

## The effect of Brand Association on Consumer Patronage of GSM Service Providers in Kano Metropolis

Article by Bayero Usman Jaafaru  
PhD, Texila American University  
E-mail: Jaafarbayero@yahoo.com

### Abstract

*The research is aimed at investigating the effects of brand association on consumer patronage of GSM service providers in metropolitan Kano. The study utilized descriptive survey research design with both descriptive and inferential statistics used as techniques of data analysis. The five Likert type rating scale was used in measuring responses to the questions. Specifically, linear regression model was used to determine the impact of the independent variables on the dependent variable. The analysis of the study revealed that perceived quality of service was found to significantly influence consumer patronage of service providers. The finding of the study also revealed that the use of the celebrity for promotional activities by GSM operators has no effect on consumer patronage of service providers. It was also found that consumer patronage of GSM service providers was not influenced by the fact that GSM companies engaged in sponsorship of notable events. The study recommends more investments in facilities, quality control technologies and strategic development and implementation of plan for delivery of high-quality service. There is also the need for service providers to ensure greater coordination of efforts in the use of celebrities for promotional activities. There is the need for more investments in social amenities by the GSM service providers.*

**Keywords:** Consumer, Patronage, Brand, Association, Metropolis, Service.

### Introduction

#### Background to the study

In an increasingly competitive and growing telecommunication sector of Nigerian economy, many observers agree with the view that the company that wins and continues to be relevant into the future will be the one that understands the consumers better, delivers superior service based on that understanding and stays connected with happenings in the market (Michael and Osagie, 2007). This in effect calls for a systematic study of consumer behavior, an exercise which according to Johnson (2006) is geared towards understanding how individuals, groups and organization go about selecting, buying, using and disposing of goods, services, ideas and experience to satisfy their needs and wants. One of the relevance of this exercise, Aarker (2000) observes, is the generation of clues and insights for improving marketing programs such as product or service introduction, setting prices, crafting messages as well as other important marketing activities like branding and brand positioning.

The importance of brand and branding in a successful marketing programs has been well documented (James, 2004). Studies have shown that successful brand is the most valuable resource that a company can have (Aarker, 2000; Keller, 2005; Chakravarti, 2002; Brown, 2005; Campbell, 2002; and Kotler and Keller 2006). In fact, Keller (2005:59) speculates that brand is so valuable that companies will soon be appending a “statement of value addendum” to their balance sheet to include such intangibles as the value of their brands. Although there has not been any generally accepted standard to measure the value of a brand (Aarker, 2000), the value is almost always apparent in the minds of the general public (Nzuki, 2008). For example, the value of such global brands as Coca-Cola, Sony, Toyota and Kodak is indisputable (Michael, 2007). Further, Rob (2007) argues that a brand’s value is sometimes brought to the public knowledge in buy-outs and acquisition transactions. For example, Nzuki (2008) reports that when Philip Morris

Companies Inc. purchased Kraft Foods Inc. in 1988 for nearly \$13billions, it paid 600 percent more than Kraft's factories and inventories were worth. Over 80 percent of the purchase price represents the value of the brand, Kraft Foods. Clearly, this demonstrates the value of a brand from the company perspective. On the customers' perspective thus, Craig (2007) concludes in his study of factors affecting consumer choice of mobile phones that 8 out of every 10 customers go for brands that stand out, have good reputation and are familiar. Other studies like Aarker (2000), Michael (2007), Vincent and Zhu (2006), Saeed and Reinert (2005) and Keller (2005) submit that familiar brands help customers simplify their purchase decisions especially with regards to expensive and high-risk items, complex situation and decisions requiring long term commitment.

## Statement of the problem

Experts observe that consumers of telecommunication product and services in Nigeria today are quite varied in their attitudes, tastes, needs and expectations (Ndukwe, 2008). Arguably these differences explain, in part, the reasons why all of us (that is, consumers) do not subscribe to the same networks.

A number of studies have been conducted to examine several factors that could inform consumers' patronage of one service providers, especially GSM operators, over another. For instance, Michael and Osagie (2007) investigated the influence of intensity of advertisement on consumer choice of GSM service providers while Ajayi (2006) studied the influence of the intended primary usage of GSM service on consumer patronage of operator. Similarly, Saeed and Arshard (2008) studied corporate branding and consumer purchase of telecommunication service and concluded that corporate branding serves as the main source of communication to customers and has little to do with customer purchase decision; Vincent and Zhu (2008) also identified interactive ability, service quality, guest satisfaction and travel agency image, as some of the factors affecting customer choice of travel agency for tourism.

However, a search and review of relevant literature especially the most current ones on the subject matter has revealed that little or no particular attention has been given to the potential influence of brand association on consumer patronage of GSM service provider (s). In fact, some of the earlier studies in this area such as Korchia (2005) and Nzuki (2006) have acknowledged this gap in their respective submissions. In addition, an upsurge in the amount of money being spent by GSM operators on advertisements and their readiness not to spare anything on image boosting activities have been observed, and analysts are beginning to question the effect of all this on the bottom-line (market share). Thus, this study intends to bridge the observed gap in knowledge and provide answers to the question of whether or not brand association has any influence on customer's patronage of GSM service providers.

In view of the above, the following questions were posed to guide the conduct of the study.

1. What is the effect of perceived service quality on consumer patronage of GSM service provider?
2. What is the effect of celebrity endorsements of service providers on consumer patronage of their services?
3. To what extent has sponsorship of and identification with notable events by GSM operators affected consumer patronage of their services?
4. To what extent has the perceived social responsiveness of GSM service providers affected consumer patronage of their services?

## Objectives of the study

The general objective of this investigation is to determine whether consumers' patronage of GSM service providers (s) is in any way influenced by some key associations linked to the providers. It was intended that the following specific objectives would also be achieved at the end of the investigation:

1. To assess the effect of perceived service quality on consumer patronage of GSM service providers.
2. To ascertain the influence of celebrity identification with and endorsements of GSM service providers, on consumer patronage of their services.

3. To assess the influence of sponsorship of notable events by GSM service providers on consumer patronage of their services.
4. To determine the extent to which perceived social responsiveness of GSM service providers affect consumer patronage of their services.

## **Research hypotheses**

The following null hypotheses are formulated based on the research problem statement and in line with the objectives of the study.

