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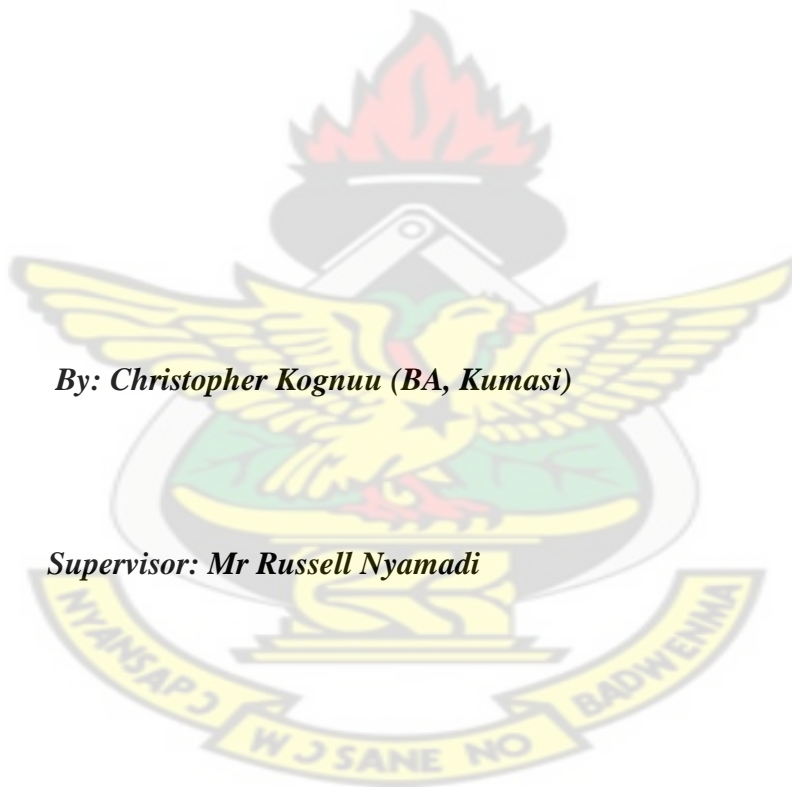
Corporate Branding and Consumer purchase preference in mobile phone telecommunication

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Thesis submitted for the awards of Executive Master in Business Administration, 2012

DECLARATION

I hereby declare that this submission is my own work towards the Executive Masters of Business Administration and that, to the best to my knowledge, it contains no material previously published by another person nor material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been made in the text.

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DEDICATION
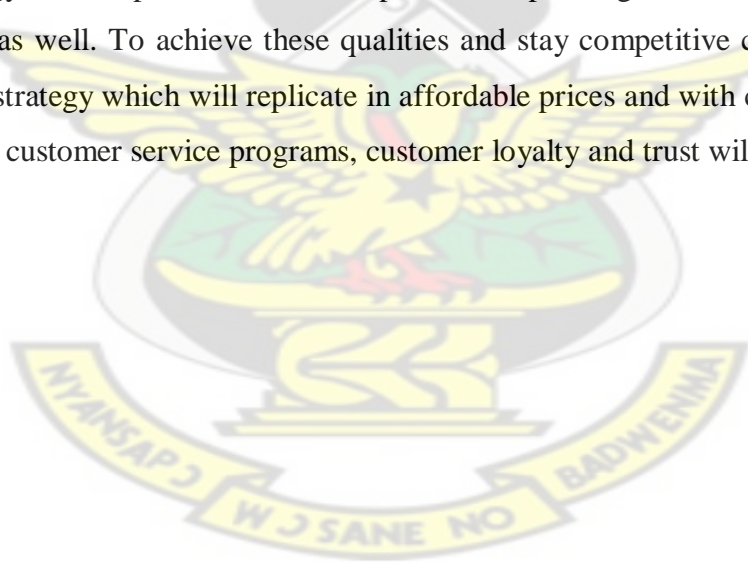
I dedicate this work to Monalisa Kognuu

ABSTRACT

This thesis was carried out to determine the impact of corporate branding on consumer puchase preference in the telecom industry. Other reasons were to find out the key factors that motivate consumer purchase decision regarding a particular network choice.

The researcher also intended to determine consumers switching attitudes towards performing and non performing brands. Finally the researcher wanted to find out if customers' loyalty and trust are determined by service quality or brand.

In order to achieve these objectives, a set of opened and closed ended questionnaires were administered on a sample of 100 mobile phone subscribers in the Greater Accra Region of Ghana. The data was analyzed using univariate analysis.

The finding revealed that corporate branding plays a crucial role in communicating the company marketing and product mix information to consumers. However, corporate branding was found not to be the main determinant of consumers' choice of a network but rather factors such as price, customer service and network quality.

It is recommended that corporate branding should be adopted when designing the company corporate strategy but emphasis should be placed on price, good customer service and network quality as well. To achieve these qualities and stay competitive companies need to pursue low cost strategy which will replicate in affordable prices and with consistent network quality and good customer service programs, customer loyalty and trust will be built.

ACKNOWLEDGEMENT

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CHAPTER ONE
INTRODUCTION

1.1. BACKGROUND TO THE STUDY

The recent trend in technology coupled with the fierce competition in the telecom industry has compelled mobile phone operators to adopt various innovative and cost-effective integrated marketing communication strategy in order to reach their valued consumers and promote their products and services. This high level of ICT means that it is easy for one company to copy the products and services of another. One phenomenon that is difficult to copy is corporate branding. Corporate branding enables the company products and services to share thesame brand value and identity.

Many work has been done in the past regarding the consept (Kotler,1994; Hatch & Schultz,2001; Aaker,2004 and Xie *et al*,2006). According them corporate branding does not only cut cost,but also improves new product and service credibility which cannot be achieved through any focused marketing campaign. They posited that corporate branding should be viewed in terms of establishing long-term company vision and designing the overall operations of the company which will go a long way to increases its profitability and sales, reduces its cost and creates a unique position in the marketplace. The decision to apply a corporate brand, more generally called an organization brand (Aaker, 2004), must be made very carefully because the corporate brand is the identifier of a corporation and is used to support business unit communications. Consumers' perspective of the brand is transferred to other products that are marketed with the parent brand (Shahri, 2011). Xie & Boggs (2006) defined corporate branding as the situation "where all products or services value are shared by a common brand identity". Literature as noted that in earlier times, corporate branding processes were only initiated by top management of an organization. It must be noted however, that corporate branding should not only be the responsibility senior management but must be seen as a long term company vision. This assertion was supported by Gelder (2003) who was of the view that good corporate branding adds depth and value to the company's product offering.

1.1.1 OVERVIEW OF THE GHANA TELECOM INDUSTRY

The telecom industry in Ghana is very diverse. Prior to the deregulation of the telecom sector, the only state owned Ghana Telecom founded in 1974 was in operation. Because of the monopoly it was enjoying, its operation was ineffective characterised by poor customer

service, outmoded facilities, high tariffs and poor network quality and coverage. Ghana telecom was later rebranded as One Touch. In 2008 70% of its share was sold to Vodafone plc, a UK Telecom giant at a price of $900 million. The remaining 30% is solely owned by the Government of Ghana. Following the formation of the National Communication Authority (NCA) in 1997 and the subsequent deregulation of the telecom sector saw a lot of influx of foreign telecom companies in Ghana. The first was celtell, a subsidiary of HUTCHISON Telecom which started its operation in 1995 and operated as analogue. It was later rebranded as Kasapa in 2003 and now been acquired 100% in 2008 and rebranded as expresso. The second to follow was MTN in 1994. This is a multinational company headquartered in Johannesburg in South Africa. MTN is thus a private company in Ghana but its parent company is a public company listed in the South African stock exchange. The third to follow was TiGO, a multinational company formed in 1990 and headquartered in Luxemburg in Germany and listed in the German stock exchange. The fourth to follow was Zain. Zain Ghana was owned by Kuwait telecom. In 2010 all the Zain subsidiaries operating in 7 African countries were sold to Airtel, a public telecom company listed in the Indian stock exchange at a price of $10.7 billion and rebranded it as Airtel. The last one which is yet to be launched is Globacom Nigerian based Telecom Company.

1.2. STATEMENT OF THE PROBLEM

Most mobile phone telecommunication companies in Ghana follow a strategy known as corporate branding in which they place corporate name prior to every individual product or service they render. Some subscribers tend purchase these mobile phone connections just because of corporate name which are heavily promoted. As a result it is not clear as to whether there are other factors taken into consideration.The purpose of this study is to outline these factors if any in addition to analyzing the role of corporate branding in this industry. Is it only the brand name consumers consider when making a purchase decision or other factors come to play. The study would uncover whether it is because of the corporate brand name or it is because of the way their services are rendered to their clients. It would also find out whether it is because of loyalty, price or any other reason.

1.3. MOTIVATION OF THE STUDY

Competitions in this globalize and borderless world means that gaining competitive edge is not only about producing an excellent product. What is happening now is that companies are gradually selling their brands other than the products. The emphasis is for every company to stimulate demand through good customer service which would replicate in customer loyalty.

Ones customer loyalty is created the company is able to position its products well and by so doing gain more market share and leadership. In the past many work has been done about corporate branding. Aaker et al (1998) conducted a research on corporate branding,but their emphasis was on brand extension. Van Riel *et al* (2002) also conducted a research on corporate branding but his emphasis was also on the perspective of business unit managers. Ormeno(2007) also conducted a research on corporate branding but again his emphasis was on corporate communication. All these work was done in the developed economies and their emphasis was not on telecommunication. In Ghana, few work has been done about the concept in the telecommunication sector (Rosemond and Gloria, 2010), but their work dwelled more on customer loyalty. The researcher is thus motivated to research on corporate branding with emphasis on how it impact on consumer purchase preference in the telcom sector.

1.4. RESEARCH OBJECTIVES

The study was conducted for the purpose of addressing the following objectives. The main objective was to determine how corporate branding impacts on consumer purchase preference in the telecom sector. Specific objectives were the following:

1. To determine the key factors that motivate consumer purchase decision regarding a particular network
2. To determine consumers switching attitudes towards performing and non- performing brands.
3. To find out if consumers loyalty and trust are determined by service quality or brand.

There was the need to find answers the following research questions in order to address the objectives. The following research questions were answered.

1. What are the key factors that impact consumer purchase preference in the telecom industry?
2. Are there other factors other brand name that impact consumer purchase decision?
3. What is consumers attitude towards a performing and non performing brand?
4. Are consumer loyalty and trust determined by service quality or brand name?

1.5. SIGNIFICANCE OF THE STUDY

The study would be of importance to companies in general and particularly to those in Ghana who recognize corporate branding as an effective tool in gaining competitive advantage. It would help mobile phone operators to discover factors that impacts on consumer purchase decisions other than the brand name. It would provide rudimentary information on how companies could enhance their sales potentials and create brand loyalty through product branding. It will also be a heuristic tool for future research. The findings will also be relevant to marketing managers, brand managers and advertising agents who will find this piece useful as it would provide inside into their work.

1.6. ORGANIZATION OF THE STUDY

The work is organised in five chapters. Chapter one which is the general introduction looks at the importance and empirical works on corporate branding, service quality, customer satisfaction and customer loyalty. This is followed by the research objectives and questions and a motivation for conducting the research. The last part of the chapter looks at how the thesis is organised.

Chapter two which is the literature review expands on the background of the study and reviews literature on related studies. It looks into detail theories relating to corporate branding, service quality, customer satisfaction, customer loyalty and customer profitability by reviewing relevant journals and selected text books.

Chapter three which is the methodology discusses the research design, the research instruments, the population and sampling technique and how the data was collected and analysed.The chapter ends by addressing the issues of reliability and validity.

Chapter four, the analysis and discussion of finding looks at an in-depth analysis of the results and discussions of key finding addressed broadly with existing literature.

Conclusion and recommendation which is the last chapter discusses a summary of corporate branding, service quality and customer loyalty and how they impact on consumer purchase preference. The chapter also provides various recommendations that are considerable by management of telecom companies. The thesis then ends with an indication of limitation and a direction for further research.

Other aspects of the research include references which describes an alphabetical order, the list of related academic journals, working paper series, past thesis and relevant books consulted in the research. This is followed by appendice which contains attachement of administered questionnares.

CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction

This chapter reviews literature on the concepts of corporate branding, service quality, cusomer satisfaction and customer loyalty. It looks at how trust and corporate image or identity affect customer perceptions of quality and impact on their purchase behaviour. The chapter also looks briefly at the overview of the telecom industry of Ghana.

2.1.1 Corporate Branding Defined

According to Yu Xie and Boggs (2006), corporate branding is defined as "the strategy in which a brand and corporate name are the same". They also stated that corporate brand simplifies communication with government, the financial sector, the labour market and society. Examples of corporate brand are according to Yu Xie & Bogg (2006) are IMB, Nike, Virgin and Sony. The basis for corporate branding consists of organizational values, core values and added values (Yu Xie and Boggs , 2006).

