

**THE IMPACT ON BRANDING TO FIRMS
COMPETITIVE ADVANTAGE.
A CASE STUDY OF KUGURU FOOD PRODUCTS.**

PRESENTED BY

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**A RESEARCH PROPOSAL FOR THE COMPLETION
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INTERNATIONAL UNIVERSITY.**

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DECLARATION

I Misiko Patrick Mumiukha declare that the work presented in this research is my own and has never been presented to any academic institution for any award, Or academic certificate whatsoever.



.....
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DATE.....24-09-2007.....

APPROVAL

This is to certify that this research proposal has been prepared under my guidance.

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Signature 

DATE 24/09/07

DEDICATION

This work is dedicated to my parents, colleagues, family members and everybody who enabled this work to be a success.

ACKNOWLEDGEMENT

The success of this research report has been with the help and guidance of a number of persons who contributed in a number of ways and deserve my most sincere word of thanks. These include Mr. Rutegenda Michael, George Michael, Mesh. May God bless them for the assistance they rendered to me.

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ABSTRACT.

This research is done to investigate on the impact that the brand has on the performance of an organization, by such analysis the management of an organization will real be forced to try and check whether their brand is performing better than the competitors.

The research is divided into five chapters where this proposal has three chapters thus, the introduction and background of the study, chapter two with the literature review and some of the literature discussion as presented by the researcher.

The last chapter of this research proposal has the research methodology which entails how the data is going to be collected, presented and analyzed thereafter paving the way to chapter four and five.

CHAPTER ONE

1.0 INTRODUCTION

Most of the companies have been forced to change their brands due to various circumstances like competition or to attract new market, and on the same ground some of them have also remained unreluctant to change whatsoever the case.

As much as others have succeeded i.e. Stanbic Bank, others have lost market competition as costs of former East Africa Industries now the Uniliver. This is a result that consumers perceive some brands especially foreign ones to be superior to local brands.

1.1 Background to the Study

Brand in the field of Marketing originated in the C19th with the advent of packaged goods. Industrialization moved the production of many household items such as soap, from local communities to factories therefore when shipping their items; the factory would literary brand their logos or insignia on the barrels used in effort to increase the consumers' familiarity with the products.

Around 1900, James Walter Thompson published a house ad explaining trademark advertising in early commercial description of what we know as branding. Companies soon adopted slogans, mascots and jingles which began to appear on radio and early television.

By the year 1940 manufacturers began to recognize the way in which consumers were developing relationships with their brands in a social/psychological.

1.1.2 The choice of kuguru food products.

KFCL (Kuguru Food Complex Limited) has had experience in the mass-market beverage manufacture and distribution since 1992; KFCL was founded in 1988. KFCL is one of the top manufactures of beverages in the Kenyan Republic. KFCL is a family business founded by the family patriarch, Mr. Peter Kuguru. He and his wife built up the company for five years before being joined by four new family members.

KFCL began manufacturing the product Chibuku, a South African Sorghum beer, originally operated by the multinational Lonrho in Kenya. The success of the alcoholic beverages did not stop KFCL from diversifying into mass-market products. KFCL expanded into maize meal starting with two mills followed by procuring plastic manufacturing machines that promoted quality through plastic packaged products.

In an effort to diversify, KFCL decided to leave alcoholic beverages and concentrate solely on soft drinks. The most promising projects are the soft drink bottling plant and ready to drink fruit juices. This sector of the beverage market offers unlimited possibilities to KFCL's already established beverage network. KFCL has ensured that it maintains policies that are visionary and intrepid to stay ahead of the ever-dynamic Kenyan economy.

Kuguru's products'

Angel Weiss Juices have launched several exciting new flavors this new flavors are already now supplied in the entire country where one can easily locate tem in the supermarket or kiosk today.

Angel Weiss long awaited concentrates have arrived to join the popular ready-to-drink product line. This product is manufacture as a conc. dink where it requires someone to dilute it before using it.

Softa wholesale containers continue to land all over Nairobi! Softa, Angelweiss, and Unga products are all available through those wholesale containers in selected parts of Nairobi.

Chibuku, a South African Sorghum beer, originally operated by the multinational Lonrho in Kenya and was acquired by the kuguru company who included it within itys family of products.

promotions team who normally vists the container sites helps the supplies to sale the products that has kuguru as their brand names where the clients normally wins fabulous prizes which includes caps, pens, free drinks, not to mention unbelievable discounts for retailers.

Softa Soda has launched a new pushcart project placing pushcarts throughout the greater Nairobi area. It is easy to get involved and interested parties are asked to start with at least ten pushcarts. KFCL leads by example and remains at the forefront of young aggressive African companies

KFCL distributes its products throughout Kenya. KFCL currently has distributors in most major towns. KFCL prefers to distribute its juices and dry unga products through wholesalers. Softa soft drinks have several different types of distributor channels.

The different types of distribution will depend on the distributor's location, resources, and capital. For all KFCL products, they only ask for

minimum purchase quantities and enough capital to startup the distribution. If you are interested in distributing any of KFCL's beverages or foodstuffs you just have to contact them and they will allow you to use their brand names.

The price of their products by the standard of the country as compared to outside products as those ones that are produced by the Coca-Cola and crown bottles makers of Pepsi shows that their prices are also cheap in order to attract the local and foreign markets and this gives them a Commitment to Excellence in Service and Quality products to Uplift and Empower Kenya and its People.

1.2 Statement of the problem

Most of the product consumers especially in cloth industry have been preferring garments made outside the countries (abroad) in favor of the locally produced

Given the fact that the design and the material could be the same, they still favor and yearn for “known” brands like Calvin Klein or Strauss leaving the locally produced garments with few customers which gives an impetus for research to study the impact of branding products to local producers Performance in the market

On top of that, it's argued always that it is not possible to brand a small business to the fact that the cost are considered high not forgetting the circumstances that the company is not popular hence the need for research.(kottler, 2000).

1.3 Purpose of the Study

This has been necessitated by the fact that most of the companies are now trying to woo consumers by using their brand names rather than the product itself. Therefore, the researcher wants to ascertain the impact of branding to the performance of small business industry

1.4 Research Objective

1.4.1 General Objective

To understand why branding poses challenging decisions to the small business in local industry faced with competition from foreign “perceived” superior brands.

