

**THE IMPACT OF CORPORATE BRAND IDENTITY  
ON PRODUCT PERCEPTIONS:  
A CASE STUDY OF SELECTED HEALTH  
INSTITUTIONS IN NAIROBI**

**By: OBONG'O A.O.**

**D61/P/8455/99**

**A Research Project Report submitted in partial fulfillment of the Masters  
of Business Administration Degree, Faculty Of Commerce,  
University Of Nairobi,**

**June 2003.**

# DECLARATION

This research project is my original work and has not been submitted for a degree at the University of Nairobi or any other University.

Signed  .....

Date 6<sup>th</sup> November 2003

Alvis Ochieng Obong'o

This research project has been submitted for examination with my approval as the University Supervisor.

Signed  .....

Date 12<sup>th</sup> November 2003

Dr. Martin Ogutu

Lecturer and Chairman,

Department of Business Administration,

University of Nairobi.

## DEDICATION

This study is dedicated to my wife Christine Akinyi Ochieng and sons Joseph Obong'o, Steve Roy Ochieng and Larry Obong'o who were a true source of inspiration, support and encouragement throughout the course.

This study is also dedicated to my parents Mary Obong'o and the late Chrisantus Joseph Obong'o who were my childhood role models and for their unlimited moral and financial support throughout my education.

# ACKNOWLEDGEMENT

I am deeply indebted to my supervisor Dr, Martin Ogutu for his invaluable and insightful contribution, patience and guidance to the completion of this project. His vast knowledge, experience and uncompromising stand to quality and detail enriched the results of this study.

I am grateful to the members of academic staff, Faculty of Commerce especially all the lecturers who guided me through out the course.

My sincere gratitude goes to my working colleagues at Johnson and Johnson through Phillips Pharmaceuticals namely Steve Mburu, Peter Gaturu, Rukia Nduthu, Susan Riunga, Rose Gitau and Donald Odhiambo for their understanding and encouragement throughout the course.

I am indebted to my sister Jane Obong'o who assisted with typing my work throughout the program, my in-laws Joshua Odero and Duncan Odero and cousin Tom Mbuya Ogik for their invaluable input and support and lastly to my wife and sons for their understanding, care and moral support.

Special regards to my MBA colleagues Antony Osambo, Simon Nguruna and James Kariuki for their encouragement and support.

To all those many others whose names I have not mentioned I am indebted and grateful.

# ABSTRACT

This study sought to investigate the impact of corporate brand identity on product perceptions within the healthcare institutions in Nairobi.

The study was to investigate whether the hospitals actually use the brand identity principles in creating awareness amongst the population and whether through this there is loyalty and perceived recognition of services created amongst the different classes of people. To achieve this, objectives were formulated and tested. Primary data was collected from 35 respondents who filled the questionnaire mainly drawn from the 5 hospitals of study.

Analysis of the data showed that some of hospitals actually embrace and practice brand creation and sustenance through :

1. Hospital "Personality" image perception
2. Staff 'organization wide' image communication
3. Hospital symbolic image.

Some respondents chose hospitals as self- expressive communicators for enabling people to convey messages about themselves.

Hospitals should have marketing departments whose responsibilities would be to create brand identity and ensure that the organization is identified with the brand from top to bottom throughout the organization structure so that to an outsider who has visited the hospital what is seen is a brand having clearly distinguishable characteristics in the employees communicating what they are.

## TABLE OF CONTENTS

Declaration.....	i
Dedication.....	ii
Acknowledgment.....	iii
Abstract.....	iv
Table of contents.....	v
List of Tables and Charts.....	vi
<b>CHAPTER ONE:INTRODUCTION.....</b>	<b>1</b>
1.1Background .....	1
1.2Statement of the problem.....	2
1.3 Objectives of the study.....	3
<b>CHAPTER TWO: LITERATURE REVIEW.....</b>	<b>4</b>
2.1Concepts of a brand.....	4
2.2Brand Associations.....	5
2.3Providing a value proposition.....	13
<b>CHAPTER THREE: RESEARCH METHODOLOGY.....</b>	<b>16</b>
3.1Research Design.....	16
3.1 The Case Study.....	16
3.2 Data Collection Method.....	16
3.3 Data Analysis Method.....	18
<b>CHAPTER FOUR:DATA ANALYSIS AND INTERPRETATION.....</b>	<b>19</b>
4.1 Brand identity and customer relationships.....	19
4.2 Brand Identity And Product Perceptions.....	21
4.3 Factors influencing formation of brand identity.....	23
4.4 Influence of Patient characteristics on brand identity/product perceptions.....	24
<b>CHAPTER FIVE: CONCLUSION.....</b>	<b>26</b>
5.1 Summary discussions and conclusions.....	26

<b>5.2 Limitations of the study.....</b>	<b>28</b>
<b>5.3 Recommendation for future research.....</b>	<b>28</b>
<b>5.4 Recommendation for policy and practice.....</b>	<b>28</b>
<b>References.....</b>	<b>29</b>

## **APPENDICES**

<b>Appendix 1 Letter. ....</b>	<b>31</b>
<b>Appendix 2 Questionnaire.....</b>	<b>32</b>

## List of Tables and Charts

<b>Table Number</b>	<b>Page</b>
3.3.1. Respondent distribution by gender.....	17
3.3.2. Age distribution.....	17
4.1.1 Reasons for visiting the hospital.....	19
4.1.2 Availability of brochures.....	20
4.1.3 Meaning of hospital based on services offered.....	21
4.2.1 Communality variables.....	22
4.2.2 Hospital composite rank index table.....	22
4.3.1 Promptness of service.....	24
4.3.2 General cleanliness of preferred hospital.....	24
4.3.3 Responsive to peoples needs.....	25
4.4.1 Type of car the hospital would be if it were one.....	26
4.4.2 The sort of person –preferred hospital represent.....	26
 <b>Pie Chart Number</b>	
3.3.3 Employment Status.....	18



CHAPTER ONE  
**INTRODUCTION**

**1.1 Background of study**

A person's identity serves to provide direction, purpose and meaning for that person. A brand identity similarly provides direction, purpose, and meaning for the brand. It is central to a brand's strategic vision. The healthcare industry is such that the available institutions are currently aggressively competing for the existing small market. This now forces the institutions to zero in on the needs of the patients with the view to appease would be patients to consider these institutions when the need arises. Marketing concepts are highly practiced in Kenya today and many healthcare institutions have engaged marketing strategists with a view to generating some form of institutional brand identity. Our aim in this study is to keenly have a critical look at whether the brand identity images created influence the consumers/patients as to which institutions to go to for service delivery. Previously we had competition among hospitals but of recent we are seeing new entrants in the form of Health Management Organizations and Doctors forming strategic alliances in terms of offering different services by different Specialists at Day Care Centers(egUpper Hill Medical Centre) thus showing how competition has become complex.

