BRAND EQUITY PERCEPTIONS OF TWO TELECOMMUNICATION RIVALS IN NIGERIA: MTN & GLO

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Abstract: **This study had investigated brand equity perceptions of two telecommunication rivals in Nigeria (MTN & Glo) where the perceptions of brand are being separated in the subobjectives of the study. Frequency analysis, regression analysis and correlation analysis were used in this study. It was found that brand awareness revealed a positive impact on brand loyalty but insignificantly at 5% alpha level which also implies that a unit increase in brand awareness will increase the brand loyalty. Purchase intention contributes positively and significantly to brand loyalty, that is, a unit increase in purchase intention will increase brand loyalty. More so, brand association has positive and significant impact on brand loyalty. It was concluded that the strategies of brand equity (brand awareness, brand loyalty, purchase intention and brand association) are similar between the two communication rivals (MTN and Glo). It was also concluded that the users of MTN are very satisfied with the services received and Glo users are very satisfied with the network services.**

Keywords: **Brand Equity, Brand Awareness, Brand Association, Purchase Intention, Brand Loyalty.**

1. INTRODUCTION

The relationship between brand equity and its perceptions on customer behavior has been disjointedly debated among scholars in the literature and further research is still ongoing because of the impact it contributes across businesses. Brand equity is as important as the customers and the relationship between them is indeed bi-directional, in this sense, brand equity concepts could stimulate customers buying decision while customers purchase decision could also stimulate brands equity. For this reason, brand equity plays an immense contribution to its customer patronage and satisfaction. The concept of brand and services varies from product to product and sector to sector. Aaker (1996) as cited by Adam and Akbar (2016) brand equity are categorized into four division such as awareness, association, quality, and loyalty. Often, brand awareness, quality alongside customer satisfaction been reported to have positive connection among each other. Similarly, brand awareness, brand quality and loyalty are recognized as main instrument in service industries especially telecommunication and banking sectors (Lewis, 1993). Brand equity is imperative within service industry and it is difficult to distinguish these services, where the characteristics to evaluate the competing service offerings are not known. Awareness of a brand is a service that could help customers to assuring them of a uniform and standard level of service efficiency. There is no doubt about the aim of accomplishing high customer satisfaction as the goal of service companies.

2. LITERATURE REVIEW

Creating brand equity in a competitive market is a complicated task for businesses. Organizations with scarce resources will identify and distribute the wealth to essential components of brand value (Hussain, Ali, Ahmed, & Ahmed, 2017). On the client side, the knowledge of paying for a service from a recognizable brand is rising. To sustain the confidence and relationship of the consumer with the brand, the prompt visibility of the product becomes a valuable tool. Once the

consumer buys the items, the first thought that comes to mind seems to be the brand name. Once the buyer orders some of the items from the same manufacturer, it indicates that the company is more knowledgeable than its competitor brands on the market (Macdonald & Sharp, 2000). Brand awareness, however, has two impacts. One is that it promotes the buy of a specific brand commodity. Second, it enhances brand awareness and customer loyalty. Loyalty describes the largest state of intention to purchase a brand. More so, satisfaction, service quality, brand equity, and loyalty have been reported to have a positive connection among each other. Similarly, regarding customer loyalty, awareness as well as satisfaction have been recognized as main instrument in the service industry (Lewis, 1993). Meanwhile, satisfaction and loyalty are not substituting for one another. That is, a customer must be satisfied before becoming a loyal customer and difficult for a buyer/consumer to be dependable and not be contented.