1.4.2 Specific objectives

The specific objective of carrying this study on impacts of branding to the small business performance includes: -

1. To determine whether local small businesses have brand on their products
2. To understand different types of brand they employ
3. How this brand affects their marketing mix
4. The impact of this brand on their organization performance

1.5 Research Questions

1. Do your products have a brand?
2. What type of brand do you use?

3. Does this brand affect your marketing mix?
4. Does the brand have an impact on your Organization performance?

1.6 Scope of the study

1.6.1 Geographical scope

This research was carried out in Kuguru food manufacturing company which is found in Thika District, in Kenya.

1.6.2 Study Scope

This study will focus on how the brand have impacted the nature of marketing mix the company uses and it's impact on kuguru food product as a small business.

1.6.3 Time Scope

The study is expected to take two weeks thus it's going to be done in September.

1.7 Significance of the study

By conducting this research, it helps in assessing the impact that branding has in helping an organization to achieve a competitive advantage in the market

The small business owners will also be able to realize the importance of branding their products.

The research academicians who are interested in the research that they can learn and expand on the research.

It helps the researcher to obtain a deeper understanding of branding institutions and their impact on local industry.

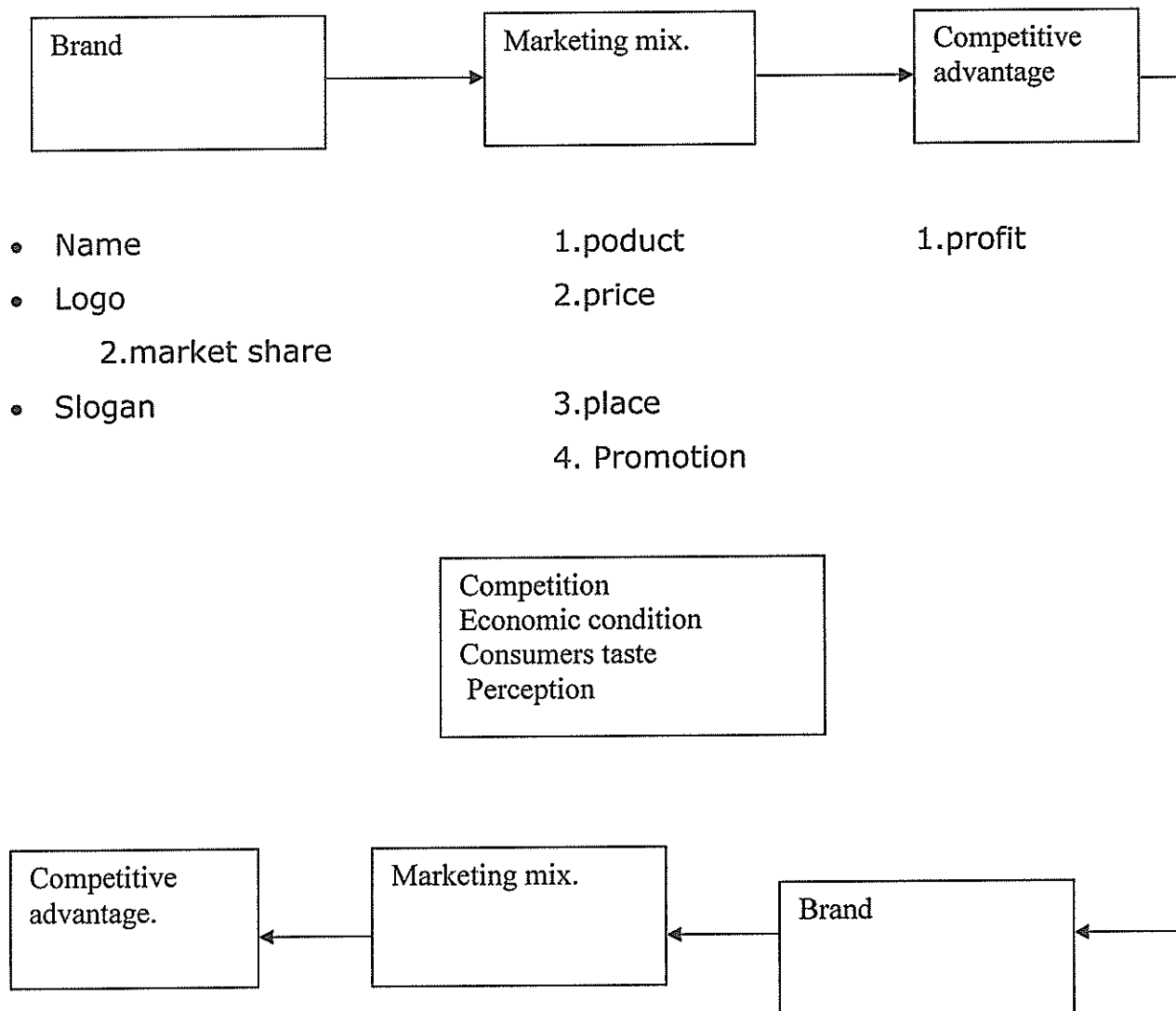
The research will assist government in regulating the operations of multi national products in order to allow the local brand(s) to have a competitive advantage.

Lastly but not least, other stake holders was realize, understand and appreciate while branding is vital to any firm.

1.8 CONCEPTUAL FRAMEWORK

In any given circumstances where an organization wants to have its brand gaining a competitive advantage over others then it must ensure that its product, price, place and promotion are in a well planned situation. Apart from the above mentioned factors other issues that can and do affect the brand in the circumstances of giving an organization a competitive advantage includes competition, economic conditions prevailing, consumers taste and perceptions.

This competition, economic condition, consumers taste and perception will always determine whether the brand was seen as of competitiveness to the clients as compared to other brands in the market.



CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

A brand includes a name, logo, and slogan and or design scheme associated with a product or service. Brand recognition and other reactions are created by the use of the product or service and through the influence of advertising, design and media commentary (Olin's, 2003).

A brand is a symbolic embodiment of all the information connected to the product and serves to create associations and expectations around it

So, its often includes a logo, fonts, color schemes, symbols and sound which may be developed to represent implicit values, ideas and even personality Michael R. Solomon (2004).

Kotler, (1980) asserts that a brand can be a combination or any name term, sign, design intended to identify the goods/services of one seller or group of sellers from those of competitors, therefore order to make the word brand clear, the following items should be checked with a lot of emphasis and this includes:-

Brand name: - That part of brand which can be vocalized – the uttterable. Examples are sir, Daddy's fitters, Avon, Nando and Rav 4.

