

**THE INFLUENCE OF BRAND EQUITY ON PERFORMANCE OF COMPANIES  
LISTED ON THE NAIROBI SECURITIES EXCHANGE IN KENYA**

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## DECLARATION

I hereby declare that the thesis is my original work and has not been plagiarized or submitted for conferment of academic qualifications in any institution or published in other forums for any reasons. I also declare that any published material used in the production of this report has been duly cited and the author duly acknowledged.

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## **ABSTRACT**

There are a number of challenges facing companies listed in Nairobi Securities Exchange in Kenya. In order for these companies to succeed in a competitive market, it is paramount that they develop a brand that will give them a unique identity. Brand equity is a key factor in enhancing the attraction and retention of customers which in turn enhance the performance of the company. With numerous studies showing brand equity enhances organizational performance, listed companies have continuously posted bad performance over the past five years. The main objective of this study was to establish the influence of brand equity on performance of listed companies at the Nairobi Securities Exchange in Kenya. The specific objectives were: to establish the influence of brand loyalty, brand awareness, brand associations, perceived quality and other proprietary brand assets on performance of listed companies at the Nairobi Securities Exchange in Kenya. The study was anchored on the Brand Equity and Balanced Score Card models. A descriptive research design was applied in conducting the study and population of study was all the listed companies at the NSE in Kenya. A total sample of 132 respondents was drawn from the 64 listed companies at the NSE in Kenya. Primary data was collected through a structured questionnaire which contained closed ended questions. The data collected was inspected for completeness and coded in Statistical Package for Social Sciences (SPSS) Version 26 for analysis. Data collected was analysed using descriptive statistics, correlation and regression analysis. The study established that brand loyalty, brand association, brand awareness, perceived quality and other proprietary brand assets explains a significant variation in organizational performance. The study concluded that brand loyalty, brand awareness, brand association, perceived quality and other proprietary brand assets have a statistically significant effect on the organizational Performance of listed companies at the NSE. The study recommends for the adoption of strategies that enhance brand equity at the NSE to enhance performance of the companies. However, study is limited in scope as it focused on the Nairobi Securities Exchange in Kenya hence the insights and findings of the study is unique in the context of NSE listed companies as opposed to generalization of the base of understanding for the whole population of Companies in Kenya or across the world

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## LIST OF TERMS

<b>NSE:</b>	Nairobi Securities Exchange
<b>BSC:</b>	Balanced Score Card
<b>CBBE:</b>	Customer-Based Brand Equity

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of the Study

The influence and role of branding in a business environment has been well documented in previous studies (Chang et al., 2018; Jo Hatch & Schultz, 2003; Salehi & Arbatani, 2013a; Verma & Deou, 2007). These studies indicate that branding is an essential component in the business environment, considering it communicates a considerable amount of information to customers on product quality. Moreover, branding plays a vital role in the differentiation of companies' products as unique from substitutes offered by the competition (Kumar & Pandey, 2012). Branding creates brand equity which creates value for the firm and in turn improves financial and organizational performance (Narteh, 2018; Aydin & Ulengin, 2015).

Branding generates brand equity, the value premium, that is generated by companies from products with a recognizable name when compared to its generic equivalent (Kumar & Pandey, 2012). Brand equity creates value through making it easy for customers to identify products or services of one seller or group of sellers and differentiate them from those of the other competitors (Keller & Kotler, 2006). Križanová et al. (2013) argue that there is a differentiation between a product and a brand; a product denotes something that has been created by a business and can easily be imitated by competitors. However, a brand is unique. Branding is critical in any business environment, considering it communicates so much information to the customer on issues relating to product quality. Moreover, it helps ensure that a business's product stands out from the rest of the products currently being offered in the market by other competitors (Kumar & Pandey, 2012).

#### 1.1.1 Brand Equity

The concept of branding in marketing dates back to the 19<sup>th</sup> century after the advent of packaging goods following the move by the industries to centralized factories (Farquhar 1989). When shipping their items, the factories put logo or insignia on the barrels used, extending the brand's meaning to that of a trademark. The practice became more prominent during the industrial revolution during the period when the market was flooded with almost identical products resulting in the need to have some differentiation and make their products stand out

from the rest of the items in the market while also serving as an alternate way of knowing the quality of the product or at least the view of the consumer about the product (Farquhar 1989).

Brand equity refers to the additional value with which a brand endows a product; this additional value can be viewed from the perspective of the consumer, the firm or the trade (Farquhar 1989). Similarly, Aaker (1992) defines brand equity as “a set of brand assets and or liabilities associated to a brand, its name as well as symbol that enhance to or take from the value derived from a good or service offered by a firm.” The primary objective of branding in any business is differentiating a product from that of the other players in the market, offering the same products and services while at the same time building customer awareness (Anisimova 2014). Further, Brand equity concept refers to a marketing concept that describes a brand’s value. This value arises from the consumers’ perceptions and experiences as they interact with the brand and its environment (Anisimova 2014).

Aaker (1992) posits that brand equity comprises of five fundamental factors that create value for consumers and the company. They include brand loyalty, brand awareness, perceived quality, brand association and proprietary brand assets. Brand loyalty denotes the positive association and devotion customers have to a particular product or service. Brand awareness connotes the capability of latent customers to recall or recognize certain brand from specific product classification, which can denote the intensity of customer’s feeling on this brand. Perceived quality connotes the customer’s subjective satisfaction at the comprehensive quality as well as recognition level against the service or product offered under such brand.

Brand association involves creation and positioning the brand in the memory of the consumer, for all associate with the brand. The premise of which is that these associations can be amassed all together with some significance, then the imprint on this connotation would convert to brand image. Other proprietary brand assets: these comprise of trademarks, patent and relationships between channel operators among others. Different authors (Narteh, 2018; Hu et al., 2010; Chepkwony et al., 2018) have applied these five factors as the measurement for brand equity in their respective studies.

Keller (1998) developed the Keller's Brand Equity model which is also referred as the Customer -Based Brand Equity (CBBE) Model. The concept behind CBBE is for companies to build a strong brand, shaping the thoughts of customers as well as their feelings about a product is crucial. Companies have to build the right kind of experiences around the brand to

ensure that customers have specific, positive feelings, thoughts, opinions, beliefs and perceptions about it (Brexendorf & Keller, 2017). The model is based within a pyramid and it highlights four levels through which business can build a successful brand: Brand identity; Brand meaning; Brand responses and Brand relationships. Brand identity measures how the customer views the products and distinguishes it from the others. Brand meaning measures the brand performance and imagery in terms of reliability, features, durability, looks and style, value for money and customer experience. Brand response measures the judgements and feelings customers have towards the product and lastly brand resonance or relationships which measures the loyalty of the customer to the product (Keller & Kotler, 2006).

The BrandZ model was developed as a tool for diagnosing and predicting brand equity (Walshe & Brown, 2014). The model was developed based on five steps, presence, relevance, performance, advantage and bonding, that are in successive order where each of the steps is a continuity of the preceding steps and must be conducted in the same order (Ochwat, 2021; Walshe & Brown, 2014). Presence focuses on building awareness of the product-based brand promise and past trials. Relevance focuses on establishing whether the product is meeting the needs of its customers. Performance focuses on establishing whether the product delivers as per its brand promise. Advantage establishes whether the product has any preference or special bonding over other similar products in the market. Bonding is the final step in which the product is proven as an excellent product and there is a strong bond with the customer. Bonding ends up eliminating all competing products since the customer is psychologically and emotionally bonded with the product (Guo, 2021; Walshe & Brown, 2014).

Brand Asset Valuator (BAV) Model measures the growth potential and strength of brands and the associated consequences in four dimensions namely differentiation, relevance, esteem and knowledge (Young & Rubicam Inc., 2008). Differentiation covers the extent to which a brand differs from another while relevance is a measure of the importance of the brand to the consumers in relation to the costs, convenience and how well it serves their needs. Esteem measures the perception of the brand and the respect associated with the brand with regards to its performance and quality while Knowledge measures the understanding level of consumers in relation to identification of the brand (Dagustani & Satya, 2014; Young & Rubicam Inc., 2008).

This study adopted the brand equity model developed by Aaker (1992): Brand loyalty; brand awareness; perceived quality; brand associations and proprietary assets. It focused on five areas through which brand equity can be measured hence a more holistic perspective is gained. This model has been applied in other studies by Agaba and Arthur (2020) and Yoshifumi et al. (2017).

#### **1.1.1.1 Brand Equity Model**

Aaker (1992) posits that brand equity denotes brand assets or brand liabilities associated with a brand. The assets or liabilities can be a symbol or name from which products offered by a firm derive their value. This assertion is further bolstered by King and Grace (2008) indicating that brand assets and brand liabilities help the organization to improve the customers' buying habits. Moreover, brand equity is critical in a company's operations, especially in the competitive global marketplace where strong brands internationalize and are typically associated with foreign operations. These benefits related to developing a solid brand have made branding critical in the international markets. Aaker (1992) developed the Aaker Brand Equity Model that helps in the creation of a brand strategy composed of various components that differentiate a brand from its competition in addition to advancing it. The various components include; Brand association, brand loyalty, brand awareness, perceived quality and proprietary brand assets.

Keller and Kotler (2006) argue that brand association comprises feelings, thoughts, images, beliefs, experiences, attitudes, and everything related to the brand. The brand association can be broadly categorized into product associations and organization associations. Corporate brand association denotes the customers' evaluation of a brand determined by their memory and previous interactions with the brand (Su & Reynolds, 2017). Brexendorf and Keller (2017) posit that organizational associations lead to the development of the corporate brand. Such associations often make the consumers consider spending and purchasing the products and services.

Brand loyalty denotes the attachment a consumer has to a brand (Aaker 1992; Ahmad, Hussain, & Jaziri 2020). As customers become more connected to a brand, they are likely to maintain proximity because of emotions of attachment, happiness, and security (Whan Park & Macinnis, 2018). When a customer's behaviour in the marketplace is demonstrated by many repeat transactions or a commitment to repurchase the item as a primary option, this is referred to as

behavioural loyalty (Jimanez-Barreto et al. 2022). When a customer has to decide, cognitive loyalty is when a brand comes to mind first or is the customer's first preference (Jimanez-Barreto et al. 2022). The highest degree of cognition is closely related to cognitive loyalty. As a result, a brand must become the customer's first preference (cognitive loyalty) regularly (behavioural loyalty). Besides, research confirms that brand loyalty is directly related to the price of the product. Premium prices are identified as the basic indicator of loyalty and include how a customer is willing to commit to a product with alternatives with a lower price point.

Brand awareness refers to the customers' ability to remember and recognize a brand as reflected by their ability to identify the brand under different conditions and associate the brand logo, symbol, and other features that identify the brand (Aaker 1992; Latif, Islam, & Noor 2014). The concept is also attributed to brand knowledge and recognition, and often, brands benefit when customers' awareness of the brand is high. Other researchers also add that brand awareness occurs when a potential buyer can identify and recall brands that are associated with a particular product category of a company (Vrontis & Papasolomou, 2007)

Perceived quality refers to how customers judge the superiority or excellence of a product or service different from its objective quality (Aaker 1992; Styliadis 2020). The objective quality of a product or service refers to measurable, technical, and verifiable nature, process, and quality control. Nonetheless, it is important to note that a higher objective quality does not necessarily add value to brand equity. Besides, it is challenging or impossible for the customer to make a correct and complete judgment of objective quality; therefore, they use quality attributes to associate with quality. Perceived quality is thus used in passing judgment on the overall quality of a product or service. According to Erdoğan and Büdeyri-Turan (2012) perceived quality can be categorized into two groups of factors. The internal attributes and external attributes. The intrinsic attributes are closely intertwined with the product rather than the physical aspects, such as brand name and a stamp of quality product information. On the other hand, the extrinsic attributes relate to the product's physicality, including form, flavour, colour, and appearance.

Brands that have amassed advanced proprietary rights have a competitive edge in contrast to other brands (Aaker 1992). Agaba and Arthur (2020) argues that other proprietary brand assets of an organization include the channel relationships, patents and trademarks that offer protection to the competitive edge that an organization has over its competitors. According to Aaker (1992) Other proprietary brand assets are only valuable to an organization when they

prevent competitors from undermining brand loyalty of their customers. In addition, for the proprietary brand assets to be relevant, there must be an association with the brand (Agaba & Arthur, 2020).

Different authors have criticized the Aaker model. Malik and Naeem (2013) argue that Aaker's model is regarded as crude measure of brand equity as it transposes human personality traits as opposed to using brand traits. Additionally, the model is specific to the American culture since the five-dimensional structure is not always substantiated across different cultural settings. Further, Kumar (2018) argues that the conceptual understanding, definition and methodology applied in the development of brand personality and needs further attention of scholars. This theory was relevant to the study as it gave the basis for which brand equity can be measured. The model has been applied in other similar studies (Agaba & Arthur 2020; Njuguna 2014)

### **1.1.2 Organizational Performance**

Chandler and Hanks (1993) posit that organizational performance involves the analysis of the performance of a company against its objectives and goals. Luo et al. (2012) suggested that organizational performance should be measured in operational and economic terms. The economic performance focuses on the financial and market results such as assessing the profits, return on investment, sales among other financial metrics. The operational performance focuses on the observable indices like customer satisfaction and loyalty, the firm's social capital, and competitive edge derived from capabilities and resources. Different scholars have developed different models of measuring organizational performance; the balanced score card, The BALDRIGE model and the triple bottom line model among others.

Kaplan and Norton (1992) define the Balanced Score Card (BSC) as measures that offer the top management a fast and comprehensive view of a business. The BSC analyses performance of a business in four perspectives: Financial perspective, Customer Perspective, Internal business Perspective, and Innovation and Learning perspective (Kaplan & Norton, 1992). Financial perspective analyses the company's financial health such as revenue growth, profitability, returns on investments. Internal business perspective focuses on processes geared toward creating and delivering customer value proposition efficiently and productively. Customer perspective involves gauging the performance of the organization through their

customers. Learning and growth focuses on an organization's intangible assets mainly, internal skills and capabilities required in supporting the value-creating internal processes.

Elkington (2013) developed the triple bottom line in 1994 which focuses on 3Ps of an organization: profit, people and planet. These 3 Ps measure the financial, social and environmental performance of an organization respectively. Profit; measures the profitability of the corporation based on the traditional profit and loss account. People; measures the extent of social responsibility of the organization in its operations. Planet; measures how environmental friendly the organization has been. Slaper and Hall (2011) posits that the Triple Bottom line captures the essence of sustainability through measurement of the influence activities of an organization have on the world including its shareholder values and profitability and its human, social and environmental capital.

Baldrige model is a framework that empowers an organization towards reaching its goals and improve results in order to be more competitive (The Baldrige Foundation 2019). The model incorporates practices on current management and leadership challenges into a set of questions and actions that assist organizations manage all the components of the organization as a unified whole (The Baldrige Foundation 2019). The Baldrige Education Benchmarks are organized into seven classifications representative of the key areas of an organization: Leadership; Strategy; Customers; Measurement, Analysis, and Knowledge Management; the workforce; operations; and results (Ghosh et al. 2003). In addition, eleven core concepts and values lay the foundation of the Baldrige model. Visionary leadership; systems perspective, valuing people; student-centered excellence; resilience and agility; organizational learning; management by fact; focus on innovation and success; contributions to society; ethics and transparency and delivering results and value (Badri et al. 2006).

This study adopted the Balanced Score Card developed by Kaplan and Norton (1992). The model focuses on four aspects which form the building blocks of measuring the overall performance of the organization. It gives four areas through which the entire organizational performance can be measured thus financial, customer, internal business process and learning and growth perspectives and hence a more holistic perspective is gained and has been applied in related studies (Gupta & Chopra 2016; Salem, Hasnan, & Osman 2012).

### **1.1.2.1 The Balanced Score Card**

Kaplan and Norton (1992) developed the Balanced Score Card which evaluates the performance of an entity in four perspectives: financial perspective, customer perspective, internal perspective, and learning and growth (Kaplan & Norton, 1992; Khatoon & Farooq, 2014). These dimension were chosen by Kaplan and Norton (1992) on the premise that the success of an organization is dependent on its performance financially, which is directly associated with the internal operations of the organization, how the customer interacts or perceives the organization and the strategic direction in which the organization is headed (Kaplan & Norton, 1993).

