Master's degree Dissertation

Brand Reputation in International Marketing
(Case of Mobile Telephone Companies)

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Abstract

This thesis is concerned with measuring the extent to which the market of mobile telephone companies is influenced by their brand reputation in international marketing. The analysis investigates the relative importance of brand reputation in the marketing of products in the mobile telephone industry.

The work comprises a study within the context of a quantitative survey of marketing information analysis. A survey is carried out by administering questionnaires on a sample of mobile telephone users within the ages of 18 and above from an international student environment at Halmstad University. Watching over your brand reputation is rationally the ideal means of benefiting from a company's brand equity management.

The findings provided useful information that may serve mobile telephone companies to strategically position themselves in the competitive international market, thereby improving their overall sales as well as market share. It can equally serve as decision guidelines to brand managers while making meaningful contributions to their companies.

Keywords: Brand Reputation, Mobile Telephones, International Marketing
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SECTION 1

INTRODUCTION

“Reputation, reputation, reputation! O! I have lost my reputation. I have lost the immortal part of my self and what remains is bestial.” William Shakespeare

Companies in today’s global market, where information is made available through advanced technology, and competition is getting even fiercer than before, are forever becoming brand sensitive. Aaker, (1991, 1996), Kapfer, (1997) Melin, (1999) highlight that both companies and consumers are watchful over the brand reputation of what they sell or buy. Brand is more important in today’s marketing compared to traditional marketing (Melin & Urde, 1991). The brand plays a central role in establishing the company’s visibility and position in international markets (Craig and Nijssen, 2001).

With the introduction of “intangible assets” such as knowledge, intellectual properties, brand names and licenses in company’s balance sheets, Companies are attaching more attention on the manner in which their product brands could impact the companies overall profit margin (bottom line). For many businesses the brand name and what it represents is its most important asset on the basis of competitive advantage and of future earnings streams. Aaker, (1991) also points out that customers have a strong and positive association related to the brand. According to Torseten H. Nilson, (1998) customers can mistrust companies’ claims if they fail to ensure a trustful and stable brand reputation, which will be detrimental to their market share and in the end they will be overtaken by other companies’ brand.

Brand reputation is a source of demand and lasting attractiveness, the image of superior quality and added value justifies a premium price. A reputable brand is a strong asset, which benefits from a high degree of loyalty and stability of future sales (kapferer J, 1997, Aperia T, 2004). For those brands with high reputation, the

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1 Companies Act 1985
ultimate goal must be to strengthen their image. Brand reputation is a favourable and publicly estimation of a product or service. Young and Rubican looks at brand reputation as esteem, which measures how well the brand is regarded and respected. Unhealthy bands with low reputation need to focus on fixing image problems (Baldinger and Rubinson, 1996). According to Baldinger and Rubinson, an analysis of reputable brand should be conducted with the combined customer attitude and behaviour in mind, tracking the choice of action according to the brand’s existing customer profile. The competitive brand with reputation is the crucial factor for market share growth.

Actors in the mobile telephone handset industry are also concern with the reputation of their various brands, and how this could affect their market share in international market. We assume that when a company succeed to establish a positive brand reputation in customers’ minds, they will attract more customers and thus increase market share. The foundation of this reputation is the brand itself. According to Melin, (1999) brand can be used as a positioning tool and it can make the company focus on promotion (Hague & Jackson 1994). A strong brand can work as barrier for entry of new competitors as well as barrier for withdrawal of customers (Fraquhar, 1990, Hague & Jackson, 1994).

Haven noted the importance of brand reputation to mobile telephone handset companies, this study provides a ground work to analyse the extent to which consumers use reputation and other product indicators when making purchase decisions.

1.1 Problem discussion

Today, we can observe a strong competition between companies in the mobile telephone industry, each trying to establish its brand reputation (esteem) in the minds of customers. The mobile telephone industry is characterized by mostly global firms. A global firm is a firm that operates in more than one country and capture research and development (R&D), production, logistical, marketing and financial advantages in its costs and reputation that are not available to purely domestic competitors (Hamish Pringle and Majorie Thompson ,1999). The current trend is for these
companies to create unique branded products that can be marketed internationally. According to BrandWeek, (Oct. 31, 1994), the reason behind this strategy is principally the great financial gains that follow the consolidation of marketing costs. Lawrence and Johnson, (2002) argues that by understanding the drivers of customer behaviours and attitudes and building a brand that people trust, is the key to the success of a marketing strategy. In mobile telephone industries brand reputation is becoming crucial for consumers purchasing behaviours. Temporal and Lee, (2001) argue that powerful brands are the ones that are build on reputation and this will not change, but only get more important in the future. Furthermore, they articulate that reputation is one of the key deciding factors that determine why consumers favour particular brands over others. Upshaw, (1995) agrees and claims that branding is the art of trust creation and therefore it is imperative for companies to build a reputable identity in order to maintain trust with their consumers.

Due to technological advancements in the production of mobile phones, complete product differentiation is difficult to be observed. Most mobile handsets are aimed at rendering the same services to the customers, such as making calls, music, camera etc. Paul H, and John M, (1997) explain that, the power of reputation for a brand is strongest when the competitive products all look alike, for example, a successful new product should always offer users a significant point of difference. What actually makes a distinction between them is the brand style which every company want to induce in consumers mind through promotion. Companies today employ managers with special focus on brand management and advertisement. Looking at the international nature of mobile telephone companies and their markets, the companies’ already established brand name has got a major role to play in the marketing of their products. Based on the product life cycle of mobile telephones, companies products easily get obsolete therefore continue positive sales in the international market will certainly depend on the innovativeness of the product but also on the companies brand reputation.

1.2 Research Question: Haven thrown some light on the nature of mobile telephone products in today’s international market, the question we are posing is: To what extent do mobile telephone company’s brand reputations influence the marketing of its products in international markets?
The purpose of the study is to measure why and how brand reputation influence mobile telephone Company’s market internationally. Reputation is looked at as a favourable and publicly recognized name standing for merit, achievement, and reliability. According to Paul, H. and John, M. (1997) reputation is the estimation of the consistency over time of an attribute of an entity. This estimation is based on the entity's willingness and ability to perform an activity repeatedly in a similar fashion. An attribute is some specific part of the entity - price, quality, marketing skills. Other literatures sources also regard reputation as the estimation in which a person or thing is held especially by the community or the public in general. Evidently, brand reputation can be looked upon as a favourable and publicly recognised estimation of a product or a service. The study is not specifically interested in the success of marketing itself, but more on whether brand reputation impacts brand loyalty which forms the bases of brand equity. Acquiring a new mobile phone will require that a person think and re-think on what features, what quality and most particularly what brand to buy. Considering that there are very many brands of mobile handsets available in the market, customers are faced with the problem of making a choice. Our concern is to unveil if the brand reputation of the mobile telephone companies has anything to do with the choice a customer will make.

Haven highlighted the very important role of brand reputation in the marketing of company’s, it is therefore vital for mobile telephone companies to evaluate the degree to which customer perceive the reputation of their brand, and to enable them adopt more revamp marketing strategy based on changing circumstances in international markets. The research can serve contributively as working tips to brand managers, while they try to increase on the value of brand equity in company’s balance sheet. The study is limited at estimating the degrees of sensitiveness of company’s marketing to brand reputation. Though the marketing mix concepts such as Product, price, place and promotion are very important in analysing marketing strategy, the scope of this study is limited on one aspect of brand equity which is brand reputation.

The research structure will comprise of 6 parts. After the introduction above, part 2 will consist of methodology. In the third part we present the necessary theory to support our argument. In part 4 the empirical analysis of the data collected will
present. The final analysis, that connects the theory together and the empirical findings will present in part 5. Then the conclusion and recommendation for further research will make up part 6.
SECTION 2

METHODOLOGY

In this section, the research methodology is presented. In it, the research method is discussed, followed by the research type. The target population and sample will be defined and explained. Thereafter the technique of data collection is presented as well as the credibility of the study.

2.1 Research Method

According to literature, typical research methods will take either an inductive or deductive approach. Neuman W. L, (1997) claims that theory can be classified by the direction of reasoning and that researcher can test the theory from two directions. Either by abstract thinking, where a researcher logically connects the idea in the theory to concrete evidence and then test the ideas against the evidence. This is known as the inductive approach. On the other hand researchers begin with specific observations of empirical evidence and on the basis of the evidence generalize and build towards increasingly abstract ideas. This is considered a deductive approach. According to Neuman, initially the researcher has a topic and a few vague concepts, and as the researcher conduct observation they refine the concept and develop empirical generalization, as well as identify preliminary relationships.

Base on these guidelines, a deductive approach is adopted for this study. The deductive approach is evident in several types of qualitative data analyses, especially when grounded on theory (Strauss & Corbin, 1990). The study will be connecting logically the idea from the theory into concrete evidence. This strategy allows the collection of large amount of data from a population in a highly economical way (Saunders, Lewis and Thornhil, 2003). The method also gives room whereby for the acquisition of data, a questionnaire is used for standardizing the data and allowing an easy comparison (Saunders, Lewis and Thornhil, 2003).
2.1.1 Research Design

Research designs are the procedural framework, within which the research is conducted (Bergqvist R and Esping P, 2003). There is no best approach (Gill and Johnson 1997), but the most effective approach for the resolution of a given problem depend on a large number of variables, among these variables the nature of the research problem itself. The research design and methodology is a compromise between options that are determined by the availability of resources. The research design can either be qualitative or quantitative. According to Dibb, Simkin, Pride and Farrel (1994) qualitative research deals with information that is too difficult or expensive to quantify; subject to opinions and value judgments not amenable to statistical analysis and quantification. In quantitative research, techniques and sample sizes lead to the collection of data which can be statistically analyzed and whose results can be expressed numerically. This data tend to come from survey, sales data or market forces.

