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## Influence of Customer-Based Brand Equity on the Performance of Deposit-taking SACCOs in Uasin Gishu County, Kenya

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### **Abstract:**

*Deposit-taking SACCOs can achieve long-term performance by developing a competitive advantage that gradually builds a core of loyal customers over time through branding. This is supported by the fact that companies that prioritize the brand in their business strategy perform better. However, the credit market is becoming increasingly competitive, requiring deposit-taking SACCOs to offer higher-value products and services to improve performance. The purpose of the study was to find out how the performance of deposit-taking SACCOs in Uasin Gishu County is influenced by customer-based brand equity. The study was guided by the following specific objectives:*

- *To assess the effect of brand loyalty,*
- *To determine the effect of brand awareness,*
- *To evaluate the effect of brand associations, and*
- *To examine the effect of perceived quality on the performance of deposit-taking SACCOs in Uasin Gishu County*

*Brand equity theory and the theory of reasoned action were used in this research. An explanatory cross-sectional design was used to comprehend the relationships between study variables. 310 members of the deposit-taking SACCO in Uasin Gishu County were the targeted population. A sample size of 175 respondents was determined by the use of the Krejcie and Morgan table. A simple and stratified random sampling technique was adopted. The information was collected using a self-administered questionnaire. The instruments were tested for validity and reliability after a pilot test. Quantitative data were analyzed by use of both inferential and descriptive statistics using SPSS version 25. From the findings, customer-based brand equity had a statistically significant influence on the performance of deposit-taking SACCOs in Uasin Gishu County. Brand loyalty, brand awareness, brand associations and perceived quality had a positive and statistically significant effect on the performance of deposit-taking SACCOs in Uasin Gishu County, hence the rejection of the null hypothesis. In conclusion, customer-based brand equity and all its dimensions understudy significantly affect the performance of deposit-taking SACCOs in Uasin Gishu County. Therefore, based on the findings, brand equity theory and the theory of reasoned action showed that deposit-taking SACCOs should effectively bundle all the dimensions of customer-based brand equity through their policy framework and consistently improve on them to heighten their performance.*

**Keywords:** *Customer brand loyalty, awareness, association, quality, deposit-taking SACCOs' performance*

### **1. Background of the Study**

The co-operative movement makes a significant contribution to the global economy's socio-economic growth (Kavita & Gopinath, 2022). However, as credit market competition grows, it is necessary to offer customers higher-value products and services than what rival companies are providing in order to enhance performance. As a result, by developing a competitive advantage that gradually builds a core of loyal customers over time through branding, deposit-taking SACCOs can achieve sustained performance. This is supported by the fact that companies that prioritize the brand in their business strategy perform better (Sasa & Djordje, 2016). It, therefore, implies that enhanced brand equity impacts the customers' economic decision-making (Brandsandu.com., 2021). Thus, deposit-taking SACCOs should invest in building their brand equity in the competitive credit market landscape to enhance their performance.

Organizational performance is of interest to managers and researchers around the world. This is because good performance is the primary goal of any organization (Yang et al., 2018). According to Richard (2009), a company's output or results are compared to its intended outputs. SACCOs place a high value on non-financial performance indicators that help boost operational efficiency. On the other hand, operational efficiency, which, when developed over time, gives SACCOs financial value. It results from customer satisfaction, loyalty, and brand image (Porter, 1980). Operating margin, net income from various activities, return on investment, return on equity, and performance can all be used to measure performance (Odhiambo, 2019).

Financial performance measures, on the other hand, cannot propel a company to market dominance. Indicators of non-financial performance must also be measured and improved (Arshad & Zain, 2017). Many SACCOs are currently closed due to the poor performance of the SACCO subsector. Some have collapsed, causing widespread concern in the industry (Ombati & Muturi, 2017). Therefore, SACCOs have been forced to change their strategy to improve their performance. According to Odhiambo (2019), SACCOs can improve their performance through branding, which benefits their membership through increased membership retention, increased membership, and increased shareholding and savings. A consumer's equity develops when she values a brand. In order to increase brand equity, businesses must offer customers positive experiences that motivate them to continue purchasing from them rather than having rivals sell comparable goods (Sallam & Wahid, 2015).

