A COMPARATIVE STUDY ON THE PREFERENCE OF BRAND CHARACTERISTICS TOWARDS SELECT FMCG PRODUCTS

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ABSTRACT

Brand has its competitive advantage. Keller (2004), opines the essentiality of building strong twenty-first century brands with an alignment of internal, external and bottom up and top down brand management. Apart from brand, some situational factors like availability, price deals, etc. also favour the use of non-brand related heuristics to determine the purchase behavior especially in the cases of FMCG products. This paper mainly focuses of these factors in the case of FMCG products and compare by taking two products at a time. Their influence on purchase intention and brand delight are also tested.

KEYWORDS: *High Quality, Resonable Price, Easy Availability, Brand Reputation, Value For Money Good Package, No Side Effects and Purchase Intension*

INTRODUCTION

Kim Robertson (1989) stated that well-planned brand name will require less marketing money to achieve recall and image targets. Kim Robertson (1992) has presented that brand names lacking the characteristics described may still be successful in the market place due to the effects of a good promotional campaign. Emma Angus and Charles Oppenheim (2004) study results indicated that the most frequently occurring brand name characteristics of online information services are not necessarily the most effective in allowing users to distinguish the services that would be of most value to them. Three frameworks are suggested for the future branding of online information services. Kyoung-Nan Kwon, et al. (2008) have made an attempt to investigate the effects of perceived product characteristics on purchase intension. The study supported that there is moderate effect of brand characteristics on purchase intension.

Brand characteristics (indirect drivers) are perceived as particularly important for FMCG brands as they influence brand values indirectly through brand strength. Global brand attitude is directly linked to the central node around which brand equity is formed (Keller, 1993). The Global brand attitude component is defined as the highest order i.e., the most inclusive and the most accessible. It normally implies high preference intensity. Global brand attitude, however termed, plays a preeminent role in the representation of brand equity (Dyson, Farr and Hollis, 1996; Farquhar, 1989; Fazio, 1986). Repeated purchases of a brand alone may not necessarily imply high levels of brand equity. Some situational factors like availability, price deals, etc. also favour the use of non-brand related heuristics to determine the purchase behaviour. The next brand equity component is brand heuristic, which acts as a decision rule used by the consumer with high global brand attitude. Brand Heuristics can be defined as decision rules used by consumers that favour brands with high global brand

attitude. More favourable brand attitudes are posited to lead to stronger brand based heuristics.

RESEARCH METHODLGY

Keeping these reviews and it was focussed to study on these brand charactersitics variables and exclusively focussing on the influence on purchase intension.

The primary objective of this study is:

- To find the brand characteristics perceived by consumers about FMCG product and to compare with two products; and

- To check the influence of brand characteristics on purchase intension. The research design is descriptive. Questionnaire was used to collect the data. Two pretests were executed to identify which category of FMCG and which product and then it ended up in toilet soap and tooth-paste.

TOOLS USED FOR THE STUDY

Brand Characteristics

The Brand characteristics include various items like high quality, reasonable price, easy availability, brand reputation, value for money, good package and no side effects. These seven items have been selected to measure the ranking of consumers' preferences towards buying a toilet soap and toothpaste. The items used under this variable are adopted from Bauer et al. (2004) and modified according to the FMCG product category.

Purchase Intention

Purchase intention consists of two items, which are developed by Chen and He (2003). The items are 'buying the brand in future' and 'intend to keep purchasing this brand'. Pilot Study was carried out to ensure validity and reliability of the tool. By considering seven experts' opinion and by using CV ratio the validity was ensured as greater than 0.70. The Chorn bach value was found to be 0.82 for purchase intension.

Sample Size

To determine the sample size the following formula was applied.

$$N = \frac{\left[z_1 - \dfrac{\alpha}{2} \right]^2 (1-P)}{\varepsilon^2 \times P}$$

where 'P' is the brand equity level.

$$\left(Z_1 - \frac{\alpha}{2} \right)^2 = \text{table value}$$

ε^2 is the precision level.

Based on the pilot study the high brand equity level was found to be 21 percent. Assuming type I error at 5% level, the table value is 1.96. Fixing precision level as 15 per cent N has been calculated as 497. Assuming 5% of

redundancy, 520 was fixed as sample size. Hence, 520 questionnaires were distributed to respondents.

The sampling technique was convenience because it was intended to compare the perception of brand characteristics of two mostly used FMCG products. Hence, the respondents who where willing to participate were given priority so as to minimize error.

FINDINGS

Preferred Brand Characteristics among Toilet Soap Users

The most preferred brand characteristic for toilet soap was studied using to repeatedly measure the respondent once under each characteristic of the toilet soap. Therefore, it is a matched - respondents or repeated-measure design among 7 characteristics of the toilet soap. The results of the study is presented in table-4.3.

Table 1: Ranking of Brand Characteristics (Toilet Soap)

Items	Mean Rank	N	Chi-square	df	P-Value
High Quality	2.85				
Reasonable Price	4.02				
Easy Availability	4.43				
Brand reputation	4.41				
Value for Money	4.37	497	299.63	6	p<0.05
Good Package	4.66				
No side effect	3.25				

* Significant at 5% level

Ho: Opinion towards brand characteristics is similar among all the respondents on purchase of toilet soap. It is found that the χ^2 is significant at 0.05 level. On examination of the mean ranks obtained by each characteristic of the products, it is seen that "High quality" is the most important characteristic perceived by the respondents while purchasing the Toilet Soap. It is followed by "No side effect", "Reasonable price", "Value for money", Brand Reputation, Easy Availability and Good package in the decreasing order of merit. The reason for 'high quality' being in first place could be that toilet soap is a hygiene consciousness product. Further, the High quality dimension is reflected by the factors like color, odour, and medicinal value that are present in the product. Whereas the second factor 'no side effect' is preferred by most of the respondents, because the respondents expected the product not to cause any allergy symptoms while using it. Moreover, the respondents preferred to buy the toilet soap like Hamam, which is made out of natural ingredients and Medimix for its medicinal value. With regard to price of the product, respondents preferred to buy those products, which are reasonably priced.

