Brand Association and Sales Growth: The Flour Milling Industry Experience

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Abstract: **Branding has developed in the minds of customers a strong and positive perception of a company's products or services. However, most of these businesses struggle to use branding strategy to differentiate themselves from competition and grow sales. The goal of this study is to assess the impact of brand association tactics on the sales growth of flour milling enterprises. The major technique of data collection was administered questionnaire to the sales and marketing employees of the selected flour milling enterprises in Lagos State. The findings indicated that brand connections have a positive and considerable impact on sales growth. The study recommends that brand managers should also ensure that customers' interactions with the brand remain consistent in order to generate sales growth.**

Keywords: **Brand, Branding, Brand Association, Sales Growth, Flour Milling Industry, Nigeria**

I. INTRODUCTION

Companies all across the world have realized how important branding is to their success. Branding has evolved into a powerful tool for marketers to improve their competitive edge and sales growth over competitors. The flour milling business has seen extraordinary upheaval in recent years, which has had an impact on sales growth. This is obvious in the United States of America (USA) flour milling companies, which have seen a downturn in the last five years (Flour Milling Industry in the USA - Market Research Report, 2019). The world price of wheat has fallen by an average 3.0 percent over the last five years, while rising 34.3 percent in 2018. (Lyddon, 2018). In Nigeria, the flour milling business is comprised of a significant number of operators who have been divided according to their installed capacity. There are about nine flour milling companies in Nigeria. However, only three of the nine corporations account for almost 80% of the industry as a whole, resulting in a huge discrepancy between the "major players," "mid-size organizations," and "smaller organizations," which has slowed sales growth (Flour Milling Report, 2018).

Within the various echelons, there is intense and ferocious competition, with sporadic movement.

In contrast, there is a significant gap between the top and lower tier categories, with each distinct player's success dependent on their ability to earn market share. One of the most significant aspects for successful clarity of quality and differentiation among items with certain desirable qualities is branding (Hammond, 2008). As industry players have gone to considerable measures to improve production capacity, the success of each company in the sector is based on its ability to win market share. Rapid product expansion in the flour milling business has increased competitiveness, which has hampered sales growth, forcing enterprises to focus on product branding or risk losing customers (Boman, Musa, Onu & Idris, 2019). According to Djuricin, Janosevic, and Kalicanin (2013), brand management in Nigerian flour milling enterprises is not well positioned to identify when to commence competitive action, react or respond to competition actions, mobilize action, and implement action to accomplish desired sales growth.

According to Aaker (1991), brand management is a marketing technique which is concerned about improvement of brand or product reputation. Branding management strategy has enhanced brand association which plays a major position in achieving brand equity in business markets (Fayrene & Lee, 2011). Kilei, Omwenga and Iravo (2016) averred that the utilization of brand association campaigns will attract consumers' consideration in repetitive service which would increase the sales index of the company. Based on the aforementioned, this paper aims to analyze how brand association strategies can accelerate sales growth.

II. LITERATURE REVIEW

Brands are among the most valuable basis for achieving sales growth for organisations in a competitive marketplace (Djuricin et al., 2013). According to Veljkovic, (2010), fiscal contribution of brands stems from two major groups of factors which is related to growth (attracting new consumers, barriers to competition, extension in the same or in new product categories, easier access to new markets) and profitability (brand loyalty, premium prices, lower price elasticity). Brand management is a marketing technique which focuses on improving the reputation of a brand or product. Branding reveals customers perception about a brand name. Kotler (2006) explained that brands are beyond the names and symbols. However, brands represent consumers' sensitivity and feelings about a product and everything that the product or service means to consumers. Brand association is everything associated in memory with a brand (Aaker, 1991).

According to Keller (2008), brand association is divided into three categories: attitudes, benefits, and qualities. Attributes are the descriptive aspects that constitute a brand, such as what a customer believes a brand is or has, and what is involved in purchasing or consuming it. Benefits are the personal values that customers place on brand attributes, or what they believe the brand can do for them. Brand attitudes are defined as consumers' overall impressions of a brand. Brand equity and brand association are intricately intertwined. Highly effective brand associations can be used to increase brand equity (James, 2005). Brand association can be classified into five categories, according to Hitesh (2019). The first is brand association based on attributes, which defines an attribute as a descriptive feature that characterizes a product or service and promotes distinguishing features about the product or service a company offers. The second category is benefits-based brand association, which discusses the link between brand associations and personal value or positive meaning that customers attach to a product or service. The third category is brand association based on attitudes, which indicates that a brand's attitude is frequently dependent on its overall appraisal by consumers. This type of brand association is typically abstract, and it can be linked to both product qualities and advantages.

The fourth category is brand association via interest, which is a basic criterion for appealing to a customer's intellect or consciousness. Finally, celebrity brand association is the most popular sort of brand connection utilized to advertise items. The image of a celebrity is employed to push products into the minds of customers, resulting in increased sales.