Due to the size and the statistical analyses expressed numerically in this study, the quantitative design is found most suitable. This study will be using some aspect of quantitative research design to help decode the information obtained from questionnaire. However we also have used aspects of qualitative judgments from personal observation. Therefore this study has used both quantitative and qualitative methods interchangeably. According to Neuman W.L, (1997) researchers can involve qualitative data when examining quantitative data and vice versa, but it is the research problem that decides if the research will be qualitative or quantitative.

2.2 Types of Research

The nature of the research is determined by the nature of the research question that determines whether the study should be categorized as: Exploratory, Descriptive or Explanatory / Causal. Brannick T and Roch, W, (1997) claim that the research question can be related to:

- Existing practical business problems where the researchers are looking for improvement of a specific area, or;
2.2.1 Exploratory

This type of research is used to answer “what” type of questions and it is undertaken when one is seeking an insight into the general nature of a problem. Here, there is little prior knowledge on which to build, and research hypotheses are either vague or do not exist at all (Yin K, 1994). Exploratory research can be quite informal, relying on secondary research such as reviewing available literature and/or data. The results of exploratory research are not usually useful for decision-making by themselves, but they can provide significant insight into a given situation. Although the results of qualitative research can give some indication as to the "why", "how" and "when" something occurs, it cannot tell us "how often" or "how many". In other words, the results can neither be generalized; they are not representative of the whole population being studied.²

2.2.2 Descriptive

This process embraces a large proportion of business research and is in use when the questions such as “who”, “where and when” need to be answered. Its purpose is to provide an accurate picture of some aspects of the business environment, in this case hypothesis will exist but it may be tentative in nature and the relationship studied will not be causal in nature (Yin K, 1994).

In this study, the research method is descriptive in nature since it provides an accurate picture of an aspect of business environment. Also it is descriptive because we are investigating and thereafter clarify about what is the ideal brand reputation to develop, maintain and sustain prior to experiential knowledge about brands. Before investigating the ideal brand reputation, we have to give a description of the current brand reputation situation in this industry and from there propose some ideal tips and

² http://www.ryerson.ca
interconnectivity model for a suitable brand reputation process for the company’s under study.

2.3 Population and Sample

The choice of the data collection method is crucial to the research process, according to Brannick T and Rock W, (1997) the nature of the research question; the methodology, strategy and the theoretical approach all influence the research choice of data collection. Sources of data collection of a research could be categorized as primary and secondary data. The distinction between these two sources of data is necessary (Chisnall P M, 1997).

2.3.1 Primary Data

Primary data collection methods are devised and controlled by the researcher, individual responses and focus groups whose views are required either in a structured or unstructured manner. This is the best way to collect evidence that can not be observed (Marrian, 1994). This data can be collected through questionnaires or observation. Also the questionnaires could be in varying formats such as, open-ended format, Multiple - Choice response format and Dichotomous response format (Saunders and Thornhill, 2003).

2.3.2 Secondary data

Data that is already collected and not devised or controlled by the researcher, such as company record, government statistics or previous studies are examples of secondary data. This type of data is developed for the purpose other than helping to solve the research question at hand (Yin, 1999). This data must be evaluated on the basis of relevance to the research question. Secondary data can be gathered from data banks, already existing written materials, documents and reports and even on home pages.
2.4 Instrument and technique of data collection

To answer our research question we have used both primary and secondary data. Secondary data was collected from already existing literature such as; books, articles, Journals and internet sources. Since there exist very little literature that directly deals with our research topic, (Brand Reputation) we have very much relied on secondary data base such as ABI/information\(^3\) and Emerald.

The sample of respondents is drawn from the target population at Halmstad University. In this deductive study, a survey strategy is employed to test the degree of influence of brand reputation in mobile telephone handset companies. To obtain the data used in this study, a questionnaire is used for standardizing the data and allowing an easy comparison, (Saunders, Lewis and Thornhil, 2003).

The primary data is gotten from personally administered questionnaire. The questionnaires were given out to a target population of Students at Halmstad University. A total of 1113 questionnaires copies were distributed, and we successfully had 1080 valuable copies for the study, thus making a 96.99% success. During the process of data collection responses were obtained face-to- Face responses. This is deemed relevant because in this type of situations because people are more likely to answer questions and the interviewer can explain the questions if necessary.

2.4.1 Choice of Target Population

The definition and choice of the target population is an important aspect in this study. The collection of element or objects that posses information needed by the researcher and about which influence are to be made (Malhotra ,1990), this population must be precisely determined and should include those individuals, groups, or firm which are suppose to be represent in the study. According to Malhotra, (1999) the definition contains four dimensions; elements, something units, extents and time. The choice of our target population is based on activeness of the chosen population. The students at Halmstad University range between the ages of 18 and 35 and this population is known to be the active and most buoyant population of every nation. The sample is characterised by youth who are engaged in many activities and required a lot of

\(^3\) Business and Related Social Sciences
communication facilities to ease their activities. From observation 99.99% of this population are users of mobile telephone handset. It is therefore seen as the appropriate sample population to consider in this study. Also the research for the target industry is base on the fact that mobile telephones are considered to be necessity, and their importance is more evident in the lives of people. They are also fashionable good and a majority of persons are attracted to it. Above all, the companies are known for their global nature where since their activities consist of productions, research and development, marketing and lot more

2.4.2 Data Analysis

The purpose of data analysis is to describe and explain the inner working of some phenomenon. Theory should be guided by analysis, because some level of theory is embedded in both the process of description and explanation (Brannick and Roche, 1997). According to Neuman W L, (1997) it is best to make theory and concept explicit, because without an analytical interpretation or theory provided by the researcher the readers of the qualitative research may be tempted to use their own everyday taken-for-granted ideas.

Upon collection of the questionnaires from the respondents, the information was processed in a way that will suit a statistical explanation. To do this, questions were given a code as well as the responses. Questions were coded as A1, A2,…An whereas the responses were coded as A1a, A1b,…..A1n e.g. (A4 = which mobile brand do you have? and A4a = Nokia). Through the use of excel and SPSS 14.0, the study came out with descriptive statistical figures expressed in percentage which are used in the empirical analysis. The degrees or extent of responses were weighted in percentage and judgments were made base on that result.

2.5 Validity and Reliability:

To assure readers of the quality of our research, we have done a proper research evaluation. It is imperative that we argue the trustworthiness of the data we have transformed to information after collecting and interpreting them. It is the researcher’s responsibility to prove that the information is not build on preconceived assumptions
(Arbnor and Bjerke, 1997). Reliability and validity are therefore central issues when discussing the credibility of a study.

According to Hair et al, (2003) data validation is the process of determining, to the largest possible extent, if survey, interview or observation were conducted correctly and are free of fraud and bias. In order to improve the reliability of our research, we personality designed and administered a questionnaire to our target sample population. Responses were obtained from both genders, (male and female), and strived at getting over 1000 responses from a total population of 7000 students at Halmstad University, well above 15% of the overall population. This percentage is just a well suited a sample size in this study. Also the questionnaire is administered to an age group 18 years and beyond. Base on observation, over 99.99% of the respondent posses a mobile telephone handset.

Since the research relies on information from respondents, it is important to investigate the validity of the responses. This has been done by carefully explaining every terminology to the respondent to ensure there are no doubts in their responses. The questionnaire was also designed simple as possible, thus motivating respondents who sometimes may be bored if the questions are not explicit enough or even lengthy.

There was also double checked and a comparison between the information collected from the questionnaire as well as the information collected from documents. To ensure the reliability of the research once again, the questionnaire were personally handed to the respondents and responses were awaited on the spot. In this way, respondents could turn to the interviewer directly in case they did not understand a question. In every case, interviewers briefed the respondent on the research objective thus ensuring a valid and reliable response.
SECTION 3

THEORETICAL FRAMEWORK

This section of the study provides a framework to help describe brands reputation. It is comprehensive guides on the general knowledge about the research issue. It also forms the delimitation and the basis of analysis and conclusion (Christense, Andersson, Carlson and Haglund, 1998). The framework reflects the authors’ perception and interpretation of various existing brand theories and concepts. It proposes possible perspectives on brand reputation. It attempts to provide a holistic view by integrating isolated concepts within the field of brands in an embedded structure. Consequently it forms the initial theoretical foundation for analysis, interpretation and reflection.

3.1 Generalities

Every brand represents distinct values, creating a distinct profile in the minds of the customers in respect of what it stands for. In the beverage and soft drink industry for example we can think of Coca-cola standing for “refreshing”, in the cars industry Volvo cars are known to standing for “safety and comfort” where as in the mobile telephone industry one can think of SonyEricsson standing for “Music and entertainment” etc.

One of the key factors to succeed with a brand is to create a strong personality for the company that appeals to the chosen target group. A company must have a meaning in its customers’ lives in order to develop a successful new brand (Barringer and Ireland, 2004). It must create value for its customers, something they are willing to pay for. This meaning creates a bond between the company and its customers. Once a good brand is build, it form the basis of an immeasurable intangible assert for the company.

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4 http://www.brighternaming.com/Power_slogans.html
5 http://www.thecoca-colacompany.com
6 http://www.volvo.com/group/global/en-gb
7 http://www.sonyericsson.com
which is sustainable and difficult to change. Changing the brand can lead to the loss of consumer and in the end the loss of market shares (Keller, 2003).

