Evaluation Of The Determinants Of Brand Loyalty Of Selected Milk Products In Abia State, Nigeria

Njoku, Maria-Stella Etomchi (Ph.d)
Michael Okpara University Of Agriculture, Umudike, Nigeria

Onwumere Joseph (Ph.d)
Michael Okpara University Of Agriculture, Umudike, Nigeria

Agodi, Joy Eberechukwu
Michael Okpara University Of Agriculture, Umudike, Nigeria
ABSTRACT

The study analysed the Determinants of brand loyalty of selected milk products in Abia State, Nigeria. Specifically, determine the most preferred milk brand in Abia State, among others. A multi-stage sampling technique was used for selecting location while a simple random sampling was used for selecting respondents. A structured questionnaire was administered on three hundred respondents (300) and a total of two hundred and ninety (290) questionnaires were duly completed and returned by the respondents. Data collected were analysed using descriptive statistics, ordinary least square model and probit regression model. The study found that customer satisfaction, perceived value, brand price, among others influence brand loyalty but at different levels of significance. The study therefore recommends that companies should look for appropriate measures that will enhance customer satisfaction and is recommended, that marketers should concentrate on providing quality product characteristics among others.

Keywords: Determinants, brand loyalty, milk product, customer satisfaction, switching behaviour, product quality

1. INTRODUCTION

Over the past four decades brand loyalty has been recognized as a focal point of marketing literatures and for practitioners. It is considered as a contributor to build and maintain brand equity (Aaker, 1991). Some sophisticated analyses suggest that brand loyalty reduces further marketing efforts and cost. Statistics show that it costs 6 times less (for customer retention) than attracting and/or acquiring new customers (Rosenberg and czepiel, 1984). These types of findings enhance the value of brand loyalty. Loyal customers are less engaged in decision making, for example, whether to buy a product or service among alternates or not? (Rundle-Theile and Bennet, 2001) or they are willing to pay more for a particular brand? (Reichheld, 1996 and Bennet, 2001) etc. A brand is a name, term, symbol, sign, design or some combinations of these that identifies the product of a firm, while differentiating them from competitors offering. Brand is an important subject which creates positive image in the eyes of customers to make itself different from the competitors (kotler,2004).Today, in the age of globalization; internet is now spreading in the world quickly as compared in the past. Due to this, the competition among the products is more severe to survive. This makes brand more important and uplift at high level.

In the world of marketing and other businesses, branding is an issue and has become more important at international level. In the intensive competition to make the customers loyal to brands, marketing strategies help to create positive image. An organization can determine its success by the degree of their brand rather than to build a new plant or technical innovation. Loyal customers even at toughest times purchase the product offering at high rate. In the process of product choice by the customers, brand plays an important role.
That is why customers consider brand in the product selection process when they intend to purchase. If customers are aware about the role and importance of brand they would be more loyal to the brand product. This creates a strong link between brand and loyalty about that brand. Brand loyalty concept is complicated and not one dimensional (Ha and perks, 2005). Loyalty to brand is possible when customers feel that the product has right characteristics according to the quality and price of the product.

Brands are the asset of organizations. They interlink consumer and the company that build customers trust and loyalty to the brand. Brands are considered as the more important assets of the company that makes customers loyal and have value for the end consumer. Thus the brand helps customers in purchase decision making. Furthermore, brand creates a relationship with the customers. It is either the relation is positive by continuing the brand or negative by moving to the other brand. The committed consumers purchase the brand repeatedly. The preference of a person is affected by the behaviour of consumer that resulted in brand loyalty. Brand loyalty is a situation in which consumers purchase and use the brands of their trust as compared to brand that they do not trust. In this way consumers show commitment to that brand. Brand loyalty can be measured through positive word of mouth, satisfaction of customer, brand trust, sensitivity of price etc. Brand loyalty is a degree in which consumer consistently purchases the brand available in the product category. The loyalty to the specific brand of consumer will remain unchanged if the brand is as long available (Rizwan et al., 2013).

Richard Oliver (1977) defines loyalty as: “it is a strong commitment to superior services or goods repurchase in future to acquire the same brand despite of marketing efforts by potential rivals and their impacts (Hamidizadeh and Ghamkhary, 2009).

