CHAPTER 8: CONCLUSIONS AND RECOMMENDATIONS
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Consumer perception involves economic as well as emotional factors therefore it is a very complex process. To position their product and develop effective marketing strategies understanding consumer perception helps the marketers. It is observed that FMCG products have a good market share. The factors considered by the customer before purchasing FMCG products are brand, value for money, quality, price and easy availability. Majority of the customers are satisfied with the FMCG products because of its good quality, reputation, easy availabilities. Few customers are not satisfied with the FMCG products because of high price, lack of availability, spoilage and low shelf life etc.

People are not to much worried about the price of the product. They are showing willingness to spend more if they realize that they can afford to spend. It is found in the survey that males are the main decision maker for the FMCG products. The main purchasing factors for the FMCG products are Quality and Brand image. The majority of the respondents are using FMCG products for a long time. It is also found in the survey that customer are influencing through Word of Mouth.

It is found from the correlation analysis that the variables Age, Gender, Educational Qualification, Occupation, Annual Income, Family size and Frequency of purchase have positive correlation with impact on buying of selected customers towards FMCG products. It is also seen from the regression analysis that the impact on buying towards FMCG products is positively associated with their Age, Gender, Educational Qualification, Occupation, Annual Income, Family size and Frequency of purchase in the study area.

Consumer’s perception of a brand influences a very important factor of strong brand equity. To influence clients when making their choices understanding and managing brand equity comes from achievement in brand management which makes strong attributes. All these dimensions will have influence on consumer’s perceptions of brand.
Brand for a customer is value for money. Higher the price higher the quality is become the common mantra today. But at the same time not everyone is in a position to buy branded products, as the prices may be high. Customers are quite aware of the fact that branded products are of good quality and this is the reason they buy it. They do not mind spending more for branded product but the price rise has to be in an extent of 5-10%. Customers buy branded products frequently but its not that they stick to branded only. Infact they are brand loyal for certain products not for all. They do switch between brands. Today consumers are aware of almost all the brands. They also believe that all the time they cannot buy branded products as their pocket does not allows it and also they feel that premium products are often purchased by families from higher income segment. Since the income levels make buyers more brand conscious. Even if the company reduces the price the customer do not buy branded products as they believe that if the companies reduce the price they cannot maintain a good quality. Customers regularly use branded products and they also influence the buying decisions of their family. It is also seen that the new generation is more brand conscious and do not believe in brand loyalty. They are more brand conscious when they buy cosmetics and other skin care products.

8.1 Consumers perceive that the value for money which they get in branded product can impact the purchase.

Value for money is something which clearly means quality products, good service, attractive stores and low prices. A brand is one of the greatest assets of any company. The reputation of the company is extremely important when building and strengthening brand. While the promoters often need to spend money on the company so that the brand flourishes, there are plenty of ways to promote the brand without spending much money, or any money at all. Reciprocity through promotions can be quite helpful to the dealership. Most of us love getting free stuff. Giveaways can be a great way to get the brand some much needed exposure, and the company doesn’t usually have to spend much money. Even giving away something small will turn people’s attention to that particular brand, but giveaways are going to be most effective if the company offers people something they really want.
Usually, the bigger the giveaway, the more people notice the brand. Just like any other marketing strategy, the company still needs to think about things like the target audience. The company is not going to give away free gas if the customers are interested in electric cars, or give away an electric Prius to farmers who want a big pickup truck. Offer something people want—and something that’s not going to cost you much or any money—and give it away.

In addition to giveaways, there are other ways to promote a brand. The company can run special promotional deals that will give people special offers for the products. If the deals that the company gives to the customers are good enough, the brand will get some recognition. Think of other perks the company can provide. Offer certain customers extended deals or a rewards program. These kinds of offers give customers a reason to like and talk about that brand, whether it’s with their friends or online. Provide them with perks and deals that they aren’t getting with other companies. As with promotional deals and perks, giving your customers the best possible service will get them talking, and that will add value to the brand more than anything. This is more than just having helpful sales representative and other employees.

