Exploring the determinants of brand loyalty in global FMCG markets of soft drinks consumers in Kenya and India

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ABSTRACT

This study sought to investigate and compare both the African and Asian soft drink markets. Whereas Kenya is a leading economic hub in Eastern Africa, India remains a powerful economic player in Asia with its large population that offers considerable scope for additional geographic penetration. The study was conducted between January 2012 and October 2012. A total of 1312 respondents were sampled comprising of 434 Kenyans and 878 Indians from selected public universities in India and Kenya. The students sample represented 1.2% of the target population in 3 public universities in Kenya and Kerala respectively. Data was analyzed using simple and multiple regression method. Among the key findings were that promotion was the strongest factor to brand loyalty among Kenyan soft drinks consumers while in India it was product quality.

Keywords: Brand loyalty, soft drinksconsumer, Fast Moving Consumer Goods (FMCG)

INTRODUCTION

Marketing firms wish that their offerings was perceived by the consumers, not as products, but as brands with distinct identity. Marketers hope that they can cause consumers to discriminate among the various brands that are available and to purchase the 'correct' brand. Marketing literature and practiceflourishwith examples of consumers learning to choose one product or store rather than another. These consumer preferences have been termed as

'Loyalties' (Wheeler, 1974).Although brand loyalties seem to exist, a consistent operational definition is lacking. Brand loyalty can simply be defined as the behavioral response expressed over time by some decision making unit, with respect to one or more alternative brands out of a set of such brands and is a function of psychological process (Jacobs & Chestnut, 1978). Consumer brand loyalty therefore can be said to be a function of both behavior and attitudes. Brand loyalty also provides the firm with trade leverage and valuable time to respond to competitive moves (Aaker, 1991). It follows then that the increase and holding of loyal Consumers has become a key factor for long term success of the companies. In sum, loyalty to a firm's brands represents strategic asset which has been identified as a major source of the brand's equity.

Fast Moving Consumer Goods (FMCG)refers to those items that the consumer uses frequently, conveniently and with a minimum shopping effort. They also have a short lifespan andthey are sold quickly at relatively low cost. The Indian FMCG sector is the fourth largest sector in the economy with an estimated size of Rs.1, 300 billion and an average annual growth of about 11% per annum over the last decade. According to Kavitha, (2012), Kenya's FMCG market is one of the major drivers of the country's economy. It also happens to be one of the most volatile and competitive sectors. In both countries, FMCG sector can broadly be categorized into three segments which are: household items as soap, detergents, household accessories, etc., Personal care items as shampoos, toothpaste, shaving products, etc. and finally Food and Beverages as snacks, processed foods, tea, coffee, edible oils, soft drinks etc. Given the importance, this study sought to examine the factors that influence brand loyalty among consumers in the India and Kenya markets.

LITERATURE REVIEW

Youth market is very important and powerful segment of consumer to be considered as a separate section (Ness et al,2002). Specific factors that influence the youth in their purchasing behavior pattern has been a serious to the behavioural researchers(Bush et al, 2004).Previous studies have investigated how young adults earn what to consume and what influences them (Keillor et al, 1996; Moschis& Churchill, 1978). The studies whch has been showed according to the Social Leaving Theory says that the consumer behaviour is affected by various of sources such as family values (Baltas, 1997; Feltham, 1998); financial restraints (Ness et al, 2002; Rowley, 2005; East et al, 1995) and peer group influences (Feltham, 1998; Ness et al, 2002). Solomon (1994) highlights that the teenagers will realise the influence of brand loyalty while purchasing differrent kinds of products in their age and be influenced to buy the product during the age period. Hence the youth or teen may rely on the particular age and keep purchasing their favourite brand on that age onwards (Hollander & German, 1992).

