promotional activities that are successful in building brand equity which are used by different beer brands in the industry. Knowing this will help the companies in such a way that they will focus and invest on those promotional activities that are found to be more effective in building brand equity.

Finally I would love to assure you that this questioner will be used for academic purpose only and the information you provide will be kept in confidential.

Please make sure that you provide your responses accurately and if you got any problem regarding the questions you can contact me on my cell phone 0911509995.

Thank you in advance for your time and cooperation

Part A: The following questions are for background purpose only.

Note: For the following questions, please choose one answer that describes your current situation and mark it (v).

1) What is your gender?

Male []

Female []

2) What is your age? _____

3) Which category best describes your education level?

No education []

Diploma []

Elementary completed []

Bachelor Degree and above []

High School Graduate []

4) Which category best describes your marital status?

Single []

Married []

Divorce []

5) How do you put your level of beer consumption?

Every day []

Once in a while []

Most of the days in a week []

Rarely []

Only on weekends []

6) What is your personal monthly income? _____

7) From the following five brands, please choose one Beer brand that you are MOST familiar with and mark with (v)

1. Bedelle []

2. Dashen []

3. Harar []

4. Meta []

5. ST.Gorge []

Part B: To indicate how much you agree or disagree with each statement, please circle one answer. You may “strong disagree”, “agree”, “uncertain”, “agree”, or “strong agree” with each statement.

NOTE: In the following questions, the “X” represents the brand you chose in the question 7.

	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
Brand awareness					
I am aware of “X” brand	1	2	3	4	5
I know what “X” brand looks like	1	2	3	4	5
I can recognize “X” brand amongst other competing brands of beer	1	2	3	4	5
Some characteristics of “X” brand come to my mind quickly.	1	2	3	4	5
Brand association					
I like and trust the company, which makes “X” brand	1	2	3	4	5
I respect and admire people who drink “X” brand	1	2	3	4	5
Thinking of “X” brand brings back pleasant memories.	1	2	3	4	5
“X” brand makes me feel good.	1	2	3	4	5
Perceived quality					
“X” is of high quality.	1	2	3	4	5
The likely quality of “X” brand is extremely high.	1	2	3	4	5
The likelihood that “X” would be functional is very high.	1	2	3	4	5
The likelihood that this brand is reliable is very high.					
Brand loyalty					
I consider myself to be loyal to “X” brand	1	2	3	4	5
“X” brand would be my first choice.	1	2	3	4	5
I am still willing to buy “X” brand even if its price is a little higher than its competitors.	1	2	3	4	5
I would love to recommend “X” brand to my friends.	1	2	3	4	5

	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
TV advertisements					
The TV advertisements for “X” brand are seen frequently.	1	2	3	4	5
TV advertisings of “X” brand are very interesting, funny, exciting.	1	2	3	4	5
TV advertisings of “X” brand are very popular	1	2	3	4	5
TV advertisings of “X” brand are easy to remember	1	2	3	4	5
Radio advertisements					
The Radio advertisements for “X” brand are heard frequently.	1	2	3	4	5
Radio advertisements of “X” brand are interesting, funny, exciting.	1	2	3	4	5
Radio advertisements of “X” brand are very popular	1	2	3	4	5
Radio advertisements of “X” brand are easy to remember	1	2	3	4	5
Outdoor (billboard) advertisements					
The outdoor (billboard) advertisements for “X” brand are seen frequently.	1	2	3	4	5
Outdoor (billboard) advertisements of “X” brand are very interesting, funny, exciting.	1	2	3	4	5
Outdoor (billboard) advertisements of “X” brand are very popular	1	2	3	4	5
Outdoor (billboard) advertisements of “X” brand are easy to remember	1	2	3	4	5
Price sales promotion					
Price deals for “X” brand are frequently offered.	1	2	3	4	5
Too many times price deals for “X” brand are presented.	1	2	3	4	5
Price deals for “X” brand are emphasized more than seems reasonable.	1	2	3	4	5