Brand Mark: - That part of the brand which can be recognized but not uttterable since a symbol, design, distinctive coloring or lettering.

Trade mark: - It's a part of a brand that gives legal protection because it's capable of exclusive appropriation. Therefore it protects the seller's exclusive rights to use the brand name or mark

Copy right: - The exclusive legal rights to reproduce publish and sell matter and form of a literary, musical or artistic work.

2.2 Branding

For a person branding decision to be made an organization /company should have a proper brand management Porter, Michael (1998).

Therefore before a company decides whether it should put a brand name on its product or not there are series of related activities or decisions to be undertaken which includes among them: -

2.2.1 Branding decision.

This is where a firm should decide whether the product/service brand should be developed if they decide then they go ahead if not then they stop it. Solomon (2004).

2.2.2 Brand sponsor decision

When a firm decides to have a brand on its products/service, there the next decision is to ask who should sponsor the brand.

Under this, the brand sponsor can be from manufacture brand through individual brand names, blanket family name for all products; separate family names on company trade name combine with individual product names.

Still the sponsor can be from private body or be mixture of manufacture and Private Philip (2000).

2.2.3 Brand quality decision.

The next thing is decided of which quality the brand should be, either as high quality, medium or low.

2.2.4 Family brand decision

This seems from the third stage due to fragmentation where now the brand management team should be for individual or family product /services.

This research implies that, the product family brand decision can be based under individuals blanket family, separate or just bear the company name for instance that of Reebok or Coca-cola products. What is meant low is like a situation of coca product which are coka, fanta, sprite tonic e.t.c but all bear coca cola products brand.

2.2.5 Brand extension decision

William (2003).ascertains that, It's normal to use a successful brand name to launch products modifications or new products. The sees a firm launching variety of new products/services that would not have easily have market without the strength of the Dial name.

But the problem also arises where the differences cannot easily be noticed hence causing confusion of comparison among the products/service by the clients of which can propel the form not to have a brand expansion as witnessed with Bata shoes products with shoes

and stocks all have a Bata brand on then equally unlike the Celtel phone (MTN and Mango) who have differences but with same brand thus yellow max ad per second.

2.2.6 Multibrand decision

This strategy consists of two sellers developing two or more brands in the same product category. The example is where MTN introduces per second as competition already existing yellow max hence a drop in yellow max market but increased sales or even realized. Philip (2000).

The biggest problem seen by researcher is that, the consumer's might view the previous or the latter as superior hence detest the other of which turns to be a loss.

2.2.7 Brand repositioning decision

However well a brand is initially positioned in a market the firm may have to reposition it later, the competition or the consumer's perception as the case of Omo when Ariel introduced perfumed detergent which requires changing both the product and its image

The researcher agrees due to fact that if the same name is maintained it might not argue well with the public perception as the case of defunct Uganda Commercial Bank now Stanbic Bank

2.3 Marketing mix

The marketing mix model (also known as the 4ps) can be used by

marketers as a tool to assist in defining the marketing strategy (Mc Cathy, 2000).

So it's important to understand that the marketing mix principles are controllable variables hence can be adjusted on a frequency basis to meet the changing needs of the target group and other dynamics of the marketing environment .William (2003).

It's only through the above that a company brand can be in position to impact a positive growth on its profitability this market mix consists of: -

2.3.1 Product

This normally includes even services for the purpose or context of the study. So it includes the merchandise, commodities offered how it is made, what it's made of, shape, style and how it worksPorter, Michael (1998).

This does not only end here but it also covers ideas. Therefore all this should have a brand in order to different one product from another

2.3.2 Price

It's considered as what the customers pays in monetary value in order to get the product.

The brand of the product is mostly viewed as a determinant of it's price where consumers always prefers to pay high for stronger superior brand than to the one's perceived as inferior .Solomon (2004)

In hand to the above the price changed on a brand will also spell

whether the brand is of quality or value to the consumers perception.

2.3.3 Promotion

This is normally the activities that the company engages in to ensure that it gains a position on the field. This activities normally takes various forms which includes advertising, sales promotion, billboard and indoor among others.

Therefore, the way an organization does its promotion will always determine whether its brand was effective or not.

2.3.4 Place

As much as the company can or may boast of its brand, still the place or in other words the distribution channels that are being used to ensure that the product reach the clients will also be of a determining factor James Gregory (2003).

2.4 Sustainable Competitive Advantages

CA is a position that a firm occupies in its competitive landscape (Porter), hence a CA sustainable or not exists when a company makes economic rents that is their earnings exceed costs (including costs of capital).

A firm creates a sustainable Competitive Advantage (SCA) when it has value – creating processes and positions that cannot be duplicated or imitated by other firms that lead to the production of above normal rents. Michael (2004).

But the reality is the processes and positions that engender such positions is not necessarily non-duplicable or imitable. In marketing, SCA Source of the advantage can be something the company does which gives it core competency for instance Procter and Gamble's ability to derive superior consumer insights and implement them in managing its brand portfolio. William D perault (2002).

It can also be an asset such as a brand (e.g. Coca cola) or a patent. To be sustainable the advantage must be distinctive and proprietary. Therefore to measure this one has to know the following.

Anthropological sense. (Mildred Pierce)

Marketers engaged in branding seek to develop or align the expectations behind the brand experience, creating the impression that a brand associated with a product or service has certain qualities or characteristics that make it special or unique.

Up to today, most of the producers feel that consumers had a proper branded product as described as "brand equity mania". In 1988 when Phillip Morris purchased Kraft for six times what the company was worth on paper, it was felt that what they really purchased was its brand name and not the asset.

2.4.1 Profitability

It's a technical analysis term to compare performance of different trading systems or different investments within one system or where

$$\text{profitability} = \frac{n \text{ profit}}{n \text{ Trade-1} / (1 + \text{ave profit} / \text{_ve loss})}$$

But the above can only be computed for each system or investments being compared over the same period long enough to include significant "ups" and "downs" hence a suitable period is something like the last 5 to 20 years James Gregory (2003),

Most institutions considers profit which is defined in two different ways pure economic from making an investment. Taking into consideration all costs associated with that investment. Taking into consideration all costs associated with that investment including the opportunity cost of capital

2.4.2 Market growth

It's the way b which marketers consider how to grow their business products via existing and / or new markets – there are four possible products/market combinations

This matrix helps companies decide what course of action should be taken given current performance hence the brand is of significance in such a situation. Perault (2002).

CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction

This chapter represents the methods that the researcher will use in collecting, presenting analyzing and interpreting the data gathered in the survey study.

3.2 Research Design

The study will employ descriptive data being gathered in order to provide an opportunity to consider both numerical and non numerical data

3.3 Study Area

The study was carried out in a retail shop in Kisumu town, Busia district. This is due to the fact that the researcher found it to be within an enriched study location.

3.4 Sampling Design

The simple random sampling was used as the researchers' aims at a retail shop that brands it's product within the market/industry for the part of the consumers

3.4.1 Sampling Frame

Sampling units was considered as the entire population, the population for study was categorized into consumers and the producers of Sir Daddy's fitters

The sample population of this study will include a total of 100respondent.

Table 1 :Sampling framework

Population	Unit of (sample)
Producers	20
Clients	100
Total	N=1200

Source: researcher design

3.4.2 Sampling size selection

To come up with the sample size, the Slovene's formulae was used as in:

$$n = N$$

$$\frac{1}{(1+Ne^2)}$$

Where n = Sample size

N = Population

1 = Constant (95%)

E = Constant intervals

2 = Square

Hence $n = 120$

$$(1 + 120 * 95\%2)$$

$$\frac{110}{1+120*0.52} = \frac{110}{1+0.275}$$

$$= \frac{120}{1.275} = 92$$

Hence $n = 100$

3.5 Data collection and instructions

In order to ensure success, the researcher will attach some importance to the following:-

3.5.1 Statistical Unit (Unit of collection)

Before organizing the task of collecting data, the researcher clearly defines the above for the purpose of investigation which will involve both counting and measurement.

The former being in physicality while the latter in respect of qualitative attributes

3.5.2 Degree of accuracy

Since absolute accuracy is seldom possible to statistical estimates, by fact that measurement toes are not 100per cent perfect, the degree of error was taken in material if it falls in 5/100th hence considered not

to affect the result of the survey.

3.6 Instruments and Collection Techniques

In order to collect data, the researcher will have the following:-

3.6.1 Primary data

This is the data of the investigation will organize from the respondents for the purpose of the inquiry in hand. To this the following was used.

a) Questionnaires

This was stimulated questionnaires with open and closed end questions

b) Interview

The interview was carried out by self administering whether researcher was in charge but given the large sample and time limit, the enumerators was used as researcher assistants for the purpose of interview

c) Observation

This was a non participatory kind where the researcher won't inform the respondents of which kind of garment brand to purchase in shops

3.6.2 Secondary data

On the other hand some data was provided through:-

b) Existing Literature Review

The already existing literature, which comprises of books, journals and materials relevant

c) Documentary survey

The researcher will employ this method by use of eye to look employ this method by use of a kin eye to look carefully on the garment produced if they are all branded. This will also be extent to clients to bring out their choice of brand they wear.

3.6.3 EXECUTING THE SURVEY.

In the course of carrying out good administrative governance supervision of a quality of the field work in order to ensure that, any error that occur are random and no any assignable causes of variations are present

3.6.4 FOLLOW UP OF NON –RESPONSE

Inspite of the efforts placed when collecting the data, the researcher feels that some of the respondents may not supply the desired information or withhold

Vital data, so the above is of a must since when ignored it may prompt the enumerators hence creating ambiguity and bias on the survey

3.6.5 ETHICAL ISSUES

The researcher will ensure that a high and integrate approach are observed by the person who was conducting the survey to ensure that there is a high ethical moral obligation to both the respondents and any stake holder concerned in the survey process

3.7 DATA PROCESSING ANALYSIS

The data collected was analyzed both manually and using the computer by way of descriptive state such as percent ages and tables. The presentation of findings made is excepted to be very easy to comprehend and draw conclusions based on the analysis was based of the following methods

3.7.1 EDITING

Since the statistical materials obtained from both primary and secondary sources are not always liable and full of pitfalls foe insurance, terms may be used in pecuriar senses, where meanings may have imperceptibly changed hence the need of editing

3.7.2 CODING

This is a process of translating edited responses into numerical figures. A complete coding schedule was done to ensure that various responses obtained are classified into full meaningful form so as to bring out the patterns that are essential clearly.

3.7.3 STATISTICAL COMPUTATIONS

The data collected from the targeted respondents was transferred into frequency tables for easy data comprehension and analysis

The researcher was chi-square test to frequency as a statistical method of analysis

The chi – square formula was

$$t = \sum \frac{(FO - FE)^2}{FE}$$

Where FO= frequency observed

FE = Frequency expected

Fe, was calculated using the following formula

$$Fe = \frac{\text{Row total} \times \text{Column total}}{\text{Grand total}}$$

At the end of the chi-square calculations, the level of significances was ascertained

3.8 DATA PRESENTATION

The data collected to be well analyzed and summarized will have to be presented by the researcher. The data presentation was through Tables, Graphs, Pie-charts and Percentages

3.9 LIMITATIONS DURING THE STUDY

The researcher expects to encounter a number of problems during the course of data collecting and amongst which are the following.

Negative attitude of some SMEs owners where most of the respondent are expected to be suspicious and un co-operative Customers will also be another limitation that the researcher will face when collecting the data since they are likely to interfere (when they want to be served)

CHAPTER FOUR

4.0 DATA PRESENTATION AND ANALYSIS

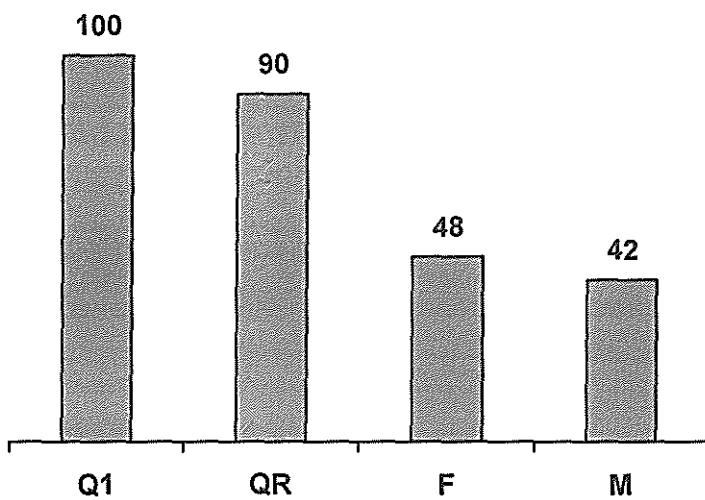
4.1 Introduction

This chapter gives the presentation and analysis of the data from the survey carried out concerning the impact of branding on competitive advantage of a firm.