Previous research assumes that the youth customers are not much loyal to the brand however, these findings are relatvely uncertain (Pollay et al, 1996; Spero & Stone, 2004; Roehm & Roehm, 2004).Giges (1991) found the lifestyles and consumption habits of people aged 14-34 around the world were similar especially in terms of consumption of soft drinks and fotwear.Furthermore, a number of studies have been done on brand loyalty. However most of these studies are based in the Western World and tend to focus on one or two variables only. Little has been done in the developing and under developed economies. For instance, Bloemer et al (1995) examined the relationship between brand loyalty and satisfaction levels of the buyer. Equally, Chaudhuri & Holbrook (2001) sought to establish relationship between brand loyalty and trust developed by the customer. Podoshen (2008) went ahead to investigate the role of racial factor on product brand loyalty. Mohammed (2006) studied the influence of price factor on brand loyalty. Mei-Meiet al (2006) investigated the influence of brand name and product promotion, while Angeline (2011) studied the influence of age bracket on brand loyalty in soft drinks segment. In this study six factors were identified and studied. The first was repeat purchase of the same brand. Repeat purchase is a behavioral tendency where customers purchase the same product or brand regularly and consistently. When this happens over time, the customer develops loyalty to the brand due to unique attributes identified during the frequent purchases. Assael (1995) argues that 'Loyals' use repeat purchasing of a brand as a means of reducing risk.Another factor is the customer satisfaction after purchase of the brand. Johnson & Forwell (1991) defined an overall customer satisfaction as the customer's rating of the brand based on all encounters and experiences. Bennett &Rundle – Thiele(2004) affirm that if the customers experience high level of satisfaction they are highly to be pre disposed attitudinally to the particular Brand and intention to repurchase. Another factor is product quality. Product quality encompasses the features and characteristics of a product or service that bears on its ability to satisfy stated or implied needs. Romaniuk & Sharp (2003)concludethat the more attributes (nonnegative) associated with a product brand; the more loyal consumers are likely to be. Price of the product brand was another factor considered in the study. Cadogan & Foster (2000) assert that consumers with high brand loyalty are less prices sensitive. The products' brand name was also considered as a factor. According to Keller (1998), a famous brand name can disseminate product benefits and lead to higher recall of an advertised benefit than a non-famous brand name hence leading to high recall and repurchase. The last factor studied was product promotion. Promotion is a component of a marketing mix which takes the form of communication between the product and the correct or potential consumers. Several studies (Evans et al, 1996) suggest that promotion, especially in form of a well-targeted advertisement cannot only make the consumers less price sensitive and more loyal, but also change their knowledge, attitude and behaviors towards the product. This study sought to examine the six key factors then rank to establish the most influential factor in the African and Asian markets studied.

METHODOLOGY

An ex post facto survey research design was adopted in the study. Out of a total population of 116008 students, 1312 respondents were sampled comprising of 434 Kenyans and 878 Indians from selected public universities in India and Kenya. The students sampled represented 1.2% of the target population in 3 public universities in Kenya and Kerala respectively. Neuman (2000) argues that for large populations (over 50,000), small sampling ratios (1 percent) are possible and can be accurate. The study adopted incidental random sampling techniques. Respondents were selected based on their ease of access and willingness to respond (Gravetter & Forzano, 2006). Questionnaire was used to collect the data. A pilot study was conducted in Baraton University in Kenya and Mahatma Gandhi University in Kerala (Kottayam) State, India in November 2011 to ascertain the reliability of the research instrument. Using the Cronbach's Alpha coefficient formula, the results indicated a reliability coefficient of 0.79 in Baraton University -Kenya and 0.72 in Mahatma Gandhi University, India, which is considered acceptable (Kline, 1999). Correlations and multiple linear regression (MLR) coefficients were calculated to check the relationship among variables. The following regression equation was fitted to estimate the influence of various factors that influence brand loyalty among soft drinks consumers in both countries; Brand Loyalty=f(Product quality, Repeat purchase, Satisfaction, Brand name, Price, Promotion)

$$y = \alpha + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \beta_4 x_4 + \beta_5 x_5 + \beta_6 x_6$$

Where; y = Brand loyalty, x_1 = Product Quality x_2= Repeat Purchase (purchase frequency) , x_3= Satisfaction , x_4= Brand name , x_5= Price, x_6= ProductPromotion; β_x are the net change in y for each change of either x_1, x_2,…..x_n.

FINDINGS

The relationship between soft drinks consumer brand loyalty and product quality

The first objective of this study was to determine the relationship between soft drinks consumer brand loyalty and product quality. To achieve this objective, a null hypothesis was formulated and tested. The null hypothesis stated that: *There isa negative and significant correlation between soft drinks consumer brand loyalty and product quality of the soft drink.*

To test the null hypothesis a correlation and linear regression analysis was performed between the dependent variable (brand loyalty) and the independent variable (product quality) on the responses from the two markets.

Table 1:Correlation between brand loyalty and brand quality In the two markets

	Market		Loyalty	Brand quality
Pearson Correlation	Kenya	Loyalty	1.000	.704
		Brand quality	.704	1.000
Sig. (1-tailed)		Loyalty	.	.000
		Brand quality	.000	.
Pearson Correlation	India	Loyalty	1.000	.741
		Brand quality	.741	1.000
Sig. (1-tailed)		Loyalty	.	.000
		Brand quality	.000	.