Financial perspective analyses the company's financial health such as revenue growth, profitability, returns on investments (Kaplan & Norton, 1993). The financial perspective retains financial metrics historically applied in the evaluation of performance and they vary from company to company and industry to industry (Khatoon & Farooq, 2014). The financial measures include revenue growth, earnings per share (EPS), inventory turnover, sales growth, returns on assets, returns on investments among others (Kaplan, 2009; Kaplan & Norton, 1993).

Customer perspective involves gauging the performance of the organization through their customers (Kaplan & Norton, 1993). All organizations have clients or customers without which the organization will cease to operate. Therefore, it's important for organizations to measure its performance with respect to customers. The metrics applied in the study include market share, customer satisfaction, number of new customers, number of repeat customers and number of customer referrals.

Internal business perspective focuses on processes geared toward creating and delivering customer value proposition efficiently and productively (Kaplan & Norton, 1993). This necessitates organizations to continuously monitor and evaluate their internal operations to ensure they are meeting or addressing the strategic goals and objectives of the organization (Kaplan 2009). Some of the variables applied as internal business measures are time from production to customers, waste product reduction, transaction efficiency, machine downtime among others.

Learning and growth perspective focuses on an organizations intangible assets mainly, internal skills and capabilities required in supporting the value-creating internal processes (Kaplan & Norton, 1993). The learning and growth perspective gives the measures to assess how the management and employees work together in growing an organization and helping the employees grow within the organization (Kaplan & Norton, 1992). This is premised on the dynamic business environment that requires organizations to constantly evolve in order to grow and survive while achieving strategic targets (Kaplan 2009).

Different authors have criticized the Balanced Score Card by Kaplan and Norton (1992). Salem et al. (2012) argue that despite the BSC having various advantages, the BSC needs to be extended further to incorporate environmental and social aspects of organizations. Further, Awadallah and Allam (2015) argues that the BSC excludes other stakeholders other than the customer in measuring performance. However, this model was relevant to the study since it gave the basis on which the organizational performance can be measured. The model focuses on a holistic approach where the financial perspective, customer perspective, internal business processes perspective and learning and growth perspective. It has been applied in other similar studies by Gupta and Chopra (2016) and Salem et al. (2012)

### **1.1.3 Listed Companies at the Nairobi Securities Exchange**

The Nairobi Securities Exchange was established in 1954 and is regulated by the Capital Markets Authority and offers a platform where local and international companies can access cost-effective capital (Nairobi Securities Exchange 2020). The NSE has different roles as per its mandate which include but not limited to protection of investors and investors funds; offering listing advise to companies; ensuring the transfers of title to any traded securities; oversight of a listed companies to ensure compliance with the listing rules and regulations on disclosures (N.S.E, 2020; N.S.E, 2014; Capital Markets Authority of Kenya, 2019).

The NSE is categorized into four market segments approved by the Capital Markets Authority: Growth Enterprise Market Segment; Main Investment Market Segment; Alternative Investment Market Segment; Fixed Income Securities Market Segment (Nairobi Stock Exchange 2014). Each of these segments have different eligibility requirements, trading restrictions and disclosure requirements as prescribed under the ETF Guidance Note, REIT regulations and Public Offers Regulations (Nairobi Stock Exchange 2014). The NSE has 64

listed companies as at 31<sup>st</sup> December 2020 (Nairobi Securities Exchange 2021). The companies are listed under 13 sectors namely; Agricultural, Automobiles and Accessories, Banking, commercial and services, construction and Allied, Energy and Petroleum, Insurance, Investment, Investment services, Manufacturing and Allied, Telecommunication, Real Estate Investment Trusts and Exchange Traded funds.

Listed companies have recorded good performance in relation to brand value. Latest ranking show that Safaricom is the most valuable brand in Kenya valued at its latest numbers show that Safaricom retained its position as Kenya's most valuable brand. It is now valued at USD 689 million (Brand Finance 2022). In addition to brand Value, Brand Finance measures relative strength of brands using a balanced scorecard of metrics assessing business performance, marketing investment and stakeholder equity (Abuya 2022). Similarly, Equity Bank with a brand value rose up by 92% to USD 388 million and ranked as the strongest brand in Kenya with Brand Strength Index (BSI) score of 90.8 out of 100 rated AAA+ in brand rating. The other strongest brands ranked in their order are as follows; Kenya Commercial Bank, Safaricom, Co-operative Bank, Bamburi Cement, Tusker from EABL, M-PESA from Safaricom, NCBA Bank, DTB Bank and Kenya Airways. Kenyan beer brand Tusker registered a brand value of USD 50 million representing a growth of 132% in brand value in 2022 year. Other fastest growing brands were: Equity Bank, Kenya Commercial Bank, Co-op Bank, Safaricom, M-PESA, KQ, and Bamburi Cement.

Mwai (2020) posits that listing on the Nairobi Securities Exchange leads to unlocking of a company's brand equity faster and easier as opposed to publicity and marketing campaigns. This is because Listed companies on the Nairobi Securities Exchange are more identifiable and highly noticeable as compared to privately held companies as the Securities exchange provides the listed companies with boundless exposure to local, regional and global media, general public and investors (Mwai 2020). In addition, different authors, (Narteh, 2018; Chepkwony et al., 2018) posit that brand equity creates tangible financial outcomes that should positively influence on organizational performance. Further, companies that have a positive brand equity will have customers that are willing to pay a higher price for its products despite there being an alternative from a competitor that is priced for less (Aydin & Ulengin, 2015) . Despite the importance brand equity to the performance of a business been well documented in several empirical studies (Aaker, 1992; Srivastava & Shocker, 1991; Aydin & Ulengin, 2015), Wandiri (2019) reports that the NSE exhibits poor performance since companies at the NSE

have recorded a poor financial performance leading to loss of billions in shareholders' wealth. A third of the listed companies – 23 companies- have stocks trading at less than KShs10. To remedy this trend of dismal performance, In 2019, the CMA and NSE announced the establishment of the recovery board tasked with the rehabilitation of companies that are under financial distress (Capital Markets Authority of Kenya 2019). This study focused on the 64 listed companies as at 31<sup>st</sup> December 2021 (Nairobi Securities Exchange 2021)

## **1.2 Problem Statement**

Listed companies at the Nairobi Stock exchange are constantly faced with operational challenges in their environment, key among these challenges are increased competition and globalization (Nairobi Securities Exchange 2021). Companies are necessitated to adopt various strategies to remain competitive and the key focus is on branding with the aim of building strong brand to gain a sustainable competitive edge over its rivals in the industry and improve their financial performance (Chepkwony et al. 2018).

Brand equity leads to improved performance of and firms facing financial performance challenges can improve their performance by building their brand companies (Delgado-Ballester & Munuera-Alemán, 2005). Stronger brand equity will have a significant influence on market share, sales growth, revenues which will in turn improve the financial and operational performance of the company (Rahman et al., 2019; Narteh, 2018; Chepkwony et al., 2018; Aydin & Ulengin, 2015). Various studies have shown that brand equity and performance are closely correlated. Rahman et al. (2019) in a study on Brand equity and firm performance on 62 US firms and brands establishes that there is a significant positive effect of brand equity on the market and financial performance as measured by market share and Tobin's Q ratio respectively. The study also establishes that Corporate Social Responsibility plays a moderating role between brand equity and performance of the companies. Similarly, Verma and Deou (2007), in a study on the influence of branding on the organizational performance in the non-profit sector in India, confirmed that branding activities had a positive correlation with the organizational performance of non-profit organizations. In another study, Aydin and Ulengin (2015) sought for empirical evidence connecting Consumer Based Brand Equity with financial performance of firms in Turkey. The study establishes that perceived quality has the highest influence on enhancing financial performance of a firm; Knowledge factor is the composite factor in brand association and brand awareness components. The least important factor in the study was identified as brand loyalty.

Narteh (2018) examines the association between brand equity and financial performance retail banking sector in Ghana. Brand equity was measured by Brand awareness, Brand associations, perceived quality, Relevance and Brand loyalty and the study established that service quality, brand association, brand loyalty and brand relevance positively and significantly predict the financial performance. Moreover, brand likeability also moderates the relationship between brand equity and financial performance. Similarly, Nana et al. (2019) in a study on the influence of corporate rebranding on brand equity and firm performance establishes that brand equity has a significant effect on the performance of a firm with customer experience having a notable effect on firm performance.

Locally, Chepkwony et al. (2018) sought to establish the financial performance of mobile telecommunication firms in Kenya. The research establishes that perceived quality, brand loyalty, brand association and brand awareness have a statistically significant influence on financial performance of mobile telecommunication. This implies that the stronger the brand equity of a firm the stronger its financial performance. From the analysis, multiple studies demonstrate a positive correlation between brand equity and organizational performance. In addition, Mwai (2020) argues that listing on the Nairobi Securities Exchange unlocks the brand equity of a company faster and easier as opposed to publicity and marketing campaigns. The publicity that comes with listing makes the companies identifiable and highly noticeable as compared to privately held companies due to the boundless exposure and hence a higher brand equity (Mwai 2020). However, the financial performance of listed companies at the NSE has been on the decline over the past 10 years (Wandiri 2019). This dismal performance of companies is in spite of the companies having big spending budgets on advertising and corporate branding. Riaz and Tanveer (2011) posit that companies adopt branding practices that are reliant on heavy promotional and advertising campaigns and overlook the core benefits that the products provide, so when customers actually experience the brand, they get disappointed and feel betrayed, resulting into loss of customers and resources. This study therefore sought to address this gap by seeking to establish the influence of brand equity on performance of the companies listed at the Nairobi Stock Exchange in Kenya.

### **1.3 Research Objectives**

The general objective of the study was to establish the influence of brand equity on the performance of companies listed in the Nairobi Securities Exchange in Kenya

### **1.3.1 Specific Objectives**

- i. To establish the influence of brand loyalty on the performance of companies listed in the Nairobi Securities Exchange in Kenya.
- ii. To determine the influence of brand awareness on performance of companies listed in the Nairobi Securities Exchange in Kenya.
- iii. To establish the influence of brand associations on performance of companies listed in the Nairobi Securities Exchange in Kenya.
- iv. To determine the influence of perceived quality on performance of companies listed in the Nairobi Securities Exchange in Kenya.
- v. To establish the influence of proprietary brand assets on performance of companies listed in the Nairobi Securities Exchange.

### **1.3.2 Research Question**

- i. What is the influence of brand loyalty on the performance of companies listed in the Nairobi Securities Exchange in Kenya?
- ii. What is the influence of brand awareness on the performance of companies listed in the Nairobi Securities Exchange in Kenya?
- iii. What is the influence of brand associations on the performance of companies listed in the Nairobi Securities Exchange in Kenya?
- iv. What is the influence of perceived quality on the performance of companies listed in the Nairobi Securities Exchange in Kenya?
- v. What is the influence of proprietary brand assets on performance of companies listed in the Nairobi Securities Exchange in Kenya?

### **1.4 Scope of the Study**

The study focused on establishing the influence of brand equity on the performance of companies listed in the Nairobi Securities Exchange, Nairobi Kenya. Study was anchored on the theory of reasoned action and the brand resonance theory while the Balanced Score Card and Brand equity models were applied in the evaluation of the influence of brand equity and measurement of performance respectively. The study focused on the sixty-four (64) listed companies as at 31<sup>st</sup> December 2021. Brand equity covered brand association, brand loyalty, brand awareness and the perceived quality as per Aaker (1992). Moreover, organizational performance was analysed through the balanced score card model by Kaplan and Norton (1992). The study applied structured questionnaires targeting marketing and business development managers at the 64 listed companies at the NSE in Kenya.

## **1.5 Significance of the Study**

The research is of significance to different stakeholders including policy makers, industry players and scholars. The Capital Markets Authority and NSE are tasked with the regulation of the stocks markets and the study sought to provide an understanding on the influence of brand equity on organizational performance of listed companies at the NSE. The study is instrumental in policy formulation on turning around of listed companies that have performed dismally over the past 10 years.

Secondly, Management of listed companies are tasked with the creation of wealth for the shareholders. The study can assist the management of these companies in designing strategies on brand equity and allocation of resources to the dimensions of brand equity that positively enhance the performance of the company as well as its going-concern.

Lastly, this study is beneficial to scholars as it will add to the wealth of knowledge on brand equity and its effect on performance of listed companies and would assist in identifying the gaps and areas for further research.

## **1.6 Chapter Summary**

This chapter gives the background of the study through reviewing literature from across the globe to clearly outline the problem that the study sought to investigate. In addition, the objectives of the study and the questions that will be answered have been outlined. Further, the scope of the study has been clearly outlined and the significance to the various stakeholders; the regulators, the management of the listed companies and scholars, defined.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter scrutinised literature on brand equity and organizational performance of companies. It gave the theories that form the theoretical base for the study and critically analyses the empirical literature how brand equity affects the organizational performance. This chapter had four sections: Section one, theoretical review; section two, empirical review; section three, conceptual framework and section four covered the summary elaborating the research gaps.

#### **2.2 Theoretical Foundation**

This section discussed the relevant theories that show the relation between brand equity and organizational performance of companies listed at the NSE. The Comparative Advantage Theory of Competition and the theory of reasoned action formed the anchor for this study.

##### **2.2.1 The Comparative Advantage Theory of Competition**

Hunt and Morgan (1995) developed the Comparative Advantage Theory of Competition and argue that new theory of competition enlightens key micro and macro phenomena better than neoclassical perfect competition theory. In addition, the theory explicates comparative advantage by evaluating a market orientation as a potential resource for comparative advantage (Hunt & Morgan 2018).

Resource-advantage theory propositions that competitive advantage of a company arises from a comparative advantage or disadvantage in resources (Hunt & Morgan 1997). These resources refer to the tangible and intangible objects accessible by company that enable the efficient production and/or the effective market offerings that have value for some market segments (Lusch 2000). Competitive advantage sets companies apart from their competitors in the eyes of its consumers (Deligönül & Çavuşgil 1997; Lusch 2000).

The comparative advantages allow companies to attain and sustain superior margins, an enhanced growth profile and/or greater loyalty amongst its current customers (Dickson 1996). The Comparative Advantage Theory of Competition contends that innovations realize sustainable competitive advantage through accumulation and utilization of resources to serve consumer interests in ways that are hard to imitate or substitute for (Deligönül & Çavuşgil 1997).

This theory was relevant to the study since it posits that a comparative advantage in resources leads to a competitive advantage in the marketplace (Juárez-Luis, Sánchez-Medina, & Díaz-Pichardo 2019). This means that companies with comparative advantage or disadvantage in resources (brand equity) are able to attain and sustain superior margins, an enhanced growth profile and/or greater loyalty amongst its current customers (organizational performance) and vice versa. This study argues conceptualizes that firms with superior brand equity outperform those with inferior brand equity.

### **2.2.2 Theory of Reasoned Action**

The Theory of Reasoned Action posits that that an individual's behavior is determined by their intention to perform the behavior. However, this intention is dependent on their attitude toward the behavior and subjective norms (Fishbein & Ajzen 1975). The theory was formulated as Fishbein and Ajzen tried to establish the differences between behavior and attitude as a modification to the integration theory (Axelson, Brinberg, & Allen 1986). The TRA recognizes behavioral intention and acknowledges that attitude on behavior can be limited by other factors (Rutter & Bunce 1989). Therefore, TRA predicts behavioral intention, an in between factor that stops at attitude predictions and essentially predicts behavior, since it separates behavior from behavioral intention. Another enhancement to the TRA is that it has two new elements in predicting behavioral intent; attitude and norms or expectations of other people (Fishbein & Ajzen 1975; Rutter & Bunce 1989).

Attitude influences one to pursue one thing, the norms influence towards something else (Fishbein & Ajzen 1975). On the contrast, Vernon (1983) argues that the theory of reasoned action is impaired and hence a flawed tool that should not be applied in the prediction and understanding of human behavior since it's difficult to maintain that each phase in the sequence follows from the preceding phase i.e. human behavior is arbitrary.

The theory of reasoned action can be applied to conceptualize brand equity (Rutter & Bunce 1989). The theory was relevant to the study since according to the theory of reasoned action, the antecedents of purchase behavior are attitudes towards the purchase and subjective norm (Lyong ha 1998). This means that the antecedents of purchase behavior can be integrated to predict and measure brand equity hence ensuring that the measurement and prediction of brand equity will be accurate and more stable over time. Brand equity is premised on the influence of consumer behavior that targets the norms (expectations of the company on the consumer).

