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ROLE OF BRANDING ON CUSTOMER PREFERENCE IN THE SOFT DRINK INDUSTRY

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Abstract: Understanding the role of branding on customer preference in the soft drink industry is important in brand management, not only for protecting brand image for genuine products, particularly in the wake of rising counterfeit products in the soft drinks industry, but also for maintaining customer preference hence superior performance in the volatile industry. Yet literature, both international and in the Kenyan context lacks in exploring this relationship, which is the problem motivating the present study. The present study therefore sought to fill the literature gap by investigating the extent to which branding affect customer preference in the Kenyan soft drinks industry. The main objective of the study was to investigate the role of branding on customer preference in the soft drink industry. More specifically, the study seeks to determine the effect of perceived brand awareness on customer preference in the soft drink industry; examine the effect of brand associations on customer preference in the soft drink industry; establish the effect of perceived quality on customer preference in the soft drink industry; and assess the effect of proprietary assets on customer preference in the soft drink industry. This study took the descriptive research design. The target population for the study was the staff of 4 major soft drink companies within Nairobi County. These include Coca-Cola's Nairobi bottlers limited, Alvaro's East African Breweries, PepsiCo and Kenafric Industries. The determined sample size is 115 respondents out of a target population of 160. The researcher used stratified random sampling to select the respondents. The researcher administered the questions to the relevant respondents in an effort to achieve the necessary information. Both descriptive and inferential analyses were further conducted. Findings reveal that all the brand management practices that is brand awareness, perceived quality, brand associations and brand proprietor association are strong and significant determinants of Customer preference in the Kenyan soft drinks industry.

Keywords: Brand association, Brand awareness, Customer preference, Perceived quality and Proprietary Assets.

Introduction

Consumers normally implement preferences when they go for comparing different alternatives and choices (Rowley & Dawes, 2014). The preferences of the consumers are a positive motivation, expressed by the affective compatibility towards a product, service or trading form. Preferences can be triggered by: the features related to the material substance of the goods (shape, size, print, taste, color, consistency, package, etc.); elements referring to label, name, use instructions that accompany the product; the statute granted to the person owning and using that particular product (Parasuraman *et al.*, 2014). Consumers often anthropomorphize brands by endowing them with personality traits, and marketers often create or reinforce these perceptions by their brand positioning. Brand personality traits provide symbolic meaning or emotional value that can contribute to consumers' brand preferences and can be more enduring than functional attributes. Consumers perceive the brand on dimensions that typically capture a person's personality, and extend that to the domain of brands (Parasuraman *et al,* 2014).

Preferences are the result of a long-term relationship between the brand and the consumer, as the latter learns to associate the brand with a symbol and perceive it as having high quality. Following these deep connections created over the course of time, a strong emotion is developed which lies on the basis of preferences, remaining present even in the absence of the friendly symbol or of any other component feature (Gefen, 2014). Although a hardly comprehensible concept, it has been demonstrated that the consumers' preference can be measured effectively, and that their study can provide a more thorough understanding on the choices consumers make, when they decide to select a particular offered as against the other, or even when they decide to continue the relationship with the offered in time (Rowley & Dawes, 2014). Knowledge of consumer preferences is especially important with respect to the various activities carried out at the organizational level, necessary for its survival (Otim & Grover, 2015).

After determining consumer preferences towards a brand, the producer may take the following measures, with a view to increase preferences for that brand: change the product; change beliefs concerning the brand; change beliefs concerning the competing brands; change the importance of features; attract attention towards neglected features; change the consumers' ideals (Chiou *et al.*, 2013). In addition, in order to attract consumers' preferences towards their own brands, producers and retailers may chose the option of "renting" those brands having won the preferences of consumers (names or symbols previously created by other producers, names of celebrities, names of movie characters etc.) (Cronin & Taylor, 2012).Consumer preferences are measured in terms of the level of satisfaction the consumer obtains from consuming various combinations or bundles of goods. The consumer's objective is to choose the bundle of goods which provides the greatest level of satisfaction as they the consumer define it (Walsh et al., 2014). But consumers are very much constrained in their choices. These constraints are defined by the consumer's income, and the prices the consumer pays for the goods. Consumer value is measured in terms of the relative utilities between goods and these reflect the consumer's preferences (Fishbein & Ajzen, 2014).