### **Hypothesis one**

Perceived service quality has no effect on consumer patronage of GSM service providers.

### **Hypothesis two**

Celebrity identification with and endorsements of GSM service providers have no effect on consumer patronage of service provider.

### **Hypothesis three**

Sponsorship of notable events has no effect on consumer patronage of GSM service providers.

### **Hypothesis four**

Perceived social responsiveness has no effect on consumer patronage of GSM service providers.

## **Significance of the study**

The major significance of this investigation lies in the fact that it will most likely provide the necessary comprehensive and empirical bridge to fill the gap in knowledge with regards to the relative effects of the various elements of brand association on consumer patronage of GSM service providers especially in Kano Metropolis.

The findings of this study will potentially assist the GSM service providers to know and strengthen the important brand associations that influence consumers' patronage of their services. And lastly, the study will serve as a useful reference material for future research by academics and practitioners alike.

## **Scope of the study**

This study is basically an attempt to answer the question: does the core associations linked to the different GSM operators have any influence on consumer patronage of their services? The study is mainly on telephone companies using GSM (Global System of Mobile telecommunication) technology. Consequently, views were not sort from subscribers to telephone companies using such other technology as CDMA (Code Divisional Mobile Access). Specifically, the study was exclusively carried out within the metropolitan Kano. All the primary data for the research were gathered in the year 2017 - the year during which the study was conducted.

## **Literature review**

### **Introduction**

This section presents the body of knowledge, concepts and theories that relate to the subject matter of the investigations, that is, effects of brand association on consumers' patronage of GSM service providers. The key issues reviewed and synthesized include: branding and its significance in the marketing of goods and services, branding and consumer patronage, and the theoretical framework on brand association.

### **Branding and its significance in the marketing of goods and services**

There appears to be a consensus, among scholars and marketing practitioners alike, as to how valuable a successful brand is to a firm. In fact, Kotler and Keller (2006) believe that such successful brand as Sony,

Nike, Starbucks and a host of others are able to command a price premium mainly because of the value attached to them. Several definitions of branding have been offered. Williams and McCarthy (2005) define it as the use of name, symbol, term or design or a systematic combination of these to identify a product. American Marketing Association (2008) extends this definition by adding that the names, terms, symbol, design or a combination, are not only intended to identify a particular product/seller, but also to differentiate the seller or a group of sellers from the others. In essence, a brand is simply a product or service with dimensions that make it different from other products designed to meet the same need (Keller, 2005). These dimensions, Aarker (2000) observes, could be rational or emotional. Apart from these rational and emotional aspects, a brand has also been observed to be a complex symbol conveying such meanings as attributes of the product/service, benefits to be derived, values, culture (for example, Mercedes represents German culture of high quality, efficiency and performance); personality and users (Keller, 2005).

Evidence of the origin of branding is well documented (Brown, 2005). Farquhar (2004) cited in Chakravarti (2002) asserts that in those days, names and signs were often inscribed on such goods as bricks and major artworks to identify their maker. The Medieval Guilds' requirement that craft people put trademarks on their products to protect themselves and consumers against inferior quality were the earliest signs of branding in Europe (Keller 2005).

### **Branding and consumer choice**

For successful marketing in an era of highly complex and well-informed consumers, experts are of the opinion that extensive amount of information on consumer behavior is required (Hawkins, Best and Coney, 2001). Consequently, one area that marketers have constantly tried to explore and understand very well is the choice making behavior of consumer (Keller, 2004). To put this in a perspective, many positions have been advanced. While some authority conclude that consumers' choice process is a highly rational one (Richard, 1997), others believe that it is an emotionally marred process and therefore highly psychological (Aarker, 2000). Yet other studies have shown that consumer choice process is both rational and emotional with either rationality or emotion dominating at times depending on the purchase situations (Davies, 2004). However, a review of several studies appears to show that consumer choice is fueled by a web of factors; some direct others indirect, some conscious others unconscious. Among all these factors, Davies (2004) has identified branding activities (for example, creation of product/service awareness, advertising, delivery of consistent performance, positioning and a host of others) as a major customer choice-influencer. Indeed, this view supports the conclusion of Stephen (2004) who stated that the search-for-information phase of consumer purchase decision process (explained in Section 2.4) that a consumer goes through presents a brand with an excellent chance for influence. Specifically, by providing relevant information and reassuring communications, branding affects consumers' ultimate choice. 'Significantly, the probability of a brand being included during the information search phase is contingent on the consumers' brand awareness during the search phase' (Stephen, 2004:3). Evidently therefore, creating a high level of brand awareness over time guarantees that some consumers will include the particular brand among the alternatives to be considered during their specific buying cycle (Rapier, 2005).

### **Effect of brand association on value creation and customer patronage**

Brand associations are useful competitive tools for marketers (Aarker, 2002). They are used to design, position, differentiate and extend brands, to create positive attitudes and feelings towards brand, and to suggest rational and emotional attributes or benefits of purchasing or using a specific brand (Campbell, 2002:23). Aderel (2004) believes that brand associations are more useful to consumers than to the marketers. The way a brand association creates value to the customer depends on the customer's perception of value. For each individual customer, reality is a total personal phenomenon clearly based on the person's needs, wants and personal experience. Nzuki (2006) submits that the underlying value of a brand is often contained in its associations and their meaning to people. Thus, associations, according to Ariely (2005), represent the bases for purchase decisions and for brand loyalty.

Specifically, associations help to retrieve and process information about a brand, create positive (or negative) attitudes or feelings towards the brand and generate reasons for making a purchase decision.

### **Measuring the effects of brand associations on customer patronage**

The key responsibilities of a brand manager are to design, maintain and strategically position the brand ahead of competitors by imprinting the brand firmly on the consumer's psyche (Aarker, 2002). Therefore, the manager of a firm needs to understand consumer perception of its brand (s) vis-à-vis those of competitors. This calls for the measurement of brand associations as it affects consumer patronage. The techniques used to achieve this objective can be grouped into two categories: unstructured and structured techniques (Rossiter, 2005).

### **Theoretical framework**

Several theories have attempted to explain the mysteries of consumer patronage of one company or the other. Schiffman and Kanuk (2004) in their famous Consumer Decision Making Model, identify among others, Cultural, Sociological, Psychological, Personal and Environmental explanations to consumer patronage/choices. They believe that consumer choice of a product or service is influenced by a combination of these factors.

