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# EFFECT OF PRODUCT FEATURES ON BRAND SWITCHING OF TEA BY CONSUMERS IN KERICHO TOWN, KENYA

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#### **Abstract**

The purpose of this study was to investigate the effects of product features on brand switching of tea by consumers in Kericho town. Specifically it sought to; determine the effects of product appearance on brand switching of tea by consumers; establish the effects of perceived product quality on brand switching of tea by consumers; establish the effects of brand loyalty on brand switching of tea by consumers and find out the effects of product promotion on brand switching of tea by consumers. The study used the behavioral learning theory. The research design adopted was descriptive and inferential research design and the targeted population consisted of consumers of tea in Kericho town. Simple random sampling techniques were used to conduct the study and samples of 350 households were 347 responses were received which translates to 99% return rate. The study employed the use of structured questionnaires to collect data which were classified, summarized and tabulated. Descriptive statistics was used to analyze data and presented using frequency distribution tables and charts. The findings of the study reveal that tea consumers are not brand loyal since it had a negative correlation thus switch brand quite often due to product quality and that promotion of tea brand enables consumers to switch from one brand to another. The study concludes that tea producers need to strive in

ensuring that the tea they produce are of high quality and that there is need for constant promotion of their tea brand so as to retain and win more consumers to their tea brand. This study may be of great importance to the manufactures of tea, policy makers as well as academicians and researchers.

Keywords: Product features, Brand switching, Product perceived quality, Product appearance, **Product Promotion** 

#### **INTRODUCTION**

According to McAlister (2002), consumer behavior research has examined the brand switching behavior of consumers as a result of internal dissertation with a brand's attributes, yet disregards the possible effect of other internal or external factors. Hoyer, Wayne D. and Nancy M. Ridgway (2004), developed the only theoretical model which distinguishes between internal (variety seeking) and external (out of stock conditions) factors and which addresses the mediating role of product class. These authors argue that a number of objective and perceived characteristics mediate brand switching in a specific product category. Little other research has been undertaken to examine this area.

This research addresses this gap by exploring how brand switching is affected by the product features in terms of product quality, appearance and performance. Reichheld F. & Teal T. (2006) reveals that most of the U. S. Corporations lose half of their customers in 5 years due to brand switching and that this stuns corporate performance by 20% to 50% in turn affecting the viability and profitability of the firms. According to Raju (2003) the brand switching behavior of consumers has been found out to be induced by Variety seeking behavior. Shukla (2004) argues that product usage, satisfaction and involvement have an effect on the brand switching behavior of consumers in several product categories associated with different product usage, performance and satisfaction levels. He further argues that customers who have used a product and are dissatisfied with the product tend to switch brands more often in search of satisfaction. Bridges, Keller and Sood (2007) argue that not all customers should be targeted with retention and loyalty efforts and that some of the most satisfied and loyal customers might still switch for reasons beyond their control and that of firms. They argue that the brand switching behavior of the consumers is diverse and it is not easy to determine what the consumers are actually looking for.

### Statement of the Problem

In Kenya brand switching of domestically produced consumer goods has been relatively higher compared to international brands. Products are losing their position completely in the market place and are being thrown out of the market arena in a matter of a decade. There appears to be relatively poor product features being developed by the companies and the manufacturers of these products seem to be cashing in on consumers' psychology in the short run. The brand managers seem to be overzealous in short-term gains from the brands and do not manage them to stand longer life spans. It is not known whether consumers in Kenya buy because of the appearance of the product in terms of color, size or texture, perceived product quality, performance of the product, advertisement, pricing or simply availability of the product.

The general objective of the study was to determine the effects of product features on brand switching of tea by consumers in Kericho town. The study was guided by the following objectives; to determine the effect of product appearance on tea brand switching; establish the effect of perceived product quality on tea brand switching and to establish the effect of product promotion on brand switching of tea by consumers in Kericho town

#### **REVIEW OF RELATED LITERATURE**

## **Product Quality**

According to Ophuis & Trijp (2015), perceived quality is affected by four attributes which include; the perception process, the product or product group, the place/context/situational factors, and finally the person or personal factors. They point out that perception is dependent on the examined item to the extent that a quality factor identified in one product or product group may be irrelevant for another. They argue that perception is present in the mind of whoever is viewing a product. Similarly, a strong dependency on perception is said to be present in the background of the viewer. They suggested that this may enclose a variety of characteristics ultimately resulting in the final judgment of the consumer, such as perceptive abilities, general preferences, experience, etc. The authors refer to situational factors, such as for instance the use of the product, where a product may be perceived as good for one thing, but useless for another.