An effective brand is a tool for the company to communicate with their environment (Rajagopal & Romulo, 2012). A properly managed brand also provides investors with a sense of future profit-making ability and increases the financial value of the company. Brands can also be associated with a single company, product or organization (Cronin *et al.,* 2014). According to the holistic approach to brand management, the brand is the central building block of everything that an organization does. It is the guideline for all corporate behavior, whether it be external or internal. As part of the internal aspect of an organizations personality, they have a specific corporate culture. This corporate culture represents accepted norms, rules and behavioral models associated with being in that company (Prus & Randall, 2013).

The soft-drink industry comprises companies that manufacture nonalcoholic beverages and carbonated mineral waters or concentrates and syrups for the manufacture of carbonated beverages. Soft drink products have been well accepted by consumers and gradually overtaking hot drinks as the biggest beverage sector in the world (Manoj, 2014). In the midst of the rapidly growing soft drink demand, the industry on the whole is encountering new opportunities and challenges. Changing consumer demands and preferences require new ways of maintaining current customers and attracting new ones (Nandagopal & Chinnaiyan, 2013).

Amid ever increasing competition, beverage companies must intensely court customers, offer high quality products, efficiently distribute them, ensure safety and keep prices low all while staying nimble enough to exploit new markets by launching new products (Chia-Hsien Chu, 2015). Recent developments in soft drink consumption and challenges in marketing have heightened the need for searching the consumers' needs and preferences. It is becoming increasingly difficult to ignore the existence of soft drink in today's markets (Banumathy & Hemameena, 2015). Since the inception of soft drink in the 1830's, its consumption has steadily increased with technological advances in production and increased product availability (Manoj, 2014).

The Coca-Cola Company, incorporated on September 5, 1919, is a beverage company. The Company owns or licenses and markets more than 500 nonalcoholic beverage brands, primarily sparkling beverages but also a range of still beverages, such as waters, enhanced waters, juices and juice drinks, ready-to-drink teas and coffees, and energy and sports drinks. It owns and markets a range of nonalcoholic sparkling beverage brands, such as Coca-Cola, Diet Coke, Fanta and Sprite. The Company makes its beverage products available to consumers throughout the world through its network of Company-owned or controlled bottling and distribution operations, as well as independent bottling partners, distributors, wholesalers and retailers (Reuters, 2016).

The Company’s segments include Eurasia and Africa, Europe, Latin America, North America, Asia Pacific, Bottling Investments and Corporate. The Company markets, manufactures and sells beverage concentrates, sometimes referred to as beverage bases, and syrups, including fountain syrups (concentrate business or concentrate operations) and finished sparkling and still beverages (finished product business or finished product operations). The Company’s Company Trademark Beverages means beverages bearing its trademarks and certain other beverage products bearing trademarks licensed to the Company by third parties for which it provides marketing support. Its Trademark Coca-Cola Beverages or Trademark Coca-Cola means beverages bearing the trademark Coca-Cola or any trademark that includes Coca-Cola or Coke (Coca-Cola, Diet Coke and Coca-Cola Zero and all their variations and line extensions, including Coca-Cola Light, caffeine free Diet Coke and Cherry Coke, among others) (Reuters, 2016).

