CHAPTER VI

FINDINGS, SUGGESTIONS AND CONCLUSION

"Products are made in the factory, but brands are created in the mind"

- Walter Landor
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FINDINGS, SUGGESTIONS AND CONCLUSION

6.1 INTRODUCTION

From the analysis and interpretation it is found that brand loyalty is a prominent factor which creates brand equity. Brand loyalty is at the heart of equity and is one of the important equity assets. Earlier brand loyalty was viewed from the angle of a customer’s response or behaviour. But now, behavioural angle is combined with attitudinal dimensions in defining loyalty. Loyalty implies customers who would continue to buy one particular brand. When a customer continues to buy a particular brand for a period of time, where loyalty is created then the brand will be popular as they have a base of loyal customers. Brand loyalty is a more useful concept for fast moving consumer goods rather than durables because the fast moving consumer goods are purchased repeatedly and customers show loyalty towards the brand by maintaining differentiation. The analysis part of the study reveals that brand awareness, brand knowledge, perceived quality, brand association, purchase decision and post purchase behaviour are the main building blocks of brand loyalty and brand loyalty is a major contributor of creating brand equity. The remaining part of the brand equity is built by individual product and its attributes.

The study aims at ascertaining the objectives of factors determining brand equity and the various parametric relationships among them. The research also focuses on establishing the influence of demographic variables on various factors of elements of brand equity. It
also innovatively establishes the measure of influence of elements of brand equity and their contribution to build the brand equity.

The proportionate random sampling technique is used for the study to collect primary data. The primary data is collected through well structured questionnaire which is distributed and collected from all the nine taluks of Salem district. The secondary data is collected through books, journals, magazines, reports, theses, dailies and websites. The statistical techniques percentage analysis, ranking analysis, factor analysis, K-means cluster analysis, one way ANOVA, One-sample ‘t’ test, non-parametric chi-square test and discriminant analysis are used in the data analysis and the results obtained and presented as under.

6.2 FACTORS INFLUENCING BRAND EQUITY

- The respondents profile through percentage analysis ascertains that a maximum of 46.1% of the respondents are residing in urban areas, and a minimum of 10.6% of the respondents residing in semi urban areas regularly using the FMCG.

- Age is one of the significant factors influencing brand choice and purchase decision. A maximum of 27.5% of the respondents are in the age group of 31-35 and minimum of 3% of the respondents belongs to the age group of 51 and above. It shows that the brand equity of fast moving consumer goods is depending on the middle aged group people. Among the total respondents, 56.7% of the respondents are male, 43.3% of the respondents are female. It is identified that 66.4% of the respondents are married.
Education is one of the factors which stimulate the customers of FMCG towards various elements of brand equity. A maximum of 36.1% of the respondents are graduates and a minimum of 1.7% of the respondents are other qualified. It shows that the awareness about FMCG is higher among the educated customers than others. Occupation is also considered as an important factor for this study because it has a great impact on the brand which they use. A maximum of 32.7% of the respondents are private employees and a minimum of 3.4% of the respondents belongs to other category.

Income of the respondents is a factor which directly affects the quality and quantity of purchase of FMCG. It is found that a maximum of 38.9% of the respondents are in the income group of below Rs.5,000 and minimum of 2.7% of the respondents are in the group of Rs. 20,001 and above. Family size of the respondents is also an influencing factor in deciding brand equity of FMCG since the quantity and quality of purchase is depending upon the number of family members. A maximum of 63.1% of the respondent's family consists of 4-6 members and a minimum of 3.3% of the respondents family consists of above 6 members.

As far as bathing soap is concerned a maximum of 49.4% of the respondents are using Hamam and a minimum of 6.7% of the respondent's preference is Medimix. In the case of toothpaste a maximum of 38.3% of the respondents choice is Colgate, and a minimum of 1.1% of the respondents are using Babool. In washing powder a maximum of 37.2% of the respondents are using Surf and a minimum of 5.5% of the respondents selection is
Power. In biscuits a maximum of 60.8% of the respondents’ choice is Britannia, and a minimum of 2.5% of the respondents’ preference is True. In soft drinks a maximum of 25.5% of the respondents’ favourite is Mazza and a minimum of 7.5% of the respondents’ option is Coca Cola.

- A maximum of 58.3% of the respondents are using their particular brand of bathing soap more than 7 years, and a minimum of 10.9% are using less than 3 years. A maximum of 58.1% of the respondents are using their particular brand of tooth paste more than 7 years and a minimum of 10.1% are using 3-5 years. Among the washing powder customers a maximum of 32.7% of the respondents are using more than 7 years and a minimum of 18.2% are using less than 3 years. A maximum of 33.3% of the respondents are using their particular brand of biscuits more than 7 years and a minimum of 15.1% of the respondents are using less than 3 years. A maximum of 35.8% of the Soft drinks customers are using less than 3 years and a minimum of 22.8% are using 5-7 years.

