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SOCIO-ECONOMIC DETERMINANTS INFLUENCING CONSUMER CHOICE FOR MOTOR VEHICLES IN KENYA: A CASE OF TOYOTA KENYA

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ABSTRACT

The overall study objective was to explore the socio-economic determinants influencing consumer choices in motor vehicles industry with regard to Toyota Kenya. The study was guided by the following specific objectives; to determine how pricing affects consumer choice on motor vehicle at Toyota Kenya and to establish how branding affects consumer choice on motor vehicle at Toyota Kenya; The researcher used descriptive survey research design in collecting the data from respondents. The target populations were consumers from Toyota Kenya. The researcher applied the procedure of stratified random sampling for selecting a sample which represented the whole population. The size of the sample of this research was 70 respondents which represented 10% of the population size. The researcher applied both primary and secondary sources in collecting data. The study carried a pretest for purposes of increasing the instrument reliability and validity. Data analysis involved qualitative and quantitative analysis. Data presentation was in form of Bar graphs, Pie-charts and Tables. Qualitative data was provided in form of explanatory notes. The study established that pricing influenced the choice of Toyota model the respondent were using. The study established that branding influence customer choice of the model. The study concludes that pricing and branding had a significant effect on consumer choice of motor vehicles. The study recommends that Motor vehicle companies in Kenya must adopt better pricing strategies that will help them in persuade customers to buy their vehicle model. To increase their market, share and increase customer loyalty the study recommends that motor vehicle companies to come up with brands that will strongly influence the consumer choice of their brand.

Key Words; *Socio-Economic Determinants, Pricing, Branding, Consumer Choice.*

BACKGROUND

Understanding consumer choices in buying new vehicles has been of a major interest for automobile manufacturers. Producers marketing and operations decisions are significantly based on the buyer's preferences and likings. These decisions are also influenced by exogenous factors such as economy condition and government policies (Sullivan, 2015). Purchasing is tied in with

getting required products and services from a seller. However, present day customers buy items to reward themselves to satisfy psychological needs or to make themselves feel good. Modern customers buy things to flaunt their identity or to help their self-regard. Purchasing gives individuals, a feeling of achievement. For some, it gives life a sense, a reason, esteem, and capacity. Looking for enthusiastic and mental reasons has turned into the new mantra of current society (Keller, 2014)

According to Kibera and Waruingi (2015), firms in the UK, Germany, and Japan, where the greater part of the vehicles are delivered, are basically assessing the inside and outer condition with the improvement of focused procedures keeping in mind the end goal to fulfill buyers and in the meantime expand benefits so as to stay in business. There is no industry that has been saved by the opposition and firms have along these lines come up approaches to battle it. To adapt up to rivalry, firms have taken different vital measures including flat mergers, acquisitions, rebuilding, rearrangement, re-designing, improvement of less expensive items and division. Ferrel (2016) noticed that as the earth is changing so are the customers. They are winding up more sophisticated, complicated and learned, dictating what and how to be served.

It has turned out to be basic that industry players need to comprehend their consumers well with the end goal for them to outline effective strategies. For example, in 2014, South Africa was in charge of the make of 84 percent of all vehicles delivered in Africa, 7 million of which are on the South African streets. Additionally, in 2014, the industry made a 6.7 percent commitment to the GDP of South Africa and 29 percent of all South African producers made up the nation's car industry (Kibera & Waruingi, 2015). In Africa, firms are progressively utilizing promotional campaigns to make mindfulness as well as for showcase development by increasing more consumers from competitors and enrolling nonusers of the items. The expansion in the quantity of players in the market combined with the diminished purchasing power of the buyer has prompted competitive pricing by firms.

The Kenyan motor industry is one such industry that is critical in the national advancement activity. In the mid-nineties, the motor business in Kenya had more than thirty key players under the umbrella body, Kenya Motor Industry Association. The business was by then not changed and the establishment holders had set number of model varieties, which implied that clients did not have much decision (Kibera & Waruingi, 2015). The situation has since changed an extraordinary arrangement because of progression, which prompted an uncommon convergence of reconditioned vehicles. The quantity of players has likewise expanded and consumers have progressively turned out to be observing yet with a diminishing discretionary cash flow.

A large portion of the automotive companies that operate in Kenya are franchise holders and the substances of the changing condition requests that establishment holders ought to work productively and successfully with a specific end goal to survive. The requests of freedom and expanded rivalry have implied that establishments should endeavor to set up vital measures that would give them an edge over their rivals. In light of this relentless rivalry, the industry players have advanced new showcasing and promoting programs that have guaranteed the proceeded with accomplishment of significant players like D.T Dobie, Isuzu East Africa, Simba Colt Motors Limited and different merchants (Kibera & Waruingi, 2015).

