BRAND EQUITY FOR LEVERAGING BUSINESS PERFORMANCE OF FAST MOVING CONSUMER GOODS COMPANIES

THESIS

Submitted in partial fulfillment of the requirements for the degree of

DOCTOR OF PHILOSOPHY

By

BIJUNA C MOHAN

DEPARTMENT OF HUMANITIES, SOCIAL SCIENCES AND MANAGEMENT
NATIONAL INSTITUTE OF TECHNOLOGY KARNATAKA
SURATHKAL, MANGALORE – 575025
MAY, 2013

DECLARATION

by the Ph.D. Research Scholar

I hereby *declare* that the Research Thesis entitled, ***Brand Equity for Leveraging Business Performance of Fast Moving Consumer Goods Companies*** which is being submitted to the **National Institute of Technology Karnataka, Surathkal** in partial fulfillment of the requirements for the award of the Degree of **Doctor of Philosophy** in the department of **Humanities, Social Sciences and Management** is a *bonafide report of the research work carried out by me*. The material contained in this Research Thesis has not been submitted to any University or Institution for the award of any degree.

081012HM08P01, BIJUNA C MOHAN

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(Register Number, Name & Signature of the Research Scholar)

Department of Humanities, Social Sciences and Management

Place: NITK-Surathkal
Date:

CERTIFICATE

This is to *certify* that the Research Thesis entitled, ***Brand Equity for Leveraging Business Performance of Fast Moving Consumer Goods Companies***, submitted by **Bijuna C Mohan, (Register Number: 081012HM08P01)** as the record of the research work carried out by her, is *accepted as the Research Thesis submission* in partial fulfillment of the requirements for the award of degree of **Doctor of Philosophy**.

Research Guide(s)
Prof. A.H Sequeira
(Name and Signature with Date and Seal)

Chairman - DRPC
(Signature with Date and Seal)

Dedicated to

My Affectionate Parents

Sri C.V.Chandramohan and Smt. Vijayakumari. K

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ABSTRACT

Globalization and liberalization of markets, has increased the intensity of competition faced by different organizations and hence the pressure to perform better is high. In order to fight competition companies spend huge amount on brand building activities. There is a need to study the implication of these on the performance of the business. Fast Moving Consumer Goods Industry (FMCG) is one of the fastest growing industries in India. This research focuses to identify the interrelations between the customer-based brand equity and business performance for the FMCG industry in India. Brand equity was approached from the perspective of the consumer. The literature review provides little research evidence where brand equity can be leveraged for business performance in the FMCG industry. There is immense need to focus on the concept of brand equity which can be leveraged for business performance

The study merges both descriptive and exploratory approaches in order to provide a comprehensive analysis of the research problem. The study used structured and clearly stated hypotheses and involved testing the objective theories by examining the relationship among the variables. These variables were measured using questionnaires. Data on both financial performance and operational performance was collected from published external secondary sources and computerized database. Samples were chosen from the five States of Madhya Pradesh, West Bengal, Gujarat, Karnataka and Punjab based on probability and non-probability sampling. Descriptive and inferential statistics was applied to analyze the data.

The four components of brand equity, appears to play a more dominant role in determining a brand's equity for FMCG products. Brand association emerged as the largest contributor to brand equity. The results convey that measures of consumer-based brand equity are accurate reflections of business performance in the marketplace, particularly with the operational performance. Brand loyalty had the highest influence on operational performance. The findings of this study will not only enrich the field of research pertaining to the use of brand equity for leveraging business performance, but also helps brand managers of FMCG companies to manage their brands effectively and efficiently.

Key words- Brand equity, brand loyalty, brand association, perceived quality, brand awareness, business performance.

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ABBREVIATIONS

BA	Brand Awareness
BAss	Brand Association
BCG	Boston Consulting Group
BE	Brand Equity
BL	Brand Loyalty
CAGR	Compound Annual Growth Rate
CII	Confederation of Indian Industries
CPG	Consumer Packaged Goods
EPS	Earnings Per Share
EVA	Economic Value Added
FDI	Foreign Direct Investment
FICCI	Federation of Indian Chambers of Commerce and Industry
FMCG	Fast Moving Consumer Goods
GDP	Gross Domestic Product
GPCL	Godrej Consumer Products Limited
GST	Goods and Service Tax
HUL	Hindustan Unilever Limited
IBEF	India Brand Equity Foundation
MNC	Multi National Company
NREGS	National Rural Employment Guarantee Scheme
P&G	Procter & Gamble
PQ	Perceived Quality
PwC	Pricewaterhouse Coopers
RI	Residual Income
ROCE	Return on Capital Employed
ROI	Return on Investment
SPSS	Statistical Package for Social Sciences
TGBL	Tata Global Beverages Limited

CHAPTER 1

INTRODUCTION

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1.1 CHAPTER OVERVIEW

This chapter highlights the emergence of the Fast Moving Consumer Goods (FMCG) industry as one of the fastest growing industry in India and discusses the relevance of the study in the Indian FMCG industry. The chapter introduces the topic of study and the scope of this thesis. The chapter is divided into eighteen sections. It begins with the background of the study in section 1.2. Section 1.3 and 1.4 introduces the topics brand equity and business performance respectively. A review of the Indian economy is done in section 1.5. Section 1.6 introduces the FMCG industry. Section 1.7 introduces the Indian FMCG industry. Section 1.8 focuses on the growth of FMCG industry in India. Section 1.9 brief about the FMCG industry growth drivers. This section is further sub divided into sub sections which briefs about the growth drivers like population, growing middle class, per capita income, changing consumer profile and government policies. Section 1.10 deals with changing industry dynamics. Section 1.11 describes the key FMCG players in India. Section 1.12 outlines the need for the study. Section 1.13 explains the statement of the problem. Section 1.14 provides the research questions identified. Section 1.15 specifies the research objectives. Section 1.16 describes the significance of the study and section 1.17 discusses the scope. Finally, the overall structure of the thesis is outlined in section 1.18.

1.2 BACKGROUND OF THE STUDY

Brands are among a company's most valuable assets, and smart companies today realise that capitalizing on their brands is important. Doing so can help them achieve their growth objectives more quickly and more profitably (Davis 2002). Brands have a remarkable ability to impact the way people view products. Consumers rarely just see a product or service; they see the product together with the brand. As a result how the product is perceived is shaped by the brand. The brand can elevate or diminish the product. Creating and building brands are the greatest challenges faced by the marketers. (Calkins et al. 2005).One of the most popular and potentially important marketing concepts which has been extensively discussed by both academicians and practitioners over the past decade is brand equity.

1.3 BRAND EQUITY

Brand equity, when correctly and objectively measured, is the appropriate metric for evaluating the long run impact of marketing decisions (Simon & Sullivan 1993). Positive customer- based brand equity, in turn, can lead to greater revenue, lower costs and higher profits, and it has direct implications for the firm's ability to command higher prices, customer's willingness to seek out new distribution channels, the effectiveness of marketing communications and the success of brand extensions and licensing opportunities(Keller 2003).

Brand equity research, has provided more specific evidence on the strategic importance of brands, and its value for firms, stockholders and consumers (Riezebos 1994). The primary capital of many firms consists of their brands. For decades the value of a firm was measured in terms of its real estate, the tangible assets, plants and equipment. When reflecting a consumer or marketing perspective, brand equity is referred to as customer-based brand equity. The term- brand equity in this research is used interchangeably with customer-based brand equity. Subscribers to this approach tend to focus on the value created by marketing activities as perceived by customers (Mackay et al. 1997).

The organizations usually move away from defining and measuring performance or effectiveness. But this is not a viable one. According to Drucker (2001) "You can't manage what you don't measure". It will be difficult to understand where the businesses is heading if the long term health and stability of the organizations is not monitored and measured across multiple dimensions — from cash flow to productivity to return on investment. Hence the effect of brand equity on the performances of organizations has greater relevance.

1.4 BUSINESS PERFORMANCE

Performance is a recurrent theme in most branches of management, including strategic management, and it is of interest to both academic scholars and practicing managers. While prescriptions for improving and managing organizational performance are widely available (Nash 1983), the academic community has been preoccupied with discussions and debates about issues of terminology, levels of analysis (i.e. individual, work-unit, organization as a whole), and conceptual bases for assessment of performance (Ford & Schellenberg 1982).

A revolution in performance measurement has emerged (Eccles, 1991), urging organizations to place emphasis on non-financial performance measures. For a number of years now, commentators have exhorted organizations to use more 'balanced' measurement practice in an attempt to complement the traditional financial performance measurement. As organizations attempted to measure and manage the demands for value creation, attention began to shift away from the sole use of financial measures (Hayes &Abernathy 1980).

The fact that marketing must become financially accountable is universally accepted though it is not always clear what that means in practice (Wyner 2004). Return on marketing investment has different meanings in different situations. It is said that companies that implement Return on Investment (ROI) programmes, with integrated measurement of expenses and performance, typically show meaningful ROI gains within two years (Cook 2004).

Due to globalization and liberalization of markets, competition faced by different organizations has become more and more intense, and hence the pressure to perform better is high. This research focuses to identify the interrelations between the customer-based brand equity and business performance for fast moving consumer goods (FMCG) industry in India. FMCG industry is the fourth largest sector in the Indian economy.

The findings of this study will not only enrich the field of research pertaining to the use of brand equity for leveraging business performance, but also helps brand managers of FMCG companies to manage their brands effectively and efficiently.

1.5 INDIAN ECONOMY

The growth of Indian economy for the year 2011-12 was 6.9 percent and this was attributed to weakening industrial growth. But despite the low growth figure of 6.9 percent, India remains one of the fastest growing economies of the world as all major countries including the fast growing emerging economies are seeing a significant slowdown. India is projected to be the second fastest growing major economy after China. Outlook for growth and stability is promising with real Gross Domestic Product (GDP) growth expected to pick up to 7.6 percent in 2012-13 and 8.6 percent in 2013-14 (Press Information Bureau 2012).

With a population in excess of 1.21 billion, Indian economy is being driven by the purchasing power of a burgeoning middle class as wealth steadily trickles down to the bottom of the economic pyramid. Given this brisk growth, domestic industries are in a race against time to ramp up capacity, increase production, and achieve market access via channels of distribution. One sector that is expected to bear the brunt of this demand is the FMCG industry with retail sales expected to top $40 billion by 2015 (India Brand Equity Foundation [IBEF] 2008). Real estate development in the country such as the construction of shopping malls and hypermarkets in India is on a rise and these are opening up new marketing channels for FMCG companies. According to the estimates in 2008, household income in the top 20 boom cities in India is projected to grow at 10 percent annually over the next eight years (Dodhal 2008).

1.6 FAST MOVING CONSUMER GOODS (FMCG)

Fast Moving Consumer Goods are also known as Consumer Packaged Goods (CPG). FMCGs are products that have a quick turnover, and relatively low cost. FMCG products are those that get replaced within a year and they constitute a major part of consumers' budget in many countries. Marketing of FMCGs plays a pivotal role in the growth and development of a country irrespective of the size and population. It is a fact that the development of FMCG marketing has always kept pace with the economic growth of the country. The FMCG sector primarily operates on low margin and therefore success very much depends on the volume of sales (Sarangapani & Mamatha 2008).

1.7 INDIAN FMCG INDUSTRY

FMCG is the fourth largest sector in the Indian economy. It has grown consistently over the last 3-4 years, including the last 12 months of economic slowdown (FICCI & Technopak 2009). As it is meeting the every-day demands of consumers, it will continue to grow. An increase in spending pattern has been witnessed in Indian FMCG market. There is an upward trend in urban as well as rural market and also an increase in spending in organized retail sector. India is the second largest country in terms of population growth and increase in population has a direct relation to FMCG products (Babaria & Dharod 2009).

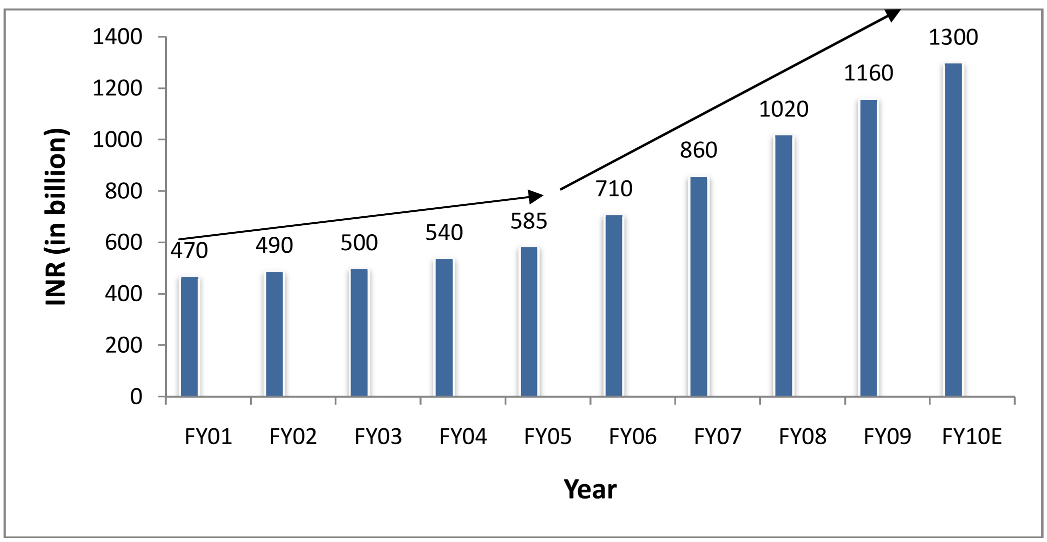
Hence it clear that FMCG sector is one of the most important sectors for each and every economy. It plays a vital role being a necessity product which touches every life in one or the other aspect. The FMCG industry remained insulated from inflation led demand slowdown. Even during the slowdown of the economy, the FMCG sector has registered a growth rate of 14.5 per cent for the year 2007-08 (Hem Securities 2009). There is a huge growth potential for all the FMCG companies as the per capita consumption of almost all products in the country is amongst the lowest in the world. Hence among the various industries, the study focuses on the FMCG sector in India.

India’s FMCG sector creates employment for more than three million people in downstream activities. The Indian FMCG industry is over INR 1300 billion in size (Confederation of Indian Industries [CII] 2010). The principal constituents of the FMCG sector are household care, personal care and food & beverages. Food products is the largest consumption category in India, accounting for nearly 21 per cent of the country’s GDP (IBEF 2010).

The Indian FMCG sector has a strong presence by multinational companies (MNC) and is characterized by a well established distribution network. There is intense competition between and within the organized and unorganized segments and the companies survive on low operational cost. Availability of key raw materials, cheaper labor costs and presence across the entire value chain gives India a competitive advantage (IBEF 2006).

1.8 GROWTH OF THE FMCG INDUSTRY IN INDIA

The industry has tripled in size over the last 10 years, growing much faster than in past decades. This has been facilitated by the many changes in the Indian economic and industrial landscape—reduced levels of taxation, easier import of materials and technology, reduced barriers to entry of foreign players, growing organizational maturity of Indian players, growth of media and of course the growing affluence and appetite for consumption of the Indian consumer. The sector witnessed a robust growth of approximately 11 per cent in the last decade, almost tripling from INR 470 billion in FY2001 to the current size of INR 1300 billion (Figure 1.1).



Source: CII 2010

FIGURE 1.1

Historical Growth of the FMCG Industry (in INR Billion)

The last few years have augured well for the industry with an annual growth rate of approximately 17 per cent since FY2005. Even in the meltdown years of FY2008 and FY2009, the FMCG industry witnessed sustained growth rates of 14 per cent and 11 per cent, respectively, demonstrating that unlike other sectors, this sector was relatively recession-proof (CII 2010) Indian FMCG sector size poised to reach US$ 43 billion by the year 2013 and US$ 74 billion by the year 2018 is growing annually at 10-12 percent. By the year 2025, total consumption is likely to quadruple making India the fifth largest consumer market (Business Standard 2009). Organized retail is expected to grow by 14-18 percent by the year 2015 thereby boosting the FMCG growth (Ministry of Finance 2010; IBEF 2010).

An average Indian spends around 40 per cent of his income on grocery and 8 per cent on personal care products. The large share of FMCG in total individual spending along with the large population base is another factor that makes India one of the largest FMCG markets (IBEF 2006). Even on an international scale, total consumer expenditure on food in India which is at US$ 120 billion is amongst the largest in the emerging markets, next only to China. The growth in food and beverages is the highest among other constituents of the FMCG industry (IMRB International 2011) (Table 1.1).

TABLE 1.1

FMCG Growth Rate

	ALL INDIA URBAN			
	Volume growth (percent)		Value growth (percent)	
	2010 over '09	2011 over '10	2010 over '09	2011 over '10
Personal Care	4	3	10	10
Household Care	9	3	9	6
Food & Beverages	1	4	2	6
FMCG	2	4	4	7

Source: IMRB International 2011

1.9 FMCG INDUSTRY GROWTH DRIVERS IN INDIA

Several forces have been identified at work within and outside the industry which drive the growth of FMCG industry. Favorable macroeconomic drivers such as the estimated growth in GDP, coupled with rising incomes, increased participation of women in the workforce and the tapping of the rural markets, are seen to be enabling growth in the FMCG sector. Few important FMCG drivers are discussed in detail:

1.9.1 Growth in GDP

India’s economic growth over the last decade has been quite remarkable. Real GDP growth was approximately 8 percent annually over that period, driven by a combination of rising investment as well as consumption demand and greater productivity growth. The demand from a growing working-age population will continue to drive consumption demand. Over the next decade, as this population earns, consumes and saves more, these factors could contribute about 4 percent annually to India's GDP (Goldman Sachs 2012).

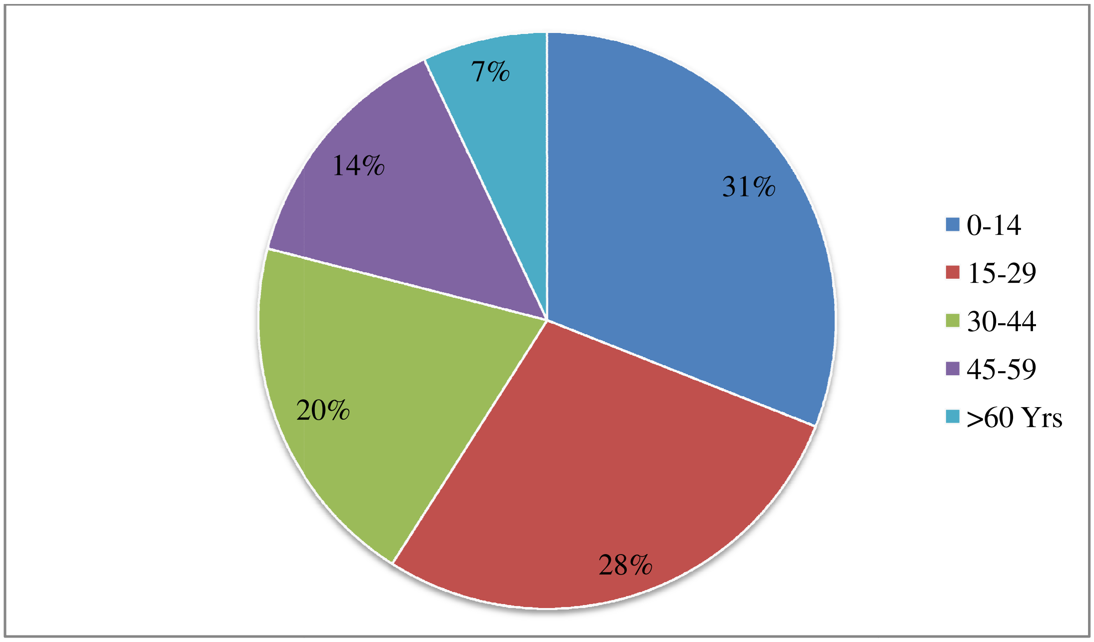
1.9.2 Population

India is one of the largest emerging markets, with a population of over one billion. India is one of the largest economies in the world in terms of purchasing power and has a strong middle class base of 300 million. For the first time since independence, the absolute increase in population is more in urban areas than in rural areas. The rural- urban distribution is 68.84 percent to 31.16 percent. Level of urbanization increased from 27.81 percent in 2001 to 31.16 percent in 2011.Whereas the proportion of rural population declined from 72.19 percent to 68.84 percent in 2011(Ministry of Home Affairs 2011). India is among the world’s youngest nations, with a median age of 25 years (Figure 1.2) as compared to 43 in Japan and 36 in the US. This, coupled with a large population and rapidly evolving consumer preferences, has translated into a large market opportunity for FMCG players (Bhat 2001).

The Indian cities are currently growing at a rate of around ten million people per year. It is forecasted that over the next twenty years around 300 million Indians will migrate to the large cities right across India (CII 2010).

1.9.3 Growing Middle class

Burgeoning Indian population, particularly the middle class and the rural segments, presents an opportunity to the makers of branded products to convert consumers to use branded products. A new middle class of around 300 million people forms the economic backbone of the country. This class is growing by around 100,000 people every day and these are consumers with money to spend (IBEF 2006). Demand for FMCG will be driven by a rise in the share of the middle class from 67 percent in 2009 to 88 percent in 2015 (Maheshkumar 2010).



Source: CII 2010

FIGURE 1.2

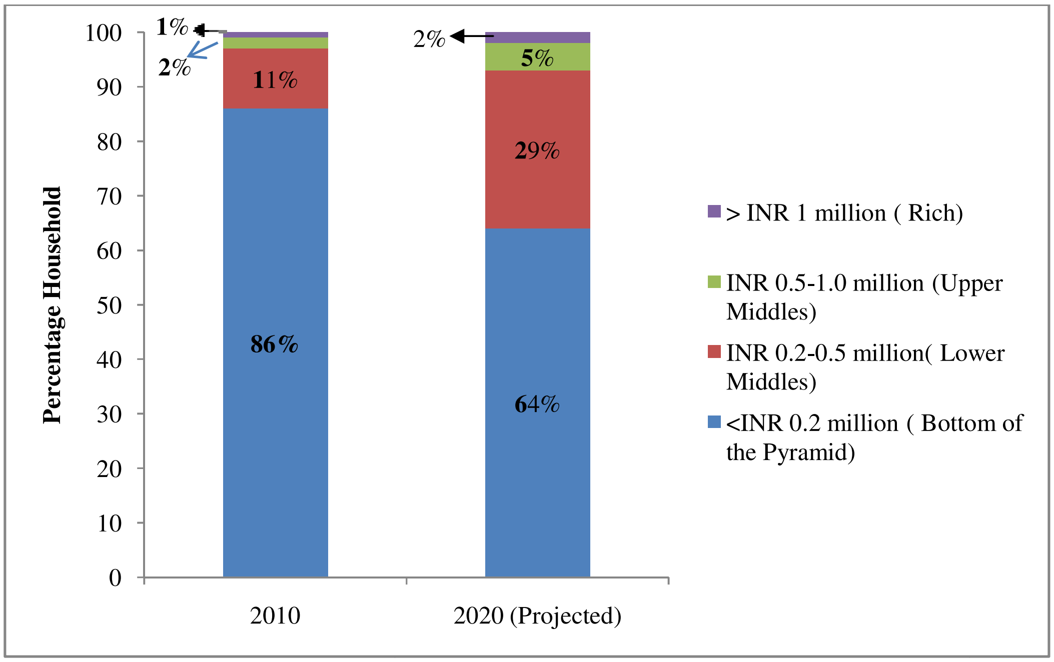
Estimated Age distribution of Indian Population, 2010

1.9.4 Per Capita Income

Per capita income supported by various government schemes and policies are expected to rise in both rural and urban areas. Participation of women in the Indian workforce is also likely to rise. Estimates suggest that if it increases to approximately 70 per cent (as in the developed nations), it will further boost GDP growth by 2-3 per cent (CII 2010). India's per capita disposable income currently at $556 per annum will rise to $1150 by 2015 (Maheshkumar 2010).

The rising income of Indian consumers has accelerated the trend towards consumer up-trading. This trend can be observed prominently in the top two income groups - the rich with an annual income exceeding INR 1 million, and the upper middle class with an annual income ranging between INR 500 thousand and INR 1 million (Figure 1.3). While these two income groups account for only three per cent of the population currently, it is expected that by the year 2020 their numbers will double to constitute seven per cent of the total population. In many parts of rural India, consumption is increasing due to growing incomes led by rising food price realizations and government schemes like the National Rural Employment Guarantee Scheme

(NREGS) (Federation of Indian Chambers of Commerce and Industry [FICCI]-Technopak 2009).



Source: CII 2010

FIGURE 1.3

Household Distribution by Annual Income

1.9.5 Changing Consumer Profile

Evolving consumer profile has also contributed to the growth of FMCG sector in India. Lifestyle changes, a comparatively young population and greater willingness to spend more on better quality products are expected to boost the consumption-driven economy. All these factors will combine to catapult consumer demand for FMCGs to newer heights. The improved purchasing power of Indian consumers is supported by greater workforce participation among women and an increasingly younger earning population with higher consumer willingness to spend on lifestyle products (CII 2010).

1.9.6 Government Policy

Favorable government policies such as the introduction of Goods and Service Tax (GST) can be expected to substantially decrease supply chain costs. Increased Foreign Direct Investment (FDI) in multi-brand retail may open up a large channel for sales. Other policy measures such as lower income taxes, the Food Security Act, Right to Education, infrastructure schemes etc have also acted as enablers of higher consumption (CII 2010).GST and FDI can quadruple FMCG industry size to US$ 95 billion by 2018 (FICCI-Technopak 2009).

1.10 CHANGING INDUSTRY DYNAMICS

The changing scenario of the FMCG industry is described in detail in the sections organized retail and spending pattern.

1.10.1 Organised Retail

Organised retail has created new channels for FMCG players through diverse retail formats such as departmental stores, hypermarkets, supermarkets and specialty stores.

The Indian retail market size is estimated at US$ 350.2 billion and is projected to grow at 13 per cent per annum to reach US$ 590 billion by the year 2011–12. The current share of organised retail is estimated to be 4 to 5 per cent and is expected to increase by 14 to18 per cent by the year 2015. With organized retailing emerging in a major way across the country, the revenues of FMCG companies are expected to surge.

1.10.2 Spending Pattern

An increase in spending pattern has been witnessed in Indian FMCG market. There is an upward trend in urban as well as rural market and also an increase in spending in organized retail sector. An increase in disposable income, of household mainly because of increase in nuclear family where both the husband and wife are earning, has lead to the increasing growth rate in FMCG goods. Consumer expenditure in India is set to increase 3.6 times from $991 billion in 2010, at an annual rate of 14 per cent. By 2020, India's share of global consumption is expected to be more than double, from the current 2.7 per cent to 5.8 per cent (Boston Consulting Group & CII 2012).

1.11 KEY PLAYERS IN THE FMCG INDUSTRY

Three well-identified sets of players operate within a highly developed and intensely competitive landscape of the Indian FMCG market:

a. Foreign players who are present through their subsidiaries such as Unilever (HUL), Procter & Gamble (P&G), Nestle and PepsiCo.
b. Strong Indian players with established national presence such as Marico, Dabur, Tata Global Beverages Limited (TGBL) and Godrej Consumer Products Limited (GPCL).
c. Regional or small domestic players such as Ajanta, Anchor, Cavin Kare etc., who are present in a few regions of the country.

There are also numerous Indian players who have established themselves in niche segments by developing differentiated products and positions and have thus become industry leaders. Dabur and Marico are entities which have established their brand of health supplements (Chyawanprash) and coconut hair oils (Parachute) through products intrinsically linked to the traditional Indian psyche. These categories are therefore difficult to break into. This justifies the reason for the foreign MNCs to have largely stayed away from these product segments.

Apart from these, there are regional and small-scale FMCG players such as small tea producers and organic food producers, who mainly compete by offering low-priced products with similar looks or packaging compared to the bigger brands, to the 'right consumers' typically based in rural areas or in small towns. These players with lower corporate overheads and clear focus on specific consumer requirements have a competitive edge over larger FMCG players (IBEF 2010).

The high growth rate of the FMCG industry was reflected in the growth rate of the players (Table 1.2).