The employees need to be helpful and excited about the brand, and that enthusiasm needs to extend past the point when the customer walks out the front door. A follow up with calls or emails a few days after the customer have left. We are not supposed to just bombard them with sales info and spam; actually we should inquire about how they enjoyed their experience, or if they had any problems. Find out what, if anything else, they needed, and be genuinely concerned for them. This kind of customer service is not forgotten, and it can change what a brand is in the eyes of many customers. There are many companies and brands out there that have a bad reputation; you don’t want to be part of that. Look at the kinds of services your competitors are giving their customers, and take it one step further. People will notice.

The company can also think about the kind of impression they would like to give the customers and how they will give that impression. For example, A person can appear professional by wearing tidy clothes and have a well kept vehicle. Draw a line down the middle of a piece of paper to create two columns. Title the left column ‘What’ and the right column ‘How’. Now list three things the company wants to stand for in the ‘What’ column. These will form the business values, and what is important to the business.

Examples include:

- I keep my promises
• I provide good quality service
• I listen to my customers’ opinions
• I look after my community
• I provide good value for money

Now that the company has written down the business values, the next step is to think about how it can demonstrate these values to the customers and write these in the ‘How’ column. For example, if the company has written ‘I keep my promises’, it could put: ‘I always deliver goods on time and if I don’t I give a discount on the order.’ If it has written: ‘I value my customers’ in the what column, it could put: ‘I offer a loyalty scheme’ in the how column. The clearer the company is about the way its business stands for, the easier it is to identify the target market, and for the target marketing to identifying with the company as a business they want to use.

8.2 Consumers perceive that the quality of the product can impact the purchase of branded goods.

Consumers have positive perceptions of branded products and they also believe that luxury brand products are of high quality. They also believe that counterfeit products are of low value and of low quality. Any product like cereal, cough syrup or batteries, tend to cost more than their generic store-brand counterparts since they feature nationally recognized name brands. The assumption that a highly priced product will have high quality is fading nowadays. Due to recession new opportunities for supermarkets and drugstores developed and they tried to reach out to consumers who grew increasingly eager to save on everyday purchases. To trim bills one of the simplest strategies has been to switch to cheaper brands — or rather, generic “no-name” brands sold only at specific chains. These store brands or private-label goods, include Archer Farms, available only at Target, Whole Foods’ 365 Everyday Value line and eponymous labels at CVS and Publix, among other stores. Surveys indicated that because of the economic downturn 93% of consumers had changed their grocery-shopping habits, and many of them did so by trying out more store-branded goods, sampling everything from generic shampoo to generic frozen pizza.

With many of them scoring well in blind taste tests, consumers have been impressed by the no-name brands. (The taste tests referenced were for things like orange juice and soup, not
shampoo) Consumers have also found out that many “generic” store-brand foods are actually made by the same companies that produce the higher-priced name-brand stuff. The foods have been known to be manufactured in the same factories, with the same ingredients inside and everything, with the only difference being the label. The result is that often, switching to a store brand is an easy way to save 30% or so, without sacrificing quality.

Major chains have been putting more effort into bringing generics to the marketplace because store-brand sales are often more profitable than those of national brands. It’s been reported that the growth of store-brand sales at Safeway has been outpacing national brands by a ratio of 3 to 1, while nearly one-third of the new items introduced at Kroger stores are house-brand products.

As store brands inched up in popularity, private-label prices rose as well. Even so, it’s still common for store brands to cost 25% to 30% less than their name-brand equivalents at full retail prices.

Women are especially likely to check out store brands. Around 77% shoppers scope out both private-label and name-brand products before making purchases. But women are far more likely to compare store and name brands — 9 out of 10 women are known to look at both options before making selections. Men are happy with generic health-and-beauty products. Women are more conscious than men when it comes to products that are made for their skin and hair. While most of the women report a preference for name-brand health-and-beauty merchandise, few of men say they like name brands better.

With laundry detergent brands make a big difference. Consumers think brand names are most important when it comes to laundry detergent. Most of them prefer name brands in the category. It is not in the case of medicine and milk. Only few consumers report a preference for name-brand over house-brand milk. As for aspirin, cough syrup and other over-the-counter medicines, shoppers say they actually prefer the generic store-brand versions — presumably because they know the ingredients are virtually identical to pricier name brands. Race plays an important role in name-brand preference. African Americans are more likely to report a preference for name-brand detergent, cereal, cookies and ice cream, compared with whites. More whites, on the other hand, go for name-brand batteries compared with African Americans.

