

CONSUMER BASED BRAND EQUITY IN FMCG MARKET WITH SPECIAL REFERENCE TO COIMBATORE DISTRICT

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by

Mr.K.MOHAN KUMAR, MBA, M.Phil.,

Under the Guidance of

Dr.K.VIDYAKALA, MBA, M.Phil, Ph.D.,

Assistant Professor,

Department of Management,

PSGR Krishnammal College for Women,

Coimbatore - 641 004



PSGR KRISHNAMMAL COLLEGE FOR WOMEN

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CHAPTER VI

FINDINGS, SUGGESTIONS AND CONCLUSION

6.1 SUMMARY OF FINDINGS

The present study was carried out at 4 stages. At the first stage, the background of the respondents and their branding behavior in FMCG market were studied. It is followed by the measurement of components of Consumer Based Brand Equity, overall brand equity in market for Household Care Products, Food and Beverage Products and Personal Care Products at the second stage. At the third stage, the determinants of CBBE in FMCG market and its linkage with the overall CBBE in FMCG market were studied. The outcomes of CBBE in FMCG market and their linkage with the determinants of CBBE and the components of CBBE in FMCG market were discussed at the final stage.

The findings of the study are summarized below:

6.1.1 Background of the Respondents

The dominant gender among the respondents is female whereas the dominant age group among the respondents is from “25 years to 45 years”. The marital status of the respondents is “Married with kids”. The rural and urban respondents are equally distributed. The first two dominant level of education among the respondents are “Bachelor’s Degree” and “up to Higher Secondary” whereas most of the respondents were “Housewives”/“Private Employment”. The dominant family size among them is “3 to 5” members and “Less than 3 members per family”. Majority of the respondents are having a monthly income from “Rs.15,000 to Rs.45,000 per month”. The first two family income per month among the respondents are “Rs.90,001 to Rs.1,20,000” and “Rs.60,001 to Rs.90,000”.

6.1.2 Purchase Behaviour regarding FMCG

The dominant years of experience in the purchase of FMCG are “above 9 years”. The higher rate of purchase of FMCG is seen in the case of “Oral Care” and “Fabric Wash” whereas the lesser rate of purchase is noticed in the case of “Food Items” and “Floor Cleaners”. The dominant number of outlets visited to purchase of FMCG appropriate 6 to 8 and above 8 retail outlets. The dominant nature of brand preference in the purpose of FMCG is rated from strongly disagree and strongly agree on a five point scale. Majority of the respondents prefer only “One brand” in each FMCG. The higher number of brands is preferred in the FMCG namely “Soft Drinks” and “Oral Care” whereas the lesser number of

brands are preferred in the case of “Cosmetics” and “Health Drinks”. The first two places to purchase the FMCG products among the respondents are “Departmental Stores” and “Shopping Mall”.

The most preferred brands in the purchase of HHCP - in fabric wash, utensil cleaners and floor cleaners are “Rin”, “Vim” and “Lizol”; in toilet cleaners, air fresheners and mosquito repellents are “Harpic”, “Odonil” and “Good Knight”; in purchase of PCP - in cosmetics, oral care and personal wash are “Ponds”, “Colgate” and “Mysore Sandal”. Whereas in the case of hair care, stationery products and perfumes preferred brands are “Clinic Plus”, “Apsara” and “Calvin Klein”; in the purchase of FBP - in snacks, tea and dairy products are “Haldirams”, “3 Roses”, “Aavin”. In the purchase of coffee, atta and bottled water the most preferred brand among the respondents are “Bru”, “Aashirvad” and “Bisleri; in case of sweets, health drinks and chocolates the most preferred brand among the respondents are “Krishna Sweets”, “Horlicks” and “Dairy Milk”; in biscuits, edible oil and soft drinks the most preferred brand among the respondents are “Britannia”, “Mr.Gold” and “Fanta” respectively.