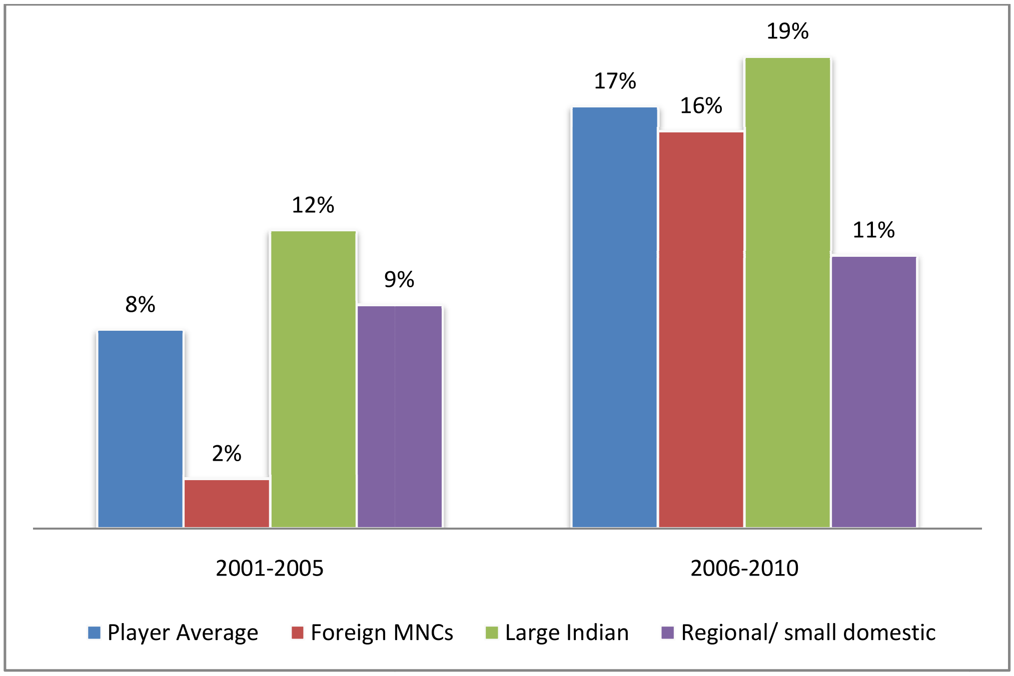
TABLE 1.2

Key Players in the Indian FMCG Industry

Company	Yearly sales as on March 2010 (US$ Mn)	Segments
HUL	3921.5	Personal care, Food products, Household, Baby care, Fabric care
Amul India	1771.1	Food and beverage products
Nestle India	1155.4	Food and beverage products
ITC (FMCG Business)	805.7	Personal care, Food products
Britannia	759.9	Food products
Dabur	635.9	Personal care, Food products, Household
Marico Industries	449.3	Personal care, Household, Food products
GSK Consumer	447.9	Food products, Personal care
Cadbury India	430.1	Food products
Colgate Palmolive	391.8	Personal care, Oral care
P & G	388.5	Personal care, Household , Baby care, Fabric care
TGBL	339.5	Beverages
GCPL	280.5	Personal care, Fabric care

Source: Relevant Company Websites, IBEF 2010

Also, the last decade saw a golden run for the Indian players who grew at a compound annual growth rate (CAGR) of 12 per cent in the year 2001-05 and 19 per cent in the year 2006-10 (Figure 1.4).



Source: CII 2010

FIGURE 1.4
Sales Growth of FMCG Players

This growth is reflected in the sales growth figures of foreign MNCs, which increased from 2 per cent during the 2001-2005 to 16 percent during the period 2006-2010. The increase in sales growth resulted in widening the choices for consumers and the fragmentation of the market. Players are offering multiple products within common categories resulting in brand erosion and decline in dominance.

The companies in the FMCG sector have to 'move fast' to ensure they are ahead of the competition. Companies have to frequently launch new products to expand their market share. Leading FMCG players have a vast portfolio of products and brands that keeps growing by the day. FMCG firms like HUL, ITC, Nestle, Procter & Gamble and GlaxoSmithKline Healthcare – which account for almost 70 per cent of FMCG revenues in the country – spend almost 10 per cent of their turnover on advertising and brand promotion (Thakur 2008).

1.12 NEED FOR THE STUDY

The importance of brand equity was pointed out by different researchers. It has become essential for brand managers to understand and measure brand equity

(Ambler 2003).The growing number of brands in international markets necessitates developing valid and reliable brand equity measures that are generalisable across different countries (Buil et al. 2008).Reliable assessment of cross-national measures is of fundamental interest to international companies since these measures influence the precision and quality of strategic decisions (Parameswaran & Yaprak 1987). But developing and measuring brand equity alone won't suffice. Companies have to substantiate the amount spend in managing their brands in terms of performance of their business. The mentioned reasons justifies for a study that establishes the relationship between brand equity and business performance in the FMCG industry. Along that line, the main purpose of our study is to determine the possible association between brand equity (based on customers' assessments) and business performance. The study expects FMCGs with strong brand equity to command a higher market share and sales growth. The managers in the organization can focus on the variables of brand equity that significantly contribute to business performance.

The study will bring more clarity regarding the components of brand equity in the FMCG industry in India. The study has also addressed few limitations of the previous studies conducted on brand equity. The important contribution of this study to the literature will be that it will provide stronger evidence on the relationship between brand equity and its components on the business performance and the important components of brand equity that has to be managed for improved business performance. Since marketing/brand managers often have limited resources (e.g. money, time, and manpower) to implement branding strategies, the findings can help them prioritize and allocate resources across the dimensions. A brand manager who appreciates the dimensions of brand, and understands the interplay between them will be able to get better mileage in performance than those who do not.

Companies are widely adopting various strategies in branding to capture a place in the minds of consumers. This study provides a model that links customer-based brand equity with business performance. Among the different dimensions of brand equity companies need to understand which of the components of brand equity need to be focused more and which need not be.

1.13 STATEMENT OF THE PROBLEM

Companies invest lot of resources in building and maintaining their brands. Branding is considered as very effective catalyst for better leadership. Companies must therefore manage by metrics and balance short and long-term perspectives and performance. By 2020 branding will become the most significant value driver for boardrooms. Brand equity is an evolving concept. Measuring and managing it is a crucial and integrated element of a successful business strategy (VanAuken 2009). Companies are widely adopting various strategies in branding to capture a place in the minds of consumers. The companies need to understand how brand equity can be leveraged to enhance the business performance. There are various sources of brand equity. Different studies suggest different variables of brand equity for different industry. Companies need to understand which of the components of brand equity need to be focused more and which need not be with respect to the FMCG industry.

Both academic scholars and practicing managers are increasingly focusing on linking branding activities with firm's performance. Not much of research has happened to understand the implications of brand equity and its components on the financial and operational performance of an organization. Given the importance of brands to strategic marketing theory explanations of firm performance and the significant resources that firms expend on brand management is an important gap in marketing knowledge (Morgan & Rego 2009). The problem identified for the study can be stated as, *Brand Equity for Leveraging Business Performance of Fast Moving Consumer Goods Companies.*

Accordingly, the following research questions discuss the problem of this research. The research questions are based on extensive literature review which follows in chapter two wherein the research gap is also identified.

1.14 RESEARCH QUESTIONS

Quantitative research questions inquire about the relationships among variables that the investigator seeks to know (Creswell 2009). To formulate the research questions, the researcher conducted a detailed literature review. Based on the related literature a literature map was developed which follows in chapter two. The critical review of the literature led to four pertinent questions about the problem. The following four research questions were developed:

Research Question 1
What are the significant components of brand equity of FMCG companies?

Research Question 2
What is the relationship between brand equity and the business performance in the case of FMCGs companies?

Research Question 3
How does brand equity influence the financial performance of FMCG companies?

Research Question 4
How does brand equity influence the operational performance of FMCG companies?

1.15 OBJECTIVES OF THE RESEARCH

In order to address the above research questions, the following research objectives are stated.

1. To identify the various components of brand equity of FMCG companies.

2. To assess the influence of brand equity on the financial performance of FMCG companies.

3. To study the influence of brand equity on the operational performance of FMCG companies

4. To establish the relationship between brand equity and the business performance in the case of FMCGs companies.

5. To suggest a model for improving the brand equity for leveraging business performance of FMCG companies.

1.16 SIGNIFICANCE OF THE STUDY

The study has implications for practitioners and brand managers of organizations who are interested in managing brand equity. This study is one of the few studies testing Aaker's (1991) and Kellers' (1993) framework of brand equity and measuring customer-based brand equity in India. This study measured brand equity in

FMCG industry, which was not used in previous studies on customer-based brand equity measurements. Though several dimensions of brand equity are identified in the literature, the interrelations among the various dimensions of brand equity are not well understood (kayaman & arasli 2007). Customer-based brand equity concept is measured by breaking down this construct into sub components. The relationship of these components with brand equity and between these subcomponents is tested. Hence the final result will help managers to develop detailed brand equity strategies for their organizations so that the performance of the business can be improved. The study identifies the important factors in creating brand equity for FMCG companies and their implications on the financial and operational performance of these companies. Hence, the mangers can use those factors to create and develop brand equity for their brands to improve the business performance.

1.17 SCOPE OF THE STUDY

This study to establish the relationship between brand equity and business performance focuses on the FMCG industry in India. FMCG industry was chosen because of the significant growth of this industry in India. The three categories of FMCGs were identified based on the widely accepted framework by Pricewaterhouse Coopers (PwC) for IBEF (2006). These product categories include -household care, food and beverages and personal care. The products with highest penetration among the three different categories were chosen to represent that category. In the category household care, fabric wash was chosen; from food and beverages, tea was chosen and in the personal care category, toilet soap was chosen. From the selected product category two brands were further selected to represent the different brands in the category. In the toilet soap category Lux and Cinthol was chosen, in the fabric wash category, surf Excel and Ariel was chosen and in the tea category Brooke Bond and Tata tea was chosen. Among the different perspectives of brand equity, this study measures the customer based brand equity which is based on the perception of the customer. The research was carried out between the years 2008-2012.

1.18 OUTLINE OF THE THESIS

A brief overview of the structure of the thesis is as follows:

Chapter One introduces the issues related to the topic under investigation, with a statement of the problem, research questions, objectives of the study and a brief discussion about the significance and scope of the study.

Chapter Two provides a review of the relevant literature and develops the literature map to identify the research gaps. Further it develops the conceptual framework for the research and research hypotheses to be tested.

Chapter Three deals with the research design to empirically examine the proposed model as outlined in chapter two. The methodology comprises an overview of the mixed method of research. The chapter also briefs about the scale items used to measure the underlying constructs, sampling, validity and reliability, instrument used to collect the data and discusses the pilot study and the final survey.

Chapter Four presents the analysis and interpretation of data and testing of hypotheses stated in the research.

The final *Chapter Five* draws major findings and conclusion and aims to answer the four research questions of chapter one. The theoretical and managerial implications drawn from the results are reported. Avenues for further research are also discussed.

CHAPTER 2

REVIEW OF LITERATURE

CHAPTER 2

REVIEW OF LITERATURE

2.1 CHAPTER OVERVIEW

This chapter focuses on the literature reviews on brand equity and business performance. Section 2.2 introduces the topic of brand equity. Section 2.3 reviews the different approaches of brand equity. Section 2.4 reviews the customer-based brand equity in detail. The dimensions of brand equity are highlighted in the section 2.5. Section 2.6 elaborates on the conceptualization of brand equity and the dimensions of brand equity are detailed in sub sections 2.6.1 to 2.6.4. Measuring of customer-based brand equity is discussed in section 2.7. The importance of business performance is discussed in section 2.8. Section 2.9 highlights the issues involved in the measuring of business performance. Section 2.10 focuses on the importance of non-financial measures. Section 2.11 briefs about the FMCG industry and subsection 2.11.1-2.11.3 focuses on the different FMCG product categories. Section 2.12 provides the linkages between brand equity and business performance. Research gaps are discussed in section 2.13. Section 2.14 develops the conceptual framework and section 2.15 states the research hypotheses. Finally section 2.16 summarizes the chapter.

2.2 INTRODUCTION

Brand is considered as one of the most important intangible asset of any business. A brand is an intangible but critical component of what a company stands for. A consumer generally does not have a relationship with a product or a service, but he or she may have a relationship with a brand (Davis 2002). Because of the significant intangible value of brands, building and managing brand equity had become a priority for companies of all sizes in a wide variety of industries and markets (Lehmann et al. 2008). Building brand equity is considered an important part of brand building (Keller 1998). High brand equity can bring several advantages to a firm. High brand equity levels lead to higher consumer preferences and purchase intentions (Cobb-Walgren et al. 1995). Brands are at the heart of marketing and business strategy (Doyle 1998). The strategic importance of branding is duly recognized in the literature by several researchers (Aaker 1991,1992; deChernatony & McDonald 1998; Kapferer 2009; Keller 1999). Companies spend considerable amount of their revenue in brand building activities. Brands might develop sustainable competitive advantage for firms (Aaker 1989). There arose a need that brand building activities require justification. According to Peter A. Georgescu, President of Young & Rubicam "We have to find ways to measure and justify the mega millions our clients have to spend to build strong brands. We have to understand what create value to a brand" (Cebrzynski 1990). Successful brand building could strengthen producer's competitive position to withstand the increasing power of retailers (Park & Srinivasan 1994). Brands with higher guest satisfaction levels seem to achieve not only greater revenues per guest room in hotels but also achieve growth rates in room revenues than brands with lower satisfaction (O'Neil & Mattila 2004). Therefore a better understanding of brand equity is essential for an enriched practice of brand management (Pappu et al. 2005). Measuring brand equity is important due to its strategic value guiding marketing strategy, aiding tactical decisions and providing a basis for assessing brand extendibility (Ailawadi et al. 2003).

2.3 APPROACHES OF BRAND EQUITY

Lot of research has happened in the area of building and managing brands. One of the terms which are of interest to researchers in brand management is brand equity. Brand equity has been viewed from a variety of perspectives by different researchers.

Farquhar (1989) defined brand equity as the "added value" with which a brand endows a product. Brand equity was viewed from three perspectives: First, firm perspective-brand equity can be measured by the incremental cash flow from associating the brand with the product. Brand equity imparts competitive advantage to the firm. The competitive advantage of firms that have brands with high equity includes the opportunity for successful extensions, resilience against competitor's promotional pressures and creating of barriers to competitive entry. Second, trade perspective- strong brands have easier acceptance and wider distribution and hence they need to pay lower slotting allowances and have more shelf space for their new products. Third, consumer perspective-brand equity is reflected by the increase in attitude strength for a product using the brand. Attitude here refers to the concept of brand association.

Srivastava and Shocker's (1991) definition could be categorized in the group of definitions in which brand equity represents both financial and consumer perspective. According to them, brand equity consists of brand strength and brand value. Brand strength includes brand association (Lassar et al. 1995) and brand value is the gains that accrue on the brand. From this it can be concluded that brand strength refers to the customer aspect of brand equity and brand value refers to the financial aspect of the same concept (Rajh et al. 2003).

According to Keller (1993), there are two motivations for studying brand equity. First one being the financial based motivation to estimate the value of the brand more precisely for accounting purposes or for merger, acquisitions or divestiture purposes. Although a financial approach may provide a more precise insight into the valuation of brand, it may not be useful for brand managers to establish marketing strategies because financial approach is only limited to a brand's value estimation. The second motivation arises from a strategy based motivation to improve marketing productivity. A firm's most valuable asset for improving marketing productivity is the knowledge that has been created about the brand in consumer's minds from the firm's investment in previous marketing programs. Here brand equity is conceptualized from the perspective of the customer.

The two perspectives of brand equity discussed by Lassar, Mittal and Sharma (1995) are financial based (Simon & Sullivan 1993) and customer based. The financial based brand equity measures the outcome of customer-based brand equity (Farquhar et al. 1991).The customer-based brand equity evaluates the customer response to a brand name (Keller 1993; Shocker et al. 1994). Some researchers have suggested two types of brand equity: organizational brand equity and customer brand equity (Capon et al. 2001). The organizational brand equity focuses on financial values such as potential earnings, market value and replacement cost. The organizational brand equity focuses on using the financial market value of the firm as a basis for valuing brand equity (Simon & Sullivan 1993). Proponents of financial perspective consider brand equity as the total value of a brand which is a separable asset when it is sold or included in a balance sheet (Feldwick 1996). According to Simon & Sullivan (1993) brand equity is defined as the incremental cash flows which accrue to branded products over unbranded products. The customer-based brand equity emphasizes customer's mindset.

The methods for measuring brand equity usually are financial or consumer related (Myers 2003). Mahajan et al. (1990) used the potential value of brands to an acquiring firm as an indicator of brand equity. Brand equity is defined at the firm level as the incremental contribution per year obtained by the brand in comparison to the same product at the same price but with no brand building efforts. Brand equity was conceptualized as arising from three sources- enhanced brand awareness, enhanced attribute perceptions and enhanced non attribute preference. The model determines the financial implications of brand equity (Srinivasan et al. 2005). From the literature review it was clear that brand equity can be viewed from different perspectives.

The consensus is that brand equity can be examined from two important perspectives-financial and customer based (Table 2.1). There is a major schism between the two paradigms of brand equity. Kapferer (2009) tries to unify these two approaches. The financial approach measures brand value by isolating the net additional cash flows created by the brand. These additional cash flows are the result of customer's willingness to buy one brand more than its competitors, even when another brand is cheaper. Customers pay more because of the beliefs and bonds that are created overtime in their minds through the marketing of the brand. Customer equity is the preamble of financial equity. Brands have financial value because they have created assets in the minds of the customers, distributors, prescribers, opinion leaders.

TABLE 2.1

Brand Equity Perspectives

Author(s) (Year)	Perspectives on Brand Equity
Farquhar (1989)	Three perspectives: Firm perspective, Trade perspective, Consumer perspective.
Srivastava and Shocker (1991)	Two perspectives : Financial and Customer perspective
Keller (1993)	Two perspectives: Financial based and Customer based
Lassar et al. (1995)	Two perspectives: Financial based and Customer based
Capon et al. (2001)	Two perspectives: Organizational brand equity and Customer brand equity
Myers (2003)	Two perspectives: Financial based and Customer based

Source: Literature Review

This study focuses on the customer based perspective and concentrates on measures that are related to the consumer mindset like the associations, evaluations and relationships customers have towards the brand.

2.4 CUSTOMER-BASED BRAND EQUITY

The customer-based brand equity is approached from the perspective of the customer. For a brand to have value it must be valued by the customer. The power of the brand lies in what customers have learned, felt, seen and heard about the brand as a result of their experiences over time (Keller 2003). If the brand has no meaning to the customer, none of the other perspectives of brand equity is meaningful (Keller 1993; Cobb-Walgren et al. 1995; Rio et al. 2001). There will be value to the investor, the manufacturer and the retailer only if there is value to the consumer (Cobb-Walgren et al. 1995).

Conceptualizing brand equity from customer perspective is useful because it suggests both specific guidelines for marketing strategies and tactics and areas where research can be useful in assisting managerial decision making. The source of brand equity is customer perceptions (Keller 1993) hence it is important for managers to measure and track brand equity at the customer level (Lassar et al. 1995). Although a financial approach may provide a more precise insight into the valuation of brand, it may not be useful for brand managers to establish marketing strategies because financial approach is only limited to a brand's value estimation (Keller 1993). The customer-based brand equity approach is more practical as the information offers a strategic vision of customer behavior and managers can develop strategies accordingly (W.G. Kim et al 2008). Brands exist in the minds of their potential customers and what those customers think of a particular brand determines the value it has to its owner. A brand's foundations are, therefore, composed of people's intangible mental associations about it. In placing a value on a brand, the strength and resilience of those associations is considered the most (Dyson et al. 1996). Based on the detailed review highlighting the importance of customer based perspective, the study focuses on the customer-based brand equity.

2.5 DIMENSIONS OF BRAND EQUITY

The concept of brand equity can be operationalised from two angles. Those involving consumer perceptions (cognitive approach) and those involving consumer behavior (behavioral approach) (Silverman et al. 1998). The consumer perceptions include brand awareness, brand associations and perceived quality. Consumer behavior includes brand loyalty and the focus on paying a price differential (Myers 2003).

Yoo et al. (2000) represents the behavioral approach and Keller (1993, 1998) represents the cognitive approach of brand equity. Martin and Brown (1990) had conceptualized customer-based brand equity with five dimensions - perceived quality, perceived value, image, trustworthiness and commitment. Aaker (1991, 1996a) considers brand equity as "a set of brand assets and liabilities linked to a brand, its name and symbol that add to or subtract from the value provided by a product or service to a firm and / or to that firm's customers". The set of assets / liabilities are grouped into five categories: brand loyalty, brand name awareness, perceived brand quality, brand associations and other proprietary brand assets. Other proprietary brand assets include patents, trademarks and channel relationships. The fifth component other proprietary brand assets is not relevant to consumer perception. Hence only the first four dimensions should be regarded as brand equity (Yoo & Donthu 2001).

Researchers have suggested different dimensions of brand equity (Table 2.2). Brand equity is viewed as perceived brand quality of both the brand's tangible and intangible components. brand equity occurs when the consumer is familiar with the brand and holds some favorable, strong and unique brand associations in the memory (Kamakura & Russell 1991). Based on the definition by Kamakura and Russell (1991), there are five important considerations to defining brand equity. First, brand equity refers to consumer perceptions rather than any objective indicators. Second, brand equity refers to a global value associated with a brand. Third, the global value associated with the brand stems from the brand name and not only from physical aspects of the brand. Fourth, brand equity is not absolute but relative to competition. Finally, brand equity positively influences financial performance. The customer-based brand equity scale is based on the five underlying dimensions of brand equity: performance, value, social image, trustworthiness and commitment.

Kamakura and Russell (1993) in the use of scanner panel data utilized three components of brand equity, namely perceived value, brand dominance and intangible value.

Brand equity creates value for both the customer and the firm. Brand equity was considered as a two dimensional construct consisting of brand strength and brand value (Srivastava & Shocker, 1991).

Brand strength is the set of associations (Lassar et al. 1995) and behaviors on the part of the brand's customers, channel members and parent corporation that permits the brand to enjoy sustainable and differentiated competitive advantages.

TABLE 2.2

Summary of Important Studies on Brand Equity

Author(s) (Year)	**Related Findings on Brand Equity**
Martin & Brown (1990)	Five dimensions.-perceived quality, perceived value, image, trustworthiness and commitment
Aaker (1991,1996a)	Brand equity incorporates both perceptual and behavioral dimensions- brand loyalty, brand awareness, perceived quality, brand association, other proprietary brand assets.
Kamakura & Russell (1991)	brand equity occurs when the consumer is familiar with the brand and holds some favorable, strong and unique brand associations in the memory
Srivastava & Shocker (1991)	Two dimensional construct - brand strength and brand value.
Keller (1993)	Brand equity is the "differential effect of brand knowledge on consumer response to the marketing of the brand".
Lassar et al. (1995)	Five dimensions - performance, value, social image, trustworthiness and commitment.
Blackston (1995)	Two dimensions - brand value and brand meaning.
Cobb-Walgren et al. (1995)	Brand equity falls into two groups -consumer perception(brand awareness, brand associations, perceived quality) and consumer behavior (brand loyalty, willingness to pay a high price)
Yoo et al. (2000)	Three dimensions- perceived value, brand loyalty and combined dimension of brand awareness and brand association.
Netemeyer et al. (2004)	Brand equity includes perceived quality, perceived value for the cost, uniqueness and the willingness to pay a price premium for a brand.
Kayaman & Arasli (2007)	Brand equity is a three dimensional construct-brand awareness was not considered as a significant factor of brand

Source: Literature Review

Brand value is the financial outcome of the management's ability to leverage brand strength via tactical and strategic actions in providing superior current and future profits and lower risks. Brand values are the gains that accrue when brand strength is leveraged to obtain superior current and future profits.

Keller (1993) considers brand equity from a customer based view as being the "differential effect of brand knowledge on consumer response to the marketing of the brand". To understand how brand equity can be built, measured and managed; Keller (1998) described a detailed conceptualization of brand knowledge. Brand knowledge is defined in terms of two components, brand awareness and brand image. The brand image is defined as the perceptions about a brand as reflected by the brand associations held in consumer's memory (Keller 1993). Both Aaker's and Keller's views on brand equity are customer oriented and emphasis the importance of brand awareness and associations. Aaker's model complements the brand equity quite well, because it takes the perceived quality aspect and brand loyalty into account. Brand equity consist of awareness, attitude, association, attachments and loyalty that customer have towards a brand (Ambler & Barwise, 1998). Brand equity dimensions according to Lassar et al. (1995) include performance, value, social image, trustworthiness and commitment. Brand equity has been operationalised by Lassar et al. (1995) as enhancement in the perceived utility and desirability that a brand name confers on a product. Customer-based brand equity indicates only perceptual dimensions, excluding behavioral or attitudinal dimensions such as loyalty or usage intention.

Yoo et al. (2000) treated brand equity as a three dimensional construct, combining brand awareness and brand association into one dimension. Yoo and Donthu (2001) were also the first to develop a multidimensional scale for customer-based brand equity. This scale was later validated by Washburn and Plank (2002). According to Yoo and Donthu (2001) customer-based brand equity represents a measurement of cognitive and behavioral brand equity. Another model of brand equity links customer brand relationships to the drivers, rational brand evaluations and emotional brand evaluations, which are in turn linked to product quality, service quality, price, brand promise, brand differentiation and brand trust and credibility (Martesen & Grønholdt 2004).

The dimensions of brand equity defined by Netemeyer et al. (2004) include perceived quality, perceived value for the cost, uniqueness and the willingness to pay a price premium for a brand. Brand equity was defined with a combination of multiple constructs which includes brand price, brand quality perceptions, brand purchase loyalty and self-report future brand purchase trend (Reynolds & Phillips 2005). Hotel brand equity was defined as the favorable or unfavorable attitudes and perceptions that are formed and influence a customer to book at a hotel brand represent the brand equity (Prasad & Dev 2000). A brand equity index was developed for hotels according to the customer's rating of the brand by using indicators like performance and brand awareness. Brand awareness was not considered as a significant factor of brand equity in the hotel industry (Kayaman & Arasli 2007).The findings of the study supported the three dimensional model of brand equity in hotel industry. The scales constructed to measure brand equity include brand awareness, brand loyalty, perceived quality and brand image. Brand loyalty and brand value associations directly create brand equity for online companies (Rios & Riquelme 2008).The results in this study are supportive of the view that consumer's perceived sense of value develops loyalty.

Brand trust association and brand awareness indirectly contribute to creating brand equity through their influence on loyalty. Hence brand loyalty was considered the most important source of brand equity because of its direct influence and mediating role in creating brand equity. In the study conducted by K. Kim et al. (2008), five factors were identified that influence the creation of brand equity through successful customer relationships: trust, customer satisfaction, relationship commitment, brand loyalty and brand awareness. An empirical test of the relationships among these factors suggests that hospitals can be successful in creating image and positive brand equity if they can manage their customer relationships well. In a study conducted in the product category of cars and televisions the customer-based brand equity was proved as a four dimensional construct (Pappu et al. 2005). Brand awareness and brand association were found to be two distinct dimensions of brand equity as conceptualized by in the marketing literature.

Form studying the various dimensions of brand equity this study recognizes brand loyalty, brand awareness, perceived quality along with brand associations as the common dimensions of brand equity. Behavior is a consequence of brand equity rather than brand equity itself.

2.6 CONCEPTUALISATION OF BRAND EQUITY

In the brand equity literature there are two main frameworks that conceptualize customer-based brand equity. Brand equity as conceptualized by Keller focuses on brand knowledge and involves two components: brand awareness and brand image.

Aaker (1991) provides one of the most generally accepted and comprehensive definitions of the brand equity (Buil et al. 2008). Even thought there are several definitions of brand equity from different perspectives the model proposed by Aaker (1991) is the most generally accepted and the most comprehensive definition (Motameni & Shahroki 1998). Other researchers who accepted the findings of Aaker include Low and Lamb (2000).

This study establishes the multidimensionality of customer-based brand equity consistent with the conceptualization of Aaker (1991). The conceptual definition of brand equity for the study is grounded on Aaker's (1991) comprehensive framework, where brand loyalty, perceived quality, brand awareness and brand association leads to brand equity. These established construct are included in various customer-based brand equity models (Aaker 1991; Keller 1993; Yoo & Donthu 2001). Aaker (1991) is one of the few authors who incorporated both perceptual and behavioral dimensions of Silverman (1998). The model also takes into consideration all the dimensions as described by Martin & Brown (1990) where perceived value, brand image, trustworthiness and commitment is included in the construct brand association. The advantage of combining both consumer perceptions and behavior into a single marketing measure of brand equity is that it is well documented that attitude alone are generally a poor predictor of marketplace behavior(Myers 2003). Hence the focus of the present study is based on both a perceptual look and behavioral- based examination of brand equity. From the detailed literature review, the study has operationalised brand equity construct consisting of: brand awareness, brand loyalty, perceived quality and brand associations (Table 2.3).