However, a critical component, attitude of the individual, is significant in analyzing the impact of marketing activities on the performance of the company.

### **2.3 Empirical Literature Review**

This section reviewed empirical studies from different authors on the thematic area of brand equity and its influence on the organizational performance.

#### **2.3.1 Brand Association and Organizational Performance**

Brand association denotes the reason for purchasing and having loyalty to a brand and associations often make the consumers consider spending and purchasing the products and services hence improving performance of companies (Aaker 1992; Brexendorf & Keller 2017). Jayswal and Vora (2019) established that brand association had a significant effect on brand equity in the FMCG sector in India. Further, the study further analysed two factors of brand association, specific and intangible attributes. Specific attributes were identified to explain a higher variation as compared to intangible attributes. The study focused on Advergaming in the FMCG industry in India and applied factor analysis, multiple regression and MANOVA in the analysis in establishing the relationship between brand association and brand equity.

In another study, Muhonen et al. (2017) focused on brand associations, its components and its performance effects on SME's in Finland. The study sought to establish whether brand identity has a mediating relationship between brand orientation and brand performance. In addition, the study sought to establish whether brand associations or identity has an effect on financial performance of SME's. Data from 721 respondents drawn from Finnish SMES was analysed using structural equation modelling to test for the research hypotheses. The findings showed that two aspects of brand associations Brand positioning and brand vision has a significant direct and positive effect on brand performance and financial performance. Further, the study established that this relationship varies between brand values, brand positioning, brand vision and brand orientation across different SME sectors such as business-to-customer firms, service industries firms, manufacturing and business-to-business firms.

Kilei et al. (2016) investigated the role of brand associations on market brand performance in the Banking Sector in Kenya within the context of services sector in a developing economy.

Using a sample size of 347 customers and 35 senior managers from 35 commercial banks and applying correlation analysis, the study established that brand associations had a significant positive influence on brand performance. Further, two aspects of brand association were analysed, service and organizational associations. Despite both aspects having significant and positive influence on brand performance, service associations had a stronger predictive power as compared to organizational associations.

Chepkwony et al. (2018) in their study on brand equity and financial performance of mobile telecommunication firms in Kenya established that brand association had a statistically significant influence performance. In addition, the study establishes a significant positive correlation between financial performance and brand association. The subscribers identified with the products and services offered by their service providers as superior thus were willing to continue purchasing the services as offered. However, majority of the subscribers felt that there was a limited variety of services and less uniqueness hence this posed a risk of loss of market share which may in turn affect their operating incomes.

### **2.3.2 Brand Loyalty and Organizational Performance**

Brand loyalty denotes the attachment a consumer has to a brand (Aaker 1992). As a result, a brand must become the customer's first preference (cognitive loyalty) regularly (behavioural loyalty) (Jimanez-Barreto et al. 2022). Jimanez-Barreto et al. (2022) argue that brand loyalty is directly related to the price of the product as premium prices are identified as the basic indicator of loyalty and include how a customer is willing to commit to a product with alternatives with a lower price point.

Maheshwari et al. (2014) in a study focusing on the determinants of brand loyalty in the automotive sector in Norway focused on brand commitment & brand experience as the determinants of brand loyalty. The respondents of the study were drawn from used car owners aged between 40-70 in Oslo, Norway. The study established that both brand commitment & brand experience had a statistically significant correlation with brand loyalty. Further analysis on the influence of brand experience on brand loyalty with and without commitment as a mediator showed that brand commitment did not have any significant effect on customers' brand loyalty.

Zerellari & Tabaku (2015) in a study on brand loyalty and loyalty programs examined the constructs of brand loyalty, loyalty programs and the brand. The study focused on review of existing literature on the three constructs and their influence on the long term competitive of

businesses. The study explained the benefits accrued on both customers and businesses due to creation of a strong brand. Loyalty programs, when applied properly, have the ability to improve profitability of businesses. The findings of the study demonstrated that brand loyalty and loyalty programs are essential solutions for improving profitability of businesses as well as creation of a strong and long-term competitiveness of businesses.

Keisidou et al. (2013) in a study focusing on the banking sector in Greece that sought to establish the effect of customer satisfaction and loyalty on financial performance, reports that brand loyalty had a limited influence on the financial performance of banks. The study concluded that neither customer satisfaction nor customer loyalty had any significant influence on the financial performance of banks. Similarly, this finding is bolstered by the study conducted in the Middle East in the Islamic bank in Bangladesh. The study establishes that the financial performance of the banks relied on many other financial and non-financial factors other than customer loyalty (Rashid et al. 2020).

On the other hand, Obasan et al. (2015) conducted study to investigate the relationship between brand loyalty and profitability. The study used both primary from 225 respondents drawn from the customers of Honeywell Flour Mills Plc and correlation analysis was applied in the data analysis. The study established that brand loyalty had a significant positive effect on the profitability of the company with brand loyalty accounting for 74.9% of the variation in profitability of the flour miller. The study concluded that profitability of organizations is a function of brand loyalty. These findings support the assertions of Jimenez-Barreto et al. (2022) that price of the product is a basic indicator of loyalty and loyalty is achieved once a customer is willing to commit to a product with alternatives with a lower price point.

Chepkwony et al. (2018) in their study on brand equity and financial performance of mobile telecommunication firms in Kenya established that brand loyalty had a statistically significant influence on their performance. In addition, the study establishes a significant positive correlation between financial performance and brand loyalty. Further, the subscribers were loyal to their service providers to the extent of recommending their service providers to other people leading to growth in market share. However, customer's loyalty to the brand did not mean that customers cannot contemplate switching to other service providers as most subscribers also had dual sim cards and were open to switching in search of new products and services from other service providers.

### **2.3.3 Brand Awareness and Organizational Performance**

Brand awareness enhances a customers' ability to remember and recognize a brand under different conditions and associate the brand logo, symbol, and other features that identify the brand (Aaker 1992). This ability of customers to recognize the product improves the performance of a company's products in the market and hence its performance (Vrontis & Papasolomou 2007). Anees-ur-Rehman et al. (2018) examined the association between financial performance and brand orientation. The study focused on the influence of brand communication, internal branding and brand credibility and brand awareness as the four constructs of brand orientation. The results show that the effectiveness of internal branding and brand communication is improved through brand orientation. Further, brand awareness had an indirect and positive influence on financial performance through having influencing the brand credibility.

In another study, Yatundu et al. (2016) sought to establish the effect of brand awareness and brand personality on performance of public sugar manufacturing companies in Western Kenya. The study applied purposive sampling in the selection of 12 respondents from management while simple random sampling was applied in the selection of the 43 supervisors and 119 clerks. Analysis of the data through descriptive and inferential statistics was carried out and the findings showed that brand awareness and brand personality had a significant positive effect on the performance of public sugar millers. The study further recommended for management to allocate resources in branding activities that raises the brand awareness among consumers in order to improve performance.

Similarly, Kuya and Namusonge (2015) in a study on effect of customer loyalty and brand awareness on performance of Kenya Power concluded that brand awareness and brand loyalty have a statistically significant effect on sustainable profitability of Kenya Power. Further, the study recommended that Kenya Power should develop brand awareness and brand loyalty programs in order to increase sales turnover and market share by creating relationships and emotional attachments of customers to the brand. This brand awareness and loyalty will increase switching costs and enhance advertisement value through customer's word of mouth therefore creating self-sustaining and least cost marketing campaign. The study focused on respondents drawn from all strata of the company's customers; domestic, small and medium business and large power consumers hence improved reliability of the findings.

In a different study, Agumba et al. (2017) focused on the effect of brand awareness on performance of organizations in retention of customers in the telecommunication sector. Specifically, the study focused on Airtel mobile company in Kenya. brand visibility and promotion tools formed the two aspects of brand awareness that were examined. A descriptive survey design was adopted in the study and data collected from 334 respondents using questionnaires. The data was analysis using content and descriptive analysis techniques. The study established that there is a statistically significant effect on brand awareness on customer retention and profitability of the company. Further, the company enhanced its brand awareness through quick & efficient services, sales promotions, competitive pricing and advertising in the promotional mix

#### **2.3.4 Perceived Quality and Organizational Performance**

Perceived quality or how customers judge the superiority or excellence of a product or service different from its objective quality has the ability to improve product performance (Aaker 1992). Stylidis (2020) argues that the higher the perceived quality in the service or goods offered by an entity, the higher the returns for the company. This is collaborated by Yoshifumi et al. (2017) in a study on the effect of perceived quality and productivity on organizational performance with a focus on multinationals in the electronics manufacturing sector of Malaysia. 120 factory workers were included in the sample size and multiple regression and Pearson correlation applied in data analysis. The study established that productivity and perceived quality were correlated with organizational performance as measured by the lean management practices with a standardized coefficient of 0.443 for productivity and 0.303 for perceived quality. Further the analysis established that 60% (R-square 0.6) of the variation in organization was attributable to productivity and service quality. The study concluded that there is a significant positive relationship between perceived service quality, productivity and organizational performance as measured by lean management practices.

In another study Buzdar et al. (2016) investigated the association between Customer-based brand equity and performance of companies in the telecommunications industry in Pakistan. The study applied survey questionnaire to collect primary data and while document analysis was applied in the collection of secondary data on performance of the companies. The study revealed that there is a strong positive association between CBBE and organizational performance. Further, perceived quality had the strongest direct effect on performance while brand image had the least effect.

Similarly, Thomas et al. (2020) in their study on perceived quality of strategic leadership and organizational performance of a state-owned research institution of South Africa established that perceived strategic leadership quality had a statistically significant effect on the organizational performance of the institution. The perceived quality of strategic leadership was measured on four aspects; strategic thinking, leadership style, strategic alignment and strategic decision making. Further, the regression results also established statistically significant correlations of 0.3 on the relationship between strategic leadership style and Strategic Decision Making and Strategic Mind-set of perceived quality of strategic leadership. Lastly, a statistically significant correlation of 0.282 was established under the strategic alignment construct.

Narteh (2018) conducted a study to examine the relationship between financial performance and brand equity in the retail sector in the Ghana. The study applied a quantitative methodology and survey methodology on a sample of 550 retail bank customers while data analysis was through the structuring equation modeling using AMOS. The study focused on brand equity as measured by brand awareness, associations, perceived quality, relevance and brand loyalty as the independent variables while financial performance was the dependent variable similarly to our study. It was established that brand loyalty brand association, service quality and brand relevance had a positive and significant influence on financial performance of the retail banks.

Chepkwony et al. (2018) their study on brand equity and financial performance of mobile telecommunication firms in Kenya established that perceived quality had a statistically significant influence on their performance. In addition, the study establishes a significant positive correlation between financial performance and perceived quality with customer satisfaction having the greatest influence on perceived quality. Further, the customer service offered by the mobile telecommunication firms was deemed to be satisfactorily. The study also established that there was a mismatch between the perceived quality of services and benefits offered and the prices charged. and many subscribers charged by the respondents.

### **2.3.5 Other Proprietary Assets and Organizational Performance**

According to Aaker (1992) brands with advanced proprietary rights have a competitive edge in contrast to other brands. This is supported by Akroush (2006) who investigated the relationship between marketing assets and performance of banks in Jordan. Primary was collected from the branch and marketing managers using questionnaires and ANOVA analysis and multiple regression was applied in data analysis. The study established that marketing

assets and capabilities have a significant and positive effect on the performance of the banks in terms of total revenues, customer satisfaction and profitability. Further, the study showed that the experience of banks in brand and marketing as well as the capabilities of the managers tasked with marketing has a moderating effect on the relationship between marketing assets and organizational performance.

In another study, Adijaya (2016) sought to determine whether brand equity has an effect of brand equity on Samsung smartphone purchase decisions by University students in Indonesia. The study applied other proprietary brand assets, brand awareness, perceived quality, brand association and brand loyalty as the constructs of brand equity and established that they all contribute on influencing the purchase of Samsung Smartphones by University students in Indonesia. The study applied linear regression and principal component analysis and established a statistically significant and positive association between brand equity and purchasing decisions amongst university students.

Similarly, Sienglumlert (2020) sought to establish the effect of brand equity on consumer purchasing patterns on Samsonite products in the Bangkok. The study collected data from 400 shoppers who purchased Samsonite luggage using a questionnaire. t-tests, multiple regression and one-way analysis of variance analysis was applied to analyse the data. The results showed that only three constructs of brand equity; other proprietary brand assets, brand associations and brand loyalty have a statistically significant effect on the consumer decisions to purchase Samsonite luggage in Bangkok at a significance level of 0.05. Further, 56% in the variation in purchases of Samsonite luggage in the Bangkok metropolitan area could be explained by other proprietary brand assets, brand associations and brand loyalty.

On the contrast Agaba and Arthur (2020) in their study on the effect of other proprietary brand assets on competitive advantage of beer products in South Western Uganda. A sample of 1783 respondents drawn from retailers, wholesalers, retailers and marketing managers was applied in the study and data collected through questionnaires. Multiple regression and t-statistics were applied in data analysis and the study established that other proprietary brand assets held by the manufacturers of Eagle Lager, Nile Special Lager, Senator Extra Lager, Bell and Club beer products sold in Kabale District of Uganda have no significant effect on their competitive advantage. This is in contrast to the assertion by Aaker (1992) that brands with advanced proprietary rights have a competitive edge over the others.

## 2.4 Summary of Research Gaps

Hunt and Morgan (1995) argues that comparative advantage of competition allows companies to attain and sustain superior margins, an enhanced growth profile and/or greater loyalty amongst its current customers. This infers that companies with comparative advantage drawn from brand equity will have enhance performance. Several authors have affirmed these assertions. Chepkwony et al. (2018), Kilei et al. (2016) and Muhonen et al. (2017) established that companies with comparative advantage drawn from brand association had superior performance. Maheshwari et al. (2014), Obasan et al. (2015) and Zerellari and Tabaku (2015) established that companies with comparative advantage drawn from brand loyalty had superior performance. In contrast, Keisidou et al. (2013) and Rashid et al. (2020) established that brand and customer loyalty had insignificant influence on financial performance.

Adijaya 2016, Akroush 2006 and Sienglumlert (2020) established that companies with comparative advantage drawn from other proprietary assets had superior performance. In contrast, Agaba and Arthur (2020) established other proprietary brand assets held by companies have no significant effect on their competitive advantage. The geographical and contextual differences as adopted by different authors in addition to contradictions in the empirical literature on the significance of comparative advantage drawn from brand equity creates the gap that the research will primarily focus on. The table below shows the summary of the main findings of previous literature on brand equity and its effect on organizational performance. The table shows the knowledge gaps identified and the focus of current study.

