
IMPACT OF CORPORATE SOCIETAL MARKETING PROGRAMMES ON BRAND AWARENESS.CASE OF ECONET WIRELESS ZIMBABWE

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ABSTRACT

The study was carried out in Harare and Bulawayo, the capital and second capital cities of Zimbabwe respectively. The study was concerned with investigating the influence of corporate societal marketing on brand awareness with a special focus on Econet Wireless Zimbabwe. Quantitative methodology was used and it enabled the collection of quantitative data. The relationship between corporate societal marketing programmes and brand awareness was established through hypotheses testing. A hypothesis testing was done to establish if there is positive significant influence of CSM programmes on brand awareness. The population for this research study was Econet Wireless Zimbabwe marketing management staff, employees and its customers from its two main branches (Harare and Bulawayo branches). All 16 Econet shops situated in Harare (14) and Bulawayo (2) were selected. One thousand (1000) customers were intercepted as they were going into and out the shops and were requested to complete questionnaires. Eighty three percent (833) of the questionnaires were returned. In sampling Econet employees, it was a census since questionnaires were distributed to all 35 employees in the marketing department and were all returned. The statistical Package SPSS Software Version 21 was used to analyse quantitative data through some t-tests, regression analyses, analysis of variance (ANOVA). Regression analysis was employed to test the hypothesis of the study. The hypothesis was tested and supported that CSM programmes have significant positive influence on brand awareness. Conclusions include that companies that are active in CSM programmes positively influence their brand awareness Major recommendations of the study include the need for companies to consult customers on CSM activities the companies can undertake, the provision of a legal framework by government to regulate social activities for both private and public companies, and publication by Econet Wireless Zimbabwe of a list of CSM programmes beneficiaries who have succeeded to show the impact of its CSM programmes to society. The study also recommends further studies which include the impact of CSM on financial performance and comparative analysis involving more companies, since this study concentrated on one company.

KEYWORDS: CORPORATE SOCIETAL MARKETING, BRAND AWARENESS, BRAND EQUITY

INTRODUCTION

The potential benefits of CSM programmes are vast, but this study was focused on the specific benefits of CSM programmes with regard to the shaping of brand equity.

Corporate societal marketing programs are poised to play a more important role in brand marketing. For that to happen, however, marketers must understand what to expect and what not to expect from CSM programs. Several authors (Hoeffler and Keller, 2002; Keller, 2006; Maruf, 2016; Naqvi et al, 2013 and Mohammadeli and Pervaneh, 2013;

Mandhachitara and Poolthong, 2011; Kumar et al. 2013; Torres, 2010; Maruf, 2016; Luo and; Sen, Bhattacharya, and Korschun, 2006) describe five means by which CSM programmes can build brand equity (brand awareness, brand loyalty, brand associations, perceived brand quality and other proprietary assets).

Background to the Study

Some studies (Kotler 2010; Drumwright and Murphy 2001; Keller 2003 and Sankar and Bhattacharya 2003) generally agree that companies that are active in corporate societal marketing influence positively their brand equity and they also believe that brand equity leads to business having a competitive advantage. They went on to say that corporate societal marketing makes the company distinct and stand out in a market. According to Kotler (2010) corporate societal marketing (CSM) is a concept in which business enterprises promote, participate and initiate social programmes in order to address an issue of concern in the wider community. According to Piacentini MacFadywn and Eddie (2000) CSM can be in the form of corporate social responsibility (CSR); cause-related marketing (CRM) and corporate philanthropy (CP). In the view of Keller (2003), BE is a marketing concept which describes the value attached to a popular brand name based on the idea that the owner of a popular brand name can generate more business value (reduce marketing costs, reputation and profits) than from competing products with a less popular brand name. Consumers believe that a product with a popular brand name is better and fit for use since it has been accepted by the majority of customers. According to Chieng and Goi's (2011)'s model to measure customer-brand equity, BE is determined by five (5) dimensions or elements which are brand awareness, brand associations, perceived quality, brand loyalty and other proprietary assets. This study concerns itself with determining the influence of CSM on BE but using Econet Wireless Zimbabwe Wireless, Zimbabwe. The