The Kenya's sector of motor vehicles is quite competitive, encompassing recognized dealers that encounter strong competition from the imported vehicles which are second-hand, majorly from United Arab Emirates and Japan. Seemingly Kenya happens to be a profitable market in the field of automobiles and in accordance with the forecasts on growth of automobiles, the present condition looks ready for improving more (Bonyo, 2017). Therefore, companies that sell motors keep tracking the changes in the preferences of consumers or their choices in order for them to capable of acquiring a reasonable market share. The different choices or preferences of the consumer mostly are used in determining the strategies of marketing since the significance of formulation of such strategies is relating a company to its wide-ranging environment (Engel, 2013)

To cope with the market challenges, many automobiles dealers have undertaken various strategic measures. Marketers are now trying to maintain minimum quality standards, reduce overheads and keep the end price low. As consumers are bombarded with a wider range of choices depending on their tastes and preferences companies ride on a unique selling proposition to stay ahead of the competitors (Berry, 2010). To be competitive in the market motor vehicles company brands must have features such as quality, vehicle pricing, safety social influence, country of origin and vehicle performance that appeal to customers more than its competitors and must be salient to consumers and can flow from the product itself or from other factors such as technology, production cost, consumer franchise and distribution among others; while taking into consideration consumer income and brand loyalty (Bonyo, 2017).

Statement of the Problem

In Kenya, as in many developing countries, the lack of proper market information makes it difficult for potential investors to make decisions about what products to offer. This therefore requires that marketers conduct studies to analyze consumer choices and needs before launching their products. This can be quite expansive especially in a fast-changing technological environment.

Data from Kenya Motor Industry (2018) show that the sale of new motor vehicles dropped by 39 percent in 2017. The hemorrhage in the market place is due to the country's underperforming economy that is keeping potential customers mainly government and corporate Kenya away from showrooms. Most individuals have opted for the second hand versions, lured by lower pricing despite the high maintenance costs they expose the Kenyan economy to, and foreign exchange loss as a result of importation of spare parts which are not locally available and have high failure rate compared to the new vehicles. 84 percent of the Kenyan motor industry is controlled by second hand vehicles.

Toyota Kenya imports brand new cars and it serves as the outlet of its mother company in Kenya. Through this car import system consumers acquire quality car, make fantastic saving and avoid nuisance and stress associated with importation of second hand cars. This forms a fundamental ground for our research since we are dealing with individuals using brand new Toyota East Africa model. Given the wide varieties to choose from consumers have become very selective and demand value for their money. The various motor vehicle brands available in Toyota Kenya mean that consumers have a wide variety of brands to choose from which are retailing at similar prices.

Research and studies investigating consumer choice for motor vehicles have been done in America, Europe, India, China and even South Africa. Locally, Ndungu (2014) conducted a survey of the vertical integration strategies used in the automotive industry in Kenya while and Kipchirchir (2016) carried a research on exchange risk management practices; a survey of motor vehicle industry in Kenya. Waboi (2014) directed a study on the viability of worldwide web-based business technique among chose enlisted motor vehicle merchants in Nairobi. However, to the best of the researchers' knowledge, no research has been done to establish the socio-economic determinants influencing consumer choice for motor vehicles in Kenya. It is for that reason that this study sought to identify other socio-economic determinants influencing consumer choices in motor vehicles industry with regard to Toyota Kenya.

Objectives

The overall study objective was to explore the socio-economic determinants influencing consumer choice in motor vehicle industry with regard to Toyota Kenya.

This study was guided by the following specific objectives;

   i.   To determine how pricing affect consumer's choice on motor vehicle at Toyota Kenya.
  ii.   To establish how branding affect consumer choice on motor vehicle at Toyota Kenya.

LITERATURE REVIEW
Theoretical Literature Review
Asymmetric Information Theory

This concept was originally presented by Akerlofs (1970) paper The Market for "Lemons": Quality Uncertainty and the Market Mechanism. In this paper, Akerlof developed asymmetric information having a case of market of automobiles. His elementary argument was that in a big number of markets, a buyer makes use of statistics for measuring value of goods. Therefore, the purchaser views average information of the entire market whereas the seller holds deeper information concerning a particular item.

Akerlof (1970) contends that the asymmetry of information gives the advantage to the seller for selling goods that are of less quality as compared to the average quality in the market. The average quality of products in the market are going to decrease same as the size of the market. Those differences on private and returns may be alleviated through various institutions. Akerlof (1970) starts by undertaking an automobiles market model in which there includes four types of cars; old and new cars that the two can either be bad or be good, the bad ones are called lemons in this case. In the course of purchasing a car, it is highly probable that the car is good (q) and probably the car is a lemon (1-q). This tends to be certain for the old and the new cars. Asymmetric information between market participants arises when they do not share the same amount of information. The case of particular interest in finance is a transaction in which one party has better information than the other.

