BATANGAS DAIRY AND MULTI-PURPOSE COOPERATIVE MILK PROCESSING PLANT'S BRAND AWARENESS

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ABSTRACT

The major concern of this study is to measure the brand awareness of Batangas Dairy Cooperative (BADACO) in the area of Batangas. Brand awareness plays an important role in consumer decision-making. Hence, it is important to realize the current standing of the brand awareness of BADACO. This research discusses the importance of factors that influence brand awareness like brand functions, advertising, brand element, and consumer decision-making. Batangas Dairy Cooperative is selected for this research as their business needs to improve their current market share since it is a newly established company. The study is based on questionnaire method with a minimum of 60 respondents. The survey was used to measure the level of BADACO's brand awareness. This paper explains the brand awareness and consumer behavior from the perspective of consumers, to show if it matters in improving the current standing of BADACO in the market. The study found out that only 19 percent of the respondents who claim that they buy local milk products have at least tried BADACO Fresh Milk. Only 20 percent of the respondents are aware of the existence of BADACO. The results of this study indicate that BADACO needs to give more attention in marketing and advertising their product in order to increase the consumers' awareness on their products. The study provided a proposed program to enhance the brand awareness of BADACO.

*Key words: **brand, brand awareness, consumer behavior, consumer decision-making***

INTRODUCTION

In the Philippines, our milk industry is almost completely dependent on imports which amount to around 180,000 tons of milk powders. These milk powder imports represent 87 percent of the Philippines' bulk imports. Fresh milk from

domestic farms is used only for ready-to-drink milk making milk powder a reconstitution for it (The Dairy Site, 2012).

Batangas Dairy and Multi-Purpose Cooperative, also known as BADACO is a local fresh milk producer in the Philippines producing more than 4,000 liters of fresh milk every day from its very own farm. This fresh milk is then turned into different product lines such as pasteurized, homogenized fresh whole milk, as well as flavored liquid milk, and yogurt. It was founded in November 19, 1990 by five different dairy cooperatives in accordance with Cooperative Development Authority (CDA).

BADACO has always distributed its products in some parts of Batangas. Through that, the purpose of this study is to look at the possibility of raising the brand awareness of BADACO's Fresh Milk in the whole area of Batangas. It is in this context that the researchers are undertaking this study in coordination with the vice chairman of the board, Jose Alilio and the farm manager, Edwin Sanchez in BADACO.

Related Literature and Related Studies

Brand awareness

Brand awareness plays an important role in consumer decision-making by influencing which brands enter the consideration set; which of the brands are used as a heuristic (simple decision rule); and the perception of quality (MacDonald and Sharp, 2000).

According to Aaker, (1991) brand awareness is the capacity of the consumers to recognize or remember a brand, and there is a linkage between the brand and the product class, but the link does not have to be strong. Brand Awareness is a

process from the brand is just known to a level when the customer have put the brand on a higher rank; the brand has become the "top of mind."

Since brand awareness is a specifically important aspect in this study, it is important to go deep into the different levels of awareness consumers can have. Based on his book, *Managing Brand Equity: Capitalizing on the Value of a Brand Name*, brand awareness has a range of three levels from being unaware of the brand, to an uncertain feeling that the brand exists, and brand recall, a belief that the product is the only one in its product class.

Furthermore, according to an article supported by Hoyer and Brown's research findings, brand awareness is a dominant choice tactic among awareness group subjects. Subjects choosing from a set of brands with marked awareness differentials showed an overwhelming preference for the high awareness brand, despite quality and price differentials. They also made their decisions faster than subjects in the non-awareness condition and sampled fewer brands (Macdonald and Sharp, 2000).
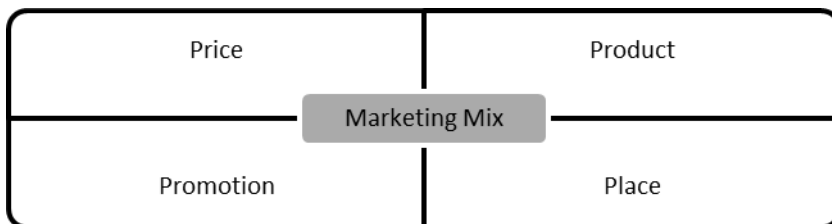
Research Framework

Theoretical Framework

Figure 1. Marketing mix model

According to Kotler and Armstrong (2013), marketing mix is a set of marketing tools that firms combine to yield the response it wants from the target market. It

entails everything that the company can do to influence the demand for its product or service. These four Ps—product, price, place, and promotion—are the elements of the marketing mix.

