

ELEMENTS OF BRAND PREFERENCE: CASE STUDY ON POST PANDEMIC ERA NON ALCOHOLIC BEER BRAND EXTENSION PRODUCT

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Abstract

In the contemporary globalized market, consumers are well informed about every product category of what they prefer. As the market face unpredictable challenges strategic planning is mandatory to cop up and secure business existence. Brand extension is a noble proposition for alternative market in catastrophic incidents like COVID 19 global pandemic. The increasing demand for non-alcoholic beer during post COVID-19 pandemic reflects a growing trend towards healthier lifestyle preferences and wellness-focused consumption habits. The production of non-alcoholic beer has opened up new marketing opportunities for breweries, allowing them to target diverse demographics such as sportspersons, pregnant women, designated drivers, and health-conscious individuals who look for flavorful alternatives without compromising on social experiences.

This study will try to show the brand extension product of BGI brewery, the first beer company of the country. SEN'Q is the company's first nonalcoholic product, after about 100 years of operation in Ethiopia. Introducing a new brand requires more effort for companies to persuade consumers from trial to preference set. The study was conducted taking nonalcoholic beer market as reference and focus which factors more influence customer preference. Bahir Dar city is base of the study.

It shows the consumers perception and the results are useful in providing insights into the market characteristics. There is significant and positive relationship in various measures and circumstances between brand preference of beer products and the eight independent variables; CSR, price, health matter, situational variation, advertisement, life style, brand awareness, product quality, with the dependent variable brand preference. A questionnaire survey was conducted. Data was collected from 360 nonalcoholic beer consumers. From the findings Consumers brand preference for brand driven by the perceived quality standard of the parent brand and the supposed suitability is discovered.

Keywords: Brand preference, Nonalcoholic beer, SENQ, BGI, post COVID 19, Brand extension

Introduction

Coronavirus disease 2019 (COVID-19) pandemic has revealed how readily viruses spread in our interconnected world. As of November 20, 2021, more than 257 million COVID-19 cases and 5.2 million deaths have been reported worldwide (<https://www.worldometers.info/coronavirus/>). During the pandemic, although epidemiological characteristics and risk factors (e.g., age, obesity, and lifestyle factors) of COVID-19 have been rapidly reported (Ahmed, Hasan, & Ahmed, 2020; Dai, et al., 2021, Hamer, et al., 2020), the risk or protective factors for COVID-19 infection are largely unknown. Adverse effects of alcohol consumption have been widely documented. The observed relationships between alcohol consumption and diseases are often non-linear, with low-to-moderate alcohol consumption being protective and heavy alcohol consumption being harmful (Mukamal et al., 2003; Ronksle, et al., 2011). Because of the pandemic, consumer spending in many major categories decreased, industrial production declined, and the economy entered a recession (Bureau of Labor Statistics. From 2019-2012) according to Just drinks online magazine of global data, the COVID-19 pandemic has accelerated the growth of non-alcoholic beers from craft brewers, targeting at-home consumption occasions that saw consumers look to replicate the same experience of ‘nights on the town’ without the negative implications, such as hangovers, over-spending or losing one’s inhibitions. Essentially, consumers are looking toward more casual leisure and social occasions in 2021, particularly when lockdown measures are still in place. (Global data, 2020)

The statistics from Statista, revenue in the Non-Alcoholic Beer market amounts to US\$34.3m in 2023. The market is expected to grow annually by 9.51% (CAGR 2023-2028). In relation to total population figures, per person revenues of US\$0.27 are generated in 2023. In the Non-Alcoholic Beer market, volume is expected to amount to 20.1m L by 2028. The market for Non-Alcoholic Beer market is expected to show a volume growth of 4.5% in 2024. The average volume per person in the Non-Alcoholic Beer market is expected to amount to 0.13L in 2023. In global comparison, most revenue is generated in the United States (US\$3,865m in 2023 (Statista, 2023)

This study tries to show the non-alcoholic beer brand category by attempting to assess the customers’ attitudes brand extension of the recent introduced SEN’Q nonalcoholic beer. This is Product of the first Ethiopian beer company, BGI Ethiopia. This beer product is selected aimed that it belongs to the first beer company in Ethiopia and this nonalcoholic malt beer is the first product of this reputable company after 100 years of operation in the country. This product was introduced as post COVID 19 pandemic situational market encounters. This case study will try to show the non-alcoholic brand extension by trying to identify the factors determine the brand preference. The study is delimited to assess the effect of brand extension and customer preference of SEN’Q nonalcoholic in Bahir Dar city. The

objective of this study aims to identify the most contributing independent variables in the prediction of the dependent variable.

Hence, this study will try to address the following specific research questions;

- What factors determine SEN'Q brand choice?
- Do the determinant factors of SEN'Q brand preference vary across demographic profile of respondents?
- Which nonalcoholic brands have high awareness among customers?
- What are the most preferred non-Alcoholic brands of beer?

Although, many studies have been conducted in various beer product categories, literature on brand preference of the non-alcohol beer product category is relatively scarce. The study will be significant to design effective Marketing and an input for necessary improvements of the industry. The findings will also be helpful for academic reference for future studies.

