EFFECTS OF STRATEGIC BRAND AWARENESS AND CUSTOMER LOYALTY ON PERFORMANCE OF KENYA POWER AND LIGHTING COMPANY LIMITED

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ABSTRACT

The purpose of this study is to determine the relationship between strategic brand awareness, strategic customer loyalty and organizational performance. The objectives of the study are; examine the effect of strategic brand awareness on firm performance, and to evaluate the effect of strategic customer loyalty on firm performance. The study will apply a descriptive statistical approach. Stratified sampling technique was used to select the respondents, to be drawn from domestic customers, small and medium business customers and large power customers. Both Primary data and secondary data was used. Primary data was collected through structured and unstructured questionnaires. While secondary data was sought from literature review of industry, professional and other relevant publications. Individuals and key informants was appropriately identified to form another targeted respondents from which data was gathered through in-depth interview. Observation shall also be included in the method of data collection. With the assistance of the research aide, the researcher personally administered the research instruments to the targeted population. Clarification on the questionnaires required by the respondents was made by the researcher. The data obtained from the questionnaires was coded, organized, analysed using Statistical Package for Social Scientists (SPSS). Descriptive statistics and inferential statistics was explored to analyse data before presentation and interpretation.

Key Words: strategic brand awareness, customer loyalty, performance, perceived quality of service, brand image, increased consumption, perception, profitability, market share

INTRODUCTION

A strategic brand is a product, service, or concept that is publicly distinguished from other products, services, or concepts so that it can be easily communicated and profitable. It is the profitable idea or image of a specific product or service that consumers connect with, by identifying the name, logo, slogan, or design of the company who owns the idea or image (Brand). An organisation can offer the best products in its category, backed by the best service delivery and the best overall value. However, all this is meaningless if no one has heard of the brand and it is not profitable. Various researches have been undertaken on brand equity and its interrelationships with strategic brand awareness. This has formed a rich source of literature and hence an important area of study in extant literature (e.g. Keller, 2006, 2009, 2012; Aaker,2007,2008; Kapferer,2008; Biel,2009; Yoo,2006; Donthu,2007; Moore,2008; Srivastava & Shocker,2007;Ailawadi, 2009;Lehmann,2012; Neslin 2009; Srinvasan, Park & Chang, 2011; Slotegraaf & Pauwels, 2008). According to Aaker (2007), brand equity, is defined as comprehensive set of values attached by the consumers creating differential effects to the brand

which creates revenue in the competitive market in which the business is operating. In this connection 'Strategic brand awareness' is the primary dimension of brand equity and is vital for the purpose of achieving brand equity.

Strategic brand awareness is the profitable impression people have of a brand. Consumers having no prior knowledge of the brand will have no intension of buying it either. The consumers should also be able to identify which benefits are associated with the brand and they should have an idea where the brands can be purchased. For companies to succeed in creating effective strategic brand awareness, they should develop and execute an interactive communication strategy that they can continue to update throughout the development of their brand. Successful strategic brand awareness campaigns normally take time to develop with regards to an effective awareness and related communication reaching potential customers. Establishing strategic customer loyalty takes even more time as it requires extended experience with any company and its products/services. As a result of the aforementioned actions, positive strategic brand awareness will increase. High strategic brand awareness can influence the retailers' or resellers' purchase decision (Grewal, Monroe & Krishnan, 2008). Loyal customers are not affected much by intra industry competitive price rivalries.

Loyalty is also important due the fact that, the price organisations pay to catch the attention of a new customer is considerably higher than that of maintaining an existing one. According to Hill and Alexander (2012), customers place a high value on dealing with people they know and trust and who are knowledgeable and helpful. Customers will often be prepared to pay a higher price for a service they trust rather than make a small saving which involves risk of deterioration. As KPLC undergoes the culture change and corporate rebranding, there is need to continuously understand its customer habits, needs, wants and satisfy them profitability. Therefore, strategic brand awareness remains fundamental to consumer life as the interaction and initiation point to the brands. Any company that seeks to increase its revenues and subsequently profitability must relook on the idea of image that is housed in the brand that it seeks to sell to the customer.

STATEMENT OF THE PROBLEM

Increased buyer awareness has made buyers want to pay for more recognizable and constructive brands. Thus, it is important for businesses to create attraction in their brands to position themselves better than their competitors. Consumers disseminate and are often willing to acquire new and innovative products, thus strategic brand awareness is a vital tool in manipulating consumer buying decisions and purchase intensions (Macdonald and Sharp, 2006). Strategic brand awareness is playing an increasingly major role in the consumers buying decision process. The knowledge of a friend or acquaintance having used a product in the past, or a high recognition of the product through constant advertisements and associations induces an individual to make his decision in favour of a brand. (Farris et al, 2010). Brand building helps in improving brand loyalty, as it ensures a brand is easily recognizable and accepted in the market

and differentiated from similar & competing product offerings. The problem is therefore, whether increased strategic brand awareness, perception and strategic customer loyalty, can be said to increase firms performance and consequently profitability generated from it due to increased demand. Many companies invest huge amounts of resources in advertising and publicity every year aimed at increasing the awareness of their brands. However, despite this fact, others have continued to experience declining customer numbers. Mburu, P. et al (2013), in a study on determinants of customer satisfaction in the Kenyan Banking industry concluded that there is a positive relationship between bank related factors and customer satisfaction. The bank related factors include strategic brand awareness campaigns and publicity. According to Coldwell (2007), in a statistical analysis of Customer Satisfaction data encompassing the findings of over 20,000 customer surveys conducted in 40 countries by InfoQuest, the following conclusions of the study were made: that a totally satisfied customer contributes 2.6 times as much revenue to a company as a somewhat satisfied customer; that a totally satisfied customer contributes 17 times as much revenue as a somewhat dissatisfied customer; and that a totally dissatisfied customer decreases revenue at a rate equal to 1.8 times what a totally satisfied customer contributes to a business.