Amongst other asserts, a company’s name, symbols, and slogans, perceived quality, name awareness, and proprietary resources such as patents, trademarks and channel relationships consist of its intangibles (Kotler, 1996). These assets, which comprise brand equity, are a primary source of competitive advantage and future earnings. The challenges are to identify key assets and skills on which the firm should base its competitive advantage, to build upon and maintain them, and then to use them effectively (Aaker, 1991).

3.2 BRAND

“A brand is a name, term, sign, symbol or design or a combination of them intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors”

(Kotler, 1996 p 283)

A brand is thus a product or service that adds dimension, which differentiates it in some ways from other products or service design to satisfy the same needs. These differences may be symbolic, emotional or intangible-related to what the brand represents (Kotler, 1996).

Brands are very important both for the consumers and the company, according to Kotler and Keller, (2006) brands identify the source or maker of a product and allow consumers- either individuals or organisations to assign responsibility to a particular manufacturer or distributor. Brands also perform valuable functions for the firm. Firstly they simplify product handling or tracing. Brands help to organise inventory and accounting records. A brand also offers the firm legal protection for unique features or aspects of the products. Brands value have been describe as a function of expected price, the expected benefit of the basic product, the expected quality of the augmenting services (Mudambi, 2001). The brand name can be protected through registered trademarks; manufacturing processes can be protected through patents, and packaging can be protected through copyright and designs. This intellectual property rights ensure that the firm can safely invest in the brand and reap the benefits of a
valuable asset (Torsten H. Nilson, 1998). For many businesses the brand name and what it represents is its most important asset—the basis of competitive advantage and of future earnings streams (Aaker, 1991). A product can be copied by a competitor; a brand is unique. A product can be quickly outdated; a successful brand is timeless, especially with strong reputation. Unique brand associations have been established using product attributes names, packages, distribution strategies, and advertising (Aaker, 1991).

3.2.1 Brand content and brand identity

Branding is seen as the exclusive prerogative of the marketing and communications staff. Brands are a direct consequence of the strategy of market segmentation and product differentiation (Upshaw, 1995). As companies seek to better fulfill the expectations of specific customers, they concentrate on providing the latter, consistently and repeatedly, with the ideal combination of attributes-tangible and intangible, functional and hedonistic, visible and invisible-under viable economic conditions for their business. Companies want to stamp their mark on different sectors and set their imprint on their products (Jean Kapferer, 1997).

The content of a brand grows out of the cumulative memory of these acts, provided they are governed by a unifying idea or guidelines. There must be accumulation, which makes brand to explain why its image can vary between generations or be longer (Mitchell, 2002). A brand is the memory of the products that it can act as a long-lasting and stable reference as well as the future of these products. Therefore, a brand is not a static reality. Consumers do not just buy products, they buy branded products. Major brands have a meaning which indicates what they are made of and where they are headed. It is very important for hi-tech goods, because it tells buyers in what direction the brand’s research, innovation and overall efforts are heading (Jean Kapferer, 1997).

The brand identity provides the brand with the direction and purpose. It should help to establish a certain relationship between the brand and the customer by creating a value position involving functional, emotional or self-expressive benefits (Farquhar,
Brands are not just regarded as a product or a service but also as a symbol or a person. A strong symbol can provide a structure to the brand identity and make it more recognizable to people (Aaker, 1996). The manner in which the brand identity and meaning is translated to customers can be demonstrated in a model as presented below.

**Figure 1: Brand Image Model**


( Source: Kapferer, 1997)

In this model there is a transmission of the identity of a supplier’s brand to the customer who creates an image of the brand. The transmission is possible through the signal transmitted from the supplier (sender) to the customer (receiver) and the media, which is a sort of influencer in this process.

### 3.2.2 Brand resonance

Product are mute, the brand is what gives them meaning and purpose, telling us how a product should be read. A brand is both a prism and a magnifying glass through which products can be decoded (Jean kapferer, 1997). Brands can only develop through long time consistency, which is both the source and reflection of its identity.

Brands become credible with strong reputation through persistency and repetition (Aaker & Joachimsthaler, 2000). Over time their programme gradually commits them to the long–term view. By creating satisfaction and loyalty, the programme indeed forces the brand to bind to the market. In return, the market is likely to view the
brand’s pending products favourably from the very start (Jean kapferer,1997). This mutual commitment explains why strong brands, whose products have temporarily declined in popularity, do not necessarily disappear or it could not quit at all. A brand is to be judged over the long term and a deficiency can always occur, but a brand with strong reputation support gives products the chance to recover. Strong brands thus bring about both internal mobilization and external federalization. They create their company’s panache and impetus (kapferer, 1997).

Brandz Marketing Research Consultants Millward Brown and WPP, (2006) have developed the BRANDZ model of brand strength, principally focus on the Brand Dynamic Pyramid. According to this model, brand building involves a sequential series of steps, where each step contingent upon successfully accomplishing the previous steps (Kotler and Keller, 2006). The objective of each step in ascending order, are as follows: Presence: Do I know about it? , Relevance: Does it offer me something? , Performance: Can it deliver? , Advantage: Does it offer something better than others? And Bonding: Nothing else beats it:

According to this model, bonded consumers, that is those at the top level of the pyramid, build strong relationship with the brand and spend more of their category expenditure on the brand than those at the lower level of the pyramid. The models prove that more consumers will however be found at the lower levels. According to the model, the challenge for marketer is to help consumers to move to the top of the pyramid.
This model also views brand building as an ascending, sequential series of steps, from bottom to top. The first step is ensuring identification of the brand with customers and an association of brand in customers’ minds with a specific product class or customer need; the second step- firmly establishing the totality of brand meaning in the minds of customers by strategically linking a host of tangible and intangible brand associations; the third- eliciting the proper customer responses in terms of brand-related judgement as feelings; and the fourth- converting brand response to create an intense active loyalty relationship between customers and the brand. According to this model, enacting the four steps involves establishing six “brand building blocks” with customers.

The model emphasise the duality of brands- the rational rout to brand building is the left-hand side of the pyramid, whereas the emotional rout is the right hand side. The creation of significant brand equity involves reaching the top or pinnacle of the brand pyramid, and will occur only if the right building blocks are put in place.

Explaining the pyramid proper; - **Brand salience** relates to how often and easily the brand is evocated under various purchase and consumption conditions. **Brand**
**performance** relates to how the product or service meets customers’ functional needs. **Brand imagery** deals with the intrinsic property of the product or service, including the way in which the brand attempts to meet customers’ psychological or social needs. **Brand judgement** focus on customers own opinion and evaluation. **Brand feelings** are customers’ emotional responses and reaction with respect to the brand. **Brand Resonance** refers to the nature of the relationship that customers have with the brand and the extent to which customers feel that they are “in sync” with the brand.

### 3.3 BRAND EQUITY

Brand equity is a set of brand assets and liabilities linked to a brand, its name and symbol that add to or subtract from the value provided by a product or service to a firm and/or to that firm’s customers (Aaker, 1991). The development of brand equity can create associations that can drive market positions, persist over long time periods, and be capable of resisting aggressive competitors. It can also involve an initial and on going investment which can be substantial and will not necessarily result in short-term profits (Aaker, 1991).

From the consumers based approach, either an individual or organisation brand equity is viewed through the way customers read, hear, learn, though, and feel about a brand over time. In order words, the power of brand lies in the minds of exiting or potential customers and what they experience directly or indirectly about the brand. Customer-based brand equity can be viewed as the differential effect that brand knowledge has on consumer response to that marketing of the brand (Kotler and Keller, 2006). According to literature, the analysis of brand equity has been expressed in a many valuable models. A good example is the Aaker model developed in 1991.

#### 3.3.1 Brand equity model

Although there is agreement about basic principles, a number of models of brand equity offer some different perspectives. Aaker, (1991) develops a model that shows the five main components for band equity as an important asset of a business brand asset and liability. The assets and liabilities on which brand equity is based will differ
from context to context; Aaker has carefully grouped into five categories: brand loyalty; name awareness; perceived quality; brand associations in addition to perceived quality; and other proprietary brand assets. This can also be presented as in the figure below.

**Figure: 3 Brand Equity model**

![Brand Equity Model](Source: Aaker, 1991)

According to Aaker’s model, a particular important concept for building brand equity is *brand loyalty* – it is the unique set of brand association that represent what the brand stand for and promise to customers. Strong brand equity creates value for both the consumer and the company. Brand awareness is a necessary requirement for beginning the process of building a brand. It comes before efforts to shape attitudes to the product. The core of brand equity is brand loyalty. The other components of brand equity, awareness, perceived quality, associations, all impact on brand loyalty. Aperia,(2004) highlights that the existence of loyal consumers reduces the chances that hostile actions from competitors will be successful.

An interesting concept that is drawn from Aaker’s model is that brand equity is mainly its loyalty, but why will a customer have a strong or weak loyalty to some product’s brand? And which factors will influence customers’ loyalty to one brand?
Young and Rubicam, (2004) have developed a model of brand equity known as a brand asset valuator (BAV)\(^8\); the model provides comparative measures of the brand equity of thousands of brands across hundreds of different categories. This model brings out four main pillars of brand equity, namely: **Differentiation**; - measuring the degree to which a brand is seen as different from others, **Relevance**; - measures the breadth of a brand’s appeal, **Esteem**; - measures how well the brand is regarded and respected and **Knowledge**; - measures how familiar and intimate customers are with the brand. According to the model, differentiation and relevance combined to form the brand strength. These two pillars point to the brand’s future value, rather than just reflecting its past. Esteem and knowledge together create Brand stature, which is more of a “report card” performance. Examining the relationship among these four dimensions, a brand’s “pillar pattern” reveals much about its current and future status.