According to Cravens, et al. (2009), price plays a dominant role in the marketing strategy. Price is also an important part of the positioning strategy, and pricing decisions need to be coordinated with decisions for all the positioning components.

A product is defined as having need-satisfying benefits which a company offers consumers so that they become aware of them, purchase them, and then consume them. It is intended to meet the needs of buyers in the product market (Cravens, 2009).

According to Nickels, et al. (1997), promotion is used to bring about communication between the company and the consumer in such a way as to inform, remind, persuade, and reinforce his/her existing favorable attitude towards the product.

According to Kotler and Armstrong (2013), place (distribution) decisions are among the most important decisions that management faces, as they directly affect every other marketing decision. Furthermore, efficient physical distribution is of great importance for successful marketing, as physical distribution costs have increasingly become an important marketing cost.

Conceptual Framework

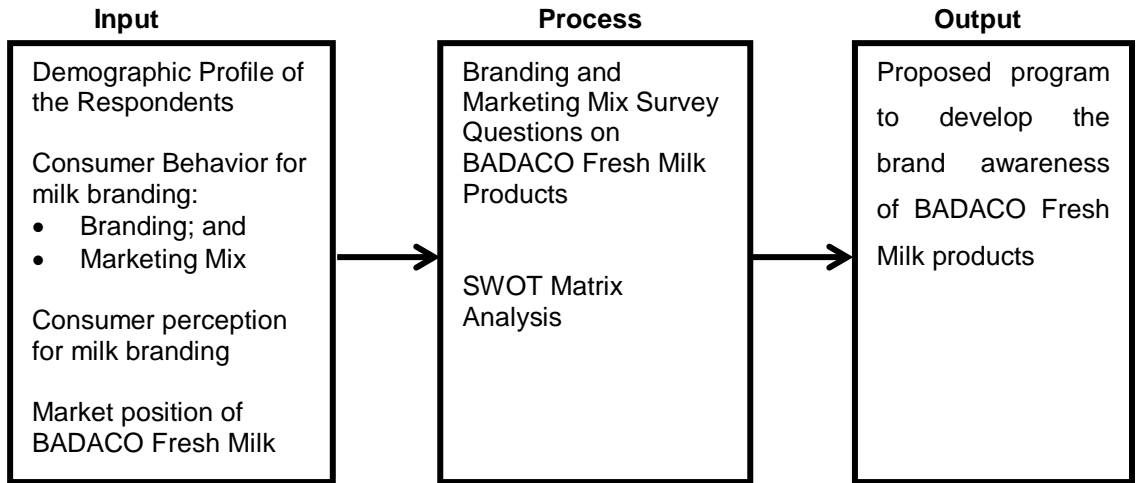| Input	Process	Output
Demographic Profile of the Respondents Consumer Behavior for milk branding: • Branding; and • Marketing Mix Consumer perception for milk branding Market position of BADACO Fresh Milk	Branding and Marketing Mix Survey Questions on BADACO Fresh Milk Products SWOT Matrix Analysis	Proposed program to develop the brand awareness of BADACO Fresh Milk products

Figure 2. Conceptual paradigm of the study

This study embraced the Input-Process-Output Model or the IPO model. Figure 2 shows the conceptual paradigm of the study.

As shown in the figure, the first box contains the demographic profile of the respondents followed by the consumer behaviour of the respondents towards choosing a milk brand in terms of branding and marketing mix. After that, the consumer perception of the respondents towards choosing milk brand in terms of brand function, advertising, brand element, and consumer decision making and lastly, the market position of the BADACO Fresh Milk. All the aforementioned variables served as the input of the study.

Then an arrow leads to the second box which represents the design of this study. It contains survey through the use of a self-constructed questionnaire, and SWOT matrix analysis. These were considered as the processes to meet the objectives of the study.

