

A STUDY ON BRAND LOYALTY IN INDIAN FMCG MARKET WITH SPECIAL REFERENCE TO PERSONAL CARE PRODUCTS IN VELLORE AND THIRUVANNAMALAI DISTRICT

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ABSTRACT

This research work entitled “Study on brand loyalty in Indian FMCG market with special reference to personal care products in Vellore and Thiruvannamalai District” carried out by the researcher to have a clear insight into the brand loyalty and to understand the consumer thinking towards brand loyalty of personal care products at Vellore & Thiruvannamalai Districts. The present study has been carried out at Vellore & Thiruvannamalai Districts, Tamil Nadu. For studying the consumer’s brand loyalty of personal care products, selected personal care products like (Toilet soap,shampoos,cosmetics,deodorants) are taken. This study reveals the various perception of brand loyalty, and the factors which taken into account were-quality of product offered, brand price, brand value, brand satisfaction, brand trust, brand loyalty by emotion, brand loyalty by behavior etc.The study area is confined to the sample population in Vellore and Thiruvannamalai district. In the primary stage Vellore & Thiruvannamalai districts are divided into 21 strata based on geographical segment (9 Taluks in Vellore & 12 taluks in Thiruvannamalai) again that 21 strata’s are divided into 3 strata based on income(Upper class,middle class & lower class.)

In the later stage respondents were selected by adopting convenience sampling from each stratum A well structured Questionnaire is used to collect primary data. Sample size is 231. The researcher adopted stratified random sampling for the study. The data was analyzed using the statistical tools like percentage analysis, chi square and ANOVA.This study provides the level of brand loyalty about personal care product and up to how much level of their expectations met and to determine the various factors which influencing the brand loyalty and offer suggestions to personal care product companies to enhance value added service to consumers.

Key Words: brand loyalty, consumer perception, brand value, brand trust, brand satisfaction post purchase behavior etc...

Introduction

Brand loyalty is defined as “the interplay of forces that takes place during a consumption process, within consumers self and its environment. The communication takes place between three elements viz. knowledge, discrimination and behavior; it persists through pre-purchase activity to the post purchase experience; it includes the stages of evaluating, acquiring, using and disposing of goods and services”.

Branding is a set of marketing and communication methods that help to distinguish a company or products from competitors, aiming to create a lasting impression in the minds of customers. The key components that form a brand's toolbox include a brand’s identity, brand communication (such as by logos and trademarks etc.), brand awareness, brand loyalty, and various branding (brand management) strategies.

Brand research takes place at every phase of utilization process, before the purchase, during the purchase and after the purchase. It is concerned with learning the specific meanings that products hold for consumers. The term consumer is used to denote two different kinds of consumers, entitled that are personal or individual consumer and organizational consumer. The personal consumer is the individual who buys good and services for his own use or for his household usage. They buy goods for ultimate consumption; hence, they are called as „end users“, or „Ultimate users“.

Brand's identity may deliver four levels of meaning: attributes, benefits, values, personality. A brand's attributes are a set of labels with which the corporation wishes to be associated. For example, a brand may showcase its primary attribute as environmental friendliness. However, a brand's attributes alone are not enough to persuade a customer into purchasing the product. These attributes must be communicated through benefits, which are more emotional translations. If a brand's attribute is being environmentally friendly, customers will receive the benefit of feeling that they are helping the environment by associating with the brand. Aside from attributes and benefits, a brand's identity may also involve branding to focus on representing its core set of values.

If product or service is new or unique, the task of branding is made easier. Since there are no pre-existing biases toward the product or service, it will be easy to manipulate customer attitudes.

The varying demographic profile of the population in terms of education, income, size of family and so on, are very imperative by what will be more substantive in days to come will be the psychographics of customers that is how they feel, think or behave when comes to branded product. Brander will have to continually monitor and comprehend the primary Psychographics to map their relevant industries are moving and decide what required to be done, by way of toting up value that stimulates customers to buy the company's brand and empower the potential industry structure. The acquaintances of the consumer brand loyalty assists the marketer to understand how consumers think, feel and select from alternative brands and how the consumers are predisposed by their environment, the reference groups, family, and salespersons and so on. A brand loyalty behavior is influenced by brand price, value, trust, availability, satisfaction and psychological factors. Most of these factors are irrepressible and beyond the hands of brander but they have to be carefully measured while trying to comprehend the multifaceted behavior of the consumers.