On the relevance of this theory, it expounds that in the market, the person that possesses more information on a particular item to be transacted is in a position to negotiate optimal terms for the transaction than the other party. The party that knows less about the same specific item to be

transacted is therefore in a position of making either right or wrong decision concerning the transaction.

Buyer / Consumer Motivation Theory

This theory was created by Engel and Kollat in the late 1960s.The theory dwells on Motivation which refers to the force initiating, guiding and maintaining behaviours that are goal oriented. This makes one to take an action, probably grabbing a snack for purposes of reducing hunger or enrolling at the University for Purposes of getting a degree. This theory looks at 5 stages namely; problem recognition, information search, alternative evaluation, choice and outcome. In the first step of the buying cycle, the consumer identifies a problem which needs to be solved, or a need which needs to be satisfied. At this level, the consumer is looking to resolve a state of discomfort. The discomfort could arise from many things for example the inability to get work done in time or from a frustrating technology or processes (Batra, 2015). A consumer may recognize his need upon realizing that differences exist between his current state and the state which he desires (Neal & Quester, 2016).

The second step in the decision-making process involves gathering all the information about the existing possible solutions. The larger the purchase decision the more time the consumer will take in gathering required information. A consumer will want to be thorough in their search and will look out for information regarding availability, unique product features, pricing, ease of use, etc (Shiffman, 2014). The third step within the buying process is the evaluation of alternatives. At this stage, many consumers have a check list of the criteria that the solution must meet. In this phase consumers decide what a deal-maker is, and what a deal-breaker is. Here, the consumer will put into consideration aspects such as brand, price, quality, etc. In the fourth step, the consumer makes a choice regarding the product/service they would like to buy. There are several factors which will affect the purchasing decision such as the availability of the desired item and the influence of the shop attendant (Wiedmann, 2017). If a consumer has previously bought and used a product and they were satisfied with the experience they got, then in future they are likely to repeat the purchase meaning they will skip the other steps in the process and start right at this stage (Solomon, 2010). The last step in the buying decision is the post purchase behaviour. In this phase, the buyer's feelings and product evaluation after the sale are significant for the marketer because they can influence repeat purchases and develop brand loyalty or stop the use of the product for ever. Many companies regard satisfied and happy customers as their best form of advertising.

This theory is relevant to this study because it provides a clear depiction of the process of consumer decision making and is easy to comprehend and intuitively pleasing. However, the model has been criticized to be too mechanistic and too restrictive to accommodate all the variety of consumer decision making situations. The theory has also been criticized for failure to further develop the role of individual motives for purchase is only alluded to within need recognition, appearing to somewhat neglect a rich theoretical and important area of consideration.

Instinct Theory of Motivation

This theory was proposed by William James (1890) and William McDougall (1923) which made lists of instincts that were seem as mainsprings of all kinds of behaviors, simple and complex. Later, Murray (1937) made another classification of human needs. Murray, however,

distinguished a directional aspect and an arousal component that actually kicks the behaviour off and that can be motivated in a number of ways. Needs, in Murray's concepts, are hypothetical constructs directing behaviour toward certain goals, or end state Based on this theory, individuals are inclined to act in a particular way since they are programmed evolutionarily to do that. A relevant case for this theory is the world of animals during the temporal periodic migration. Animals in this case happen not to study on how to do that, but are born with that behavior.

Jame (2012) came up with a list entailing instincts of humans which involved, attachment, love, fear, shame, shyness anger, play and modesty. The unfortunate thing concerning the theory is the fact that it gave a description of behaviour but failed to explain it. In the 1920s, this theory was pushed to favour other theories of motivation, though contemporary evolutionary psychologists are still doing research on the impacts of heredity and genetics in the behaviour of humans. The behaviour of consumers is influenced by numerous uncontrollable aspects.

From this perspective, it appears that motivation is mediated by external events or environmental cues rather than internal drives. Although external factors are the main impetus for motivating an individual, the instinct theory nonetheless supports the indirect role of intrinsic motivation in pushing the individual toward the attainment of the incentive goal. James, one of the proponents of this theory, stressed the significant role of emotions and of the affective state of the individual in influencing how internal and external stimuli acquire incentive value. The attractiveness of a goal object or a stimulus, however, varies in accordance with changes in the motivational state associated with it.