Source: Research Data (2012)

From Table 1, at 95% confidence level brand quality and brand quality were positively correlated and significant at 95% confidence level for the Kenyan market; r(410) .704, p =.000). Similarly, brand quality and brand quality were positively correlated and significant at for the Indian market;r (651) = .741, p =.000). From the results, it can be shown that there was a positive and significant relation between brand quality and brand loyalty amongst soft drink consumers in the two markets. Further model summary was tabulated to show on the influence of product quality alone on brand loyalty.

Table 2: Effect of Brand quality on Brand Loyalty (Indian Market)

					Change Statistics					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change	Durbin-Watson
India	.741[a]	.549	.548	.51304	.549	788.617	1	649	.000	1.432
Kenya	.704[a]	.496	.494	.48473	.496	400.871	1	408	.000	1.648

a. Predictors: (Constant), Brand qualitySource: Research Data (2012)
b. Dependent Variable: loyalty

The R^2 represented the measure of variability in level of brand loyalty that is accounted for by the predictor (product quality). From the model, (R^2 = .549) shows that the product quality accounted for 54.9% variation for level of brand loyalty in the Indian market. From the model, R^2 = .494demonstrates that the product quality alone accounted for 49.4% variation for level of brand loyalty in the Kenyan market. There were variations in effect of product quality between the two markets with the Indian market revealing a higher percentage in brand loyalty as compared to the Kenyan market. Thisimplies that soft drink consumers in India are more concerned on quality of the products as compared to their Kenyan counterparts. The regression analysis indicated that there was a positive and significant correlation between the soft drink brand loyalty and product quality implying that the null hypothesis was rejected and the alternative accepted and it can therefore be concluded that there was a statistically positive and significant relationship between product quality and brand loyalty.

Relationship between soft drinks consumer brand loyalty and purchase frequency

The second objective was to establish whether there is a relationship between soft drinks consumer brand loyalty and purchase frequency. To achieve this objective, a null hypothesis which stated that: '*There is a negative and significant a relationship between soft drinks consumer brand loyalty and purchase frequency of the soft drink'* was formulated. To test the hypothesis, a correlation and linear regression analysis was performed between the dependent variable (brand loyalty) and the independent variable (purchase frequency) on the responses from the two markets.

Table 3: Correlation between brand loyalty and purchase frequency

Market			Loyalty	Purchase Frequency
Kenya	Pearson Correlation	Loyalty	1.000	.774
		Purchase Frequency	.774	1.000
	Sig. (1-tailed)	Loyalty	.	.000
		Purchase Frequency	.000	.
India	Pearson Correlation	Loyalty	1.000	.636
		Purchase frequency	.636	1.000
	Sig. (1-tailed)	Loyalty	.	.000
		Purchase frequency	.000	.

Source: Research Data (2012)

From Table 3, the result of the analysis illustrated that there was a significant relationship between brand loyalty and purchase frequency in both markets;r (411) = .774, p =.000) in the Kenyan market and r (651) = .636, p =.000 for the Indian market. However, purchase frequency was positively correlated with brand loyalty in both markets. This implies that purchase frequency has a positive and a significant influence on brand loyalty in both India and Kenya.

Table 4:Model summary on the influence of purchase frequency on brand loyalty in the Kenyan market

					Change Statistics					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change	Durbin-Watson
Kenya	.774[a]	.599	.598	.43290	.599	610.777	1	409	.000	1.767
India	.636[a]	.404	.403	.58948	.404	439.966	1	649	.000	1.510

a. Predictors: (Constant), Purchase frequency Source: Research Data (2012)
b. Dependent Variable: Loyalty

The R^2 represents the measure of variability in level of brand loyalty that is accounted for by the predictor (independent variable= purchase frequency). From the model, (R^2 = .599 for Kenyan market and R^2 = .404 for Indian market) shows that the predictor accounts for 59.9% variation for level of brand loyalty in Kenyan market while the predictor accounts for 40.9% variation for level of brand loyalty in the Indian market. It can be demonstrated that the R^2 for the two markets varied greatly. It indicates therefore that purchase frequencies in the two markets influences brand loyalty but in different levels with a difference of 19.0% in the two markets. Kenyan market indicated a higher purchase frequency rate that affects brand loyalty as compared to the Indian market. ANOVA was performed to check the fitness of the regression model.