The study will thus try to provide substantial insight into whether the institutions in trying to create customer loyalty are creating an identity that consumers/patients are able to perceive them for in order to increase their competitive edge.

## **1.2 Statement of the problem**

Branding gives products an identity (Kapfeller 2000) and many firms use branding for competitive advantage (Mbau 2000) The idea of a service is difficult for the customer to conceptualize and thus promotion is difficult and the customer perceives risks. In a high contact system a customer can greatly influence the service as he is involved in the process and this characteristic can be used to customize the service and respond more precisely to customer needs (i.e. provide a service suitable for the customer's needs) thereby enabling ease for the customer to relate to the firm. (Chase, 1978, Kotler, 1991, Buss, 1993) This direct customer contact with the service process means that customer satisfaction is linked both to the outcome of the service and the process by which it is produced and delivered. (de Brentani, 1990) A number of researches have been done locally in branding. Kwena (2002) did a study on the impact of branding on consumer choice within domestic sugar brands and showed overwhelming results where branding actually influence choice of brands. Her research was mainly focused on brand equity assets and branding.

The research conclusion of Chaudhary (1993) showed that the airline customers have an indifferent attitude for the promotion techniques used by the airlines and neither do customers pay much attention to these techniques. Customers are not influenced by the promotion techniques in their decision making process and they may not be believing the claims/messages the airlines hope to get across. Hongo (2001) studied an empirical investigation into the practice of brand extensions. The findings showed brand extensions strategies to be widely practiced by many FMCG firms in Kenya. Mbau (2000) studied creation and application of brand equity in the manufacturing industry. Mburu (2001) investigated the impact of perceived quality on choice of soft drinks brands. He found that some firms pursue quality along lines that consumers do not find important.

So far research carried out have focused mainly on brand and its variables (e.g. brand extensions, brand equity) and on perceived quality mutually exclusive of each other. The studies except one are based on tangible items.No study has thus been done where there is a link between brand identity and product perceptions. It is with this in mind that the researcher intends to study on the importance of brand identity among the selected healthcare institutions in Nairobi - a services industry and whether this influences consumer's perceptions on these brands being created.

### **1.3 Objectives of the study**

The objectives of the study are: -

1. To determine whether in the customers perspective the brand identity establishes a relationship between the brand and the customer.
2. To find out whether patients who identify with a brand differ in their perception of a product from those who do not.
3. To identify factors important in influencing the formation of brand identity.
4. To find out whether patient brand identity and product perceptions depend on patient characteristics.

## CHAPTER TWO

# LITERATURE REVIEW

### 2.1 Concepts of a brand

A brand is the face of a business strategy. – Scott Galloway, Prophet Brand Strategy. You cannot win the hearts of customers unless you have a heart yourself – Charlotte Bears, J. Walter Thompson Aaker and Joachimsthaler (2000) argues that a successful brand is an identifiable product, service, person or place augmented in such a way that the buyer or user perceives relevant unique added values which match their needs most closely. Furthermore, it's success results from being able to sustain these added values in the face of competition Brand identity is a unique set of brand associations that the brand strategist aspires to create or maintain. These associations represent what the brand stands for and imply a promise to customers from the organization members.

What do brands do?

If we ask what brands do for customers and consumers, one answer (adopted from Randall, 1993) is that they perform five main functions: Identity: the brand must identify itself clearly and unambiguously; so name, legal protection and design elements are important. Shorthand summary: the identity should act as a summary of all the information the consumer holds about the brand. Memory seems to work by storing packets of information in networks, and the brand should provide access to this network, triggering associations. Security: buying a familiar brand should guarantee to provide the benefits expected. Differentiation: the brand must clearly differentiate itself from it's competitors, show buyers how it is unique. Added value: the brand must offer more than the generic product. All great brands give you these benefits.

Brand identity as noted by Aaker (1996) should help establish a relationship between the brand and the customer by generating a value proposition involving functional, emotional and self-expressive benefits. To help ensure that the brand identity has texture and depth, a firm should consider its brand as:-

1. A product
2. An organization
3. A person
4. A symbol

The perspectives are very different. Their goal is to help the strategist consider different brand elements and patterns that can help clarify, enrich and differentiate an identity. Not every brand identity needs to employ all or even several of the perspectives. For some brands, only one will be viable and appropriate. Each brand should, however, consider all of the perspectives and use those that are helpful in articulating what the brand should stand for in the customers mind.

## **2.2 Brand Associations**

### **The Brand As A Product**

#### **Product related associations**

A brand as noted by Murphy (1990) is a complex thing. Not only is it the actual product, but it is also the unique property of a specific owner and has been developed over time so as to embrace a set of values and attributes (both tangible and intangible) which meaningfully and appropriately differentiate products which are otherwise very similar. Product-related associations are an important part of a brand identity because they are directly linked to brand choice decisions and the use experience.

#### **The Product Scope: Associations with Product Class**

A core element of a brand's identity argues Aaker (1996), is usually its product thrust, which will affect the type of associations that are desirable and feasible.