According to Ind (1997), a corporate brand is not just a logo, a name or a visual presentation; it is also the value that defines it. Ind (1997) posited a corporate brand can be defined by three areas of intangibility, complexity and responsibility. What distinguishes the corporation is its complexity; "it is larger, more diverse and has several audiences that it must interact with" than a brand. It is important to effectively communicate the values of the core brand and build relationships with the stake holders to meet their needs (*ibid*).

2.1.2. Characteristics of a Corporate Brand

According to Kay(2004), corporate branding is characterized by the way a company communicates its identity. A corporate band is according to Knox and Bickerton (2000) is "the visual, verbal and behavioral expression of an organization's unique business model". Blamer (2001) outlines five characteristics of corporate brands which includes:

- **Cultural.** Corporate brands have a cultural root that arises from sub-cultures which are contained within the corporate brands.

- **Intricate.** Corporate brands are intricate because they are multidimensional and multidisciplinary, have a range of stakeholders, both internal and external, they also have controlled or uncontrolled communications.

- **Tangible**. Corporate brands "encompass tangible elements such as business-scope, geographical coverage, performance-related issues, profit margins, pay scales, recruitments etc."

- **Ethereal.** The stakeholders of the corporate brand are subjective and emotional when judging the brand; this can be for example, country-of-origin or the type of industry.
- **Commitment.** The total organizational commitment is very essential and the CEO and the broad-level is the prerequisite for corporate branding. Commitment is hence the core and the cornerstone in corporate brand management.

2.1.3. Different types of Corporate Brands

Kapferer (1997) proposes the umbrella strategy which means that a company have different products that share the same brand name. For example, 'Yamaha', which sells both motor bikes and guitars and all the products are branded with the 'Yamaha' brand. Even though the products have different communication tools, they still have the same umbrella brand. The advantage with this strategy is that the company can take advantage of economies of scale on an international level. This simplifies the entering on different markets since the brand is well known and is also reduces the costs. Kapferer (1997) further states that this strategy is useful where the products need little marketing investments. The drawback of this strategy is that if one product under the umbrella brand is damaged, the whole brand is affected (*ibid*).

Van Gelder (2003) states that corporate, umbrella, and banner brands are master brands and "drive consumers' purchase decisions and transfer brand value to new product or service sub-brands". These brands provide a structure and a brand value that is supposed to infuse trust among the customers and this is in general difficult to accomplish with individual brands (*ibid*).

Ind (1997) suggests that within corporate branding, there are monolithic corporate brands, i.e. all products are branded with the corporate name. He further stated that a monolithic structure should be suited when:

- An emphasis on organic growth
- A need to emphasis the points of commonality within an organization
- The need to communicate globally
- A tightly defined identity built around closely related businesses or a clearly defined idea
- The potential for economies of communication
- The parent brand has a strong reputation

2.1.4 Managing the Corporate Brand

According to Balmer (2001), a corporate brand and its relationships can be explained as "a corporate brand involves, in most instances, the conscious decision by senior management to distill, and make known, the attributes of the organization's identity in the form of a clearly

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defined branding proposition. This proposition underpins organizational efforts to communicate, differentiate, and enhance the brand vis-à-vis stakeholders groups and networks. As such, a corporate brand proposition requires total corporate commitment from all levels of personnel. It particularly requires CEO, and senior management loyalty as well as financial support". He furthermore stated that there are three virtues that should help manage the corporate brand which should:

- Communicate clearly the promises of the corporate brand
- Differentiate the corporate brand from its competitors
- Enhance the esteem and loyalty of the organization that is given by the customers and stakeholders

Hatch and Schultz (2001) outlined three key aspects of corporate branding; vision (managers), culture (employees) and image (stakeholders). They further stated that these three namely vision,culture and image outlined above have to be aligned in order to have a strong corporate brand. The vision which is put up by the managers of the company has to be clearly communicated to the stakeholders, the stakeholders goals also have to be defined, and their expectations have to be outlined. This has to do with the associations of the brand, how the stakeholders and employees are interacted and it the employees care about how the image is perceived by the stakeholders (*ibid*).

According to Ind (1997), corporate brand is the image that the stakeholders get of the corporation that includes the communication, behaviors and the values of the company. McDonald et al, (2001) stated that corporate branding focuses on the brand's positioning and is consistent with its activities which also facilitate the understanding of the organization's activities and communicates a clearer message to the customers. Knox and Bickerton (2000) stated that corporate branding strives to create differentiation and preference for a product or service in the mind of the customer which relates to product marketing.

Urde (2003) stated that corporate brand might have a role of building relationship with the government, the financial sector, and the rest of the society.

2.1.5 Motives for Creating a Corporate Brand

Yu Xie and Boggs (2006) argued that the motive for creating a corporate brand is to differentiate the firm from its competitors. They further stated that corporate identity, represented by the firm's ethics, goals and values, works as an important corporate asset to differentiate the firm from its competitors. Due to the fact that products are rapidly imitated, the corporate values and images appear as important in differentiation strategies (*ibid*).

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The benefits of a corporate brand is according to Balmer (2001) "increased public profile, customer attractiveness, product support, visual recognition, investor confidence, encapsulating organizational values, and staff motivation".

There are advantages to link the brand name with its corporate name (McDonald et al. 2001). This tends to create trust and confidence in the brand within its consumers. Furthermore they state that this strategy creates other advantages as well such as economies of scale. However McDonald *et al* (2001) stated that the benefits of this strategy might be exaggerated when entering new markets. This is because this strategy often inhibits the company's ability to enter a new market because the products do not fit in with the existing customer base (ibid).

Hatch and Schulz (2003) stated that a strong corporate brand has a major impact in creating a positive consumer attitude towards new products and services. They further stated that corporate branding is important in the selling process "corporate branding brings to marketing the ability to use the vision and culture of the company explicitly as part of its unique selling proposition".

It has been argued that corporate branding involves the total corporate communication mix, and needs integration of both internal as well as external communication (Hatch & Schulz 2003).

According to Balmer (1995) in order to achieve a successful corporate brand management depends upon; "having a clear corporate mission and philosophy, understanding the company's corporate personality and corporate identity; and having accurate information regarding perceptions held of the organization by its stakeholders".

Companies that undertake a corporate brand need to have strong linkage between the products and services and the corporate name (Kay, 2004). Some companies that have corporate brands connect the products to a social corporate mission, and the company's values and identity is reflected in the brand (ibid).

2.2 Service Quality

Service quality is very crucial in today highly technological world where ideas and products can easily be copied. A company can differentiate itself from competitors by providing high quality service. Gronroos (2000. pp.20) defined service quality as " a process consisting of a series of more or less intangible activities that normally, but not necessarily always, take place in interactions between the customer and service employees and/or physical resources or goods and/or systems of the service provider, which are provided as solutions to customer problems". Since services are more or less intangible it is therefore highly difficult to evaluate prior to consumption. Since service offering also involves the interaction of the

service provider directly, the motivation of the employee will also affect the service quality level.Again,the direct involvement of the service provider means also that his mood, level of energy and his condition affect the degree of service quality. Fogli (2006) define service quality as "a global judgement or attitude relating to a particular service; the customer's overall impression of the relative inferiority or superiority of the organization and its services. ......service quality is a cognitive judgement". Since it is based on the judgement of the customer, the level of satisfaction will depend much on his level of perceived value relative to the actual service received. Hence Schneider and White (2004) posited that service quality is "a judgment about a service's overall excellence or superiority". In furtherance to this Parasuaranman *et al.* (1988) added that the perceived value is the customer's overall assessment of the utility of a product based on perceptions of what is received and what is given. To him perceived value takes into account the price of the service in addition to the quality. Other writers have also added that the quality of a service is the result of the comparison between the expectations of the customer and the performance of the service. Caruana (2002) and Parasuaraman *et al.* (1988) again posit that the difference or discrepancy between normative perceptions of the quality and service performance is service quality. So one can ascertain that the narrower the level of discrepancy, the higher the perceived level of service quality and vice versa.

What constitute perceived service attributes or service dimensions also vary among researchers. Parasuaranman *et al.* (1988) concluded on five service quality dimensions called SERVQUAL: tangibles (appearance of physical facilities, equipment, personnel, and written materials), reliability (ability to perform the promised service dependably and accurately), responsiveness (willingness to help customers and provide prompt service), assurance (knowledge and courtesy of employees and their ability to inspire trust and confidence), and empathy (caring and individual attention the firm provides its customers). To them reliability is considered the essential core of service quality. The SERVQUAL dimensions are generally applicable to most services. However, Bahia and Nantel (2000) conducted a research to develop a more valid measurement of perceived service quality. They criticised the SERVQUAL approach and developed a new measurement for perceived service quality.The model comprises of 31 items classified into six dimensions as: effectiveness and assurance, access, price, tangibles, range of services offered, accuracy and reliability. They proved that these dimensions are more reliable than the dimensions of SERVQUAL.

In most cases however the ability for a telecom company to achieve these successfully would also depends on the level of motivation of the staff as the customers are much dependable on the employee to execute the service.

Johnston (1997) also carried out a simlar findings in which he provided 18 service dimensions: access, aesthetics, attentiveness, availability, care, cleanliness/tidiness, comfort, commitment, communication, competence, courtesy, flexibility, friendliness, functionality, integrity, reliability, responsiveness, and security. These are a combination of the work of others but the essence lies in the ability of these to implemented.

2.3 Customer Satisfaction

The concept of customer satisfaction is so impotant that it has received a lot of attention in the telecom industry. Because telecom companies are competing to win customer interest, they try to create a good impression in order to enjoy repeated customer patronage. Parasuranam *et al.* (1988) who believe that customer satisfaction is the outcome of good service quality delivery. Characteristics of customer satisfaction may include change of attitude positively towards the product or service, positive word of mouth advertisement to other consumers, increased quantity or variety of patronage and repeated customer intention. Whenever a customer wants to patronise a particular service he forms some level of expectation which he want to achieve compared to his current state and then evaluates the outcome after the service consumption is completed. Oliver (1980) had also posited that customers usually have some level of perception about the level of satisfaction they want to attain and hence will become naturally dissatisfied if a discrepancy exist after patronising the service. This is in consonance with the study of Levesque and McDougall (1996) who argues that competitive pricing in form of interest rates, internal customer or employees satisfaction and their problems solving abilities are important in maintaining customer satisfaction. In their conclusion, they stated that competitive pricing and convenience are the most important factors determining customer satisfaction among telecom customers. In contrast to their view Jamal and Nasser (2003) were of the view that to take convenience and competitive pricing as generic factor determining customer satisfaction is wrong and argued that this cannot be applicable to all gender, age and income groups. Other researchers have found varying attributes that affects customer satisfaction in the telecom sector. It is now left with the company to determine the variables that mostly affect the customer positively or those attributes that create more value and hence put more emphasis on it in their corporate brand strategy in order to get their loyalty.

Zaim *et al* (2010) had posited in his research that tangibility, reliability and empathy are important factor for customer satisfaction,a repetition of the work of parasuaraman(1988) although he tried to echoe on the most important elements. However Mengi (2009) pointed that responsiveness and assurance are important factors. This ascertation may depends on the setting in which the company is located as these factors do vary from one country to another. Kumar *et al*. (2010) and Lai (2004) who concluded in their findings that assurance, empathy and tangibles are the important factors in the telecom sector. The factors thus seems to vary among customer locations and geographies as well as what they value best in the pre-patronage stage. This is because a study conducted by Baumann *et al*. (2007) found that tangibles are not related to customer satisfaction which is in contrary to the study conducted by Kumar *et al.* (2010), Lai (2004), Ahmed *et al.* (2010) and Parasuaraman (1988). Bauman *et al.* (2007) argues that empathy is negatively related to customer satisfaction. It is therefore tempting to believe that there are no universally accepted or uniquely identified attributes that can directly lead to customer satisfaction and preference behaviour. The level of satisfaction may depend more on the level customer expectation and perception and since perception and expectations vary from time to time, it might be very difficult to think of specific variables that will influence satisfaction.

Notwithstanding these arguements, it is very imperative to note however that in today's highly competitive environment, merely customer satisfaction is not enough. Timmers and van der Wiele (1990), had noted thesame need in their finding and pointed out that "there is a compelling need to delight the customer if a competitive advantage is to be achieved". This argument was supported by Kandampully (2000) who argued that only delighting the customer is not enough but the core emphasis should be on how to gain competitive advantage to stay ahead of competition. This is because of the reason that it is easy to copy services. Most customers who are inherently loyal to their service providers and will naturally want to ensure repeated patronage and longer lasting relationships even if they are not too delighted and if only the service providers are consistent and reliable. This desire of seeking a longer lasting relationship with the service providers inherently by the customer is not only because of the unique features in the services but also because they may be naturally attached to the company so much that the cost of switching tends to be too high to consider. The most important factor is how to overcome the elements or characteristics of service namely intangibility, inseparability, heterogeneity and perishability (Kandampully, 2000). There is thus the need to exceed the customer expectation by delighting the customer with exceptional service offerings through continuous innovations,greater reliability and consistency. This

makes the service process as well as the personal contacts in the service process very important. Kandampully (2000) had noted that an exceptional service is usually associated with personal interaction between the customer and the service provider. It is therefore imperative to strengthen the human element of the service offering in order to delights the customer. It is important to note that the same service can be provided differently to differnt consumers by the same service provider hence the need to instil discipline in the mode of service provision to ensure consistency.