OBJECTIVES

To determine the effect of strategic brand awareness and strategic customer loyalty on performance by the Kenya Power and lighting company limited.

Specifically:

1. To examine the effect of strategic brand awareness on firm performance
2. To evaluate the effect of strategic customer loyalty on firm performance
3. To provide recommendations for corporate policy development and implementation

THEORETICAL FRAMEWORK

Theory of reasoned action

The theory re-conceptualizes brand loyalty. According to the theory of reasoned action, the antecedents of purchase behaviour are attitudes towards the purchase and subjective norm. If the antecedents of purchase behaviour are integrated to predict and measure brand loyalty, the prediction and measurement of brand loyalty was more stable over time and accurate. This paper aims to integrate three aspects of brand loyalty, and to investigate the relationships among several antecedents of behavioural brand loyalty by introducing the theory of reasoned action. Eight conditions of unit brand loyalty have different levels of brand loyalty shown by the consumers. When attitude, subjective norm and purchase behaviour are all consistent and favourable, the maximum level of unit brand loyalty was realized.

Loyalty driven consumer typology theory

A first approach of classifying consumers considering their degree of loyalty is that of George H. Brown, according to whom buyers can be divided into four groups:

Hard -core loyals -always buy the same brand; split loyals -loyal to two or three brands; shifting loyals-loyal to one brand for a period of time, but easily shifting from one brand to another, due to certain advantages offered by the new brand; Switchers -show no loyalty to any brand, switching the brand with almost any buying situation. A second approach is that of David A. Aaker who sees five levels of brand loyalty and groups customers accordingly into a loyalty pyramid.

Communications Model theory

To better understand the process of preference, let's first look at a basic communications model. The five components of this model are sender, medium, filter, receiver, and feedback. On a daily basis, we are exposed to messages (sender/medium) via our radio, television, billboards, Internet, mail, and word –of mouth. Although these messages are pervasive, we continually screen out (perceptual screen) or ignore content that has little or no relevance to us. All messages are coded patterns and sensations –colours, sounds, odours, shapes, etc.Those messages deemed recognizable, or a basis for a relationship, are decoded and stored in our memory (filter/screen). A successful convergence between sender and receiver will result in some type of response to a brand's compelling message.

Sensory Approach theory

Almost our entire understanding of the world is experienced through our senses." Martin Lindstrom, Brand Sense The most innovative brand research I've encountered recently was derived from Lindstrom and his "Brand Sense" concept. A precursor to his theory lies in three components, and when combined, builds both loyalty and what he terms "smash ability." The constructs of his theory reside in the following (a) Sensory branding stimulates your relationship with the brand,(b) Allows emotional response to dominate our rationale thinking (c) Offers different dimensions of a single brand,(d) Ultimate goal: Strong, positive, loyal bond between brand and consumer so the consumer will turn to brand repeatedly, and (e) Goal: Emotional engagement, match between perception/reality. The essence of Lindstrom's work lies in what he terms the "Six Sensory Steps." These include (1) sensory audit, (2) brand staging, (3) brand drama, (4) brand signature, (5) implementation, and (6) evaluation. Through this discovery method, an organization can unveil aspects of its current offering or new avenues to exploit. This process, according to the author, will enhance brand loyalty and deepen existing relationships.

Since this article can't possibly delve into all six steps, a cursory view of a few elements of this process is provided next. Lindstrom's approach to brand loyalty stems from the use of our five senses. In order to understand any brand, a sensory audit must be conducted to assess the brand's
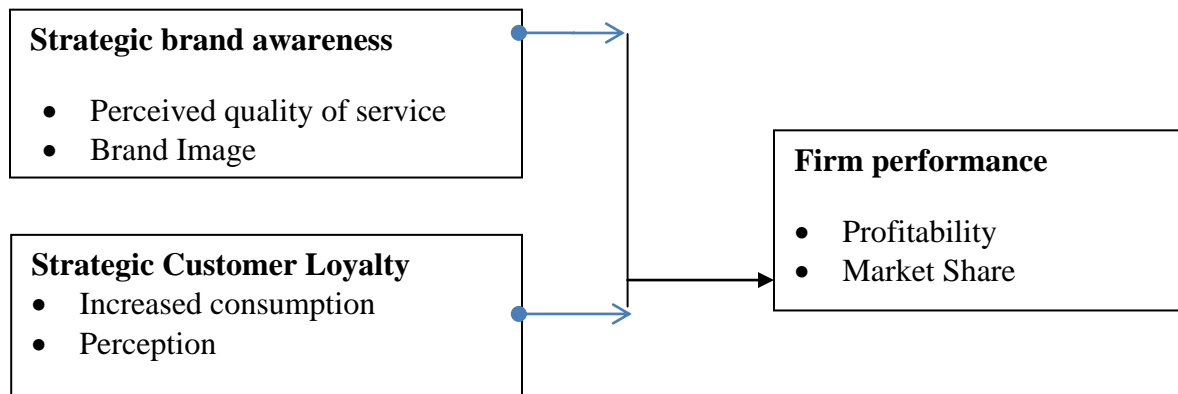International Academic Journals

leveraging of sensory touch points. This involves examining a brand's stimuli, enhancement, and bonding capabilities. Lindstrom's point is simply the more sensory components, the stronger the foundation of your brand. Another area discussed is the synergy across sensory touch points. Lindstrom suggests we use many senses when evaluating our surroundings, including brands. Returning to the Starbucks example, one could view an encounter with this retailer in this manner: When analysing your brand, how strong are the links between each of your sensory touch points? How interdependent are they? In the beginning of this article we mentioned Lindstrom's term "smashability." This simply means how independent each sensory aspect is and what is its ability to stand on its own.