With what product or products is the brand associated? For Visa it is credit cards, for Compaq it is computers. A strong link to product class means that the brand will be recalled when the product class is cued. A dominant brand (such as Band – Aid in adhesive bandages, Ethicon in endo-surgery, De – Puy in Hip/Knee replacements, kleenex in tissues) will often be the only brand recalled. The goal of linking a brand with a product class is not to gain recall of a product class when the brand is mentioned. Having people respond “rental cars” when Hertz is mentioned is not nearly as important as having Hertz mentioned when rental car is needed. Thus A & W; the venerable root beer brand, extended successfully to cream soda without damaging the ability of A & W to be recalled when root beer was the cue, and Honda is a name that comes to mind when either motorcycles or automobiles are mentioned.

#### Product – Related Attributes

Product related attributes are what determine the nature and level of product performance as sort by consumers. They can further be distinguished according to essential ingredients and optional features, either necessary for a product to work, or allowing for customization and more versatile, personalized usage. They vary by product or service category.(Keller,1998). Attributes directly related to the purchase or use of a product as noted by Aaker (1996) can provide functional benefits sometimes emotional benefits for customers.A product related attribute can create a value proposition by offering something extra (like features or services) or by offering something better. Brands that offer something better include the 7- Eleven chain, which offers more convenience than grocery stores; Virgin Airlines which offers free limousine service with a business class ticket.

## Quality / Value

In terms of qualitative considerations, in general, argues Keller (1998) the more attention that is placed on the meaning of information during encoding, the stronger the resulting associations in memory will be. This, when a consumer actively thinks about and “elaborates” on the significance of product or service information, stronger associations are created in memory. Another key determinant of the strength of a newly formed association will be the content, organization, and strength of existing brand associations in memory. One reason why personal experiences create such strong brand associations is that information about the product is likely to be related to existing knowledge due to its self-relevance.

The quality element according to Aaker (1996) is one product – related attribute important enough to consider separately. Is the brand a Mercedes, a Buick or a Ford. For each competitive arena, perceived quality provides either the price of admission (you need to deliver a minimum level of quality to survive) or the lynchpin of competition (the brand with the highest quality wins). Many brands use quality as a core identity element. Starbucks brand identity is based in large part on its reputation for providing the finest coffee in the world with integrity and consistency. Value is closely related to quality; it enriches the concept by adding the price dimension. Rubbermaid for example, strives to provide value by offering the highest – quality products at reasonable prices.

## Associations with use occasion

Keller (1998) argues that associations of a typical usage situation may be based on the time of day, week, or year. Some brands noted Aaker(1996) successfully attempt to own a particular use or application, forcing competitors to work around this reality. Chlorox bleach has become strongly associated with the whitening of clothing, even though bleach can be used for cleaning and disinfecting a wide variety of things.

Starbucks coffee houses provide a familiar, yet upscale place to relax staffed by friendly employees

#### Association with Users.

User and usage imagery attributes can be formed directly from a consumer's own experiences and contact with brand users or indirectly through the depiction of the target market and usage situation as communicated in brand advertising or by some other source of information (e.g., word-of-mouth) Keller (1998). Another tack according to Aaker (1996) is to position a brand by a type of user. Eddie Bauer, for example, offers contemporary fashions for the person with an outdoor lifestyle. Weight watchers are associated with those who are interested in weight control and nutrition. A strong user type position can imply a value proposition and a brand personality.

#### Link to a Country or Region

One more strategic option according to Aaker (1996) is to associate one's brand with a country or region that will add credibility to it. For example Mercedes' as German, Stolichnaya Vodka as Russian, Champagne means France, Swatch watches as Swiss. In each case, the brand's association with a country or region implies that the brand will provide higher quality, because that country or region has a heritage of making the best within that product class.

#### The Brand As Organization

This perspective focuses on attributes of the organization rather than those of the product or service argues Aaker (1996). The people, culture, values and programs of the company create such organizational attributes as innovation, a drive for quality, and concern for the environment. Organizational attributes are more enduring and more resistant to competitive claims than are product attributes. Organizational attributes can contribute to a value proposition. The end benefit of the brand is to provide a value proposition or customer relationship based on the organization



associations. Credibility to other brands provides a vehicle to clarify and crystallize the organizational culture and values inside the organization. Organizational attributes can contribute to a value proposition. Associations such as customer focus, environmental concern, technological commitment or a local orientation can involve emotional and self-expressive benefits based on admiration, respect, or simple liking. They can also provide credibility for the product claims of sub brands just as the Post – it product from 3M were undoubtedly helped by the 3M reputation for innovation

King (1990) observed: “The company brand will become the main discriminator.” That is consumers’ choice of what they buy will depend less upon an evaluation of the functional benefits to them of a product or service, rather more on their assessment of the people in the company behind it, their skills, attitudes, behavior, design, style, language, greenism, altruism, modes of communication, speed of response and on the whole company culture, in fact. In essence, brand building in the 1990s and beyond will be a lot closer to the marketing of services than to the brand building of the classic brands.

Many brands according to Randall (2000) are company brands that are; the name of the company identifies the brand. It was striking that when the Economist surveyed people in Japan, the United States and Europe, asking about familiarity with and esteem for brands, the list of world brands was; 1. Coca Cola 2. IBM 3. Sony 4. Porsche 5. McDonalds 6. Disney 7. Honda 8. Toyota 9. Seiko 10. BMW 11. V.W 12. Mercedes Benz 13. Kodak 14. Nescafe 15. American Express. All these are company brands.

## Company Image Perception

Loudon and DellaBitta (1979) argue that company image can strongly influence consumers' behavior toward their enterprise and its products. A company's image is the perceptions consumers have of its characteristic as a result of their experiences with it and their knowledge and belief about it. Consumers' patronage of a particular retail store is also significantly influenced by their perception of its image or "personality" Store image may be defined as "the way in which the store is defined in the shoppers mind, partly by its functional qualities and partly an aura of psychological attributes.