2.4 Service Quality and Customer satisfaction linkage

The concepts of service quality and customer satisfaction relationships have not been widely conclusive. It is very debatable in that while some finding believe that an interrelationship exist between them, other think that an antecedent do exist where one leads to the other. Some empirical studies been done to confirm the relationships (Parasuaranman *et al.*,1988; Jamal and Naser,2003;Beerli *et al.*,2004). But most of these researchers discovered that service quality is the antecedent of customer satisfaction (Parasuraman *et al* 1988; Lee and Hwan, 2005; Naeem and Saif 2009; Kassim and Abdullah, 2010; Kumar *et al*., 2010). To them good service quality attributes reistate customer satisfaction but not all these attributes have the same level of significance in terms of the importance customers attach to the service quality attributes. In finding support to these arguments Parasuaranman *et al* (1988,pp.132) tries to draw a line between service quality and customer satisfaction. He posited that "service quality is a global judgement, or attitude, relating to the superiority of the service, whereas satisfaction is related to a specific transaction" (P.132). Since customer satisfaction relates more to a particular transaction emphasis should be made on providing consistent service at all time in order to keep same level of superiority and this applies to the process itself and the service provider at the point of the transaction.

Yee *et al* (2010) and Beerli *et al* (2004) however, expressed a different opinion as they found that service quality has a positive influence on customer satisfaction and that customer satisfaction is an antecedent of service quality. Their argument was in support of an earlier finding by Bitner (1990) who in support pointed out that customer satisfaction is the antecedent of service quality. To them the need to satisfy the customer causes service providers to improve upon their service quality.

2.5 Customer Loyalty

The concept of customer loyalty has received a lot of attention in the telecom industry. They are now puting more emphasis on its application because of it inherent benefits. It is however a very complex concept as its conceptualisation includes a lot of dimensions. Oliver (1980)

defined customer loyalty as a deeply held commitment to re-buy or re-patronise a service or a product repeatedly despite the fact that the buyer may have been influenced by situational factors and marketing efforts which have the potential to cause switching behaviour. Ndubisi (2005) and Pfeifer (2005) had posited that the cost of serving a loyal customer is five or six times less than the cost of acquiring a new one. This is line with the view expressed by Walsh *et al*. (2005) when he said that it is cheaper to look after existing customers than acquiring new ones. It is even much easier to introduce new policies and make prices changes of products to loyal customers than a new ones and loyal customers are operationally less expensive to deal with than new ones. This notion was supported by Gee *et al*. (2008) who stated the advantages of customer loyalty to be associated with less service cost, potentially willing to pay more for a set of products and would naturally serve as a source word-of-mouth advertisement for products.

From the definition, customer loyalty can be conceptualised to include both attitudinal and behavioural dimensions (Lewis and Soureli, 2006; Wangenheim and Bayon, 2004). In their study they expressed the view that the if a customer is behaviourally loyal he will conform to behaviours that are in favour of the company and its products than a competitor and will display attitudes that will favour the company such as repeated purchase, purchase variety and quantity, purchase frequently, and will most likely not deflect or switch. In contrast, the attitudinal approach consists of consumer emotions towards the brand, his attitude towards telling people about the brand, and his disposition about the brand. In the telecom sector however, a customer might be loyal behaviourally but might not be satisfied with the services or products and hence might not possibly switch due to other correlated factors preventing him from doing so. In this case he might choose to spread his savings or decrease the total value or volumes of transaction.

Lee and Cunningham (2001) in their findings have noted that much has been said about brand loyalty but little is expressed about service quality possibly due to the very nature of service features such as intangibility, inseparability (Kandanpully,2000) and non standardisation which make trust, reliability and confidence play a major role in service loyalty. Foss and Stone (2001) has posited that loyalty relates to the state of mind, something that is complex to perceive more likely related to customer mindset, his set of attitudes, beliefs and which reinforce positive actions towards the product and its associated behaviours. Therefore to get the customer loyalty, there is the need to instil some kind of confidence and trust in the customer and strive to maintain a very good relationship with the customer in order to

motivate him to express his expectations about the service offering so that the service provider will continue to meet his needs to keep him profitable in the long run.

2.6 Corporate Image and customer loyalty

The telecom sector is so driven by advancement in modern technology that it has become increasingly important to devise innovative methods of satisfying the customer. Literature has proven that loyal customers are more profitable, less expensive to maintain, and not too sensitive to price and policy changes. Customer loyalty is thus an integral part of achieving long term profitability. Customer loyalty and profitability are themselves the outcome of a combination of various elements or attributes such as service quality, customer satisfaction. Other factors that may affect customer loyalty could be trust and corporate image or identity. According to Barich and Kotler (1991), corporate image is the overall impression made about the physical and behavioral attributes of a firm such as business name, architecture, variety of products/services, and interaction with the firm's clients (Nguyen and Leblanc, 2001). Because of the nature of services which are highly intangible, corporate image attributes are considered important in the customer evaluation process of services (Aydin and Ozer, 2005). Kotler (1994) had posited that due to the nature of services, their initial consumption becomes relatively risky and customers will be looking for tangibles associated with the service to be convinced that they are patronizing quality service. Corporate image such as the company colors, organizational culture, mission and vision of the company can be used by customer as visible signs that will facilitate the drawing of more positive inferences in the new relationship, which in turn positively influences customer loyalty.

2.7 Trust and customer loyalty

Trust is proposed as another important antecedent of loyalty (Reichheld and Schefter, 2000). Due to the nature of the telecom industry, trust now plays an integral part of the customer loyalty process in building long-term relationships. Trust is consistently related to the vulnerability of the trustor (Singh and Sirdeshmukh, 2000). Business of late is mainly built on trust and especially in the telecom industry where only few people are able to understand the risks inherent in undertaking some transactions. Trust thus becomes crucial in creating an atmosphere free of suspect. Very few customers always have the time or understand the risk elements associated with certain transactions in the telecom**.**

2.8 Conclusion

This chapter reviewed empirical findings and literature concerning the concept of corporate branding. It demonstrtaed that various authors have conducted research works to determine the relationships between corporate branding and consumer purchase decision and how these

linkages impact on profitability. The topic also touched on customer satisfaction and service quality and how they relate to consumer buying decision in subscribing to a particular network. Finally the concept of corporate image was discussed and the linkages beteen corporate image and customer loyalty and their impact on consumer purchase preference was discussed.

CHAPTER THREE
RESEARCH METHODOLOGY

3.1. Introduction

Bryman and Bell (2003) explains the term methodology to mean a framework or a structured process through which a research is conducted. According to Ghauri and Grönhaug (2005), it is one of the most important parts of the research process as it constitutes a set of rules and procedures that must be followed to attain "reasoning,intersubjectivity and communication". The chapter incorporated corporate branding as the main study area; the population and sampling technique used was purposeful sampling technique and random sampling technique respectively. The data collection procedure made use of both closed and open ended questionnaires. The chapter concluded with a reserach design and a data analysis method.

3.2. The Study Area

In this part of the research, the researcher talked mainly about the concepts of corporate branding and how it impacts on consumer purchase preference in the Ghana telecom industry. Emphasis are therefore on the characteristics of a corporate brand, the types of corporate brand, how to develop and manage a successful corporate brand and motives for creating a corporate brand. Other concepts discussed were service quality, customer satisfaction,trust and loyalty and how they impact on consumer purchase motives.

3.3. Population and Sampling Techniques

Literature has defined population as the totality of items under consideration. In this research the population was the entire Ghanaian mobile phone subscribers. However as it impossible to contact the entire population due to time and resources constraint, it was necessary to select a sample. According to Kumar (2005.pp.fv n nmjhn u úúikjm, 45) a sample consists of a subgroup of the population. Consequently, the sample constituted those customers who actually answered the questionnaires. The sample size was 100 retail customers in the Greater Accra.

];…A disadvantage about this sample size is its inability to support a generalisation. All the five telecom operators in Ghana have been approached to allow the interviewer to contact ,m;;lool./the age of 65. As it is purported that Ghana has male dominance of mobile phone subscription, more of the respondents were men. All the respondents had some network of a type while others had crosed networks. Only those who were willing to answer the questions did answer the questions. In selecting who should be contacted a simple random sampling technique was used where each respondent had the equal chance of been asked to answer the

questionnaires. The advantage of selecting this method is the ease with which the data is analysed and its simplicity. A disadvantage however is the fact that it is hard to achieve in practice,requires an accurate list of the entire population and hence more expensive to conduct especially if the sample is scattered.

3.4 . Data Collection Procedure

For purposes of triangulation (Ghauri and Grönhaug, 2005) both primary and secondary sources of data were used. However because the topic involves consumer behaviour and taste which continually change, emphasis was placed on the use of primary sources. According to Kumar (2005) primary sources are sources of data collection where the data is collected for the specific purpose at the time of collection. The primary source of data were collected primarily through survey of mobile phone subscribers using questionnaires. The study also made used secondary sources of data. To Ghauri and Grönhaug (2005) secondary sources of data are data that were collected, recorded and used previously. The secondary sources of data were from featured periodicals, company websites and journals.

3.5 . Research Instruments

These are the tools that are used in collecting the research data. Various research instruments can be adopted in collecting any research data. These include structured or unstructured observation, scales, interview, and questionnaires. Each of these has its advantages and disadvantages. For purpose of this research thesis, a set of questionnaires were used. Kumar (2005) view questionnaires as written list if questions which are read by the respondents,interpreted according to their understanding and provide responses which are then recorded either by the interviewer or the interviewee. A set of closed-ended questions were used in addition to few open-ended questions. The questionnaires were organised in six parts. Part A of the questionnaires talked about the profile of the respondents. In Part B of the questionnaire, a set of questions on the subscriber preferences were asked using a one directional likert scale where respondents were asked to rank the extent to which they agree or disagree with the constructs as they relate to brand preferences. Part C of the questions talked about respondents likeness for the brand of their chosen service provider, their ability to recommend and whether they are willing to switch to other service providers. Part D talked about the nature of the services provided interms of service quality. Part E talked about customers loyalty and trust for their chosen brand(s). The last part of the questionnaire namely part F talked briefly about pricing. All these questions (from Part

A-F) were mainly closed ended questions. The reason for using closed ended questions was to facilitate easy analysis and avoid pre-emptive judgements. To esure that respondents were not influenced by their own opinion in answering the questions, attitudinal scale was employed using one directional 5-point likert scale where each statement and value carry equal importance with 5 representing the highest score (highly agree) or highly important and 1 representing the lowest score (highly disagree) or not important were used. The last part of the questionnaire also included some few open ended questionnaires to give the respondents the opportunity to express their views about their feelings of their individual service providers.The advantage of this method is that responses are gathered in a standardised way, so questionnaires are more objective and relatively quick to collect information. The disadvantage of using this method however is that questionnaires are standardised so it is not possible to explain any points in the questions that participants might misinterpret. Also, open-ended questions can generate large amounts of data that can take a long time to process and analyse. Finally, respondents may answer superficially especially if the questionnaire takes a long time to complete.

3.5.1. Administering the Questionnaires

Out of the total of 120 questionnaires that were administered, 112 were returned making up of 93% returns rate. Out of the 112 receieved, 12 questionnaires were not included in the analysis as they were incomplete and incorrectly filled. Furthermore 8 completed questionnaires were receieved after the exercised was completed. The A total sum of 120 questions were set to be administered, out of which 112 completed questions sample size eventually consist of 100 mobile phone subscribers. These questions were administered in selected 20 mobile phone shops in Accra. The respondents were interviewed briefly before they were given the questionnaires to answer. All sections of questionnaire were structured where a set of predetermined questions are asked. The choice of this method is to foster uniformity and ensure comparability of deta. The questions were simple to understand and consistently worded. This is in consideration of the fact that the sample respondents include illiterates, very young people and very old people alike.

3.5.2. Establishing validity and Reliability

According to Babie (1990, pp.133) "validity refers to the extent to which an empirical measure adequately reflects the real meaning of the concept under consideration". This

definition was supported by the view of Smith (1991) who posited that validity tries to address the extent or degree to which a research has measured what it has been purported to measure. In other words it reflects the extent to which the study measures what it claims to investigate (Ghauri and Grönhaug, 2005). To ensure face and content validity most of the construct used in the research instruments has been logically linked with the objectives of the study and also connotes with sound theory in the literature review. The issue of reliability is also addressed. To prevent unreliability the researcher first of all ensure that the wording of the questions are not ambiguous; ensured that the questions are administered from the same setting; ensured that all respondents are asked if they are ready and willing to answer the questions and finally ensured also that the level of interaction between the respondents and the interviewer is the same throughout the survey.

