



**EFFECT OF BRAND EQUITY ON MARKET PERFORMANCE IN
MICRO AND SMALL ENTERPRISES: EVIDENCE FROM NIFAS
SILK LAFTO, A.A, ETHIOPIA**

BY

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DECLARATION

I, the undersigned, hereby declare that the work contained in this thesis is my own original work and that I have not previously in its entirety or in part submitted at any university for a degree.

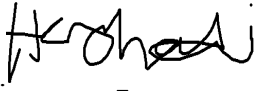
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ABSTRACT

Although Ethiopia is credited as one of the fastest developing nations, the country is still struggling to survive in the current economic situations. Micro and small enterprises are playing an important role in Ethiopian economy. Our government developed a strategy in 1997 and created agencies on federal and regional level. The main objective of the study was to investigate the effect of brand equity on the market performance of micro and small enterprises. The study used Aaker's brand equity model which includes four variables; brand awareness, brand loyalty, brand association and perceived quality.

In order to reach the purpose of the study, the researcher used quantitative research approach as a data collection technique. The research used estimation method to select sample size of 380. Questionnaires were distributed to 380 micro and small enterprise members to gather data. A total of 362 completed copies of questionnaires were used for analysis. The study has come up with the results that except brand awareness, the other variables have a statistically significant effect on market performance. Moreover, the researcher found that implementing branding strategies in a properly manner can help these sectors to have a better market performance in the market.

Keywords: Micro and Small Enterprises (MSEs), Brand Equity, Market Performance

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TABLE OF CONTENTS

CHAPTER ONE	1
INTRODUCTION	1
1.1 Background of the Study	1
1.2 Micro and Small Enterprises in Ethiopia	2
1.3 Statement of the Problem.....	3
1.4 Research Question	5
1.5 Research Objective	6
1.6 Significance of the Study	6
1.7 Scope of the Study	7
1.8 Limitation of the Study	7
1.9 Definition of Terms.....	8
1.10 Organization of the Study	9
CHAPTER TWO	10
REVIEW OF RELATED LITERATURE	10
2. INTRODUCTION	10
2.1 THEORITICAL REVIEW.....	10
2.1.1 Customer-Based Brand Equity Models.....	10
2.1.1.1 Aaker’s Equity Brand Model	13
2.1.1.1.1 Brand Loyalty	14
2.1.1.1.2 Perceived Quality.....	14
2.1.1.1.3 Brand Awareness	14
2.1.1.1.4 Brand Associations	14
2.1.1.2 Keller’s Brand Equity or Pyramid Model	15
2.1.1.3 Brand Asset Valuator.....	15
2.1.2 Critique of Existing Literature Relevant to the Study.....	16

2.1.4 Summary of Brand Equity Models	16
2.1.5 Brand Market Performance.....	16
2.2 Empirical Review.....	17
2.2.1 Brand Awareness and Market Performance.....	17
2.2.2 Brand Loyalty and Market Performance.....	17
2.2.3 Brand Association and Market Performance	18
2.2.4 Perceived Quality and Market Performance	18
2.3 Conceptual Framework.....	19
CHAPTER THREE	20
METHODOLOGY OF THE RESEARCH.....	20
3.1 Introduction.....	20
3.2 Description of the Study Area.....	20
3.3 Research Design.....	20
3.4 Research Approach	21
3.5 Data Source and Type.....	21
3.6 Target Population.....	22
3.7 Sampling Size	22
3.8 Data Collection Instruments	23
3.8.1 Questionnaire	24
3.9 Methods of Data Analysis.....	24
3.10 Reliability.....	24
3.11 Validity	25
3.12 Ethical Consideration.....	25
CHAPTER FOUR.....	26
DATA PRESENTATION AND ANALYSIS.....	26
4.1 Introduction.....	26
4.2 Descriptive Statistics.....	26
4.2.1 Gender of Respondents	26
4.2.2 Occupation of respondents.....	27

4.2.3 Respondents Company Data	27
4.2.4 Duration of business existence.....	28
4.3 Descriptive Analysis of Variables.....	29
4.3.1 Descriptive Analysis of Brand Awareness.....	29
4.3.2 Descriptive Analysis of Brand Loyalty.....	30
4.3.3 Descriptive Analysis of Perceived Quality	31
4.3.4 Descriptive Analysis of Brand Association	32
4.4 Scale Reliability Analysis	33
4.5 Correlation Analysis	33
4.6 Regression Analysis.....	35
4.6.1 Linear Regression Model Assumptions	35
4.6.1.1 Multi-Collinearity Test	35
4.6.1.2 Linearity Test.....	36
4.6.1.3 Homoscedasticity Test.....	37
4.6.1.4 Normality Test	37
4.7 Hypothesis Testing.....	40
4.7.1 Brand Awareness and Market Performance.....	40
4.7.2 Brand Loyalty and Market Performance.....	40
4.7.3 Brand Association and Market Performance	41
4.7.4 Perceived Quality and Market Performance	41
CHAPTER FIVE	42
SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION	42
5.1 Introduction.....	42
5.2 Summary of Major Findings.....	42
5.2.1 Effect of Brand Awareness on Market performance.....	42
5.2.2 Effect of Brand loyalty on Market Performance.....	43
5.2.3 Effect of Brand Association on Market performance	43
5.2.4 Effect of Perceived Quality on Market Performance.....	44
5.3 Conclusion	44

5.4 Recommendation	45
Reference	49
APPENDIX.....	54

LIST OF FIGURES

Figure 2.1 Aaker's Equity brand model.....	13
Figure 2.2 pyramid model.....	15
Figure 2.3 Conceptual framework.....	18
Figure 4.1 Duration of business existence.....	28
Figure 4.2 Homoscedastity Test.....	37
Figure 4.3 Normality Test.....	38

LIST OF TABLES

Table 4.1 Gender.....	27
Table 4.2 Occupation of respondents.....	27
Table 4.3 Respondents company activity.....	27
Table 4.4 Number of employees in the company.....	28
Table 4.5 Descriptive analysis of brand awareness.....	29
Table 4.6 Descriptive analysis of brand loyalty.....	30
Table 4.7 Descriptive analysis of perceived quality.....	31
Table 4.8 Descriptive analysis of brand association.....	32
Table 4.9 Reliability statistics.....	33
Table 4.10 Correlation between independent and dependent variables.....	34
Table 4.11 Multi-Collinearity Test.....	35
Table 4.12 Linearity Test.....	36
Table 4.13 Model summary.....	38
Table 4.14 ANOVA.....	39
Table 4.15 Coefficients.....	39

ACRONYMUS AND ABBREVIATION

MSE: Micro and Small Enterprise

CBBE: Customer Based Brand Equity

BAV: Brand Asset Valuator

FeMSEDA: Federal Micro and Small Enterprise Development Agency

ReMSEDA: Regional Micro and Small Enterprise Development Agency

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Micro and small enterprises (MSEs) are playing a significant role in Ethiopian economy in terms of its share in the gross domestic product (GDP) and employment. Due to small initial and running capital requirements, the importance of the micro and small enterprises sector in Ethiopia, particularly for the low income, poor and women groups, is evident from their relatively large share in employment and in the domestic market (Ageba and Amha, 2006). The Micro and Small Enterprises sector is identified as a tool in bringing about economic transition by efficiently using the skill and talent of the people without requesting high-level training, much capital and sophisticated technology (Wolde and Geta, 2015). On the upper side, because of lack of high-level training and capital, MSEs are subjected to invest more time and energy coming up with innovative ways to solve their restrictions on the above two, hence the sector is also described as the national home of entrepreneurship and innovation; they are the primary vehicles by which new entrepreneurs provide the economy with a continuous supply of ideas, skills and inventions (Katua, 2014).

According to the study of Boateng (2012), the dynamic role of MSEs in developing countries as “necessary engines for achieving national development goals such as increasing economy, poverty reduction, employment opportunity accession and wealth creation, leading to equitable distribution of income and increased productivity is widely known.” Micro and small-scale enterprises are the major source of employment in developed and developing countries comprising most of African business operations and contributing to the larger share of African employment and GDP (Okafor, 2006).

In the current business era, the main challenge in businesses is that organizations must attract new customers and be able to adopt a strategy to keep their current customers by inspiring their loyalty (Novixoxo, Deen, Anning & Darko, 2018). Kotler and Keller (2006) indicated that a “brand represents consumers’ perceptions and feelings about a

unique product (service). The real value of a strong brand is its ability to capture consumer preference and loyalty. Branding efforts are no longer limited to “consumer products”. Firms in various industries have been trying to utilize branding strategies to build stronger social acceptance and institutional image (Pinar, Trapp, Girard and Boyt, 2011). In a field that is generally dominated by big businesses, the concept of “branding” offers competitive advantages for SMEs in differentiating products and services, hence leading to advancement in enterprise market share and comprehensive growth (Agostini, Filippini & Nosella, 2015).

Brand equity, as a backbone of the health of the brand, can be used for marketing decision making. Thus, meaning that, a brand with strong brand equity is able to control product(service) price and keep larger margins, which will generate greater revenues (Faircloth & Capella, 2001). It is recognized as an “essential strategic business asset” of any company in the contemporary marketing theory and practice. As of its essence, many researchers have offered different viewpoints on variables and drivers that influence and/or explain this construct (Davick, 2013).

1.2 Micro and Small Enterprises in Ethiopia

The government of Ethiopia outlined MSEs development strategy in 1997 E.C, and set up Federal Micro and Small Enterprise Development Agency (FeMSEDA). The regional states also developed MSE promotion strategies contextually and in accordance with the federal MSEs development strategy and policies. The states structured Regional Micro and Small Enterprises Development Agencies (ReMSEDA) to facilitate and implement strategies, policies and economic directions. Considering global economic realms and referencing to the experiences of model nations these policies and strategies were revised back in 2011.

The Micro and Small Enterprise sector has become able to play an important role in job creation, reduction of unemployment rates and social progress at large since it takes the larger share in fast growing labor force in the world (ILO, 2002). MSEs are recognized as a driving force of economic growth and technological advancements (Carrier, 1994). Further meaningful and result oriented attention from the government was given to Micro and small enterprises (MSEs) development program in Ethiopia since 2004/2005. According to the MWUD (2007), MSE sector is believed to be the

major source of employment and income generation for a wider group of the society. Due to the rapidly growing urban population and a relatively higher urban consumption rates, MSEs play remarkable roles in creating jobs and opportunities hence leading and contributing to the reduction of unemployment rates and building a stable “low crime rate” social and economic environment.

The Ethiopian government recognized the significance of this sector and showed its dedication to promote the MSEs development by the issuance of National Micro and Small Enterprises strategy in 1997 and established the Federal Micro and Small Enterprises Development Agency. Ethiopia’s industrial development strategy issued in 2003 also pointed out the promotion of MSEs development as one of the key instruments to create productive and dynamic private sector, as well assist the transition to an industry focused economy. The promotion of this sector is justified as the ground that is enhancing growth with equity, creating long-term jobs, providing the basis for medium and large enterprises, promoting exports and so on. This strategy puts means to support the MSEs through infrastructure, financial facilities, market chain both on inputs and outputs and trainings to create a competent work force (Ageba & Ameha, 2004).

1.3 Statement of the Problem

Several previous researchers believed that the research done on ‘branding of small businesses’ is so far inadequate. It’s inevitable that most researches and researchers focused on the brands and branding of considerably large companies.