Coupons and sales help boost the brand name. Many of the customers refuse to switch to private-label products because of their impression that, with a little timing and strategy, generics aren’t much cheaper. Of those who stick with name brands, few say they do so at least partly because
they can find coupons for their brands and few say their brand is often on sale. Fewer people assume a brand name means top quality. This is a cause for concern among manufacturers who think they can be successful simply because they have a nationally known brand.

8.3 Consumers perceive that they purchase branded goods very frequently.

Understanding the motives and interests of the target market helps in making product decisions, developing a store layout and promoting the business. Product sellers must decide what mix of brand name products and generic goods to provide. Consumers generally buy off-brands for price benefits. They buy brand names for a variety of reasons.

*Confidence in Experience*

Consumers generally buy a product for the first time with a hope that the product will provide a quality experience. They hope that a computer works efficiently and helps them to perform personal or work tasks effectively. They buy food with a hope that it will have quality taste or nutritional value. Recognized brand names typically have shown a consistency in product quality that has contributed to the evolution of the brand. Many a times, consumers rely on prior experiences or public word-of-mouth when selecting brands.

*Social Acceptance*

People have a desire to fit into the situation, whether at school, work or in social circles. For this reason, people sometimes buy brands because they believe that the brands will contribute to greater social acceptance. This is especially true in case of fashion products. Consumers often buy clothing brands that are either perceived as fashionable, trendy or high class, or that fit into a particular subculture or peer group. The “Keeping up with the Joneses” mentality epitomizes this brand buying motive.

*Loyalty*

Over a period of time, consumers develop loyalty towards particular brands which provides a consistent, high-quality experience. Loyalty is essentially an emotional attachment to a brand. Some car buyers have a strong affinity for the Ford brand, while others have a similar commitment to Chevrolet. Brand loyalty causes customers to inconvenience themselves or spend
more for a particular brand. Developing a strong company brand or carrying desired product brands leads to more customer loyalty and long-term business benefits.

**Personal Image**

As company or product brands have identities, people do as well. Some people buy certain brands to support their personal or professional image. Cutting-edge, tech-savvy consumers buy Apple technology to correlate with a desire to be perceived as “techie.” Buying a Lexus or other higher-priced car brand or Armani suits can contribute to your image as a high-class, well-to-do or sophisticated professional.
8.4 For certain products consumers perceive that they adopt brand loyalty.

Customer loyalty can be said to have occurred if people choose to use a particular shop or buy one particular product, rather than use other shops or buy products made by other companies. When customers consistently purchase a certain product or brand over an extended period of time then they show the sign of customer loyalty. As an example, because of the positive experiences they have had with their products and services many customers stick to a certain travel operator.

Customer loyalty is the key objective of customer relationship management and it describes the loyalty which is established between a customer and companies, persons, products or brands. The individual market segments should be targeted in terms of developing customer loyalty.

For loyalty four different reasons should be promoted:

- Psychological;
- Economic;
- Technical/functional;
- Contractual.

Psychological
To a certain person working for a company, customers develop a sense of loyalty. A bank advisor whom the customers have known for several years and who have always helped them in fulfilling their expectations, they can have a good relationship. To stick to a specific product, the fact that people develop a sense of loyalty can be described as a psychological reason.

Economic
It might also be possible that customer loyalty results from the fact that switching to another company would lead to the company facing economic disadvantages in business-to-business markets. Loyalty is based on economic grounds.

Technical/functional
Technical or functional reasons are the grounds for customer loyalty because it might be possible that a company adjusted and adapted its technical procedures to a particular supplier and a change would cause immense technical problems.

Contractual
A contractual reason for loyalty exists if for a certain period of time due to a contractual agreement and for legal reasons a customer is bound to the company.