This study is mainly deals with knowing the level of brand loyalty and post purchase behavior. Changing brand preference of customers in today's scenario is unpredictable as there are so many best option for customer in personal care product selection. The competition is cutthroat in term of brand price, brand value, brand trust & brand satisfaction. The FMCG markets find India to be a potential hub to market their products. But then to the consumer behavior on brand loyalty has to be known to attract towards personal care product.

OBJECTIVES OF THE STUDY

- To assess the various factors which influence on brand loyalty among consumers in Vellore and Thiruvannamalai District, Tamilnadu
- To identify the consumer brand preferences towards personal care products among consumers in Vellore and Thiruvannamalai District, Tamilnadu.
- To analysis the consumer awareness towards brands, and reason for brand preference among consumers in Vellore and Thiruvannamalai District, Tamilnadu.

SCOPE OF THE STUDY

- This paper will help to understand the brand loyalty of consumer towards purchasing a branded personal care products. It also opens the various factors which can affect the consumer brand loyalty of Vellore & Thiruvannamali Districts.

- This study will also provides a frame of consumer mind that what are the exceptions of a particular brand and up to how much level this expectation met. To know whether they recommend that particular brand to others or not.
- The report facilitated to acquaint about the brand loyalty outlook and opinion. It also assisted to know the dissimilar services offered by personal care product companies.

To make the study comprehensive, four category products belonging to the personal care segment of FMCG has taken which is used by both men and women in Vellore & thiruvannamalai district. They are

1. Toilet Soaps
2. Shampoos
3. Cosmetics
4. Deodorants

For the purpose of study primary data regarding the various aspects of brand loyalty are gathered from the customers belonging to the Vellore and thiruvannamalai District, TamilNadu.

Research methodology

The methodology of research indicated the general pattern of organizing the procedure for gathering valid and reliable data for the description of the research design, development. The research method adopted in the study is descriptive research to collect the required information from the customers.

Data Collection: The present study uses both the primary and secondary data extensively. For collecting primary data, field survey technique is going to use in the study area, Vellore district, Tamil Nadu. Information pertaining to brand awareness, elements, communication, identity & trust was also collected as secondary data from various magazine & website from Internet.

Sampling Size

There were 9 Taluks in Vellore & 12 taluks in Thiruvannamalai The sample were been chosen using stratified random sampling considering each taluk as a separate strata

The sample comprises of 100 respondents evenly distributed among Vellore & Thiruvannamalai districts of Tamilnadu involving all the income segments.

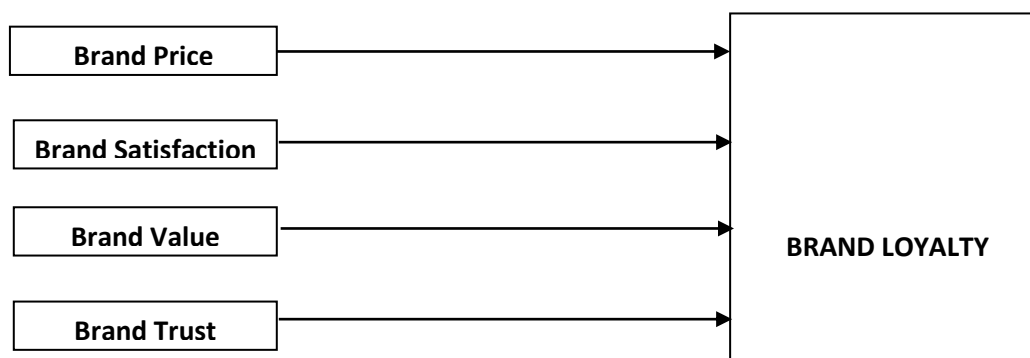
Statistical Tools used

The primary & secondary data collected was analyzed with appropriate Statistical technique to arrive at meaningful conclusion. The statistical tests used in the study include, Simple Percentage analysis, ANOVA test & Chi-square test