Abimbola (2001) became the first to examine the relevance and consequences of branding in Small and Medium-Sized Enterprises. Before his research, research on branding was predominantly focused on larger organizations, especially on multinational corporate brands. Ahonen (2008) revealed that there is a dearth of research in the area. Only few scholarly published works were available on branding that was focusing on small business. Previous researches offered by scholars on branding were entirely proposed for large firms (Odoom & Narteh, 2019). Recently, a significant amount of work has been carried out on branding in the area of small businesses. However, literature on these appears unclear, scattered and relatively

scanty. Regarding the results from these, one can be confident that more opportunities exist for future researches and researchers in studying the concept of branding in cases of SMEs (Odoom, Narteh & Boateng, 2017).

Branding of products or services is essential to win in this highly intensive and competitive market. Yet in Ethiopia many businesses still do not have strong brand and many don't understand the value of a strong brand. According to Carvalho (2007), a brand plays a vital role in differentiating one company's products or services from that of another. The American Marketing Association (2013) defines a brand as a customer's experience to the respective product or service received and is represented by a collection of images, words and ideas. Brands designate consumers' perceptions and feelings about a product or service. Thus, its performance defines everything that the product or service means to potential customers. The actual value of a strong brand is its power to get consumer choice and trust (Armstrong & Kotler, 2005).

The government of the Federal Democratic Republic of Ethiopia has been giving a bigger attention to the development program of Micro and Small Enterprises (MSEs). Currently this sector is one of the essential economic sectors in country, as it had proven its ability to create jobs and reduce unemployment rates before. It's a demeaning fact that only few businesses are working to build a strong brand. Increasing our understanding of the practice and exercising the concept of branding in small enterprises is vital as brand orientation augments the sustainable value of both the company and its products or services (Ahonen and Moore, 2005). Lamptey (2016) stated that branding has a significant effect on organizational performance in every aspect. It is proven that, Companies that invest in developing their brand and in adding greater value to their customers in their activities are more likely to experience improvement in their performance to those which don't.

Theories identify the ladder of SME brand orientation starts from minimal brand orientation, move on to embryonic brand orientation and then finally to integrated brand orientation (Wong & Merrilees, 2005). However, most SMEs don't manage to pass over the lower steps of the ladder. As well examined and explained by researchers Khan & Bamber (2007), there were approximately 80,000 SMEs operating

in Pakistan providing 90 percent of all urban employment and contributing 30 percent of GDP. Also Krake (2005) identified the problems facing SME's conducting branding as capacity and budgets. Simpson, Padmore and Taylor (2005) found that SME owners are not marketing professionals and mostly exercised marketing theories and strategies are complex may not be applicable for SME's. Ojasalo, Olkkonen and Natti (2008) found that the methods for brand building in SMEs may be very different from those in large companies. Indeed, more research is required to explore and develop such easy, affordable and effective methods for use in brand building in SMEs.

The FDRE government has given much attention to the growth and development of MSEs since 2004/2005. SMEs development agencies are established set up in all regions around the country, even to sub branch offices to zone and district levels. This system helps to support the growth of SMEs and thereby creates job opportunities for the country's youths, which constitutes for a larger share of the population. Intensive competition exists in the Micro and Small Enterprise sectors; therefore, surviving and winning through such competitive environment requires an adoption of certain proven marketing strategies. However, many businesses are still focusing on producing and selling products and services through conventional backward means and channels rather than creating a long-term relationship and market channels. Despite the importance of branding, most micro and small enterprises give a little attention to branding. The research investigates the importance of branding in the growth and development of micro and small enterprises.

1.4 Research Question

In order to evaluate the effect of brand equity on marketing performance of Micro and Small Enterprises, the following research questions are set:

Main Research Question

- Does brand equity of a product affect the marketing performance of Micro and Small Enterprises?

Sub Research Question

- How does brand loyalty influence marketing performance of Micro and Small Enterprises (MSEs)?
- To what extent does brand awareness can affect marketing performance of Micro and Small Enterprises (MSEs)?
- How does perceived quality influence the marketing performance of Micro and Small Enterprises (MSEs)?
- To what extent does brand association can affect marketing performance of Micro and Small Enterprises (MSEs)?

1.5 Research Objective

In order to evaluate the effect of brand equity on marketing performance of Micro and Small Enterprises that are currently operating in Ethiopia, the following objectives are set:

General Objective

- To assess the effect of brand equity on marketing performance of Micro and Small Enterprises

Specific Objectives

- To explore the influence of brand loyalty on marketing performance of Micro and Small Enterprises (MSEs)
- To examine the effect of brand awareness on marketing performance of Micro and Small Enterprises (MSEs)
- To explain the influence of perceived quality on marketing performance of Micro and Small Enterprises (MSEs)
- To examine the effect of brand association on marketing performance of Micro and Small Enterprises (MSEs)

1.6 Significance of the Study

The result of this research came up with major concerns that hinder the marketing performance of micro and small enterprises in relation with their brand and brand awareness. It provided recommendations based on the research findings as to improve the economic sector of the country from its perspective.

Secondly, the study is also conducted with the aim of serving as a ground basis for future researches related directly or indirectly to its core objective on effects of brand equity in Micro and Small Enterprises. It helps to determine whether branding plays a significant role in marketing performance.

Lastly, the study is important to micro and small enterprises as it would be able to provide them with information to evaluate whether the branding strategies being adopted have an effect on their distinctive marketing performance.

1.7 Scope of the Study

This study covered the independent variables of brand equity that have an effect on marketing performance. There are many factors that affect marketing performance of a certain business organization directly or indirectly like brand identity, brand meaning, brand response and brand resonance (Keller's brand equity model). However, this study focuses on brand loyalty, perceived quality, brand association and brand awareness. These variables are selected by referring the model developed by David Aaker.

The study focused on Micro and Small Enterprises (MSEs). It investigated the effects of branding on marketing performance in micro and small enterprises. The study will be conducted from respondents/ MSE sectors that are located in Nifas Silk Lafto sub-city, Addis Ababa, since it is difficult and time consuming to collect primary data in wider terms by reaching all the responsible potential Micro and Small Enterprises in all sectors in the capital.

This paper employed cross-sectional studies. In this method individuals and businesses will be sampled and information will be collected about their past. To summarize, the study investigated activities and previous results related to brand equity in micro and small enterprises.

1.8 Limitation of the Study

The study is limited to respondents in Nifas Silk Lafto sub-city, Addis Ababa. The study used convenient, proven sampling methods to select respondents. Therefore, the

implemented technique might create some bias as it is difficult to gain an equal proportion of customers. Therefore, there might be an affect the generalizability of the research output or result.

1.9 Definition of Terms

Brand is a dimension that is added to a particular product or service that in return differentiates the distinctive product or service in a specific way from other products or services that are designated to satisfy the same need or demand. A brand is a distinguishing name and/or symbol (such as logo, trademark, or package design) intended to identify the goods or services of either a single vendor or a group of vendors, and to differentiate and achieve competitive to those goods or services as those of competitors (Aaker, 1991).

Branding is endowing products and services with the power of a brand (Kotler et.al, 2005).

Brand Equity is a set of brand assets and liabilities linked to a brand, its name and symbol that add to or reduce from the value provided by a product or service to a firm and/or to that firm's customers (Aaker, 1991).

Brand Loyalty is a measure of the attachment that a customer has to a brand (Aaker, 1991).

Perceived Quality can be defined as the customer's perception of the overall quality or superiority of a product or service with respect to its intended purpose with respect to alternative products or services (Aaker, 1991).

Brand Awareness refers to whether consumers can easily catch, recall or recognize a brand hence being related to the strength of a brand's presence in consumers' minds (Aaker, 1996).

Brand Association refers to the relative strength of a consumer's positive feeling towards a particular brand (Lassar, Mittal, B., & Sharma, 1995).

Marketing Performance is a term used by scholars in the field of marketing to measure and describe the efficiency and effectiveness of a unique marketing strategy (Maclayton and Nwoka, 2012).

1.10 Organization of the Study

The study is organized in five chapters. The first chapter includes introduction and background of the study, as well statement of the problem, research question, research objective, significance, scope and limitation of the study and also definition of terms. The second chapter focuses on theoretical foundation and empirical studies. Chapter three discusses about the research methodology, research approach, research design, population and sampling and data analysis technique. Chapter four focuses on data presentation and Analysis and Chapter five provides summary of findings, conclusion and recommendation.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2. INTRODUCTION

In this chapter, theoretical frameworks in the area of brand equity are reviewed and discussed. Empirical review from published studies and conceptual framework is presented. In the theoretical review brand equity models, arguments of the models, model components and limitations of the model were discussed. In the empirical review relevant prior works was issued and discussed. In the conceptual framework hypothesis was developed.

2.1 THEORETICAL REVIEW

Brand is the most significant factor for a certain product or service. As consumers will be able to recognize and remember the product or service by just taking a glimpse at the brand. It is built as a label from the product manufacturer or the service vendor. It is directly related with perception of the value its promising to provide to potential customers; therefore, in today's reality the real competition between rival companies is shifting on to customer perception rather than solely on the product competency (Dagustami, Buchory & Satya, 2014).

2.1.1 Customer-Based Brand Equity Models

CBBE enables marketing managers to consider specifically how their marketing program is in accordance with achieving the desired outcome, it is first necessary to establish infrastructures to create awareness of the brand so that consumers will be able respond favorably to any marketing activities conducted in association with the brand. Building CBBE requires the creation of a familiar brand that has favorable, strong and unique brand to product or service associations. This can be done through the initial choices of the brand identities, such as the brand name, logo or sign then after through consistent and aggressive ways of integration chosen brand identities with effective marketing program (Keller, 2013).

In some researches and studies conducted from consumer or marketing perspective refer to brand equity as customer – based brand equity. Subscriber to this approach tends to focus on the value created by marketing activities as perceptions by customers (Mackay, Romanluk & Sharp, 1997). Generally, brand equity, when objectively explained, is an appropriate measure for evaluating and correcting long term impacts of marketing decisions, strategies and programs. The power of the brand lies in what customers have understood, felt, seen and heard about the brand as a result of their experiences over time.

The concept of brand equity can be executed from two perspectives: from the perspective of consumer perception (cognitive approach) and that involving consumer behavior (behavioral approach). The consumer perceptions approach includes brand awareness, brand and perceived quality association. The consumer behavior approach includes brand faithfulness and gives attention for paying price differential (Myers, 2003). Yoo and Donthu (2001), stated that the fifth category, other proprietary brand assets, is not related to consumer perception, and hence, only the first four dimensions should be regarded as relevant to brand equity.

Customer-based brand equity (CBBE) is essential for measuring brand performance and acquire competitive advantage in the marketplace (Lassar et al. 1995). It is reflected in the way consumer contemplate, sense and act with respect to the brand, as well as in the prices, market share, and profitability the brand commands. Marketers and researchers use various perspectives to study brand equity. Customer-based approaches view it from the perspective of the consumer – either an individual or an organization and recognize that the power of a brand lies in what customers have seen, read, heard, learned, thought and felt about the brand over time (Kotler & Keller, 2012).

