**IMPACT OF BRANDING ON CONSUMER BUYING BEHAVIOUR (A CASE STUDY OF MILO BEVERAGE)**

**ABSTRACT**

The twenty first century age signifies significant shifts in the marketing strategies utilised by organisations and institutions to enhance their competitiveness and sustainability in today's dynamic market. Significant changes have been made, such as the implementation of brand managers, ongoing research on brand performance, and consumer behaviour. The objective of this study was to assess the influence of a brand on consumer behaviours, specifically in relation to their purchasing decisions, within the context of the Nigerian beverages industry. The objectives involved examining the influence of branding on the decision-making process of milo consumers in Yaba, Nigeria. Additionally, the study aimed to investigate the potential correlation between consumer perception and branding. Furthermore, it aimed to present the key theories and concepts related to the topic. The research utilised a non-probability sampling technique for data collection. This study was conducted on a sample size of fifty participants residing in the Yaba area of Lagos state who consume Milo beverage. The findings reveal that consumers are drawn to the packaging and labelling of a brand due to its ability to enhance the brand's image and create a visually appealing experience. Before choosing a brand, consumers take into consideration the quality of the product or service. Significant changes have occurred in branding, encompassing alterations in size, colour, shape, and materials utilised in brand design. It is clear that consumers are becoming more knowledgeable and stylish, and as a result, they would gravitate towards a well-established brand. The Milo brand has a strong reputation and is well-known among consumers, which highlights the need for additional research on how to enhance it. Ultimately, consumers possess a deep understanding of the multitude of brands available in the market. Consequently, the perception of a brand plays a pivotal role in their decision-making process, particularly for first-time purchases. Once again, the influence of family, friends, and reference groups cannot be overlooked when it comes to impacting consumers' purchasing decisions. There is a strong demand for significant enhancements in the services provided, as well as a need for increased innovation and differentiation.

**Keywords: Brand, Buying, Consumer behavior, Milo, Nestle**

**CHAPTER ONE**

**INTRODUCTION**

**Background of the Study**

The twenty first century age signifies significant shifts in the marketing strategies utilised by organisations and institutions to enhance their competitiveness and sustainability in the dynamic market they operate in. Today's consumers exist in a vast and ongoing marketplace for products and services (Rindell, 2008). Companies now rely heavily on the careful collection of consumer purchasing data for their survival and success. Companies are highly focused on developing robust brands that foster lasting customer relationships, as this is crucial for their survival in the market (Hess, Story and Danes, 2011). Companies invest significant resources and time in studying behavioural and sociological factors to gain valuable insights and understand consumer purchasing patterns. Brands are crucial assets for companies (Rindell, 2008). Branding has become an integral component of contemporary marketing strategies and is now recognised as a crucial organisational asset (Kotler, 2000).

Organisations that transition from a product or market perspective to a consumer or customer focus demonstrate the changing landscape of marketing. Companies are dedicating significant resources to comprehensively understand their consumers, focusing on the 4 p's (product, price, place, and promotion) and the additional 3 p's (people, process, and physical evidence) (Kotler, 1999). This shift in approach reflects a commitment to thorough analysis and insight into consumer behaviour. They delve into the connection between consumer spending and the various factors that influence consumer preferences, such as attitudes, cognition, perception, and learning. (Von Moos, 2005).The company is interested in understanding their customer base, including their thoughts, feelings, and purchasing behaviour when it comes to choosing a particular brand over others. Companies often hire a dedicated brands manager to oversee brand management. This serves as a connection between the company's brand and consumers. In today's dynamic market, where consumers have access to a wealth of information, simply raising your voice is not the answer to gaining visibility and recognition. Instead, developing a remarkable brand that resonates with consumers (Ahuvia, 2005).

This study seeks to gain insights into the influence of branding on the purchasing behaviour of Milo customers. In order to stay competitive in Nigeria's beverage industry, companies need to focus on improving their corporate performance. This includes not only increasing their subscriber base, but also implementing effective marketing strategies such as branding, promotion, and advertisements. The beverage industry has provided a platform for the exploration and exchange of knowledge for various purposes. Furthermore, families have been able to maintain communication. The Nigerian beverage industry underwent a significant transformation when the government deregulated the sector in 1994. This move aimed to attract investors and foster competition within the industry. As a result, there was a significant surge in the number of beverage owners in the country.

**Research problem**

While some companies excel in product quality, they may struggle to gain a competitive edge in the market due to ineffective branding efforts. Strong brands have the potential to cultivate long-term and loyal customers, ultimately resulting in future sales growth (Hess, Story, and Danes, 2011). The research aims to thoroughly evaluate the role and impact of branding in the consumer purchase decision-making process, considering the challenges involved in managing brands and their associated benefits.

**Objectives of study**

The aim is to:

1. Determine the impact of branding on Milo consumer buying decision in Yaba, Nigeria.
2. Determine whether there is a correlation between Milo consumer’s perception of a brand and purchases.
3. Present the key theories and concepts behind branding and consumer behavior, its values and usage in modern day marketing activities in the literature review.

**Research Questions**

1. What is the impact of branding on Milo consumer buying decision in Yaba, Nigeria?
2. Is there a correlation between Milo consumer’s perception of a brand and purchases?
3. What are the key theories and concepts behind branding and consumer behavior, its values and usage in modern day marketing activities?

**Research methodology**

For this study, a combination of primary and secondary data sources will be utilised in the research. The primary data will be gathered through a combination of quantitative and qualitative methods. Quantitative methods involve the use of questionnaires or instruments to collect data from the targeted respondents, while qualitative methods provide a deeper understanding of the subject through open-ended interviews or observations. The secondary data would also be derived from textbooks, electronic pages, articles, and journals. This section provides an analysis of the population in relation to the research. The text covers the population to be interviewed and the method that will be employed for conducting the interviews. Considering the subject matter and the characteristics of the participants, a non-probability sampling method will be employed, specifically convenience sampling. Based on the available information, it is difficult to determine the precise number of Milo consumers in the Yaba area. However, to gather data, a sample size of 50 will be used. Consumers play a crucial role in gathering customer feedback through answering questions.