Table 5: Purchase frequency ANOVA analysis

Model			Sum of Squares	df	Mean Square	F	Sig.
1	Regression	Kenya	152.883	1	152.883	439.966	.000[a]
	Residual		225.519	649	.347		
	Total		378.402	650			
1	Regression	India	114.460	1	114.460	610.777	.000[a]
	Residual		76.647	409	.187		
	Total		191.107	410			

a. Predictors: (Constant), Purchase frequency Source: Research Data (2012)
b. Dependent Variable: loyalty

The following null hypothesis was tested in this study:

'There isa negative and significant a relationship between soft drinks consumer brand loyalty and purchase frequency of the soft drink'. Thus, the null hypothesis was rejected and the alternative accepted since the p<.05. This implies that purchase frequency affects brand loyalty in the two markets but at different levels.

Relationship between soft drinks consumer brand loyalty and consumer satisfaction

The third objective was to establish whether there is a relationship between soft drinks consumer brand loyalty and consumer satisfaction. To achieve this objective a null hypothesis was formulated. The null hypothesis stated that: '*There isa negative and significant correlation between soft drinks consumer brand loyalty and consumer satisfaction.'* To test the hypothesis, correlation analysis and linear regression analysis was performed between the dependent variable (brand loyalty) and the independent variable (consumer satisfaction) on the responses from the two markets.

Table 6: Correlation between Brand Loyalty and Consumer Satisfaction

Market			**Loyalty**	**Purchase Frequency**
Kenya	Pearson Correlation	Loyalty	1.000	.643
		Consumer Satisfaction	.643	1.000
	Sig. (1-tailed)	Loyalty	.	.000
		Consumer Satisfaction	.643	.
India	Pearson Correlation	loyalty	1.000	.498
		Consumer Satisfaction	.498	1.000
	Sig. (1-tailed)	loyalty	.	.000
		Consumer Satisfaction	.000	.

Source: Research Data (2012)

From the Table 6, the result of the analysisrevealed that there was a significant relationship between brand loyalty and consumer in both markets; r (411) = .643, p =.000) in the Kenyan market and r (651) = .498, p =.000 for the Indian market. At the same time, it was found out that customer satisfaction was positively correlated with brand loyalty in both markets. This implies that customer satisfaction has a positive and a significant influence on brand loyalty in both India and Kenya.Model summary was further tabulated to illustrate the influence of customer satisfaction alone on brand loyalty.

Table 7: Model Summary on the Influence of Customer Satisfaction on Brand Loyalty

					Change Statistics					
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**	**R Square Change**	**F Change**	**df1**	**df2**	**Sig. F Change**	**Durbin-Watson**
Kenya	.643[a]	.414	.412	.52333	.414	288.791	1	409	.000	1.865
India	.498[a]	.248	.247	.65024	.248	208.158	1	631	.000	1.320

a. Predictors: (Constant), Customer satisfaction

b. Dependent Variable: Loyalty

Source: Research Data (2012)

From the model, R^2 = .414 for the Kenyan market and .248 for the Indian marketestablishthat the predictor accounts for 41.4% variation for level of brand loyalty in the Kenyan market while in the Indian market that the predictor (customer satisfaction) alone accounts for 24.8% variation for level of brand loyalty. It can be determined that the R^2 for customer satisfaction in the two markets varied greatly. The R^2 for the Kenyan market indicated that the customer satisfaction alone accounts for 41.4% for brand loyalty while in the Indian market customer satisfaction accounted for 24.8% variation for level of brand loyalty. It indicates therefore that customer satisfaction in the two markets even though varied has some influence on soft drink brand loyalty. ANOVA was performed to check the fitness of the hypothesis and the results are presented in Table 8.

Table 8: Customer Satisfaction ANOVA for Kenyan Market

Model		Sum of Squares	Df	Mean Square	F	Sig.
Kenya	Regression	79.092	1	79.092	288.791	.000[a]
	Residual	112.014	409	.274		
	Total	191.107	410			
India	Regression	88.011	1	88.011	208.158	.000[a]
	Residual	266.792	631	.423		
	Total	354.802	632			

Source: Research Data (2012)

The following null hypothesis was tested in this study:

There isa negative and significant correlation between soft drinks consumer brand loyalty and consumer satisfaction. Thus, the null hypothesis was rejected and the alternative accepted since the p<.05. This indicates that there is a positive and significant correlation between brand loyalty and customer satisfaction in the two markets and it can therefore be concluded that customer satisfaction influences brand loyalty.

