INTRODUCTION

“What’s in a name?
That which we call a rose,
By any other name would smell as sweet”

Thus says Juliet to Romeo (Wilson, 1955), in the heat of passion. Shakespeare, however, would not have been aware, that nearly four centuries later, such an attitude towards names, especially brand names in the field of business and trade would have been suicidal.

Names play a vital role in business. A name is used for identification, recognition and recall memory. The name of the game in business is branding. The main objective of branding is to construct a strong image about a product which is linked with a particular brand. Such an image helps the customer recognise that brand from the competitor’s brand. It also creates brand knowledge. Brand image, brand knowledge and recognition create brand loyalty and equity.

Brand knowledge is defined by Keller (1993), in terms of two components, brand awareness and brand image. Brand awareness relates to brand recall and recognition performance by consumers. Brand image refers to the set of associations linked to the brand that consumers hold in memory.
Very often advertising is used to build a brand image. Images are mental pictures of brands that may appeal to different segments of the target audience in varying degrees. (Mohan, 1993).

Brand recognition means the buyers have heard or read about the brand and they remember it. They can recognise it among other brands in the product category. (Schaell and Tvy, 1982).

**Brand Perception and Positioning**

The process of acquiring brand image, brand knowledge and brand recognition is based on the perception of the consumers. On the basis of perception the brands are positioned by the consumers. Brand differentiation and market segmentation is widely used by the manufacturers for the successful positioning of their brands. The use of a brand - differentiating message and a strong product focus continue to manifest a positive impact on measures of recall, comprehension and persuasion (Stewart & Koslow, 1989).

To differentiate many brands, ‘perceptual mapping and perceptual space’ is widely used. The notion of Brand Positioning implies a space. The points in the space will be brands and the dimensions of the space attributes are salient discriminators for consumers. In general this space will be multi-dimensional since brands will be judged along more than one dimension. This perceptual space is the basis for brand positioning. The mind of the consumer is treated as a geometric perceptual space. The brands take and hold possession of different ranks in that
geometric perceptual space. Positioning, therefore, starts with the consumer’s understanding or ‘mapping’ of a prospect on the consumer’s mental perceptions of products (Sengupta, 1990).

One can easily recall at any moment, the first event of any kind, but cannot readily recall the second, the third, the fourth. For instance, if one is asked “What’s the name of the first person to fly solo across the North Atlantic?” One may remember the name Charles Lindbergh. “What is the name of the second person to fly solo across the North Atlantic?” It is not so easy to answer this question. Similarly, “What’s the name of the first person to walk on the moon?” The answer is “Neil Armstrong.” “What is the name of the second?” Again it is difficult to recall it. “What’s the name of the highest mountain in the world?” Mt. Everest is the answer. “What’s the second highest mountain in the world?” Once again difficult to recall the name (Ries and Trout, 1981).

These examples show that the first person or event in a given category occupies the primary position in the mind, easily. Similarly brand image and knowledge are recorded in the mind of the consumer. The marketers and manufacturers try to catch the first place in the mind of the consumers through various methods. Perceptions will be influenced by the objective features of the product, but other factors, notably advertising will play a major role in each brand’s image (Smith and Lusch, 1976).

Consumers are over-communicated in the business society, because of the multiplicity of media sources. Electronic media like the radio and the television,
outdoor media like bill boards and posters, print media such as newspapers and magazines and public utility places like bus stands and railway junctions are used to communicate the brand. With such a large variety of communication outlets, it is a challenge to the consumer to perceive the brands by their attributes, quality, price and so on. It is at this point that the need for studying positioning of brands is felt.