Stavkova, Stejskal and Toufarova (2006) on their part, believe that consumer decision making is a highly cognitive process involving rationality and consciousness.

However, while the explanatory and predictive powers of the above theories in understanding consumer behavior are acknowledged, this researcher reasons that most relevant to this study is the Associative Network Memory Model. This is a conceptual representation that views memory as consisting of a set of nodes and interconnecting links where nodes represent stored information or concept and links represent the strength of association between this information and concept (Aarker, 2000). Aarker (2000) notes that just like the associative network model, consumers brand knowledge could be seen as consisting of brand node in memory with a variety of interconnecting links, so that when any of these links (for example, corporate social responsibility, service quality, event sponsorship, celebrity endorsement etc) is activated, the associated node (for example, a brand known to be socially responsible) is also activated (Keller, 2005). Therefore, since brand association 'consists of all brand related thoughts, images, perceptions, feelings, experiences, beliefs, attitudes and so on that become linked to the brand node' (Kotler and Keller, 2006: 178), the associative network memory model in the opinion of this researcher, provides a useful framework for understanding the effect of brand association on consumer patronage of GSM service providers in Kano Metropolis.

### **Research methodology**

#### **Introduction**

This section presents the procedures, the step-by-step approach that was employed for the conduct of the study. It addresses such issues as the location of the study, research design, population of the study, sample size and design, research instrument, data collection strategy and methods of data analysis.

#### **Location of the study**

This study was conducted exclusively within Kano Metropolis in Kano state. Kano is generally known to be a commercial center with a location advantage over other cities in Northern Nigeria. The cosmopolitan nature of its metropolis in terms of education, diverse group of people and the visible presence of virtually all the GSM service providers coupled with a large number of subscribers, both actual and potential, make it quite suitable for this study.

## Research design

Given that there was no need to control the variables of the study, descriptive survey research design appeared to be most appropriate (Asika, 1991) and was thus adopted for the investigation.

The main variables of brand association that were measured in relation to customer patronage of GSM operators include: perceived service quality, celebrity endorsement of GSM service providers, sponsorship of notable events and the perceived social responsiveness of the GSM service providers. Hence, the relationship between the dependent variable and the independent variables was expressed by the following models:

$$Y = f(X_1)$$

$$Y = f(X_2)$$

$$Y = f(X_3)$$

$$Y = f(X_4)$$

Where:

Y = Consumer Patronage (Dependent Variable)

f= function

$X_1 + X_2 + X_3 + X_4$  = Independent Variables

$X_1$  = Service Quality

$X_2$  = Celebrity Endorsement

$X_3$  = Sponsorship of Notable Events

$X_4$  = Social Responsiveness

## Population of the study

The population of this study consists of all the existing individual subscribers of GSM services in Kano Metropolis. Specifically, the population consists of individual subscribers such as students of tertiary institutions, employees of private and public organizations as well business men and women.

## Sample size and design

Multi-stage sampling design was used for this study and specifically, stratified and then purposive random sampling procedures were adopted. The stratified method of probability sampling involves the classification of an otherwise homogenous population into its heterogeneous sub-groups (strata) and then items are selected from each sub-group for inclusion in the sample (Asika 1991, Yekeen, 2006). This method was adopted because according to Asika (1991:44) and Osuala (2005), it is superior to any other design as it uses extra methods to ensure good representation of the characteristics that are being researched. In the first stage, the population of the study was divided into four strata namely: Students, private businessmen and women, employees of public and private organizations. Secondly, elements were selected from each of these strata to be in the study sample using purposive sampling technique.

For example, from a total of 500 respondents drawn from the study population, 100 were students of tertiary educational institutions like Bayero University, Kano State Polytechnic and Federal College of Education, Kano; 180 were employees of public organizations and similar numbers of respondents were employees of private companies; and the remaining 40 respondents were private businessmen and women. The respondents cut across the four major GSM service providers that have been operating in the metropolis. These include; MTN, Globacom, Zain (Celtel) and Etisalat

## Research instrument

A structured questionnaire consisting of close-ended multiple-choice questions was used as data collection instrument. The questionnaire was designed to measure the key variables of the study namely; service quality, celebrity endorsement, sponsorship of notable events and the perceived social responsiveness of the service provider.

## **Data collection strategy**

It was observed that the main challenge in a study of this nature is the ability of the researcher to retrieve distributed questionnaires at a high return rate. Therefore, to overcome this challenge, delivery and collection method was adopted for this study. Asika (1991) believes that delivery and collection method is an effective data collection strategy in an environment 'such as Nigeria' (emphasis mine) where research culture is yet to be sufficiently developed. Alongside the researcher, the services of several people (friends and acquaintances) were engaged to distribute and retrieve the questionnaires from the respondents. However, the volunteer field assistants were properly briefed and trained in order to ensure their effectiveness.

## **Methods of data analysis**

A combination of both descriptive and inferential statistics was used as techniques of data analysis for this study. The five-point Likert type rating scale was used in measuring responses to questions stated in form of attitudinal statement. Hence, the data was categorized and scaled nominally. Specifically, linear Regression was used to determine the impact of the independent variables on the dependent variable. As part of the instrument of data analysis, weighted average was calculated where necessary. Most of the analyses were done using the Statistical Package for Social Sciences (SPSS) version 16.0 and Microsoft Excel 2007 version.

## **Data presentation, analysis and interpretation**

### **Introduction**

This chapter presents the summary of data generated by the investigation. Specifically, it presents the features of the sampled respondents that participated in the study, the results of the analysis of data as well as the interpretation therefrom.

### **Features of the sample**

Five hundred (500) copies of the questionnaire were distributed to respondents that participated in the study. Four hundred and fifty-nine (459) copies of this total, representing 92% (response rate) were returned; although seventeen (17) were rejected because they were not properly completed. Consequently, 442 (88%) responses were found useful for the analysis.

Data analysis revealed that virtually all the respondents, 442 (100%) had subscribed to and patronized the services of at least one GSM Network. It was also revealed that 70 (15%) of the respondents had about 8years experience as subscribers, 238 (54%) of the respondents had subscribed to GSM service for about 5years while 134 (31%) of the respondents had about 2years subscription experience (see appendix ii). Determination of respondents' years of experience with use of GSM services was necessary as the researcher's personal observations show that there is a correlation between customer experience and their perception/understanding of the real factors that influence their patronage/choice of one brand over the others.

