

An analysis of APU Joint Stock Company's Brand Value

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Abstract— In Mongolia has been developing many type of products such cashmere, leather, milk product, all kind of meat product, alcoholic drink, soda drink and many other type of mining resourcing products. Hereof one of the interesting product has been entering globally market it is soda drink. In Mongolia has 4 main competitors of producing soda drink from APU JSC, MCS-Coca-Cola LLC, Vitafit LLC and Altan Joloo Impex and many other follower's companies has been producing. This research paper focusing on measuring brand image and defining its customer satisfaction.

Index Terms: Branding, Brand Image, Brand Image Measurement.

I. INTRODUCTION

Mongolia is one of the fresh and unknown market in the world. It means financial, marketing, operational and industrial sectors are rapidly developing in last decades. But we got a problem on each sector. There was we didn't have experience of global market. It is reasons why is 2 decades before Mongolia is member of Soviet Union country. We didn't have knowledge of global market, marketing rules, bargain, financial market we don't need that. Because only government can manage all of this. Then after revolution of democracy Mongolia was in row of free society countries. However now Mongolia is rapidly growing in mining and agricultural sector such as rapidly growth on cashmere's product. In the local cashmere market, there have a lot of competitor in there. But only one brand can be entering global market. Why others cant do that. It is they can't correct brand image and maybe they didn't focus on improving brand image. Our research more focus and detecting of what is most important of Mongolian beverage sectors brand image factors and what should we do for improving their brand images.

1.1. Introduction of Mongolian Beverage sector

Niche technical helps stability imports then exports the u . s . is reliant concerning imported building substances Shoppers select in imitation of buy domestically committed merchandise New department stores yet stores target residents near theirs homes While Mongolia may also appear an unlikely vicinity for export-focused manufacturing. It is turning into much less so. The united states of america is remote, that has a small job mere yet such cannot keep described as inexpensive. The local demand is little yet that

has tiny within the course over an industrial tradition. However, the political economy regarding manufacturing labor for a as an alternative broad range regarding goods. The yellow beverage area has end up deep competitors over stage. There have 4 almost aggressive then just profitable companies certain "APU", "MCS: Coca Cola yet SBB", "Vitafit" or "Monfresh". Manufacturing has historically confronted a variety over challenges in Mongolia. The u . s . a . has a tiny population, plenty on such is pretty poor, specifically in contrast after its southern neighbor, China. Mongolia has now not yet had the strip yet the imperative mass after approve investment among sizeable manufactured facilities. A changing closer to mass-producing exportable products would therefore bear in accordance with deal along the country's geographical isolation yet supporter poverty on transportation. During the Soviet generation a sizeable manufactured degenerated had been formed up. Factories within Mongolia instituted shoes, blankets, clothing, matches, carpets, demand bill or a spread on vile products. By the Democratic Revolution, manufactured made upon one-third about the economy. The stop concerning Soviet support, alongside the last on the world Multi-Fiber Agreement between 2005, entire within the connection over a developing minerals sector, has left industry a exceptionally tiny part of the universal economy. Manufacturing in modern times debts for about 7% of GDP. For a number of years, baby used to be done according to useful resource the recovery concerning industry. For investors, the political economy have been not compelling devoted the country's slow recovery. Legacy gear was once fast utilized because of production, or tries after edit factories more competitive have been undertaken among an wrong or hap manner.

1.2. Company Situation

APU agency is an open, joint-stock business enterprise registered at the Mongol Stock Exchange. The company is certain concerning the TOP-20 groups at the inventory exchange. The administration concerning the employer contains on 9 individuals such as the Board on Directors then Executive Management Team, headed by the Chief Executive Officer. The Board of Directors represents the living body regarding the Company, the Shareholders' Meeting, or provides mistake about the Executive Management while reporting in conformity with the Shareholders' Meeting. APU company, is challenge in imitation of Company Law of Mongolia then ignoble applicable legislations namely properly namely Corporate Governance Codes (revised version primordial May 2014) then is assignment according to confirm the consent thereunder. Established between 1924, three years then Mongolia's communist revolution, APU – as comes beyond the fame Arkhi Pivo Undaa, meaning “vodka, beer, drinks” – is the country's greatest quencher creator then its forward countrywide brand. APU is the country's advance state brand. The organisation was once in part privatized among 1992, along 51% of its shares being retained by the government yet 49% sold via the Mongol Stock Exchange. In 2001 the residual state-owned shares had been bought via populace auction, and the rigid was a hundred percent privatized. APU joint-Stock Company (APU JSC) currently has a section regarding round 52% regarding the yellow beer need (down from 55% among 2012) then a 64% quantity about the vodka demand (up out of 58% into 2012). APU also produces juice, milk, dairy product, lotos yet smooth drinks, although its quantity these demand is high 35% quantity regarding theirs market. The company has some regarding the most substantial dole networks in the country: its products are offered at upstairs 6000 places around Mongolia, and that employs greater than 800 people. APU JSC is one over the not much yellow drinks producers with a certificates about characteristic ISO 9001:2001. It has also greater its administration systems by means of adopting ISO 22000, then taken its operations more environmentally friendly with the aid of adopting ISO 14001. A hold company, Capital Group LLC, was once installed between 2006 in accordance with square APU's project, supply executive aid yet develop APU's strategy. It owns 83% over APU JSC. Moreover, APU Trading LLC, who has round 200 employees, has been accountable for APU's advertising due to the fact that 2003. APU had MNT 216bn (\$1bn) among belongings as of the second step concerning 2016. The agency has been quite successful among the vodka, beer then dairy merchandise want into current years.