**Table 1: Summary of Research Gaps**

<b>Authors</b>	<b>Objective of the study</b>	<b>Main findings and Conclusions</b>	<b>Knowledge Gaps identified</b>	<b>Focus of current study</b>
Jayswal and Vora (2019)	Establishing the relationship between brand association and brand equity	brand association had a significant effect on brand equity	Geographical gap. The study carried out in India and hence generalizability to Kenyan context is limited.  Contextual Gap: The study focuses on brand Equity of Advergemes	The study will focus on listed companies in Kenya  The study will focus on a holistic measurement of performance on BSC four perspectives
(Kilei et al. 2016)	The role of brand associations on market brand performance in the Banking Sector in Kenya	Brand associations had a significant positive influence on brand performance with service associations had a stronger predictive power	Contextual Gap: The study focuses on the banking sector	The study will focus on listed companies in different sectors in Kenya hence a more holistic perspective is achieved.
Keisidou et al. (2013)	Establishing the effect of customer satisfaction and loyalty on financial performance	The study concluded that neither customer satisfaction nor customer loyalty had any significant influence on the	Geographical gap. The study carried out in Greece and hence generalizability to Kenyan context is limited.	The study focuses on listed companies in different sectors in Kenya.

		financial performance of banks		
Obasan et al. (2015)	The relationship between brand loyalty and organizational profitability	brand loyalty had a significant positive effect on the profitability of the company with brand loyalty accounting for 74.9% of the variation in profitability	Geographical gap. The study carried out in Lagos, Nigeria and hence generalizability to Kenyan context is limited. Contextual Gap: The study focused on profitability as a measure of performance	The study focuses on listed companies in Kenya  The study will focus on a holistic measurement of performance on BSC four perspectives
Anees-ur-Rehman et al. (2018)	Association between financial performance and brand orientation	Brand awareness had an indirect and positive influence on financial performance through having influencing the brand credibility	Contextual Gap. The measurement of performance was based on the financial aspect only	The study will focus on a holistic measurement of performance on BSC four perspectives
Yatundu et al. (2016)	Effect of brand awareness and brand personality on performance of public sugar manufacturing companies in Western Kenya	brand awareness and brand personality had a significant positive effect on the performance of public sugar millers	Conceptual Gap: The study focused on sugar millers in Western Kenya	The study will focus on 13 different sectors as listed on the NSE

Yoshifumi et al. (2017)	Effect of productivity and perceived quality on organizational performance	There is a significant positive relationship between perceived service quality, productivity and organizational performance	Conceptual Gap: Lean management practices was applied in measuring organizational performance	The current study will apply the BSC in measurement of organizational performance
Buzdar et al. (2016)	Association between Customer-based brand equity and performance of companies	There is a strong positive association between CBBE and organizational performance. Perceived quality had the strongest direct effect on performance while brand image had the least effect	Geographical gap. The study carried out in Pakistan and focused on telecommunications industry and hence generalizability to Kenyan context and other sectors is limited.	The study will focus on listed companies at the NSE in Kenya across 13 sectors
Akroush (2006)	Relationship between marketing assets and performance of banks in Jordan	The study established that marketing assets and capabilities have a significant and positive effect on the performance of the banks	Geographical gap. The study carried out in Jordan and hence generalizability to Kenyan context is limited Contextual Gap: It focused on banking sector and hence generalizability to other sectors is limited.	The study will focus on listed companies at the NSE in Kenya across 13 sectors

Moses and Arthur (2020)	Other proprietary brand assets on competitive advantage of beer products in South Western Uganda	Other proprietary brand assets have no significant effect on their competitive advantage	Geographical gap. The study carried out in Uganda and hence generalizability to Kenyan context is limited Contextual Gap: It focused on Beer Manufacturers and hence generalizability to other sectors is limited.	The study will focus on listed companies at the NSE in Kenya across 13 sectors
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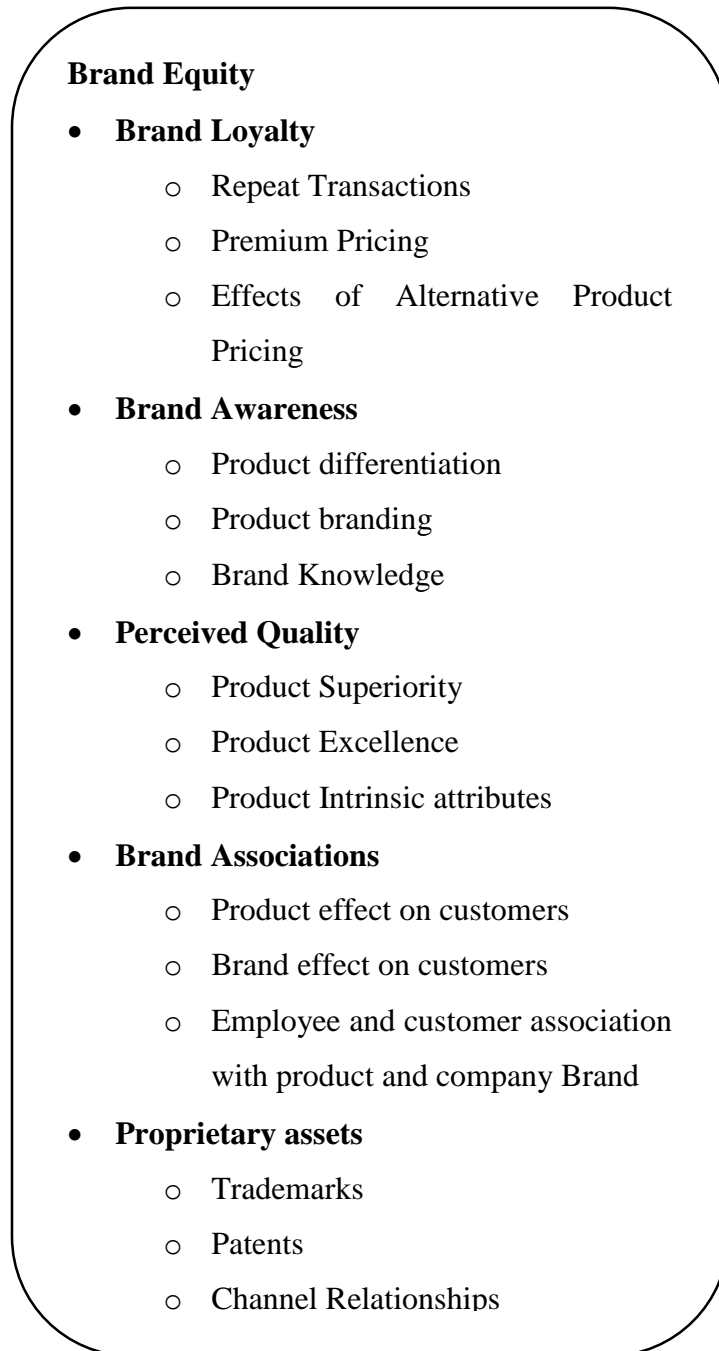
**Source: Researcher (2023)**

## 2.5 Conceptual Framework

The conceptual framework gives the relationship between the independent variable and the dependent variable.

**Figure 1: The Conceptual Framework**

### Independent Variables



### Dependent Variables



Source: Researcher (2023)

The independent variable is brand equity as measured by brand loyalty, awareness, perceived quality, brand association and proprietary assets. The dependent variable is organizational performance as measured by the balanced score model metrics of financial, customer, learning and growth and internal business processes perspectives. It is hypothesized that the performance of listed companies at the NSE is directly influenced by brand equity strategies adopted by the company. The companies that have maximized on brand equity will ultimately have superior profitability and vice versa.

## 2.6 Operationalization of Study Variables

Operationalization of the study variables enables the reduction of abstract concepts of constructs into observable characteristics that can be measured using indicators. A 5-point Likert scale ranging from 1 denoting strongly disagree to 5 denoting strongly agree was applied to measure the study variables. The indicators applied in the study are summarized in the below table.

**Table 2: Operationalization of Variables matrix**

Variable	Constructs	Operational Definition	Indicators	Measure	Source
<b>Brand Equity</b> (Independent Variable)	Brand Loyalty	The attachment a consumer has to a brand	<ul style="list-style-type: none"> <li>• Repeat Transactions</li> <li>• Willingness to wait</li> <li>• Premium Prices</li> <li>• Consistency of purchase despite existence of alternatives</li> <li>• Customer Satisfaction</li> </ul>	Five-point Likert scale 1-Strongly Disagree 2-Disagree 3- Neutral 4-Agree 5-Strongly Agree	Aaker (1992)
	Brand Awareness	The customers' ability to remember and recognize a brand	<ul style="list-style-type: none"> <li>• Brand Identification</li> <li>• Association of products &amp; services with logo and symbols</li> <li>• Ease of Access</li> <li>• Customer Knowledge of products and services</li> </ul>	Five-point Likert scale 1-Strongly Disagree 2-Disagree 3- Neutral	Aaker (1992)

			<ul style="list-style-type: none"> <li>• Availability of products</li> </ul>	4-Agree 5-Strongly Agree	
	Perceived Quality	Customers judgement on the superiority or excellence of a product or service	<ul style="list-style-type: none"> <li>• Superiority of products</li> <li>• Quality of products</li> <li>• Ability of products to meet the needs of customers</li> <li>• Product appearance</li> <li>• Intended purpose of products and services</li> </ul>	Five-point Likert scale 1-Strongly Disagree 2-Disagree 3- Neutral 4-Agree 5-Strongly Agree	Aaker (1992)
	Brand Associations	The reason for purchasing and having loyalty to a brand	<ul style="list-style-type: none"> <li>• Attitude of customers</li> <li>• Attraction and retention of customers</li> <li>• Customer association with products</li> <li>• Association with product attributes</li> <li>• Association with product benefits</li> </ul>	Five-point Likert scale 1-Strongly Disagree 2-Disagree 3- Neutral 4-Agree 5-Strongly Agree	Aaker (1992)

	Proprietary assets	Advanced proprietary rights that accord a competitive edge to a brand in contrast to other brands	<ul style="list-style-type: none"> <li>• Availability of channel relationships</li> <li>• Availability of Patents</li> <li>• Availability of Trademarks</li> </ul>	<p>Five-point Likert scale</p> <p>1-Strongly Disagree</p> <p>2-Disagree</p> <p>3- Neutral</p> <p>4-Agree</p> <p>5-Strongly Agree</p>	Aaker (1992)
<b>Organizational Performance</b> (Dependent Variable)	Financial Perspective	Analysis the company's financial health	<ul style="list-style-type: none"> <li>• Revenues</li> <li>• Cost of Operations</li> <li>• Profitability</li> </ul>	<p>Five-point Likert scale</p> <p>1-Strongly Disagree</p> <p>2-Disagree</p> <p>3- Neutral</p> <p>4-Agree</p> <p>5-Strongly Agree</p>	Kaplan and Norton (1992)
	Customer Perspective	Gauging the performance of the organization through their customers	<ul style="list-style-type: none"> <li>• Enhanced customer Satisfaction</li> <li>• Repeat customers</li> <li>• Market Share</li> </ul>	<p>Five-point Likert scale</p> <p>1-Strongly Disagree</p> <p>2-Disagree</p> <p>3- Neutral</p>	Kaplan and Norton (1992)

				4-Agree 5-Strongly Agree	
	Internal business processes Perspective	Processes geared toward creating and delivering customer value proposition efficiently and productively	<ul style="list-style-type: none"> <li>• Sales turnaround timelines</li> <li>• Waste Per production cycle</li> </ul>	Five-point Likert scale 1-Strongly Disagree 2-Disagree 3- Neutral 4-Agree 5-Strongly Agree	Kaplan and Norton (1992)
	Learning and Growth Perspective	An organizations intangible asset mainly, internal skills and capabilities required in supporting the value-creating internal processes	<ul style="list-style-type: none"> <li>• Motivation of staff</li> <li>• Innovation</li> <li>• Employee retention</li> </ul>	Five-point Likert scale 1-Strongly Disagree 2-Disagree 3- Neutral 4-Agree 5-Strongly Agree	Kaplan and Norton (1992)

Source: Researcher (2023)

## **2.7 Chapter Summary**

This chapter highlights the theoretical framework on which the study is anchored on namely the Aaker Brand Equity Model and Balanced Score Card. Further, empirical literature showing the relationship between brand equity and organizational performance has been reviewed and a summary of the literature and gaps identified given. The conceptual framework has been developed showing the dependent and independent variables and a matrix showing the operationalization of variables has been elaborated at the end.

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.1 Introduction**

This chapter focused on the proposed methodology of collecting and gathering data for the study. These included the methods and processes that were followed in collecting data, determining the population, sample size, sampling techniques, method of data collection, and data analysis.

#### **3.2 Research Philosophy**

Research philosophy denotes the system of assumptions and beliefs about the development of knowledge (Saunders, Lewis, & Thornhill 2009). There are two main research philosophies, Positivism and interpretivism. Under the positivism philosophy, the natural scientist works with an observable social realities to produce law-like generalizations (Saunders et al. 2009). Under positivism, researchers confine to the data of experience exclusive of any metaphysical or priori speculations (Dudovskiy 2018). Under positivism, reality is viewed as stable, observable and describable from an objective point of view, without any interference with the phenomenon under study (Lan 2018). The basic assertions of the positivism philosophy are that knowledge pertaining to matters of fact are based on positive experience of data and other than the realm of fact, pure mathematics or objectivity and pure logic apply (Gay, Airasian, & Mills 2017). This means that in the positivist research philosophy, the researcher is an objective analyst who dissociated from personal values and opinions and works independently (Zukauskas, Vveinhardt, & Andriukaitiene 2018).

The study adopted a positivist philosophy where the researcher is an objective analyst who dissociated from personal values and opinions and works independently (Zukauskas et al. 2018). The researcher relied on quantitative data that is reliable and factual than qualitative data that. Positivism also allowed the researcher to follow a well-defined structure in the data collection, analysis and discussion of the findings hence increasing its objectivity (Saunders et al. 2009).

#### **3.3 Research design**

A research design refers to a blueprint that guides how research is carried out (Creswell & Creswell, 2017). It is applied in answering the research questions and testing the hypotheses. This study adopted a descriptive cross-sectional research design. A descriptive research design

is scientific method which involves observing and describing the behaviour of a subject or phenomenon without influencing it in any way (Siedlecki 2020). It involves describing, recording, and reporting information as it exists and ascertains the characteristics of the variables under study while enabling the collection of data and drawing of objective conclusions (Mugenda & Mugenda 2009). Descriptive research design was chosen because the study seeks to describe the study variables. Cross-sectional research design is a form of observational research design where the researcher collects and analyses data from a population or sample at a specific point in time (Creswell & Creswell 2017). Cross-section descriptive research design is chosen since the data from the respondents will be collected at the same time in the month of December 2022. The research design enabled the demonstration of the attributes of the sample and enable collection of data through questionnaires for analysis. This study applied Statistical Package for Social Sciences (SPSS) to analyse collected data through regression and correlation analysis which assisted in examining the influence of brand equity on organizational performance. A descriptive cross sectional research design has been applied in other studies by Kilei et al., 2016 and Agaba and Arthur, 2020.

### **3.4 Population**

According to Mugenda and Mugenda (2009), population denotes the universe of units from which the sample is drawn. The population in the proposed was 64 companies as at 31<sup>st</sup> December 2021 (Nairobi Securities Exchange 2021). The companies were listed under 13 sectors namely; Agricultural, Automobiles and Accessories, Banking, commercial and services, construction and Allied, Energy and Petroleum, Insurance, Investment, Investment services, Manufacturing and Allied, Telecommunication, Real Estate Investment Trusts and Exchange Traded funds. Appendix 4 highlighted the 64 listed companies at the NSE as at 31<sup>st</sup> December, 2021.

### **3.5 Sampling Technique**

Mugenda and Mugenda (2003) define sampling as the process of selecting a proportion from population in a systematic manner to become the basis for prediction or estimation of prevalence of a situation, outcome or piece of information regarding the population. Sample size refers to the number of elements that form the unit of analysis for the study from which the observations will be collected and analyzed (Saunders et al. 2009). Due to the small population, a census method was applied hence all the 64 companies were included in the study.

Further, the researcher applied purposive sampling to determine the respondents. According to Mugenda and Mugenda (2003) purposive sampling is a non-probability sampling technique in which a researcher relies on their own judgment in the selection of members from the population to participate in the research study. The respondents were three managers per company drawn from the marketing, business development and finance departments, or equivalent, of the 64 listed companies at the NSE. This was informed by the operationalization of the variables of the study and the conceptual framework adopted. The study analysed the organizational performance of the companies and hence parties without the companies will have limited knowledge on various aspects that will be measured such as the innovation undertaken by the companies, the market share, consistency of purchase of customers among others. On the conceptualization of the brand equity, aspects of availability of patents, trademarks and channel relationships as well as other information that is not in the public domain may limit the study when non-employees are selected to be the respondents. The researcher applied own judgement in the selection respondents drawn from these departments as the conceptualization of the study and the operationalization of the indicators of the independent and dependent variables required data drawn from respondents drawn from the departments. The respondents were therefore 192 in total from all the 64 companies listed in the NSE. Sampling table by Krejcie and Morgan (1970) was used to determine the sample size and it shows that for a population of 192, the recommended sample size is 132. Use of sampling Tables has been adopted in related studies including Adede (2017). The formula is as follows;

$$\text{The sample size Per Sector} = \frac{\text{Total Population per Sector}}{\text{Total Study Population}} \times \text{Total Sample frame}$$

The researcher applied stratification where proportionate sampling was used to determine the sample size to be drawn from each stratum (sector) of classification of the companies listed at the NSE. The resultant sample from each sector is as detailed in Table 3 below.