Empirical Literature Review

Milton (2017) carried a study a study on motor vehicle choice consumer behaviour in Australia and Vietnam. The study was a descriptive survey whereby correlation analysis was carried. Data used was both primary and secondary. The study revealed that the luxury car market is was growing at a steady speed of 25% per annum in Australia with more and more numbers of luxury cars entering Vietnams car market. Luxury cars were preferred by the high net worth individuals. These individuals wanted to differentiate themselves from crowd for various reasons. These includes affordability to design, quality and pleasure. This study only concentrated on the purchase of the luxurious cars disregarding customers with a low purchasing power.

Taylor (2015) is of the opinion that a reduction in income shifts purchasing behavior from buying normal goods to inferior goods. This simply means that as consumers buy fewer specialty items, such as shoes and clothing, and buy more store-brand items. Mogridge (2016) posits that the main essential concept when it comes to consumer buyer behavior is that the average person of a given income level is likely to spend a given quantity of money on the purchase of cars. He therefore goes ahead to argue that there is a function which gives, for every income level, as well as an average expenditure on a car purchase. More recent studies that have been conducted in this area have shown that there is a positive relationship between income levels and vehicle purchase decisions by individuals (Feng, Wang & Zeng, 2015). For example, a study conducted by Nagai, Fukuda, Okada, and Hashino (2016) revealed that two- and four-wheeled vehicle ownership in Thailand depends largely on the income levels of individuals.

In Mumcu, Alper & Turkey (2018) conducted an estimation concerning the new automobiles demand by use of a quarter year's data on the product's characteristics, quantity, price, quality

and country of origin from the year 2011 to the year 2015. This study used panel data for a period of 5 years. The study consequently recognized that the new automobiles' demand tends to be price inelastic in the short run. This study was also carried in a developed economy and only secondary data was used. The current study will use both primary and secondary data.

Likewise, Vrkljan & Zhan (2016) in South-Western Ontario conducted a research on past perceptions concerning vehicle safety and the influence they have on their purchasing their vehicle. The outcomes showed, safety happened to be outdated by other considerations of purchase most precisely, price. It was therefore stressed and identified that price was a major factor influencing decisions concerning purchasing a vehicle. Fuel efficiency, the participants counted as a cost in the sum of the vehicle's cost, was as well named as a key consideration during the process of making a decision to purchase a vehicle.

East (2014) argues that in traditional economics prices are simply treated as a cost. This is because the recognition that a price merely serves to inform the consumer about the good is more of recent origin. Price, one of the non-product attribute of brand associations where it can be an important association in the formation of brand perceptions, particularly with regard to value and desirability and is a criterion by which consumer often segment their knowledge of a market or category (Batey, 2014). High quality products, as well as fancy packaging, exclusive store locations, high retail margins, expensive promotions, advertising campaigns, notwithstanding brand names are all seen to be the contribution to the higher prices of luxury goods. Companies therefore go ahead to make large investments into these components in order to make their products instantly recognizable and familiar. The luxury products are also likely to lose their rarity and exclusivity characteristics if they are not priced high.

According to Aaker (2015) the motor industry consumers relate perceived quality of the product and price. This majorly is the issue without the presence of any available information for judging the quality of the product, a quite suitable case for this matter with features of environmental products generally as well as intangible goods. Additionally, the essence of price in judging the quality of a product raises where the consumers have a perception of higher uncertainties, a broad range of differences in quality amongst good or where there is a high risk of making a wrongful decision as a result, firms that offer goods risk to lose their real clients pioneers segment through reduction of prices which probably do not give a door for significant consumption or trigger doubtful thoughts concerning the product's quality. A certain problem which arises from the perceptions on quality of products comes with the products. Just like it has been contended, the increased prices of oil may be thought of having robust influence on the value of that product by the customer. Nevertheless, it cannot be argued that the considerable price premium is a reflection of substantial superiority of the quality of the product (Raman & Haines, 2015).

Mehta (2015) analyzed factors affecting consumer purchasing decisions in Kenya's motor vehicle industry. Descriptive research design was employed in the study. The target population included all 2,913 customers of Toyota Kenya in Nairobi. Simple random sampling techniques was employed while data collection was conducted with the help of a questionnaire. The study revealed that there was a positive significant relationship between economic factors and purchasing decision. Implying that the consumer purchasing decision is influenced by economic factors such as level of income, price, quality of car, maintenance costs, resale value of the car,

payment options, ease of finding a mechanic to repair the specific car brand, interest rates as well as fuel prices. This study only concentrated on the economic factors. It failed to show the impacts of other important determinants of consumer's choice such as awareness creation, branding and the country of origin.

William (2016) studied the factors influencing customers brand preference of the economy segment SUV's and MUV's in United Kingdom. Data collection was made through direct interaction and customer intercept survey using questionnaire. Descriptive analysis was used to transform data into understand format and factor analysis was used for identification of factors influencing customer preference. In light of study findings, the preference of a given brand can be explained in terms of six factors namely Product reliability, monetary factor, trendy appeal, frequency of non-price promotions offered, trustworthiness and customer feeling or association towards brand. There is need for marketers to take these factors into consideration when crafting product innovations in the SUV segment of Automobile market. The study purely targeted high-class vehicles which cannot be easily afforded by middle class in the developing economies.