The marketing and financial value of a brand and its actual unique brand value, brand awareness, loyalty, perceived brand quality, and brand associations all contribute to its market strength, according to Salam (2016). The strategic problems that may arise when managing a brand are addressed by brand equity. To build brand equity, increase awareness through campaigns that promote target consumers' values, keep promises and requirements when customers use products, and make an effort to boost loyalty and retention. Researchers investigated brand equity from both a financial and a consumer standpoint (Bose et al., 2016). Customer-based brand equity (CBBE) describes how consumers respond to brand names when assessing a brand's position in relation to its customers. Brands are very concerned about CBBE. According to Baalbaki and Guzmán (2016), using CBBE demonstrates how customer attitudes directly affect brand success. Surucu et al. (2019) note that CBBE is based on brand recognition, brand association, and perceived quality. Owner equity, financial performance, and business performance can all be improved using customer-based brand equity (Sasa & George, 2016). CBBE and company performance were found to have a strong positive relationship by Buzdar et al. (2016) and Mohan and Sequeira (2016). As a result, to improve organizational performance, deposit-taking SACCOs must effectively manage their CBBE, taking into account Aaker's strategic marketing theory and brand equity theory (Aaker, 1991).

SACCOs are promoted globally not only for financial reasons but also to promote total human development. Consistent SACCO performance, therefore, helps people's minds grow by inspiring them, supporting the initiative, fostering self-improvement and autonomy, and offering leadership (Ergetev, 2014). According to Mutunga & Gatawa (2021), SACCO is spread across Europe, Canada, the USA and Australia. In fact, SACCO is much larger than commercial banks in many of these countries. SACCO (a credit union) serves 57% of the Saskatchewan population (Kwizera, 2017). However, it has a small market share in English-speaking Canada. Most South American nations, including Argentina, Brazil, Chile, and Uruguay (Ng'ondi, 2013), have advanced SACCOS. For instance, SACCOS in India struggles with issues like a lack of funding, low member participation, ineffective management abilities, corruption, fraud, and an unrecognized brand name. These difficulties may cause SACCOs to be ineffective and uncompetitive, jeopardizing performance (Siddaraju, 2012).

According to Anania and Gikuri (2015), Tanzanian SACCOs lack competition, deliver subpar financial services, lose member funds, and reduce member participation and commitment. They also use services provided by other financial institutions, internal conflict, excessive external dependence, and a sense of ownership and control loss. Kenya's SACC O sector is Africa's largest, with assets worth over Kshs150 billion (USD 2.2 billion) and financial services accessible to an estimated 11% of the population. Despite government initiatives and marketing strategies, 3457 (51%) of SACCOs were not effectively operational, impeding their performance (Hannah, Herman & Newton, 2019). According to Njeru (2016) and Kamau (2010), the SACCO sector faces challenges such as competition from banks, complicating governance and financial management issues. These issues have damaged the reputation of the SACCO division. Therefore, SACCO needs to reinvigorate its positive image through customer-related brand equity to improve performance.

The impact of customer-related brand equity on corporate performance has been the subject of numerous studies except for Kandampully et al. (2018), Khan and Fatma (2018). Although the scope of this study is limited to Western developed countries, existing research finds that Western marketing strategies and approaches are consistently successful in emerging markets (Ardit et al., 2020). Mohan and Sequeira (2016) explored the impact of customer-based brand equity on the success of his Indian FMCG firm. According to Parminder, brand equity and business performance are linked (2016). However, this study was not conducted in Africa, so results cannot be extrapolated to Africa. Zekarias (2016) looked at how customer-based brand equity affected customer satisfaction using a case study from the Ethiopian Commercial Bank. Results demonstrated that CBBE improved customer satisfaction. Amegbe, Hanu, and Atunwey (2016) found a significant positive correlation between customer-based brand equity and competitiveness at a private university in Ghana. In Kenya, very little has been written about CBBE and the performance of deposit-taking SACCOs. Due to these limitations, the current study aimed to fill a knowledge gap by examining how a customer's brand value affects the performance of deposit-taking SACCOs in Uasin Gishu County.