3.6. Research Design

The analytical framework of any research can lend itself to either quantitative or qualitative analysis. Bazeley (2002,pp. 2) had made a distinction between the two paradigms when he noted that " Qualitative and quantitative approaches have been distinguished (and thereby defined) on the basis of the type of data used (textual or numeric; structured or unstructured), the logic employed (inductive or deductive), the type of investigation (exploratory or confirmatory), the method of analysis (interpretive or statistical), the approach to explanation (variance theory or process theory), and for some, on the basis of the presumed underlying paradigm (positivist or interpretive/critical; rationalistic or naturalistic)". Since this research seeks to determine the extent to which corporate branding impacts of on consumer purchase decision and involves variables that are more or less cause and effect and are very closely related it becomes necessary to be more quantitative than qualitative.

3.7 . Data Analysis

According to Ader (2008) analysis of data is a process of inspecting, cleaning, transforming, and modeling data with the goal of highlighting useful information, suggesting conclusions, and supporting decision making. Data analysis can be grouped into descriptive statistics, exploratory data analysis (EDA), and confirmatory data analysis (CDA).This thesis involved the use descriptive analysis using univariate models and employing the use of Excel. Frequencies, percentages and graphs were used in assessing the role of corporate branding in mobile telecommunication sector. Each datum was examined and analyzed on its own merit and grouped into various aspects in line with achieving the stated objectives of the study.

CHAPTER FOUR
ANALYSIS AND DISCUSSION OF FINDING
4.1. Introduction

In this chapter the data gathered through the survey were analyzed alongside with literature. A summary of the demograhic data of the respondents observed. The chapter concludes by discussing the results of the findings in relations to theory presented in the literature review.

4.2. Demograhic profile of respondents

Out of the total sample of 100 respondents interviewed 35 percent were female and the remaining 65% were males. There is therefore male dominace in retail banking in Ghana. See
table 4.1

Table 4.1: Summary of Responses,2011

Age Range	Total	Males	Females
18-30	25	10	15
31-40	39	25	14
41-50	26	14	12
51-60	12	9	3
61-80	10	6	2
Total	**100**	**64**	**46**

Out of the 46 females contacted 41 of them representing 89% were within the age range of 18-50. Only 2 female was above the age of 60. The longest retail serving customer was a female who had a network with MTN thirteen (13) years. With all the females interviewed 3 of them respresenting 6% had Postgraduate, 20 respondents had bachelors degree making up of 43% while 15 of them representing 33% had high school level qualification. The remaining 8 representing 17% had no formal qualification. No female respondent were below the age of 18. All the females had some kind of profession ranging from University lecturers to petty traders.

Out of the 64 male respondents who answered the questionnaires 32 respondents representing 50% had bachelors degree and 9 respondents had PhD constituting 14%. The remaining were as follows; 11 respondents representing 17% had high school qualifications and 13 making

up of 20% had no formal qualifications. A whooping sum of 39 respondents making up of 59% fell within the ages range of 31-40 years. Only 2 male respondents making up of 3% were above 70 years. All the male respondents contacted had identifiable banks and had profession with the logest period of a serving customer been thiry-five (35) years.

4.3 Market Share of Networks

According to research, respondents were asked that do they have a mobile phone connection and used five main service providers as reference. All 100 respondents had mobile phone connections. The results are shown graphically below in Figure 1 below.

Figure 1: Market Share
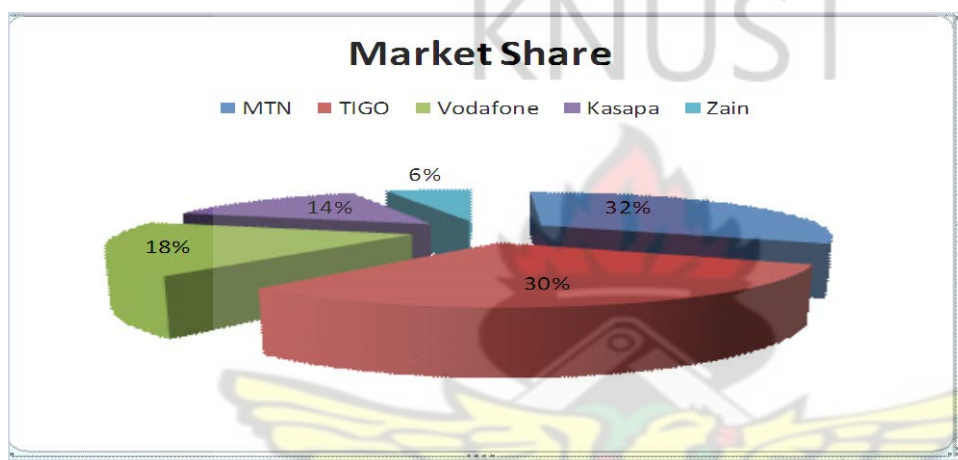
Source: *Field Survey, 2010*

It is obvious from the graph above that MTN has the largest Market share of mobile phone subscribers. But TIGO is also gaining many grounds in acquiring major market share in the phone industry. The recently launch VODAFONE with its aggressive marketing campaigns and vibrant sales force will also take some grater parts of the market share as consumers are building much trust in that brand. Therefore is obvious that in the near future the figures representing the company's share of the market will change.

To check what motivates consumers decision for choosing a mobile phone service provider responses were divided as follows: company name (brand), Service offering, Network quality, loyalty & Trust, Network Coverage, Price and finally Customer Services. Out of the total of 100 responses 9% selected company name (Brand), 20% selected Service offering, 10% selected Loyalty & Trust, 44% selected price, 14% selected Netork Quality, 4% selected Coverage, and 13% Customer Services as influencing factor for their selection of mobile phone connection. The results are illustrated graphically in Figure 2 below.

Figure 2: Determinants of major connections

Factors affecting network choice
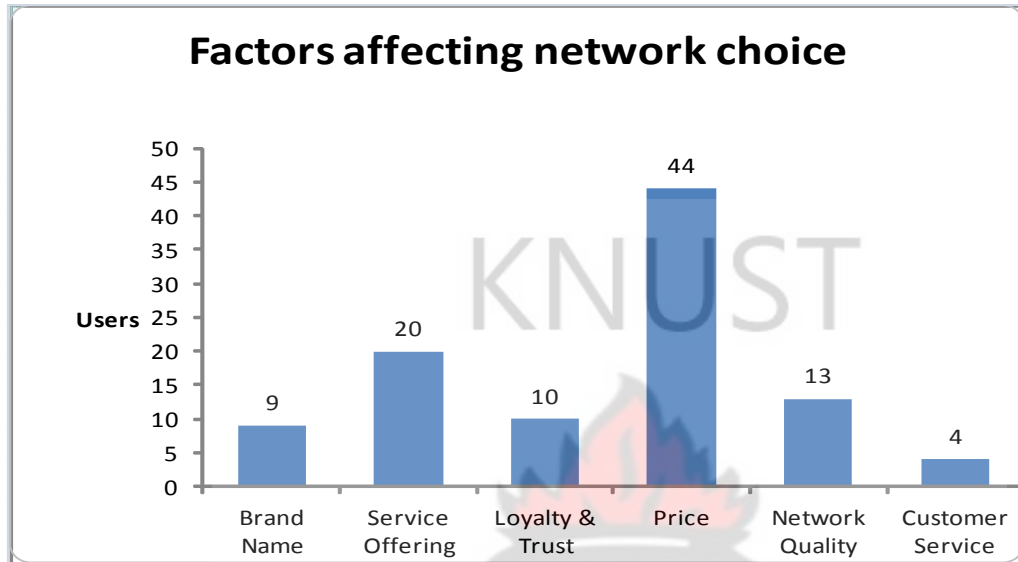
Source: *Field Survey, 2010*

From the graph displayed it is very clear that mobile phone subscriptions are mainly determined by the ability of the consumer to pay for the product i.e. the price. This is the reason why price as an influencing factor carries more weight in determining customer preference in mobile connection. Therefore if any service provider wants to gain more customers preferences, there will be the urgent need to pursuing a low cost strategy that will replicate in low prices to attract many subscribers. Since price play an important role in the marketing mix decision,it is imperative to ensure that a good pricing strategy is adopted taken into account the company profitability,competitive environment and the customer effective demand.

4.4 Brand

Out of the total number interviewed, 9 respondents selected brand name as a major influencing factor in deciding a network choice. Out of this number we needed to find out the extent of customers emotional attachement with their chosen brands. Figure 3 shows the outcome. Out of a total number of the 100 sample size, 15 respondents representing 15% responded as highly attached, 16% responded as attached, 32% responded as average and somewhat attached and 13% responded as not attached with their brand. The results are shown graphically in the Figure 3.

Figure 3 Brand Attachment by Consumers
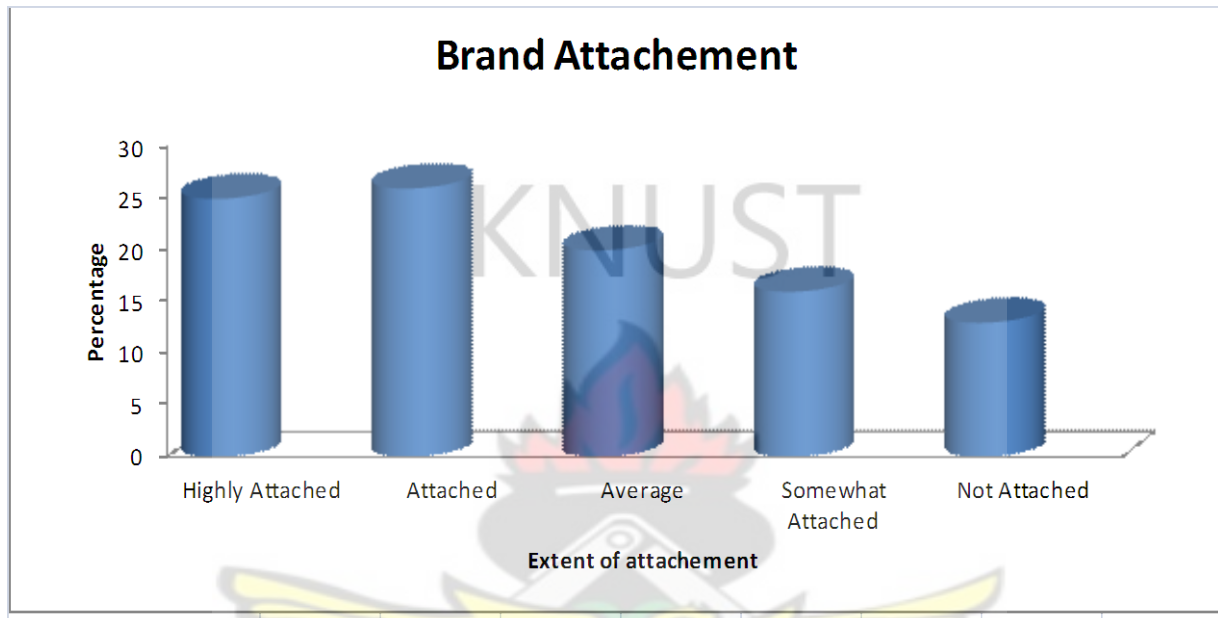
Source: *Field Survey, 2010.*

The analysis above shows a positive correlation between customer purchase decision and a particular chosen brand. However, the analysis show that consumers do not purchase or subscribe to a brand solely due to their emotional attachment with the brand. There are other factors that are also considered and these include the price, service quality, loyalty and trust.

To determine the level of satisfaction that consumers have regarding their chosen network/brand different sets of reponses were obtained. Subsequently, 40 respondents out of the total sample size representing 40% answered as highly satisfied with their cosen brand, 42 respondents representing 42% were of the view that they were satisfied, 8 respondents representing 8% answered as having average satisfaction with their chosen brand, 10 respondents representing 10% were dissatisfied. The results are shown in figure 4.

