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Branding Strategies and Performance of Food and Beverage Manufacturing Companies in Lagos State, Nigeria: Moderating Effect of Product Portfolio

[1]Ayeyemi, Oyeyemi O., [2]Adefulu Adesoga, [3]Ajike, Emmanuel & [4]Nwankwere, Idowu
[1,2,3&4]*Department of Business Administration & Marketing*
Babcock University Nigeria

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Abstract

The study examined the effect of branding strategies on organisational performance of selected food and beverage manufacturing companies in Lagos State, Nigeria. Survey research design was employed. The population comprised of 2,035 staff of selected food and beverage manufacturing companies in Lagos State. Sample size of 421 determined using Raosoft calculator. Simple random and proportionate sampling techniques were adopted. A structured, adapted and validated questionnaire was administered. Cronbach's alpha reliability coefficients ranged from 0.780 to 0.950. The response rate was 93%. Data were analysed using descriptive and inferential (Multiple and hierarchical regression) statistics. The study revealed that branding strategies had significant effect on organisational performance of the selected food and beverage manufacturing companies in Lagos State, Nigeria moderated by Product Portfolio ($\beta = 6.028$, $t = 8.647$, $\Delta R2 = 0.556$, $p < 0.05$). The study concluded that branding strategies improved the performance of the selected food and beverage manufacturing companies in Lagos State, Nigeria and moderated by product portfolio. The study recommended that management of food and beverage manufacturing companies should prioritize their branding strategies by investing in strong and effective branding capable of enhancing organisational performance.

Keywords: *Brand licensing, Branding strategies, Co-branding, Competitive advantage, Organisational performance, Product portfolio*

Corresponding Author: **Ayeyemi, Oyeyemi O.**

Adefulu Adesoga - ORCID ID: 0000-0002-0762-9931
Nwankwere, Idowu - ORCID ID: 0000-0001-8958-6747

Background to the Study

Organisations all over the world are confronted with environmental and economic changes which impact on their performances and are usually beyond their control (Pebrianti & Aulia, 2021). This has led to them making immense efforts to sustain organisational performance and surpass previous achievements. The organisations in the manufacturing industry are faced with these obstacles that impact on their production, profitability, and growth. From changes in consumer demand to technological advancements, manufacturing industry is part of the dynamic and ever-changing landscape (Rua & Santos, 2022). The sector is also characterized by intense competition that affect their organisational performance due to globalization which has resulted to decrease in customer demands and has necessitated production of higher-quality goods (Xue et al., 2020). These manufacturing companies have identified themselves with different brands for uniqueness and recognition. Nowadays, it is almost impossible to have a successful business without strong and successful branding strategies as brand recognition is one of the most important requirements for customers' choice, future development and success in every organisation (Amadi & Obasi, 2022). Manufacturing industry is described and acknowledged as a catalyst for economic growth and development all over the world and industrialization under this sector is widely conceived as a critical tool for accelerating economic growth and development (Martin, 2021).

Globally, macroeconomic challenges have impacted organisational performance of the food and beverage manufacturing sector resulting in decline in sales, massive drop in profits, volatility of market share, supply chain disruption caused by Russia-Ukraine war (OECD, 2022). Generally, countries across Europe have been facing a difficult and uncertain economic outlook following the war which has led to rise in energy prices and costs-of-living (UN, 2022). The impact on the manufacturing sector is increased cost of production which invariably leads to reduction in profit margins. Between 2020 to 2022, manufacturing production has shrunk by around 0.5%, forcing the UK into a negative forecast for 2023 as the economy became gloomy. This challenge has impacted the organisational performance of most food and beverage manufacturing companies in the UK as they record decline in sales and profits. Europe's competitiveness against the U.S. and Asia depends on its ability to establish energy resilience in gas and electric power.

The US manufacturing industry is challenged with sustaining competitive advantage which is similar to other countries like China and Germany. The rate of technological advancement and productivity growth has made the US to constantly seek measures to improve the manufacturing sector through policy adjustments in other to have competitive advantage in the global markets. Another significant challenge for the US is the rising costs of raw materials. The prices of commodities such as steel, aluminum, and oil have been on the rise in recent years, and this trend is expected to continue. This is putting pressure on manufacturers, who are struggling to keep their costs low while still maintaining the quality of their products. The increase in raw material costs also leads to higher prices for consumers, making it more difficult for manufacturers to sell their goods (McDowell, 2023). This impacts the organisational performance of manufacturers in the US being the largest in manufacturing petroleum, steel, automobiles, aerospace, telecommunications, chemicals, electronics, food processing, consumer goods, lumber, and mining (Bureau of Economic Analysis, 2019).