A descriptive statistic of the sample revealed that 259 (59%) members of the respondents were male while female respondents were 183 (41%). Analysis of the respondents on the basis of age similarly revealed that 131 (30%) were aged between 18 and 25years; 251 (57%) were between the age of 26 and 35years; 41 (9%) respondents were between 36 and 45years of age although 19 (4%) respondents were above 46 years of age. Also, the number of respondents that were single stood at 158 (36%), those married respondents were 270 (61%), 13 (3%) of the respondents were divorced while only 1 (0.002%) respondent was a widow.

Based on the educational qualification of the respondents, data analysis revealed that 21 (5%) of the respondents had such educational qualification as GCE/SSCE or its equivalent; 140 (31%) had OND/NCE; 218 (49%) had HND/B. Sc.; although respondents with M. Sc/MA/MBA were 40 (9%), those with Ph. D/DBA/D. Ed were 16(4%) and 7 (2%) of the respondents had such professional qualifications as ACCA,

CIBN, NIM and CIMN. Data analysis also revealed that 100 (23%) of the respondents were students; 19 (4%) were unemployed while 323 (73%) of the respondents were gainfully employed. Analysis of those gainfully employed revealed that 169 (52%) were in the public sector while the remaining 154 (48%) respondents were employed in such private outfits as banks, restaurants, internet cafes, hotels and self-established businesses.

Perhaps the level of peoples' income affects their patronage of GSM services, hence the respondents' monthly income was assessed and the results revealed that 96 (22%) of the respondents earned between N61, 000 and N100, 000; 156 (35%) of earned between N101, 000 and N140, 000 and 20 (5%) of the earned a monthly income of at least N160, 000 and above. Further analysis revealed that although 25 (6%) and 41 (9%) of the respondents sometimes used their GSM phones for business and official purposes respectively, all respondents {442 (100%)} used their GSM phones primarily for personal purposes.

### Effects of service quality on customer patronage of GSM service providers

A fundamental objective of this study is to ascertain whether the perceived quality of service offered by the GSM Operators affect customer patronage of their services. Hence, hypothesis one, which states that 'Quality of service has no effect on consumer patronage of GSM service provider' was tested using Linear Regression. Analysis of the test shows that  $R^2 = 0.168$  (17%)\* and  $P\text{-value} = 0.004$  (please see appendix iv for detail) which is highly significant at 0.05. Table 4.2 below gives the regression coefficient. The regression equation can thus be constructed using the information in the table as follow:

$$Y = 4.035 + 0.217x_1.$$

Where,

Y = Dependent Variable (Consumer Patronage)

$X_1$  = Independent Variable (Quality of Service)

Thus, the values of both  $R^2$  and  $P\text{-value}$  imply that the null hypothesis is not supported. In other words, quality of service has significant effect on consumer patronage of GSM Operators.

\* Service quality predicts consumer patronage by 17%. In other words, service quality accounts for 17% of the factors that influence consumer patronage. Please note that this explanation is the same for the respective  $R^2$  value of all the subsequent analysis.

**Table 4.2.** Results of linear regression on the effect of quality of service on consumer patronage of GSM service providers

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.035	.152		26.519	.000
	Service Quality	.112	.035	.217	.354	.004
<b>Survey Data, October 2009</b>						

This finding could be explained by the fact that unlike at the inception of GSM services in Nigeria when customers virtually did not have options but to accept telecommunication services at whatever level of quality, today's consumers of GSM services now see quality of service as a major standard upon which to evaluate and then make choice of one or more from among available GSM Operators. The results also affirm the position of the well-known SERQUAL Model which submits that the most important consideration of customers in their decision to patronize service organization is their perception of service quality (Allen, 2001).



### Effects of the Use of Celebrity for Promotional Activities on Consumer Patronage of GSM Service Providers

Another key objective of this study is to determine the extent to which the use of such celebrity as popular football, music, movie and comedy stars for promotional activities could affect consumer choice/patronage of one service provider instead of another. To this end, hypothesis two, which states that ‘Celebrity identification with and endorsement of GSM service providers have no effect on consumer patronage of GSM service providers’ was tested using Linear Regression. The test shows that  $R^2 = 0.001$  and  $P\text{-value} = 0.487$ , which is not significance at 0.05 (please see appendix v for details). Thus, the regression equation can be constructed using the information given in table 4.3 below.

$$Y = 3.897 + 0.033x_2$$

Therefore, the values of both  $R^2$  and  $p\text{-value}$  imply that the null hypothesis is supported. This result suggests that ‘celebrity identification with and endorsement of GSM service providers has no significant effect on consumer patronage of providers’.

**Table 4.3.** Results of linear regression on the effect of celebrity identification with and endorsement of GSM service providers on consumer patronage of providers

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.897	.124		31.504	.000
	Use of Celebrity	.020	.029	.033	.696	.487
<b>Survey Data, October 2009</b>						

### Effect of corporate sponsorship of notable events on consumer patronage of GSM services

Ascertaining the extent to which sponsorship of notable events such as traditional festivals (e.g. Argungu Fishing Festival, Olojo Festival in Ife, New Yam Festival or Igbo Day Celebration), major sporting tournaments, workshop and seminars by GSM service providers affect consumer patronage of their services, is another key objective of this study. Hence, hypothesis three, which states that ‘Sponsorship of notable events has no effect on consumer patronage of GSM service providers was tested using Linear Regression. The results shows  $R^2=0.001$  and  $P\text{ value} =0.490$ , which is not significant at 0.05 (please see appendix vi for details of the test). The regression equation is thus constructed using the information in table 4.4 below.  $Y = 4.090 - 0.033x_3$

Therefore, the null hypothesis is supported. This implies that Sponsorship of notable events has no significant effect on consumer patronage of GSM service providers.