4.2 The findings of the survey.

The following are some of the findings as from the data that was collected from the field by the researcher.

Figure 3: Respondents gender



Source primary data

Q1 - Questionnaire issued

QR - Questionnaire received back

F - Female

M- Male

The researcher issued out 100 questionnaires as required by the study sample size (Table 1) out of this 90 was received back meaning that 10 were not returned of which included 3 that were invalid due to the fact that they were not duly filled.

In consideration to the above the number of females who filled the returned questionnaires were 48 while male were 42.

This meant that the 90 returned questionnaire will now be considered ad sample size of 100% in this presentation hence showing gender by female as 53.3% and male 46.6% of the respondents and this minor variation means that the researcher was not biased on gender

Despite the gender the survey also revealed that most of the Kugun's brand product employees were aged above 30 years where those with above 50 years were 12 and between 30 to 49 years were 30 while those between 18 to 29 years being 81.

Table 2:Age of respondents

Age	Frequency		Percentage	
	Kugum	Clients	Kugum	Clients
Above 50 years	12	5		
30 to 49 years	30	10		
18 to 29 years	8	7		
Below 17		18		
Total		90	100%	

Source primary data

Among the clients those who were above 50 years were 5 between 30 to 49 years 10, 18 to 29 years 7 and below 17 were 18.

The above signifies that the age below 17 years were only clients of this

product but none was among the employees yet the brand was mostly consumed by clients aged below 17 years.

The middle age to interface between old and youth this 30 to 49 years were only found as employees and not clients hence posing that to the future of the Kuguru's food product.

Table 3: Respondents education background.

Education level	Frequency		Percentages
	Kuguru	Clients	
Graduate	28	2	6.7%
Undergraduate	2	4	47.8%
Secondary	20	23	12.2
Primary	-	11	
None	-	-	
Total	90		100%

Source: Primary data.

Table 3 shows that most of the respondents were of secondary school levels as they totled to 47.8% of which the clients were 23 and employees 20. This means that nearly half of kugun's employees are graduate since the age of 20 years was the least (Table 2) while the table 3 still shows that Graduates are 28 which is sex expected that the companies staff are well educated.

The number of clients 23 having secondary school level means that all clients who was aged below 17 years were of primary level since none had no education level may be due to the fact that the firm is in city

area where people consider education as a basic.

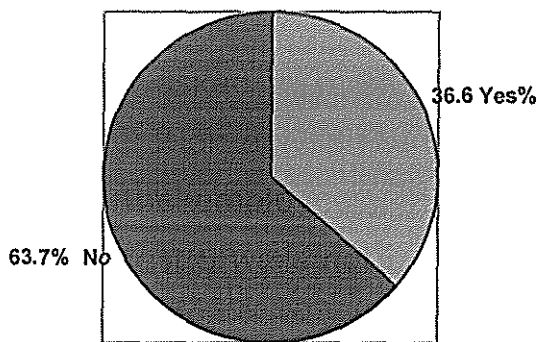
Form of venture.

When the respondents were asked the form / type of venture they thought Kuguns food product is among the employees 40 alluded to it as provide limited company while 10 ascertained it to public ltd company.

Above all the respondents varied as 25 attributed it to sole proprietorship while 2 said it was private limited company with 13 being not sue.

When they were asked to mention the years that Kugum food product had been in operation only 2 clients got it right while the rest were not aware. Among the employees, 45 who form 50% of the total said 10 years while the rest 5 were not sue.

Figure 4: Respondents knowledge on Brand.



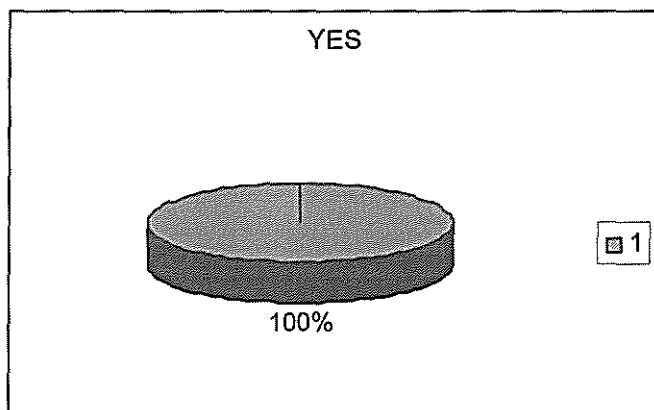
Source primary data

The figure indicates that those respondents who had the knowledge on what brand is were only 36.6% as compared to 63.7% who were not

knowledgeable on the question asked.

The above could be as a result of the respondents background where 60% had education level of secondary school hence not a braced with the concept.

Figure 3: Brand presence on product



Source primary data

When they were asked if the firm's product have anything to identify it all the respondents accepted. These result was attained only after the respondents who didn't know what a brand is were defined to by the researcher.

It implies that most of the clients education level did not enable them to have the knowledge of brand but they used their understanding to know and differentiate between Kuguru's product from other firms product.

Table 4: The brand used on products.

Brand	Frequency		Percentage
	Staff	client	
			64.4%
Logo	43	15	9%
Fonts	2	8	207%
Color	-	3	21.1%
Symbols	5	14	
Sound	-	none	none
Others	-	None	none
Total	90		100%

Source primary data

The most used brand according to respondents was logo, 64.4% few of respondents thus 2.7% identified the product by color 9% by fonts while 21.1% of by symbols.

This identification of brand by fronts, color and symbol according to researcher could still be attributed to the knowledge of brand identification by the respondents.

Table 5: who decides on brand to be used.

Response	Frequency		Percentage
	Staff	Client	
Manufacturer	26	12	53.3%
Privately	7	5	13.3%
Both	8	6	25.6%
Can't tell	15	15	18.8%
Total	90		100%

Source: primary data

When the respondents were asked on who decides on the brand to be used, half of the respondents mentioned manufacturer, 53.3% those who alluded to private organization were 13.3%, 25.6% though both the former and latter were responsible while 18.8% could not tell.

This implies that even some staff could still not ascertain who decided on their products brand.

Table 6: Branding style often employed.