To describe fidelity and enthusiastic devotion to a country, a cause, or an individual loyalty is an old-fashioned word which is used. It has also been used in a business context over the long term to describe a customer’s willingness to continue patronising a firm, preferably on an exclusive basis, and recommending the firm’s products to friends and associates (Lovelock and Wirtz 2011). A key determinant of a firm’s profitability is customer loyalty. We can differentiate between behavioural and attitudinal loyalty which is also referred as share-of-wallet and share-of-heart respectively and both are independent. Behavioural loyalty occurs when customers buy exclusively or mostly only one brand, whereas attitudinal loyalty occurs when customer is having an emotional attachment with a brand.

Apple customers even dislike competing products and show absolute loyalty to Apple. With its trendy brand Apple fans identify it and love its integrated and smart solutions, sleek design and excellent product quality. The customers live in an “Apple-world”, where they use several Apple products such as their MacBook, iPod, iPhone and iPad) by frequently downloading and buying software, apps, songs and ebooks from Apple’s Store and iTunes.

The customers are commitment to re-buy and re-patronise, at all costs despite strong marketing efforts of competitors, Apple products and services consistently in the future against all odds.

8.5 Consumers perceive that as long as there is a 5% hike in the price of the product, their purchasing behavior does not change.

Small business owners worry that price increase will alienate them and will drive the customers to the competition, therefore once a good baseline price has been established they are often reluctant to raise prices. As long as possible a lot of business people because of such resistance are tempted to forgo price increases altogether or at least put them off. Norm Brodsky said that the profit margins will shrink if they donot understand that they are making a big mistake by doing do either one. The companies undermined the perceived value of services or products. Brodsky noted that many of a small business’s costs are slowly cutting into profit margins by rising every year such as payroll, insurance, and utilities. Just because it does not increase prices
to keep up with the competition risks a business is being regarded as the cheap alternative in the marketplace.

When price increases are implemented gradually and cautiously while also keeping their profit margins intact small businesses may be able to keep their customers happy. After all, as Harry J. Plack wrote in the Baltimore Business Journal, customers typically base their purchase decisions on more than just price and the other factors include quality, features, guarantees, and personal desires. For good, reliable customer service people will always pay more. Howard Scott of Nation’s Business recommended that in order to make an effective price increase we should convey the reasons for the increase to customers and give them a perceived increase in value for their money. The companies have to differentiate their products from the competition’s to raise prices and keep them raised above the competition’s and they should articulate that difference to customers.

8.6 Consumers perceive that they are aware of the brands.

Brand awareness is all about the measurement of how familiar people are with the companies brand or product. If people recognize the product’s name, or if they can point it out on a shelf, the company has an advantage over brands that people don’t recognize or can’t name.

Top of mind awareness is the highest level of brand awareness. This is when customers think of a brand first when they need to make a purchase within the product category. The company can build top of mind awareness through repeated exposure and consistent delivery of a good product or service over time.

Although customers do not usually think through these steps when choosing a product brand awareness follows a certain process and the first one is that he customer has a need for a product. The customer will seek information on what product to buy by evaluating the alternatives, although in some cases, such as in buying a drink, they may simply buy what’s convenient. At the same time, on the product they plan to buy they will place a value, both financial and personal. And once they buy the product, they will review it and make adjustments. These adjustments sometimes will be immediate and sometimes they are long term. For example, they will choose a different drink if they don’t like the drink they bought earlier. But it could be two to five years until they make a different purchase if they don’t like the vehicle they purchased.
To develop brand awareness the company must give the business the time needed because this process does not happen overnight. To identify the success level of brand awareness campaigns is the ultimate goal for the company, to appreciate and track even the slightest progress the business should always continue.

8.7 Customers perceive that higher income segment families purchase premium products.

With a gross domestic product (GDP) of 7.27% India is one of the fastest growing economies in the world. Planning Commission report estimates that the economy is projected to grow with a rate of 9-9.5% during the 12th Five Year Plan period (2012-2017). By a rise in per capita income GDP growth has been accompanied.

Since 1985 the real household disposable income has more than doubled. A new middle class has emerged with the rise in income and it is growing at a fast pace and consumption patterns have changed. In the next decade middle class would be the dominant section of the Indian population, various studies have forecasted. In India majority of the consumption expenditure is on food, but, this pattern is likely to change in the future with the rise in income as expenditure on discretionary items is increasing and that on food is reducing. There will be a shift in Indian population with the rise in income from low-income to middle-income and middle class will spend less on food than the low-income group.