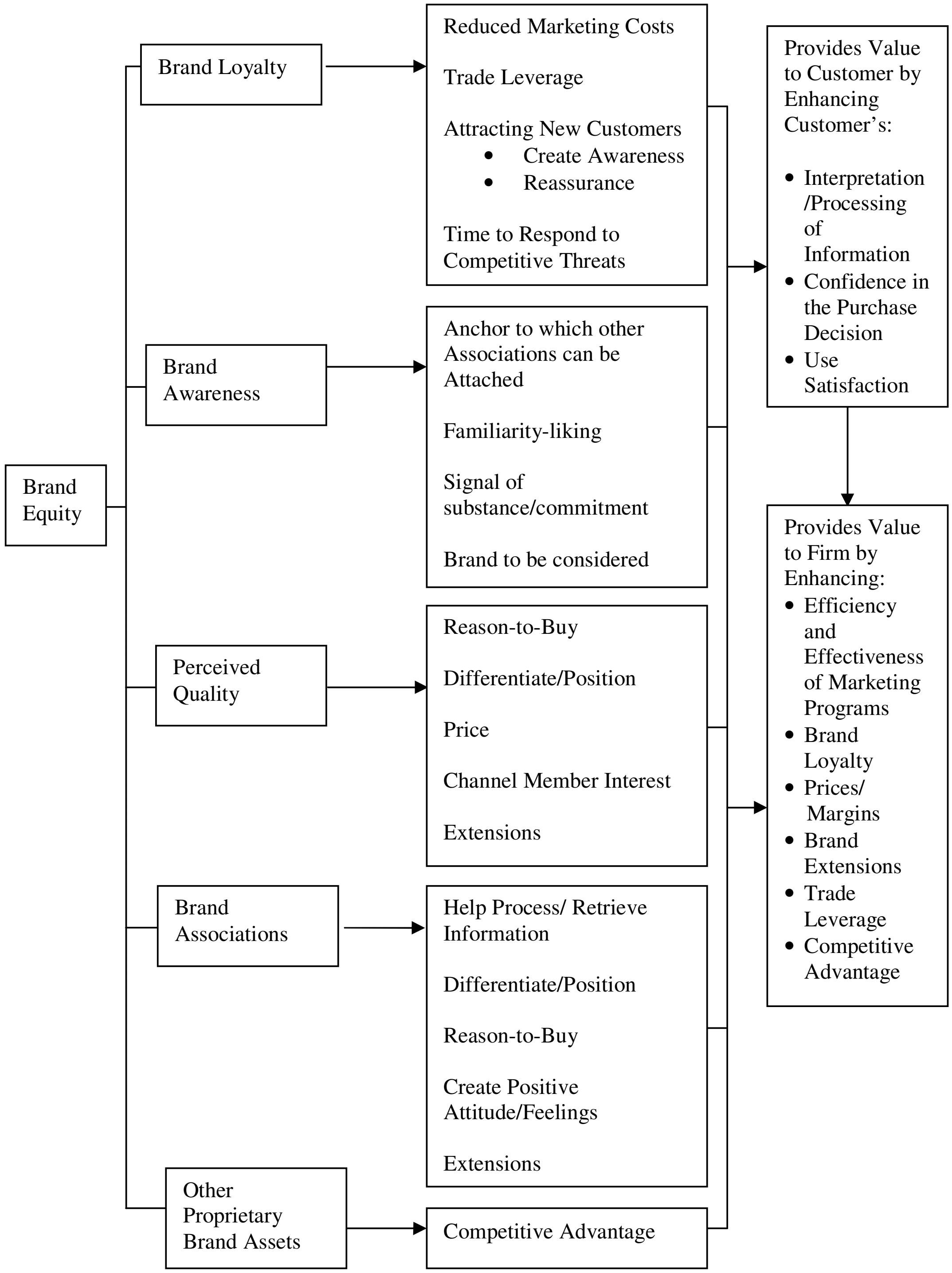
TABLE 2.3

Summary of Some Important Brand Equity Measures

Brand Equity Measures / Author (s) (Year)	Brand Associations	Brand Loyalty	Brand Awareness	Perceived Quality
Aaker (1991, 1996a)	√	√	√	√
Keller (1993)	√		√	
Cobb-Walgren (1995)	√	√	√	√
Yoo & Donthu (2001,2002)	√	√		√
Washburn & Plank (2002)	√	√		√
Atilgan et al. (2005)		√		
Pappu et al. (2005)	√	√	√	√
Kim et al.(2008)	√	√		√

Source: Literature Review

The following sections provide a description of the four dimensions of customer-based brand equity examined in this study (Figure 2.1). Brand loyalty had a positive and direct role in affecting brand equity. The other three constructs like perceived quality, brand association and brand awareness had a very low influence on brand equity (Atilgan et al. 2005). It was also noted in the above study that there is a correlation between brand loyalty, brand awareness and perceived quality. Brand awareness and brand associations were also found to be correlated.



Source: Managing Brand Equity, Aaker 1991

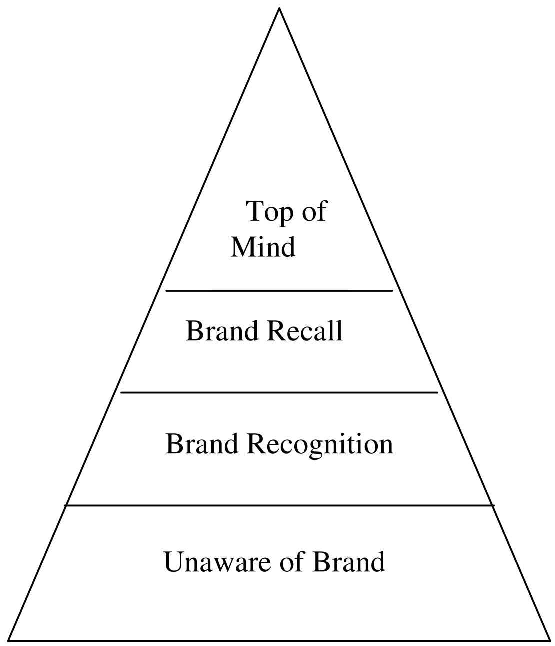
FIGURE 2.1

Brand Equity Model by Aaker

2.6.1 Brand Awareness

Brand awareness is the ability of a potential buyer to recognize or recall that a brand is a member of a certain product category.

Here, a link between product class and brand is involved. Rossiter and Percy (1987) defined brand awareness as the consumer’s ability to identify or recognize the brand. In the awareness pyramid proposed by Aaker (1991), the lowest level is brand recognition (Figure 2.2). Brand awareness consists of brand recognition and brand recall (Keller 1993).



Source: Managing Brand Equity, Aaker 1991

FIGURE 2.2

The Awareness Pyramid

Brand recognition is based upon an aided recall test. The respondents are given a set of brand names from a given product class and asked to identify those that they had heard before. The next level is the brand recall which is based on unaided recall. The first named brand in an unaided recall task has achieved top of mind awareness. A brand that is the only brand recalled for is called the dominant brand (Aaker 1991). Brand awareness is antecedent that influences the creation of brand equity through successful customer relationships (K. Kim et al. 2008).

2.6.2 Brand Loyalty

Brand loyalty is considered as the core of a brand's equity. It is the measure of the attachment that a customer has to a brand (Aaker 1991). It reflects how likely a customer will be to switch to another brand. Brand loyalty can be defined based on the three perspectives-behavioral, attitudinal and choice (Javalgi & Moberg 1997). Behavioral perspective is based on the amount of purchases for a particular brand; attitudinal perspective incorporates consumer preferences and dispositions towards brands. Choice perspective focus on the reasons for purchases and the factors that may influence the choices. Brand loyalty can be categorized as two types: attitudinal and behavioral loyalty (Gounaris & Stathakopoulos 2004). Gounaris and Stathakopoulos (2004) summarized that behavioral loyalty refers to repeated purchases, and attitudinal loyalty refers to a strong internal disposition toward a brand. According to Aaker (1991), attitudinal loyalty provides a value to the firm, ultimately leading to behavior loyalty (repeated purchases). Brand equity has a positive relationship with brand loyalty (Lassar et al. 1995). Keller (2003) examines brand loyalty under the term brand resonance which refers to the nature of customer brand relationship and the extent to which customers feel that they are 'in sync' with the brand.

Brand attitude when augmented by a strong sense of brand loyalty and commitment to the brand, lead to premium related outcomes such as higher prices in the market place (Chaudhuri 2001). There is a positive relationship between perceived service quality and repurchase intention, recommendation and resistance to better alternatives, which is interpreted as customer loyalty (Bloemer et al. 1997; Jones et al. 2002). Brand loyalty has a significant positive direct effect on brand equity (Atilgan et al. 2005).

2.6.3 Perceived Quality

Perceived quality is defined as the customer's perception of the overall quality or superiority of a product or service with respect to its intended purpose, relative to alternatives. Perceived quality is an intangible overall feeling about a brand and is regarded as important to long-run business success (Aaker 1989). Perceived quality can be divided into product quality and service quality (Aaker 1991; Zeithaml 1988).

Product quality is comprised of seven dimensions (performance, features, conformance with specifications, reliability, durability, serviceability, and fit and finish) (Garvin 1984), whereas service quality dimensions include tangibles, reliability, competence, responsiveness, and empathy (H-B.Kim 2003). Satisfaction a customer gets depends on the degree of fulfillment and requires both a standard and a result. The standard represents the expectations and the result represents the perceived quality (Oliver 1997).

Since the research is done in the FMCG industry only the product quality dimensions have been considered. The first dimension, performance involves the primary operating characteristics of the product. Second dimension, features are secondary elements of the products. Third, conformance with specifications (the absence of defects), is considered as a traditional, manufacturing oriented view of quality. The fourth, reliability is the consistency of performance from each purchase to the next and the percentage of time that the product delivers an acceptable performance. The fifth, durability, which reflects the economic life of the product and the sixth, serviceability which reflects the ability to service the product. The seventh dimension, fit and finish, refers to the appearance or feel of quality. Few dimensions cannot be considered as a measure of perceived quality for this study since the study is conducted in the FMCG industry.

According to Aaker (1991), in addition to a brand's product features, which are the intrinsic cues, there are other factors called the extrinsic cues that can influence the perceived quality. This includes the amount of advertising, the brand name and the price of the product. When intrinsic cues and extrinsic cues like brand name are available, people will be less likely to rely on price. Research has shown that price tends to signal quality in wine, perfume and durables (Aaker 1991). Hence in this research, price is not considered as a measure of perceived quality.

2.6.4 Brand Association

Brand association is anything "linked" in memory to a brand. Brand personality is defined as the set of human characteristics associated with a brand (Aaker 1997). The association has a level of strength (Aaker, 1991; Aaker & Keller 1990; Keller 1993) and a link to a brand will be stronger when it is based on many experiences or exposures than when it is based on few. Brand personality and organizational associations are the two most important types of brand associations apart from perceived value, which influence the brand's equity (Aaker 1991, 1996b). Brand personality is defined in terms of the various traits or characteristics that brands can assume from the perception of consumers (Aaker 1991; Keller 1993). The company uses brand associations to evoke strong feelings in the consumer and thus tries to differentiate itself and create a strong position in relations to the competition. The consumer uses brand associations as a help to organize and control information in the memory. Hence the associations form the starting point for the consumer's impressions and opinions of a brand and for the choices consumers make about buying and using different brands (Keller & Lehmann 2001). All other things being equal, the company which most successfully creates positive associations via its communication and actions will be the most favorable in the consumer's mind (Martesen & Grønholdt 2004).Brand associations may be seen in all forms and reflect characteristics of the product or aspects independent of the product itself. Product association and organizational associations are taken as the two mostly referred categories in the brands association typology (Chen 2001).

For this study the brand association construct was defined using perceived value, brand personality and organizational association. The three measures proposed by Aaker (1996a) have been selected in the conceptual model as the possible dimension of brand association because they are the most frequently cited in the marketing literature and takes into consideration all the aspects of association.

2.7 MEASURING CUSTOMER-BASED BRAND EQUITY

Existing measures of brand equity can be divided into three categories. The first category is the customer mind set and focuses on assessing the customer-based sources of brand equity. The second and third categories called the product market and financial market, focus on the outcome that a firm derives from the equity of its brands (Keller and Lehmann, 2001). Mahajan, Rao and Srivastava (1990) claim that customer-based brand equity can be measured by the level of consumer's perceptions. Customer-based brand equity means measurement of cognitive and behavioral brand equity at the individual consumer level through a consumer survey (Yoo & Donthu

2001). The overall implication of customer based research suggests that measures of customer based brand perceptions are accurate reflections of brand performance in the market place (Silverman et al 1999). The measure used here is developed using the brand equity dimensions of Aaker (1991) and Keller(1993).These measures are popularly accepted as valid and comprehensive.

The revenue premium a brand generates compared with that of a private label product is a simple, objective and managerially useful product market measure of brand equity. The revenue premium is defined as the difference in revenue (i e., net price x volume) between a branded good and a corresponding private label (Ailawadi et al. 2003). Customer-based brand equity is thus the driving force for incremental financial gains to the firm (Lassar et al 1995). One of the pioneering researchers to measure customer-based brand equity based on the conceptualization of Aaker (1991) and Keller (1993) were Cobb-Walgren et al (1995). Brand equity was found to vary with customer satisfaction (Pappu & Quester 2006). For department stores, each customer-based retailer equity dimension varied according to customer satisfaction with the retailer. A basic indicator of loyalty is the amount a customer will pay for the brand in comparison with another brand offering similar benefits. The price premium may be the best single measure of brand equity because any driver of brand equity should affect the price premium (Aaker 1996b). A brands price premium can be determined by simply asking consumers how much more they are willing to pay for the brand. Brand equity of FMCG brands was measured at the individual consumer level through a survey of the FMCG consumers.

2.8 BUSINESS PERFORMANCE

The word “performance” is widely used in many management areas. Although the word “performance” is very frequently used by different researchers, the meaning and definition of the term is rarely made. Performance is identified or equated with effectiveness and efficiency (Neely et al. 1995). Waggoner et al. (1999) focused on an interdisciplinary view of business performance which included different approaches like engineering approach, systems approach, management accounting approach, statistical approach, consumer marketing approach and conformance to specifications. According to Ford and Schellenberg (1982), the three major frameworks used to conceptualize organizational performance are the goal approach, systems resource approach and constituency approach. Barney (2010) conceptualizes organizational performances in terms of value that an organization creates using its productive assets in comparison with the value that the owners of these assets expect to obtain. Verweire & Van den Berghe (2004) defined performance as "the measurement and reporting system that quantifies the degree to which manager achieve their objectives. The citation analysis conducted by Marr and Schuma (2003) have identified various approaches of business performance in the measurement field. The classification of various approaches and concepts is as follows:

a) Financial and cost accounting measures
b) Integrated performance measurement approaches
c) Balanced measures
d) Assessment framework

The financial measures as the performance indicators are the premise that the ultimate aim of an economic venture is to make profits and provide attractive return to the investors (Sardana 2008). According to Otley (2007) accounting measures of performance have been the traditional mainstay of quantitative approaches to organizational performance measurement. There are three major functions for the use of financial performance measures. The three main functions involved are as follows:

i. The use of financial measures of performance as a tool of financial management.
ii. The role of financial performance as a major objective of a business organization.
iii. The function of financial performance measures as mechanism for motivation and control within the organization.

Major confusion can be caused by applying measures developed for one purpose to a different use. Financial performance is also used as a means of motivating and controlling the activities of managers to increase the overall value of the business. At the first level of analysis, controllable aspects of performance can be partially captured in accounting performance measures, both earnings and balance sheet values. During 1990s the US management consultants Stern Stewart introduced a performance measure called Economic Value Added (EVA). EVA correlates more closely with share price than any other accounting measure (Neely 2007).

The integrated approach proposes methodologies of aggregating various outputs and inputs, and finally determines relationships between the various components (Sardana 2008).

A number of researchers have focused in recent past around the "balanced" philosophy. Business performance is a subset of the overall concept of organizational effectiveness. The narrowest conception of business performance centers on the use of simple outcome based financial indicators that are assumed to reflect the fulfillment of the economic goals of the firm. This concept is referred as the financial performance. This approach examines indicators such as sales growth, profitability (reflected by ratios such as return on investment, return on sale and return on equity), and earnings per share (Venkatraman & Ramanujam 1986).

A broader conceptualization of business performance would include emphasis on indicators of operational performance. This includes market share position (determinant of profitability), new product introduction, product quality, marketing effectiveness, manufacturing value added and other measures of technological efficiency with in the domain of business performance (Venkatraman & Ramanujam 1986).

Over the past two decades a great deal of attention has been paid to the development and use of non-financial measures of performance that can be used to both motivate and report on the performance of organizations.

Researches who have distinguished the sequential relationship between the market and financial performance are Hill (1988), Karnani (1984) and Safon (2007).Financial performance was found to be more complex than market performance, as it depends on the firm's level of sales (which is a measure of market performance) and internal efficiency (i.e. cost).

Marketing and branding activities were linked to performance. The performance of a business unit attached to a strategic brand can suggest portfolio issues and options. Unsatisfactory performance, if properly diagnosed, can be relevant to brand portfolio strategy. Brand equities will influence what portfolio strategy is optimal or even feasible (Aaker 2004). A strong positive link was established between customer satisfaction, market share and profitability (Capon et al. 1990; Anderson et al. 1994). According to Miller & Cardinal (1994) strategic planning positively influences firm performance. Higher relative product quality was observed to have a direct positive influence on return on investment (ROI) in three types of businesses- consumer nondurables, capital goods & components business. Product quality influenced ROI indirectly via its effects on market position (Phillips et al. 1983).The study by Munoz and Kumar (2004) links brand management and business performance.

2.9 MEASURING BUSINESS PERFORMANCE

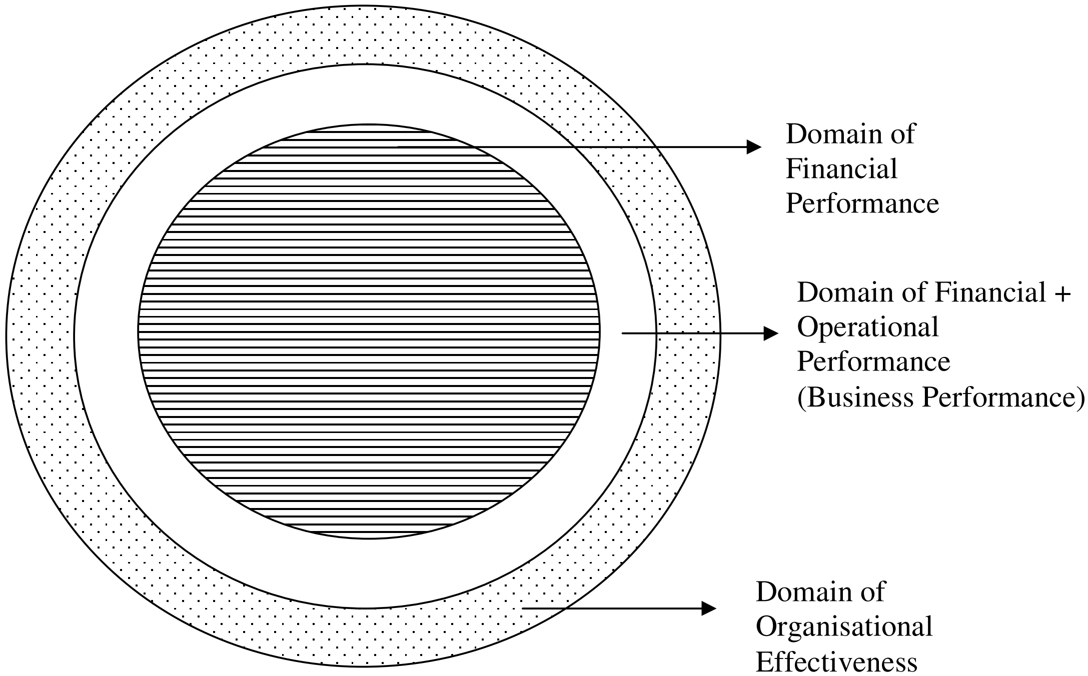
There is a great pressure to measure the performance of marketing activities of organizations. Attention to multidimensional performance measurement schemes like the balanced score card has raised interest in measuring the customer perspective on firm performance.

Organizational performance research must address two basic issues. First selection of a conceptual frame work from which to define organizational performance and second, identification of accurate available measures that operationalise organizational performance. The two popular measures related to economic aspects of organizational performance are return on assets and growth in sales (Dess & Robinson 1984).

The study conceptualizes business performance as viewed by Venkatraman & Ramanujam (1986). Figure 2.3 provides a schematic for circumscribing the domain of business performance in terms of the scope of coverage in the concept's domain.

There are compelling reasons for viewing business performance in terms broader than business economic performance (Venkatraman & Ramanujam 1987). This study is based on the conceptualization of business performance by Venkatraman & Ramanujam (1986), where the financial performance of the FMCG companies are measured by the sales growth and the operational performance is measured by the market share.

From the studies of Walker & Ruekert (1987), Zou & Cavusgil (2002), and McCarthy & Perrault (1993) it was found that performance measures include sales, profits, ROI, market share, company image, consumer perception, and overall firm objectives.



Note:
Financial Performance — The domain of performance construct in most strategy research.
Financial + Operational Performance — The enlarged domain reflected in recent strategy research.
Organizational Effectiveness — The broader domain reflected in most conceptual literature in strategic management and organization theory.
Source: Venkatraman and Ramanujam 1986

FIGURE 2.3

Circumscribing the Domain of Business Performance.

Dominant traits of superior performers proposed by Varadarajan & Ramanujam (1990) based on content analysis are product market strategies (broad product line, broad market coverage (selectivity), market specialization, geographic diversification (domestic and abroad), development of new customers, new types of markets), product/ service quality (superior product/ service offerings relative to competitors, superior customer service), innovation (history of successful new product introductions, improvement of current products, technological sophistication of current products, emphasis on R&D, large R&D outlay), technological progressiveness (industry pioneer, technology leader, manufacturing emphasis, operating efficiency, investments in new plant and equipment, constant modernization of facilities), decision making style/process, planning & control systems, human resources management, management & leadership and corporate influence.

As for performance measures, different researchers have suggested different measures (Table 2.4).

TABLE 2.4

Summary of Some Important Performance Measures Used by Key Researchers

Author(s) (Year)	**Performance Dimension**	**Performance Indicator**
Beard & Dess (1981)	Firm performance	Profit
Dess & Robinson (1984)	Organisational performance	Return on assets, Growth in sales
Venkatraman & Ramanujam (1986)	Performance	Financial Performance-Sales growth, Profitability (ROI, Return on sale & Return on equity), Earnings Per Share (EPS), Stock market returns. Operational performance (non-financial)-Market share, New product introduction, Product quality, Marketing effectiveness, Manufacturing value added, Technological efficiency, Market share position
Ramanujam & Venkatraman (1988)	Performance	Sales growth, Net income growth, market share changes, current return on investment
Miller & Cardinal (1994)	Firm performance	Growth , Profitability
Kaplan & Norton (1996)	Non-financial indicators	Customer service, Satisfaction, Product quality, Productivity and Learning & innovation.
Morgan et al. (2000)	Business performance	Finance based indicators - Return on investment Sales growth and market based variables - Market share, Customer satisfaction, Competitive position, Customer retention, Sales growth, Overall firm performance

Table 2.4 (Continued)

Rajaratnam & Chonko (2001)	Organization performance	Earnings growth rate, Sales growth rate, ROI, Return on sales
Appiah-Adu et al. (2001)	Business performance	Retention, Sales growth , Profit margin
Ghosh & Mukherjee 2006).	Performance	Traditional measures - ROI, Residual Income (RI), EPS, dividend yield, price earnings ratio, growth in sales and market capitalization. Nontraditional (non-financial performance) measures includes measurement tools like economic value added and balanced scorecard.
Prieto & Revilla (2006)	Business performance	Financial performance (using perceptual measures)- Return on assets, Sales growth, Profitability, Average productivity , Cost reduction Non-financial performance- Customer satisfaction, Customer's growth, Employee satisfaction, Quality in products & services, Organizational reputation.
Blankson et al. (2008)	Firm performance	Objective measures- Sales, Profits, ROI, Market share. Subjective measures- Company image, Consumer perception, Overall firm objective
Helgesen et al. (2009)	Business performance	Three measures - Sales growth, Surplus rate, ROCE (Return on Capital Employed)
Morgan & Rego (2009)	Firm Performance	Marketing performance measures- Advertising spending to sales ratio, Selling, general & administrative spending to sales ratio (SG&A to sales ratio), Customer loyalty, Relative market share (industry level aggregate sales / individual firm's sales). Financial performance measures- Tobin's q (forward looking measure of firm performance), Cash flow, Cash flow variability

Source: Literature Review

2.10 IMPORTANCE OF NON-FINANCIAL MEASURES

Many traditional financial measures of performance are inadequate in today's operating environment. Financial measures of performance alone cannot guide an organization to market dominance. Non-financial performance indicators also have to be measured and improved (Kaplan & Norton 1996).

Exclusive use of financial performance indicators encourages a focus on the short term results and hence it is suggested that in today's complex global competition environment, the incorporation of non–financial performance indicators provides a clearer and more relevant picture of performance (Tseng et al. 2007). Stakeholder view of performance measurement suggests that along with the traditional financial aspects of performance measurement incorporates customer satisfaction. Performance prism of Neely & Adams (2001) incorporates customer loyalty, company names and brand image as performance indicators. Organizational non-financial performance positively affects organizational financial performance (Prieto & Revilla 2006).

Even though there is a consensus on the two measures of business performance i.e. financial performance and non-financial performance, the various indicators mentioned by the researchers under these are different. The various performance indicators mentioned by different researchers are return on sale, return on equity, EPS, stock market returns, growth, new product introduction, marketing effectiveness, manufacturing value added, technological efficiency, competitive position, customer retention, earnings growth rate, revenue growth, cost reduction, customer growth, employee satisfaction, organizational reputation, customer loyalty, brand image, capital structure, market value, cash turnover ratio, cost efficiency, product yield rate, manufacturing flexibility, R&D exp ratio, patents, customer perception.

Majority of studies suggest profit, growth in sales, profitability, ROI, return on assets, net income growth as financial indicators and market share, new product introduction, product quality, customer satisfaction, innovation as non-financial indicators.

This study used both the measures of performance to evaluate the business performance of the FMCG companies. Sales growth indicated the financial Performance and market share indicated the operational performance.

2.11 FAST MOVING CONSUMER GOODS

Brand equity and business performance has been an important topic of research. Notwithstanding its importance, this concept has rarely been applied to the FMCG industry. FMCGs are products that have a quick turnover, and relatively low cost.

The entire range of FMCG products are classified into three broad categories. These product categories are: household care, food and beverages and personal care products. The product under each of these categories is provided in Table 2.5.

TABLE 2.5
FMCG Category and Products

Category	Products
Household Care	Fabric wash (laundry soaps and synthetic detergents); household cleaners (dish/utensil cleaners, floor cleaners, toilet cleaners, air fresheners, insecticides and mosquito repellents, metal polish and furniture polish).
Food and Beverages	Health beverages; soft drinks; staples/cereals; bakery products (biscuits, bread, cakes); snack food; chocolates; ice cream; tea; coffee; processed fruits, vegetables; dairy products; bottled water; branded flour; branded rice; branded sugar; juices.
Personal Care	Oral care, hair care, skin care, personal wash (soaps); cosmetics and toiletries; deodorants; perfumes; feminine hygiene; paper products.