In the Asian continent, China's manufacturing sector is facing several challenges. One of the biggest challenges is rising labor costs, which is driving many manufacturers to relocate to other countries in Southeast Asia (Xue et al., 2020). China's low-cost labour advantage is eroding as wages and living standards rise. According to the International Labour Organisation, China's average monthly wage increased from $150 in 2006 to $990 in 2019, making it more expensive than some of its neighbors, such as Vietnam, Indonesia and Cambodia (Hope, 2023). China also faces higher costs for land, energy and environmental compliance, as well as an aging population that reduces the size of the labor force. These factors make China less attractive for labor-intensive manufacturing, such as foods and beverages, textiles, garments and footwear, and force it to move up the value chain to more sophisticated and high-tech products (Xue et al., 2020). Additionally, China faces increased competition from other emerging manufacturing economies such as India and Vietnam (Hope, 2023).

According to the African Development Bank (2019) most food and beverage manufacturing companies in Africa performance decline are attributed to high cost of doing business, unstable political and regulatory environment, lack of long-term policy clarity, lack of infrastructure and undue dependence on natural resources as a source of growth. In major countries like South Africa, Egypt, and Nigeria, manufacturing grew in the immediate post-independence period, largely shaped by state-led and protectionist policies, by the mid-1980s, a series of external shocks including oil price increases, commodity price decreases, interest rate rises, withering public coffers, and the limitations of domestic markets were major factors in industrial decline in the region (Ndung'u et al., 2022). The Nigerian manufacturing growth in 2022 dropped from 24.7% to 6.9%, compared to 2021. The nominal Gross Domestic Product of the manufacturing sector in the last quarter of fell by 16.6% from 25.5% recorded in 2021 to 8.8% in 2022, on the back of the challenging business environment in the country (Punch, 2023). When an organisation is faced with uncertain conditions, the demand for better performance increases (Enemuo et al., 2019). The Nigerian manufacturing sector is dominated by international companies who have taken advantage of the large population of the country with few indigenous companies ranking high in control of their market share. The top manufacturing companies with strong brands in Nigeria are Dangote Sugar which controls 80% of sugar market in Nigeria followed by Unilever Nigeria, Nestle, and PZ Cusson. They all have over 40% of the market share of their sectors (Nairametrics, 2018).

Furthermore, branding is about creating a matchless position and distinguishing the company from its rivals. Manufacturing companies in Africa needs to embrace branding strategies to create distinctive identity for their products which differentiates them from competitors' offerings (Adegbuyi, et al., 2015). Manufacturing is set to change even more rapidly as part of the fourth industrial revolution, which may offer Africa opportunities to accelerate economic transformation into higher rates of productivity and growth. The performance of Nigerian manufacturing industry is on decline due to poor implementation of government policies, difficulties in assessing raw materials locally and stiff competition with foreign firms. Food and beverage manufacturing companies are compelled to engage in active branding strategies to sustain their performance and remain competitive. It is based on this premise that this study will investigate the effect of branding strategies on the organisational performance of selected food and beverage manufacturing companies in Lagos State, Nigeria.

Various studies have investigated the organisational performance of manufacturing industries with focus on brand and competitive advantage, brand competency and firm performance, social media marketing and functional branding, packaging and brand communication, consumer perception and brand equity, green brand knowledge and purchase intention, marketing and branding practices, effect of packaging on perceived quality and brand loyalty, new product selling and innovation, product branding and sales revenue as authored by (Abina & Ajayi, 2022; Amadi & Obasi, 2022; Budiono, et al., 2022; Mensah, et al., 2022; Pebrianti & Aulia, 2021; Rua & Santos, 2022; Xue, et al., 2020; Zhang, et al., 2022) The outcome of these studies were with mixed feelings. Few studies (Beverly & Foster, 2022; Farrington, & Venter, 2022) that have reviewed the effect of branding strategies on some of the main components of organisational performance such as market share, sales performance, profitability, competitive advantage and customer satisfaction equally concluded differently, hence this study is therefore to fill the knowledge gap by investigating branding strategies (brand positioning, brand development, brand extension, co-branding and brand licensing) and organisational performance of selected food and beverage manufacturing companies in Lagos state, Nigeria moderated by product portfolio.

Hypotheses Development

The study by Joueid and Coenders (2018) revealed that innovative product design, packaging, pricing, promotion, and distribution strategies have significant effect on organisational performance. Dadzie et al. (2017) found out revealed that the emerging competitive environment has a strong and positive impact on the affordability and accessibility of products. On the contrary, the study by Doorasamy (2015), product portfolio management for new product development (NPD) and the results showed that although the companies did implement product portfolio management in their new product development projects, more than 40% of NPD projects failed to meet their objectives. This finding indicates that the criteria used by management to select and prioritize NPD projects was incorrect as it was not completely aligned to business strategy. As a result of these conflicting findings, this study hypothesized: Branding strategies and organisational performance are not significantly moderated by Product Portfolio.

Literature Review

This section focused on concepts of branding strategies, brand positioning, brand development, brand extension, co-branding, brand licensing, organisational performance, market share, sale performance, profitability, competitive advantage, customer satisfaction and product portfolio along theoretical, conceptual and empirical lines.