The last box represents the output of this study which is a proposed program to develop the brand awareness of the BADACO Fresh Milk.

Statement of the Objectives

The objective of this study is determine the brand awareness of Batangas Dairy and Multi-Purpose Cooperative and find out ways to enhance the brand awareness in order to make the brand stronger and increase the market share of its products.

Specifically, it attempted to determine the following:

1.   The profile of the respondents as to:

a.   Age; and

b.   Gender.

2.   The consumer behavior of respondents as to:

a.   Milk products they usually buy;

b.   Brand of milk products they are familiar with;

c.   Preference of brand of milk products;

d.   Reason for choosing the brand;

e.   Frequency of buying milk products;

f.   Place where they usually buy the milk products;

g.   Amount spent per purchase of milk products;

h.   Quality dimension most considered in buying milk products; and

i.   Type of advertisement that attracts them into buying milk products.

3.   The current market position of BADACO in terms of:

a.   Frequency of the respondents' purchase of BADACO's milk products as compared to local milk products;

b.   Familiarity of the respondents on BADACO Fresh Milk products;

c.   Marketing tool that helped in BADACO's brand awareness;

d.   Frequency of seeing advertisements relative to BADACO; and

e.   Amount the respondents are willing to spend to purchase BADACO products.

4.   The consumer perception on their consumption behavior regarding:

a.   Brand Functions;

b.   Advertising;

c.   Brand Elements; and

d.   Consumer Decision Making.

5.   A SWOT confrontation matrix on BADACO's strategic options.

6.   A proposed program to develop the brand awareness of BADACO's Products.

METHODOLOGY

This chapter presents the detailed discussion of the research design, sampling, and sampling design and data gathering tool, research procedure and data analysis. These factors are important in the analysis and interpretation of the gathered data, which will serve as basis for the result thereof.

Research Design

In this study, the researchers used quantitative method to gather and determine the necessary information and data regarding the formation of recommendation for Batangas Dairy and Multipurpose Cooperative in the context of increasing the brand awareness of their milk products.

The data were gathered through questionnaires. The proponents believe that through this method, the objectives of the study will bring a realistic result.

Sampling and Sampling Design

The participants in the study were a total of 66 different individuals within the area of Batangas by using the Internet as a tool to gather data. The minimum quantity of respondents was selected by using Yamane's sampling method with five percent as the perceived error. Since BADACO consists of an outsized number of target customers, the proponents used the average customers of BADACO in a week as basis for the population size.

Data Gathering Tool

The primary data gathering device used by the researchers was a survey questionnaire. This questionnaire was validated to ensure that the instrument measures what it really intends to measure.

The research instrument was divided into three parts. The first part focused on the respondents' consumer behavior in terms of branding and perception in line with marketing mix. The second part of the questionnaire dealt with the respondents' brand awareness on BADACO's milk products. The third part emphasizes the respondents' consumer perception in terms of brand functions, advertising, brand elements, and consumer decision-making.

Data Gathering Procedure

After the approval of the research topic from the company, the researchers started reading different references. To have a full understanding about the topic, the researchers consulted different books in Marketing Management, encyclopedia, articles/journals, thesis materials, and different related literature found the Internet. The researchers looked for concepts related to consumer behavior and brand awareness. Through extensive reading, the researchers were able to gather enough literature and studies that served as source for constructing the questionnaire.

The questionnaire used by the researchers were transmitted to Google Forms and distributed online through the use of Facebook, a social networking site. The proponents believe that the outcome of the online survey would give them better results rather than tradition survey method because it would be more convenient for the respondents to answer. Not only they could answer the questionnaires at their most convenient time but also, they would have more time to think and choose what corresponds to their answers. Further, it made the collection process simple and easy for the proponents.

Data Analysis

In this study, the following statistical tools were employed by the researchers in the analysis of the gathered data:

Yamane Sampling. This tool was used to determine the respondents.

$$n = \frac{N}{1 + Ne^2}$$

Frequency and Relative Frequency. This tool was used to determine the frequency and percentage of the respondents according to the profile variables.