Manish (2017) analyzed consumer behaviour for A3 segment vehicles such as Honda City and SX4 in a particular region Jaipur. Data collected from 100 respondents 50 each from Honda City and Maruti SX4. Respondents were considered from various backgrounds like Gender, Occupation, and Income class. Also, customer purchase parameters considered for study are Price, Safety, Comfort, Power & Pickup, Mileage, Max Speed, Styling, After Sales Service, Brand Name and Spare Parts Cost. Based on above parameters and analysis made in this it revealed that, while purchasing A3 segment car Customer give much importance to Safety, Brand Name and seating and driving comfort. Also, word of mouth publicity and advertisements in car magazines are more effective communication medium for promotion of Cars. The study was only concentrated on the Indian markets but failed to show the consumer behaviour of other market segments outside the Indian Market.

Musyoki (2015) investigated the factors that influence customer buying behavior of the automotive products at the General Motors East Africa Limited. This study used descriptive cross-sectional survey research design. The population for this study consisted of 180 customers who own GM products from General Motors (GM) Kenya limited. Vehicle owners of the brands listed were randomly selected to participate in the study. The questionnaires were used in this study mainly for the purpose of collecting primary and secondary data. The study concluded that the perception of the culture of certain automotive brands makes customers repurchase more and more and Customers always belief in what their friends prefer. Product image influence the attitude and commitment of a customer in repurchasing the automotive of choice to a great extent. Product image of automotive is dependent on shape, size, color and dimensions. The level of income influences consumer buying behavior and repurchasing power of the customer on the automotive of choice. This study only used descriptive statistics in data analysis. The current study will use both descriptive and inferential statistics in data analysis.

Conceptual Framework

This is a conceptualization in functional form on how much the independent variables influence the dependent variable which is motor vehicle consumer choice as shown in figure 1.

Independent variables   **Dependent variable**

| Pricing |

| Branding |

| Motor Vehicle Consumer choice |
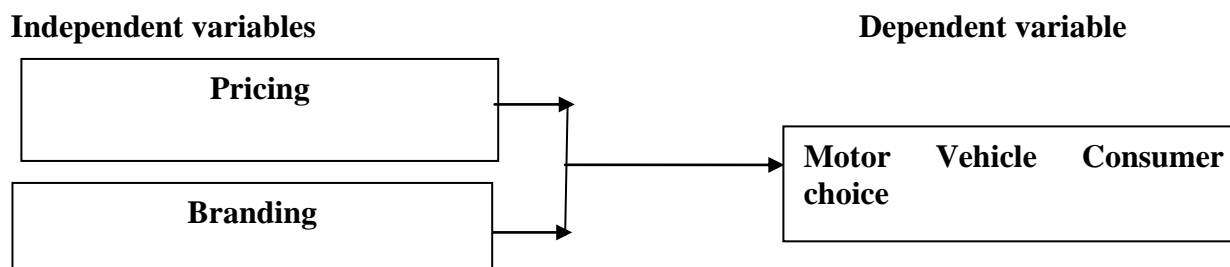
Figure 1: Conceptual Framework

RESEARCH DESIGN AND METHODOLOGY

The research used a descriptive survey research design. With regard to Kothari (2003), descriptive survey research alludes to enquiries on finding facts and adds that its purpose is describing affairs as they are at the moment. The target population for this study was both individual and corporate clients at Toyota Kenya. The total number of clients were 700. Based on the above population with 700 respondents, from the whole population, the research selected a 10 percent. Therefore, the research had a total of 70 respondents.

Cooper and Schindler (2003) posits that a sample that is representative is the one that has a 10% and above of the overall population and therefore choosing the 10 percent was termed representative. For this research, a questionnaire was used. Analysis was carried out qualitatively and quantitatively through the application of descriptive statistics. This comprised of standard deviation, mean and percentages whose presentation was through tables and bar charts for purposes of giving a clear view of the outcomes of the research.

$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + e$

Where,

Y: the dependent variable (consumer choice of motor vehicles) expressed as a linear combination of independent variables X_1 and X_2

β_0: The regression constant i.e. $Y = \beta_0$ when $X_1, X_2, X_k = 0$

β_1: Coefficient of pricing (independent variable X_1)

β_2: Coefficient of branding (independent variable X_2)

e: Error term

DATA ANALYSIS AND INTERPRETATION

The study was conducted on 70 respondents who were served with a questionnaire; out of 70 targeted respondents 62 respondents filled-in and returned the questionnaires which make a response rate of 88.6%. Descriptive statistics was used to analyze the data. In the descriptive statistics, relative frequencies were used in some questions and other were analyzed using mean scores with the help of Likert scale ratings in the analysis.