Response	Frequency		Percentage
	Staff	client	
Family	33	1	37.8%
Extension	10	8	20%
Multi brand	2	10	5.5%
Any	5	18	16.7%
Can't tell	-		20%
Total	90		100%

Source primary data

When the respondents were asked to mention ion the branding that they thought was always employed by the kuguru food product company, 37.8% of the respondents agreed to family brand while 20 % of the respondents accepted to the extension and and others could not tell as well respectively.

Those who advocated for any were 16.7% and those ones who advocated for the Multibrand were 5.5% of the respondents' surveyed. this implies that the most used brand by the kuguru food product was family branding.

Table 7: market segment targeted by the product.

Response	Frequency		percentage
	Staff	client	7.8%
Heterogeneous	5	2	8.9%
Homogeneous	2	6	83.3%
Both	43	32	
Can't tell	-	-	
Total	90		100%

Source primary data

Majority of the respondents agreed that KFF was targeted to both the heterogeneous and homogenous market 83.3% those who ascertain the former were 7.8% and the latter 8.9%

Which gave the indication that KFP was branded for both the heterogeneous and homogenous market.

This gives it a better chance of competing with both the locally and foreign branded products.

Table 8: price of the brand depends on.

Response	Frequency	Percentage
Product	-	10
Market segregation	7	3
Competition	20	22
Both	23	5
Total	90	1. 100%

Source primary data

The respondents believes that most of the prices depended on the competition since 44 of the respondents acknowledged it. 10 of the respondents mentioned market as the determinant while 28 agreed that the price depended on both the product, market segregation and competition.

Table 9: Where the brand performs better

Response	Frequency		Percentage
	Staff	Client	
Heterogeneous	5	-	5.6%
Homogeneous	15	38	58.8%
Both	30	2	35.6%
Can't tell	-	-	
Total	90		100%

Source primary data

Table 9 results indicates that those who believed the products performed better homogeneously were 58.8% where almost 95% of clients in the survey attested to.

It was only 5 staff thus 5.6% of those sampled who said that even in heterogeneous market the product performed better.

No customer lacked knowledge on while market the product performed better as for those who believed that the performance was better in both markets were 35.6%.

This gives the impression that as much as the product brand was meant to gain competitive advantage evenly it was only competing in local

market since no clients believed that it could perform better in outside market thus outside the country, Kenya.

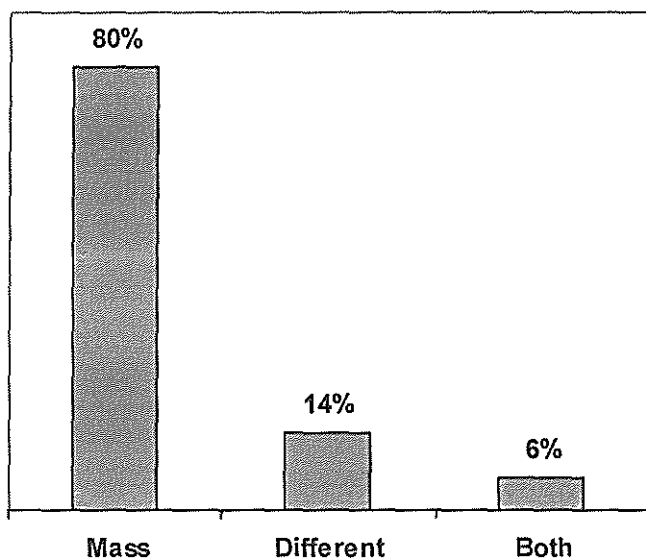
Table 10:Types of promotion used on brands.

Response	Frequency		Percentage
	Staff	Clients	
Mass	-	-	0%
Different	-	5	5.6%
Both	50	35	94.4%
Total	90		100%

Source primary data

The type of promotion used widely was both mass and different as 94.4% of the respondents admitted, those who thought that they used different promotion technique were 5.6% which meant that kugum industry employed both mass and different promotion.

Figure 4: Distribution channels employed.



Source primary data.

Most of the respondents agreed that Kugum food products employed mass channels of distribution were all the products were channeled though the same means out of this only 6% and 14% nodded that they use both and different channel respectively.

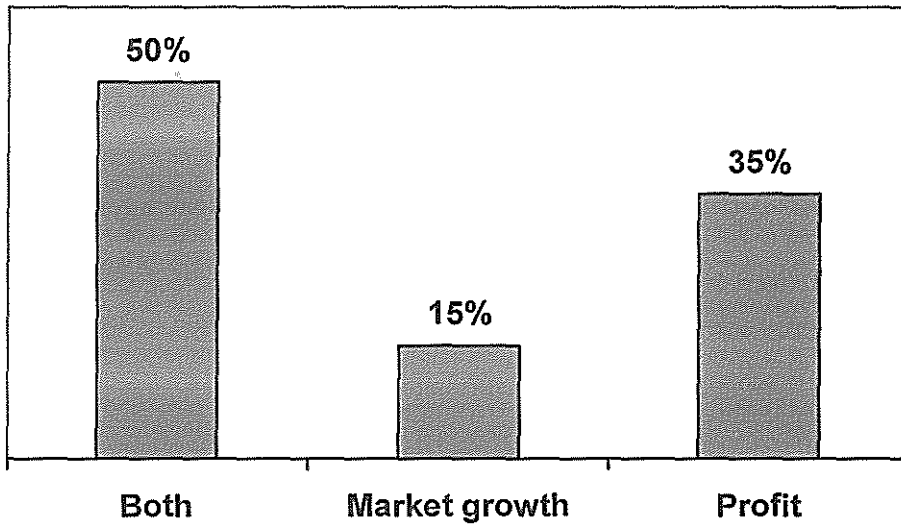
The use of a single distribution channels in normally essential to see that the product reaches the heterogeneous market.

Table 11: Effectiveness of marketing mix to a brand competitiveness in relation to other drinks.

Response	Frequency		Percentage
	Staff	Client	
Very effective	-	-	-
Effective	5	-	5.6%
Moderate	13	7	22.2%
Lowly effective	-	5	4.5%
Not effective	-	18	20%
Can't tell	32	10	46.7%
Total	90		100

Source primary data

Figure 5: Performance expectation of the company on the industry.



Source primary data

In consideration to the other 4p's of marketing the brand performance in relation to the profit was 35% market growth 15% and both was 50%. Which implies that the brand was mostly gaining profit but not market growth.