Problem Statement

Understanding the role of branding on customer preference in the soft drink industry is important in brand management, not only for protecting brand image for genuine products, particularly in the wake of rising counterfeit products in the soft drinks industry, but also for maintaining customer preference hence superior performance in the volatile industry (Andreson & Fornell, 2014). Yet literature, both international and in the Kenyan context lacks in exploring this relationship, which is the problem motivating the present study. Existing literature on branding has only mainly focused on a cause and effect approach in relation to performance, and not in the soft drink industry. For instance, Yatundu *et al.* (2015) studied the effect of branding strategy on performance of public sugar manufacturing firms in Kenya. Mwangi (2014) assessed the influence of social media marketing on brand equity at Safaricom limited in Kenya. Maingi (2008) explored the efficacy of park branding in influencing choice behaviour of tourists to Kenyan parks. Further, currently, only a few studies in Kenya (Kimenju *et al.*, 2005; Kimenju & De Groote, 2008; and De Groote *et al.*, 2010) have assessed consumer preferences, but none has explored the same in relation to brand management practices of the soft drinks industry. The present study therefore sought to fill the literature gap by investigating the extent to which branding affect customer preference in the Kenyan soft drinks industry.

Research objectives

This study sought to:

i. Determine the effect of perceived brand awareness on customer preference in the soft drink industry
ii. Examine the effect of brand associations on customer preference in the soft drink industry
iii. Establish the effect of perceived quality on customer preference in the soft drink industry
iv. Assess the effect of Proprietary Assets on customer preference in the soft drink industry

Theoretical review

This study reviews the following theory pertinent to branding and its influence on sales performance of soft drink industry.

Theory of Reasoned Action

Ajzen and Fishbein’s (1980) Theory of Reasoned Action (TRA) is one of the most researched models that describe the psychological processes of decision making. It is comprised of three main components in order to predict behavior. The three components are attitude, subjective norms, and intention. This model has been applied to many different areas of study such as alcohol, marijuana, and purchasing consumer products (Eagly & Chaiken, 1993). In this model, attitude involves the positive or negative associations an individual has on specific behavior. Subjective norms deal with the normative and social influences that impact an individual’s behavior. Social influence on an individual and susceptibility to interpersonal influence are factors that measure subjective norms. In a given population, there may be cases that lean more towards attitude providing more influence in terms of behavior. However, in other cases, subjective norms might potentially lead to a different behavior (Trafimow & Fishbein, 2001). Most of these particular studies were used in efforts to understand and predict drinking behaviors prevalent among college students. These studies were ultimately used in order to curve drinking behaviors. The TRA model has been utilized in this study to conceptualize research questions involving beer brand preference and beer consumption behaviors.

The Theory of Rational Choice

The theory of rational choice comprises attitude components which, in the end, represent the basis of forming a preference. This theory gives us a model contributing to a better understanding of the way consumers' preferences are formed and providing us, in an appropriate way, with the necessary means of researching and foreseeing the evolution of the consumers' preferences. The theory of rational choice takes into consideration the consequences of performed actions. We prefer a product, a person or a service because we have already decided that the object suits best to our needs or demands on the performance, altogether with the emotional demands judged by our standards of comparison. Each step in the purchasing process contains emotional and performance components preferred by the consumers. In the present study, after analyzing the way consumers' preferences are formed from the point of view of the theory of rational choice, it will be possible to state that, in order to understand the consumers' preferences, it is necessary to determine their demands and desires based on brand awareness, brand associations, perceived quality and Proprietary Assets.

Expectation Disconfirmation Theory (EDT)

Expectation Disconfirmation Theory (EDT) is widely used in customer satisfaction literature. The EDT can be regarded as a two-stage model, including four steps (Swan and Trawick, 1981). The steps are as follows: (1) consumers form an expectation before use. This step has been described in the paragraph above. Then (2) after usage, perceptions about performance are formed. These perceptions about usage could be described as perceived value, described by Zeithaml (1988) as 'a consumer's overall assessment of the utility of a product based on perceptions of what is received and what is given'. In the next step (3), perceived performance is assessed against the predicted expectations, after which (4) customers determine to what extent the expectation is confirmed. Service encounter satisfaction is transaction-specific, while overall customer satisfaction is more relation specific. The above applies to companies in general, but also involves the channel choice of consumers.

Theoretical Framework

The foregoing theory can be conceptualized as illustrated in figure 2.1 below.

