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EFFECT OF BRAND EQUITY AND BRAND PACKAGING ON CONSUMER BUYING BEHAVIOUR OF MOBILE TELECOMMUNICATION SERVICE PROVIDERS IN FCT ABUJA

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ABSTRACT

The study examines the effect of brand equity and brand packaging on consumer buying behaviour of mobile telecommunication service providers in FCT Abuja. The study used data collected from 399 respondents using survey research design. The data collected for the study were analysed using percentages and the hypotheses of the study were tested using ordinal regression due to the ordinal nature of the data. The result of the regression analysis shows that brand equity and brand packaging have significant statistical effect on consumer buying behaviour. The study concludes that branding is a major factor that shapes the buying behaviour of consumers in the telecommunication services in Abuja. In line with the findings the study recommend that the firms should continue to improve their brand equity since customers recognized this as a factor that endeared them to the products. This can be achieved by committing resources to the corporate image building for the organisation. Also, the study recommend that the firms work towards achieving persistent brand packaging. This can be done by firms building and sustain the packaging of their products. This will help to ensure that the customers remain loyal to the brand and help the firms to perform better.

Keywords: brand equity, brand packaging, consumer buying behavior, mobile telecommunication, service providers

1. Introduction

Branding has emerged as part and parcel of modern-day marketing strategies and now considered a key organizational asset. Brands are vital tools for companies' sustainability. Brands exist to distinguish one product from other products. Nowadays, many people judge products based on their

brands. To attract consumers, a company has to create or provide high quality goods. If the quality is good, and it is worth the price, then consumer will become loyal to the brand. Having large amount of consumers will strengthen the brand's position in the industry, and will eventually make the brand famous.

Strong brand in the market competition is the main goal of many organizations because it allows the creation of a wide range of benefits to organizations including reduced risk, greater profits, cooperation with other parties as well as the opportunity for brand extension. Consumers place very high importance to brands and relate their prestige with different brands. They see brands from different perspectives and expect better quality of brands. With the passage of time if brand satisfy the needs of the customers, then they become loyal with the brand and built long term relationship with that specific brand. Brand possesses many characteristics. Among which are brand equity, brand image, brand loyalty and brand packaging. These characteristics basically forms part of the influences of consumer buying behavior.

Brand equity encapsulates a situation whereby a consumer is cognizant of a brand and has recollection of its positive, robust and exceptional aspects. The consumer is also able to make distinctions between their preferred brand and others, this influences how he or she responds to marketing of the brand (Keller, 2003). According to Aaker (1996) brand equity is a set of assets and liabilities that add to (or subtract from) the value provided by a product or service to a firm and/or the firm's customers. These assets include brand awareness, perceived quality and brand association.

Brand packaging is seen as a vehicle for communication and this has received wide spread attention. Brand packaging is a silent salesman that shapes consumer perception and becomes a determining factor in point of purchase decision. Thus, brand packaging is one of the salient ingredients determining unplanned purchasing behavior of customers. In line with that, Kotler (2002) highlights that packaging have an attractive bearing, thus it influences purchasing, perception about the product.

Statement of problem

Many companies are able to have good products and yet are sometimes unable to compete in the market due to several possible reasons including poor branding activities. Thus, strong brands have the potential to generate long term and loyal customers, which would eventually lead to an increase

in sales in the future. Consumers have their attributes and forces behind before and during the process of purchasing branded goods/product. If customers trust a brand quality it makes a positive connection to the brand and customers will have a reason to become loyal to the brand.

Loyalty and trust of the customers are very important for a company because it reduces the chance of attack from competitors (Aaker, 1996). In this increasable competitive market, companies are attempting to gain better position for them by becoming more customer-oriented (Hartmann, 2007). Companies are facing wider range of competitors who offer a similar product to same customers at different prices (Kotler at al., 2005). As things like education, work and other factors have a continuous influence on human life. Human judgment and beliefs change over time. A good strategy differentiates company brand from other competitor's brands. The intention to offer marketing package for consumer benefits by a marketer is to win the competition by creating new and decisive consumer value (Welibacher, 1993).