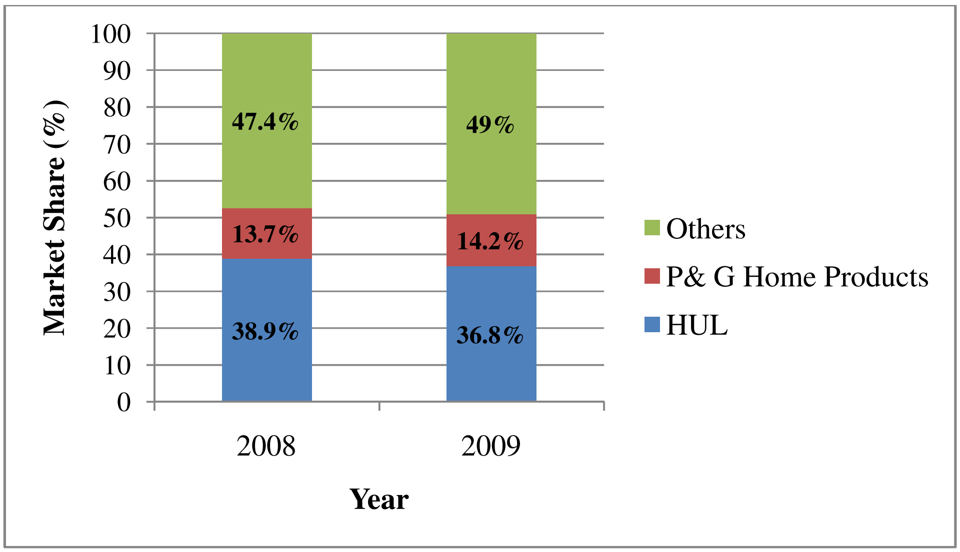
Source: IBEF 2006

2.11.1 Household Care

In the household care category fabric wash (detergents) has the highest penetration.

Detergents

The size of the detergent market is estimated to be INR 48 billion. Household care segment is characterized by high degree of competition and high level of penetration. In fabric wash Hindustan Unilever Limited (HUL) is the leader with approximately 38 per cent of market share (Figure 2.4). Other major players are Proctor & Gamble (P&G), Nirma and Henkel.



Source: ACNielsen 2010

FIGURE 2.4

Market Share of Companies in Fabric Wash Category

With rapid urbanization, emergence of small pack size and sachets, the demand for the household care products is flourishing. The demand for detergents has been growing but the regional and small unorganized players account for a major share of the total volume of the detergent market.

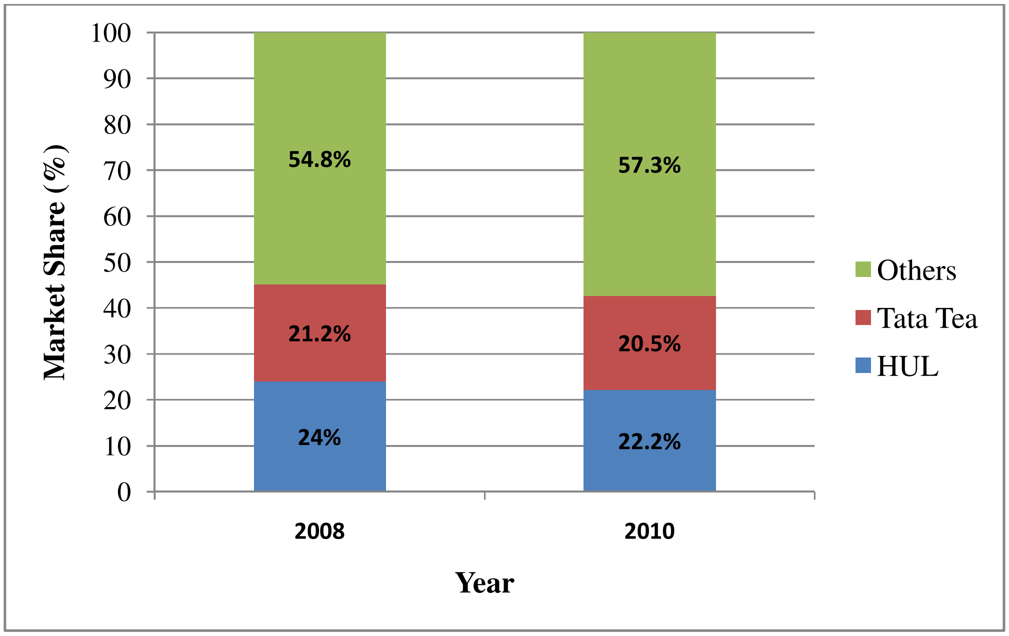
In the fabric wash category, Surf Excel from HUL and Ariel from P & G were considered for the study. HUL is the market leader followed by P&G.

2.11.2 Food & Beverages

In the food and beverages category tea has the highest penetration.

Tea

The size of the packaged tea market is estimated to be INR 43.94 billion (AC Nielsen). The major share of tea market is dominated by unorganized players. The penetration level of tea is 100 per cent. Leading branded tea players are HUL and Tata Tea (Figure 2.5). In the packaged tea category, Brooke Bond from HUL and Tata Tea from Tata Global Beverages Limited (TGBL) were considered for the study.



Source: AC Nielsen 2010

FIGURE 2.5

Market Share of Companies in Packaged Tea Category

2.11.3 Personal Care

In the personal care category personal wash (toilet soaps) has the highest penetration.

Personal Wash (Toilet soaps)

The market size of personal wash is estimated to be around INR 75 billion. The personal wash can be segregated into three segments: Premium, Economy and Popular. The penetration level of soaps is 100 per cent (Table 2.6). However, in the recent past there has not been much change in the volume of premium soaps in proportion to economy soaps, because increase in prices has led some consumers to look for cheaper substitutes.

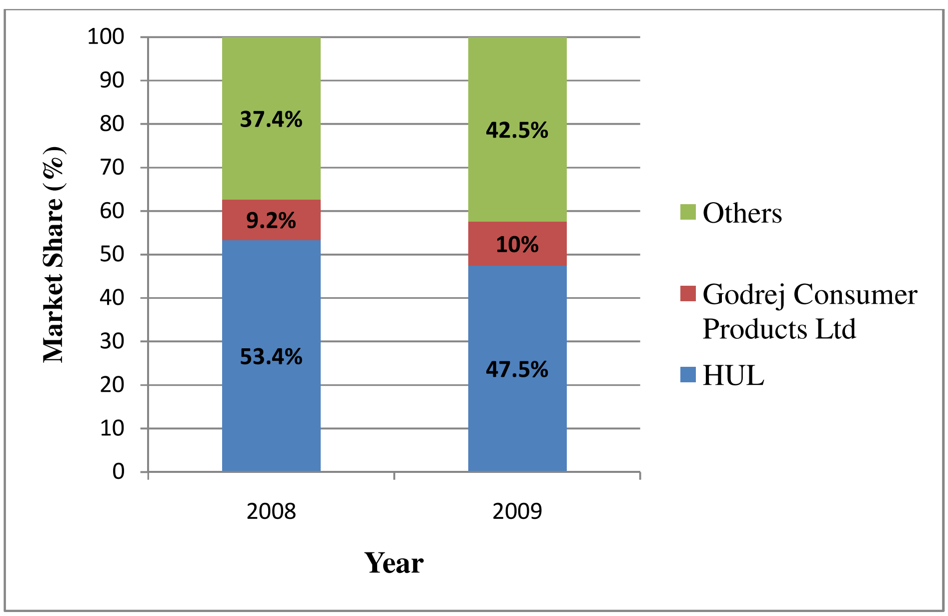
TABLE 2.6

Market Penetration and Volumes

	Urban (% penetration)		Rural(% penetration)	
	Jan-Jul '10	**Jan-Jul '11**	**Jan-Jul '10**	**Jan-Jul '11**
Universe in 000s	**72,461.90**	**72,461.90**	**153,126**	**153,126**
Toilet Soap	100	100	98	99
Washing Powder/liquid	99	99	97	97

Note: Urban household universe includes towns/cities with a population up to four million, and above
Rural household universe includes villages with a population up to 5,000, and above
Source: IMRB 2011

The leading players are HUL, Godrej Consumer Products Limited, Nirma (Figure 2.6).



Source: ACNielsen 2010

FIGURE 2.6

Market Share of Companies in Personal Wash Category

In the personal wash category, Lux from HUL and Cinthol from Godrej Consumer Products Limited (GCPL) brands were considered for the study.

2.12 BRAND EQUITY AND BUSINESS PERFORMANCE

Building brand equity is considered to be one of the key drivers of a business's success and suspected a positive correlation between brand equity and financial performance (Prasad & Dev 2000). It was found that product's brand equity positively affects future profits and long term cash flow (Srivastava & Shocker 1991). Firms with high brand equity are known to have high stock returns (Aaker & Jacobson 1994). Positive customer-based brand equity can lead to greater revenue, lower costs and higher profit; and it has direct implications for the firm's ability to command higher prices, customer's willingness to seek out new distribution channels, the effectiveness of marketing communications and the success of brand extensions and licensing opportunities (Keller 2003). Brand equity empowers companies to negotiate lower costs of distribution, increased effectiveness in marketing communication and expanded growth opportunities from brand extensions and licenses (Yoo & Donthu 2001).A hospitality firm with strong brand equity is likely to command greater customer loyalty, higher profitability, higher market value and higher resiliency to endure crisis situation (O'Neil & Xiao 2006).

The relationship between brand equity and business performance is an area that has not received much research attention. Few studies have empirically tried to prove the relationship between financial performance and brand equity (Table 2.7).

In the study by Appiah-adu, Fyall and Singh (2001), significant positive association was found between marketing effectiveness and performance in the financial services industry which included the banks and building societies. The dimensions of marketing effectiveness include customer philosophy, operational efficiency, strategic orientation, adequate marketing information and integrated marketing organization. The performance dimensions are retention, sales growth and profit margin. Further studies in the financial services industry proved the positive relationship between customer satisfaction and organizational performance in the financial services industry (Wiele et al. 2002). The business performance dimensions were sales volume and sales margin per customer.

In the study by Baldauf, Cravens & Binder (2003) on the tile reseller (organisation in the value chain), brand equity components brand awareness, perceived quality and brand loyalty was positively related to brand profitability performance and brand market performance.

TABLE 2.7

Outline of Previous Research Linking Brand Equity and Business Performance

Author(s)(Years)	Findings
Webster (2000)	Provided conceptual support for the relationship between brand equity dimensions and brand market performance.
Kim et al. (2003)	There is a relationship between customer-based brand equity and firm's financial performance in the hotel industry
Baldauf et al. (2003)	Brand equity was related to brand profitability performance and brand market performance.
Kim & Kim (2004)	Brand equity is significantly correlated with revenues in the hotel industry.
Nurittamont & Ussahawanitchakit (2008)	Brand equity has a significant positive relationship with competitive advantage and performance
Tolba & Hassan (2009)	Brand equity constructs are correlated with brand market performance

Source: Literature Review

The measures of brand profitability were profitability, margin realized, financial attractiveness and percentage profit of the brand and the measures of brand market performance were percentage sales volume. The performance measures used were subjective rather than objective. This was cited as one of the limitations of the study. Moreover, one of the important dimensions, brand association was not considered as part of brand equity (Baldauf et al. 2003).

In the study by Webster (2000) the relationship between brand equity dimensions and brand market performance was confirmed. A study was undertaken to examine the underlying dimensions of brand equity and how they affect financial performance of hotels. The results indicate that brand loyalty, perceived quality and brand image are important components of customer-based brand equity. The study provides fairly convincing evidence of the effect that customer-based brand equity has on a firm's financial performance (Revenue per available room) in the hotel industry (H-B. Kim et al 2003).

Strong brand equity is significantly correlated with revenues for quick-service restaurants. The study tested four elements of brand equity, namely, brand awareness, brand image, brand loyalty, and perceived quality. Of those attributes, brand awareness had the strongest direct effect on revenues, while loyalty had the least effect. Dividing the restaurants into high-performing and low-performing groups, the researchers found that customers differentiated the high-performing restaurants on several product-quality measures, including knowledgeable employees and food served on time and as ordered. Finding was that although brand equity comprises all four factors being tested, awareness showed the smallest effect on brand equity, far eclipsed by image, loyalty, and product quality (Kim & Kim 2004) .

The brand equity components, brand loyalty and brand awareness/ association were found to increase mid priced hotel guest's revisit intention (Kim et al. 2008). Customer-based brand equity constructs are correlated with brand market performance in the automotive industry (Tolba & Hassan 2009). The brand equity dimensions include knowledge equity, attitudinal equity and relationship equity. The brand market performance was operationalised in terms of market share.

In a study investigating the influences of brand equity in competitive advantage and performance of Spa business in Thailand, the results indicate that the brand equity has a significant positive relationship with competitive advantage and performance. Business performance was measured by four scale items indicating to overall business performance. The measures used were subjective (Nurittamont & Ussahawanitchakit 2008). The result also indicate that firms with the greater brand awareness, brand association and appreciation of quality appear to achieve brand equity, a finding similar to Aaker (1991, 1996a) and Yoo and Donthu (2001).

2.13 RESEARCH GAPS

Research Gap 1

Despite the availability of numerous definitions for brand equity in the literature, there is little consensus on what exactly brand equity means (Park & Srinivasan 1991). Even though the content and meaning of brand equity have been debated in different ways and for a number of different purposes, so far no common viewpoint has been emerged (Vazquez et al. 2002; Keller 2003). Nor there is a general agreement among researches , at the conceptual level about what brand equity comprises (Pappu et al. 2005). A study by Yoo and Donthu (2001) developed a multidimensional brand equity scale. In their study, brand awareness and brand association were not separated into two distinctive dimensions; therefore, the authors suggested a three-factor brand equity model by combining brand awareness and brand association into one dimension.

Washburn and Plank (2002) supported Yoo and Donthu's (2001) finding, demonstrating the strongest and cleanest fit of the three-factor structure. Washburn and Plank (2002) have highlighted the need to refine the dimensionality of customer-based brand equity. According to them researchers should focus on the distinction between the dimensions of brand awareness and brand associations. Although Aaker (1991) had pointed the conceptual difference between brand awareness and brand association, empirical evidence by Yoo and Donthu (2001, 2002); Yoo et al. (2000); Washburn and Plank (2002) suggest that they should be combined into one. In the study done by Atilgan,¸ Aksoy and Akinci (2005), brand awareness and brand associations were found to be correlated. According to Kim, Sun and Kim (2008), in the lodging industry (service industry) four elements of brand equity were measured through a consumer survey. Because of ongoing debates about the number of brand-equity dimensions, this study first investigated which factor model (four versus three) of brand equity fits better in the lodging industry by setting a competing model (i.e., linking outcome variables with three factors of brand equity). After comparisons of the two models, the impacts of hotel brand equity on two outcome variables (perceived value and revisit intent) were explored. The competing model (i.e., linking outcome variables with three factors of brand equity) demonstrated a better fit than the proposed model with four factors of brand equity.

In the study by Pappu, Quester and Cooksey (2005) the overall results confirmed that customer-based brand equity was a four-dimensional construct. The four dimensional construct found in the research by Pappu et al. (2005) was similar to Cobb-Walgren et al. (1995), but contrasted with the findings of other researchers like Yoo and Donthu (2001, 2002); Yoo et al. (2000); Washburn and Plank (2002); Atilgan,¸ Aksoy and Akinci (2005);Kim, Jin-Sun and Kim (2008) .

Although several authors have elaborated on the definition and content of brand equity, the number of studies which empirically test its proposed constructs is limited. Despite the richness in conceptual and operational definitions and models for brand equity, there is a marked scarcity of quantitative research examining its constructs based on solid empirical data (Atilgan et al. 2005). Hence it is important to examine further the dimensionality of customer-based brand equity construct (Pappu et al. 2005).

This study on brand equity concentrates on customer mindset. The study considers the four dimensions of brand equity (brand loyalty, perceived quality, brand awareness, and brand association), which originate from Aaker's (1991) work, as the mainstream of customer-based brand equity.

Even though perceived quality was considered as an important dimension of brand equity, the importance of perceived quality for FMCG needs to be probed. The main reason that perceived quality is a primary dimension in brand equity models is that it has a strategic effect on brand equity, by reducing the perceived risk (Aaker 1991; Erdem et al. 2004; Keller 1993). Perceived risks are high in the case of services than products. Moreover FMCGs are products that are considered as low involvement products. Hence the relevance of perceived quality of FMCG products in building brand equity had to be identified.

Despite considerable interest in the concept of customer-based brand equity, there have been little attempts at its measurement in the FMCG industry. In the previous studies by Yoo and Donthu (2001) and Washburn and Plank (2002), they had used student samples to validate the customer-based brand equity scale. The present research addressed some of these limitations.

This warrants further investigations regarding the dimensionality of customer-based brand equity construct (Research gap 1). The objective of the research is to empirically examine the dimensionality of the customer-based brand equity construct for the FMCG products.

In summary, although many agree on the conceptual model of the four components of brand equity, empirical results have not been supportive. This research aims to improve the measurement of brand equity for FMCG products by using a sample of actual FMCG consumers.

Research Gap 2

Even though there has been considerable interest in the concept of brand equity and its measurement, there have been few attempts at its cross national validation. A failure to establish cross national equivalence may threaten the validity of conclusion (Durvasula et al. 1993; Mavondo et al. 2003).

Atilgan,¸ Aksoy and Akinci (2005) observed that in the beverage industry in Turkey, findings do not completely support all of Aaker's brand equity dimensions, brand loyalty was found to have a dominant effect on brand equity, which does parallel the findings of Yoo et al (2000). The empirical data and the statistical tests in this study did not give enough support to the existence of a direct causal relationship between the three dimensions – brand awareness, brand associations, and perceived quality – and brand equity. The study suggested that there is a correlation between brand loyalty, brand awareness and perceived quality. Conceptualisation of brand equity as a multidimensional concept consisting of brand awareness, perceived quality, brand associations and brand loyalty was invariant across UK and Spain (Buil et al. 2008).

Addressing this gap this research focuses on validating the brand equity model proposed by Aaker (1996a) for the FMCG brands in India (Research gap 2).

According to Aaker (1996a) brand association measurement of associations/differentiation can be structured around three perspectives on the brand: the brand-as-product (value), the brand- as a person (brand personality) and the brand-as-organization (organizational associations). Keller (1993) had discussed this construct under brand image and classifies these associations into three major categories: attributes, benefits, and attitudes. Low & Lamb (2000) considered brand image, brand attitude, and perceived quality as the brand association constructs.

Different researchers had identified different constructs for the measurement of brand association. The study also tries to identify the construct for brand association for the FMCG industry.

The study also has addressed many of the limitations of the previous study on brand equity. Brand awareness was measured using an interval scale. Nearly ten items were used to measure brand association. A combination of probability sampling and non probability sampling was used in the study.

Research Gap 3

The relationship of brand equity dimensions and brand market performance has received very limited research attention (Baldauf et al. 2003).

Based on the study done in hotel industry by Prasad and Dev (2000), they suspected a positive correlation between brand equity and financial performance. But due to limitations of hypothetical data they could not examine this relationship.

In the study conducted by Kim, Kim and An (2003) a review of detailed measures constituting these three variables, brand loyalty, brand awareness, and brand image, shows that most measures affect financial performances of hotels. Nonparametric correlation analysis provides fairly convincing evidence of the effect that customer-based brand equity has on a firm's financial performance in the hotel industry. But the performance indicator was just one factor- revenue per available room. And here brand image was considered rather than brand association as one variable of brand equity.

Another study by the same researchers- Kim and Kim (2004) was done in the case of quick service restaurants, classifying restaurants as high sales and low sales. The results show that brand equity has a strong correlation with performance. Customer-based brand equity constructs are correlated with brand market performance in the automotive industry (Tolba & Hassan 2009). The brand equity dimensions used were knowledge equity, attitudinal equity and relationship equity.

No study has focused on the implication of both financial and non-financial indicators simultaneously on brand equity. Mostly the study was done for services-hotel industry. No much work had happened in the FMCG industry (Research gap 3).

2.14 CONCEPTUAL FRAMEWORK

An examination based on the literature and consistent with previous research on business performance as well as brand equity models, the study proposes a framework linking brand equity and business performance for the FMCG companies.

The operational definitions for independent variables identified i.e., brand equity and its components are provided (Table 2.8).

TABLE 2.8

Operational Definitions for Independent Variables

Independent Variables	Operational Definitions
1. **Brand Loyalty**	Brand loyalty is defined as the favorable attitude towards a brand resulting in the consistent purchase of that brand over time Attitudinal and behavioral loyalty is used to measure brand loyalty. Behavioral loyalty refers to repeated purchases, and attitudinal loyalty refers to a strong internal disposition towards a brand. It also reflects the consumer’s willingness to pay a price premium.
2. **Perceived Quality**	Perceived quality is defined as the customer’s perception of the overall quality or superiority of a product or service with respect to its intended purpose, relative to alternatives. Perceived quality is based on the product quality alone since the research is done in the FMCG industry. The measures of perceived quality considered for the study are performance, features, reliability, fit and finish.
3. **Brand Awareness**	Brand awareness is the ability of a potential buyer to recognize or recall that a brand is a member of a certain product category. Brand awareness is measured through brand recognition and brand recall. Brand recognition is based upon an aided recall test. The respondents are given a set of brand names from a given product class and asked to identify those that they had heard before. The next level is the brand recall which is based on unaided recall.

Table 2.8 (Continued)

4. Brand Association	Brand association is anything 'linked' in memory to a brand. Measurement of association was structured around three perspectives on the brand- perceived value, brand personality and organizational association.
5. Brand Equity	The set of assets / liabilities are grouped into four categories: brand loyalty, brand name awareness, perceived brand quality and brand associations.

Source: Literature Review

The study also explores how the brand equity will influence the components of business performance i.e. operational performance and financial performance. The operational definitions for the dependent variables i.e., business performance, operational performance and financial performance is provided (Table 2.9).

TABLE 2.9

Operational Definitions for Dependent Variables

Dependent Variables	Operational Definitions
Business Performance	Business performance is the final result of the brand building activities. In evaluating business performance, financial performance and operational performance is combined.
Financial Performance	The growth in sales of the brands is the indicator of financial performance.
Operational Performance	Market share of the brand is used as the operational performance indicator.

Source: Literature Review

Based on the theoretical framework and pilot study researcher has attempted to develop a conceptual framework to identify the relationship between brand equity and business performance. The underlying conceptual logic is that brand awareness, brand loyalty, perceived quality and brand association will lead to brand equity which is expected to increase the financial and operational performance of business leading to improved business performance (Figure 2.7).

2.15 RESEARCH HYPOTHESES

Based on theoretical framework, pilot study and experience of the researcher the following hypotheses are framed:

Even though brand loyalty, was considered as one of the most important determinants of brand equity (Aaker 1991; Yoo et al. 2000), it has received relatively less attention in terms of cross cultural issues and empirical approaches (Yoo & Donthu 2001; Atilgan et al. 2009). In the study done by Atilgan, Aksoy and Akinci (2005) in the beverage industry, brand loyalty was found to have a dominant effect on brand equity. The other three constructs like perceived quality, brand association and brand awareness had a very low influence on brand equity (Atilgan et al. 2005). It was also noted in the above study that there is a correlation between brand loyalty, brand awareness and perceived quality. On examining the practicality and applications of Aaker's customer-based brand equity model in the Chinese sportswear market it was found that brand association and brand loyalty are influential dimensions of brand equity. Weak support was found for the perceived quality and brand awareness dimensions (Tong & Hawley 2009). Since the importance of brand loyalty varies with different sector, it was necessary to identify its influence on brand equity of FMCG industry. The following hypothesis derives from the above:

Hypothesis 1: Brand loyalty has a significant positive effect on brand equity in the FMCG industry in India.

Perceived quality is an important dimension of brand equity as it reduces the perceived risk. But perceived risks are high in the case of services than FMCG products which are low involvement products. Hence the relevance of perceived quality of FMCG products in building brand equity had to be identified.

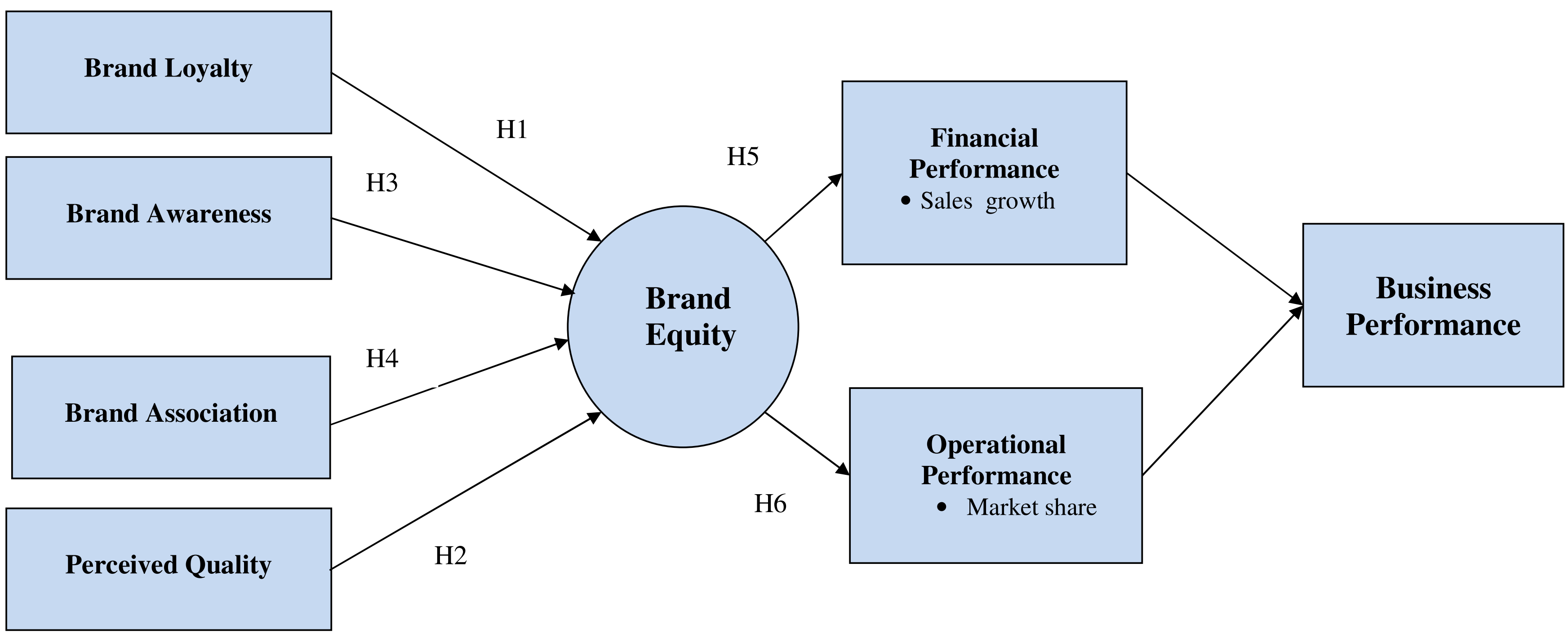


FIGURE 2.7
Conceptual Framework of the Relationship between Brand Equity and Business Performance of the FMCG Industry in India

The following hypothesis is proposed:

Hypothesis 2: Perceived quality has a significant positive effect on brand equity in the FMCG industry in India.

Does awareness of the brand by consumers play an important role in building brand equity of FMCGs? Is brand awareness a different construct for brand equity of FMCGs or should it be combined with brand association? Brand awareness is the ability of a potential buyer to recognize or recall that a brand is a member of a certain product category. Here, a link between product class and brand is involved. Rossiter and Percy (1987) defined brand awareness as the consumer's ability to identify or recognize the brand. Brand association is anything "linked" in memory to a brand. Brand association includes the variables of perceived value, brand personality and organizational association.

Yoo et al. (2000) treated brand equity as a three dimensional construct, combining brand awareness and brand association into one dimension. Brand awareness was not considered as a significant factor of brand equity in the hotel industry (Kayaman & Arasli, 2007).The findings of the study supported the three dimensional model of customer-based brand equity in hotel industry. In a study conducted in the product category of cars and televisions the customer-based brand equity was proved as a four dimensional construct (Pappu et al. 2005). In the study by (Atilgan et al., 2005) brand awareness and brand associations were also found to be correlated. In the multidimensional brand equity scale developed by Yoo and Donthu (2001), brand awareness and brand association were not separated into two distinctive dimensions. Hence the authors suggested a three-factor brand equity model by combining brand awareness and brand association into one dimension. Washburn and Plank (2002) supported Yoo and Donthu's (2001) finding, demonstrating the strongest and cleanest fit of the three-factor structure. According to them researchers should focus on the distinction between the dimensions of brand awareness and brand associations. According to Kim, Sun and Kim (2008), in the lodging industry (service industry) the competing model linking outcome variables with three factors of brand equity demonstrated a better fit than the proposed model with four factors of brand equity. Hence in this study the researchers had tried to examine the relationship of brand awareness and brand association with brand equity independently. From the previous justification the following hypotheses were proposed:

Hypothesis 3: There is a positive relationship between brand awareness and brand equity in the FMCG industry in India.