**Limitations of study**

The research work will also explore the marketing or operational strategies implemented by the case company, Milo In Nigeria, there may be a hesitancy to disclose certain information such as market data, profitability, and strategies, as it is perceived as the company's confidential information. Additionally, the data gathering process is relatively time-efficient as it requires less time for establishing contact and receiving questionnaire responses. Additionally, it may be beneficial to expand the scope of the questionnaires to include both consumers and other relevant groups in future research. It may be beneficial to consider expanding the sample size to other regions of the country. Printed questionnaires will be used instead of electronic instruments due to the country's weak internet connection and the preference of the majority of respondents.

**Structure of the study**

This project is structured into three (3) chapters. In chapter one, the discussion covers the introduction, statement of problem, objectives of study, methodology, and limitations of study. In chapter two, you will find an in-depth exploration of the theoretical framework and concepts related to branding, consumer behaviour, and buyer decision making processes. In chapter three, we will provide a detailed overview of the research methodology, data sources, research approach, sampling plan, and research instrument or questionnaires. Chapter four provides a detailed examination of the field work, including the findings, analysis, and discussion of the data. Chapter five concludes the work by presenting the findings, conclusions, recommendations, and summary.

**CHAPTER TWO**

**LITERATURE REVIEW**

In this chapter, the research aims to establish a solid academic foundation for future investigations. The aim is to provide a deeper understanding of the different theories and concepts surrounding brands and consumer behaviour, and how they theoretically influence consumers' decision-making process when making a purchase.

**Understanding Brands**

In order to fully comprehend the subject being examined, it is necessary to provide an explanation of the concept of a brand from an academic perspective. Brands hold immense value for individuals, organisations, and companies, as they encapsulate the overall perception and significance in the minds of consumers. When people in Nigeria think of the Milo brand, a specific taste and craving immediately come to mind. What are your thoughts on the "Coca-Cola" brand? What thoughts arise? What about the Vaasa University of Applied Sciences (Vamk)? Which emotions are conveyed from the brain to the entire body? John Stewart, a former CEO of Quaker Oats, once made a statement about the potential outcomes of splitting up a business. He expressed confidence in the value of brands and trademarks, suggesting that they would be more advantageous to keep than land and physical assets. Refer to Kotler, Thirteenth Edition, page 259 for more information. This emphasises the importance of brands to companies and highlights their significant value, surpassing that of assets. Therefore, it is crucial to ensure proper management of brands. A brand is a representation that distinguishes the creator or seller of a product or service, as described by Kotler and Armstrong (2009). A brand is a name, symbol, or any feature that distinguishes one seller's product or service from others (The American Marketing Association, 2014).

The theories discussed thus far limit the influence of a brand on the consumer's decision-making process. Hestad (2013) further explains that brands play a crucial role in aiding consumers in their decision-making process. Consumers identify brands and make purchases based on their ability to meet a need, recommendations, or past experiences with the brand. Consumers are motivated to purchase brands for various reasons. One of these is the emotional connection they feel with the brand story. Additionally, brands that offer self-expressive benefits or are relevant within a specific cultural context are also appealing to consumers. In contrast, Kotler and Andreasen (1991) also draw a connection between the definition of a brand and the purchasing behaviour exhibited by consumers. They provided a definition that describes a name, symbol, or sign used to establish a product or service's identity, aid in consumer recognition, and convey its capabilities. A brand encompasses all the elements that elevate a product beyond its mere functionality (Kapferer, 2008: 155). This concept delves into the emotional and mental assumptions that consumers hold about brands, ultimately boosting the perceived value of a product or service (Ibid, 2008:10). Consumers perceive a brand as a crucial component of a product or service, contributing to its overall value.

Consumers attribute significance and interpretations to a brand based on the services or satisfaction it pledges to provide. Take, for instance, how the majority of consumers perceive Apple products as being of superior quality, associated with prestige, and belonging to an expensive brand. They believe that being seen using it will lead to recognition, so they are willing to buy it regardless of the price. Milo can be viewed in a similar manner. Despite the price reductions and promotions offered by other beverage providers, Nigerian consumers remain loyal to Milo. Even if they consider other options, Milo remains their preferred choice. From this, it is clear that brands play a significant role in shaping consumers' identification with a particular product or service, ultimately influencing their buying choices. Branding has become incredibly significant, with almost every product or service being branded. Salts, regardless of their origin, are often associated with specific brands. If a salt is found in an unbranded bottle, it may be perceived as a lower quality product. Everyday items like bolts and nuts come with labels from distributors, while car parts like spark plugs, tyres, and filters have brand names that are different from the automakers'. (Kotler 13th Edition). It is crucial to recognise that branding goes beyond persuading your target audience to choose you over the competition. Instead, it focuses on ensuring that your prospects perceive you as the sole solution to their problems. Kotler (1999) delves into the concept of identity by explaining that a brand can communicate multiple layers of meaning, which he refers to as the "Six Dimensions of the Brand".

**Attributes:** A brand communicates certain attributes to the minds of consumers such as prestige. Milo promises the availability if network coverage “everywhere you go”.

**Benefits:** The attributes that fortifies a products features by way of stating its benefits and makes it more attractive.

**Values:** That is the brand also represents the company’s values, systems and structure.

**Culture:** The brand representing the characteristics of the target audience. The beverage organizations have all their branding activities and offerings that reflect the typical Nigerian individual.

**Personality:** The brand can project behavioral personality patterns of targeted consumers. For example, Milo Nigeria uses Chinemelum Okeke as their brand ambassador.

**User:** The brand, at certain times emulates the final user.

**The Development of brand Equity**

The impact of a brand can vary in various ways. Some entities have a strong global presence and are widely acknowledged, while others remain relatively obscure. Brands encompass much more than mere names and symbols. It plays a crucial role in the organization's interaction with customers or consumers. Brands encapsulate the understanding and emotions surrounding a product and its effectiveness. When trying to determine the worth of a particular brand, one can look at its "brand equity".