Literature review

Brand extension

The use of an existing brand name on a new product in a new category to benefit from the existing brand name's awareness and associations—leverage the investments a company makes in its existing brand names and hedge against the risk of new product failures. The popularity of this strategy is due to the belief that it leads to higher consumer trial than the use of a new brand name because of the awareness levels and association (imagery) equities of the brand name being leveraged (Keller, 2003)

Brand preference: In this study, the term brand will be used to refer to the various products that are produced within one company but are labelled or branded in a manner that differentiate one product from the others. Furthermore, brand preference refers to when consumers choose one available product brand over others because of an acquired habit or favorable past with that brand (Perreault, Cannon & McCarthy 2014). A brand can be referred to as a unique design, sign, symbol, word, or a combination of these employed in creating an image that identifies a product and differentiates it from its competitors (Keller et al., 1998). A brand can also be defined as a characteristic that distinguishes the product and identifies it in a clearly discernible way from other goods in the same category (Kaupa. 2016). In some contexts, partly where a single company produces different products, the brand can be the name given to a product such that it takes on an identity by itself (Jones and Bonevac, 2013). This is the context in which the term brand is used. Various authors recognize that it is consistently easier to state the purpose of a brand than to offer a universally applicable definition of the term brand (Jones & Bonevac, 2013; Rundle, Thiele, & Bennett, 2001). Therefore, a brand enables the buyers to identify the origins and value of products before buying. The mechanism of brands is both a tangible and intangible, practical, and symbolic, emotional, visible, and invisible trait under conditions that are economically viable for the company (Keller,

2013). As such, economics literature has long recognized the importance of product brands in the formation and growth of the market structure of the goods industries (Bronnenberg & Dube, 2017). The term brand should suggest something about the product i.e., purpose and quality. As such, it should be simple, short, and easy to pronounce and remember. In addition, it should be capable of being registered and protected legally, and it should be attractive (Rundle-Thiele & Bennett, 2001). Hence, a brand should create and provoke loyalty, trust, and faith should have a mass-market appeal (Coelho et al., 2018)

Factors of brand preference: During the past two decades, it has become evident that brands are among a company's most important assets (Anetoh, 2017) Importantly, successful brands are known to create and articulate the sustainable differential advantages of the underlying products (Isik et al., 2015). Apparently, it is the reputation of the brand in the market place which represents what the brand means in the minds of consumers. Brand image conveys a brand character in a unique way different from others since it enhances the goodwill and the value of a firm (Akabogu, 2013). Brand preference has been found to be important in the customer's decision process and can influence consumer buying decisions (Ismail et al., 2012). This is true because a recognized and trusted brand identity makes people confident that the product is dependable and meets the prestige of the consumer (Isik & Yasar, 2015). Both extrinsic and intrinsic factors are known to influence the decision process for a customer to prefer a certain product over its competitors, even when those products are produced by the same company (Isik & Yasar, 2015; Kaupa, 2016). There are characteristics behind every buying decision that can come from cultural, social, personal or psychological factors. Each of these factors includes dimensions that can be used in marketing (Tanja, 2015)

Narteh et al (2012) and Jiang (2004) who agree that brand awareness is an element that plays a vital role in consumer brand preference. Moreover Keller (2013) posits that since consumers spend little time or effort on the consumption decision of low involvement products, brand awareness alone is sufficient to decide consumer brand preference and determine purchase as consumers are willing to base their preferences merely on familiar brands. Moreover, studies of Sarwade and Ambedkar, (2011) conducted in different low involvement products revealed that the aesthetic appeal of a brand usually influence consumers decision making. Clark et al. (2009) who maintain that advertising is a key determiner of customer traffic towards a brand. Furthermore, the finding of Peter and Donnelly (2007), explain that products that are convenient to buy in a variety of stores increase the chance of consumers finding and buying them. When consumers are seeking low-involvement products, they are unlikely to engage in extensive search. Health matter of a particular brand is important factors in decision-making (Sarwade & Ambedkar, 2011).

Customers as individuals commonly belong to one group or the other and to a reasonable extent, the group they belong to or wishes to belong have influence on one's purchasing decisions and often contribute to brand choices and preferences (Madodo, 2015) Group influence can be seen in brand preferences and brand choices. A family, a

circle of friends, a local club, an athletic team, and college living groups are examples of small reference groups in which members have face-to-face interactions (Goldsmith, 2015). Product choice is also greatly affected by economic circumstances, like income, savings and assets, economic status, and attitude toward spending and saving. Lifestyle relates to the person's pattern of living in the world expressed in activities, interests, and opinions. Lifestyle captures something more than the person's social class or personality. Thus, it bears a great influence of the brand preferences of individuals particularly in various situations i.e. at dinner of business partners or when having a drink with friends (Amadi and Ezekiel, 2014). Promotion enhances brand image, and it is crucial for customer satisfaction because it creates a mental image of the product qualities, value and product attributes and thereby allow the consumers to form positive perceptions about the product (Thakur & Singh, 2012). The issue of quality of a product has been of great importance in business. This is because those consumers have such great exposure to information, making it important for both manufacturers and consumers have been that value in a product (Achana & Shrivatava, 2013). Situational factors impacting consumer behavior may include location, environment, timing and even weather conditions (Hoyer et al. 2012). The quality of a product implies the hidden and the apparent characteristics of the product that serve to attract the customer. The product quality is highly imperative when it comes to customer satisfaction and improving brand image which shapes brand preferences among customers (Ali, 2015). The brand image allows the customer to recognize their relevant needs and understand the effective mechanism for achieving fulfilment through the brand (Hossain, 2020). While the beer companies perceive price in terms of the extent to which they facilitate the profit objective, customers perceive the products in terms of their ability to provide value for money in terms of quality (Musia, 2013; Nautwima & Asa, 2022). The price of a product is a fundamental factor in customer satisfaction, and it affects the choices of the customer (Kotler et al., 2009).