The name description as:

A – Absolute; Fiduciary duties and responsibilities (Leader in human and social development, educating the market and our partners in our mission, financial stability, transparency and sustainable performance, the most wanted employer in Mongolia)

P – Pure; Products, culture and beliefs (Mongolians global brand ambassador, open to the world, creating partnerships with world-class businesses)

U – Unique; Ethical conduct and respect for our environment (Continuous manufacturing improvement through clean technologies, the highest standards in corporate transparency and product safety, unique expertise in community participation)

Soft drink brands

The global soft beverages need is increasing with the aid of 4.7% by yr or anticipated according to reach 706,9 billion liters by means of 2018. Although, 34.7 of the soft beverages demand is made about carbonated drinks, the largest growth is occurring in the income of bottled water, sports activities then purposeful drink then strength drinks. The ruin of smooth beverages extensively changes within affinity to the seasonal changes among Mongolia, a u . s . including extreme local weather pendulum. APU business enterprise elements 17 one-of-a-kind products into the smooth beverage demand including Terelj, Selenge, Orgiluun, Frutta yet APU Pure Water.

Terelj or Selenge manufacturers are well recognized to the customers because its rejuvenating then stimulating effects. The beverage are unique because theirs imposition about all-natural substances or natural artesian water. The substances consist of daft thyme, eglantine then rhodian roots.

The Orgiluun



Is a humor wealthy manufacturer so it contains compounds certain as calcium ions, sulfate ions, potassium ions, or magnesium ions so much provide daily wants on minerals. Made beside natural coherent water, it sparkling receive so has a profound thirst quenching effect.

TERELJ



“Terelj” carbonated absorb is superior after the purposes about digestive law then the kidneys. Produced for the reason that 1981, Terelj is regarded as “Mongolian Coke” among our reliable customers. durability
SELENGE

With natural ingredients such as rosehip, thyme, sweet grass or die needles, Selenge also provides health benefits including enhancement regarding respiratory system and gore circulation. This herbal absorb with no chemical components used to be preceding added of 1981.



II. LITERATURES

2.1. BRAND EQUITY

One of the most valuable intangible assets of firm is its brands, and it is incumbent on marketing to properly manage their value. Building a strong brand is both an art and a science. It requires careful planning, a deep long-term commitment, and creatively designed and executed marketing. A strong brand commands intense consumer loyalty – at its heart is a great product or service.

The American Marketing Association defines a BRAND as: A name, term, sign, symbol, or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors.

Marketers of successful 21st century brands must excel at the strategic brand management process. Strategic brand management involves the design and implementation of marketing activities and programs to build, measure, and manage brands to maximize their value. The strategic brand management process involves four main steps:

1. Identifying and establishing brand positioning
2. Planning and implementing brand marketing
3. Measuring and interpreting brand performance
4. Growing and sustaining brand value deals with brand positioning

Branding is Endowing products and services with the power of a brand.

Branding is all about creating differences. To brand a product, it is necessary to teach consumers “who” the product is – by giving it a name and using other brand elements to help identify it- as well as “what” the product does and

“why” consumers should care. Branding involves creating mental structures and helping consumers organize their knowledge about products and services in a way that clarifies their decision making and, in the process, provides value to the firm.