Organisational Performance

Zeb-Obipi and Maduabuchi (2021) defined organisational performance as the ability of an organisation to achieve its goals and objectives such as high sales turnover, returns on equity and returns on assets. Ulabor and Agelebe (2019) also defined performance as a formula for the assessment of the functioning of an organisation under certain parameters such as productivity, employee' morale and effectiveness. This study defines organisational performance as a company's performance against its objectives and goals as measured by shareholder value performance, financial performance and marketing performance. The measures of organisational performance for the study comprises of market share, sales performance, profitability, competitive advantage and customer satisfaction.

Budiono et al., (2022), defined market share as the percentage of total industry sales that a company captures within a specific time period. Market share is a measure of the consumers' preference for a product over other similar products (Augier & Teece, 2018). Nweze and Ejim (2021) defined market share to represent the percentage of an industry, or market's total sales that is earned by a particular company over a specified time period. Sales performance refers to the evaluation of a company's sales activities and outcomes relative to its goals and objectives (Beverly & Foster, 2022). Farrington and Venter (2022) defined sales performance as the measurement of a company's ability to generate revenue through its sales efforts. Sale performance of organisations is measured based of the sales revenue and sales turnover. Sales is an interpersonal, push driven, tactical attempt to translate available products to meet customer needs (Madhani, 2016). Therefore, sales performance is the measurement of the number of sales that an employee makes for an organisation. Since sales are the lifeblood of a successful business, organisations take this aspect of the firm seriously (Adefulu, 2013).

According to Abina and Ajayi (2022) defines profitability as the financial measure of a company's ability to generate earnings relative to its expenses and investments. Pebrianti and Aulia (2021) defines profitability as the measure of a company's ability to generate profits from its business activities. Hermanson et al. (2019) stated that profitability is the organisation's ability to generate income. Zhang et al. (2022) defines competitive advantage as the ability of a company to outperform its rivals in the industry by creating superior value for customers or by operating more efficiently than competitors. According to Xue et al. (2020), competitive advantage refers to the sustained ability of a company to earn above-average returns compared to its competitors due to the possession of valuable, rare, inimitable, and non-substitutable resources and capabilities. According to Parrish (2008) an organisation's competitive advantage is defined as a condition which enables the firm to operate in a more efficient or otherwise higher-quality manner than its competitors which results in benefits accruing. Mensah et al. (2022) defines customer satisfaction as the extent to which a product or service meets or exceeds customers' expectations and fulfills their needs and desires. According to Pebrianti and Aulia (2021) customer satisfaction is defined as the overall evaluation of a customer's experience with a product, service, or brand based on their perceptions of quality, value, and performance. Customer satisfaction refers to the extent to which customers' expectations are met or exceeded by the performance of a product or service (Beverly & Foster, 2022).

Branding Strategies

Branding strategies refer to the planned activities and tactics employed by organizations to create and maintain a strong and distinctive brand identity (Botha et al., 2020). Gutiérrez-velasco et al. (2022) defines branding strategies as the deliberate and systematic efforts undertaken by a company to create, build, and manage its brand assets and equity. Zhasa (2023) define branding strategies as the systematic efforts undertaken by a company to build and leverage strong, favorable, and unique brand associations in the minds of consumers. For the purpose of this study, branding strategies is defined as the long-term plan and methods deployed by an organisation to achieve a series of long-term goals that ultimately result in brand recognition and preference by customers.

According to Al-Zyoud (2018) brand positioning is the creation of a distinct identity and value proposition that resonates with the target audience and sets the brand apart in the marketplace. Rua and Santos (2022) define brand positioning as the process of establishing a distinct and desirable place for a brand in the minds of target customers relative to competing brands. According to Amadi and Obasi (2022), brand positioning is the process of positioning company's brand in the mind of its customers. Brand positioning is a long-term process of developing the organisation's overall competitive advantage in the marketplace (Mogaji et al., 2023). Brand development is the strategic process of creating, establishing, and growing a brand. Brand development involves shaping the brand identity, positioning it in the market, and building strong brand equity through consistent messaging, visual elements, and customer experiences (Durmaz & Yildiz, 2016). Zhasa (2023) defines brand development as the strategic process of creating, nurturing, and evolving a brand over time to meet the changing needs and preferences of target customers. Brand development is a strategic process of creating and distinguishing company's image, products and services from competitors (Andik & Rachma, 2022).

Brand extension refers to the strategy of leveraging an existing brand's equity and reputation to introduce new products or services into different markets or categories (Hesse et al., 2022). Chen et al. (2017) defines brand extension as the strategic practice of leveraging an existing brand's equity and goodwill to introduce new products or enter new market segments. Co-branding was defined by Hillyer and Tikoo (1995) as the practice of double branding, which allows organisations to demonstrate ownership of a product by more than one brand. Park et al. (1996) defined co-branding as the pairing of two or more branded products to form a separate and unique product. Similarly, Blackett and Boad (1999) also defined co-branding as the mutual enhancement of two brands through close association of a product or service. Keller (2008) defined brand licensing as a contractual arrangement between two firms which involves a brand owner (the licensor) offering its names, logos, characters and others to another firm (the licensee) to market their own brands for some fixed fee. Brand licensing is the process in which the firm that owns a brand (the licensor) enters into an agreement with another firm (the licensee) to manufacture, promote, distribute, or sell products using the brand name (Simon & Battersby, 2014). In return for licensing the brand, the brand owner receives a payment, often a royalty, determined as a percentage of the revenues generated through the licensed asset. According to Adina et al. (2015), brand licensing involves a brand, the licensor giving another firm, the licensee the right to manufacture/market its products under the brand name.