Considering the fact that the Nigerian mobile telecommunications market is the largest in Africa and is still expected to grow further into the foreseeable future, the interest in purchasing mobile phones by the Nigerian customers will increase accordingly. Thus, consumers in FCT Abuja were selected to analyse consumer purchase behaviour as influenced by the mobile telecommunications service brand they use. The extent to which product branding affects consumers' decision-making remains a critical area that needs a thorough investigation. It is for this reason that this study is undertaken to determine the effect of brand characteristics on consumers' buying behavior of mobile telecommunication service in Nigeria.

Statement of Hypotheses

Ho$_1$ Brand equity has no significant effect on consumer buying behavior of mobile telecommunication service providers in Nigeria

Ho$_2$ Brand packaging has no significant effect on consumer buying behavior of mobile telecommunication service providers in Nigeria

2. LITERATURE REVIEW

Conceptual Framework

Brand equity in the past two decades have been developed based on almost two frameworks: Acker's brand equity and brand equity from a consumer perspective of Claire type. Acker was the first person who had studied the concept of brand equity. According to Acker, brand equity consists

of four dimensions: brand loyalty, brand awareness, perceived quality and brand association (Zhuowei & Liping, 2015).

According to Keller (2003), packaging involves the activities of designing and producing containers or wrappers for a product. He concludes that packaging like other elements, must achieve a number of objectives from the perspective of both the firm and consumers namely, identity of brand; convey descriptive and persuasive information; facilitate product transportation and protection; assist at-home storage and aid product consumption. To achieve the marketing objective for the brand and satisfy the desires of consumer, the aesthetic and functional components of packaging must be chosen correctly (Keller, 2003). Kapferer (1997) asserts that the aesthetic considerations relate to a package's size and shape, material, colour, text and graphics.

The study conducted by Sharma (2008) focuses on existing practice of branding, packaging and labeling of new products in consumer-product manufacturing units. The study method was a descriptive presentation of facts collected through questionnaire surveys concerned with different sections of consumer new products and the study further investigated the new consumer-product packaging and labeling status in manufacturing units. The study concluded that consumers are aware of the value of packaging and labeling. The majority of the consumer products (84.37%) use product labels as a simple tag attached to the product or an elaborately designed graphic that is part of the package.

Understanding how the product attracts the consumer's attention from the multitude of commodity packaging is the first step that leads to success (Wang & Chen 2007). If the packaging can further lead the consumer to a positive buying emotion, the goal of invigorating the sales volume will possibly be achieved (Donovan & Rossiter, 1982; Sherman, Mathur & Smith, 1997). To observe this tendency, the illustration has a more common visual-design performance, and it lets the person feel more approachable.

Kotler and Armstrong (2009) provide a definition that Consumers are all the individuals and households who buy or acquire goods and services for personal consumption. As it will be noted from the definition above, referral is made to an individual. Therefore, one should first focus on human behaviour, since consumer behaviour, according to Kotler and Keller (2009), represents a subset of human behaviour. Human behaviour therefore refers to the total process whereby the individual interacts with his environment (Walter, 1974).

Belch and Belch (1990) provides a link between human behaviour and consumer behaviour, by stating that consumer behaviour has been defined as the study of human behaviour in a consumer role. Consumer behaviour according to Kotler and Keller (2009), is the study of how individuals, groups, and organizations select, buy, use, and dispose of goods, services, ideas, or experiences to satisfy their needs and wants.

According to Kotler and Keller (2009), it is a difficult task to discover the reasons why people buy, as they are subject to many influences. One reason is that humans are significantly influenced by their consciousness, which eventually leads to overt purchase response. Schiffman and Kanuk (2000) mention that consumer behavior is about how people make decisions on the basis of available resources i.e. money, effort and time. A holistic view provided by Blackwell, Miniard and Engel (2006) on consumer behavior. They define that consumer behavior are actually those processes and activities in which individuals or groups choose and consume products, experiences, ideas and services.

