Review of Literature
CHAPTER II

REVIEW OF LITERATURE

Mariko Morimoto, Susan Chang (1923) in their research work on “Relation of consumers’ buying habits to marketing methods “, have discussed the relation of consumers’ buying habits to the marketing methods of merchandise sold in retail stores. The author first described the three categories that retail merchandise can be separated into: convenience goods, shopping goods, and specialty goods. Later the author has concentrated on branding and packaging of these products which will affect the buying habits of the consumer. It is suggested that when marketing the branded products, manufacturer must take into consideration the attitude in which the consumer approaches the purchase of the product.

A. Brown, S. F. Buck and F. G. Pyatt, (1965) in a work on “Improving the Sales Forecast for Consumer Durables” has stated that there were two methods are given for estimating the future demand for durable goods. Both require detailed information on the past consumer purchasing behavior but not on future intentions. The first method considers the different segments of the total market, and the second deals with household preferences and priority patterns. The replacement component of the market is considered in terms of a life distribution.

Kristian S. Palda (1966) in his research work on “The Hypothesis of a Hierarchy of Effects: A Partial Evaluation” has argued that advertising has a “hierarchy of effects” which follows upon an individual's perception of an advertising message and before he buys (Attention→ Interest→ Desire→ Action). The hypothesis was tested and the data were analyzed statistically. The emphasis was on sales as the relevant criterion; little support was found for the hypothesis.

John G. Myers,(1967) in his research article on “Determinants of Private Brand Attitude “ has stated that the differences in price and promotional elasticity are potentially the most useful criteria for market segment identification of low cost consumer goods. This article presented an approach to segment identification using
private brand attitudes. Various possible determinants were tested on data from a field study of females' attitudes toward private brands.

Edgar Pessemier, Philip Burger, Richard Teach and Douglas Tigert, (1971) had made a study on “Brand Preference Scales to Predict Consumer Brand Purchases”. In the study the author has applied survey measures of demographic, media exposure, attitudinal, activity and opinion characteristics of individual consumers. Brands in the tooth paste, liquid household cleaner and cake mix product categories were employed in a set of laboratory experiments. Preference scales derived from the experiments were used in three separate models to predict the subject's purchases recorded in seven months of diary data. After the analysis the author found that the behavioral implications and predictive power of the models are interesting from both theoretical and applied points of view.

Adrian B. Ryans (1974) in his study on “Estimating Consumer Preferences for a New Durable Brand in an Established Product Class“. The researcher has developed a theoretical model is developed to aid in the estimation of demand for a durable brand at a given price in an established product class. The operationalization and an experimental test of the model in the new product context were described and the results were discussed.

Brian T. Ratchford (1975) has made attempts to study “New Economic Theory of Consumer Behavior “In the paper he attempted to summarize and integrate some recent economic theories of consumer behavior based on demand for underlying characteristics of goods. The implications of these theories for research in consumer behavior were discussed, and an attempt was made to compare and integrate these theories with recent developments in multi-attribute scaling and attitude models.

Alvin J. Silk and Glen L (1978), has made an attempt to study, “Pre-Test-Market Evaluation of New Packaged Goods”. The substantial failure rate of new packaged goods in test markets has stimulated firms to seek improved methods of pre-test-market evaluation. The author has found that the evaluation of new packaged goods had a greater impact on sales.

George S. Day and Terry Deutscher (1982) in a research work on “Attitudinal Predictions of Choices of Major Appliance Brands” showed that awareness and attitudes
toward major appliance brands were only weakly related to subsequent brand choices. Such attitudes are formed mainly through a process of learning without involvement, and are particularly susceptible to change during the period of active search prior to the purchase decision. A significant exception was the group of brands using a full line strategy, supported by national advertising, where prior attitudes had a significant relationship with the brand chosen.

Fred Mannering and Clifford Winston (1985) in his research article on “A Dynamic Empirical Analysis of Household Vehicle Ownership and Utilization” developed a dynamic model of household vehicle ownership and utilization behavior by using data that were generated before, during, and after the 1979 energy crisis. The principal empirical findings are that households have maintained a distinct preference for American over foreign cars, but also have strong brand loyalties. The results suggest that notwithstanding recent financial trends, U.S. firms must continue to make technological improvements in their vehicles and must combat the brand loyalty that has developed for foreign vehicles if the domestic automobile industry is to be viable at the present scale of operations.

Inseong Song and Pradeep K. Chintagunta (1986) has made attempts on “A Reference Price Model of Brand Choice for Frequently Purchased Products“. A brand choice model that incorporates both reference and observed prices was proposed for frequently purchased products. The model is composed through a probability-of-purchase component and a reference-price-formation component. Empirical testing of the model using coffee UPC scanner panel data demonstrated that for two of the three brands, the model predicts probability of purchase better than doing standard demand models that utilize only current observed brand prices.

Hugo Tranberg, Flemming Hansen, (1986) in a study on "Patterns of Brand Loyalty : Their Determinants and Their Role for Leading Brands" has made a behavioral measure is used to describe loyalty in different product areas. The measures derived from a study comprising more than 600 branded consumer goods, for which information about purchasing, place of purchase, brand awareness, brand preference, relative importance of price and quality was collected. An analysis was conducted of the way in which loyalty
varies across product areas and how loyalty patterns vary depending upon the degree of penetration of the product class. A summary model of variables was proposed showing how average and leading brands behave, for each of the brands measures of their perceived price and quality are available.