The significance of sales growth cannot be overstated because it indicates that policies are being implemented correctly and effectively. Positive sales growth is a green indicator that things are going well, but negative sales growth is a red warning that it is time to pause and reconsider (Hitesh, 2018).

According to Veljkovic's (2010) research, brand marketers try to launch new methods to develop brand association in order to respond successfully to the ever-changing business environment and increase sales growth. According to Vriens, Chen, and Schomaker (2019), in order to develop brand association in the minds of customers, it is necessary to adjust the value signals in the brand.

The study of Muhammad, Haseeb, and Sadaf (2018) examined the impact of brand association on consumer buying behavior in foot ware industry. The results of the study revealed the existence of positive and significant relationship between the brand association dimensions on the consumer buying behavior.

Gusti et al. (2020) investigated how brand awareness influences purchase intention through the mediation of perceived quality and brand loyalty. According to the study's findings, brand awareness has a favorable and considerable impact on brand loyalty. The study also indicated that when customer awareness of a brand grows, so does the consumer's attitude toward the brand. To add to the discussion, Osoko et al (2020) assessed brand association and affective loyalty in a sample of deposit money banks. According to the study's findings, brand association helps consumers recognize customer preferences and separate brands from their competitors, which improves the company's growth indices.

Bansah et al. (2015) investigated the impact of branding on consumer purchase behavior among Ghana textile fabric users in Ghana's Ho Municipality. The study states that customers are loyal to their favorite brands, and will continually buy even if the price of the brand rises.

Anabila and Awunyo-Vitor (2014) investigated the role of branding in the marketing of pharmaceutical products in Ghana. According to the findings of the study, branding boosts pharmaceutical product sales in Ghana. The study also revealed that customers' perceptions of brand have a substantial impact on their purchasing decisions as well as the growth of pharmaceutical product sales. This study was anchored on Katz's (1960) theory of brand loyalty because the brand associations strategies deployed and used by organizations are unquestionably more important in brand management than industry structure in terms of building competitive capabilities for competitive advantage and corporate performance. The theory also describes how brand association can engender sales growth. Organizations that can effectively exploit their branding strategy and innovations outperform their competitors.

Despite the fact that numerous local and foreign scholars have extensively studied brand management and branding techniques in the manufacturing industry, textile industry, banking and finance industry, and even the food and beverage industry, it was discovered that only few studies reviewed has a bias towards Nigerian flour milling companies, despite their significant contributions to the food and flour-based products supply in Nigeria. The intent of brand management research, like other research on branding, has been to address such fundamental questions as: How do firms increase sales growth? Why do they design products in a particular way? How do branding variables influence sales growth?

III. METHODOLOGY

The descriptive survey research design was utilized to describe the characteristics of the study population. Purposive sampling technique was utilized to select forty sales and marketing department staff of the selected flour milling companies which represents the study's population. Data gathering was achieved through the primary source of data collection using a well-structured, reliable and validated questionnaire. The validity test was carried out using the Kaiser Meyer Olkin test for validity (KMO <1.000) and reliability test were carried out using the Cronbach Alpha analysis (with values > 0.50). The retrieved data were treated and subjected to the test for linearity. The treated data were further analyzed using the inferential statistics (regression

analysis) through the statistical package for science solutions (SPSS).

IV. DATA PRESENTATION ANALYSIS AND FINDINGS

Forty copies of the research instrument were administered to sales and marketing department staff of two selected flour milling industries; Crown Flour Milling Industry and Honeywell Flour Milling Industry. However, thirty-two copies of the questionnaire were retrieved which indicate sixty-four percent response rate.

Restatement of research objective and research question

Research Objective: access the effect of brand association on sales growth

Research Question: what is the relationship between brand association and sales growth of flour milling companies in Lagos State?

Table 1.0: Respondents perception on brand association

Brand Association Items	VH (%)	H (%)	MH (%)	ML (%)	L (%)	VL (%)	Mean	STD Dev
Product association with customers lifestyle	8 / 25.0%	18 / 56.3%	4 / 12.5%	2 / 6.3%	0 / 0%	0 / 0%	5.00	0.803
Quality of product	16 / 50.0%	13 / 40.6%	2 / 6.3%	1 / 3.1%	0 / 0%	0 / 0%	5.38	0.751
Product description are well positioned on the brand	10 / 31.3%	14 / 43.8%	6 / 18.8%	2 / 6.3%	0 / 0%	0 / 0%	5.00	0.880
Product differentiation level	10 / 31.3%	12 / 37.4%	7 / 21.9%	3 / 9.4%	0 / 0%	0 / 0%	4.91	0.963

Source: Field Survey, 2020

Key words: Very High (VH), High (H), Moderately High (MH), Moderately Low (ML), Low (L), Very Low (VL)