Overview of non-alcoholic beer competing Products joining post COVID 19 pandemics in Ethiopia: BGI Ethiopia introduces its first ever non-alcoholic beverage -SEN'Q into the malt drink market. This is to be a nonalcoholic malt beverage from one of Ethiopia's biggest breweries of beer after it introduced 'SEN'Q is crafted with the traditional principle of motherly love and care through state-of-the-art brewing technology," reads a statement from BGI. SEN'Q is a mixture of Caramel, Vanilla and Ethiopian coffee fortified with Vitamins. "Despite the difficulties that have come out of COVID-19, BGI is working tirelessly to strengthen the severely disrupted economy," the company said announcing the new launch which is set to complement its famous brand, St. George beer and the Castel brand. (Capital Ethiopia, 2020)

The biggest shareholder in HABESHA Brewery and one of Holland's biggest breweries, Bavaria, is set to launch a new non-alcoholic beer in Ethiopia this year. 'NEGUS' is an alcohol-free dark malt of HABESHA beer that can be consumed anytime of the day. 'NEGUS' has a combination of coffee, Tenadam and other local natural

flavors. Determination, willpower, strength of mind and character are the highlights in the storytelling and messaging of the 'NEGUS' brand. The new beer is set to be in direct competition with, Meta Abo's Malta Guinness and Heineken's Sofi Malt. (The Ethiopian Reporter, 2020)

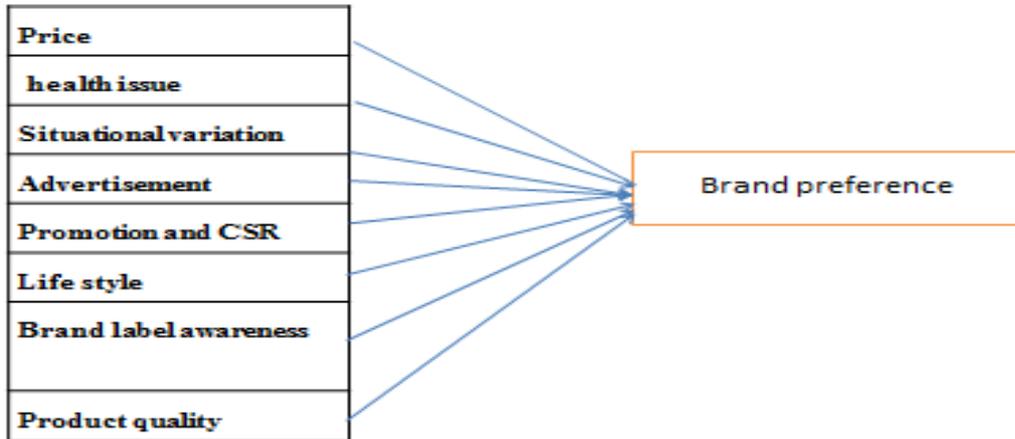
Heineken Ethiopia brings its malt based non-alcoholic energy drink BERTAT, the first Energy Drink Proposition in a returnable glass bottle for the local market. BERTAT delivers instant energy as a regular energy drink while providing the goodness of malt as well as nutritional benefits of vitamin B6 & B12 as an additional advantage. In addition, BERTAT will solve the barrier of energy drinks tasting artificial with its natural malt base while being refreshing with its accessible fruity flavor. HEINEKEN's energy malt drink is a proven concept and recipe that has already been successfully launched in other African markets in recent years. (Further Africa June 27, 2022)

BGI Company profile: In 1922, German national Mussie Hal established St. George Brewery in Addis Ababa, Ethiopia, with a production capacity of 200-300 bottles per day. In 1936, the Italians took over the brewery, leading to increased production and the introduction of the first draft beer. The brewery's ownership was transferred to Emperor Haile Selassie I and four others after the expulsion of Italian forces in 1941.

During the 1940s and 1950s, beer popularity in Ethiopia led to a major overhaul and expansion of the brewery. The brewery's product portfolio expanded with the addition of new brands like St. George Stout Beer and Pilsner Beer. In 1974, the military junta 'Dergue' rose to power, and in 1975, the old malt house was revived to process locally sourced malt. In 1997, BGI Ethiopia P.L.C. established BGI Ethiopia P.L.C. to facilitate private investments in the brewery sector, becoming the first of its kind in Ethiopia. In 1998, BGI Ethiopia purchased the historic St. George Brewery and brand. Throughout the 2000s, BGI Ethiopia expanded its production capacity from 500,000 Hectoliters to 1,400,000 Hectoliters. In 2011, it inaugurated its state-of-the-art brewery in Hawassa, making it its third and largest brewery. In 2012, BGI Ethiopia introduced the Amber beer brand, the first of its kind in the country.