Marketing advantages of Strong Brands

- Improved perceptions of product performance
- Greater loyalty
- Less vulnerability to competitive marketing actions
- Larger margins
- More inelastic consumer response to price decreases
- More elastic consumer response to price decreases
- Greater trade cooperation and support
- Increased marketing communications effectiveness
- Possible licensing opportunities
- Improved employee recruiting and retention
- Greater financial market returns

Choosing brand elements

There are six criteria in choosing brand elements. The first three (memorable, meaningful, and likeable) can be characterized as “brand building” in terms of how brand equity contained in a brand element can be leveraged and preserved in the face of different opportunities and constraints

1. Memorable – how easily is the brand element recalled? How easily recognized? Is this true at both purchase and consumption? Short brand names can help. Brand names that are multisyllabic and hard to pronounce may require more time to learn and heavier promotion before they become part of the consumer’s lexicon. Moreover, the brand name should also look distinctive to be memorable in Asia. Several Asian languages are not alphabet-based. They use calligraphy

2. Meaningful – To what extent is the brand element credible and suggestive of the corresponding category? Does it suggest something about a product ingredient or the type of person who might use the brand? Some marketers believe that an Asian name is a liability when used in certain product categories as it or suggestive of poor quality or low class.

3. Likeable – How aesthetically appealing do consumers find the brand elements? Is it inherently likeable visually, verbally, and in other ways? Concrete brand names such as Sunkist, Bluebird, and Head & Shoulders evoke much imagery.

4. Transferable – Can the brand element be used to introduce new products in the same or different categories? To what extent does the brand element add to brand equity across geographic boundaries and market segments? Often companies enter one Asian market after another. Such

companies are likely to choose a name suited for one market but not for the next.

5. Adaptable – how adaptable and updatable is the brand element? As many Asian brands modernize, their elements need to be adaptable and yet retain the traditional values of the brand

6. Protectable – how legally protectable is the brand element? How competitively protectable? Can it be easily copied? It is important that names that become synonymous with product categories – such as Kleenex, Scotch Tape and Xerox – retain their trademark rights and not become generic. It is not uncommon for multinationals entering new Asian markets to discover that their brand name has already been registered in that country.

Brand Strategy Decision

A company has five choices when it comes to brand strategy. The company can introduce line extensions (existing brand name extended to new sizes or flavors in the existing product category), brand extensions (brand names extended to new-product categories), multibrands (new brand names introduced in the same product category), new brands (new brand name for a new category product), and co-brands (brands bearing two or more well-known brand names).

III. METHODOLOGY

This research designed by core marketing concepts.

Sample and procedure:

The consumers survey was collected on October 21-November 4th. The total respondent is 361 consumers. Respondent quantity: Mongolian total population is 3 million 052 thousand 056 . In APU’s target market is 20-65 aging group is it 70 percent of all population its 2 million 136 thousand 439. In the Marketing management theory 1 person can be represent 250 peoples group. I divided $2.136.439/250=8545$. Representing respondents is 8545 but those consumers 3.002% can be representing market. It is 361 peoples. Were collected within 2 weeks.

Type and source data

The primarily data in this research gathered from questionnaires survey and data questionnaires taken from Mongolian customers which taken from hard copied papers.

Data analysis and techniques

In SPSS there are factor analysis of customer survey and Multiple variable analysis and other tests.

Hypothesis:

H.1 There is a significant relationship between favorability of brand image and customer satisfaction.

H.2 There is a significant relationship between strength of brand image and equal price.

H.3 There is a significant relationship between uniqueness of brand image and product quality.

IV. RESULTS AND ANALYSIS

This chapter takes 3 parts. First part presents that questions reliabilities and t-test, second its multivariate analysis of hypotheses groups, third its frequency descriptive analysis.

4.1. Reliability analysis

This survey designed by Likert scale unsatisfied 1 to very satisfied 5. Total 20 questions and 3 demographic questions. Table 1. Reliability result

	Cronbach's Alpha if Item Deleted	Cronbach's Alpha if Item Deleted
How much do you care about your choice between different brands (Beer)		.835
What is your believable brand		.835
Did you taste and feel same in other competitor brands (Selenge)		.833
Did you taste and feel same in other competitor brands (Terelj)		.832
Did you taste and feel same in other competitor brands (Orgiluun)		.834
Brand Dignity		.827
I can find it easy		.826
Product package is easy to use		.831
I am very satisfy its price		.827
I purchase it everywhere		.828
Product price is stable		.831
Product price is constant after launching		.831
Purchasing discount		.825
Brand quality		.824
Package is durable		.824
The product is easy to use		.822
Attractive package		.827
No allergy infection		.824
The package is recyclable		.824
Product is reliability		.822

The first analysis is about cronbach’s alpha measurement. All questions are above 0.800 it means excellent reliabilities each other.