Weighted Mean. This was used to categorize the consumer behavior of the respondents.

$$\text{Weighted Mean} = (fSA \times 4) + (fA \times 3) + (fD \times 2) + (fSD \times 1)$$
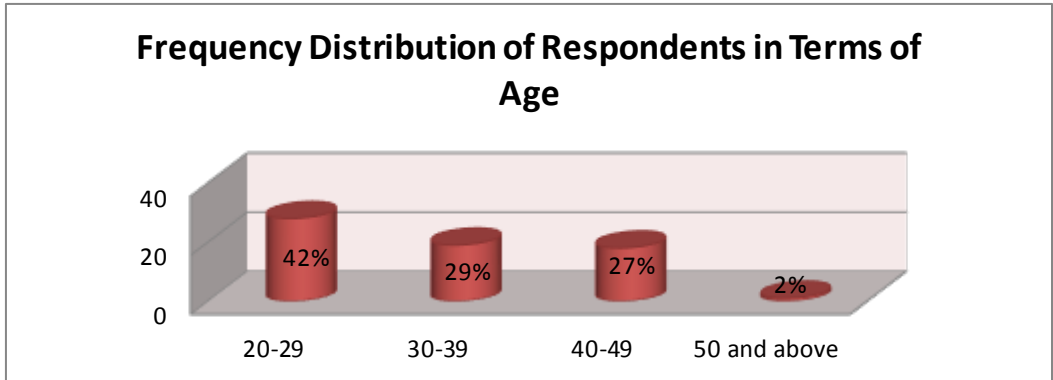
*f = Frequency*

SA= Strongly Agree

A = Agree

D = Disagree

SD = *Strongly Disagree*
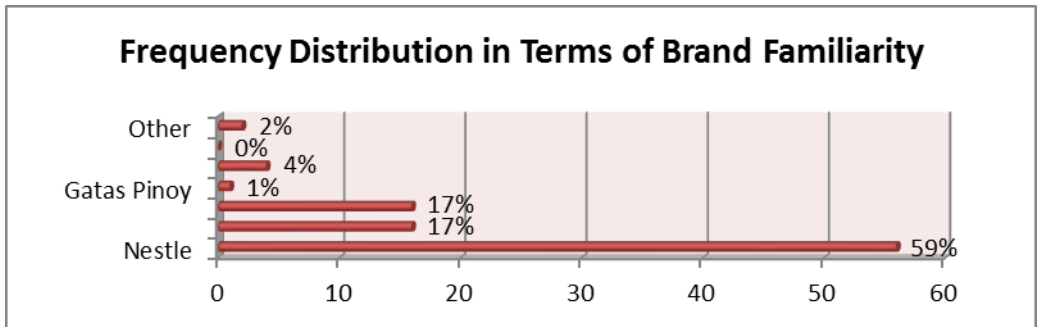
N = *total number of respondents*

RESULTS AND DISCUSSION

Frequency Distribution of Respondents in Terms of Age

Age	Percentage
20-29	42%
30-39	29%
40-49	27%
50 and above	2%

There were 66 total respondents wherein the majority of the ages were spread out from ages 20 to 49.

Frequency Distribution of Respondents in Terms of Gender

Gender	Percentage
Male	32%
Female	68%
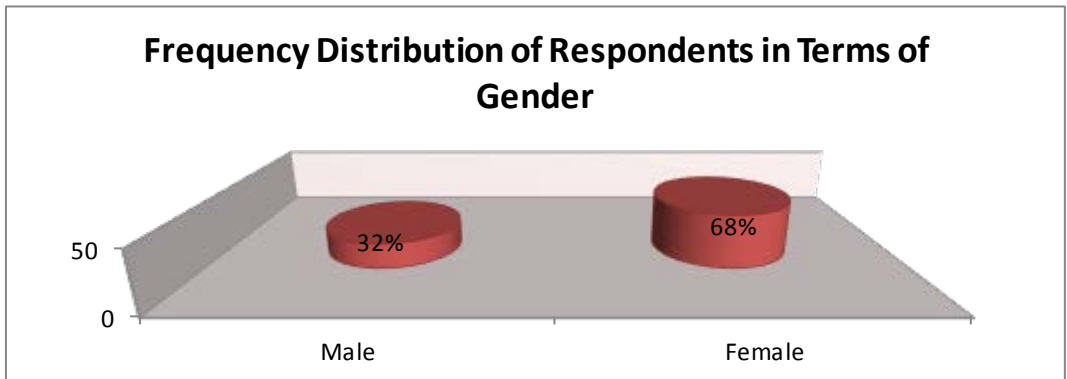
Only 32 percent of the total population of the respondents were male and the remaining 68 percent were female.