Empirical Review

Abdul-Aziz (2014) examines the impact a brand has on the behaviours of consumers with special regards to their purchase behaviours. For the purpose of the study, a sample size of fifty (50) respondents was selected from Adabraka region of Accra in Ghana, through non-probability sampling technique. The results revealed that consumers are attracted to packaging and labeling as it enhances image and creates visual appeal. It was also found out that consumers are influenced by the quality of a product or service before making a brand selection. It was also evident that consumers are becoming more enlightened and fashionable and would therefore prefer well developed brand. MTN's insurance brand lacks easy recognition and popularity in the minds of consumers. Bases on the findings, the author recommended that MTN calls for massive improvement on the services rendered, innovation and differentiation and further research on how to improve its brand.

Shehzad, Ahmad, Iqbal, Nawaz and Usman (2014), conducted a research on The Influence of Brand Name on Consumer Choice. The purpose of their study was to examine the effect of brand name on consumer buying behaviour in university students of Gujranwala, Faisalabad and Lahore of Pakistan. In this study the researchers adopted the descriptive research design to conclude the inferences of hypothesized testing. A sample size of 300 respondents was selected through the non-probability convenient sampling technique. The findings show that brand image or brand name has a significant positive relationship with consumer buying behaviour. It also revealed that the university students are brand conscious and prefer branded products.

Zeb, Rashid and Javeed (2011) examines Pakistani female consumer's buying behaviour and understand the key factors of branded clothing which influence female consumer's involvement towards trendy branded clothing. The survey was conducted from general female consumers aged between 20-35 to obtain empirical evidence by using questionnaire and statistical techniques. The total of 415 respondents filled the questionnaires. The results indicate that status branding, brand attitude, paying premium for branded clothing, self-concept and reference groups were found to have positive effects on female consumer buying behavior while increasing consumer involvement in fashion clothing.

Offeh, Addo and Antwi-Donkor (2013) examines the impact of branding on consumer behavior with respect to the movie industry in Ghana. The study entitle the Effect of Branding on Consumer Buying Behaviour in Local Ghanaian Movie Industry identified four aspects of brand equity, notably brand awareness, perceived quality, brand loyalty and brand association. The researchers employed two types of methodologies in the study; qualitative and quantitative methods. Simple random sampling technique was used to select 100 respondents which include people from Kumasi metropolis specifically Adum and Kejetia area. SPSS (Statistics Package for Social Sciences) software, Microsoft Word and Excel were used to analyze data into meaningful information and graphs. The results showed that movies produced by Kumawood are preferred by majority of the people, on the prices of the two types of movies produced by Ghallywood and Kumawood, the analysis showed that the prices of Kumawood movies are far cheaper than that of movies produced by Ghallywood and a lot of people are satisfied with the brand of movie that they purchase. The findings of the research suggests that policy makers have to consider branding as an important aspect of marketing to enhance a product and other marketing concepts like pricing, promotions can also be researched into.

Adebisi and Akinruwa (2019) examined the effectiveness of product packaging on customer patronage. Survey method was adopted. Data were collected using structured questionnaire and purposive sampling was used to determine respondents. Sample size of 322 was used. Collected data were analysed using descriptive statistics and hierarchical multiple regression. Constructs tested as explanatory variables were product size, colour, quality of packaging material, quality of product content and shape. The results showed that all the tested variables have significant positive effects on customer patronage of Bournvita. In order of significance, the R2change, in order of hierarch, for the variables was: product size =.215, quality of packaging material=.058,colour = .049, shape =.044,and quality of product content = .028.It was concluded that customer decision to patronise was

influenced by taken into consideration size, colour, package material, product content and shape of a product.

Mahyar and Masoumeh (2014) evaluated the impact of packaging of the product on consumer willingness to buy gum industry. The present study was carried out on a sample of students of Islamic Azad University of Qazvin, about 24,000 persons. Using a simple random sample of 400 questionnaires were distributed among the students. Finally 376 valid questionnaires were collected. The researcher concluded that the functional characteristics of the product packaging has an impact on the willingness of customers to purchase.