## Public Relations

Aaker and Biel (1993) noted that a firm's public relations with its public could also contribute to image. Tylenol, in the long run, won respect for its proactive handling of package tampering. The brand added to its image of integrity. In contrast, Perrier damaged its credibility by vacillating over explanations about how traces of benzene had gotten into the product. AT&T's efforts to face a take-over of NCR paints a more predatory picture of the company than the view most consumers previously held.

## Staff

For service-oriented businesses, the firm's employees are significant channels of image communication. Berry, Bennett, and Brown (1988) noted that the job of the chief marketing person in a company marketing things is to purchase and organize outside service business has the primary task of getting everybody in the firm to do marketing. One consequence is that corporate culture can indirectly play an important role in image development. The Avis "we try harder" theme exemplifies a firm that tried to involve employees to impact perception of Avis.

## Brand As A Symbol

That Brands have symbolic meaning was known to academicians and practitioners over 40 years ago. Quite often, this symbolic meaning was referred to as the brand image (Sengupta,2001). Duesenberry, (1949), while discussing the theory of consumer behaviour put forward the concept of that consumption, as “symbolic behaviour” may be more important to the individual than the functional benefits provided by the brand, a remarkably astute and perceptive view from an economist. Gardner and Levy (1955), writing in the Harvard Business Review, clearly brought out the “social and psychological nature of products” and said that advertising for a brand should be considered in terms of its “symbolic and indirect meanings “as well as its literal communication. The brand name is a complex symbol that represents a variety of ideas and attributes. Addressing a conference of the American Marketing Association, Levy(1959) said something quite remarkable “The pleasure from buying things “ he said, is “ever more playful”. Modern goods are psychological things. The products people buy are “symbolic of personal attributes and goals.” They have personal and social meanings in addition to their functions... A purchase involves an assessment to decide whether the symbolism fits or not. Sengupta (2001) noted that products take on symbolic meaning and we buy them as much of their physical benefits as their symbolic or non-functional ones. This is self-evident when we look at “badge” products, that is, products which we use in public and whose symbolic meaning rubs off on ourselves in the eyes of the beholder. When a teenager buys a pair of jeans he is not only buying denim slacks but a label which he will display to the whole world on his derriere. That label –call it Levi’s, if you will –carries a symbolic meaning for himself, his friends and peers. He ~~is~~ is quite ready to pay and does pay thrice as much for that symbolic meaning than for an identical pair of jeans which has an obscure label or none at all. This symbolic meaning is the brand image. According to de Chernatony and McDonald (1992) the symbolic meaning of strong brands is influenced by the people with whom the consumer interacts. A new member of a social group

may have formed ideas about the symbolic meaning of a brand from advertisements, but if such a person hears contrary views from their friends about the brand, they will be notably influenced by their views. To facilitate understanding of the symbolic meaning of brands, design and visual representations are important in conveying meanings, especially in the service sector where no tangible product is available. Brands as symbols can act as efficient communication devices, enabling people to convey messages about themselves and to facilitate expressive gestures. Sengupta (2001) noted that if a brand has to be used as a communication device it must meet certain criteria. It must be highly visible when being bought or being used. It must be bought by a group of people who have clearly distinguishable characteristics, which in turn facilitates recognition of a particular stereotype. For example The Guardian Newspaper reader has been stereotyped as a well-educated person, possibly working in education or local government. In the newspaper market some readers select different brands as value –expressive devices. They provide a statement about who they are, where they are in life and what sort of person they are. Since brands act as self-expressive devices users prefer brands, which come closest to meeting their own self-image.

## 2.2 Providing A Value Proposition

The bottom line is that unless the role of a brand is simply to support other brands by providing credibility, the brand identity needs to provide a value proposition to the customer. A brand's value proposition according to Aaker (1996) is a statement of the functional, emotional and self-expressive benefits delivered by the brand that provides value to the customer. An effective value proposition should lead to a brand-customer relationship and drive purchase decisions.

### Functional Benefits

This is a benefit based on a product attribute that provides functional utility to the customer. Such a benefit will usually relate directly to the functions performed by the product or service for the customer. For Laser printers, functional benefits might be their speed, resolution, quality, paper capacity, or lack of downtime. Other examples are: Volvo is a safe, durable car because of its weight and design, A BMW car handles well, even on ice, Huggies deliver comfort and fit, so leaks are reduced, Coke provides refreshment and taste, Nordstrom delivers customer service.

Functional benefits, especially those based upon attributes, have direct links to customer decisions and use experiences. If a brand can dominate a key functional benefit, it can dominate a category. Crest, for example, led the toothpaste category for decades with a cavity – reducing claim supported by the endorsement of the American Dental Association. Competitors were thus forced to position their brands along inferior dimensions such as fresh breath and white teeth. The challenge is to select functional benefit that will “ring the bell” with customers and that will support a strong position relative to competitors.

## Emotional Benefits

When the purchase or use of a particular brand gives the customer a positive feeling, that brand is providing an emotional benefit. The strongest brand identities often include emotional benefits. Thus a customer can feel any of the following.

Safe in a Volvo, excited in a BMW, excited while watching MTV, energetic and vibrant when drinking Coke, in control of aging process with Oil of Olay, warm when buying or reading a Hallmark Card, strong and rugged when wearing Levi's jean. Emotional benefits add richness and depth to the experience of owning and using the brand. Without the memories that Sun-Maid raisins evoke, that brand would border on commodity status. The familiar red package, though, links many users to happy days of helping Mom in the Kitchen (or to an idealized childhood, for some who wish that they had such experience) The result can be a different use experience - one with feelings - and a stronger brand. Most functional benefits will have a corresponding feeling or set of feelings.

## Self- Expressive Benefits

Rusell Belk, a prominent consumer behaviour researcher, once wrote, "That we are what we have is perhaps the most basic and powerful fact of consumer behaviour". What Belk meant was that brands and products can become symbols of a person's self-concept. A brand thus can provide a self-expressive benefit by providing a way for a person to communicate his or her self-image.