Product Portfolio

According to Abina and Ajayi (2022), a product portfolio refers to the collection of products and services offered by a company. It includes all the different products and services that a company has in its lineup. Amadi and Obasi (2022) defined a product portfolio as the collection of all products and services offered by a company or brand. Budiono et al. (2022) defines a product portfolio as the range of products and brands owned and managed by a company or business unit. Beverly and Foster (2022) define a product portfolio as the assortment of products and brands offered by a company to address various customer needs and market segments. Zhang et al. (2022) define a product portfolio as the comprehensive set of products and brands managed by a company to serve different customer segments and market opportunities (Pebrianti & Aulia, 2021). A product portfolio is the range of products and services offered by a company to meet the diverse needs and preferences of target customers (Mensah et al., 2022). A product portfolio is the array of products and brands offered by a company to satisfy the varying needs and preferences of target customers (Farrington & Venter, 2022). Xue et al. (2020) defines a product portfolio as the portfolio of products and brands managed by a company to deliver value to customers and achieve business objectives.

Branding Strategies, Organisational Performance and Product Portfolio

A lot of attention has gone into the discourse of product portfolio and organisational performance. Some studies have evidenced a positive impact of product portfolio on organisational performance (Dadzie et al., 2017; Opoku, et al., 2014; Tan, et al., 2022). The study by Joueid and Coenders (2018) on marketing innovation and new product portfolios, the result revealed that innovative product design, packaging, pricing, promotion, and distribution strategies can be a promising source of organisational performance. Dadzie et al. (2017) studied how firms implement marketing strategies in emerging markets with focus on products and the finding revealed that the emerging competitive environment has a strong and positive impact on the affordability and accessibility of products. In the study of Lee and Falahat (2019), the impact of digitalization and resources on gaining competitive advantage in international markets. The findings revealed that digitalization has no direct effect on competitive advantage, but rather has strong indirect effects on product and service advantages. Also, a study by Budiono et al. (2022), Strategic product sales performance analysis. The results revealed that global marketing and consumer behavior affect product sales performance positively and significantly.

On the contrary, the study by Doorasamy (2015), product portfolio management for new product development (NPD) and the results showed that although the companies did implement product portfolio management in their new product development projects, more than 40% of NPD projects failed to meet their objectives. This finding indicates that the criteria used by management to select and prioritize NPD projects was incorrect as it was not completely aligned to business strategy. In the study of Botha et al. (2020), the impact of health endorsements on brand trust, brand loyalty and brand equity in Fast Moving Consumer Goods convenience versus shopping goods. The findings show that health endorsements only influenced the brands of convenience products, and not those of shopping products when looking at each type of products. Secondly, health endorsements had a greater influence on the brand trust, brand loyalty and brand equity for convenience goods than they did for shopping goods. Another study by Adeoye, et al. (2022), brand association and sales growth, the finding revealed that product branding has a long-run beneficial influence on sales revenue but has no substantial short-run influence on sales revenue.

Research Conceptual Model

The conceptual model for this study is diagrammatically shown below:

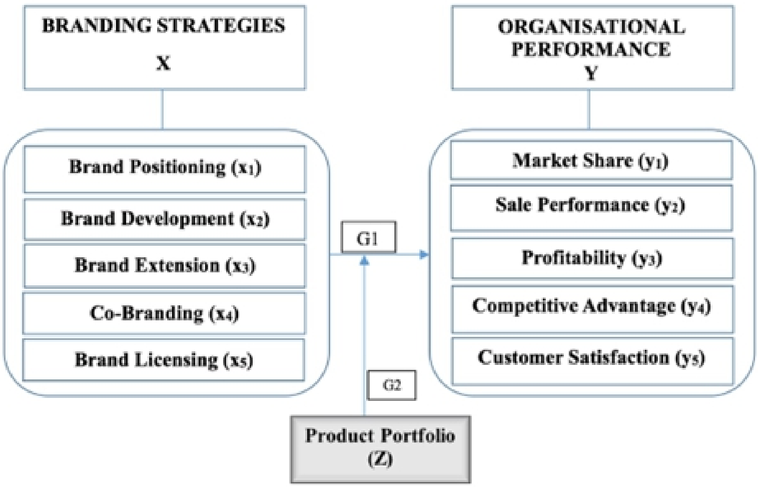

Figure 1: Research Conceptual Model (2024)

The conceptual model presented in Figure 1 presents the independent, dependent and moderating variable(s) adopted for this study. The independent variable which is branding strategies is represented by X and its sub-variables brand positioning, brand development, brand extension, co-branding and brand licensing is represented by x_1, x_2, x_3, x_4, and x_5 respectively. The dependent variable organisational performance is represented by Y with sub variables of Market Share, Sale Performance, Profitability, Competitive Advantage and Customer Satisfaction represented by y_1, y_2, $y_3 y_4$, and y_5 respectively and moderating variable of product portfolio. The model further showed the interaction between branding strategies and organisational performance of selected food and beverage manufacturing companies in Lagos State, Nigeria moderated by product portfolio. In other words, this gap model showed that branding strategies variables caused lack of organisational performance of selected food and beverage manufacturing companies in Lagos State, Nigeria moderated by product portfolio.