Jacqueline Johnson Brown and Peter H. Reingen, (1987) the article presented on “Social Ties and Word-of-Mouth Referral Behavior,” The article presented a network analysis of word-of-mouth referral behavior in a natural environment. The relational properties of tie strength and homophile were employed to examine referral behavior at micro and macro levels of inquiry. The study demonstrated different roles played by weak and strong social ties. At the macro level, weak ties displayed an important bridging function, allowing information to travel from one distinct subgroup of referral actors to another subgroup in the broader social system. At the micro level, strong and homophiles ties were more likely to be activated for the flow of referral information. Strong ties were also perceived as more influential than weak ties, and they were more likely to be utilized as sources of information for related goods.

John H. Roberts and Glen L. Urban (1988) in a research work on ”Modeling Multiattribute Utility, Risk, and Belief Dynamics for New Consumer Durable Brand Choice” proposed a brand choice model to aid in the prelaunch management of a new consumer durable entry in an existing category. The model contributed to the theory by integrating the critical phenomena of multi attribute preference, risk, and dynamics in an individual level expected utility framework. The integration was based on established theoretical constructs in utility, Bayesian decision analysis, and discrete choice theory. Measurement and estimation procedures were presented.

Gregory S. Carpenter and Kent Nakamoto (1989) in the study on “Consumer Preference Formation and Pioneering Advantage“ emphasized that market pioneers outsell later entrants in both consumer and industrial markets. Entry barriers arising from preemptive positioning and switching costs have been advanced to explain the market share difference, termed "pioneering advantage. "However, empirical studies proved that pioneering advantages were present even in mature markets in which brands reposition and switching costs were minimal. In these cases, the authors argue that pioneering
advantage can arise from the process by which consumers learn about brands and form their preferences. This process can produce a preference structure that favors the pioneer, making it difficult for later entrants to "compete away" the pioneer's large market share; even if brands can reposition and switching costs are minimal.

**Dawn Dobni, University of Houston (1990)** in a research article on “In search of brand image “The author stated that a brand image has been an important concept in consumer behavior research since the early 1950s. The analysis of 28 prior studies indicated that the definition of brand image has not necessarily remained stable over a 35 year time period. Similarly, there exists a little consensus concerning how the construct should be operationalized.

**Jan-Benedict E.M (1990)** in a research work on “Conceptual model of the quality perception process”. An important element of a marketing strategy was based on quality was consumers' perceptions of quality. In his article, the psychological underpinnings of perceived quality judgments were examined, and a model of the quality perception process was developed. Attention was given to the role of personal and situational variables in the formation of quality judgments. The model will serve as a frame of reference to integrate future research on perceived quality. Its relevance for marketing strategy and public policy were discussed.

**Prakash Nedungadi (1990)** in his research work on “Recall and Consumer Consideration Sets: Influencing Choice without Altering Brand Evaluations” focused on memory-based choice situations where changes in a brand's accessibility may affect the probability that it is retrieved and considered for choice. In such instances, factors other than evaluation may affect which brands were brought to mind at purchase. Two experiments were described that manipulate the determinants of brand accessibility and measure consequent effects on retrieval, consideration, choice, and evaluation. Results provided evidence for the influence of memory during the brand-choice process. For a brand to be selected in memory-based choice, the consumer must recall that brand and fail to recall other brands that might otherwise be preferred.

**John H. Roberts and James M. Lattin (1991)**, in a research work on “Development and Testing of a Model of Consideration Set Composition” have
developed a model of consideration set composition. The approach taken was to compare the marginal expected benefits of including an additional brand in the consideration set with its associated costs of consideration. From an expression of the utility that a brand needs to gain membership in an existing consideration set, the authors derive an expression for set composition and optimal set size. They developed a measurement method to test the model at the individual level and apply it to the ready-to-eat cereal market. The model was tested in two ways. First, the utility function was calibrated at the individual level and the model was used to predict consideration of existing brands. The calibrated model also was used to forecast individual consideration of three new product concepts. Second, the predictive ability of a two-stage model of consideration and choice was tested against a traditional one-stage choice model. The authors conclude with a discussion of management implications of the model in terms of auditing currently available brands and new product management.

Barry L. Bayus (1992) in the research work on “consumer durable replacement intentions” studied the dominant role of replacement purchases in many durable categories. In the paper, has developed a descriptive model for replacement intentions based on variables associated with product and household characteristics. The researcher empirically estimated this model with cross sectional data for a set of home appliances. Results indicated that the perceived condition of the currently owned unit and its age were significantly related to replacement intentions. Whether or not a spouse is working and expected future household financial situation were also significant explanatory variables. Implications and directions for future research are also discussed.

Manohar U. Kalwani and Chi Kin Yim (1992) in a work on “Consumer Price and Promotion Expectations” resulted from a controlled experiment designed to investigate the impact of a brand’s price promotion frequency and the depth of promotional price discounts on the price consumers expect to pay for that brand. A key feature of the work was that expected prices elicited directly from respondents in the experiment that were used in the analysis, as opposed to the latent or surrogate measures of expected prices used in previous studies. As hypothesized, both the promotion frequency and the depth of price discounts are found to have a significant impact on price expectations. Evidence also supports a region of relative price insensitivity around the
expected price, such that only price changes outside that region have a significant impact on consumer brand choice. Further, the authors found that consumer expectations of both price and promotional activities should be considered in explaining consumer brand choice behavior. Further the author stated that promotional deal expected may have a significant impact on consumer brand choice. Finally, as in the case of price expectations, consumer response to promotion expectations is found to be asymmetric in that loss looms larger than gains.