Hypothesis 4: There is a positive relationship between brand association and brand equity in the FMCG industry in India.

In summary, although many agree on the conceptual model of the four components of brand equity, empirical results have not been supportive. Although it is clear that customer-based brand equity had multiple dimensions, there is no general agreement in current marketing literature.

Even though literatures support that there is a relationship between brand equity and business performance not much work has explored how brand equity affects financial performance and the operational performance. It was found that customer-based brand equity constructs are correlated with brand market performance (Tolba & Hassan 2009). But the brand equity measures were different from those proposed by Aaker (1991).

In the study conducted by Kim, Kim and An (2003) a review of detailed measures constituting the three variables- brand loyalty, brand awareness, and brand image, shows that most measures affect financial performances of hotels. Nonparametric correlation analysis provides fairly convincing evidence of the effect that customer-based brand equity has on a firm's financial performance in the hotel industry. But the performance indicator was just one factor- revenue per available room. And here brand image was considered rather than brand association as one variable of brand equity. Baldauf, Cravens & Binder (2003) confirmed the relationship between brand awareness, perceived quality and brand loyalty with profitability, but here the brand equity dimension brand association is not considered for the study. Moreover subjective measures were used to collect the data on financial performance. Based on the study done in hotel industry by Prasad and Dev (2000), they suspected a positive correlation between brand equity and financial performance. But due to limitations of hypothetical data they could not examine this relationship. Therefore:

Hypothesis 5: Brand equity and financial business performance measure are related in the FMCG industry in India.

In order to test the hypothesis H_5, it was first required to establish that there is a difference in the brand equity of the brands under study. The rationale for the hypothesis H_{5a}, H_{5b}, and H_{5c} was based on the study conducted by Nielsen (2011) in India, across socio-economic classifications, age, income and geography. The study gave a higher rating for Lux, Surf Excel and Tata Tea compared to their counterparts.

Hence in the case of toilet soaps the hypothesis was stated as:

H_{5a}= Brand equity of Lux soap is higher than the brand equity of Cinthol.

In the case of fabric wash the hypothesis was stated as:

H_{5b}= Brand equity of Surf Excel fabric wash is higher than the brand equity of Ariel.

Finally, for tea the hypothesis was stated as:

H_{5c}= Brand equity of Tata Tea is higher than the brand equity of Brooke Bond.

Another study by researchers- Kim and Kim (2004) was done in the case of quick service restaurants, classifying restaurants as high sales and low sales. The results show that brand equity has a strong correlation with performance. In the article by Nurittamont and Ussahawanitchakit (2008) regarding the research done in the spa business in Thailand, it was found that the Spa firms' with higher brand equity had better business performance. Not much study had focused on the implication of non-financial indicators on brand equity. Mostly the study was done for services- hotel industry. No much work had happened in the FMCG industry.

Hypothesis 6: There is a relationship between brand equity and operational business performance measure in the FMCG industry in India.

Keeping all the factors discussed above the proposed conceptual framework was developed. The framework depicts how the brand loyalty, brand awareness, perceived quality and brand associations affect the brand equity of FMCGs companies. Based on the extensive literature review a literature map (Figure 2.8) was formed based on which the research gaps were identified. The framework which was developed on the literature survey map also portrays the link between brand equity and operational performance and between brand equity and financial business performance of FMCG companies.

2.16 CHAPTER SUMMARY

The chapter provides a detailed review of the literature on brand equity, business performance and FMCGs. Brand equity was approached from the perspective of the consumer. The literature review provides little research evidence where brand equity can be leveraged for business performance in the FMCG industry. The chapter provides the details of the research gap identified based on the literature review. The chapter briefed about the various variables identified and proposed a conceptual framework for the relationship between brand equity and business performance. A detailed literature survey map revealed the importance of a study linking brand equity and business performance. Further based on the conceptual framework, hypotheses were framed. As discussed there is immense need to focus on the concept of brand equity which can be leveraged for business performance.

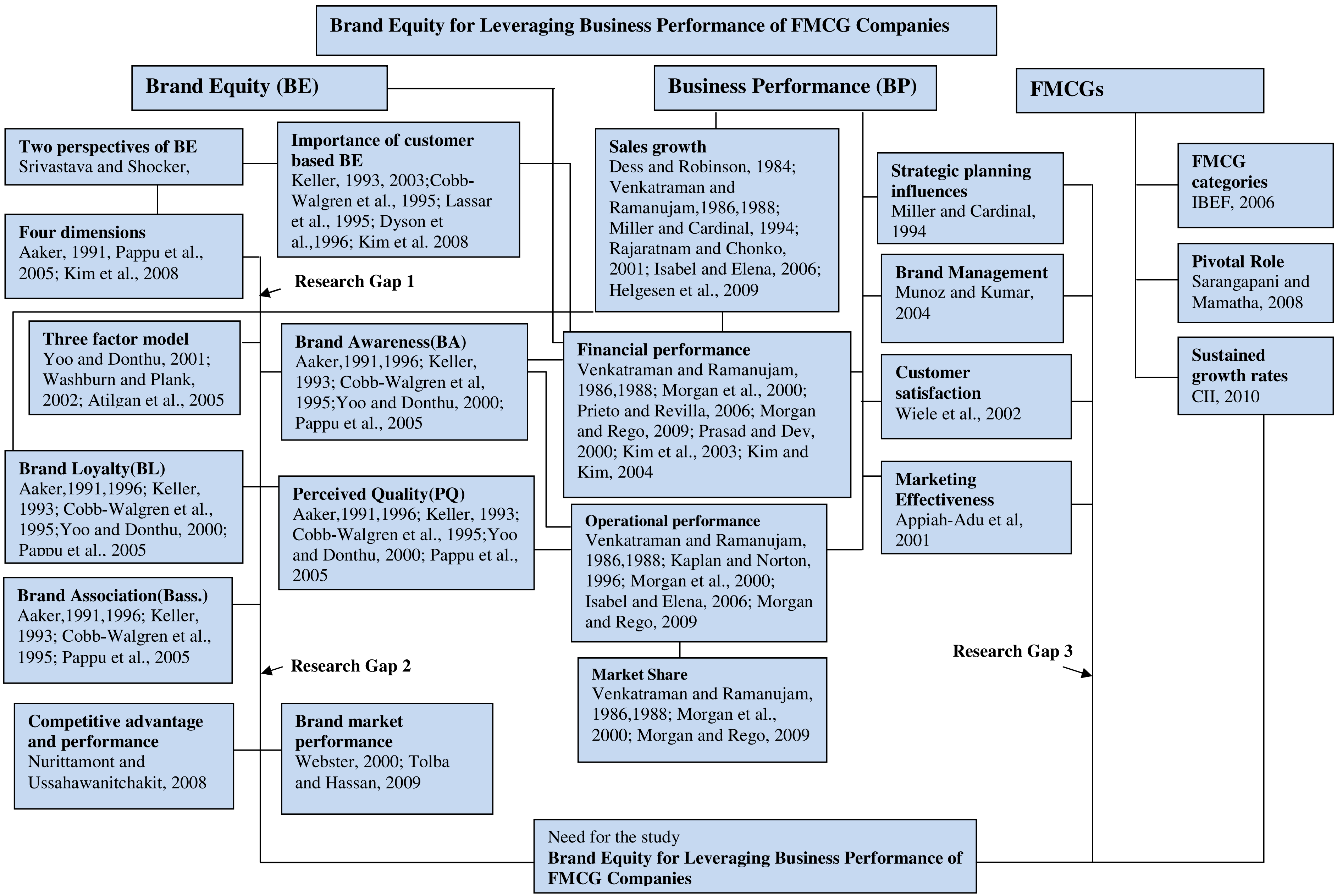


FIGURE 2.8

Literature Survey Map

Source: Literature Review

CHAPTER 3

RESEARCH METHODOLOGY

CHAPTER 3

RESEARCH METHODOLOGY

3.1 CHAPTER OVERVIEW

This chapter details the research design used to test the theoretical model established in chapter two. The second section (Section 3.2) gives a brief overview of the research design. Section 3.2.1 describes the mixed methods. Section 3.2.2 and section 3.2.3 explains the descriptive and exploratory study. Section 3.3 discusses the inductive and deductive argument undertaken in the study. Section 3.4 and 3.5 focuses on the secondary and primary data respectively. Section 3.6 discusses the research tool, wherein the subsection 3.6.1 explains the questionnaire used for the study. Section 3.7 gives an account of the scale items used in the survey. Section 3.8 details the pilot study undertaken. The details of the survey are provided in section 3.9. Section 3.10 explains the sampling design followed by section 3.10.1 and Section no 3.10.2 which provides details on stimuli selection, sampling technique, sampling frame, sample size and sampling method used for selecting FMCG products and brands and FMCG respondents. Section 3.11 explains the statistical test used for the research. Sub section of 3.11.1 briefly describes the descriptive and inferential statistics undertaken for the research. Lastly, section 3.12 summarizes the chapter.

3.2 RESEARCH DESIGN

Research designs are plans and the procedures for research that span the decisions from broad assumptions to detailed methods of data collection and analysis (Creswell 2009). The three types of designs are qualitative, quantitative and mixed methods. The study used mixed methods research.

3.2.1 Mixed Methods Strategies

This is an approach to inquiry that combines or associates both qualitative and quantitative forms. The study involved philosophical assumptions, the use of qualitative and quantitative approaches, and mixing of both approaches. Thus it is more than simply collecting and analyzing both kinds of data; it also involves the use of both approaches in tandem so that the overall strength of the study is greater than either qualitative or quantitative research (Creswell & Plano 2007). Since the research involves combining qualitative and quantitative methods the method used here is triangulation. Qualitative studies were combined with quantitative ones to increase the perceived quality of the research. Using Quantitative Research the study involved testing the objective theories by examining the relationship among the brand equity dimensions and performance variables. These variables are measured using typical instruments.

3.2.2 Descriptive Approach

The study is based on the descriptive approach which involved the description of phenomena or characteristics associated with FMCG consumers, who is the subject population and for discovery of associations among brand equity and its variables. The goal of the descriptive study was to evaluate the different brand equity dimensions of awareness, loyalty, perception of quality and associations with respect to different FMCG brands. The study involves structured and clearly stated hypotheses.

3.2.3 Exploratory Approach

The objective of exploratory research is to explore or search through a problem or situation to provide insights and understanding (Malhotra 2007). Among the different methods of exploratory research this research had used the exploratory research to analyze the secondary data in a qualitative way. The research had used document analysis under qualitative study where contemporary confidential reports, public report, government documents and opinions were evaluated regarding the performances of different FMCG companies. The exploratory study was also useful in identifying the antecedents and performance outcome of brand equity. The exploratory study helped in crystallizing the research problem, conceptualizing the framework for the study and to operationalise the dependent and independent variables.

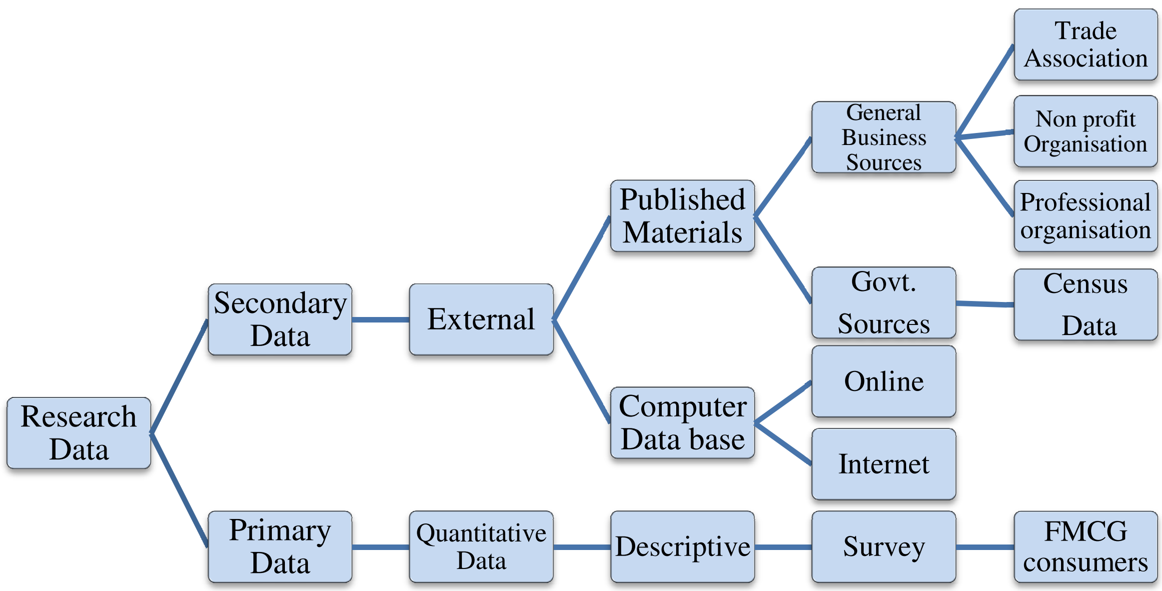
3.3 INDUCTIVE AND DEDUCTIVE ARGUMENT

The researcher had adopted both inductive and deductive argument for the study. The research is inductive since the researcher begins with the theory on brand equity and business performance in order to establish the relationship between brand equity and the finance and operational performance of business. A clear theoretical position was developed prior to the collection of data; hence the research is based on the deductive approach. The deductive approach in this study followed five sequential stages. First, the hypotheses were deduced about the relationship between brand equity and its constructs from the theory. Second, the hypotheses were expressed in operational terms, how the brand equity and its variables are measured and this proposed a relationship between two specific variables. Third, these hypotheses were tested empirically. Fourth, by examining the outcome of the inquiry, it confirmed the theory and indicated few modifications. Fifth, the theory was modified in the light of the findings. Deductive argument was used to test theories of brand equity components and generalize and replicate the findings of the study. Hence the research uses both inductive and deductive argument starting with a theoretical framework, formulating hypotheses and logically deducing from the results of the study.

3.4 SECONDARY DATA

Secondary data for this research was collected on business performance of six brands belonging to four companies. Toilet soap brand- Lux, fabric wash brand- Surf Excel and tea brand-Brooke Bond are from HUL. Cinthol brand of toilet soap was from GCPL, Ariel brand of fabric wash is from P & G and Tata Tea brand of tea was from TGBL. Data on both financial performance and operational performance was collected from published external secondary sources and computerized database. The items used to measure financial performance are sales growth and the item for measuring operational performance was market share. In this research secondary data helped to answer certain research questions, to develop an approach to the problem and test two hypotheses. It also helped to interpret primary data more insightfully.

The sources of published external secondary data include data from government, nonprofit organizations, trade association like CII, FICCI, IBEF and professional marketing research firms like Pricewaterhouse Coopers (PwC), The Nielsen Company and MCKinsey (Figure 3.1). Online database and internet data base were also accessed.



Source: Research Data

FIGURE 3.1

Sources of Secondary and Primary Data for the Research

The accuracy of the secondary data has been evaluated by identifying multiple sources of data and comparing those using standard statistical procedures. An overall indication of the dependability of data was obtained by examining the expertise, credibility, reputation and trustworthiness of the source (Malhotra 2007).

3.5 PRIMARY DATA

Primary data was collected for the specific purpose of addressing the research problem. The primary data of this research is quantitative in nature.

A survey design was used for the research, which provided a quantitative description of trends, attitudes and opinions of the FMCG consumers. Information was collected from the sample in such a way as to be able to generalize the findings to the population (Pinsonneault & Kraemer 1993). Surveys are useful in describing the characteristics of a large population. No other method of observation can provide this general capability. In this research the attitude and opinions of people towards brands are measured. Hence survey method is the most suited. The main way of collecting information was by asking people structured and predefined questions. Their answers constituted the data to be analyzed.

From sample results the researcher generalized it to the population. Determinism suggests that examining the relationships between and among variables is central to answering questions and hypotheses through surveys and experiments (Creswell 2009). The survey results tend to be representative of the population within a certain degree of error (The Health Communication Unit 1999).

3.5.1 Time Dimension

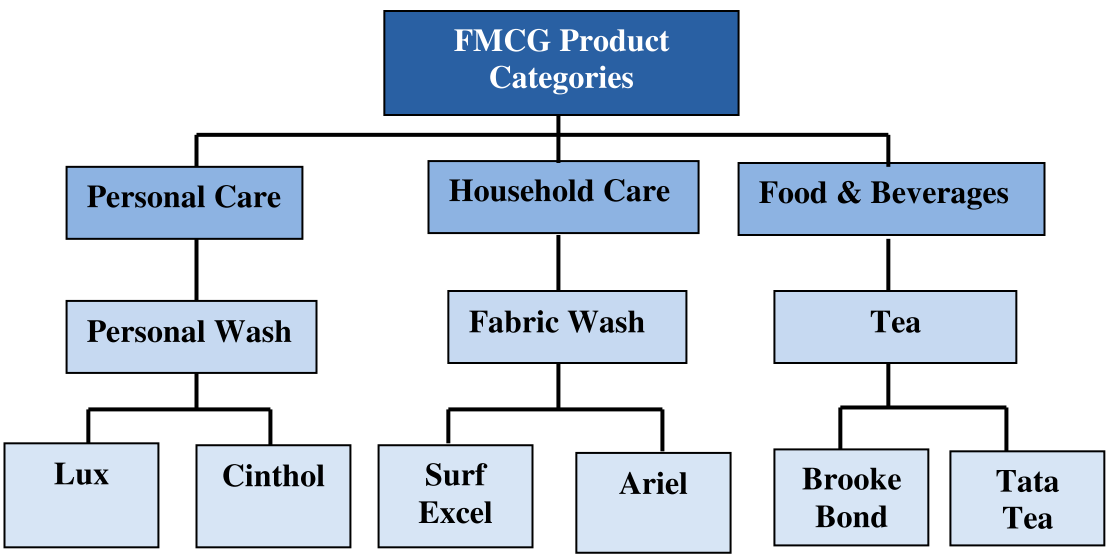
The research uses cross sectional study which is carried out once and represent a snapshot of one point in time.

3.6 RESEARCH TOOL

A structured data collection procedure was followed where a formal questionnaire was prepared. In self administered questionnaire, respondent cooperation is improved if the majority of the questions are structured (Malhotra 2007). Respondents were asked a variety of questions regarding their behavior, intentions, attitudes, awareness, motivations and demographic characteristics.

3.6.1 Questionnaire

On the basis of the items used in the literature and the definition established in the study, a pool of measures was generated. Three product categories were chosen where two brands were evaluated within each category of FMCG products. The product category and the brands were: Personal wash: Lux and Cinthol; Fabric wash: Ariel and Surf Excel; Tea: Brooke Bond and Tata Tea. Survey corresponding to the three product categories and six brands were drafted (Figure 3.2). Details of the selection of these product category and brands are discussed in section 3.10.1. The measures of brand equity used in the questionnaire were common across product categories, except the brand names.



Source: Research Data

FIGURE 3.2

Overview of the Different Sets of Questionnaire

Customer-based brand equity items pertaining to these six brands were distributed. Six versions of the questionnaire were prepared such that each version was customized for three different product category and six different brands (Annexure). The selected brands were assigned randomly to the respondents who were not given an opportunity to choose a questionnaire to ensure validity of findings (Yoo et al. 2000). The number of responses ranged from 136 to 139 for each brand.

The questionnaire consists of two parts. Part I included the general information which collects the demographic details like gender, age, education, marital status, profession, income and place of residence. Part II consists of questions specific to different product category and brands. This section consists of items of ordinal scale which is one of the comparative scales (Malhotra 2007). Questions in part II are multiple choice questions. Majority of questions in this section was pertaining to brand equity.

3.7 SCALE DEVELOPMENT

Different levels of measurement were used for different questions (Table 3.1).

TABLE 3.1

Type of Scales Used for Different Questions in the Questionnaire

Section of Questionnaire	Question Number	Scale
Part I	Q no.1	Nominal
	Q no.2	Ordinal
	Q no.3- Qno.6	Nominal
	Q no.7	Ordinal
	Q no.8-Q no.9	Nominal
Part II	Q no.10	Ordinal
	Q no.12- Qno.15	Nominal
	Q no.16- Q no.41	Interval

Source: Research Data

Based on the literature review four dimensions of brand equity were brand awareness, brand loyalty, perceived quality and brand association. Five items were designed to measure brand awareness. Aided and unaided recall was the two measures which were used to measure brand awareness (Aaker 1991). Six items measured brand loyalty and four items measured perceived quality.

The six-item scale for brand loyalty was adapted from measures developed by Aaker (1996), Odin et al. (2001), and Yoo & Donthu (2001). Among the six brand loyalty items two items- my first choice and will not buy other brands- were derived from Beatty & Kahle's (1998) work. The four items of perceived quality were derived from the research of Dodds et al. (1991). The dimension of brand association included perceived value, brand personality and organizational association (Table 3.2).

TABLE 3.2

Items Used in the Research Study

Dimension	Items	Source
Brand Awareness	6	Aaker 1996 ; Yoo et al. 2000; Yoo & Donthu 2001; Netemeyer et al. 2004
Brand Loyalty	7	Aaker 1996 ; Yoo et al. 2000; Yoo & Donthu 2001; Odin et al. 2001.
Perceived Quality	4	Yoo et al. 2000
Perceived Value	3	Aaker 1996
Brand Personality	3	Aaker 1996
Organisational Association	4	Aaker 1996; Pappu et al. 2005, 2006
Overall Brand Equity	4	Yoo & Donthu 1997
Financial performance	1	Dess & Robinson 1984; Venkatraman & Ramanujam 1986,1988; Rajaratnam & Chonko 2001; Prieto & Revilla 2006; Helgesen et al. 2009
Operational Performance	1	Venkatraman & Ramanujam 1986, 1988; Morgan et al. 2000; Morgan & Rego 2009

Source: Literature Review

Three items measured perceived value, three items measured brand personality and four measured organizational association. In total ten items were used to measure brand association.

Four brand equity items were designed to capture the overall brand equity. All the four measures of overall brand equity were adapted from the Yoo, Donthu & Lee(2000) . Few items assessing brand loyalty, brand awareness, and brand association were slightly modified to fit in the context of FMCG products from the original format (i.e., Yoo & Donthu's (2001) scale.

The dimensions was measured using a 5 point Likert scale anchored from 1(strongly disagree) to 5 (strongly agree) (Aaker, 1991; Yoo & Donthu 2001). Likert scale is an itemized rating scale under non comparative scales. The questionnaires were pretested on 10 respondents to identify and eliminate potential problems on question content and wording. Based on the pretest necessary changes have been incorporated.

3.8 PILOT STUDY

An initial pilot study was conducted on 55 FMCG consumers from five States (Madhya Pradesh, West Bengal, Gujarat, Karnataka and Punjab). These States were selected based on the per capita FMCG spend. The focus was to examine the content validity of the questionnaire, aimed at getting feedback concerning issues associated with the structure, length, clarity, terminologies used and the layout of the questionnaire. Few respondents indicated some difficulties in understanding and completing the questions on perceived value dimension of brand association. The necessary changes were incorporated in the final questionnaire, which was further tested for the clarity. The construct reliability of the four dimensions of brand equity (brand loyalty, perceived quality, brand awareness and brand association) was assessed with Cronbach's Alpha coefficient values. For all the items Cronbach's Alpha meets the recommended levels of 0.70 (Nunnally 1978). The construct validity of the instrument is justified because the measures were developed from a theoretical framework that was derived from an extensive literature review.

Pilot study was undertaken on three different products under each of the three product categories. No significant variations in brand equity variables were observed between the mean of different products under the three categories of household care, food & beverages and personal care. Hence this observation prompted the researcher to select one product from each of the three product categories for the study.

3.9 SURVEY

Survey questionnaire was administered by three major modes - personal, mail and electronic. Personal survey was conducted in the home or in office. In the case of mail survey, the questionnaire was mailed to potential respondents, which consisted a covering letter, questionnaire and return envelope. Electronic survey was conducted via email and on the internet. A total of 826 questionnaires had valid responses and were considered for data analysis.

3.10 SAMPLING DESIGN

The study required to sample with regard to two aspects. First, a sample of brands (stimuli) to be selected from the entire set of FMCG brands, and the second, a sample of FMCG consumers. Precaution was taken to avoid any sampling and non- sampling errors.

3.10.1 Selection of FMCG Products and Brands (Product Stimuli)

The stimuli are selected from the following set of product category as categorized by PwC for IBEF (2006). The FMCG category by Pricewaterhouse Coopers formed the sampling frame (Table 3.3).

.

TABLE 3.3

FMCG Category and Products

Category	Products
Household Care	Fabric wash (laundry soaps and synthetic detergents); household cleaners (dish/utensil cleaners, floor cleaners, toilet cleaners, air fresheners, insecticides and mosquito repellents, metal polish and furniture polish).
Food and Beverages	Health beverages; soft drinks; staples/cereals; bakery products (biscuits, bread, cakes); snack food; chocolates; ice cream; tea; coffee; processed fruits, vegetables; dairy products; bottled water; branded flour; branded rice; branded sugar; juices.
Personal Care	Oral care, hair care, skin care, personal wash (soaps); cosmetics and toiletries; deodorants; perfumes; feminine hygiene; paper products.

Source: IBEF 2006

The FMCG industry is divided into three categories namely, household care, food and beverages and personal care.

In order to maximize conditions for the brand equity model to be properly tested, the test products were selected to fit certain criteria. The product categories need to be quite different from each other for the sake of generalizability; also important was that market penetration of the products has to be high enough for an image of the brand to be assumed to have formed in the customers' minds. The industries should also be mature enough that the target markets recognize all brands in the product category (Kirmani & Zeithaml 1993).

Hence this research used judgment sampling technique under non-probability sampling to draw the FMCG products and brands. One product each is selected from each category using judgment sampling. The products with highest penetration in each category are selected. Fabric wash, personal wash (toilet soap) and tea are high penetration categories (Table 3.4).

TABLE.3.4

Market Penetration

Category	Total Penetration (%)
Fabric Wash	99
Tea	84.9
Personal Wash	100

Source: IMRB 2011

Therefore, the product selected under household care is fabric wash. Under food and beverages, the product selected is tea and under personal care, personal wash is selected. Two brands were identified for each of the three products. Since the study spanned over different States in India, the FMCG brands had to be recognized by the respondents from the different States. Hence, the brands of the market leader and their competitor's were considered for the study. The brands identified for fabric wash is Surf Excel and Ariel. The brands identified for tea is Brooke Bond and Tata Tea (Table 3.5). And for personal wash the brands identified were Lux and Cinthol. The customer-based brand equity of these six brands was evaluated.

TABLE 3.5

Product Category and the Brands Considered for the Study

Product Category	Brand	Company
Personal wash	Lux	Hindustan Unilever Limited (HUL)
	Cinthol	Godrej Consumer Products Limited (GCPL)
Fabric wash	Surf Excel	Hindustan Unilever Limited (HUL)
	Ariel	Procter & Gamble (P&G)
Food & Beverages	Brooke Bond	Hindustan Unilever Limited (HUL)
	Tata Tea	Tata Global Beverages Limited (TGBL)

Source: Research Data

3.10.2 Selection of FMCG Consumers

For measuring the brand equity, the individuals who use FMCG products were considered as the target population for the study.

The sampling of FMCG consumers were undertaken in two stages. Initially the States from which the FMCG consumers have to be drawn was selected. In the next stage, respondents were selected from these States. If sampling is carried out in a series of stages, it is possible to combine probability and non-probability principles in one sampling design. One or more stages of sampling can be carried out according to the probability principle and the remaining stages according to the non-probability principle (Wilkinson & Bhandarkar 2009). Hence this research used a combination of probability sampling (proportionate stratified sampling) and non- probability sampling (convenience sampling) methods (Kaul 2005).

Selection of States

In the first stage, owing to the availability of sampling frame, the researcher decided to opt for probability sampling method. Thus the results of the study could be used to draw conclusion for the entire population.