In the study conducted by Karam and Saydam (2015) on the brand awareness and customer behavior in Cyprus using frequency and regression analysis. They found that brand image, loyalty and behavior of customer have a strong connection among each other. Ibojo and Asabi (2015) examined the connection between satisfaction and loyalty of the consumer in Nigeria using questionnaire with regression analysis. The findings indicated that a positive connection between satisfaction and loyalty among the consumers. Ali and Muqadas (2015) wrote on the effect of brand equity, loyalty and satisfaction in Pakistan using SEM and regression analysis. The study showed that customer satisfaction displayed a strong relationship between loyalty and brand equity including trust. Poranki (2015) examined the effect of awareness on satisfaction in India using frequency analysis. The study suggested that a positive impact of brand awareness on customer satisfaction. Kheiri *et al.,* (2016) carried out a study in Iran on brand equity using tourism context. Descriptive survey was used, and it was found that there exists a correlation among the element of brand equity. Siadat, Saeednia, Matinvafa, and Moghadasi (2016) investigated factors of brand equity and e-commerce in Iran using regression test and the result revealed loyalty has a strong connection with brand equity.

Andervazh *et al.,* (2016) looked at brand quality connection and awareness on loyalty in Iran using descriptive statistics. They revealed a causal relationship between perceived consistency and loyalty, and a causal relationship between recognition and loyalty.

Djokic and Milovanov (2017) studied the relationship between social media and brand equity in four countries using SEM, descriptive and reliability tests. The findings showed that social media communication has a positive impact on brand equity. Hussain, Ali, Ahmed, and Ahmed (2017) focused on the link between brand awareness, association, and loyalty of the consumer in Pakistan using descriptive and correlation statistics. It was revealed that the variables were significant related to each other during the study period.

Tuan and Rajagopal (2017) examined the connection between perceived quality and consumer loyalty among small and medium-sized enterprises in Vietnam. They applied the qualitative analysis and the result showed that the relationship between brand awareness and perceived quality on loyalty is significantly positive. Mohammad (2017) studied the connection between brand experience, corporate branding, rand equity and loyalty in Jordan. Reliability and regression tests were used. The study revealed a positive connection among the variables such as brand loyalty, cognitive experiences, and except sensory among the Jordanian companies. Thakshak (2018) examined brand equity perceptive among airline customers in Taiwan using structural equation modelling and correlation analysis. The study showed positive connection exists between association of brand and reputation of brand.

Anupama (2018) determined brand image influences on loyalty and commitment of the consumer in India. Some statistical methods were used like factor analysis, correlation, reliability and regression analysis, and the report revealed that brand association, awareness and quality perceived mostly influence the buying habit of the consumers. Haque, Bappy, and Arifuzzaman (2018) studied the effect of brand awareness on loyalty in Dhaka. They used regression analysis and revealed awareness and loyalty factors have a significant degree of strong connection and the ability to identify brand identity, brand logo, market competitiveness and engagement in Igloo sponsored events have the greatest impact on customer loyalty. Brzozowska-Woś and Schivinski (2019) wrote on the online reviews on brand equity of polish restaurant sector. They employed descriptive, factor, and path analysis. The report indicated positive effect of between online reviews and brand equity base.

ISSN 2349-7807

International Journal of Recent Research in Commerce Economics and Management (IJRRCEM)
Vol. 8, Issue 1, pp: (138-143), Month: January - March 2021, Available at: **www.paperpublications.org**

3. STUDY METHOD

This study used quantitative scientific research method of survey to collate non-numerical data. This method answers why and how a certain phenomenon may occur rather than how often. This research employed random sampling and analytical survey methods.

In this study, the customers of the two telecommunication companies published in 2015 was used where Glo had a total of 31,256,677 customers as at June 2015, whereas MTN had 62,813,111 (retrieved from https://www.gloworld.com/ng/). The data were gathered conveniently from a total of 420 customers, 210 from Glo users and 210 from MTN users. Since this study aims to see the effect difference of brand metrics (brand loyalty, awareness, association) on purchase intention between Glo and MTN, the users of these GSM operators constituted the sample. Questionnaire form of instrument was used to gather information from the participants. Five Likert's rating scale measurement was constructed in the questionnaire which was scaled from Strongly Agree (SA), Agree (A), Neutral (N), Strongly Disagree (SD), to Disagree (D).

Reliability and validity instruments were established using coefficient alpha (also known as Cronbach's alpha) and factor-analysis. Also, regression and correlation analyses were also used to achieve the other objectives of the study.