According to Kotler and Armstrong (13th Edition), brand equity refers to the impact that familiarity with a brand name has on how consumers perceive and respond to the product or its marketing efforts. According to Boone and Kurtz (2005), brand equity is described as the additional value that a specific brand name provides to a product in the marketplace. According to Weng (2006, 147), brand equity is influenced by the resources and financial obligations associated with a brand. These factors can either enhance or diminish the value attributed to a company or its customers. Brand equity can be examined from different perspectives, including the financial aspect, consumer viewpoint, and brand extension considerations. (Aaker, 1991). It is important to mention that a brand's positive brand equity is determined by consumers' positive or favourable reactions to it, unlike generic or unbranded products. However, if consumers have a less favourable reaction to the latter, it can result in negative brand equity (Kotler and Armstrong, 13th Edition). Research has also indicated a direct correlation between brand equity and company profits. Renowned brands such as Milo, Coca-Cola, Facebook, Manchester United, Apple, and Samsung have long been dominant players in the market. Their success can be attributed not only to their ability to produce quality products, but also to their strong connections with customers.

In Nigeria, there is a common observation that Milo is priced higher compared to other beverage brands. However, it is interesting to note that these very individuals continue to purchase recharge cards repeatedly. When it comes to Apple, it's interesting to observe how many people eagerly purchase their new models, despite the high price. This can be attributed to the brand's reputation for prestige and quality. It is evident that brand equity significantly impacts the financial gains of companies.

Aaker and McLaughlin (2007, 147) explore the various factors that contribute to brand equity, including brand awareness, perceived quality, brand associations, and brand loyalty.

Sources of Brand equity (Aaker and Mc Loughlin, 2007, 174)

Brand

Awareness

Brand

Associations

Brand Equity

Perceived

Quality

Brand

Loyalty

**Brand Awareness**

This is the extent or degree to which a particular brand is recognized by consumers. This makes consumers to develop strong bonds with the related product and thus can make them purchase more frequently.

**Perceived quality**

This is the consumer’s mindset on the quality of a product or brand being able to fulfilling an expectation. This is usually based on the company‟s image or identity.

**Brand Associations**

This is the situation where consumers associate themselves with a specific brand as a result of the brand design, brand symbols, or the term.

**Brand Loyalty**

Another key factor when assessing the value of a brand is the degree to which consumers are loyal to it. That is the propensity of consumers to re buy the brand.

**Characteristics of a brand**

Every brand possesses distinct characteristics, which is why some individuals are willing to pay a premium to obtain them. Here are a few characteristics commonly linked to a brand. A brand is a valuable asset or a strategic element (logo, shape, colour) that is carefully safeguarded by the company or organisation through legal measures (Derick and Brad, 2008). All well-known brands around the globe are safeguarded by legal measures. This is the distinctive trademark that the organisation uses to carry out its operations. For instance, it is essential to obtain proper authorization before using certain drugs for personal purposes. Failing to do so can result in legal repercussions. Additionally, a brand targets a specific audience segment. As an example, there are two options available: Milo 20g for the low class and Milo 800g for the high class. In addition, there is a specialised Axe deodorant and spray designed for the younger demographic, as well as a range of Angry Birds branded items tailored for children.

The brand can also serve as collateral for financial obligations and can be traded as an asset. As an illustration, the Glaziers family from the United States acquired the brand Manchester United and has subsequently generated substantial revenue from it. Similarly, the acquisition of Chelsea by the Russian multi-millionaire, Roman Abromovich, follows a similar pattern. Brands also reflect the values and principles of the organisation. When you encounter the Mc Donald's brand, you immediately associate it with fast food marketing. Similarly, computer giants such as Apple, Dell, Compaq, and others can be included in this category.

**Significance of a brand**

A brand holds significant value for both the organisation and the buyer. Here is a list of the following items:

Segmenting markets is facilitated by branding. As an example, Milo offers mobile insurance, money transfer, and internet products. An excellent illustration is Toyota Motor Company, which provides a wide range of brands including Lexus, Toyota, and Scion, each featuring numerous sub-brands like Prius, Camry, Yaris, Matrix, Tundra, Land Cruiser, and more (Kotler and Armstrong, 2009). Apple offers a diverse selection of iPhones to cater to various budget ranges in the market. Similar to the I4, I4s, I5, and the latest iPhone.

Additionally, branding plays a crucial role in enhancing the value of a product or service. Consumers attach meanings to brands and develop brand relationships. For instance, the majority of consumers tend to view a bottle of Voltic water as a high-quality product, while the same water in an unmarked bottle would be seen as inferior or of lower quality. Brands help consumers identify products or services that could be highly beneficial to them. Brands can provide insights into the quality and offerings of a product. Buyers who consistently choose to purchase the same brand can rely on receiving consistent product benefits and quality with every purchase.

**Brand strategies**

As mentioned in the initial part of the introduction, certain companies go as far as hiring brand managers to oversee the daily operations of their brands and act as a bridge between their products and consumers. A company has four options when it comes to brand development, utilising Kotler's model of brand strategies.

**Line extension**

It is common for companies to expand their brand presence by introducing new products in the same category. Thus, it encompasses a wide range of variations, including new forms such as different colours, sizes, ingredients, or flavours of an existing product. Many companies engage in this practice to mitigate the risks involved in introducing a new product to the market. It is possible that they also have a strategic intention to meet the diverse needs of customers in the market. Consumers, on the other hand, face the challenge of selecting from a wide array of competing brands. As an illustration, the Jeep SUV lineup consists of seven distinct models: Commander, Grand Cherokee, Compass, Patriot, Liberty, Wrangler, and Wrangler Unlimited. Another interesting example is Nigeria's Promasidor Food Company, which offers a wide range of flavours for their powders, including Cowbell coffee, chocolate, tiger nut, and strawberry.