Of course each person has multiple roles - e.g. a woman may be a wife mother, writer, tennis player, music buff, and hiker. For each role, the person will have a associated self- concept and a need to express that self -concept. The purchase and use of brands is one way to fulfill this need for self - expressions. A person for instance may define himself as any of the following:- Adventurous and daring by owning Rossignol powder skis Hip by buying fashions from the Gap Sophisticated by using Ralph Lauren Perfume Successful and powerful by driving a Lincoln Competent by using Microsoft Office. Nike has a substantial self - expressive benefit associated with its

brand. Nike has a "Just do it" concept tag line. As a Nike user, you express yourself by performing to your capability.

This project should be able to test the brand identity variables. The respondents are expected to bring out variables such as the value proposition based on their feeling about the functional benefit, emotional benefit and self expressive benefit derived from their hospital brands. It would be great to witness an analysis showing the respondents associating with a hospital they perceive to have strong brand identity in terms of organizational attributes. The respondents would also be tested on the hospital brand as a symbol to see whether these hospitals have any symbolic meaning to the respondents.

# CHAPTER THREE

## Research Methodology

### 3.1 Research Design

This study is mainly a descriptive case study.

### 3.2 The Case Study

This is a case study involving five selected hospitals in Nairobi namely The Mater Hospital, The Nairobi Hospital, The Aga Khan Hospital, The Kenyatta National Hospital and The M. P. Shah Hospital. These hospitals have been chosen because they offer comprehensive care and have almost all medical facilities that one would require in-house. They also have specialized care areas (like I.C.U Day Care Centers e.t.c.) These hospitals also have qualified consultants and other healthcare providers readily available. Anybody will find it possible to identify with at least one of these hospitals. The patients visiting these hospitals will be the respondents

### 3.3 Data Collection Method

Data was collected by use of semi-structured questionnaire. The questionnaire was divided into four Parts A, B C and D. Part A deals with general information on the patient respondent. Part B deals with patient product identity (hospital identity). Part C deals with patient perceptions of the product (hospital). Part D on the other hand dwells on the functional emotional and self-expressive benefits as is expressed by the respondents in relating with their preferred hospitals. Data was collected by personal interviews and where possible the questionnaire was self administered by the patient. Patients were served\ treated as they came in sequentially. In certain hospitals they picked numbered tickets for ease of check-in as they came in for treatment. These check-in systems made it easy for the patients to be stratified into groups of tens then by use of convenient sampling patients were chosen for the study.



The number of questionnaires issued and filled was 35 and there were no spoilt or incomplete questionnaires as the researcher guided the respondents as they filled the questionnaires. The response received from the 35 questionnaires can therefore be taken as representative of the population this can be reflected from the distribution of the questionnaires in terms of sex, age bracket and employment status as per the tables and graph below.

Table: 3.3.1 Respondent distribution by gender

<b>Gender</b>	<b>Frequency</b>	<b>Percent</b>
Male	18	51.4
Female	17	48.6
Total	35	100

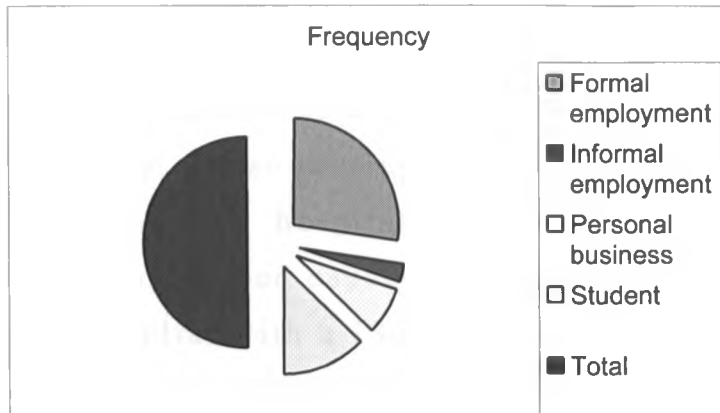
Gender analysis shows that of the total respondents there were 51.4% male respondents and 48.6% female respectively.

Table: 3.3.2 Age Distribution

<b>Age</b>	<b>Frequency</b>	<b>Percent</b>
19-24 years	12	34.3
25-29years	7	20
30-34years	13	37.1
35-39years	3	8.6
Total	35	100

Analysis of age distribution shows that the age bracket 19-24 years and 30-34 years had 34.3% and 37.1% respondents, which is 71.4% of the total respondents the remaining 28.6% respondents being in the age brackets of 25-29 years with 20% and 35-39 years with 8.6%.

### Pie Chart: 3.3.3 Employment Status



As for employment status the pie chart depicts the spread clearly. Those on formal employment top the list with 54.3% followed by students with 25.7% then those with personal business with 14.3% and lastly those in informal sector with 5.7%.

### 3.4 Data Analysis Method

Factor analysis was used to identify factors important in determining brand identity. Mean scores were also used to determine the level of perception and brand identification.

## CHAPTER FOUR

### DATA ANALYSIS AND INTERPRETATION

This chapter presents data analysis and interpretations of the results for this study. These are represented in the order of the objectives of the study. The hospitals that were studied are The Nairobi hospital with 202 bed capacity The Kenyatta National Teaching and Referral Hospital with a 1800 bed capacity, The Mater Hospital with 140 bed capacity and M.P.Shah Hospital with 130 bed capacity. Apart from Kenyatta National Hospital that is a public hospital the rest are privately run hospitals.

#### 4.1 Brand identity and customer relationships

The first objective sought to determine whether in the customers perception brand identity establishes a relationship between the brand and the customer. Data to address this objective was collected on an open-ended question. This data was analyzed using mean scores. The higher the mean score the stronger the reason for visiting the hospital of choice. The results are presented in Table 4.1.1

Table: 4.1.1 Reasons for visiting hospital

Reason	Frequency	Percent
Location	6	17.1
Friendly billing	6	17.1
Warm treatment	16	45.7
Location/billing	1	2.9
Location/treatment	3	8.6
Billing/warm treatment	1	2.9
Friendly billing, location warm treatment	2	5.7
Total	35	100

As the table shows warm treatment is an important component of brand identity that enables customer relationships to build on .As long as a hospital treats its clients warmly, that treatment will always be associated with that brand. On the other hand location and billing do not have any significance in brand identity and customer relationships. Data based on new packages availed to patients in form of brochures while awaiting treatment influences the patients' perception about the brand thus enabling brand identity to establish a relationship between the brand and the customer. Table 4.1.2 has results that show hospitals reinforcing their brand identity.

