BRAND AWARENESS, CUSTOMER CHARACTERISTICS ON CUSTOMER LOYALTY OF SAVINGS AND CREDIT COOPERATIVE SOCIETIES IN EMBU COUNTY, KENYA

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ABSTRACT

Meagre profits, shrinking market share and deteriorating customer loyalty among savings and credit cooperative societies in Kenya not only make management to review marketing strategies but also to rethink on brand equity in order to enhance customer loyalty. This study aimed investing the effect of brand equity dimensions on customer loyalty of savings and cooperative societies in Embu County, Kenya. The specific objectives of the study were to determine the effect of brand awareness on customer loyalty of Sacco's in Embu County. Further, the study sought to determine the moderating effect of customer characteristics on the relationship between brand awareness and customer loyalty of Sacco's in Embu County. The study was anchored on consumer utility theory. The study adopted cross-section research. The target population of the study comprised of 4,014 customers from 30 Sacco's operating in Embu. Simple random sampling technique was adopted to select respondents of the study. Israel formula was used to calculate the ideal sample of 364 respondents. Primary data was collected from respondents by the use of structured questionnaires with open and closed ended questions. Secondary data was collected from published materials such as financial statements and marketing plans. Data was analysed using descriptive and regression analysis methods with the help of Statistical Package for Social Sciences (SPSS) software version 24. Descriptive statistics such as mean scores, standard deviations, distribution tables and percentages were used to summarize the responses and to show the magnitude of similarities and differences while R-square was used to determine the predictive power of each individual variable on the dependent. The analysed data was presented in form of Table and Figures. The results revealed that there existed a positive relationship between brand loyalty and customer loyalty. Brand awareness was significant ($r = .616$, $p < 0.023$). This study concluded that Sacco's were experiencing deteriorating performance in terms of customer loyalty due to inability to create maximum awareness of their products and services. This study recommends that top marketing managers of Sacco's should utilize modern technologies such as social media to enhance customer loyalty.

Key Words: *brand awareness, customer characteristics and customer loyalty*

INTRODUCTION

In a world of global competition and changing consumer needs, brands have continued to remain strategic drivers among competitive firms operating in the global and local marketplaces (Karuku, 2010). Organizations are using brand management strategies to achieve their goals in the changing business environment (Kotler & Keller, 2009). Increased competition in multiple industries has resulted to enhanced brand management techniques which focus on enhancing customers loyalty(Martens & Hilbert, 2011).With changing customer needs and wants, brand management has continued to evolve since 1980s (Weber, 2012). Companies operating in the 21st century have continued to invest in brand management in order to increase their productivity. Calvo and Porral (2012) suggest that a brand is understoodby customers based on different perspectives that range from psychological aspects and organizational attributes. Product and servicescan receive a distinct identity in the mind of consumers by fulfilling the expectations of the consumer. Toit (2013) argues that consumers are likely to have a permanent memory stick of brands that exceed their expectations and vice versa. Internal and external stakeholders are likely to have a strong attachment with brands that conform and exceed their expectations. Saša and Kaličanin (2016) observed that companies around the world and more specifically in developed countries such as United Satates of America, Japan and China were embracing brand equity as a marketing strategy of attracting and retaining customers. Pike, Bianchi, Kerr and Patti (2010) contend that with increased competition, changing consumer needs, influence of globalization and technology, marketing of services and more specifically in the banking industry in Australia is seen to be a dependent on brand equity. Customer loyalty is viewed to be a function of brand equity despite different consumer interpretations of quality service or product (Pike, Bianchi, Kerr & Patti, 2010).

Asamoah (2014) observed that small medium enterprises in Ghana are experiencing increased profits by embracing brand equity though customers loyalty was not only measured by financial metrics such as profits but also positive word of mouth that leads to extended brand equity. Bijuna, Mohan and Sequeira (2016) in India established that customers are likely to develop a strong attachment to brands that conform to their expectations thus enhanced brand equity. Godey and Lai (2011) noted that manufacturing companies that embraced brand equity in Egypt were attributed to positive brand image, increased profits and reduced marketing costs associated to brand awareness. On the other hand, various factors such as customer characteristics which includes attitude, perception, motives and knowledge can serve as moderating factors that can influence customer loyalty directly or indirectly. Even though attitudes can be formed before and after consumption of products, it is thought that customer characteristics to some extent may be the moderating factor between brand equity and customer loyalty (Karuku, 2010).With increased competition, changing consumer behaviours and influence of globalization, organizations in developing countries and more specifically in Kenya are embarking on embracing brand equity as a marketing strategy in order to enhance customer loyalty. Despite the fact that there is a link between brand equity and customer loyalty, it is noted that there exist conflicting views from findings of empirical studies on the link between brand equity and customer loyalty from context to context thus forming the basis of the current study.