**Brand extension / stretching**

Brand extension involves the expansion of a company's existing brand name to encompass a new product category.Certain brands gain such widespread recognition that the companies behind them extend the brand names to unrelated products in order to capitalise on potential opportunities. Milo Nigeria successfully implemented its Ready-to-Drink product by leveraging its existing brand in the beverage industry. Adidas, for example, is a well-known sportswear manufacturer that has successfully utilised its strong brand reputation to expand into unrelated products such as perfume and shower gel under the adidas name.

**Multi – brands**

Another strategy available to a firm as their brand development is concerned by way of introducing new brand names in the same product category.

**New brands**

The fourth strategy focuses on new brands, where the firm introduces a fresh brand name along with a different product category. This occurs particularly when a company becomes aware that their current brands are declining. For example, Toyota has introduced a separate brand called Scion that specifically caters to young customers. However, there are some challenges that organisations may face in relation to their brands, even if they have legal protection for their unique brand. For example, certain individuals may replicate or mimic the standard stimulus (product). One can observe the contrast between the original Nokia phones and the Chinese replicas that have flooded the Nigerian market. Furthermore, counterfeit brands can significantly damage the reputation of generic products, particularly when they fail to meet consumer expectations.

**What is consumer behavior?**

In the first part of the literature review, we delved into the theories surrounding a brand. Now, we will shift our focus to consumer behaviour and its connection to a brand in the latter stage of this section. The study of consumer behaviour centres on understanding how individuals make decisions to allocate their resources towards purchasing goods and services. This encompasses their purchasing decisions, the reasons behind them, the locations of their purchases, and the frequency of their purchases. Let's examine a basic product, such as an internet modem.

Consumer researchers would be interested in understanding the demographics and preferences of the individuals who purchase it. It is important to consider the features that potential customers are seeking, the benefits they expect, and their likelihood of purchasing new modems with added features. The responses to these inquiries can offer valuable insights for modem manufacturers and sellers, guiding their decisions on product scheduling, design, modification, promotional tactics, and branding strategies. When it comes to understanding consumer behaviour, Runyon (2000) provides insight into the actions and decisions people make when it comes to planning, purchasing, and using economic goods and services. Solomon (1994) further explains by providing a definition that focuses on the processes individuals or groups go through when choosing, purchasing, or disposing of products, services, ideas, or experiences to fulfil their needs and desires.

Another perspective on consumer behaviour is provided by William L. Wilkie (1998), who describes it as the various activities individuals undertake to fulfil their needs and desires through the selection, purchase, use, and disposal of products and services. Consumers often lack a clear understanding of the factors that impact their purchasing decisions. "The human mind does not operate in a linear fashion," states Kotler (2009, 160).

The explanations provided above highlight the complexity of studying consumer behaviour. It is evident that this task is not easy due to the variations in culture, attitude, and mindset among individuals worldwide. The key concern for marketers is to consider how consumers will respond to the marketing strategies employed by the company. A comprehensive definition will also consider the effects of those processes on the world. Consumer behaviour incorporates concepts from various scientific disciplines such as psychology, biology, chemistry, and economics. It also includes two distinct types of consuming entities: the personal consumer and the organisational consumer.

Individual consumers purchase goods and services for personal use, household use, or as gifts for others. The second category of consumers consists of organisational consumers, including both profit and not-for-profit businesses, as well as government institutions. These entities need to purchase products and services to effectively operate their organisations. Understanding consumer behaviour has become increasingly important in recent times. It allows marketers to gain insights into why, where, how, and how often consumers make purchases in the market place. It goes beyond just knowing what consumers buy. The study of consumer behavior involves three behavioral processes which are;

Pre – purchasebehavior

Purchase behavior

Post – purchase behavior

When considering consumer decision making, it is assumed that consumers have specific goals or desires that they aim to achieve or fulfil. A consumer identifies a "problem" when they have not achieved the desired outcomes, such as feeling hungry, needing a dependable car, or wanting to lose weight. Consumers carefully evaluate their options and choose the most effective course of action to achieve their desired outcomes and address the situation at hand. Consumer decision making can be seen as a goal-directed problem-solving process. In a study conducted by Leon G.S and Kanuk. L.L in 2007,

**Factors affecting consumer behavior**

Certain variables do affect the behaviours displayed by consumers with regards to their purchase decision making process. It includes the following;

**Culture**

Culture encompasses the collective values, preferences, beliefs, and tastes of a specific group of individuals during a particular era. This behaviour has proven to be highly influential and enduring. Some individuals' cultural backgrounds influence their purchasing decisions, leading them to make more cautious choices. For instance, in the Western world, there is a tendency to consider the entire family when making certain purchases. However, this practice is not as prevalent in African communities. Once again, there are cultures that have strict restrictions on the consumption or purchase of specific products. McDonald's, a globally recognised restaurant, is known for serving beef hamburgers at their American locations. When making the decision to expand to India, they opted to offer lamb burgers instead of beef. This is due to the cultural demands in that geographic location, which prohibit the consumption of beef as it holds a sacred significance. Additional factors within the cultural aspect may include sub-cultures, efficiency, preferences, and status. It is crucial for marketers to closely observe the cultural characteristics of the market they operate in, as these factors directly influence the behaviour of the target audience.

**Perception**

Perception involves the interpretation of stimuli by consumers to create a meaningful understanding of the world. It can be described as the perspective through which the world is perceived. Two individuals may encounter the same products in identical circumstances, yet the way they perceive, choose, and interpret these stimuli is a highly individualised process based on their unique perceptions.

**Motivation**

The concept of motivation plays a crucial role in understanding consumer behaviour. According to The marketing teacher.com, it is described as "the internal state that motivates us to fulfil a need." Motivation is the driving force behind one's actions. After recognising a need, a sense of tension arises, prompting the consumer to seek satisfaction by addressing that need. For instance, if someone desires to lose weight, they may be inclined to engage in regular exercise, follow specific diets, visit the gym, and even consider dietary supplements. Another perspective to consider is the well-known theory of needs by Abraham Maslow. According to this theory, individuals have different needs, and as their basic needs are fulfilled, they strive for higher ones, leading to changes in their lifestyle and behaviour.