MEASUREMENT OF CBBE IN FMCG MARKET

The Consumer Based Brand Equity in FMCG market in the present study includes the components of brand awareness, brand association, brand image, brand competitive advantage, brand reputation, brand intimacy, brand trust, brand leadership, perceived quality and brand loyalty.

6.1.3 Brand Awareness in FMCG Market

The highly influencing mean score variable of brand awareness in HHCP is “I swiftly recall the commercial jingle”, in FBP, “I am aware of various brands”, in PCP, “I recognize this particular brand better than any other brand”.

6.1.4 Brand Association in FMCG Market

The highly influencing mean score variable of brand association in HHCP is “I like the company”, in FBP, “I trust the company”, in PCP, “I trust the company”.

6.1.5 Brand Image in FMCG Market

The highly influencing mean score variable of brand image in HHCP is “The brand has memorable logo”, in FBP, “The brand has a positive image”, in PCP, “The brand has a strong image”.

6.1.6 Brand Competitive Advantage in FMCG Market

The highly influencing mean score variable of brand competitive advantage in HHCP is “The brand renders competitive service strategy”, in FBP, “The brand has cost leadership strategy”, in PCP, “The brand provides competitive technology”.

6.1.7 Brand Reputation in FMCG Market

The highly influencing mean score variable of brand Reputation in HHCP is “The brand engages in social responsibility”, in FBP, “The brand stays on the top of the industry needs”, in PCP, “The brand provides the pleasure of ownership”.

6.1.8 Brand Intimacy in FMCG Market

The highly influencing mean score variable of brand Intimacy in HHCP is “The brand builds strong emotional bonds”, in FBP, “The brand reflects an aspirational image”, in PCP, “The brand enables personal fulfillment”.

6.1.9 Brand Trust in FMCG Market

The highly influencing mean score variable of brand trust in HHCP is “I trust this brand always”, in FBP, “I trust this brand always”, in PCP, “I trust this brand always”.

6.1.10 Brand Leadership in FMCG Market

The highly influencing mean score variable of brand leadership in HHCP is “This brand is the leader in all types of FMCG”, in FBP, “The brands provides commitment and excellence in leadership”, in PCP, “The brand aims with the need to give back to the society”.

6.1.11 Perceived Quality in FMCG Market

The highly influencing mean score variable of perceived quality in HHCP is “Consistency in quality is assured”, in FBP, “The brand fulfills individual’s expectations”, in PCP, “The brand meets the conformity with specifications”.

6.1.12 Brand Loyalty in FMCG Market

The highly influencing mean score variable of brand loyalty in HHCP is “I will consider this brand to be my first choice in all my future purchases”, in FBP, “The brand rewards loyal customers”, in PCP, “The brand rewards loyal customers”.

6.1.13 COMPONENTS OF CBBE IN FMCG MARKET

The highly viewed components of CBBE in HHCP are “Brand Awareness” and “Brand Leadership”. In the case of purchase of FBP, these two components of CBBE are “Brand Awareness” and “Brand Association”. In the case of purchase of PCP, these two components are “Brand Association” and “Brand Awareness”. The significant difference

among the three group of products in FMCG have been noticed in the case of view on “Brand Image”, “Brand Reputation”, “Brand Intimacy”, “Brand Trust”, “Brand Leadership” and “Perceived Quality”.

6.1.14 OVERALL CONSUMER BASED BRAND EQUITY IN FMCG MARKET

The highly influencing mean score variable of overall consumer based brand equity in FMCG market in HHCP is “It makes better sense to choose this brand instead of any other brands with same features”, in FBP, “Even though other brands are not much different from this brand, it seems smarter to choose this brand”, in PCP, “I possess a sense of pride to buy this brand in comparison with others”.