Frequency Distribution in Terms of Brand Familiarity

Brand	Percentage
Other	2%
	0%
	4%
Gatas Pinoy	1%
	17%
	17%
Nestle	59%

The figure shows the data gathered about familiarity of the brand wherein the respondents may choose more than one of the brands. Among them, Nestle had the highest brand familiarity according to the respondents, followed by both Selecta and Magnolia.

Frequency Distribution in Terms of Brand Feature

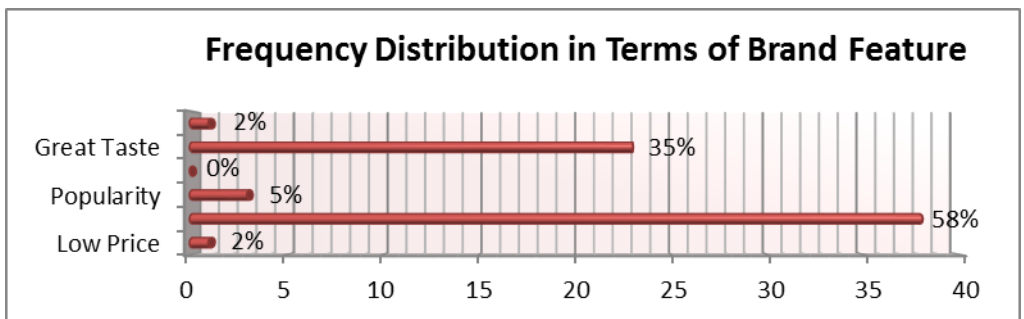| Feature	Percentage
	2%
Great Taste	35%
	0%
Popularity	5%
	58%
Low Price	2%

Table shows the data gathered from respondents with what factors affect their choice of milk brand. Most of the responses were for high quality got 58 percent followed by great taste with a total of 35 percent. From this, we may state that

consumers are mindful of the quality of the products they buy. Also, they are also conscious of the taste of the products they consume.

Frequency Distribution in Terms of the Location of Purchase

50

5%   27%   68%

0

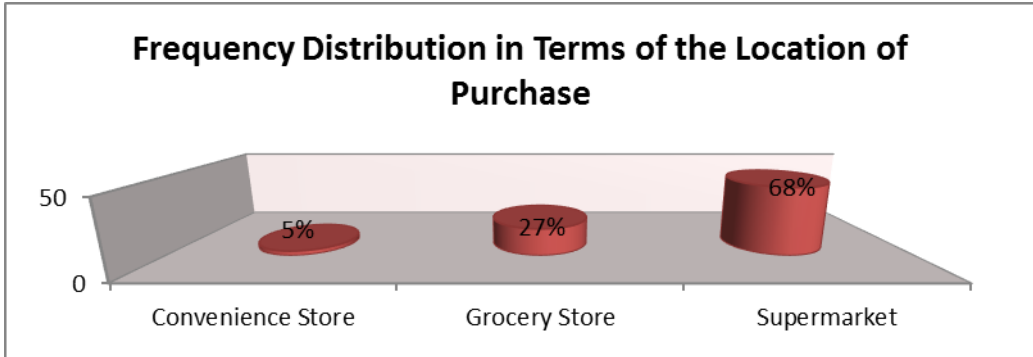Convenience Store   Grocery Store   Supermarket