**Groups of people who interact and influence each other**

Reference groups play a significant role in influencing a consumer's purchase decision. Every person is part of a specific group, which directly influences their behaviour. Typically, consumers prefer to make purchases that align with the perceptions and values of the group. According to Boone and Kurtz (2005, 261), the level of influence on a member can vary and is contingent upon specific conditions. One aspect to consider is that the purchased product should be visually noticeable and easily recognisable by others. Additionally, the item should be distinctive and unique, representing a brand that is not commonly owned by everyone.

**Social Classes**

There are three main social classes: the upper class, middle class, and lower class. Sociologist W. Lloyd Warner discovered six distinct social classes in the United States: the upper-upper class, lower-upper class, upper middle class, lower middle class, working class, and lower class. The rankings are determined by various factors such as income, profession, education, family, and residence. Regardless of the consumer's class, a purchase decision is always made. Those in the higher price range may have chosen to purchase a more expensive product, while consumers in a different class could opt for a more affordable alternative.

**The process of consumer decision-making**

This pertains to the different steps that a consumer undergoes prior to making a purchase decision. Below, we present the various stages gathered from different literatures:

**Identifying the issue**

Problem identification is the initial step in the consumer decision making process. At this stage of the process, the consumer recognises a notable difference between the desired situation and the current situation. At this stage, the consumer recognises a lack of a specific need or problem and seeks a solution to restore normality. For instance, when someone experiences hunger, they naturally have the inclination to purchase food, thus making it a necessity. Boone and Kurtz (2005) emphasised the importance of recognising consumer needs and turning them into opportunities. For example, if a consumer is dissatisfied with a certain brand of milk or simply wants to try something new, this need can be seen as an opportunity.

**Researching for information**

In the second stage, there is a focus on gathering information that is relevant to the need identified in the previous stage. High-involvement purchases can save you the trouble of extensive research, while low-involvement purchases require minimal searching. Internally, the consumer collects information from within. This can take the form of stored images, advertisements, or information about specific products that are relevant to the current need. The external information source, on the other hand, can also come from family, friends, reference groups, advertisements, and brochures.

**Assessing different options**

The third step involves evaluating different brands to determine which ones can meet the desired requirements. In this scenario, the consumer carefully assesses various brands in relation to the identified need. During certain periods, consumers exhibit a heightened level of caution and engage in logical thinking. However, at other times, they may forgo any evaluation and make impulsive purchases. Suppose there is a need to purchase a car and after a thorough assessment of various car brands. Various factors, such as style, interior design, fuel consumption, price, and safety, can all be considered during the evaluation process.

**Decision to purchase**

Once the consumer has thoroughly evaluated the various brands and narrowed down their options, they proceed to make the final purchasing decision. Based on Kotler's research (2009, 179), there are two factors that may come into play between the intention to purchase and the final decision to make a purchase. One factor to consider is how others' opinions can influence consumer behaviour. If someone influential in the consumer's life believes that a lower-priced brand is the better choice, it can decrease the chances of them purchasing a more expensive option. In certain situations, a consumer's intention to purchase a particular brand of car can be influenced by unexpected factors. For example, during an economic downturn or when a competitor significantly lowers their prices, the purchase decision can quickly change.

**Post-purchase activity**

In the final stage, there are two key factors to consider during the post-purchase process. The consumer's response to the product can be categorised as either satisfied or unsatisfied. The key factor in determining consumer satisfaction lies in the gap between their pre-purchase brand expectations and the actual performance of the product after purchase. When the product's performance matches the expected outcome, the customer is satisfied. If the product exceeds expectations, the consumer is delighted. However, if the product falls short, then the consumer is left dissatisfied. According to Kotler (13th Ed., 179), consumer dissatisfaction tends to increase when there is a significant difference between expectations and performance.

**The influence of brands on consumer behaviour**

During the initial stages of this project, we identified the fundamental aspects of a brand and consumer behaviour. This section aims to examine the impact of a brand on consumer behaviour. Branding greatly influences how consumers perceive and respond to behaviour. According to Kotler (2009), perception is the process through which individuals select, organise, and interpret information to create meaningful understandings of the world in relation to products or services. Put simply, it can be viewed as the thoughts and images that consumers associate with a brand from a marketing perspective. Perception plays a crucial role in the decision-making process. In the competitive world, products are valued not only for their functional use or characteristics, but also for the social or psychological aspects associated with them. As consumers become familiar with a brand through different channels such as advertising, packaging, and word-of-mouth, their awareness of the brand grows. This increased awareness then affects their decision to purchase that particular brand, according to Erdem (1998). An interesting case to consider is the overall perception of the Milo brand in Nigeria. It is widely believed that consuming a beverage indicates a discerning taste and access to high-quality options. Various factors have contributed to the brand's popularity in the country, even among those who may not necessarily require it.

**THEORETICAL FRAMEWORK**

**Aaker brand image value model**

The Aaker model of brand image value is well-known for its ability to identify the key factors in creating a strong brand image that resonates with potential customers. This model includes five dimensions for brand building: brand awareness, brand loyalty, brand associations, perceived quality, and proprietary (Išoraitė, 2018). Brand image refers to the perception that is linked to the various aspects of a brand, which in turn influence consumer purchasing behaviour when choosing products of a similar nature. This model is valuable because it enhances brand trust and fosters customer loyalty, ultimately improving the brand's image (Kim & Chao, 2019). In addition, Aaker's theory enables marketers to establish obstacles that discourage customers from switching to competitors and retain potential customers. Nevertheless, certain authors have expressed their criticism of this model, arguing that it falls short in capturing the complete process of brand building and lacks utility for empirical studies on retail firms' understanding of customer mindsets (Zhang & Luo, 2019).

**Iceberg brand developing model**

The iceberg model of brand development suggests that the brand image of a firm can be shaped by both visible short-term dimensions and invisible long-term dimensions. According to research conducted by Mitra and Jenamani (2020), there is a clear correlation between brand image and the effectiveness of brand building efforts. These efforts have a positive impact on consumer purchasing behaviour. The Iceberg model is a valuable tool for maintaining a strong brand image and brand value. Customers are always drawn to brands that possess these qualities. In addition, this model emphasises the importance of brand appeal, value, trust, and loyalty, all of which have a positive impact on consumer purchase behaviour in a competitive market (WANG & SONG, 2019).

