ABSTRACT

1.0 Importance of the Topic

The purpose of the current research is to gain insight into the impact of brand attitude on consumer purchase behavior. Based on the proposition that attitude has three components, cognitive, affective and intention, the present study measures affective and cognitive components to compare the effects of each on consumer purchase behavior.

There is a transition in the soft drink market, people are becoming more health conscious and shifting to healthier products which decreases the market share for soft drink producers, so this study tries to understand the consumers attitude in order to provide a guide line to soft drink producers for better long time planning.

India and Iran are developing countries, purchasing power of consumers is increasing in both countries and consumers are getting more health conscious and they are targeted by many different products in beverage category and different brands of soft drinks which are competing to grab the market share; on the other side FMCG products are mostly similar in attributes and consumers have various choices and the information seeking for such products is not feasible for consumers, these products are frequently purchased but the quantity purchased is less and the price is also less, here the impact of brand attitude and its components are vital for companies in order to differentiate their products and get in to the basket of the consumers.

2.0 Formulation of Objectives

On the basis of aspects explored under research topic, the following objectives were formulated:
1. To assess the impact of affective and cognitive components of brand attitude on consumer purchase behavior in Pune/India and Tehran/Iran.

2. To assess the relationship between consumer brand loyalty and their acceptance of brand extension in Pune/India and Tehran/Iran.

3. To study the relationship between consumer brand loyalty and their consumption frequency in Pune/India and Tehran/Iran.

4. To determine the influence of demographic factors on consumer purchase behavior in Pune/India and Tehran/Iran.

5. To find out what kind of products consumers expect as a brand extension in both countries.

6. To find out the most recalled and most preferred soft drink brand in both India/Pune and Iran/Tehran.

7. To assess the consumer intention to repurchase or recommend the soft drink brands.

3.0 Formulation of Hypothesis

Based on the above defined objectives, following hypotheses were formulated:

Hypothesis 1: “Affective and Cognitive components of Brand attitude equally impact consumer brand loyalty.”

Hypothesis 2: “Acceptance of brand extension is significantly related to brand loyalty.”
Hypothesis 3: “There is a significant association between Consumption frequency and brand loyalty.”

Hypothesis 4: “There is a significant association between brand loyalty and age”

Hypothesis 5: “There is a significant association between brand loyalty and marital status.”

Hypothesis 6: “There is a significant association between brand loyalty and occupation.”

Hypothesis 7: “There is a significant association between consumption frequency and age.”

Hypothesis 8: “There is a significant association between consumption frequency and income.”

Hypothesis 9: “There is a significant association between purchase quantity and age.”

Hypothesis 10: “There is a significant association between purchase quantity and income.”

Hypothesis 11: “There is a significant association between purchase quantity and marital status.”

Hypothesis 12: “There is a significant association between purchase quantity and occupation.”

4.0 Research Methodology

A descriptive research was carried out by applying a survey method, using structured questionnaire which covers the demographic profile of consumers (age, gender, income,
and occupation), details about purchase patterns, various factors affecting brand attitude and brand loyalty.

College students and households are heavy users and buyers of soft drinks, and therefore are relevant respondents for the present study. 300 students and households at the Pune city in India and 300 students and households of Tehran city in Iran have completed the survey properly. Data collection took place in the shopping malls and colleges of Pune and Tehran. Out of 300 questionnaires in each city, the final sample contained 271 valid cases for Pune city and 265 valid cases for Tehran city. The various sources of secondary data collected by the researcher are books, journals, companies annual reports & in-house publications, internet& websites and local Reports & etc.

The geographical area of the research was city of Pune in India as well as the city of Tehran in Iran.

University of Pune and shopping centers of Pune such as Pune central, SGS mall in MG Road, Durabji in MG Road, Ozon in Aundh area, Relience Fresh in Bavdhan and PayameNoor University in Tehran and shopping centers of Tehran such as Shahrvand Poonak, Refah Azadi, Tirazheh in Ashrafi Esfahani, Boostan in Poonak were selected for distributing the questionnaires. The participants considered for this study were soft drink consumers or purchasers.

The period of research was year 2008-2011 and the data collection was done during March 2009 to July 2009 in both cities of Pune and Tehran.