6.1.15 INFLUENCE OF COMPONENTS OF CBBE ON THE OVERALL CBBE IN FMCG MARKET

In the case of HHCP, the significantly and positively influencing components of CBBE on the overall CBBE are “Brand Awareness”, “Brand Image”, “Brand Competitive Advantage”, “Brand Trust” and “Perceived Value” whereas in the case of FBP, these components are “Brand Awareness”, “Brand Association”, “Brand Image”, “Brand Intimacy”, “Brand Trust” and “Perceived Quality”. In the purchase of PCP, the significantly influencing components of CBBE on the overall CBBE are “Brand Awareness”, “Brand Association”, “Brand Image”, “Brand Reputation”, “Brand Trust”, “Perceived Quality” and “Brand Loyalty”. The changes in the components of CBBE explain the changes in the overall CBBE to a higher in the case of purchase of Personal Care Products.

DETERMINANTS OF CBBE IN FMCG MARKET

The determinants of CBBE in FMCG market in the present study is discussed by aesthetic benefits, sensory experience, functional benefits, customer commitment, price fairness, brand authenticity, sales promotions, intensive distribution, corporate image and sustainability.

6.1.16 Aesthetic Benefits in FMCG Market

The highly influencing mean score variable of aesthetic benefits in HHCP is “The brand logo encourages a strong emotional response”, in FBP, “The brand logo fills with positive experiences”, in PCP, “The brand logo brings delight”.

6.1.17 Sensory Experience in FMCG Market

The highly influencing mean score variable of sensory experience in HHCP, FBP and PCP is “The brand creates impulsive buying behavior”.

6.1.18 Functional Benefits of FMCG Market

The highly influencing mean score variable of functional benefits in HHCP is “Products from this brand are found to be positively related to customer satisfaction”, in FBP, “This brand makes better products than its competitors”, in PCP, “I have a personal connection with this brand”.

6.1.19 Customer Commitment in FMCG Market

The highly influencing mean score variable of customer commitment in HHCP is “The brand retains the customers with positive feelings”, in FBP, “The customers become committed with values of the brand”, in PCP, “The brand inspires more than just loyalty”.

6.1.20 Price Fairness in FMCG Market

The highly influencing mean score variable of Price Fairness in HHCP is “The brand price is consistent with its commitment value”, in FBP, “The brand price is consistent with its commitment value”, in PCP, “The price of this brand is reasonable”.

6.1.21 Sales Promotions in FMCG Market

The highly influencing mean score variable of sales promotions in HHCP is “I use brochures to select the brand”, in FBP, “I use the coupons to select the brand”, in PCP, “I use brochures to select the brand”.

6.1.22 Brand Authenticity in FMCG Market

The highly influencing mean score variable of brand authenticity in HHCP is “This is a brand that adds meaning to people’s lives”, in FBP, “This is a brand that accomplishes its value promise”, in PCP, “The brand has a clear and consistent message”.

6.1.23 Intensive Distribution in FMCG Market

The highly influencing mean score variable of intensive distribution in HHCP is “The brand is available from a small vendor to a big store”, in FBP, “The brand is available wherever the customer travels to”, in PCP, “The brand is available wherever the customer travels to”.

6.1.24 Corporate Image in FMCG Market

The highly influencing mean score variable of corporate image in HHCP is “The brand is closely associated with an organization’s environment”, in FBP, “The brand assures that I am buying the best”, in PCP, “The brand is closely associated with an organization’s environment”.

6.1.25 Sustainability in FMCG Market

The highly influencing mean score variable of sustainability brand in HHCP is “This brand is consistent and has been fulfilling its promises for a long time”, in FBP, “This brand is consistent and has been fulfilling its promises for a long time”, in PCP, “The brand is environmentally safe”.