Mai and Tang (2016) studied impact of product packaging design factors to consumer repurchase intention as well as the indirect association of these factors to the repurchase intention through two terms of brand awareness: brand recognition and brand recall. Quantitative method was applied with the sample size of 293 respondents who were Vinamilk users living in Ho Chi Minh City. The results demonstrated that in order to attain high level of consumer repurchase intention, board of management of Vinamilk should: a) mitigate the number of colors applying on the packages, b) create unique fonts and use recycle materials for the packages, and c) introduce products with easy-to-store and differentiated shapes. Furthermore, this study found out empirical evidence that brand recognition and brand recall could predict the consumer 'repurchase intention' level. On the other hand, colorful packages, packaging materials and fonts, and packaging shapes indirectly affect the repurchase intention.

Theoretical Framework

Brand relationships Theory

This theory was advanced by Gummesson (2002) and notes that that there exist relationships among human beings. Consequently, consumers define the brand relationship from their own individual perspectives and the brand relationship and relational value are very much personalized in the minds of consumers. Customers generate individual relationships based on their individual perception of brand value, brand meaning and their experiences. That is, customers seem to personally create the brand through their communications across multiple contexts (Lindberg-Repo & Kirsti, 2009).

Prior research has also explored the personal component of the relationship between a brand and its customers. Fournier (1998) examines the nature of relationships that customers have as well as want to have with companies. Fournier views brand relationship quality as multifaceted and consisting of

six dimensions beyond loyalty or commitment along which consumer brand relationships vary: self-concept connection, commitment or nostalgic attachment, behavioral interdependence, love/passion, intimacy, and brand-partner quality.

She suggests the following typology of metaphors to represent common customer brand relationships: arranged marriages, casual friends/buddies, marriages of convenience, committed partnerships, best friendships, compartmentalized friendships, kinships, rebounds/avoidance-driven relationships, childhood friendships, courtships, dependencies, flings, enmities, secret affairs, and enslavements. While this typology contains most positive relationships, it may overlook a range of possible negative (e.g., adversary) and neutral (e.g., trading partner) ones. Aaker (1996) conducts a two-month longitudinal investigation of the development and evolution of relationships between consumers and brands. They found that two factors experiencing a transgression and the personality of the brand had a significant influence on developmental form and dynamics.

3. Methodology

The study will adopt a descriptive survey research design. The population of this study comprises of every user of telecommunication service in FCT Abuja, Nigeria, according to NBS report, (2019) Abuja has the total of 7,795,454 telecommunication service user. A sample size of 399 of telecommunication service was gotten after applying Taro Yamane formula however, all the 399 questionnaires were duly completed and returned and was used for data analysis. Primary data was collected using 5-point Likert scale structured questionnaire for the study. This study analyzes the data using descriptive statistics like the simple percentage to analyze the characteristics of the variables. Ordinal regression analysis was used to test the hypotheses to determine if there is an effect relationship between each of the independent variables and the dependent variable.

Model Specification

The Model adopted for this study is as follows;

CBB = f (BE & BP)

$$CBB_i = \beta_0 + \beta_1\, BE_i + \beta_2\, BP_i + e_i$$

Where:
CBB = Consumer Buying Behaviour

BE = Brand Equity

BP = Brand Packaging

β_0 = Constant/Intercepts

β_1, and β_2, = Parameters of determination

e = Margin of error

i = cross-sectional effect

4. Results and Discussion

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
BE	399	1	4	3.03	.913	-.149	.122	-1.572	.244
BP	399	1	4	3.00	.926	-.101	.122	-1.628	.244
CBB	399	1	4	3.02	.921	-.117	.122	-1.649	.244
Valid N (listwise)	399								

Sources: SPSS 2021

The table above indicates the behavior of the variables under study. The average value of brand equity (BE) recorded was 3.03 while the maximum and minimum value stood at 4 and 1 respectively. Also, the skewness value which stood at -0.149 indicates that the variable is normally distributed since it is less than 1. Also, brand packaging (BP) recorded a minimum and maximum of 1 and 4 respectively, while the mean value stood at 3.00. With a skewness value of -0.101, the variable also indicated normal distribution. Similarly, customers' buying behaviour (CBB) recorded an average value of 3.02 with 1 and 4 as minimum and maximum values respectively. With a skewness value of -0.117 which is less than 1, the variable is normally distributed.