Joseph W. Alba, Howard Marmorstein and Amitava Chattopadhyay, (1992) in a research work on “Transitions in Preference over Time: The Effects of Memory on Message Persuasiveness” has stated that in a mixed-choice situation, consumers must choose between brands that are directly observable and brands encountered previously. Prior research suggests a conservative bias to choose an observable brand if it is acceptable and if memory for the previously encountered brands is poor. The authors demonstrate in three experiments that the bias may be highly sensitive to stimulus factors. They replicate the bias when all brands have similar attribute structures. However, when the brands are less comparable, aspects of the previously encountered brands or their descriptions may interact with memory to eliminate or reverse the effect. Thus, over time, preference for a memory brand in relation to an observable brand may increase or decrease significantly, and may do so irrespective of the memory brand's true relative merits.

Glen L. Urban, John S. Hulland and Bruce D. Weinberg (1993) in his paper on “Premarket Forecasting for New Consumer Durable Goods: Modeling Categorization, Elimination, and Consideration Phenomena,” The authors extended previous models for premarket forecasting of new durable consumer goods by including parameters that reflect consumers' categorization and consideration processes. They have proposed a model and measurement methodology, which they apply to the premarket forecasting of a new automobile. They describe empirical data collection, parameter estimation, managerial implications, validation issues, and future research needs. The extended model generates new managerial insights into positioning and marketing planning effectiveness, which can be used to simulate the effects of changes in positioning strategy on consideration and choice, and provides more detailed information about why
consumers consider or reject a new brand. The relevance of the categorization extension for other new product models that condition choice on a consideration set is also explored.

Joffre Swait (1993) in a research work on “The equalization price: A measure of consumer-perceived brand equity” has worked on Building upon the ideas of information economics and market signaling theory. For explaining the creation, management, transfer and measurement of brand equity. The model was tested through operationalization of a method for the measurement of brand equity that is built upon a theory of consumer behavior. Specifically, account for brand name, product attributes, brand image and consumer heterogeneity effects were proposed as the method for quantifying a brand equity measure called the Equalization Price (EP). Given an existing market structure, brand images built over time by advertising and product experiences, consumer brand perceptions and preferences, EP is a measure of the implicit value to the individual consumer of the brand in a market in which some degree of differentiation exists vis-à-vis its implicit value in a market characterized by no brand differentiation. The proposed measure can be used for both existing products and proposed brand name extensions, so it can double as a product-concept screening tool.

Tülin Erdem (1993), made attempts on “perceived risk: a synthesis,” Discusses a conceptual framework of perceived risk consolidating and interrelating the numerous theories and research results. The authors administrated the measurement of perceived risk, consumer risk handling, risk reduction methods and consumer preference for risk reduction methods. The risk-taking function has been extensively researched since 1960, and there were many aspects needed for further investigations.

Barbara Olsen (1993) in a study on “Research on brand loyalty and lineage: exploring new dimensions for research” has discussed the transfer of brand loyalties which had a long gestation. Much of the focus has been on how children learn and process consumer values. This paper represents a conceptual exploration of the transfer of branded goods and consumer practices from a qualitative investigation with several families; including grandparents, parents and children. Intergenerational patterns of product use emerge through life history interviews. The study suggested that a departure
for intergenerational research to probe deeper into the functional and dysfunctional reasons is why we adopt or reject family patterns.

**Fareena Sultan (1993)** in a research work on “Time preferences for products and attributes and the adoption of technology driven consumer durable innovations” has stated that the time preference for products and product attributes were relating to several propositions related to the constructs were empirically tested. The results show that, over subjects, the product rate is different from the economic discount rate which captures time preferences for money, the product rates of time preference vary by individual, by product and over time, and that attribute level rates of time preference may vary by attribute.

**Gregory R. Elliott and Ross C. Cameron (1994)** in their research work on “Consumer Perception of Product Quality and the Country-of-Origin Effect have surveyed the consumer attitudes to local and foreign products and the likely campaigns are surveyed. First, the importance of country of origin in relation to other product attributes was considered. Second, country of origin is assessed as a surrogate indicator of product quality. Third, the likely effect of country of origin on consumer choice across a range of product categories is studied with brand name and price held constant. Across the product categories studied, respondents rated country of origin as significantly less important as a choice determinant than product quality and price. Consumers rate products as being of significantly different quality when the only variation between products is stated country of origin. Further, consumers expressed a marked preference for locally made products when price, technical features, and brand name are invariant, and where the locally made product is perceived to be superior or, at least, not significantly inferior to an overseas-made product. Where the locally made product is perceived to be of inferior quality to the imported product, consumers generally prefer an imported product. Thus, while consumers rate country of origin after product quality and price, when these other factors were equivalent, the fact that the product is promoted as locally made and had a positive influence on product choice.

**Barbara E. Kahn (1995)** in the study on Consumer variety-seeking among goods and services has found that “Reflecting the importance of variety-seeking in consumer
choice, has been an explosion of research in the marketing literature. The authors gave an integrative review of the key findings. In particular, a conceptual, integrating framework for understanding the reasons why consumers seek variety was presented. Within the context, the implications of the research for retail and service management were discussed as well as a review of the measurement tools and predictive models of variety-seeking have been proposed in the last decade.