Aaker also conceptualises brand identity as including a core and an extended identity. Base on studies, Young and Rubicam highlights the aspect of esteem and knowledge. According to literature, reputation could be considered as the esteem in this case, i.e. a measure on how well the brand is regarded and respected.

There is therefore a generic link between brand equity, brand loyalty and brand reputation (esteem). Aaker sees brand loyalty as the hub of brand equity. For a company to attract customers to be loyal to its brand, it will require some distinct qualities which can only be attained from the marketing strategy of the company, translated through its performance. According to the brand asset valuator model, performance is reached from a combination of esteem and knowledge. Brand reputation (esteem) is thus considered as an ingredient of brand loyalty. It can then be assume that brand reputation increases the level of brand loyalty while the brand loyalty increases the general level of brand equity and thus company’s market value. The interaction of a brand with other stakes the company is explained in the model bellow.

\(^8\) Philip Kotler and Kevin Lane Keller (2006) Marketing Management 12 edition pp. 278
3.3.2 Brand Core Model

The brand core model seeks to explain how reputable brand building is moving to a crucial position at the strategic centre of business operations. With the help of this meaningful convergence of company, product and customers, the brand team provides the vision and platform to create new forms of values, and to create and grow the customers (loyal customers) that will drive the business net return forward.

Figure 4: The brand Core Model

The Brand Core Model illustrates how brands have moved from symbols and slogans at the periphery of business to a value-creating activity at the heart of the enterprise. Brand practice belongs at the company core because the brand logic of creating customers shapes the allied fields of marketing, product development and customer development. From this central position, the brand team emerges as a key player in determining how customers are created, and how customers can be grown into new market opportunities. The component does not however take place in isolation. The Brand Core Model illustrates the central importance of the brand team. Through a

Source: 1 va-interactive.com

http://www.va-interactive.com
collaborative process, the brand team brings together company vision, business priorities, platform logic and freewheeling creativity, all focused on creating and growing customers. The role of the team is to guide and augment value innovation through the company, and then through the customer, insuring that resulting customer growth can return new forms of value back to the business. The Brand Core Model illustrates how innovation and value are co-created by groups inside and outside the company, mediated by the brand. The brand provides a collaborative framework for value innovation, cutting across internal divisions and other boundaries, and speeding innovation to market.

A deeper look at the model indicates that brands are at the intersection of the company and product. According to Torsten H. Nilson, (1998) the brand shapes *Marketing* by defining the platforms and programs that will create and grow the customers to grow the business. Brand platforms and programs become the structure for marketing imagination. The inter relationship between these components is the focus of this study for mobile telephone companies.

### 3.4 Competitive advantage of Brands

Brand equity assets provide a competitive advantage that often presents a real barrier to competitors (Aaker, 1991). A strong perceived brand position itself is a competitive advantage and it is not easily overcome. Convincing loyal customers that another brand has achieved quality superior to its brand, will be hard. Company could sufficiently share the advantages from the strong brand reputation by supporting premium pricing to obtain profits.

Brand equity also provides a firm with time (some breathing room) to respond to competitive moves. If a competitor develops a superior product, a loyal customer following the firm’s brand reputation will allow the firm time needed for the product improvements to be matched or neutralized (Aaker, 1991). For example, some newly developed high-tech markets have some customers who are attracted by the most advanced product of the moment; there is little brand loyalty. In contrast, loyal, satisfied customers will not be looking for new products, and thus may not learn of
advancement. Further, they will have little incentive to change even if exposed to the new product. With a high level reliance on its brand, a firm can allow itself the luxury of pursuing a less risky follower strategy (Stewart Pearson, 1996).

3.5 Brand Reputation.

To have become successful and hence profitable, brands must have developed a positive reputation (Herbig, 1997). Brand names can often be repositories for a firm's reputation: high-quality performance on one product can often be transferred to another product via the brand name (Moorthy, 1985). Reputation is a concept very familiar especially in the business world. Examples include whether to believe the product’s claims made by a manufacturer's advertisement or not, or whether to believe delivery dates or claims made by a vendor. Reputation is the estimation of the consistency over time of an attribute of an entity (Herbig, 1997). A reputable brand is a strong asset, which benefits from a high degree of loyalty and thus from stability of future sales. The reputation of the brand is a source of demand and lasting attractiveness, the image of superior quality and added value justifies a premium price. According to Kapferer, (1997) for brands with high reputation, the ultimate goal must be to strengthen their image, or more specifically, to examine which key traits the loyal consumers attribute to the brand (Aperia, 2004). Unhealthy brands with low reputation need to focus on fixing image problems (Baldinger and Rubinson, 1996).

Brand reputation from the company’s perspective, is a long central construct in marketing, it is a measure of the attachment that a customer has affected by this brand. It reflects how likely a customer will be to switch to another brand, especially when that brand makes a change, either in price or in product features (Aaker, 1991)

3.5.1 The influence of brand reputation

The value of a firm's overall reputation is easily seen in its relationship to a firm's revenues: as a firm's reputation increases, so do its sales (Shapiro, 1982). A firm with a good overall reputation owns a valuable asset - "goodwill": brand names, corporate logos and customer loyalty (Herbig, 1997). However, a reputation is fragile. It can be
lost easily and once lost it takes much time and effort to restore. The better a company's reputation, the higher its chances are of getting a favourable first hearing for a new product and of getting early adoption of that product. A good reputation allows a company to easily attract customers. Companies develop reputations for selling high-quality products and command premium prices for selling high-quality products. The promised quality of a good must be delivered in order to build and maintain a reputation. This cost of establishing a reputation is an investment the firm recoups through charging or receiving a premium (Herbig, 1997). Reputation is one of the primary contributors to perceived quality (Sternthal et al., 1978). This premium is the rent on its reputation so as to repay the cost of building and maintaining a reputation. Having a good reputation also insures high-quality firms will be larger and have more customers since fewer customers will depart from high quality firms in the long run and more will arrive because of word-of-mouth activity from other customers (Rogerson, 1983). Reputation causes quite different behaviours from what would otherwise occur in its absence. If a firm were to establish a believable reputation as a tough competitor, this could lead potential entrants to anticipate that the incumbent firm will behave aggressively if they were to enter the industry. The threat of predation will be effective in preventing entry only if entrants find the threat credible. A firm, therefore, can profit greatly by maintaining or acquiring a reputation for toughness (Scherer, 1980).

People will often buy a reputable brand because they are comfortable with the reputation, or there may be an assumption that a brand that is familiar is probably reliable in business to stay and of reasonable quality. A reputable or recognized brand will thus often be selected over an unknown brand (Aaker, 2000). The brand reputation is particularly important in contexts in which the brand must first enter the consideration of people; it must be one of the brands that are evaluated. An unknown brand usually has little chance. According to Aaker, (1991) brand reputation is an ability that the firm makes a potential buyer to identify or recall of a brand as a member of a certain product category.
3.5.2 The degrees of brand reputation

Brand reputation involves a continuum ranging from an uncertain feeling that the brand is recognized on the market, to a belief that it is the number one in the product class by customer (Aaker, 1991). This continuum can be represented by different degrees of brand reputation known on the market. The brand reputation can be good or bad, strong or weak. It crystallizes how people feel about that reputation based on whatever information they have about the brand. Some companies have not built any brand at all. We can say “unknown brand”, in this case the consumer does not know the brand and therefore no reputation exist, and this does not affect consumer buying behaviour on the market. From the loyalty perspective, no loyal buyer occurs in this market. The brand name with the lowest reputation plays little role in the purchase decision. No one would take a firm decision on the buying process with this brand. Buyers might be termed as switchers or price buyers.

Another aspect of a brand is “brand recognition”, the consumer recognizes the brand name and the product category to which it belongs, but only when prompted (Aperia, 2004). It is based upon an aided recall help, in which a given product’s class of customers are asked to identify those that they had heard before. That means the company had done a little work about building its brand reputation, but not strong, as the consumers will still know this brand concept when they purchase products in relevant category. However when some suggestions or recommendations of a brand which has been heard before by customer are supplied, the consumer could recognize it easier than other brands (Aaker, 1991). Brand reputation recognition is the basic first step in the communication task; it usually is wasteful to attempt to communicate brand attributes until a name is established with which to associate the attributes.

Recognising a brand is not enough, the meaning of a company’s brand needs to be recalled in customer’s minds in order to affect its buying decision. The brand is a spontaneously known name in the product category, but it is not the number one brand that is mentioned (Aperia, 2004). Company make efforts on building brand reputation, which affects the customer’s buying process. The consumers spontaneously remember the brand and then recognize it at the point and time of purchase. When the consumer has no favourite, his choice will also switch in a range
of other known brands. When the company has not build a strong brand reputation, which is sufficient to let consumers remember its brand in the product category instead of others. Competitors need to overcome the switching costs by offering an inducement to switch or by offering a benefit large enough to compensate (Aaker, 1991). Some brands always appear first in customers minds, “Top of mind” The first brand the consumer spontaneously thinks of in a particular product category (Aperia, 2004). This brand is known to be well ahead of the brands in a person’s mind. A company that have successfully built its strong brand in a particular market with higher reputation to compete with other brands (Aaker, 1991), has its own loyal consumers, who truly like its brand, their preference may be based upon an association such as a symbol, a set of used experiences, or a high perceived quality. However, liking is often a general feeling that can not be closely traced to anything specific; it has a life of its own. People are not always able to identify why they like something (or someone), especially if the relationship has been a long one (Aaker, 1991). Sometimes the existence of a long term relationship can create a powerful affect even in the absence of a friendly symbol or other identifiable contributor to liking (Aaker, 1991). However, the degrees of brand reputation are stylized, they don’t always appear in the pure form and others could be conceptualized. Even when company does succeed to build the top brands reputation, buyers can still switch from them to another.

