## CHAPTER V:

**SUMMARY, CONCLUSION AND SUGGESTIONS**

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PROLOGUE:

This chapter presents the overall summary of the findings of this research. The conclusion is objectively derived to formulate certain suggestions for the students of Brand failures. The analysis of objectives is done to see whether the objectives of this research have been achieved or not. Besides the validity of the hypothesis of this research was also checked.

OBJECTIVES OF THE RESEARCH AND THEIR ACHIEVEMENT:

Objective 1: To identify the factors which have led to brand failure of the brands under study.

The first objective of the study was to identify the factors which have led to brand failures under study. After looking at the results of factor analysis there were three prominent factors that were the main cause of brand failures:

- Factor 1: Positioning factors
- Factor 2: Communication factors
- Factor 3: Expectation factors.

These factors comprise following attributes:

1) POSITIONING FACTORS:
   i) Product feature
   ii) Fit between product & brand name
   iii) Brand values
   iv) Brand Image
   v) Social dimension of Brand image
   vi) Marketing support
   vii) Policy & practice

2) COMMUNICATION FACTORS:
   i) Retailer acceptance
ii) Pricing
iii) Level of advertising
iv) Warranty
v) Sales Channel
vi) Ineffective promotion

3) EXPECTATION FACTORS:
   i) Culture
   ii) Risk
   iii) Consumer experiences
   iv) Benefits
   v) Lack of emotional connection
   vi) Non-delivery of promises

By understanding this composition of factors, it is easier to concentrate on these attributes while formulating brand related strategies.

Objective 2: To assess the underlying perceptions developed by consumers in emerging markets regarding as to why brands fail.

From the data collected for different brands of Cold drinks and ready to eat foods it is concluded that three dimensions explain cumulative Variance. Hence three dimensional maps explain enough variance and three dimensional cases were developed.

Dimensions of the perceptual map are the dimensions or axes of the Euclidean space in which attributes of the brands are represented. The axes represent the underlying factors that attributes and characterize how consumers distinguish between various factors responsible for failure. Here we have Dimension I-positioning factor, Dimension II-Communication Factor and Dimension III-Expectation Factor.

Based on the results we conclude that consumers perceive Consumer Experiences and Product feature (Positioning and Expectation factors) the most important for causing failures in case of cold Drinks. And level of Advertisement and Product Feature
(communication and positioning factor) the most important failure causing factors in ready to eat foods. Hence more focus should be on these attributes when a company intends to extend its brand.

Objective 3: To compare the brand failures vis-à-vis ideal brand concept in terms of consumer acceptance/importance using perceptual maps.

Based on the data from all the perceptual maps, it is concluded that the space around ideal brand concept is empty and the companies have to understand their consumers in a better way to avoid brand failures. Hence products launched should focus on all the important attributes which form clusters in the perceptual maps i.e. attribute which are the most important as perceived by the consumers.

Objective 4: To formulate an optimal strategy to avoid brand mistakes and escape brand failures.

The results of this research indicate the areas where the companies need to concentrate while launching a new product. Based on this research it is concluded that the main focus is consumer behavior. Hence the optimal strategy to avoid brand mistakes is one which is effective and only the marketing strategy based on consumer behavior can be effective. Thus companies should read their consumers well before any innovation of the products.

**VALIDITY OF THE HYPOTHESES TESTED:**

To set direction to the research two hypotheses were formulated to be tested which were phrased as in the “NULL “form.

The following hypotheses have been laid down as Null Form:

- H0 (I): There is significantly no linear correlation between the different characteristics of the brand failures.

  As the present research has proved that in both product categories that is cold Drinks and Ready to eat foods factor analysis was possible and reliable outcome was achieved. Hence the hypotheses stands vindicated and Accepted.

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H0 (II): There is a significant difference between the perception of the companies and customers regarding the brand line extension products.

The results of the research clearly indicate that the factors which the companies perceive responsible for failure of the brand line extension that is: positioning Factor, communication Factor and Expectation factor are also perceived as responsible failure factors by the consumers.

Accordingly the hypotheses stands rejected.

OTHER CONCLUSIONS DRAWN FROM THIS RESEARCH:

The other important conclusions that can be drawn from this research are:

- Majority of the respondents (80%) were aware about the Pepsi café chino than any other brand under study.
- Majority of the respondents (62%) were aware about the failure of Pepsi Café Chino than any other brand failure under study.
- It is also noted from the research that 79 % of respondents are still brand sensitive and extension failure has not diluted the image of the brand.
- Further it was also seen that 66% of respondents are brand loyal and extension failure of the brand has not impacted the brand image to a higher degree.
- This Study of Failure of Brand extension of the brands under study can be replicated using larger sample size and larger scope.
- This study highlights the role of various underlying factors responsible for failure and thus brands cannot afford to ignore these factors.

Formulation of effective marketing strategy can take place only by carefully analyzing the past mistakes and learning from it. This piece of research focuses on past brand failures and will surely act as a small corner stone in the field of Brand Management.

SOME SUGGESTIONS:

A brand line extension strategy is not for every company. Following are the few important suggestions among the various suggestions of the present research:
• Extension brand should be developed with characteristics that clearly differentiate it from the established product. However, these attributes should be credible and required by the consumers.

• Brands to be developed should concentrate on three major factors which include Positioning factor, Communication factor and Expectation factor.

• Brands developed should be differentiated products and consumers should perceive it.

• The net combined sales of the established product and the line extension product be greater than sales of the established product alone.

• In order to avoid brand failures and have acceptance of the brand extensions, companies should have well planned market entry strategy.

• It is strongly suggested that companies should develop and generate deep consumer insight with regard to their brands. This can be achieved by conducting in depth individual interviews with consumers before launch of extension products.

• It is also suggested that proper promotional plans should be followed by the companies for launch of product extensions.

• The companies’ should try to make their consumers well informed about their policies about any change in the products.

• The ultimate aim of the company should be to save the image of the parent brand.

Successful brand line extensions are not entirely new products; they are simply new branches on the main plant. In order to optimize the power of the overall brand, line extensions have to make sense, be part of a long-term plan and reflect the core images and message of the brand.