## 2. Statement of the Problem

As a driving force in achieving Vision 2030, deposit-taking SACCO's immense popularity in Kenya has contributed significantly to economic growth and poverty alleviation for low-income people. Deposit-taking SACCOs promote economic growth and development by allowing members to invest in viable business ventures with funds provided by the organization (Nsengiyumva & Harelimana, 2020). Co-operatives can be found in almost every sector of the Kenyan economy in this regard (Hannah, Herman & Newton, 2019). As a result, deposit-taking SACCOS, like other organizations, must prioritize superior performance to meet their obligations (Yang et al., 2018). However, to improve performance, the credit market is becoming more competitive and companies need to offer their customers higher-value products and services compared to what their competitors offer.

Despite government initiatives and marketing strategies, 3457 (51%) of SACCOs were not effectively operational, impeding their goal of increasing financial inclusion among Kenyans (Hannah, Herman & Newton, 2019; Odhiambo, 2019). Deposit-taking SACCOs have been around for a long term and give comparable merchandise to banks. However, its overall performance compared to business banks and different monetary establishments is unimpressive (Gathurithu, 2011). If this trend continues, deposit taking SACCO's implementation of Vision 2030 is a pipe dream. This requires a change in SACCOs' marketing strategy to improve performance. According to Odhiambo (2019), deposit-taking SACCOs can improve their performance through branding, which benefits their membership through increased membership retention, increased membership, and increased shareholding and savings. Essentially, firms with high brand equity ultimately gain a competitive advantage and benefit from their ability to resist promotional pressure from competitors and the creation of barriers to competitive entry (Severi & Ling, 2013). As Kenya's co-operative and credit markets become increasingly complex and competitive, it is important to examine whether the brand value of its customer base has a significant influence on deposit-taking SACCOs' performance. However, research in developing countries, especially sub-Saharan Africa, is limited. In addition, Uasin Gishu County has not conducted a survey of deposit-taking SACCOs based brand equity on his equity and performance. In the existing literature, the central question is: How significant is the impact of customer-based brand value on deposit-taking SACCO's performance?

### 3. Literature Review

According to Aaker (2014), brand loyalty is the likelihood that customers switch brands, especially when brand prices or product features change. Brand and customer loyalty refers to a shopper's overall or deep attachment to a product, service, brand, or organization (De Leaniz & del Bosque Rodriguez, 2016). Loyalty comes in many forms, but the most common is recommending a service provider to other customers and returning to that provider on a regular basis. According to Aaker (2014), loyalty levels are divided into avid buyers who like the brand and consider it a friend, buyers who are happy with the cost of switching, regular buyers who are happy with no reason to switch, and price from a price-conscious switching pyramid, buyers with no brand loyalty. Zhang, Dixit, and Friedmann (2010) used data from the consumer goods industry to reach the same conclusion that customer loyalty can be a practical predictor of profitability, but with an important caveat. However, for marketers, customer retention is still a legitimate end goal to pursue in marketing management.

Ariyo and Hassan (2015) looked at the connection between brand loyalty and business profitability. In this study, both primary and secondary data were used. 225 residents of Lagos who were selected through a targeted sampling process received questionnaires. Honeywell Flour Mill's annual reports and four-year accounts provide secondary data. The generated data were analyzed using correlation analysis in SPSS 18.0. The results show that organizational profitability is significantly and positively associated with the brand loyalty measure tested, with an R-value of 0.749 at the 95% confidence level. These results lead us to the conclusion that firm profitability is a function of brand loyalty. However, this study was conducted in Nigeria, so the results cannot be generalized.

Obenyemi( 2019) looked into how customer loyalty affected business performance in Abeokuta, Ogun State's hospitality sector. A survey of a few hotel chains and their patrons in the Ogun State metro area of Abeokuta served as the study's primary data sources. The Mokuland Hotel, Green Legacy Resort, Daktad Suites, and IBD International Hotel are the five hotels chosen. The sample consisted of 100 questionnaires and 100 participants. The Social Sciences 20 descriptive and inferential statistics package was used to analyze the data. Despite the success of rival products and other hotels in retaining customers, 76.3% of his respondents said the hotel's service is the best. However, since this study was conducted in the hospitality industry, its findings cannot be applied to the corporate sector.