3.5.3 Brand Reputation and Marketing Strategy

Brand equity has the potential to add value for the firm by generating marginal cash flow in at least half a dozen ways (Aaker, 1991) within the brand-canter of the enterprise, the brand is the core of a value creation process and the hub of a value network, feeding the innovation pipeline within the company, and between the company and its customers. Today, brands produced are action-based. They have moved beyond the symbols, gestures and identities of conventional brand campaigns. They pump value through the company, into the customer, and back again. For most companies brand move from periphery to core, this is a dramatic new role for brands and the brand team. It marks the progress of brands from a communication layer on the periphery of business to a value innovation engine at the core (Aaker, 2004).
In this process, brands are emerging as a strategic business practice. They are no longer a subset of marketing, advertising, design, packaging or communications. Brand strategy can drive the business. Brand practice brings its own vision, platform logic, customer creation process, methodology, tools and resources. “Brands are tools that enable customers to interoperate with the universe (Blackston, 2000).

Marketing strategies have the ability to influence the companies’ way to attract customers (Kotler, 1999). A proper use of the marketing mix elements (Products, Place, Price and Promotion) generally known as 4P, can affect greatly a company’s ability to increase its customer’s frequency and thereby increase market share. With the strong brand reputation, companies can easily enhance programs to attract new customers or recapture old ones. A promotion, for example, which provides an incentive to try a new flavour or new use, will be more effective if the brand is familiar, and if there is no need to combat a consumer sceptical of brand quality (Pringle 1999).

3. 5.4 Brand reputation and brand loyalty

A set of customers with a strong brand loyalty reduces the marketing costs of doing business. It is simply much less costly to retain customers than to get new ones. Because potential new customers usually lack motivation to change from their current brand, of course if the brand is still with high reputation in the market, they will be expensive to conquer. Existing customers, on the contrary, usually are relatively easier to hold if they are not dissatisfied. The familiarity is comfortable and reassuring. It is usually far less costly to keep existing customers happy, to reduce the reasons to change, than to find new ones (Aaker, 1991 and Stewart, 1996). Indeed the stronger the brand reputation, the higher the loyalty from the consumers, loyalty of existing customers represents a substantial entry barrier to competitors. Entering a market in which existing customers are loyal or even satisfied with an established brand, and must be enticed to switch, can require excessive resources. The profit potential for the entrant is thus reduced. As the integrations, the perceived quality, the associations, and the well-known brand name can provide reasons to buy and can affect user’s
satisfaction. Even when they are not pivotal to brand choice, they can reassure, reducing the incentive to try others.

Enhanced brand loyalty is especially important in buying time to respond when competitors innovate and obtain product advantages. Without strong brand reputation, it is quiet easy to lose the potential consumer's loyalty. Note that brand loyalty is both one of the dimension of brand equity and it is affected by brand reputation. The potential influence on loyalty from the other dimensions is significant enough that it is explicitly listed as one of the way that brand equity provides value to the firm (Aaker, 1991).

3.5.5 Achieving and maintaining brand reputation

Reputation achievement is related to the consistency of the outcomes. Consistent mixed signals do eventually establish a reputation. A prior transaction can be either positive or negative, for in either case repeated consistency increases both credibility and reputation (Paul, 1997). For gaining brand name identity and linking it to the product class, both tasks are required for new brand. However, in other contexts, brand is already accomplished, and then the assignment becomes different (Kapferer, 1997). How should brand reputation be maintained, or improved? The best approach will depend upon the context and the following guidelines that are based upon observing brands. Repeated positive transaction; - That Company’s prior transaction of producing and serving quality products develop a reputation. Repeated positive transactions lead to a positive reputation (e.g., quality or on time delivery), while repeated negative transactions lead to a negative reputation (poor quality or tardy deliveries). The quality of items produced in prior periods serves as a signal of quality of the goods that are to be produced in the current period. Once a reputation is established, the firm has ample incentive to maintain that reputation. A firm that fails to follow-through loses its credibility. To regain credibility, it must again pay the high costs of reputation building. It is necessary to create a link between the brand and the product class.
Unique slogan can make a big difference. The link to the slogan might be stronger because it involves a product characteristic that can be visualized. Thus, it can pay to create and establish a slogan with strong links to brand and the product class. As well as a symbol can be closely linked to a brand, and play a major role in creating and maintaining awareness. A symbol involves a visual image which is much easier to learn and to recall than a word or phrase (Wiechmann, 2001).

Further, there are often creative ways to gain brand exposure besides using advertising, other forms such as exhibition and fairs. Reputation is a historical notion based on the sum of the past behaviours. It is prone to change over time and a function of time. A brand reputation establishment is a process. Advertising is well-suited to generating and keep awareness because it allows the message and audience to be tailored to the job at hand and because it is generally an efficient way to gain brand exposures. However, publicity usually plays a role and can sometimes carry the ball. It can be not only much less expensive than media advertising but also effective. People are more often interested in learning about a news story than in reading advertising (Aaker, 1991). The ideal situation occurs when the product is inherently interesting.

However, if the product is not newsworthy, an event, symbol, or other device needs to be created. Advertising writes the history of a brand, retailer or company. Brands have the gift of speech and they can only exist by communicating. Since they are responsible for announcing their products or services, they need to speak up at all times to obtain its reputation (Kapferer, 1997). When communicating, we always end up saying a lot more than we think we do. Any type of communication implicitly says something about the sender, about the recipient we are apparently addressing and the relationship we are trying to build between the two. Whether or not they are managed, planned or wanted, all brands acquire a history, a culture, a personality and a reflection through their cumulative communications.

3.6 International Market for mobile phone industry 2006-2007

Some industries are highly local; others are global. Companies in global industries need to compete on a global basis if they are to achieve economics of scale and keep
up with the latest advances in technology. In the mobile telephone industries the
competition is steep as they all produce almost similar products couple with resent
technological advances for the international market.

To be able to stand the weight of global competition, companies in this industry have
to strive to better position their brands. If a company does an excellent job of
positioning, then it can work out the rest of its marketing planning and differentiation
from its positioning strategy (Torsten H. Nilson, 1998). In this case positioning is
defined as; the act of designing the company’s offering and image to occupy a
distinctive place in the mind of the target market. The goal is to allocate the brand in
the minds of the customers to maximise the potential benefits to the firm. A good
brand positioning helps guide marketing strategy by classifying the brand essence.

Below is a recent table illustrating the positions that some of the major mobile
telephone companies have occupied in the global market.

Table: 1 worldwide mobile phone market share 1st quarter, 2007

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Nokia</td>
<td>91.1</td>
<td>36.15%</td>
<td>36.93%</td>
<td>-0.78%</td>
<td>34.14%</td>
<td>+2.01%</td>
</tr>
<tr>
<td>Motorola</td>
<td>45.4</td>
<td>18.02%</td>
<td>22.89%</td>
<td>-4.87%</td>
<td>20.95%</td>
<td>-2.93%</td>
</tr>
<tr>
<td>Samsung</td>
<td>34.8</td>
<td>13.81%</td>
<td>11.15%</td>
<td>+2.66%</td>
<td>13.18%</td>
<td>+0.63%</td>
</tr>
<tr>
<td>Sony Ericsson</td>
<td>21.8</td>
<td>8.65%</td>
<td>9.06%</td>
<td>-0.41%</td>
<td>5.91%</td>
<td>+2.74%</td>
</tr>
<tr>
<td>LG</td>
<td>15.8</td>
<td>6.27%</td>
<td>5.92%</td>
<td>+0.35%</td>
<td>7.09%</td>
<td>-0.82%</td>
</tr>
<tr>
<td>Others</td>
<td>43.1(estimate)</td>
<td>17.10%</td>
<td>14.04%</td>
<td>+3.06%</td>
<td>18.73%</td>
<td>-1.63%</td>
</tr>
<tr>
<td>Total</td>
<td>252</td>
<td>100%</td>
<td>100%</td>
<td></td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

(Source: www.mobileisgood.com)
Table 2: Worldwide mobile phone market share for the year 2006

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Nokia</td>
<td>348</td>
<td>34.97%</td>
<td>32.70%</td>
<td>+2.27%</td>
</tr>
<tr>
<td>Motorola</td>
<td>217.4</td>
<td>21.85%</td>
<td>18.00%</td>
<td>+3.85%</td>
</tr>
<tr>
<td>Samsung</td>
<td>118</td>
<td>11.86%</td>
<td>12.70%</td>
<td>-0.84%</td>
</tr>
<tr>
<td>Sony Ericsson</td>
<td>74.5</td>
<td>7.49%</td>
<td>6.30%</td>
<td>+1.19%</td>
</tr>
<tr>
<td>LG</td>
<td>66.4</td>
<td>6.67%</td>
<td>6.80%</td>
<td>-0.13%</td>
</tr>
<tr>
<td>Others</td>
<td>170.8(estimate)</td>
<td>17.16%</td>
<td>23.50%</td>
<td>-6.34%</td>
</tr>
<tr>
<td>Total</td>
<td>995.1</td>
<td>100%</td>
<td>100%</td>
<td>19%</td>
</tr>
</tbody>
</table>

(Source: www.mobileisgood.com)

Demand in emerging markets and falling subscription rates in more developed economies helped boost sales. In more mature markets, such as Western Europe and North America, replacement sales were also a significant growth factor. Nokia once again owns more than a third of the mobile phone market, the Finnish company sold approximately 348 million handsets in 2006, or 34.97 per cent of sales worldwide, after a little falling percentage for the last year. Its reach, however, is still below the 34.2 per cent it had a year ago. Now Nokia gains an important psychological boost after a little disappointing start to the year.