Sampling Frame

Sampling frame is closely related to the population and is the list of elements from which the sample is actually drawn (Cooper & Schindler 2008). The different States in India is plotted into three Grids (Table 3.6) based on the per capita FMCG consumption (Monthly in Rs) and on the FMCG value growth (CAGR 2009 over 2004) (The Nielsen Company, 2009). The per capita FMCG spend for various States varies from Rs.42 to Rs.140. Grid I represent high per capita FMCG consumption and high FMCG value growth. Grid II represents low per capita FMCG consumption and high FMCG value growth. Finally Grid III represents low per capita FMCG consumption and low FMCG value growth. The 14 States plotted by The Nielsen Company (2009) forms the sampling frame for the study.

TABLE 3.6

States Classified into the Grids

GRID I		GRID II		GRID III	
State	**Per Capita FMCG Spend (Rs)**	**State**	**Per Capita FMCG Spend (Rs)**	**State**	**Per Capita FMCG Spend (Rs)**
Punjab	140	WB	70	Gujarat	78
Tamil Nadu	137	UP	67	Orissa	53
Maharashtra	117	Rajasthan	58	MP	46
Karnataka	102	Bihar	42		
AP	101				
Assam	88				
Haryana	87				

Source: The Nielsen Company 2009

Sampling Method

Among the various sampling method, probability sampling was used for this research to select the States from which the respondents were drawn. This method is most commonly associated with survey-based research where inferences can be made from the sample about a population to meet the research objectives.

Under probability sampling, proportionate stratified random sampling method is adopted for the study. In proportionate stratified sampling, the size of the sample drawn from each stratum is proportionate to the relative size of that stratum in the total population. Stratified random sampling increases precision without increasing cost (Malhotra 2007). Here the population is segregated into subpopulations or strata, which makes the sample more likely to be representative. The stratification was based on the per capita FMCG spend of different States in India. Based on the per capita FMCG spend the States were classified into three strata (Table 3.7). The element within the stratum was homogeneous as possible and the elements in different strata were heterogeneous as possible.

TABLE.3.7

Stratification of States -Per Capita FMCG Spend

Strata	Per capita FMCG Range	States
Low	Less than Rs.75	Bihar, MP, Orissa, Rajasthan, UP, WB
Medium	Between Rs.75-Rs.99	Gujarat, Haryana, Assam
High	Rs.100 and above	AP, Karnataka, Maharashtra, TN, Punjab

Source: The Nielsen Company 2009

The States which has less than Rs.75 per capita FMCG spend forms the Low category, States which has between Rs.75-Rs.99 per capita FMCG spend forms the Medium category and the States which has Rs.100 and above forms the High category. Each State within each stratum was numbered with a unique number. From the three strata, States were drawn randomly. From the low strata, two States are drawn, from medium strata one State and from high strata two States were drawn randomly. The use of stratified sampling increases a sample's statistical efficiency (Cooper and Schindler 2008).

From the low strata, Madhya Pradesh and West Bengal were randomly selected. From the medium strata Gujarat and from the high strata Karnataka and Punjab were randomly selected.

Selection of FMCG Consumers (Respondents)

The second stage involved the selection of respondents from each of the stratum. FMCG consumers were chosen from these five States of Madhya Pradesh, West Bengal, Gujarat, Karnataka and Punjab based on non- probability sampling. Under non-probability sampling method, convenience sampling technique was undertaken to facilitate ease of access and speed up the phase of data collection. When choosing the sample, proportional representation of States in regard to population size was taken into the consideration. The total population of five different States under the study is provided in Table 3.8.

TABLE.3.8

Population of the States

States	Population
Madhya Pradesh	72597565
West Bengal	91347736
Gujarat	60383628
Karnataka	61130704
Punjab	27704236
Total	313163869

Source: Ministry of Home Affairs 2011

Sample Size

The formula used for selection of sample size (n) is

$$N = \frac{4P \text{ X } (1-P)}{D^2}$$

P = the average percentage of the people who opted for the brand loyalty, brand awareness, perceived quality and brand association in the pilot study.

D is the confidence level

D = 25 % of P

In the pilot study conducted, the average percentage of the people who opted for the brand loyalty, brand awareness, perceived quality and brand association is 13.5 percent.

Hence in this study P = 0.135

D = 25% of 0.135 = 0.03375

Hence n = 410

Anticipating 13.5 percent of the population to opt for brand loyalty, brand awareness, perceived quality and brand association at a 95 percent confidence level, a sample size of 410 would be required. The total sample size required is n x 2, where 2 accounts for the design effect. Hence the total sample size required for the study is 820.

The percentage of population under the low strata is 52.35, for medium stratum is 19.29 and a high stratum is 28.36. Accordingly from the low strata 430, from medium strata 158 and from high strata 232 respondents were drawn (Table 3.9).

Hence, this research used a combination of both probability and non-probability sampling. In order to select the FMCG product categories and brands, judgment sampling under non-probability sampling technique was undertaken. For selecting the sample of FMCG consumers, proportionate stratified random sampling under probability sampling was used to select the States. Further to select the sample of respondents from these States, convenience sampling under non-probability sampling was used.

TABLE 3.9
Sampling Details

PUNJAB					
n_P=114					
Toilet Soap		Fabric Wash		Tea	
n_1=38		n_2=38		n_3=38	
LUX	CINTHOL	SURF EXCEL	ARIEL	BROOKE BOND	TATA TEA
19	19	19	19	19	19

KARNATAKA					
n_K=116					
Toilet Soap		Fabric Wash		Tea	
n_1=40		n_2=38		n_3=38	
LUX	CINTHOL	SURF EXCEL	ARIEL	BROOKE BOND	TATA TEA
20	20	19	19	19	19

GUJARAT					
n_G=160					
Toilet Soap		Fabric Wash		Tea	
n_1=54		n_2=54		n_3=52	
LUX	CINTHOL	SURF EXCEL	ARIEL	BROOKE BOND	TATA TEA
27	27	27	27	26	26

MADHYA PRADESH					
n_M=220					
Toilet Soap		Fabric Wash		Tea	
n_1=72		n_2=76		n_3=72	
LUX	CINTHOL	SURF EXCEL	ARIEL	BROOKE BOND	TATA TEA
36	36	38	38	36	36

WEST BENGAL					
n_W=216					
Toilet Soap		Fabric Wash		Tea	
n_1=72		n_2=72		n_3=72	
LUX	CINTHOL	SURF EXCEL	ARIEL	BROOKE BOND	TATA TEA
36	36	36	36	36	36

n=826

n_P –Sample size Punjab;
n_K- Sample size Karnataka;
n_G- Sample size Gujarat;
n_M- Sample size Madhya Pradesh;
n_W- Sample size West Bengal
n - Total sample size of the study
n_1-sample size of toilet soap;
n_2-sample size of fabric wash;
n_3-sample size of tea

The flow chart of the sampling design of the FMCG consumers is provided in Figure 3.3.

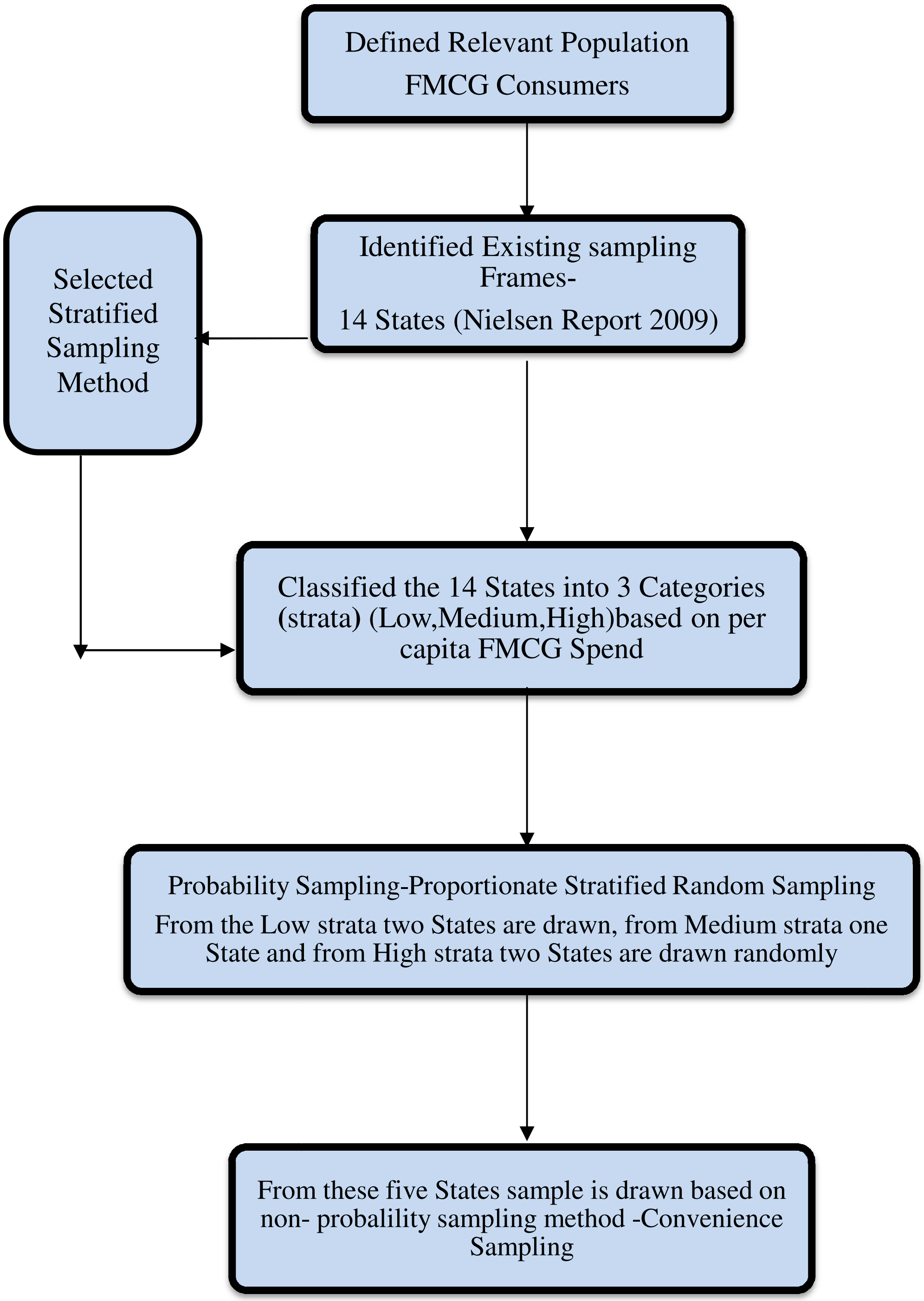


FIGURE 3.3

Sampling Design of FMCG Consumers

3.11 STATISTICAL ANALYSIS

Different types of statistical techniques were employed in the study. Most of the techniques employed in the study were available through the Statistical Package for Social Sciences (SPSS) and Excel. Descriptive Statistics enabled to describe the variables numerically and inferential statistics was used to make generalization and predictions about the population.

3.11.1 Descriptive Statistics

a) Frequencies

Frequency analyses were conducted to derive a description of the respondents and to determine distributional properties of the scales used in the study. Frequencies also gave insights regarding brand awareness and brand loyalty of different brands across product categories.

b) Mean and Standard Deviation

Mean and standard deviation of the data was calculated which indicated the deviations in customer responses towards brand equity dimensions.

c) Box Plot

The box plot was extremely efficient means of describing few important features of the data visually. Brand equity of different product categories were plotted to compare the brand equity of two different brands. This helped to identify the median, the range and the quartiles as well as the ‘outliers’ or ‘extreme values’ if any.

3.11.2 Inferential Statistics

a) Correlation Analysis

The product moment correlation was found to represent an index of the magnitude of the relationship, the sign govern the direction.

b) Regression Analysis

Regression analysis is used to determine whether the brand equity dimensions explain a significant variation in overall brand equity. Regression is also used to determine the strength of the relationship i.e. how much of the variation in the dependent variable can be explained by the independent variable (Malhotra 2007). Since the study involved more than one variable, the outcome was a function of multiple predictors. Simple and multiple predictions were made with regression analysis.

c) Factor Analysis

Principal component analysis was used to transform the set of variables into a new set of composite variables or principal component/ factors that are not correlated with each other. These factors accounted for the variance in the data as a whole.

d) Independent Samples t-test

Independent samples t-test is used for the two distinct categories for the independent variable (such as two different brands in each product category) and one dependent variable (brand equity). This test was used to find whether the means of the brand equity for each brand are significantly different.

3.12 CHAPTER SUMMARY

The research design describes the mixed method which is a combination of exploratory and descriptive research used for the study. The study was based on both inductive and deductive reasoning. The pilot study was conducted to examine the validity and reliability of the questionnaire. Cronbach's Alpha was calculated. Both primary and secondary data was collected for the study. Questionnaire was designed to collect the primary data. A total of 33 scale items were used to measure the constructs in the research framework. Sampling design include both probability and non probability methods. The chapter also includes various statistical methods used for analyzing the data.

CHAPTER 4

DATA ANALYSIS AND INTERPRETATIONS

CHAPTER 4

DATA ANALYSIS AND INTERPRETATIONS

4.1 CHAPTER OVERVIEW

The chapter analyses the data collected from the various FMCG consumers. The data is then interpreted with regard to the research problem. The chapter starts with a brief profile of the FMCG consumers. The initial part of this chapter focuses on the measurement of brand equity and its components and its relationships with each other. Further the chapter focuses on the influence of brand equity on the performance of the business using a deductive approach. Secondary data collected from the FMCG companies regarding their performance is presented in this chapter.

4.2 DATA EDITING, CODING AND SCREENING

In the data preparation process, the first step was to check for acceptable questionnaires. This involved a check of all questionnaires for completeness. This was done while the fieldwork was underway. Editing consisted of screening of questionnaire to identify illegible, incomplete, inconsistent or ambiguous responses. This was followed by coding, assigning a code, usually a number to each possible response to each question. This allowed for transference of data from questionnaire to SPSS. In this thesis, the coding procedure was performed by establishing the data file in SPSS, and all questions were pre-coded. Data editing procedure was undertaken after the data was entered into the data file in order to detect any errors in data entry. Screening of the data in SPSS indicated that there was no variable that had more than 5 percent of missing data. Missing data under 10 percent for an individual case or observation can generally be ignored, except when the missing data occurs in a specific non-random fashion (Malhotra 2007). Since less than 5 percent of missing data is considered acceptable, there was no requirement of assessing the pattern of missing data.

4.3 PRODUCTS AND BRANDS COVERED

The three broad categories of FMCG include household care, food and beverages and personal care. The product category with largest share and penetration from each of the FMCG category selected were fabric wash from household care, tea from food and beverages and toilet soap from personal care. Brand equity of two brands from each product category was evaluated.

Data was collected from nearly equal number of respondents on these product categories in order to avoid bias towards any particular product category (Table 4.1).

TABLE 4.1

Distribution of Respondents Based on Brands and States Covered

Brand	State					
	Karnataka	Madhya Pradesh	Punjab	West Bengal	Gujarat	Total
Lux	20	36	19	36	27	138
Cinthol	20	36	19	36	27	138
Surf Excel	19	38	19	36	27	139
Ariel	19	38	19	36	27	139
Brooke Bond	19	36	19	36	26	136
Tata Tea	19	36	19	36	26	136
Total	116	220	114	216	160	826
Percentage	14.0	26.6	13.8	26.2	19.4	100.0

Source: Survey Results

Among the total data collected, 33.4 percent were for toilet soap, 33.7 percent were for fabric wash and 32.9 percent were for tea. Six brands of FMCG products were considered for the study. Data was collected from equal number of respondents on these six brands i.e. Lux, Cinthol, Surf Excel, Ariel, Brooke Bond and Tata Tea which approximates to 16.7 percent for each brand. Data was collected from five different States of India namely Karnataka, Madhya Pradesh, West Bengal, Gujarat and Punjab representing the Indian FMCG consumers. These States were randomly selected from a set of 14 States which formed the sampling frame. The percentage of the respondents from Karnataka was 14 percent, 26.6 percent from Madhya Pradesh, 13.8 percent from Punjab, 26.2 percent from West Bengal and 19.4 percent from Gujarat.

Among the respondents 73 percent reside in the urban and 27 percent reside in the rural area. Looking at the increasing level of urbanization and the declining level of rural population the data has given more insights for the study.

4.4 DEMOGRAPHICS OF FMCG CONSUMERS

The demographic characteristics like gender, age, education, profession and income have been used to describe the different demographic characteristics of the sample. The proportion of the male respondents (51%) in the sample was slightly higher than that of female (49%). This demographic of the sample were compared to that of the national population and it was very similar to the national proportion (Ministry of Home Affairs 2011) reflecting the proportionate mix of males and females as FMCG consumers.

The sample was skewed towards the younger population with 51.3 percent of the respondents aged between 20-29 years. About 16 percent belonged to the age group of 30-39 years, 13.6 percent belonged to the age group 40-49 years and 5.4 percent belonged to the age group 50-59 years. This was deemed to represent the greater likelihood of younger population which forms the majority of the Indian population to engage in the purchase and use of FMCGs (Table 4.2). It was also found that 52.1 percent of the FMCG consumers were graduates and 34.3 percent were post graduates.

Among the respondents 54.5 percent were employees in various organizations and 27.7 percent were students from different colleges. Nearly, 11.4 percent represent women who are housewives. The data indicates that majority of the respondents were employed. The academic background is reflected in their employment status.

It was also found that 28.5 percent of the respondents belong to the income category of Rs. 21,000 to Rs.30,000 per month. Nearly 16.7 percent had the income between

Rs. 10,000 to Rs.20, 000 per month, 20.5 percent above Rs.51,000 per month and 15.7 percent in the range of Rs. 31,000 to Rs.40, 000 per month.

TABLE 4.2

Demographic Characteristics of Sample

Item	Characteristics	Toilet Soap (n = 276)	Fabric Wash (n =278)	Tea (n = 272)	Total (n = 826)
Gender	Male	56.9	45.3	51.8	51
	Female	43.1	54.7	48.2	49
Age	Less than 20 years	13	11.2	14.3	12.8
	20-29 years	54.3	49.3	50.4	51.3
	30-39 years	13.8	19.1	15.1	16
	40-49 years	13.4	15.8	11.4	13.6
	50-59 years	4.7	4	7.7	5.4
	More than 60 years	0.8	0.6	1.1	0.9
Education	School	18.1	8.6	14.3	13.7
	Graduate	48.2	60.8	47.1	52.1
	Post Graduate	33.7	30.6	38.6	34.2
Profession	Self employed	8	4.7	4	5.6
	Employee	53.6	57.6	52.2	54.5
	Student	29	21.6	32.7	27.7
	Housewife	8.3	15.5	10.3	11.4
	Pensioner	1.1	0.6	0.8	0.8
Income	Less than Rs.10,000	8.3	7.2	8.9	8.1
	Rs. 10,000- Rs.20,000	16.3	19.8	14	16.7
	Rs. 21,000-Rs.30,000	28.6	25.5	31.2	28.5
	Rs. 31,000- Rs.40,000	15.6	14.7	16.9	15.7
	Rs. 41,000- Rs.50,000	7.6	11.9	12.1	10.5
	Rs.51,000/- and above	23.6	20.9	16.9	20.5

Note: Percentage of the respondents is provided;
n=sample size

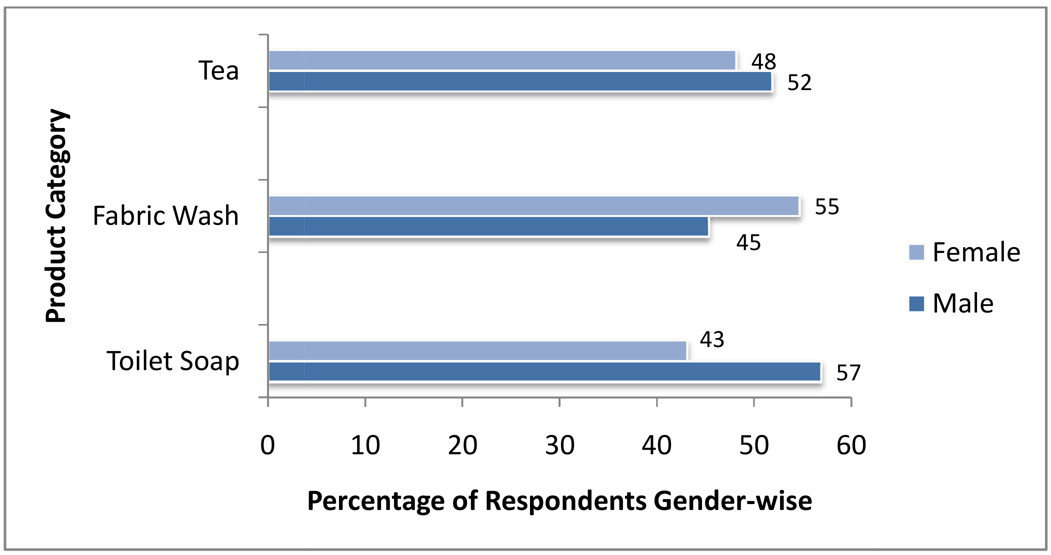
Source: Survey Results

This indicates the increasing annual household income and its substantial impact on consumer disposable incomes enabling significant growth for the FMCG sector which conforms to the study by FICCI (2009).

Hence the sample of the study was a true representation of the general Indian population of FMCG consumers, comprising both males and females, who are young in the age group of 20-29, with good academic background, employed with various organizations and had an income of Rs.21, 000 or above per month.

4.4.1 Gender Wise Distribution of Respondents across Different Product Categories

In the case of toilet soaps, it was observed that 57 percent were male and 43 percent were female (Figure 4.1).



Note: - χ^2 = 7.451, df = 2, p = 0.024 (Significant)

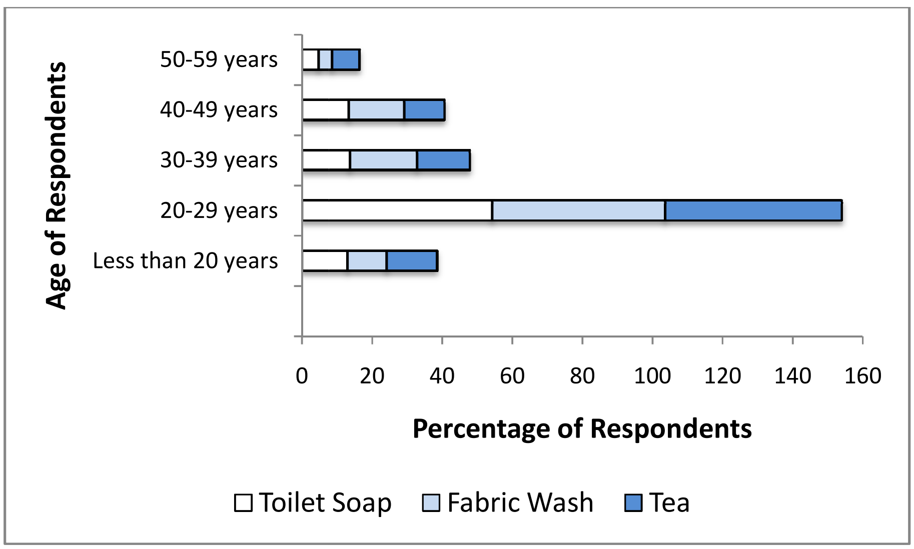
Source: Survey Results

FIGURE 4.1
Gender Wise Distribution of Respondents

Whereas for fabric wash, data revealed that 45 percent were male and 55 percent were female. The proportion of the female respondents in the sample was higher than that of males, reflecting women's greater predilection for purchasing and using fabric wash. Among the different respondents for tea, it was found 52 percent were male and 48 percent were female. The Chi-Square test yielded χ^2 value of 7.451 at 2 degrees of freedom which is significant at 0.024 level, implying the influence of gender on the type of categories of FMCG products purchased. FMCG product purchased is dependent on the gender of the respondents.

4.4.2 Age Wise Distribution of Respondents across Different Product Categories

Age distribution of the toilet soap consumers reveals that 54.3 percent belonged to the age group of 20-29 years. Age distribution of the fabric wash consumers reveals that 49.3 percent belonged to the age group of 20-29 years. Age distribution of the tea consumers reveals that 50.4 percent belonged to the age group of 20-29 years (Figure 4.2).



Note: - χ^2 = 10.808, df = 10, p = 0.373 (Not Significant)

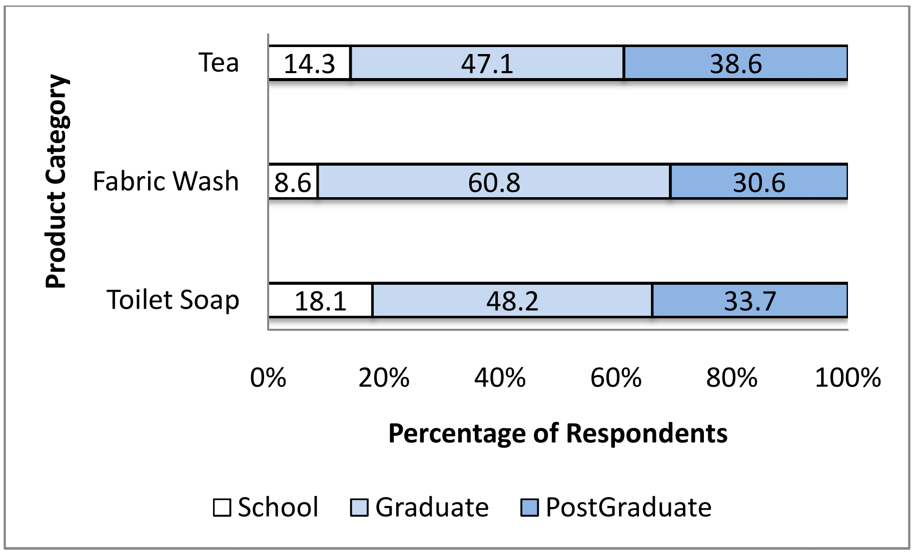
Source: Survey Results

FIGURE 4.2
Age Wise Distribution of Respondents

Majority of respondents in all the three product categories belong to the age group of 20-29 years. The Chi-Square value $\chi2$= 10.808, df = 10 at $p > 0.05$ confirmed that type of FMCG product purchased is independent of the age of the respondents. Consumers irrespective of their age purchase various FMCG products.

4.4.3 Educational Qualification of Respondents across Different Product Categories

Data revealed that 48.2 percent of the toilet soap consumers were graduates and 33.7 percent were post graduates. Whereas for fabric wash, it was observed that 60.8 percent of the respondents were graduates and 30.6 percent were post graduates. It was also found that 47.1 percent of the tea consumers were graduates and 38.6 percent were post graduates (Figure 4.3).



Note:- χ^2 = 18.029, df = 4, p = 0.001 (Highly Significant)

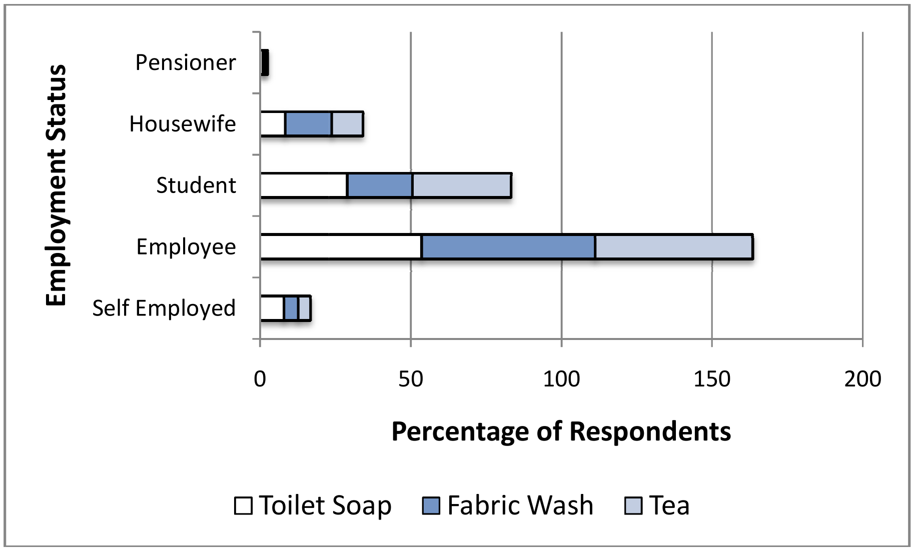
Source: Survey Results

FIGURE 4.3
Educational Qualification Wise Distribution of Respondents

The Chi-Square test yielded χ^2 value of 18.029 at 4 degrees of freedom which is significant at 0.001, indicating the significant influence of educational qualification on the purchase of different FMCG product categories.