Customer-based brand equity is thus the differential effect brand knowledge has on consumer response to the marketing of that brand. A brand has positive customer-based brand equity when consumers react more favorably to a product and the way it is marketed. A brand has negative customer-based brand equity if consumers react less favorably to marketing activity for the brand under the identical circumstances (Kotler et al., 2012).

Brands identity is any type of information presented aside that describes the source or maker of a product so as to permit either individual or organizational customers to assign responsibility for its performance to a selected manufacturer or distributor. So consumers are ready to evaluate differentiate in accordance to another identical product based on how it is branded. They find out about brands through past experiences with the product and its marketing program, searching for which brands satisfy their needs and which do not. As consumers' lives become more complicated, rushed and time-starved, a brand's ability to simplify higher cognitive process and decrease purchase risks from wrong choices becomes invaluable (Kotler et.al, 2005).

Brands also perform valuable functions for firms. First, they simplify product handling or tracing. Brands help to prepare inventory and accounting records. A brand also offers the firm legal protection for unique features or aspects of the product. The brand names are protected through registered trademarks; manufacturing processes can be protected through patent rights; and packaging can be protected through copyrights make sure that the firm can safely invest in the brand and utilize the advantages of a valuable asset (Kotler et.al, 2005).

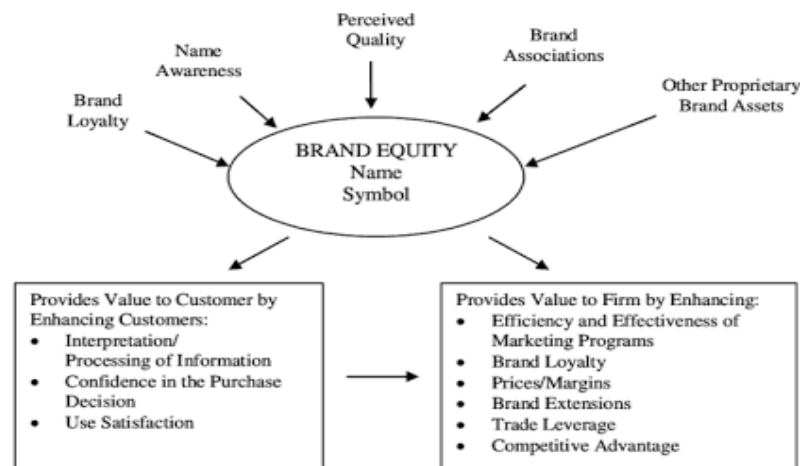
Although brands have deep impacts and roles in commerce, it absolutely was not until the 20th century that branding and brand associations became so central to competitors. In fact, a distinctive feature of contemporary marketing has been its focus upon the creation of differentiated brands. Many scholarly researches have been used to help identify and develop bases of brand differentiation. Unique brand associations are established using product attribute, names, packages, distribution strategies, and advertising. The idea has been to move beyond commodities to branded products – to reduce the primary of price upon the purchase decision, and accentuate the bases of differentiation (Aaker, 1992). The dominant literature on brand equity is based on the theoretical foundations set forth by Aaker (1991) and Keller (2013).

2.1.1.1 Aaker's Equity Brand Model

The assets and liabilities on which brand equity is based will differ from context to context. However, they can be usefully grouped into five categories:

1. Brand Loyalty
2. Brand Name Awareness
3. Perceived Quality
4. Brand Associations
5. Other proprietary brand assets – patents, trademarks, channel relationships, etc.

The five categories of assets that underlie brand equity are shown as being the basis of brand equity. Brand equity assets generally add or subtract value to customers. They can help them interpret, process, and store large quantities of information about products and brands. They can also affect customers' confidence in the purchase decision (due to either past-use experience or familiarity with the brand and its characteristics). Potentially the most important fact is that both perceived quality and brand associations can enhance customers' satisfaction with the product or service experience (Aaker, 1991).



Source: Aaker, 1991

Figure 2.1 Aaker's Equity brand model

2.1.1.1.1 Brand Loyalty

In performing business activities, the major hindrance is to acquire new customers. It is expensive to gain new customers and also relatively less expensive to keep existing ones, especially when the existing customers are satisfied with or even favor the brand. In fact, in many markets there is substantial inertia among customers even if there are very low switching costs and low customer commitment to the existing brand. Thus, an installed customer base has the customer acquisition investment largely in past. Further at least some existing customers provide brand exposure and reassurance to new customers (Aaker, 1991).

2.1.1.1.2 Perceived Quality

A brand is associated with the perception of overall quality but not necessarily based on knowledge of detailed specifications. Perceived quality will have an impact on purchasing decisions and brand loyalty, especially when a buyer is not motivated or able to conduct a detailed analysis. It can also support a premium price which, in turn, can create a gross margin that can be reviewed in brand equity (Aaker, 1991).

2.1.1.1.3 Brand Awareness

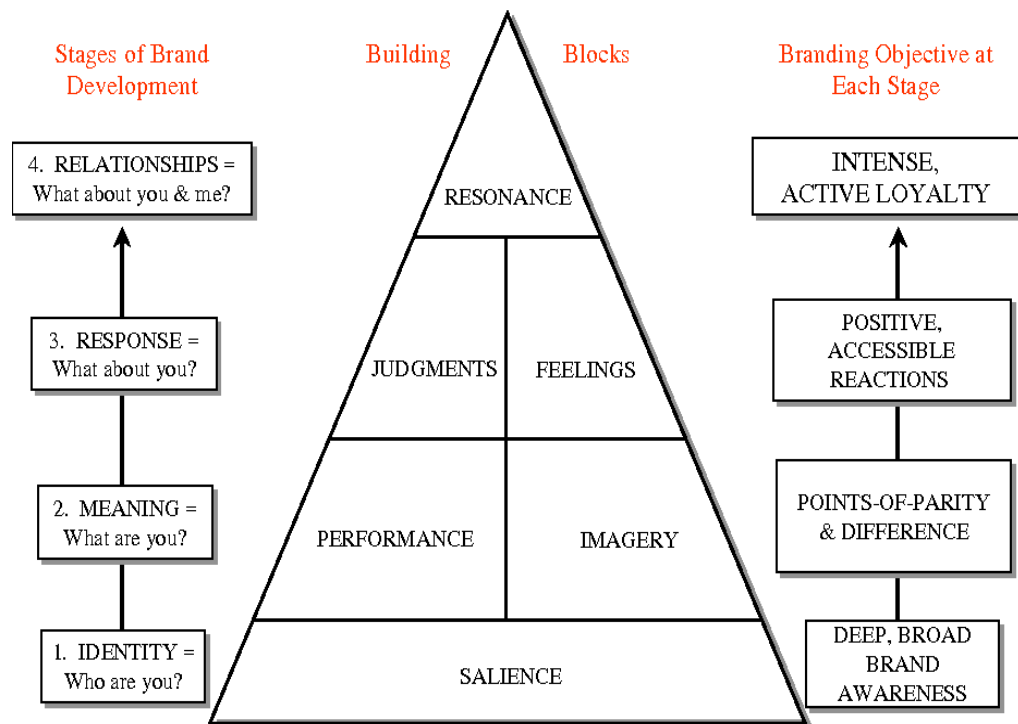
Brand awareness is an important element of brand equity which is often disregarded. (Aaker, 1996). Brand awareness refers to “the ability of a potential buyer to recognize or recall that a brand is a member of a certain product category” (Aaker, 1991). For many companies, brand awareness is pivotal and it underlies the strength of successful brands (Aaker, 1992).

2.1.1.1.4 Brand Associations

The underlying value of a brand name often is based upon specific associations linked to it (Aaker, 1991). Associations can help customers develop or recover information, be the basis for differentiation and extensions, provide a reason to buy, and create positive feelings. Consumers use brand associations to process, organize, and retrieve information in memory and this helps them to make purchase decisions (Aaker, 1992).

2.1.1.2 Keller's Brand Equity or Pyramid Model

Keller (2013) used the term consumer-based brand equity to refer brand equity and noted that customer-based brand equity occurs when the consumer is familiar with the brand and holds some favorable, strong and unique brand associations in their memory. Keller model identifies six elements including brand salience, brand performance, brand imagery, brand feeling, brand judgments and brand relationships.



Source: Keller (2013)

Figure 2.2 pyramid model

2.1.1.3 Brand Asset Valuator

Advertising agency, Young and Rubican, developed a model of brand equity called the Brand Asset Valuator (BAV). BAV measures brand equity of several various brands across hundreds of different categories. According to BAV, there are four key components or pillars of brand equity.

- A. Energized Differentiation
- B. Relevance
- C. Esteem

D. Knowledge

According to BAV analysis, consumers are concentrating their devotion and purchasing power on an increasingly smaller portfolio of special brands – brands with energized differentiation that keep evolving (Kotler et al., 2012).

2.1.2 Critique of Existing Literature Relevant to the Study

Aaker's brand equity model has been used more frequently in previous researches, particularly empirical studies (Yoo & Donthu, 2001). However, according to Keller and Lehmann (2006) there are two research gaps remaining unexplored in his model. The relationships among the four brand variables are not considered. In addition to that, the model does not incorporate the effectiveness of marketing programs into the consumer-based brand equity concept.

Keller's brand equity model highlights the importance of marketing programs in linking consumers' awareness, desired thoughts, feelings, perceptions and opinions to a brand (Huang and Cai, 2015).

Brand Asset Valuator model is easy to understand and can be used by any brand manager and it can be applied to almost any type of brand and product. However, it focuses only on customer-based brand equity and tries to link it with actual and future performance (Catalin & Florea, 2014).

2.1.4 Summary of Brand Equity Models

In this literature review the researcher tried to explain three brand equity models: Aaker's brand equity model, Pyramid model and Brand asset valuator model. However, for this study, the researcher chose Aaker's Brand Equity Model. This model identifies five dimensions of brand assets: brand loyalty, brand association, name awareness, perceived quality and other proprietary assets. In this study the first four categories will only be used. This model is not complex and can be applied in this study.

2.1.5 Brand Market Performance

Measuring of brand performance has gained a lot of interest in the area of brand management in recent years (Rubinson & Pfeiffer, 2005). Various measurements have been used to measure brand performance. Didia and Nwokah (2015), employed sales

growth, customer retention, return on investment, market share, getting valuable information, ability to secure local resource and motivating employees as proxies of business performance. Keller (2003) proposed a conceptual model of the sources and outcomes of brand equity which demonstrates the linkage between firm's actions, customer mindset measures of brand equity, and the brand's market performance. Performance is often used as a dependent variable in marketing literature. The performance of brand points out that how successful a brand is in the market and aims to evaluate the strategic success of a brand (Ho & Merrilees, 2008).

2.2 Empirical Review

2.2.1 Brand Awareness and Market Performance

According to Horsfall & Mac-Kingsley (2018), brand awareness has a very moderate influence, but it is the highest influencer of the dimensions of market performance in the food and beverages firms studied. Mohan and Sequeria (2015) revealed that there is a moderate correlation between brand awareness and overall brand equity leading to the finding that there is a relation between the variables. Munyau (2017) revealed that brands that had high brand awareness among their customers had better average financial performance as well as overall brand market performance. Hayford (2016) revealed that there is a positive relationship between brand awareness and performance of private universities.

H1: There is a positive and significant relation between brand awareness and market performance.