**Table 4.4.** Results of Linear Regression on the Effect of Sponsorship of Notable Events on Consumer Patronage of GSM Service Providers

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.090	.159		25.749	.000
	Sponsorship of Event	-.025	.036	-.033	-.691	.490
<b>Survey Data, October 2009</b>						

### Effects of perceived social responsiveness on consumer patronage of gsm service providers

Another key objective of this study is to ascertain if any the relationship exists between customer perception of GSM service providers' social responsiveness and patronage of the providers' services. Hence, hypothesis four, which states that 'Perceived social responsiveness of GSM service providers has no effect on consumer patronage of the providers' was tested using Linear Regression. The result shows that  $R^2=0.155$  (16%) and  $P\text{-value}=0.003$ , which is significant at 0.05 (please see appendix vii for detail). The regression equation is as constructed thus.  $Y = 3.639 + 0.121x_4$ .

Therefore, the null hypothesis is not supported. In other words, perceived social responsiveness of GSM service providers has a significant effect on consumer patronage of GSM service providers.

**Table 4.5.** Results of linear regression on effect of social responsibility on consumer patronage

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.639	.136		26.676	.000
	Social Responsibility	.079	.031	.121	2.549	.003
<b>Survey Data, October 2009</b>						

This result could perhaps be explained by the fact that there is a growing awareness among consumers generally of the fundamental roles that business organizations need to play in having a society devoid of diseases, insecurity, poverty etc. and of course, the role of corporate bodies in providing essential social amenities as well as creating a culture of responsible and ethical business dealings (Anonymous, 2008).

### Other findings

#### Subscribers relative preference for GSM service providers

It was also considered appropriate for this research to ascertain the extent of consumer preference for the respective GSM service providers. to this end, an attempt was made to provide an answer to the research question "To what extent do consumers prefer some GSM service providers over others" (i.e. item 5 of section 1.2). consequently, sampled respondents were asked to indicate the level of their preference for the four GSM operator used for this study on such factors as quality of service, extent of network coverage, charges for services, customer relationship, range of services provided, support for community development projects and overall public image of the service providers (please see appendix I, items 21-26). The responses were summarized using frequency distribution and weighted scores, resulting in the ranking of the GSM Network service providers (see Table 4.6.1 below).

**Table 4.6.1:** Summary of responses on customer preference of GSM Service providers on some key indices of performance

S/N.	Networks	Highly preferred	Just preferred	Not sure	Not preferred	Not Preferred at all	Weighted Scores	Ranking	
<b>A</b>		<b>Quality of Service</b>							
1.	Etisalat	53	95	124	170	0	1357	4 <sup>th</sup>	
2.	Globacom	226	203	12	1	0	1980	2 <sup>nd</sup>	
3.	MTN	226	214	2	0	0	1992	1 <sup>st</sup>	

4.	Zain (Airtel)	60	101	132	149	0	1398	3 <sup>rd</sup>	
<b>B</b>		<b>Charges for Service</b>							
1.	Etisalat	229	213	0	0	0	1997	1 <sup>st</sup>	
2.	Globacom	30	67	126	177	42	1192	2 <sup>nd</sup>	
3.	MTN	29	68	120	175	50	1177	4 <sup>th</sup>	
4.	Zain (Airtel)	28	71	123	177	43	1190	3 <sup>rd</sup>	
<b>C</b>		<b>Extent of Network Coverage</b>							
1.	Etisalat	0	2	23	119	298	613	4 <sup>th</sup>	
2.	Globacom	129	94	101	118	0	1560	2 <sup>nd</sup>	
3.	MTN	228	214	0	0	0	1996	1 <sup>st</sup>	
4.	Zain (Airtel)	54	86	124	178	0	1342	3 <sup>rd</sup>	
<b>D</b>		<b>Customer Relationship</b>							
1.	Etisalat	32	65	142	159	44	1208	4 <sup>th</sup>	
2.	Globacom	32	71	129	169	41	1223	2 <sup>nd</sup>	
3.	MTN	33	75	130	164	40	1210	3 <sup>rd</sup>	
4.	Zain (Airtel)	57	77	127	160	21	1315	1 <sup>st</sup>	
<b>E</b>		<b>Range of services</b>							
1.	Etisalat	33	72	133	167	37	1223	4 <sup>th</sup>	
2.	Globacom	39	82	140	163	18	1287	3 <sup>rd</sup>	
3.	MTN	61	95	114	145	27	1344	2 <sup>nd</sup>	
4.	Zain (Airtel)	247	195	0	0	0	2015	1 <sup>st</sup>	
<b>F</b>		<b>Support for Community Development Projects</b>							
1.	Etisalat	31	71	128	171	41	1206	4 <sup>th</sup>	
2.	Globacom	32	74	128	169	39	1218	2 <sup>nd</sup>	
3.	MTN	33	74	126	170	39	1217	3 <sup>rd</sup>	
4.	Zain (Airtel)	85	135	105	117	0	1514	1 <sup>st</sup>	

Source: Survey data, October, 2009.

As the above table reveals, MTN was the most preferred by respondents in terms of service quality, Etisalat came first in terms of charges for services and Zain was ranked first as far as customer relationship is concerned. MTN again was highly preferred in terms of extent of network coverage just as Zain (again) emerged first in terms of both range of service and support for community development programs. In a nutshell, Zain is most preferred to any other network on three of the six indices investigated while MTN came first in two of the indices and Etisalat carries the day on the remaining one index (i.e. charges for service). Interestingly however, Globacom, which did not make it to first position on any of the six indices, was first runner-up on five of the six indices and is not voted last on any of the indices. MTN is the least preferred in terms of charges for services while Etisalat, which is highly preferred on charges for services, is the least preferred in five of the six indices investigated. On the whole, especially in terms of the overall public image of GSM Service Providers, analysis of data revealed that respondents have strong preference for MTN. Globacom came second and Etisalat came last in overall public image (see table 4.6.2). This result is validated by the responses to the question regarding which of the providers respondents preferred most (see item 12 appendix i). MTN again came first with 184 (41%), followed by Globacom and again Etisalat came last (see appendix ii, choice of network).

**Table 4.6.2.** Subscribers responses on the overall public image of GSM service providers

S/N.		Overall Preference	
1.	Etisalat	18	4 <sup>th</sup>
2.	Globacom	131	2 <sup>nd</sup>
3.	MTN	204	1 <sup>st</sup>
4.	Zain (Airtel)	89	3 <sup>rd</sup>
	<b>Total</b>	442	

Source: Survey Data, October 2009

### Relative influence of key elements of brand association on patronage of GSM service providers

Although not among the key objectives of the study, an attempt was, made to determine the relative influence of some fundamental elements of brand association on consumer patronage of GSM Service providers (see item 14 of appendix I). Hence, the respondents were asked to indicate the extent to which some identified elements of brand association influence their patronage of GSM service providers. The result is summarized in table 4.7 below

**Table 4.7:** Summary of responses on the extent to which certain elements of brand association influence consumer patronage of GSM service providers.