thrust of the study is to examine the background to the study, the problem, review relevant literature and explain the methodology strategies used. The background to the study briefly discusses the CSM practices in developed countries (US and Europe countries), developing countries (Africa); and contextualises Mobile Telecommunication sector and Econet Wireless Zimbabwe CSM programmes in Zimbabwe. From its beginning in 1996 Econet Wireless Zimbabwe established an enviable track record in corporate societal marketing programmes which have seen it initiating various social initiatives in the country. In a statement to its shareholders in unaudited financial results for the half-year ended 31st August of 2010, the company advised that 50 000 students have been assisted by the company through its different corporate societal marketing vehicles. Econet Wireless Zimbabwe CSM programmes which include Capernaum Trust; Joshua Nkomo Scholarship Trust; National Healthcare Trust of Zimbabwe has changed the livelihood of ordinary and disadvantaged members of the society.

Over the same period, the company used US\$5 million to assist economically disadvantaged students under the Joshua Nkomo Scholarship Trust and Capernaum Trust. Established in 1996 the Joshua Nkomo Scholarship Trust is a Christian faith-based child-centred organisation operating under a Memorandum of Understanding (MOU) with the Government of Zimbabwe. It operates in all the 10 provinces of the country with headquarters in Harare. The Joshua Nkomo Scholarship Trust aims to transform and offer opportunities to orphaned children and turns them into what it terms "History makers" through education and training so that they realise their full potential and purpose in life. Joshua Nkomo Scholarship Trust works with needy and vulnerable children below the ages of 18 years from around Zimbabwe, whom it provides with full scholarships. This

scholarship covers tuition fees, uniforms, books, stipend and any other essential requirements.

The social investment vehicle, Capernaum Trust established in 2005, is a pan-African scholarship fund for academically gifted Zimbabweans to pursue their higher and tertiary studies at local secondary schools and universities. A major aim of the scholarship is to develop a talented pool of future leaders in the mould of the late Vice President Dr Joshua Nkomo, after whom the scholarship fund is named. The aim of the Trust is to create future leaders not only in the political field of politics but in other fields such as commerce, science and entrepreneurial sector. This philosophy is reflected in the structure of the scholarship which has components of leadership and personal development. Each year an ambitious figure of 100 scholarships are awarded to deserving bright students drawn from the country's 10 provinces to enable them to commence studies at various schools or universities. Each scholarship package is fairly comprehensive and covers the core areas of need such as academic fees and accommodation/boarding fees. A small stipend is also available for university students.

According to Econet Wireless Zimbabwe Annual Report (2015), since inception the company provided educational support to close 100,000 children. Capernaum Trust set up 5 additional Learning Hubs to an existing 16 facilities nation-wide, which provides a convenient and accessible platform for educational research, learning support and spiritual enrichment for beneficiaries and communities at large. One of the 21 Learning Hubs was commissioned at Bindura University of Science Education, cementing the strong strategic collaboration that the Trust has long cultivated and enjoyed with universities and tertiary learning institutions around the country and abroad. The Trust also collaborates with the

University of Zimbabwe and the university's College of Health Sciences, and with several universities in the region, including Monash University in South Africa and the highly regarded Waterford College in Swaziland. Capernaum Trust made significant impact through the Learning Hubs as 320,000 students used the facilities to take advantage of the free and diverse learning resources. The Trust trained 1,836 'contact teachers' in IT skills, equipping them to train 389,200 students by 2015 in basic IT skills that ensure they fully utilise the online learning resources available at the Learning Hubs and elsewhere. The Trust also distributed close to 10,000 study solar lanterns to secondary school students. This was over and above food pack support that impacted over 35,025 families.

The National Healthcare Trust of Zimbabwe is a strategic partnership amongst various non-state actors in Zimbabwe, including Econet Wireless Zimbabwe, who came together in direct response to the need to strengthen the capacity of the country's health delivery system to deal with various challenges, such as epidemics and brain drain. The National Healthcare Trust of Zimbabwe mobilised resources in response to the devastating cholera outbreak of 2008 and donated US\$1 million to the University of Zimbabwe's College of Health Sciences aimed at building and maintaining capacity within the health delivery system through skills training. Considering this, it is clear that Econet Wireless Zimbabwe is playing a major role in national workforce development through its various social investment vehicles.