Some scholars have raised concerns about the Iceberg model, arguing that it overlooks the importance of public relations in enhancing brand image, which is a crucial aspect of brand building in today's marketing landscape (Suoheimo, Vasques & Rytilahti, 2020). Therefore, in this study, the brand image value model of Aaker will be applied, as the various dimensions of this model have a significant impact on consumer purchase behaviour. For instance, LIDL may focus on leveraging brand awareness and perceived quality as key factors in shaping consumer purchasing behaviour. Implementing brand awareness initiatives such as in-store incentives, customer engagement, social media leverage, and authenticity cultivation, along with a focus on high quality products, can have a positive impact on the purchasing behaviour of the target customers (Usman & Aryani, 2019).

**CHAPTER THREE**

**METHODOS, DATA ANALYSIS, CONCLUSION**

This chapter of the work outlines the methods that will be used to collect the required data in order to derive fresh insights through analysis. Research involves a methodical approach to gathering new information and expanding our understanding. The definition provided above offers an understanding of research, yet it lacks a depiction of the actual process involved. Jonathan Wilson (2014) defines research as a systematic process that involves gathering, recording, analysing, and interpreting information.

**Research Design**

The research approach of the work incorporates both quantitative and qualitative methods. Quantitative research involves systematic and scientific procedures to investigate phenomena and apply statistical analysis. On the other hand, qualitative research is an approach that lacks structure and relies on small samples to gain a deeper understanding of a situation.

**Data Collection**

The objective of this project is to evaluate the influence of a brand on customer buying choices. To achieve this, the data collection approach for this study will involve gathering both primary and secondary data. Secondary data is acquired through various sources such as books, the National Agency for Food and Drug Administration and Control, Milo Nigeria's portal, papers, reports, and research conducted by others. One benefit of this approach is that it prevents redundant efforts by leveraging existing work. Primary data, on the other hand, refers to data that is collected directly through original research. This method has several advantages. The data collected is specific, relevant, and up to date.

**Questionnaire Approach**

This is characterised by a series of printed questions that need to be answered by the specific respondents. In order to conduct this study, a combination of closed and open ended questions will be included in its design. This is to ensure that the data gathered provides enough information for a thorough analysis to be conducted.

**Sampling plan**

This section provides an analysis of the population in relation to the research. The text covers the population to be interviewed and the method that will be employed for conducting the interviews. Given the characteristics of the subject matter and the respondents' location, a non-probability sampling technique will be employed. Based on the available information, it is not possible to determine the precise number of Milo consumers in the Yaba area. Therefore, a sample size of 50 will be used for the analysis. The consumers will play a crucial role in eliciting responses from the customers.

**Method of data analysis**

In terms of data analysis, the statistical package for social sciences (SPSS) will be utilised as a tool for conducting the data analysis. The results from the questionnaire will be presented in graphs and frequency tables.

**Data Analysis and Presentation**

This part of the work presents the analysis of the responses retrieved. The data is analyzed on the basis of the questionnaire. The data collected from consumers will be analyzed using the software, SPSS to examine and give a clear elaboration of the data.

**Respondents gender**

**Gender**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | | Frequency | Percent | ValidPercent | CumulativePerce  nt |
|  | Male | 33 | 66.0 | 66.0 | 66.0 |
| Valid | Female | 17 | 34.0 | 34.0 | 100.0 |
|  | Total | 50 | 100.0 | 100.0 |  |

It is evident from the table above that men made up the majority of the respondents who participated in this. They made up 33% of the respondents, compared to only 34% of females.

**Respondents age groups**

**Age Group (Years)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | | Frequency | Percent | ValidPercent | Cumulative Perce  nt |
|  | Under 20 years | 3 | 6.0 | 6.0 | 6,0 |
|  | 21 - 30 years | 32 | 64.0 | 64.0 | 70.0 |
| Valid | 31 - 40 years | 11 | 22.0 | 22.0 | 92.0 |
|  | 41 and above | 4 | 8.0 | 8.0 | 100.0 |
|  | Total | 50 | 100.0 | 100.0 |  |

When the aforementioned data is carefully examined, it becomes clear that, at 64% of the total, the majority of the respondents in this study project were between the ages of 21 and 30. The next largest age group, accounting for 22% of the sample, was individuals between the ages of 31 and 40. Eight percent of the population was over 40 years old, and only six percent of the population was under 20.

**Respondents duration with Milo**

**How long have you been consuming Milo?**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | | Frequency | Percent | ValidPercent | CumulativePerce  nt |
|  | Lessthan ayear | 5 | 10.0 | 10.0 | 10.0 |
|  | 1 - 2 years | 14 | 28.0 | 28.0 | 38.0 |
| Valid | 2 - 5 years | 16 | 32.0 | 32.0 | 70.0 |
|  | Above 5 years | 15 | 30.0 | 30.0 | 100.0 |
|  | Total | 50 | 100.0 | 100.0 |  |

Upon determining the length of time respondents had been associated with the Milo brand, it was discovered that 32% of the respondents had been associated with the brand for two to five years. Of the respondents, 30% had been using the Milo brand for more than five (5) years, and 28% had very recently—within the last one to two years—been using the brand. But because they had been with them for less than a year, only 10% of them were new clients.

**Importance of brand reputation to respondents**

**Was the reputation of the Milo brand important to you when deciding to make a selection?**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | | Frequency | Percent | ValidPercent | CumulativePerce  nt |
|  | Yes | 32 | 64.0 | 64.0 | 64.0 |
| Valid | No | 18 | 36.0 | 36.0 | 100.0 |
|  | Total | 50 | 100.0 | 100.0 |  |

As they accounted for 64% of the total, the vast majority of research participants concurred that the reputation of Milo played a crucial role in their choice to make a purchase. However, just 34% of respondents stated that they didn't care when the decision to buy was made.