Motorola takes the number two spot, with 21.85 per cent of the market, which excels nearly 10 percent of Samsung in 2006, though the competition between those two brands is still "neck and neck". Samsung performed particularly well in North America, where it has increased apparently its market share from last quarter of 2006, as an expanded product range using multiple technologies was a key to its success.

Sony Ericsson and LG came in fourth and fifth, but not much market share, 7.49%, and 6.67% of 2006 respectively.
Overall, mobile phone sales were up 19 per cent from last year, to 167 million units worldwide, which looks especially promising as the third quarter tends to be flat while customers hold off on purchases until Christmas. All geographical regions showed growth over last year except for Japan, where sales dropped 12.8 per cent and vendors are finding it hard to make money due to low margins on 3G phones\textsuperscript{10}. New models and lowered prices drove sales in Western Europe and North America, whereas in emerging Asian markets such as India, China and the Philippines deals on free SIM card replacements as well as reduced prices helped mobile phone makers gain new customers.

\textsuperscript{10} (http://networks.silicon.com/mobile/0,39024665,39126267,00.ht)
SECTION 4

EMPIRICAL FINDINGS

In this section this study presents the empirical findings, values are expressed in percentage and graphically too. A detail explanation is also made as to where and how the data used is obtained as well as its presentation and applicability to the study. The concepts of brand reputation and brands in the field of international marketing are applied. The underlying components such as, brand loyalty, brand usage, degree of satisfaction, brand switching and factors influencing brand choice in the marketing of mobile telephone handsets are described. Unlimited concepts and other background information are presented. The graphs demonstrating the responses are found at the appendix. The aspect discussed in this chapter will be further discussed in the analysis supported by the theory.

Data gathered from the respondents at Halmstad University presents a positive attitude towards brand reputation. An important portion of the sample population acknowledges that brand reputation influences their choice of mobile telephone handsets brands. Thus the data gathered show a positive approve of the research. Out of 1115 questionnaires deployed, 1080 complete responses were obtained representing a 96.86% rate of success. We designed the questionnaires such that it is easy and convenient to respond thereby avoiding respondents from being bored with lengthy and time consuming questions.

4.1 Demographic Information

Gender and age aspects are taken into consideration; the youngest and oldest respondents were 18 and 41 respectively. Out of the total sample population, there were 490 female and 590 male respondents making a balance sample void of gender biasness. A number of mobile handset brands were selected based on their market share. They are used as reference to the overall industry.
Questioning to know the degree of ownership, in order words we wanted to find out how many of the sample population were using a mobile handset, the result reveals that all of the 1080 respondents had a mobile telephone hand sets.

The question; *Which of the following brands do you have?* The respondents had the choice to choose one of the following handset brands and presented in the graph below. They could also state and specify others which are not listed. The result in figure 5 shows the percentage of use of the various brands.

**Figure: 5 Brands Usage**

![Bar chart showing brands usage](image)

**Nokia, 35%**  
**Motorola, 4%**  
**Samsung, 13%**  
**Sony Ericsson, 43%**  
**LG, 2%**  
**Others, 3%**

### 4.2 Loyalty Verification

To investigate the degree of customer loyalty, vis-à-vis their brand choice, and the degree of switching, from one brand to another, the following questions were posed; *“Do you often change your mobile handset?”* and *“How long have you been using your current mobile handset?”* The results indicated that, 87% of the respondents will not change from their current brand. While only 13% changed their mobile handset brand. The length of time taken for customers to change their handsets was decreasing progressively. The highest percentages change their handset within the first year and less and less persons changing in subsequent years. The respondents commented that, the technology in mobile handsets changes very fast and new and new brand types are brought into the market. With most of them being young students, they will switch
positively to new brands with innovative features such as music, storage capacity and camera option. Though this change, and interesting point is that, most of the respondents said they will change their handset but will still maintain their brands, i.e. they will rather change from say; SonyEricsson Z750i to W800i but will not suddenly change from say Nokia too SonyEricsson.

The Figure 6 below indicates the proportion of the sample population that will rather not switch from one company’s brand to another within the mobile telephone industry.

**Figure: 6 Brand Switching**

![Brand Switching Diagram]

The degree of loyalty is also tested by asking respondents, the time they may take to change from one handset brand to another. The time factor as mentioned above shows that most will change their handset brands within the first year. But that the changes can be within the same company’s brand and not between companies.
Figure: 7 Loyalty

![Loyalty Graph]

4.3 Brand Reputation in relation to quality

While asking to find out whether companies' brand reputation will affect customer's choice of mobile telephone handsets, the question "Does brand reputation affect your choice of mobile handset?" was posed. The results indicate that 70% of the respondents said YES they were sensitive to brand. While 30% said NO.

Figure: 8 Sensitiveness

![Sensitiveness Graph]

The degree of sensitivity to brand however varies. To test that, the question; - “To what extent does companies' brand reputation influence your choice” was asked.
Over 56% of the respondents confirmed that brand reputation will affect his choice “Much”. While 26% of the total respondents noted that, they are not “Not really” sensitive to brands reputation. 14% of the respondents claim they were “Very much” sensitive to brand. Barely 5% of the respondents said they were “Not at all” sensitive to companies brand reputation. Some of the respondents noted that, their choice of mobile telephone handsets, is very much dependent on other factors such as price, advertisement and most especially the product features, the product features here were aspects such as colour, gliding or flipping, size, data storage capacity, camera’s mega pixel etc.

The graph below indicates the respondents’ degree of sensitiveness to company’s brand reputation.

**Figure: 9 Degree of Sensitiveness**

<table>
<thead>
<tr>
<th>Degree of Sensitiveness</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Much</td>
<td>14</td>
</tr>
<tr>
<td>Much</td>
<td>56</td>
</tr>
<tr>
<td>Not Really</td>
<td>26</td>
</tr>
<tr>
<td>Not at all</td>
<td>5</td>
</tr>
</tbody>
</table>

4.4 Factors affecting choice

Respondents have admitted that companies brand reputation will affect its choice but that price, advertisement, product features and others affects their choices as well.
According to the respondents, the product features was the number one factor that could affect their choice. 35% of the total population noted that the product features are more important. See graph below.

**Figure: 10  Factors Influencing Choice of Brand**

![Graph showing factors influencing choice of brand]

### 4.5 Quality Versus Companies brand reputation

The research found some interesting judgement about the mobile handset quality and companies brand reputation. 79% of the respondents say that, the quality of the mobile handsets reflects the level of brand reputation of the producing company. 21% however said they don’t think quality was a good judgement of a companies brand reputation. Most of the respondents commented that, it is only when the quality is good that customer can stick to the brand for long and will eventually become a brand loyal customer. The proportion of those who approve of quality versus those who do not is presented graphically as below.
4.6 “Brand reputation ranking”

Respondents were asked to rank the top most company brands of today’s market, namely. The result shows that 34%, 0%, 10%, 51%, 3%, and 2% of the respondents ranked Nokia, Motorola, Samsung, SonyEricsson, LG and Others respectively. According most respondents, SonyEricsson is the number one reputed brand. Why Nokia occupies the second position. Out of the total respondents, none of the respondent had chosen Motorola as a reputed company brand. To be able to support the respondents’ choice of ranking, respondents were asked to select which of the above mentioned mobile handset was their favourite brand. The result reflected exactly the same as the ranking. The ranking position as judges by the respondents is presented graphically as below.
4.7 Degree of satisfaction

43% of the respondents were “very well” satisfied with the mobile handsets they were using. 44% were “well” satisfied, 9% were “Fairly well” and a minimum 3% were not well satisfied.

Some commented that, thy liked the brands they are using even more. And that only when the handset fails to deliver their expected service then will they be thinking of changing. Some respondents noted that, they bought their mobile handsets because of the entertainment aspects such as musical features of the phone, but that they will change once they see another brand that offers this features even better. The graph below shows the respondents degree of satisfaction with the mobile telephone brand they use.
Figure: 13 Degree of Satisfaction
SECTION 5

ANALYSIS

In this section the major theoretical and empirical concepts of brand reputation are applied to the case of mobile telephone handset companies. The main problem of building a reputable brand reputation to influence sells and market share will be approached from a marketing strategic point of view. The purpose is to highlight the very importance of a reputable brand for mobile telephone companies in international marketing.

5.1 Brand Importance in international marketing

According to Barringer and Ireland, (2004) a company must have a meaning in its customers’ lives in order to develop a successful new brand. In the mobile telephone industry where market competition is even fiercer due to rapidly changing innovative technology and customers exigencies, each mobile telephone handset brand manufacture tries to build its own mobile brand which represents distinct values, creating a distinct profile in the minds of the customers in respect to what it stands for. Nokia, the world’s number one mobile phone manufacture, has been known for “user-friendly” phones with high technology and durability, SonyErisson has adopted “music and entertainment” as principal brand concept in this industry’s category; on the other hand, Motorola and Samsung have been gaining grounds with lower-price, “entry level phones”, which is famous for its design. Each company therefore pursue its image identity so as to create special values that are typical of their products. Thereby they impose its brand value in consumer’s minds.