History of detergents

In February 1793, a deputation of washer women petitioned the Convention for soap and their plaintive cry was heard round the Sakke de Manege, "Du pain et du savon ! " (bread and soap). This cry for bread and soap has echoed throughout the years since the French Revolution. Even today it has not completely died out, but the cry for soap today is in a different tune. " A lovely face, smooth skin, soft hair, beautiful hands, and garments washed whiter, " -- thanks to soap, which has contributed in no small measure to the comforts and beauty of life. The origin of soap must be sought in the grandmother's tale of the housewife who accidentally mixed goat's fat, bone grease, olive kernel and ash. According to the great Roman historian, Pliny, the Gauls were the original inventors of the art of soap-making. Their best product was a combination of goat's fat and the ashes of the beach tree which is rich in potash. Soap was an article of merchandise even in those remote days. Prior to the invention of soap, the ancients used the juices of certain plants, and also fuller's earth. In the 8th century, there were many soap factories in Italy and Spain, but it is remarkable that nearly five hundred years elapsed before soap manufacture, even on remotely modern lines, was introduced into France.
The first factories were at Marseilles, a city surrounded by natural advantages of soil and climate. The olive tree which grew in plenty yielded the necessary oil and from the ample supply of maritime plants on the shores of the Mediterranean, crude soda was obtained by calcination. In course of time, when the industry expanded, Italy furnished olive oil and Spain supplied crude soda. It was probably in the 14th century that England started soap manufacture.

Soap is a compound of fatty acids, alkali and water. Other substances, besides oils and fats, are employed in soap-making; for example, resin, a compound of several vegetable acids, is used with tallow to form yellow soap. When sodium or potassium - an alkali- is combined with fat, saponification takes place by which the metal in the alkali takes the place of glycerin in the fat. The glycerin in the fat settles to the bottom, leaving the soap mixture on top.

To the Indians, cleanliness has been next to godliness from ancient days. To attain that high standard of cleanliness, they used soap nuts; powders; decoction of certain barks, leaves, pods, pulses and seednuts; oil cakes; and alkaline earth for cleaning purposes. There are a few Indians who even today, do not use soap due to the belief that it contains animal fat. They prefer to use soapnuts, different kinds of barks and pods of varieties of acacia trees, as well as oil cakes of mohwa and mustard. In south India, people generally use gram flour, sandal khus, lotus and neem leaves. The first soap factory in India, designed to work on modern lines, was erected at Meerut in 1879, and another in Calcutta. These factories changed hands several times, and the Calcutta factory is today under the management of the well-known firm of Lever Brothers (India) Limited. During the First World War, a small
factory was started in 1914 in Malabar by Frederick Nicholson. This is today the Kerala Soap Institute at Calicut with a modern plant and equipments. Mysore and Hyderabad were next to come into the field of soap manufacture.

Organised soap manufacturing was not known to India till the end of the 19th century. Today we find many brands of fabric washing materials. The Rs. 35 billion industry is under going a sea-changes in order to meet the varying tastes of the consumers. India is one of the largest producers of detergents in the world. But, the per capita consumption is the lowest. The Indian soaps and detergent industry consists of a small number of large scale organised units and a large number of unorganised small scale and cottage units. The unorganised sector contributes a large chunk in production of laundry soaps and detergents though the major raw materials for it are produced by the organised sector. The multinationals have launched an intense competition to improve their share. The organised sector is dominated by leading multinationals, viz., Hindustan Lever, Proctor & Gamble, Colgate Palmolive and WIPRO. The indigenous players in the forefront are Nirma, Godrej, Karnataka Soaps and Oswal Fats. Many factors have contributed to the growing popularity of detergents. These include easier ability in hand, soft or cold water, change in the material of wear, i.e., from cotton fabrics to synthetics, spread of education and foreign influence and an aggressive advertisement campaign. The detergent market is classified into two kinds, viz, cake/bar and powder. The cake/bar market is larger accounting for roughly 55 percent of the total detergent output of the organised sector. Cakes are becoming increasingly popular. The market for cakes is growing at an estimated rate of 13 percent to 14 percent per annum while detergent powder
segment is experiencing a growth rate of five to six percent per annum. The rural customer currently prefers cake to powder. (Sundaram, 1995).

