Branding and Consumer Purchase Decision of Fast-Moving Consumer Goods (FMCG) in Akwa Ibom State, Nigeria

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ABSTRACT

Branding has become a very important strategic marketing tool for manufacturers to differentiate their products in the highly competitive markets. Despite the importance of branding to help consumers' identify and differentiate manufacturers' products from its competitors as well as foster long-term relationship and loyal customers, some brands cannot compete in the market because of poor branding image. This study is based on the theories of brand equity and self-congruity that explain the relationship between branding and consumer purchase decision. It adopts a positivist research approach, focusing on objective measuring the relationship between branding and consumer purchase decision. This study focused on three dimensions of branding-brand name, brand mark, and trade name as independent variables and consumer purchase decision as dependent variable. The survey research design was used to gather the primary data from the respondents. Data for the study were obtained through a questionnaire administered to 240 respondents selected using a convenience sampling technique. Hypotheses were tested using Pearson Moment Correlation at 0.05 level of significance with $p<0.05$ indicating statistical significance. Data analyses were enhanced using the Statistical Package for Social Sciences (SPSS version, 23). The findings of the study revealed that there is a positive and significant relationship between branding-brand name, trade name, and consumer purchase decision of fast-moving consumer goods in Akwa Ibom State. The findings also revealed that brand mark has no significant relationship with consumer purchase decision of fast-moving consumer goods in Akwa Ibom State. It was concluded that branding plays an important role in influencing consumer purchase decision of goods in Akwa Ibom State. Based on the findings, it was recommended among others that manufacturers of goods should maintain the quality of their brands to continuously create positive purchase attitude in the mind of consumers.

Keywords: Branding, Brand name, Brand mark, Trade name, Consumer purchase decision

INTRODUCTION

In a competitive business market, branding as a strategic marketing tool plays a crucial role in influencing consumer purchase decision. It helps consumer to identify and differentiate manufacturer's product from competitors. Deciding a specific brand name for a product introduced into the market has been identified as one of crucial steps in branding strategy (Abioro et al., 2021). Branding is the use of brand name, brand mark, and trade name to differentiate a manufacturer's product from the competitors (Attih, 2021). Brand name is that part of a brand that can be read or pronounced. It is part of a brand that is made up of word, group of words or letters can be read or pronounced. A brand represents a particular type of a product produced by a firm (Attih et al., 2023). Brand name is a product or service (Bulle & Cengel, 2020). They further described brand name as a term used to identify a particular category of company product or service in trade. Brand mark is that part of a brand that cannot be read or pronounced. Brand mark is recognized by visual or sight and does not need to be read or pronounced. Examples include a unique symbol, logo, sign, colouring, lettering or other design symbol. The trade name is the legal name of an organization. It is a name used by an organization for business purposes. Branding a product is essential, creating a lasting impression on the customers' and informing them about what to expect from the business. Hence branding must set apart a product form competition by clearly makes it the superior choice (Jatto, 2023). Branding strategies are used by firms to attract new customers, increase market share and to achieve sales and firm's objectives. Consumer choose brands and trust them the way they trust their

friends and family members to avoid uncertainty and quality related issues (Ahuja, 2015).

Brands are not only represent the symbol of a company or product but also define the daily life of a consumer to a large extent (Shakeel & Nedumaran, 2024). The authors emphasized that the consumer's choice is always influenced by brand name and some customers purchase specific product because of a brand name. Branding as a marketing strategy of creating a firm's brand identity must make a favorable impression in terms of reputation to attract consumer's attention and interest (Attih, 2020). According to the author, in deciding a brand name, and brand mark for a product, a firm must take consumer's perception into consideration as it involves creating mental impression in the consumer's mind. When consumers are making purchase decision, they always drawn attention to brands that have established a strong reputation image, and presence in the market (Sawaimul et al., 2024). They opined that a well-developed brand creates a sense of trust, reliability, and quality in the mind of consumers thereby influencing their perception about the product. Consumers are now so genuinely attached to brands that when they purchase any product, brands always influence their final choice (Omamuzo et al., 2023). Selecting a good brand name and brand mark for a specific product is a very crucial step for a firm to achieve its branding objectives in the market place (Attih, 2021). Understanding branding in positioning firm's products is crucial for the manufacturers of goods to succeed in the highly competitive business market. Despite the importance of branding to help consumers identify and differentiate manufacturers' products from its competitors as well as foster long-term relationship and loyal customers, some brands cannot compete in the market because of poor branding image. As a result of challenges face by manufacturers in branding products, this study basically is to examine the relationship between branding-brand name, brand mark, trade name, and consumer purchase decision of fast-moving consumer goods (FMCG) in Akwa Ibom State, Nigeria. The study is specifically based on the theories of brand equity and self-congruity that explain the relationship between branding and consumer purchase decision.