These values are what the companies will refer to as brand Equity, or brand equity assets. According to Aaker’s equity model, the asserts and liabilities on which brand equity is based will differ from context to context, This model has bridged the brand loyalty as the core of brand equity in which aspects such awareness, perceived quality, brand associations and others all groomed to build the values of a company’s equity which is translated to be represented by customers loyalty.
Base on the findings, customers nowadays are much tilted at purchasing branded products. A clear example is seen in the purchasing habits of teenagers and young adults who will only go in for the very latest brand such as; mobile telephones, sports shoes, cars, food etc. This trend is continuous and will be even stronger in our latter young generations, a clear indication of the increasing importance of brands.

5.1.1 Identifying brand loyal customers

Brands are built by creating a strong brand personality, or a set of brand values, and positioning the brand by creating a favourable perception in the minds of the target audience (Temporal and Lee, 2001). Succeeding to attract a more brand loyal customers is the best means of adding value to companies brand equity thus increasing sales and profitability.

According to the empirical finding, we pose a question to find out if there exist any customers that are and will remain loyal to a product base on its brand. The question was formulated as; “Do you always change your mobile handset brand?” The responses indicated a strong positive connection of customer’s loyalty to brand. The results indicate that up to 87% of the respondents were not willing to switch to other handset brands. A minimum 13% said they always changed their mobile handset. To further elucidate this point, we wanted to find out how well customers were satisfied with the mobile handset brands they were currently using. We then pose another question, to test the degree of brand satisfaction asking; “how well are you satisfied with your mobile handset brand?” according to the results obtained, 44% of the total sample population said they were well satisfied with the brands they were having and will not want to switch to other brand except for some reasons that were relates to either price or product quality. The results were evident of the fact that there exist brand loyal customers to whom companies had to pay attention.
5.2 Importance of brand reputation

The importance of reputation in determining consumers’ willingness to pay for a good has been recognised in the theoretical literature (Allen, 1984, Klien and Liffler, 1981, Rogerson, 1987, Shapiro, 1983). The concept of reputation depends on a user's initial beliefs and its observation of a firm’s behaviour (Herbig, 1997). Companies can either build a positive or negative reputation. By providing accurate information, quality products, better customer services such as delivering on promise and lot more, a company can enhance its reputation but at the cost of forgoing the immediate gain that could be made by duping users. The company therefore, takes short-term losses to build reputation and secure larger long-term gains. From the company’s perspective, brand reputation is a long central construct in marketing; it is a measure of the attachment that a customer has affected by this brand (Aaker 1991). Brand reputation is build over a long period of time, but once established, it can earn the company long lasting values in its intangible asset. That is increasing the brand equity value in the balance sheet. because style and brand are the two most important purchase decision factors. Sony Ericsson has firmly re-established its dominance as a brand image of technology innovation with 49 percent of users in western europe choosing them due to its features. The advantages of building a positive brand reputation are enormous and are crucial to mobile handset companies in international marketing.

The study investigated the extent to which a company’s brand reputation could influence customers’ choice of mobile telephone handset. To do this, we asked the respondents the following question. “To what extent does a company’s brand reputation influence your choice?” The findings indicate that 56% of the population accepted that brand reputation influences their choice much. Since brand reputation is an aspect of brand, therefore brand is very important ingredients in company’s marketing. We also found out that customers’ choice of mobile handsets is varyingly influenced by the companies brand reputation. To support this statement, we asked customer which factors could influence their choices of mobile handsets most. The respondents were given the option to choose between price, product quality, company’s reputation and other factors that they could specify. An interesting result was obtained where by 30% of the total sample noted that, their choice of mobile

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handsets was determinant of the company’s brand reputation. They however indicated that the product feature was the number one factor that will influence their choice. This factor had 35% approval from the respondents. We consider that, this 30% attributed to brand reputation is quite reasonable to reflect its importance.

This findings further confirm the very importance of a companies brand reputation and the effect it will have on its marketing. Stuart and Smith, (1997) however noted that the size of these reputation effects and their significance relative to the role of current quality has received little attention. Thus there is the need for mobile telephone companies to watch over and improve their brand reputation in international market.

5.2.1 Degrees of brand reputation

The brand reputation can be good or bad, strong or weak. This varying range can be represented by different degree of brand reputation earned by the company from its customers. According to literature, we got to know that Nokia was the world's number one mobile handset manufacturer; its business is based entirely on mobile phones and, despite incredibly strong competition, it remains the most reputable and favourable mobile brand in some international market location such as Asia. Companies have different ways for building brand reputation as well as different degrees of brand reputation in different market. For example, Nokia, whose reputation is based on its high technology and durability in this category, does not maintain the same level of reputation in some regions of the international market. In Asian markets, where the fashion design is much perused, Nokia has a weak competition advantages compared to other mobile handset company’s brands. Consumers, especially the youth, focus more on style and brand of the mobile phone, rather than technical functionality, when making purchase decisions.

In this research, the degree of brand reputation was tested. Respondents were given the option to rank the five top most reputable mobile handset brands in today’s international market. On the list, we mentioned, Nokia, Motorola, Samsung, SonnyEricsson and LG. A scaling technique ranging from 1 to 5 was used. The results
proved that 34%, 0%, 51%, 3%, and 2% score was earned by Nokia, Motorola, SonnyEricsson, Samsung and LG respectively.

Though the Nokia brand is said to be the number one brand in international market, our result indicate a very important aspect that brings out the differences in the level of brands based on geographic location. As indicated above, SonnyEricsson has a 51% approval as a top most repeatable brand. Base on our judgement, we see that the physical distance also has influenced the results. It should be noted that, our findings were conducted at Halmstad University where a majority of the respondents are Swedish. Another surprising result was that, out of the 1080 respondents, none of them listed Motorola as a reputable brand. Though Motorola is ranked 2\textsuperscript{nd} in terms of international sales, it has not been able to implant is brand reputation in the minds of many customers especially within our research population. It is another clear indication of the varying degrees of company’s brand reputation in international markets. We could daringly assume that if our target group was replaced by university students in USA or Asia, the research result of favourite mobile brand probably should have been Motorola or Samsung, instead of SonyEricsson. The degree of one brand reputation in the international market is therefore different in varying locations, culture or consumer behaviour variety.

5.2.2 Sensitiveness to brand reputation in international markets.

From the company’s perspective, a firm's current reputation affects other firms' predictions of its current behaviour and their actions. The firm must, therefore, also take into account its own reputation in order to anticipate better its competitors' likely responses (Herbig, 1997). The sensitiveness of brand reputation is not just for companies in relation to companies, but also for companies in relation to their customers (the market). Having a good reputation also insures high-quality firms will be larger and have more customers since fewer customers will depart from high quality firms in the long run and more will arrive because of word-of-mouth activity from other customers (Rogerson, 1983). A reputable or recognized brand will thus often be selected over an unknown brand (Aaker, 2000).
To investigate these points the question asking if brand reputation effected customer’s choice of mobile handsets was posed. According to findings, 70% of the respondents admitted that brand reputation affects their choice. In the results it could be seen that some respondents were using one mobile handset brand whereas their favourite brand was another handset brand. For example, some respondents who owned SonnyEricsson chose Nokia as their favourite brand. This indicates that, one recognised and reputable brand could be selected over an unknown brand. Base on these findings, it could be observed that the SonnyEricsson user might be a potential future customer for the Nokia brand. To deepen the findings on customers sensitiveness to brand reputation, we pose the following question; “To what extend does a company’s brand reputation influence your choice?” According to the results obtained, 43%, 44%, 9%, 3% was earned for fairly well, well, not really and not at all respectively, this was a clear indication of the extent to which customers could be sensitive to brand reputation. The choice of very much and much amounted to 87% of the overall.

5.3 Brand reputation and international marketing strategy

Changes in consumer tastes and preference, the emergence of new competitive or new technology or any new development in the marketing environment could potentially affect the fortunes of a brand (Kotler and Keller, 2006). During these findings, an open question was posed to respondents asking them what they liked most about the mobile handsets they were having. Interestingly the responses were much and varied a lot. Some had specific preference to features such as, colour, music, ring tones, size, and ease to manipulation etc. This is an indication of how complex it is for companies to satisfy customers and to build the brand reputation they want. With the strong brand reputation, companies can easily enhance programs to attract new customers or recapture old ones (Pringle, 1999). A promotion, which provides an incentive to try a new flavour or new use, will be more effective if the brand is familiar (Aaker, 1991).

Company’s today require a proper interplay of the marketing mix factors to achieve the results they are targeting, according to Kotler and Keller,(2006) every brand contact delivers an impression that can strengthen or weaken a customer’s view of the
company. A reputable brand is no exception. But how can a company better match its marketing strategy to build the brand reputation that will attract more customers for their companies in international market, and to gain competitive advantage over its competitors. According to Kotler, (2006) marketing-mix models analyze data from a variety of sources such as company shipment data, price, media and promotion depending on the data, to understand more precisely the effect of specific marketing activities. How will a company’s brand be top-in mind for customers and to receive first consideration when making purchasing decisions? Traditionally, mobile telephone companies on like other companies are focusing on marketing strategies most particularly the marketing mix factors when building brand equity and to increase company’s values through competitive advantage.