Correlations

		BE	BP	CBB
BE	Pearson Correlation	1	.969**	.976**
	Sig. (2-tailed)		.000	.000
	N	399	399	399
BP	Pearson Correlation	.969**	1	.987**
	Sig. (2-tailed)	.000		.000
	N	399	399	399
CBB	Pearson Correlation	.976**	.987**	1
	Sig. (2-tailed)	.000	.000	
	N	399	399	399

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

Brand equity (BE) showed a strong and positive relationship with brand packaging (BP) which stood at 0.969 which is significant at 1% level of significance. Brand equity (BE) also had a strong and positive relationship with customers buying behaviour (CBB) which stood at 0.976 and is significant at 1% level of significance. Also, the relationship between brand packaging (BP) and customers buying behaviour (CBB) was found to be moderate and positive and also stood at 0.987 which is significant at 1% significance level. All the variables under study satisfy multicollinearity as though none of the independent variable is strongly related to another.

Regression Analysis

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.990[a]	.980	.980	.129

a. Predictors: (Constant), BP, BE

The result, as shown in the tables above revealed an R-square value of 0.980 which signifies that 98% of the variation in customers buying behaviour (CBB) could be explained by the combination of the two independent variables under study i.e brand equity and brand packaging. The remaining 12% variation could be explained by other factors or variables not included in this study.

The f-statistics stood at 331.217 and also the probability of the f-statistics was found to be significant at 5% level of significance (p 0.000<0.05) which therefore, indicates that the model is fit to measure the association between the variables under study.

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.020	.022		.889	.375		
	BE	.327	.029	.324	11.334	.000	.061	16.476
	BP	.670	.028	.673	23.573	.000	.061	16.476

a. Dependent Variable: CBB

The regression line CBB = 0.020 + 0.327BE indicates that an increase in brand equity (BE) will lead to a 0.327 increase in customers buying behaviour (CBB) with statistical significance. The probability of t-statistics stood at 0.000 which is less than 0.05 level of significance and as such the study rejects the null hypothesis and accept the alternative hypothesis which states that brand equity

has no significant effect on the user of telecommunication services on consumers buying behaviour Abuja, Nigeria.

The regression line CBB = 0.020 + 0.670BP indicates that an increase in brand packaging (BP) will lead to a 0.670 increase in customers buying behaviour with statistical significance. The probability of t-statistics stood at 0.000 which is less than 0.05 level of significance and as such the study rejects the null hypothesis and accepts the alternative hypothesis which states that brand packaging has no significant effect on the user of telecommunication services on consumers buying behaviour Abuja, Nigeria.

5. Conclusion and Recommendations

In line with the findings of the study the following conclusion were arrived at:

The study found that brand equity has significant effect on consumer buying behaviour. This implies that awareness of a brand aids the consumer to link its proprietary assets such as brand name and logo to the association they attach with it. It is therefore concluded that the brand equity of the network providers has helped to improve their commitment to the firm's buying behaviour.

The study found brand packaging to have significant influence on consumer buying behaviour. Since packaging like other elements focus on identity of brand; convey descriptive and persuasive information; facilitate product transportation and protection; assist at-home storage and aid product consumption; the study therefore concludes that the packaging by the telecommunication companies in Nigeria has helped to improve their customers buying behaviour.

In line with conclusion the study it is recommended that the firms should make their products more memorable, easily recognizable, and superior in quality and reliability. This will improve the buying behaviour of the customers. Also, it is recommended that firms should continue to package their brands in order to retain and gain new customers. The firms should build and sustain the packaging of their products.

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