Table: 4.1.2 Availability of brochures

Available	Frequency	Percent
Yes	23	65.7
No	12	34.3
Total	35	100

Data to gauge whether in the customers perception brand identity establishes a relationship between the brand and the customer was collected and analyzed by use of mean scores. The question was: Does the name of the hospital have any meaning in terms of services? The higher the mean score the stronger the brand identity and customer relationship. The results are presented in Table 4.1.3

Table: 4.1.3 Meaning of hospital based on services offered

Hospital Meaning	Frequency	Percent
Yes	25	71.4
No	10	28.6
Total	35	100

Quite a high number of the respondents i.e. 71.4% agree that their Brand identity creates a relationship with them because the name of their hospital of choice has in it a perceived image of the services they expect.

## 4.2 Brand Identity and Product Perceptions

The second objective of the study sought to find out whether patients who identify with a brand differ in their perception of a product from those who do not. Data to address this objective was collected through a closed-ended question where the respondents were asked to evaluate the image of their best hospital by circling their most favorable score on a 4-point scale where 1= Extremely and 4= Not Scoring for this data was done as follows: 1= extremely high score, 2= very high score, 3= somewhat high score and 4= not a high score The data was extracted by means of extraction method and analyzed by principal component analysis. A very high score means that the factor in question is very important in the perception of a product in a patient who identifies with a brand from those who do not. The results are presented in table 4.2.1

Table: 4.2.1 Communalities factors

<b>Hospital image</b>	<b>Component1</b>	<b>Component2</b>
<b>Best hospital boring</b>	<b>-.656</b>	<b>.490</b>
<b>Confusing image</b>	<b>-.546</b>	<b>.777</b>
<b>Confident and secure</b>	<b>.867</b>	<b>.320</b>
<b>Happy and lively</b>	<b>.848</b>	<b>3.249-E02</b>
<b>Trustworthy image</b>	<b>.852</b>	<b>7.217-E02</b>
<b>Friendly image</b>	<b>.794</b>	<b>.477</b>

As the table shows confident and secure image of hospital had the highest score thus it is the most important component of the brand in the patients who identify with a brand with regard to perception of a product while best hospital boring component scored the least negative meaning that it is the least important component of a brand in the patients' perception of a product.

When patients were asked to rank the hospitals from the best having rank 1 and the least having rank 5 in a 5-point scale the data gotten was analyzed using mean scores. Rank 1 was awarded 5 scores rank2 4scores rank3 3 scores rank4 2 scores while the lowest rank 5 only 1 score

The results are presented in table 4.2.2.

Table: 4.2.2 Hospital Rankings

Hospital	Rank 1	Rank 2	Rank 3	Rank4	Rank 5	Total
Nairobi	85	52	9	0	2	149
Aga Khan	40	76	18	4	0	138
Mater	35	0	39	22	4	100
Kenyatta	15	12	3	6	25	61
M.P.Shah	0	0	36	38	4	78

As the table shows Nairobi Hospital was ranked the best and Kenyatta National Hospital had the least score in rank; this gives a clear picture of how patients who identify with a brand differ in their perception of a product from those who do not. Nairobi Hospital actually is a strong brand inline with previous research findings where brand awareness creates brand presence in the consumers' minds (Aaker 1996)

### 4.3 Factors influencing formation of brand identity

The third objective sought to identify factors important in influencing the formation of brand identity. Data to address this objective was collected on a 5 point scale where 1= very poor and 5= excellent Scoring for this data was done as follows: 5= excellent meaning score 1, score 4= good meaning score 2, 3=fair meaning score 3,2= poor meaning score 4 and lastly 1= very poor meaning score 5. The data was analyzed using mean scores where the higher the score the higher the rating. The results are presented in tables' 4.3.1,4.3.2 and 4.3.3.

Table: 4.3.1 Promptness of service

Punctuality	Frequency	Percent
Excellent	21	60
Good	10	28.6
Fair	4	11.4
Total	35	100

88.6% of the respondents concur that promptness of service is an important factor influencing brand identity formation. There were no scores in poor and very poor categories. General cleanliness of the preferred hospital was another factor identified to influence brand identity formation. The mean scores are tabulated in table 4.3.2

Table: 4.3.2 General cleanliness of the preferred hospital

Cleanliness level	Frequency	Percent
Excellent	21	60
Good	10	28.6
Fair	4	11.4
Total	35	100

As the table shows 21 respondents representing 88.6% of the total respondents agree that general cleanliness of the preferred hospital actually influence the formation of brand identity. When the respondents were asked to give a score on the factor, responsive to peoples needs, data was analyzed using mean scores and the results are presented in table 4.3.3 below

Table: 4.3.3 Responsive to peoples needs

Responsiveness	Frequency	Percent
Excellent	14	40
Good	18	51.4
Fair	2	5.7
Poor	1	2.9
Total	35	100

From the data analyzed 91.4% of the respondents concur that it is a factor important in influencing the formation of brand identity.

#### **4.4 Influence of Patient characteristics on brand identity/ product perceptions**

The fourth objective sought to find out whether patient brand identity and product perceptions depend on patient characteristics. Data to address this objective was collected using closed-ended questions. Analysis was done using mean scores and the results are presented in tables' 4.4.1 and 4.4.2



Table: 4.4.1 Type of car the hospital would be if it were one

Car	Frequency	Percent
Nissan sunny B12	3	8.6
Toyota Rav 4	5	14.3
Mercedes Benz	27	77.1
Total	35	100

From the table we see that 77.1% of the respondents chose their preferred hospital, if it were a car, to be a Mercedes Benz. This to me means that the respondents expect their preferred hospitals to be a symbol of prestige, status, comfort and of high premium.