2.2.2 Brand Loyalty and Market Performance

Mohan et al., (2015) stated that "High, significant and positive correlation was found between brand loyalty and the overall brand equity in the FMCG industry. Brand loyalty is the deeply held commitment to repurchase an FMCG consistently in the future." Ling and Severi (2013), concluded that brand loyalty act as a mediator in the relationship between brand association and brand equity. Munyau (2017) revealed that the result shows that overall brand loyalty has a significant effect on brand market performance. Hayford (2016) revealed that there is a positive relationship between brand loyalty and performance of private universities.

H2: There is a positive and significant relation between brand loyalty and market performance.

2.2.3 Brand Association and Market Performance

Mayer (2003) considered that brand association is not only an individual brand theory, but also has a measurable feature to test the effectiveness of brand equity in the marketplace. Mohan et al., (2015) revealed that brand association is highly and significantly correlated with overall brand equity confirming that there is a direct relationship between brand association and brand equity. Ling & Severi (2013), establish that brand association, as an independent variable, significantly affects brand loyalty as a mediator and considerably can impact brand equity as a dependent variable. Munyau (2017) revealed that brands that had strong brand associations among their customers with respect to customers' pride in being customer of the particular bank. Therefore, these findings provide empirical support that brand associations have a significant effect on brand market performance. Hayford (2016) revealed that there is a positive relationship between brand association and performance of private universities.

H3: There is a positive and significant relation between brand association and market performance.

2.2.4 Perceived Quality and Market Performance

Mohan et al., (2015) stated that there is a significantly high correlation between perceived quality and overall brand equity. According to Horsfall et al., 2018, perceived quality has a relatively moderate influence. Next to brand awareness, it is the second influencer of the dimensions of market performance in the food and beverages firms studied. Munyau (2017) revealed that perceived quality has a significant effect on brand market performance. Hayford (2016) revealed that there is a positive relationship between perceived quality and performance of private universities.

H4: There is a positive and significant relation between perceived quality and market performance.

2.3 Conceptual Framework

Independent Variable

Dependent Variable

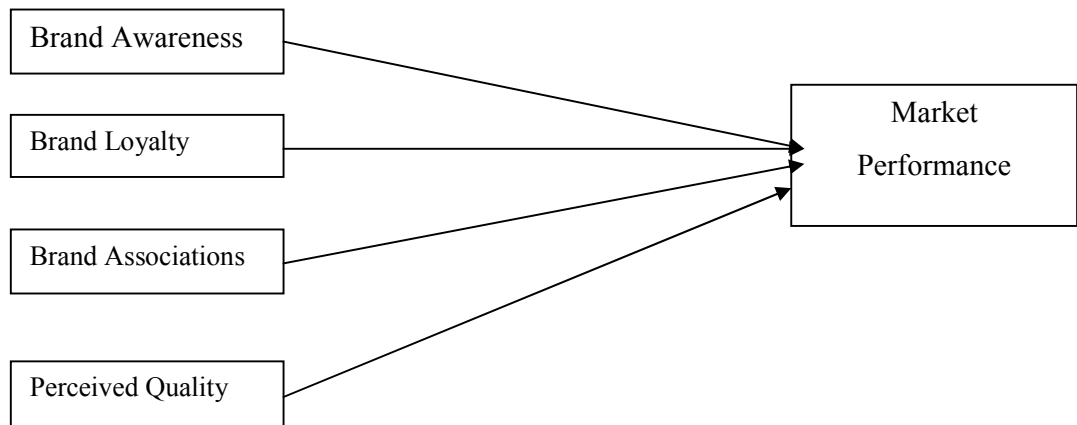


Figure 2.3 conceptual framework

Source: Aaker (1991)

The four categories of assets that underlie brand equity are shown as being the basis of brand equity. These brand equity assets can generally increase or decrease value to customers. They can help them interpret, process, and store large quantities of information about products and brands easily. They also can influence customers' confidence in the purchase decision (due to either past-use experience or familiarity with the brand and its characteristics). Potentially, the most important fact is that, both perceived quality and brand associations can enhance customers' satisfaction with the customers' product or service experience (Aaker, 1991).

CHAPTER THREE

METHODOLOGY OF THE RESEARCH

3.1 Introduction

This chapter contains the Methodology part that helps in collecting the research data. It includes the research approach, research design, target population, sample size, sampling procedure, type of data collection instruments, data collection procedures and data analysis techniques. Each topic is elaborated briefly below.

3.2 Description of the Study Area

The study was conducted in Addis Ababa, the capital city of Ethiopia. The city is divided into 10 sub-cities which are Arada, Bole, Nifas Silk Lafto, Gullele, Kirkos, Kolfe Keranio, Addis Ketema, Akaki Kaliti and Yeka sub-cities. Therefore, out of these ten sub-cities, the study was conducted within a particular sub-city i.e. Nifas Silk Lafto.

3.3 Research Design

Mouton (2005) stated that, a research design aims to plan, structure and execute the research to increase the validity of the findings. And it also gives directions from the underlying philosophical assumptions to research design and data collection.

Creswell (2003) explained a research design as the scheme, outline, or plan that is used to generate answers to research problems. Further Dooley (2007) notes that a research design is the structure of the research that serves as the glue that holds all elements of a research project together. This implies the fact that it gives direction and systematizes the research as it involves the process, which the investigator will follow from the inception to completion of the study.

An explanatory study sometimes referred to as analytical study that seeks to identify any links between the factors or variables that pertain to the research problem (Saunders et al., 2007). Considering the purpose of this particular study, the

researcher used explanatory type of research design with cross-sectional research strategy. Thus, this study will only study the phenomenon at a particular time.

3.4 Research Approach

According to Susan (2011), a quantitative research is used to measure the problem by way of producing numerical data or data that can be transformed into usable statistics. It is used to measure attitudes, behaviors and other variables and generalize results from a larger sample population.

According to Denzin and Lincoln (1994) a qualitative research focuses on interpretation of phenomena in their natural settings to make sense in terms of meanings people bring to these settings. The qualitative research method measures data collection of personal experiences, interviews, observations, and interactions which are essential to the society. The study used quantitative approach by considering the research objective and to gain a better understanding about the research problem.

Creswell (2003) states that a quantitative research uses different kinds of strategies of inquiry such as experimental surveys, and collect data on set of instruments that helps us to get statistical data. There are three broad classifications of quantitative research: descriptive, experimental and casual comparative (Leedy and Ormord, 2001). In casual comparative research, the researcher examines how the independent variables are affected by the dependent variables and involves cause and effect relationships between the variables. The factorial design focuses on two or more categories with the independent variables as compared to the dependent variable (Vold, 1999).

3.5 Data Source and Type

To conduct this research, two kinds of data have been used: primary and secondary data. The primary data is the information collected by the researcher. In this case, the collection has been conducted through a complete survey destined to MSE sectors. The literature and analysis made by writers and researchers from the secondary data. Secondary data can already provide useful information to answer the research questions (Saunders et al., 2007).

The data sources for the research were from both primary and secondary sources. The primary data was collected from utilizing secondary sources, published articles, research works, previous studies, book, and other sources were reviewed.

3.6 Target Population

Parahoo (1997) describes population as the total number of units from which data can be collected such as individuals or organizations. Burns and Grove (2003) describe population as all the elements that meet the criteria for inclusion in a study. The target population for a survey is the entire set of units for which the survey data are to be used to make interpretation. Thus, the target population defines those units for which the findings of the survey are meant to generalize (Paul 2008).

The study focused on the Micro and Small Enterprise sectors. Specifically, the target populations for the study are the members of the MSE sectors in Nifas Silk Lafto Sub City. According to the information provided from the sub city, there are 5864 active micro and small enterprise sectors. From these, 3775 are categorized as micro and the rest 2089 are categorized under small. For this study the researcher used the highest number to calculate the sample size.

3.7 Sampling Size

To conduct this study, convenience sampling technique was used. Convenience sampling is a non-probability sampling method that is easy to acquire, access and cheapest method.

The formula used in the study is the one proposed by Krejcie & Morgan (1970) for determining needed sample size in social science research when the population is known. The formula can be stated as:

$$\text{Formula 1: } S = \frac{X^2 NP(1-P)}{D^2(N-1) + X^2 P(1-p)}$$

Where: S = required sample size; X^2 = the table value of chi-square for 1 degree of freedom at 0.05 confidence level (3.841); N = the population size; P = the population proportion (assumed to be 0.50 as this would provide the maximum sample size); and d = the degree of accuracy expressed as a proportion (0.05).

According to the information provided by Nifas Silk Lafto Sub City, there are 3775 and 2089 active micro and small enterprises respectively. To calculate the sample size, the researcher used the sum of micro and small enterprises.

Micro= 3775

Total= 5864

Small= 2089

$$S = \frac{(3.841) 5864(0.5)(1 - 0.5)}{(0.05)^2(5864 - 1) + (3.841)0.5(1 - 0.5)}$$

$$S = \frac{5630.906}{15.61775}$$

$$S = 360.54 \approx 361$$

The sample size for the Micro and Small Enterprises was therefore approximated to be 361. However, given that it is rarely possible to achieve a 100% response rate in research is coupled with the possibilities of outliers and other unforeseen errors in the respondents' responses to the questionnaire items, a higher sample size with an additional 5% of the sample size.

$$=361 * 5/100$$

$$=18.05 \approx 19$$

The additional 5% of the sample size will bring the total sample to **380** Micro and Small Enterprises will be targeted.

3.8 Data Collection Instruments

Creswell(2003), stated there are many methods of data collection. The choice of a tool and instrument depends mainly on the attributes of the subjects, research topic, problem question, objectives, design, expected data and results. This is because each tool and instrument collects specific data. Quantitative research measures by using questionnaires to gather data that is revised and tabulated in numbers, which allows the data to be characterized by the use of statistical analysis (Bhattacharjee, 2012). The current study utilized set of self-administered quantitative survey questionnaire for gathering primary research data. Primary data was collected from the respondents

based on a structurally designed questionnaire. Secondary data are secured through the review of relevant articles, research works and other pertinent sources.

3.8.1 Questionnaire

The first data collection technique used in the field survey was distributing questionnaire to the study participants. Three hundred eighty (380) questionnaires were distributed to respondents. The questionnaire was close-ended questions. The closed ended questions were prepared in Likert scale and respondents were asked to rate the issues under each headings. The questionnaire was adapted from Lee and Yew Leh, (2011).

3.9 Methods of Data Analysis

The method of data analysis determines the unit of analysis in accordance to the research problems. Analysis of data is a process of inspecting, cleaning, transforming and modeling data with the goal of discovering useful information, suggesting conclusions and supporting decision making. In research, measurement comes before analysis, and the process of moving from one to the other is often complicated (Burstein et al., 1999). The data was analyzed using SPSS, Table and Figure.

This study used both descriptive and inferential statistics. Descriptive statistics were used to summarize sample population characteristics and general data which will be obtained through the questionnaire and presented in frequency percentages, mean and standard deviation. Correlations and multiple regressions are used. The data entry and analysis were performed by using Statistical Package for Social Science (SPSS) version 26.

3.10 Reliability

The variables in the questionnaire were tested using the Cronbach's Alpha for reliability. In analyzing data gathered from the participants on the topic under discussion, the researcher tested internal consistency among the variable used for the study. This is to enable the study to be reliable hence the use of Cronbach's alpha. According to Malhotra, (2007) the reliability coefficient which is more than or equal to 0.60 should be considered adequate to develop a questionnaire.