Gurumurthy Kalyanaram and Russell S. Winer, (1995) has made an analysis on “Empirical Generalizations from Reference Price Research”. Considerable theoretical justification for consumers' use of psychological reference points exists from the research literature. From a managerial perspective, one of the most important applications of the concept was reference price, as an internal standard against which observed prices are compared. The author proposed three empirical generalizations that were well-supported in the marketing literature. First, there was ample evidence that consumers use reference prices in making brand choices. Second, the empirical results on reference pricing also support the generalization that consumers rely on past prices as part of the reference price formation process. Third, consistent with other research on loss aversion, consumers have been found to be more sensitive to "losses," i.e. observed prices higher than reference prices, than "gains."

Roger A. Kerin, Gurumurthy Kalyanaram, and Daniel J. Howard (1996) has made attempts on “Product Hierarchy and Brand Strategy Influences on the Order of Entry Effect for Consumer Packaged Goods “ has examined two factors—product hierarchy and brand strategy—which will influence the magnitude of this effect for new consumer packaged goods. The authors hypothesized that a new product class which offers a greater advantage than introducing a new form to an existing product class. Second, the authors predicted that the order-of-entry effect will be greater for brand extensions than for entirely new brands. Finally, considering both product hierarchy and brand strategy, the order-of-entry advantage for brand extensions over new brands will be significantly greater within new product classes than for new forms of existing products. The hypotheses were tested using data from the Information Resources, Inc. Behavior scan data set. Collected from 2,500 household panel members, 75 supermarkets and 25 drugstores. The database has contained weekly measures of brand trial penetration as
well as brand distribution, price, and promotion information in eight geographic markets from the period 1983–1988. The models developed in the study explore the relationships among brand trial penetration, product hierarchy, brand strategy, order of entry, lag time between successive brand entrants, and marketing mix variables (i.e., price, promotion, distribution, and advertising). The study strongly supported all three hypotheses. In particular, the analysis clearly demonstrates that the order-of-entry effect was greatest for a new product class pioneered by a brand extension. Order of entry has the least effect on a new product form pioneered by an entirely new brand. For a company seeking a competitive advantage from being first to market, innovation in product function offers greater potential benefit than innovation in product form. Such a company can also benefit from building on the name and reputation of its established brands. Although the study finds these order-of-entry effects significant, the effects of marketing mix variables such as product price and promotion are consistently stronger.

James G. Hutton, (1997), has made a study on “brand equity in an organizational-buying“ the author has addressed 1) organizational buyers exhibit brand-equity behaviors such as the willingness to pay significant price premiums for certain brands; 2) and under what conditions do those buyers place a premium on well-known brands. Based on hypothetical buying situations, in the form of organizational buyers’ willingness to pay a significant price premium for their favorite brand, make referrals, and extend their brand preference to other products with the same brand name.

Donald R. Lehmann (1998) in a research work on, “Customer reactions to variety: Too much of a good thing? Has stated that the “Studying product variety is an interesting and relevant area for research. Working in the area requires understanding of both customer reactions to it and the managers decision making. The research required different information processing channels, operations management, game theory, and managerial decision making of both customers’ reactions to it and managers’ decision making with respect to it. This requires an interdisciplinary focus, drawing on work in information processing, channels, operations management, game theory, and managerial decision making. In fact, the major advances may come more from combining knowledge from the different areas rather than boring more deeply into a single one.
**W. Fred Van Raaij (1998)**, in their research work on “Consumer power and initiative” stressed that, new and technology-inspired developments in marketing has made huge impacts. These developments pertaining to the possibilities of information technology (IT), in particular the Internet and other interactive media, made more consumer power initiative and retailer power versus disintermediation. These changes have such important consequences for marketing communication that it is not unreasonable to speak of a 'paradigm shift' in marketing communication. The other papers in this special issue have the same paradigm-shift orientation. One paper has argued that marketing communication in the next century will employ many channels and media and, what is even more important, that IT will give more power into the hands of the consumer. Another paper has compared the use of the Internet by British and German businesses for exports to foreign markets. German businesses have adopted more structured approaches to the World Wide Web for their international marketing. A further paper discussed interactivity, conversation and the extended information search of human consumers. The researcher has seen the development of 'artificial consumers', i.e. browsers and other search engines for information search on the Internet. For all of the papers, the conclusions are that as traditional marketing thinking and practice has become obsolete in the future, new ways of interacting with customers have to be found. These new ways will have considerable consequences for marketing theory.