Research Framework

Independent Variable

Dependent Variable



HYPOTHESES

1. H_0 :Brand Price, Brand Trust, brand Value, and Brand Satisfaction having no significant effect on Brand loyalty by Evaluation.
2. H_0 : There is no significant relationship between branding factors like Price, Trust, Value, and Satisfaction with over all Brand loyalty
3. H_0 : There is no significant association between preferred Brands with reasons for preference among soap, shampoo, cosmetics & deodorant products.

Limitation of the study

The present study is confined to personal care product of FMCG segment and is restricted to Vellore & Thiruvannamalai Districts of Tamilnadu. The study results are mainly derived from primary data. The accuracy of the data may be varying with passage of time and place. The findings and results are based on the respondents' opinion only.

LITERATURE REVIEW:

Eyup Akın (2012) found in his study that the assessments on the basis of loyalty and consciousness deviated in time and the conceptual infrastructure of the view that loyalty is a conscious and no loyalty is an unconscious attitude and/or behavior corrupted. An understanding that bases the responsibility of loyalty on the company and the responsibility of no loyalty on customer and unconsciousness of the customer is both a glib and problematic understanding focused on the company/brand rather than the customer.

Rose Leahy (2008) examines the concept of brand loyalty in Fast Moving Consumer Good (FMCG) markets. The primary objective of his study was to explore why loyalty develops in FMCG markets from the consumers' perspective. In addition, his study explored the consumers' perspective on the types of bonds that exist in FMCG markets and the role of bonds in the development of brand loyalty. The dominant conclusion arising from his study was that brand loyalty exists in FMCG markets for both cognitive and emotional reasons. Essentially his research determined that the development of brand loyalty is predicated on the development of customer-brand bonds. He concludes that the challenge for marketers is to develop and nurture the bonds that lead to and that can strengthen brand loyalty. He also concludes that brand loyalty studies in the future should focus on both cognitive and emotional reasons for brand loyalty and the role of bonds therein. Exploring brand loyalty in this way should assist in the analysis of and understanding of brand loyalty in FMCG markets and should consequently result in the development of effective marketing strategies designed to build brand loyalty.

Pawan Garga, et al.,(2009) has explained the domain of Rural Marketing for the select FMCGs for the state of Punjab with an objective to develop an insight into the buying behaviour of rural consumers. Instead of smaller packages, medium packages were reported to be the most preferred with only exception of shampoo. The quality of goods stocked by the rural retailer was reported to be average and majority of respondents reported lack of trust in the matter of the advertisement with significant variations across the different districts. From testing of hypothesis relationship was observed to be existing: between consumer's purchase decisions on the basis of price and the select FMCG product categories; consumer opinion about inferior quality of loose products and district of respondents; consumer's opinion about the quality of products stocked by rural retailer and district to which they belong; rural consumer's trust on the matter of the advertisements and the different districts. It is recommended that neither rural Punjab should be treated as single homogeneous market nor different FMCG products categories be planned in a similar manner. Specific marketing strategies based on the different elements of Marketing Mix have also been developed in the paper.

Bamini KPD.Balakrishnan. et al.,(2009) examines the roles of the perception of brand personality in consumers' brand preference and loyalty. The research conducts a survey of 300 adults in Malaysia with regard to brand personality, brand preference and loyalty in investigating two foreign brand coffee outlets, Starbucks and Coffee Bean. A questionnaire was used to gather data from respondents in various cities in Malaysia using purposive and convenience sampling methods. Statistical tests including factor analysis, reliability analysis and multiple regressions were utilized. The results of the analysis revealed that there are differences in consumer's perception on brand personality attributed to foreign coffee outlet brands. The results indicate that Starbucks is a better brand than Coffee bean. The result shows that brand personality has a strong effect and influence on brand preference and consumer loyalty. The study suggests that intangible attributes contribute to brand perceptions, consumer preference and loyalty. The research findings provide useful insights for practitioners, brand managers and academicians.