**Table 3: Sampling Table**

No	Company	No. of companies	Population	No. of Respondents
1	Agriculture	6	18	12
2	Automobiles & Accessories	1	3	2
3	Banking	12	36	25
4	Commercial & Services	13	39	27
5	Construction & Allied	5	15	10
6	Energy & Petroleum	4	12	8
7	Insurance	6	18	12
8	Investment	5	15	10
9	Investment Services	1	3	2
10	Manufacturing & Allied	8	24	18
11	Telecommunication	1	3	2
12	Exchange Traded Funds	1	3	2
13	Real Estate Investment Trust	1	3	2
	Total	64	192	<b>132</b>

**Source: Researcher (2023)**

### **3.6 Data Collection**

The study collected primary data. According to Mugenda and Mugenda (2003) primary data is collected directly from the main source, where the data originates from and its regarded as the best form of data in research. The primary data was collected through the use of structured questionnaires with closed ended questions. The questions were in three sections. Section A focused on the respondent's profile. Section B contained questions on brand equity and section C contained questions on organizational performance.

The questionnaires were self-administered to the respondents through drop and pick later method. The researcher made prior arrangements to aid in the collection of primary data from the respondents by calling in advance to seek for permission to carry out data collection. Trained research assistants were also used to assist in questionnaire administration and follow up with the aim of improving the response rate as recommended by Saunders et al. (2015)

### **3.7 Reliability and Validity Tests**

In attaining research quality, the data was handled diligently and conclusions was only drawn from the findings of the study to improve on the objectivity. The quality of data considered for the analysis depended on the validity and reliability of the research tools.

#### **3.7.1 Validity Test**

Validity refers to how much the data gathered in a survey correctly reflects the study's component as well as the accuracy and significance of the data collected in answering the objectives and the inferences are drawn from the data (Mugenda & Mugenda, 2003) . There are four main types of validity: construct, content, face and criterion validity (Creswell & Creswell 2017). Content validity refers to degree to which data collection instrument covers data that it is intended to measure (Mugenda & Mugenda 2009). To establish content validity, the questionnaire was presented to the supervisor and other experts drawn from the field of study to seek guidance and assurance on the representativeness of the questionnaire in measurement of the variables. Construct validity was obtained through deriving the constructs and measurement indicators of the variables on sound theoretical and empirical literature. Further, a sample questionnaire was issued to listed companies that will not be included in the final study. Amendments were done to eliminate or amend any questions that are irrelevant or unclear to the respondents.

#### **3.7.2 Reliability Test**

The dependability or accuracy of data collected through repeated use of data collection tools under the same conditions is known as reliability (Mugenda & Mugenda, 2003). The researcher applied Cronbach Alpha coefficient as a reliability test. Goulding and Syed-Khuzzan (2014) gives the following rules of thumb on interpretation of the Cronbach Alpha;  $\alpha \geq 0.9$  Excellent,  $0.9 > \alpha \geq 0.8$  Very Good,  $0.8 > \alpha \geq 0.7$  Adequate,  $0.7 > \alpha \geq 0.6$  Acceptable,  $0.6 > \alpha \geq 0.5$  Poor and  $\alpha \geq 0.5$  unacceptable. According to Mohammed (2018) the higher the consistency, the stronger the research instrument is regarded. Different authors have adopted various thresholds for reliability: Cooper and Schindler (2006) posit that a Cronbach alpha coefficient of 0.7 to 0.9 is considered as good. Onyango (2021) interpreted 0.7 and above to be satisfactorily reliable and acceptable. Asikhia (2009) argue that an Cronbach alpha of 0.6 and above as sufficient and Bagozzi and Yi (2012) recommended a threshold of 0.5 which they considered as reliable. The study adopted a threshold of 0.6 and above as the alpha coefficient as this is considered as an acceptable reliability (Goulding & Syed-Khuzzan 2014). This threshold was also adopted

in related studies by Asikhia (2009) and Adede (2017). The reliability test results are presented in table 4 below

**Table 4: Reliability Results**

<b>Constructs</b>	<b>Cronbach's Alpha</b>	<b>No of Items</b>	<b>Interpretation</b>
Brand Loyalty	0.754	5	Reliable
Brand Awareness	0.765	5	Reliable
Perceived Quality	0.809	5	Reliable
Brand Associations	0.917	5	Reliable
Proprietary assets	0.974	3	Reliable
Organizational Performance	0.975	11	Reliable

**Source: Researcher (2023)**

### **3.8 Data Analysis**

Mugenda and Mugenda (2009) define data analysis as the process of summarizing and interpreting the collected data through the application of analytical and logical reasoning to determine trend patterns and relationships. Data collected was scrutinized for accuracy and completeness and questionnaires with faulty or incomplete data discarded. Only complete and duly filled questionnaires were used in the study analysis. SPSS software was used in the coding and analysis of the data as collected. The study applied descriptive analytics such as frequency, percentages, mean and standard deviation. Kolmogorov-Smirnov and Shapiro Wilk test were applied in the testing for normality to determine the correlation and regression method that will be applied in the analysis of the Likert scale data (LaValley 2008; Liang, Bi, & Zhan 2020).

Correlation analysis measured the strength of the linear relationship between two variables and compute their association i.e., it calculates the level of change in one variable due to the change in the other. Regression analysis will be applied in determining the relationship between the independent and dependent variables i.e., relationship between brand equity and organizational performance of listed companies. The study assumed that there is a direct relationship between organizational performance and brand equity. The independent variables of brand loyalty,

brand association, brand awareness, perceived quality and other proprietary brand assets were regressed against the dependent variable of organizational performance.

The model for the relationship is represented as follows;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \mu$$

Where;

Y = Organizational Performance

X<sub>1</sub> = Brand Loyalty

X<sub>2</sub> = Brand Association

X<sub>3</sub> = Brand Awareness

X<sub>4</sub> = Perceived Quality

X<sub>5</sub> = Other Proprietary Brand Assets

$\beta_0$  is the constant term while the coefficient

$\beta_1 = 1 \dots 5$  will measure the sensitivity of the dependent variable (Y) to unit change in the predictor variables.

$\mu$  is the error term

### **3.9 Ethical Considerations**

Mugenda and Mugenda (2003) defines ethical standards as the beliefs and moral principles that direct a researcher when performing research, especially with human subjects. Gay et al. (2017) define ethical considerations as a set of principles that guide research practices and designs. Researchers and scientists must always adhere to a prescribed code of conduct during data collection from the respondents (Fleming & Zegwaard 2018; Mugenda & Mugenda 1999). The ethical code of conduct involves key ethical considerations that aim to maintain scientific integrity, protect the rights of research participants and enhance research validity (Gay & Airasian 2003).

Research ethics aid in ensuring scientific integrity, human rights and dignity, and collaboration between science and society is maintained and adhered to. These ethical principles ensure that participation of respondents in studies is voluntary, informed, and safe for research subjects (Fleming & Zegwaard 2018). In order to ensure ethics are maintained, the researcher sought approval from the School of Business Studies, the ethical review committee and got a research permit from NACOSTI. The researcher obtained written informed consent from the respondents and researcher would protect the secrecy and privacy of the participants and ensure the data is processed in a confidential manner that does not bring any harm to the respondents. The questionnaire together with the introduction letter, research permit and ethical clearance letters were issued to the respondents who confirm participation in the research.

### **3.10 Chapter Summary**

This chapter gave the path in which the research will conduct the research, formulate the problem and objectives as well as present the results from the data collected in the research. The research philosophy and design, the population and sampling as well as the data collection and analysis methods have been discussed. The chapter concludes with elaboration of the methods that will be applied to ensure research quality and ethical considerations.

## CHAPTER FOUR

### DATA ANALYSIS, FINDINGS AND INTERPRETATION

#### 4.1 Introduction

This chapter presents the research findings investigating influence of brand equity on the performance of companies listed in the Nairobi Securities Exchange in Kenya.

#### 4.2 Response Rate

The study focused on all the 64 listed companies at the Nairobi Securities exchange where 132 questionnaires were issued to respondents drawn from the marketing, business development and finance departments of the listed companies. A total of 132 questionnaires were distributed to the respondents out of which 105 questionnaires were returned. However, 4 were not fully filled to meet the threshold representing 3.8% of the returned questionnaires and hence 101 were answered well. The study recorded a 76.5% response rate while 31 questionnaires were not returned representing 23.5%. According to Cooper and Schindler (2006), a response rate of 50% is adequate for analysis and reporting, a response rate 60% is good (Mugenda & Mugenda 2009); and a response rate of 70% and over is excellent (Cooper and Schindler 2006; Mugenda, A. 2009). From this study, having 76.5% as a response rate was considered excellent and hence acceptable for the study. The table 6 below shows the response rate as follows;

**Table 5: Study Response Rate**

<b>Response</b>	<b>Frequency</b>	<b>Percentage</b>
Returned Questionnaires	101	<b>76.5</b>
Unreturned Questionnaires	31	<b>23.5</b>
<b>Total</b>	<b>132</b>	<b>100</b>

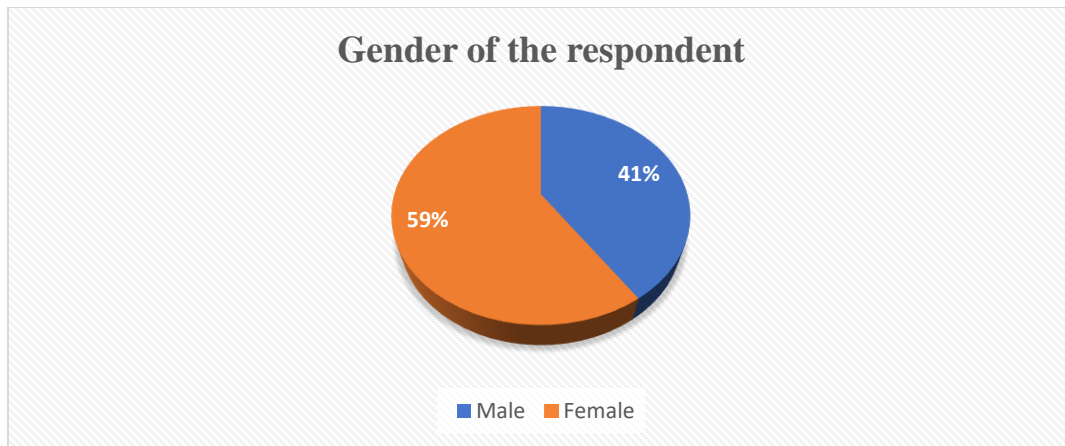
**Source: Researcher (2023)**

### 4.2.1 Profile of Respondents

The study sought to establish various attributes for the respondents of the study. The attributes included the gender, age group, the years of engagement in their place of work, the department and the position they hold in the organization and lastly, their highest level of education.

The Gender of the respondents was comprised of 60 female and 41 male respondents out of the 101 total valid respondents. This represented 59% female and 41% male as shown in the figure below. This indicates a balance of gender in the listed companies in Kenya and hence the balance was achieved in the responses.

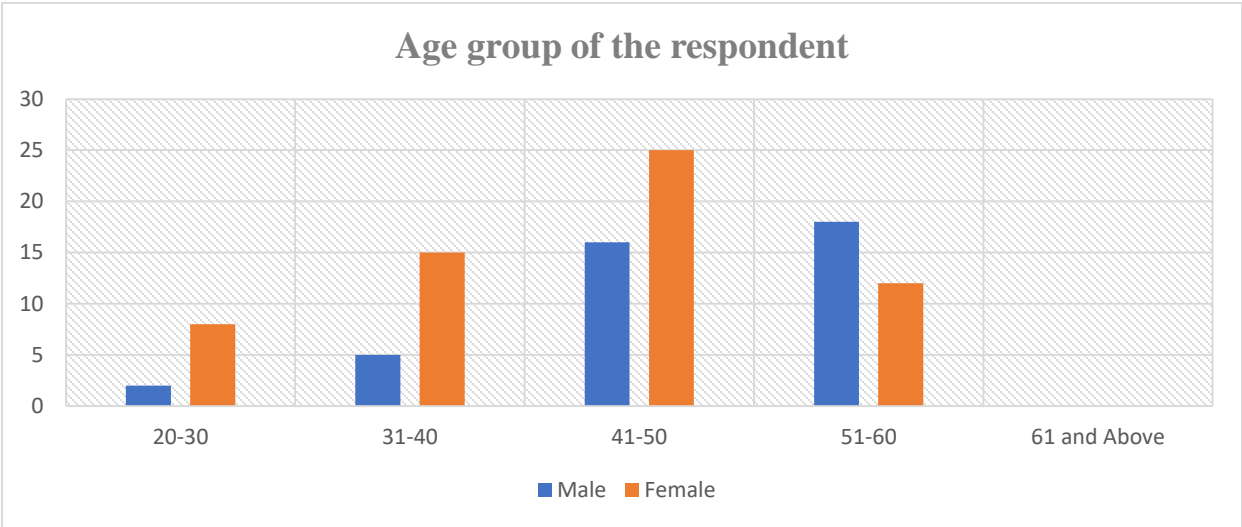
**Figure 2: Gender of Respondents**



**Source: Researcher (2023)**

The statistics on the age group of the respondents show that two males and eight female respondents were in the 20-30 years' age bracket, five males and fifteen female respondents were in the 31-40 years' age bracket, sixteen males and twenty-five female respondents were in the 41-50 years' age bracket and lastly eighteen males and twelve female respondents were in the 20-30 years' age bracket. No respondents were above the age of sixty-one as shown below. Majority of the respondents were 41 years and above, which reveals that the staff in listed companies at the NSE are experienced by virtue of their age and this was beneficial to the study as they are more experienced and in a better position to understand the dynamic of brand equity and performance of the organization and link it to their performance.

**Figure 3: Age Group of the Respondents**



**Source: Researcher (2023)**

The statistics on the years working at the organization, the data shows that four males and twelve female respondents had worked between 1-5 years, fifteen males and twenty female respondents had worked between 6-10 years, eleven males and fifteen female respondents had worked between 11-15 years, five males and twelve female respondents had worked between 16-20 years and lastly six males and one female respondent had worked between more than twenty years as shown below. Given that majority of the respondents had over 6 years of experience within the organization, they were therefore in a position to understand how the brand equity had influenced organizational performance with regards to the questions asked.

**Table 6: Years working at the organization**

Years of employment	Numbers		Frequency		Cumulative Frequency
	Male	Female	Male	Female	
Less than a year	-	-			
1-5 years	4	12	25%	75%	16%
6-10 years	15	20	43%	57%	35%
11-15 years	11	15	42%	58%	26%
16-20 years	5	12	29%	71%	17%
More than 20 years	6	1	86%	14%	7%
	41	60	41%	59%	100%

**Source: Researcher (2023)**

The composition of the respondents in terms of department and position of employment within the organization was forty respondents (twenty-two males and eighteen females) were in the business development department representing 40% of the respondents. Forty-two respondents (ten males and thirty-two females) were in the marketing department representing 41% of the respondents and lastly nineteen respondents (nine males and ten females) were in the finance department representing 19% of the respondents as shown in figure 5. These findings indicate that every department was well represented in the study and hence diverse perspectives drawn from the diverse pool of respondents was applied in the study.

**Table 7: Department of employment and Position**

Department of employment	Numbers		Frequency		Cumulative Frequency
	Male	Female	Male	Female	
Business Development	22	18	55%	45%	40%
Marketing	10	32	24%	76%	42%
Finance	9	10	47%	53%	19%
	41	60	41%	59%	100%

**Source: Researcher (2023)**

The statistics show that none of the respondents had a diploma or others as the highest level of education. Fifteen respondents (eight males and seven females) had post graduate qualifications

representing 15% of the respondents. Eight respondents (two males and six females) had post graduate diplomas representing 8% of the respondents, sixty-five respondents (thirty males and thirty-five females) had undergraduate representing 65% of the respondents and lastly thirteen respondents (one male and twelve females) had higher national Diploma representing 13% of the respondents as shown below. Further, given that majority of the respondents had undergraduate and post graduate qualifications, they were therefore in a position to understand how brand equity has developed in their companies and how it relates to the performance of the organization.