Theoretical Review

This study is anchored on Resource Based Theory (RBT) and the Attention, Interest, Desire and Action (AIDA) theory. The Resource Based Theory (RBT) was propounded by Penrose in 1959, while the AIDA theory was propounded by Lewis in 1898. The resource-based view theory suggests that the firms which have valuable resources and capabilities which are not possible to imitate and are non-substitutable will have an advantage over other firms in terms of increased performance. Investment in valuable resources like branding plays a strong role in it. Millions of dollars are spent for branding activities by the firms. The level of performance of a firm will be a function of its resources of branding strategies. AIDA theory was also adopted because it's a marketing model designed to provide insight into the customer's mind and represent the steps needed to cultivate leads and generate sales. It is a formula that can be used as a benchmark when introducing a brand into the market. The formula will guide organisations in increasing their sales, starting from attracting the attention of potential customers to inviting these potential customers to buy products (Fortenberry & McGoldrick, 2020). Thus, the AIDA theory and Resource-Based Theory are deemed suitable in studying the effect of branding strategies on organisational performance.

Research Methodology

The positivism philosophy, deductive research approach and survey research design were employed in this study. The population comprised of 2,035 staff of three selected food and beverage manufacturing companies in Lagos State, Nigeria. The sample size of 421 was determined using Raosoft calculator. Simple random and proportionate sampling techniques were adopted in selecting respondents. A structured, adapted and validated questionnaire was administered. Cronbach's alpha reliability coefficients for the constructs ranged from 0.780 to 0.950. The response rate was 93%. Data were analysed using descriptive and inferential (Multiple and hierarchical regression) statistics. The principal factors investigated were measured on a six-point scale with anchors ranging from Very High (VH) to Very Low (VL), for the independent variables and dependent variable respectively. Multiple regression equation developed along the dependent and independent variables. Thus, the models can be represented as follows:

Variables Identification

The independent variable which is branding strategies is represented by X and its sub-variables brand positioning, brand development, brand extension, co-branding and brand licensing is represented by x_1, x_2, x_3, x_4, and x_5 respectively. The dependent variable organisational performance is represented by Y with sub variables of market share, sale performance, profitability, competitive advantage and customer satisfaction represented by y_1, y_2, $y_3 y_4$, and y_5 respectively and moderating variable of product portfolio.

Functional Relationship

The functional model for the study variables is denoted in the equations below:

$Y = f\ (XZ)$

Y = Dependent Variable (Organisational Performance)

X = Independent Variable (Branding Strategies)

Z = Moderating Variable (Product Portfolio)

$Y = (y_1, y_2, y_3, y_4, y_5)$

Where:
Y = Organisational Performance (OP)
y_1 = Market Share (MS)
y_2 = Sale Performance (SP)
y_3 = Profitability (PF)
y_4 = Competitive Advantage (CA)
y_5 = Customer Satisfaction (CS)

$X = (x_1, x_2, x_3, x_4, x_5)$

Where:
X = Branding Strategies (BS)
x_1 = Brand Positioning (BP)
x_2 = Brand Development (BD)
x_3 = Brand Extension (BE)
x_4 = Co-Branding (CO)
x_5 = Brand Licensing (BL)

Regression Model

The model formulated for each of the hypotheses are written as:

$Y = f(XZ)$

$Y = \beta_0 + \beta_1 BS + \beta_2 PP + \varepsilon_i$

$OP = \beta_0 + \beta_1 EL + \beta_{2Z} PP + \varepsilon_i$ --Eqn

Where:

β_0 = constant of the equation or constant term

$\beta_1 - \beta_5$ = Parameters to be estimated

εi = error or stochastic terms

Results

A total of 421 copies of questionnaire were administered to head of department and staffs in the sales, marketing, production, research & development and IT departments of Dangote Sugar Refinery Plc, Unilever Nigeria Plc and Seven up Bottling Company Ltd in Lagos State, Nigeria. Lagos State. Out of 421 copies of questionnaire that were distributed, 391 were correctly filled and returned. This represented 93%. Bell et al. (2022) posited that a response rate of ≥50% is acceptable to analyze the results of the study. Therefore, a response rate of 93% was considered okay for this study.

Restatement of Research Objective and Research Question

Objective: examined the effect of branding strategies on organisational performance of selected food and beverage manufacturing companies in Lagos State, Nigeria moderated by product portfolio.

Research Question: What is the effect of branding strategies on organisational performance moderated by product portfolio?