Figure 4 Brand Satisfaction Ratings
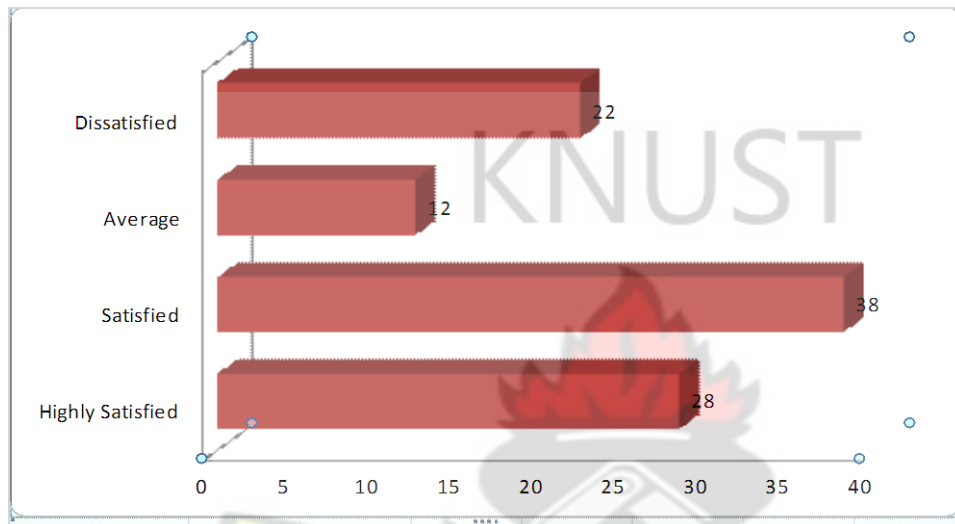
This graph indicates that although consumer have some emotional attachement with their chosen brands, they are not highly satisfied. Others are even dissatisfied with their chosen brands. It is highly probable that customers can have the intention to switch to other networks. It is therefore prudent that service providers try to prevent the constraints of their subscribers if they want to win consumers attention, trust and loyalty.

4.5. Service Quality

This part of the analysis obtained results for customer service quality. To check the importance of quality services (network and customer services) mobile phone subscribers attached to their chosen operators, 35% of the respondents were of the view that customer service was highly important in their choice of a mobile phone connection. On the other hand, 18% of the respondents feel that service quality is important, 24% of the respondent took average position while 19% were of the view that service quality is somewhat important. Only 4% of the respondents believe that service quality is not important to them in deciding a network choice. Figure 5 explaints that scenario.

**Figure 5: Importance Consumers attached to customer services**
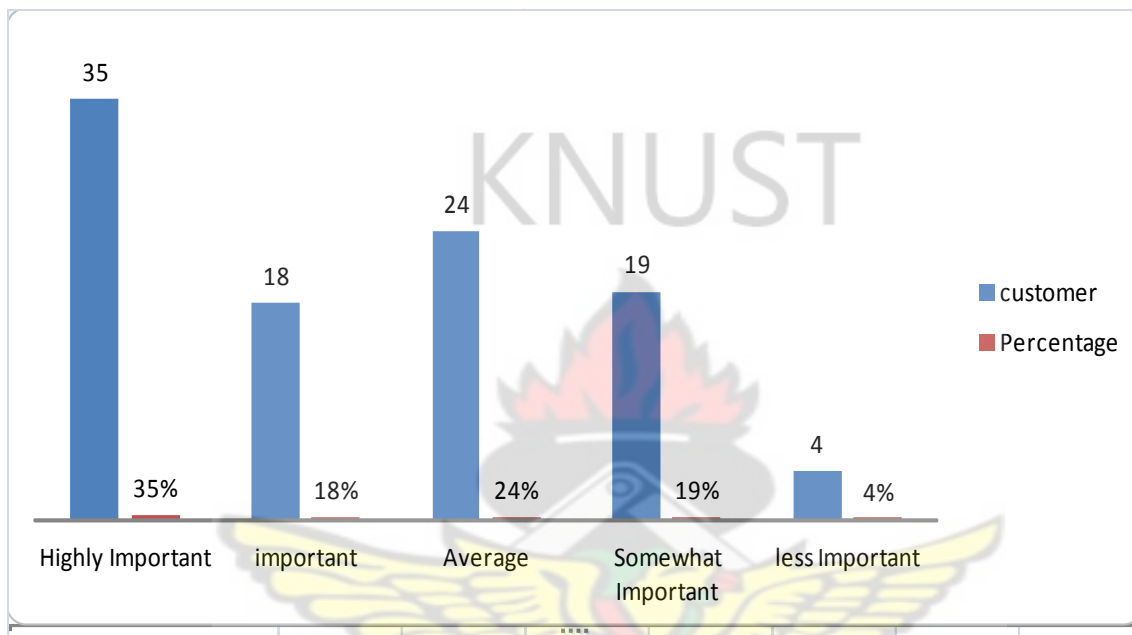
It clear from the graph that good customer service is very important in the mobile phone industry. To win the trust of the consumers and gain more market share there is the need to ensure that quality customer services are provided by all and sundry. This should sterm from the way customer are received to the way the product meet their needs. Hence it is important to adopt an integrated marketing and customer service campaign from top down management strategy and let it work along the levels of the company organogram.

To investigate the important consumers attach to network quality and coverage, 65 respondents representing 65% see network as highly important, 15 think it is important while 16 respondents selected average. On the other hand 4% selected somewhat not important and none selected not important. The results are shown graphically in Figure 6 .

Figure 6: Importance Customers attach to Network Quality
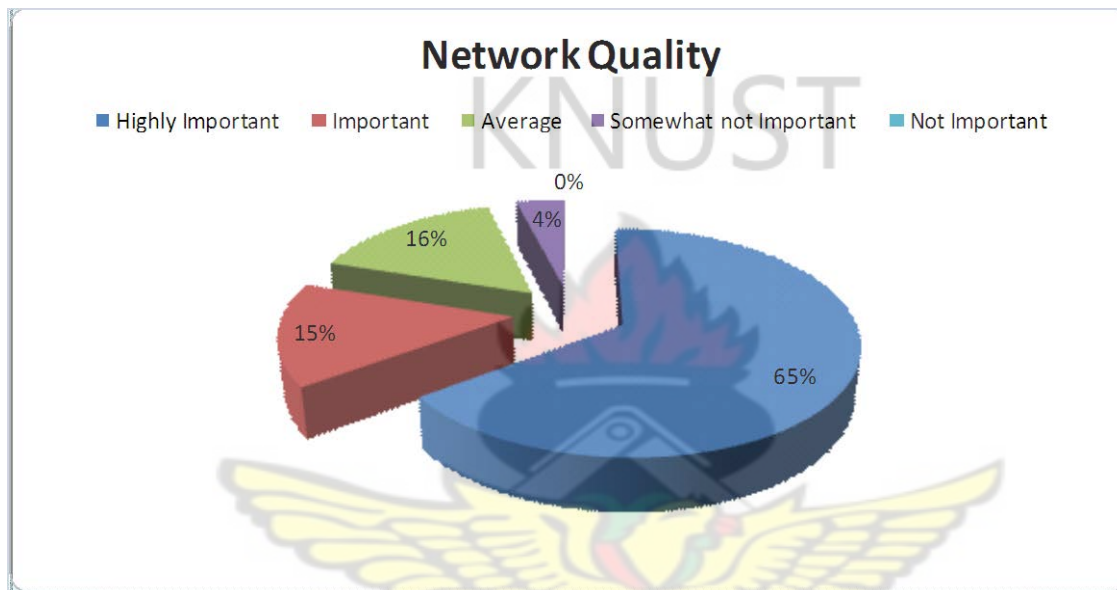
The graph above shows that customers are not merely interested in a network, but they attached more interest to the quality. No customer is willing to purchase a mobile connection with bad network as indicated in the graph. Only few customers will continue to patronise a particular operator with poor network and this may be attributed either to low tariffs or other factors.

4.6. Loyalty and Trust

To know the loyalty preference of the customers as to either they are loyal to company (brand) or service offering, 5% of the 100 respondents said that they chose this netwok because they are loyal to this company (brand) while 49% were of the view that they chose this network because of service loyalty. However, 19% were in middle of brand and loyalty and 16% were inclined towards somewhat loyalty while 11% towards brand. The results are shown in the graph below in Figure 7.

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Figure 7: Brand name versus service offering loyalty

loyalty v Brand preference
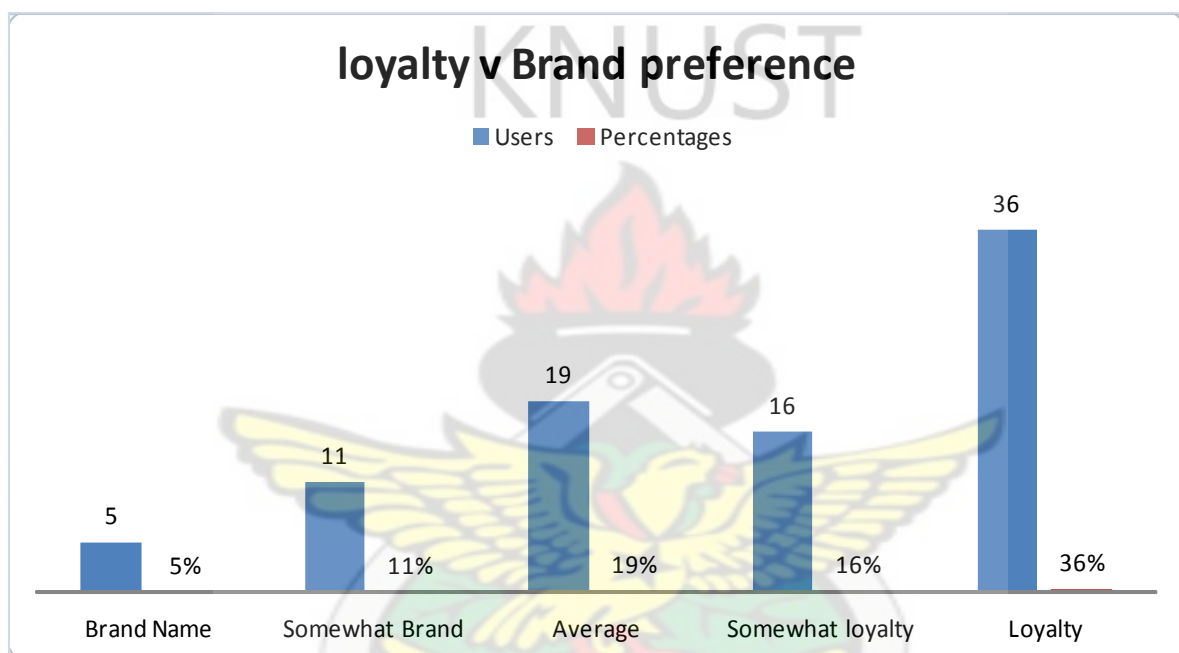
Source: *Field Survey, 2010*

The above figure shows that loyalty is very important in gaining market share in the mobile phone industry. Literature has proven that 80% of company's cash flow comes from 20% of loyal customers. The analysis however is showing that loyal customers attach more importance to service offering than the brand name. Although brand name is important, emphasis should be placed on availing more service offering if the comany intend to gain more market share.

To examine consumers choice of telephone connection whether the choice was due to the trust they hold about the network or it is due to the brand name, 18% of the respondents answered for brand name while 43% said it was due to the trust they hold about the network. Also 30% had average feelings while 4% were inclined to their trust for the network and 5% inclined towards the brand name. Results are presented graphically in Figure 8.

Figure 8 : Consumer Trust versus Brand Preference
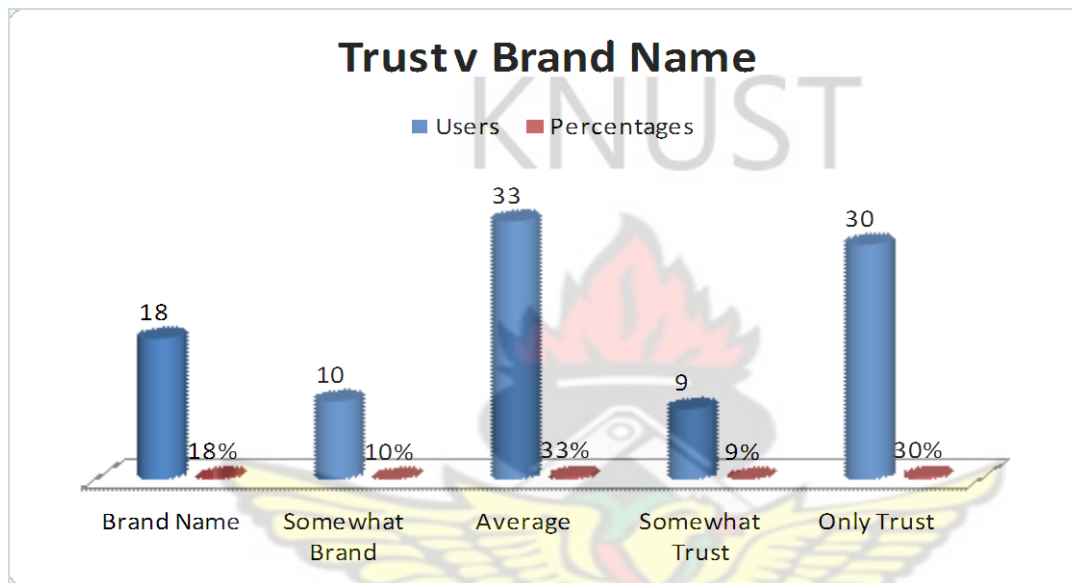
Source: *Field Survey, 2010*

The graph indicates that preference for a particular brand is not solely caused by brand neither is it caused by trust. There is thus the need for service providers to take other factors into consideration when trying to bring a consumer from the evoke set to choice set and finally a purchase decision, namely price,network quality and customer services.