Objective of the Study

The purpose of this study is to examine the relationship between branding and consumer purchase decision of fast-moving consumer goods in Akwa Ibom State, Nigeria.
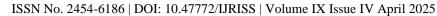
Research Hypothesis

H_0: There is no significant relationship between branding and consumer purchase decision of fast-moving consumer goods in Akwa Ibom State.

LITERATURE REVIEW

Branding

Branding is the use of name, sign, logo or combination of these to differentiate a manufacturer's product from the competitors' products. Branding is the use of distinctive name, logo, or symbol to set apart a firm's product from its competitors. It is the use of distinctive brand name, brand mark, and trade name for a manufacturer's product in order to make consumers identify and differentiate the product form the competitors' products. The constructs of branding-brand name, brand mark, and trade name are the important components of branding used by firms to make sales and achieve a firm's branding objectives. Branding is a term, used to describe the name, description and, design of a product ((Ikporah, 2012). Branding is the use of name, sign, logo, design or combination of these to differentiate a manufacturer's product from the competing products (Attih, 2021).

Branding is the use a name, term, symbol or design or a combination of these to identify a product (Perrealt and McCarthy, 2006). Branding is the process of creating research identity of a firm (Sawaimul et al., 2024). They further opined that branding helps differentiate products in a crowded market place and strong brands have the power to command higher prices compared to generic or unbranded product. Branding is the process of naming or establishing the brand name, brand mark or trade name for a product to make consumers identify the product from the competitors in the market. It is the process of giving meaning to a particular organization, product or service by creating and shaping the mindset of consumers (Omamuzo et al., 2023). Branding is a strategic marketing tool in which a manufacturer of product uses a name, sign, symbol or logo that can be easy to identify

and positioning its product in the competitive market place.

Branding is the process of creating a unique name, design, symbol, or other distinctive features, products, services or companies in the market place. It is the company's way of establishing an emotional connection with its audience. Branding includes everything from a company's logo, slogan, and brand, to its products or services, to its customers and reputation (Preranna & Suresh, 2023). Branding is discovery things that make a firm unique and differentiating it from its competitors (Hall, 2021).

Consumer Purchase Decision

Consumer purchase decision is the stage when a consumer actually decides to buy a particular product or a brand. It is the final selection of product to be bought by the consumer (Attih & Essien, 2023). Purchase decision making process is the stage wherein consumers actually buy the product (Djatmiko & Pradana, 2016). Consumer purchase decision is a buyer's decision-making stage wherein an individual decides to actually buy a product being considered (Kotler and Armstrong, 2016). Consumer purchase decision refers to the final choice or selection made regarding what product to buy (Attih, 2024). The act of purchase is the last stage, which the consumer decides on what to buy, where to buy, and how to buy (Preethan & Mohan, 2019).

Consumer Purchase Decision Process

The five stages of consumer decision making process are problem recognition, information search, evaluation of alternatives, purchase decision, and post-purchase evaluation (Kotler & Armstrong, 2016).

1. Problem Recognition: This is the buying process when consumer recognizes the need or want that requires a solution. This can be triggered by internal stimulus (for example, hunger) or external stimulus (for example, seeing an advertisement).

2. **Information Search:** The consumer actively gathers information about potential solutions, including internal memory to recall past experience, and external search through advertising, online, product comparisons, etc.

