CHAPTER 1
INTRODUCTION

In present day marketing scenario, consumers do not seek for a product for solving their needs; mostly they seek for the specific brand. Many a time the brands have become so important that they turned out to be generic and replaced the name of the original product. In the market place, photocopy services has become synonymous with ‘Xerox’ which is basically a brand of photocopy machines. Similarly, ‘Band-Aid’, a brand introduced by Johnson & Johnson, has been synonym for medicated gauze with adhesive tape. Therefore, brands and the role of branding, as traditionally understood, have been subject to constant review and redefinition, because of its continuous change of axes of importance. Traditionally brands have been defined as the name, associated with one or more items in the product line, which is used to identify the source of character of the item(s)” (Kotler, 2000). To define brands, American Marketing Association stated that brand is “name, term, sign, symbol, or design, or a combination of them”, which are “intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition” (AMA 2010). But present day brands have gone far from the periphery of the said definitions. According to David Aaker (1996), a brand is more than a product. He explained that the product includes characteristics such as Scope, Attributes, Quality / Value and Uses. But besides these product characteristics, a brand includes Symbols, Emotional Benefits, Self-expressive benefits, User Imagery, Country of Origin, Organizational Associations, Brand-Customer Relationship and Personality. Thus an outfit or footwear could be merely a need for a product which could be translated fulfilled by any garment and footwear producer. But an apparel of Gucci or footwear of Nike provides more than the benefit offered by any outfit or footwear. Something more than merely a product, some extra benefits, are offered by these brands, and thus they claim to possess a differential position in the mind of the consumers, although their basic product remains the same.

Thus producers of different products are not confined to create good products only. They also have stretched their efforts to create their brands, so that they can achieve a differential position in the mind of the consumers. A positive perception about the brand, in the mind of the target consumers helps to gain market share and grow. But product features are not enough to attain a differential position in the mind of the consumers. Competing
brands of the similar product category carries the emblem of their producers and emerges in the crusade of existence, in a highly populated market. But, along with the product features, brands carry some other benefits, which create a differential position for them. The triumph of the brand’s battle depends upon the successful management of branding activities which highlight the brand’s benefits in such a way that could create a positive perception about the brand in the mind of the target consumers, and thereby trigger-off purchase decision. Thus evaluation of perception of the brand and designing proper branding activity, both from the consumer and company’s perspective is of great importance to create a successful brand.

1.1 Brand as a concept

Although, at their most basic level, brands serve as markers for the offerings of a firm, they are often defined from different perspectives. From the company’s perspective, brands are devices which are created to form “imperfect competition”. Thus from the company’s point of view, brands need to provide some unique benefit, which could fetch them some additional edge in the competitive market. But the real problem in the market place is related to the fact that all the competing brands of the same product category provide almost similar functional benefits. For example all the car freshener promises of same fragrance and same duration of lasting, all the detergents claim that they are economic and clean well, all airlines claim that they are comfortable and timely, and all the antacids claim that they react quickly in giving relief from acidity. Companies are also always eager to device new and additional functional benefits for their brands. But the process involves high investment. Moreover the output of the expensive R&D often gets replicated easily and quickly by the competitors. Thus, brand managers, although seek to attain a differential position for their brands, could not use a newly developed functional benefit of their brand for a long time. Instead they try to attain their differential position in the market, by creating the unique and nonreplicable image of their brand, in the mind of their consumers. Besides the functional benefits, brand name, logo, colour, advertising styles, celebrity endorser’s image, price or the packaging and other extrinsic attributes are the components, which are needed to create a brand. The brand summarizes what a company’s offerings stand for and what they are like. Successful brands often manage to convince customers that the offerings sold under their name are unique, or at least clearly different from other offerings on the same market. They offer some extra benefits besides the functional benefits offered by all the brands in the market. As a consequence, brands are increasingly considered to constitute critical resources allowing companies to gain a competitive advantage over their competitors (Srivastava, Shervani, and
Brands are positioned in such a way, so that it can get attached to the feeling of the consumers and consumers can feel that they possess an emotional attachment with the brand.