The American Marketing Association (2010) argues that a brand can be a combination of many aspects that range from tangible and intangible features intended to distinguish it in the mind of consumers and competitor offerings. By extension, Calvo and Porral (2012) define brand equity as a combination of product assets and liabilities that consumers tend to identify with offerings of a firm. Further, Verbeeten and Vijn, (2010) conceptualizes brand equityto be distinct imagery held by consumers towards a particular product in the market. Moreover, Saša and Djordje (2016) describe brand equity as the satisfaction that the consumer gets after consuming a product. Sang and Hyung (2012) argue that brand equity can generate numerous benefits to both large and small organizations ranging from; perceived value, consumer loyalty, increased profits, enhanced trade corporation, minimal marketing costs and extending brand equity. The information consumer have towards a brand can contribute to improved productivity of firms. Strong brands are likely to have motivated workers, expanded market share, minimal costs of marketing and increased profits (Kotler & Keller, 2012). Satisfied customerscan market products on behalf of companies through the word of mouth and vice versa (Mishra, Pallabi, Datta & Biplab, 2011). Strizhakova et al. (2008) argue the brand equity is multidimensional concept that include brand loyalty, brand awareness, brand association, perceived quality and proprietary assets. However, the selected brand equity dimensions that the current study will seek to investigate their association with customer loyalty includes; brand loyalty, brand awareness and brand association.Brand awareness is reflected by the ability of consumers to search and have adequate information with regard to a particular brand in the market (Toit, 2013). Consumers are likely to be aware of new brands companies produce in the market if multiple channels of communication are used to convey the message to the intended audience. The print media, electronic media, social media are some of the channels organizations can adopt to advertise their brand in the market (Asamoah, 2014).However, limited studies which have been conducted reveals inconclusive findings on the link between brand awareness and customer characteristics in relation to customer loyalty.

Savings and Credit Cooperative are thought to be autonomous association of people who willingly come together to achieve a common goal which may be economic or social (Ogonje, 2010). The cooperative is jointly owned and managed democratically by its members. The history of savings and credit cooperative societies can be traced back to 1840's in Britain. The concept of modern cooperatives originated in European industries particularly in Britain and France (Karuku, 2010). Later, in 1844, the concept of cooperative formation was extended to African countries where the intent was for social gain before colonization of African countries. The first cooperatives were formed in African countries such as Ethiopia, Nigeria, Zambia, Ghana, Uganda, Sierra Leone, and Botswana (SASRA Annual Report, 2017).In Kenya, the history of cooperative societies dates back to 1908, when the first Co-operative Society was founded in the dairy sector (Kipkosgei & Njeru, 2014). After independence some regulations were enacted by the parliament of Kenya to regulate the operation of cooperative societies. Since independence, numerous developments have been witnessed which have resulted to formation of a number of cooperative societies. With the rapid developments of savings and credit cooperatives societies in Kenya, many Kenyans have benefitted economically and socially from the associations thus resulting to economic growth rate though financial transaction that are perceived to be addressing the needs of the majority of the population (Munyao, 2017).The two types of SACCO'S that currently operate in Kenya includes Non-deposit taking Sacco's and the Deposit Taking SACCO'S.SACCO'S (DTS) besides the basic savings and credit products, they provide extended services such as banking services that involves demand deposits, payments services and channels such as quasi banking services commonly known automated teller machine service, through FOSAs and are licensed and supervised under the Sacco Societies Act of, 2008 (SASRA Annual Report, 2017). Currently, there are 164 SACCO'S duly licensed to accept deposit from members in Kenya (Makena, 2014).

With intense competition among SACCO'S and other financial institutions such as banks and microfinance institutions, SACCO'S are embarking on adopting brand equity as a marketing strategy in order to enhance customer loyalty (Munyao, 2017). To survive is a dynamic and competitive business environment, SACCO'S operating in Kenya and more specifically in Embu County have to consider brand equity as one of the marketing strategies of enhancing competitive advantage. Despite the fact that brand equity influences customer loyalty, it is observed from the marketing literature that there is no clear understanding on the link between brand equity, customer characteristics and customer loyalty of deposit taking savings and credit cooperative in Embu County. Despite efforts of savings and credit cooperative in Kenya to enhance customer loyalty, it is observed that little has been done in relation to brand equity to address problems of service inconsistencies, declined profits and shrinking market share (Kipkosgei & Njeru, 2014).