4. DISCUSSION OF RESULT AND INTERPRETATION

Correlation Analysis (Glo)

Table 1: Correlations Glo

		BRAND AWARENESS	BRAND LOYALTY	PURCHASE INTENTION	BRAND ASSOCIATION
BRAND AWARENESS	Pearson Correlation	1	.424**	.434**	.593**
	Sig.		.000	.000	.000
BRAND LOYALTY	Pearson Correlation	.424**	1	.616**	.537**
	Sig.	.000		.000	.000
PURCHASE INTENTION	Pearson Correlation	.434**	.616**	1	.485**
	Sig.	.000	.000		.000
BRAND ASSOCIATION	Pearson Correlation	.593**	.537**	.485**	1
	Sig.	.000	.000	.000	

Source: Author's compilation

The correlation report presented in table 1 shows the Pearson coefficient value of brand awareness and brand loyalty is 0.424 with sig value of 0.000, implying that brand awareness and brand loyalty has a positive and significant correlation between each other. Also, the Pearson coefficient value of brand awareness and purchase intention is 0.434 and sig value of 0.000, indicating that positive and significant correlation exist between brand awareness and purchase intention. Furthermore, the Pearson coefficient value of brand awareness and brand association is 0.593 with sig value of 0.000, connoting that brand awareness and brand association exhibit a positive and significant correlation during the study period. More so, brand loyalty and purchase intention exhibit a positive and significant relationship since the correlation value is 0.616 with a sig value of 0.000.

Correlation Analysis (MTN)

Table 2: Correlations MTN

		BRAND AWARENESS	BRAND LOYALTY	PURCHASE INTENTION	BRAND ASSOCIATION
BRAND AWARENESS	Pearson Correlation	1	.490**	.475**	.511**
	Sig. (2-tailed)		.000	.000	.000
BRAND LOYALTY	Pearson Correlation	.490**	1	.636**	.561**
	Sig. (2-tailed)	.000		.000	.000
PURCHASE INTENTION	Pearson Correlation	.475**	.636**	1	.403**
	Sig. (2-tailed)	.000	.000		.000
BRAND ASSOCIATION	Pearson Correlation	.511**	.561**	.403**	1
	Sig. (2-tailed)	.000	.000	.000	

Source: Author's compilation

The correlation report presented in table 2 reveals the Pearson coefficient value of brand awareness and brand loyalty is 0.490 with sig value of 0.000, implying that brand awareness and brand loyalty have a positive and significant correlation between each other. Also, the Pearson coefficient value of brand awareness and purchase intention is 0.475 and sig value of 0.000, indicating that positive and significant correlation exist between brand awareness and purchase intention. Furthermore, the Pearson coefficient value of brand awareness and brand association is 0.511 with sig value of 0.000, connoting that brand awareness and brand association exhibit a positive and significant correlation during the study period. More so, brand loyalty and purchase intention exhibit a positive and significant relationship since the correlation value is 0.636 with a sig value of 0.000.

Regression Analysis

The multiple regression analysis was done for two sample groups by splitting file into Glo and MTN users. Since one of the aims of the study is to see how independent variables affect dependent variable in these different customer groups, the regression was conducted to two different cases (Table 3&4).

Table 1: Results of Multiple Regression Analysis in Different Cases

Dependent Variable: Purchase Intention				
GSM operator	**Variables**			
		Beta	**t**	**p**
Glo	Brand loyalty	0.403	6.888	
	Brand association	0.295	4.466	0.000
	Brand awareness	0.221	3.400	
R=0.852; R^2=0.726; F=182.009; p=0,000				
MTN	Brand loyalty	0.586	8.185	0.000
	Brand association	0.316	4.019	
R=0.784; R^2=0.614; F=164.929; p=0,000				