From the accounting perspective, brands are often illustrated as intangible assets, which are dedicated to produce benefits for the stakeholders, both internal and external, of the company—such as employees, customers, suppliers or civil society organizations (Srivastava, Fahey, and Christensen 2001; Crane, Matten, and Moon 2008). According to this perspective, brands also reduce the vulnerability of cash flows. As consumers are emotionally attached to a brand, they have high switching costs, and thus the cash flows are less volatile (Srivastava, Shervani, and Fahey 1999). The importance of “emotional attachment” between brands and its consumers is an important aspect of brand evaluation. This point out that choosing a brand is not based on the functional benefits and not based on the cold financial decision based on the benefits offered and the price charged, it is something beyond it, it involves consumer’s emotion.

From the legal perspective, brands are viewed as a right which protects the use of a specific name, logo, and so on or a combination of them (Keller, 2008 and Ramello, 2006). The legal term for a brand is the trademark. This trademark is used to identify the products and/or the services of a company and also helps them to differentiate it from offerings of competing manufacturers. But Herbig and Milewicz (1993) has also pointed out that there is no direct link between owning a brand and economic outcomes. Although the legal perspective ensures that the brands exist legally from the moment of its registration, the company has to build and manage the brand constantly, so that the brand can register its position in the mind of the target consumers. In this context Kerin and Sethuraman (1998) and Keller (2008) has rightly pointed out that although different brands are protected through similar legal manner, the market share is also observed to be different along with the profit margins and cash flows.

For consumers, brands are tools to simplify choice, promise a particular quality level, reduce risk, and/or engender trust. Brands thus reflect the complete experience that customers have with products. The differentiated position of a brand is actually lies in the mind, in the perception of the target consumers. The better performance of a brand depends upon the uniqueness of the positioning of the brand and also depends upon the lesser gap between the actual and ideal positioning. According to De Chernatony (1999) and Keller and Lehmann
(2003), every brand has its positioning and this positioning contributes in building the specific brand image, in the mind of the consumers. This image of the brands, in the mind of the consumers, influences the purchase decisions. Kapferer (2007) and Guthrie and Kim (2009) has pointed out that from the perspective of consumers, brands are a set of perceptions. In reality, different types of information designed by the marketing division and communicated through the verbal, visual, and other modes of communication, are stored in consumers’ mind. Consumer’s experience with the brand and the communication created by the marketing activities, help consumers to develop their perception about the brand. These perceptions, according to Bhat and Reddy (1998), trigger a mental process in consumers’ mind and result in both emotional and cognitive effects.

Brands also play an important role in determining the effectiveness of marketing efforts such as advertising and channel placement. Finally, brands are an asset in the financial sense. Thus, brands manifest their impact at three primary levels – customer-market, product-market, and financial-market. The value accrued by these various benefits is often called brand equity.

1.2 Benefits offered by a Brand:

As discussed earlier, brands are required to provide certain benefits to the consumers. According to Park et al. (1986), brands offer a mixture of benefits termed as functional, experiential and symbolic benefits. Functional needs are defined as those that motivate the search for products that solve consumption related problems. A brand with a functional concept is defined as one designed to solve externally generated consumption needs. Experiential needs are defined as desires for products that provide sensory pleasure, variety, and/or cognitive stimulation. A brand with an experiential concept is designed to fulfill these internally generated needs for stimulation and/or variety. Symbolic needs are defined as desires for products that fulfill internally generated needs for self-enhancement, role position, group membership, or ego identification. A brand with a symbolic concept is, designed to associate the individual with a desired group, role, or self-image. Although, much variation is not possible to provide much differentiated functional and experiential benefits, brand manager try to create different symbolic benefits for their brands, so that they can attain the desired position in the mind of the consumers.
1.3 Importance of Symbolic benefits in purchase decision