Since inception Econet Wireless Zimbabwe has registered phenomenal growth capturing more than 50% percent of the market share. Econet Wireless Zimbabwe business growth has intrigued this researcher to establish if corporate societal marketing (CSM) programmes have contributed positively to the company's success. Also, the study will

confirm or reject the argument put forward by some scholars (Kotler 2010; Drumwright and Murphy 2001; Keller 2003 and Sankar and Bhattacharya 2003) that CSM influences BE.

Statement of the Problem

According to Lichtenstein, et al. (2000), corporate societal marketing has been used to satisfy multiple brand equity objectives. Some of the brand equity objectives for companies that implement successful corporate societal marketing programmes include creating differential advantage through an enhanced corporate brand image with consumers and differentiating themselves from the competition by building an emotional, even spiritual bond with consumers. Hoeffler and Keller, (2008) added that through corporate societal marketing, the company's public image is enhanced; its employee morale is boosted; attention to a product or service drawn and reservoir of company goodwill provided. Econet Wireless Zimbabwe, since its inception in 1996 has built an enviable track record in implementing corporate societal marketing programmes in the country which include Capernaum Trust, Joshua Nkomo Scholarship Trust, National Healthcare Trust of Zimbabwe, Christian Community Partnership and HIV/AIDs Policy. This research study aimed to establish if Econet Wireless Zimbabwe's CSM programmes positively influenced its brand equity.

Objectives of the Study

To examine how Econet Wireless Zimbabwe's' corporate societal marketing programmes influence its brand awareness.

Hypothesis 1: Customers perceive CSM programmes have significant positive influence on brand awareness

According to American Marketing Association (2013), brand awareness is a marketing concept that enables to quantify levels and trends in consumer knowledge and awareness of the product's existence. Keller (1993) defines brand awareness as an extent to which a brand is recognised by potential customers and is correctly associated with a particular product. They went on to say that brand awareness includes brand recognition and brand recall performance. Brand recognition is the ability to the consumers to correctly differentiate the brand they were exposed to and this does not require the consumers to identify the brand's name but the consumer can respond to a certain brand after viewing its visual packaging images. On the other hand, they say brand recall refers to the ability of the consumers to retrieve the brand in their memory. According to Keller (2008), brand awareness is the first and prerequisite dimension of the entire knowledge system in the consumer's mind. He pointed out that brand awareness is measured by the ability to identify the brand under different conditions and the likelihood that the brand would come to mind with ease.

According to Aaker (1996) brand awareness is of importance in the mind of a customer. It is evaluated at different stages which include recognition recall top of mind brand dominance (only recalling that particular brand) brand knowledge (what the brand means to them). Gustafson and Chabot (2007), state that brand awareness is important because in the absence of it no effective communication takes place and transaction will take place. Keller (2008) supports this by pointing out that some consumers make a rule that the only buy those brands that is popular in the market.

Brand awareness is the first and the most vital requirement in the entire brand knowledge system in the mind of the customer. It reflects their ability to identify the brand under

different conditions. Brand awareness influences the likelihood that the brand name to come to the customer's mind and the ease with which it does to the customer. According to Kotler and Keller (2008), brand awareness is vital in decision making because customer recall the brand in the context of a specific product category and it increases the probability that the brand will be a member of the consideration set. Kotler and Keller (2008) go further to point out that brand awareness also affects decisions about the brands in the consideration set even in the absence of any brand associations in the mind of consumers.

Literature Review

Brand Awareness is regarded as critical and first level of building positive brand equity (Pope, 2016; Hoeffler and Keller, 2002). The consumer's perception on the ethical existence and corporate citizenship created by the CSM activities and strategies carried out by the business, would in turn create positive brand awareness or brand association that would lead to brand loyalty and brand satisfaction based on the perceived quality of the products (Nelli, 2016; Maruf, 2016; Naqvi et al, 2013 and Mohammadel and Pervaneh, 2013). According to Naqvi et al, (2013) social responsibility initiatives originated by companies, forms an important linkage between the brand awareness and customer expectations. In building the brand awareness of a product via CRM through CSM activities, it is considered to be important for the promoters to correctly match the brand and cause fit, that is, a brand to be fixed with a social cause which would serve a similar consumer base (Nan and Heo, 2007). Higher the brand/cause fit, the success of the CSM campaign to lead to the enhancement of brand awareness.