RESEARCH PROBLEM

In the world of competition, changing consumer needs and influence of technology, SACCO'S in developing countries and more specifically in Kenya are experiencing challenges of sustaining customer loyalty. Majority (53%) of the SACCO'S operating in Kenya not only recording declining profits but also declining market share and high employee turnovers. With the advent of new technologies such as automated teller machines, internet banking and mobile banking, the intensity of competition has triggered SACCO'S to adopt brand equity as a marketing strategy in order to enhance customer loyalty (Munyao, 2017). Numerous studies which have been conducted globally, regionally and locally reveals conflicting views on the link between brand equity and customer characteristics in relation to customer loyalty thus forming the basis of the current study. Neupane (2015) established that there exists a significant relationship between brand image, customer satisfaction and loyalty intention among customers of supermarkets in the United Kingdom but the study failed to investigate the variables of the current study in an integrated approach. Further, Mohan and Sequeira (2012) examined the customer- based brand equity of fast moving consumer goods in India though failed to examine the link between variables of the current study in the context of SACCO'S.Tser, Tsai and Wun (2013) established that there exists a difference between brand association and customer satisfaction in the cosmetic industry but failed to test the moderating effect of customer characteristics in the relationship. Studies conducted in Kenya reveals contradictory findings on the link between brand equity, customer characteristics and customer loyalty thus creating conceptual, contextual and theoretical gaps. Njuguna (2014) studied the relationship between brand equity on consumer choice in branded bottled water among supermarket customers in Kenya and established a difference between brand equity and customer choice. A study by Munyao (2017) revealed a significant relationship between customer based brand equity and performance of the banking sector in Kenya though failed to examine the variables of the current study in an integrated approach.Further, Makena (2014) established that there exists a difference on the relationship between rebranding strategy and performance of savings and credit co-operatives in Kenya though the study examined the variables of the current study partially. However, it was concluded from the findings of the previous empirical studies that there was no clear understanding on the link between brand equity, customer characterizes and customer loyalty from context to context. Some studies conducted examined the variables of the current study partially or in isolation thus creating conceptual gaps that the current study will seek to address. Further, some of the studies conducted were confined to different contexts such as manufacturing, hotel, airline, banking and consumer goods thus creating contextual gaps that the current study will seek to address. Constraints of operationalization and contextualization of constructs of the theories used by previous studies also formed the basis of this study. Moreover, research designs, sampling designs and data analysis methods adopted varied resulting to inconsistencies in data analysis. Therefore, based on the absence of a framework of the current study, it was on this premise the study sought to investigate the moderating effect of customer characteristics on the relationship between brand equity and customer loyalty of SACCO’S in Embu County, Kenya

RESEARCH OBJECTIVE

The objective of this study was to establish the influence of brand awareness on customer loyalty of savings and cooperative societies in Embu County.

THEORETICAL REVIEW

Consumer Utility Theory

The theory was established by Catoiu et al. (1997) and is grounded on the notion that consumers are rational decision makers who seek to satisfy their needs using the economic means. Consumers are more likely to make rational decisions before buying products or brands in the market. Elena and Segev (2012) assert that consumers are always price sensitive and they will always seek all means and ways to satisfy their means in a rational manner. The tendency of price comparison may be minimized by companies if they develop quality products or services that conform and exceed customer expectation (Balbaki, 2012).The theory acknowledge that organizations will seek to maximize profits and minimize costs using all means while consumers will seek to maximize satisfaction of products and services by paying the low prices (Asamoah, 2014). However, due to consumer income, the concept of price may be violated. Toit (2013) postulate that consumers are likely to change their spending behaviour when their income level increases. Consumers tend to develop negative attitudes towards cheap products and develop positive attitude with expensive products. Expensive products are perceived to be of high quality while cheap products are perceived to be of poor quality (Martens & Hilbert, 2011).