6.1.2 IMPACT OF DETERMINANTS OF CBBE ON OVERALL CBBE IN FMCG

The significantly and positively influencing determinants of CBBE in Household Care Products are “Functional Benefits”, “Price Fairness”, “Sales Promotions” and “Intensive Distribution”; out of the above said determinants; the important determinants are “Price Fairness” and “Functional Benefits”. In the case of Food and Beverage Products, the significantly influencing determinants of CBBE on the overall CBBE are “Aesthetic Benefits”, “Price Fairness”, “Sales Promotions”, “Intensive Distribution” and “Corporate Image”. In the case of Personal Care Product, these determinants are “Aesthetic Benefits”, “Sensory Experience”, “Functional Benefits”, “Price Fairness”, “Sales Promotions”, “Intensive Distribution” and “Corporate Image”. The important determinants out of the above said determinants are “Functional Benefits” and “Corporate Image”.

OUTCOMES OF CBBE IN FMCG MARKET

The outcomes of CBBE in FMCG market at the present study is examined by four factors namely brand priority, positive words-of-mouth, repurchase intention and recommendation to others.

6.1.29 Brand Priority in FMCG Market

The highly influencing mean score variable of brand priority in HHCP is “I don’t feel like switching; the brand motivates me in future purchase”, in FBP, “I have a strong attachment with the brand”, in PCP, “The brand enhances me in credibility and trust”.

6.1.30 Positive Word-of-Mouth in FMCG Market

The highly influencing mean score variable of positive word-of-mouth in HHCP is “I am willing to communicate the positive experiences”, in FBP, “I have no hesitation to talk about the brand”, in PCP, “I have no hesitation to talk about the brand”.

6.1.31 Repurchase Intention in FMCG Market

The highly influencing mean score variable of repurchase intention in HHCP is “I am very strong in this brand applications”, in FBP, “My attraction & impression with the same brand lasts forever”, in PCP, “I am very strong in this brand applications”.

6.1.32 Recommendation to others in FMCG Market

The highly influencing mean score variable of recommendation to others in HHCP is “I will communicate brand values through a brand story”, in FBP, “I will create brand awareness and build trust on this brand among those who seek advice”, in PCP, “I will create brand awareness and build trust on this brand among those who seek advice”.

6.1.33 INFLUENCE OF DETERMINANTS OF CBBE ON OUTCOMES OF CBBE IN HHCP

The significantly and positively influencing the determinants of CBBE on the overall outcomes of CBBE in HHCP market among the respondents are “Functional Benefits”, “Price Fairness”, “Sales Promotions” and “Intensive Distribution” through direct effect. The determinants of CBBE namely “Aesthetic Benefits”, “Functional Benefits”, “Customer Commitment”, “Price Fairness”, “Sales Promotions”, “Intensive Distribution” and “Corporate Image” have a significant indirect impact on overall CBBE in HHCP market. The higher total effect is made by “Intensive Distribution” and “Sales Promotions”. In total, the indirect effect of determinants of CBBE in HHCP market is slightly higher than its direct effect.

6.1.34 INFLUENCE OF DETERMINANTS OF CBBE ON OUTCOMES OF CBBE IN FBP

The significant direct effect of determinants of CBBE on the overall outcomes of CBBE in FBP market is made by “Aesthetic Benefits”, “Price Fairness”, “Sales Promotions”, “Intensive Distribution” and “Corporate Image”. The significant indirect effect on overall outcome is made by “Aesthetic Benefits”, “Functional Benefits”, “Price Fairness”, “Sales Promotions”, “Intensive Distribution” and “Corporate Image”. The higher total effect is made by the determinants namely “Intensive Distribution” and “Sales Promotion”. The determinants of CBBE have more indirect effect on the overall outcomes of CBBE in FBP market compared to its total direct effect.

6.1.35 INFLUENCE OF DETERMINANTS OF CBBE ON OUTCOMES OF CBBE IN PCP

The significant direct effect of determinants of CBBE on the overall outcomes of CBBE in PCP market is made by “Aesthetic Benefits”, “Sensory Experience”, “Functional Benefits”, “Price Fairness”, “Sales Promotions”, “Intensive Distribution” and “Corporate

Image”. The significant indirect effects are made by “Aesthetic Benefits”, “Sensory Experience”, “Customer Commitment”, “Price Fairness”, “Sales Promotions” and “Intensive Distribution”. The higher total effect is made by “Functional Benefits” and “Intensive Distribution”. In total, there is higher indirect effect is made by the determinants of CBBE on the overall outcomes of CBBE compared to its total direct effect. It shows the effective and significant mediator role of overall CBBE in between the determinants of CBBE and the overall outcomes of CBBE in FMCG market.