	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
"X" brand uses price discounts more frequently than competing brands of beer.	1	2	3	4	5
Non-price sales promotion					
"X" brand frequently offers gifts	1	2	3	4	5
"X" brand uses gifts too many times for promotion	1	2	3	4	5
"X" brand uses gifts more than seems reasonable for promotion.	1	2	3	4	5
"X" brand uses gifts more frequently than competing brands of beer.	1	2	3	4	5
Sponsorship	1	2	3	4	5
"X" brand frequently sponsors various events like, sports, music or other events.	1	2	3	4	5
"X" brand sponsors events that are very interesting and exciting.	1	2	3	4	5
"X" brand sponsors events that are very popular	1	2	3	4	5
"X" brand sponsors events that are easy to remember	1	2	3	4	5
WOM					
I heard from my friend that, "X" brand is seen frequently on TV or other media.	1	2	3	4	5
I heard from my friend that, "X" brand has a high quality	1	2	3	4	5
I heard from my friend that, "X" brand is very popular	1	2	3	4	5
"X" brand is easy to remember after my friends mentioned.	1	2	3	4	5
Overall brand equity					
Even if another brand has the same feature as "X" brand, I would prefer to buy "X" brand.	1	2	3	4	5
If there is another brand as good as "X" brand, I would prefer to buy "X" brand.	1	2	3	4	5

If there is another brand has same price as "X" brand, I prefer to buy "X" brand.	1	2	3	4	5
If I have to choose among brands of beer, "X" brand is definitely my choice.	1	2	3	4	5

Thank you again!

APPENDIX II

Amharic version survey questioners

ውድ: ምላሽ ሰጭዎች

በቅድሚያ ውድ ጊዜያችሁን ሠታችሁ ትክክለኛና ታማኝ የሆነ ምላሻችሁን ለመስጠት ፈቃደኝነታችሁን ስላሳያችሁ በጣም ላመሰግናችሁ እ□□ለሁ።

እኔ በአዲስ አበባ ዩኒቨርሲቲ የንግድ ስራ ኮሌጅ የማርኬቲንግ ማናጅመንት የማስተርስ ድግሪ ተማሪ ስሆን ይህ መጠይቅ የተዘጋጀውም የማስተርስ ድግሪዬን በከፊል ለሟሟላት ለምሰራው ጥናት እንደ ግብአት ለመጠቀም ነው።

የዚህ ጥናት አላማ በኢትዮጵያ የቢራ ኢንዱስትሪ ውስጥ የሚከናወኑ የተለያዩ የፕሮሞሽን እንቅስቃሴዎች በብራንድ ገቢ ላይ ያላቸውን ተፅእኖ ለማሳየት ነው። በመሆኑም የዚህ ጥናት ውጤት እ□ተሰሩ ያሉ የፕሮሞሽን እንቅስቃሴዎች ለብራንድ ገቢ አስተዋፆ አላቸው ወይስ የላቸውም ካላቸው መካከል የትኞቹ የበለጠ ስኬታማ እየሆኑ ነው የሚለውን በማሳየት የቢራ አቅራቢዎች የበለጠ ስኬታማ ለሆኑት የፕሮሞሽን እንቅስቃሴዎች ትኩረታቸውንና ገንዘባቸውን በጥንቃቄ እ□ጸ□ሉ □ረ□ል ተብሎ □□በቃል።

ስለዚህ የርስዎ መጠይቁን በጥንቃቄና እውነተኛ ስሜትዎን በሚገልፅ ሁኔታ መሙላት ለውጤቱ ማማር አስተዋፆ ስላለው ይህንኑ በማድረግ እንዲተባበሩኝ እጠይቃለሁ። በተጨማሪም ይህ መጠይቅ ለትምህርት አላማ ብቻ የሚውል መሆኑንና የሚሰጡት ምላሽ በሚሰጥር የሚያዝ መሆኑን ላረጋግጥለዎት እ□□ለሁ።

በመጨረሻም መጠይቁን በሚሞሉበት ጊዜ ማንኛውም ግልፅ ያልሆነ ነገር ካጋጠመዎት በ0911 509995 ደውለው ያነጋግሩኝ።

አመሰግናለሁ!

ሀ) ጠቅላላ መረጃዎች

ለሚከተሉት ጥያቄዎች የእርስዎን ወቅታዊ ሁኔታ የሚገልፀው አማራጭ ላይ የ(v) ምልክት በማድረግ ምላሽዎን ይስጡ።

1. ናታ?