Table shows from the data gathered that the supermarket is where most buyers of the milk products go comprised of 68 percent. Grocery store with a percentage of 27 percent and convenience store got five percent.
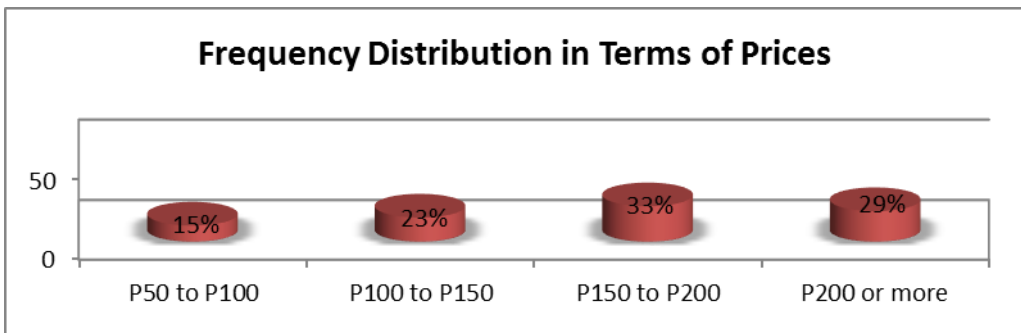
Frequency Distribution in Terms of Prices

50

15%   23%   33%   29%

0

P50 to P100   P100 to P150   P150 to P200   P200 or more

Table shows that most of the respondents pay 150 to 200 when it comes to milk products. Very closely, 19 respondents spend above 200. Fifteen respondents spend 100 to 150 while only 10 respondents spend 50 to 100.

Type of advertisement that attracts them into buying milk products

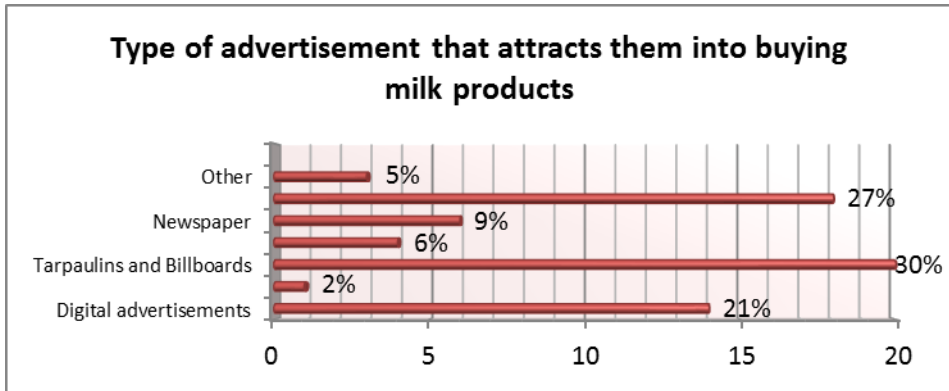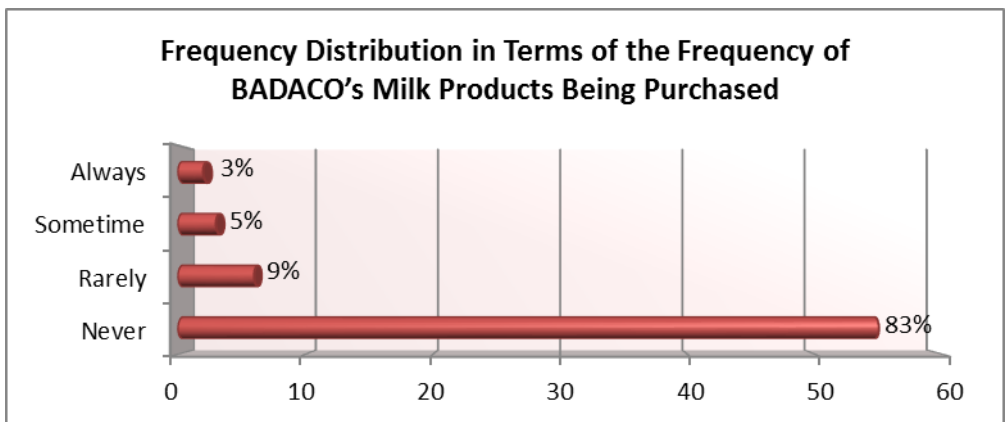| Category	Value
Other	5%
	27%
Newspaper	9%
	6%
Tarpaulins and Billboards	30%
	2%
Digital advertisements	21%

Table shows that tarpaulins and billboards are the type of advertising campaigns that attract the respondents the most with 30 percent. Followed by word of mouth with a total percentage of 21 percent, next were digital advertisements with a total of 21 percent, while the least attractive advertisement is radio with a percentage of two percent.