Pricing Strategies and Consumer Choice on Toyota Motor Vehicle Products

The study sought to determine whether pricing affects consumer's choice on motor vehicle at Toyota Kenya. Results are presented in Figure 2.
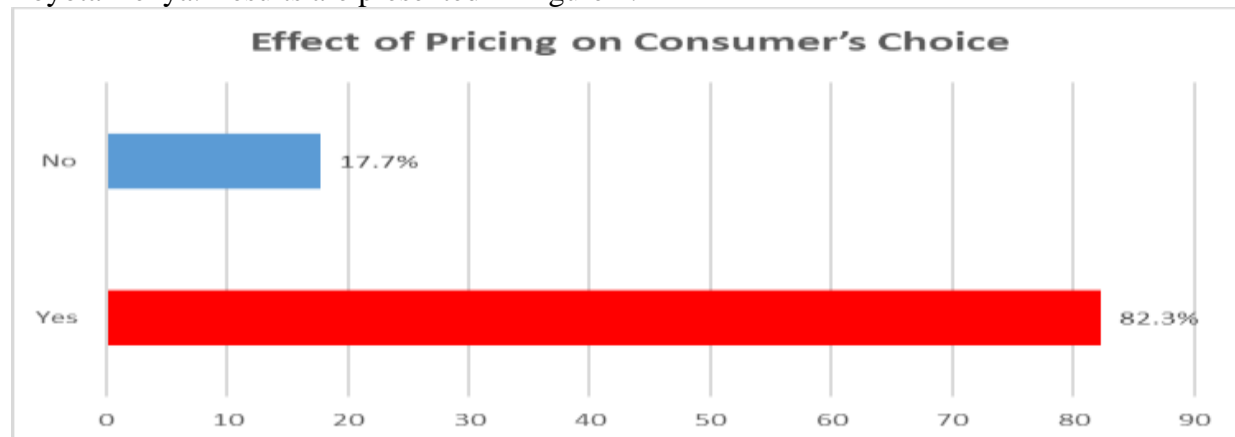
Figure 2: Effect of Pricing on Consumer's Choice on Motor Vehicle Products

From the research findings, majority of the respondents (82.3%) were of the opinion that pricing affects consumer's choice on motor vehicle at Toyota Kenya while 17.7% of the respondent were of the contrary opinion. This implies that pricing affects consumer's choice on motor vehicle at Toyota Kenya. According to McConnell & Brue (2004) prices may weigh heavily in vehicle choice, but the price itself may influence perceived quality of the vehicle. The value that consumers place on vehicle price affects their evaluation of the car based on a car's price. Consumer experiences and satisfaction are essentially influenced by the different attributes of the car. If a good is considered to be a luxury rather than a necessity, the greater is the price elasticity of demand (McConnell & Brue, 2004).

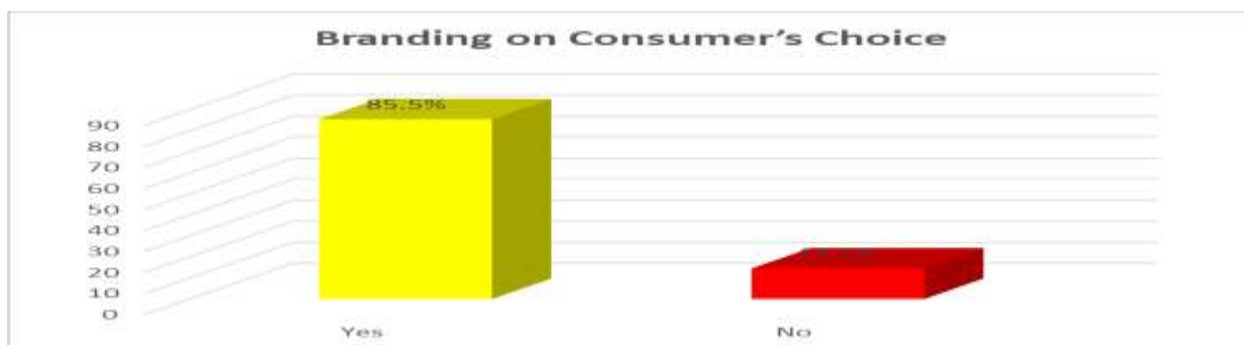**Table 1: Effect of Pricing on Consumer's Choice on Motor Vehicle Products**