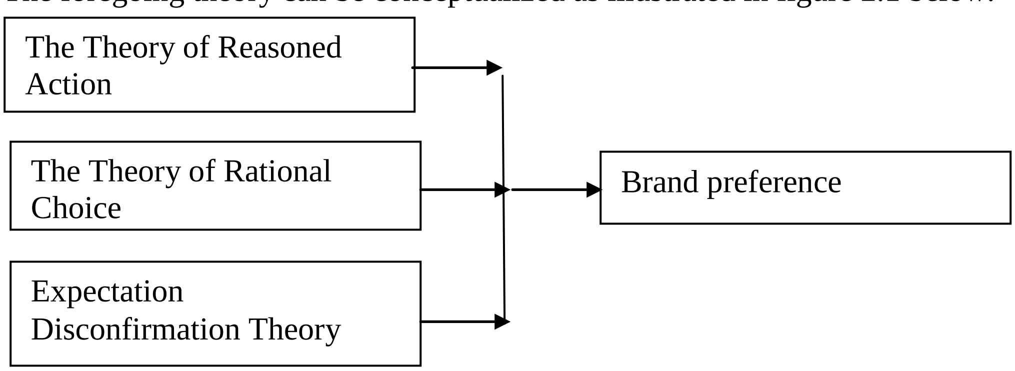
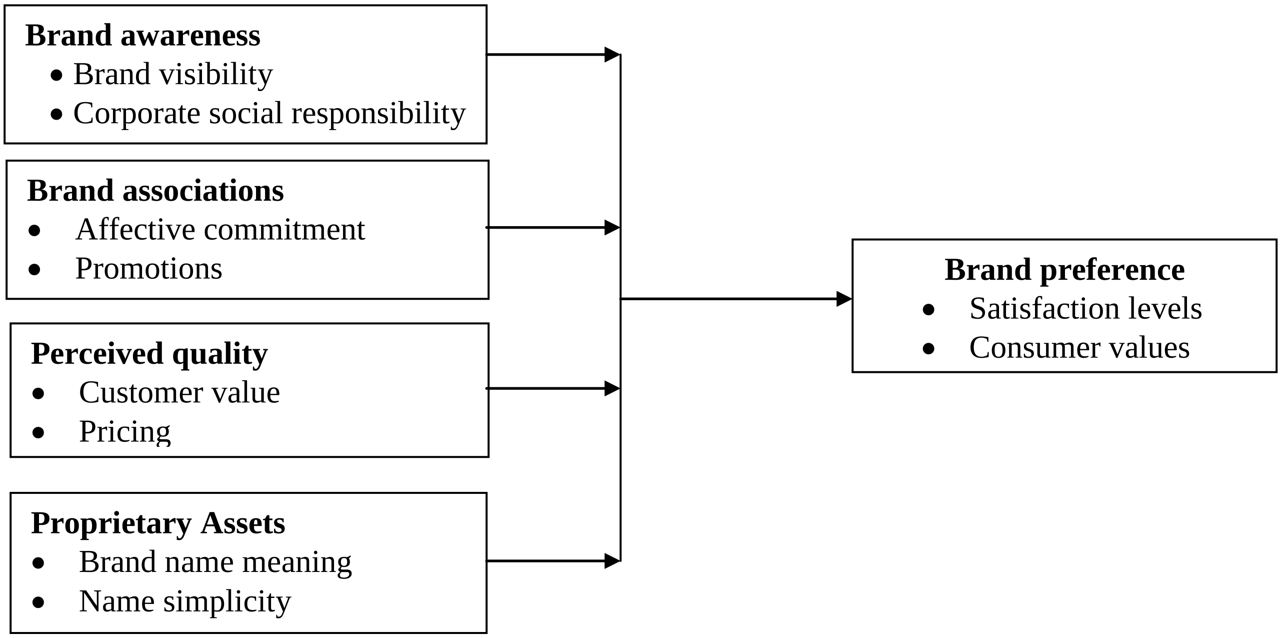


Figure 1: Theoretical framework

As illustrated in figure 1 above, the Theory of Reasoned Action, the Theory of Rational Choice and Expectation Disconfirmation Theory are conceptualized as influencing brand preference in the soft drinks industry.