Source: Author's compilation

The independent variables of the study were included at the same time into regression, so all the hypotheses could be tested. As a result, while for Glo customers brand loyalty, association and awareness were explaining their purchase intention at the same time (R^2=0.726, p=0.000<0.05). MTN customers' purchase intention was only explained significantly by brand loyalty and association (R^2=0.784, p=0.000<0.05). For Glo case, brand loyalty explains purchase

intention the most ($\beta_{brand\ loyalty}$=0.403). Brand association explains almost 30% ($\beta_{brand\ association}$=0.295). of purchase intention's variance and brand awareness, 22% ($\beta_{brand\ awareness}$=0.221). As for MTN case, brand loyalty explaining power ($\beta_{brand\ loyalty}$=0.586). seems higher than brand association ($\beta_{brand\ association}$=0.316). Finally, the β values for brand loyalty and association are higher for MTN customers than Glo ones. It means that Glo customers' brand loyalty and association are more powerful to affect their purchase intention than Glo customers.

Table 4: Results of Multiple Regression Analysis in Overall Sample

Dependent Variable: Purchase Intention			
Variables	**Beta**	**t**	**p**
Brand loyalty (BL)	0.580	11.655	0.000
Brand association (BAS)	0.357	6.485	
R=0.807; R²=0.652; F=390.293; p=0,000			

Source: Author's compilation

For overall sample, it is seen that customers' purchase intention can be statistically explained by their brand loyalty and association. In Table 4 coefficient table, these two variables significantly (p=0.000 < 0.05) take place in regression equation. This approves the validity of the model. Accordingly, the equation of the model is:

Purchase intention = -0.018 + (0.58 x BL) + (0.357 x BAS)

This regression equation means that a unit change in the brand loyalty for a person makes a 0.58unit change in his/her purchase intention and in brand association, 0.357unit changes. The model explains only the 65% of variation in purchase intention.

Comparative Result Discussion Between Glo and MTN

The frequency analysis for the Glo participants showed that most of the participants using Glo could recommend this brand to other members of their family, they do want to patronize this service provider and the services rendered by Glo keep many of the customers faithful to the brand. Some of the Glo users will choose to subscribe to this service provider always though the Glo cost of maintaining is moderately cheap and most people go for this Glo due to weekly bonus. It was revealed that many of the participants concur that the likelihood that they opt for this service provider whenever they want to buy a sim is high because Glo logo is mostly recognized and most of the features of services make it the best among other brands. Meanwhile, they opined that most people get to know Glo service through regular advertisement and believe that the brand name of Glo service provider is unique and many of the participants are pleased to use Glo service provider. It was found that the Glo brand is mostly pronounced in the market according to the participants and they mostly have some features of this brand in mind often.

Continuously, the findings from the analysis conducted on the information gathered from MTN users revealed that most of the participants agreed that the logo of MTN is mostly recognized, that people get to know MTN services through regular advertisement. Hence, MTN brand name as a service provider is unique and many of the partakers agreed that they always patronize MTN service because the services rendered keep them faithful to the brand. Most of the partakers supported that they could recommend the brand MTN to other members of their family and whenever many of the participants have to subscribe to a service provider, they will choose MTN brand. It was showed that the cost of maintaining MTN service is moderately cheap, not that most people go for this MTN service due to weekly bonus but they like the brand and the likelihood that the many of the participants opt for this MTN service is high. Also, MTN brand is mostly pronounced in the market, most of the participants are pleased to use MTN service provider.

5. CONCLUSION

Based on the findings of the study, it was concluded that the strategies of brand equity (brand awareness, brand loyalty, purchase intention and brand association) are similar between the two communication rivals (MTN and Glo). More so, the users of both MTN and Glo are very satisfied with the services received. The study further concluded that brand awareness of the two communication rivals revealed a positive and significant impact on brand loyalty that is, a unit increase in brand awareness will increase the brand loyalty significantly, purchase intention contributed positively and significantly to brand loyalty while brand association had a positive and significant impact on brand loyalty. Finally, it

was concluded that brand awareness and brand loyalty have a positive and significant correlation between each other, positive and significant correlation exist between brand awareness and purchase intention, brand awareness and brand association exhibited a positive and significant correlation while brand loyalty and purchase intention exhibited a positive and significant relationship during the study period.

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