**Respondents feelings about brand association**

**Would you say that associated to a famous brand is vital to you?**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | | Frequency | Percent | ValidPercent | CumulativePerce  nt |
|  | Yes | 29 | 58.0 | 58.0 | 58.0 |
| Valid | No | 21 | 42.0 | 42.0 | 100.0 |
|  | Total | 50 | 100.0 | 100.0 |  |

In another attempt to determine whether or not being connected with a well-known brand was significant to them, 58% of respondents answered in the affirmative, while 42% disagreed.

**Respondents Knowledge about Nestle other products**

**Milo is a group of businesses, which one of them do you know?**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | | Frequency | Percent | ValidPercent | CumulativePerce  nt |
|  | Only Milo | 16 | 32.0 | 36.4 | 36.4 |
|  | Nescafe | 11 | 22.0 | 25.0 | 61.4 |
|  | Nestlé Pure Life brands | 12 | 24.0 | 27.3 | 88.6 |
| Valid | Golden Morn | 1 | 2.0 | 2.3 | 90.9 |
|  | All of the above | 4 | 8.0 | 9.1 | 100.0 |
|  | Total | 44 | 88.0 | 100.0 |  |
| Missing | System | 6 | 12.0 |  |  |
| Total |  | 50 | 100.0 |  |  |

In assessing the knowledge of respondents regarding Nestle other products, a majority of 32 % of the total knew only Milo, as Nestle product; 24 % knew Nestlé Pure Life brands and 22 % of them knew Nescafe. Only 8 % knew all the products.

**Respondents understanding of a brand**

**What do you understand by branding?**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | | Frequency | Percent | ValidPercent | CumulativePerce  nt |
|  | Name | 23 | 46.0 | 47.9 | 47.9 |
|  | Labelling | 10 | 20.0 | 20.8 | 68.8 |
|  | Company image | 8 | 16.0 | 16.7 | 85.4 |
| Valid | Slogan | 1 | 2.0 | 2.1 | 87.5 |
|  | All of the above | 6 | 12.0 | 12.5 | 100.0 |
|  | Total | 48 | 96.0 | 100.0 |  |
| Missing | System | 2 | 4.0 |  |  |
| Total |  | 50 | 100.0 |  |  |

As noted by the above table, the majority of respondents identified a brand by its name, 20% by its product label, 16% by its company image, and 12% by their perception of it being all of them.

**Respondents perception of Milo’s brand in terms of quality**

**Do you think the Milo Nigeria brand image conveys excellence in terms of quality?**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | | Frequency | Percent | ValidPercent | CumulativePerce  nt |
|  | Yes | 27 | 54.0 | 54,0 | 54.0 |
| Valid | No | 23 | 46.0 | 46.0 | 100.0 |
|  | Total | 50 | 100.0 | 100.0 |  |

In measuring respondents thoughts in terms quality of service rendered to them, by Milo, a little over 50 % said yes and 46 % said no the quality was lacking.

**Respondents perception about the brand image**

**Do you perceive the Milo brand to match your taste?**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | | Frequency | Percent | ValidPercent | CumulativePerce  nt |
|  | Yes | 26 | 52.0 | 53.1 | 53.1 |
| Valid | No | 23 | 46.0 | 46.9 | 100.0 |
|  | Total | 49 | 98.0 | 100.0 |  |
| Missing | System | 1 | 2.0 |  |  |
| Total |  | 50 | 100.0 |  |  |

From the above table, it can be seen that a little over more than half of the respondents perceive the Milo brand to match their taste whiles 46 % also said no.

**Respondents perception about Milo’s pricing**

**What do you think about the general prices of Milo brand?**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | | Frequency | Percent | ValidPercent | CumulativePerce  nt |
|  | Very high | 24 | 48.0 | 52.2 | 52.2 |
|  | High | 16 | 32.0 | 34.8 | 87.0 |
| Valid | Normal | 6 | 12.0 | 13.0 | 100.0 |
|  | Total | 46 | 92.0 | 100.0 |  |
| Missing | System | 4 | 8.0 |  |  |
| Total |  | 50 | 100.0 |  |  |

From the above table, it can clearly be seen that a majority of the respondents saw the general prices of Milo to be very high, as those represented 48 % of the sample. 32 % percent saw it to be moderately high and 12 % saw it to be on the normal level, however, none saw it to be very low or low.

**Other brands that come into mind when the Milo brand is mentioned**

**Which other brand comes into mind when Milo is mentioned?**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | | Frequency | Percent | ValidPercent | CumulativePerce  nt |
|  | Bournvita | 13 | 26.0 | 28.9 | 28.9 |
|  | Ovaltine | 18 | 36.0 | 40.0 | 68.9 |
|  | Cocoa powder | 8 | 16.0 | 17.8 | 86.7 |
| Valid | Horlicks | 3 | 6.0 | 6.7 | 93.3 |
|  | Cowbell Choco | 3 | 6.0 | 6.7 | 100.0 |
|  | Total | 45 | 90.0 | 100.0 |  |
| Missing | System | 5 | 10.0 |  |  |
| Total |  | 50 | 100.0 |  |  |

In trying to know the other brands in the beverage industry that crops up when the “Milo” brand is mentioned, 36 % of the respondents making the majority said it was Ovaltine. Next was Bournvita with 26 % of respondents choosing it and Cocoa powder with 16 %. Horlicks and Cowbell Choco were all at par with only 6 % of respondents remembered them when the Milo brand was mentioned.

**How Milo differs from other brands**

**How does the Milo brand differ from other brands?**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | | Frequency | Percent | ValidPercent | CumulativePerce  nt |
|  | Taste | 23 | 46.0 | 51.1 | 51.1 |
|  | Availability | 8 | 16.0 | 17.8 | 68.9 |
|  | Affordability | 3 | 6.0 | 6.7 | 75.6 |
| Valid | Quality | 4 | 8.0 | 8.9 | 84.4 |
|  | Other | 7 | 14.0 | 15.6 | 100.0 |
|  | Total | 45 | 90.0 | 100.0 |  |
| Missing | System | 5 | 10.0 |  |  |
| Total |  | 50 | 100.0 |  |  |

An overwhelming majority of the respondents making more than half (46%) said Milo differed from the other beverages companies in terms of taste. 16 % of the respondents saw availability to be another distinguishing factor. However less than 10 % saw it to differ from other brands in terms of quality and other factors.