BGI Ethiopia secured the Green Light from TCCPA to finalize the Meta Abo Brewery Acquisition, boosting its current production capacity from 5,200,000 HL to 6,400,000 HL. Despite the global COVID-19 pandemic, BGI continues to diversify its products and strive to be a shining sign of hope for Ethiopia and its citizens. To achieve that vision, continue to diversify products to put Ethiopia alongside the international standard of having an extensive list of beverages. Introduced a new brand to the country unique and world-renowned Doppel Beer. Also introduced the first-ever Non-Alcoholic Beverage - SEN'Q into the malt drink market. (<https://bgiethiopia.com/history>, 2024).

Research Hypothesis



Methodology

1. Research Design: Quantitative research design with both exploratory and descriptive research approaches implemented. Cross sectional survey design with semi-structured questionnaire, which contained a mixture of closed ended and open-ended questions with three parts. Eight variables were considered to identify factors of consumers' preference. Categorical questions were used for demographic variables, such as gender, age, and education using five-point Likert scale statements (1 "strongly disagree"; 5 "strongly agree"). Pilot survey was conducted on a small group of nonalcoholic beer consumers prior to the field survey.

2. Sampling Techniques and population of the study: The sampling frame is infinite hence, judgmental and convenience sampling implemented. The sample selection procedure was constant until the required sample size has been reached. The sample size of respondents justified according to Neuman (2007) as stated in sampling size selection the researcher should use his discretion. Further, consistent with Tabacknick and Fidell (1996) suggested that, for a regression analysis, the minimum sample size (N) should be $N > 50 + 8M$, where M is the number of predictors (independent variables). Accordingly, it should be greater than 114. Hence, the target population samples are 360 residents of Bahir Dar city occasional and regular consumers of non-alcoholic beer. Descriptive statistics were calculated using Statistical Package for Social Science (SPSSv.21). In order to test the internal consistency of variables Cronbach 's alpha coefficient were employed. As Zikmund, Babin and Griffin (2010) state scales with coefficient alpha between 0.6 and 0.7 indicates fair reliability. Thus, for this study, a Cronbach 's Alpha score of .60 or higher is considered adequate to determine reliability. The reliability was found to be 0.758 (table.1), as indication of acceptability of the scale for further analysis.

Table1: Reliability test

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.759	.758	26

Source: Survey data (2023)

Content and construct validity were tested, correlation coefficient for the independent and dependent variables were calculated and positively related with brand preference.

Findings

1. Demographic Profile of Respondents

From the demographic data, the majority were females, forming 73.9%, while males are 26.1%. From the researcher observations most of nonalcoholic consumers in Bahir Dar are females.

Based on age groups categorized into four main groups largely dominating age group of 26-35 (47.2%) followed by 21-25(28.1%) most of the sample populations are below the age of 35. The rest 45 and above (8.6%) 36 and 44 which is 16.1%. According educational background 10.3% of master's degree and above, 29.4% of bachelor degree, 35.6% of diploma holders, and 16.4% are high school graduates, and 8.3% of primary education.

In terms of income, majority (44.2%) earn a monthly income more than 10,000 ETB. 29.7%. earn less than 5,000 ETB. Regarding consumption frequency, 20.8% drink nonalcoholic beer every day, 30% once in a week, 29.2% more than once in a week, and the rest 20% occasional drinking nonalcoholic beer. The purpose of this specific question was to decide whether the respondents are of regular nonalcoholic beer consumers.

Table 2: Demographic Profile of Respondents

NO	Demographic information	Frequency	Percentage
1	Gender		
	Male	94	26.1
	Female	266	73.1
2	Age(in years)		
	21-25	101	28.1
	26-35	170	47.2
	36-44	58	16.1
	45 and above	31	8.6
3	Education Level		
	Primary Education	30	8.3
	Secondary Education	59	16.4
	Diploma	128	35.6
	First Degree	106	29.4
	Masters and above	37	10.3

4	Monthly Income (in Eth. Birr)		
	0-2500	25	6.9
	2501-5000	82	22.8
	5001-10,000	94	26.1
	10,001 and above	159	44.2
5	Beer consumption frequency		
	Everyday	75	20.8
	Once in a week	108	30
	More than once in a week	105	29.2
	Other	72	20

Source: Survey data (2023)

2. Level of brand awareness and source of information

Brand recall and brand recognition are the two measures of brand awareness. Respondents were asked to name the first brand that came to their mind when they think of or hear about nonalcoholic beer brand. As shown in table 2: 30.8% of the respondents recall HARA SOFI the first brand that came to their mind. Although, SEN'Q is the second nonalcoholic beer brand to be recalled by most respondents (23.3%), followed by MALTA GUINNES (18.1%). Based on this finding SEN'Q and HARAR SOFI can be regarded as the top-of-mind brands for most consumers of nonalcoholic beer in Bahir Dar.

Table 2: Top of mind brand recall

	Brand	Frequency	Percent	Valid Percent	Cumulative Percent
	NIGUS	19	5.3	5.3	5.3
	BUCKLER	15	4.2	4.2	9.4
	RADLER	16	4.4	4.4	13.9
	BIRTAT	28	9.5	9.5	25.1
	SEN'Q	84	23.3	23.3	45.0
	MALTA GUINNES	65	18.1	18.1	67.2
Valid	SOFI MALT	15	4.2	4.2	49.2
	HAKIM STOUT	7	1.9	1.9	69.2
	HARAR SOFI	111	30.8	30.8	100.0
	Total	360	100.0	100.0	

Source: Survey data (2023)

Respondents were asked to specify how they become aware of different brands of beer. The sources of information about SEN'Q brands of beer are presented in table 3.