Table 12: Performance trend in the last 3 years

Response	Frequency		Decreasing
Increasing	2	1	3.3%
Same	36	11	52.2%
Decreasing	12	5	18.9%
Can't tell	-	23	25.6%
Total	90		100%

Source primary data

When asked to comment about the brand performance on the market for the last 3 years, 52.2% of the respondents said it was the same while 18.9% admitted a decrease in the performance.

To add on 25.6% could not tell whether there was a decrease or not leaving only 3.3% of respondents accepting that there was an increase on the performance.

Table 13. The expected future performance of Kuguru products

Response	Frequency		Percentage
	Staff	Clients	
Increase	10	5	16.7%
Decrease	11	2	14.4%
Same	25	13	42.2%
Can't tell	4	20	26.7%
Total	90		100%

Source primary data

To the respondents perception on the expected future of brand performance, 42.2% argued that it will still be the same 26.7% of the surveyed respondents could not tell while 14.4 advocated for a decrease.

The findings also revealed that 16.7% of the total respondents had hope that the performance of the brand will increase.

CHAPTER FIVE.

DISCUSSION OF MAJOR FINDINGS, CONCLUSION AND RECOMMENDATION.

5.1 Introduction.

This chapter discusses some of the major findings critical in relation to the literature review.

5.1.2 Small business brand.

The first objective of the researcher was to determine if the researcher was brand on their products. Therefore, the question asked if the small business have brands on their products.

The findings revealed that kuguru food product have brand. This was in relation to the literature review where Solomon argues that any business in order to gain recognition must possess a brand on its products. (Solomon, 2004)

5.1.3 Different types of Brands.

Apart from just understanding where the company had a branded its products, the researcher also wanted to understand what different branding was employed by the company and the question posed was what types of brand is used?

According to the findings, it revealed that indeed Kuguru Food products used more than one brand and this included logo, fonts and symbols as this is what most of the majority respondents ascertained.

All the above were considered as part of brand mark which was only recognized by the respondents when purchasing the Kuguru product.

The above is also in rapport with what Kottler termed as usage of various brand on various products. (Kottler, 2000)

5.1.4 Effects of Brand on marketing mix.

The third objective of the researcher was to determine the effect of brand on the companies market mix and the question was, how does the brand affect the market mix of Kiguru industry?

It has been noted from the findings that the brand of Kuguru's products determined its price as clients believed it was cheap, the use of both distribution channels was also employed coupled with the mass promotion.

The above is in tandem with Michael as he says that the market mix will mostly determine the way brand performs in the market. (Porter,2000)

5.1.5 Impact of Brand on organization performance.

The last objective of the researcher was to understand the impact if brand on the organizational performance and the question asked was, What is the impact of brand on the performance of Kuguru company?

The findings reveled that the kuguru food products brand were nor so much effective given its market mix situation hence it could not compete highly with foreign products like Coca cola in the market.

This was in tandem with what Kotler proposed that small business brand suffers competition from multinational brand as brought about by the market mix.

5.2 Conclusion

As per the study, the researcher found out that Small business in particular the Kuguru food product also had a brand on their products. Secondly, the marketing mix was the one to determine whether the brand gained competitive advantage or not.

Lastly this brand had an impact of the competitive advantage of where respondents felt that Kuguru brand was inferior as related to foreign ones.

5.3 Recommendations

The following are the recommendation as per the findings and conclusion of the study:

Kuguru should develop various brand as in family brand in order to identify its products easily.

The marketing mix especially promotion should be reviewed to give publicity

5.4 Areas for further study.

The researcher felt that further research should be carried out as in:

1. To determine the impact of promotion on brand performance.
2. to determine the brand impact to companies promotion effectiveness.

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APPENDECIES.

QUESTIONNAIRE.

KAMPALA INTERNATIONAL UNIVERSITY

Dear respondent.

This research is being undertaken as a partial fulfillment for the award of Bachelor of Business Administration degree of Kampala International University. This information is purposely for academic and its confidence is highly guaranteed. Please fill it appropriately to the best of our knowledge and understanding.

100: BACKGROUND INFORMATION.

101: Gender _____

102: Age

a) Above 50yrs

☐

b) 30 to 49 yrs

☐

c) 18 to 29 yrs

☐

d) Below 17 years

☐

103: Education Background

a) Graduate

☐

b) Undergraduate

☐

c) Secondary

☐

d) Primary

☐

e) None ☐

104: Form of venture

a) Sole proprietor ☐

b) Partnership ☐

c) Private limited co. ☐

d) Public ltd co ☐

e) Not sure ☐

105: Duration of the venture in the
industry_____

200: Branding management.

201: Do you have knowledge on what's brand?

Yes ☐ No ☐

202: Does your business have a brand on its product?

Yes ☐ No ☐ Some times ☐ don't know ☐

203: What brand do you use on your product?

a) Logo ☐ b) Fonts ☐ c) Color ☐ d) Symbols ☐

☐

e) Sound f) others, specify _____

204: Who decides on the brand to be used?

a) Manufacturer ☐ b) Private body ☐ c) Both ☐

e) Can't tell ☐

205: Which of the branding style do you use often employ?

a) Family brand ☐ b) Brand extension ☐ c) Multibrand ☐

d) Any of the two above ☐ e) can't tell ☐

300: Marketing mix.

301: Which market segment does your product target?

a) Heterogeneous ☐ b) Homogenous ☐ c) Both ☐

d) Can't tell ☐

302: Do you use the same brand?

a) Yes ☐ b) No ☐ c) Don't know ☐

303: Where do you think it performs best?

a) Heterogeneous ☐ b) Homogenous ☐

c) Both ☐ d) can't tell ☐

304: Do you have a price differentiation on your brand?

a) Yes ☐ b) No ☐

305: These price differentiations depend on what?

- a) Brand product ☐ b) Market segregation ☐
c) Both ☐ d) Competition ☐
f) Others, specify _____

306: What promotion do you use on your brand (s)?

- a) Mass ☐ b) Different ☐ c) Both ☐

307: Does the nature of the brand (s) dictate the above (306)?

- a) Yes ☐ b) No ☐ c) Sometimes ☐

308: Do you employ the same distribution channel on your brand (s)?

- a) Yes ☐ b) No ☐ c) Sometimes ☐

309: Give resources for the above (308)

1

2

3

310: How effective do you think price is in promoting your brand (s)?

- a) Very effective ☐

- b) Effective ☐
- c) Moderate ☐
- d) Lowly effective ☐
- e) Not effective ☐

400: Performance of company in election to brand.