The objective examined the effect of branding strategies on organisational performance of selected food and beverage manufacturing companies in Lagos State, Nigeria moderated by product portfolio. On a six-point Likert scale, the respondents were requested to rate their perception of various items about branding strategies and performance of selected food and beverage manufacturing companies in Lagos State, Nigeria moderated by product portfolio. These points formed the weights for calculating the score for each item. The results are shown below with an analysis and interpretation.

Restatement of Hypothesis

H0: Branding strategies and organisational performance are not significantly moderated by Product Portfolio.

Hierarchical regression analysis was adopted to test this study hypothesis. The independent variable is branding strategies, the dependent is organisational performance while the moderating variable was product portfolio. In the analysis, data for branding strategies were created by adding together responses of all the items under the various dimensions to generate independent scores for each dimension. For organisational performance, responses of all items the variable were added together to create index of organisational performance. The index of organisational performance (as dependent variable) is thereafter regress on scores (index) of branding strategies (as independent variables) moderated by product portfolio. The results of the analysis and parameter estimates obtained are presented in Table 1a.

Table 1a: Model Summary of Hierarchical Regression on the effect of branding strategies on organisational performance moderated by product portfolio.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.746a	.556	.555	1.71591	.556	492.077	1	393	.000
2	.782b	.612	.610	1.60615	.056	56.546	1	392	.000
3	.785c	.617	.614	1.59813	.005	4.947	1	391	.027
a. Predictors: (Constant), Branding Strategies									
b. Predictors: (Constant), Branding Strategies, Product Portfolio									
c. Predictors: (Constant), Branding Strategies, Product Portfolio, Branding Strategies x Product Portfolio									

Table 1b: ANOVA Summary of Hierarchical Regression on the effect of branding strategies on organisational performance moderated by product portfolio

ANOVA [a]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1448.846	1	1448.846	492.077	.000b
	Residual	1157.128	393	2.944		
	Total	2605.974	394			
2	Regression	1594.720	2	797.360	309.087	.000c
	Residual	1011.254	392	2.580		
	Total	2605.974	394			
3	Regression	1607.355	3	535.785	209.782	.000d
	Residual	998.619	391	2.554		
	Total	2605.974	394			
a. Dependent Variable: Organisational Performance						
b. Predictors: (Constant), Branding Strategies						
c. Predictors: (Constant), Branding Strategies, Product Portfolio						
d. Predictors: (Constant), Branding Strategies, Product Portfolio, BS x PP						

Table 1c: Coefficients Summary of Hierarchical Regression on the effect of branding strategies on organisational performance moderated by product portfolio

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	6.028	.697		8.647	.000
	Branding Strategies	.732	.033	.746	22.183	.000
2	(Constant)	4.067	.703		5.788	.000
	Branding Strategies	.607	.035	.618	17.293	.000
	Product Portfolio	.210	.028	.269	7.520	.000
3	(Constant)	.008	1.954		.004	.997
	Branding Strategies	.818	.101	.833	8.091	.000
	Product Portfolio	.422	.100	.542	4.240	.000
	BS x PP	-.011	.005	-.426	-2.224	.027
a. Dependent Variable: Organisational Performance						

Source: Researcher's Field Survey Data (2024)

Interpretation

Branding strategies were regressed on organisational performance of selected food and beverage manufacturing companies. The findings in Table 1a show the result of hierarchical regression analysis for Model 1 when only branding strategies components and organisational performance of selected food and beverage manufacturing companies in Lagos State, Nigeria variables are in the equation model (R = 0.746, R^2= 0.556, AdjustedR^2 = 0.555, p = 0.000<0.05, R^2 Δ = 0.556). These indicate that branding strategies account for 55.5% of the variability in organisational performance of selected food and beverage manufacturing companies. Furthermore, Table 4.2.7d shows beta coefficient, β is 0.732, p<0.05 when branding strategies is in the model. These results indicate that for every unit increase in branding strategies, organisational performance of selected food and beverage manufacturing companies increased by 0.732. The overall model was also significant ($F_{(1,393)}$= 492.077, p<0.05) as evident from Table 1b.

The introduction of the moderator (product portfolio) in Model 2 significantly improves the effect of branding strategies on organisational performance of selected food and beverage manufacturing companies in Lagos State, Nigeria (R= 0.782, R^2 = 0.612, Adjusted R^2 = 0.610, p=0.000<0.05, R^2 Δ= 0.056). This means that branding strategies and product portfolio explained about 61% of the variation in organisational performance of selected food and beverage manufacturing companies as against 55.5% changes that occurred when only branding strategies were regressed against organisational performance. The F value is statistically significant ($F_{(2,392)}$= 309.087, p<0.05) indicating that the influence of the independent variable and the moderator (product portfolio) were significant in the model as seen in Table 1b. In addition, Table 4.2.8(d) shows the beta coefficients of branding strategies (β = 0.607, p<0.05) and product portfolio (β = 0.210, p<0.05); that is for every unit increase in branding strategies components and product portfolio, organisational performance of the selected food and beverage manufacturing companies increases by 0.607 and increases by 0.210 respectively.