**Table 8: Level of Education**

Level of Education	Numbers		Frequency		Cumulative Frequency
	Male	Female	Male	Female	
Post graduate	8	7	53%	47%	15%
Post graduate Diploma	2	6	25%	75%	8%
Undergraduate	30	35	46%	54%	64%
Higher National Diploma	1	12	8%	92%	13%
Diploma	-	0			0%
Others		0			0%
					100%

**Source: Research Data (2023)**

### 4.3 Descriptive Statistics

Measures of central tendencies and dispersion; mean, median mode and standard deviation were applied in the study. The interpretation of the mean was as proposed by Agresti and Finlay (2013) as follows; mean of 1.00 to 2.49 is evaluated to be very weak, 2.50 to 3.49 weak, 3.50 to 4.49 Strong and 4.50 to 5.00 Very Strong. This approach was also applied in a study by Onyango (2021). The interpretation of standard deviation, an alpha of greater than 0.5 was evaluated to indicate homogeneity and while an alpha of less than 0.5 indicates heterogeneity of data. Heterogeneity in a study means that there were varied results from the sample and shows a high diversity among the individuals in the sample of study. On the other hand, if the data is homogeneous, then it means that the respondents had a similar understanding of the question and they gave similar responses.

#### 4.3.1 Brand Loyalty and Performance of NSE Listed Companies

The first objective of the study was to establish the influence of brand loyalty on the performance of NSE listed companies. The study revealed that majority of the respondents strongly agreed the

company customers are characterized by many repeat transactions (mean 4.4851; very strong); the company customers are willing to wait when brand is not available (Mean 3.8525; strong), the company is able to charge premium prices without losing customers (Mean 3.891; strong); the company customers are willing to commit to company products even with alternatives with a lower price point (Mean 4.291; very strong) and the company products and services are able to satisfy the needs of customers (Mean 3.7426; Strong). Generally, given that the brand loyalty trait has an average mean of 4.054 which is considered strong, it can be concluded that brand loyalty is key to the performance of listed companies and the attachment a consumer has to the brand of a company has influences the company’s performance.

**Table 9: Descriptive Statistics for Brand Loyalty**

	N	Mean	Std. Deviation
	Valid		
The company customers are characterized by many repeat transactions	101	4.4851	0.87879
The company customers are willing to wait when brand is not available	101	3.8525	1.17389
The company is able to charge Premium prices without losing customers	101	3.8911	1.17389
The company customers are willing to commit to company products even with alternatives with a lower price point	101	4.2981	1.17389
The company Products and services are able to satisfy the needs of customers	101	3.7426	1.17178
<b>Average Score</b>		<b>4.05388</b>	<b>1.11445</b>

**Source: Researcher (2023)**

### 4.3.2 Brand Awareness and Performance of NSE Listed Companies

The second objective of the study was to establish the influence of brand awareness on the performance of NSE listed companies. The study revealed that majority of the respondents strongly agreed that the company customers are able to, identify remember and recognize our brand from the alternatives (mean 4.7965; very strong); The company Products and services are associated with the brand logo, symbol, and other features that identify the brand (Mean 4.1213; very strong), The company products and services are easily accessible to customers (Mean 3.8434; very strong); The company Customers are knowledgeable on the products and services offered by

the company (Mean 3.7426; very strong) and The company Products are readily available to all our customers (Mean 4.3861; very strong). Generally, given that the brand awareness trait has an average mean of 4.178 which is considered strong, it can be concluded that brand awareness is key to the performance of listed companies and a customers' ability to remember and recognize the brand of a company has influences the company's performance.

**Table 10: Descriptive statistics for Brand Awareness**

	N	Mean	Std. Deviation
	Valid		
The company Customers are able to, identify remember and recognize our brand from the alternatives	101	4.7965	1.17389
The company Products and services are associated with the brand logo, symbol, and other features that identify the brand	101	4.1213	1.17389
The company products and services are easily accessible to customers	101	3.8434	1.17389
The company Customers are knowledgeable on the products and services offered by the company	101	3.7426	1.17178
The company Products are readily available to all our customers	101	4.3861	0.67779
<b>Average Score</b>		<b>4.17798</b>	<b>1.074248</b>

**Source: Researcher (2023)**

### **4.3.3 Brand Associations and Performance of NSE Listed Companies**

The third specific objective of the study was to establish the influence of brand associations on the performance of NSE listed companies. The study revealed that majority of the respondents strongly agreed (Mode of 5) The company product brand is able to elicit some positive feelings, thoughts, images, experiences and attitudes to customers (mean 4.2354; very strong); The company is able to attract and retain customers as determined by their memory and previous interactions with the brand (Mean 4.1711; very strong), The company customers and employees are proud to be associated with the product brand and company brand (Mean 3.9505; very strong); Customers are able to associate positively with the attributes of the company's products and

services (Mean 3.9604; very strong) and Customers associate positively with the benefits accrued from the company's products and services (Mean 4.3861; very strong). Generally, given that the brand association trait has an average mean of 4.1407 which is considered strong, it can be concluded that brand association is key to the performance of listed companies and the customer's reason for purchasing and having loyalty to a brand of a company has influences the company's performance.

**Table 11: Descriptive statistics for Brand Association**

	N	Mean	Std. Deviation
	Valid		
The company product brand is able to elicit some positive feelings, thoughts, images, experiences and attitudes to customers	101	4.2354	1.17389
The company is able to attract and retain customers as determined by their memory and previous interactions with the brand	101	4.1711	1.17389
The company customers and employees are proud to be associated with the product brand and company brand	101	3.9505	1.09887
Customers are able to associate positively with the attributes of the company's products and services	101	3.9604	1.10382
Customers associate positively with the benefits accrued from the company's products and services	101	4.3861	0.67779
<b>Average Score</b>		<b>4.1407</b>	<b>1.045652</b>

Source: Researcher (2023)

#### 4.3.4 Perceived Quality and Performance of NSE Listed Companies

The fourth specific objective of the study was to establish the influence of perceived quality on the performance of NSE listed companies. The study revealed that majority of the respondents strongly agreed the company customers judge the our products as superior as compared to competitors (mean 3.9505; very strong); The company Products and services are of excellent quality (Mean 3.9604; very strong), The company Products and services meet the needs of the customers (Mean 3.7426; very strong); The company customers view the intrinsic attributes relating to the product's physicality including form, flavor, color, and appearance as of high quality in spite of the brand (Mean 3.8911; very strong) and The company customers feels that the quality

of our products and services with respect to its ability to fulfil their expectations when compared to the intended purpose of the product is great (Mean 3.7426; very strong). Generally, given that the perceived quality trait has an average mean of 3.8574 which is considered strong, it can be concluded that perceived quality is key to the performance of listed companies and the customers judgement on the superiority or excellence of a product or service of a company has influences the company's performance.

**Table 12: Descriptive statistics for Perceived Quality**

	N	Mean	Std. Deviation
	Valid		
The company customers judge the products as superior as compared to competitors	101	3.9505	1.09887
The company Products and services are of excellent quality	101	3.9604	1.10382
The company Products and services meet the needs of the customers	101	3.7426	1.17178
The company customers view the intrinsic attributes relating to the product's physicality including form, flavor, color, and appearance as of high quality in spite of the brand	101	3.8911	1.17389
The company customers feels that the quality of our products and services with respect to its ability to fulfil their expectations when compared to the intended purpose of the product is great	101	3.7426	1.17178
<b>Average Score</b>		<b>3.85744</b>	<b>1.14403</b>

**Source: Researcher (2023)**

#### **4.3.5 Proprietary Brand Assets and Performance of NSE Listed Companies**

The fifth specific objective of the study was to establish the influence of other proprietary brand assets on the performance of NSE listed companies. The study revealed that majority of the respondents strongly agreed (Mode of 5); The company has channel relationships that offer it a competitive edge over the competition (mean 3.8614; very strong); The company has Patents associated with the company brand that offer it a competitive edge over the competition (Mean 3.9264; very strong), The company has Trademarks associated with the brand that offer it a competitive edge over the competition (Mean 3.8614; very strong). Generally, given that the other proprietary brand assets trait has an average mean of 3.88307 which is considered strong, it can be

concluded that other proprietary brand assets is key to the performance of listed companies and a company that has advanced proprietary rights that accord a competitive edge to a brand in contrast to other brands influences the company's performance.

**Table 13: Descriptive statistics for Other Proprietary Brand Assets**

	N	Mean	Std. Deviation
	Valid		
The company has channel relationships that offer it a competitive edge over the competition	101	3.8614	1.12387
The company has Patents associated with the company brand that offer it a competitive edge over the competition	101	3.9264	1.16645
The company has Trademarks associated with the brand that offer it a competitive edge over the competition	101	3.8614	1.12276
<b>Average Score</b>		<b>3.88307</b>	<b>1.13769333</b>

Source: Researcher (2023)

**Table 14 Summary of Descriptive Statistics**

Area of Focus	Item Description	N	Mean Score	Standard Deviation
Brand Equity	Brand Loyalty	101	4.0539	1.1144
	Brand Awareness	101	4.1780	1.0742
	Brand Association	101	4.1407	1.0457
	Perceived Quality	101	3.8574	1.1440
	Other Proprietary Brand Assets	101	3.8831	1.1377
<b>Average Score</b>			<b>4.0226</b>	<b>1.1032</b>
Organizational Performance		<b>101</b>	<b>3.8596</b>	<b>1.0288</b>

From the scores in table 11 above brand loyalty had a mean value of 4.05 signifying that it has a notable impact on organizational performance and the respondents strongly agreed to the statements under it. Brand loyalty traits like repeat transactions, willingness to wait for products,

the ability to charge premium prices, Consistency of purchase despite existence of alternatives and customer satisfaction are essential for the performance of organizations.

Brand awareness had a mean value of 4.17 signifying that it has a notable impact on organizational performance and the respondents strongly agreed to the statements under it. Brand awareness traits like brand identification, customers association of products and services with logo and symbols, ease of access and customer knowledge of products and services are essential for the performance of organizations.

Brand association had a mean value of 4.14 signifying that it has a notable impact on organizational performance and the respondents strongly agreed to the statements under it. Brand association traits like attitude of customers, attraction and retention of customers, customer association with products, association with product attributes and association with product benefits are essential for the performance of organizations.

Perceived quality had a mean value of 3.85 signifying that it has a notable impact on organizational performance and the respondents strongly agreed to the statements under it. Brand association traits like superiority of products, quality of products, ability of products to meet the needs of customers, product appearance and intended purpose of products and services are essential for the performance of organizations.

Other proprietary brand assets had a mean value of 3.88 signifying that it has a notable impact on organizational performance and the respondents strongly agreed to the statements under it. Brand association traits like availability of channel relationships and availability of patents and trademarks are essential for the performance of organizations. From the overall means of brand equity and organizational performance which are 4.02 and 3.86 respectively. it can be concluded that brand equity has a notable impact on employee performance in listed companies at the NSE.

#### **4.4 Inferential Statistics**

The study sought to establish how the brand equity variables related to the performance of companies listed at the NSE and to what extent, a correlation analysis was carried out using the spearman Rank Correlation and the findings presented in Table 13 below. Correlation analysis is key in determining prevalence and relationships among variables, and to forecast events from current data and knowledge.

**Table 15: Correlation Statistics**

			<b>Correlations</b>					
			Brand Loyalty	brand Awareness	Brand Association	Perceived Quality	Brand Assets	Organizational Performance
Spearman 's rho	Brand Loyalty	Correlation Coefficient	1.000					
		Sig. (2-tailed)	.					
		N	101					
	brand Awareness	Correlation Coefficient	.959**	1.000				
		Sig. (2-tailed)	.000	.				
		N	101	101				
	Brand Association	Correlation Coefficient	.880**	.938**	1.000			
		Sig. (2-tailed)	.000	.000	.			
		N	101	101	101			
	Perceived Quality	Correlation Coefficient	.913**	.921**	.772**	1.000		
		Sig. (2-tailed)	.000	.000	.000	.		
		N	101	101	101	101		
	Brand Assets	Correlation Coefficient	.877**	.872**	.895**	.764**	1.000	
		Sig. (2-tailed)	.000	.000	.000	.000	.	
		N	101	101	101	101	101	
	Organizational Performance	Correlation Coefficient	.933**	.931**	.869**	.895**	.962**	1.000
		Sig. (2-tailed)	.000	.000	.000	.000	.000	.

N	101	101	101	101	101	101
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\*\*, Correlation is significant at the 0.01 level (2-tailed).

**Source: Researcher (2023)**

From the findings in Table 12 above, there was a strong positive correlation between all brand loyalty, brand awareness, brand association, perceived quality, other proprietary brand assets and organizational performance with the correlation coefficients of 0.933, 0.931, 0.869, 0.895 and 0.962, respectively. These results mean that the organizational performance of listed firms at the NSE is determined, to a greater extent, all the tenets of brand equity.

#### 4.5 Regression Statistics

In this study, the five tenets of brand equity; brand loyalty, brand awareness, brand associations, perceived quality and other proprietary brand assets were the independent variables and organizational performance was the dependent variable in the regression model. From the results of the ordinal regression shown in each of the tables below, the researcher developed regression equations for each objective.

##### 4.5.1 Brand Loyalty and Organisational Performance

The researcher sought to find out how brand loyalty influences organizational performance. The results are displayed in table 14 below;

**Table 16: Regression analysis for brand loyalty and organizational performance**

Model Summary <sup>b</sup>						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson	
1	.928 <sup>a</sup>	.861	.859	.38596	1.198	
a. Predictors: (Constant), Brand Loyalty						
b. Dependent Variable: Organizational performance						
ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	91.096	1	91.096	611.542	.000 <sup>b</sup>
	Residual	14.747	99	.149		
	Total	105.843	100			
a. Dependent Variable: Organizational performance						

b. Predictors: (Constant), Brand Loyalty						
Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.917	.197		-4.658	.000
	Brand Loyalty	1.200	.049	.928	24.729	.000

a. Dependent Variable: Organizational performance

**Source: Researcher (2023)**

Table 14 exhibits a direct relationship between the brand loyalty (dependent) and organizational performance (independent variable). This shows a strong coefficient of correlation ( $R=0.928$ ) and coefficient of determination ( $R^2=0.861$ ) between brand loyalty and organizational performance of listed companies at the NSE. Further, it is evident from the table that coefficient of determination was significant ( $R$  Square = 0.861,  $P < 0.000$ ). This implied that 86.1% of variation in performance is as a result of brand loyalty.

The significance of the regression model was tested using Analysis of Variance (ANOVA).  $F=611.542$ , and  $p=0.000$  which is less than 0.05 thus the model is statistically significant in predicting how brand loyalty affects organizational performance in listed companies at the NSE Kenya. Given that  $p<0.05$ , the model is statistically significant at 95% confidence level and that the variables in the equation are important.

Brand loyalty had a coefficient of 0.928 and  $p < 0.000$  which means that the relationship was significant at the 5% level. The standardized coefficients show the corresponding change in the dependent variable when a change of one unit is affected in the independent variable. Thus, a 1% improvement in brand loyalty will lead to a 92.8% change in organizational performance.

Therefore, the regression equation is;

$$Y = -0.917 + 0.928X_1 + 0.197$$

Where;

Y – Organizational performance (Dependent variable)

Independent Variables

X<sub>1</sub> – Brand Loyalty

#### 4.5.2 Brand Awareness and Organisational Performance

The researcher sought to find out how brand awareness influences organizational performance. The results are displayed in table 15 below;

**Table 17: Regression analysis for awareness and organizational performance**

Model Summary <sup>b</sup>						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson	
1	.935 <sup>a</sup>	.874	.873	.36708	1.158	
a. Predictors: (Constant), Brand Awareness						
b. Dependent Variable: Organizational performance						
ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	92.503	1	92.503	686.484	.000 <sup>b</sup>
	Residual	13.340	99	.135		
	Total	105.843	100			
a. Dependent Variable: Organizational performance						
b. Predictors: (Constant), Brand Awareness						
Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.997	.189		-5.276	.000
	Brand Awareness	1.226	.047	.935	26.201	.000
a. Dependent Variable: Organizational performance						

Source: Researcher (2023)

Table 15 exhibits a direct relationship between the brand awareness(dependent) and organizational performance (independent variable). This shows a strong coefficient of correlation (R=0.935) and coefficient of determination ( $R^2=0.874$ ) between brand awareness and organizational performance listed companies at the NSE. Further, it is evident from the table that coefficient of determination was significant (R Square = 0.874, P < 0.000). This implied that 87.4% of variation in performance is as a result of brand awareness.

The significance of the regression model was tested using Analysis of Variance (ANOVA). F=686.484, and p=0.000 which is less than 0.05 thus the model is statistically significant in predicting how brand awareness affects organizational performance in listed companies at the NSE Kenya. Given that p<0.05, the model is statistically significant at 95% confidence level and that the variables in the equation are important.