3. Evaluation of Alternatives: The consumer in this stage assesses the available brands in the market with a view to select the brand that will offer the consumer the maximum satisfaction. The consumer assesses different options based on specific criteria such as price, quality, features, brand image, etc.

4. **Purchase Decision:** The purchase decision comes after ranking product brands and choose brand that is most preferred by the consumer. The consumer at this stage, based on information already obtained makes decision to buy a brand that will satisfy his or her needs considering factors such as price, availability and perceived value.

5. Post- Purchase Evaluation: After using the product, the consumer evaluates the level of product performance with expectations and is either satisfied or dissatisfied. Satisfaction occurs when the consumer expectations are either met or exceeded. A satisfied consumer will not only buy the product again but will also speak good things about it. This may lead the consumer to form positive attitudes towards the product. Dissatisfaction occurs when product performance is below expectations. A dissatisfied consumer experiences discomfort and may lead to negative attitudes towards the product.

Branding and Consumer Purchase Decision

In a study conducted by (Kshirsagari et al., 2020) on the impact of branding on consumer buying behaviour. The results showed that branding significantly influences consumer buying behaviour. In a study carried out by (Tali & Nautiyal, 2022) on the effect of branding on consumer purchase decision. The study found that branding has a positive and significant relationship with consumer behaviour in buying the brand. Also, a study by (Jatto et al., 2023) investigated the impact of branding and packaging on consumer purchase intention: The study of PZ cussons Nigeria, Plc. The results showed that branding significantly influences consumer purchase intention. Studies conducted by (Choubey & Sharma, 2023; Preranna & Suresh, 2023; Omamuzo et al., 2023; Sabaribaalan

& Santhosh, 2024)) found out that branding has positive and significant effect on consumer purchase decision of goods.

Theoretical Framework

There are many theories that explain the relationship between branding and consumer purchase decision. This study is specifically based on the theories of self-congruity and brand equity that clearly explain the relationship between branding and consumer purchase decision.

Self- Congruity Theory: Self-congruity theory was propounded by Joseph Sirgy in 1982. According to the theory, consumers tends to choose brands and products that align with their self-perception, self-image, and values. This means that individuals select products, brands or companies that reflect their personalities, values, and beliefs, thereby reinforcing their self-identity. The self-congruity theory idea suggests that consumers use brand as a mean to express their identities, social status, and reinforce their self-perception. The self-congruity theory has significant implications for brand positioning, advertising, product development, and customer loyalty.

Brand Equity Theory:

Brand equity theory was developed by Kevin Lane Keller in 1993. According to the theory, the value of a brand goes beyond its tangible elements like logo, products or packaging. The perception associations and experiences of consumers contribute to brand's value which can be positive or negative. Factors such as product quality, advertising, customer support, and overall experiences influence these opinions. This theory suggests that a strong brand with high brand equity can significantly influence consumer purchase decision. Brand equity consists of three crucial components-brand awareness, brand loyalty, and brand image.

RESEARCH METHODOLOGY

This section focused on methods and procedures used in collecting and analyzing data for the study. The survey research design was used to obtain relevant primary information from the respondents. This research design was used because it helped the researcher to collect first hand accurate information from the respondents using a structured questionnaire. The target population for this study comprised all consumers of goods in Akwa Ibom State. The sample size of 240 respondents were selected using convenience sampling technique. A structured questionnaire was the instrument used in collecting data. The questionnaire was based on a Likert scaling method.

To test the reliability of the research instrument, Cronbach's Alpha was used. The results showed reliability coefficients of 0.83 for the independent variable and 0.81 for dependent variable. The reliability coefficients are all greater than 0.70, which implies that the instrument is reliable. Hypotheses were tested using Pearson Moment Correlation at 0.05 level of significance with p<0.05 indicating statistical significance. Data analyses were enhanced using the Statistical Package for Social Sciences (SPSS version, 23).