As the middle class will drive the consumption pattern in 2025, it will be different from 2005 and this class will be able to and willing to spend on healthcare, education, recreation, personal products and services. A recent survey conducted by the Boao Review Magazine across nine cities in Asia including New Delhi, India, found that especially with respect to spending on food the consumption pattern of middle class in large cities in India is not widely different from their global counterparts of other Asian cities.

In the Indian economy the rise of the middle class and their consumption pattern is expected to bring noticeable changes and in future rise in per capita income of the growing middle class will further propel urbanization.

In 2005, according to McKinsey & Company (2007), around 53% of the consumption was in the rural area but by 2025, 62% of the consumption will be in the urban area. Smaller cities, which are now growing at a very fast pace this will lead to development. By 2025 around two-thirds of
the Indian middle class will be outside metro cities like Delhi and Mumbai and these cities will host a large number of middle class.
8.8 Consumers perceive that with the increase in income levels buyers become more brand conscious.

Regardless of economic or social surroundings throughout the world luxury consumers behave similarly and this global demand for luxury products is part of the global consumer culture. The motivational drivers to buy luxury products are: financial, functional, personal and social dimensions of luxury value perceptions.

Consumers of luxury products come from all different social and income classes and use prestige products because it makes them feel confident and they enjoy wearing well-known brands (Husic and Cicic, 2009).

Truong (2008, 191) and Gardyn (2002) noted that luxury goods have become more affordable and accessible to new customers (a phenomenon known as the “democratization of luxury”) because more consumers are willing and able to pay a price premium for higher quality, higher status products.

8.9 Consumers perceive that a good quality cannot be maintained by the companies if they reduce the price.

Price in many forms and performs many functions, rent, tuition, fares, fees, rates, tolls, retainers, wages and commissions and it is not only a number on a tag, it comes all may in some way be the price for some goods or services. By negotiation between buyers and sellers most of the prices were set. In some areas bargaining is still a spot. In recent years pricing practices have changed significantly. Consumer behavior is “in buying and using products or services the decision processes and acts of individuals which is involved”. This relationship shows that as perceived benefit increases the value increases for a given price. In the behaviour of consumer purchase as well as the success or profitability of the firm the prices of product are always a determinant factor. How much one should charge for a product or service? However, a better question is - How much does a customer values the products, services, and other intangibles offered by the firm? The study tries to determine how customers are sensitive to price and, how prices affects profitability of the firm. For consumers to purchase products the quality of a product also serves an as important reason. Since it can affect consumer buying behavior if there
are changes in the product performance, there must always be communication between, retailers and consumers to monitor.

Consumers should use a product’s price to determine if the product is affordable. We must fully understand the environment in which these perceptions are formed in order to understand consumer perceptions of the price-quality relationship. Company behavior and consumer behavior both affect product prices in a real market.

Moreover, consumers have different impacts on market prices and consumers show different behaviors. In order to better understand consumer behavior we try to identify how consumer behavior interacts with market behavior.

8.10 Consumers perceive that they switch between brands and the customer loyalty is disappearing fastly.

They have less trust in brands and therefore they to switch brands fastly. The famous 80/20 rule which meant 20% of the customers account for 80% of the turnover has turned into a 60/40 rule which means 40% of the customers generate 60% of the turnover and is slowly evolving towards a 50/50 rule. Putting quite a few established marketing tactics in doubt loyal and disloyal customers almost generate the same amount of income. Top brands are not able to maintain their status as market leaders and a loyal customer base can go away in 12 months. Without a giving a second thought many of Nokia’s loyal customers switched to Apple or Samsung.

Research shows that consumers tend to attach themselves to a certain brands as long as they provide a clear added value. Consumers are prepared to commit to up to five brands and they have an emotional attachment to these brands which results in loyalty to these brands. In the world today, there exists a certain brand paradox and people like specific brands while putting less trust in brands in general.

Why customer loyalty is down?

- With rising consumer expectations companies can’t keep up. Improvement declining customer loyalty has been an issue for most companies in spite of heavy investments in service. Consumers compare companies to the ‘best-in-class’, they don’t compare a company to where they were a year ago. Consumers will expect the same of their local
supermarket, if Amazon doesn’t question a faulty delivery and deals with the problem immediately.

