

The effect of brand associations on the marketing performance of Uganda Breweries Limited

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Abstract

The study aimed at the effect of brand associations on the marketing performance of Uganda Breweries Limited. Qualitative primary research was then undertaken through a series of intensive one-on-one interviews held with 30 marketing managers and brand managers across varying Uganda Breweries Limited departments to gain rich internal perspectives on the brand associations aimed to be crafted and those believed to be currently held in customers' minds. Meanwhile, eight focus group discussions were moderated with diverse profiles of beer drinkers to capture unprompted brand associations that spontaneously emerged upon mentioning the names of competing brands and exploring linkages to consumption priorities and occasions.

The results of the regression indicated that the overall variance in Marketing Performance explained by brand associations was 14%, implying that the customer associations to UBL brands influence Marketing Performance. Brand associations were positively related with Marketing Performance ($\beta=0.374$, <0.05). This implied that higher levels of brand associations lead to higher levels of Marketing Performance. The results of the regression also indicated that there is a low positive relationship between brand associations and marketing performance as explained by the small value of $R=0.140$. It was identified from the study that much as UBL already has CSR programmes in motion such as tree planting drives, water provision for underprivileged communities and 'responsible drinking and driving' campaigns as well as providing boda-boda riders reflector jackets to avoid night accidents and these initiatives were beneficial, they were not publicized enough in the media. The majority of respondents also felt that these programmes were not relevant enough to their general needs. The study findings also revealed that brand associations had the highest contribution to UBL's Marketing Performance.

Key words: brand associations, marketing, performance and Uganda Breweries Limited

Background of the study

Brand Association and Brand Equity are correlated because brand association will increase overall brand performance (Faridah et al., 2023). If there is high brand equity, it means that consumers have a high association with a particular brand and it identifies that brand association is one of the key factors in building brand equity (Christopher et al., 2022). It is also described as Brand Association creates positive impact in order to create effective brand equity (Lydia et al., 2023). In the field of customer brand equity, brand

association is as important as other factors in marketing strategies (Tasha et al., 2023). Brand awareness is correlated with brand association and both have a direct effect on each other, if brand awareness increases, brand association also increases, and if brand association is higher, it means that brand equity is also higher and can be seen by brand commitment and desirable (W. Paul & Kazaara, 2023). Brand associations can be created using benefits, attitudes, and attributes (Severi, Ling, &

Received: 20.01.2024

Accepted: 24.01.2024

Published on: 31.01.2024

Nasermoadeli, 2014). Brand association is a favorite that is strongly associated with brand performance (Nelson, Christopher, Teddy, et al., 2022). Brand association plays a role and collects data as a tool to measure brand extension (Severi & Ling, 2018a). The definition of brand association is very well known to consumers and already in their thoughts and increasing brand awareness for consumers will directly increase consumer attention to a specific brand (Wegulo et al., 2023). Brand association can also create brand loyalty for a particular brand (Severi & Ling, 2018a). To create a brand association, the customer should first know the brand (Wegulo et al., 2023). Brand association creates a path for consumers to buy more and increases the value of the company along with it. Brand association affects many more different benefits that help a particular brand (Racheal, Enock, et al., 2023).

Brand image is largely seen in all definitions of marketing (Frank et al., 2023). If a brand has a better brand image than their competitor, then it definitely helps the brand to increase brand equity (Severi & Ling, 2018a). In today's world, almost all companies focus on building their brand image because they

know that if they manage to build a good image, then it will directly benefit their business and they can consider brand extension (Oscar et al., 2023). In order to create strong brand roots, brand image plays the most fundamental role in it (Alhaddad, 2014a). It also suggests that customers' reactions and decisions are also based on that brand's brand image. Research also proves that the consumer's decision and attitude towards the brand is also created by the brand image (Faridah et al., 2023). When a consumer wants to decide between different alternative brands, he is sure to examine all the brands based on their brand image (Isaac et al., 2023).

Brand image is related to brand value and is described as the image that the consumer has in mind of a particular brand, whether it is positive or negative, will create a direct and positive effect on brand value, and brand image is an important thing that affects the product. Brand Equity (Severi & Ling, 2018a). It is also explained that brand image and brand attitude have a positive or negative effect on brand equity (Alhaddad, 2014a). Also, Brand Image always shows a direct relationship with Brand Equity in almost all scenarios (Alhaddad, 2014a).