**Pamela L. Alreck (1999)** in their study on “Strategies for building consumer brand preference” has studied the marketer’s principal objective was typically to build a relationship with buyers, rather than merely to make a single sale. Ideally, the essence of that relationship consists of a strong bond between the buyer and the brand. Outlines six strategies for building that relationship: linking the brand to a particular need; associating it with a pleasant mood; appealing to subconscious motives; conditioning buyers to prefer the brand through reward; penetrating perceptual and cognitive barriers to create preference; and providing attractive models for buyers to emulate. The choices of an individual strategy or combination were depended mainly on the nature of the branded product or service. The success of the strategy depends heavily on the marketer’s understanding of the preference building and bonding process.
Dana L. Alden, Jan-Benedict E. M. Steenkamp and Rajeev Batra (1999) has made a study on “Brand Positioning Through Advertising in Asia, North America, and Europe: The Role of Global Consumer Culture.” In the study, the authors have examined the emergence of brand positioning strategies in advertising that was parallel to the growth of the global marketplace. A new construct, global consumer culture positioning (GCCP), was proposed, operationalized, and tested. The construct associated the brand with a widely understood and recognized set of symbols believed to constitute emerging global consumer culture. The Study resulted supports the validity of the new construct and indicate that meaningful percentages of advertisements employ GCCP, as opposed to positioning the brand as a member of a local consumer culture or a specific foreign consumer culture. Identification of GCCP as a positioning tool suggests one pathway through which certain brands have to be perceived by consumers as "global" and provides managers with strategic direction in the multinational marketplace.

Tülin Erdem (1999) in their paper on “Brand Equity, Consumer Learning and Choice” has explored the links between brand equity, consumer learning and consumer choice processes in general and considered two recent trends in the market place: store brands and the Internet. Brand equity has generally been defined as the incremental utility with which a brand endows a product, compared to its non-branded counterpart. The author concluded that brand equity will have incremental effect of the brand on all aspects of the consumer's evaluation and choice process.

Boonghee Yoo (2001) in their work on “Developing and validating multidimensional consumer-based brand equity scale” has made a systematic research to develop a scale to measure consumer-based brand equity. The authors reported the results of a multistep study to develop and validate a multidimensional consumer-based brand equity scale (MBE) drawn from Aaker's and Keller's conceptualizations of brand equity. A total of 1530 American, Korean American, and Korean participants evaluated 12 brands from three product categories (athletic shoes, film for cameras, and color television sets). Multistep psychometric tests demonstrated that the new brand equity scale is reliable, valid, parsimonious and generalizable across several cultures and product categories.
Ahmad Jamal, Mark M.H. Goode (2001) has made a study on "Consumers and brands: a study of the impact of self-image congruence on brand preference and satisfaction". Previous research has indicated that the self-image product image congruity (commonly known as self-image congruence) will affect consumers’ product preferences and their purchase intentions. Self-image congruence also facilitates positive behavior and attitudes toward products. A research which was conducted to determine the effect of self-image congruity on brand preference and satisfaction in the precious jewelers market in the UK. A questionnaire was sent to 500 consumers of precious jewelers in five major cities of the UK. Results have indicated that self-image congruity had a very strong predictor of consumers’ brand preferences and a good predictor of consumer satisfaction. Respondents with higher levels of self-image congruity were having likeness likely to prefer the brand and enjoy higher levels of satisfaction with the brand as compared to those with lower levels of self-image congruity.

Sharyn Rundle-Thiele, Rebekah Bennett (2001), in their research work on "A brand for all seasons has made attempts to seek enhance a understanding of the suitability of loyalty measurement techniques by proposing a classification of brand loyalty based on varying market types. Distinguishing between market types was important because the very nature of markets indicates that the measures used to capture loyalty should be very different. Marketing practitioners wishing to predict future levels of loyalty would need to use different loyalty measures. In consumable markets where the market is stable and where there is high switching and low involvement and risk, behavioral measures were appropriate for predicting future brand loyalty levels. However where the market was not stable, and there is a propensity towards sole brands and attitudinal measures may be better predictors of future behavior in such cases.

Carmen Berné (2001) in their work on “The effect of variety-seeking on customer retention in services” Intrinsic variety-seeking has been analyzed as an individual consumer trait affecting consumer's varied behavior. The authors explore the negative role of variety seeking on customer retention for services. The basic hypothesis was tested through structural equation modeling applied to an empirical study of food-service at three Universities. The results have supported the hypothesis:
variety-seeking negatively affects customer retention and lessens the impact of the management efforts to improve service quality and customer satisfaction.

Kenny Lim, Aron O’Cass, (2001), in a research work on “Consumer brand classifications: an assessment of culture-of-origin versus country-of-origin” Examines consumers’ perception of brands as influenced by their origins and the differences in classification ability between consumers’ knowledge levels. Specifically, culture-of-brand-origin (COBO) was proposed to have replaced country-of-origin (COO) as the most important origin influence regarded by consumers in their perceptions of brands. Culture-of-brand-origin was used to mean the cultural origin or heritage of a brand. The data were gathered from 459 respondents in the Asian city of Singapore; and used to assess Singaporean consumers’ ability to classify the cultural origins of fashion clothing brands. And it was compared with their ability to classify the country origins of the same brands. Six brands were used in a between-subjects design, with three brands of western countries and three of eastern countries. Results indicated that consumers can more readily identify the cultural origin of brands over their country-of-origin. A consumer’s ability to make this distinction is influenced by the consumer’s perception of how well he/she knows the brand.

