

## Brand Awareness and Competitive Advantage among Beer Products in Kabale District, South Western Uganda

**Dr. Agaba Moses,**

*Lecturer Department of Business Studies, Kabale University, Kabale, Uganda*

**Dr. Byamukama Eliab Mpora**

*Lecturer Department of Business Studies, Kabale University*

**Dr Marus Eton**

*Lecturer Department of Business Studies, Kabale University*

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**ABSTRACT :** *In the current business environment firms are required to be more competitive and hostile. Brand Awareness is regarded as a very important concept in business because business organizations can use it to gain competitive advantage. Competitive advantage has been approached by looking at the external environment of the firm that is how the economic power of firms can be used to create competitive position in an industry. This study focuses on Resource Based View a model that provides a framework for identifying unique set of resources and this perspective shifts the approach of assessing competitive advantage from the external to the internal environment that is the resource power. This study, therefore, set out to determine the effect of brand awareness on competitive advantage in beer products in Kabale district. The specific objective of the study was to (i) To determine the effect of brand awareness on competitive advantage in alcoholic beer products in Kabale district. The study used a descriptive survey research design. The target population was 1783 including wholesalers, retailers, customers and brand and marketing managers of Nile Special Lager, Eagle Lager, Senator Extra Lager, club and Bell beer products in the District of Kabale, South Western Uganda. Multistage sampling techniques were used in this study. Simple random sampling technique was used to select alcoholic beverages products and producers. Purposive sampling technique was adopted to sample shopping center to collect consumer information. Shopping centers were selected based on a marketing investigation. Primary data were used and collected using questionnaires. The descriptive analysis involving computing the mean, standard deviation, skewness, and kurtosis of the brand equity and competitive advantage variables, the inferential analysis was conducted using multiple regression analysis and the t-statistic and the p-value were adopted to test the hypotheses of the study. The study used the Statistical Package for Social Sciences (SPSS) as a tool to process and analyse data. The findings show that there is significant effect of brand awareness on competitive advantage. This research concludes that it is only when brand awareness is high it has a greater effect on competitive advantage in alcoholic beer products in Kabale district south. The study recommends that beer producers and brand managers should prioritize brand awareness constructs as their strategy to attract potential customers because it does show significant effect on competitive advantage. The study further recommends that beer producers should enhance their efforts to build brand awareness in order to achieve competitive advantage. The findings of this research provide knowledge on building and sustaining firm's competitive advantage by deploying brand awareness as an intangible critical resource from customer point of view with specific implications for developing cost cutting marketing strategies to maintain firm's competitive position in Kabale district, South Western Uganda.*

**KEYWORDS:** *brand awareness, Competitive Advantage, Beer Products, Kabale District*

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### I. INTRODUCTION

Brand awareness is the ability of a potential buyer to recognize or recall that a brand is a part of a specific product category. Brand Awareness is considered as a major element of brand knowledge and can influence a consumer's purchasing decision by eliminating competing brands from consideration (Aaker, 1991).

Competitive advantage is an advantage gained over competitors by offering customers greater value, either through lower prices or by providing additional benefits and services that justify similar or possibly higher prices. Advantage falls into only two categories, something that you own that is a barrier to competition or something that you do very well that effectively bars competitors. So competitive advantage is somehow correlated with value added and the constructs of confidence in the purchase decision, efficiency and effectiveness of marketing programs, higher profitability and differentiation have been used to measure competitive advantage.

According to Kotler and Keller (2013), competitive advantage is the ability to work in one or more ways that cannot or will not be matched by competitors. Barney and Hesterly (2012), states that, the company has a competitive advantage when the company is able to create more economic value than a rival company. A firm has a competitive advantage when it implements a strategy that creates superior value for customers and competitors are Unable to duplicate or find too costly to try to imitate (Ireland *et al.*, 2013). Source of competitive advantage consists of the low cost and to provide an efficiency and differentiation-to make a difference (He, 2012). According to Grant (2011), the two sources of competitive advantage: cost advantage (similar product-at lower cost), and differentiation advantage (price premium from unique product). According to Best (2013), the competitive advantage derived from differentiation (product, service, brand) and cost advantage (variable costs, marketing expenses, and operating expenses).