- Standard price and quality and goods availability are the prominent factors for selecting the particular purchase outlet. Sales offers and advertisements are the two imperative factors which motivates the customers of FMCG for brand switching.

- The brand knowledge of the customers about FMCG is amazing and appreciable. The bathing soap users are having tremendous knowledge over the skin diseases, smoothness of the skin, skin moisture and freshness. The tooth paste users strongly agreed that it stops bad breath and prevents tooth decay. The washing
powder users revealed that it removes the dirt from the cloth very easily and helps for easy wash. The customers of biscuits strongly agreed that it is healthy, provides refreshment and reduces hunger. The soft drinks users also denote that it reduces thirst and make them refreshed.

- Brand awareness is abundantly found among the customers of FMCG. They distinguish one brand from another through the physical significance and are having knowledge over the offers, free gifts and other promotional activities. They are estimating the perceived quality of the product by its long lasting nature, performance and very low defects. They are closely attached with the brand due to memorable things associated and personal comfort and usage.

- The customers are satisfied only in the case of attributes and benefits of the products are up to the expected level of satisfaction. The customers are highly knowledgeable about the quality, ingredients, taste, formula, fragrance, utility, medical fitness, manufacturers name, reputation etc. The customers don’t want to switch over to another brand because they are intensely attached to a brand, having trust over the manufacturer and feel disloyal in the case of buying other brands.

- The brand awareness of FMCG is richly found among the customers in the form of their trait knowledge and the promotional and marketing mix of the manufacturers. This awareness helps them to recall the brand often and make them to keep in the proximity of the brand always.
➤ The perception about the quality is found among the customers in the form of their rudimentary behaviour such as expectations about quality, features ingredients and appearance. It is also found that the quality perception is based on some kind of services offered by product in the course of performance and quantity.

➤ The brand association is abundantly found among the customers due to their consistency nature towards the brands which are used by them. The consistency in utility, relevancy of information provided by the manufacturers fixed a particular brand in their mind. They are able to recall their brand due to promotional activities and memorable things attached with the brand.

➤ The purchase decision is taken by the customer through the assortment decisions on price, quality, service and purposefulness of the product. The popular attraction is also an important factor in purchase decision because it is related to the quantity, availability, manufacturers’ reputation and contents and ingredients. It denotes that the customers are very particular and cautious in their purchase decision.

➤ The customers of FMCG are very constant in quality aspects, features of the brand which they use and they don’t want to switch over to other brands also. They are having a positive and favourable image about the brand because of admiration. They feel disloyal in the case of buying other brands and feel addiction towards the brand due to brand affinity. They always wanted to discuss about their brand with others and make them to realize because of brand realization. They are enjoying the brands in
various occasions and buying their brands very often because of market bonding. Their approach is very rigid due to much affection on the brand and feels that the brand used by them has no alternative. The customers of FMCG are feeling very happy with the people who use the same brand due to customer acquaintance.

6.3 A CONTEMPORARY APPROACH TO CUSTOMER BASED BRAND EQUITY MODEL

- It is ascertained from the correlation that the quality and performance of the FMCG brands aid the customers to recall the brand and keep themselves with in the proximity of the product. The personal comfort and usage are the two prominent factors which lead to keep themselves in a particular brand. The performance and satisfaction are the significant factors which create loyalty and attachment between a brand and customer. The continued remembrance of the brand is obtained by the proper utility and personal comfort experienced by the customers of FMCG. The quality and features are two important factors directing the customers towards one particular brand. The purchase decision is taken by the customers considering the factors of quality, price and service provided by the brand. Memorable things attached and favourable image to a brand are certain factors directly involved in recalling of a particular brand. The brand loyalty is built by the quality dimensions and other related factors of FMCG.

- The urban customers possess more brand realization than other customers residing at city, semi urban and rural areas. The
customers in the age group of 46-50 are having more memory recall capacity than other age groups due to long usage. The rigid approach is found among the customers who posses other qualification.

- The rudimentary perception on perceived quality of the product is found more among the private employees and customers with business background, at the same time the professionals are less interested in perceiving the quality of FMCG. The assortment decision on purchase of the product is originated among the private employees than other customers. The professionals are not concerned in taking any assortment decisions while purchasing. The brand affinity, market bonding, rigid approach and customer acquaintance are found more among the government employees, at the same time the professionals are not fascinated in any one of the aspect.