S/N	Statements	To a very large extent	To a large extent	Not sure	To a little extent	Not at all	Weighted score	Ranking
a.	<b>Overall public image</b> of the network	301	140	0	1	0	2067	1 <sup>st</sup>
b.	<b>Extent of the network coverage</b> in terms of cities, towns, villages and highways where services are made available.	295	147	0	0	0	2063	2 <sup>nd</sup>
c.	<b>Overall service quality</b> of the network	290	151	1	0	0	2057	3 <sup>rd</sup>
d.	Colourful and exciting <b>advertising messages</b> by the service providers	275	167	0	0	0	2043	4 <sup>th</sup>
e.	General <b>social responsiveness</b> of the network	107	89	11	127	8	1486	5 <sup>th</sup>
f.	Network service providers <b>responsiveness to the needs of the community</b>	0	61	16	210	11	1155	6 <sup>th</sup>
g.	<b>Involvement</b> of service providers in <b>charitable programs</b>	0	58	15	215	11	1147	7 <sup>th</sup>
h.	<b>Charges</b> for services to customers	0	41	17	207	23	1114	8 <sup>th</sup>
i.	Service providers <b>use of football, music stars and comedian</b> (e. g Kanu, Mikel Obi, Basket Mouth etc) for promotion	0	28	17	191	47	1069	9 <sup>th</sup>
j.	<b>Sponsorship of notable events</b> (e. g Argungu Fishing Festival, Olojo Festival in Ile-Ife, Igbo Day etc.) by the networks.	0	25	17	194	48	1061	10 <sup>th</sup>
k.	<b>Colour</b> (e.g. Yellow, Red, Green etc) associated with GSM network	0	0	22	173	24	659	11 <sup>th</sup>

Source: Survey Data, October 2009.

Table 4.7 above reveals that respondents' patronage of GSM service providers was influenced to a very large extent by the overall public image of the provider (ranking 1<sup>st</sup> with a weighted score of 2067). Extent of network coverage ranked second and closely trailed by overall quality of service as factors that influence subscribers in patronizing GSM service providers. At the bottom of the table are elements of brand association such as brand colour, sponsorship of notable events and use of celebrities for promotional activities. This goes to confirm the results of the tests of hypotheses which show that sponsorship of events and celebrity endorsement have little influence on consumer patronage of GSM service providers. Similarly, placing service quality and social responsiveness in 3<sup>rd</sup> and 5<sup>th</sup> positions respectively out of eleven items, lends credence to the importance of these two attributes in influencing consumer patronage of GSM service providers.

## **Discussion of findings**

Service quality can simply be defined as the feeling by customers that they're getting better service than expected. Research evidence supporting the relevance of perceived quality of service in customer patronage of service providers is quite robust. Davies (2006) submits that provision of a superior quality of service is a key differentiator of service providers. Although a lot is desired by customers in terms of improvement in the quality of service in the telecommunication sector of the Nigerian economy, it could be argued that quality of GSM service in Nigeria appears to be improving. The finding of this study that quality of service has significant effect on consumer patronage of GSM service providers is therefore not surprising.

Corporate Social Responsibility (CSR) is a set of standards to which a company is expected to subscribe in order to impact positively on society. It has been recognized that CSR has the potential to making positive contributions to the development of society and businesses. More and more organizations are beginning to see the benefits accruing from setting up strategic CSR agendas (Asa, 2007). This study has found that consumers of GSM services in Kano Metropolis see corporate social responsibility as a key factor in their decision to patronize a GSM Network.

Further, this study has found that sponsorship of notable events and use of celebrities for promotional purposes by GSM service providers has no effect on consumer patronage of GSM Network.

Another pertinent issue is the use of celebrity for promotional activities. This study has found that the use of celebrities for promotional activities by GSM Network does not influence consumer patronage of GSM service providers. The reason for this could be quite inexplicable. This is because given the amount of money collected by these celebrities to offer this service as well as the rate at which some service providers engage services of these celebrity, one would expect that it should be highly correlated to consumer patronage. Alas, this is not so. In fact, money spent on securing celebrity endorsements is for the most part a waste (Jack, 2007).

## **Summary, Conclusion and Recommendations**

### **Introduction**

This chapter presents the summary of the major findings of the study, the conclusions drawn therefrom and consequently, some recommendations. It also highlighted suggestions for further studies.

### **Summary of the findings**

This research investigated the effect of brand associations on consumer patronage of GSM Service providers in Kano Metropolis. The investigation used a structured questionnaire as data collection instrument and Linear Regression as the method of data analysis. The key findings of the study are consequently summarized below:

First, perceived quality of service was found to significantly influence consumer patronage of service providers. This goes to confirm the growing consumer concerns regarding the below-average-performance of the service providers in terms of quality of service. This is in consonance with the key proposition of

SERVIQUAL Model that quality of service is a major consideration by customers in their decision to purchase services.

Secondly, use of celebrity for promotional activities by GSM Operators was found to have no effect on consumer patronage of service provider. It was also found that consumer patronage of GSM service providers was not influenced by the fact that GSM companies engage in sponsorship of notable events.

The global call for corporate organizations to show greater responsibilities towards the society within which they operate has been reemphasized by the findings of this investigation. The respondents were emphatic (as their responses show) in affirming the importance of social responsibility in their decision to patronize a GSM Network. In other words, it was found that consumers' patronage of a particular GSM service provider is influenced by the perceived social responsiveness of the provider. This goes a long way in refuting the notion that customers are indifference to corporate organizations' investment in providing social services to the society.

Furthermore, in achieving one of the key objectives of this study (determination of consumer preference for service providers), it was found that consumers have high preference for MTN in the area of quality of service and extent of network coverage. Zain is highly preferred in community development supports, provision of wide range of services and excellent customer relationship. Etisalat is most preferred on reasonability of charges for services. It was also found that MTN resonates much more favourably with the subscribers as it has a better public image than any other provider. Incidentally, colours associated with provider (for example, yellow for MTN, Green for Globacom and Etisalat) were found to have highly insignificant influence on consumer choice of service providers.