Conceptual Framework



Independent Variables **Dependent Variable**

Figure 2: Conceptual framework

Research Methodology

This study took the descriptive research design. Based on the 'perceived' aspect of the study variables, the target population for the study was the staff of 4 major soft drink companies within Nairobi County. These include Coca-cola's Nairobi bottlers limited, Alvaro's East African Breweries, PepsiCo and Kenafric Industries, with a population of 160 employees. The researcher used stratified random sampling to select the respondents. This design allowed the population to have an equal chance of being selected in the different strata. The determined sample size is 115 respondents out of a target population of 160. These were selected to ensure that the sampling size had characteristic representation of the population using the formulae developed by Mugenda and Mugenda (2003). Thus the sample size is 130. The determined sample size will be distributed as shown in table 1.

Table 1: Sampling Frame

Category	Population	Sample	Percentage
Senior management	8	5	4.2%
Middle management	24	16	12.5%
Operational staff	160	109	83.3%
Total	**192**	130	**100%**

The questionnaire was structured in nature, with close-ended questions. The researcher administered the questions to the relevant respondents in an effort to achieve the necessary information. The questionnaires were administered through a drop and pick later method because of the busy schedule of the target respondents. The survey instruments were subjected to overall reliability analysis. To this end, a 0.7 Cronbach alpha level of reliability was deemed reliable (Cronbach, 2011). Both descriptive and inferential statistics were further conducted. Descriptive analysis involved the use of frequencies in their absolute and relative forms (percentage). Mean and standard deviations were also be used as measures of central tendencies and dispersion respectively. Inferential statistics was on the other hand done to show the nature and magnitude of relationships established between the independent and dependent variables using regression analysis to make inferences from the data collected to more generalized conditions.

Results and Discussions

The general objective of the study was to investigate role of branding management practices on customer preference in the soft drink industry with reference to selected soft drink companies.

The study achieved a response rate of 79.1% with only 91 respondents reached, out of the 115 targeted. According to Mugenda and Mugenda (2003), a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent. The study therefore attained an excellent response rate .

Effect of Brand Awareness on customer preference in the soft drink industry

The study sought to establish the effect of Brand Awareness on customer preference in the soft drink industry.

Table 2: Effect of Brand Awareness on customer preference in the soft drink industry

Statement	**Mean**	**Standard Deviation**
Increased brand awareness lowers your customer acquisition costs	3.701	0.9431
Ongoing brand awareness ramps up customer loyalty	3.913	0.5423
Using brand awareness through retargeting captures lost leads	3.076	0.8612
Top of mind awareness enhances customer preference to our products	3.113	1.0617
Brand awareness gives the company an edge in making customers aware of the extra value the company offers	3.963	1.2610
Composite Mean	**3.5532**	

As presented in table 2 above, a majority of respondents highly agree that: Brand awareness gives the company an edge in making customers aware of the extra value the company offers (3.963); Ongoing brand awareness ramps up customer loyalty (3.913); and that Increased brand awareness lowers your customer acquisition costs (3.701). A majority however only moderately agrees that Top of mind awareness enhances customer preference to our products (3.113); and that Using brand awareness through retargeting captures lost leads (3.076). As such, it can be concluded that overall, among factors that most significantly impact on Brand Awareness on customer preference in the soft drink industry include Brand awareness gives the company an edge in making customers aware of the extra value the company offers; Ongoing brand awareness ramps up customer loyalty; and that Increased brand awareness lowers your customer acquisition costs.

Effect of brand association on customer preference in the soft drink industry

The study also sought to assess the effect of brand association on customer preference in the soft drink industry.