One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Customer Satisfaction	361	3.0135	.65045	.03423
Equal Price	361	3.2892	.77710	.04090
Product Quality	361	3.1136	.75636	.03981

One-Sample Test

	Test Value = 2.5					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Customer Satisfaction	15.000	360	.000	.51353	.4462	.5809
Equal Price	19.296	360	.000	.78919	.7088	.8696
Product Quality	15.413	360	.000	.61358	.5353	.6919

Next analysis is t-test. The 3 main hypotheses are very significant each other.

4.2. Multivariate analysis

Choose your age group	Mean	N	
Customer Satisfaction	15-21	2.9937	79
	22-26	2.9106	75
	27-32	3.0897	48
	33-37	3.0531	69
	38-45	3.0216	31
	46-51	3.0441	23
	51 up to	3.0677	36
	Total	3.0135	361
Equal Price	15-21	3.4186	79
	22-26	3.2266	75
	27-32	2.9912	48
	33-37	3.4540	69
	38-45	3.3011	31
	46-51	3.1241	23
	51 up to	3.3123	36
	Total	3.2892	361
Product Quality	15-21	3.1251	79
	22-26	3.0830	75
	27-32	3.2044	48
	33-37	3.0695	69
	38-45	3.2258	31
	46-51	3.1869	23
	51 up to	2.9721	36
	Total	3.1136	361

The multivariate analysis we measured between 3 hypotheses groups and age. We highlighted high value. Customer satisfactions satisfied customers who age between 27-32, Equal prices satisfied customers who age between 33-37 and Product quality's satisfied customers who age between 38-45.

4.3. Descriptive analysis

The descriptive analysis focused to find brand Loyalty and Esteem.

First question is about loyalty

How much do you care about your choice between different brands (Beer)

	Frequency	Percent
Don't care	99	27.4
Somewhat care	136	37.6
Care	126	34.9
Total	361	100

Respondents who choose somewhat care is 37.6 percent of top results.

What is your believable brand

	Frequency	Percent
<u>Selenge</u>	83	22.9
<u>Terelj</u>	246	68.4
<u>Orgiluun</u>	32	8.7
Total	361	100

Esteem result presents above table. The Terelj brand is most believable brand of APU's products.

Next question is about Differentiation

Did you taste and feel same in other competitor brands (Selenge)

	Frequency	Percent
Yes	180	49.8
No	181	50.2
Total	361	100

The Selenge brands differentiator is closely of yes or no.

Did you taste and feel same in other competitor brands (Terelj)

	Frequency	Percent
Yes	26	7.2
No	335	92.8
Total	361	100.0

The Terelj's brand differentiation is an amazing result. Customers 92.8 percent is not feeling and tasting other competitors brands.

Did you taste and feel same in other competitor brands (Orgiluun)

	Frequency	Percent
Yes	185	51.2
No	176	48.8
Total	361	100.0

Orgiluun's differentiation result are poor.

Demographic questions results Choose your age group

	Frequency	Percent
15-21	79	21.9
22-26	75	20.8
27-32	48	13.3
33-37	69	19.1
38-45	31	8.6
46-51	23	6.4
51 up to	36	10.0
Total	361	100.0

Choose your gender Occupation

	Frequency	Percent
Male	129	35.7
Female	232	64.3
Total	361	100.0

	Frequency	Percent
Public sector	18	5.0
Private sector	23	6.4
Mining organization	84	23.3
Student	154	42.7
Unemployment	22	6.1
Pension	36	10.0
Herder	24	6.6
Total	361	100.0

V. CONCLUSIONS

The consumers survey was collected on October 21-November 4th. The total respondent is 361 consumers. Respondent quantity: Mongolian total population is 3 million 052 thousand 056 . In APU's target market is 20-65 aging group is it 70 percent of all population its 2 million 136 thousand 439. In the Marketing management theory 1 person can be represent 250 peoples group. I divided $2.136.439/250=8545$. The multivariate analysis we measured between 3 hypotheses groups and age. We highlighted high value. Customer satisfactions satisfied customers who age between 27-32, Equal prices satisfied customers who age between 33-37 and Product quality's satisfied customers who age between 38-45. Respondents who choose somewhat care is 37.6 percent of top results. Esteem result presents above table. The Terelj brand is most believable brand of APU's products. The Selenge brands differentiator is closely of yes or no. The Terelj's brand differentiation is an amazing result. Customers 92.8 percent is not feeling and tasting other competitors brands.

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