5.0 Data Analysis
In order to analyze the data collected for the present study, the SPSS 18 (PASW) program was used.

The stepwise multiple regression analysis, correlation analysis, and chi-square test were used for the purpose of testing the hypotheses.

Brand loyalty as an important part of consumer behavior, was taken into consideration as dependent variable in the stepwise multiple regression analysis. The construct of cognitive component of brand attitude was measured using a 7-point semantic differential scale measuring various aspects of soft drinks attributes such as taste, price, availability, offers, and healthiness.

Cognitive and Affective components of brand attitude were considered as an independent variable for the stepwise multiple regression analysis. The construct of affective component of brand attitude measured using a 7-point Likert scale where 1= strongly disagree and 7= strongly agree. Respondents were asked to show the extent of their agreement to eleven following statements: 1)company image, 2)popularity of brand, 3)influence of friends, 4)life of the party, 5)self confidence, 6)interaction, 7)refreshness, 8)thirst quenching, 9)good feeling, 10)trustworthiness and 11) perceived quality.

6.0 Major Findings

1. Multiple regression analysis and the regression equation indicates that there is a significant impact of affective component of brand attitude on brand loyalty in India/Pune and Iran/Tehran, but Cognitive component of brand attitude has no significant impact on consumer brand loyalty in India/Pune and Iran/Tehran, so
marketers of this product category should mostly try to focus their campaigns to enhance the affective and emotional aspects.

2. The researcher observed the existence of cognitive dissonance among respondents in India/Pune as well as Iran/Tehran. Cognitive dissonance is an uncomfortable feeling caused by holding conflicting ideas simultaneously. Despite the knowledge of the majority of the respondents on harmful effects of soft drinks is very high in both countries, they still consume soft drinks and the loyalty is very high. In a state of dissonance, people may feel guilty after drinking soft drinks but they are biased to think of their choices as correct, despite any contrary evidence and they try to justify themselves. Marketers of this product category must try to increase motivational drive to reduce dissonance.

3. There is a strong positive correlation between brand loyalty and acceptance of brand extension in both India/Pune and Iran/Tehran; companies on this product category should have brand extension and product innovations, in this way, these companies will be able to increase their profits and allow the company to continue to grow.

4. Marketers of this product category must try to reveal or introduce important product characteristics in order to increase the involvements levels for example the addition of calcium or other minerals in a number of soft drinks appears to capture the interest of many consumers who are getting very much health conscious and are aware of harmful effects of soft drinks. They must also try to introduce new belief/evaluation combinations.

5. Purchase frequency and quantity depend on age and income of the respondents in India/Pune and Iran/Tehran; this indicates that marketers of this product category
should have more focus to positioning their products based on age and income level of the consumers; they must try to increase the trust level of older consumers by offering healthier soft drinks.

6. In India/Pune, respondents purchase in less quantity, so marketers need to lead the consumers toward consumption of higher quantity while Iranians purchase less frequently but in high quantity and majority of them consume soft drinks along with their meals, therefore marketers should try to increase the purchase frequency of loyal consumers.

7.0 Contribution to the Body of Knowledge

This study reveals the importance of affective component of brand attitude which can influence consumers and lead to brand loyalty and brand extension. It also shows that in India, peer influence is the most important factor of affective component of brand attitude which influences the brand loyalty of the Indian consumers while in Iran, the image of the company is the most important factor of affective component of brand attitude which influences the brand loyalty of the Iranian consumers.

8.0 Limitations and Future Research Directions

1. The respondents in the present study were chosen amongst households in Iran/Tehran and India/Pune; samples are from one metropolitan city of each country, the results of the present study cannot be generalized beyond this specific population and future studies can be done in other cities and countries for a better generalization of the results.
2. This study is focusing on the frequently purchased consumer goods market, and the results may therefore not necessarily be generalized to other market types. To increase the applicability of the research, future research should consider diverse organizations, product categories, and brands with different levels of consumer involvement.

3. The present study focused on consumer attitude toward the brand and brand loyalty based on tri-component model of Attitude; there are other models of attitude which can be focused and can be compared (Such as Attitude toward the ad model, theory of reasoned action model, theory of trying to consume model, multiattribute attitude model and etc).

**Key Words:** Brand Attitude, Consumer Behavior, Loyalty, Affective, Cognitive