Table 3: Information source of brand awareness

Information source for SEN'Q beer brand awareness	frequency	percentage
Broad cast media TV/Radio advertisement	73	20.3
Posters and Billboard	21	5.8
Sales person recommendation	18	5
Social media(internet)	185	51.4
exposure to different brands in bars, groceries, hotels	88	24.4
Printed Newspaper and magazine advertisement	122	33.9
Word of mouth	15	5.5

Source: Survey Data (2023)

Table 3: shows that majority of consumers (185, 51.4%) were aware from social media (internet). (122, 33.9%) of by recommendation of individuals (88, 24.4%) of acknowledged repeated exposure they face in Restaurants or hotels while they are purchasing or drinking beer. only (5%) are convinced by sales persons. Moreover, 5.5% word of mouth. As per the answer given to the open-ended questions, almost all respondents believed that personal past experience is the major source for their brand awareness.

3. Consumers brand Preference Motives

As table 4 shows, consumers' reasons for brand preference range from health matter (73.6 %), to product quality (48.9%), and Advertisement 18.6%. Following the three most important factors situational variation (16.7%), life style (14.2%), brand awareness (10.8%) and price (8.6%), being the fourth most important reason of all. On the other hand, other consumers influence (5%), package design, CSR (4.2%) and repeated exposure to wards unique taste (3.1%), are the least important reasons for preference.

Table 4: Reasons for SEN'Q beer brand preference

Consumers reason for SEN'Q beer brand preference	Frequency	Percentage
Health matter	265	73.6
Situational Variation	60	16.7
price	31	8.6
Advertisement	67	18.6
CSR	15	4.2
Life Style	51	14.2
Brand Awareness	39	10.8
Unique taste	11	3.1
Package design	18	5
Product quality	176	48.9

Source: Survey Data (2023)

4. Factors of brand preference

The mean score for health matter was relatively high (4.1975). Consumers make SEN'Q preference for its contents, production quality and health matter and consistent quality. All the four items of measure health matter contribute almost equal to the overall mean. The next mean score of brand awareness is high (3.58). This implies, respondents are influenced by brand awareness. Specifically, consumers prefer to buy a familiar brand, as it has the highest mean score (3.98). The item with the lowest mean score (3.06) refers to respondents doubt to new brands. Yet the SEN'Q is new to the market, the fact it's the product of reputable BGI brand. The next mean score of situational variation is higher (3.36). This indicates that situational variation is the most important factor among consumers. Advertisement with mean score of (3.34) implies that it is the most significant factor among respondents. Price with mean score of 3.03 indicates significant. The relatively low mean score for CSR (2.74), life style (2.79) and product quality (2.55).

Table 5: Descriptive statistics of variables

Variables	Mean	Std. Deviation
Price affordability	3.61	1.010
Reasonable price	4.00	.799
Low price as a priority	2.31	1.077
Willing to pay higher price for the preferred brand	2.21	1.190
Price	3.03	1.019
I buy SEN'Q , which I perceive to be best for my Health matter	4.23	.705
I buy SEN'Q brand that is produced as per acceptable quality standard	4.06	.759
I buy SEN'Q that I consider it has a consistence quality.	4.19	.702
I prefer SEN'Q brand that contain nutrients for body.	4.31	.745
Health matter	4.1975	.7278
I choose SEN'Q according to my situation	3.42	.964
I prefer SEN'Q at a time when I can't get other products	3.47	1.001
I prefer SEN'Q to stay similar with others	3.05	1.113
I buy SEN'Q for specific occasion	3.53	1.105
Situational variation	3.36	1.0458
Advertisements have influence over the types of beer I buy	3.13	1.156
I buy SEN'Q frequently because of advertisement	3.80	1.127
I buy SEN'Q by its attractive and recognizable advertisement	3.09	1.151
Advertisement	3.34	1.1445
I prefer to buy SEN'Q brand with some kind of prize or free sample.	2.83	1.177
I buy a SEN'Q by a sales person has recommended	2.61	1.021
I prefer to buy a SEN'Q brand, for its community support	2.78	1.122

CSR	2.74	1.106
I prefer to buy SEN'Q brand for it has special implication for me	3.32	1.112
I buy the SEN'Q brand for its consistent with my life style	2.38	1.191
If my preferred brand for its my type	2.69	1.164
Life style	2.796	1.155
I trust old brand names of beer only	3.06	1.223
I feel more secure when I buy SEN'Q for it belongs to a well-known brand	3.71	1.029
I prefer to buy a SEN'Q beer brand that I am familiar with	3.98	.872
Brand label awareness	3.58	1.041
I prefer SEN'Q for it's the quality of product of BGI	2.19	1.281
I prefer a SEN'Q for I believe it's a high quality	2.92	1.259
Product quality	2.55	1.27

Source: Survey Data (2023)

5. Correlation Analysis

Table 6: Correlation analysis

** . Correlation is significant at the 0.01 level (2-tailed)

	Product quality	Health matter	Situational Variation	Advertisement	CSR	CSR	Life Style	Brand Label Awareness	price
Product Quality	1	0.388**	0.490**	.395**	.347**	.271**	.255**	.408**	.048**
Health matter		1	.349**	.301**	.343**	.253**	.361**	.427**	.234**
Situational Variation			1	.296**	.354**	.334*	.264**	.412**	.076**
Advertisement				1	.529**	.601**	.428**	.588**	.136**
CSR					1	.586**	.416**	.612**	.224**
Life Style						1	.506**	.600**	.308**
Brand Label Awareness							1	.556**	.214**
Price								1	.3**

Source: Survey Data 2023

As per table 6, the coefficients shows that all the eight factors measuring brand preference were all positively related within the range of 0.048 to 0.490, all were significant at $p < 0.01$ level. Five independent variables i.e. product quality, situational variation, advertisement, life style, and brand awareness show a moderate level of positive relation with the dependent variable (consumer brand preference). The rest three

variables of brand label awareness, CSR besides price shows a small positive relation (0.255,0.271 and 0.48 respectively).