Competitive advantage denotes a firm's ability to achieve market superiority (Evans and Lindsay, 2011). This concept is the core for strategic management as every organization searches for a vantage point that could deliver competitive edge against the rivals. Porter provided a framework that models an industry as being influenced by five forces (Porter, 1985). His advice was that the strategic business manager seeking to develop a competitive advantage over rival firms can use this model to better understand the context in which the firm operates. One way of gaining competitive advantage over rivals is achieving a better cost advantage; another way to achieve competitive advantage by product differentiation (Porter, 1985). Product differentiation by itself will be of little value unless the difference so achieved attracts and captures the imagination of customers. The needs and wants of the customer must be entrenched in the business process from customer surveys, to design, to production, to delivery, and use, if the customer is to be truly satisfied (Evans & Lindsay, 2011).

According to Porter (1985), when a firm sustains profits that exceed the average for its industry, the firm is said to possess a competitive advantage over its rivals. The goal of much of business strategy is to achieve a sustainable competitive advantage. A competitive advantage exists when the firm is able to deliver the same benefits as competitors but at a lower cost (cost advantage), or deliver benefits that exceed those of competing products (differentiation advantage). Thus, a competitive advantage enables the firm to create superior value for its customers and superior profits for itself.

The beer industry in Uganda today is flooded with a vast variety and a number of brands which are struggling with each other to make their own mark in the industry and fighting the fierce competitors to win over consumers. The market is flooded with new and old alcoholic beer brands and intensity of brand war is increasing day by day. The popularity of a brand is a tool for survival and success of company in the market. Therefore, the researcher intends to focus on brand awareness as a new source for competitive advantage.

The objective of this paper is to analyze the effect of brand awareness on competitive advantage among beer products and producers in Kabale District in South Western Uganda. The findings of this study are important to existing and prospective alcoholic beer producers in Uganda, regulators of alcoholic products, and to future researchers. The producers of alcoholic products, for example, will understand how brand awareness drives competitive advantage. The findings will further enrich existing knowledge on brand awareness and competitive advantage as well as provide literature for future researchers of related subject.

Brand Awareness is considered as a major element of brand knowledge and can influence a consumer's purchasing decision by eliminating competing brands from consideration (Belen & Iglesias, 2001; Keller, 1993). Brand awareness: consists of brand recognition and brand recall performance. Brand recognition consists of the consumer's ability to confirm prior exposure to the brand when given the brand as a cue. Brand recall, on the other hand, refers to the ability of consumers to retrieve the brand from memory when given the relevant cue within a product category.

Company can only gain competitive advantage over its rivals by either performing at a lower costs or performing in a way that leads to differentiation (Porter & Millar, 1985), which creates superior customer value. A company's competitive advantage is explained by having relatively lower retention rate than its competitors. Reichheld, Markey and Hopton (2000)

Sustainable competitive advantage comes from operational effectiveness or strategic positioning. Thus, a company must do what the other companies are doing but better, in a sense of cost structure, or the company must deliver unique value by doing things differently than its competitors. It allows a company to outperform the average competitor (Porter, 2001). Barney (2012) argues that organization has competitive advantage when it is implementing a value creating strategy that is not simultaneously being implemented by any other organization.

## **II. LITERATURE REVIEW**

### **Brand Awareness and Competitive Advantage**

A considerable amount of literature has been published by Aaker (2013), Kapferer (1991) and Keller (2013) they all agree that Awareness is a key determinant identified in almost all brand equity models defines awareness as the customers' ability to recall and recognize the brand as reflected by their ability to identify the brand under different conditions and to link the brand name, logo, symbol, and so forth to certain associations in memory. Aaker (2014) identifies other higher levels of awareness besides recognition and recall. He includes top-of-mind, brand dominance, brand knowledge and brand opinion. Brand knowledge is the full set of brand associations linked to the brand (Keller, 2014). Tang & Hawley (2009) asserts that Brand awareness can be a sign of quality and commitment, letting consumers become familiar with a brand and helping them consider it at the point of purchase.