CONCEPTUAL FRAMEWORK

In modern business environment, Strategic customer loyalty is a key competitive factor, and a major yardstick used to measure business performance in the service industry. Loyalty is greatly influenced by various factors, of which Strategic brand awareness is key to all the factors, as one cannot be loyal to what she/he is not aware of.   The figure below therefore explicitly shows the conceptual framework for the study.

Independent variable   *Dependent variable*

Strategic brand awareness

- Perceived quality of service
- Brand Image

Firm performance

- Profitability
- Market Share

Strategic Customer Loyalty
- Increased consumption
- Perception

Source: Researcher (2015)

Figure 1: Conceptual Framework

Strategic brand awareness

Branding basically assists to distinguish the goods and services from one to another. Customer's simple understanding of brand is to relate and consider simple information about products purchasing and being positive about the brand to construct their trust with time. Branding is a method that is utilized by the enterprises to utilize trading schemes to enhance their merchandise or service likeness in order to make them more gladly recollected by the customer. Branding assists the goods or service to make a favourable influence on the customers.

A brand can have a negative effect on business if the consumers have a negative association with it. This can happen if a particular brand has been consistently put on products of a lower quality, thus brand deterioration, making it harder to sell. Branding is also a way to build an important company asset, which is a good reputation. Whether a company has no reputation, or a less than seller reputation, branding can help change that. Branding can build an expectation about the company services or products, and can encourage the company to maintain that expectation, or exceed them, bringing better products and services to the market places.

Strategic brand awareness on the other hand has been described by the business dictionary, as a marketing concept that measures consumers' knowledge of a brand's existence. It is the extent to which a brand is recognized by potential customers' and is correctly associated with a particular product. It measures the consumers' knowledge of a brands existence. Strategic brand awareness is the brand recall and the brands recognition of the organization to the customers. It is the ability of the customers to retrieve past associations with the brand when asked about a brand or shown an image or the brand or Logo or symbol associated with the brand. It is an essential part of developing the organizations brand, which assists the brand to stand out from other competing offers in the market.

Strategic brand awareness is usually expressed as a percentage of a target market; it is the primary goal of advertising in the early periods of a product's introduction in the market. It is the brand recall and brand recognition of the company to its current and potential customers, the extent to which the consumers associate the brand with the product, they desire to purchase. Brand equity is primarily constructed by laying a base of brand perception — finally forming affirmative brand images — and is finally maximized by high grades of brand commitment.

The significance of brand equity comprises of many advantages for businesses that own brands. Brand equity has positive association with brand loyalty. More accurately, brand equity raises the likelihood of brand selection, premier to customer's commitment to an exact brand (Pitta & Katsanis, 2011). Customer based brand equity occurs when the customer is aware of the brand with some favourable, strong and unique brand associations in memory.

The core concept of this model draws on "brand knowledge" comprising of two dimensions; strategic brand awareness and brand associations which based from associative networks model. Brand associations are informal nodes – tangible and intangible attributes, benefits and attitudes, which are linked to a brand node – brand name or logo, providing meaningful information about the brand to consumers.(Keller,2009). Brand knowledge has been conceptualized of having several dimensions, which include: staff service (brand associations) self-image congruence (brandassociations), strategic brand awareness and their relationship to brand satisfaction, which in turn leads to brand loyalty (Keller, 2009)

Strategic brand awareness is the extent to which the customer/ consumer associates the brand with his need satisfier. It is an essential part of brand development, which helps the brand to

stand out from competing offers. Brand perception entails the proficiency of a buyer can identify and recall a brand in distinct positions (Aaker, 2012). Brand perception comprises of brand recall and brand recognition. Brand recall entails when buyers glimpse a product class, they can recall a brand title precisely, and brand acknowledgement entails buyers has proficiency to recognize a brand when there is a brand cue.

Hoeffler & Keller (2008) show that brand perception can be differentiated from deepness and width. Depth entails how to make buyers to recall or recognize brand effortlessly, and breadth expresses infers when buyers buy goods, a brand title will arrive to their minds at once. If goods own brand deepness and brand breadth at the identical time, consumers will believe of an exact brand when they desire to purchase a product. That is, the goods have higher strategic brand awareness. The logo and /or Brand title is the most significant component in brand perception.

The brand perception will sway buy conclusion through brand association, and when a product owns an affirmative brand likeness, it will assist in trading undertakings (Keller,2009). Brand perception performances a significant function on buy aim because buyers are inclined to purchase well renowned and well known products (Macdonald & Sharp, 2006). Brand perception can assist buyers to identify a brand from a goods class and make buy conclusion (Percy & Rossiter, 2008). Brand perception has a large influence on assortments and can be former concern groundwork in a goods class (Hoyer & Brown, 2006). Brand perception also acts as a critical component in the buyer buy aim, and certain brands will build up in consumers' brain to influence buyer buy decision. Products with a high grade of brand perception will obtain higher consumer preferences because it has higher market share and value evaluation (Grewal et al., 2008).

Brand perception is assessed as asserted by the distinct modes in which buyers recall a brand, which may encompass brand acknowledgement, brand recall, peak of the brain brand and superior brand (Aaker, 2012). Aaker's (2007) study on brand perception enlightens the integral part of strategic brand awareness in building brand equity. Brand perception is the capability of buyers to identify or recall a brand, and there is a linkage between the brand and the merchandise class, but the connection does not have to be strong. Strategic brand awareness is a method from where the brand is just renowned to a grade when the buyers have put the brand on a higher rank; the emblem has become the "top of mind" (Aaker, 2007).

A product with high strategic brand awareness suggests that the brand is easily recognizable and accepted by the market in a way that the brand is differentiated from similar products and other competitors. The ultimate goal of businesses is to make profits and increase of sales. Businesses aim to increase their customer base and encourage repeat purchases. Brand awareness plays a major role in consumer buying decision process. Past experience, or a high recognition of the product through constant advertisement campaigns and associations coaxes an individual to make his decision in favour of the brand.