• ‘The loyalty card’ which many companies think was a shortcut to create customer loyalty and therefore loyalty programs are missing their mark. All the latest studies agree that on existing customers loyalty cards slash profit margins. You’re really losing money instead of creating loyalty.

• The fast adoption of smartphones and tablets as enhanced transparency and thus digitisation makes everything transparent. Today, to compare prices while shopping more than half of the consumers use their mobile devices. A trend that spells danger for any company out there is the online world which has made price transparency very accessible.

• Instead of on the customer experience as a whole focus on individual touch points. With every department being responsible for the customer’s experience of one specific aspect of the customer relationship companies are divided into various departments. Invoicing is housed three floors down and there’s hardly any contact between the sales and after sales departments.

• No unique relevance to consumers because when customers are disloyal, they are really saying that a product or service was not relevant enough for them to remain a customer there. The relationship is too rational in nature instead of emotional that too little thought is put into the role a brand has to play in consumers’ lives.

8.11 Customers perceive that they use all types of products in branded goods segment.

Consumer products can expand to include pretty much everything you charged on your Visa card last year and it can include any of the jars, boxes, cans, or tubes on your kitchen and bathroom shelves. From food and beverages to toiletries and small appliances this industry manufactures and markets everything.

Although a firm may have a smattering of brands that cross the lines most firms offer products that fit primarily into only one of these four groups: beverages, food, toiletries and cosmetics, and small appliances.
The foundation of modern consumer economy is consumer products. The industry not only generates an enormous portion of the gross domestic product but it also pumps huge amounts of money into other industries, notably advertising and retail.

Though other parts of the world are working hard for the privileges of wearing clothing emblazoned with company logos, eating processed food, and chopping vegetables with an electric motor instead of a traditional utensil individual consumers make up the majority of this industry’s customers; sales and are concentrated in the United States, Japan, and Western Europe. By promoting a brand name success in consumer products companies often market an individual product. For shelf space package design since the competition is ferocious, marketing, and customer satisfaction are key elements.

Many forward-thinking consumer packaged goods (CPG) companies are trying to enhance growth with other companies, via alliances. These days technology is becoming an ever more significant factor in most industries in doing business in the CPG industry. The rise in importance of customer relationship management (CRM) applications is one of the biggest technology trends. To better understand the marketplace CRM software allows the company by collecting information about customers for its products and how to increase sales and market presence, their behavior, and all aspects of their relationship with a company. If you go into brand management in a CPG company to tailor your efforts to sell into the marketplace expect to use data collected by CRM applications.

To strengthen the relationship between consumers and their brands the most successful companies are using the interactivity of the web. Campbell Soup, Coca-Cola, and Hershey’s all offer online gift shops through which internet surfers can buy branded collectibles such as decorative tins, T-shirts, and plush toys.

Nestlé’s brands, include products in the food (e.g., Toll House cookies), beverage (Nestea), and pet care (Alpo) categories. Its an example wherein smaller companies operate in only one category and bigger ones are diversified CPG companies.

*Beverages*

This is a mature and intensely competitive industry therefore hugely reliant on advertising. Different segments of the beverage world include beer (Adolph Coors, Anheuser-Busch, Miller, Stroh’s), soft drinks (Coca-Cola, PepsiCo), and juices (Tropicana is owned by PepsiCo, Minute Maid by Coca-Cola).
Foods
As compared to beverages food industry is also a mature and competitive industry which has single-digit growth and less consolidation. Corporate players like, Campbell Soup, General Mills, H.J. Heinz, and Kellogg have spent enormous sums of money to tattoo their names onto your brain and most of the packaged goods that fill our pantries, cupboards, and refrigerators come from them. Other big players, such as ConAgra (Hunt’s, Healthy Choice, and Wesson) are better known for brands they own.

Toiletries, Cosmetics, and Cleaning Products
With three-and-one-half times the size of its nearest competitor Procter & Gamble is the Godzilla of this group and indeed the consumer products world in general and other players include Clorox, Colgate-Palmolive, Revlon, Gillette, Kimberly-Clark (Huggies, Kotex, and Kleenex), Unilever, and S.C. Johnson (Pledge, Glade, and Windex).

