DETERMINING WHETHER BRANDING OF LOCALLY MANUFACTURED CAR CARE PRODUCTS INCREASES BRAND PREFERENCE: A CASE OF AUTOSHOPS IN NAIROBI

by

Richard Mbalya

A thesis presented to the Faculty of Postgraduate Studies

of

Daystar University
Nairobi, Kenya

In partial fulfillment of the requirements for the degree of

MASTER OF BUSINESS ADMINISTRATION
in Marketing and Strategic Management

May 2010
DETERMINING WHETHER BRANDING OF LOCALLY MANUFACTURED CAR CARE PRODUCTS INCREASES BRAND PREFERENCE: A CASE OF AUTOSHOPS IN NAIROBI

by

Richard Mbalya

In accordance with Daystar University policies, this thesis is accepted in partial fulfillment of requirements for the Master of Business Administration degree.

Date:

_____________________________   ____________________
Dorcas Mwamba, MPhil, MTA, Supervisor

_____________________________   ____________________
Richard Maswili, MBA, Advisor

_____________________________   ____________________
Muturi Wachira, MPhil, CPA (K), CPS, Coordinator, MBA

_____________________________   ____________________
Rebecca Oladipo, PhD, Dean, Faculty of Postgraduate Studies
DETERMINING WHETHER BRANDING OF LOCALLY MANUFACTURED CAR CARE PRODUCTS INCREASES BRAND PREFERENCE: A CASE OF AUTOSHOPS IN NAIROBI

I declare that this thesis is my original work and has not been submitted to any other college or university for academic credit.

Signed: ____________________________  Date: ________________
Richard Mbalya
ACKNOWLEDGEMENTS

Though this document is my work, it would not have been possible without the help and support of few individuals whose assistance made it possible for me to accomplish this goal in time.

Firstly, I thank God for his abundant love and protection. I wish thank to my supervisor Mrs. Dorcas Mwamba and my reader Mr. Richard Maswili for their continued guidance and support in making this document academically compliant. The MBA Coordinator, Mr. Muturi Wachira, deserves high appreciation since he was always available for assistance despite his busy schedules. I am also indebted to Daystar University teaching staff to whom this document is an appreciation of what I have learnt from them. My wife Francisca provided moral support and nourishment. It is through her encouragement that I was able to finish within the planned time.

Last but not least, the following students have made invaluable contribution to the success of this document in one way or another, notably Muema, Maliti, Muimi, Pertet, Arita, Kirenge, Chepengo, Waiganjo, and Josphat.
DEDICATION

To my Son Joseph and my Daughter Daystar who are very important in my life as they remind me of the existence of God through creation.
# TABLE OF CONTENTS

APPROVAL ........................................................................................................................ ii  
DECLARATION ................................................................................................................ iii  
ACKNOWLEDGEMENTS ..................................................................................................... iv  
DEDICATION .................................................................................................................... vi  
LIST OF TABLES .............................................................................................................. ix  
LIST OF FIGURES ............................................................................................................. x  
ABBREVIATION............................................................................................................... xi  
AMA American Marketing Association ....................................................................... xi  
ABSTRACT ....................................................................................................................... xii

CHAPTER ONE ................................................................................................................. 1  
INTRODUCTION AND BACKGROUND TO THE STUDY ........................................... 1  
Introduction ......................................................................................................................... 1  
Historical Development of Auto Shops .............................................................................. 1  
Case of South Africa Auto Shops ....................................................................................... 2  
Branding of the Car Care Products ..................................................................................... 4  
Problem Statement .............................................................................................................. 6  
Purpose of the Study ........................................................................................................... 7  
Objectives of the Study ....................................................................................................... 7  
Research Questions ........................................................................................................... 8  
Rationale of the Study ......................................................................................................... 8  
Significance of the Study ..................................................................................................... 9  
Limitations and Delimitation of the Study ........................................................................... 9  
Scope of the Study ............................................................................................................. 10  
Assumption of the Study .................................................................................................... 10  
Definition of Terms ........................................................................................................... 11  
Summary ........................................................................................................................... 12

CHAPTER TWO .............................................................................................................. 13  
LITERATURE REVIEW ................................................................................................. 13  
Introduction ....................................................................................................................... 13  
Branding ............................................................................................................................ 13  
Benefits of Branding ......................................................................................................... 14  
Types of Brands ................................................................................................................ 17  
Attributes of a Brand Name .............................................................................................. 18  
Role of Communication Mix in Promoting the Product Sale ........................................... 19  
Importance of Product Planning and Development ......................................................... 22  
Principles of Brand Advertising ......................................................................................... 24  
Function of Marketing Communications ......................................................................... 25  
Brand Perception ............................................................................................................. 27  
Attributes of a Brand ........................................................................................................ 28  
Theoretical Orientation ..................................................................................................... 29  
Conceptual Framework ................................................................................................. 30
# LIST OF TABLES

Table 2.1: Comparisons Of The Strengths And Weakness Of Different Communication Mix .......................................................... 26
Table 4.1: Duties of Branding Department ................................................................. 51
Table 4.2: Most Selling Car Care Product ................................................................. 53
Table 4.4: Effects of branding on brand preference ................................................. 59
Table 4.5: Effects of Branding on the Locally Manufactured Car Care Products ....... 60
Table 4.6: Reasons for Market Facilitation ................................................................. 63
Table 4.7: Reasons for Branding Not Facilitating Market Entry ................................. 64
Table 4.8: Reasons for Packaging Improvement of Brand Perception ........................ 65
Table 4.9: Attributes of a Good Product Label .......................................................... 66
Table 4.10: Ways of Contributing To Competitive Advantage .................................... 67
LIST OF FIGURES

Figure 4.1: Gender Representation ................................................................. 44
Figure 4.2: Age Distribution .............................................................................. 44
Figure 4.4: Duration in the company ................................................................. 46
Figure 4.5: Duration in the Industry ................................................................. 47
Figure 4.6: Academic Qualifications ............................................................... 48
Figure 4.7: Number of Departments in the Organization ............................... 49
Figure 4.8: Company has Branding Department ............................................ 50
Figure 4.9: Best selling car care products ...................................................... 54
Figure 4.10: Product Preference ...................................................................... 55
Figure 4.11: Branding Of Locally Manufactured Car Care Products Affects Product Preference ................................................................. 58
Figure 4.12: Branding Facilitation of Market Entry ........................................... 62
ABBREVIATION

AMA American Marketing Association
ABSTRACT

Car care products are products which are engineered to maintain a car into good working condition to bring about longevity and also aesthetic values. Some family of car care products are those products which can be used for body paints, battery systems, dashboard, engine systems and upholstery parts. Car care products need to be well blended with good design, colour, packaging, label, lettering, name, style, and symbol so that the products can be distinguished from the competitors’. This results to product differentiation which builds on brand preference thus sales increase and high profitability for the companies. This study was carried out to determine whether branding of locally manufactured car care products increased brand preference. This study brought out the role of branding of locally manufactured car care products in product preference, brand perception, market entry and in gaining competitive advantage.

The research adopted a descriptive research design. Sampling technique adopted was non-random; convenience sampling. Data was collected using questionnaires and interviews done among the auto shops along Kirinyaga Road, Nairobi. These are organizations that deal with both imported and locally manufactured car care products.

One of the key findings of this study was that branding of car care products improve brand perception, brand preference and aid in market entry. It was also found that branding enable companies gained competitive advantage. One of the key recommendations proposed by this study is that locally manufactured car care products should be properly branded. This would enable the local brands to compete fairly with the imports. This study recommends other area of the study to be done on the effect of advertising on branding.