## **Conclusion**

In line with the findings summarized above, it was concluded that quality of service and perceived social responsiveness of GSM service providers have significant effect on consumer patronage of providers. Moreover, findings impel the conclusion that use of celebrities for promotional activities and sponsorship of notable events by GSM service providers have no effects on consumer patronage of providers.

It was also concluded that Etisalat which is the latest entrant into the Nigerian GSM market, offers consumers the most reasonable charges for services. Another conclusion is that MTN is most preferred by respondents in terms of quality of service as well as network coverage. The summary of findings also informed the conclusion that Zain does a better job in terms of range of services, customer relationship and supports for community development programmers. In general terms however, MTN is adjudged the best of the service providers. Lastly, findings impelled the conclusion that brand color has highly insignificant influence on consumer patronage of GSM service providers.

## **Recommendations**

Consequent to the summary of findings and conclusions drawn therefrom, the following recommendations are hereby offered.

Since quality of service is a key consideration of consumers in their patronage of GSM service providers, there is a need for the providers to invest in upgrade of facilities, quality control technologies and strategic development and implementation of plan for delivery of high-quality services.

Though there is a lot of controversy regarding the influence of celebrity on the customer patronage of a brand, it is however recognized that popular and liked celebrity could influence customer attitudes towards a brand. For as long as GSM companies cannot stop spending their hard-earned money on securing celebrity endorsements, the researcher advises that there is a need for the service providers to ensure greater coordination of efforts in their use of celebrities.

The researcher also recommends that the GSM service providers' investment in the sponsorship of notable event (which has been found to have no significant effect on consumer patronage) be carefully reviewed. Specifically, there is a need for the providers to be selective in events they do sponsor and that they should ensure they are highly visible during the sponsored events.

There is a need for the GSM service providers to increase their investments in the provision of some basic social amenities for the community as this will help imprint their names in the minds of the market, a condition necessary for their long-term performance and relevance.

Furthermore, as subscribers have preference for some service providers over the others, GSM companies should make the consistent study of consumer behavior an important part of their corporate culture, as it has the potential to enable them to know and pay attention to the important factors that influence consumer choice of service providers.

### **Suggestions for further research**

Although, the findings of this study could be generalized given the procedure adopted, the researcher is of the view that a study of this nature covering the whole country could be undertaken. There could also be a similar study in other industries like Banking, Food and Beverages, Retail Industry, Aviation and so on. Further, there could also be another study that investigates the significant influence of other elements of brand association as advert messages, charges for services, sales promotional activities, network coverage and a host of others.

### **References**

- [1]. Aaker, J. (2000), Brand Association and Customer Value Creation. *Journal of Consumer Research*, 20 (2): 212-233.
- [2]. Aaker, J. (2002), *Building Strong Brand*. 4<sup>th</sup> Edition. New York: The Free Press.
- [3]. Ajayi, N. (2006), Influence of the Intended Primary Usage of GSM Services on Consumer Choice of Operator. *Journal of Social Sciences*. 6 (2): 34-49.
- [4]. Allen, E. (2001), The Multi-dimensional Aspect of Service Quality. *Journal of Marketing Research*, 18 (1): 240-258.
- [5]. American Marketing Association (2008), Product Branding in the Information Age. Website: [www.ama.org/articles](http://www.ama.org/articles).
- [6]. Ariely, V. (2005), Controlling the Information Flow: Effects on Consumers' Decision Making and Preferences. *Journal of Marketing Research*, 23 (3): 236-248.
- [7]. Armstrong, G. (1994), Consumer Decision Making-Fact or Fiction? *Journal of Consumer Research*, 9 (2): 93-100.
- [8]. Asa, H. (2007) Corporate Social Responsibility from a Nigerian Perspective. Unpublished Master's Thesis. Handelshohskolan Vid Gotebergs Universitet.
- [9]. Asika, N. (1991), *Research Methodology in the Behavioral Sciences*. Lagos, Nigeria: Longman Nigeria Plc.
- [10]. Baker, M. (2010) Corporate Social Responsibility. [www.mallenbaker.com](http://www.mallenbaker.com)
- [11]. Brown, W. (2005), Strategic Brand Management. *Journal of Marketing Research*, 23 (3): 212-222.
- [12]. Campbell, P. (2002), Brand Familiarity and Advertising Repetition Effects. *Journal of International Business*, 11 (1): 151-169.
- [13]. Chakravarti, F. (2004), The Impact of Macro-Level Motives on Consideration Set Composition in Novel Purchase Situations. *Journal of Consumer Research*, 22 (1): 171
- [14]. Craig, K. (2007), Measuring Customer-Based Brand Equity, *Journal of Consumer Research*, 18 (4): 13-22.
- [15]. Daniel, J. (2002), Building a Successful Brand: The Strategic Option. *Academy of Marketing Science*, 2002 (2): 22-39.
- [16]. David, T., Claudio, O. and Javia, T. (2001), *Service Breakthrough*. New York: The Free Press.
- [17]. Davies, D. (2000), Assessing the Brand through Research. *Academy of Marketing Science Review*. 2005 (2): 58-67.
- [18]. Emmanuel, A. (2007), Harnessing Career Opportunities in the Nigerian Telecommunication Industry. Website: [www.ncc.org-ng/articles](http://www.ncc.org-ng/articles)
- [19]. Farquhar, R. (2004), Strategies for Building Consumer Brand Preferences. *Journal of Product and Brand Management*, 3 (2): 21-30.