6. Regression Analysis

The regression model (see table 8) shows the Model coefficient of determination or R^2 found indicates that 60.2% of the variation in the measurement (Consumer preference) can be described by perceived quality, price, situational variation, advertisement, CSR, life style, brand awareness and product quality of a particular nonalcoholic beer. The remaining 39.8% of variations on beer brand preference are explained by other variables out of this model or variables which are not incorporated in this study such as availability, personal belief, emotional benefit ...etc.

Table 8:- Model Summary Brand preference Dimensions

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.776a	.602	.593	.74266

A. Predictors :(Constant), brand awareness, health matter, CSR, situational variation, price, advertisement, life style, and product quality

B. Dependent Variable: consumers brand preference Similarly, the ANOVA table (see appendix3) shows the overall significance/acceptability of the model from a statistical perspective. As the significance value of F Statistics shows a value (.000), which is less than $p < 0.05$, the model is significant.

Table 9: Regressions for Consumers Brand preference

Model	Unstandardized coefficients	Std. error	Standardized coefficients	T	Sig
	B		B		
(Constant)	-.427	.152		-2.8	0.005
Product quality	.187	.043	.180	4.341	.000
Life style	.097	.043	.092	2.253	.025
Price	.078	.042	.074	1.840	.067
Situational variation	.159	.047	.162	3.421	.001
Advertisement	.199	.048	.082	1.912	.042
Brand awareness	.185	.051	.182	3.636	.000
Health matter	.197	.039	.214	4.991	.000
CSR	.009	.033	.014	.277	.782
	.187	.043	.180	4.341	.000

Dependent Variable: consumers brand preference

Source: Survey Data (2023).

According to Table 9, the regression standardized coefficients for the six independent variables are less than 0.05. This indicates significant relationship with dependent variable (consumers brand preference). Since, coefficients of the predictor variables are statistically significant at less than five percent; alternative hypotheses related with health matter, brand name awareness, product quality, situational variation, life style and advertisement were accepted and the remaining two, price and CSR were rejected. A multiple linear regressions (Beta coefficients) analysis revealed that, health matter is the first most significant variable followed by brand awareness. Situational variation, advertisement, life style and product quality ranked 3rd, 4th, 5th and 6^{re} respectively. On the other hand, price and CSR show in significant effect on brand preference and the significance level score is >0.05.

Table 10: Summary of the Overall Outcome of the Research Hypotheses

Hypothesis	Result	Reason
H1: Price contributes significantly favorable to SEN'Q beer brand preference	H1:Rejected	p>0.05
H2: Health matter contributes significantly favorable to SEN'Q beer brand preference	H2:Accepted	p<0.05
H3: Advertisement contributes significantly favorable to SEN'Q beer brand preference	H3:Accepted	p<0.05
H4: Situational variation contributes significantly favorable to SEN'Q beer brand preference	H4:Accepted	p<0.05
H5: Brand awareness contributes significantly favorable to SEN'Q beer brand preference	H5:Accepted	p<0.05
H6: life style contributes significantly favorable to SEN'Q beer brand preference	H6:Accepted	p<0.05
H7: product quality contributes significantly favorable to SEN'Q beer brand preference	H7:Accepted	p<0.05
H8: CSR contributes significantly favorable to SEN'Q beer brand preference	H8: Rejected	p>0.05

Source: Survey Data (2023)

7. Factors of brand preference based on Respondents' Profile

The independent t- test and one-way ANOVA were applied to compare demographic characteristics and investigate how they are related with independent. Hence, One-Way ANOVA analysis between the factors of brand preference and four income levels, five education levels, and four age groups were carried out.

8. Factors of brand preference based on Gender

The result of independent sample t-test from table 11 shows that, the mean difference between female and male subjects with all variables are not significant as their p values are greater than 0.05. This shows that the variables influence on SEN'Q brand preference of male and female subjects is almost similar.