**Non-soapy detergents (NSD)**

The NSD bar and powder market is much bigger at 17 lakh tonnes and is worth Rs.3,037 crores. The laundry soap market, dominated by the small scale sector, is of about nine lakh tonnes and is valued at about Rs.589 crores.

**Fabric Wash**

The 17 lakh tonne NSD market is almost equally divided between bars and powders. The pioneer in the NSD market has been Hindustan Lever Limited (HLL), which launched the Surf detergent powder way back in 1959. The next major development was the introduction of detergent bars, like HLL's Rin, in 1969. In the early Eighties Nirma further extended the market with its low cost detergent bars and powder, which was followed with the introduction of HLL's Wheel Powder and bar.

The NSD market has traditionally been segmented premium and low cost categories. The major brands in the premium segment are Surf and Rin from HLL and Ariel from Procter & Gamble (P&G). The big names in the low cost segment are Wheel and OK from HLL and Nirma. The low cost segment today accounts for about 70 per cent of the market in both bars and powders. This has happened because products like Wheel, Nirma and OK have been able to offer laundry soap users the quality and value for money they were looking for at an affordable price.
Over the last few years, the industry has also made efforts to introduce detergents, positioned between the premium and the low cost segments. This had become essential to provide consumers with an opportunity to graduate to other products, as their incomes increase. The companies meet the need by extending their existing brands. P & G’s Ariel Super Soaker and HLL’s Rin Power White and Sunlight detergent powders are examples of such initiatives.

Major developments have also taken place at the top end of the market. Consumers in the ‘upper’ and ‘upper upper’ income brackets started looking for special benefits like stain and tough dirt removal, besides excellent cleaning. This had led to the launch of products like Surf Ultra from HLL and Ariel from P & G. The latest effort in this segment is to offer a product which combines the benefits of stain removal with colour and fabric care. HLL has taken the first initiative in this direction by introducing International Surf Excel.

The industry has also been able to develop appropriate technologies to produce high quality soaps from non-conventional oils, like rice bran, rastor, sal, neem and others. Simultaneously, the technology for producing distilled fatty acids (DFA), an alternative to soapy oils, has also improved significantly. Manufacturers have also moved away from wrapping and stamping technology of the Fifties which could provide brick-shaped tablets in coarse packaging material to more modern machines. These high speed machines have given the flexibility to introduce aesthetically appealing and functionally superior shapes and use glossy wrappers, resulting in radical improvement in pack presentation and quality.
Manufacturers have also paid equal attention to resource economies, energy conservation and environment protection. The latest DFA technology and resultant plant capacity expansion has drastically brought down specific energy consumption, while improving distillation yields. The evolution of continuous soap manufacturing units has come down by a factor of about 10, with most factories recycling their effluent. The detergent manufacturing units have done even better and have reached a zero-effluent stage. The savings have been reinvested in offering consumers better products.

Major innovations have also taken place in detergents manufacturing. Sophisticated technology has been developed to manufacture enzyme-incorporated premium powders with properties like stain and tough dirt removal. New technology has helped manufacture concentrated powders, without going through the traditional route of spray drying. These powders, being of high bulk density, need less packaging material for a given weight compared to low bulk density powders. All the money saved in capital expenditure, energy conservation, processing and even transportation has been reinvested in better formulations and performance. Similar energy-efficient and capital saving technology has also been developed for low bulk density powders.

But the most significant development of the recent past has been the development of new technology and business systems for producing and delivering low cost detergents. Together they have made the industry capable of delivering quality products at an affordable price to the bulk of India's consumers in the rural
areas and the urban lower income strata. (The Hindu Industrial Economic Survey, 1996).

**Role of Detergents**

Food, shelter and clothing are the basic requirements of every human being. Among these it is clothing, that makes a man respectable or otherwise. Thus it plays a very significant role in one's life. Further, a clean piece of cloth is more appreciated than a costly but less clean one. For cleaning clothes, different kinds of detergent cakes, powders and laundry soaps are in use. There are many brand names which come out from the organised and unorganized sectors and from small scale and cottage industries flooding the market, each trying to gain and retain the attention of the consumers.