- [20]. Gardner, H. (2002), Information Acquisition Behavior in Brand Choice Situation, *Journal of Consumer Research*, 20 (1): 224-249.
- [21]. Gerald, T. and Valerie, A. (2000), The Impact of Television Advertising on Consumer Evaluation System. *Journal of Marketing Research*, 18 (3): 113-132.
- [22]. Hawkins, A., Best, D. and Coney, J. (2001), *Understanding Consumer Behavior*. 7<sup>th</sup> Edition, New York: USA. Irwin, Burr Ridge,
- [23]. Jack, T. (2007) Celebrity Who Un-sell Products. [www.forbes.com](http://www.forbes.com)
- [24]. James, A., Baruch, N. and Paquette, T. (2004), "Whatever Happened to Customer Service?", *USA Today*, 23, 2004. Pg A2.
- [25]. James, D. (2003), "New and Improved". *The Wall Street Journal*. November 2003. Page 19-34.
- [26]. Johnson, G. (2006), *Understanding Consumer Behavior*. 4<sup>th</sup> Edition. New Jersey: USA, Pearson Education,.
- [27]. Justin, M. (2004), *On Great Service: A Framework for Action*, New York: USA. The Free Press.
- [28]. Keller, L. K. (2005), Brand Report Card. *Harvard Business Review*, January 2005, 234-251.
- [29]. Korchia, G. (2005), Strategic Brand Management, *Journal of Brand Management*. Website: [www.jbm.org/articles](http://www.jbm.org/articles).
- [30]. Kotler, P. (2004), Effects of Brand Extension on Market Share and Advertising Efficiency. *Academy of Marketing Science*. 2004 (2): 23-41.
- [31]. Kotler, P. and Keller, L. K. (2006), *Marketing Management*. 12<sup>th</sup> Edition. New Delhi: india. Prentice-Hall of India.
- [32]. Magnus, D. and Claes-Robert, T. (2003), How Marketing of Service Differs from Physical Products. *Chicago Business Review*, 46 (3): 243-264.
- [33]. Michael, J. and Osagie, B. (2007), Influence of Advertising Intensity on Consumer Choice of GSM Service Providers in Benin City. Website: [www.ncc.org-ng](http://www.ncc.org-ng)
- [34]. Michael, C. (2007), Market-Based Assets and Shareholders Value. *Journal of Marketing*, 74 (2). Pg 3-19.
- [35]. Mike, D. (2006), Brand Community. *Journal of Consumer Research*, 30 (3): 412-432.
- [36]. Mike, N. (2006), Why We Buy What We Buy: A Theory of Values, *Journal of Business Research*, 32 (3): 80-99.
- [37]. McGill, C. (2001), Brand Building in the 21<sup>st</sup> Century. *Journal of Marketing Management*. 17 (3): 27-39.
- [38]. Ndukwe, E. (2005), GSM Services in Nigeria Thus Far: Matters Arising. Website: [www.ncc.ng.gov/speeches](http://www.ncc.ng.gov/speeches).
- [39]. Ndukwe, E. (2007), Telecommunication Environment in Nigeria. Website: [www.ncc.ng.gov/speeches](http://www.ncc.ng.gov/speeches).
- [40]. Nzuki, K. (2006), Brand Associations and Customer Perception of Value of Product. Supply of Academic Publications (SAP). Nairobi, Kenya, 9 (3): 1-13. Website: [www.fiuc.org/esap/nairo/nairo9/general/brandassociations.pdf](http://www.fiuc.org/esap/nairo/nairo9/general/brandassociations.pdf)
- [41]. Oscar, M. and Lisa, M. (2000), Model of Consumer Alternative Evaluation Process. Website: [www.12manage.com/marketingmodels](http://www.12manage.com/marketingmodels).
- [42]. Osuala, E. C. (2005), *Introduction to Research Methodology*. Ibadan: Nigeria. Africana-First Publishers Limited.
- [43]. Parasuraman, A., Valerie, A. Z. and Leonard, B. (1996), A Conceptual Model of Service Quality and Its Implication for Future Research, *Journal of Marketing*, cited in Allen, E. (2001), The Multi-dimensional Aspect of Service Quality. *Journal of Marketing Research*, 18 (1): 240-258.
- [44]. Rapier, N. (2005), Brand Awareness and Consumer Purchase Decision Process. *Academy of Marketing Science Review*. 2005 (2): 74-89.
- [45]. Richard, S. (1997), *The Nature of Human Value*, New York, Free Press.
- [46]. Rob, R. L. (2007), Branding: A Trend for Today and Tomorrow. *Journal of Product and Brand Management*, 7 (5): 343-349.
- [47]. Rossiter, K. (2005), Brand Assessment: A Key Element of Marketing Strategy. *Journal of Product and Brand Management*, 4 (3): 78-91.
- [48]. Saeed, M. and Reinert, D. (2005), Revitalizing Brands. *Journal of Marketing*, 10 (2): 17-28.
- [49]. Schiffman, L. G. and Kanuk, L. L. (2004), *Consumer Behavior*. 8<sup>th</sup> Edition. New Jersey: USA. Pearson Education Limited.



- [50]. Shehu, A. (2008), Improving the Quality GSM Services in Nigeria: The Role of an Effective Regulatory Framework. Website: [www.nigerianbusinessinfo.com](http://www.nigerianbusinessinfo.com)
- [51]. Sullivan, J., Edmond, D. and Hofs, A. H. (2002), Service Description: A Survey of the General Nature of Service. Innovation Review, 23 (2): Center for Information Technology Innovation Publication, Queensland University, Australia.
- [52]. Stanton, W. J. (2004) *Fundamentals of Marketing*. 8<sup>th</sup> Edition. New York: USA. McGraw Hill Incorporation.
- [53]. Stephen, M. R. (2004), Inserting the Brand for Influence During the Purchase Decision Making Process. Journal of Marketing Research, 22 (3). Pg 233-247.
- [54]. Stewart, G. and Michael, R. (2000), Self Concept and Service Choice: An Integrated Perspective. Journal of Consumer Research, 26 (2): 192-221.
- [55]. Suzanne, L. (2007) Why Companies Sponsor Events. [www.suzannelainson.com](http://www.suzannelainson.com)
- [56]. Theodor, L. (1981) Marketing Intangible Products, Harvard Business Review, June 1981. 232-256.
- [57]. Valerie, T. and Marley, S. (1996), Developing a More Effective Service Positioning. Academy of Marketing Science Review, 1996 (3): 87-102.
- [58]. Vincent, J. (2006), Effect of Brand Interactive Ability, Familiarity and Image on Customer Choice of Service Providers. Journal of Consumer Research. 30 (3): 445-47.
- [59]. Williams, D. P. and McCarthy, E. J. (2005), *Basic Marketing: A Global Management Perspective*. 15<sup>th</sup> Edition, New York; USA: McGraw-Hill Incorporation.
- [60]. Yakeen, O. A. (2006), *Research Methodology in Business and the Social Sciences*. Abuja: Nigeria. Al-Malik and Company. Amended Article on Consumer Patronage of GSM Service Provider