Small Appliances
The future for this segment of the industry looks healthy with players like Black & Decker, Sears, and Snap-On because more and more people are building and buying homes tools, kitchen gadgets, air-conditioners, chain saws, and anything else which is a continuous requirement for them.

In every department from accounting and finance, human resources, and IT for research and development, operations, and sales the big consumer products companies employ people in a range of fairly standard corporate functions in the industry. But none of these will ever get the focus that one functional area gets in CPG companies. You can find yourself a good career in these and other functional areas: marketing and brand management. Depends primarily on the financial performance of those companies and if a company is growing be it in brand management or in other departments and functions the hiring outlook at CPG companies, it will be hiring employees continuously.

8.12 Consumers perceive that the buying decisions of their family is influenced by them.

The consumer decision making process is influenced by various factors like social, psychological and personal factors.
Since they include reference groups and group compliance in social factors behaviour is influenced by specific values, codes and culture and distinguishes groups from each other. With family members frequently exchanging feedback on consumed products and/or future planned purchases a family brings its own values, codes and rituals and represents a special reference group. This interaction is a fundamental building block in influencing purchase behaviour within a family.

Within the past holding the traditional role of a providing security is now replaced by a more nuclear family model containing unmarried couples, one-person households or lone-parent families and various studies showed that the family is changing its structural influence in the society. Structural influence changes buying behaviour of customers but as for now we can recognize the traditional family as main collective decision making unit which is distinguish from other reference groups to the extent that a face to face interaction is taken place regularly, products are shared and thereby rules for consumption will influence any decision prior the actual purchase subordination of one’s personal consumption goals in connections with the family goals of upcoming buying decisions, and finally family members can act as purchasing agent for another member of the family.

Being a purchasing agent for another family member concept has changed during the last ten or twenty years. In fact to influence product purchase and to diffuse a parents income, parents spent less time in making purchase decisions for the whole family and puts children in a unique position.

In a higher value for compliance compared with other reference groups the mentioned factors above will lead to dispute and potential conflict that need to be resolved by its members. A family consists of different stages (family life cycle) and its members depending on age and social status influences others members of the family to change their buying behaviour to reflect a projected social image. On other family members this image projection creates expectation to adapt their social image and buying behaviour.

For example, mother and father are role models in the earlier stage of the family life cycle, in connection on how children perceive decision making and buying behaviour.
Over time and substituted by media this influence will deteriorate (television, Internet etc.) and other reference groups (friends, school etc.) which will then lead children to influence their parents on product selection and buying behaviour.

A more positive development is that when in comes to decisions on environmental friendly products several writers mentioning children as a major driving force. In general, with a lower foothold value less discussion might emerge on commodity products but as sex-roles and socialization are influencing priorities and affection for alternative products in light of higher value investment such as cars, TV sets or cloth for children discussion are unavoidable.

8.13 Customers perceive that they use branded goods in a ratio of 60:40.

A strong brand enhances product recognition and offers many advantages for marketers. To enhance customer recognition brands provide multiple sensory stimuli. From its packaging, logo, shape, etc a brand can be visually recognizable and it can also be recognized via sound, such as hearing the name on a radio advertisement or talking with someone who mentions the product. Customers are likely to become brand loyal if they are frequent and enthusiastic purchasers of a particular brand. The ultimate reward for successful marketers is cultivating brand loyalty among customers since compared to non-loyal customers these customers are far less likely to be enticed to switch to other brands.

Brands make product positioning efforts more effective if it is well-developed and promoted. The result is that customers conjure up mental images or feelings of the benefits they receive from using that brand (e.g., hearing it, seeing it) upon exposure to a brand and the reverse is even better. The brand may have attained a significant competitive advantage when customers associate benefits with a particular brand. In these situations the customer may automatically think of one brand if he recognizes that he needs a solution to a problem (e.g., needs to bleach clothes) that offers the solution to the problem (e.g., Clorox). The benefit sought, this “benefit = brand” association provides a significant advantage for the brand that the customer associates with.