According to Keller (2009), most researches on brand have been so far focused on consuming goods especially on understanding the effects of strategic brand awareness. There is an emerging trend on branding which is as same as service logic in concentrating on added value processes. In such view, brand plays a broader role so it is related not only to end users but also to company, its employees and its shareholders. Advertising professionals work on branding not only to build brand recognition, but also to build good reputations and a set of standards to which the company should strive to maintain or surpass. Branding allows companies to build their reputations as well as expand beyond the original product and service, and add to the revenue generated by the original brand.

The purchase decision is also influenced by the perceived quality which is also an aspect of brand value that makes consumers pay for certain products or services (Aaker, 2007; Zeithaml, 2008). Apparent value can assist buyers for skewed verdict on the whole product set that make a product hold a most significant partiality and also it's turn into a sharp product in patrons mind as well as also increase the interest of retailer to give best place to the specific product in market space. (Aaker, 2007). Though, only brand alertness and professed quality does not pledge of purchase and specifically repurchase intensions.

The importance of brand loyalty cannot be ignored. Where strategic brand awareness and perceived quality is necessary for the purchase of the brand, the loyalty is guarantee of purchase as according to Oliver (2007), brand loyalty plays a vital role in purchase, repurchase and switching behavior. So all three are significant for the purchase and purchase intentions. Aaker and Jacobson, (2010) concluded that towering level of brand loyalty considerably augment sales of a brand as well as increase the economic value of the brand.

Clark Dragansha (2009) found that advertising has consistently a significant positive effect on strategic brand awareness. Strategic brand awareness has depth and breadth, its depth describes the likelihood that a consumer can recognize or recall the brand, whereas the breadth describes the variety of purchase and consumption situation in which brand comes to mind. Strategic brand awareness involves a continuum ranging from an uncertain feeling that the brand is recognized to a belief that it is only one in the product category, Aaker (2007).

Strategic brand awareness has strong impact on the purchasing choices of an individual buyer, especially if the product once tried, fulfilled the consumers' expectations. High brand satisfaction and its presence in the consumers' range of spontaneous recall translates into his/ her loyalty, thus the consumer is willing to buy more products of the same brand. This happens when a consumer identifies a certain level of quality with a certain brand, thus developing an emotional attachment to it. Brand perception influences buyers decision-making by leveraging the brand benefits conceived through the distinct data adhered to the brand attributes in the consumers' memory. Strategic brand awareness grades, and assesses if buyers understand about and are well

conversant with a business, organization, product, or service. Unaided perception is the stage to which consumers' believe of a business or merchandise on a top-of-mind basis.

Aided perception on the other hand is the stage to which buyers who understand about a business or merchandise are familiar with that business or product. (Rossiter & Percy, 2007) Brand perception comprises of emblem acknowledgement and recall performance. Brand acknowledgement is associated to consumers' proficiency to affirm former exposure to the brand when granted the title as a cue. Brand recall concerns to consumers, proficiency to get the emblem when granted the merchandise class, the desires fulfilled by the class, or some other kind of search or a cue (Dolak, 2009). Organizations should strive to create an image in the hearts and minds of consumers', inviting customer feedback and maintaining a constant presence in the market, this can be done through constant and consistent product availability. It is imperative for an organization to analyze the response of the consumers towards changes in packaging, advertising, products and messages sent across to the consumers through various means.

Rossiter and Percy (2007) recount brand perception as being absolutely crucial for the communications process to happen as it precedes all other steps in the process. Without strategic brand awareness occurring, no other connection consequences can occur. For a buyer to purchase a brand they must first be made cognizant of it. Brand mind-set will not be formed, and aim to purchase will not occur unless emblem perception has appeared. In recollection idea, brand perception is positioned as a crucial first step in construction the "bundle" of associations which are adhered to the brand in recollection (Stokes, 2011). The brand is conceptualized as a node in recollection which permits other data about the brand to be "anchored" to it (Aaker 2007). The conceptualization of a mesh of brand associations in memory with the brand as a centered center has been put ahead by numerous other ones (Holden & Lutz 2008). The role of strategic brand awareness in decision making and the overhead functions of brand perception should be well known to managers.

Brand perception and the concern set by brand perception that has been hypothesized to play a vital function in working out the consideration set: the little set of brands which a buyer devotes grave vigilance when producing a purchase (Howard & Sheth 2009; Narayana & Markin 2011). The composition of this little set of brands which are advised throughout decision-making is important. A brand that is not considered will not be selected, and further, In a position where the buyer is cognizant of several brands which fit the relevant criteria, he or she is improbable to consume much effort in searching out data on unfamiliar brands. A brand that has some grade of brand perception is far more probable to be considered, and thus selected, than brand which the buyer is ignorant of. Additionally, the strength of perception of the brand inside the concern set can furthermore be significant (Baker et al. 2012).

Woodside & Wilson (2011) verified the significance of top-of-mind perception in a study which discovered that the higher the place of the brand in the consumer's brain assessed by unaided recall, the higher the buy aim and the higher the relation buy of the brand. In another study, rises in brand perception were shown to boost the probability of alternative even without any accompanying change in mind-set or insights. (Nedungadi, 2006) Furthermore sway conclusions about brands inside the concern set. Consumers may provide work a heuristic (decision rule) to purchase only familiar, well-established brands. Habitually consumers manage not to spend a large deal of time producing buy decisions (Keller, 2009).