The least preferred factor is 'good package' which is more related to promotional value, whereas 'high quality' and 'no side effects' are most preferred by many respondents due to personal care. There is significant difference in the preference of the customers on brand characteristics. Hence, (Ho) gets rejected.

Preferred Brand Characteristics among Toothpaste Users

Friedman's test was used to find the most preferred brand characteristics among toothpaste. The researcher

intended to repeatedly measure the respondent once under each characteristic of the toilet soap and hence Friedman test is used. Therefore, it is a matched - respondents or repeated-measure design among 7 characteristics of the toothpaste.

Ho: Opinion towards brand characteristics is similar among all the respondents on purchase of toothpaste.

Table 2: Preferred Brand Characteristics(Tooth-Paste)

Items	Mean Rank	Chi-square	P-value
High Quality	4.40		
Reasonable Price	4.65		
Easy Availability	3.21		
Brand reputation	2.91		
Value for Money	3.97	229.64	0.05
Good Package	4.44		
No side effect	4.41		

*Significance at 5% per cent level

The results of the technique and the chi-square (χ^2) statistic are presented in table-4.20. It is found that the χ^2 = 229.64 is significant at 0.05 level. Hence, the stated hypothesis is rejected. On examination of the mean ranks obtained by each characteristic of the products, it is seen that brand reputation is the most important characteristic perceived by the respondents while purchasing the toothpaste. The reason could be that only few major players are in the toothpaste market. Respondents who use a brand for longer period may not test a new brand because of the reputation customer have with that brand. However, he/she may preferably buy the extended version of the brand.

Brand reputation is followed by easy availability, value for money, high quality, no side effect, good package and reasonable price. In the case of toilet soap, packaging is the least preferred brand character. But, in the case of toothpaste 'reasonable price' is the least preferred brand character. The reason could be that the usage rate is less and the number of users of toothpaste in the family is more when compared to that of toilet soap.

Comparison

In the case of soap the consumers opined that high quality is the most important factor; but, in the case of toothpaste that was not so it resulted in brand reputation. The second one was no side effect but in this case, it were easy availability and value for money. All other four factors were having mean value greater than 4.0. Soap being used externally their preference were quality and avoidance of side effects. In the case of paste preference was given brand. It is found that there is difference in the preference in brand characteristics of these two products.

Influence on Purchase Intension

Table 3: Predictors of Purchase Intention (Toilet Soap)

Variables	β Coefficients	Sig.	F	p-Value	R2	Adjusted R2
High quality	0.261	0.001*				
Reasonable price	0.253	0.001*				
Easy Availability	0.151	0.001*				
Brand Reputation	0.203	0.005*				
Value for money	0.213	0.001*	28.622	p < 0.05	0.397	0.387
Good package	0.125	0.001*				
No side effect	0.257	0.001				

* Significant at 1%

It is observed from the multiple regression analysis that the selected brand characteristics predicted purchase intension of toilet soaps to an extent of 38.70 per cent. This model is a good fit because F-value is 28.62 and found to be significance at five per cent level. High quality nature of the product predicts to the extent of 0.26 implied that to increase one percent of change in the dependent variable the quality improvement needs to be 0.26. Similarly the next variable contributing to purchase intension is no side effect to the tune of 0.26. This is followed by the other variables such as reasonable price, value for money, brand reputation, easy availability and good package in the same order. So to increase purchase intension the focus should be in the factors of importance.

Table 4: Predictors of Purchase Intention (Tooth-Paste)

Variables	β Coefficients	Sig.	F	p-value	R2	Adjusted R2
High quality	0.165	0.001*				
Reasonable price	0.087	0.002*				
Easy Availability	0.295	0.001*				
Brand Reputation	0.452	0.002*				
Value for money	0.219	0.001	60.83	p < 0.05	0.597	0.485
Good package	0.092	0.003*				
No side effect	0.128	0.002*				

*Significant at 1%

The multiple regression analysis indicated it is a good model because the F-value is 60.83 and significant at 5% level. The selected independent variables predicts purchase intension to the tune of 48.5 per cent. The highly contributing variable is brand reputation followed by the factors easy availability, value for money, high quality, no side effect, good package and reasonable price in that order.

Comparison

The prediction of brand characteristics is high in the case of tooth-paste compared to soap. In both the products all the variables are significantly contributing. But, Soap is most decided by the quality and paste by the brand. No side effect had second level of priority in the case of soap; but, in the case of paste

SUGGESTIONS

It is found that for external use respondents focus more on specifically quality and having no side effects. But, in the case of toothpaste quality is more important but they focus on brand and easy availability. To increase the purchase intension of soaps it is important to focus on quality and no side effects. These two factors are to be focused. In the case of toothpaste brand and easy availability and value for money is to be focused.

LIMITATIONS

This research has the following limitations:

- This research focuses only on limited variables, which are identified as brand characteristics.

- The study has been conducted only in two places of Tamilnadu and the results may not be similar for other places.

- Adequate caution must be taken while generalizing the findings of the study due to reasons like occupation, location, educational background of the respondents, and sample size, since the involvement may not be the same while responding to the questionnaire.

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