Table: 4.4.2 The sort of person-preferred hospital represent

Personality	Frequency	Percent
Indifferent	1	2.9
Caring and sensitive	34	97.1
Total	35	100

The results indicate that if the hospital came to life 97.1% would prefer a caring and sensitive person and this presumably is what one would expect from a hospital.

## CHAPTER FIVE

# CONCLUSION

This chapter, the conclusion, covers the following subheadings:  
Summary discussions and conclusions, limitations of the study, recommendations for future research and recommendation for policy and practice

### 5.1 Summary discussions and conclusions

The results of this study are summarized, discussed and conclusions drawn in the order of the objectives.

5.1.1 The first objective sought to determine whether in the customers perception the brand identity establishes a relationship between the brand and the customer. The results indicate that this is the case because the customer will only associate with a brand based on the assessment of the people in the company behind it, their skills attitudes, behaviors, style, language, modes of communication, speed of response, and on the whole company culture according to King (1990). The respondents were able to prefer hospitals that treated them warmly. The other important result seen was based on brochures provided to the customers advertising the hospital services. 65.7% of the respondents acknowledged seeing and accessing information in brochures provided by hospitals. This is in agreement with Aaker and Biel (1993) who noted that firms public relations with its public can also contribute to its image building. From the foregoing discussion the following conclusions may be drawn between brand identity and customer relationship That for service oriented businesses, the firms' employees are significant channels of image communication through which brand identity and customer relationships are sustained.

5.1.2 The second objective sought to find out whether patients who identify with a brand differ in their perception of a product from those who do not. The results indicate that product perception is an important component of brand identity. Hospitals that were able to portray and practice confident and secure image, trustworthy image, happy friendly and lively image received positive response from the respondents when ranking was done as is shown on table 4.2.2 the results were based on hospital images which were an indication of brand identity recognition. This is in line with Loudon and DellaBitta (1979) who argued that a company's image is the perception of its characteristics as a result of their experiences with it and their knowledge and belief about it.

5.1.3 The third objective sought to identify factors that are important in influencing the formation of brand identity. The results indicate that Hospitals that are built on organizational attributes that are persistently sustained and more enduring help in influencing the formation of brand identity. The respondents scored highly on promptness of service, general cleanliness of the preferred hospital and quick responsiveness to peoples needs.

5.1.4 The fourth objective sought to find out whether patient brand identity and product perceptions depend on patient characteristics. The results indicate that, a patient makes a decision to go to a hospital based on the product's personal and social meaning as well as it's function argued Levy (1959). The hospital one chooses is symbolic of the person's attributes and goals. The majority of the respondents chose a Mercedes Benz when asked the type of car they would choose if their preferred hospital were a car. This is very much in line with Sengupta's reasoning. He noted that products take on a symbolic meaning and we buy them as much of their physical benefits as their symbolic or non-functional ones.

## **5.2 Limitations of the study**

The researcher faced a number of limitations:

1. The sample size was small because of time and resource constraints.
2. Some patients based on the seriousness of their illnesses were guided through the questionnaire and this could have influenced their answers.
3. Some casualty managers and staff kept on interrupting the patients while they were answering the questionnaire.

## **5.3 Recommendation for future research**

1. A more comprehensive research should be carried out to include the hospitals' marketing team so that their awareness creation efforts are measured.
2. The research should cover many more hospitals so that a more balanced outcome is gotten based on the size of the hospital and its economic location.
3. A study should be done to investigate the impact of branding to growth of hospitals.
4. Similar study should be done including other respondents other than patients outside the hospitals

## **5.4 Recommendation for policy and practice**

1. Hospitals should strive to create brand awareness through allocation of more resources either to the marketing team or by engaging marketing consultants.
2. Hospitals should continuously retrain their human resource on the need to have a sustained practicing of brand values and attributes that they want patients to see in them organization wide.

## References

- Aaker, D (1996)** Building strong brands, New York: The Free Press.
- Aaker, D and Biel, A (1993)** Brand equity and advertising, New Jersey: Lawrence Erlbaum Associates Publishers.
- Aaker, D and Joachimsthaler, E (2001)** Brand Leadership, New York: The Free Press,
- Beri, G (2000)** Marketing research 3<sup>rd</sup> Edition New Delhi: Tata McGraw-Hill Publishing Limited
- Chaudrey, S (1993)** “Index of customer attitude toward airline marketing” Unpublished MBA Research project, University Of Nairobi, Nairobi, Kenya.
- de Chernatony , L and Mc Donald, M (1992)** Creating Powerful Brands, 2<sup>nd</sup> Edition , Oxford:Butterworth Heinemann, pp 126-133
- Duesenberry, J (1949)** “Income, Savings and the Theory of Consumer Behaviour” Harvard: University Press .
- Gardner, B and Sidney J,** “The Product and the Brand ” Harvard Business Review, March-April 1955.
- Hongo, P (2000)** “An empirical investigation into the practice of brand extensions”: The case of fast moving consumer goods in Kenya. Unpublished MBA Research project, University Of Nairobi, Nairobi, Kenya.
- Keller, K (1998)** Strategic brand management, New Jersey: Prentice Hall Inc.
- King, S (1990)** “Brand Building in the 1990s”, Journal of Marketing Management, 7, pp3-13
- Kwena, F (2002)** “The impact of branding on consumer choice”: The case of new domestic sugar brand. Unpublished MBA Research project, University Of Nairobi, Nairobi, Kenya.

**Levy, S (1959)** “Symbols By Which We Buy” From Advancing Marketing Efficiency,  
American Marketing Association.

**Loudon, D and Della Bitta, A (1979)** Consumer Behaviour Concepts and Applications,  
New York: Mc Graw-Hill

**Maina, P (2001)** “Perceived service quality”: The case of mobile phone services  
Unpublished MBA Research Project, University of Nairobi, Nairobi, Kenya.