This definition may be limited. In fact, customer’s commitment is the outcome of an organization which creates advantages for customers so that they keep on increasing their purchase from the same organization. Real customer’s commitment is established when he/she is motivate to purchase without any encouragement. This relationship is established if parties feel that there are special advantages for them and they can attract each other like two poles. Loyal customer does not only focus on prices but also he/she acts like a fan of organization and, as a result, helps to attract new customers (Zare, 2008). To acquire customers’ loyalty, one should initially have an image of the customer. At the outset, the organization has one customer and protects him/her by respect and mediation.

Today’s customer has more power of understanding about the brand and they will buy the brand from specific product category if they feel that the product has right characteristics, quality and price. Moreover, they do not move towards other suppliers to purchase the product. Also, if the brands are available at low prices having higher quality, consumers will remain loyal to their specific brands. The competition amongst products makes it severe for brands to survive thereby causing constant downturn in brand loyalty among
consumers. Again, several alternatives are easily available to the consumers during the process of product choice this brings about the problem of selection among brands by the consumers.

Brand loyalty is the tool for any company to survive in severe competition. If a company wants to achieve the profitability and compete with rival products, brand loyalty is the condition for it (Aaker, 1995, 1997; Reichheld, Markey, and Hopton, 2000). Again, when customers become more aware about the role and importance of brands they would be more loyal to the brand.

The number of producers in the consumer product industry is increasing, so each one of them wants to overplay others to attract the customers so as to have the high brand feeling about their product. For this, customer satisfaction is necessary factor that can move the customer towards it.

From this point of view if the customers are satisfied with a specific brand they would make repeat purchase and show commitment to the brand. Not only satisfaction various other factors affect brand loyalty and brand switching of consumers which include; product quality, price, perceived value, promotion etc. All these have resulted to serious brand loyalty problem for manufacturers of consumer products. It then becomes necessary to analyse the determinants of brand loyalty of selected milk products in Abia State, Nigeria. Specifically, the objectives of the study are to; determine the most preferred brand of selected milk products in Abia State, Nigeria, examine the effect of customer satisfaction on brand loyalty, identify the major determinants of brand loyalty and make recommendation based on the findings.

2. LITERATURE REVIEW

The concept of brand loyalty has been extensively discussed in traditional marketing literature with the main emphasis on two different dimensions of the concept: behavioural and attitudinal loyalty. Oliver (1992), presented a conceptual framework of brand loyalty that includes the full spectrum of brand loyalty based on hierarchy of effects model with cognitive, affective, conative (behavioural intent), and action (repeat purchase behaviour) dimensions. A definition integrating this multidimensional construct has been given (Oliver, 1999) as: a deeply held commitment to re-buy or re-patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same-brand-set purchasing despite situational influences and marketing efforts having the potential to cause switching behaviour.

Through extensive research, (Baldinger and Rubinson, 1996) have validated that highly loyal buyers tend to stay loyal if their attitude towards a brand is positive. In addition, the ability to convert a switching buyer into a loyal buyer is much higher if the buyer has a favourable attitude toward the brand. Attitudinal loyalty is when the customer keeps buying the same brand despite increasing price, for example, and especially, he/she refuses to purchase different brands where the favourite is not available. The attitudinal loyal customer renounces the purchase rather than “betray” his/her favourite brand. As we saw, brand loyalty is the ultimate
and most important factor in calculating brand equity and is built on past experiences. However, as loyal customers entrust and commit themselves to the brand, the biggest threat to extreme brand loyalty is that even a single accident can destroy the relationship with a customer forever. In this case we assist to brand switching therefore the whole price has to start from the very beginning.

The importance of satisfying a customer in order to create behavioural loyalty is discussed extensively in Schultz and Bailey (2000). A satisfied customer tends to be more loyal to a brand/store over time than a customer whose purchase is caused by other reasons such as time restrictions and information deficits. The internet brings this phenomenon further to the surface since a customer is able to collect a large amount of relevant information about a product/store, in an adequate amount of time which influences the buying decision to a great extent. In other words, behavioural loyalty is much more complex and harder to achieve in the e-space than in the real world, where the customer often has to decide with limited information.

Dick and Basu (1994) developed a conceptual framework of brand loyalty based on relative attitude and patronage, brand attitude range from high low. An individual customer may have a positive or negative attitude towards a brand but in rare situations customers may patronize a brand for which they have negative attitude (Dick and Basu, 1994). According to Ailawadi, Nesline, et al. (2011), to secure long term profitability businesses try to develop, maintain and create brand loyalty in such a way as to maintain loyal customers. However, it may be difficult in a way or the other in a turbulent and competitive environment. According to Schultz and Bailey (2000) brand loyalty represent the repeat purchase of that brand but sometimes it also refers to the psychological commitment of those customers towards that brand. Brand loyalty is the repeat purchase of any customer that reflects his or her conscious decision to continuously purchase that brand in the future. In simple word, brand loyalty is the positive attitude of consumers towards particular brand with the intention to repeat purchasing that brand.