Gurumurthy Kalyanaram and Glen L. Urban (2002) in their research work on “Dynamic Effects of the Order of Entry on Market Share, Trial Penetration, and Repeat Purchases for frequently Purchased Consumer Goods” have made attempts on a time series cross-sectional analysis of 18 successful later entrants in 8 categories of consumer packaged goods over the period from October 1983 to January 1988 confirms previous empirical findings that, after correcting for differences in marketing effort, later entrants suffer a long-term market share disadvantage. New evidence of the penalties associated with later entry was found in statistical estimation of models of cumulative trial, first repeat, and subsequent repeat purchasing. Significantly lower asymptotic levels were found in both trial and repeat behavior. However based on this data, the rate of approach of later entrants to their lower asymptotic performance measures was either equal to or faster than early entrants and provides evidence of a compensating partial effect accrued by later entrants.
Tulin Erdem (2002), in a research work on “The impact of brand credibility on consumer price sensitivity “has stated that brands can affect various stages of consumer choice processes, and hence, various components of consumer utility functions. Previous conceptual and empirical work focused on the effects of brands on consumer perceptions of tangible and intangible product attributes. The work on brand effects with information economics underpinnings to analyze whether consumer price sensitivity, that is, the weight attached to price in a consumer valuation of a product's overall attractiveness or utility is impacted by brand credibility. In other words, the impact of product price on consumer utility was moderated by brand credibility. To explore the impact of brand credibility on consumer price sensitivity across categories that may involve different levels of consumer uncertainty. The analysis was carried for four products: frozen concentrate juice, jeans, shampoo and personal computers. These categories vary in the degree of potential consumer uncertainty about product attributes, as well as in a number of other category-specific features that may affect consumer sensitivity to uncertainty. The results indicated that brand credibility decreases price sensitivity. Our results also indicate that although the direction of the impact is the same, the magnitude of brand credibility's impact on consumer choices and price sensitivity vary across product categories, as a function of product category characteristics that affect potential consumer uncertainty and consumer sensitivity to such uncertainty.

Tulay Girard, Pradeep Korgaonkar and Ronnie Silverblatt (2003) in their research work on “Relationship of Type of Product, Shopping Orientations, and Demographics with Preference for Shopping on the Internet” has examined whether (1) consumers' shopping orientations were significantly related to their preference for shopping online, (2) consumers' demographic characteristics were significantly related to preference for shopping online, (3) relationships of shopping orientation and demographic variables with purchase preferences on the Internet will vary by the type of products (i.e., search, experience, or credence). Deriving from the product classification theory, products were classified into four categories: search products, two types of experience products, and credence products. Data were collected through self-administered surveys from adult population in two metropolitan areas in the Southern United States. The findings significantly supported the hypotheses that shopping
orientations such as convenience and recreational shopper and demographic variables such as gender, education, and household income were significantly related to consumer’s online purchase preference. The researchers' findings also confirm that the relationships of shopping orientation and demographic variables with purchase preference for shopping online significantly differ by product category. More specifically, convenience and recreational orientations were positively related to preference for shopping online for experience-1, experience-2, and credence product types, though the directional relationship between recreational shopper orientation and preference for shopping on the Internet was positive rather than negative as hypothesized.

**Inseong Song and Pradeep K. Chintagunta (2003)** have made significant attempts to develop an empirical model for the adoption process of a new durable product that accounts for consumer heterogeneity as well as consumers: forward-looking behavior. Accounting for heterogeneity is important for two reasons. As the mix of consumers with different preferences and price sensitivities could change over time, firms need to update their marketing strategies. Further, it allowed for a variety of shapes for the aggregate adoption process over time. As prices for durable and technology products fall over time with firms continually introducing enhanced products, consumers may anticipate these prices and improvements and delay their purchases in the product category. Forward-looking consumers optimize purchase timing by trading off their utilities from buying the product and their expectations on future prices, quality levels, and brand availability. Such forward-looking behavior will result in price dynamics in the marketplace as price changes today influence future purchases. And it results in different shapes of the new product sales pattern over time by influencing the time to take-off. The authors showed the parameters of model which helps in aggregate data on the sales, prices, and attributes of brands in a product category. The researcher applied the model to market data from the digital camera category. The data were consistent with the presence of both heterogeneity and forward looking behavior among consumers. At the product category level, the researcher was able to decompose the effects of the entry of Sony into primary demand expansion and switching from other brands. At the brand level, the researcher found that there exist several segments in the market with different preferences for the brands and different price sensitivities leading to differences in adoption timing.
and brand choice across segments. For a given brand, the changing customer mix over time has implications for that brand’s pricing strategies.

Ulrich R. Orth, Mina McDaniel, Tom Shellhammer, Kannapon Lopetcharat, (2004) has made a study on “Promoting brand benefits: the role of consumer psychographics and lifestyle “have stressed that consumers can vary greatly in their value composition, and they may seek a range of different benefits from products and brands and hence will react differently to marketing communications emphasizing selected brand benefits. The study has adopted a scale for measuring benefits that drive consumer preferences for craft beer. As part of the process, five dimensions of utility are identified, such as functional, value for money, social, positive and negative emotional benefit. In order to support decisions on market segmentation and brand positioning, those dimensions of benefit were profiled against consumer brand preferences, lifestyle segments, demographic and behavioral variables. Based on the results, guidelines for communication strategies were offered that addressed the benefits sought by specific segments more holistically.

Amit Bhatnagar (2004) in the study on “A model of retail format competition for non-durable goods” has made analysis on pertaining to store choice; studies have traditionally limited the choice to stores within a certain format. The role played by different retail formats has not been studied extensively. A general model of retail format choice for non-durable goods has been applied to supermarkets, convenience stores, and food warehouses would be optimal. The optimality of the different formats has shown to depend on membership fees, travel costs, consumption rates, perish ability of products, inventory holding costs of consumers, and cost structures of retailers.