3.11 Validity

Validity determines whether the findings are accurate from the perspective of the researcher, the participant, or the readers (Jhon, W.C. 2009). In this study, some measures were taken to ensure the validity of the measurement scales. Theoretical and empirical literature review was conducted. Also opinion from the research advisor ensured the content validity, whether the item measures the area of interest or the concept it tends to measure which were advanced its validity.

3.12 Ethical Consideration

Before going to the field and collecting data, permission was asked from the respondents. In addition, the researcher briefly introduced and indicated the intention of the study to the potential respondents. The other aspects of ethical considerations for the research are privacy and secrecy of their response. Respondents were assured that the information given will remain confidential and it will not be used for other purposes than the stated ones. Concerning anonymity, participants were assured that their identities would be hidden.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 Introduction

In this chapter, the data that are collected through the structured questionnaire summarized and analyzed in order to realize the ultimate objective of the study. This chapter contained the data presentation, analysis and discussion of the sample population based on the primary data collected. The demographic facts obtained from the respondents were summarized using frequency distribution. Likert scale typed questionnaires were analyzed by using descriptive statistics, correlation, regression, T-test and ANOVA and particularly regression and independent t-test are used to test the research hypotheses and answering the research questions. The data was analyzed using SPSS version 26. A total of 380 questionnaires were distributed. Out of the 380 questionnaires 362 were returned, which is about 96% of the total distributed.

4.2 Descriptive Statistics

Descriptive statistics are brief descriptive coefficients that summarize a given data set, which can be either a representation of the entire or a sample of a population. It is a critical part of initial data analysis and provides the foundation for comparing variables with inferential statistical tests. Descriptive statistics are broken down into measures of central tendency and measures of variability (spread). This section presents the descriptive statistics of the data.

4.2.1 Gender of Respondents

The female respondents constituted the largest share of the gender composition representing 72.5% were males while 27.3 % were females, as shown on Table 4.1. Only three respondents refused to choose their gender. According to the data, majority of the respondents were male and the rest of the respondents were female.

Table 4.1 Gender

	Frequency	Percent
Male	259	72.5
Female	99	27.3
Not mentioned	3	0.2
Total	362	100.0

4.2.2 Occupation of respondents

From the three occupations of respondents the employee category resulted around 49%, about 0.6% of the respondents didn't mentioned the occupation. According to the data, most of the respondents were employees and the rest are categorized as owner and partner. The detailed data is give below on table 4.2.

Table 4.2 Occupation of respondents

Occupation	Frequency	Percent
Employee	176	48.6
Owner	93	25.7
Partner	91	25.1
Not mentioned	2	0.6
Total	362	100.0

4.2.3 Respondents Company Data

The following table, table 4.3, represents the main activity of the respondents' company. According to the data majority of the respondents were engaged in trade (36.2) and manufacturing activity (30.1%). The rest of the respondents were engaged in construction (21.5%), agriculture (8.3%) and mining (3.9%).

Table 4.3 Respondents Company Activity

Company Activity	Frequency	Percent
Manufacturing	109	30.1
Construction	78	21.5
Agriculture	30	8.3

Trade	131	36.2
Mining	14	3.9
Total	362	100.0

According to the gathered data, majority of the respondents are engaged in trading activity (36.2%), manufacturing (30.1%) and construction (21.5). The rest of the respondents are engaged agriculture (8.3%) and mining (3.9%).

As presented on table 4.4, majority of the firms include 6 up to 10 employees (44.2%) and 1 up to 5 employees (31.8%). The rest of the sectors include more than 15 employees (15.5%) and 11 up to 15 employees (8.6%).

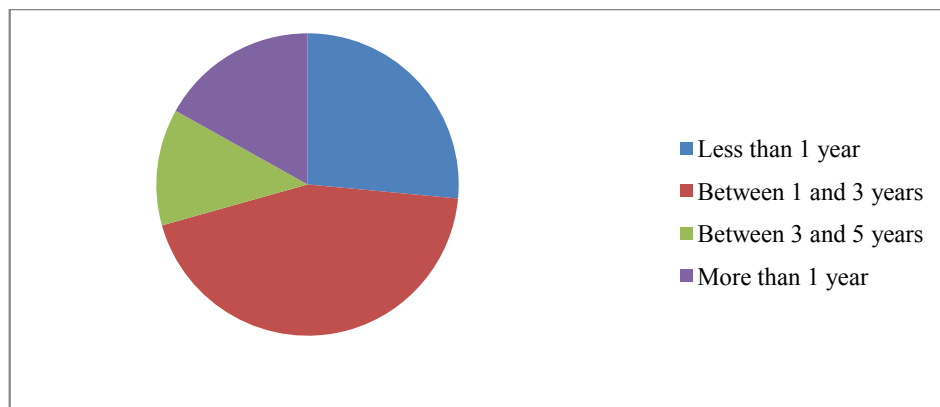
Table 4.4 Number of Employees in the Company

Number of Employees	Frequency	Percent
From 1employee to 5 employees	115	31.8
From 6 employee to 10 employees	160	44.2
From 11 employee to 15 employees	31	8.6
More than 15 employees	56	15.5
Total	362	100.0

4.2.4 Duration of business existence

From the below graph, we can see the frequency in of respondents in relation with Duration of business existence.

Figure 4.1 Duration of business existence



According to the data, majority of the sectors existed in the market for 1 up to 3 years and less than 1 year. The rest of the sectors existed in the market for more than one year and between three up to five years.

4.3 Descriptive Analysis of Variables

The following results are focused on displaying the descriptive statistics of brand awareness variable, Brand loyalty, perceived quality and market performance responses to the queries in the questionnaire.

4.3.1 Descriptive Analysis of Brand Awareness

The table below shows the range of the respondent's answer is from strongly disagree (1) to strongly agree (5). As the mean of the result shows ($X=2.68$), the majority are neutral that brand awareness affects marketing performance of Micro and Small Enterprises (MSEs) indicates. But most respondents almost agreed that customers' ability to recognize and recall my brand is important for better market performance. ($X=3.68$), on the other hand most respondent disagreed that Creating brand awareness for Micro and small enterprises is not significant($X=2.09$).

Respondents gave their response as the following questions as the mean of the respondent shown;

- a) Customers' ability to recognize and recall my brand is important for better market performance. ($X= 3.68$).
- b) Creating brand awareness for Micro and small enterprises is not significant ($X = 2.09$)
- c) Promoting MSEs' brand is important for improving market performance ($X= 2.68$).
- d) Brand awareness has nothing to do with market performance ($X= 2.29$).

Table 4.5 Descriptive Analysis of Brand Awareness

Brand Awareness	Minimum	Maximum	Mean	Standard Deviation
Customers' ability to recognize and recall my brand is important for better market performance.	1.00	5.00	3.6768	1.32019
Creating brand awareness for Micro and small enterprises is not	1.00	5.00	2.0939	1.09241

significant.				
Promoting MSEs' brand is important for improving market performance.	1.00	5.00	2.6768	1.24681
Brand awareness has nothing to do with market performance.	1.00	5.00	2.2905	1.22507
		Total	2.68	

Majority of the respondents agreed that customer's ability to recognize and recall brand is important for better market performance. Most of the respondents disagreed that creating brand awareness for micro and small enterprises is not significant. Majority disagreed that brand awareness has nothing to do with market performance.

4.3.2 Descriptive Analysis of Brand Loyalty

Table 4.6 shows the range of the respondent's answer is from strongly disagree (1) to strongly agree (5). As the mean of the result shows ($X=2.94$), the majority are neutral that brand awareness affects marketing performance of Micro and Small Enterprises (MSEs) indicates.

Most respondents also agreed for the following questions as the mean of the respondent shown;

- a) Most MSE sectors have loyal customers($X= 2.33$).
- b) Retaining customers is significant for improved market performance. ($X = 3.61$)
- c) Loyal customers are important for MSE sectors to survive in the market. ($X= 3.60$).
- d) Short-term sales are better rather than creating long-term relationships ($X= 2.22$).

Table 4.6 Descriptive Analysis of Brand Loyalty

Brand Loyalty	Minimum	Maximum	Mean	Standard Deviation
Most MSE sectors have loyal customers.	1.00	5.00	2.3260	1.31003
Retaining customers is significant for improved market performance.	1.00	5.00	3.6077	1.36060
Loyal customers are important for MSE sectors to survive in the market.	1.00	5.00	3.5994	1.39342

Short-term sales are better rather than creating long-term relationships.	1.00	5.00	2.2182	1.23405
		Total	2.94	

Most of the respondents disagreed that most micro and small enterprises have loyal customers and short term sales are better than long term relationships with their customers. Majority of the respondents agreed that retaining customers is significant for improved market and loyal customers are important for micro and small enterprises to survive in the market.

4.3.3 Descriptive Analysis of Perceived Quality

The table below shows the range of the respondent's answer is from strongly disagree (1) to strongly agree (5). As the mean of the result shows ($X=2.91$), the majority respondents responded that the influence of perceived quality on marketing performance of Micro and Small Enterprises are neutral. But most respondents almost agreed that Quality of a product is the main attribute to build stronger brand ($X=3.59$) and Customers do not assume MSE products to be a high quality ($X=3.55$).

Most respondents also agreed for the following questions as the mean of the respondent shown;

- a) Most Customers trust the quality of products and services offered by MSE sectors ($X= 2.20$).
- b) MSE sectors prioritize the quality of their product for improved market performance. ($X = 2.27$)
- c) Quality of a product is the main attribute to build stronger brand. ($X= 3.56$).
- d) Customers do not assume MSE products to be a high quality ($X= 3.59$).

Table 4.7 Descriptive Analysis of Perceived Quality

Perceived Quality	Minimum	Maximum	Mean	Standard Deviation
Customers trust the quality of products and services offered by MSE sectors.	1.00	5.00	2.2044	1.17555
MSE sectors prioritize the quality of their product for improved market performance.	1.00	5.00	2.2707	1.24934

Quality of a product is the main attribute to build stronger brand.	1.00	5.00	3.5568	1.40147
Customers do not assume MSE products to be a high quality.	1.00	5.00	3.5912	1.42348
		Total	2.91	

Majority of the respondents disagreed that customers trust the quality of product and services offered by micro and small enterprises and on prioritizing quality. Most of the respondents agreed that quality of a product is main attribute even though customers do not assume the products to be a high quality.

4.3.4 Descriptive Analysis of Brand Association

Table 4.8 shows the range of the respondent's answer is from strongly disagree (1) to strongly agree (5). As the mean of the result shows ($X=2.69$), the majority respondents responded that brand association affects marketing performance of Micro and Small Enterprises (MSEs) are neutral.

Most respondents also agreed for the following questions as the mean of the respondent shown;

- a) Most Micro and small enterprises have a very unique brand image. ($X= 2.07$).
- b) MSE sectors should associate their product and services with things that create positive image. ($X = 3.3122$)
- c) Most MSE sectors focus on building strong and positive brand associations. ($X= 2.083$).
- d) MSE sectors should create a positive image for their products and services. ($X= 3.31$).