Nigam (2009) reveal that the reactions to cosmetics, toiletries, and topical applications are the commonest single reason for hospital referrals with allergic contact dermatitis. In most cases, these are only mild or transient and most reactions being irritant rather than allergic in nature. Various adverse effects may occur in the form of acute toxicity, percutaneous absorption, skin irritation, eye irritation, skin sensitization and photosensitization, subchronic toxicity, mutagenicity/genotoxicity, and phototoxicity/photirritation. The safety assessment of a cosmetic product clearly depends upon how it is used, since it determines the amount of substance which may be ingested, inhaled, or absorbed through the skin or mucous membranes. Concentration of ingredients used in the different products is also important.

DATA ANALYSIS AND INTERPRETATION

Table No.1-RELIABILITY STATISTICS

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.988	.991	8

- Cronbach's Alpha value of 18 items are $\alpha=0.991$. This value is excellent and highly accepted. It clearly shows that, 8 items are highly reliable and internally consistent.

CHI-SQUARE:

Null hypothesis H₀: There is no significant difference between satisfaction levels towards branded personal care product based on age of the respondents.

Alternative hypothesis H₁: There is a significant difference between satisfaction levels towards branded personal care products based on age of the respondents.

Table no.2-Chi-square comparison age of the respondents and satisfaction level towards branded personal care products:

Description		Satisfaction level towards vcare products				Total
		highly satisfied	satisfied	partially satisfied	dissatisfied	
Age of the	18-24	20	0	0	0	20

respondents	25-30	30	10	0	0	40
	31-35	0	20	10	0	30
	above 35	0	0	0	10	10
Total		50	30	10	10	100

Chi-Square Tests			
Description	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	171.111 ^a	9	.000
Likelihood Ratio	150.479	9	.000
Linear-by-Linear Association	73.537	1	.000
N of Valid Cases	100		
a. 9 cells (56.3%) have expected count less than 5. The minimum expected count is 1.00.			

RESULT: P value = .000 lesser than the 0.05 hence H_1 is accepted. Therefore there is significant difference between these satisfaction levels towards branded personal care products based on age of the respondents.

CORRELATION

Null hypothesis (H_0): There is no relationship between gender of the respondents and perception of brand avoids risk.

Alternate hypothesis (H_1): There is a relationship between gender of the respondents and perception of brand avoids risk.

Table No 3 :Correlation Relationship Between Percetion Brand Risk Based On Respondents Gender

Description		Gender of the respondents	Brand avoids risk
Gender of the respondents	Pearson Correlation	1	.540**
	Sig. (2-tailed)		.000
	N	100	100
Brand avoids risk	Pearson Correlation	.540**	1

	Sig. (2-tailed)	.000	
	N	100	100
**. Correlation is significant at the 0.01 level (2-tailed).			

RESULT: P value = .000 lesser than the 0.05 hence H_1 is accepted. There is a significant difference between perception of brand avoids risk based on gender of the respondent.

SUGESSTION

- 1) To improvise the brand of the product as per the preference of the customer.
- 2) The customers felt that the product should be available in all the outlets so that they can purchase when ever required.
- 3) To concentrate more on promotion of the product as most of the customers are not aware of the Vcare.
- 4) To increase its service by using latest technology in order to create the demand.
- 5) The organization must also concentrate on better marketing strategies.

CONCLUSION

The consumer brand loyalty is apparently decreasing in recent times, attributed to several factors, viz., sophisticated advertising appeals and heavy media support, similarity of products in form, content, price, communication, sales promotion tactics of mass displays, coupons, and price specials that appeal to consumer impulse buying, general fickle mindedness of consumers in buying behaviour, growth of new products competing for shelf space and consumer attention. The reason for variation in the degree of brand loyalty is an important area of study in the vast understanding of consumer behaviour. These differences in brand loyalty are affected by demographic factors and studying the significance of demographic factors in determining brand loyalty may help the marketers in redesigning the marketing strategy to increase brand loyalty for their products which has several benefits to the marketers and the organizations.

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