In order to investigate about loyalty and trust with regards to the duration of patronage of a particular mobile phone service provider, a question was asked from the respondents as how long they have been using their chosen brands and it was revealed that out of the total number of respondents who answered 16% of the respondents have been using their brand for 5 or more years, 6% are using for 4 years, 5% for 3 years and 6% for 2 years. Data is shown graphically in the below figure 9.

Figure 9 : Loyalty Period with Brand

Usage Period with chosen brand

	1 Yr	2 Yrs	3Yrs	4Yrs	5 + Yrs
Users	12	20	13	15	40
Percentages	12%	20%	13%	15%	40%
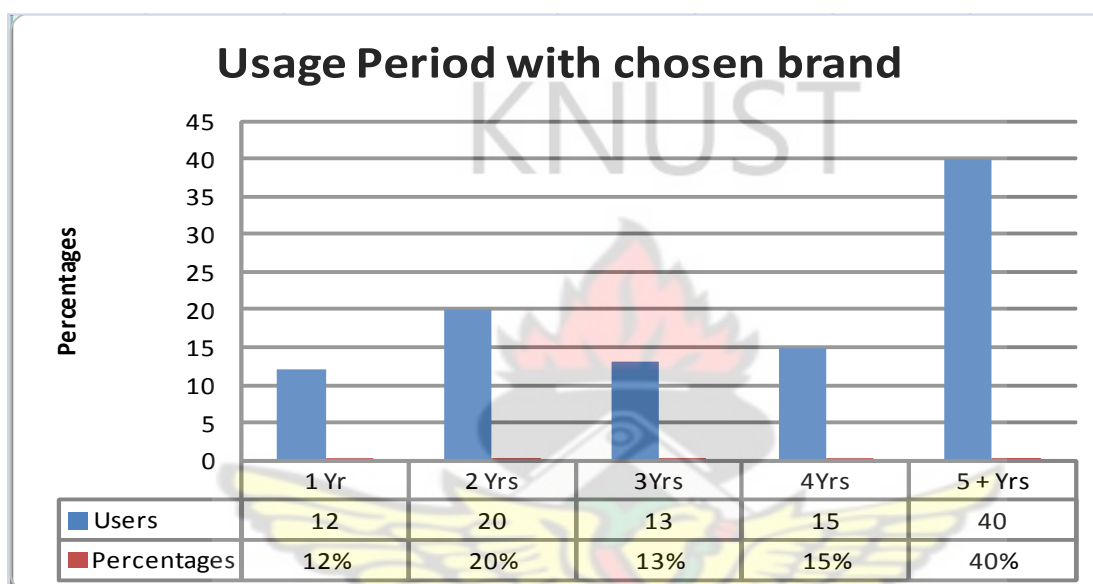
Source: *Field Survey, 2010*

The graph shows that people hardly change their network ones they have started using it. Although this assertion may be true, it is not always the case when it comes to the amount of money consumed on the said connection. It is possible that some consumers may have the connection of a particular service provider for a very long time but patronize less of its products or services. Same consumers may also be consuming more of a recently connected service provider either because of the price or the quality of service provided or both.

4.7. Price versus Brand in Purchase decision making

Fourth part of the questionnaire dealt with price as a reason for the purchase of the mobile phone connection. This part has three different graphical presentations in which price is discussed with other factors. To examine the relationship between price and company (brand), respondents were asked if they do prefer price to company name or brand. It showed quite strange result that 58 respondents representing 58% said that they prefer price most to brand and only 3 respondents making up of 3% said that they prefer brand name to price. On the other hand 18 representing 18% said that they prefer price as well as brand while making

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a purchase decision as compared to either only brand or price. However, 13 respondents representing 13% were not sure about it but they were more inclined toward price while 10% of the respondents were more inclined towards brand than price. This is shown graphically in Figure 10.

Figure10 : Price versus Brand decision
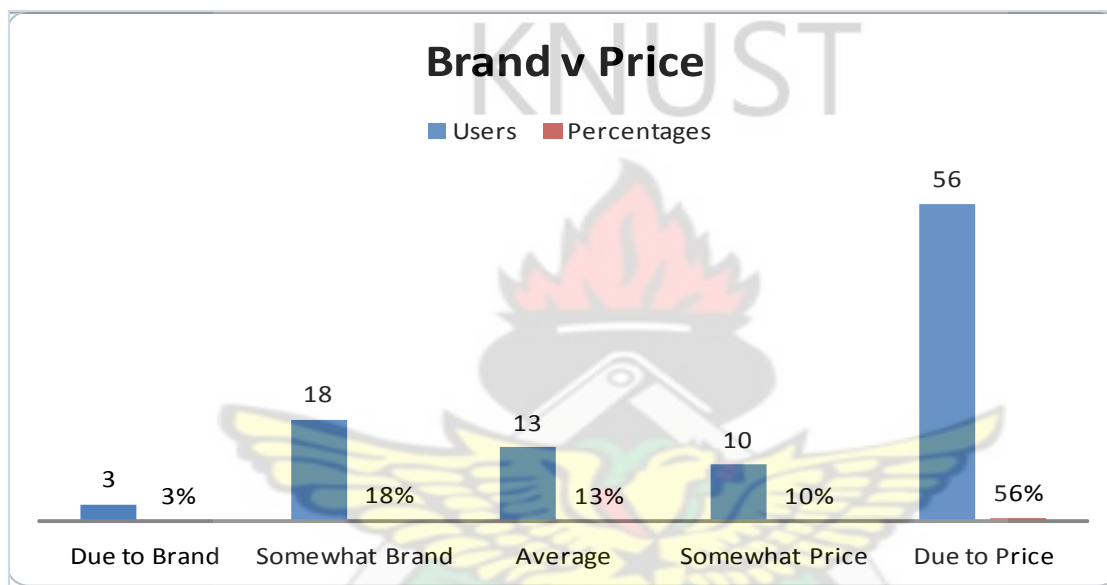
Source: *Field Survey, 2010*

The graph above shows a vivid picture that consumers mostly patronize a particular mobile service provider taking price as the most determining factor. Therefore for any service provider to gain much market share there is the need to pursue a strategy that will lead to low prices for its products or services. A low cost strategy could lead to low prices.

There was also the need to know the impact of price on purchase, whether it was high or low. Out of the total sample of 100 respondents 37 representing 37% replied that the impact of price was very high on their purchase, while 33% said that it was high. On the other 24% think it has average impact while 10% and 8% respectively believed that their purchase decision is taken without regards to price factor been low and very low respectively. The graph below in Figure 11 shows the result for this question.

Figure 11 : Price Impact on Consumer Purchase Decision
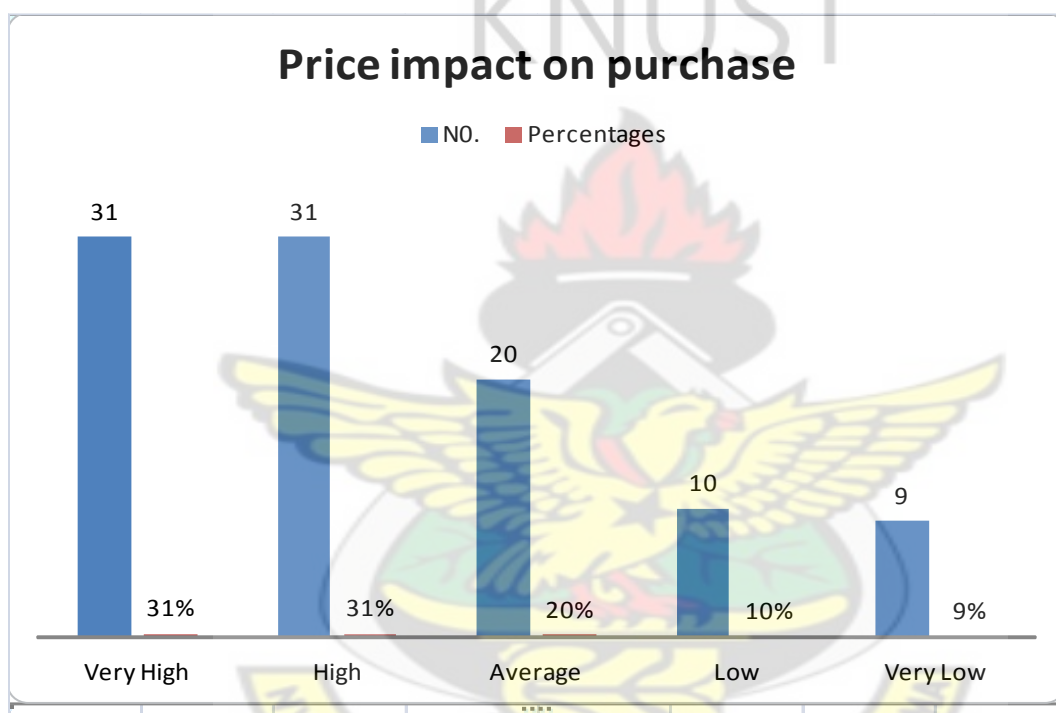
Source: *Field Survey, 2010*

It very clear from the graph that price plays a crucial role in determining consumer purchase decision and product patronage. In this competitive industry pricing determine the regularity and quantity of purchase. It is therefore imperative to know that when setting price for mobile phone products it is necessary to set prices that are affordable so that many consumers can afford it and by so doing increase the share of the market.

To check whether the prices paid by consumers to mobile phone subscribers is justifiable by the services they render, 40 respondents representing 40% were of the view that they highly Disagree, 31% were of the view that they Disagree. On the other hand 20 respondents representing 20% answered as average while 6 respondents making up of 6% were somewhat agree. Finally 3 respondents making up of 3% agreed that the services of their

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chosen brand are good enough to justify the price they pay. Find results illustrated in figure 12.

Figure 12 : Price Validations to Service offering

price validation to service offering

	Highly Disagree	Disagree	Average	Somewhat agree	Agree
Users	40	31	20	6	3
Percentages	40%	31%	20%	6%	3%
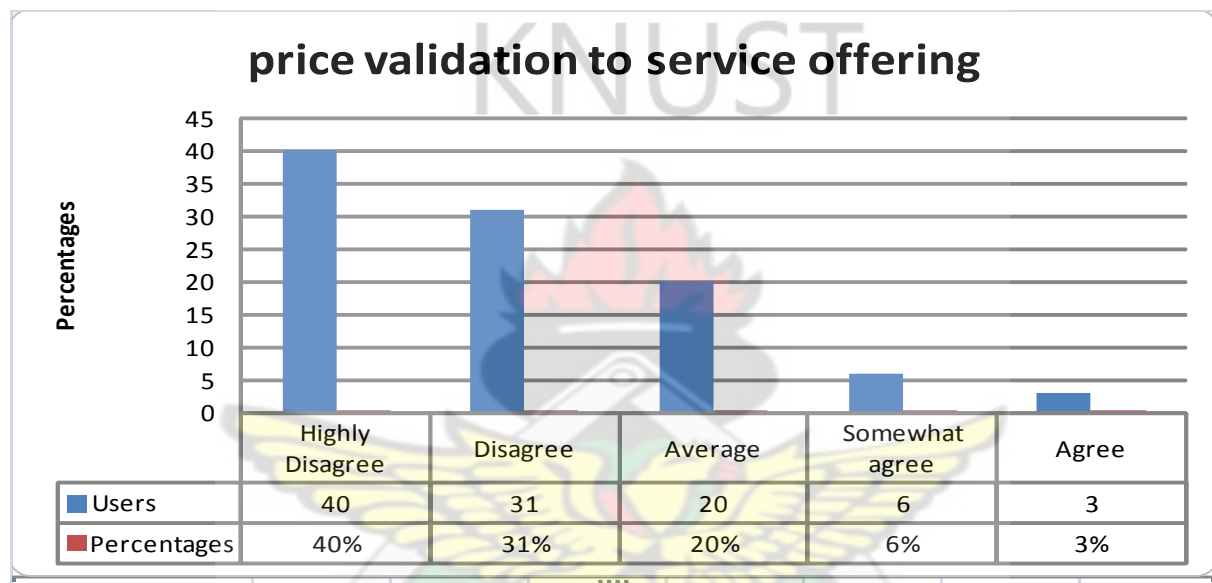
Source: *Field Survey, 2010*

The above graph indicates that consumers are more inclined to say that they are not satisfied with the price they pay for the brand and services offered to them. Therefore it means there is still some percentage of market shares still in the evoke stage of the buying process. There is the need to make customers believe that their expenses are justified by the services they receive from their service providers.