Statements	N	Min	Max	Mean	Std. Dev
To influence consumer choices Toyota Kenya uses the value-based pricing strategy, which sets prices based on the actual and perceived value of the product	62	3.00	5.00	3.89	0.79
Toyota uses the market-oriented pricing strategy to determine prices based on market conditions and the prices of competitors	62	3.00	5.00	4.21	0.66
Our company determines price levels based on market conditions and customers' perceptions.	62	3.00	5.00	3.95	0.78
Pricing of Toyota's is based on consumer preferences and regional and local market conditions	62	3.00	5.00	4.02	0.74
Toyota Kenya uses value-based pricing for high-end or more expensive products, such as the Prius and Lexus cars	62	3.00	5.00	4.26	0.81
Toyota's prices vary widely, depending on the product line and the product type or model	62	3.00	5.00	4.27	0.73

From the study findings, majority of the respondents agreed that Toyota's prices vary widely, depending on the product line and the product type or model(M= 4.27 SD =0.73), Toyota Kenya uses value-based pricing for high-end or more expensive products, such as the Prius and Lexus cars (M=4.26 SD =0.81), Toyota uses the market-oriented pricing strategy to determine prices based on market conditions and the prices of competitors (M= 4.21 SD =0.66) and that pricing of Toyota's is based on consumer preferences and regional and local market conditions(M= 4.02 SD =0.74). These finding goes hand in hand with the research findings by Rangan and Shapiro, (1995) who asserts that price had a positive effect on perceived quality, but a negative effect on perceived value and willingness to buy.

Further the study established to influence consumer choices Toyota Kenya uses the value-based pricing strategy, which sets prices based on the actual and perceived value of the product (M= 3.89 SD =0.79) the company determines price levels based on market conditions and customers' perceptions (M=3.95 SD =0.78). These finding are in support of the research findings by Armstrong and Armstrong and (Kotler, 2001) price consciousness of individual customers also have an impact on whether they will purchase a particular product or not.

Branding Strategies and consumer choice on Toyota motor vehicle products

The study sought to determine whether branding affects consumer's choice on motor vehicle at Toyota Kenya. Results are presented in Figure 3

Figure 3: Effect of Branding on Consumer's Choice on Motor Vehicle Products

From the research firings, majority of the respondents (85.5%) were of the opinion that branding affects consumer's choice on motor vehicle at Toyota Kenya while 14.5% was of the contrary opinion. This implies that branding affects consumer's choice on motor vehicle at Toyota Kenya. This finding is supported by Gatignon and Robertson (2015) that product attributes have been shown to influence the consumer choice in any market place. They further found that a new feature adds greater value and increases the probability of brand choice where the brand: has relatively inferior existing features; is associated with lower; has a higher price; is both high priced and high quality

Table 2: Effect of Branding on Consumer's Choice on Motor Vehicle Products

Statements	N	Min	Max	Mean	Std. Dev
Loyalty towards a particular brand and influence buying behavior of Toyota Kenya products	62	2.00	5.00	3.98	1.02
Toyota has developed and secured high brand standards in the minds of its customers	62	3.00	5.00	4.08	0.77
Toyota Kenya operates both product and corporate brands to target market segmentation	62	2.00	5.00	3.92	0.77
Toyota has established a brand reputation with consistency therefore strengthening its market share	62	3.00	5.00	4.15	0.65
Toyota Kenya maintains deep analysis of Kenyan economic and cultural philosophies of the marketing environment and its consumers attributes.	62	2.00	5.00	4.08	0.87
Achieving brand equity is the main priority of Toyota Kenya	62	3.00	5.00	4.16	0.75
Product manufacturing standards and quality enable Toyota to secure positive brand loyalty	62	2.00	5.00	3.97	0.89

From the study findings, majority of the respondents agreed that achieving brand equity is the main priority of Toyota Kenya (M=4.16 SD =0.75), Toyota has established a brand reputation with consistency therefore strengthening its market share (M= 4.15 SD =0.65) Toyota Kenya maintains deep analysis of Kenyan economic and cultural philosophies of the marketing environment and its consumers attributes, Toyota has developed and secured high brand standards in the minds of its customers (M= 4.08SD =0.77). These finding goes hand in hand with the research findings by William (2016) brand image ensures that consumers hold strong and favorable associations of the brand in their minds adding that consumer's choose and prefer brands they expect will give the most satisfaction based on the benefits they seek.

Further the study established loyalty towards a particular brand and influence buying behavior of Toyota Kenya products (M= 3.98 SD =1.02), product manufacturing standards and quality enable Toyota to secure positive brand loyalty (M= 3.97SD =0.89) and Toyota Kenya operates both product and corporate brands to target market segmentation (M=3.92 SD =0.77). These finding are in support of the research findings by Aaker (2011) contents that brand signals to a customer the source of a product and protects both the customer and the producer from competitors who would attempt to provide goods that appear to be identical.