Human beings are fond of explaining themselves to the outer world and often they could not do it verbally. They take refuge to the use symbolic ways and means to explain themselves. Lloyd Warner (1959) defined symbols as “things which stands for or express something else” and also stated that to convey a meaning, symbol must be identified by a group and must communicate similar meaning to all within the group. Consumers often use different products and brands to explain their attitude, self, personality, to the outer world. They choose products and/or brands which have the specific symbolic appeal and recognized by all. Grubb and Grathwohl (1967) also pointed out that if a product is to serve as a symbolic device, it must achieve social recognition, and the meaning associated with the product must be clearly established and understood by related segment of the society.

The list of symbols, used to explain the nature or self is huge. For example, the Khalsa logo, the religious symbol of Sikhs are often used to describe macho personality, while the Holy Cross of Christianity or the Om symbol of Hindu religion is used as style statements. Hair colours are often used as a symbolic tool to manifest personality, as red heads are perceived as passionate and quick thinking and brunettes are perceived as hardworking and responsible. Having a cup of coffee in Coffee House, Kolkata is classic while having the same coffee in Varista or Cafe Coffee Day is fun.

The importance of the symbolic benefits, provided by the products and that of the brands is often related to the revelation of the self or personality of the users, to the outer world. Thus its importance is often more than the functional benefits offered by that particular product and brand. In this context Duesenberry (1949) claimed that the act of consumption is a symbolic behaviour and this symbolic behaviour, according to him, might be more important to the individual than the benefit provided by the functioning of the purchased product. Levy (1959) pointed out that in addition to their functions; the products people buy are seen to have personal and social meaning. Tucker (1957) remarked that consumers’ personality could be defined by their usage of product. Britt (1966), tried to explain the nature of consumers in terms of product usage. He pointed out that a consumer might buy a brand because he feels that among other factors, the consumption of that particular product will enhance his self image. Holman (1981), points out three conditions which distinguishes product as communication vehicles and the conditions are, visibility in use, variability in use and personalizability in use. Grubb and Grathwohl (1967) pointed out
that the purchase, display and use of goods communicates symbolic meaning to the individuals and to others. The consuming behaviour of an individual will be directed towards enhancing self concept through the consumption of goods as symbols. Levy (1959) also points out that economic and functional orientation of consumers has changed. The behaviour of the market place is becoming increasingly symbolic, and the sellers of goods are involved in selling symbols along with the merchandise. As each person aims to enhance his sense of self, and behaves in ways that are consistent with his image of the person he is or wants to be, he purchases product and/or services that goes with this image, and a symbol is appropriate when it joins with, meshes with, adds to and reinforces the way, the consumer thinks about himself. Thus choosing a product becomes easy, as one product is symbolically more harmonious with his goals, feelings, and self definition than others. She also pointed out several dimensions of symbolism such as gender dimension, sexual dimension, symbolic dimensions involving age, social class, caste, sub-group symbols, formality and informality, and so on.

Thus we can find out that purchasing decision of a product and / or services not only involve the functional benefits offered by them, they have symbolic implications. Brands of different product categories add more to this symbolic nature. As brands carry the emblem of a company, they speak about the level of functional satisfaction promised by the company. But purchase decision of a brand involves more symbolic features. Through the purchase of a particular brand the consumers manifest their economic class, their social status, their self and moreover their personality.