V. Srinivasan, Chan Su Park and Dae Ryun Chan (2005), has made attempts to study “Approach to the Measurement, Analysis, and Prediction of Brand Equity and Its Sources “The authors propose a new approach for measuring, analyzing, and predicting a brand’s equity in a product market. Brand equity was defined as the incremental contribution per year obtained by the brand in comparison to the underlying product (or service) with no brand-building efforts. The incremental contribution is driven by the individual customer's incremental choice probability for the brand in comparison to his
choice probability for the underlying product with no brand-building efforts. The approach has taken into account three sources of brand equity--brand awareness, attribute perception biases, and non-attribute preference--and revealed how much each of the three sources contributed to brand equity. The method provided what-if analysis capabilities to predict the likely impacts of alternative strategies to enhance a brand's equity. The survey-based results from applying the method to the digital cellular phone market in Korea show that the proposed approach had good face validity and convergent validity, with brand awareness playing the largest role, followed by non-attribute preference.

**Neelam Kinra, (2006)**, in a paper on “The effect of country-of-origin on foreign brand names in the Indian market” investigated consumer attitudes in India towards local and foreign brand names, against a background of increasing prevalence of foreign brand names and stereotypes of countries of origin covering the range from positive to negative. A structured questionnaire administered face-to-face to 112 consumers in the city of Lucknow. Attitudes to brands categorized as “foreign” or “Indian” were measured by seven-point semantic differential scales, and consumer ethnocentrism by CETSCALE. Factor analysis with varimax rotation was used to identify factors contributing to the observed degree of ethnocentrism in brand choices. It was found that the quality of foreign brands was perceived to be generally higher and superior to local brands. Most consumers also associated greater accessibility of foreign brands in the Indian market with better quality at lower prices. Despite high levels of nationalism and preference for indigenous manufacture, as evidenced in high factor ratings on an ethnocentrism scale, which might indicate a positive bias towards local brands, Indian consumers were not prejudiced against foreign brand names. In fact, they evaluated them higher on technology, quality, status and esteem than Indian brands, and attributed higher credibility to those countries-of-origin. This study adds to the body of knowledge about country-of-origin effect, in a massive and fast developing market. The strategy of marketers of foreign brands in the Indian market should be to position their products on attributes of technology and quality, rather than economy and value for money, showed that ethnocentricity does not necessarily result in hostility to foreign brands.

**Norjaya Mohd Yasin, Mohd Nasser Noor, Osman Mohamad (2007)** in a research article on “Does image of country-of-origin matter to brand equity?” To
accompany this, the brand equity of household electrical appliances, particularly televisions, refrigerators and air-conditioners, in the Malaysian market is examined. A conceptual framework in which brand's country-of-origin image is postulated to influence the dimensions of brand equity, which is made up of brand loyalty, brand awareness, perceived quality, and brand associations. These dimensions, in turn, influence brand equity. Data were collected from consumers of household electrical appliances using probability sampling. Factor analysis conducted on brand equity dimensions, produced three factors namely, brand distinctiveness, brand loyalty, and brand awareness/associations. The regression analysis results show that brand's country-of-origin image positively and significantly influences dimensions of brand equity. The results also show that brand's country-of-origin image influences brand equity, either directly or indirectly, through the mediating effects of brand distinctiveness, brand loyalty and brand awareness/associations. The study investigates brand equity of durable goods of three product categories namely television, refrigerator and air-conditioner. It only considers brand's country-of-origin image as one of the sources of brand equity. The conceptual framework does not take into consideration factors that moderate the influence of antecedent of brand equity on brand equity. Producers of household electrical appliances should put greater emphasis in creating brand loyalty for their products. The good image of brand's original country should be highlighted in order to enhance the overall image of the brand. Favorable country image can also be capitalized in brand-naming strategy.

Susanna Esteban (2007), in a research work on “Durable goods oligopoly with secondary markets: the case of automobiles” studied the effects of durability and secondary markets on equilibrium firm behavior in the car market. We construct a dynamic oligopoly model of a differentiated product market to incorporate the equilibrium production dynamics that arise from the durability of the goods and their active trade in secondary markets. We derive an econometric model and estimate its parameters using data from the automobile industry over a 20-year period. Our estimates are used to provide a measure of the competitive importance of the secondary market.

Coben and Boush (2008) tried to find whether the positive and negative points of a brand will affect an extended brand. They revealed that the success and failure of
extended brands depend on the positive and negative features of the original brand and the similarity between the original brand and the extended brand.

To examine the family process and to identify the roles played by different family members Varma and SheelalKapoor (2008) studied that fine roles played by family members when they purchase consumer durable products. While the young, well educated women in the family emerged, significantly as initiators of the buying, the children were the influencers. Though the purchase decision process was relatively democratic at the initial stages, subsequently it seemed to become much more unilateral in terms of the role played by the deciding member. The husband was found to play the highly significant role of coordinator, decider and buyer.

A study was conducted by Simonson, Ttamar (2008) to explore the reasons of choice and they found that consumers tend to choose the alternative support by the test reasons under preference uncertainty and shows that brands tend to gain share when they become compromise alternatives.

Romeo (2008) made a study on how negative information or failure of brand extensions feedback and similarity between the extended and parent brand effects consumers’ attitude towards the family brand name. the study revealed that no evidence that negative information about brand extension diluted the family brand name and subsequent brand extensions.