**Mbau, E (2000)** “An empirical investigation of creation and application of brand equity  
in Kenya”, Unpublished MBA Project, University of Nairobi, Nairobi, Kenya.

**Mburu, R (2001)** “The impact of perceived quality on brand choice”: The case of soft  
drinks, Unpublished MBA Research Project, University of Nairobi, Nairobi, Kenya.

**Mwaura , A (2002)** “Perceived service quality”-The case of matatu users, Unpublished  
MBA Research Project, University of Nairobi, Nairobi, Kenya.

**Mwender, A (2002)** “Perceived quality of port services”: A case of K.P.A, Unpublished  
MBA Research Project, University of Nairobi, Nairobi, Kenya.

**Murphy, J (1990)** Brand Strategy, New Jersey: Prentice Hall Inc.

**Randall, G (2000)** Branding 2<sup>nd</sup> Edition, London: Kogan Page Ltd.

**Randall, G (1993)** Principals of Marketing, London: Routledge.

**Schiffman, C. and Kanuk,L.(1991)** Consumer behaviour 6<sup>th</sup> edition  
Englewood Cliffs: Prentice Hall Inc.

**Sengupta, S (2001)** Brand positioning- Strategies for competitive advantage, New  
Delhi: Tata Mc Graw Hill Publishers.

**APPENDIX 1: LETTER TO THE RESPONDENT**

A.O. OBONG'O  
P.O.BOX46662  
NAIROBI

Dear respondent,

**RE: COLLECTION OF RESEARCH DATA BY OBONG'O A.O**

The above named Gentleman is a postgraduate student in the Faculty of Commerce, at the University of Nairobi. He is conducting A Case Study for his final year project. For this reason, kindly assist him by giving him a few minutes of your time to fill in the blanks in the attached list of questions to the best of your knowledge as they apply to yourself.

The information you provide will be treated strictly confidential. Your name will not appear in the draft and final copy. A copy of the project can be made available to you on request. Your cooperation will be greatly appreciated.

**Thank you.**

**Yours faithfully,**

**ALVIS OBONG'O.**





5. Do you have a medical scheme cover?

Yes [ ]

No [ ]

6. Is it flexible by allowing you to visit your hospital of choice?

Yes [ ] No [ ] Not applicable [ ]

**PART B**

1. Which hospitals do you normally visit for treatment?

.....  
.....  
.....  
.....

2. Why do you frequent these hospitals?

Location [ ]

Friendly billing [ ]

Warm treatment [ ]

Other reasons

.....  
.....  
.....

3. Of the listed hospitals which is your best choice?

.....

4. Why is it your best choice?

.....  
.....  
.....

5. Was your type of ailment a factor when choosing the hospital to visit?

Yes [ ]

No [ ]

If yes please specify

.....  
.....  
.....

6. Did any group of people influence your choice?

Yes [ ]

No [ ]

If yes, please specify their experiences\explanations

.....  
.....  
.....

7. Does the hospital services match your expectations?

Yes [ ]

No [ ]

Please specify

.....  
.....  
.....

8. Does the name of the hospital have any meaning to you in terms of the services?

Yes [ ]

No [ ]

9. While awaiting treatment has the hospital availed you any newsletters \information to update you on their new packages?

Yes [ ]

No [ ]

PART C

1. Rank the following hospitals in order of how you consider them an ideal Hospital to go to when one is sick : The Mater

hospital, The Aga Khan Hospital, The M. P. Shah hospital, Kenyatta National Hospital and Nairobi hospital.

Begin with the one you would rank as 1 as being the best down to 5 being the last.

Rank 1 .....Hospital  
Rank 2 .....Hospital  
Rank 3 .....Hospital  
Rank 4 .....Hospital  
Rank 5 .....Hospital

Kindly provide a rating for the following

2. Quality of service provided by the Doctor

Excellent [ ] Good [ ] Fair [ ] Poor [ ] Very Poor [ ]

3. Quality of service provided by the Nurses

Excellent [ ] Good [ ] Fair [ ] Poor [ ] Very Poor [ ]

4. Quality of service provided by the Pharmacy Staff

Excellent [ ] Good [ ] Fair [ ] Poor [ ] Very Poor [ ]

5. Quality of service provided by the Laboratory staff

Excellent [ ] Good [ ] Fair [ ] Poor [ ] Very Poor [ ]

6. Kindly evaluate the image of your best hospital by circling the most favourable score

	Extremely	Very	Somewhat	Not
Boring	1	2	3	4
Confusing	1	2	3	4

Confident and secure	1	2	3	4
Happy and Lively	1	2	3	4
Trustworthy	1	2	3	4
Friendly	1	2	3	4

7. Does the name of the hospital have any symbolic meaning to you?

.....  
 .....

PART D

1. Which hospital do you prefer best in Nairobi?

.....

2. If the hospital you prefer were to be a car, what sort of car would the hospital be?

Nissan Sunny B12 [ ] Toyota Rav 4 [ ] Tata [ ]  
 Mercedes Benz [ ]

3. If the hospital came to life, what sort of a person would it be?

Rude and arrogant [ ] Indifferent [ ] Caring and sensitive [ ]  
 Lazy and careless [ ]

4. Please give your rating as a patient in your hospital of choice by marking only one "x" against each item below:

Excellent Of service	Good 5 [ ]	Fair 4 [ ]	Poor 3 [ ]	Very Poor 2 [ ]	Promptness 1 [ ]
-------------------------	---------------	---------------	---------------	--------------------	---------------------

General hospital                    5 [ ]    4 [ ]    3 [ ]    2 [ ]    1 [ ]

]

Cleanliness

Responsiveness            5 [ ]    4 [ ]    3 [ ]    2 [ ]    1 [ ]

to needs

5. On a one-to-five scale, how satisfied are you with your hospital

- |                        |   |
|------------------------|---|
| Extremely dissatisfied | 1 |
| Dissatisfied           | 2 |
| Indifferent            | 3 |
| Satisfied              | 4 |
| Extremely satisfied    | 5 |

Thank you for your cooperation