The final element presented by Ophuis and Trijp is perception. With it, the authors refer to the process of perceiving the visible and invisible characteristics of a product which can be experienced or believed to be experienced. The process of ultimately perceiving quality is a combination of a variety of different variables. The importance of understanding the influence that brands have on the perceiving of quality and the behavior of the consumers in the studied market cannot be overstated.

#### **Product Appearance**

A review on the work of Creusen & Schoormans (2004) indicates that, product appearance has been recognized as an opportunity for differential advantage in the market place. The appearance of a product influences consumer product choice in several ways. The review reveals that the appearance of a product such as communication of aesthetics, symbolic, functional and ergonomic information, attention drawing and categorization plays a role in consumer product evaluation in making choice. This review is related to the results of a study done by Krippendorf (2009). The study revealed that product design which constitutes the appearance of the product help consumers to assess the product on functional aesthetics, symbolic or ergonomic motives. The study also indicated that motives play a role in the overall product appraisal. If a product looks modern, it has a positive effect on product appraisal when consumers are motivated to assess a product on its aesthetics. When a product communicates a meaning that is not clear to the consumer, he or she had difficulty assessing the product and appreciated the product less. According to Creusen & Schoormans (2014), a product's appearance can have aesthetic and symbolic value for consumers, can communicate functional characteristics and give a quality impression (functional value), and can communicate ease of use (ergonomic value). In addition, it can draw attention and can influence the ease of categorization of the product.

#### **Product Promotion**

Effective marketing relies on identifying a lucrative target audience and then finding ways to access and influence it. Manufacturers of branded teas can start by using their knowledge of the buying habits of their customers to define target audiences that are likely to use their products. After that, it's just a matter of choosing the right strategies to reach and influence the customers. Perreault and McCarthy (2005), state that promotion is concerned with telling the target market or others in the channel of distribution about the 'right' product. Promotion includes personal selling, mass selling and sales promotion. Pride and Ferrell (2003) argue that promotion relates to activities used to inform individuals or groups about the organization and its products. Promotion can seek to increase public awareness of the organization and of new or existing products. Promotion educates customers about product features and helps sustain interest in established products. The marketing planner should tailor communication messages to fit the needs of the market segments. The target segment should be categorized on the basis of whether the target market consists of current or potential users, their needs, their role in the buying process (users, influencers, and deciders), their levels of knowledge, their levels of loyalty, and their perceptions of the various products and brands in the market. It is only on the basis of this background that decisions can be taken on what to say, how best to say it, when to say it, where to say it, and to whom to say it, that is to determine the target audience, the communication objectives, the massage, channels of communication and the promotions mix (Wilson and Gilligan, 2003).

## **Brand Switching**

A review on Mouri's (2005) work revealed that brand switching is termination of customer relationship with particular service provider and continuation of relationship with a new service provider. The review implied that customers can decide about ceasing relationships with service providers because of many reasons. Boot (2008) revealed that consumer brand switching behavior is a decision of customers to discontinue purchase dealings permanently or temporarily. These arguments indicate that brand switching occurs when consumers stop purchasing a particular product and start purchasing another either on temporary or permanent basis. Kumar &Chaarlas (2011) identified that brand switching is the process in which consumers switch from the usage of one product to another product but of the same category. They further argue that in our daily life consumers' switch from one brand to another brand although they are highly satisfied from it. Howell (2004) argues that there is positive impact of brand loyalty on sustainability of brand. He further argues that brand switching occurs due to the decrease and increase in the brand loyalty and the willingness of the customer to purchase other brand is some time decrease and increase.

#### **Theoretical Review**

The theoretical underpinnings of this study lie on the theory of consumer behavior. Much of the consumer behavior is learnt. Consumers learn which information sources to use for information about products and services and which evaluative criteria to use when assessing alternatives, and more generally how to make purchase decision. Learning refers to those behaviors that result from repeated experience and thinking Rudelius (1997). Behavioral learning is the process of developing automatic responses to a situation buildup through repeated exposure to it. Four variables are central here – drive, cue, response and reinforcement. Being hungry (the drive) a consumer sees a cue (a billboard) takes action (buys hamburger) and receives a reward (it tastes great). Marketers use two concepts from behavioral learning theory. Stimulus generalization occurs when response elicited by one stimulus (cue) is generalized to another stimulus. Using the same brand name for different products is an application of this concept.