Academic research in a variety of industry contexts has found that brands with a large market share are likely to have loyal consumers than brands with a small market share. Aaker (1991), believes that it is relatively inexpensive to retain consumers; especially if they are satisfied with and/or like the brand. In many markets there is substantially inertia among consumers even if there are relatively low switching costs and low consumer commitment to the existing brand. It is expensive for any business to gain new customers in today’s highly competitive business environment. Customer satisfaction is essential in order to build loyalty, although satisfaction does not necessarily generate or increase loyalty. Schultz and Bailey (2000) outlines the importance of satisfying a customer in other to create behavioural loyalty. Thus, a satisfied customer tends to be more loyal to brand overtime than a customer whose purchase is caused by other reasons such as time restrictions and information deficits. To achieve the level of satisfaction companies must have to keep in mind the needs and wants of customers and supply them outstanding products and services. Any business can move
on to the upper level of advantage by achieving customer satisfaction in intensive competitive market. It is a feeling of any consumer post purchases and uses of the product, regardless that product and services meet the expectations or not.

Brand loyalty is a result of brand trust or promises that build the highly valued connections (Morgan and Hunt 1994, Chaudhuri and Holbrook, 2001). So promises are the cause of constant on going and retaining a relationship build between company and consumer. Due to the significant influence on the achievement of a long-lasting and profitable relationship, trust has received considerable attention in the marketing literature for years. A study carried out by Wong Foong (2008), influence of brand loyalty on consumer sportswear. The methodology employed were both primary and secondary data while descriptive statistics and ANOVA were used for analysing data pertaining to brand loyalty. Result of the study showed that price and quality are the most significant factor influencing customers to switch brand. In a study by Khraim (2011) on the influence of brand loyalty on cosmetics buying behaviour of united Arab Emirate. Descriptive statistics and ANOVA were used to analyse data on brand loyalty. Result show that there is a significant relationship between store environment and promotion as factors affecting brand loyalty.

Joseph and Joachim (2009) discussed switching cost and its relationship with customer retention, loyalty and satisfaction in the Nigerian telecommunication market. The author found that customer satisfaction positively affects customer retention and the switching cost affect significantly the level of customer retention. Muzammil, Sehrish et al (2010) targeted various subscribers of telecom sector in Pakistan to identify the factors affecting customer satisfaction. The results showed that both the factors have significantly contributed towards customer satisfaction but comparatively price fairness had the larger impact on customer satisfaction than customer services.

3. METHODS

The research design for this study took the form of descriptive survey research. Data were collected with the help of pre-tested and structured questionnaire of five point likert scale, and were analysed using Ordinary least square model and probit regression model.

3.1 STUDY AREA

The study area was based in Abia State which is one of the 36 States in Nigeria. The State lies between longitudes 04° 45 and 06° 07 North and Latitudes 07° 00 and 08° 10 East. It is situated in the South-East geopolitical zone of Nigeria. The State has a population density of 580 persons per square kilometre and a population of 2,833,999 persons (NPC, 2007). It has three senatorial zones namely Abia North, Abia South and Abia central with seventeen (17) Local Government Areas.
3.2 SAMPLE SIZE AND SAMPLING TECHNIQUE
Realising the difficulty inherent in studying the entire population, a representative sample of the population was used for the study. As stated earlier, the population size of this study comprised of users of milk product in Abia state which however, became inaccessible. The researcher therefore, applied both the probability and non-probability sampling methods. In using non-probability sampling method, multi-stage sampling method was employed, while simple random sampling was used to select the sample in the study. Using multi-stage sampling, in the 1st stage, Abia state has 17 local government areas which fall into three (3) Senatorial zones. The zones are; Abia North comprising of Bende, Ohafia, Isuochi, Isiukwuato, and Arochukwu. Abia central has Ikwuano, Umuahia North, Umuahia South, Osisioma Ngwa, Isialangwa South, and Isialangwa North. Abia South has Ukwa East, Ukwa West, Obingwa, Ugwunagbo, Aba North, and Aba South. In the 2nd stage, eight (8) LGAs were selected; Aba North, Aba South, Ikwuano, Ugwunagbo, Bende, Ohafia, Umuahia North, Umuahia South. In the 3rd stage, one town each was selected from the local government. Samples were drawn from the selected town using simple random sampling method, which is a probability sampling method. Hence based on this a sample of 300 milk product consumers was used for the study as follows;