6.2 SUGGESTIONS

Based on the findings of the present study, the following suggestions are made.

- The marketers are advised to increase their level of brand awareness among the respondents through the appropriate ways and means since the customers are segmented by various aspects. The strategy adopted to increase the brand awareness should be decided on the nature of product and type of market segment focused by the marketers. The uniform strategies are not producing better result.
- The marketers have to develop the competitive advantage to their brands through any one or more aspects related to quality, cost, service, availability and safety to their customers. Then only the consumers will have a competitive advantage of the brand compared to other brands.
- The consumers in the FMCG market consider the brand image of the FMCG to a greater extent. Hence, it is essential to build up the brand image for their products among the marketers. The marketers have to consider the clean, strong and consistent image on their FMCG at their consumers’ mind. It can be also built up by the good relationship with the consumers.
- The marketers are advised to create the brand trust among the consumers’ mind. It can be created by the provision of keep up the promises, increase the believability, worthiness and right at first time itself and the feel of safety among the consumers. The marketers should be advised to prepare an optimal mix of above said elements to create the brand trust.
- The marketers in FMCG market are advised to increase the perceived quality of their products among the consumers. It can be implemented by the consistent improvement in the quality of products, utility of the products, and reliable services. The marketers should pass the message of quality through their brand to the consumers.

- The logo of the brand should convey the functions and functional benefits of FMCG. The marketers are advised to prepare the logo base on the functional benefits of the product since the logo creates the functional value and assist the consumers to buy the product.
- The price fairness of the brand can be created through the delivery of worthiness of the product to its price and also give the assurance of reasonable price for the branded product.
- It is advisable to promote so many sales promotional activities to establish the Consumer Based Brand Equity in FMCG market. Since the consumers in the FMCG market is frequently attracted and accompanied by the sales promotions offered by the marketers of certain type of branded products, the marketers are advised to do various sales promotions activities continuously to establish the Consumer Based Brand Equity in FMCG market.
- In order to establish the intensive distribution of branded products, the marketers should create so many retail points to supply their products to the consumers. It makes the availability of product at anywhere and at any time. Apart from this, the marketers should spread the required information on the brand to the consumers through appropriate media.
- The marketers should focus on the creation of corporate image initially in order to establish the Consumer Based Brand Equity. The corporate image can be developed by the establishment of high quality, consistent service, and delivery of needed functions to their consumers in the FMCG market.
- The marketers should give more importance on branding strategies which create a long term relationship with consumers by enhancing emotional attachment and commitment which contribute the brand equity. The communication of brand positioning to the target group of consumers is regarded as the important marketing strategy. Consumers need to feel good about the brand concept and have positive emotional experiences and connections to the brand.

6.2.1 IMPLICATION FOR FMCG MARKET

The FMCG market should go for several brand building exercise in order to generate brand awareness, preference, trust, and loyalty on their products in the FMCG market. The consumers provide more weightage for the brand value in the market especially in Personal Care Products and Food and Beverage Products. Hence, FMCG's are advised to build the

branding on their products. Nowadays, the branding has its own value even in case of rice to salt products. Investment made on brand building should not be bothered about; these costs may be easily offset by the competitive advantage.

Under the brand building exercises, consideration should be more on functional benefits, price fairness, sales promotions and intensive distribution networks. It is not only enough to produce the quality products. It should also reach the customer's hand within the required time at a reasonable price. So the FMCG's are advised to examine the level of CBBE on their products, and should formulate appropriate strategy to create brand name for their product in FMCG market.