Model 3 of the hierarchical regression analysis showed how the moderating effect of product portfolio affects the relationship between branding strategies and organisational performance of selected food and beverage manufacturing companies in Lagos State, Nigeria. The results in Table 1c (Model 3) provide values of co-efficient of multiple correlation, $r = 0.785$ and a co-efficient of determination, $R^2 = 0.617$ when branding strategies and organisational performance was moderated by product portfolio showed an improvement as against an r value of 0.782 and an R^2 of 0.612. The co-efficient of multiple correlations (0.614) reveals that a moderate relationship exists between the independent variable, the moderating variable, and the dependent variable. Furthermore, the co-efficient of determination indicates that about 61.4% variance in organisational performance is jointly explained by the branding strategies component, product portfolio, and the interaction term (branding strategies *product portfolio), while other factors not studied in this research work contributes the remaining 38.6%.

Model 3 also further shows the changes that occurred when the interaction term was introduced. All the variables of branding strategies, product portfolio and the interaction term were entered in the regression model. The results under change statistics reveal that the R^2 change increased by 0.004 from 0.612 to 0.617 ($R^2\ \Delta = 0.005$) when the interaction variable (branding strategies component*product portfolio) was added. The change was statistically significant at p=0.000 (p-value<0.05). The results show a statistically significant relationship between branding strategies, product portfolio, and the interaction term ($F_{(3,931)} = 209.782$, $p<0.05$). Table 1a reveals the F statistics changed from 309.087 to 209.782 ($F\Delta = 99.305$) showing a decrease when interaction term was added. The F ratio shows that the regression of branding strategies and product portfolio, organisational performance of the selected food and beverage manufacturing companies is statistically significant.

The results in Model 1 Table 1c (for step one) show statistically significant regression coefficients for branding strategies component (β=0.732, p<0.05) indicating that there is a linear dependence on between branding strategies component and organisational performance of selected food and beverage manufacturing companies. In Model 2, branding strategies component and product portfolio was statistically significant [branding strategies component (β = 0.609, p<0.05) and product portfolio (β = 0.210, p<0.05)]. In Model 3, branding strategies component, product portfolio, and the interaction effect was still statistically significant [Branding strategies component (β = 0.818, p<0.05); Product portfolio (β = 0.422, p<0.05].

When the interaction term was introduced the beta coefficient, β was -0.011 meaning that for every unit change in the interaction term, organisational performance of the selected carbonated food and beverage manufacturing companies decreases by 0.011. Further, the interaction term showed a negative effect (β = -0.011, p<0.05) and it is statistically significant. The results suggest that product portfolio has a statistically negative significant moderating effect on the relationship between branding strategies component and organisational performance of the selected food and beverage manufacturing companies in Nigeria. The confirmed regression equation from the results is stated as follows:

OP = 0.008 + 0.818BS + 0.422PP - 0.011(BS*PP) –-------------------------Eqn.
Where:

OP = Organisational Performance
BS = Branding Strategies
PP = Product Portfolio
BS*PP = The interaction of Branding Strategies and Product Portfolio

The results indicate that product portfolio has a negative statistically significant moderating effect on the relationship between branding strategies and organisational performance of the selected food and beverage manufacturing companies in Lagos State, Nigeria. Based on these findings, the null hypothesis (H_0) which states that branding strategies and organisational performance are not significantly moderated by product portfolio of the selected food and beverage manufacturing companies in Nigeria was rejected.

Discussion

The results of the hierarchical regression analysis for the hypothesis on the effect of branding strategies on performance of selected food and beverage manufacturing companies in Lagos State, Nigeria moderated by Product Portfolio, revealed that the effect of branding strategies on performance of selected food and beverage manufacturing companies in Lagos State, Nigeria was moderated by Product Portfolio. This finding provides empirical and theoretical implications. Empirically, the findings from this study are in agreement with Joueid and Coenders (2018) study which revealed that innovative product design, packaging, pricing, promotion, and distribution strategies have significant effect on organisational performance. Dadzie et al. (2017) found out revealed that the emerging competitive environment has a strong and positive impact on the affordability and accessibility of products. On the contrary, the study by Doorasamy (2015), product portfolio management for new product development (NPD) and the results showed that although the companies did implement product portfolio management in their new product development projects, more than 40% of NPD projects failed to meet their objectives. This finding indicates that the criteria used by management to select and prioritize NPD projects was incorrect as it was not completely aligned to business strategy.

Some studies have found positive associations between packaging and branding strategies (Hesse et al., 2022; Ledikwe, 2020; Agariya et al., 2012) as the results showed that significant relationship exists. A study by Mensah et al. (2022) on effect of packaging on perceived quality and brand loyalty, the mediating role of brand association in over-the-counter market. The findings showed that the direct effect of packaging on perceived quality is significant and direct effect of brand association on loyalty is also significant. Sook-Fern et al. (2020) studied the impact of product packaging on customers' purchase intention. The result revealed that product packaging has significant effect on customers' purchase intention. Another study by

Sun et al. (2018), product innovation and sustainable marketing, the finding revealed that product innovation positively affected three dimensions of sustainable marketing; social, environmental and economic, which then had different effects on packaging. Dlamini-Mazibuko et al. (2019) studied factors affecting the choice of marketing outlet selection strategies. The finding showed that road quality has a positive effect on the farmers' decision to select traditional markets. Result also revealed that packaging also had positive effect on the selection strategies.