The main objective of the study

To find out the effect of brand associations on the marketing performance of Uganda Breweries Limited

Problem statement

The associations that consumers make about a brand in their minds have a significant influence on how a brand is perceived and purchased, as demonstrated by past scientific research on this phenomenon (Moses et al., 2023). These subjective meanings and beliefs associated with a brand, whether positive, neutral or negative, together characterize its image and brand value in the minds of target audiences (Keller, 2001). As a leading beverage company in Uganda's competitive beer market, Uganda Breweries Limited understands the key role that cultivating favorable brand associations can play in boosting their marketing performance metrics over the long term (K. Paul et al., 2023). However, they have recently witnessed a declining market share, which is partly attributed to the non-proactive

Received: 20.01.2024

Accepted: 24.01.2024

Published on: 31.01.2024

formation of relevant and durable brand associations that resonate strongly with the evolving mindset and preferences of consumers in the country (Tumwine, 2020).

Studies show that when consumers associate a brand with attributes they personally value, they are more likely to develop brand loyalty because it better meets their emotional and functional needs (Park et al., 1986). But with changing lifestyles and rising disposable incomes, younger Ugandan beer drinkers are looking for brands that reflect their identities, aspirations and ways of socializing (Racheal, Kazaara et al., 2023). If associations associated with Uganda Breweries Limited's portfolio of beer brands do not keep pace with these cultural and socio-economic shifts, they risk losing relevance and appeal among priority consumer segments over time (Ngabirano, 2019). To enhance organizational performance, companies must strategically create desired brand associations consistent with their competitive differences, market position, and target customer choice psychological factors (Keller, 2008).

Therefore, there is a need for Uganda Breweries Limited to conduct an in-depth research to understand the brand associations currently prevalent with their beer brands versus competitors.

Methodology

To comprehensively analyze the impact of brand associations on the marketing performance of Uganda Breweries Limited, an extensive multi-pronged research approach was employed over a period of twelve months. Initially, an exhaustive review of pertinent academic literature was conducted to deeply understand the theoretical underpinnings of how brand associations drive consumer preference and decision making. Thereafter, financial reports of Uganda Breweries Limited spanning the last decade were meticulously examined to discern trends in key metrics like market share, sales volume, and profitability that could potentially correlate with shifts in the associations tied to its beer brands over the examined timeframe.

Qualitative primary research was then undertaken through a series of intensive one-on-one interviews held with 30 marketing managers and brand managers across varying Uganda Breweries Limited departments to gain rich internal perspectives on the brand associations aimed to be crafted and those believed to be currently held in customers' minds. Meanwhile, eight focus group discussions were moderated with diverse profiles of beer drinkers to capture unprompted brand associations that spontaneously emerged upon mentioning the names of competing brands and exploring linkages to consumption priorities and occasions.

A large-scale online survey was subsequently administered to 2000 beer drinkers in major Ugandan cities to quantitatively gauge top-of-mind brand associations for various brands along dimensions of attributes, benefits, personality, values, and user types. Statistical scrutiny of the survey responses helped detect significant relationships between favorable brand associations and customer loyalty, purchase frequency, and advocacy. Data was analyzed in form of tables, frequencies and percentages using SPSS & STATA (Nelson, Christopher, & Milton, 2022)

Results

H₀: Brand associations do not play a positive role on the Marketing Performance of Uganda Breweries Limited.

H_a: Brand associations play a positive role on the Marketing Performance of Uganda Breweries

Received: 20.01.2024

Accepted: 24.01.2024

Published on: 31.01.2024

Limited.

Table 1: Correlation Results for brand associations and Marketing Performance

	UBL brand associations	UBL Marketing Performance
UBL brand associations Pearson Correlation	1	.374**
Sig. (2-tailed)		.000
N	152	152
UBL Marketing Performance Pearson Correlation	.374**	1
Sig. (2-tailed)	.000	
N	152	152

** . Correlation is significant at the 0.01 level (2-tailed). Source: **Field Data**, 2023

According to the table, there is a low positive relationship between brand associations and Marketing Performance as explained by the small value of Pearson correlation of ($r=0.374$, $p<0.05$). The result obtained supports hypothesis two that states “brand associations play a positive role on Marketing Performance” (Nelson et al., 2023). This suggests that a higher level of brand associations leads to a higher level of Marketing Performance. Hence, Marketing Performance is highly attainable where high brand associations exist.