Table 4.8 Descriptive Analysis of Brand Association

Brand Association	Minimum	Maximum	Mean	Standard Deviation
Most Micro and small enterprises have a very unique brand image.	1.00	5.00	2.0746	1.10274
MSE sectors should associate their product and services with things that	1.00	5.00	3.3122	1.31445

create positive image.				
Most MSE sectors focus on building strong and positive brand associations.	1.00	5.00	2.0829	1.12083
MSE sectors should create a positive image for their products and services.	1.00	5.00	3.3066	1.35721
		Total	2.69	

Majority of the respondents disagreed on having a unique brand image and focusing on building strong and positive brands. Most of the respondents agreed that micro and small enterprises should create positive brand association and create a positive image for their product.

4.4 Scale Reliability Analysis

Reliability test was conducted to make sure internal consistence of the research instrument and Cronbach's alpha is employed to measure the internal consistency of the measurement items. For this study we used 25 items in measurement of five variables and we came to know that the items in this study are reliable. According to Malhotra, (2007) the reliability coefficient which is more than or equal to 0.60 should be considered adequate to develop a questionnaire. Therefore, a low coefficient alpha indicates the sample of items perform poorly in capturing the construct motivating the measure. Conversely, a large coefficient alpha implies that the items test correlates with the true scores closely to Malhotra (2007).

Table 4.9 Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.714	.697	20

4.5 Correlation Analysis

Like the demographic factors, the scale typed questionnaire entered to the SPSS software version 22 to process correlation analysis. Based on the questionnaire which was filled, the following correlation analysis was made.

Table 4.10 Correlation between Brand Awareness, Brand Loyalty, Perceived Quality, Brand Association and Market Performance

		BA	BL	PQ	BAS	MP
BA	Pearson Correlation	1	.399**	.436**	.259**	.329**
	Sig. (2-tailed)		.000	.000	.000	.000
BL	Pearson Correlation	.399**	1	.437**	.412**	.423**
	Sig. (2-tailed)	.000		.000	.000	.000
PQ	Pearson Correlation	.436**	.437**	1	.430**	.479**
	Sig. (2-tailed)	.000	.000		.000	.000
BAS	Pearson Correlation	.259**	.412**	.430**	1	.500**
	Sig. (2-tailed)	.000	.000	.000		.000
MP	Pearson Correlation	.329**	.423**	.479**	.500**	1
	Sig. (2-tailed)	.000	.000	.000	.000	

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

Pearson correlation test was conducted to know the degree of relationship between the independent variables and the dependent variable i.e. Market performance. The results of the correlation between these variables are shown in table 4.10. As it is indicated in the table there is significant correlation between brand awareness, brand loyalty, perceived quality, brand association and market performance with p value of less than 0.01 ($P < 0.01$). We can also see that all the correlations are positive. In other words:

- brand awareness and market performance have significant relationship ($r=0.329$ with $p < 0.05$),
- perceived quality and market performance have significant relationship ($r=0.423$ with $p < 0.05$),
- brand loyalty and market performance have significant relationship ($r=0.479$ with $p < 0.05$), and
- Brand association and market performance have significant relationship ($r=0.500$ with $p < 0.05$).

4.6 Regression Analysis

Regression is a model for the relationship between a dependent variable and a collection of independent variables. It also used to model the value of a dependent scale variable based on its linear relationship or “straight line” relationship to one or more predictors. The researcher determines the relationship between a dependent variable (market performance) and multiple independent variables (brand awareness, brand loyalty, perceived quality, and Brand Association) using multiple regression analysis.

4.6.1 Linear Regression Model Assumptions

When someone choose to analyze the data using linear regression, part of the process involves checking to make sure that the data that one wants to analyze can actually be analyzed using linear regression. Therefore, it is needed to do this because it is only appropriate to use linear regression if the required data "passes" four assumptions that are required for linear regression to give a valid result. Let us look at whether the following assumptions are met or not. These assumptions are multi-collinearity, linearity, homoscedasticity, and normality. The assumptions are checked using SPSS software.

4.6.1.1 Multi-Collinearity Test

The researcher has checked if multi-co linearity problem exists or not before running the regression. Multi-collinearity refers to the situation in which the independent/predictor variables are highly correlated. When independent variables are multi-collinear, there is “overlap” or sharing of predictive power. Multi-collinearity can be checked using the tolerance and variance inflation factors (VIF) which are the two Collinearity diagnostics factors.

Table 4.11 Multi-Collinearity Test

Model	Collinearity Statistics	
	Tolerance	VIF
1 (Constant)		
BA	.758	1.319
BL	.704	1.421
PQ	.669	1.495
BAS	.751	1.332

Tolerance is an indicator of how much of the variability of the specified independent variable is not explained by the other independent variables in the model and is calculated for each variable. If this value is very small (less than 0.10), it indicates that the multiple correlation with other variables is very high, suggesting the possibility of multi-collinearity.

Accordingly, the tolerance value for all independent variables is greater than 0.1, which implies that there is no multi-collinearity problem in connection with tolerance. Variance Inflation Factor (VIF) which calculates the influence of correlations among independent variables on the precision of regression estimates. The VIF factor should not exceed 10, and should ideally be close to one. As per the above table for all independent variables VIF value is less than 10 and literally closer to one, which implies there is no multi-collinearity problem.

4.6.1.2 Linearity Test

Linearity test aims to determine the relationship between independent variables and the dependent variable is linear or not. The test is a requirement in the correlation and regression analysis. Good research in the regression model there should be a linear relationship between the free variable and dependent variable. If the value sig. deviation from linearity > 0.05 , then the relationship between the independent variable are linearly dependent. The primary supposition states that the middling value of the errors should be zero. As Sekeran, U. (2003) if the regression equation includes a constant term, this pre-assumption will never be violated. Therefore, since from the regression result table the constant term (i.e. β_0 or α) was included in the regression equation; this assumption seizes fine fit for the model.

Table 4.12 Linearity Test

Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.8319	5.0633	3.2029	.52545	356
Std. Predicted Value	-2.609	3.540	.000	1.000	356
Std. Error of Predicted Value	.040	.163	.078	.025	356
Adjusted Predicted Value	1.8105	5.0959	3.2046	.52653	356

a. Dependent Variable: MP

4.6.1.3 Homoscedasticity Test

A sequence of random variables is homoscedasticity. If all its random variables have the same finite variance. This is also known as homogeneity of variance. The complementary notion is called heteroscedasticity. The misconception with the ambiguousness with homoscedasticity and heteroscedasticity results in unbiased but inefficient point estimates and in biased estimates of standard errors and may result in overestimating the goodness fit as measured by Pearson correlation coefficient.

Heteroscedasticity is an organized blueprint in the errors where the variances of the errors are not constant. When the variance of the residuals is constant it is explained as homoscedasticity, which is desirable. To test for the absence of heteroscedasticity scatter plot test was used. In this test, if the scatter plot output spot appears diffused and distributed, it can be concluded that the model doesn't occur to have heteroscedasticity problem. As presented below, based on the scatter plot output above, it appears that the spots are diffused and do not form a clear specific pattern. This leads to a conclusion that the regression model doesn't have heteroscedasticity problem.

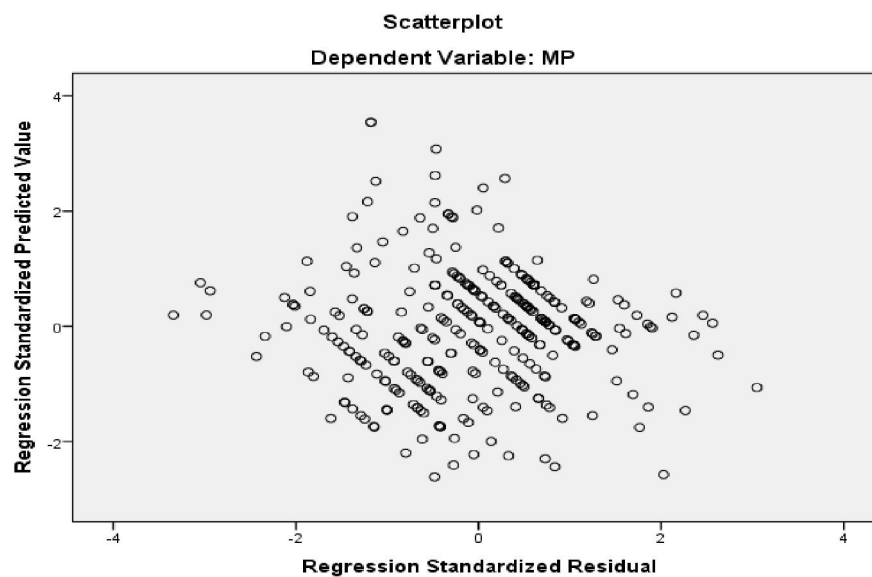


Figure 4.2 Homscedasitivity Test

4.6.1.4 Normality Test

An assessment of the normality of data is a prerequisite for many statistical tests as normal data is an underlying assumption in parametric testing. There are two main methods of assessing normality– graphically and numerically. Statistical tests have

the advantage of making objective judgments of normality. Skewness and Kurtosis descriptive statistics is one of the numerical tests used to check normality. The value of asymmetry and kurtosis between -2 and +2 are considered as acceptable in order to prove normal distribution. Hence, as it is depicted in skewness and kurtosis statistics are within the range of -2 and +2, so that the assumption of normal distribution is met (George & Marllery, 2010).

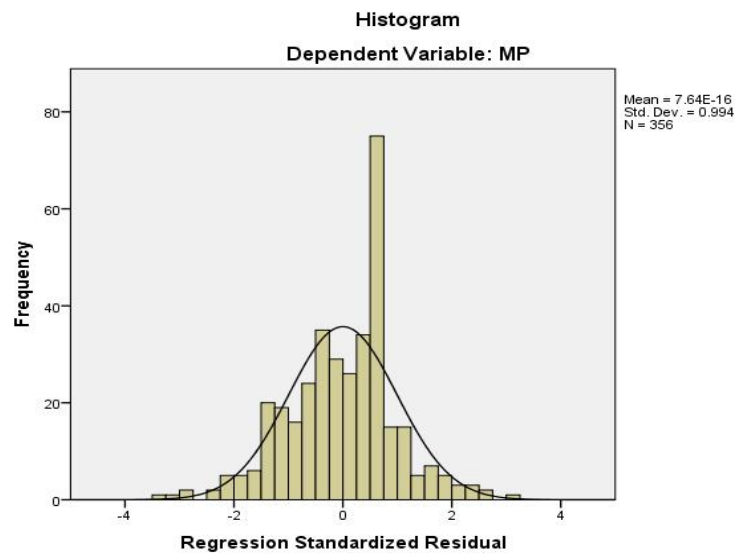


Figure 4.3 Normality Test

The normality of the study is supplemented by the histogram above and the histogram of standardized residual shows a roughly normal curve when the assumption of regression and most technique met that error terms are normally distributed. The histogram showed that the assumption of normally distributed error is met.

Table 4.13 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.608 ^a	.370	.363	.68979

a. Predictors: (Constant), BAS, BA, BL, PQ

The model summary is in the above table which reports the strength of relationship between the independent variables and the dependent variable. In the above table the R is a Pearson correlation between predicted values and actual values of dependent

variable, with a value of 0.608. R^2 is multiple correlation coefficients that represent the amount of variance of dependent variable explained by the combination of four independent variables.