4.4.4 Employment Status of Respondents across Different Product Categories

For toilet soaps, about 53.6 percent of the respondents were employees from various organizations and 29 percent were students from different colleges. For fabric wash, 57.6 percent of the respondents were employees from various organizations and 21 percent were students from different colleges. And for tea, about 52.2 percent of the respondents were employees from various organizations and 32.7 percent were students from different colleges (Figure 4.4).



Note: - χ^2 = 18.456, df= 8, p = 0.018 (Significant)

Source: Survey Results

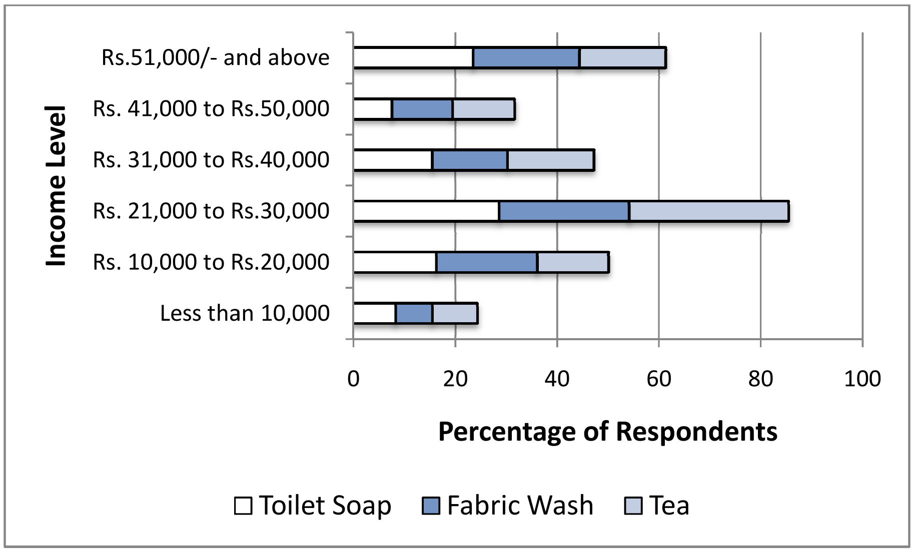
FIGURE 4.4
Employment Status of Respondents

From the graphical representation it is concluded that nearly 54.5 percent of the respondents were employees from different organizations. The Chi-Square value $\chi 2$= 18.456, df = 8 at $p < 0.05$ confirmed that type of FMCG product purchased is dependent on the employment status of the respondents.

4.4.5 Income level of Respondents across Different Product Categories

In the case of toilet soap, 28.6 percent of the respondents belong to the income category of Rs. 21,000 to Rs.30, 000 per month. And 23.6 percent had income above Rs.51, 000 per month. Whereas, for fabric wash, 25.5 percent of the respondents belong to the income category of Rs. 21,000 to Rs.30, 000 per month. And 20.9 percent had income above Rs.51, 000 per month. For tea, 31.2 percent of the respondents belong to the income category of Rs. 21,000 to Rs.30, 000 per month. And 16.9 percent had income above Rs.51, 000 per month (Figure 4.5).

The Chi-Square test yielded χ^2 value of 11.650 at 10 degrees of freedom which is not significant, indicating that purchase of the different types of FMCG product is independent of the income levels of consumers.



Note:- χ^2 = 11.650, df = 10, p = 0.309 (Not Significant)

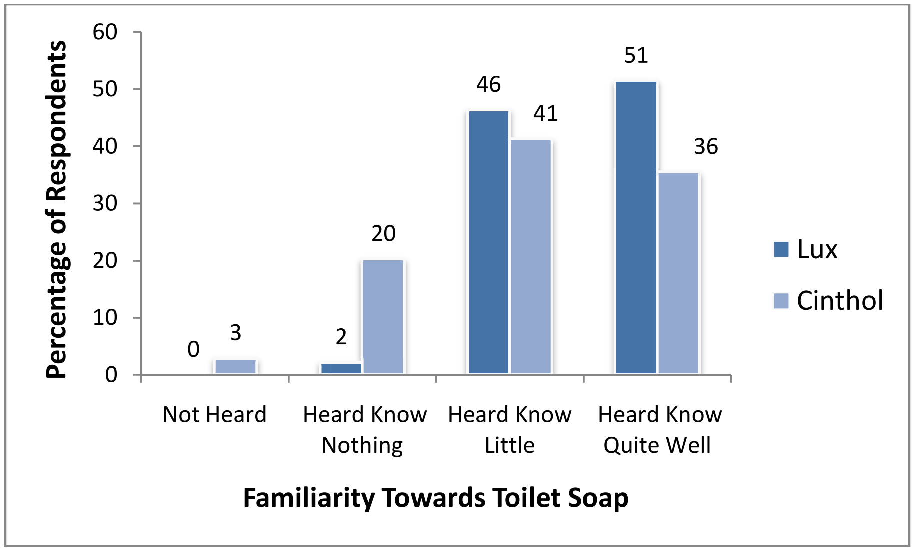
Source: Survey Results

FIGURE 4.5
Income Wise Distribution of Respondents

Among the various demographic variables, gender, education and profession significantly influence the purchase of the different types of FMCG product categories.

4.5 FAMILIARITY TOWARDS TOILET SOAP BRANDS

The familiarity of the respondents towards two different brands of toilet soap – Lux and Cinthol-was evaluated to confirm whether the respondents are knowledgeable to answer the questions regarding the brand equity of these brands.
Data reveals that 97 percent of the respondents have heard of the brand Lux and know the brand (Figure 4.6). Among 97 percent of respondents, 51 percent of respondents know the brand quite well. In the case of Cinthol, 77 percent of the respondents have heard of the brand and know the brand. Among the 77 percent of respondents, 36 percent of respondents know the brand quite well.



Note:- $\chi^2 = 28.6$, df = 3, p = 0.00, (Highly Significant)

Source: Survey Results

FIGURE 4.6

Familiarity towards Lux and Cinthol

From the data it is understood that majority of the respondents are familiar with the toilet soap brands and Lux has a significantly higher level of familiarity among the respondents compared to Cinthol. The Chi-Square test of independence indicate that brand familiarity is dependent of the type of brand (χ^2 = 28.6, df=3, $p < 0.001$) (Table 4.3).

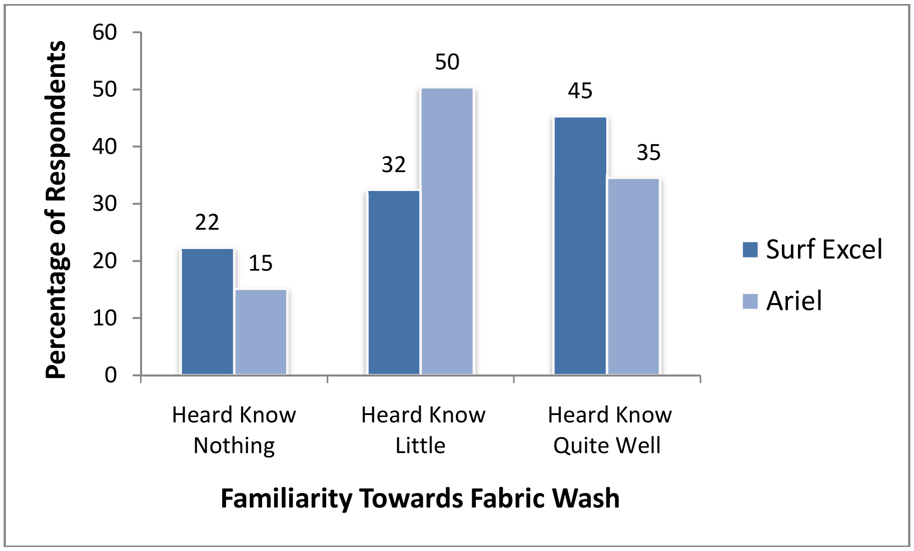
TABLE 4.3
Chi-Square Tests-Toilet Soap

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	28.600	3	.000
N of Valid Cases	276		

Source: Survey Results

4.6 FAMILIARITY TOWARDS FABRIC WASH BRANDS

The familiarity of the respondents towards the brand Surf Excel and Ariel fabric wash was evaluated. About 77 percent of the respondents have heard of the brand Surf Excel and know the brand. Among the 77 percent, 45 percent of respondents know the brand quite well. In the case of Ariel 85 percent of the respondents have heard of the brand and know the brand. About 35 percent of respondents know the brand quite well (Figure 4.7).



Note: - $\chi^2 = 9.385$, df = 2, $p < .01$

Source: Survey Results

FIGURE 4.7

Familiarity towards Surf Excel and Ariel Fabric Wash

The data reveals that the familiarity of the respondents towards both the fabric wash brand Surf Excel and Ariel is high. The Chi-Square test reveal that brand familiarity is dependent on the type of brand (χ^2 =. 9.385, df=2, $p < .01$) (Table 4.4).

TABLE 4.4

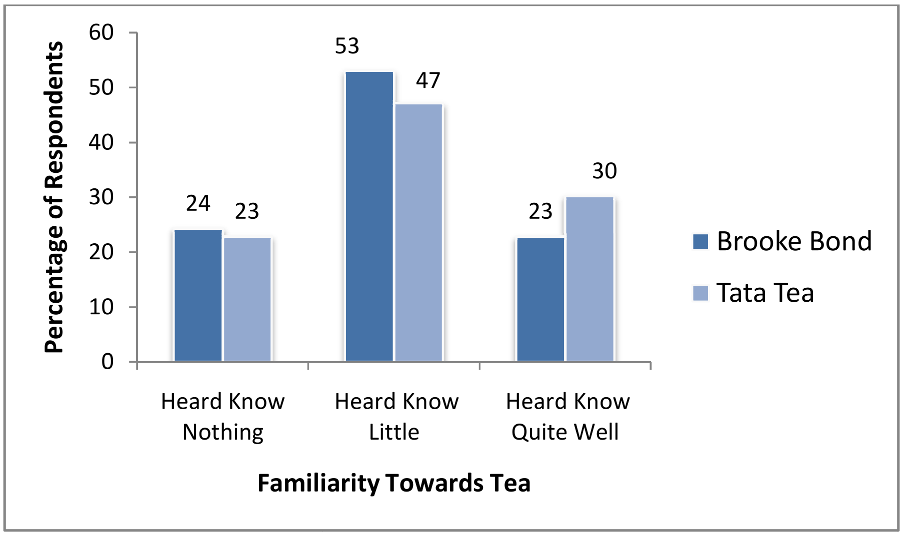
Chi-Square Tests-Fabric Wash

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	9.385	2	.009
N of Valid Cases	278		

Source: Survey Results

4.7 FAMILIARITY TOWARDS TEA BRANDS

The familiarity of the respondents towards two different brands of tea was evaluated (Figure 4.8).



Note:- χ^2 = 1.922, df= 2, Not Significant (NS)

Source: Survey Results

FIGURE 4.8
Familiarity towards Brooke Bond and Tata Tea

The data reveals that of the 76 percent of the respondents who have heard of the brand Brooke Bond, 23 percent of respondents know the brand quite well. In the case of Tata Tea, among the 77 percent of the respondents who have heard of the brand, 30 percent of respondents know the brand quite well.

Since the Chi-Square is not significant, there is no significant difference in the familiarity of the two different brands of tea (Table 4.5). The data shows that respondents are equally familiar about both the brands of tea.

TABLE 4.5
Chi-Square Tests - Tea

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.922	2	.383
N of Valid Cases	272		

Source: Survey Results

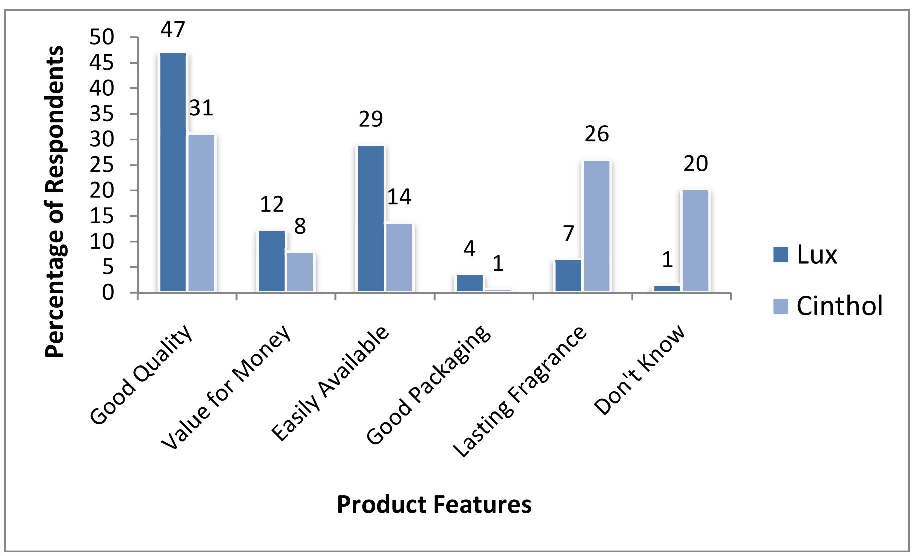
From the study of familiarity of the six different brands used in this study, it is seen that all the six brands of FMCGs had high familiarity among the respondents and hence their response towards the measurement of brand equity for this research can be concluded as reliable.

4.8 REASONS FOR PURCHASE OF FMCGs

The motivation of the respondents for purchasing different brands of FMCG was evaluated. The study revealed interesting results.

4.8.1 Quality is the Key Factor in Selection of Toilet Soap

Respondents preferred Lux for its quality, availability and value for money. About 47 percent of the respondents purchased Lux because of its good quality and 29 percent purchased because the soap was easily available (Figure 4.9). About 12 percent of the respondents purchased because they considered it as value for money.



Source: Survey Results

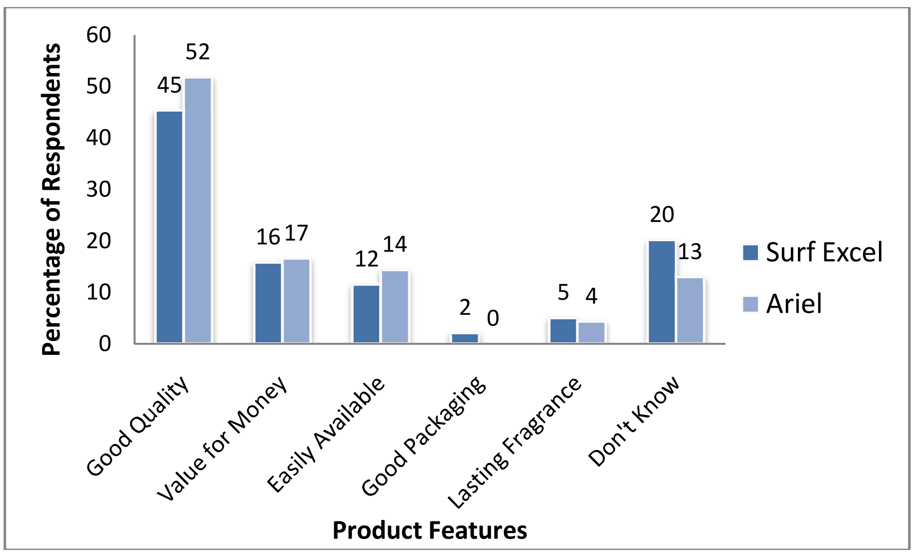
FIGURE 4.9
Reasons for Purchase of Lux and Cinthol

Important reasons for purchasing Cinthol were because of its quality and lasting fragrance. Good packaging was the least preferred attribute, indicating that consumers don't purchase soaps by looking at the package design. About 20 percent of the respondents of Cinthol are not able to mention the reason for the purchase of the brand. In the case of Lux this is just 1 percent.

The results indicate that consumers of Lux brand are more knowledgeable about the brand and purchase the brand with a reason. The toilet soap companies have to focus on quality and distribution efficiency.

4.8.2 Quality an Important Reason for Purchasing Fabric Wash

Data reveals that 45 percent of the respondents purchase Surf Excel because of its good quality and 16 percent purchase because they perceived the brand to be value for money (Figure 4.10).



Source: Survey Results

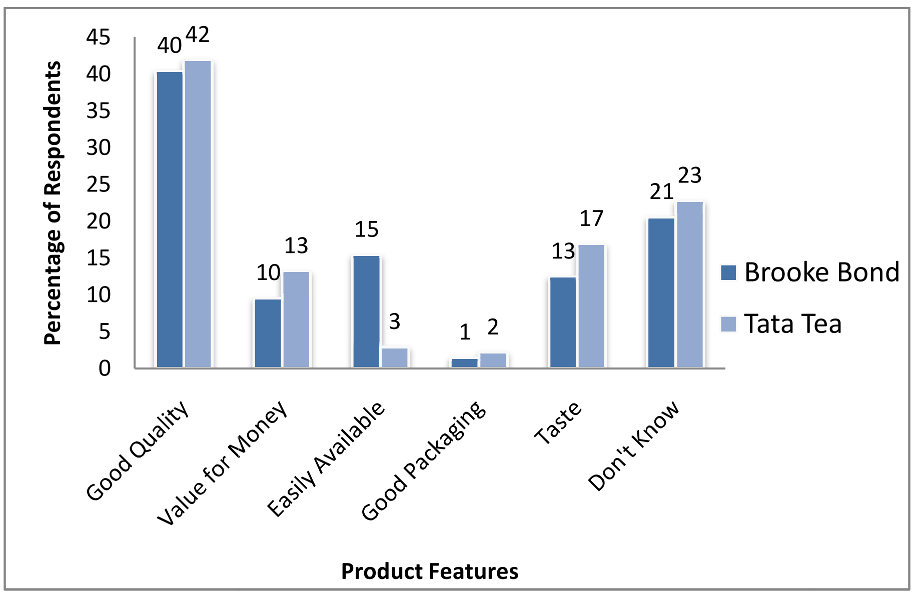
FIGURE 4.10
Reasons for Purchase of Surf Excel and Ariel

About 52 percentage of the respondents purchased Ariel because they considered the product had good quality. Value for money and easy availability was also important reasons for purchasing fabric wash. In the case of Surf Excel, 20 percent of the respondents are not able to mention the reason for the purchase of the brand. In the case of Ariel this is 13 percent. Packaging did not create much impact in the mind of the consumer.

The results indicate that consumers are equally knowledgeable regarding both the fabric wash brands. One of the most important factors for purchasing fabric wash is quality followed by value for money and easy availability. Hence companies should focus on quality and distribution efficiency.

4.8.3 Reasons for Purchasing Tea

The data indicates that 40 percent of the respondents purchased Brooke Bond because of its good quality, 15 percent because of easy availability and 13 percent purchased because of the taste (Figure 4.11). About 10 percent of the respondents purchased Brooke Bond because they considered it as value for money.



Source: Survey Results

FIGURE 4.11

Reasons for Purchase of Brooke Bond and Tata Tea

Important reasons for purchasing Tata Tea are very close to Brooke Bond i.e. good quality followed by taste and value for money. The results indicate that consumers of Brooke Bond Brand are more knowledgeable about the brand than that of Tata Tea only by a small percentage of 2.

The reasons stated by the respondents justify that the consumers has a reason to buy the FMCG products. They simply don't go by the brand name alone. The quality perceived by the consumers and availability of the product are the primary reasons identified for the purchase of toilet soap and fabric wash. Perceived quality dominated the reason for purchase of tea followed by taste and value for money.

4.9 VALIDITY AND RELIABILITY OF MEASURES

The study employed multiple item scale to measure brand equity and its dimensions. This raised the question whether each scale measured a single idea and whether the items that make up the brand equity scales are internally consistent (Bryman &Cramer 2009). Hence measuring internal reliability was important.

In order to test the reliability of the overall brand equity scale and each of the brand equity dimension's Cronbach's alpha was calculated. The alpha meets the recommended levels of 0.70 for all the measures (Nunnally 1978) (Table 4.6).

TABLE 4.6

Reliability of Brand Equity Variables

Dimensions	Cronbach's Alpha
Brand Awareness	0.754
Brand Loyalty	0.933
Perceived Quality	0.862
Brand Association	0.911
Perceived Value	0.816
Brand Personality	0.792
Organisational Association	0.879
Overall Brand Equity	0.902

Source: Survey Results

The Cronbach's alpha coefficient for brand equity dimensions ranged from 0.754 to 0.933, indicating good internal consistency and reliability among the items within each dimension. The Cronbach's alpha was also calculated for perceived value, brand personality and organizational association which constitute the different dimensions of brand association.

The construct validity of the instrument is justified because the measures were developed from a theoretical framework that was derived from an extensive literature review.

4.10 BUSINESS PERFORMANCE OF FMCGS COMPANIES

Data was collected from the secondary source regarding the operational performance and financial performance of the FMCG companies. Operational performance measure include market share (value) of the six different brands collected during financial year 2009-2010 or 2010-2011. Financial performance measure includes the sales growth during financial year 2009-2010 and 2010-2011 for different brands (Table 4.7).

TABLE 4.7

Business Performance of FMCG Brands

Brands	Operational Performance (Market Share in Percentage)	Financial Performance (Sales Growth in percentage)
Lux	14.7	5.6
Cinthol	2.5	4
Surf Excel	16	6.4
Ariel	5	3
Brooke Bond	20.9	8.91
Tata Tea	21.5	5.3

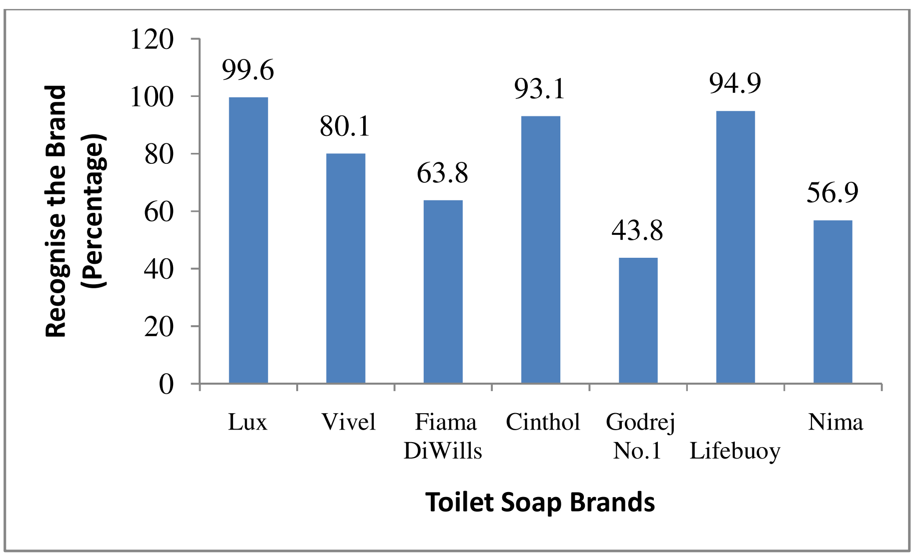
Source: Secondary Data

4.11 BRAND AWARENESS: BRAND RECOGNITION AND BRAND RECALL

Brand awareness was measured by the brand recognition and brand recall test for different brands of toilet soap, fabric wash and tea. Brand recognition is aided and brand recall is unaided. Unaided brand recall is associated with a stronger brand position. The first named brand in an unaided recall task has achieved top –of- mind awareness, a special position (Aaker 1991).

4.11.1 Lux, Lifebuoy and Cinthol Stood high on Brand Recognition Test for Toilet Soap

Brand recognition test revealed that Lux, Cinthol and Lifebuoy were recognized by more than 93 percent of the respondents, with Lux being recognized by 99.6 percent (Figure 4.12). The results are consistent with the studies conducted by different agencies.



Source: Survey Results

FIGURE 4.12

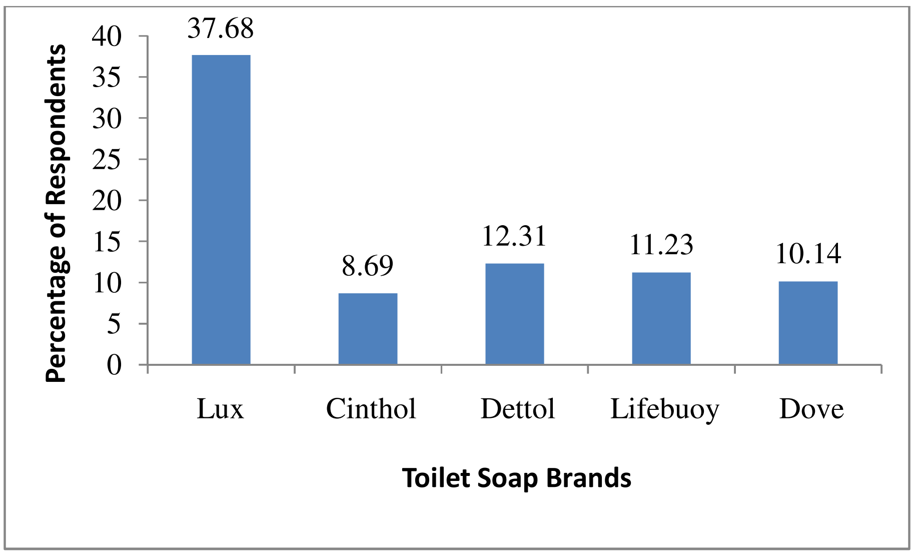
Brand Recognition Test- Toilet Soap

The top two brands recognized i.e. Lux and Lifebuoy is from Hindustan Unilever Limited (HUL) which is the leading FMCG player. HUL has nearly 54 percent of the market share for soaps. Lux toilet soap is the leading brand of HUL and was launched in 1929. Brands such as Cinthol and Godrej No.1 are from Godrej

Consumer Products Limited (GCPL), the second largest soap maker after HUL with a market share of over 10 percent for soaps. The high market share of the HUL soap could be attributed to the high brand recognition for their Lux and Lifebuoy brands.

4.11.2 Top of mind Awareness for Toilet Soap

Among the twenty brands of toilet soaps recalled by the respondents, Lux soap is way ahead of all other brands of toilet soaps which is the first recalled toilet soap brand by 37.68 percent respondents followed by Dettol, Lifebuoy, Dove and Cinthol (Figure 4.13).



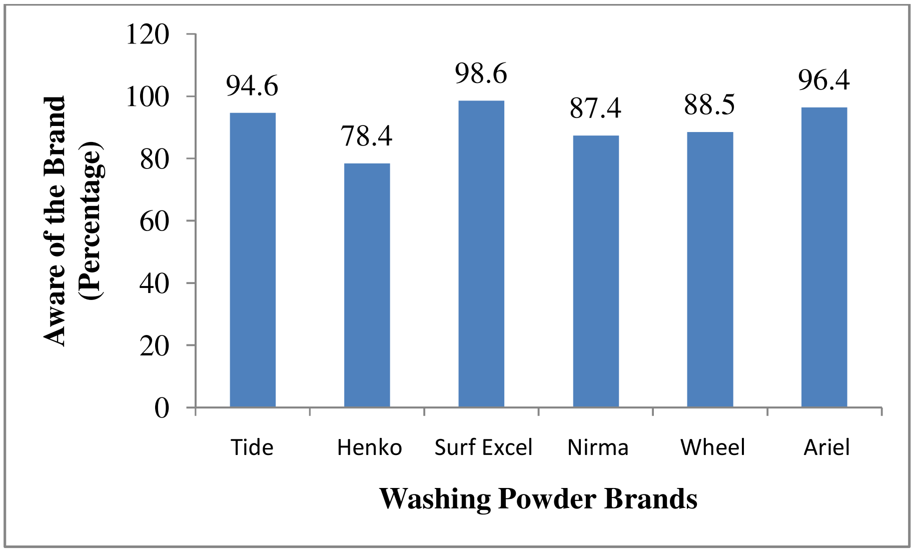
Source: Survey Results

FIGURE 4.13
Top of Mind Awareness for Toilet Soap

The results indicated that Lux brand had the highest top-of- mind awareness leading to a stronger brand position and performance compared to Cinthol. The high recall of the Lux brand could be attributed to the various promotional activities accompanied during the relaunch of the brand with new proposition (HUL 2010). Lux had higher market share than Cinthol. The findings points towards the relevance of top-of-mind awareness for achieving higher operational performance.

4.11.3 Brand Recognition Test for Fabric Wash

Among the different brands of fabric wash, Surf Excel, Ariel and Tide brands were recognized by more than 94 percent of the respondents (Figure 4.14). The data indicated that Surf Excel had slightly higher brand recognition than Ariel.