Brand awareness relates to the likelihood that a brand name will come to mind and the ease with which it does so (Keller, 2013). It is based on both brand recognition and recall (Aaker, 2014). The purpose of branding is to draw a consumer's attention to certain products which allows them to recognize familiar products and serves as a cue for retrieving stored information from memory about those products (Hakala, 2012). Brand awareness is a key determinant of brand equity (Aaker, 2013; Keller, 2013). It is defined as an individual's ability to recall and recognize a brand.

Top-of-mind and brand dominance is other levels of awareness included by Aaker (2013) in measuring awareness. Awareness can affect customers' perceptions, which lead to different brand choice and even loyalty (Aaker, 2014). A brand with strong brand recall (unaided awareness) and top of mind can affect customers' perceptions, which lead to different customer choice inside a product category (Aaker, 2013).

Brand awareness is the extent to which a brand is known among the public, which can be measured using the following parameters; **(1)**.Anchor to which association can be attached (depending on the strength of the brand name, more or fewer associations can be attached to it, which will in turn influence brand awareness) **(2)**. Familiarity and liking (consumers with a positive attitude towards the brand will talk about it more and spread brand awareness) **(3)** Signal of substance/commitment to a brand. **(4)**Brand to be considered during the purchasing process (to what extent does the brand form part of the evoked set of brands in a consumer's mind)

The results of the research by Evgeny (2017), on the *Development of brand equity in microbrewery business* provide a detailed view on how the microbrewery creates its brand equity, in particular how the company develops brand meaning and brand awareness, along with brand relationship and responses managing. Moreover, the results present the way in which the company utilizes brand elements and communication channels. More specifically, it was found that the microbrewery pays detailed attention to brand meaning and brand awareness creation, and deliberately focuses on brand elements development.

Brand performance represents the success of a brand within the market. Brand awareness is concerned with whether a brand comes to customer minds when customers think about purchasing a particular product category. Brand awareness is a basic dimension of brand performance, as a brand is unlikely to perform well unless the customer is at least aware of the brand. Another item to measure brand performance is brand reputation, which has been empirically tested to have a positive impact on brand performance (Chaudhuri, 2010) (cited in Wong and Merrilees (2007). Customer loyalty is a common item used to measure brand performance (Chaudhuri and Holbrook, 2001) and represents a situation where the customer will only buy a specific brand, and will delay purchasing if the brand is not available.

Brand recognition is the initial step in an organisation's communication process, as it is difficult for consumers to associate the brand's attributes until the brand name is established (Aaker, 2014). The next level of the pyramid is brand recall. At this level, consumers are asked to name a brand in a product class in an unaided recall situation. Unaided recall is more difficult to achieve in consumers than recognition, as consumers can recall more brands with aided recall than unaided recall. Brand recall level is therefore an indicator of a stronger brand position as asserted by Aaker (2014).

Nidhi (2012) asserts that Awareness can influence perceptions and attitudes and drives brand choice and loyalty and this was an empirical study on customer brand identity and consumer knowledge, Brand awareness is an important and undervalued part of brand equity. Aaker (1996) and Reza and Manuchehr (1998) also argues that it reflects the salience of the brand in the customer's mind. It has a key role in the consumer decision making process and in determining the consideration. Consumers are aware of a large number of brands when making

buying decisions, and brands with higher awareness levels are more likely to be part of the final buying decision. Consumer brand awareness creates an environment for the consumers to make the brand remain alive in their mind spaces which leads to a positive/strong association with the brand. The way the brand associates with the consumer, drives the consumer to develop a perceived value about the brand which eventually leverages the corporate brand identity and ultimately leading to competitive advantage (Aaker and Jacobson, 1994)

Brands are seen as a vital part of any firm and as a strong intangible asset establishing a strong brand is done by realising brand awareness among consumers and establishing a fitting brand image (Keller, 2013). According to Keller (2013), as soon as consumers are aware of the brand, establishing the right brand image is required to draw consumers to the brand and establish a relationship with it. Literature suggests several sources of brand equity, but brand awareness and brand image appear to be present in most brand equity measurement models.