4.8. Past switching

To explore how many respondents switched from their previous usage 8 respondents representing 8% switched due to brand, 30 respondents making up of 30% switched service quality. On the other hand 40% switched due to price while 20% switched due network quality. Finally only 2% switched due to network coverage. This is illustrated graphically in Figure 13.

Figure 13: Consumers past Switching

Past Swiching

	Brand	Network	Price	Influence	Service Quality
Users	8	20	40	2	30
Percentages	8%	20%	40%	2%	30%
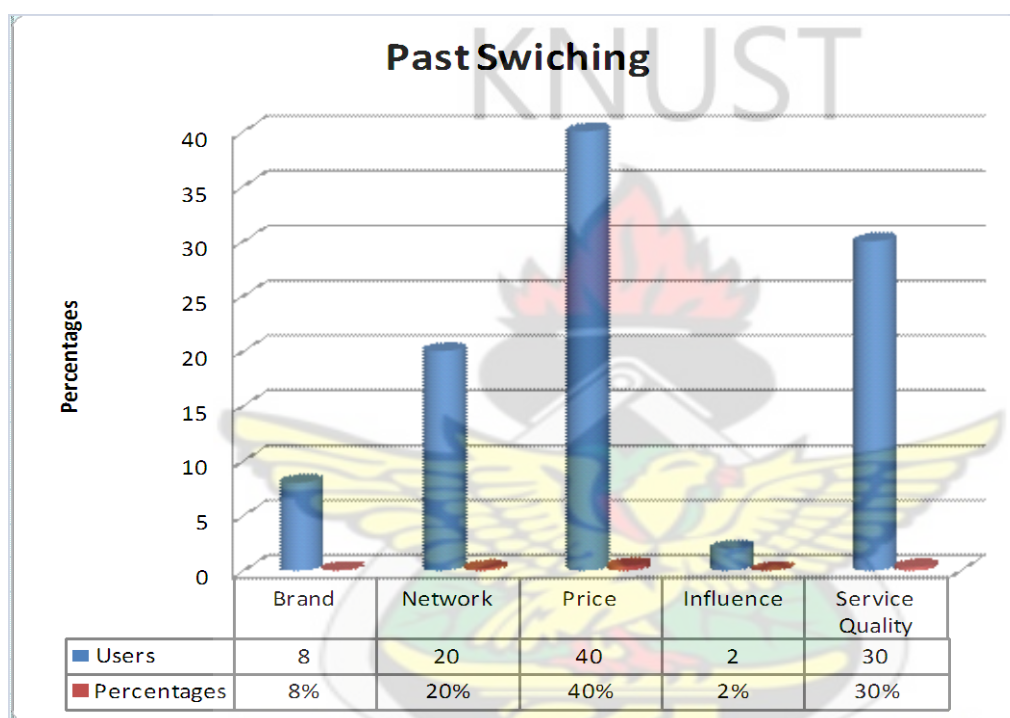
Source: *Field Survey, 2010*

The above figure indicates that many consumers are likely to switch from one network to another not due to only brand but majorly price and service quality. Providing excellent services and offering affordable prices are necessary factors to gain and sustained market share in the long run.

4.9. Expected Switching

As expected switching is discussed in relation to price, loyalty & trust, so were respondents asked if they will switch to other net works if low prices are offered. Out of the total sample of 100 respondents 60 representing 60% said YES meaning that they will switch to other networks if lower prices are offered but only 40 representing 40% responded NO meaning they will not switch to other networks offering low prices. This is graphically illustrated in figure 14 below.

Figure 14 : Expected Switching if Price change

Decision to Switch

■ Due to Brand (NO)   ■ Due to Price (YES)
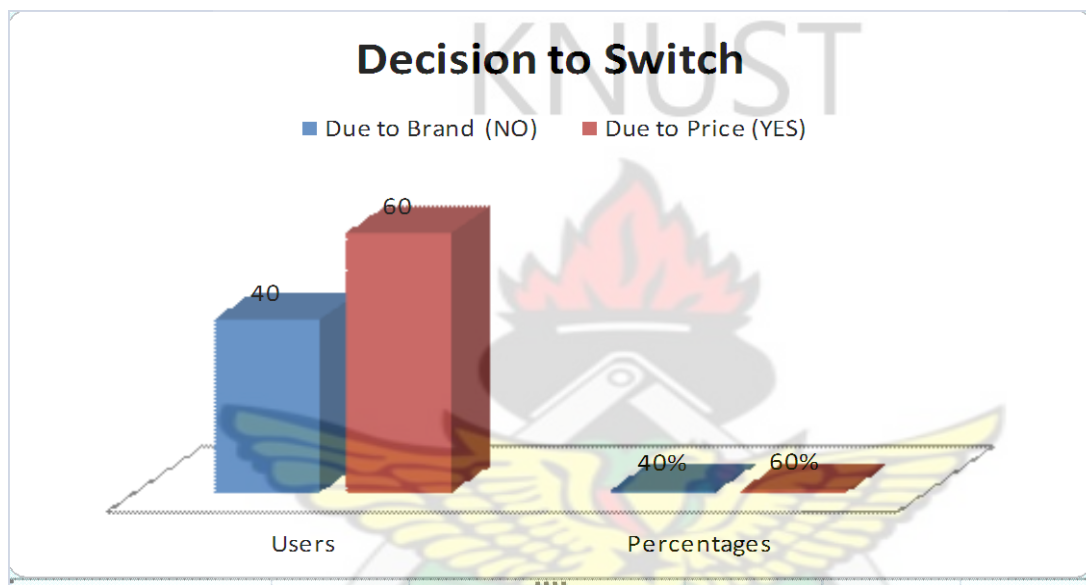
Source: *Field Survey, 2010*

It is therefore obvious from the diagram that more consumers will be willing to switch to other networks if such networks offer lower prices than those customers who will remain with their original brand network.

The final part of the analysis tries to investigate the factors that will motivate a subscriber to move to a different network. Out of the total sample 16% were willing to switch due to promised breakage, 41% will switch if less service quality is offered while 38% said they will switch if high price is charged for less quality. Finally 5% said their decision to switch may be influenced by other factors. The results of the analysis is illustrated in figure 15.

Figure15 :Expected Switching by Loyal Customers

loyal customers will switch if

	Promised Breakage	less service quality	high price for less quality	others
Users	16	41	38	5
Percentages	16%	41%	38%	5%
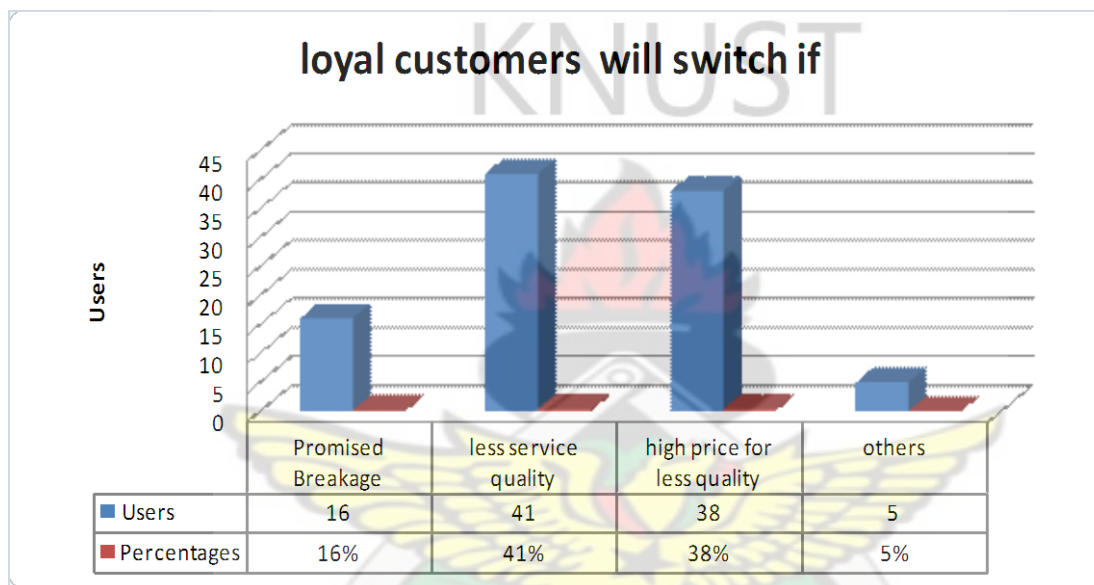
Source: *Field Survey, 2010*

Obviously consumers will switch if the services provided by any service provider are lower compared to price while at thesame time will switch if high prices are charged for low quality services (network,coverage and customer service). On the other hand consumers will also switch to other service providers if high prices are charged for low quality services. It is therefore imperative not to only consider price but also to consider the quality of the services provided if more market share and customer loyalty drive is pursued.

CHAPTER FIVE
CONCLUSION AND RECOMMENDATION

5.1. Introduction

The chapter looks at the summary of the finding, conclusion based on the finding and a recommendation. It also contains limitations encountered during the study and direction for future research.

5.2. Summary of Finding

The study was conducted for the purpose of addressing the following objectives. The main objective of this study was to determine how corporate branding impacts on consumer purchase preference in the telecom industry. Specific objectives included the following:

1. To determine the key factors that motivate consumer purchase decision regarding a particular network
2. To determine consumers switching attitudes towards performing and non-performing brands.
3. To find out if consumers loyalty and trust are determined by service quality or brand.

There was the need to find answers the following research questions in order to address the objectives properly. The following research questions were answered.

1. What are the key factors other than brand name that impact consumer purchase preference in the telecom industry?
2. What is consumers attitude towards a performing and non performing brand?
3. Are consumer loyalty and trust determined by service quality or brand name?

5.2.1. Importance of corporate branding

Marketing theories suggest that corporate branding will boost the consumer awareness about the products as well as about the corporation (Souiden., et. al., 2006). Strong corporate recognition attracts the customers and employees to the company (Xie & Boggs, 2006). Corporate recognition can be gained through corporate branding which is helpful for better

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market share. Empirical data shows that price has a dominant factor for a customer during the purchase of a mobile phone connection. MTN has 31% share among the sample population and their slogan is "Every where you go" gives the advantage for this high market share. TIGO is in the second place with 29% share, VODAFONE is third with 18% market share, while Kasapa is fourth with 14% market share and finally Zain with 6% share of the market. Kotler, (1994) states that price is the one element of marketing mix and is very important factor in determining mobile phone connection. This is shown in this study that the company having low price strategy is dominating the telecommunication market namely MTN. As this study has indicated customers are more willing to pay fewer prices and are more inclined towards such brands.

5.2.2. Effect of Brand Image on Market Share

Souiden., et. al., (2006) states that sales and market share of companies are directly affected by corporate image and building up loyal customers. Empirical data shows that MTN has high market share among the service providers (Rosemond and Gloria,2010) while TIGO has slightly lower market share. The research has also confirmed their finding as MTN is still leading the telecom market in Ghana in terms of market share. Importance of corporate brand in telecommunication is not the same like other industries. In mobile phone telecommunication purchase settings are continuous and different from the purchase settings of retail stores (Ranaweera & Prabhu, 2003). Empirical data shows that 54 out of 100 respondents argued that they chose the connection because of price factor as indicated in figure 11 in chapter four. The preferences of the customers about the connection are different but more centered on price. It satisfies the work of Ranaweera & Prabhu, (2003) who states that pricing play a crucial role in determining market share gain in mobile telecommunication industry as compared to other industries.

MTN and TIGO have high market share as compared to VODAFONE and KASAPA because they do not only have good brand image but they also offer good prices.

5.2.3. Customers attachment with brand and role of corporate branding

As stated by Kay (2006), brands are incorporated into the lives of the customers. But this research presents that 9 respondents making up of 9% purchased their connection because of brand, had 32% of therespondents having average attachment with the brand and considerable numbers having highly attached to their chosen brands. Role of corporate brand in such situation is a communicator of offers i.e. low price, wider network, new services etc. The results are in accordance with the work of Souiden et. al., (2006) who was of the view

that corporate branding will boost the consumer awareness about product and corporation thus leading to customer loyalty and increased market share.

5.2.4. Importance of Services versus the brand

Whenever anyone purchases any product or service for the first time, there is always some risk associated with it. And this risk is more common in case of services. Degree of perceived risk is highest when customer cannot valuate services before purchasing them (Ozer et. al., 2005). In order to investigate this phenomenon respondents were asked about this factor "*Did you purchase this connection only due to services offered?*" 20% of the 250 respondents replied as somewhat disagree whilst 14% replied as disagree. The remaining was indifferent in this regard. This shows that whenever a customer is faced with service offering for the first time he or she is not sure about it that either it will be good or bad because of the feature of services like heterogeneity, intangibility etc given by the work of Ozer *et. al.,(*2005).