DISCUSSION OF RESULTS

Test of Hypothesis

Ho: There is no significant relationship between branding-brand name, brand mark, trade name, and consumer purchase decision of fast-moving consumer goods in Akwa Ibom State

Table 4.1: Pearson moment correlation coefficient metrics analysis showing the relationship between branding-brand name, brand mark, trade name, and consumer purchase decision of fast-moving consumer goods in Akwa Ibom State Correlations

		Consumer purchase decision	Brand name	Brand mark	Trade name
	Pearson Correlation	1	.959**	.109	.289**

Consumer purchase decision	Sig. (2-tailed)			.000	.063	.003
	N	240		240	240	240
Brand name	Pearson Correlation	.959**	1	.208**	.195**
	Sig. (2-tailed)	.000		.001	.002
	N	240	240	240	240
Brand mark	Pearson Correlation	.109	.208**	1	.043
	Sig. (2-tailed)	.063	.001		.510
	N	240	240	240	240
Trade name	Pearson Correlation	.289**	.195**	.043	1
	Sig. (2-tailed)	.003	.002	.510	
	N	240	240	240	240
**. Correlation is significant at the 0.01 level (2-tailed).					

Source: SPSS Computation (Version, 23)

Table 4.1 above analyses the relationship branding-brand name, brand mark, trade name, and consumer purchase decision of fast-moving consumer goods in Akwa Ibom State. The results are discussed as follows

Brand name: The correlation coefficient (r) of 0.959 and probability of 0.000 was observed from the analysis. The significant value of 0.000 which is less than $(p<0.05)$ reveals a significant relationship. Based on that, the null hypothesis was rejected. The result shows that, there is positive and significant relationship between brand name and consumer purchase decision of fast-moving consumer goods in Akwa Ibom State. This implies that, consumer goods brand name leads to 95.9% increase in consumer purchase decision of fast-moving consumer goods in Akwa Ibom State. In effect, there is positive and significant relationship between brand name and consumer purchase decision of fast-moving consumer goods in Akwa Ibom State.

Brand mark: Based on result in Table 4.1 above, the correlation coefficient (r=0.109) between brand mark and consumer purchase decision of fast-moving consumer goods in Akwa Ibom State. The significant value of 0.063 $(p>0.05)$ reveals there is no significant relationship. The statistical result shows that, brand mark in consumer goods leads to 0.109 unit increase in consumer purchase decision of fast-moving consumer goods in Akwa Ibom State. In effect, there is no significant relationship between brand mark and consumer purchase decision of fast-moving consumer goods in Akwa Ibom State.

Trade name: The coefficient of trade name was statistically significant and positively related to consumer purchase decision of fast-moving consumer goods in Akwa Ibom State at 0.003 percent probability level. This implies that, trade name leads to 0.289 unit increase in consumer purchase decision of fast-moving consumer goods in Akwa Ibom State. As reflected in the result, trade name has a probability value of 0.003 which is less than 0.005 degree of freedom. In effect, since the calculated p-value is less than the degree of freedom in absolute terms, the researcher rejected null hypothesis in favour of alternate hypothesis stating that, there is significant relationship between trade name and consumer purchase decision of fast-moving consumer goods in Akwa Ibom State.

CONCLUSION AND RECOMMENDATIONS

This study was on branding and consumer purchase decision of fast moving consumer goods in Akwa Ibom State, Nigeria. The results clearly revealed that brand name and trade name have positive and significant relationship with consumer purchase decision of fast-moving consumer goods in Akwa Ibom State. The result also revealed that brand mark has no significant relationship with consumer purchase decision of fast-moving

consumer goods in Akwa Ibom State. The result implies that when consumers are making buying decision, brand name and trade name helped them to identify and differentiae the brands of product they need. Based on the findings of this study, it is concluded that branding plays a crucial role in influencing consumer purchase decision of goods in Akwa Ibom State. It is recommended that manufacturers of goods should maintain the quality of their brands to continuously create positive purchase attitude in the mind of consumers. Also, manufacturers should focus on aggressive promotion (advertisement) of their brands to show case brand features, especially brand marks on visual media to create awareness to the consumers and manufacturers of goods should work hard to promote its trade name as consumers prefer highly reputable brand with a good corporate image when making decision to purchase goods.

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