The relationship between soft drinks consumer brand loyalty and product price

The fourth objective was to determine the relationship between soft drinks consumer brand loyalty and product price. To achieve this objective, a null hypothesis was formulated. The null hypothesis stated that: '*There isa negative and significant correlation between soft drinks consumer brand loyalty and product price of the soft drink.'* To test the null hypothesis simple regression analysis was performed between the dependent variable (brand loyalty) and the independent variable (product price) on the responses from the two markets.

Table 9: Correlation between brand loyalty and product price

Market			Loyalty	prices
Kenya	Pearson Correlation	Loyalty	1.000	.680
		Product price	.680	1.000
	Sig. (1-tailed)	Loyalty	.	.000
		Product price	.000	.
India	Pearson Correlation	loyalty	1.000	.549
		Product price	.549	1.000
	Sig. (1-tailed)	loyalty	.	.000
		Product price	.000	.

Source: Research Data (2012)

From Table 9, the result of the analysis illustrated that there was a significant relationship between brand loyalty and product price in both markets; r (411) = .680, p =.000 in the Kenyan market and r (651) = .549, p =.000 for the Indian market. At the same time, product price was positively correlated with brand loyalty in both markets. This implies that product price has a positive and a significant influence on brand loyalty in both India and Kenya. model summary was tabulated to show on the influence of product price alone on brand loyalty.

Table 10: Model Summary on the Influence of Product price on Brand Loyalty

					Change Statistics					
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**	**R Square Change**	**F Change**	**df1**	**df2**	**Sig. F Change**	**Durbin-Watson**
1	.680[a]	.463	.461	.50110	.463	352.081	1	409	.000	1.456
1	.549[a]	.302	.301	.64116	.302	276.409	1	640	.000	1.403

a. Predictors: (Constant), price
b. Dependent Variable: Loyalty
Source: Research Data (2012)

From the model, R^2 = .463 for Kenyan market and .302 for the Indian marketassertsthat the product price accounted for 46.3% variation for level of brand loyalty in the Kenyan market and 30.2% variation for level of brand loyalty in the Indian market. It indicates therefore that product prices in the two markets even though varied has some influence on soft drink brand loyalty.

Table 11: Product Price ANOVA for Kenyan and Indian Markets

Model		**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
Kenya	Regression	88.407	1	88.407	352.081	.000[a]
	Residual	102.699	409	.251		
	Total	191.107	410			
India	Regression	113.628	1	113.628	276.409	.000[a]
	Residual	263.095	640	.411		
	Total	376.722	641			

Source: Research Data (2012)

The following null hypothesis was tested in this study:

There is a negative and significantcorrelation between soft drinks consumer brand loyalty and product price of the soft drink. Thus the null hypothesis was rejected and the alternative accepted since the $p<.05$. This indicates that there is a positive and significant correlation between brand loyalty and product price in the two markets and it can therefore be concluded that product prices influences brand loyalty.

Relationship between soft drinks consumer brand loyalty and product promotion

The fifth objective was to establish if there is a relationship between soft drinks consumer brand loyalty and product promotion. To achieve this objective, the participants were requested to respond to items on a Likert scale in the questionnaire on product promotion at the same time a null hypothesis was formulated. The null hypothesis stated that: '*There isa* *negative and significant correlation between soft drinks consumer and soft drinks consumer brand loyalty and product promotion of the soft drink.'* To test the null simple regression was perform on brand loyalty and product promotions using Enter method. This was to determine any significance for the assumed relationships based on the magnitude and direction of the relationship. Product promotion was the predictor representing the independent factor as shown in Table 12. R represents the values of simple correlation coefficient between the predictor used and level of brand loyalty. The predictor used in the model represents only a simple correlation between the level of brand loyalty and product promotion. The R^2 represented the measure of variability in level of brand loyalty that is accounted for by the predictor (product promotion). From the model, $R^2 = .406$ for Indian Market and $R^2 = .602$ for the Kenyan marketdemonstratesthat the predictor account for 40.6% in the Indian market and 60.2% in the Kenyan market variation for level of brand loyalty.

Table 12: Model Summary on Influence of product promotions on Brand Loyalty

Model		**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
1	Indian Market	.638[a]	.406	.406	.58828
1	Kenyan market	.776[a]	.602	.601	.43103

a. Predictors: (Constant), Promotions

Source: Research Data (2012)

From the model, it was found that in the Kenyan market, product promotion (R^2 =.602) was higher as compared to the Indian market (R^2 = .406). This shows that promotions for soft drinks in the Kenyan market affect brand loyalty as compared to the Indian market. ANOVA was performed to test the fitness of the regression model and the results are presented in Table 13.