A customer to ignore the physical factors of a product such as the performance and the price which are prioritised in purchase decision making, than the CSM campaigns, should

have strong moral attributes that the customer will pay his attention on (Mohammalide and Pervaneh, 2013). Brand awareness of CSM activity and its value to society is used by customers to consider switching from a product which is better in performance and/or price; to a product with positive CSM associations (Maruf, 2016; Naqvi et al, 2013 and Mohammadeli and Pervaneh, 2013). Therefore it is evident that positive CRM campaigns could effectively enhance the level of brand awareness of a product enabling the product to overcome even crucial physical attributes such as performance and price, building a sustainable competitive advantage, ensuring the existence of a business amidst strong competition.

Methodology

This study adopted a mixed methods research approach. Tashakkori and Teddlie (2011) define mixed methods research as a methodology that includes both qualitative and quantitative data collection and analysis in the same study. Saunders (2007) argues that mixed methods research is more than simply collecting both qualitative and quantitative data. Burge and Onwuegbuzie (2005) indicate that mixed method research combines or mixes qualitative and quantitative research techniques, methods, approaches, concepts or language in a single study. It implies that data are integrated related or mixed at some stage of the research process. Bryman (2006) argues that in order to offset the weaknesses and draw on the strength of both methods, the use of mixed method research has become increasingly common in recent years. Bryman (2006) and Creswell (2003) indicate that adopting a mixed method research, it helps to understand complex data and gives a more complete and comprehensive account of the enquiry. Criswell and Clark, (2011) indicate that the underlying logic to mixing is that neither qualitative nor quantitative methods are sufficient in themselves, to capture the trends and details of the situation and when used in combination, both qualitative and quantitative data yield a more complete analysis, and

they complement each other. Johnson and Onwuegbuzi (2004) posit that mixed methods research includes the use of induction which refers to the discovery of patterns and, deduction which involves testing theories and hypotheses. The quantitative research is concerned with numerical evidence and allows statistical analysis which enables the research to test hypotheses. This study has qualitative part and quantitative part. In the qualitative part, in-depth interviews were carried out with Econet Wireless Zimbabwe marketing management staff that is responsible for the running of Econet Wireless Zimbabwe's corporate societal programmes. The in-depth interviews with Econet Wireless Zimbabwe marketing management staff were able to establish the reasons and objectives of the company in undertaking CSM programmes. The qualitative phase was important in that information gathered was used in the construction of questionnaires which were used to gather quantitative data in phase two of the study. The quantitative part involved administering questionnaires to Econet Wireless Zimbabwe customers.

The current study adopted a nested or embedded concurrent research design in which one data set provides a supportive, secondary role in a study based primarily on the other data type (Creswell, Plano Clark, et al., 2003). In this study, qualitative data provided a supportive, secondary role to quantitative data which is the main or primary data set. Qualitative research was embedded in the predominantly quantitative research. The researcher felt that a single data set was not sufficient, different questions need to be answered, and that each type of question required different types of data. Quantitative and qualitative approaches were used to confirm, cross-validate, or corroborate findings within a single study (Creswell, Plano Clark, Gutmann, and Hanson, 2003).

Survey instruments, questionnaire and interviews were used to gather quantitative and qualitative data respectively. The relationship of variables that affect brand equity was analysed quantitatively by means of statistical tests which include t-test, ANOVA and regression analysis. The researcher believed that the chosen research design would produce authentic, valid, and generalisable information on the influence of CSM programmes on brand equity.

Findings

This- section presents the OLS results of the determinants of Econet's brand awareness component. The analysis of variance results show that the estimated model is significant at the 1 percent level with an F-statistic of 537. The variables included in the model explain about 96 percent of the variation around the origin in the Brand Awareness Index (BAI).

All the model variables have expected signs except for customers awareness of HIV and AIDs programme. *A priori*, awareness of any of Econet's CSM programmes is expected to positively influence the BAI.

The variables which significantly influence Econet's perceived brand awareness are the age of the customer (Age 31to 45), customer occupation (Occupation Other), customer location (Location - Bulawayo), customer period (Customer Period 6 to 7years), and awareness of Econet's CSM programmes (CSM Programme: Capernaum Trust, CSM Programme: Joshua Nkomo Trust, CSM Programme: NHC Trust Zimbabwe, CSM Programme: CCP Trust). Variable which do not significantly affect Econet's perceived brand equity is gender of customer (Gender).