ወንድ []

ሴት []

2. ከትምህርት?

3. የትምህርት ደረጃ

ጸልተማሪ []

ለማ []

የመጀመሪያ ደረጃ ያጠናቀቀ []

መ መሪ እና ከዛ በላይ []

ሁለተኛ ደረጃ ያጠናቀቀ []

4. የጋብቻ ሁኔታ

ጸላብ []

ባለትዳር []

አግብቶ የፈታ []

5. የእርስዎን የቢራ ፍጆታ እንዴት ያስቀምጡታል?

በየቀኑ እ ለሁ []

አልፎ አልፎ ነው የምጠጣው []

በሳምንቱ አብላጫ ቀናት እ ለሁ []

ከስንት አንዴ ነው የምጠጣው []

በእረፍት ቀናት ብቻ ነው የምጠጣው []

6. እርስዎ ወርሃዊ ገቢ ምን ያህል ነው?

7. ከዚህ በታች ከተዘረዘሩት አምስት የቢራ ብራንዶች ውስጥ የእርስዎ ምርጫ የሆነውን (በጣም የሚያውቁት) ብራንድ ላይ የ(v) ምልክት ያድርጉ።

ሀ) በ ሌ [] ለ) ዳሽን [] ሐ) ሐረር [] መ) ሜታ [] ሠ) ቅ ስ ቱርቱስ []

ለ) እባክዎ ከዚህ በታች በተጠቀሱት ሀሳቦች ላይ ምን ያህል እንደሚስማሙ ወይም እንደማይስማሙ ለመግለጽ ከተሰጡት ምርጫዎች ውስጥ የእርስዎን አቋም ሚቻል ቁ ር ላ ጸ ብቡ።

ማሳሰቢያ፡- በሚከተሉት ጥያቄዎች ላይ በ (ሀ) ፊደል የተገለጸው ብራንድ እርስ- በ ጸቁ ቁ ር 7 ላ የመረጡትን ብራንድ የሚወክል ነው።

	አጥብቄ አልስማማም	አልስማማም	ቻልተኛ	እስማማለሁ	አጥብቄ እስማማለሁ
የብራንድ እውቅና					
ስለ ሀ ብራንድ ግንዛቤው አለኝ	1	2	3	4	5
ሀ ብራንድ ምን እንደሚመስል አውቃለሁ	1	2	3	4	5
ሀ ብራንድን ከሌሎች ተወዳዳሪ ቢራዎች መካከል መለየት እችላለሁ	1	2	3	4	5
አንዳንድ የሀ ብራንድ ባህርያቶች ፈጥነው በአእምሮ ጸ <input type="checkbox"/> መ <input type="checkbox"/> ለ <input type="checkbox"/>	1	2	3	4	5
የብራንድ ቁርኝት					
ሀ ብራንድን የሚያመርተውን ድርጅት እ <input type="checkbox"/> ለሁ እተማመንበታለሁ	1	2	3	4	5
ሀ ብራንድን ለሚጠጡ ሰዎች አክብሮትና አድናቆት አለኝ	1	2	3	4	5
ስለ ሀ ብራንድ ማሰብ ጥሩ <input type="checkbox"/> ሩ ትዝታዎችን ያስታ <input type="checkbox"/> ሰኛል	1	2	3	4	5
ሀ ብራንድ ጥሩ ስሜት እንዲሰማኝ ጸ <input type="checkbox"/> ር <input type="checkbox"/> ቻል	1	2	3	4	5
ታወቀ ጥራት					
ሀ ብራንድ ከፍተኛ ጥራት አለው	1	2	3	4	5
ሀ ብራንድ እፀፅ ከፍተኛ ጥራት ጸለ <input type="checkbox"/> <input type="checkbox"/> መስላል	1	2	3	4	5
ሀ ብራንድ ፍላጎትን የማርካት አዝማሚያው ከፍተኛ ነው	1	2	3	4	5