Table 11: Independent sample t-test between gender and Primary factors of brand preference

	Gender	No	Mean	Std. Deviation	Mean Difference	t-value	Sig.(p)
Price	Male	94	3.2925	.944	0.0185	.807	0.472
	Female	266	3.2725	1.0445		.912	
Health matter	Male	94	4.2175	.6635	0.027	-.3107	0.546
	Female	266	4.1925	.7505		-.3355	
Situational variation	Male	94	3.335	1.0253	-.0452	-.421	0.401
	Female	266	3.38	1.0513		-0.4335	
Advertisement	Male	94	3.0933	1.1463	.0111	.831	0.416
	Female	266	2.9867	1.1363		.8526	
CSR	Male	94	2.8533	1.0013	.1183	.9346	0.333
	Female	266	2.7333	1.1343		1.1012	
Life style	Female	94	2.78	1.1630	.0293	-.224	0.597
	Male	266	2.81	1.1507		-.2276	
Brand label awareness	Male	94	3.6533	0.9853		0.83	
	Female	266	3.56	1.0587	.097	0.9083	0.066
product quality	Male	94	2.82	1.197		-.8175	
	Female	266	2.945	1.292	-.1245	-.85	0.325

*significant at $p < 0.05$

Source: Survey Data (2023)

9. Factors of brand preference based on Income Level

A one-way ANOVA tests the similarity of means of all the groups. Whether the groups' mean between different age groups are similar represented by the F-ratio. For all variables in table 4.11 and the significant value for F-ratio (.000) is greater than 0.05. Therefore, there is no significant mean difference between different income groups with regard brand preference. This specifies that the eight variables as brand preference criteria by different income groups are similar.

Table 12: One Way ANOVA between Income Level and Primary Factors of SEN'Q beer Brand preference

		Sum of Squares	Df	Mean square	F	Sig.
situational variation	Between Groups	13.1265	3	4.3755	4.3313	.213
	Within Groups	366.9145	356	1.0307		
	Total	380.041	359			
product quality	Between Groups	4.585	3	1.5282	2.9487	.075
	Within Groups	185.8147	356			
	Total	190.3997	359			
Health matter	Between Groups	4.9682	3	1.656		
	Within Groups	388.9972	356			

	Total	393.9654	359		1.4365	.390
Advertisement	Between Groups	11.865	3	2.9662	3.129	.081
	Within Groups	458.5266	356	1.288		
	Total	470.3916	359			
Price	Between Groups	9.706	3	3.2356	2.9116	.028
	Within Groups	431.3773	356	1.212		
	Total	441.0833	359			
Life style	Between Groups	4.1486	3	1.383	1.0926	.516
	Within Groups	475.69	356	1.336		
	Total	479.8386	359			
Brand awareness	Between Groups	9.672	3	3.224	2.4616	.284
	Within Groups	386.9593	356	1.0866		
	Total	396.6313	359			
CSR	Between Groups	10.4475	3	3.4825	2.175	.098
	Within Groups	568.662	356	1.5975		
	Total	579.1095	359			

* Significant at $p < 0.05$

Source: Survey Data (2023)

10. Factors of brand preference Based on Age

Table 13, shows there is significant difference between different age groups an advertisement as a brand preference criteria at $F=3.422$, significant level 0.043, which is less than 0.05. Respondents in the age category of 21-25 and 26-35 give more attention for advertisement activities of a brand, as the mean score shows 3.136 and 3.08, respectively. For the remaining seven variables, result from the ANOVA table shows that the influence is similar among different age groups of respondents.

Table 13: One way ANOVA between Age and Factors of Brand preference

Variables		Sum of Squares	Df	Mean square	F	Sig.
Price	Among Groups	5.9988	3	1.9995	1.8397	.349
	In Groups	374.042	356	1.0507		
	Total	380.041	359			
Health matter	Among Groups	7.6285	3	2.543	5.0102	.21
	In Groups	182.772	356	0.5132		
	Total	190.401	359			
situational variation	Among Groups	4.9601	3	1.6535	1.469	.279
	In Groups	389.005	356	1.0935		
	Total	393.965	359			
Advertisement	Among Groups	13.0433	3	4.3476	3.422	.043
	In Groups	457.3483	356	1.2846		
	Total	235.196	359			
CSR	Among Groups	9.9686	3	3.323	3.046	.177
	In Groups	431.115	356	1.211		
	Total	441.0833	359			

Life style	Among Groups	9.2263	3	3.0753	2.2886	.123
	In Groups	470.613	356	1.322		
	Total	479.839	359			
Brand awareness	Among Groups	7.567	3	2.5223	1.908	.355
	In Groups	389.065	356	1.0926		
	Total	396.632	359			
product quality	Among Groups	6.1605	3	2.5223	1.294	.756
	In Groups	572.949	356	1.0926		
	Total	579.109	359			

Source: Survey Data (2023)

11. Factors Brand preference based on Education Level

Table 14 shows that advertisement; situational variation and brand availability as a factor of brand preference perceived contrarily among consumers of different educational background. The three variables have a significance level of .000, .005 and .036, respectively, which is less than 0.05. Compared with other group college diploma graduates give further attention to advertisement, CSR issue and life style, as their highest mean score shows 3.27, 2.99, 2.89, respectively. Primary education backgrounds have the lowest mean score for the three variables. Other five variables are perceived similarly among educational groups.