Altman (2013) describes brand as what companies own in the minds of its customers hence, the overall experience. It is one of the most important aspects of any business. Brands help in building relationships with customers, which benefits the whole organization in terms of customer loyalty and identification of the customer to the brand. Products can be copied but not the brands. (Galvez, 2010)

Brand awareness is the level of consumer perception about the company. It measures a potential customer's ability to not only recognize a brand image, but also to associate it with a certain company's product or service. When competition is high, brand awareness can be considered as one of a business's greatest assets. (Track & Maven, 2015)

Chengxiao (2014) empirical review on the relationship among brand awareness, brand image, perceived quality, brand trust, brand loyalty and brand equity of customer in China's antivirus software industry, found out that brand awareness is positive related to brand trust, brand trust is positive related to brand equity, brand image have indirect impact on brand equity through perceived quality and brand trust, perceived quality have an indirect impact on brand loyalty through influence on brand trust, brand loyalty is positive related to brand equity.

According to Aaker (2014) organisations that possess a dominant brand achieve a competitive advantage in the marketplace. A dominant brand as defined by Aaker (1991) is the only brand recalled by a high percentage of consumers in a purchase (top of mind) situation. Similarly, Keller (2013) suggests that the benefits created by a dominant brand include: improved perceptions of product performance; greater loyalty; larger margins; improved marketing communication effectiveness; licensing opportunities; and additional brand extension opportunities.

Many researchers have seen brand awareness as an element that plays a vital role in consumer's choice of brand. Brand awareness had the most powerful influence on consumers purchase decision (Lin & Chang, 2003). Some researchers tested the relationship between brand awareness and other dimensions of customer based brand equity. Brand awareness has a correlation with brand association (Atilgan *et al*, 2005); high levels of brand awareness positively affect the formation of the product's brand image (Pappu *et al*, 2005).

study by Jian (2009) investigated the relationship between consumer-based brand equity (CBBE) and brand market performance awareness, association, attitude, attachment had positive impact on brand market performance (e.g. price premium, market share, loyalty, penetration, etc.), (Keller and Lehmann, 2003).

To achieve the objective of this study, the following hypothesis was tested:

**H<sub>01</sub>:** There is no significant effect of Brand awareness on competitive advantage in alcoholic beer products in Kabale District.

### III. METHOD

This study was conducted using primary data. The primary data were collected self-administered questionnaires distributed to producers, wholesalers, retailers and consumers of alcoholic beverages in Kabale District, Uganda. The questionnaire was selected as an instrument to collect the data because it is straight forward and less time consuming for respondents. The questionnaires were structured and were administered through drop and pick later method.

The target population of the study was the locally 1783 including wholesalers, retailers, customers and brand and marketing managers of Nile Special Lager, Eagle Lager, Senator Extra Lager, club and Consumers of unbranded beer products in the Kabale District. The sample size was determined using the Slovene's formula below :

$$n = \frac{N}{1 + N(0.05)^2}$$

Where

Where; n=sample size;

N=target population;

0.05 level of significance.

Therefore with the target population of 1783 (N)

$$n = \frac{1783}{1 + 1783(0.0025)}$$

$$n = \frac{1783}{1 + 4.5}$$

n= 324

The sample size was 324 respondents

Therefore the minimum sample size chosen in this study was 324 respondents. Multistage sampling techniques were used in this study. Simple random sampling technique was used to select alcoholic beverages products and producers. Purposive sampling technique was adopted to sample shopping center to collect consumer information. Shopping centers were selected based on a marketing investigation. The choice criterion was that the clubs/bars more than 20 customers per day. A total of 84 hotels, restaurants and bars were chosen for the study and in each of the hotels, restaurants, clubs and bars, 2 customers and 1 manager were chosen for the survey. This is in line with Nworgu (1991) who stated that no fixed number is ideal, rather it is the circumstances of the study situation that determine what number or what percentage of the population that should be studied.