401: What performance do your company in expect from its brand?

- a) Profit ☐ b) Market growth ☐ c) Both ☐

402: What has been the trend for the last 3 years?

- a) Increasing ☐ b) Same ☐ c) Decreasing ☐
- c) Can't tell ☐

403: What's the future performance do you expect?

- a) Increase ☐ b) Decrease ☐ c) Same ☐

404: What could be the reason for the above?

1

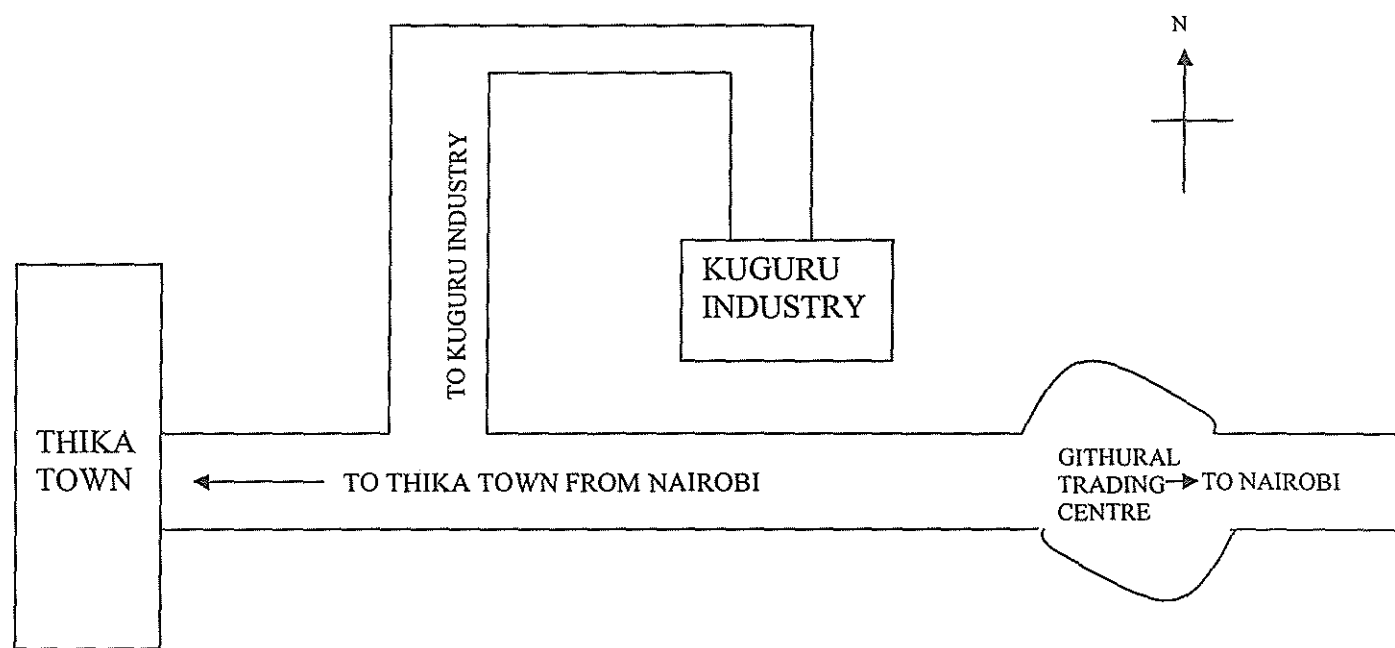
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3

405: What factors should be considered to realize good performance of your brand?

Thanks.

**GEOGRAPHICAL MAP OF KUGURU FOOD PRODUCTS
COMPANY, RUIRU (THIKA), KENYA**



CURICULUM VITAE
OF
MISIKO PATRICK MUMIUKHA

PERMANENT ADDRESS:

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NJORO.

TELEPHONE: +254- 720477505

e-mail:pmisiko@yahoo.com

1. PERSONAL DETAILS

NAME: MISIKO PATRICK MUMIUKHA

ID NO: 13127264

DATE OF BIRTH 15TH APRIL 1974

NATIONALITY: KENYA

SEX: MALE

MARITAL STATUS: SINGLE

LANGUAGES: ENGLISH & KISWAHILI

(BOTH FLUENTLY SPOKEN AND WRITTEN)

11. CAREER GOAL

HEADING THE MARKETING DEPARTMENT OF A REPUTABLE FIRM AND
ULTIMATELY START A CONSULTANCY FIRM

111. MAIN AREA OF SPECIALIZATION

- MARKETING

REFEREE

MR. KARIUKI GAKUO

LECTURER

EGERTON UNIVERSITY

BOX 536 NJORO TEL +254-721784961

**OFFICE OF THE DEAN
SCHOOL OF BUSINESS AND MANAGEMENT**

Date: 19th September, 2007

THE HUMAN RESOURCE MANAGER,
KUGURU FOOD PRODUCTS
P. O. BOX 496
NAIROBI - KENYA

Dear Sir/Madam,

RE: MISIKO PATRICK MUMIUKHA REG. BBA/5210/32/DF

This is to confirm and inform you that the above referenced, is a bonafide student of Kampala International University pursuing a Bachelor of Business Administration programme in the School of Business and Management of the University.

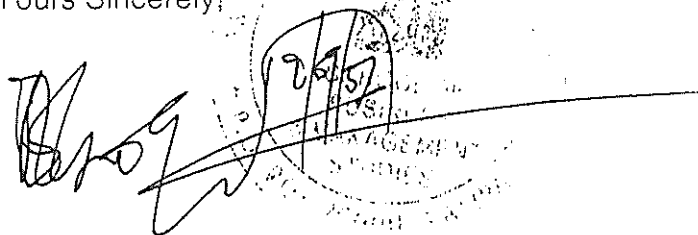
His title of the Research project is "THE IMPACT OF BRANDING ON COMPETITIVE ADVANTAGE OF SMALL BUSINESS".

As part of his studies (research work) he has to collect relevant information through questionnaires, interviews and reading materials from your place.

In this regard, I request that you kindly assist him by supplying/furnish him with the required information and data he might need for his research project and also by filling up the questionnaire.

Any assistance rendered to him in this regard will be highly appreciated.

Yours Sincerely,



DR. Y.B. NYABOGA
ASSOCIATE DEAN – SCHOOL OF BUSINESS AND MANAGEMENT
TEL.NO.0752 843 919