- The promotional awareness is found more among customers who belong to the income category of below Rs. 5,000 than other income groups. There is a less attention towards promotional awareness found among the income category of more than Rs. 20,001. The steadfast recall is established among the customers in the income group of Rs. 15,001 – 20,000 than other income groups, at the same time the customers belongs to the income group of below Rs. 5,000 and Rs.10,001 – 15,000 are always wavering in their purchase.

- The trait factors, consistency, assortment decision, popular attraction, brand realization, and rigid approaches are found more among the customers having the family size of 4-6 than
other groups. The rudimentary perception is found more among the customers having the family size of 1–3 than other groups. At the same time the family size consisting of more than 6 members are not at all interested in any one of the aspect.

➢ The demographic variables, gender and marital status are not at all influencing any factors of elements of brand equity.

➢ It is found that 55% of the customers are strong in their perception about brand awareness. The trait factors, promotional awareness, steadfast recall and proximity are various factors of brand awareness strongly found among the customers.

➢ The perception about the quality is found moderately strong among 47% of the customers. The rudimentary perception and service orientation are the factors identifying perceived quality found moderately strong among the customers.

➢ The brand association is found very strong among 59% of the customers. The consistency and memory recall are the factors involved in brand association found very strong among the customers.

➢ It is found that 43% of the customers are strong in their purchase decision. The assortment decision and popular attraction are the factors involved in purchase decision strongly found among the customers.

➢ It is revealed that 53% of customers are meticulous in verifying the performance of their brands. The factors of post purchase
behaviour such as constancy, admiration, brand affinity, brand realization, market bonding, rigid approach and customer acquaintance are found very strong among the customers.

- Brand awareness of FMCG depends upon the perception of customers on quality of the products. Hence, there is an association between clusters of brand awareness and perceived quality of customers.

- There is an association between clusters of brand awareness and brand association of customers because brand awareness of FMCG depends upon the perception of customers on brand association of the products.

- Brand awareness of FMCG depends upon the perception of customers about purchase decision of the products. Hence, there is an association between clusters of brand awareness and purchase decision of customers.

- There is an association between clusters of brand awareness and post purchase behaviour of customers because brand awareness of FMCG depends upon the perception of customers on post purchase behaviour of the products.

- Perceived quality of FMCG depends upon the perception of customers on brand association of the products. Hence, there is an association between clusters of perceived quality and brand association of customers.
➢ There is an association between clusters of perceived quality and purchase decision of customers because perceived quality of FMCG depends upon the perception of customers on purchase decision of the products.

➢ Perceived quality of FMCG depends upon the perception of customers on post purchase behaviour of the products. Hence, there is an association between clusters of perceived quality and post purchase behaviour of customers.

➢ There is an association between clusters of brand association and purchase decision of customers because brand association of FMCG depends upon the perception of customers on purchase decision of the products.

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➢ There is an association between clusters of purchase decision and post purchase behaviour of customers because purchase decision of FMCG depends upon the perception of customers on post purchase behaviour of the products.

➢ The elements of brand loyalty are the major part in building brand equity of FMCG. It is identified through the cluster association that the brand equity of FMCG is built by 63.88 % of elements of brand loyalty. This implies that brand loyalty plays major role in building brand equity.
The bathing soap users are using a particular brand for a long period without any change because of performance and satisfaction further they wanted others to realize their brand due to brand realization. The tooth paste customers are very rigid with their brand and they feel that the brand used by them has no alternative. The washing powder customers also realized their brand due to promotional activities of the manufacturer and the knowledge about other brands. The biscuit customers are giving importance for quantity, manufacturers’ reputation, contents and ingredients. Due to customer’s variety seeking nature in soft drinks, any particular factor is not involved in building brand equity but all the factors are involved in building brand equity of soft drinks.

6.4 IMPLICATIONS OF THE STUDY

- The standard price and quality and nearness of the shops are the factors which are considered by the customers in deciding their purchase outlet. It is suggested that the manufacturers of FMCG should take initiative for maintaining standard price and quality and make the goods available everywhere in market.

- Since the sales offers and advertisements are the indispensable factors to motivate the customers of FMCG for brand switching. It is suggested that the manufacturers of FMCG can concentrate on strategic management measures to offer cost advantage and introduce celebrity endorsements to promote their product.

- Physical significance of the commodity is a vital factor from the customer’s point of view because they are distinguishing the
brands very easily through physical significances such as size, colour, packaging etc. Hence the manufacturers of FMCG should take measures to differentiate their brands from those of competitors which must meet the tests of appropriateness, appeal and differentiation.