#### Validity of Research Instrument

To ensure the validity of the questionnaire, expert opinion and content validity index (CVI) were used. The instrument was validated by four experts: Two experts in measurement and evaluation and two content experts. The four experts measured the face validity of the instrument, ensuring that the item/statements addressed the research purposes and questions, as well as the adequacy of the constructs used in the questionnaire. All their criticisms, corrections and suggestions gave birth to the final copy of the instrument used for data collection. The content validity index (CVI) was computed to determine the content validity of the instrument. Amin (2005) notes that the overall CVI for the instrument should be calculated by computing the average of the instrument and for the instrument to be accepted as valid the average index should be 0.70 or above. The CVI was computed in equation below. The CVI was estimated as follows:

$$CVI = \frac{\text{Number of questions declared valid}}{\text{Total number of questions}}$$

$$CVI = \frac{79}{84}$$

$$CVI = 0.94$$

A CVI value of 0.94 is greater than 0.7 minimum CVI required for a valid instrument. Hence the instrument is valid.

#### Reliability of Research Instrument

In order to ensure that the research instrument is reliable and can consistently produce reliable data when administered, the researchers adopted are test-retest, split half and Cronbach's alpha. The test-retest reliability method measures the stability of the research instrument. It intends to determine the extent to which a measure, procedure or instrument yields the same result on repeated trials. This was done by administering the research instrument twice on the same set of respondents at different times. The questionnaire was given to 30 respondents. Same instrument was re-administered to the respondents after two weeks. Data collected from the two intervals were estimated with correlation coefficients (Pearson *r*). Hence a reliability coefficient of 0.76 was obtained and presented in Table 1. This indicates that the instrument was reliable for the study. According to

Maduabum (2004), an instrument is considered reliable when it has a coefficient ranging from 0.60-0.99. Split-half method measures the internal consistency of the instrument. In this method, research instrument was split into two equivalent halves and the test score correlated together (Oyerinde, 2011). This study employed split halves method to measure the degree to which the items that made up the scale were all measuring the same essential attribute. This was estimated with correlation coefficients (Pearson *r*) and Cronbach's coefficient alpha. Correlation coefficients range from 0.00 to 1.00. Correlation coefficient of 0.00 means no correlation, while correlation coefficient of 1.00 means perfect correlation. The results of the split-half presented in Table 1 indicate that the instrument was reliable for the study. Similar to the test re-test and split-half methods, Cronbach's coefficient alpha is the measure of scale's internal consistency. A Cronbach's alpha coefficient greater than 0.7, is commonly acceptable, as a rule of thumb, as internal consistency of research instrument. As can be seen in the results of the reliability tests presented in Table 1, the Cronbach's

**Results of Reliability Tests for the Survey Scale**

Number	Type of Reliability Test	Value	Remarks
1	Cronbach's Alpha	0.929	Very Reliable
2	Split-half	Part 1 =0.886	Very Reliable
		Part 2 =0.884	Very Reliable
3	Correlation Between Forms	0.870	Very Reliable
4	Spearman-Brown Coefficient	Equal Length=0.824	Very Reliable
5	Guttman Split-half	0.823	Very reliable

**Source: Field Study 2017**

**IV. RESULTS AND DISCUSSION**

**Result**

***Response Rate and Demographic Characteristics of Respondents***

Response rate is usually conducted to ascertain the percentage of the targeted respondents that actually responded to the questionnaire. From the results presented in Table 2, notice that out 324 targeted respondents who were given questionnaires, 312 of them filled and returned the questionnaires. This represents a response rate of 96%. This percentage was considered high and good enough to represent the target population, given the busy schedule of the targeted population. This high response rate was achieved due to marking-up of the minimum sample size by 20% (64), which resulted in distributing 388 questionnaires. The essence of the mark-up is to minimize the problem associated with non-return of questionnaire by some respondents. The questionnaires returned from the field were assessed and found to be duly completed for use in this study.

**Response Rate**

Targeted respondents	Actual respondents	Responses as percentage of targeted respondents
324	312	96%

**Source:** Response rate analysis (2017)

The study presents the demographic profiles of the respondents in Table 3. From the Table 2, notice that majority of the respondents were males with 80.1%, and 19.93% of the respondents were females. The gender of respondents shows that more males consume alcoholic beverages in Kabale, Western Uganda. It also shows that the finding of the study does not suffer from gender bias.