In memory theory, strategic brand awareness is positioned as a vital first step in building the "bundle" of associations which are attached to the brand in memory. (Stokes, 2011) the brand is conceptualized as a node in the memory which allows other information about the brand to be anchored to it. (Aaker, 2007) Associative formation models describe the growth and decay of a brand's awareness over time in response to advertising efforts. Blattberge and Golanty (2008) developed a model called TRACKER, where change in strategic brand awareness is driven by advertising efforts that influences the unaware segment of the market. Dudson and Muller (2008) extended the TRACKER specifications by incorporating the word of mouth and forgetting effects.

In the Associative Networks Model, Anderson (2011), postulates that memory consists of a system of nodes, that are linked to the other nodes via pathways at different degrees of association. The strength of the association is indexed by the probability that nodes activate one another during the mental processes such as during retrieval of information. In retrieval, a node is activated and activation spreads randomly through the network, exiting those nodes that are strongly associated with the activated node. Moreover because the activation spreads randomly throughout the network, the probability of excitation of a node increases with the number of relations that it forms with other nodes (Anderson and Reder, 2009).

Brand perception

Brand perception may sway alternative inside the concern set is by influencing perceived quality. According to Hoyer and Brown (2006) over 70% of consumers choose renowned brands, even though the other competing brand offerings were of 'objectively' better value, and even though they had neither acquired or utilized the brand before.

A known emblem influences the consumers' evaluation of the brand. Buyers rationalize that if they have learned of a brand the business should be expending a fair addition on advertising. If a business is spending money on advertising, then the business should be reasonably profitable, which entails that other buyers should be buying their products or services, and they must have been persuaded sufficiently with its presentation, thus the products/ services should be of reasonable quality. Stokes (2011) discovered that for reduced engagement merchandise, familiarity had a greater magnitude of result on the value insight of an emblem than either cost or

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packaging. And further, that familiarity had an important result on buy aim while cost and package design did not.

Brand perception should be a significant aim of the trading communications efforts of a firm as it has several significant functions. It is broadly accepted that without strategic brand awareness happening, emblem mind-set and emblem likeness will not be formed. However, equally important but less broadly identified is the significance of emblem perception as a heuristic which can sway addition in the concern set, and in numerous positions may be adequate by itself to determine alternative from the concern set i.e., emblem perception can work out not only entry to the concern set, but can furthermore work out which emblem is selected from the consideration set.

Aaker (2007) contends powerfully the case for emblem construction and sustaining emblem equity; he cites emblem title perception as one of four foremost emblem assets which add worth to the product or service and/or its customers. Investments in emblem equity and in specific emblem awareness can lead to sustainable comparable benefits and therefore to long period value. Strategic brand awareness can add worth by one. Putting the emblem in the consumer's brain, portraying it as a barricade to application to new un established emblems (Stokes 2011), comforting the clientele of the organization's commitment and merchandise value, and supplying leverage in the circulation channels (Aaker 2008).

Rossiter and Percy (2007) assertion that the adversity lies in that there are two kinds of strategic brand awareness: emblem acknowledgement and emblem recall, and which of these happens will count on the choice situation. Brand perception does not inevitably need recall of the emblem name. Lynch and Srull (2008) characterized these different alternative positions as stimulus-based (where all the applicable emblem and attribute information is bodily present), memory-based (where all applicable data should be recalled from memory) and mixed-choice (where some of the data is bodily present, and some should be recalled from memory). Emblem acknowledgement happens in stimulus based situations, and recall happens in memory-based situations.

Strategic customer loyalty

In spite of considerable research efforts in salient fields of enquiry, such as customer relationship management, consumer behaviour, marketing and business strategy, service marketing and human resources, no acceptable theory exists that fully explains how strategic customer loyalty is actually built. (Martina Donnelly, 2009). Furthermore, the conceptualization and measurement of loyalty has varied substantially in a number of studies indicating the need for more research to provide a more in – depth and holistic explanation of loyalty. (Oliver, 2009) Extensive research exists on loyalty in relation to tangible goods and brands but relatively limited theoretical and empirical studies have been conducted on service loyalty (Bloemer et al., 2009).

Liver (2007) defines loyalty as a deeply held commitment to re-buy or re-patronize a preferred product/ service consistently in the future, thereby causing repetitive same brand set purchasing, despite situational influences and marketing efforts having the potential to cause switching behaviour." According to Jacoby and Kyner (2009), in order for loyalty to exist it must satisfy six necessary conditions: It must be biased i.e. non-random; a behavioural response i.e. purchasing; expressed over time; by some decision making unit; with respect to one or more brands, out of a set of such brands; and a function of psychological (decision making evaluative) processes.

Based on this concept of loyalty several competing behavioural intention loyalty models have been proposed and they include; The Quality models which are derived from the relationship between service quality, satisfaction and behavioural intentions. Some of the models argue that service quality only impacts loyalty via satisfaction and value. (Patterson et al, 2007). Others maintain that quality has a direct impact on loyalty (Zeithaml et al., 2012). The value model maintains that value leads directly to favourable outcome of strategic customer loyalty, and that both service quality and satisfaction are precursors to value. (Sweeney et al., 2009)

The satisfaction model describes customer satisfaction as the primary and direct link to behavioural intentions such as loyalty, with service quality and value being antecedents to satisfaction. (Spreng et al., 2012) the satisfaction model shows that strategic customer loyalty is directly influenced by the variable satisfaction (Hallowell, 2012). Oh (2009) proposed an integrative model of service quality, customer value and customer satisfaction. The model incorporates key variables such as perceptions of service quality, customer satisfaction, customer value and intentions to repurchase and indicates that value is an immediate antecedent to customer satisfaction and repurchases intentions.