**Problem focus**

To get his message across to a society which is subjected to a massive media exposure and to find a place in the mind of the consumer, is a challenge to the marketers. These marketers try to position their brands in the minds of the consumers through various mass media such as Radio, Television, Newspaper and other printed material. Advertisements directed at the consumer, project the unique selling propositions of their brands. These advertisements are a brutal business where mistakes can be costly, if the perception created by the manufacturer does not reach the customer. If it reaches the customers, how far is the message seen, heard and accepted by them in various segments? What makes the customer buy a
particular brand? Does a customer purchase the brand only because of such perceptions of the manufacturer (marketer)? If not, how far does the marketer’s perception coincide with that of the customer? Does the customer understand the message which the manufacturer tries to convey?

The problem that has to be tackled next is whether the consumers are Brand conscious or not. What are the other variables which influence the customers to buy a particular brand?

**Scope of the study**

There has exited a brand name or, for that matter, a brand-consciousness in India, whereas now, even for generic goods there are brands. This being the present scenario, what is the future for brands in India? Advertisers and marketers have been trying to discover why consumers buy and what they buy. This study tries to analyze the influence of perception in the consumers’ mind and how this information can be used successfully by marketers to gain entry into the minds of the consumers.

The Indian market seems to have become a battlefield of sorts for multinational and national brands. There have been smoke wars, cola wars and now there are detergent wars. As a consequence of smoke and cola wars, some agreements have been reached between the winners and losers for their survival. In smoke wars, for example, the caution ‘Smoking is injurious to health’ is printed on every packet. Similarly in the case of cola war, the assertion, ‘It does not contain Brominated Vegetable oil (BVO)’ is the compromise formula implemented by the
government. Due to cut-throat competitions, the marketers promise their customers unrealistic quality targets like obtaining the 'brightest whiteness', for example.

The marketers try to keep up their promise by using various hazardous chemicals in their products. This study tries to find out if the people know about the air and water pollution caused by detergents, how much concerned the consumers are about saving the environment, how they distinguish between phosphate and non-phosphate detergent brands and how the manufacturers try to be ecologically friendly and protect the environment.

In the case of detergents this study attempts to understand the product class, market segmentation, brand attributes, and benefits and brand mapping. These can help the manufacturers strengthen their marketing strategies and re-position their brands. This study also looks at the future of detergent brands in the market in the long run.

The area selected for this study is Tiruchirapalli Municipal Corporation limits. This sample area has been chosen for several reasons. First, Tiruchirapalli is the test marketing area for detergents and cosmetics. Detergent cakes, Ala and Wheel (green) from Hindustan Lever Limited have been test marketed in this area. Similarly, the tooth-paste, "Close-up", was also test marketed in this area. Secondly, the bulk purchase of detergent cakes by end users can be seen in Tiruchirapalli corporation. This fact was substantiated by a number of retailers from whom data were collected. So the concept of brand, and its perception can be validated.
Thirdly, Tiruchirapalli is located in the center of Tamilnadu and further more it is a developed traditional pilgrimage and tourism center. Fourthly, Tiruchirapalli has been known for its educational institutions over a long period. Lastly the familiarity of the researcher with this area has also been responsible for this choice.

A pilot study was made by the researcher in October, 1995, in Tiruchirapalli Corporation to elicit the information on various aspects. Fifteen respondents who constituted the statistical sample of the study were selected at random. Based on this study the following modifications were carried out in the main study.