Akunja( 2017) used explanatory design in a study of the connection between hotel guest loyalty and brand image in Nairobi, Kenya. In this study, a focused, stratified, and systematic sampling technique was employed. Simple regression and factor analysis were used to test hypotheses. Customer loyalty and brand image are related, according to the study. The degree of uniqueness, brand reputation, and promotional strategy all had a significant impact on brand image. A comprehensive package that includes all aspects of previous experience, hotel facilities and ambiance, and customer retention. The intention to recommend the hotel to friends and family was found to be positively correlated with customer loyalty. We analyzed the data in this study using factor analysis and multiple sampling methods. This study was conducted in a hotel setting rather than at a SACCO.

Omodafe and Akparobi( 2013) examined how consumer loyalty affected a company's overall performance in advertising and marketing at the First Bank of Nigeria Plc Asaba department. Using a dependent questionnaire, data have been gathered. Collected facts have been analyzed for the usage of percentages. As a result, customer retention improves marketing performance. Customer satisfaction, according to this study, significantly improves customer loyalty in an organization. This study, however, was conducted in Nigeria rather than by SACCO in Kenya.

Brand awareness is the likelihood that customers will recognize a company's products and services (Godey et al, 2016). Consumers value brand awareness more than brand equity (Munyaw, 2017). Brand awareness is the degree to which a brand is well-known by consumers. Brand Equity (Aaker, 2014) places a high priority on brand awareness. Consumers' ability to remember or recognize a brand under various circumstances is correlated with the strength of the brand node or memory location (Keller& Brexendorf, 2019). The likelihood that a brand will be recognized and remembered is correlated with the level of brand awareness, according to Keller and Brexendrf (2017). Brand awareness, on the other hand, describes the various situations in which a brand is used for both consumption and purchase.

The ability to persuade consumers to choose one brand over another is referred to as brand awareness (Shariq, 2018). Brand recognition serves as a key indicator of many product and supplier attributes and purchasing decisions. As a result, brand awareness improves firm performance (Faraji, Otiso & Rajab, 2016). Customers cannot purchase products

that they do not know about. In addition, Gateru et al. (2015) found that cognitive strategies influence product movement, leading to increased sales volume and profitability.

Harcourt and Ozo (2018) investigated the relationship between brand awareness and market performance for Rivers State food and beverage companies. The questionnaire received 290 responses, which were then distributed and collected. Executives and faculty from three major fast food companies, as well as students from three Rivers State universities, were among those who responded. Using Pearson's correlation coefficient of product moments and statistical methods of regression analysis to analyze the data from this study, we found positive, significant and moderate brand awareness in terms of customer retention and brand extension. Please note that this study only explores market performance as a result of brand awareness and does not consider SACCO.

Ehsan and Fereshteh (2018) investigated how brand identity and brand awareness affected brand performance when brand loyalty was used as a mediator. The objective of this study was to gather data and conduct descriptive research. Aria and her 215 employees from 22 Bahman hospitals in Mashhad completed the questionnaire using a simple random sampling technique. Amos software and structural equation modeling were used to analyze the data (SEM). The findings of this study support the relationship between brand awareness and how service brand identity affects brand performance. However, the Ministry of Health, not SACCO, conducted this survey.

According to the findings, the lack of brand know-how and brand advice for business owners is one of Techno Ghana's biggest problems. As a result, brands can influence customer purchasing decisions, assist customers in locating product sources, communicate features and benefits, and develop and sustain brand activities via internal and external agencies. However, the study did not look into how the marketing mix affected business performance. Peary and others (2016) looked into how brand awareness affected the performance of service brands on the market—an investigation into a Kenyan bank. With data gathered through cross-sectional field studies, this study used an empirical and quantitative study design. 347 Kenyans who received financial services from 35 commercial banks and 35 executives at those banks were included in a stratified sample for the data collection. A correlation analysis was conducted to examine how brand perception factors affected brand performance in the market. According to research, brand recall and general brand awareness are important predictors of brand performance in the marketplace and have a strong positive correlation.