Table 1.0 shows results of the descriptive statistics of opinions of respondents on brand association of selected firms. The analysis in the Table reveals that 26 (81.2%) of the respondents agreed that there is an association between their products and customers lifestyle which attracts sales compared to competitors, 29 (90.6%) agreed to high quality of their products which can attract bumper patronage and earn desired sales result, 30 (93.7%) indicated that their product description is well positioned on the brand systems which can also be favorable to the business and still, 29 (90.6%) submitted that their product differentiation level is high. Table 4.5 shows that the average mean of respondents' perception for brand association variable items were ranging from 4.91 to 5.38 with standard deviations ranges from 0.963 to 0.751. The

high value indicates a strong agreement among respondents on the brand association variable items. All of the items had above-average and high mean values larger than 3.50, according to the choice rule. The results show that the surveyed organizations had optimal sales volume and greater profit levels in previous years due to good management of quality products, with the greatest mean value of 5.38 and the lowest standard deviation of 0.751.

Hypothesis: There is no significant effect of brand association on sales growth of selected flour milling companies in Lagos State.

Table 2(a): Regression Model Summary for Brand Association and Sales Growth

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.780[a]	0.608	0.595	2.07998
a. Predictors: (Constant), BA				

Table 2(b): ANOVA

ANOVA[a]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	201.179	1	201.179	46.501	0.000[b]
	Residual	129.790	30	4.326		
	Total	330.969	31			
a. Dependent Variable: Sales Growth						
b. Predictors: (Constant), Brand Association						

Table 2(c): Co-efficient

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.902	2.104		1.854	0.004
	BA	0.742	0.109	0.780	6.819	0.000
a. Dependent Variable: Sales Growth						

Table 2(a) reveals the model summary with values of R, R-Square and Adjusted R Square. The coefficient of correlations (R=0.780) shows a strong and positive correlation exists between brand association and sales growth. The coefficient of determination R^2 value indicates that brand association accounts for 60.8% variation in brand association.

Table 2(b) shows the ANOVA result. The result revealed that overall, the explanatory power of the model was considered statistically significant with the t statistics ratio output (1.854, $p<0.05$). Table 2(c) depicts brand association (β=0.742, $p<0.005$), predicts sales growth.

SG= $3.902+0.742BA+e_i$

Where; SG=Sales Growth, BA=Brand Association

The regression equation shows that if brand association is held constant, sales growth is 0.204, implying that a unit increase in brand association leads to a 0.204 rise in sales growth. The outcomes of this study are consistent with the findings of Gusti et al. (2020), who discovered that brand association had a favorable and significant effect on sales growth. Osoko et al (2020) discovered that brand association enhances the company's growth indices. Adegbuyi et al. (2015) discovered that product branding greatly adds to the enhancement of sales performance in manufacturing enterprises.

The study's conclusions support the findings of Yeboah (2016), who found that product branding has a long-run beneficial influence on sales revenue but has no substantial short-run influence on sales revenue. Brand association favorably improves an organization's sales growth, according to studies by Bansah et al (2015) and Anabila & Awunyo-Vitor (2014). Horsfall and Mac-Kingsley (2018) revealed that brand association had a significant statistical impact on sales growth.

According to Keller (2006), brand associations are crucial since they influence purchasing decisions. This high response rate on the sub variables for measuring brand association indicates that it has a considerable effect on flour miller sales growth in Nigeria. This implies the pivotal point of brand association as a unique business strategy. The finding of this study supported by the forgone discussion from the literature clearly indicates that brand association has effect on sales growth of Flour Millers in Nigeria. Based on the finding and its supporting literature, the study therefore rejects the null hypothesis brand association has no significant effect on sales growth in flour milling companies in Lagos State.

V. CONCLUSION AND RECOMMENDATION

The study concluded that brand association significantly predicts sales growth. A rigorous analysis of the study's data demonstrated that product association with customers' lifestyles, product quality, and product description are well positioned, and product differentiation level strongly predicts sales growth in chosen flour milling sectors. Some injunctions can be obtained from the study's findings for adoption, such as an improvement in the products' association with consumers' lifestyles to enable customers to have an easy relationship with the product. In order to provide the company a competitive advantage over its competitors, it is critical that the sales and marketing departments modernize their branding strategies to meet worldwide standards. Every profit-making company's goal is to make profit and cannot be achievable if there is a persistent decline in sales growth. To this end, flour milling enterprises should be continually seeking out branding tactics, market intelligence, and scientifically or honestly determining their market share position. Their branding plans, actions, and reactions should all be based on a solid understanding of brand management. As a result, they can apply their brand management skills to the industry's branding difficulties. It is also critical that accrediting bodies in Nigeria,

such as The Flour Millers' Association of Nigeria (FMAN), be reinforced in order to become a powerful advocate trade association that can influence government policies that affect the industry's fortunes as well as the society's.

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