Frequency Distribution in Terms of the Frequency of BADACO's Milk Products Being Purchased

Category	Value
Always	3%
Sometime	5%
Rarely	9%
Never	83%

The table shows that 83 percent of the respondents have never bought BADACO's milk product. The remaining 17 percent at least had an experience in buying the product.

Frequency Distribution in Terms of Consumers' Awareness of BADACO

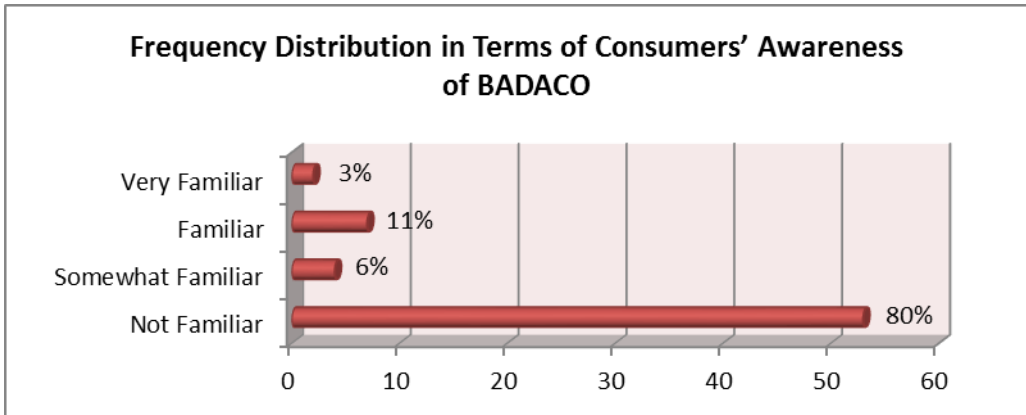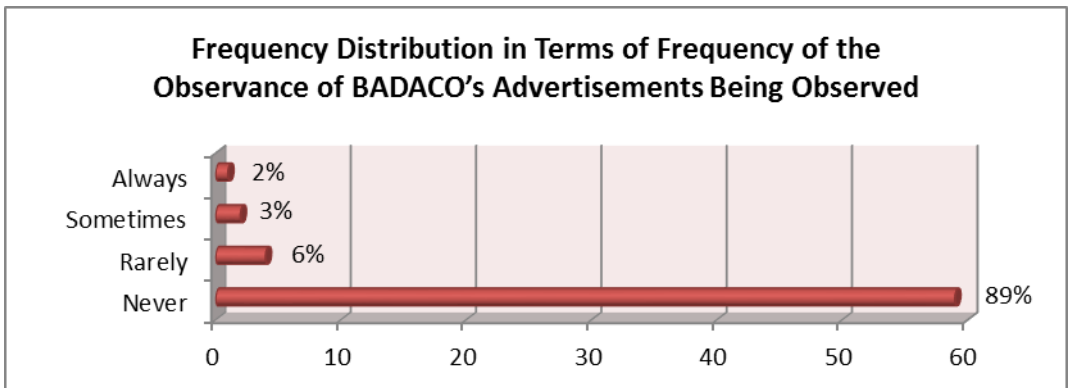|	
Very Familiar	3%
Familiar	11%
Somewhat Familiar	6%
Not Familiar	80%

Table shows the data gathered about familiarity of the BADACO Fresh Milk. The study found out that only 20 percent of the total respondents are at least familiar with the product offered by BADACO, whereas 80 percent say they have no clue about it at all. Based from the table above, the unfamiliarity of the product could be the reason behind why the respondents had never bought BADACO milk products.

Frequency Distribution in Terms of Frequency of the Observance of BADACO's Advertisements Being Observed

Always	2%
Sometimes	3%
Rarely	6%
Never	89%

Majority of the respondents claim that they never heard or saw any advertisements of BADACO or its products with a huge percentage of 89 percent and the remaining percentage claim that they have seen its advertisements. This is maybe one of the reasons why BADACO's brand awareness is insignificant compared to other brands.