Despite the quality of the product, consumers will always seek to satisfy their needs using the most economical methods (Mishra, Pallabi, Datta & Biplab, 2011). Price exaggeration or reduction can result to decline in the sale of goods and services due to consumer perceptions with the products and the organization itself (Taleghani, Meysam & Almasi, 2011). Srivastava and Gregory (2010) suggest that consumer loyalty is likely to be sustained if only companies dedicate their effort on product quality. The concept of product quality has remained the only sustainable approach of attracting and retaining customers in the changing business environment. Companies are likely to be competitive if they produce products that surpass customer expectation (Srivastava & Gregory, 2010). Customer utility will be enhanced through consumer research. Without consumer research, companies are likely to experience a decline of the market share, profits and reputation. In addition, consumer loyalty is also enhanced by other extended services to customers like loyalty programs and after sale services (Mishra, Pallabi, Datta & Biplab, 2011).

The general argument of the utility theory is that consumers will always make alternative choices in order to maximize the utility rationally (Ahmed, 2014). Since consumers have different income levels, every product or service produced it tends to satisfy their needs and wants despite the price paid. Companies that produce both standard and substandard products are always recording profits due to utility derived from their products (Kipkosgei and Njeru, 2014). The theory was applicable in this study based on the premise that companies and more specifically SACCO's can only enhance customer loyalty by embracing brand awareness.

EMPIRICAL REVIEW

Pike, Bianchi, Kerr and Patti (2010) contend that companies which tend to endorse their brands using media personalities or celebrities can suffer from sale objection if the individual promoting the product commits a social crime. Further, brand awareness is seen to be a complex concept since most of the companies that advertise their products do not record increased profits due to customer perceptions with the product or brand. The study concluded that there exists a difference between brand awareness and customer satisfaction thus creating conceptual research gaps. Tser et al. (2013) established that despite the perception that brand equity embrace the values customer get from a product, it is observed that no specific definition that describes what brand equity entails. Further, the study points out that brand equity is multi-dimensional facet that is evolving but also seen as an integral part of the holistic marketing program. However, the study concluded that there exists a difference between advertisement and consumer loyalty in Taiwan though not in the Kenyan context. Further, organization can influence the behaviour of individuals by running advertisements, sales promotions, public relations programs and direct marketing campaigns (Bilal, & Malik, 2014). To minimize the risk associated with buying products, consumers are likely to rely of the information they gather from multiple source. A number of methods through which consumers gather information before making a purchase can range from electronic media, print media and social media (Calvo & Porral, 2012).

Mishra. Pallabi, Datta and Biplab, (2011) advocate that brand equity is basically determined by customer satisfaction in the long term period. The idea of brand rejuvenation is endorsed if organizations dedicate their efforts in brand value co-creation. Brand revitalization process can lead to improved services, improved service process and emphasize customer endogenous to value creation (Mizik, 2014). In addition, it is observed that effective brand management among modern enterprises has a direct relationship with financial performance (Huang & Sarigollu, 2014). Organizations are always dedicated to produce value while customers are dedicated in value creation (Keller, 2010). It is emphasized that modern marketing profession can use the model to position their brands in the market. Firms are likely to develop brand equity if only they build customer relations and foster on the philosophy of brand value co-creation (Srivastava & Gregory, 2010). Saša Veljković Djordje and Kaličanin (2016) established that organizations were likely to experience a decrease in profits if they distorted advertisement messages. On the other hand, it was also noted that customer brand equity was directly linked to firm profitability. Further, the study pointed out that, companies that embrace direct marketing, personal selling and public relations to a larger extent can enhance customer satisfaction thus sustainable relationships. However, the results of the study were confined to aspects of improving business performance through brand management elements.

RESEARCH METHODOLOGY

This study adopted a cross-sectional research design. A total number of 4,014 customers from 30 deposit taking Sacco's operating in Embu formed the target population of the study. The study selected the 30 deposit taking Sacco's operating in Embu County based on period of operation and number of members. Simple random sampling technique was adopted to select the respondents from the 30 deposit taking Sacco's in Embu County. Israel (2009) formula for calculating sample size will be adopted to determine the sample size. The sample size of the study will be 364 customers selected from 30 deposit taking Sacco's in Embu County. Primary data was collected from respondents by the use of structured questionnaires with open and closed ended questions as the main instrument of data collection. The questionnaires used in this study comprised multiple questions which were measured on 5 point likert type scale, where 1 was set for strongly disagree and 5 was set for strongly agree. Face and content validity was measured using marketing experts and lecturers at Kenyatta University while criterion validity was measured using constructs of the theories discussed in the study. Internal consistency reliability was examined by these of Cronbach's Alpha coefficients. Data was analyzed using Statistical Package for Social Sciences (SPSS) version 24 software. In particular, mean scores, standard deviations, percentages and frequency distribution were used to summarize the responses and to show the magnitude of similarities and differences. Multiple regression method was adopted to determine the relationship between variables. Further the moderating effect of customer characteristics on the relationship between brand equity and customer loyalty was determined using regression data analysis method. Results were presented in tables and figures. The general regression model that determined the direct relationship between brand equity and customer loyalty was of the form:

$$\mathbf{Y = \beta o + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon}$$