1.4 Brands as symbolic means to express consumer personality

Researchers and marketing practitioners have identified that consumers’ choice and purchase decision of brands largely depends beyond the scope of functional benefits provided by the brand. The choice about a particular brand of a product category is mostly governed by the ability of the brand to symbolically explain the consumers’ self or their personality, or certain attributes of their personality. Symbolic use of a brand is possible because consumers often imbue brands with human personality traits (Gilmore, 1919). This leads to the genesis of Brand Personality, where brands are treated as human beings, symbolically manifesting a personality type. All this “name, term, sign, symbol” and so on, associated with a brand, communicates the identification of a product’s or service’s producers and thereby conveys the expectations about the quality of that product or service. But they are not merely the
emblem carrying the information about the manufacturer and have uses beyond their jurisdiction. The name of BMW or Marcedes is a symbol of high status and luxury, the sign of Unicorn symbolizes uniqueness and limitedness, the symbol of rabbit symbolizes energy in Durecell and the logo of bitten apple of Apple company, although have biblical reference, symbolizes knowledge. Thus Gardner and Levy (1955) has rightly pointed out that brands are more than the “label” employed to differentiate among the manufacturers of a product. Brands are “a complex symbol” that represents a variety of ideas and attributes. According to them, a brand, through its body of association over a period of time, becomes a public image, a character, a personality, and this identity often becomes more important than many technical facts about the product.

Consumers often evaluate brands on the basis of the personality attributes that the brand offers. While explaining the performance of the brands, consumers often use certain adjectives, which are applicable to explain human personality. While Nike is explained as exciting and spirited, Puma is explained as fashionable and stylish. While Mountain Dew is found to be playful and daring, Pepsi is young and spirited. All the terms used to explain the nature of the brands, are personality adjectives. Consumers often choose a brand on the basis of the personality explained by the brands. Schenk and Holman (1980) remarked that the consumers choose to express a particular self, and this selection of that particular self is influenced by the specific characteristics of a given situation. Once the consumers decide which image is to be manifested in a particular social situation, they look for ways to expressing it. The use of brand is one means through which an individual can express self-image. Levy (1959) further points out that modern goods are essentially psychological things and all commercial objects possess a symbolic character. The purchase of brands involves an assessment of this symbols and purchase will only take place when the symbols are appropriate ones. In this context, it is worth mentioning that animism theory considers that humans need to anthromorphize objects in order to facilitate their interaction with the world. Brand Marketing activities and communication, can create brand/consumer relationships, where brands are perceived, analyzed and considered by consumers as developing behaviours. Thus, consumers may assign personalities to brands and may think of brands as possessing human personality traits (Caprara G.V. Barbaranelli C. and Guido G., 2001); (Blackston M. Beyond 1992); (Aaker and Biel); (Hillsdale, NJ, 1993).

Plummer (1984, 2000) argued that brand personality might be crucial for understanding brand choice. Indeed, at a time in which consumers consider product quality as
a given and competitors can easily copy product characteristics, a strong brand identity and personality are invaluable to build brand equity (van Rekom, Jacobs, & Verlegh, 2006). Researchers have also argued that brand personification allows a better understanding and interpretation of the brand image concept (Dobni D. and Zinkhan G.M., 1990). Biel (1995) proposes that brand image can be described as having three sub images, corporate image, image of the product and image of the user and that the third component can be described in terms of personality. He also claims that brand personality is a “softer characteristic” of brand image, and it is little constrained by the physical attributes of the product. Humanizing a brand empowers it to play a more central role in the consumer’s life, potentially enabling the consumer to project an aspect of his or her self that might be desirable for relationships he or she seeks (Aaker, J.L. 1997), (Wallendorf, Melanie and Eric Arnould, 1988) or possibly even give him or her a sense of comfort at having found a brand that “fits” with his or her self-concept (Aaker, 1999); (Sirgy, 1985); (Swaminathan, Vanitha, Karen L., 2007), and (Zeynep Gu’rhan-Canli, 2007).