CONCLUSION and RECOMMENDATION

Conclusion

From the previous findings, the researchers have arrived to the following conclusions:

1.   The profile of the majority of respondents is aged form 20 to 49 which are the ages of the workforce, mostly female.

2.   Consumer behavior of the respondents, respondents are most familiar with foreign brands, such as Nestle. Respondents give high regard to the quality of a brand when choosing what to buy. Placing a product in supermarkets is most ideal to increase the level of awareness since most of the respondents buy goods from it. In buying milk products, the quality and the taste are the most considered aspect by the respondents. Tarpaulins, billboards, word-of-mouth are the most attractive type of advertisement for milk products according to the respondents.

3.   Current market position of BADACO, only 19 percent of the respondents who claim that they buy local milk products have at least tried BADACO Fresh Milk. Only 20 percent of the respondents are aware of the existence of BADACO Fresh Milk. Most of the respondents who are, at the very least, somewhat familiar to BADACO Fresh Milk became aware because of what they hear from previous or current customers of BADACO. Eighty nine percent of the respondents have neither seen nor heard any form of the advertisements that introduce the brand BADACO.

RECOMMENDATIONS

1.   Proposed Program to Develop BADACO's brand awareness.

Proposed Course of Action

Sales Provision	Projected Expenses	Outcome
Additional five percent to 10 percent or □15,000 to □30,000 on income per year	□10,000	It would be easier for loyal a first-time customers to loca their store. It can also be a w of advertising the company products to the community.
Additional 15 percent to 20 percent or □45,000 to □60,000 on income per year	□20,000	Consumers will continuously informed about the brand, increasing the possibility of br recall.

Projected Expense	Sales Provision	Strategy	Activity
₱1,000/ day	Additional 10 perc to 20 percent o ₱30,000 to ₱60,0 more income pe year		Put up a signboard of BADA Pure Fresh in the intersectio highway and street where t plant is located.
	Additional five percent to 10 per or ₱15,000 to ₱30,000 on inco per year	Advertising	
	Additional 10 perc to 20 percent o ₱30,000 to ₱60,0 on income per ye		Put up tarpaulins of BADA Pure Fresh where peopl usually go to. (schools, terminals, etc.)

Strategy	Activity	Outcome
	Sponsor or participate in public eve Put up stalls in school events, conventions, fairs, etc.	BADACO will be able to reach out to huge number of potential customer: without requiring customers to go to th milk processing plant just to buy the products.
Sales Promotior	Obtain a contract from Local Government Units as a supplier for feeding programs in educational institutions.	The company's products would be publicized therefore making profit.
Packaging	Have various sizes of packaging container for Pure Fresh Milk	People have different levels on good "affordability." Creating various sizes containers would help meet these lev set by consumers. Also, this would cre options for consumers' comfort and preference.

Outcome	Projected Expenses	Sales Provisio
There would be a greater possibility to sell BADACO products when it is placed in supermarkets since it is where people usual buy their goods.		Additional 10 per to 30 percent c □30,000 to □90, on income per ye
Consumers will know the flavors available, th prices, as well as the place where the produ can be purchased. It may also pave the way easy transactions (reservations, pick-ups, delivery, etc.)		Additional 10 per to 15 percent c □30,000 to □45, on income per ye

Strategy	Activity
Location Plannii	Placing a fair number of BADACC products in supermarkets.
Social Networl	Create any social network account s as Facebook, Instagram, etc. exclusi for BADACO FRESH MILK. Post pictures of the products including th prices and the address where they c be purchased.

In the conclusions of the study, the researchers recommend the following for the outside parties:

1.   Management students may use this study as a reference for the same study on company driven and brand awareness of a product.

2.   This is the first research in the cooperative, there is plenty of room for more researchers because the cooperative is new and may need more information in order for them to better understand the market. The researchers recommend future researchers to study the customer satisfaction of BADACO Fresh Milk.

3.   Future researchers may also study the significance of advertisements to a company's revenues.

4.   Lastly, future researchers may increase the number of respondents for more accurate results. They may also add more demographic profile such as

monthly salary, civil status, and number of children of the respondents for further analysis.

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