#### **RESEARCH METHOD**

To achieve its research objectives, the study employed expose factor design. The target population consisted of 1085 households in Kericho town (Population and Housing Census Report, 2015). The study used stratified proportion sampling technique to indentify units of analysis. Using Yamane (1967) sample size formula, a sample size of 350 households was obtained. Primary data was collected through structured questionnaires administered by the research assistants and was analyzed using inferential statistics.

#### **RESULTS AND DISCUSSION**

Table 1 Correlations

	Brand Switch	Product Quality	Product Appearance	Product	
				Promotion	
Brand switch	1	-	-	-	
Product quality	.632**	1	-	-	
Product Appearan	ce .257**	.348**	1	-	
Product Promotion	.543**	.522**	.316**	1	

Bivariate correlation test assist to make the conclusion about the relationship among the dependent and independent variables that how much effect independent variables, product quality, product appearance, product promotion and brand loyalty cause at dependent variable, brand switching. The result of correlation analysis illustrates that value of product quality 0.623 which shows that product quality has a positive relationship with tea brand switching which is not supporting to the hypothesis that product quality is negatively associated with tea brand switching. It means that even though the product quality has been provided but customers switch to another brand.

The result of correlation analysis illustrates that value of product appearance is 0.257 which shows that product appearance has a positive relationship with tea brand switching. The result of correlation analysis illustrates that value of product promotion is 0.543 which shows that product promotion has positive relationship with tea brand switching. It is not matching with the hypothesis of the study which is that product promotion has a negative impact on the brand switching means that higher the promotion lesser will be the brand switching and lesser the promotion higher will be the brand switching.

Table 2 Model Summary

Model	R		R Squ	are	Adjusted R	Std. E	rror of
					Square	the Es	stimate
1	.672a		.638	3	.430	.63	3910
a. Predictors:	(Constant),	Brand	Loyalty,	Product	Appearance,	Product	Quality,
Product Promo	tion						

The model summary tells us that how much our model is fit. The model summary gives the value of R which stands for the correlation of the variables. The value of R is 0.672 so it shows the positive relationship between the dependent variable, Brand switching and the independent variables, Service Quality, Price, Trust and Brand Loyalty. The value of R Square shows that the variability in the dependent variable, Brand Switching is explained 63.8% by the variability in the independent variables, product quality, product appearance, product promotion and Brand loyalty.

Table 3 Regression Coefficients<sup>a</sup>

Model	Unstandardized	Standar	dized	t	Sig.
	Coefficients	Coefficients			
	В	Std. Error	Beta		
1	(Constant)	1.181	.446	2.651	.009
Product Quality	.457	.134	.250	2.795	.006
Product Appearance	.176	.071	.075	.923	.359
Product promotion	.337	.080	.414	4.670	.000
a. Dependent Variab	ole: Tea Brand switch	1			

The regression equation for the study was;

$$Y = a + \beta x_1 + \beta x_2 + \beta x_3$$

Here, dependent variable is tea brand switching and the independent variables are product promotion, product quality, product appearance and brand loyalty. Regression equation results is given below:

Tea Brand switching = 1.181+ 0.457(Product quality) + 0.176(Product appearance) + 0.337(Product Promotion)

From the regression equation it is clear that if 1 unit of product quality is increased, which the independent variable in this study is, there will be a 0.457 unit increase in tea brand switching. An increase of 1 unit in product appearance then 0.176 unit increases will occur in tea brand switching. Similarly, an increase in 1 unit of product promotion results in 0.337 increase in tea brand switching.

#### **CONCLUSION AND RECOMMENDATIONS**

Based on the findings, it is concluded that socio-psychological factors are important issues that should be considered by tea producers in researching consumer choice behaviour. It is concluded that sociological factors like consumer identity, consumer brand congruency, and social change are essential to the development of a holistic picture of consumer product brand choice. Marketers need to be cognizant of the rapid change in consumers' perception of their lifestyle changes, and how they (consumers) relate to these changes. The finding that there is a significant positive correlation between product quality and tea brand switching, indicating that marketers need to consider more carefully the content and the quality of the tea they take to the market.

The study recommends that tea producers need to formulate marketing strategies that incorporate both the functional and socio-psychological aspects of consumer behaviour. They should adopt consumer-centric segmentation and in-depth psychographic approaches to gain insights into brand choice motivators that influence product brand consumption and purchasing behaviour.

The study was confirmed to Kericho Town where there are different brand of tea leaves hence this findings cannot be generalized to other parts of Kericho where there are limited brand of tea brands.

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