Rajan Varghese (2008) analyzed whether consumers are influenced by income and other household characteristics while making purchase choices and examined the current buying behaviour of consumer in durable and FMCG’s. He found that the higher income segment was willing to pay higher price for more product attributes. But in the mid segment, brand name takes a back seat while choosing a brand. The price value equation is arrived by placing product attribute delivering important benefits on top of the priority but followed by price. He concluded that benefits must be suitably communicated to the target audience by properly combining the utility and emotional appeal of the product.

SmritiSood and Praveen Kasthuria (2009) attempted to find out the reasons responsible for retention and ideas of consumers. They were interested in finding the determinants of consumer Behaviour in switching service providers. Based on this factor
and discriminant analysis, the study revealed that four factors namely temporal
cvenience, purchase involvement, ego involvement and other loyalty played a
significant role in influencing the consumer Behaviour towards switching and the people
sector was not found to be important.

**Allan Shocker, Rajendra Srivastava and Roabert Ruckert (2009)** attempted to
find out the major environmental forces affecting market behavior of a brand. The study
observed that brand managers should have acknowledged the evolving needs of the
buyers, global competitors and the opening of territorial markets, technological changes,
growing power and independence of the channels of distribution, pressure from the
investors to produce more predictable growth in the revenue, profits and cash flows and
thus benefit from cost reduction.

**Amit Ghosh, Goutam Chakraborthy and Debra Bunch Ghosh (2010),** pointed
out that since consumers are seldom familiar with all the competing brands or the
attributes of these brands, brand uncertainty exists in every market. Presents theoretical
and empirical evidence from several disciplines to demonstrate that brand uncertainty
affects brand attitudes and preferences, and consequently affects brand performance. It
also demonstrated the importance of actively managing brand uncertainty and identified
marketing tools that can be used to reduce brand uncertainty and identified marketing
tools that can be used to reduce brand uncertainty at different stages in the consumer
decision process. Further the study also discussed how managers can modify these tools
to deal with high-involvement versus low-involvement products, how these tools should be
scheduled for maximum impact, and the amount of control managers have over each tool.

**Momin and Maureen (2010)** to study the impact of brand extensions on brand
retrieval process and how brand extensions helps the consumers to remember the parent
brand and the study revealed that, a successful extensions can have positive reciprocal
effect and can help to strengthen the memory structures for the parent brand. It also
induced the non users of a parent brand to have trial of it.

**Drew Fudenberg and Jean Tide (2010)** observed in their study that firms
sometimes try to ”poach” the consumers of their competitors by offering them
inducement to switch. They analyze duopoly poaching under short–term and long–term
contracts assuming either that each consumers brand preferences are fixed over time or that preferences are independent over time. With fixed preferences, short–term contracts lead to poaching and socially inefficient switching. The equilibrium with long term contracts had less switching than when only short–term contracts are feasible and it involves the sale of both short–term and long–term contracts. With independent preferences, short–term contracts are efficient, but long–term contracts lead to inefficiently little switching.

**Michael J. Barone (2010)** examined to know positive mood influences consumer evaluations of brand extensions. The result indicated that positive mood primarily enhances evaluations of extensions viewed as moderately similar to a favorably evaluated core brand.

**Sheri Bridges, Kevin Lane Keller and Sanjay Sood (2010)** examined the proposition that high perceived fit of a brand extension results when consumers can establish explanatory links that connect the brand and extension. Explanatory links are created when silent parent brand associations are seen as relevant in the extension context. The relevance of associations depends, upon the dominant parent brand associations, the brand-to-extensions relationship and the communication strategy used to introduce the extension. Results indicated that extension was poorly rated when the parent brand dominant association was inconsistent with the extensions dominant association. Specifically, brands with dominant attribute-based association (e.g. Physical features) received lower evaluations than brands with dominant non–attribute based associations (e.g. Brand users) when extended to a category with no physical attributes in common.

**Scott Davis (2010)** in his study suggested two new practical mechanism on how best to ensure a brand’s future viability: developing a key brand insurance strategy and measuring return on brand investments (ROBI). A key brand insurance strategy is a defensive strategy companies should use to help combat a number of threats a brand may face over its lifetime. This strategy allows companies to take a proactive, not reactive, stance. Measuring return on brand investment gives companies a simple formula for charting their brand’s success internally and externally. ROBI forces companies to look
regularly at their brand from several different perspectives. These two tools will ultimately help to strengthen the future of the brand.

**John Milewicz; Paul Herbig (2010)** made a research to see whether a brand’s reputation be transferred successfully to other products and to know the importance of a firm’s reputation to the success or failure of its brand and what is the effect on the firm’s brands when a firm’s reputation, through either acquisition or restricting, decays. The study brought out a model of reputation creation and destruction and showed as to how the brand extension decision can be addressed using the model.

**Leif Hem and Nina Iversin (2011)** have attempted to study the decomposed similarity measures in brand extension. The research was mainly focused on the judgmental effects of similarity between an established brand and a brand extension. They extended the research by investigation the effects of decomposed similarity. They found that similarities between an original brand and its brand extensions have to be measured using several items that better cover similarity construct for the success of brand extension. They furthermore found that brand personality impacts extension evaluations, when there is a high degree of congruity between an individual’s self-image and salient personality traits of the brand extension.
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