Performance of Toyota Kenya

Respondents were required to indicate the trend with the following measures of organizational in in the last one three years.

Table 3: Performance of Toyota Kenya

Trends	N	Min	Max	Mean	Std. Dev
Sales turnover	62	3.00	5.00	4.08	0.61
Clientele	62	4.00	5.00	4.31	0.46
Customer complains	62	1.00	2.00	1.53	0.50
Customer loyalty	62	3.00	5.00	4.16	0.63
Referrals	62	3.00	5.00	4.27	0.66
Positive comments from customers	62	3.00	5.00	4.37	0.83

Source: Research data, (2019)

From the study findings, majority of the respondents agreed that Toyota Kenya had realized significant improvement on number of clientele (M= 4.31SD =0.46), positive comments from customers (M= 4.37 SD =0.83) customer Referrals, (M= 4.27 SD .66=) customer loyalty (M= 4.16 SD =0.63), clientele (M= 4.31SD =0.46) sales turnover (M= 4.08 SD =0.61). These finding goes hand in hand with the research findings by Waithaka, (2009) Building a reliable consumer behavior model is a critical tool in understanding the market dynamics of the automobile industry.

Regression Test

Table 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.793[a]	.629	.602	.16720

Source: Research data, 2019

The study used coefficient of determination to evaluate the model fit. The adjusted R^2, also called the coefficient of multiple determinations, is the percent of the variance in the dependent explained uniquely or jointly by the independent variables. The model had an average adjusted coefficient of determination (R^2) of 0.602 and which implied that 60.2% of the variations on consumer choice of motor vehicles are explained by the independent variables understudy (pricing, branding).

Table 5: Summary of One-Way ANOVA results

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	30.32	4.00	7.580	10.412	.000[b]
	Residual	41.49	57.00	0.728		
	Total	71.81	61.00			

Source: Research data, (2019)
Critical value =2.53

From the ANOVA statics, the study established the regression model had a significance level of 0.00% which is an indication that the data was ideal for making a conclusion on the population

parameters as the value of significance (p-value) was less than 5%. The calculated value was greater than the critical value (10.412.> 2.53) an indication that pricing, branding have a significant effect on consumer choice of motor vehicles. The significance value was less than 0.05 indicating that the model was significant.

In addition, the study used the coefficient table to determine the study model. The findings are presented in the Table 6

Table 6: Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	1.059	.110		9.605	.000
Pricing (X1)	.428	.044	.244	9.713	.000
Branding (X2)	.362	.040	.233	9.007	.000

Source: Research data, (2019)

As per the SPSS generated output as presented in table above, the equation ($Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \varepsilon$) becomes:

$Y = 1.059 + 0.428X_1 + 0.362X_2$

From the regression model obtained above, a unit change in pricing holding the other factors constant would positively change consumer choice of motor vehicles by a factor of 0.428; a unit change in branding while holding the other factors constant would positively change consumer choice of motor vehicles by a factor of 0.362. The findings further agree with Ayodele (2011) that pricing strategies were key to achieving consumer loyalty. The analysis was undertaken at 5% significance level.

Conclusion

The study concludes that pricing affects consumer's choice on motor vehicle at Toyota Kenya to very great extent as the study established that pricing influenced the choice Toyota model the respondent were using, the study found that pricing influenced customer's choice of as shown by majority of the respondent. Pricing influenced the choice of Toyota model through the consumer purchasing power where the consumer went for the model which price was pocket friendly.

The study concludes that branding affects consumer choice on motor vehicle at Toyota Kenya to great extent, as it was established by the study that branding influence customer choice of the model, through personal attachment to certain brand, brand activities like Hilux being associated with hard work, brand loyalty and through brand image created by promotion. The study established branding through personal selling influence consumer choice of the model, as the study found that most of the respondent agreed.

Recommendation

The study recommends that Motor vehicle companies in Kenya must adopt better pricing strategies that will help them in persuade customers to buy their vehicle model as it was found that pricing affects consumer's choice on motor vehicle at Toyota Kenya to very great extent and

pricing influence the choice of Toyota model through the consumer purchasing power where the consumer went for the model which price was pocket friendly.

For Toyota Kenya to increase their market share and increase customer loyalty the study recommends that motor vehicle companies come up with brands that will strongly influence the consumer choice of their brand, as it was established by the study that branding influence customer choice of the model, through personal attachment to certain brand, brand activities, brand loyalty and through brand image created by promotion.

Suggestion for Further Research

This study was a case study of Toyota Kenya; the study recommends an in-depth study on the entire motor industry to investigate whether what was found in the Toyota Kenya applies to other motor vehicle firms.

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