**Gender of Respondents**

<b>Gender</b>	<b>Frequency</b>	<b>Percentage (%)</b>
<b>Male</b>	250	80.1
<b>Female</b>	62	19.9
<b>Total</b>	<b>312</b>	<b>100</b>

**Source:** Demographic analysis of respondents (2017)

Notice also, from Table 2, that that majority of the respondents were aged between 36 – 45 years of age (37.8%), followed by those aged between 46–55 (26.3%). The least of the respondent were those aged between 18 – 24 years (4.5%). These indicate that the respondents were adults.

**Ages of Respondents**

<b>Age</b>	<b>Frequency</b>	<b>Percentage (%)</b>
18-24	14	4.5
25-35	73	23.4
36-45	118	37.8
46-55	82	26.3
55 and above	25	8.0
<b>Total</b>	<b>312</b>	<b>100</b>

**Source:** Demographic analysis of respondents (2017)

The study requested the respondents to indicate their level of education. Notice from Table 3 that diploma education is the level of education with the highest response rate. From the table, 36.2% of the respondents indicated their highest education level as diploma. This is followed by bachelors and certificate education, with 30.8% and 17.3% respectively. The respondents with masters’ degree are the least sampled with 5.1% response rate. Table 2 indicates that all of the respondents sampled in this study have formal education.

**Level of Education of Respondents**

<b>Level of education</b>	<b>Frequency</b>	<b>Percentage (%)</b>
high school	33	10.6
Certificate	54	17.3
Diploma	113	36.2
Bachelors	96	30.8
Masters	16	5.1
<b>Total</b>	<b>312</b>	<b>100</b>

**Source:** Demographic analysis of respondents (2017)

Data was collected from the respondent on their beer brand. From Table 3, see that majority of the respondents take Nile beer (29.5%), closely followed by Club beer with respondents rate of 27.9%. The least brand of alcohol consumption according to the respondents was local beer with a 9.3% response rate. These imply that Nile beer is the favorite for respondents sampled. The lowest respondents were local beer with a 9.3% response rate. These imply that Nile beer is the favorite for respondents sampled.

**Beer Brand of Respondents**

<b>Beer brand</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Eagle	70	22.4
Nile	92	29.5
Club	87	27.9
Senator	34	10.9
Bell	29	9.3
<b>Total</b>	<b>312</b>	<b>100</b>

**Source:** Demographic analysis of respondents (2017)

**Descriptive statistics for brand awareness on competitive advantage among beer products in Kabale district**

The corresponding standard deviations are 0.4, and 0.6, respectively. These indicate minimal variability from the mean responses. Skewness and kurtosis represent the nature of departure from normal distribution. In a normally distributed variable, skewness is zero (0) and kurtosis is three (3). Positive or negative skewness

indicate asymmetry in the variables and kurtosis coefficient greater than or less than 3 suggest peakedness or flatness of the data (Decarlo, 1997). The skewness values for the brand awareness (0.08), and competitive advantage (0.05), are close to zero. These imply that variables of this study are approximation of normal distribution. The implication is that there are normal changes in the variable as predicted by normal distribution. Similar to skewness, the kurtosis coefficients for all the variables are approximately 3, thus provide support for normal distribution in the variables (Wilcox and Keselman, 2003).

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**Table showing Descriptive Statistics for Brand Awareness and Competitive Advantage**

Variable	Mean	Standard deviation	Kurtosis	Skewness
Brand Awareness	3.7123	.44780	2.472	.084
Competitive Advantage	3.6355	.36519	3.856	.057