The pilot study indicated that:

i. the buying decisions are made mostly by the housewives, though sometimes they are influenced by the other members of the family also. Therefore, the sample selected for this study included 200 housewives. Since women are the principal shoppers in most households, they have better knowledge and recall of detergent brands deal frequency and sale price.

ii. eighteen factors emerged as determining brand choice among housewives. These eighteen factors were utilized in the main study by using factor analysis method.

iii. among the brands, nine detergent cake brands and ten detergent powder brands emerged foremost. Hence they were selected for this study.

iv. eighty five percent of the population of Tiruchirapalli Municipal Corporation use detergent cakes and powders and the rest of the population use laundry
soaps and one-rupee detergent cakes manufactured by organised and unorganised sectors. This inference is based on inference gathered from dealers and retailers, of detergent cakes and powders and laundry soaps and one rupee soaps.

v. the consumers are of two types, namely, brand-conscious and price-conscious. For the brand-conscious customer, price is inactive and for the price-conscious customer, price is active. There is no other unique selling proposition for a product for which the customer is price-conscious, except price. Customers who use one rupee soap belong to this category. Therefore, this study tries to find out the positioning of detergent soaps and powders by the brand conscious customers.

**Objectives of the study**

The general objective of the study is to identify the factors influencing the purchase of detergents and their importance to the marketers of the product. More specifically, the objectives are:

1. to find out the product class or structure of the market in which detergent brands compete;
2. to study the consumer segmentation of detergent brands covering the following aspects.
   a. Behavioural segmentation
      i. demographic factors
      ii. psychological factors
      iii. sociological factors
b. Benefit Segmentation.
i. usage
ii. habitualness
iii. loyalty

3. to prepare brand mapping for detergent cakes and powders;
4. to identify the brand attributes and benefits (Unique Selling Proposition) of the detergent cakes and powders;
5. to find out the factors which influence the customer to buy a particular brand;
6. to find out the customer’s preference for a particular brand in the long run; and,
7. to suggest specific strategies to the manufacturers.

HYPOTHESES

In the light of the objectives mentioned earlier, the following hypotheses have been formulated:

1. Price is the most influential factor which determines a brand choice; and,
2. All the brands will be equally preferred by the respondents over a long period of time.

Methods and materials

Multi-stage sampling technique was adopted in order to select the respondents for this study.
The important areas in Tiruchirapalli Municipal Corporation have been identified from the point of view of detergent cake and powder sales with the help of distributors and dealers. The following are the ten most important sales areas from the point of view of distributors and dealers: arranged alphabetically, they are (1) Cantonment, (2) Kalaignar Karunanidhi Nagar, (3) Main Guard Gate, (4) Palakkarai, (5) Ponmalai, (6) Puthur, (7) Srirangam (8) Tennur, (9) Thillainagar, and (10) Woriyur. In each of the above ten areas the ten leading retailers of detergent cakes and powders were contacted with the help of the distributors, dealers and sales representatives of the selected brands for this study.

The nature of the research and its requirements from the respondents were clearly explained to the retailers. Each retailer recommended twenty respondents. With the prior appointment of the respondents, the researcher collected the data through an interview-schedule.

**Sample Size**

As assessed in the pilot study, eighty five percent of the population in Tiruchirapalli corporation use detergent cakes and powders. Fifteen percent of the population use laundry soaps and detergent soaps from organised and unorganised small scale and cottage industries. These figures were found out through a pilot study. Distributors of different detergent brands also substantiated these figures. Laundry soaps are used by institutions e.g., airports, hospitals, washermen and employees of the Bharat Heavy Electricals Limited also use laundry soaps. Detergent
soaps from the unorganised sector which cost Re. 1/- each are also widely used by the people in the Corporation area.

Boyd *et al.* (1986), suggest a formula for deciding the sample size. Based on their model, the sample size has been chosen

\[
Z = \sqrt{\frac{pq}{n}}
\]

\[Z_e = \sqrt{\frac{pq}{n}}
\]

\[Z = \text{confidence interval}
\]
\[e = \text{error}
\]
\[z = \text{value for 95 percent (1.96)}
\]
\[p = \text{Detergent users (both cake and powder) 85 percent}
\]
\[q = \text{Laundry soaps, one rupee cake users. 15 percent}
\]
\[n = \frac{Z^2pq}{e^2}
\]
\[= \frac{1.96^2 \times 85 \times 15}{5 \times 5}
\]
\[= 195.29 \text{ (Rounded up to 200 housewives)}
\]

At 95 percent confidence interval, the sample size is taken as 200 housewives with five percent error.