Table 4.14 ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	98.015	4	24.504	51.499	.000 ^b
	Residual	167.010	351	.476		
	Total	265.024	355			

a. Dependent Variable: MP

b. Predictors: (Constant), BAS, BA, BL, PQ

The ANOVA tells us whether the model, overall, results is a significantly good of prediction of the outcome variable (Field, 2005). F-ratio is the test statistic used to decide whether the model as a whole has statistically significant predictive capability, considering the number of variables needed to achieve it. Since the significance result on the ANOVA table is 0.000 which is $p < 0.05$ and the regression mean square is greater than residual mean square with F value 51.499, the regression model fit to a good degree of prediction.

Table 4.15 Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.263	.215		1.223	.222
	BA	.105	.065	.078	1.603	.110
	BL	.207	.064	.162	3.206	.001
	PQ	.336	.071	.245	4.729	.000
	BAS	.401	.063	.311	6.361	.000

a. Dependent Variable: MP

From the table we can say that α is 0.263, and this can be interpreted as meaning that if all the independent variables were to be zero, the model predicts that there can only

be 26.3 % of market performance. We can also read off the value of β from the table and this value represents the slope of the regression line. It is 0.105 for brand awareness and although this value is slope of the regression associated with a unit change in the outcome associated with a unit change in the predictor. Therefore, if brand awareness variable is increased by one unit, then the model predicts that 10.5% extra market performance will be experienced. The same are true for brand loyalty (20.7%), perceived quality (33.6%) and brand association (40.1%) for which an increase in one unit of these respective variables can result in an increase in market performance by the percentage shown in the table.

From the regression analysis of this study, the researcher can now formulate a linear model properly written in an equation form as the following:

$$MP = (0.263) + (0.105) BA + (0.207) BL + (0.336) PQ + (0.336) BAS + \varepsilon(\text{Error Term})$$

4.7 Hypothesis Testing

Earlier in the paper, the four categories of assets that underlie brand equity are shown as being the basis of brand equity. As it is shown in table 4.13 β values for all predictors are positive and it implies that all predictors (independent variables) have a positive relationship with market performance.

4.7.1 Brand Awareness and Market Performance

H1: Brand awareness has a positive influence on market performance.

The result of the regression analysis which is showed in the above table shows that Brand awareness has a positive influence on market performance. It has statistically insignificant effect on market performance at $p > 0.05$ level as p value of the predictor in the table is 0.11. Therefore, the study rejects H1.

4.7.2 Brand Loyalty and Market Performance

H2: Brand Loyalty has a positive influence on market performance.

The result of the regression analysis shows that Brand Loyalty has a positive influence on market performance and statistically significant effect on market performance at $p < 0.05$ level as a regression output has sig. value 0.001 which is less than 0.05. Therefore, the study fails to reject rather it accept H2.

4.7.3 Brand Association and Market Performance

H3: Brand association has a positive influence on market performance.

The result of the regression analysis shows that Brand association has a positive influence on market performance and statistically significant effect on market performance at $p < 0.05$ level as a regression output has sig. value 0.000 which is less than 0.05. Therefore, the study fails to reject rather it accept H3.

4.7.4 Perceived Quality and Market Performance

H4: Perceived Quality has a positive influence on market performance.

The result of the regression analysis shows that perceived quality has a positive influence on market performance and statistically significant effect on market performance at $p < 0.05$ level as a regression output has sig. value 0.000 which is less than 0.05. Therefore, the study fails to reject rather it accept H4.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION ANDRECOMMENDATION

5.1 Introduction

In this chapter summary of the data collected is discussed. Based on the data, overall conclusion is discussed and recommendations are suggested for the Micro and Small Enterprises as well as the government of Ethiopia.

5.2 Summary of Major Findings

From the studies made on the gathered data and from rough observations made on the production and market places of sample SMEs, with respect to the main target of the research, it can be summarized as follows. This part of the research focused on detailed interpretation of the results attained from the overall data collected and each hypothesis's stand point, discussing point by point.

Based on the data collected, majority of the respondents are males (72.5%) and the rest of the respondents are females (27.3%). Most of the respondents are categorized as employee (48.6%) and others mentioned themselves as owner (25.7%) and partner (25.1%). Majority of the participants are engaged in trade (36.2%), the manufacturing section (30.1%), construction (21.5) and the rest are included in agriculture (8.3%) & mining (3.9%). Most of the MSE sectors include 6 up to 10 employees (44.2%) and 1 up to 5 employees (31.8%).

5.2.1 Effect of Brand Awareness on Market performance

The first hypothesis raised a concern on the relation between Brand awareness and the respective market performance. Brand awareness has a positive influence on market performance. It has statistically insignificant effect on market performance at $p > 0.05$ level as p value of the predictor in the table is 0.11.

As the empirical result has presented, from the data gathered, it has shown a clear and direct relation. Many SMEs often gate the chance to attend government promoted fares and events. From the sample SMEs interviewed for this research, those who

actually used these events to create awareness over their brands, believed that customers who experienced and satisfied with their products or service often recognize and trust their purchase decisions on other markets and fares. This also enabled their customers to make repetitive purchase. In addition to that, it helped to widen their market through mouth-to-mouth advertisements.

5.2.2 Effect of Brand loyalty on Market Performance

The second hypothesis is focused on the relation between brand loyalty and market performance. The result of the regression analysis shows that Brand Loyalty has a positive influence on market performance and statistically significant effect on market performance at $p < 0.05$ level as a regression output has significant value 0.001 which is less than 0.05. The analysis made on the gathered data, it is visible that there is a significant relation between market performance and brand loyalty.

As it is true that, 20% of customers make 80% of the total purchase, it is evident that brand loyalty can affect an organizations market performance. Although, in the case of small businesses there is low inertia in shifting purchase choice, a consistent measure in marketing programs can make brand loyalty an effective factor in market performance.

5.2.3 Effect of Brand Association on Market performance

Thirdly, the study raised another concern from the perspective of brand association to market performance. As can be seen from the received information, the result of the regression analysis shows that Brand association has a positive influence on market performance and statistically significant effect on market performance at $p < 0.05$ level as a regression output has sig. value 0.000 which is less than 0.05.

Yet still some tend to focus only the quality of the products or services rather than associating and building a brand along the way. But from observation, those who had the awareness on brand association have shown a relative advancement as brand association is a prior basis to brand awareness, brand loyalty and perceived quality.

5.2.4 Effect of Perceived Quality on Market Performance

The fourth and final focus of the study is on perceived quality and its influence on marketing performance in the case of SMEs. From the sample information taken, the result of the regression analysis shows that perceived quality has a positive influence on market performance and statistically significant effect on market performance at $p < 0.05$ level as a regression output has sig. value 0.000 which is less than 0.05.

On the case of major corporate business organizations perceived quality is one resource which companies made large amount of revenue as well profit out of. This reality also stands true in the case of Ethiopia. In the case of SMEs, from the experiences of sample SMEs, perceived quality played a relatively important role in market performance on those who actually understood about it. Especially through growing trusts of customers and mouth-to-mouth promotions.

5.3 Conclusion

As a developing sector, small and micro enterprises are hopes for the home-grown economic development that Ethiopia, as one of the fastest developing nations of Africa in the last two decades, is aspiring to. Devoted to this, the federal government has been taking out measures, focusing on infrastructure amending policies and introducing new ones to create a favorable environment for sustained growth of this sector.

The government of Ethiopia, has involved and is still involved itself to the ground levels of the sector, starting from nominating available work force, training, facilitating in finance to providing manufacturing and selling places. Through this development programs it is been visible that many Ethiopians have changed their life standards, furthermore many have managed to grow to medium successful companies and are now playing an important role in the reduction of the country's high unemployment rate.

Therefore, the establishment and development of SMEs, plays a very significant role for a sustained growth of countries such as Ethiopia. Enough said on that, concerns emerge from different directions on return of investments on means and techniques applied so far to improve the sector. Even though the government has been saying the actions were effective so far, but other stake holders including most of the SMEs believe the actions and measures were inadequate and inefficient.

The main objective of the study was to investigate the effect of brand equity on the market performance of micro and small enterprises. The study used Aaker's brand equity model which includes four variables; brand awareness, brand loyalty, brand association and perceived quality. Questionnaires were distributed to 362 micro and small enterprise members to gather data.

According to the findings, the respondents agreed that brand loyalty, perceived quality and brand association have statistically significant effect on market performance. However, the study revealed that brand awareness has statistically insignificant effect on market performance. Some scholars agree that effective marketing and sells contributes to more than 80% to the success of any given company. This perspective also complies with Ethiopia's conventional businesses and markets. The focus of conducting this research was from the marketing perspective. Standing on the research data collected and from the results of analyses made, it is quite visible that all stalk holders of this sector should do in a lot more and in a lot deeper levels. As the business environment is growing more and more competitive through times, these stalk holders should be able to build a more competent capacity not only to grow but even to survive.

Further researches can be done on the effect of brand equity on market performance by using the various brand equity models. Studies on branding strategies of micro and small enterprises are still inadequate. So studies should be conducted in this area.

5.4 Recommendation

In our modern global economy from giant corporations to the smallest business establishments, marketing has never been this easier, even though the growing interests of the global population on entrepreneurship is attributing to a more competitive and a more aggressive market. The introduction of the digital era brought a whole new world marketing opportunity. This era changed the entire concept about marketing and customer relations.

Through a continues development digital technologies, marketers and businesses can now advertise and create close relations with their target customers with a very cheap cost using new, easy and social friendly digital platforms. Not only these platforms helped avoid former marketing challenges and set back but also took marketing to a whole new dimension by creating unimaginable possibilities.

Most businesses, both the relatively large and small businesses, haven't given much of a thought when it comes to marketing. Till now it is a reality that more businesses are stuck in the "old" conventional marketing programs rather than creating and improving modern ones. Thus, being as one of the main reasons, it led local business firms to be incompetent on international playing fields. Unfortunately, due to local businesses' incompetency, the government is struggling on inviting foreign business firms to join the domestic market. Being as one of the restrains towards achieving the millennial development goals of the country itself.

So far, lack of awareness, understanding and poor implementations of marketing programs have been one of the many challenges of small and micro enterprises. Thus, these enterprises, being as one of the stalk holders of the system lets first start on what could be done and improved from their side.

Enterprises should develop a proactive habit of building a cooperative relation with higher education institutes. As most enterprises are formed from mostly TVET graduates, high school drop outs and citizens credited as unfortunates (although this study believes this paradigm of the government and the society should be transformed completely), this should help to cross the bridge between the academic professionalism and the street smart. Therefore, from the perspective of marketing and product or service identity creation this technique would be able to allow enterprises to create develop and advertise their brands effectively.

The other stalk holder is the government. Although it is a fact that, the government has given priority to the sector in the past two decades, it hasn't achieved the respective goal. From the marketing perspective one can put two main reasons.

Firstly, the government is often trying to solve marketing problems of given SMEs through giving privileges in government financed projects and through creation of compulsory market linkages with industries. Though it has helped many SMEs develop in finance and work experiences, it held the desire and advancement in marketing programs back ward. Simply the government provided a FREE LUNCH. The government provided the market opportunity without any marketing efforts from the SMEs.

Secondly, the government also managed to establish chains of organizations from the top (federal level) to the bottom (district branches) in order to assist and develop

SMEs. For this purpose, it has hired many employees beneath each establishment, from different academic sections and levels. The civil servant beneath these establishments lacks the pro-activity to help and organize these SMEs. It is still providing the bare minimum service to those who need it. The civil servant has poor understanding on marketing programs.