To determine customer purchase decision in relation to services offered 14% out of 250 respondents had MTN connection and highly agreed as well that they subscribed only due to the services offered, thus MTN was on top with highly agree. On the other hand, 8 respondents had TIGO connection and agree to the question, TIGO is top in this category while VODAFONE is at second in this category with 3 users. Also 17 respondents making up of 7% responded as average have TIGO connection, while 5 respondents making up of 2% had VODAFONE connection in this category. Respondents who were somewhat disagree with this connection had 5 making up of 2% having MTN connection while 5 had VODAFONE connection. On the other hand 3 respondents making up of 1% were having TIGO and VODAFONE each disagreed to this question.

5.2.5. Quality of Services provided versus the brand

Quality is over all judgment about excellence and superiority of the service (Ozer et. al., 2005). The research shows that 37 respondents making up of 37% in total selected Services and Quality as a reason for buying a connection which is greater than brand and Loyalty and Trust together but less than price. As Ozer & Aydin (2005) state that quality of a service is hard to measure but customers need a good service quality with a good price even as it is difficult to measure.

5.2.6. Loyalty and Trust versus brand:

Customer loyalty is very necessary for the firms to be become market leader and for a big customer base with long term relationship (Ozer et. at., 2005, Souiden et. al., 2006, Ranaweera & Prabhu, 2003). It is a very difficult in GSM technology to make loyal customers when there is a chance for switching. But it is part of service provider that they

make strategies to get loyal customers. It is not a mature industry and also dependent on information technology so rapid changes are there. In this situation a big customer base is needed which can be gained through different offers.

This study involves a question regarding loyalty that a respondent is either loyal to brand or services, which he/she is using. From sample size of 100 respondents, 36 subscribers making up of 365% said that they are loyal to the company and they trust on it. Services loyalty means if another company offers same services then he or she can easily switch to that company. There is no single brand which came up as leading brand in loyalty preferences. When customer has trust in a brand it means customer has positive buying behavior towards the brand (Ozer &Aydin, 2005). Trust is strong predictor of customer retention and customer must realize that they will continue getting benefits in the future as well (Ranaweera & Prabhu, 2003; Ozer & Aydin, 2005).

5.2.7. Price as a determining factor of Purchase

There are many factors available for pricing of any product/service. The price is set according to many factors like stage of product life cycle, competitor's price, segmentation, positioning of product or service or any differential advantage. So price is very important in marketing mix. Price plays very important role in any purchase decision. It is important for company's point of view during the process of planning as well as for the customer when making purchase decision of any particular product. Companies use different set of pricing strategies, as given by Daly, (2002), in order to attract customers. Like MTN is presented and perceived as a company with low calling rates(Rosemond *et al*,2010).

5.3. Conclusion of finding

The study indicated corporate branding is imperative in providing information to the customers about services but it is not an influencing factor for the customers as shown in the analysis. Customers were asked about their expected switching from existing brand and even loyal customers replied that they will switch in future; if they think that company is charging high price as compare to quality. Customers can therefore switch if they feel that good quality services are being offered from any other service provider with cheap rates. It was therefore found that majority of the customers in this industry are price sensitive. It was found that corporate branding had nothing to do with the purchase decision of the customers but it is main source that communicates with customers about marketing mix of a product. Corporate brand promotes different factors and these different factors were considered important for customer's purchase. As a whole, services offered are almost same for every company;

companies just differentiate them by corporate brands. Service & quality is another big issue in this industry along with price

Also price sensitive customers said that they will switch if any competitor brand offers them low price. It means corporate branding cannot influence the customer but works as a medium of communication between company and customer. Customers can only have information from different sources e.g. from print media or broadcast media, about any particular corporate brand. But customers do not go for purchase until or unless certain specific purchase influencing factors like price, service and quality etc are not highlighted with the corporate brand as well.

5.4. Recommendations

Based on our finding the following recommendations can be made:

- Companies in the telecom industry are in a competitively fierce industry. In order to remain competitive they need to pursue both product and brand strategy.
- A company in mobile phone industry seeking to gain market dominants has to pursue low cost strategy and replicate it by charging low prices.
- It should be noted that consumers do not purchase or subscript to a brand solely due to its brand, but there are other more strong influencing factors that are usually the determining factors which include price, service quality and trust.
- For a company in the mobile phone industry to gain market leadership and sustain it in the long run it must aim at providing excellent services throughout the organization.
- Mobile phone subscription is mainly determined by the ability of the consumer to pay hence the importance of price as an influencing factor.
- Customers are more inclined to switch to a mobile phone operator that offers low prices and excellent services other than just by brand attachments.

5.5. Limitations and recommendation for future Research

The fist limitation is time and resources. As a result the sample size has been compromised. The size was only limited to 100 mobile phone subscribers in the Central business District (CBD) of Accra. Hence there is a need to caution the generalisation of the finding. The limited sample size also means that data reliability was compromised to a larger extent. It is thus recommended that the sample size may be increased to a representative size and customer opinions taken across the entire 10 regions of Ghana. This will give a much clearer picture about the immediate factors determining consumer purchase decision which will be

more generalisable. Secondly the time and resources constraint limited the research scope to a number of concepts.

5.6. Conclusion

The research was conducted to find determine how corporate branding impact on consumer purchase preference in the telecom sector. The research design was mainly quantitative and the research instruments used to gather the data were structured and semi—structured closed and open-ended questionnaire administered on 100 sample size. The data was analysed using univariate analysis incorporating bar graphs and pie charts. The finding indicated that although corporate branding provide useful information regading the product mix of the service provider,there exist other factors that consumers place more emphasis when deciding a network connection.

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APPENDICES

A: Research Questionnaires

KNUST, INSTITUTE OF DISTANCE LEARNING,KUMASI

June, 2011

Dear Respondent,

I am a final year CEMBA student at KNUST,Kumasi. As part of the academic requirement I am doing my dissertation on "Corporate Branding and consumer purchase preference in mobile phone telecommunication" in the Ghana. The success of this exercise depends on your participation in answering the attached questions which I will use to do the rest of the work.

I appreciate the fact that you are very busy, however, I would be grateful if you could spare some of your invaluable time to answer the attached questionnaire. You may be rest assured that any data collected will be treated in the strictest confidence and will be used for academic purposes only.

If you have got any questions or comments regarding completion of the questionnaire please don't hesitate to contact me on the telephone number listed below or on our email address.

Thank you for your time

Yours sincerely

0244194426
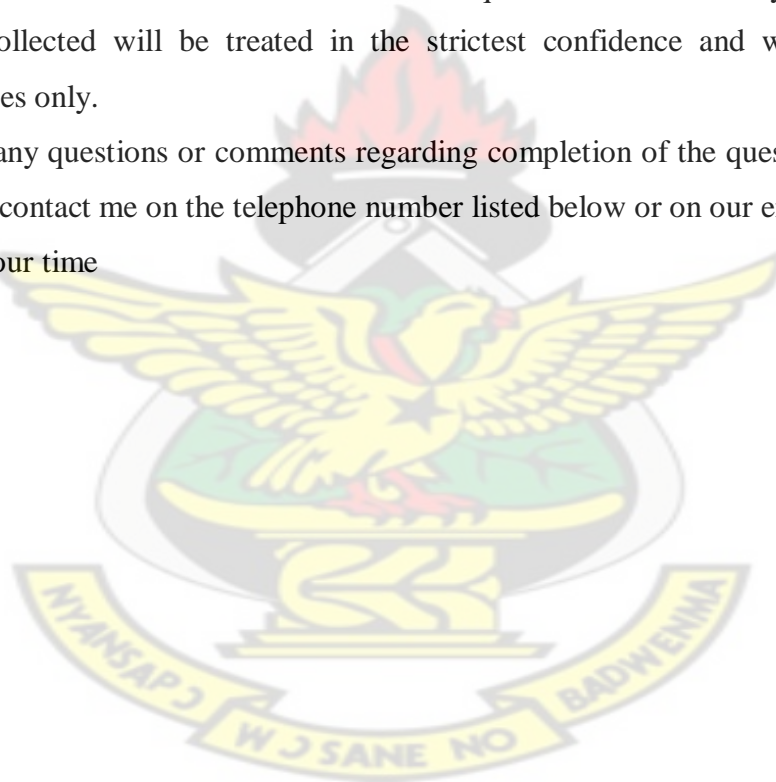
B: Questionnaire

Part A: Demographic Profile of Respondents

Customer Name:

Name of Service Provider:

Gender: Male / Female

Marital Status: Married / Single

Age:

1. Under 18
2. 19 – 30 years
3. 31 – 40 years
4. 41 – 50 years
5. 51 – 60 years
6. 61 years and above

Qualification: High School/Undergraduate / Graduate / Post Graduate

Income (optional):

Profession: Business / Service / Student / House wife / others...........................

Part B – Subscribers' Preferences

1. Are you using a mobile phone connection?

Yes   No

Type of Subscription: Postpaid / Pre-paid / / Any other(specify) ....

2. Which service provider's connection do you have?

MTN ☐

 Vodafone ☐

Tigo ☐

Zain ☐

Kasapa ☐

Any other ………………………………….

3. Why did you choose the above company?

1-Company name (Brand) ☐

2-Services and quality ☐

3-Loyalty and trust ☐

4-Price ☐

5- Coverage ☐

5- Other, Specify ………………

Part C – The Brand:

4. Do you think that Company Name (brand) is necessary?

Highly agree ☐

Agree ☐

Average ☐

Some What Disagree ☐

Highly Disagree ☐

5. Do you have any emotional attachment with your chosen brand?

Highly agree ☐

Agree ☐

Average ☐

Some What Disagree ☐

Highly Disagree ☐

6. It was your first choice or you switched from any other brand?

Yes   No

Switched due to brand or any other reason

Yes   No   Other reason_____

7. Do you think advertisement is enough to know about a brand?

Highly agree ☐

Agree ☐

Average ☐

Some What Disagree ☐

Highly Disagree ☐

8. Are you satisfied with your chosen brand?

Highly satisfied ☐

satisfied ☐

Average ☐

Some What satisfied ☐

Highly Dissatisfied ☐

Part D - Services and Quality:

9. How do you see your chosen brand?

Very good ☐

Good ☐

Average ☐

Some What Bad ☐

Highly Bad ☐

10. Are you satisfied with additional services (MMS, GPRS etc) of this brand?

Highly agree (Yes) ☐

Agree ☐

Average ☐

Some What Disagree ☐

Highly Disagree (No) ☐

11. Do you think Services offered are good for the price paid?

Highly important ☐

Important ☐

Average ☐

Some What Not important ☐

Not Important ☐

12. Do you think service features are unique?

Highly agree (Yes) ☐

Agree ☐

Average ☐

Some What Disagree ☐

Highly Disagree (No) ☐

13. Do you choose this connection only due to services offered?

Highly agree ☐

Agree ☐

Average ☐

Some What Disagree ☐

Highly Disagree ☐

14. What do you think about the quality of this brand?

Very good ☐

Good ☐

Average ☐

Some What Bad ☐

Highly Bad ☐

15. Did you switch from any other network?

Yes   No

If, Yes, then

16. How is your experience of service and quality with this brand?

Very good ☐

Good ☐

Average ☐

Some What Bad ☐

Highly Bad ☐

Part E: Loyalty and Trust:

17. For how long you are using this brand?

_____ Months/ _____ years

Does this loyalty is with Company (Brand) or with services?

Company(Brand) ☐

Good ☐

Average ☐

Some What brand ☐

Services(Not Brand) ☐

18. Does this loyalty develop any trust?

Yes   No

19. Does this Trust is on Company name (brand) or service package that you have?

Company(Brand) ☐

Good ☐

Average ☐

Some What brand ☐

Services(Not Brand) ☐

20. Do you think about switching ever?

Yes   No

21. Are constant benefits are being provided to you?

Yes   No

22. Does your brand have always delivered promised quality of services?

Yes   No

23. Are you satisfied with the communication between you and the company?

Yes   No

24. Would you like to run off from existing brand if:

1-Promise breakage

2-Less services quality

3-Charge high price as compare to quality

4-Any other

Part F: Price:

25. Do you prefer Price or company name (brand)?

Price(Not brand) ☐

Good ☐

Average ☐

Some What price ☐

Services(Brand not Price) ☐

26. How high was the impact of price towards your purchase decision?

Highly agree ☐

Agree ☐

Average ☐

Some What Disagree ☐

Highly Disagree ☐

27. Are services offered more important than a brand?

Highly agree (Yes) ☐

Agree ☐

Average ☐

Some What Disagree ☐

Highly Disagree (No) ☐

28. Do you think price paid is justifiable to the services?

Highly agree ☐

Agree ☐

Average ☐

Some What Disagree ☐

Highly Disagree ☐

29. Are you satisfied with the price?

Yes ☐

Somewhat yes ☐

Average satisfaction ☐

Somewhat dissatisfied ☐

No ☐

30. Did you switch before?

Yes ☐   No ☐

31. Will you switch, if low price brand is offered?

Yes ☐   No ☐