The value model, satisfaction model and integrative model have illustrated significant multivariate relationships between service quality, value, satisfaction and behavioural intentions; but few studies have investigated whether any or all of these three service evaluation variables directly influence behavioural intentions when the effect of all three are simultaneously considered (Cronin et al., 2006). Reichheld (2009) maintains that for many of the service organisations loyalty can be measured by using only one indicator – willingness to recommend. A further perspective of strategic customer loyalty is that of Chitty, Ward and Chua (2007) who argue that loyalty can be conceptualised by two dimensions, that is, behavioural loyalty, which is indicated by repeat purchase behaviour, and attitudinal behaviour; referring to the inherent affective and cognitive facets of loyalty. Zins' (2007) in his study of the air transport sector identified three distinct approaches to measure loyalty: behavioural measures, attitudinal measurements and composite measurements. The behavioural loyalty involves an individual altering their behaviour, showing strong intentions to repurchase from one service provider to an alternative one. Attitudinal approach considers both the emotional and psychological aspects

inherent in loyalty. It reflects a sense of loyalty, engagement and allegiance. E.g. an individual can possess a positive leaning towards a particular brand, and even recommend it to others, but will not purchase it because of various other considerations like pricing. Cognitive loyalty entails the complete reforming what an individual believes about the relationship with his/ her service provider, based on conscious evaluation of attributes, rewards and benefits associated with repatronage. (Lee and Cunningham, 2007) it is associated with attributes such as top of mind, first choice, willingness to pay more, brand/ product identification among others. The composite measurement of loyalty is a combination of behavioural intentions and attitudinal dimensions. Loyalty is measured utilising customers' product preferences, propensity of brand switching, frequency of purchase and total amount of purchase (Wong et al., 2009).

Pritchard and Howard (2007) argue that operationalising both attitude and behaviour in the measurement of loyalty significantly enhances probability of building loyalty. Oliver (2009) has proposed a four step ascending Brand – Loyalty stages according to the cognition - affect – conation pattern. The first stage is cognitive loyalty. The customers are loyal to the brand based on information on that brand. The next stage is affective loyalty, which refers to the customers liking or positive attitude towards a brand. The third step is conative loyalty or behavioural intention. This is a deeply held commitment to buy. This desire may result in unrealised action. The last stage is action loyalty, where the customer converts intentions into actions. Customers at this stage experience action inertia, coupled with a desire to overcome obstacles to make a purchase. Although action loyalty is ideal, it is difficult to observe and is often equally difficult to measure.

RESEARCH METHODOLOGY

Research Design

Explanatory survey research design was used during the field study to establish the impact of strategic brand awareness and strategic customer loyalty on performance. This was preferred because it is efficient in collecting large amounts of information, rapid data collection and provides a stronger opportunity to understand the target population within a short time (Kothari, 2009). The research design was also economic and allowed for standardized data hence easy analysis and comparison. It was the most appropriate, for the researcher to achieve the objectives of the study.

Target Population

The study targeted Kenya Power, North Rift region, Trans Nzoia County. The targeted area has a total population of 30000 (KPLC 2015 Annual Customer Reports) customers that will form the target population.

Sample Size and Sampling Techniques

The sample consisted of 379 customers, selected in accordance to the sampling table by Robert and Morgan, (2006) for Determining Sample Size for Research Activities. Non - Probability sampling (Purposive sampling) strategy was used to arrive at the sample. The researcher decided who to include in the sample. Non - Probability sampling is advantageous because the researcher selects typical and useful cases only and saves time and money. This ensured that the researcher selected a reasonable number of respondents, which provided adequate representation and captured variations of the target population. The study also applied stratified (Quota) sampling technique to select customers' sample. Stratified sampling involved identifying subgroups in the population and their proportions and select from each subgroup to form a sample. The method ensured equitable representation of the population.

Data Collection Methods

In collecting data, the researcher used questionnaires, interview schedule and an observation guide. Primary data was obtained by use of questionnaires. This is because they have the ability to reach a large population. The data was collected via self-administered questionnaires from the sampled individual customers. A structured questionnaire of the five Point Likert-types was mostly used in this study to collect the survey data. The responses were on an ordinal scale. Secondary data was obtained from existing literature and from annual financial reports. This was collected from annual reports, books, journals and periodicals for purposes of this research.

Data Analysis and Presentation

Data analysis in this study was done by using Statistical Package for Social Scientists (SPSS) version 17 to obtain descriptive statistics inferential statistics. Descriptive statistics and inferential statistics was used. Descriptive statistics included frequency and percentages, while chi-square was adopted as inferential to test the significance. Data is to be presented in form of tables and graphs.

The following econometric model is specified and was used to analyse the data in this study

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \varepsilon$$

Where; Y= represents Performance, X1, represents strategic brand awareness and X2, represents strategic customer loyalty.

The model assumes the variables have a linear relationship. This is because, increased strategic brand awareness is expected to elicit interest in a particular brand and consequently increase in consumption therefore translating to increased revenues. Similarly, increased strategic brand awareness will strengthen strategic customer loyalty. Therefore, when customers are loyal, they

will repeatedly consume the same product brand even when there is stiff competition. Therefore, this assumption is valid and is made to simplify the model and its subsequent estimation.

RESEARCH RESULTS

Strategic Brand Awareness

The study findings on the effect of strategic brand awareness on firm performance revealed that 87.6% (mean=4.38) of the respondents were of the opinion that they were aware of Kenya Power as a brand, 88.8% (mean =4.44) of the respondents were of the opinion that Kenya power as a brand living up to their expectations, 90.2% (mean =4.51) of the respondents were of the opinion that they would rate Kenya power as a brand, 89.8% (mean =4.49) of the respondents were of the opinion that their awareness influence their decision to apply for power connection, 89.4% (mean =4.94) of the respondents were of the opinion that their awareness level influence their consumption of power, 88.6% (mean =4.43) of the respondents were of the opinion that they would recommend Kenya Power to their Friends while 89.0% (mean =4.45) of the respondents were of the opinion that How would you rate the general awareness levels of the Kenya Power Brand.