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aba North</td>
<td>45</td>
</tr>
<tr>
<td>Aba South</td>
<td>45</td>
</tr>
<tr>
<td>Ugwunagbo</td>
<td>30</td>
</tr>
<tr>
<td>Bende</td>
<td>40</td>
</tr>
<tr>
<td>Ohafia</td>
<td>35</td>
</tr>
<tr>
<td>Ikwuano</td>
<td>30</td>
</tr>
<tr>
<td>Umuahia North</td>
<td>42</td>
</tr>
<tr>
<td>Umuahia South</td>
<td>33</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>300</strong></td>
</tr>
</tbody>
</table>

Hence, based on the sample size of 300, questionnaires were administered. All brand loyalty and brand switching variables relating to respondents were covered.

3.3 SOURCES OF DATA
For the purpose of this study, primary and secondary data were the main data sources. Primary data were collected with the use of pre-tested and structured questionnaire which were administered to users of milk product (consumers). Secondary data were collected from text books, journals, learned publications. Primary data collected included information on level of; customer satisfaction, brand price, product quality, brand price, brand name, promotion etc. and on the socio-economic background of respondents such as age, sex, education, income etc.
3.4 METHOD OF DATA COLLECTION
For the purpose of this study, primary and secondary data were used. Primary data were collected using questionnaire of five point likert scale, while secondary data came from textbooks, internet, journals, and learned publications.

3.5 MODEL SPECIFICATION
Probit analysis is a specialized regression model of binomial response variables. Regression is a method of fitting a line to your data to compare the relationship of the response variable or dependent variable (Y) to the independent variable (X) (Finney, 1952)

(i) The probit regression model used in analysing the determinants of brand loyalty and brand switching of selected milk products is explicitly stated as follows;

\[ Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e_i \]

Where : \( Y_a \) = Brand loyalty (1= loyal, 0= Not loyal)
\( Y_b \) = Brand switching (1=switching, 0=Not switching)

\( X_1 \) = Age (years)
\( X_2 \) = Sex (1=male, 0=female)
\( X_3 \) = Education (years in formal school)
\( X_4 \) = Income (Naira)
\( X_5 \) = Marital status (1=married, 0=single)
\( X_6 \) = Brand name awareness (1=Aware, 0=Unaware)
\( X_7 \) = Customer satisfaction (1=High, 0=Low)
\( X_8 \) = Product quality (1=High, 0=Low)
\( X_9 \) = Brand price (1=High, 0=Low)
\( X_{10} \) = Perceived value (1=High, 0=Low)
\( X_{11} \) = Promotion (1=High, 0=Low)
\( e_i \) = error term

(ii) The ordinary least square regression model was used to analyse the effect of customer satisfaction and is explicitly stated as follows;

\[ y = a + bx + e \]
Where; \( Y_s \)=Brand loyalty (1=loyal, 0=not loyal)
\( Y_b \)=Brand switching (1=switching, 0=not switching)
\( X \)=customer satisfaction (1=High, 0=Low)

4. RESULTS AND DISCUSSIONS

The most preferred brand of selected milk product in Abia State is presented in the Table below.

*Table 4.6: Preference of brand milk product*

<table>
<thead>
<tr>
<th>Brand preference</th>
<th>Frequency</th>
<th>Per cent</th>
<th>Cumulative per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peak Milk</td>
<td>90</td>
<td>31.0</td>
<td>31.0</td>
</tr>
<tr>
<td>Three Crown Milk</td>
<td>50</td>
<td>17.3</td>
<td>48.3</td>
</tr>
<tr>
<td>Cowbell Milk</td>
<td>38</td>
<td>13.1</td>
<td>61.4</td>
</tr>
<tr>
<td>Loya Milk</td>
<td>30</td>
<td>10.3</td>
<td>71.7</td>
</tr>
<tr>
<td>Real Milk</td>
<td>25</td>
<td>8.6</td>
<td>80.3</td>
</tr>
<tr>
<td>Milksi Milk</td>
<td>22</td>
<td>7.6</td>
<td>87.9</td>
</tr>
<tr>
<td>Coast Milk</td>
<td>20</td>
<td>6.9</td>
<td>94.8</td>
</tr>
<tr>
<td>Lahda Milk</td>
<td>15</td>
<td>5.2</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>290</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

*Source: Field survey (2015)*

In Table 4.6, the study indicates that most consumers who were surveyed use Peak milk (31.0%) in Abia state. So, it is found out that most preferred brand is Peak milk, which may be as a result of such factors as family influence, quality, brand image, brand reputation, brand name awareness, taste, which the brand built over a long period of time. Three Crown milk occupies the second place in terms of consumer preference (17.3%), (6.9%), and the less preferred milk is Lahda (5.2%).