Faraji, Otiso, and Rajab (2016) investigated the effectiveness of public sugar manufacturers in western Kenya in terms of brand strategy, specifically brand awareness and individuality. Employees of four public sugar mills in western Kenya (Muhoroni, Nzoia, South Nyanza and Chemelil) made up the study's target population. The 12 managers were carefully chosen, while 43 supervisors and 119 employees were selected through a simple random sampling process. According to the findings of data analysis using descriptive and inferential statistics, brand awareness and personality had a significant positive impact on the performance of publicly traded sugar companies. SMF managers are urged to effectively use these brand attributes, invest more money, and concentrate on utilizing brand strategies to improve performance.

Businesses create brands with the primary goal of attracting and retaining customers. Enhancing brand association is central to branding strategies, and the unique role of brands in increasing their equity in the business market is recognized (Kilei, Iravo & Omwenga, 2016). Therefore, many companies develop brand associations. A key component of your branding strategy is your ability to recognize or remember your brand.

Product associations and organizational associations are the two types of brand associations (Jalilvand et al., 2011). Product attributes can be turned on or off. Functional attributes (Fayrene & Lee, 2011) are unique characteristics of product loyalty to brands. When promises are broken, brand equity suffers (Jalilvand et al., 2011). Symbolic attributes, which are intangible characteristics that satisfy consumer needs for social recognition, personal expression, or self-esteem performance, are examples of non-functional attributes. Mackintosh and Didia (2015) looked into the connection between brand recall and customer satisfaction. Customers of Rivers State's fast-food restaurants made up a sizeable portion of the population.

The Likert scale was the primary data collection tool used in this study, along with a structured questionnaire and descriptive study design. Data from 369 respondents were gathered and used in the survey's analysis. The test statistic was Pearson's product-moment correlation. Version 22.0 of the Statistical Package for the Social Sciences (SPSS) was used to analyze the data. According to research, customer satisfaction at Rivers State University fast food restaurants is strongly linked to brand associations. The study found that brand associations for fast food companies at Rivers State University were positively and statistically significantly correlated with repeat purchases and customer retention. However, this study focuses on customer satisfaction due to brand association rather than SACCOs' performance.

Muhammad (2021) investigated how brand loyalty, brand image, and brand association were important and how they affected brand equity. To achieve our research objectives, we created a model that takes into account the impact of brand association, brand image, and brand loyalty on brand value. In order to determine how the variables interact with one another and affect the dependent variable, hypotheses were created. In this study, correlations were quantitatively assessed using the structural equation model SEM. The study's findings demonstrate that brand association, brand loyalty, and brand image all have a positive impact on brand equity. However, this study did not look at organizational performance as a result of brand association. Kirira (2016) investigated the impact of brand associations on the market performance of Kenyan banking service brands.

Waithaka (2021) examined how branding affects the performance of five-star hotels in Kenya. Star Hotels in Kenya conducted a special study on the impact of brand identity on brand perception for performance, brand association and productivity. The study of phenomena in natural settings was made possible by a descriptive study design. The study population consisted of her 53 starred hotels in Nairobi County. Three senior executives from each five-star hotel participated in the survey. The study used the census method to select 159 hotel managers, followed by a rating sampling

method. This study used a structured questionnaire and collected data both physically and online. Data were analyzed quantitatively using percentages, frequencies, means, correlation tests, and regression tests. The 77% response rate for this survey was sufficient for quantitative analysis. Based on responses, the majority of participants were marketing and finance executives. Correlation studies show that brand identity has a moderately positive effect on corporate performance. Star Hotels' performance is slightly but positively impacted by brand association, brand awareness and brand personality. A regression analysis found that his brand management practices accounted for 38.2% of the change in Star Hotel's organizational performance. Regression testing revealed that the Star Hotels organization's performance was unaffected by brand association. This study, however, was carried out at his hotel rather than his SACCO.