The study findings revealed that majority of the respondents were of the opinion that they would rate Kenya power as a brand. This implies that customer's understanding of brand is to relate and consider simple information about products purchasing and being positive about the brand to construct their trust with time. A brand effect on business is that consumers can have a negative association with it. This can happen if a particular brand has been consistently put on products of a lower quality, thus brand deterioration, making it harder to sell. Branding can build an expectation about the company services or products, and can encourage the company to maintain that expectation, or exceed them, bringing better products and services to the market places.

Study findings by Keller (2003) are in line with these findings that most customers would rate Kenya power as a brand. Strategic brand awareness is the extent to which the customer/ consumer associates the brand with his need satisfier. It is an essential part of brand development, which helps the brand to stand out from competing offers. Brand perception entails the proficiency of a buyer can identify and recall a brand in distinct positions. The core concept of this model draws on "brand knowledge" comprising of two dimensions; strategic brand awareness and brand associations which based from associative networks model. Brand associations are informal nodes – tangible and intangible attributes, benefits and attitudes, which are linked to a brand node – brand name or logo, providing meaningful information about the brand to consumers. Brand knowledge has been conceptualized of having several dimensions, which include: staff service (brand associations) self-image congruence (brand associations), strategic brand awareness and their relationship to brand satisfaction, which in turn leads to brand loyalty.

The study results on the awareness of the KPLC brands revealed that 72.5% were aware of Easy pay as opposed to 27.5% who were not, 52.5% were aware of E-Bill while 47.5% were not, 56.5% were aware of umeme pamoja as compared to 43.5% who were not, 46.7% were aware of transformer maximization as opposed to 53.3% who were not, 37.0% were aware of GPOBA while 63.0% were not aware of it, 42,8% were aware of Kenya power as opposed to 57.2% who were not, 51.1% were aware of AMR as compared to 48.9% who were not, 40.2% were aware of Line maximization as compared to 59.8% who were not, 45.3% were aware of prepaid mater reading as compared to 54.7% who were not.

The study results on the utilization of KPLC brands revealed that 64.9% utilized Easy pay as opposed to 35.1% who did not, 57.2% utilized E-Bill while 42.8% did not, 64.5% utilized Umeme Pamoja as compared to 35.5% who did not, 84.8% utilized transformer maximization as opposed to 15.2% who did not, 90.6% utilized GPOBA while 9.4% did not utilize it, 89.5% utilized Kenya power as opposed to 10.5% who did not, 51.1% utilized AMR as compared to 59.8% who did not, 40.2% utilized Line maximization as compared to 59.8% who were not, 45.3% utilized prepaid mater reading as compared to 54.7% who did not.

Strategic customer loyalty

The study results revealed that 82.8% (mean=0.566) of the responses were of the opinion that I prefer paying my bill at KPLC offices, 85.2% (mean=0.577) of the respondents were of the view that I do not trust the current technology being utilized by Kenya Power, 84.4% (mean=0.564) were of the opinion that Kenya Power should enhance awareness on their brand offerings, 84.2% (mean=0.578) of the responses were of the opinion that Customer convenience has been increased with the introduction of the various brand offerings while 86.0% (mean=0.526) were of the opinion that Customers have no excuse for nonpayment of electricity bill. The results further revealed that 87.4% (mean=0.484) of the responses were of the opinion that the electricity bill payment program can accommodate all level of income earners, 88.6% (mean=0.496) were of the view that Areas that have KPLC offices nearby are served better than out flung areas, 88.0% (mean=0.491) were of the opinion that KPLC should now fully roll out pre-paid meters and 87.4% (mean=0.527) were of the opinion that Areas with electricity infrastructure develop faster than those without.

The findings of the study revealed that majority of the respondents were of the opinion that Areas that have KPLC offices nearby are served better than out flung areas. This implies that with areas having easy access to offices they can at any time report and ask for assistance and easily helped out this is unlike in far out flung areas also centered center has been put ahead and numerous other in terms of overhead functions and services compared to out flung areas. In a position where the customer is from near recognized area, he or she is improbable to consume much effort in searching for service compared to the out flung.

A study by Rossiter and Percy (1987) agree with these findings that areas that have KPLC offices nearby are served better than out flung areas. Offices perception is as absolutely crucial for the communications process to happen as it precedes all other steps in the process. Without strategic offices in areas there would be no services occurring or other connection can occur. For a customer to have services rendered to them they must first be made cognizant of it. Office setup will not only form and aim to serve but will occur less emblem perception as appeared. In recollection idea, office perception is positioned as a crucial first step in construction the "bundle" of associations which are adhered to the service rendering.

Brand Perception on Firm Performance

The study results revealed that 91.4% (mean=4.17) of the responses were of the opinion that prefer paying my bill at KPLC offices, 90.8% (mean=4.54) of the responses were of the opinion that I do not trust how branding is done at Kenya Power, 91.0% (mean=4.55) of the responses were of the opinion that Areas with electricity infrastructure develop faster than those without. The findings of the study revealed that majority of the respondents were of the opinion that they prefer paying their bill at KPLC offices this implies that the respondents have faith and trust that if they pay at the offices there won't be any complications or whatsoever that may prolong or waste their time in terms of paying and eventually continue enjoying availability of power at their homes or business premises.

A study by Bloemer et al., 2009 agrees with this findings that customers they prefer paying their bill at KPLC offices. No acceptable theory exists that fully explains how strategic customer loyalty is actually built. Furthermore, the conceptualization and measurement of loyalty has varied substantially in a number of studies indicating the need for more research to provide a more in – depth and holistic explanation of loyalty. Extensive research exists on loyalty in relation to tangible goods and brands but relatively limited theoretical and empirical studies have been conducted on service loyalty. Loyalty as a deeply held commitment to re-buy or re-patronize a preferred product/ service consistently in the future, thereby causing repetitive same brand set purchasing, despite situational influences and marketing efforts having the potential to cause switching behaviour." In order for loyalty to exist it must satisfy six necessary conditions: It must be biased i.e. non-random; a behavioural response i.e. purchasing; expressed over time; by some decision making unit; with respect to one or more brands, out of a set of such brands; and a function of psychological (decision making evaluative) processes. Based on this concept of loyalty several competing behavioural intention loyalty models have been proposed and they include; The Quality models which are derived from the relationship between service quality, satisfaction and behavioural intentions. Some of the models argue that service quality only impacts loyalty via satisfaction and value.