4.1 EFFECT OF CUSTOMER SATISFACTION ON BRAND LOYALTY

Ordinary least squares was used to test hypothesis (ii) which states that there is no significant relationship between customer satisfaction and brand loyalty. The summary of the SPSS result is presented in the model summary.

*Table 4.8: Simple linear regression showing the effect of customer satisfaction on brand loyalty for milk products*

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
<th>Std. Error</th>
<th>T-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>3.611323</td>
<td>0.236695</td>
<td>15.25726</td>
</tr>
<tr>
<td>Customer Satisfaction</td>
<td>0.095292</td>
<td>0.021132</td>
<td>4.509369***</td>
</tr>
<tr>
<td>R</td>
<td>0.703</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R²</td>
<td>0.612</td>
<td></td>
<td></td>
</tr>
<tr>
<td>F-ratio</td>
<td>2.763</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: *** = Significant at 1% level
The model summary provides relevant statistics that assist in explaining the overall validity and goodness of fit of the simple regression analysis. First it provides values for R and R², which are key statistics useful in explaining multiple regression analysis. The multiple regression coefficient (R) is a measure of the strength of the relationship between Y (Brand loyalty) and the predictor variable (customer satisfaction). In this case R=0.703, which suggests that there is a moderate relationship between the variables. By squaring R, we point to the coefficient of multiple determination (i.e. R²). This statistics enables us to determine the amount of explained variation (variance) in Y from the predictor on a range from 0-100 per cent. Here, in this work 61.2% per cent of the variation in Y (Brand loyalty) is accounted for through the linear effect of the predictor variable, customer satisfaction.

The F ratio, indicated in the analysis of variance (ANOVA) table, is significant (F=2.763, P<0.003). Hence, the overall equation is statistically significant (F=2.763, P<0.005) customer satisfaction.

From the regression result it is clear that for one unit increase in the customer satisfaction, there will be about 0.095 unit increases in brand loyalty. This further implies that the model specification was correct. The positive relationship between brand loyalty and customer satisfaction confirms to a priori expectation and indicates that there is an increase in brand loyalty when there is increased consumer satisfaction. These findings are consistent with the study by Blackwell, Miniare, et al (2006).

According to Blackwell, Miniare, et al(2006), satisfaction occurs when consumers’ expectations are matched by perceived performance. On the other hand, dissatisfaction occurs when experiences and performance fall short of expectations. Satisfaction can lead to repeat purchase. Consumers possessing positive evaluations of a brand or product are much likely to buy the brand or product again than those who possess negative evaluations.

4.2 DETERMINANTS OF BRAND LOYALTY

Table showing determinants of brand loyalty is presented below.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Coefficient</th>
<th>Std. Error</th>
<th>Z-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>0.1054</td>
<td>0.0090</td>
<td>11.711</td>
</tr>
<tr>
<td>Age</td>
<td>0.2777</td>
<td>0.1972</td>
<td>1.408</td>
</tr>
<tr>
<td>Sex</td>
<td>-0.2305</td>
<td>0.2109</td>
<td>-1.093</td>
</tr>
<tr>
<td>Education</td>
<td>0.2140</td>
<td>0.1837</td>
<td>1.165</td>
</tr>
<tr>
<td>Income</td>
<td>0.7839</td>
<td>0.1967</td>
<td>3.985***</td>
</tr>
<tr>
<td>Brand name</td>
<td>0.2467</td>
<td>0.1754</td>
<td>1.407</td>
</tr>
<tr>
<td>Product quality</td>
<td>0.9359</td>
<td>0.2453</td>
<td>3.815***</td>
</tr>
<tr>
<td>Perceived Value</td>
<td>0.400</td>
<td>0.1931</td>
<td>2.076*</td>
</tr>
<tr>
<td>Customer Satisfaction</td>
<td>3.3225</td>
<td>0.6633</td>
<td>5.009***</td>
</tr>
<tr>
<td>Brand Price</td>
<td>-0.2730</td>
<td>0.1495</td>
<td>-1.826*</td>
</tr>
<tr>
<td>Promotion</td>
<td>0.0015</td>
<td>0.006</td>
<td>2.50*</td>
</tr>
<tr>
<td>No of Observation</td>
<td>290</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The table shows that income, product quality, perceived value, customer satisfaction, and promotion were all positive and significant factors influencing brand loyalty for milk products. However, brand price was negative but significant factor affecting consumers’ loyalty for milk products. Income was significant at 1% probability level and positively related to brand loyalty. This indicates that loyalty for milk products can increase when consumers have steady and consistent income flow to purchase their preferred brands. If income increases by one unit, all other variables remaining constant, brand loyalty will increase by 0.7839 units. Thus, as a consumer’s income increases, such consumer can always go after brands that they have special affection and loyalty for.