Table 14: One Way ANOVA between Education and Primary Factors of Brand preference

		Sum of Squares	Df	Mean square	F	Sig.
Price	Between Groups	10.3718	4	2.5927	2.6412	.091
	Within Groups	369.669	355	1.0415		
	Total	380.041	359			
Health matter	Between Groups	2.3452	4	.586	1.0652	.489
	Within Groups	188.055	355	.529		
	Total	190.400	359			
CSR	Between Groups	9.27	4	2.3175	2.019	.277
	Within Groups	384.696	355	1.0845		
	Total	393.966	359			
Advertisement	Between Groups	37.058	4	9.2646	7.6303	.000
	Within Groups	433.334	355	1.2206		
	Total	470.392	359			
situational variation	Between Groups	20.963	4	5.241	4.352	.005
	Within Groups	420.12	355	1.183		
	Total	441.083	359			
Life style	Between Groups	20.494	4	5.1236	4.145	.036
	Within Groups	459.345	355	1.1833		
	Total	479.839	359			
Brand label awareness	Between Groups	7.6916	4	1.923		
	Within Groups	388.939	355	1.0956		

	Total	396.631	359		1.6978	.152
product quality	Between Groups	8.692	4	2.173		
	Within Groups	570.419	355	1.607		
	Total	579.111	359		1.351	.251

Source: Survey Data (2023)

Conclusion

The aim of this study was to identify SEN'Q brand nonalcoholic beer brand preference among consumers of residents of Bahir Dar city. According to the study findings, Six factors: health matter, brand awareness, advertisement, life style, product quality and situational variation were identified as critical to SEN'Q brand preference.

The mean score for health matter was relatively high (4.1975). Consumers make SEN'Q preference for its contents, production quality and health matter and consistent quality. All the four items of measure health matter contribute almost equal to the overall mean. The next mean score of brand awareness is high (3.58). This implies, respondents are influenced by brand awareness. Specifically, consumers prefer to buy a familiar brand, as it has the highest mean score (3.98). The item with the lowest mean score (3.06) refers to respondents doubt to new brands. Yet the SEN'Q is new to the market, the fact it's the product of reputable BGI brand. The next mean score of situational variation is higher (3.36). This indicates that situational variation is the most important factor among consumers. Advertisement with mean score of (3.34) implies that it is the most significant factor among respondents. Price with mean score of 3.03 indicates significant. The relatively low mean score for CSR (2.74), life style (2.79) and product quality (2.55).

A multiple linear regressions (Beta coefficients) analysis revealed that, health matter is the first most significant variable followed by brand awareness. Situational variation, advertisement, life style and product quality ranked 3rd, 4th, 5th and 6^{re} respectively. On the other hand, price and CSR show in significant effect on brand preference and the significance level score is >0.05.

The coefficients shows that all the eight factors measuring brand preference were all positively related within the range of 0.048 to 0.490, all were significant at $p < 0.01$ level. Five independent variables i.e. product quality, situational variation, advertisement, life style, and brand awareness show a moderate level of positive relation with the dependent variable (consumer brand preference). The rest three variables of brand label awareness, CSR besides price shows a small positive relation (0.255, 0.271 and 0.48 respectively). The study has verified the importance of life style in determining brand preference. Life style was found to be perceived contrarily by respondents across different groups of educational background.

The study revealed the influence of CSR on brand preference across different respondents of diverse educational group. The statistical test shows that price is insignificant ($p > 0.05$) predictor of beer brand preference ($\beta = 0.074$, $p = 0.067$) and consumers do not consider it in setting their brand preference. This could be due to the fact that in Bahir Dar beer market price is parallel across different outlets and most of

nonalcoholic beer products charge similar price. The statistical test shows that price is insignificant $p > 0.05$ predictor of beer brand preference ($\beta = 0.014$, $p = 0.782$).

Regarding brand awareness information source majority believe their source to be internet and social media. The results of regression analysis indicated that there is a positive effect of health matter, brand name awareness, situational variation, advertisement, life style, CSR depending on their order of importance, from the best to the least. From the finding it is concluded that the perception of consumers regarding the brand quality is important factor in shaping their preference. CSR were found to be insignificant among consumer respondents. This may be lack of information of respondents about CSR activities of the company or the limited role of the company in CSR activities or limitation on publicizing activities which include publicity and public relation, participation in social affairs, sales promotion and personal selling, practiced by beer companies have significant influence over consumer buying decision. On the other hand, Price and CSR were found to be insignificant predictors of consumer beer brand preference with multiple regression test results, price ($\beta = 0.074$, $p = 0.67$) and CSR ($\beta = 0.014$, $p = 0.782$). Findings showed that consumers of different educational background perceive advertisement, price and CSR differently. Advertisement is the only factor, which is perceived differently by consumers who are indifferent age groups. Also, the test result of respondent's gender and income level was insignificant. Findings on brand awareness showed that consumers are highly aware of different brands available in Bahir Dar and advertisements are found to be the most influential source of brand awareness. Moreover HARAR SOFI, SEN'Q and MALTA GUINNES non-alcoholic beers respectively are found to be top of mind and most preferred brands by majority of consumers in Bahir Dar city.

Recommendation

Based study the findings, and conclusions, the following possible recommendations are drawn:

Develop positioning strategies that put brands unique in the eyes of the consumer in process of manufacturing or the quality of unique ingredients used in the process of brewing product packaging and designing a use and throw bottles, involve on intensive promotional operation to create robust brand awareness and brand image. As SENQ is latest product, marketing campaign that attracts consumer's attention and capture their interest; Persuasive, creative, meaningful and appealing advertisements are suggested. This study revealed that social media and digital marketing are currently the most powerful of all media used in advertising. The majority of consumers (185, 51.4%) were aware from social media (internet). Utilizing the digital platform properly is acclaimed to boost the market. CSR activities need much emphasis of participating in various societal development activities and CSR reporting is mandatory. For future researchers, it's suggested to study the nonalcoholic beer product category in country wide context by addressing more features of the customer preference at large sample and duration.

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