The study results revealed that 84.0% (mean=4.2) of the responses were of the opinion that they prefer paying my bill at KPLC offices, 68.6% (mean=3.43) of the responses were of the opinion

that they wish to use any other product other than those offered by Kenya Power. The study findings indicate that majority of the respondents were of the opinion that prefer paying my bill at KPLC offices this implies that they are fixated to the offices and that they are fully committed and loyal to the KPLC

A study Reichheld (2009) agrees that customers prefer paying bills at KPLC offices. Many of the service organizations loyalty can be measured by using only an indicator – willingness to comply with and to a certain modernization. A further perspective of strategic customer loyalty is that loyalty can be conceptualized by two dimensions, that is, behavioural loyalty, which is indicated by repeat purchase behaviour, and attitudinal behaviour; referring to the inherent affective and cognitive facets of loyalty. In his study of the air transport sector identified three distinct approaches to measure loyalty: behavioural measures, attitudinal measurements and composite measurements. The behavioural loyalty involves an individual altering their behaviour, showing strong intentions to repurchase from one service provider to an alternative one. Attitudinal approach considers both the emotional and psychological aspects inherent in loyalty. It reflects a sense of loyalty, engagement and allegiance. E.g. an individual can possess a positive leaning towards a particular brand, and even recommend it to others, but will not purchase it because of various other considerations like pricing. Cognitive loyalty entails the complete reforming what an individual believes about the relationship with his/ her service provider, based on conscious evaluation of attributes, rewards and benefits associated with patronage.

Relationship between the study variables

Table 1: Regression Results

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F	Sig.
1	0.990	0.979	0.978	0.037	590.795	0.000

Table 2: Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients			
		Std. Error	Beta			
1(Constant)	0.083	0.085			0.974	0.335
Brand awareness	0.250	0.012	0.446		20.930	0.000
Customer loyalty	0.236	0.011	0.446		21.522	0.000
Brand perception	0.233	0.015	0.393		15.933	0.000

a. Dependent Variable: Firm performance

The study findings from the regression model indicated that there was a significant relationship between Brand awareness and firm performance (p=0.000), there was a significant relationship between Customer loyalty and firm performance (p=0.000) and there was a significant relationship between Brand perception and firm performance (p=0.000). From the regression equation it can be observed that;

Firm performance = 0.083 + 0.446 (Brand awareness) + 0.446 (Customer loyalty) + 0.393 (Brand perception) + 0.459 + 0.085 (Error rate)

From the regression equation, Brand perception was the most important factor contributing significantly to firm performance. It contributed 45.9 % followed by Brand awareness and Customer loyalty 44.6 % each. These findings could be interpreted to mean firm performance depends on certain factors which could be among these factors highlighted in the model.

CONCLUSIONS

The study concluded that they would rate Kenya power as a brand. This implies that customer's understanding of brand is to relate and consider simple information about products purchasing and being positive about the brand to construct their trust with time. A brand effect on business is that consumers can have a negative association with it. This can happen if a particular brand has been consistently put on products of a lower quality, thus brand deterioration, making it harder to sell. Branding can build an expectation about the company services or products, and can encourage the company to maintain that expectation, or exceed them, bringing better products and services to the market places. The study concluded that areas that have KPLC offices nearby are served better than out flung areas. This implies that with areas having easy access to offices they can at any time report and ask for assistance and easily helped out this is unlike in far out flung areas also centered center has been put ahead and numerous other in terms of overhead functions and services compared to out flung areas. In a position where the customer is from near recognized area, he or she is improbable to consume much effort in searching for service compared to the out flung. The study concluded that they prefer paying their bill at KPLC offices this implies that the respondents have faith and trust that if they pay at the offices there won't be any complications or whatsoever that may prolong or waste their time in terms of paying and eventually continue enjoying availability of power at their homes or business premises. The study concluded that prefer paying my bill at KPLC offices this implies that they are fixated to the offices and that they are fully committed and loyal to the KPLC. The study also concluded that strategic brand awareness and strategic brand loyalty are key factors in ensuring sustainable organisational profitability. Organisation should utilise loyalty and awareness programs in such a way as to increase the sales turnover and share of customer, by creating long term business relationships and emotional attachments to the brand. This will ensure higher switching costs and enhanced "word of mouth" advertisement value, creating a viral self-sustaining marketing campaign with least costs to the organisation itself.

RECOMMENDATIONS

All the customers should be informed and made aware of Kenya Power as a brand so as to enable access and customer acquisition in order to improve firm profitability Customers have no excuse for non-payment of electricity bill and that they are required to pay as per their spending. The firm should Increase actual brand visibility by opening more offices. All the customers should be informed and made aware of Kenya Power as a brand and benefits of electricity as a product, so as to enable access and customer acquisition in order to improve firm profitability. The firm should enhance brand awareness and loyalty programs so as to protect their market share and enhance their perceived market value. The firm should Increase actual brand visibility by opening more offices spread across the country to increase access and quality of services. All the customers should be informed and made aware of Kenya Power as a brand and benefits of electricity as a product, so as to enable access and customer acquisition in order to improve firm profitability. The firm should also enhance brand awareness and loyalty programs so as to protect their market share and enhance their perceived market value. Thereby ensuring their share of market is protected from the emergence of competitive forces and or any other alternative to electricity.

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