Therefore, the government should have the determination and the willingness to solve these issues on consistent levels. If both parties take care of their duties and responsibilities, it is promise for the home-grown developmental goals that Ethiopia is aspiring for.

The overall suggested recommendations are:

1. Despite brand awareness has statistically insignificant effect on market performance, micro and small enterprises (MSE) should focus on creating a better brand awareness. Consumers tend to purchase products from the brand they recognize. Micro and small enterprises should be able to create a positive image in their existing customers' mind as well as potential customers. Creating brand awareness will ensure the existence of the sectors in the market. One of the methods that can be used by these sectors is promotion. Different types of promotions can help in building brand awareness.
2. In this intensive market, micro and small enterprises should be able to gain a larger market share in order to survive and maintain their sales. A firm with a larger market share will gain better revenue and also maintain its position in the market. In the study, the participants also recognize the importance of loyal customers. However, they should focus on the different attributes to gain loyal customers and build a long- term relationship. Getting loyal customers is very difficult but possible. Creating valuable point of differences can help these sectors to get loyal customers. For example: high quality product with fair price, delivery time, excellent service and the like.
3. Associating one's brand with positive images is one of the best measures taken by firms to influence the purchasing decision of potential customers. These sectors should also focus on building a stronger brand. These sectors should establish branding strategies that enable them to perform better in the market. If their existing customers and potential customers associate the products of

MSE sectors to something positive like high quality and low price, they will prefer to buy these products.

4. Micro and Small enterprises should put a greater effort on the quality of their goods and services. Customers' perception of the product is very significant for the purchasing decisions. Currently these sectors are focusing on short term sales rather than creating a long-term relationship. But this method will allow them to survive in the market for short period of time. Each day new firms are establishing with a new and improved idea. So, if they are aiming to maintain their position for a longer period of time, they should focus on building branding strategies. A higher quality of a product will make potential customers to purchase. These sectors should develop strategies on how to produce their products with a high quality and low cost.

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APPENDIX
SPSS OUTPUT

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.714	.697	20

Summary Item Statistics

	Mean	Min	Max	Range	Max / Min	Variance	N of Items
Item Means	2.882	2.076	3.671	1.596	1.769	.429	2
Item Variances	1.667	1.208	2.047	.839	1.695	.069	2
Inter-Item Covariances	.185	-.481	1.057	1.538	-2.199	.173	2
Inter-Item Correlations	.103	-.304	.561	.865	-1.843	.055	2

Gender

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Male	259	71.5	71.9	71.9
Female	99	27.3	27.5	99.4
3.00	2	.6	.6	100.0
Total	360	99.4	100.0	
Missing System	2	.6		
Total	362	100.0		

Occupation

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Employee	176	48.6	48.9	48.9

Owner	93	25.7	25.8	74.7
Partner	91	25.1	25.3	100.0
Total	360	99.4	100.0	
Missing System	2	.6		
Total	362	100.0		

What is the main activity of your company?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Manufacturing	109	30.1	30.1	30.1
Construction	78	21.5	21.5	51.7
Agriculture	30	8.3	8.3	59.9
Trade	131	36.2	36.2	96.1
Mining	14	3.9	3.9	100.0
Total	362	100.0	100.0	

How many employees does your company currently employ in full time or part time?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid From 1 employee to 5 employees	115	31.8	31.8	31.8
From 6 employee to 10 employees	160	44.2	44.2	76.0
From 11 employee to 15 employees	31	8.6	8.6	84.5
More than 15 employees	56	15.5	15.5	100.0

Total	362	100.0	100.0
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How long does the business stayed in the market? (Duration of business existence)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Less than 1 year	96	26.5	26.5	26.5
Between 1 and 3 years	160	44.2	44.2	70.7
Between 3 and 5 years	43	11.9	11.9	82.6
More than 1 year	61	16.9	16.9	99.4
5.00	2	.6	.6	100.0
Total	362	100.0	100.0	

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Gender	360	1.00	3.00	1.2861	.46472
Occupation	360	1.00	3.00	1.7639	.82935
What is the main activity of your company?	362	1.00	5.00	2.6215	1.34097
How many employees does your company currently employ in full time or part time?	362	1.00	4.00	2.0773	1.00942
How long does the business stayed in the market? (Duration of business existence)	362	1.00	5.00	2.2072	1.03332

Customers' ability to recognize and recall my brand is important for better market performance.	362	1.00	5.00	3.6768	1.32019
Creating brand awareness for Micro and small enterprises is not significant.	362	1.00	5.00	2.0939	1.09241
Promoting MSEs' brand is important for improving market performance.	362	1.00	5.00	2.6768	1.24681
Brand awareness has nothing to do with market performance.	358	1.00	5.00	2.2905	1.22507
Most MSE sectors have loyal customers.	362	1.00	5.00	2.3260	1.31003
Retaining customers is significant for improved market performance.	362	1.00	5.00	3.6077	1.36060
Loyal customers are important for MSE sectors to survive in the market.	362	1.00	5.00	3.5994	1.39342
Short-term sales are better rather than creating long-term relationships.	362	1.00	5.00	2.2182	1.23405
Customers trust the quality of products and services offered by MSE sectors.	362	1.00	5.00	2.2044	1.17555

MSE sectors prioritize the quality of their product for improved market performance.	362	1.00	5.00	2.2707	1.24934
Quality of a product is the main attribute to build stronger brand.	361	1.00	5.00	3.5568	1.40147
Customers do not assume MSE products to be a high quality.	362	1.00	5.00	3.5912	1.42348
Most Micro and small enterprises have a very unique brand image.	362	1.00	5.00	2.0746	1.10274
MSE sectors should associate their product and services with things that create positive image.	362	1.00	5.00	3.3122	1.31445
Most MSE sectors focus on building strong and positive brand associations.	362	1.00	5.00	2.0829	1.12083
MSE sectors should create a positive image for their products and services.	362	1.00	5.00	3.3066	1.35721
Building strong brand equity helps MSE sectors to get better market performance.	362	1.00	5.00	3.4337	1.31359

MSE sectors should focus on short-term sales to improve their market performance.	362	1.00	5.00	2.3757	1.26415
Stronger brands will able you to compete in this intensive market.	361	1.00	5.00	3.6011	1.37493
MSE sectors should focus on other attributes rather than brand.	361	1.00	12.00	3.4100	1.41551
Valid N (listwise)	354				

Descriptive Statistics

	Mean	Std. Deviation	N
BA	2.6858	.64364	358
BL	2.9378	.67934	362
PQ	2.9044	.62794	361
BAS	2.6941	.67361	362
MP	3.2029	.86072	361

Correlations

		BA	BL	PQ	BAS	MP
BA	Pearson Correlation	1	.399**	.436**	.259**	.329**

	Sig. (2-tailed)		.000	.000	.000	.000
	N	358	358	357	358	357
BL	Pearson Correlation	.399**	1	.437**	.412**	.423**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	358	362	361	362	361
PQ	Pearson Correlation	.436**	.437**	1	.430**	.479**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	357	361	361	361	360
BAS	Pearson Correlation	.259**	.412**	.430**	1	.500**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	358	362	361	362	361
MP	Pearson Correlation	.329**	.423**	.479**	.500**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	357	361	360	361	361

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

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.608 ^a	.370	.363	.68979

a. Predictors: (Constant), BAS, BA, BL, PQ

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	98.015	4	24.504	51.499	.000 ^b
	Residual	167.010	351	.476		
	Total	265.024	355			

a. Dependent Variable: MP

b. Predictors: (Constant), BAS, BA, BL, PQ

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.263	.215		1.223	.222
	BA	.105	.065	.078	1.603	.110

BL	.207	.064	.162	3.206	.001
PQ	.336	.071	.245	4.729	.000
BAS	.401	.063	.311	6.361	.000

a. Dependent Variable: MP

ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCE

DEPARTMENT OF MARKETING MANAGEMENT

QUESTIONNAIRE FOR MSE MEMBERS

This research is to examine the effect of brand equity on market performance in micro and small enterprises. The information collected from this survey questionnaire will be used to express the importance of brand equity in market performance. It would be very much appreciated if you could assist through the provision of answers to the question below. Each question is followed by a list of alternatives to choose from. Please tick the box and write where appropriate. All information provided is strictly for academic purposes and treated as confidential.

For further information contact me through:

Tel: (+251)920707543

Email: Etsehiwoty4@gmail.com

SECTION A: Demographic profile section

PLEASE READ EACH QUESTION CAREFULLY. Please **tick** (✓) to the most appropriate response for each of the following questions.

1. Gender:

A. Female B. Male

2. Occupation:

A. Employee B. Owner C. Partner

SECTION B: General business information

3. What is the main activity of your company?

A. Manufacturing D. Trade
B. Construction E. Mining
C. Agriculture

4. How many employees does your company currently employ in full time or part time?

A. From 1 employee to 5 employees
B. From 6 employees to 10 employees
C. From 11 employees to 15 employees
D. More than 15 employees

5. How long does the business stayed in the market? (Duration of business existence)

- A. Less than 1 year
- B. Between 1 and 3 years
- C. Between 3 and 5 years
- D. More than 5 years

SECTION C: General option section. Please *choose the most suitable answer* to indicate the extent to which you agree or disagree with each of the statements given below. Please *encircle* the number that represents your opinion the best. (Strongly disagree=1, Disagree=2, Neutral=3, Agree=4 and strongly agree=5).

No.		SD	D	N	A	SA
BA						
1.	Customers' ability to recognize and recall my brand is important for better market performance.	1	2	3	4	5
2.	Creating brand awareness for Micro and small enterprises is not significant.	1	2	3	4	5
3.	Promoting MSEs' brand is important for improving market performance.	1	2	3	4	5
4.	Brand awareness has nothing to do with market performance.	1	2	3	4	5
BL						
5.	Most MSE sectors have loyal customers.	1	2	3	4	5
6.	Retaining customers is significant for improved market performance.	1	2	3	4	5
7.	Loyal customers are important for MSE sectors to survive in the market.	1	2	3	4	5
8.	Short-term sales are better rather than creating long-term relationships.	1	2	3	4	5
PQ						
9.	Customers trust the quality of products and services offered by MSE sectors.	1	2	3	4	5
10.	MSE sectors prioritize the quality of their product for improved market performance.	1	2	3	4	5
11.	Quality of a product is the main attribute to build stronger brand.	1	2	3	4	5

12.	Customers do not assume MSE products to be a high quality.	1	2	3	4	5
BAS						
13.	Most Micro and small enterprises have a very unique brand image.	1	2	3	4	5
14.	MSE sectors should associate their product and services with things that create positive image.	1	2	3	4	5
15.	Most MSE sectors focus on building strong and positive brand associations.	1	2	3	4	5
16.	MSE sectors should create a positive image for their products and services.	1	2	3	4	5
MP						
17.	Building strong brand equity helps MSE sectors to get better market performance.	1	2	3	4	5
18.	MSE sectors should focus on short-term sales to improve their market performance.	1	2	3	4	5
19.	Stronger brands will able you to compete in this intensive market.	1	2	3	4	5
20.	MSE sectors should focus on other attributes rather than brand.	1	2	3	4	5

Source: Adapted from Lee and Yew Leh, 2011

Thank you for your participation!!!