Brand awareness had a coefficient of 0.935 and p <0.000 which means that the relationship was significant at the 5% level. The standardized coefficients show the corresponding change in the dependent variable when a change of one unit is affected in the independent variable. Thus, a 1% improvement in brand awareness will lead to a 93.5% change in organizational performance.

Therefore, the regression equation is;

$$Y = -0.997 + 0.935X_2 + 0.189$$

Where;

Y – Organizational performance (Dependent variable)

Independent Variables

X<sub>2</sub> – Brand Awareness

#### 4.5.3 Brand Associations and Organisational Performance

The researcher sought to find out how brand associations influence organizational performance.

The results are displayed in table 16 below;

**Table 18: Regression analysis for brand associations and organizational performance**

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.949 <sup>a</sup>	.901	.900	.32488	1.078
a. Predictors: (Constant), Brand Association					

b. Dependent Variable: Organizational performance						
<b>ANOVA<sup>a</sup></b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	95.394	1	95.394	903.793	.000 <sup>b</sup>
	Residual	10.449	99	.106		
	Total	105.843	100			
a. Dependent Variable: Organizational performance						
b. Predictors: (Constant), Brand Association						
<b>Coefficients<sup>a</sup></b>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.404	.145		-2.780	.007
	Brand Association	1.062	.035	.949	30.063	.000
a. Dependent Variable: Organizational performance						

**Source: Researcher (2023)**

Table 16 exhibits a direct relationship between the brand association(dependent) and organizational performance (independent variable). This shows a strong coefficient of correlation ( $R=0.949$ ) and coefficient of determination ( $R^2=0.901$ ) between brand association and organizational performance of listed companies at the NSE. Further, it is evident from the table that coefficient of determination was significant (R Square = 0.901,  $P < 0.000$ ). This implied that 90.1% of variation in performance is as a result of brand association.

The significance of the regression model was tested using Analysis of Variance (ANOVA).  $F=903.793$ , and  $p=0.000$  which is less than 0.05 thus the model is statistically significant in predicting how brand association affects organizational performance in listed companies at the NSE Kenya. Given that  $p<0.05$ , the model is statistically significant at 95% confidence level and that the variables in the equation are important.

Brand association had a coefficient of 0.949 and  $p < 0.000$  which means that the relationship was significant at the 5% level. The standardized coefficients show the corresponding change in the dependent variable when a change of one unit is affected in the independent variable. Thus, a 1% improvement in brand association will lead to a 94.9% change in organizational performance.

Therefore, the regression equation is;

$$Y = -0.404 + 0.949X_3 + 0.145$$

Where;

Y – Organizational performance (Dependent variable)

Independent Variables

X<sub>3</sub> – Brand Association

#### 4.5.4 Perceived Quality and Organisational Performance

The researcher sought to find out how brand associations influence organizational performance. The results are displayed in table 17 below;

**Table 19: Regression analysis for perceived quality and organizational performance**

Model Summary <sup>b</sup>						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson	
1	.852 <sup>a</sup>	.727	.724	.54067	1.305	
a. Predictors: (Constant), Perceived Quality						
b. Dependent Variable: Organizational performance						
ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	76.903	1	76.903	263.078	.000 <sup>b</sup>
	Residual	28.940	99	.292		
	Total	105.843	100			
a. Dependent Variable: Organizational performance						
b. Predictors: (Constant), Perceived Quality						
Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.064	.248		-.257	.798

	Perceived Quality	1.017	.063	.852	16.220	.000
a. Dependent Variable: Organizational performance						

**Source: Researcher (2023)**

Table 17 exhibits a direct relationship between the perceived quality(dependent) and organizational performance (independent variable). This shows a strong coefficient of correlation (R=0.852) and coefficient of determination ( $R^2=0.727$ ) between perceived quality and organizational performance of listed companies at the NSE. Further, it is evident from the table that coefficient of determination was significant (R Square = 0.727, P < 0.000). This implied that 72.7% of variation in performance is as a result of perceived quality.

The significance of the regression model was tested using Analysis of Variance (ANOVA). F=263.903, and p=0.000 which is less than 0.05 thus the model is statistically significant in predicting how perceived quality affects organizational performance in listed companies at the NSE Kenya. Given that p<0.05, the model is statistically significant at 95% confidence level and that the variables in the equation are important.

Perceived Quality had a coefficient of 0.852 and p <0.000 which means that the relationship was significant at the 5% level. The standardized coefficients show the corresponding change in the dependent variable when a change of one unit is affected in the independent variable. Thus, a 1% improvement in perceived will lead to an 85.2% change in organizational performance.

Therefore, the regression equation is;

$$Y = -0.064 + 0.852X_4 + 0.248$$

Where;

Y – Organizational performance (Dependent variable)

Independent Variables

X<sub>4</sub> – Perceived Quality

#### 4.5.5 Other Proprietary Brand Assets and Organisational Performance

The researcher sought to find out how brand associations influence organizational performance.

The results are displayed in table 14 below;

**Table 20: Regression analysis for other proprietary brand assets and organizational performance**

Model Summary <sup>b</sup>						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson	
1	.993 <sup>a</sup>	.986	.986	.12064	1.410	
a. Predictors: (Constant), Brand Assets						
b. Dependent Variable: Organizational performance						
ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	104.402	1	104.402	7172.982	.000 <sup>b</sup>
	Residual	1.441	99	.015		
	Total	105.843	100			
a. Dependent Variable: Organizational performance						
b. Predictors: (Constant), Brand Assets						
Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.349	.043		8.077	.000
	Brand Assets	.909	.011	.993	84.693	.000
a. Dependent Variable: Organizational performance						

**Source: Researcher (2023)**

Table 16 exhibits a direct relationship between the Other proprietary brand assets (dependent) and organizational performance (independent variable). This shows a strong coefficient of correlation (R=0.993) and coefficient of determination ( $R^2=0.986$ ) between other proprietary brand assets and organizational performance of listed companies at the NSE. Further, it is evident from the table that

coefficient of determination was significant (R Square = 0.986, P < 0.000). This implied that 98.6% of variation in performance is as a result of other proprietary brand assets.

The significance of the regression model was tested using Analysis of Variance (ANOVA). F=7172.982, and p=0.000 which is less than 0.05 thus the model is statistically significant in predicting how other proprietary brand assets affects organizational performance in listed companies at the NSE Kenya. Given that p<0.05, the model is statistically significant at 95% confidence level and that the variables in the equation are important.

Other proprietary brand assets had a coefficient of 0.993 and p <0.000 which means that the relationship was significant at the 5% level. The standardized coefficients show the corresponding change in the dependent variable when a change of one unit is affected in the independent variable. Thus, a 1% improvement in brand association will lead to a 99.3% change in organizational performance.

Therefore, the regression equation is;

$$Y = .349 + 0.993X_5 + 0.043$$

Where;

Y – Organizational performance (Dependent variable)

Independent Variables

X<sub>5</sub> – Other proprietary brand assets

#### **4.6 Chapter Summary**

The chapter presented results obtained from the data collected including descriptive statistics, regression analysis and correlation. The means and standard deviation results of every variable are also included. The chapter has explained the results and findings of the study which are displayed on tables with detailed explanation under each table. In summary, the shows that brand loyalty, brand awareness, brand association, perceived quality and other proprietary brand assets have a statistically significant effect on the performance of listed organizations.

## **CHAPTER FIVE**

### **DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter presents a summary of the key findings of the study as well as the conclusions and recommendations for further research. The general objective was to the influence of brand equity on the performance of companies listed in the Nairobi Securities Exchange in Kenya.

#### **5.2 Discussion of findings**

The purpose of this study was to establish the influence of brand equity on the performance of companies listed in the Nairobi Securities Exchange in Kenya. Primary data was collected using structured questionnaire and regression analysis was run for the data set. The following were the findings:

##### **5.2.1 Influence of Brand Loyalty on Organizational Performance**

The study sought to determine the effect of brand loyalty on performance of listed companies at the NSE in Kenya. The descriptive analysis show that majority of the respondents concurred brand loyalty with constructs of the company customers are characterized by many repeat transactions; the company customers are willing to wait when brand is not available; the company is able to charge premium prices without losing customers; the company customers are willing to commit to company products even with alternatives with a lower price point; and the company products and services are able to satisfy the needs of customers have a statistically significant influence on the performance of listed companies.

This is in line with the studies of Obasan et al. (2015) and Chepkwony et al. (2018) who established a significant positive effect on the profitability of the company in a study to investigate the relationship between brand loyalty and profitability. The findings also support the assertions on brand loyalty as argued by Jimanez-Barreto et al. (2022) that brand loyalty is directly related to the price of the product as premium prices are identified as the basic indicator of loyalty and include how a customer is willing to commit to a product with alternatives with a lower price point. Gibendi (2014) supports that brand loyalty construct of customers are willing to commit to company products even with alternatives with a lower price point available in the Market is unattainable since listed battery maker Eveready East Africa closed down its dry cell plant in Nakuru after grappling with unrelenting competition from low-cost imports.

The findings of this study are in line with the Comparative Advantage Theory of Competition (Hunt and Morgan 1995) that posits that comparative advantages allow companies to attain and sustain superior margins, an enhanced growth profile and/or greater loyalty amongst its current customers (Dickson 1996). The findings of this study show that brand loyalty has a direct strong coefficient of determination with organizational performance as attachment a consumer has to a brand has a positive influence on financial performance

### **5.2.2 Influence of Brand Awareness on Organizational Performance**

The study sought to determine the effect of brand awareness on performance of listed companies at the NSE in Kenya. The descriptive analysis show that majority of the respondents concur that brand awareness with constructs of the company customers are able to identify remember and recognize our brand from the alternatives; the company products and services are associated with the brand logo, symbol, and other features that identify the brand; the company products and services are easily accessible to customers; the company customers are knowledgeable on the products and services offered by the company; and the company products are readily available to all our customers has a statistically significant influence on the performance of NSE listed companies.

These findings are in line with the findings of Kuya and Namusonge (2015), Yatundu et al. (2016) and Agumba et al. (2017) who established that brand awareness has a statistically significant effect on the financial performance and profitability of companies. The findings of this study established a direct and statistically significant influence on organizational performance.

The findings contrast the findings of Anees-ur-Rehman et al. (2018) that brand awareness has an indirect and positive influence on financial performance. The findings of this study were that brand awareness has a direct strong coefficient of determination with organizational performance as customers' ability to remember and recognize a brand has a positive influence on financial performance.

This is findings of this study are in line with the Resource-advantage theory propositions that competitive advantage of a company arises from a comparative advantage or disadvantage in resources (Hunt & Morgan 1997). Competitive advantage sets companies apart from their competitors in the eyes of its consumers (Deligönül & Çavuşgil 1997; Lusch 2000).

### **5.2.3 Influence of Brand Associations on Organizational Performance**

The study sought to determine the effect of brand association on performance of listed companies at the NSE in Kenya. The descriptive analysis show that majority of the respondents concur that brand

associations with constructs of the company product brand is able to elicit some positive feelings, thoughts, images, experiences and attitudes to customers; the company is able to attract and retain customers as determined by their memory and previous interactions with the brand; the company customers and employees are proud to be associated with the product brand and company brand; customers are able to associate positively with the attributes of the company's products and services; and the customers associate positively with the benefits accrued from the company's products and services have a statistically significant influence on the performance of NSE listed companies. This is in line with studies by Jayswal and Vora (2019), Muhonen et al. (2017), Kilei et al. (2016) and Chepkwony et al. (2018) established that brand association had a significant effect on performance of companies in various jurisdictions. This is in line with findings by Yoshifumi et al. (2017), Buzdar et al. (2016), Thomas et al. (2020) and Narteh (2018).

The findings of this study were that brand associations have a direct strong coefficient of determination with organizational performance as the reason for purchasing and having loyalty to a brand has a positive influence on financial performance.

This findings of this study are in line with the Theory of Reasoned Action posits that that an individual's behavior is determined by their intention to perform the behavior. However, this intention is dependent on their attitude toward the behavior and subjective norms (Fishbein & Ajzen 1975). Subjective norms such as the reason for purchasing and having loyalty will have an influence on the customer behaviour which will in turn affect the performance of the organization.

#### **5.2.4 Influence of Perceived Quality on Organizational Performance**

The study sought to determine the effect of perceived quality on performance of listed companies at the NSE in Kenya. The descriptive analysis show that majority of the respondents concur that perceived quality with constructs of the company customers judge our products as superior as compared to competitors; the company products and services are of excellent quality ; the company products and services meet the needs of the customers; the company customers view the intrinsic attributes relating to the product's physicality including form, flavor, color, and appearance as of high quality in spite of the brand; and the company customers feels that the quality of our products and services with respect to its ability to fulfil their expectations when compared to the intended purpose of the product is great has a statistically significant influence on the performance of NSE listed companies.

The findings of this study are in line with the study by Stylidis (2020) that posits that the higher the perceived quality in the service or goods offered by an entity, the higher the returns for the company. In addition, Yoshifumi et al. (2017) in a study on the effect of perceived quality and productivity on organizational performance with a focus on multinationals in the electronics manufacturing sector of Malaysia established that perceived quality were correlated with organizational performance and that there is a significant positive relationship between perceived service quality, productivity and organizational performance. Similarly, Thomas et al. (2020) in their study on perceived quality of strategic leadership and organizational performance of a state-owned research institution of South Africa established that perceived strategic leadership quality had a statistically significant effect on the organizational performance of the institution. Narteh (2018) established that service quality had a positive and significant influence on financial performance of the retail banks.

The findings of this study were that perceived quality has a direct strong coefficient of determination with organizational performance as customers judgement on the superiority or excellence of a product or service has a positive influence on financial performance.

This is findings of this study are in line with the Theory of Reasoned Action posits that that an individual's behavior is determined by their intention to perform the behavior. However, this intention is dependent on their attitude toward the behavior and subjective norms (Fishbein & Ajzen 1975). Subjective norms such as customers judgement on the superiority or excellence of a product or service will have an influence on the customer behaviour which will in turn affect the performance of the organization.

### **5.2.5 Influence of Other Proprietary Brand Assets on Organizational Performance**

The study sought to determine the effect of other proprietary brand assets on performance of listed companies at the NSE in Kenya. The descriptive analysis show that majority of the respondents concur that other proprietary brand assets with constructs of company has channel relationships that offer it a competitive edge over the competition; the company having patents associated with the company brand that offer it a competitive edge over the competition and the company has trademarks associated with the brand that offer it a competitive edge over the competition have a statistically significant influence on the performance of listed companies.

This is in line with studies by Adijaya (2016) on effect of brand equity on purchasing decisions for Samsung smartphones in the city of Bandung; and Sienglumlert (2020) on brand equity towards consumer purchasing decision of samsonite luggage in the bankgkok metropolitan area; who

established that companies are able to draw comparative advantage from other proprietary assets they have and record superior performance. The findings of this study were that other proprietary brand assets have a strong coefficient of determination with organizational performance

However, the findings contradict the study by Agaba and Arthur (2020) which established that there is no competitive advantage derived from the other proprietary brand assets held by the beer manufacturers in Kabale District of Uganda. The findings of this study were that other proprietary brand assets have a strong coefficient of determination with organizational performance as advanced proprietary rights accord a competitive edge to a brand in contrast to other brands.

The findings of this study are in line with the Resource-advantage theory propositions that competitive advantage of a company arises from a comparative advantage or disadvantage in resources (Hunt & Morgan 1997). Competitive advantage sets companies apart from their competitors in the eyes of its consumers (Deligönül & Çavuşgil 1997; Lusch 2000). The Comparative Advantage Theory of Competition contends that innovations realize sustainable competitive advantage through accumulation and utilization of resources to serve consumer interests in ways that are hard to imitate or substitute for (Deligönül & Çavuşgil 1997).

### **5.3 Conclusion**

The study sought to analyse the effect of brand equity on the performance of listed companies at the NSE. The following conclusions can be drawn based on the findings of the study. The analysis of the respondent's profile led to the conclusion that majority of the respondents have higher levels of qualifications i.e., undergraduate to postgraduate level and experience of over six years in the organization in the business development finance and marketing divisions.

The findings of the study indicate that brand loyalty, brand awareness, brand association, perceived quality and other proprietary brand assets have a statistically significant effect on the organizational Performance of listed companies at the NSE. The combined influence of brand equity on organizational performance is reported as significant with a model significant value of 0.000.