	አጥብቄ አልስማማም	አልስማማም	ቀለልተኛ	እስማማለሁ	አጥብቄ እስማማለሁ
ሀ ብራንድ አስተማማኝ የመሆን አዝማሚያው በጣም ከፍተኛ ነው	1	2	3	4	5
የብራንድ ታማኝነት					
እራሴን እንደ የ ሀ ብራንድ ታማኝ ደንበኛ ነው የምቆጥረው	1	2	3	4	5
ቢራ ስ□□ □መ□መሪጸ ምር□ ጵ ሀ ብራንድ ነው የሚሆነው	1	2	3	4	5
የሀ ብራንድ ዋጋ ከሌሎች ተ□□□ፊ ብራንዶች ዋጋ በመጠኑ ከፍ ያለ ቢሆን እንኳን እሱን ለመግዛት ፈቃደኛ ነኝ	1	2	3	4	5
ጓደኞቼ ሀ ብራንድን እንዲጠጡ መንገር(መጠቀም) እ□□ለሁ	1	2	3	4	5
□ቲቪ ማስታወቂያዎች					
የሀ ብራንድ የቲቪ ማስታወቂያዎች በተ□□□ሚ □ታጸሉ	1	2	3	4	5
የሀ ብራንድ የቲቪ ማስታወቂያዎች በጣም መሳጭ(ሳቢ) ፣ አዝናኝና አስገራሚ ናቸው	1	2	3	4	5
የሀ ብራንድ የቲቪ ማስታወቂያዎች በ□ም ታዋቂ ናቸው	1	2	3	4	5
የሀ ብራንድ የቲቪ ማስታወቂያዎች ለማስታወስ ቀላል ናቸው	1	2	3	4	5
□ጌት□ ማስታወቂያዎች					
የሀ ብራንድ የጌድዮ ማስታወቂያዎች በተ□□□ሚ □ሰማሉ	1	2	3	4	5
የሀ ብራንድ የጌድዮ ማስታወቂያዎች በጣም መሳጭ(ሳቢ) ፣ አዝናኝና አስገራሚ ናቸው	1	2	3	4	5

	አጥብቄ አልስማማም	አልስማማም	ቀላልተኛ	እስማማለሁ	አጥብቄ እስማማለሁ
የሀ ብራንድ የሬድዮ ማስታወቂያዎች በ□ም ታዋቂ ናቸው	1	2	3	4	5
የሀ ብራንድ የሬድዮ ማስታወቂያዎች ለማስታወስ ቀላል ናቸው	1	2	3	4	5
□□-□ ላ□ ማስታወቂያዎች (ቢልቦርዶች)					
የሀ ብራንድ የውጭ ላይ ማስታወቂያዎች (ቢልቦርዶች) ብዙ ቦታዎች ላይ ይታገሉ	1	2	3	4	5
የሀ ብራንድ □□-□ ላ□ ማስታወቂያዎች (ቢልቦርዶች) በጣም መሳጭ(ሳቢ)ና አስገራሚ ናቸው	1	2	3	4	5
የሀ ብራንድ የውጭ ላይ ማስታወቂያዎች (ቢልቦርዶች) በጣም ታዋቂ ናቸው	1	2	3	4	5
የሀ ብራንድ የውጭ ላይ ማስታወቂያዎች (ቢልቦርዶች) ለማስታወስ ቀላል ናቸው	1	2	3	4	5
□□ ነክ የማስተዋወቂያ ሽያጭ					
ሀ ብራንድ በተደጋጋሚ የዋጋ ማስተካከያዎችን በማድረግ የሽያጭ ማስተ□□ቅ ጸ□ር□ል	1	2	3	4	5
በ□ም ብ□ ቶ□ □ሽጸ□ ማስተ□□ቅጸ የዋጋ ማስተካከያ በ ሀ ብራንድ □ቀርባል	1	2	3	4	5
ሀ ብራንድ ለሽያጭ ማስተዋወቅያ የዋጋ ማስተካከያ ከተገቢው በላይ ትኩረት □ሰ□ል	1	2	3	4	5
ሀ ብራንድ ከሌሎች ተጭካካሪ ብራንዶች የበለጠ በተደጋጋሚ የዋጋ ቅናሽ በማትረፅ □ማስተ□□ቂጸ ሽጸ□ ጸ□ር□ል	1	2	3	4	5