Furthermore, a study by Hesse, et al. (2022), practices of brand extensions and how consumers respond to FMCG giants' greening attempts. The results revealed that the observed green brand extensions demonstrated positive relationship packaging and advertisements for the green brand extensions. On the other hand, in the study of Lee and Falahat (2019), the impact of digitalization and resources on gaining competitive advantage in international markets. The outcome revealed that digitalization has no direct effect on competitive advantage, but rather has strong indirect effects on product and service advantages. Also found out that capabilities can be used to mediate digitalization for better product and service advantages. In the study by Agariya, et al. (2012), the role of packaging in brand communication. The findings revealed that significant relationship exists between package design and buyer attraction. There is a significant relationship between convenience and package design. No significant relationship exists between package design and environmental factors. Result also shows that significant relationship exists between liking for package and brand.

Theoretically, these research findings fell in line with the Resource based View theory and the Attention, Interest, Desire and Action (AIDA) theory. Theoretical implications derived from the Resource-based View (RBV) theory and the Attention, Interest, Desire, and Action (AIDA) model shed light on the nuanced relationship between branding strategies and the performance of food and beverage manufacturing companies in Lagos State, Nigeria, particularly when moderated by Product Portfolio. The RBV theory emphasizes the strategic significance of leveraging unique resources and capabilities to attain a sustainable competitive advantage. In the context of branding strategies, this theory suggests that companies can harness their brand-related assets, such as brand reputation, recognition, and equity, as valuable resources that contribute to enhanced organisational performance. When moderated by Product Portfolio, branding strategies can be strategically aligned with the firm's portfolio of products to maximize the utilization of resources and capabilities across different product lines. By effectively managing and integrating branding efforts within a diversified product portfolio, companies can capitalize on synergies between branding initiatives and product offerings to drive overall performance, as evidenced by the study's findings.

Furthermore, the AIDA model provides theoretical insights into the sequential stages of consumer engagement and decision-making Attention, Interest, Desire, and Action that underpin the effectiveness of branding strategies in influencing performance outcomes. When moderated by Product Portfolio, branding strategies can be tailored to align with the diverse needs, preferences, and perceptions associated with different product categories within the portfolio. By strategically guiding consumers through the AIDA process across various product lines, companies can leverage branding initiatives to capture attention, stimulate interest, generate desire, and prompt action, thereby driving performance across the entire product portfolio. Through careful moderation by Product Portfolio, branding strategies can be optimized to resonate with specific target markets, product segments, and consumer behaviors, ultimately enhancing the overall performance of food and beverage manufacturing companies in Lagos State, Nigeria. Considering majority of the empirical findings and theoretical assertion supporting this study finding that the effect of branding strategies on performance of selected food and beverage manufacturing companies in Lagos State, Nigeria was moderated by Product Portfolio, therefore this study rejected the null hypothesis (H0) that branding strategies and organisational performance are not significantly moderated by Product Portfolio.

Conclusion and Recommendations

This study examined the effect of branding strategies and organisational performance of selected food and beverage manufacturing companies in Lagos State, Nigeria moderated by Product Portfolio. From antecedents, the study discussed global trends and directions of performance within the food and beverage manufacturing industry from a world view, African perspective, and concluded by looking at Nigeria. This then took into account the key problems faced by the food and beverage manufacturing industry and how they have affected the industry over the years. This study provided empirical evidence supporting the significant effect of branding strategies and organisational performance of selected food and beverage manufacturing companies in Lagos State, Nigeria moderated by Product Portfolio.

This study contributes to the existing body of knowledge in concepts, theory and empirics. The conceptual framework for branding strategies, organisational performance and product portfolio has contributed to theories of management science and other related fields. Hence, this study contributed to the body of knowledge conceptually because, according to extant literature, no known studies have utilized this study model in their investigations. Theoretically, findings of this study have provided evidence that support the underpinning theories (Resource based View theory and the Attention, Interest, Desire and Action (AIDA) theory). Hence, future scholars can cite this work as a supporter of the Resource based View theory and the Attention, Interest, Desire and Action (AIDA) theory. The result of this study also contributed empirically to the body of literature on branding strategies, organisational performance and Product Portfolio, which would and equally serve as a reference material for future researchers.

Based on the findings of this study, the study recommended that food and beverage manufacturing companies in Lagos State, Nigeria should prioritize their branding strategies by investing in strong and effective branding which can enhance their organisational performance and gain a competitive edge in the market. A well-defined brand can attract customers, build trust, and differentiate the company from its competitors, leading to increased sales and overall success. Further study should analyze the effect of branding strategies and organizational performance on consumer behavior and market share, as well as investigate the role of product portfolio diversification in enhancing brand equity and financial performance.

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