Ashraf (2018) investigated the influence of brand associations on consumer purchasing behavior - A case study of the footwear industry in Punjab, Pakistan, where he used his sample of 300 people. A questionnaire was used to collect the data. He discovered a link between brand associations and consumer purchasing behavior. Brand association benefits price rewards, referrals, and frequent purchases of similar brands. Brian and Masayuki (2016) conducted research on brand association across product categories as well as research on new perspectives on product and service branding. This study's objective was to create a metric for gauging brand recognition for both goods and services. A mixed-method approach was used in this study. The studied items were created using a sample of 72 consumers and a thought list approach. A sample of 459 consumers was tested for 'psychometric characteristics' of different brand association measures. For this study, a brand association metric was created and used to evaluate products and services. For products and services, we were able to demonstrate contrast and brand relevance. Product and service marketers can use these metrics to track the effectiveness of positioning their initiatives and how customers view the brand. However, SACCO was excluded from the study.

The superior feeling a customer has about a product, brand, or company based on sight, hearing, touch, and smell is known as perceived quality (Eames, 2020). It reflects how the customer perceives the product's dependability and robustness, the care and craftsmanship it took to make it, the wealth and strength of the materials used, and the engineering that goes into it. When customers place a high value on service quality, they are more likely to trust, remain satisfied, and continue to purchase from the company, thereby improving business performance (Chen et al., 2016). Customers directly perceive success factors as benefits of new services, and consumers indirectly benefit from company capabilities (Santos-Vijande et al., 2016). The emotional value generated by the customer service experience is called the customer's perceived service value, and this perception influences subsequent purchasing behavior (Boksberger & Melsen, 2011). Ojo (2021) investigates how the organizational performance of telecom workers in southwest Nigeria is impacted by service quality. For this study, a sample of 123 workers from the two-step sampling method was used to select Lagos (62 participants) and Oyo State (61 participants). There was only one study design used. Information on service quality and organizational performance was gathered using a self-report questionnaire. The findings demonstrate a strong relationship between service quality and Nokia's business productivity. Organizational productivity and service quality have both been severely harmed. However, the study does not apply to the co-operative sector, so the findings cannot be generalized.

Abdo et al. (2020) carried out an empirical investigation into the connection between organizational performance (OP) and service quality (SQ) in the Egyptian mobile sector. Using verified research tools, he spoke with 384 senior, middle, and managerial executives from three Egyptian mobile operators. The results show that SQ significantly improves OP. The results also demonstrate that in order to enhance OP, Egyptian mobile operators place a high priority on dependability, convenience, and service responsiveness. The findings show that in a knowledge-intensive industry like telecommunications, SQ is a true driving force for OP. However, this study has not been conducted in Kenya.

According to this study, the performance of local radio stations in western Kenya is predicted by quality of service management ( $= 0.839$ ,  $p0.05$ ). The output of the local radio station can be improved by 0.839 standard deviations by increasing the Quality-of-Service control by one standard departure, according to the regression weight of 0.839%. However, this research has not been conducted in the financial industry. In 2016, Wanyoike investigated how quality control processes affect the effectiveness of manufacturing companies in Kenya. This study examined the relationship between quality control practices and performance in Kenyan manufacturing companies due to continuous improvement, customer focus, management commitment, and operating environment. All 60 of his Kenyan production companies were part of the target audience, and his sample size was 120. The survey used the census sampling method. The results show that the manufacturer's performance has improved significantly through continuous improvement. Customer focus was found to be as important as management engagement in explaining performance variability.

#### 4. Research Methodology

The study adopted an explanatory cross-sectional design in identifying the sample size of 175 participants. Explanatory research aims to demonstrate how and why two or more facets of a situation or phenomenon are related to determining cause-and-effect relationships between variables. Primary data were collected using questionnaires. Questionnaires were utilized to build rapport, inspire respondents, and dispel misconceptions because they are less expensive. The study asked questions based on the structure of the customer-based brand equity conceptual framework, including brand awareness, brand association, perceived quality, and brand loyalty, and how they influence deposit-taking SACCOs' performance. Both descriptive and inferential statistics were used to analyze data and presented in the form of frequency distribution tables.