	አጥብቁ አልስማማም	አልስማማም	ቀለልተኛ	እስማማለሁ	አጥብቁ እስማማለሁ
□□ ነክ ያልሆነ የማስተዋወቂያ ሽጸ□					
ሀ ብራንድ በተደጋጋሚ □ተለጸ□ ስ□ ታዎችን በመስጠት የሽያጭ ማስተ□□ቅ ጸ□ር□ል	1	2	3	4	5
በ□ም ብ□ ቱ□ □ተለጸ□ ስ□ ታዎች ለሽያጭ ማስተዋወቅያነት በ ሀ ብራንድ □ቀርባለሁ	1	2	3	4	5
ሀ ብራንድ የተለያዩ ስጦታዎችን በማቅረብ ሽያጭን ለማስተዋወቅ ከተገቢው በላይ ትኩረት ይሰጣል	1	2	3	4	5
ሀ ብራንድ ከሌሎች ተፎካካሪ ብራንዶች □በለ□ በተ□□□ሚ □ተለጸ□ ስ□ ታዎችን በማቅረብ የማስተዋወቂያ ሽጸ□ ጸ□ር□ል	1	2	3	4	5
የሁነቶችን ወጭ መሸፈን (ስፖንሰር ማትረፅ)					
ሀ ብራንድ በተደጋጋሚ የስፖርት ፣ የሙዚቃና የሌሎች ሁነቶችን ወጭ ይሸፍናል (ስፖንሰር ያደርጋል)	1	2	3	4	5
ሀ ብራንድ መሳጭ(ሳቢ) ፣ አዝናኝና አስገራሚ ሁነቶችን ወጭ ይሸፍናል (ስፖንሰር ያደርጋል)	1	2	3	4	5
ሀ ብራንድ ወጭ የሚሸፍንላቸው (ስፖንሰር የሚያደርጋቸው) ሁነቶች በ□ም ታዋቂ ናቸው	1	2	3	4	5
ሀ ብራንድ ወጭ የሚሸፍንላቸው (ስፖንሰር የሚያደርጋቸው) ሁነቶች በቀላሉ □ሚታወሱ ናቸው	1	2	3	4	5
ቃልን መስጠት(ምስክርነት)					

	አጥብቄ አልስማማም	አልስማማም	ቶልተኛ	እስማማለሁ	አጥብቄ እስማማለሁ
ሀ ብራንድ በተደጋጋሚ በቲቪና በሌሎች መገናኛ ብዙሃን እንደሚተዋወቅ ከጓደኛዬ ሰምቻለሁ	1	2	3	4	5
ሀ ብራንድ ከፍተኛ ጥራት እንዳለው ከጓደኛዬ ሰምቻለሁ	1	2	3	4	5
ሀ ብራንድ በጣም ታቂ እንደሆነ ከጓደኛዬ ሰምቻለሁ	1	2	3	4	5
ጃቸዎ ከነገረኝ በኋላ ሀ ብራንድን በቀላሉ ማስታዎስ ችያለሁ	1	2	3	4	5
አጠቃላይ የብራንድ ገቢ (ምልከታ)					
ምንም እንኳን ከ ሀ ብራንድ ጋር ተመሳሳይ የሆነ መገለጫዎች ያላቸው ሌሎች ብራንዶች ቢኖሩም እኔ ሀ ብራንድን መግዛት እመርጣለሁ	1	2	3	4	5
እንደ ሀ ብራንድ ጥሩ የሆነ ሌላ ብራንድ ቢኖርም እኔ ሀ ብራንድን መግዛት እመርጣለሁ	1	2	3	4	5
ከ ሀ ብራንድ ጋር ተመሳሳይ ዋጋ ያለው ሌላ ብራንድ ቢኖር እንኳን እኔ ሀ ብራንድን መግዛት እመርጣለሁ	1	2	3	4	5
ከተለያዩ ቢራ ብራንዶች መካከል መምረጥ ካለብኝ እንኳን በእርግጠኝነት ምርጫዬ ሀ ብራንድ ነው	1	2	3	4	5

በድጋሜ አመሰግናለሁ!!!!