6.2.2 IMPLICATION (CONSUMER'S POINT OF VIEW)

The marketers should read the customer's mind carefully in the FMCG market since the CBBE of the products in FMCG may vary from product to product, product line to product line and also market segment to market segment. The present study clearly indicated that the level of CBBE in PCP is higher than in FBP and then in HHCP. The important factors determine the CBBE in HHCP market is price fairness and intensive distribution whereas in the case of FBP market, these are sales promotions, corporate image, price fairness and intensive distribution. In the PCP market, these factors are aesthetic benefits, sensory experience, functional benefits, corporate image, price fairness and sales promotions. Depending upon the nature of products consumed by the consumer, the importance given on factors leading to CBBE is determined. The FMCG's are advised to go for a detailed consumer analysis in order to prepare a differentiated strategy to create the brand equity in the market.

6.3 CONCLUSION

The present study concludes that the Consumer Based Brand Equity is only at a moderate level among the respondents in FMCG market. It is comparatively higher in market for Personal Care Products compared to Food and Beverage and Household Care Products. The highly viewed components of CBBE in HHCP market are brand awareness and brand leadership whereas in FBP, these two are brand awareness and brand association. The significantly influencing components of CBBE on overall CBBE brand awareness, brand image, brand competitive advantage, brand trust and perceived value in the case of HHCP market. In the case of FBP market, these components are brand awareness, brand association, brand image, brand intimacy brand trust and perceived value. In the PCP Market, the identified components are brand awareness, brand association, brand image, brand reputation,

brand trust, perceived value and brand loyalty. The higher impact on components of CBBE is seen in PCP market compared to markets for FBP and HHCP.

The highly viewed determinants of CBBE in HHCP are price fairness and functional benefits whereas in FBP, these are price fairness and intensive distribution. In the case of PCP, these are sales promotions and functional benefits. The significantly influencing determinants of CBBE on the overall CBBE appropriate functional benefits, corporate image and price fairness in FMCG market. The level of outcomes of CBBE in FMCG market is higher in the market for PCP compared to market for HHCP and FBP. The significantly and directly influencing determinants of CBBE on the overall outcomes of CBBE in HHCP are functional benefits, price fairness, sales promotions and intensive distribution whereas in the case of indirect effect, these determinants are aesthetic benefits, functional benefits, customer commitment, price fairness, sales promotions, intensive distributions and corporate image. In the case of market for FBP, higher total effect is made by the intensive distribution. In total of all these products in FMCG market, the total indirect effect is higher than its direct effect on overall outcomes of CBBE which indicates the significant mediator role of overall CBBE in between the determinants of CBBE and its outcome. Hence, the marketers are advised to focus on the ways to enrich the overall CBBE in order to reap the maximum benefit from the CBBE in the FMCG market.

The levels of outcomes of CBBE in FMCG market is measured by brand priority, positive word-of-mouth, repurchase intention and recommend to others. In the use of HHCP market, the highly viewed components of outcome are positive word-of-mouth and repurchase intention whereas in the case of FBP, these two components are brand priority and repurchase intention. In the case of PCP market, these two are repurchase intention and recommend to others. The significant difference among the three group of FMCG products are noticed in the case of view on all four components of outcomes of CBBE in FMCG market.

6.4 SCOPE FOR FUTURE RESEARCH

The present study will be a base for so many future research works. The future study may be extended its scope of study at State and National level. A comparative study on CBBE in FMCG market at two nearby states may be conducted as a separate research work in future. The future research may focus on the role of demographic variables in the determination of CBBE in FMCG market. The study on determinants of CBBE at various types of FMCG in a specific area may be treated as a separate research work in near future.

The Consumer Based Brand Equity as per the view of the marketers and the difficulties to build the CBBE in the FMCG market may be taken as future research work. The role of global branded product in the FMCG market and the level of CBBE among the consumer may be studied as a separate research work. The need for building of CBBE among the SMEs in India or Tamilnadu or any particular district may be studied in near future as a separate research work.