## 5. Results

The study distributed 175 questionnaires, out of which 149 questionnaires were satisfactorily filled and returned. This represented a response rate of 85% which was considered sufficient enough to make conclusions as per the study objectives. A survey response rate of 50% or higher should be considered excellent in most circumstances (Hendra & Hill, 2019). The findings from the study were analyzed using descriptive statistics; frequencies, means and standard deviations for the independent and dependent variables were computed from the respondents' responses. The purpose of means and standard deviations was to provide a general picture of how the respondents perceived customer-based brand equity and deposit-taking SACCOs' performance.

Responses	SD%	D%	UD%	A%	SA%	MEAN	SD
My deposit-taking Sacco has the goodwill of the majority of customers	0.0	.1	11.4	30.9	57.0	4.44	.720
My deposit-taking Sacco has customer loyalty programs that are long term	0.0	2.0	20.8	29.5	45.6	4.19	.857
My deposit-taking Sacco is committed to maintaining sustainable relationships by adopting technology in the systems	0.0	6.7	24.2	31.5	37.6	4.00	.944
There is always repeat purchase from customers	0.0	0.7	28.2	27.5	43.6	4.14	.854
The customers are so attached to the SACCOs products	0.0	2.7	26.8	52.3	18.1	3.86	.735

*Table 1: Brand Loyalty and Performance of Deposit-Taking SACCOs*

Responses	SD%	D%	UD%	A%	SA%	MEAN	SD
SACCO markets its products through websites and social media platforms such as Twitter and Facebook	2.7	10.7	10.1	41.6	34.9	3.95	1.061
The customers can recognize this SACCO in comparison with other competing SACCOs in the corporative industry	4.7	20.1	8.1	18.1	49.0	3.87	1.339
Sales promotions are frequently conducted to stimulate demand for their products and buying behaviors	0.0	6.0	20.1	24.8	49.0	4.17	.954
The organization uses sales representatives with knowledge and skills to understand consumer needs	3.4	4.7	26.2	24.8	40.9	3.95	1.080
The SACCO actively participates in or sponsors public relations events, such as sports, to stimulate consumer buying behaviors	0.0	4.7	16.8	41.6	36.9	4.11	.847

*Table 2: Brand Awareness and Performance of Deposit-Taking SACCOs*

Responses	SD%	D%	UD%	A%	SA%	MEAN	SD
Before the choice of that SACCO, customers had heard positive things about it	2.7	24.8	9.4	24.2	38.9	3.72	1.284
Customers could connect to the SACCO values	.7	18.1	21.5	21.5	38.3	3.79	1.160
Customers were offered the services they needed by the SACCO	0.0	20.8	14.1	18.1	46.3	3.90	1.201
Customers were influenced by what was offered by the SACCO	1.3	14.8	22.1	14.8	47.0	3.91	1.185
The thoughts of customers about SACCO were positive	0.0	16.8	18.8	15.4	49.0	3.97	1.165

*Table 3: Brand Associations and Performance of Deposit-Taking SACCOs*

Responses	SD%	D%	UD%	A%	SA%	MEAN	SD
The SACCOs services are reliable	0.0	16.8	10.7	37.6	34.9	3.91	1.061
I offer services to customers accurately	0.0	12.8	15.4	45.0	26.8	3.86	.959
The SACCO is helping and responding to the customers' needs	0.7	13.4	21.5	36.2	28.2	3.78	1.026
I have been able to inspire trust and confidence in my customers	1.3	18.1	18.1	24.8	37.6	3.79	1.170
The SACCO has exceeded the expectation of the customers through service quality	0.7	4.0	12.8	41.6	40.9	4.18	.855

Table 4: Perceived Quality and Performance of Deposit-Taking SACCOs

Responses	SD%	D%	UD%	A%	SA%	MEAN	SD
The number of customers has increased over a time	0.0	0.7	8.7	45.0	45.6	4.36	.669
The SACCO has built its customer base through referrals	0.0	0.7	8.1	43.6	47.7	4.38	.664
There has been an increase in profitability	0.0	0.7	14.1	28.2	57.0	4.42	.754
The organization has managed to retain its existing customers	0.0	0.0	24.2	30.9	45.0	4.21	.808
The market share has increased over the years	0.0	0.7	22.1	26.8	50.3	4.27	.827