Table 4.13: OLS Estimates for the Determinants of Econet's Brand Awareness

Variable	Coefficient	Std. Error	t	Sig.
Age 31to 45	5.022	2.606	1.927	0.055
Age GT45	0.799	2.815	0.284	0.777
Gender	1.466	2.022	0.725	0.469
Occupation Unemployed	4.262	2.790	1.528	0.128
Occupation Other	6.354	2.368	2.684	0.008
Location : Bulawayo	6.716	1.986	3.383	0.001
Customer Period 6To7Yrs	5.003	2.361	2.119	0.035
Customer Period Greater Than 7years	2.239	2.847	0.787	0.432
CSM Programme: Capernaum Trust	39.451	3.050	12.934	0.000
CSM Programme: Joshua Nkomo Trust	40.226	3.181	12.645	0.000
CSM Programme: NHC Trust Zimbabwe	-11.570	2.435	-4.751	0.000
CSM Programme: CCP Trust	-4.747	2.111	-2.249	0.025
CSM Programme: HIV AIDS Policy	-0.523	2.327	-0.225	0.822
R ²	0.958			
Adj. R ²	0.956			

ANOVA					
Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	2105198.103	13	161938.316	536.519	0.000
Residual	93265.897	309	301.831		
Total	2198464.000	833			
Linear Regression through the Origin					

The OLS results show that the perceived brand awareness is significantly higher for customers aged 31 to 45 and greater than 45 years compared to customers aged 30 years and below. Customers aged 31 to 45 and greater than 45 years have a 5.0 and 0.8 points respectively higher BAI than customers aged 30 years and below. The results indicate that perception of brand awareness improves with age.

Unemployed customers and other customers (self-employed) have a significantly higher brand awareness index compared to civil servants. On average, the BAI for unemployed customers is about 4.3 points higher than that of customers who are civil servants.

Similarly, on average, the BAI for other customers is about 6.3 points higher than that of customers who are civil servants. Civil servants perceived BAI may be lower because they may be less prone to seek assistance from Econet scholarship CSM programmes since their income is reliable as compared to the other two groups.

Customers in Bulawayo have a significantly higher perceived BAI compared to customers in Harare. On average, the BLI for customers in Bulawayo is 6.7 points higher than that for customers in Harare.

The BEI for those who have been Econet's customers for at least 6 years is significantly higher than that for those who have been customers for 5 years or less. *Ceteris Paribas*, the BEI for those who have been customers for 6 to 7 years is 5.0 points higher than for those who have been customers for 5 years or less. The BAI for those who have been customers for more than 7 years is 2.2 points higher than for those who have been customers for 5 years or less. This result shows that the longer the customer's period status, higher is their BAI perception.

Customers who are aware of the Joshua Nkomo Scholarship Trust and Capernaum Trust CSM programmes have significantly higher perceived BAIs compared to customers who are not aware of these programmes. On average, the BAI for customers who are aware on the Joshua Nkomo Scholarship Trust is about 40.2 points higher than that for customers who are not aware of this programme. Similarly, on average, the BAI for customers who are aware on the Capernaum Trust is about 39.5 points higher than that for customers who are not aware of this programme. Customers who are aware of the National Health Care and Christian Community Partnership Trust programmes have significantly lower

perceived BAIs compared to customers who are not aware of these programmes. On average, the BAI for customers who are aware of the National Health Care and Christian Community Partnership Trust programme is about 11.6 points lower than that for customers who are not aware of this programme. Similarly, on average, the BEI for customers who are aware on the Christian Community Partnership Trust is about 4.7 points lower than that for customers who are not aware of this programme. Generally customers BAI improves when customers are aware of the CSM programmes.

In the ANOVA table p-value is .000 which is less than 0.05. This indicates that there is enough evidence to support the hypothesis which says that there CSM programmes positively influence brand loyalty. Therefore ***Hypothesis 1: Customers perceive that CSM programmes have significant positive influence on brand awareness*** is accepted.

Conclusion

The study established that CSM programmes positively influenced brand equity of Econet Wireless Zimbabwe. The study indicates that Capernaum Trust and Joshua Nkomo Scholarship Trust which was introduced and implemented by Econet Wireless Zimbabwe over the years have resulted in a positive image for the company. The introduction of a legal framework that regulates social activities by companies both private and public in Zimbabwe. By the time the study was being carried out there was no legal instrument to regulate or promote companies to plough back some of their profits to society as a form of CSM activities.

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