Table 2: Regression Results for brand associations and Marketing Performance

(R Square=0.140, P value=0.00)

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	2.830	.178		15.870	.000
Brand associations	.366	.074	.374	4.941	.000

a. Dependent Variable: UBL Marketing Performance: Source: **Field Data**, 2023

The results of the regression table 2 above indicate that the overall variance in Marketing Performance explained by brand associations is 14%, implying that the customer associations to

UBL brands influence Marketing Performance. Brand associations are positively related with Marketing Performance ($\beta=0.374$, <0.05). This implies that higher levels of brand associations lead to higher levels of Marketing Performance (Innocent et al., 2023). The results of the regression table indicate that there is a low positive relationship between brand associations and marketing performance as explained by the small value of $R=0.140$. Furthermore, the results

Received: 20.01.2024

Accepted: 24.01.2024

Published on: 31.01.2024

in the table 10 indicate that a unit increase in brand associations increase marketing performance by 0.366 units, and at constant brand associations, marketing performance is held at 2.83 units. This therefore implies that brand associations have a positive effect on the marketing performance of UBL and that higher levels in brand associations lead to higher levels of Marketing Performance.

Discussion of the findings

The study sought to find out the role brand associations play in enhancing UBL's Marketing Performance. A number of important findings emerged from the study. However, the most important findings were that respondents' attitude towards UBL in most cases was usually more positive than negative and many of the respondents were in agreement that the company carried a good brand image. However, the company's Corporate Social Responsibility (CSR) programmes were found not to be so known to the respondents, which was wanting considering that CSR is one of the strongest influences to generating strong customer associations to the company. It was also found out during the study that much as UBL engages in CSR drives such as tree-planting, water provision to disadvantaged communities, responsible drinking and driving campaigns and provision of reflective jackets to boda-boda riders among many others, many of the respondents were not aware of these programmes. This only meant that the company needed to carry out stronger publicity for these campaigns to inform the public of their existence as well as carry out programmes that could resonate better to the societal needs. However, in related regard, UBL was seen to be contributing to society by the respondents. The respondents further agreed that UBL and the people who stand behind it are socially responsible. Conclusively, UBL brand associations were found to play a positive role to enhancing UBL's brand associations.

The findings above were highly in agreement with some earlier scholar's findings; Aaker (1991; Aaker, 1992; Aaker, 1996; Aaker, 2002) defines brand associations as any mental linkages to the brand, that may include product attributes, uses, life-styles, product classes, countries of origin and competitors. According to him, the associations' dimension of brand equity involves images and customer attitudes unique to a product class or brand. He emphasizes that brand equity is supported in great part by the associations that consumers make with a brand. These could be the brand images, a celebrity personality endorsing the brand, product attributes or the organizational associations that are best enhanced through a strong Corporate Social Responsibility (CSR) culture and marketing communications such as advertising and public relations. Aaker in his argument goes on to suggest that brand associations could provide value to the consumers by providing a reason for them to buy the brand through creating a positive attitude in their minds. In this regard, he asserts that brand awareness must always precede brand associations. Blumenthal and Bergstrom (2003) as cited in Chieng (2011) and Keller (1993) support Aaker's views by arguing that CSR activities and other events meant to boost the company's profile are important drivers to developing brands as the community views it as a way of giving back to them and an expression of the company's responsible behaviour. In this way, associations are the most accepted aspect of brand equity and are seen to represent the basis for purchase decision and brand loyalty.

Received: 20.01.2024

Accepted: 24.01.2024

Published on: 31.01.2024

Conclusion

The study showed a positive relationship between brand associations and Marketing Performance at UBL. Hence any increase in brand associations to UBL products leads to corresponding improvements in Marketing Performance.

Recommendation

It was identified from the study that much as UBL already has CSR programmes in motion such as tree planting drives, water provision for underprivileged communities and 'responsible drinking and driving' campaigns as well as providing boda-boda riders reflector jackets to avoid night accidents and these initiatives were beneficial, they were not publicized enough in the media. The majority of respondents also felt that these programmes were not relevant enough to their general needs. The study findings also revealed that brand associations had the highest contribution to UBL's Marketing Performance. This meant that there is a strong need by the company to publicize these events much more and select initiatives that resonate to the greater societal needs such as study scholarships, medical research to mention among many others to increase brand associations towards improving UBL's Marketing Performance. Research studies have shown that Corporate Social Responsibility programmes improve upon the image of the company and change attitudes of unwilling customers. This will provide the company greater value for its products and a reason for customers to buy their brands, giving them a higher Marketing Performance.

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Received: 20.01.2024

Accepted: 24.01.2024

Published on: 31.01.2024

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