Table 3: Effect of brand association on customer preference in the soft drink industry

Statement	Mean	Standard Deviation
Brand association has enhanced our brand recognition	3.583	0.9442
Brand association has helped build loyalty towards our brand	3.219	0.0429
Brand association has helped with our product positioning	3.729	0.8592
Brand association has aided in introducing new products	2.603	0.3056
Brand association has helped in building brand equity	4.001	1.3078

A majority of respondents were found to highly agree that Brand association has helped in building brand equity (4.001); and that Brand association has helped with our product positioning (3.729). A majority however only moderately agrees that Brand association has helped build loyalty towards our brand (3.219) and that Brand association has aided in introducing new products (2.603). It can thus be deduced that overall, business location play a key role in influencing customer preference in the soft drinks industry. Most notably, Brand association has helped in building brand equity and that Brand association has helped with our product positioning. The finding agrees with Chattopadhyay and Alba (2013) who offered that the associations related to the functions represent a greater degree of abstraction than those referring to the attributes, and so are more accessible and remain longer in the consumer's memory. In line with this finding, Keller (2013, 2010) classifies brand associations into three major categories: attributes, benefits and attitudes. Attributes are those descriptive features that characterize a brand, such as what a consumer thinks the brand is or has and what is involved with its purchase or consumption. Benefits are the personal value consumers attach to the brand attributes, that is, what consumers think the brand can do for them.

Effect of perceived quality on customer preference in the soft drink industry

The study further sought to determine the effect of perceived quality on customer preference in the soft drink industry.

Table 4: Effect of perceived quality on customer preference in the soft drink industry

Motivation	Mean	Standard Deviation
Perceived quality has led to brand power and market share	3.239	0.8317
Perceived quality has led to brand equity	3.993	0.6315
Perceived quality has led to perceived value	3.725	1.0092
Perceived quality has led to willingness to buy	3.857	1.3718
Perceived quality has led to improved brand image	3.981	.5738

A majority of respondents were found to highly agree with the statements that: Perceived quality has led to brand equity (3.993); Perceived quality has led to improved brand image (3.981); Perceived quality has led to willingness to buy (3.857); and that Perceived quality has led to perceived value (3.725). A majority however only moderately agrees that Perceived quality has led to brand power and market share (3.239). From the finding, it can be deduced that to a large extent, Perceived quality has led to brand equity; Perceived quality has led to willingness to buy and that Perceived quality has led to perceived value. This finding is in agreement with Bloemer and Ruyter (2010) who suggested that store loyalty resulted from a consumer committed to the store through an explicit and extensive decision-making process. The finding is also supported by Cronin and Taylor (2012) who examined the causal relationships among service quality, customer satisfaction, and purchase intention and found that service quality was an antecedent of consumer satisfaction, service quality had less effect on purchase intentions than did consumer satisfaction, and consumer satisfaction had a significant effect on purchase intentions. Dabholkar, *et al.,* (2014) also found that customer satisfaction strongly mediated the effect of service quality on behavioral intentions.

Effect of Brand proprietor associations on customer preference in the soft drink industry

Finally, the study sought to examine the effect of Brand proprietor associations on customer preference in the soft drink industry.

Table 5: Effect of Brand proprietor associations on customer preference in the soft drink industry

Statement	Mean	Standard Deviation
Brand proprietor associations have earned the firm competitive advantage	3.693	0.9025
Brand proprietor associations have enhanced the firm's profitability through royalties	3.359	0.7295
Brand proprietor associations have increased the firm's business opportunities	3.719	0.6520
Brand proprietor associations have increased customer loyalty	3.564	0.6892

A majority of respondents were found to highly agree that: Brand proprietor associations have increased the firm's business opportunities (3.719); Brand proprietor associations have earned the firm competitive advantage (3.693); and that Brand proprietor associations have increased customer loyalty (3.564). A majority however only moderately agrees that Brand proprietor associations have enhanced the firm's profitability through royalties (3.359). It can thus be deduced that marketing channels significantly influence customer preference in the soft drinks industry. To a significant extent Brand proprietor associations have increased the firm's business opportunities; and that Brand proprietor associations have earned the firm competitive advantage. Accordingly, Magleby (2013) states that there is a direct relationship between the degree of penetration of the franchise business model and the level of economic prosperity in that country. The finding is in tandem with Keizer (2010) the main advantage of franchising is the shared motivation for success of both him and the franchisee. Franchisees have invested in a business and are therefore more likely to maximize revenues through (administrative) efficiency and protection of the franchise brand. At the same time, Dianne et al (2011) offers that both parties are motivated to minimize operational costs. In sum, both strive for the highest efficiency and profit. They both gain from a good reputation and strong brand name.