**Tools used in this study**

Data were collected through an interview schedule regarding brand positioning of detergents. The following tools were used in the testing of the hypothesis and in the analyses of data.
a. **Factor Analysis**

Factor analysis is a generic name given to a class of techniques whose purpose often consists of data reduction and summarization. The objective is to present a set of observed variables in terms of a smaller number of unknown dimensions which are called factors. This type of factor analysis is known as exploratory factor analysis and is the most common type used in marketing research applications.

Eighteen variables which influence the buyer to choose a particular brand of cake and powder were identified through this pilot study - The customers were asked to assign a rank on a seven point scale (Majumdar, 1996). A special package for social science (SPSS) was used.

b. **Multi-Dimensional Scaling (MDS)**

MDS is addressed to the product positioning question. It has its goal *spatial representation*. In the typical marketing application, the goal is spatial representation of buyer perceptions and preferences (Brown, 1982). It enables one to represent the proximities between objects spatially as in a map. The term 'proximities' means any set of numbers that expresses the quantum of similarity of difference between pairs of objects. The term 'objects' refers to things or events. The main purpose of MDS is to map the objects in a multi dimensional space such that their relative positions in the space show the degree of perceived proximity or similarity amongst them (Dillon and Mathew, 1984).
On the basis of the result of the pilot study, nine detergent cakes and ten detergent powders were selected and multi dimensional scaling technique was used to find out the positions of detergents. By using the formula \( n(n-1)/2 \), 36 possible combinations of detergent cakes and 45 combinations of detergent powders were made. Brand names of 36 cakes and 45 powders were written on blocks of thermacol and totally 81 model blocks were made.

Each model was shown to the respondents to help them select the brand from the two sets of 36 and 45 cake and powder combinations. The collected data was tested by a computer programme, named, Individual Differences in Multi-dimensional Scaling (INDSCAL). Naming the resulting dimensions of this multi-dimensional scaling was based on the result of the factor analysis.

c. Cluster Analysis

The most typical applications of cluster analysis are found in market segment studies. This study tries to identify different market segmentations of detergent market. There are many computer programmes available for cluster analysis. For this study, Multi - Dimensional Scaling technique was used to cluster the detergent cake and powder markets. MDS is a computer - based statistical technique which transforms, information provided by a consumer concerning his perceptions and preferences into a set of perceptual and preferential multi-dimensional space in which brands are expressed as points (Sharma, 1993).
d. **Marcov Chain Analysis**

Marcov Chain Analysis is used to study the preference of the respondents over a long period of time. It is a stochastic process which is defined as a family of random variables \( [x(t_n)] \) for \( n = 1, 2, \ldots \). The random variable \( (t) \) denotes the observation at time \( t \). Depending upon the nature of the time range, the number of states may be finite or infinite.

In order to illustrate the Marcov process, a problem is presented, which focuses on the time behaviour of customers who make repeated purchases of a product class but may from time to time switch from one brand to another. The basic element of a Marcov process has to do with various states. In brand-switching model’s the state is usually the customer’s preference for a particular brand (Swaruop, et al, 1994).

**Limitation of the study**

As the study is mainly based on the primary data collected through the interview schedule, it is bestowed with certain limitations which are bound to arise in the primary data collection. Though every effort was made to elicit the correct information by systematic and careful probing, it is possible that lapse of memory and recall bias of the respondents might have affected their responses.
PLAN OF THE REPORT

The report of the study is presented in six chapters, arranged logically as follows:

Chapter-I provides a general introduction to the topic of Study and the methods employed in the collection and analysis of data.

Chapter-II presents about the review of literature.

Chapter-III describes the strategies followed by the Indian Corporates for positioning their brands.

Chapter-IV presents a profile of Tiruchirapalli Municipal Corporation.

Chapter-V contains the results and the discussion of the collected data and,

Chapter-VI presents the findings, conclusion and suggestions.