**Causes of purchases decision**

**What influences your purchase decision?**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | | Frequency | Percent | ValidPercent | CumulativePerce  nt |
|  | Brand Image | 15 | 30.0 | 32.6 | 32.6 |
|  | Family&friends | 10 | 20.0 | 21.7 | 54.3 |
|  | Service quality | 7 | 14.0 | 15.2 | 69.6 |
| Valid | Availability | 8 | 16.0 | 17.4 | 87.0 |
|  | Cost | 4 | 8.0 | 8.7 | 95.7 |
|  | Other | 2 | 4.0 | 4.3 | 100.0 |
|  | Total | 46 | 92.0 | 100.0 |  |
| Missing | System | 4 | 8.0 |  |  |
| Total |  | 50 | 100.0 |  |  |

In trying to know the factors that influence the purchase decision of the respondents, 30 % of them attributed it to be the brand image of the product, 20 % also attributed their purchase decision to be family and friends. 16 % said availability and 14 % said service quality showing slim margins between the two.

**Findings, Recommendations And Conclusions**

Previous sections of this work sought to build an academic foundation as far as the topic brand, consumer behavior and its theoretical impact on the decision making of the consumer by reviewing academic researches, gazette materials, text books on the subject matter. In order to gain a wide understanding of the topic, research questions have been set to gain an insight on brand perception and decision making process of a selection of Milo customers in Yaba to be precise. This section will discuss the findings obtained from the field work as far as the research is concerned, it will discuss conclusions and propose some possible recommendations to the case company for observation. From the data collected and analysed, it was realized that majority of the participants with regards to this work were males in the region of 21–30 and had also been consuming Milo brand for more than a two years. The following from the research were also uncovered; The reputation of a particular brand was very vital in deciding whether or not to make a specific decision; this was marked by an overwhelming majority of the respondents saying yes representing 64 % of the responses. Another findings uncovered from this work was the fact that most of the respondents felt that it was important to be associated with a famous brand. Thirdly, it was also realized that the topmost brand of Milo with regard to beverage was popular in their minds, Milo and Milo ready-to-drink.

1. The study also tells that respondents had a fair idea of what the brand stood for.
2. The general prices of Milo in the beverage industry were also perceived to be on the higher scale.
3. Competition wise, just after the Milo brand is mentioned, Ovaltine and Cowbell choco were other brands that came up in the minds of consumers.
4. The Milo brands strength or differentiating factor in the beverage industry is taste.
5. Finally, brand image, the influence of family and friends were the most causing elements associated with a purchase decision with regards to the beverage industry.

**Conclusions**

The aim of this project was to determine the impact that a brand has on the purchase decision of consumers as well as throwing some light on the theories surrounding a brand and consumer behavior. In conclusion, it has been found out that there is some correlation between a brand and the behavior displayed by consumers with regards to their purchase decisions. Consumers are very much enlightened about the various brands on the market and as such their image is very crucial when it comes to making a purchase decision especially at first time. Again family, friends and reference groups do play a major role in affecting the purchase decision-making of consumers. This calls for massive improvement on the services rendered, innovation and differentiation as far as the brand (s) is concerned in the organization or company.

**Recommendations**

1. The company must constantly review their packaging in the face of changing consumer preferences and technological advancements and they must be prepared to do that that will ensure consumer safety.
2. Irrespective of the fact that their prices are a bit higher on the market and yet consumers are still glued to them, they should also strive to improve the services rendered so as to maintain the existing ones and even draw more consumers.
3. The company should improve upon its taste in terms of quality and affordability in the remote parts of the country as it happens to be one of their major strength in the market.
4. Further research on this topic is proposed to the case company as it would give them in depth insight of how their brand (s) are doing on the beverage industry as far as Nigeria is concerned. Also, expansion to the other regions in doing the further research is highly recommended.

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**APPENDIX: Structured questionnaire for consumers**

I am conducting a survey on the impact of branding on consumer behaviour. The objective of this work is purely an academic exercise and I hereby guarantee the confidentiality of your information. Kindly spare some few minutes of your time. Thank you.

Gender

Male [ ]

Female [ ]

Age Group (Years)

Under 20 [ ]

b) 21 – 30 [ ]

c) 31 – 40 [ ]

d) 41& above [ ]

How long have you been using Milo?

Less than a year [ ]

1 -2 years [ ]

2 – 5 years [ ]

Above 5 years [ ]

Was the reputation of the Milo brand important to you when deciding to make a selection?

Yes [ ]

No [ ]

Would you say that associated to a famous brand is vital to you?

Yes [ ]

No [ ]

Milo is a group of businesses, which one of them do you know?

Bournvita [ ]

Ovaltine [ ]

Cocoa powder [ ]

Horlicks [ ]

Cowbell Choco [ ]

What do you understand by branding?

Taste [ ]

Availability [ ]

Affordability [ ]

Quality [ ]

Do you think the Milo Nigeria brand image conveys excellence in terms of quality?

Yes [ ]

No [ ]

Do you perceive the Milo brand to match your taste?

Yes [ ]

No [ ]

What do you think about the general prices and charges of Milo brand?

Very high [ ]

High [ ]

Normal [ ]

Low [ ]

Very low [ ]

Which other brand comes into mind when Milo is mentioned?

Ovaltine [ ]

Cowbell Choco [ ]

Horlicks [ ]

Oluji Pure Cocoa Powder [ ]

All of the above [ ]

How does the Milo brand differ from other brands?

Taste [ ]

Availability [ ]

Affordability [ ]

Quality services [ ]

If other please specify ……………………………………….

What influences your purchase decision?

Image of the brand [ ]

Family & friends influence [ ]

Quality of service / product [ ]

Availability [ ]

Cost [ ]

If other, please specify ………………………………