Table 13: Product promotion ANOVA

Model		**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
India	Regression	153.802	1	153.802	444.426	.000[a]
	Residual	224.599	649	.346		
	Total	378.402	650			
Kenya	Regression	115.120	1	115.120	619.629	.000[a]
	Residual	75.987	409	.186		
	Total	191.107	410			

Source: Research Data (2012)

From Table 13, the product promotions in both markets were found to be significant F (1 = 619.629, $p<.05$) for the Kenyan market and F (1 = 444.426, $p <.05$) for the Indian market. Therefore the null hypothesis that stated: there is no positive and significant correlation between soft drinks brand loyalty, product promotion was rejected, and the alternative accepted indicating that there was a positive and significant correlation between product promotion and brand loyalty in the two markets.

Relationship between soft drinks consumer brand loyalty and brand name

The sixth objective was to establish whether there is a relationship between soft drinks consumer brand loyalty and brand name. To achieve this objective a research hypothesis was formulated. The null hypothesis stated that: '*There isa negative and significant correlation between soft drinks consumer brand loyalty and brand name of the soft drink'.* To test the null hypothesis simple regression analysis was performed between the dependent variable (brand loyalty) and the independent variable (brand name) on the responses from the two markets.

Table 14: Correlation between brand loyalty and brand name

			Loyalty	Brand Name
Pearson Correlation	Kenya	Loyalty	1.000	.676
		Brand Name	.676	1.000
Sig. (1-tailed)		Loyalty	.	.000
		Brand Name	.000	.
Pearson Correlation	India	loyalty	1.000	.694
		Brand Name	.694	1.000
Sig. (1-tailed)		loyalty	.	.000
		Brand Name	.000	.

Source: Research Data (2012)

From Table 14, it was found that brand loyalty and brand name were positively correlated and significant (r= .676, $p < .05$) in the Kenyan market similarly, brand loyalty and brand name were positively correlated and significant at 95% confidence level (r= .676, $p < .05$) in the Indian market. Model summary was tabulated to show on the influence of brand name alone on brand loyalty.

Table 15: Contribution of brand name to brand loyalty

					Change Statistics					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change	Durbin-Watson
Kenya	.676[a]	.457	.456	.50365	.457	344.383	1	409	.000	1.672
India	.694[a]	.481	.480	.55079	.481	593.483	1	640	.000	1.081

a. Predictors: (Constant), Brand name Source: Research Data (2012)
b. Dependent Variable: loyalty

Findings in Table 15 indicate that brand name alone in the Kenyan market accounts for 45.6% of the brand loyalty (R^2 = .456). While brand name alone in the Indian market accounts for 48.1% of the brand loyalty (R^2 = .481). The contribution of brand name to brand loyalty in the Indian market was slightly higher than the Kenyan market and this was contributed by their consciousness towards multi-national brands. From the regression analysis, it can then be concluded that there is a positive and significant correlation between brand loyalty and brand name and therefore the null hypothesis was rejected.

CONCLUSION

The results of the study indicated there was a statically positive and significant relationship between product quality and brand loyalty in the two FMCG markets of soft drinks studied with more Indian consumers than Kenyans considering it important in making choice. This could be explained by the fact that Indian market has more varied varieties of soft drinks than the Kenyan market. There was a positive and significant correlation between brand loyalty and customer satisfaction in the two markets and it can therefore be concluded that customer satisfaction influences brand loyalty. Satisfaction was less influential in the Kenyan market than in the Indian market this can be explained by the fact that most Kenyans consume soft drinks as “real food” while Indians consider soft drinks as mere refreshments after main meals. There was a significant relationship between brand loyalty and product price in both markets.

However, Indian consumers were found to be more price sensitive than their Kenyan counterparts. There was a positive and significant correlation between product promotion and brand loyalty in the two markets. However, Kenyan consumers were more propelled by promotional campaigns to buy than their Indian counterparts. It was also established in the study that brand loyalty and brand name were positively correlated and significant in both Kenyan and Indian markets. The Indians were found to be more sensitive to brand name of the soft drink than their Kenyan counterparts. On the overall , the study established that the quality of the soft drink (product content, color and packaging) are considered to be most significant of all the studied factors among Indian consumers, while among Kenyans have product promotion as the strongest factor.This implies that managers should emphasize the key factors when preparing messages and strategies for the respective markets.

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