Customer preference

The study further sought the respondents' perception regarding the various aspects defining customer preference as experienced in the firm.

Table 6: Descriptive Statistics for the process of financial report

	Mean	Std. Dev
There is an emotional connection to the brand among consumers	3.731	.5256
The brand is top of minds of soft drink consumers	3.957	.6201
Consumers market us by word of mouth	3.857	.5743
Consumers feel valued by our brand	3.742	.6347
Consumers are satisfied by our brand	3.756	.4718

It was established from results presented in table 6 above that a majority of respondents indicated high levels of agreement to most of the statements pertinent to customer preference as experienced in the firm. A majority highly agreed that the brand is top of minds of soft drink consumers (3.957); consumers market them by word of mouth (3.857); consumers are satisfied by the brand (3.756); and that consumers feel valued by the brand (3.742); and that there is an emotional connection to the brand among consumers (3.731). The study finally concludes that the brand customer preference has to a great extent been achieved in favor of the soft drink companies surveyed in the study. This is informed by the high levels of agreement alluding to the assertion that a majority of the brands are top of minds of soft drink consumers; consumers market them by word of mouth; consumers are satisfied by the brand; and that consumers feel valued by the brand; and that there is an emotional connection to the brand among consumers.

Pearson Correlation Analysis

The study further conducted inferential statistics entailing both Pearson and regression analysis with a view to determine both the nature and respective strengths of associations between the conceptualized Brand management practices (independent) variables and customer preference (dependent variable) in the public sector in Kenya. Table 7 below presents the Pearson correlations for the relationships between the Brand management practice variables and customer preference.

Table 7: Pearson correlation matrix

	Customer preference	Brand awareness	Brand associations	Brand proprietor association	Perceived quality
Customer preference	1				
Brand awareness	.708**	1			
	.000				
Brand associations	.436**	.650**	1		
	.004	.000			
Perceived quality	.798**	.485**	.115	1	
	.000	.001	.474		
Brand proprietor association	.716**	.724**	.300	.692**	1
	.000	.000	.057	.000	

*Correlation is significant at the 0.05 level (2-tailed)

From the findings, a positive correlation is seen between the each brand management practice variable and Customer preference. The strongest correlation was established between Perceived quality and Customer preference (r = .798), and the weaker relationship found between Brand associations and Customer preference (r = .436). Brand awareness and Brand proprietor association are also strongly and positively correlated with Customer preference at correlation coefficient of .708 and .716 respectively. All the independent variables were found to have a statistically significant association with the dependent variable at 0.05 level of confidence.

Regression Analysis

To establish the degree of influence of brand management practice components on Customer preference, a regression analysis was conducted, with the assumption that: variables are normally distributed to avoid distortion of associations and significance tests, which was achieved as outliers were not identified; a linear relationship between the independent and dependent variables for accuracy of estimation, which was achieved as the standardized coefficients were used in interpretation.

Customer preference = $\alpha + \beta_1$ (Brand awareness) + β_2 (Perceived quality) + β_3 (Brand associations) + β_4 (Brand proprietor association) + ε. Regression analysis produced the coefficient of determination and analysis of variance (ANOVA). Analysis of variance was done to show whether there is a significant mean difference between dependent and independent variables. The ANOVA was conducted at 95% confidence level.