- The product or service has to be of high quality and suitable to consumer needs, the brand name must be appealing in tune with the customer’s perceptions about the product, packaging, promotion and pricing. The manufacturers of FMCG should blend all the elements together in a unique way by implementing better manufacturing and quality control systems.

- Customers are perfect decision makers. The customers will select the required commodities from given alternatives with in the budget constraints. The combination of goods and service which would provide the maximum utility by equating marginal utilities. Therefore there is a need for the manufacturers to satisfy their customers in all regards and make them feel comfortable through the usage of the commodity.

- Branding involves creating a positive image and reputation for the company as a whole. Creating such goodwill with customers is thought to lead a great selling opportunities and more profitable relationships. A strong brand can provide valuable reassurance to customers who may be putting their company’s fate.

- The customers of FMCG are attracted by the product through the trait factors and promotional offers. The customers are recalling
and keep closer to the brand when they are satisfied with the features and promotional offers of the commodity. The manufacturers should concentrate on the improvement of characteristic features of the product as well as the promotional activities.

- The customer’s expectation on quality is always rudimentary because they are seeking for better features, appreciable ingredients and very low defects. The performance and quantity are the other factors of the product which leads to attain the service benefits. Hence the manufacturers should consider satisfying the customers in all regards of rudimentary and service aspects.

- Brand recall relates to customer’s ability to retrieve the brand memory when given the product category, the needs fulfilled by the category or a purchase or usage situation as a cue. The manufacturers must take steps in building brand recall in the minds of the customers by improving the characteristic features of the product as well as the promotional activities.

- The customers of FMCG are giving more importance for the aspects of price, quality, service etc., for taking purchase decision, furtherly they also consider quantity, availability, contents and ingredients etc. Hence, it clearly reveals that the purchase decision of the customers is based on all the factors involved in a particular product. The manufacturers and marketers should consider the above factors in all regards otherwise the customers simply reject the commodity.
The brand memory and remembrance are not directly creating bond between the customers and brand. The performance of the FMCG and satisfaction through its utility are the important factors which motivates the customers towards loyalty and attachment with the brands. It is suggested that high priority should be given by the manufacturers for the performance and utility factors of the commodities because it is directly associated with brand loyalty.

The advertisements and promotional activities induce the brand recall among the customers through secondary channels where as the primary channels through which the recalling mechanisms is made active are utility, personal comfort and usage. These implications needs to the suggestion that the manufacturer and marketers should produce the commodities according to the ultimate requirements such as utility and personal comforts of the customers.

Brand awareness consists of brand recognition and brand recall performance. Brand recognition relates to customers’ ability to confirm prior exposure to the brand when the given brand as a cue. It is found that urban customers posses more awareness than others. The manufacturers of FMCG should create brand awareness by increasing the familiarity of the brand through repeated exposure especially in rural areas, because rural areas are the potential areas which consist of huge population. As per the current marketing scenario “go rural” is a latest mantra for FMCG market in India.
The promotional awareness is a factor which attracts the customers through the free gifts, offers etc. The promotional awareness is found among the customers having income of less than Rs. 5,000. Hence, it reveals that the promotional activities are not reachable to the other income group customers. The manufacturers should take measures to make the promotional offers reachable to other income group customers also.

Brand realization is a factor which explores a brand realized by the customer. The customers having the family size of 4-6 possesses more awareness on brand realization because they are in a position to buy a common brand for entire family. The manufacturers and marketers make the other group of customers having family members consists of 1-3 and 7 and above also to realize their brand.

The brand loyalty plays a major role in building brand equity. The manufacturers are suggested that they have to improve the loyal customer bank by the way of creating brand awareness, perceived quality and brand association. These things will be reflected on purchase decision and post purchase behaviour of the customers.

The majority of the customers of FMCG are highly aware of the elements of brand equity such as quality, appearance, promotional offers, performance, price, attributes, etc. For creating brand equity, the manufacturers must concentrate on various elements of brand equity according to the customers' behaviour and attitude then only they can popularize their product.
6.5 SUGGESTIONS

✓ The customers of FMCG should be very cautious in selecting the brands. They have to buy a brand which is most appropriate for them because the FMCG are very frequently used goods. It is essential to collect information about various brands available in the market and find the most suitable one for them. It will be helpful for them in avoiding the fake goods. While purchasing the commodities they have to verify the date of manufacturing and expiry also.