This study indicates that, these companies could even obtain a much better brand equity value and increase competitive advantage by constructing a positive reputation for their brands. According to brand literature, brand loyalty is the core of brand equity. It has been observed that a positive reputable brand will attract brand loyal customers, thus it can be assume that brand reputation is the cause of brand loyalty, which will in return increase the over all value of brand equity. This study tries to establish the interrelationships that exist between, brand equity, brand loyalty, brand reputation and the marketing mix factors.

The model below is aimed at demonstrating how these aspects could be interplayed to achieve the brand reputation that will increase company’s value. In order words, the model will be answering the research question by showing the extent to which brand reputation will influence the international marketing of mobile telephone handsets companies.
The model proposed above shows the importance of brand reputation and how it influences the marketing of companies in international market. Through marketing strategy with the aid of marketing mix factors, (product, price, place and promotion) the company can successfully build a positive brand reputation. The building of brand reputation will lead to an increase in brand loyal customers thus building the companies brand loyalty. A company’s brand loyalty is known to be the core of its brand equity therefore; an increase in brand loyalty will lead to a proportionate increase in the companies brand equity. The practical importance of brand reputation could be seen whereby, it affects brand loyalty and also has a direct link with the company’s profitability (value added) translated through competitive advantage. This could also be supported by Aaker’s equity model, where he highlights that a company’s brand equity is a competitive advantage and could result to increase in market share. Brand equity will in return lead to an efficient and effective marketing strategy. This could be achieved through a rational use of resources in areas such as promotion and products (e.g. decrease in cost of promotion). The value attained by brand equity through the motivation of brand reputation and brand loyalty is circulated all over the entire process in a viscous circle. In this model, brand
reputation is the magnifying glass through which the company’s brand is seen from its external environment.

How can a company build its brand reputation through its products? According to literature a company could earn either a positive or negative reputation from its product quality. Customer will be attracted to purchase and to repurchase in the future, if the quality of the brand they had tried or tasted before was of a good quality. A company whose product quality does not impress customers from the first taste will certainly lose its customers to competitors. Customers’ perception of brand reputation is based on a solid foundation of real products or service superiority (Torsten and Nilson, 1998). A quality product is also a long term guarantee of customers’ loyalty. It should be noted that, some companies.

How can a company build its brand reputation through promotion? A promotion that provides incentives to try a new flavour or new use will be more effective if the brand is familiar and there is no need to combat a consumer sceptical of brand reputation (Pringle, 1999). Base on findings, mobile handset customers usually lack motivation to change their current brand; of course if the brand is still with the high reputation in the market it will be expensive to contact because they are not making an effort to locate brand alternatives. Even when mobile phone users are exposed to alternatives they will often need a substantial reason to risk buying and using another brand. From our findings, most respondents testify that; they will maintain the same brand except they are dissatisfied. With this strong brand attachment by customer, companies can save a lot of money on promotion cost. Familiarity is conformable and reassuring, for companies it is easy for them to keep existing customer.

Other factors such as price and place will also have an impact on the companies brand reputation. A reasonable price for example, which is worth its product quality, could help win more customers. Though in some cases, quality is likened to high price, low and affordable prices may facilitate easy market penetration and the product will be known quicker. According to this study, mobile telephone handset customers are not so sensitive to location (place)
CONCLUDING COMMENTS

This study has enabled us to through more light and to extract a good amount of valuable information on the influence of brand reputation in the mobile telephone handset industry in international market. The brand equity value in the balance sheet of mobile telephone handset companies is subject to a number of changes due to the reputation they will earn for their companies brand. Today, this industry is flooded by many different companies all producing almost the same product but differentiated by their companies’ brand name. Changes in the local as well as international market environment, for example technological advancement, customer’s high level of geographical mobility, consumers behaviour and attitude, individual’s needs and product perception posses a vibrant direct impact especially on the marketing of mobile telephone handsets. People are more drifted to consuming those goods they know and can trust. This is an occurrence which certainly will affect the market strategy, especially the marketing mix factors of the companies. All these and lots more have triggered a more competitive atmosphere and a general strive for building the reputation that will keep customers coming back to purchase the same product again and again.

This study explores the potential usefulness of brand reputation to marketing strategic planners of the mobile telephone handset companies, obtainable through a survey for comparative performance studies. This study has enabled us to identify how brand reputation will impact brand loyalty and how brand loyalty will intend impact brand equity to improve company’s market value. By this, we can set targets for less reputed brand to improve performance by identifying which aspects of the marketing mix may be strengthened to further increase a company’s brand reputation.

The finding in this study reveals that, once a brand has succeeded to gain a positive reputation in the minds of customers, it can be denoted as trustworthy. It is also looked upon as having a personality. This perception is seen as powerful signal that
will not only attract new customers but also will increase the number of loyal customers. The higher the number of brand loyal customers a brand reputation will attract, the higher the market value of brand equity will be.

This study has revealed a generic connection that exists between brand reputation, brand loyalty and brand equity. Looking at the traditional marketing, where the marketing- mix factors are the main focus for companies, This study has thrown light on the aspects that will enhance a better interplay of these factors so as to get even more better performance results.

**Recommendation for further research**

In a period of increasing globalisation, competition and lots of other challenges in the business environment, companies are required to be alert on the changes that will come with its intangible asserts. It is worthwhile to investigate the extent to which brand reputation will influence a company’s market share for example and consequently its profit.

A major study on the relationship between brand reputation and international marketing on the one hand, and brand reputation and market share should be carried out, as a first step towards improving companies marketing performance. This study can be considered as a pre-study for an extensive study in these areas.

It will be most interesting to study how the quality of the Marketing- Mix concepts as applied by businesses will be interpreted by their customers in the form of long lasting trustworthy image.
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APPENDIX 1: Questionnaire

Gender: Sex
□ Male
□ Female

Age………………

1. Do you have a mobile telephone hand set?
   □ Yes
   □ No

2. Which of the brands below do you have?
   □ Nokia □ Motorola □ Samsung
   □ SonyEricsson □ LG,
   □ Other (s) please specify…………..

3. Do you often change your mobile handset brand?
   □ Yes □ No

4. How long have you been using your current mobile handset?
   □ 1 □ 2 □ 3 □ 4 □ 5 year(s)

5. How many mobile handset brand types have you had for the past five years?
   □ 1 □ 2 □ 3 □ 4

6. How well are you satisfied with your mobile handset brand?
   □ Very well
   □ Well
   □ Fairly well
   □ Not well

7. Which of the marketing factor influenced your choice most?

   □ Price
   □ Advertisement
   □ Product features
   □ Company’s reputation
   □ Other (s) please specify…………..
8. Brand reputation affects your choice for mobile handset?
☐ Yes ☐ No

9. To what extent does a company’s brand reputation influence your choice?
☐ Very much
☐ Much
☐ Not really
☐ Not at all

10. Does the quality of mobile telephone handsets actually reflect their brand reputation?
☐ Yes or ☐ No

11. Please rank the following brands According to reputation*(1 to 5) I will be most and 5 will be least.
☐ Nokia ☐ Motorola ☐ Samsung
☐ SonyEricsson ☐ LG, 

12) Which of the following is your favourite brand?
☐ Nokia ☐ Motorola ☐ Samsung
☐ Sony Ericsson ☐ LG,
☐ Other(s) please specify…………..

13) What do you like about the mobile handset brand you have?

…………………………………….

Please your comments about the research topic…………………………
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Thanks for your corporation
<table>
<thead>
<tr>
<th>Elements</th>
<th>Code</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>A1</td>
<td>Male                45%  Female 55%</td>
</tr>
<tr>
<td>Age</td>
<td>A2</td>
<td>Min 20              Max 35</td>
</tr>
<tr>
<td>Number of phone owners</td>
<td>A3</td>
<td>Yes                 No</td>
</tr>
<tr>
<td>Brand types</td>
<td>A4</td>
<td>Nokia              35%  Motorola           4%  Samsung      13%  Sonny E  43%  LG 2%  Others 3%</td>
</tr>
<tr>
<td>Switching</td>
<td>A5</td>
<td>Yes                 No</td>
</tr>
<tr>
<td>Loyalty</td>
<td>A6</td>
<td>Yr1                 56%  Yr2            18%  Yr3  15%  Yr4  6%  More  4%</td>
</tr>
<tr>
<td>Degree of satisfaction</td>
<td>A7</td>
<td>V. Well             43%  Well          44%  F. Well 9%  Not Well 3%</td>
</tr>
<tr>
<td>Factors influencing choice</td>
<td>A8</td>
<td>Price               27%  Advert.         8%  Product Feature 35%  Company Reputa 30% ion 4%  others</td>
</tr>
<tr>
<td>Sensitivity to Brand</td>
<td>A9</td>
<td>Yes                 No</td>
</tr>
<tr>
<td>reputation</td>
<td></td>
<td>70%                 30%</td>
</tr>
<tr>
<td>Degree of Sensitivity</td>
<td>A10</td>
<td>Very Much           14%  Much           56%  Not Really 26%  Not at all 5%</td>
</tr>
<tr>
<td>Judging quality to Brand</td>
<td>A11</td>
<td>Yes                 No</td>
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<tr>
<td>Reputation</td>
<td></td>
<td>79%                 21%</td>
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<tr>
<td>Brand Ranking</td>
<td>A12</td>
<td>Nokia              34%  Moto           0%  Sam.    10%  Sonny Ericss. 51%  LG 3%  others 2%</td>
</tr>
</tbody>
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