### **5.4 Recommendations**

The management should consider designing strategies on brand equity and allocation of resources to the dimensions of brand equity such as brand loyalty and focus on enhancing repeat transactions, the willingness of customers to wait for products despite charging premium prices, consistency of purchase despite existence of alternatives and enhancing customer satisfaction as they have a

statistically significant effect on enhancing the performance of the company as well as its going-concern.

The management should also consider designing strategies on brand equity and allocation of resources to the dimensions of brand awareness to enhance brand identification, association of products & services with logo and symbols, enhance ease of access, enhance customer knowledge of products and services and availability of products as they have a statistically significant effect on enhancing the performance of the company as well as its going-concern. In addition, designing strategies on Brand Association to ensure that the brand is able to elicit some positive feelings, thoughts, images, experiences and attitudes to customers; to attract and retain customers as determined by their memory and previous interactions with the brand; enhancement of the pride of association with the product brand and company brand; ensuring that customers are able to associate positively with the attributes of the company's products and services; and finally ensuring that customers associate positively with the benefits accrued from the company's products and services. The management should consider enhancing the perceived quality of the products and services they offer by ensuring the products and services are of high quality and meet the expectations when compared to the intended purpose of the product; meet the needs of the customers. In addition, the companies should consider enhancing the company customers view on the intrinsic attributes relating to the product's physicality including form, flavor, color, and appearance as of high quality in spite of the brand to capture the customers.

Lastly, companies should focus on enhancing other proprietary brand assets they have in terms of maintaining channel relationships that offer it a competitive edge over the competition; developing patents and trademarks associated with the company brand that offer it a competitive edge over the competition.

## **5.5 Implications of Research**

Various stakeholders can derive from the findings of the study and apply differently depending on their need. The study findings have implications on management, knowledge and policy makers.

### **5.5.1 Contribution to Policy**

Listed companies play a significant role in enhancing the capital markets in Kenya for individuals and organizations while providing source of employment for the Kenyan population which makes their performance a matter of policy concern. Based on the findings of this study, brand equity is

determined to have an effect on the performance of companies listed at the NSE and the Capital Markets Authority can intervene with policies that encourage and provide resources for research and development on development of brand equity by listed companies that in turn will enhance performance.

Findings of the study showed that the listed companies in Kenya are affected by brand equity. Specifically, brand loyalty, brand awareness, brand association, perceived quality and other proprietary brand assets are critical factors that need to be taken into consideration in order to enhance organizational performance. Based on these findings deliberate policy measures aimed at enhancing brand equity of the companies need to be enacted with an aim of turning around the listed companies that are posting dismal performance.

### **5.5.2 Contribution to Management**

The study findings suggest that listed companies in Kenya that need to enhance performance in this competitive market must adopt and develop brand equity that assures them of improved performance and success.

### **5.5.3 Contribution to knowledge**

The study viewed organization performance from the four perspectives envisioned in the balanced score card; financial perspective, customer perspective, internal business process and learning and growth perspectives. Brand equity constructs applied in the research were as fronted by Aaker (1992) which analyses five fundamental factors that create value for consumers and the company. They include brand loyalty, brand awareness, perceived quality, brand association and proprietary brand assets

In both instances the study results showed statistically significant relationships with between the variable constructs adopted in the study in the Kenyan context. Reference to Aaker (1992) brand equity model provided insights linking brand equity to organizational performance noting that organizations that invest in development of brand equity often make it sustainable, durable and inimitable thus leading to enhanced performance. Based on the findings, scholars will apply the different indicators of brand equity constructs as a basis for further studies to expand knowledge.

The findings of this study are in support of the direct relationship between brand equity and organizational performance. This is consistent with the general view and literature by (Aaker 1992;

Chepkwony et al. 2018; Narteh 2018; Sienglumlert 2020) which elaborate how brand equity factors have positive effects on organizational performance.

### **5.6 Limitations of the Study**

The study was carried out with limitations, one being that brand equity was conceptualized based on the constructs put forward by Aaker (1992) model on brand equity which includes brand loyalty, brand awareness, brand associations, perceived quality and other proprietary brand assets. There are other constructs proposed by Keller and Kotler (2006).

Organizational performance was measured by the Balanced score card model of performance measurement as proposed by Kaplan and Norton (1992). There are other performance measurement models by different authors such as the Baldrige model,

The study is limited in scope as it focused on the Nairobi Securities Exchange in Kenya hence the insights and findings of the study is unique in the context of NSE listed companies as opposed to generalization of the base of understanding for the whole population of Companies in Kenya or across the world.

### **5.7 Suggestions for Further Studies**

The study recommends further research on the influence of brand equity on organizational performance of non-listed companies drawn from other unlisted public institutions and private companies' organizations since this study only focused on listed companies in Kenya.

Lastly, the study recommends for the testing of the various constructs of Brand Equity on other developing countries with similar market dynamics to Kenya and the NSE listed companies to add to the wealth of knowledge on brand equity and its effect on performance of listed companies.

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## APPENDICES

### Appendix 1. Informed Consent to Participate in the Survey

#### **Appendix I: Informed Consent to participate in Survey**

This is purely an academic questionnaire aimed at collecting crucial data and information regarding **Influence of Brand Equity on Performance of Companies Listed on the NSE in Kenya** . Your participation into this study shall assist in highlighting these key challenges and contribute immensely in finding practical solutions to various challenges facing the sectors.

#### **Potential benefits and risks**

There is no material gift or direct benefit for participating in this study. However, information generated from this study will be beneficial in developing and contributing to the studies around brand equity and organizational performance. There is no anticipated harm or risk to you or your family by participating in this study. As stated earlier, the interview will take about 20 minutes and this may inconvenience you due to loss of time. In this regard, the interview will be kept brief. Some questions may also cause discomfort and you can decline to answer the questions.

#### **Care and protection of research participants**

Participation in this study is voluntary and you may decline to respond to any question that you feel unsuitable to you. Also, you may withdraw from the interview at any time you wish without fear of victimization. You also have the right to ask any questions that you may have regarding this study and be answered in full. You will not be required to bear any financial cost in this research. Similarly, we will not pay you money for participating in the study and as stated earlier, there is no anticipated harm or risk to you or your family by participating in this study. Information collected will only be used for academic purposes. However, in case of any publications made from findings of this research, organizations will be acknowledged.

#### **Privacy, anonymity and confidentiality**

I will not require you to write your name, address or phone number on any part of the questionnaire. Any findings of this research will never be traced back to you. No name will appear or be mentioned during presentations made on the findings regarding this research.

**Participant's Statement**

The above statement regarding my involvement in the study is clear to me. I have been given a chance to ask questions and my questions have been answered to my satisfaction. My participation in this study is entirely voluntary. I understand that the information will be kept in privacy and I can withdraw from the study at any time. I understand the benefits of the study and that no incentives will be given.

**Name** Participants signature/thumbprint ..... **Date** .....

**Investigators statement**

I, the undersigned, have explained to the participant in the language s/he understands the procedures to be followed in the study and the risks and the benefits involved.

**Name**

Interviewer... **Eunice Wangeci Nganga**

.....

Signature



Date 04/08/2022

## Appendix 2: Letter of introduction

Old Sangale Rd, Madinetu Estate,  
P.O. Box 59857 00100, Nairobi, Kenya.  
Call: +254 703 41 416/7, Twitter: @strathmore  
Email: info@bsbs.ac.ke or visit www.bsbs.strathmore.edu



17<sup>th</sup> May 2022

To Whom It May Concern,

**RE: FACILITATION OF RESEARCH – EUNICE NG'ANG'A**

This is to introduce Eunice Ng'ang'a who is a Master of Commerce (MCOM) Student at Strathmore University Business School, admission number MCOM/124769. As part of our MCOM Programme, Eunice is expected to do applied research and undertake a project. This is in partial fulfilment of the requirements of the MCOM course. To this effect, Eunice would like to request for appropriate data from your organization.

Eunice is undertaking a research paper on **"THE INFLUENCE OF BRAND EQUITY ON PERFORMANCE OF COMPANIES LISTED ON THE NAIROBI SECURITIES EXCHANGE IN KENYA."** The information obtained shall be treated confidentially and shall be used for academic purposes only.

Our MCOM Programme seeks to establish links with industry, and one of these ways is by directing our research to areas that would be of direct use to industry. We would be glad to share our findings with you after the research, and we trust that you will find them of great interest and of practical value to your organization.

We appreciate your support and shall be willing to provide any further information if required.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Njoki Kiagiri".

Njoki Kiagiri  
Manager – Graduate Programmes  
Strathmore University Business School.



### Appendix 3: Questionnaire

#### Instructions:

The questionnaire below is a data collection tool for academic purposes only and will be applied in the study. The influence of brand equity on organizational performance of listed firms at the NSE in Kenya. Kindly answer the questions by putting a tick (✓) in the appropriate box or by writing in the space provided.

#### SECTION A: COMPANY PROFILE

Name of Institution: .....

1. Gender of the respondent Male  Female

2. Age Group of the respondent

20-30

31-40

41-50

51-60

61 and Above

3. How long have you been working in this institution?

Less than a year

1-5 years  6-10 years

11-15 years

16-20 years

More than 20 years

4. Which department do you work in?

Business Development

Marketing

Finance

5. What position do you currently hold in your organization?

Business Development Manager

Marketing Manager

Finance Manager

6. What is your highest level of education?

Post graduate

Post graduate Diploma

Undergraduate

Higher National Diploma

Diploma

Others

.....  
 .....

<b>SECTION B</b>						
The following section will apply the Likert Scale to gauge your opinion towards various statements on Brand equity and organization performance in your organization. Kindly tick on one that best describes your opinion on the subject matter.						
<b>BRAND EQUITY</b>						
		<b>Strongly Disagree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>
<b>A</b>	<b>Brand loyalty</b>					
1	The company customers are characterized by many repeat transactions					
2	The company customers are willing to wait when brand is not available					
3	The company is able to charge Premium prices without losing customers					
4	The company customers are willing to commit to company products even with alternatives with a lower price point					
5	The company Products and services are able to satisfy the needs of customers					
<b>B</b>	<b>Brand Awareness</b>					
1	The company Customers are able to, identify remember and recognize our brand from the alternatives					

2	The company Products and services are associated with the brand logo, symbol, and other features that identify the brand					
3	The company products and services are easily accessible to customers					
4	The company Customers are knowledgeable on the products and services offered by the company					
5	The company Products are readily available to all our customers					
<b>C</b>	<b>Brand Associations</b>					
1	The company product brand is able to elicit some positive feelings, thoughts, images, experiences and attitudes to customers					
2	The company is able to attract and retain customers as determined by their memory and previous interactions with the brand					
3	The company customers and employees are proud to be associated with the product brand and company brand					
4	Customers are able to associate positively with the attributes of the company's products and services					
5	Customers associate positively with the benefits accrued from the company's products and services					
<b>D</b>	<b>Perceived Quality</b>					
1	The company customers judge the our products as superior as compared to competitors					

2	The company Products and services are of excellent quality					
3	The company Products and services meet the needs of the customers					
4	The company customers view the intrinsic attributes relating to the product's physicality including form, flavour, colour, and appearance as of high quality in spite of the brand					
5	The company customers feels that the quality of our products and services with respect to its ability to fulfil their expectations when compared to the intended purpose of the product is great					
<b>E</b>	<b>Proprietary Brand Assets</b>					
1	The company has channel relationships that offer it a competitive edge over the competition					
2	The company has Patents associated with the company brand that offer it a competitive edge over the competition					
3	The company has Trademarks associated with the brand that offer it a competitive edge over the competition					
<b>ORGANIZATIONAL PERFORMANCE</b>						
<b>A</b>	<b>Financial Perspective</b>	<b>Strongly Disagree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>
1	The company has recorded increased revenues over the past 5 years					
2	The costs of operations have reduced over the past 5 Years					
3	The company has recorded increased Profits over the past 5 years					

<b>B</b>	<b>Customer Perspective</b>					
1	The company has recorded an increase in customer satisfaction over the past 5 years					
2	The company has recorded an increase in the number of repeat customers over the past 5 years					
3	The company has registered a growth in the Market share over the past 5 years					
<b>C</b>	<b>Internal Business Process</b>					
1	The company has reduced the time from production to customers					
2	The company has been able to reduce waste per production process					
<b>D</b>	<b>Learning and Growth</b>					
1	The company has managed to improve products and services through Innovation					
2	The company has managed to increase motivation and empowerment of staff over the past 5 years					
3	The company has been able to improve employee retention and employee satisfaction					

**Appendix 4: Companies Listed in the Nairobi Securities Exchange**

No.	Nairobi Securities Exchange Listed Companies as at 31 <sup>st</sup> Dec 2021
	<b>AGRICULTURAL</b>
1	Williamson Tea Kenya Plc
2	Eaagads Ltd
3	Sasini Plc
4	Kakuzi Plc
5	Kapchorua Tea Kenya Plc
6	Limuru Tea Co. Plc
	<b>AUTOMOBILES AND ACCESSORIES</b>
7	Car and General (K) Ltd
	<b>BANKING</b>
8	Absa Bank of Kenya
9	Stanbic Holdings Plc
10	I&M Holdings Plc
11	Diamond Trust Bank Kenya Ltd
12	HF Group Plc
13	KCB Group Plc
14	National Bank of Kenya Ltd
15	NCBA Group
16	Standard Chartered Bank Kenya Ltd
17	Equity Group Holdings
18	The Co-operative Bank of Kenya Ltd
19	BK Group Plc
	<b>COMMERCIAL AND SERVICES</b>
20	TPS Eastern Africa Ltd
21	WPP Scangroup Plc
22	Kenya Airways Ltd
23	Nation Media Group Plc
24	Eveready East Africa Ltd
25	Express Kenya Ltd
26	Longhorn Publishers Plc

27	Homeboyz Entertainment Plc
28	Uchumi Supermarkets Plc
29	Standard Group Plc
30	Deacons (East Africa) Plc
31	Nairobi Business Ventures Ltd
32	Sameer Africa
	<b>CONSTRUCTION AND ALLIED</b>
33	E.A Portland Cement Co. Ltd
34	Athi River Mining
35	Crown Paints Kenya Plc
36	Bamburi Cement Ltd
37	E.A Cables Ltd
	<b>ENERGY AND PETROLEUM</b>
38	Umeme Ltd
39	Kenya Power and Lighting Co. Ltd
40	KenGen Co. Plc
41	Total Kenya Ltd
	<b>INSURANCE</b>
42	CIC Insurance Group Ltd
43	Sanlam Kenya Plc
44	Britam Holdings Plc
45	Liberty Kenya Holdings Ltd
46	Jubilee Holdings Ltd
47	Kenya Re-insurance Corporation Ltd
	<b>INVESTMENT</b>
48	Trans-Century Ltd
49	Home Afrika Ltd
50	Centum Investment Co. Ltd
51	Kirwitu Ventures
52	Olympia Capital Holdings Ltd
	<b>INVESTMENT SERVICES</b>
53	Nairobi Securities Exchange

	<b>MANUFACTURING and ALLIED</b>
54	Kenya Orchards Ltd
55	Flame Tree Group Holdings Ltd
56	Unga Group Ltd
57	East African Breweries Ltd
58	British American Tobacco Plc
59	B.O.C Kenya Plc
60	Carbacid Investments Plc
61	Mumias Sugar Co. Ltd
	<b>TELECOMMUNICATION</b>
62	Safaricom Plc
	<b>EXCHANGE TRADED FUNDS</b>
63	Barclays New Gold ETF
	<b>REAL ESTATE INVESTMENT TRUST</b>
64	Stanlib Fahari I-REIT

**Appendix 5: Sampling Table by Krejcie and Morgan (1970)**

<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	346
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	354
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	191	1200	291	6000	361
45	40	170	118	400	196	1300	297	7000	364
50	44	180	123	420	201	1400	302	8000	367
55	48	190	127	440	205	1500	306	9000	368
60	52	200	132	460	210	1600	310	20000	370
65	56	210	136	480	214	1700	313	15000	375
70	59	220	140	500	217	1800	317	20000	377
75	63	230	144	550	226	1900	320	30000	379
80	66	240	148	600	234	2000	322	40000	380
85	70	250	152	650	242	2200	327	50000	381
90	73	260	155	700	248	2400	331	75000	382
95	76	270	159	750	254	2600	335	100000	384