**Source: author's computation (2018)**

**Analysis of Multicollinearity in Brand awareness Variables**

Multicollinearity exists whenever two or more of the predictors in a regression model are moderately or highly correlated. It is a state of very high intercorrelations or inter-associations among the independent variables. It is therefore a type of disturbance in the data, and if present in the data the statistical inferences made about the data may not be reliable (Gujarati, 2003). In the presence of high multicollinearity, the confidence intervals of the coefficients tend to become very wide and the statistics tend to be very small. It becomes difficult to reject the null hypothesis of any study when multicollinearity is present in the data under study (Tsay, 2005). The presence of multicollinearity in study was evaluated using Tolerance levels and the Variance Inflation Factor (VIF). The decision rule for the Tolerance level is to accept absence of multicollinearity if the tolerance level is greater than 0.5. Similarly, there is absence of multicollinearity if the VIF is less than 3. Notice from the Table 4.8 that the Tolerance level is greater than 0.5 in the variable of brand awareness, and the intervening variables (price level and product innovation). These indicate evidence of absence of multicollinearity in the predictor variables. Similarly, coefficients of the VIF are less than 3 for brand awareness variables. Hence, provide support for the absence of multicollinearity shown by the Tolerance level. Consequently, there is no existence of multicollinearity in the predictor variable. They are therefore good for empirical analysis.

Construct	Tolerance level	Variance inflation factor
Brand awareness	0.545	1.836

**Source: author's computation (2017)**

**Effect of Brand Awareness on Competitive Advantage among Beer Products in Kabale District**

The F-statistics indicate that all coefficients (that is brand equity variables, price level, and product innovation), excluding constant, are not zero. This is evident in the p-value (0.00) of f-statistics is less than the critical value (0.00). Standard error of estimate represents the imprecision of the regression equation in fitting the data. The closer the coefficient of standard error of estimates to zero, the better and more reliable the analysis. This suggests that the regression equation is properly fitted the data. More so, the Durbin-Watson coefficient (1.97) indicates that there is absence of serial correlation in the residual of the regression estimate. This is because the Durbin-Watson value is near to 2

Variable	B	Std. error	t-stat.	p-value
Brand awareness	0.182	0.067	2.709	0.007

**R=0.75; R<sup>2</sup>=0.67; Std. error=0.01; Durbin-Watson=1.97; F(7, 304) = 16.24 [0.00]**

**Source: author's computation (2017)**

**Effect of Brand Awareness on Competitive Advantage among Beer Products in Kabale District, South Western Uganda**

The results of the regression model estimates of the effect of brand awareness on competitive advantage in alcoholic beer products in kabale district, South Western Uganda. Notice from Table below that brand awareness has significant positive effect on competitive advantage among in alcoholic beer products and producers in Kabale district, South Western Uganda at the 5% percent significance level. This is clear from the



significance of the  $t$ -statistic (2.71) which is greater than the theoretical  $t$ -statistic (1.96), and the  $p$ -value (0.007) which is less than the study significance level (0.05). This evidence of positive effect of brand awareness on competitive advantage is in agreement with the theory and *a priori* expectation outlined in Section 3.7. Theoretically, brand awareness is supposed to enhance competitive advantage (Aaker, 1991; Keller, 2013).

**Table showing the Effect of Brand Awareness on Competitive Advantage among Beer Products in Kabale District, South Western Uganda**

Variable	Coefficient	T-Statistics	Significance
Brand awareness	0.182	2.709	0.007

Source: author's computation (2017)

#### Hypothesis 1

$H_{01}$  There is no significant effect of brand awareness on competitive advantage in alcoholic beer products in kabale district, South Western Uganda.

**Decision:** Based on the decision rule outlined in Section 3.8, the above results are contrary to the stated null hypothesis ( $H_{01}$ ) since the computed  $t$ -statistic (2.71) of the brand awareness coefficient is greater than the theoretical  $t$ -statistic at the 5% significance level (1.960). Similarly,  $p$ -value of the effect of brand awareness on competitive advantage (0.007) is far less than the significance level (0.05), there is significant effect of brand awareness on competitive advantage in alcoholic beer products and producers in Kabale district, South Western Uganda. Hence, we reject the null hypothesis of no significant effect of brand awareness on competitive advantage in alcoholic beer products and producers in Kabale district, South Western Uganda. Consequently,  $H_{01}$  is rejected.