Where: Y represents customer loyalty of deposit taking Sacco's in Embu County; $\boldsymbol{\beta_0}$**= Y** intercept; $\boldsymbol{\beta_1}$ **to** $\boldsymbol{\beta_3}$ represents coefficients; $\mathbf{X_1}$**, X2 and** $\mathbf{X_3}$ represents independent variables (brand loyalty, brand awareness and brand association); ε denotes other factors not included in the model.

Further, for testing the moderating effect of customer characterisitics on the relationship betwen brand equity and customer loyalty, the study will utilize the model of the form:

$$\mathbf{Y = \beta BE + \beta_2\, CC + \beta_3 (X_1) + \varepsilon}$$

Where: Y was the dependent variable (Customer Loyalty); BP represents composite index estaimate of Brand Equity.β are the regression coefficients; CC represents the interraction effect of the moderating variable which was customer characteritis on the relationship between brand equity and customer loyalty of Sacco's in Embu County, Kenya.

After administration of 364 questionnaires to respondents, 243 questionnaires were returned completed. 90 questionnaires were unreturned and 31 of them were incomplete. This depicted a 67% response rate. This given rate was considered appropriate as it is according to Guest (2012) who asserts that any response rate above 50% is appropriate for analysis and presentation. The high response rate was as a result of timely follow-ups and clarity of the research objectives to respondents of the study.

RESEARCH RESULTS

Respondents were asked to indicate the extent to which brands awareness influence customer loyalty. The results indicate that the mean score for 8 statements was less than 2.00 which means that to a larger extent the majority of the respondents did not agree with the statement. The highest variability in response was observed on Sacco sponsorship of students from needy families (CV 11.4) while the lowest variability was noted on Sacco's sponsorship of public relations events. Despite the fact that brand awareness had a positive influence of customer loyalty, it was noted that Sacco's in Embu County did not embrace brand awareness practices effectively such as student sponsorship, marketing services through social media platforms, road side banners, print and electronic marketing, sales promotion and sponsorships of public relations events such as sports and music festivals. These findings contradict that of Neupane (2015); Munyao (2017); Mizik (2014); Mohan and Sequeira (2012) who noted that brand awareness alone cannot be a direct influence of organizational performance in terms of customer service quality. The studies pointed out those organizations that were committed to attract and retain customers not only need to create product awareness but also emphasize on product innovation, repackaging and rebranding in order to change consumer attitudes and motivations.

The study sought to establish an understanding of the existence of a significant relationship between brand equity (brand awareness) and the dependent variable (customer loyalty). To achieve this, correlation results are presented in Table 1. The coefficient of determination explains the extent to which changes in the dependent variable can be explained by the change in the independent variables or the percentage of variation in the dependent variable (customer loyalty) that is explained by the three predictor variable (brand awareness,). Pearson correlation coefficient (r) was used to determine the level of significance of bivariate relationship (brand loyalty). According to Guest (2010), correlation coefficient (r) = ±1.00 indicates that there is a positive or negative correlation between variables. If (r) = +1, it depicts a strong relationship while -1 depicts a weak relationship. Further, if (r) = 0, it depicts that there is no relationship between variables. A correlation was considered significant when the probability value was equal to or less than 0.05.