Table 8: Regression Analysis

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.865[a]	.748	.720	1.94285

a. Predictors: (Constant), Brand awareness, Perceived quality, Brand associations, Brand proprietor association

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	402.892	4	100.723	26.684	.000[a]
	Residual	135.888	36	3.775		
	Total	538.780	40			

a. Predictors: (Constant), Brand awareness, Perceived quality, Brand associations, Brand proprietor association

b. Dependent Variable: Customer preference

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	4.242	8.138		.521	.005
	Brand proprietor association	.336	.112	.353	3.011	.005
	Brand associations	1.576	.905	.205	1.742	.000
	Perceived quality	2.435	.867	.421	2.809	.008
	Brand awareness	.610	.998	.099	.611	.002

a. Dependent Variable: Customer preference

The result showed a coefficient of determination value (R) of .865[a] which depicts that a strong linear dependence between all the CSR indictors and Customer preference. With an adjusted R-squared of .720, the model shows that Brand awareness, Perceived quality, Brand associations and Brand proprietor association collectively explain 72.0% of the variations in Customer preference while 28.0% is explained by other factors not included in the model. The P-value of 0.000 implies that Customer preference has a significant joint relationship with Brand awareness, Perceived quality, Brand associations, Brand proprietor association which is significant at 90% confidence level. This is implies that the regression model is significant and can thus be used to assess the association between the dependent and independent variables. The regression coefficients further reveal both positive and negative associations between the dependent and the predictor variables.

The established regression equation was thus:

Customer preference = 4.242 + .336 (Brand proprietor association) + 1.576 (Brand associations) + 2.435 (Perceived quality) + .610 (Brand awareness) + 8.138. A unit change in Brand proprietor association would lead to a .336 change in Customer preference ceteris paribus; a unit change in Brand associations would lead to a 1.576 change in Customer preference ceteris paribus; a unit change in Perceived quality would lead to a 2.435 change in Customer preference ceteris paribus while a unit change in Brand awareness would thus lead to a .610 increase in Customer preference. This implies that among other factors, Brand awareness, Perceived quality, Brand associations and Brand proprietor association are strong and significant determinants of Customer preference in the Kenyan soft drinks industry.

Conclusion

The following conclusions are made based on the findings. It can be concluded that overall, among factors that most significantly impact on brand awareness on customer preference in the soft drink industry include Brand awareness gives the company an edge in making customers aware of the extra value the company offers; ongoing brand awareness ramps up customer loyalty; and that Increased brand awareness lowers your customer acquisition costs. It can also be deduced that overall, business location play a key role in influencing customer preference in the soft drinks industry. Most notably, brand association has helped in building brand equity and that Brand association has helped with our product positioning. It can be deduced that to a large extent, perceived quality has led to brand equity; perceived quality has led to willingness to buy and that perceived quality has led to perceived value.

It can also be deduced that marketing channels significantly influence customer preference I the soft drinks industry. To a significant extent Brand proprietor associations have increased the firm's business opportunities; and that Brand proprietor associations have earned the firm competitive advantage. The study finally concludes that the brand customer preference has to a great extent been achieved in favor of the soft drink companies surveyed in the study. This is informed by the high levels of agreement alluding to the assertion that a majority of the brands are top of minds of soft drink consumers; consumers market them by word of mouth; consumers are satisfied by the brand; and that consumers feel valued by the brand; and that there is an emotional connection to the brand among consumers.

Recommendations

The implications of the study findings are as follows. That brand management practices can positively impact on firm's business performance in terms of translating to better sales if principles guiding application of fit perception is duly observed when firms consider Product Category similarity as an option for actualization of brand management practice benefits. That if soft drinks bottling firms maintain the policy of aligning their extended products in terms of Product Category similarity, it is likely that it may boost the profit volume of firms.

For instance, if firms lay emphasis on building fit perception the part of the extended brand while shielding the product from brand dilution, the success can stimulate more consumers' taste appeal, thus creating higher patronage. The study therefore concluded that the components of brand extension strategy such as Product Category similarity, does significantly influence marketing performance of soft drinks firms. The marketing managers must constantly study the marketing environment and find new opportunities to increase the marketing activities. The potential target of the market must be matched with marketing mixes and the best attractive strategies to be chosen for implementation. Make attractive advertisement continuously and find new ways of advertising. By increasing the promotion activities more consumers may be gained.

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