Table 5: Performance of Deposit-Taking SACCOs

## 6. Regression Analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson	
1	.862 <sup>a</sup>	.742	.735	.274	2.013	
a. Dependent Variable: Performance of Deposit Taking SACCOs						
b. Predictors: (Constant), Brand loyalty, Brand awareness, Brand association and Perceived Quality						
ANOVA <sup>a</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	31.260	4	7.815	103.739	.000 <sup>b</sup>
	Residual	10.848	144	.075		
	Total	42.108	148			
a. Dependent Variable: Performance of Deposit Taking SACCOs						
b. Predictors: (Constant), Brand loyalty, Brand awareness, Brand association and Perceived Quality						
Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.435	.215		2.026	.045
	Brand Loyalty	.500	.060	.542	8.283	.000
	Brand Awareness	.070	.049	.074	2.217	.002
	Brand Association	.178	.043	.234	4.132	.000
	Perceived Quality	.219	.040	.244	5.473	.000
a. Dependent Variable: Performance of Deposit Taking SACCOs						

Table 6: Model Summary

The model summary of multiple regressions shows that all the four predictors (brand loyalty, brand awareness, brand association and perceived quality) jointly explained 74.2 percent variation in the performance of deposit-taking SACCOs. This showed that considering the four independent study variables, there is a probability of 74.2 percent ( $R^2=0.742$ ) in predicting the performance of deposit-taking SACCOs. The adjusted  $R^2$  for the variables was .735. This implies that when the deposit-taking SACCOs embrace customer-based brand equity, then the performance of deposit-taking SACCOs is likely to improve. Whether the assumption of independent errors is tenable is informed by the Durbin-Watson statistic. Values less than 1 or greater than 3 should raise alarm, but the closer to 2 the value is, the better. The

study gave a value of 2.013. This value is very close to 2 and therefore, the assumption has been met. F-value of 103.739 and a p-value of 0.00 were significant at 5 percent level of confidence, indicating that the overall regression model was significant. Hence, the joint contribution of the independent variables was significant in predicting the performance of deposit-taking SACCOs. Therefore customer-based brand equity significantly influences the performance of deposit-taking SACCOs.

## 7. Conclusions

The study concludes that customer-based brand equity has a significant influence on the performance of deposit-taking SACCOs. Therefore, strengthening the dimensions of the customer-based brand equity would guarantee a competitive position for the deposit-taking SACCOs. However, brand loyalty accounts for a higher magnitude of effects on the performance of deposit-taking SACCOs. Thus, an increase in brand loyalty makes the performance of deposit-taking SACCOs increase. Brand loyalty had the greatest influence on the performance of the deposit-taking SACCOs, with brand awareness having the least magnitude of influence based on the study findings. However, this does not devalue the role of brand association and perceived quality in influencing the performance of deposit-taking SACCOs. Their adoption is equally inevitable if the SACCOs must remain competitive and perform satisfactorily to the stakeholders. This argument is emboldened by the link between these dimensions with both brand equity theory and the theory of reasoned action. Therefore, the study concludes that if the SACCOs must heighten their performance, there is a need for them to effectively bundle all the dimensions of customer-based brand equity through their policy framework.

## 8. Recommendations

In view of the findings of this study and the guidance from the literature review, it is apparent that strengthening the customer-based brand equity in deposit-taking SACCOs is an important ingredient for eliciting the performance of deposit-taking SACCOs. While there are other factors crucial for the performance of deposit-taking SACCOs, the overall variance in a firm's performance is fomented by its customer-based brand equity. From the results, it remains inordinately necessary for deposit-taking SACCOs to analyze their strategic orientations and pay more attention to addressing the customer-based brand equity as brand loyalty, brand awareness, brand association and perceived quality for purposes of increasing their performance.

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