Product quality is a major factor in brand loyalty. Product quality from the table was significant at 1% and positively related to brand loyalty. This shows a strong relationship between perceived quality and brand loyalty. As consumers perceive an increase in the quality of their preferred products, their loyalty to such brands tends to increase the more. Consumers are ready to patronize only those brands they feel can offer them superior quality relative to their cost.

Similarly, Perceived value was significant at 10% probability level and positively related to brand loyalty. This shows that consumers will be more loyal, when they perceive better and superior value in brands of their choice. Broekhuizen (2006), concluded that perceived customer value is a consumer’s perception of the net benefits gained in exchange for the costs incurred in obtaining the desired benefits. Therefore, it implies that perceived value is very critical aspect that strongly influences brand loyalty.

Customer satisfaction was significant at 1% probability level and positively related to brand loyalty. This means that brand loyalty for products increases with corresponding increase in customer’s satisfaction. Thus, as consumer becomes increasingly satisfied with a particular product, his loyalty for such product becomes assured.

Promotion proved to be a major factor in gaining loyalty towards product. From the table, promotion was significant at 10% probability level and positively related to brand loyalty. A one unit increase in promotion will bring about 0.0015 units increase in brand loyalty. This means that consumers’ loyalty can be increased when they received reinforcements in messages about the functionality and quality of the products they have purchased. Brand price was significant at 10% probability level but negatively related to brand loyalty. The
negative relationship between brand loyalty and brand price implies that consumers will increase loyalty when there is reduction in the prices of their preferred products. But in some cases, consumers may even pay a premium price for their preferred brands. According to Cadogan and Foster (2000), price is probably the most important consideration for the average consumer, however, consumers with high brand loyalty are willing to pay a premium for their favoured brand, and so their purchase intention is not easily affected by price.

In addition, customers have a strong belief in the price and value of their favourite brand so much so that they would compare and evaluate prices with alternative brands (Keller, 2003). Research has shown that loyal customers are less price sensitive (Reichheld and Teal, 1996) and the expense of pursuing new customers is reduced (Dowling and Uncles, 1997), while organizational profitability is positively affected by the level of brand loyalty (Aaker, 1991). Brand loyalty can enhance marginal cash flow and profitability, as loyal customers often accept to pay a price premium for their favourite brands, are easily stimulated to new usage situations and tend to increase intensively and extensively their spending on the brand (Davis and Lal 2002).

5. CONCLUSIONS

Customer brand loyalty is of prime importance for business organizations. Results of current study conclude that factors such as income, product quality, perceived value, customer satisfaction, promotion and brand price of a milk product play a very important role in strengthening customer brand loyalty. Long-term success and sustainable reputation of an organization depends on customer loyalty. This study supports the view that income, perceived value, customer satisfaction, product quality and brand price should remain prime focus for the organization to maintain market share in today’s competitive business environment.

Thus, as a consumer’s income increases, such consumer can always go after brands that they have special affection and loyalty for. As consumers perceive an increase in the quality of their preferred products, their loyalty to such brands tends to increase the more. Consumers are ready to patronize only those brands they feel can offer them superior quality relative to their cost. Again, as consumers become increasingly satisfied with a particular product, their loyalty for such products becomes assured. Consumer brand loyalty can increase when they receive reinforcements in messages about the functionality and quality of the products they have purchased. Thus, as consumers become increasingly aware of the image, availability, quality and consistent prices of their preferred brand, they become loyal to such brand.

This study concludes that if milk business wants to enjoy good profits globally in general and in Nigeria in particular, it should strive hard to increase customer brand loyalty through customer satisfaction, brand name awareness, product quality, perceived value, promotion and competitive pricing.
6. REFERENCES

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