✓ The customers have to identify the medical fitness of the commodities used by them because some commodities may not be suitable for some kind of people due to medical grounds. They should be very careful in selecting and changing of brands. If they want to change a particular brand which is used by them for a long period it needs medical advice, it will protect them from allergy and other kind of medical problems.

✓ Promotional offers and free gifts are offered by the manufacturers and marketers for increasing the sales turn over. In that case the customers should not change their regular brand, because frequent changes in the brands of bathing soap, tooth paste and washing powder may leads to some kind of side effects.

✓ The information provided by the manufacturers in the label and advertisements should be very genuine and reliable. Because the FMCG are the commodities used by the
customers of all segments of the society. There is a need for full-fledged information.

✓ The manufacturers should concentrate on the herbal related products of FMCG. Because in the changing environmental factors such as pollution, global warming etc. there is a need for avoiding chemical based products. The chemical based products are always harmful to health during long usage. It is essential to protect the future generation, from that point of view the manufacturers should think and stimulate Research and Development department for inventing herbal related products. The government also can consider for providing some kind of relaxation for herbal product manufacturers.

✓ Selling the commodities after the expiry date is very common in rural areas. The manufacturers and marketers should take initiative to withdraw the expired commodities which is supplied by them to the promotional agencies. It will protect the rural uneducated people from the usage of expired commodities. It will build the image of the brand and company also.

✓ Nowadays most of the commodities are packed in the polythene packaging. The highly populated countries like India it creates heavy pollution. There is a need to change the packaging materials used by the manufacturers and marketers. Instead of polythene packaging they can use some other materials like paper, toughened card board etc.
Presently most of the manufacturers are offering toll free phone numbers or prepaid envelopes attached with the product packaging for the customers to express their opinions, views and suggestions freely. The customers should improve the habit of expressing their opinions to the manufacturers. It will be helpful for the manufacturers to improve the product according to the requirements of the customers and render better service.

6.6 CONCLUSION

The Customer Based Brand Equity of FMCG is built by the basic fundamental building blocks of brand awareness, brand knowledge, perceived quality, brand association, purchase decision and post purchase behaviour. But the customer based brand equity is sequentially directly built by the formation of brand loyalty also. The outgrowth of brand loyalty emerges in the form of customer based brand equity as a marketing transformation of awareness, knowledge, quality, association, purchase decision and post purchase behaviour. The predominant factors of these elements bring out the elementary regulations in the process of customer perceptions, attitudes and their level of satisfaction of FMCG.

In all the consumer behavioural aspects success and failure of brand loyalty alone decides the marketing prominence of any product. The study concluded that the measure of brand loyalty is indispensable to identify the trait prominence of a brand as well as its volume of sales. In this context the customer based brand equity is vital in the study as a powerful estimator to predict the effects of brand loyalty.
The perceived quality followed by purchase decision and post purchase behaviour with optimistic impact on customers creates the brand loyalty phenomenon in the minds of them. The continuous and steadfast fixation of brand loyalty on the minds of customers is achieved only through customer based brand equity. The multiple phenomenon varies from product to product based on the need, utility and performance of the product.

The various elements of brand loyalty have deep rooted relationship among them and such a relationship consolidates the association of the brand with the customers. The consumers’ perception on customer based brand equity is identified in three different levels namely strong, moderate and weak, so it is concluded that the customer based brand equity will reach its high peak inducing the repeated purchase of FMCG and pulling the customers to stand loyal to a particular brand.

The existences of customer based brand equity have lower and opportunities which are exactly and empirically determined in the study. It is concluded that a minimum of 29.17 % and 34.71 % of brand loyalty among customers indicated that the existence of customer based brand equity of a product. The existence identification is useful for the marketers to employ the various marketing strategies to maximize the sales. Once the brand equity and its establishment ensure lucrative sales of a particular brand of the manufacturer, otherwise the non existence of customer based brand equity indicates the failure of the brand.
SCOPE FOR FUTURE RESEARCH

o Considerable search and spending of much time are needed for products for which markets are not well organized. The reason for the same can be taken for further research.

o In the modern marketing world brands are the key players to attract the consumers. The consumers are ready to buy anything if it is branded. So the customer based brand equity concepts may be tested in other consumer non-durables.

o The current study is based on the customer based perspective of brand equity. The financial perspective and brand extension approach of brand equity may be tested in the fast moving consumer goods.

o Various products from various brands are selected for the current study. So there is a wide scope for testing the customer based brand equity of umbrella brands.

o The current study deals five product categories for research. An elaborate study on customer based brand equity can be conducted in a particular product category.

o The concept of customer based brand equity can be implemented in service sectors such as financial institutions, hotels, etc.