Table 1: Correlations Coefficients on the Relationship between Brand Awareness and Customer Loyalty

Variable	Pearson Statistics	1	Brand Awareness
Brand Awareness	Pearson Correlation	.136**	
	Significance (2-tailed)	0.010	
	Sample size	243	
Customer Loyalty	Pearson Correlation	0.032	.616**
	Significance (2-tailed)	0.000	0.023
	Sample size	243	243

** Significant is at the 0.01 level (2-tailed).
* Significant is at the 0.05 level (2-tailed).

As shown in Table 1, the results indicate that there is positive significant relationship between (brand loyalty) on the dependent variable (customer loyalty). Brand awareness was significant ($r = .642$, $p < 0.011$). These results imply that there exists a strong positive relationship between brand awareness and customer loyalty of Sacco's in Embu County. These findings are supported by Asamoah (2014) who found out that brand awareness dimension was directly correlated with customer loyalty if effectively managed. The study pointed out that despite internal and external challenges that are experienced by firms, to a larger extent surpassing customer expectation can enhance loyalty though referrals and increased profits, volume of sales and positive word of mouth.

Table 2: Regression Analysis

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.139	1.2235		0.930	0.000
	Brand Awareness	0. 787	0.3132	0.152	2.512	0.000

To confirm whether there existed a statistical relationship between predictor variables (brand awareness) on the dependent variable (customer loyalty), multiple regression analysis was undertaken as shown in Table 2. As illustrated in Table 2, coefficient of determination explains the extent to which changes in the dependent variable can be explained by the change in the independent variables. After conducting regression analysis, the regression equation ($Y = \beta0 + \beta_1X_1+ \varepsilon$)) became: Y= 1.139+ 0. 752. Further, the results reflect that taking all other independent variables at zero, a unit increase in brand loyalty will lead to an increase in customer loyalty by unit factors of 0.87. At 5% level of significance and 95% level of confidence the significance values of the three variables was less than standard requirement, indicating that there existed a positive significant relationship between brand awareness and customer loyalty of Sacco's in Embu County Kenya. These findings correspond with that of Fianto (2014) who revealed that brand awareness had a positive significant relation to organizational performance.

Table 3: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.923	0.852	0.789	0.6273

As shown in Table 3, the multiple correlation coefficient (R) of 0.923 (92.3%), means that there is a strong linear relationship between the independent variables (brand awareness) and the dependent variable (customer loyalty). The independent factors that were studied explained only 85.2% of brand loyalty on customer loyalty of Sacco's in Embu County. This therefore meant that other factors not studied in this research contributed to 14.8%customer loyalty of Sacco's of in Embu County. Therefore, further research should be conducted to investigate the other brand awareness factors (14.8%) that influence customer loyalty of Sacco's in Embu County. Adjusted R Square of 0.789 implies that brand loyalty, contributed 78.9% of the variation in the customer loyalty of Sacco's operating in Embu County Kenya. The standard error of the estimate is the measure of dispersion (or variability) in the predicted scores in a regression which represents the average distance that the observed values fall from the regression line (Guest, 2010).

Table 4: Correlations Analysis with Moderating Variable

Variables	Brand Awareness	Customer Characteristics
	1	
Brand Awareness	.247**	
	.118	1
Customer Characteristics	.398*	243
	.029	

** Correlation is significant at the 0.01 level (2 tailed)
* Correlation is significant at the 0.05 level (2 tailed)

As shown in Table 4, the study sought to establish the effect of the customer characteristics between the independent variables (brand loyalty) on the dependent variable (customer loyalty of Sacco's). The results indicate that customer characteristics such as attitude, perception, motives and knowledge had a significant positive effect on customer loyalty.247**, p ≤0.05 and 398*, p value ≤0.05meaning customer characteristics had an impact as the level of precision increased making the correlation stronger compared to when customer characteristics was not used. Therefore, it can be concluded that customer characteristics had a significant moderating effect between brand awareness dimensions and customer loyalty.

CONCLUSIONS AND RECOMMENDATIONS

The study ascertained that there existed a positive significant relationship between brand awareness and customer loyalty of Sacco's operating in Kenya. However, it was observed that to a larger Sacco's did not embrace brand awareness practices such as print and electronic advertisements. The study revealed that most the Sacco's did not construct periodical sales promotions, market their products using alternative channels of distribution such as twitter or Face book and were unable to sponsor public relations events such as sports thus deteriorating performance in terms customer satisfaction.

The study found out that Sacco's did not were challenged to embrace brand awareness practices effectively such as advertising though the print and electronic media. Therefore, this study recommends that top marketing leaders of Sacco's should seek to identify alternative channels of communication that can promote existing and new products and services. Marketing managers should ensure that effective marketing plans are developed and implemented in order to measure the progress of the Sacco in the changing business environment. Using alternative communication channels such as websites, telemarketing and outdoor publicity such as signage, bill boards will not only enhance visibility but also increase profits and volume of sales.

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