Another stream of research suggests that brand relationships can furnish participants with a social identity (Weiss 1974; Wright 1974). Consistent with this idea, consumer research has shown that brands can be used to communicate and reinforce national identity (Johansson 1989; Shimp and Sharma 1987). For example Zippo lighter, Harley Davidson bike possess the American identity. Further, brand attitudes have been shown to vary based on country of origin (Gu’rhan-Canli and Maheswaran 2000; Hong and Wyer 1990; Maheswaran 1994). For example, when France refused to participate in the U.S.-led Iraq war, Americans demonstrated their displeasure by boycotting French-made wines and increasing their purchases of U.S.-made wines (Chavis and Leslie 2005). This example highlights the notion that brand country-of-origin connection can form an important facet of a consumer’s relationship with a brand. Consumers have been shown to express different aspects of the self under varying circumstances (Reed 2004). Individuals with an independent self-construal view themselves as separate individuals, whereas individuals with an interdependent self-construal view themselves as part of a group (Markus and Kitayama 1991). Further, research suggests that most individuals have a dynamic self consisting of both independent and interdependent traits and situational cues can activate either type (Agrawal and Maheswaran 2005; Triandis 1995).
1.5 Significance of Brand Personality and effect of Personality Congruence

Brand personality, in particular, the Brand Personality concept, as one dimension of brand image (Plummer 1985), has received increasing attention among researchers (Aaker and Fournier 1995; Aaker 1997; Freling and Forbes 2005; Ang and Lim 2006). Faircloth argues that, compared to other dimensions such as brand awareness, brand personality is the most significant antecedent of brand equity (2005). Further studies show that the effect between brand personality and purchase intention is significant (for instance Ang and Lim 2006). From a managerial vantage point, the brand personality concept represents a strategic tool allowing the establishment of strong brands (Aaker 1996; Keller, and Lehman 2003; Lombardi 2007). Brand personality, according to David Aaker (1996), can create a stronger brand in several ways. According to him, brand personality can create self-expressive benefit that becomes a vehicle for customers to express his or her personality. Thus, as a symbolic benefit and due to its association to different personality traits, brands are often used by consumers, to express their personality or certain attributes of their personality, through the use of brands.

Researchers severally focused on how the personality of a brand enables a consumer to express his or her own self (Belk, 1988), an ideal self (Malhotra, 1988), or specific dimension of the self (Klein, Klein and Kernan, 1993), through the use of brand. Besides that, they also highlighted the importance of brand and consumer’s personality congruence. The purchase of a brand is often treated as an outcome of personality congruence between brands and its consumers. According to the theoreticians, when a consumer evaluates a brand, personality attributes of the brand is also gets evaluated. Besides evaluating the personality of the brand the consumer also decides, whether that personality matches with his own. This match of personality is termed as personality congruence between brands and its consumers. The more prominent is the matching between them, the more the congruence is, and that leads to more probability of a possible purchase. Thus personality congruence between brands and its consumers could be considered as one of the major reasons which triggers purchase decisions. Marketers are also interested to have a complete knowledge about the level of personality congruence. Information about the level of personality congruence between their brands and the target consumers helps marketers to take decisions related to branding activities. Besides that, this knowledge also helps them to find out their relative position among the other competing brands.
The arena of brand personality, where Brands are viewed as persons; is an interesting avenue of study from the inception of the topic and both researchers and marketing practitioners are always found interested in this field of study. Consumers often look for brands which will silently and symbolically speak about their personality. When they find out brands which have high personality congruence with their personality, they become a loyal consumer of those brands. On the other hand, brand managers, who are in eternal pursuit of attaining a differential position in the mind of the consumers and thereby secure their place in the market, often choose personality attributes of their brands, as a tool to catch the attention of the target consumer. But designing a suitable brand personality and thereby attaining high personality congruence with the personality of the consumers, is a challenging task. It also requires knowledge about the personality of the target consumers and also knowledge about the various tools, which could create the desired personality of the brands. Moreover, certain methodology is also required to measure the amount of personality congruence between brands and the consumers. A suitably designed brand personality provides long term dividend to the company. From the research point of view, brand personality studies encompass a vast field of human psychology and also of marketing and branding. While studies in the field of psychology helps to predict the personality of the consumers and their perspective, studies in the field of marketing and branding, helps to design the proper message and identify the required tools to reach the prospective consumers. Thus, a study to measure brand and consumer’s personality and finding out the congruence between them, will be of ample importance for both the researchers and marketing practitioners.