## V. DISCUSSION

The study set up to determine the effect of brand awareness on competitive advantage among alcoholic beer products and producers in Kabale district, south western Uganda and this was done through testing the hypothesis ( $H_{01}$ ): There is no significant effect of Brand awareness on competitive advantage in alcoholic beer products and producers in kabale district, South Western Uganda. The results of the regression model on the effect of brand awareness on competitive advantage among alcoholic beer products and producers in Kabale district, South Western Uganda indicate that brand awareness has significant positive effect on competitive advantage among alcoholic beer products and producers in Kabale district, South Western Uganda at the 5% percent significance level. This led to the rejection of the null hypothesis of no significant effect of brand awareness on competitive advantage in alcoholic beer products and producers in Kabale district, South Western Uganda.

These results are consistent with findings reported on brand awareness scale in previous studies. Moreover the findings appear that when inexperienced consumers are faced with a brand choice situation in which known brands compete with unknown brands, they are considerably more likely to choose the known brand. This is in agreement with Yoo & Donthu (2002), Baldauf *et al.*, (2003) that brand awareness is a strong antecedent to consumer choices. Yi *et al.*, (2004) asserts that consumers are more conservative and will most likely choose a familiar product, and as such will be biased towards products which are familiar to them. The study is in line with the findings of Hakala *et al.*, (2012) who concluded that brand awareness plays a positive role in consumer choice and purchase decisions.

According to the study by Talatu (2012) on *the Practicality and Application of Aaker's Customer Based Brand Equity Model in the Nigerian Banking Sector*, The regression parameter estimates show significant positive relationships between brand association & brand equity (C.R 2.280,  $\beta = .520$  &  $P = .023$ ) and In addition the study by Gokhan and Ulengin (2015), on the *Effect of Brand Equity on Firms' Financial Performance in Consumer Goods Industries* also indicate that brand awareness as a component of CBBE positively affects the financial performance of firms and therefore these findings supports the result of this objective

The findings of this study are also supported by the study of Sanjeev (2012), on *The Importance of Brand Loyalty, Brand Awareness and Perceived Quality parameters in building Brand Equity in the Indian Pharmaceutical Industry*, indicate that Brand Awareness was the most important attribute in creating firm's value hence in agreement with the findings of the current study that brand awareness has significant effect on competitive advantage among alcoholic beverage products and producers in Kabale district.

The results of this study are also in agreement with study carried out by Abbas *et al.*, (2012), on *The Relationship between Brand Value and the Performance of Private Banks in Terms of E-Cards Sales, in Iran*

and the results of Pearson correlation test suggested a significant positive relationship between brand awareness, and the performance of the private banks in Tehran City.

The results of this study are also in conformity with the finding of Reuben (2014), The Influence of Brand Equity on Consumer Choice in branded Bottled Water Among Supermarket Customers in Nairobi Central Business District, Kenya and the findings by Chengxiao are consistent with this study, (2014), The results for this study therefore suggest that first time buyers may rely on awareness as a cue for choosing a brand when a clear distinction between brands exists.

## VI. CONCLUSION

The researchers concludes that majority of the beer brands examined enjoy high levels of awareness especially among consumers and retailers in Kabale district. Therefore, I conclude that brand awareness as an element of brand equity can be used to build and sustain competitive advantage among beer products in Kabale district hence beer producers need focus on building high levels of awareness among their brands.

This study provides important theoretical contribution expanding on previous knowledge and literature of brand equity and competitive advantage. This study is one of the first known studies to directly link brand equity to competitive advantage among beer products in Kabale district, South Western Uganda.

The findings on the effect of brand awareness on competitive advantage showed a positive significant effect and therefore the researcher recommends that beer producers ought to invest and put more efforts in the area of brand awareness in order to strengthen their brand equity in the market. Emphasis should be put on improving organisation's communication process aimed at enhancing brand awareness and brand unaided recalls because the higher the level of brand recognition and recalls the higher the brand position in the market hence achievement of competitive advantage

The researchers further recommends that UBL and EABL through their brand managers in Kabale district should provide develop strong customer relationship with their customers as likeability of their beer brand is an important factor. Brand Managers have to understand that every touch point between them and their customers becomes an input to brand image, both on a rational and on an emotional level. They should acknowledge that ultimately individual relationships and interactions decisively shape their brand's image hence competitive advantage.

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