Source: Survey Results

FIGURE 4.14

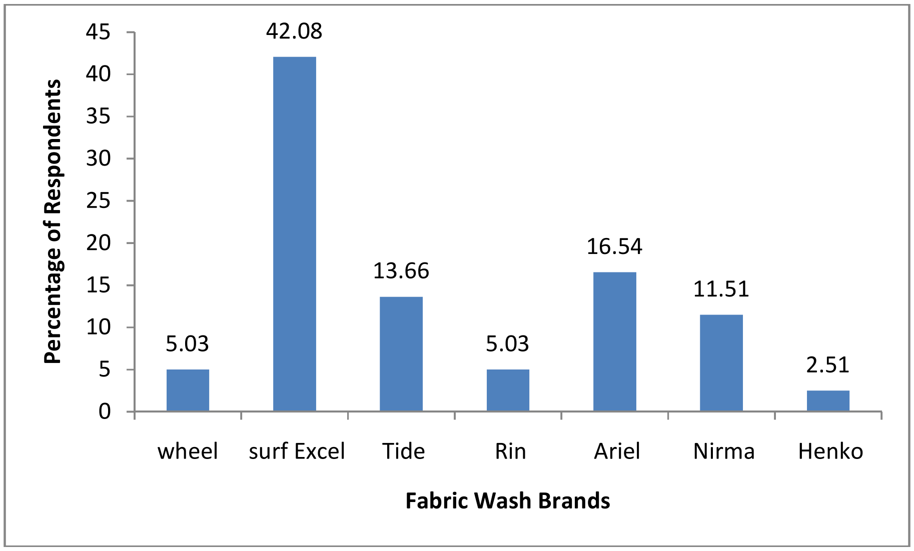
Brand Recognition Test – Fabric Wash

Surf Excel and Wheel are brands of HUL which holds a 38 per cent market share in the fabric wash segment clearly standing as the winner followed by P&G with brands Tide and Ariel. Even though HUL has a higher operational performance than P&G the HUL brands Surf Excel and Wheel does not have very high brand recognition than P&G brands Ariel and Tide. These results indicate that brand recognition might not have a very significant influence on the operational performance of the business.

4.11.4 Top of mind Awareness for Fabric Wash

Surf Excel is ahead of all other brands of fabric wash which is the first recalled brand by 42.08 percent respondents. Ariel is recalled first by 16.54 percent customers followed by Tide, Nirma wheel and Rin and Henko (Figure 4.15). About ten brands of fabric wash were recalled by different customers.

The data indicated that Surf Excel had the highest top-of-mind awareness thereby leading to a stronger brand position compared to Ariel. Hence the higher operational performance of HUL may be attributed to the high top-of-mind awareness of Surf Excel.



Source: Survey Results

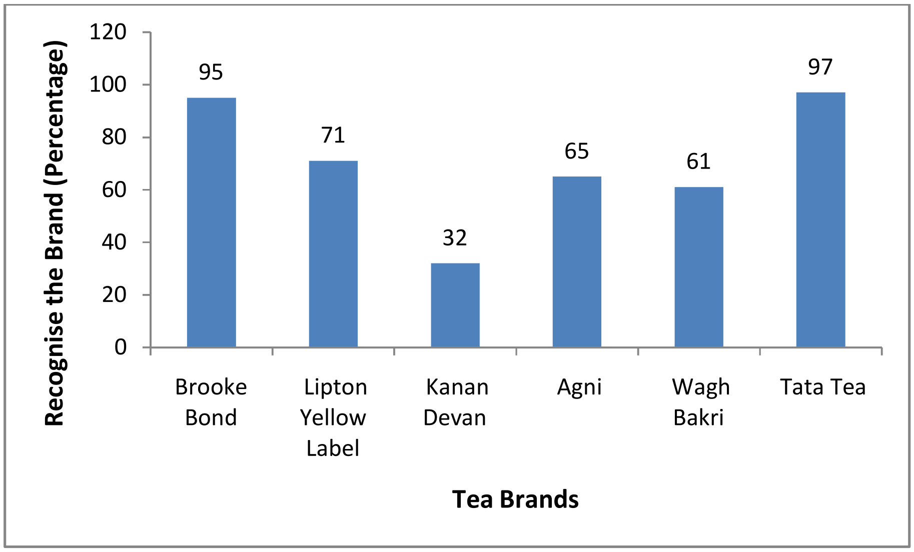
FIGURE 4.15

Top of mind Awareness for Fabric Wash

The findings of recognition test and top-of-mind awareness test for fabric wash confirms that recalling the brand by the consumer is more important than just recognizing the brand among competing brands.

4.11.5 Brand Recognition Test for Tea

Unlike other products, the Indian tea market is characterized by varied regional taste preferences and consists of national as well as regional players creating challenges for any tea marketer. Among the different brands of tea, Tata Tea and Brooke Bond were recognized by more than 95 percent of the respondents (Figure 4.16). The data provide no much distinction in the brand recognition between Tata Tea and Brooke Bond. There was always a very intense competition between Tata Global Beverages Limited (TGBL) with brands Tata Tea, Kanan Devan and Agni and HUL with its brand Brooke Bond and Lipton.

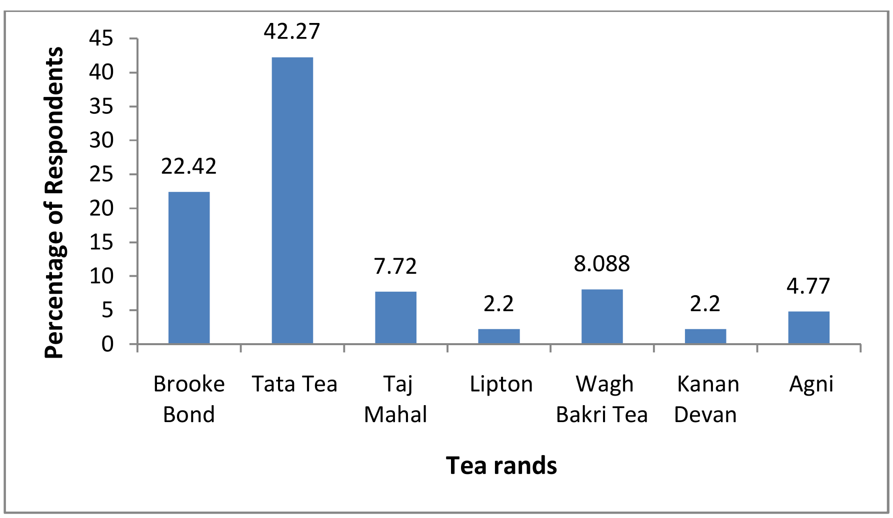


Source: Survey Results

FIGURE 4.16
Brand Recognition Test- Tea

4.11.6 Top of mind Awareness for Tea

Among the twenty different tea brands recalled by the customers, Tata Tea had the highest top of mind awareness with 42.27 percent customers recalling the brand first (Figure 4.17).



Source: Survey Results

FIGURE 4.17

Top of mind Awareness for Tea

Brooke Bond follows Tata Tea with 22.42 percent. The higher brand recall of Tata Tea can be attributed to the "Jaagore" promotional campaign undertaken by TGBL. The data confirmed that Tata Tea has a stronger brand position leading to a higher operational performance compared to Brooke Bond of HUL.

From the results of the studies on brand recognition and recall of the FMCGs, it was found that for the three product category all the six brands under the study was recognized by more than 94 percent of the respondents. And there was only a very small difference in the brand recognition of the two brands under study, with a slightly higher recognition shown by the brands with higher operational performance (Lux, Surf Excel and Tata Tea). But for brand recall, a clear distinction was evident between the brands with higher operational performance and lower operational performance. The brand recall results of the three product category showed the same trend indicating that for FMCGs, consumers should be able to remember and recall the brand which will lead to improved performance of the business. Just recognizing the brand won't be enough in a highly competitive world. This is in tandem with the findings of Arnold(1993) who argued that spontaneous awareness is more desirable than prompted awareness, as it means that the brand is at 'front-of-mind'.

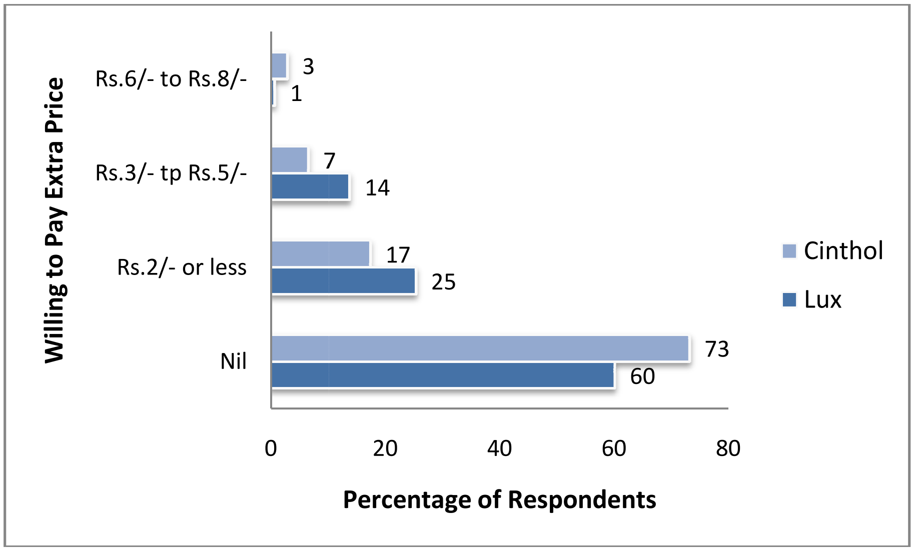
Interestingly the results also identify the influence of brand awareness (which is one of the dimensions of brand equity) on the operational performance of the business.

4.12 BRAND LOYALTY OF CONSUMERS TOWARDS FMCG BRANDS

Price premium which is a basic indicator of loyalty is the amount a customer will pay for the brand in comparison with another brand offering similar benefits. The section presents the data on the price premium of two different brands across three product categories.

4.12.1 Brand Loyalty (Price Premium) of Lux and Cinthol

Data revealed that 25 percent of the respondents were willing to pay an extra price up to Rs.2 and 14 percent were willing to pay between Rs.3 to Rs.5 extra for Lux soap (Figure 4.18).



Source: Survey Results

FIGURE 4.18

Price Premium for Lux and Cinthol Soaps

Whereas, only 17 percent of the respondents were willing to pay up to Rs.2 for Cinthol and 7 percent were willing to pay between Rs.3 and Rs.5 extra for Cinthol soap. More (40 percent) respondents are willing to pay a higher price for Lux compared to Cinthol soap (27 percent) (Table 4.8). Price premium being the basic indicator of brand loyalty, the researcher could conclude that respondents are more loyal towards Lux brand than Cinthol.

TABLE 4.8

Distribution of Respondents in Willingness to Pay Extra Price for Toilet Soap Brands

	Extra Price for Toilet Soap- Number of Respondents		
Brand	Nil	Yes	Total
Lux	83(60)	55 (40)	138
Cinthol	101(73)	37(27)	138
Total	184	92	276

Note: Figures in parentheses indicate the percentage of respondents
Source: Survey Results

The Chi-Square test of independence confirms that brand loyalty varies with different brands and statistically significant ($p < 0.05$) difference exists between the brand loyalty of Lux and Cinthol (Table 4.9).

TABLE 4.9
Chi-Square Tests for Brand Loyalty (Price Premium) of Lux and Cinthol

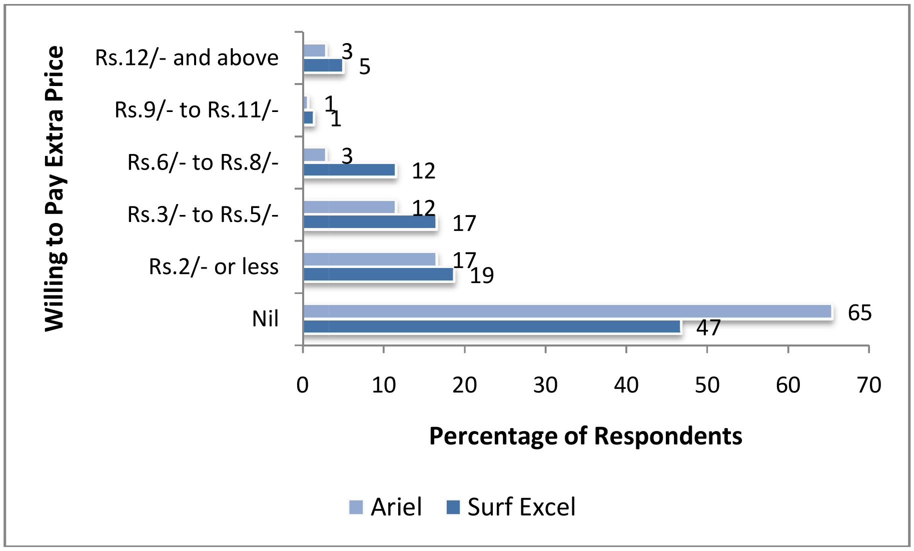
	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	5.283	1	.022*		
Continuity Correction[a]	4.712	1	.030		
Likelihood Ratio	5.308	1	.021		
Fisher's Exact Test				.030	.015
N of Valid Cases	276				

a. Computed only for a 2x2 table;
* p < 0 .05
Source: Survey Results

The higher market share of HUL (54 percent) for soaps compared to GCPL (10 percent) could be caused by high brand loyalty of the Lux soap compared to Cinthol. The results indicate the influence of brand loyalty on the operational performance of the business.

4.12.2 Brand Loyalty (Price Premium) of Surf Excel and Ariel

Nearly equal percentage of respondents were willing to pay extra up to Rs.2 for Surf Excel and Ariel. About 17 percent of people were willing to pay a premium between Rs.3 and Rs.5 for the purchase of Surf Excel and 12 percent in the case of Ariel (Figure 4.19).



Source: Survey Results

FIGURE 4.19
Price Premium for Surf Excel and Ariel Fabric wash

About 53 percent of the respondents were willing to pay premium for Surf Excel and only 35 percent of the respondents were willing to pay any premium for Ariel (Table 4.10). The results indicated that respondents are more loyal towards Surf Excel than Ariel, further confirming the significance of brand loyalty in the operational performance of the business.

TABLE 4.10

Distribution of Respondents in Willingness to Pay Extra Price for Fabric Wash Brands

	Extra Price for Fabric Wash- Number of Respondents		
Brand	Nil	Yes	Total
Surf Excel	65(47)	74(53)	139
Ariel	91(65)	48(35)	139
Total	156	122	278

Note: Figures in parentheses indicate the percentage of respondents

Source: Survey Results

The Chi-Square test of independence confirmed that brand loyalty varies with different brands and statistically significant ($p < 0.01$) difference exists between the brand loyalty of Surf Excel and Ariel (Table 4.11).

TABLE 4.11

Chi-Square Tests for Brand Loyalty (Price Premium) of Surf Excel and Ariel

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	9.874	1	.002**		
Continuity Correction[a]	9.129	1	.003		
Likelihood Ratio	9.937	1	.002		
Fisher's Exact Test				.002	.001
N of Valid Cases	278				

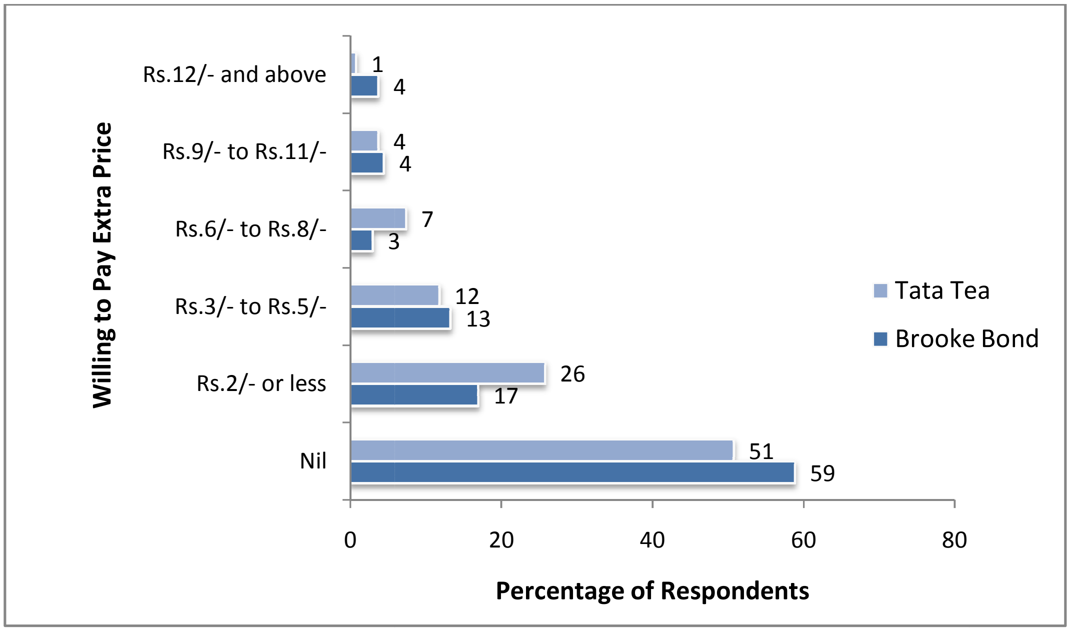
a. Computed only for a 2x2 table
**p < 0 .01.

Source: Survey Results

The higher market share of Surf Excel may be contributed by the loyalty the consumers displayed towards the Surf Excel brand. The results further strengthen the relationship between brand loyalty and performance which was demonstrated in the toilet soap category.

4.12.3 Brand Loyalty (Price Premium) of Brooke Bond and Tata Tea

The data revealed that for Tata Tea, 26 percent of the respondents were willing to pay an extra price up to Rs.2 and 12 percent were willing to pay between Rs.3 and Rs.5 (Figure 4.20).



Source: Survey Results

FIGURE 4.20

Price Premium for Brooke Bond and Tata Tea

For Brooke Bond 17 percent of the respondents were willing to pay up to Rs.2 and 13 percentage were willing to pay between Rs.3 and Rs.5. About 41 percent of the respondents were willing to pay extra price for Brooke Bond compared to 49 percent for Tata Tea (Table 4.12).

TABLE 4.12

Distribution of Respondents in Willingness to Pay Extra Price for Tea Brands

	Extra Price for Tea- Number of Respondents		
Brand	Nil	Yes	Total
Brooke Bond	80(59)	56(41)	136
Tata Tea	69(51)	67(49)	136
Total	149	123	272

Note: Figures in parentheses indicate the percentage of respondents
Source: Survey Results

The Chi-Square test of independence confirmed that brand loyalty is independent of the brands of tea (Table 4.13). Even thought more customers displayed loyalty towards Tata Tea, the difference between Tata Tea and Brooke Bond were not statistically significant. This might be attributed to the neck- to- neck competition between Brooke Bond and Tata Tea.

TABLE 4.13

Chi-Square Tests for Brand Loyalty (Price Premium) of Tata Tea and Brooke Bond

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	1.796	1	.180		
Continuity Correction[a]	1.484	1	.223		
Likelihood Ratio	1.798	1	.180		
Fisher's Exact Test				.223	.112
N of Valid Cases	272				

a.Computed only for a 2x2 table

Source: Survey Results

Even though there was no statistically significant dependence, the operational performance of Tata Tea was higher than that of Brooke Bond. The results of price premium indicating brand loyalty were not very conclusive of the earlier findings of the relationship between brand loyalty and operational performance. However it doesn't negate the findings either.

4.13 CONCLUSION ON BRAND AWARENESS AND PRICE PREMIUM

Brand awareness and brand loyalty towards FMCG were measured using the categorical data collected. From the results of the studies on the brand awareness, all the three categories of the FMCGs revealed higher market share for companies and brands that had higher brand awareness. This indicates the influence of brand awareness on the operational performance of the business.

From the results of the studies on the price premium, which is an indicator of brand loyalty, all the three categories of the FMCGs revealed higher market share for companies and brands that had higher brand loyalty except for tea category where the difference were not statistically significant. The relevance of brand loyalty was explored further where more indicators were used to measure loyalty.

The brands which were evaluated high on brand awareness and brand loyalty (price premium) with respect to two different brands across three product categories are provided in Table 4.14.

TABLE 4.14
Brands which had High Brand Awareness and Brand Loyalty (Price Premium)

		Toilet Soap	Fabric Wash	Tea
Brand Awareness	**High on Brand Recognition**	Lux	Surf Excel	Tata Tea
	High on brand Recall	Lux	Surf Excel	Tata Tea
High on Brand Loyalty		Lux	Surf Excel	TataTea/ Brooke Bond

Source: Survey Results

The three FMCG brands Lux, Surf Excel and Tata Tea from the three different product categories had higher operational performance (market share) compared to their immediate competitor Cinthol, Ariel and Brooke Bond.

4.14 FACTOR ANALYSIS OF BRAND EQUITY COMPONENTS

Factor analysis was adopted for analyzing the patterns of complex multidimensional relationships of variables in brand equity dimensions. Factor analysis was utilized to examine the underlying patterns or relationships for a number of variables of brand loyalty, perceived quality and brand association and to determine whether the information can be condensed in a smaller set of factors/ components (Hair et al. 2006).

Items with Factor loadings above 0.44 were considered salient (Comrey & Lee 1992) and was used in the study. To minimize information loss and multicollinearity, the Principal Component extraction method was used (Nunnally, 1978), and to minimize the chance of deriving a single, large, effective factor, a Varimax Rotation scheme was used.

4.14.1 Factor Analysis Results of Brand Association

Brand association was measured using a total of ten items of perceived value, brand personality and organizational association.

The p value ($p < 0.001$) of Bartlett's Test of Sphericity provided the statistical significance and justified the application of factor analysis. Brand association had high (0.894) sample adequacy. Measure of Sampling Adequacy (MSA) of 0.80 or above is considered meritorious (Table 4.15).

TABLE 4.15

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.894
Bartlett's Test of Sphericity	Approx. Chi-Square	5101.207
	df	45.000
	Sig.	.000

Source: Survey Results

A Principal Component Analysis was performed with the objective to test the factorial validity of the brand association scale (Table 4.16).

The components with Eigen values greater than 1.0 were retained and rotated with an Varimax Rotation. The analysis revealed two factors that accounted for 66.64 per cent of the variance.

TABLE 4.16

Total Variance Explained

Comp-onent	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.624	56.245	56.245	5.624	56.245	56.245	3.63	36.350	36.350
2	1.040	10.396	66.641	1.040	10.396	66.641	3.02	30.291	66.641
3	.819	8.188	74.830						
4	.599	5.990	80.820						
5	.540	5.396	86.216						
6	.386	3.855	90.071						
7	.322	3.218	93.289						
8	.274	2.736	96.025						
9	.237	2.366	98.391						
10	.161	1.609	100.000						

Extraction Method: Principal Component Analysis.
Source: Survey Results

Two factors were extracted for brand association through a rotated factor matrix solution (Table 4.17).

The first factor identified was product association with six components; the second factor identified was organizational association and had four components.

TABLE 4.17
Rotated Component Matrix[a]

	Component	
	1	2
Good Value for Money	.702	
Have a Reason to Buy	.809	
Price Paid is Reasonable	.644	
Has a Personality	.808	
Is Interesting	.763	
Have a Clear Image of the User	.591	
Made by a Trusted Organisation		.866
Organisation Associated has Credibility		.874
Admire the Organisation		.826
Some Characteristic Come to Mind Quickly		.551

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.
a. Rotation converged in 3 iterations.
Source: Survey Results

Hence from factor analysis it is concluded that in the case of FMCG industry the construct brand association is measured by two factors instead of three (Table 4.18). In terms of the measurement of brand associations, the results provided support for the factorial validity and reliability of the scale used. The factor structure revealed from the Principal Component Analysis was conceptually clear and confirmed the study of Chen (2001) who categorized brand association into product associations and organizational association. Product associations consist of functional attribute and non-functional attribute. Organisational associations included corporate ability and corporate social responsibility.

The studies of Farquar and Herr (1993) and Keller (1993) focused on product association. However the arguments of Keller and Aaker (1995), Aaker (1996) and Brown and Dacin (1997) focused on organizational association. As noted, the present study confirmed that brand association consists of two factors for FMCGs.

TABLE 4.18

Brand Association Components Identified

Factor 1: Product Association	Factor 2: Organizational Association
C1:Good Value for Money	C1: Made by a Trusted Organisation
C2: Have a Reason to Buy	C2: Organisation Associated has Credibility
C3: Price Paid is Reasonable	C3: Admire the Organisation
C4: Has a Personality	C4: Some Characteristics Come to Mind Quickly
C5: Is Interesting	
C6: Have a Clear Image of the User	

Note: C - Components of the factors extracted

Source: Survey Results

These results suggest that the scale used in the study is a promising one in the effort to measure brand associations in FMCG industry, and it is a useful tool for brand managers in order to measure and build consumers' associations with the brands.

Model of Brand Association for FMCG Industry

Multiple Regression analysis was performed with regard to brand association to find out the strength of the relationship with product association and organizational association (Table 4.19).

TABLE 4.19

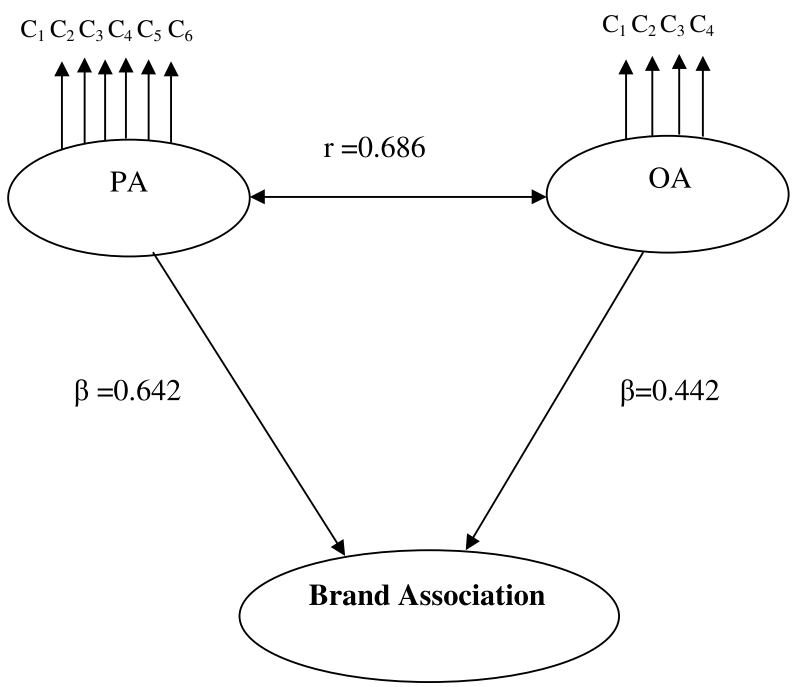
Coefficients[a]- Brand Association

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.253	.052		4.913	.000
	Product Association	1.388	.004	.642	317.798	.000
	Organisational Association	1.261	.006	.442	218.940	.000

a. Dependent Variable: Brand Association

Source: Survey Results

Product association had a significantly stronger and positive relationship (β = 0.642; p <0.001) with brand association than organizational association (β = 0.442; p <0.001). The results also confirmed that positive relationship was displayed between product association and organizational association (r = 0.686, p < 0.001) (Figure 4.21).



Note:
PA= Product Association, OA= Organizational Association,
r= Pearson correlation coefficient, Significant at p<0.001,
C= Components of the factors extracted
Source: Survey Results

FIGURE 4.21

Model of Brand Association for FMCG Industry

4.14.2 Factor Analysis Results of Brand Loyalty Dimensions

Brand loyalty was measured using a total of six items. Bartlett's test of sphericity is significant at the 1 per cent level of significance and the value of Kaiser-Meyer-

Olkin Measure of Sampling Adequacy is 0.893, and thus factor analysis is justified (Table 4.20).

TABLE 4.20
KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.893
Bartlett's Test of Sphericity	Approx. Chi-Square	4137.144
	df	15.000
	Sig.	.000

Source: Survey Results

A Principal Components Analysis with Varimax Rotation was performed on the six brand loyalty measures. Both a criterion of Eigen values of greater than 1.00 and the scree plot indicated a one factor solution. This single factor accounted for 75.132 percent of the variance, a level deemed acceptable in the social sciences (Hair et al. 1998). All the items were correlated and hence only one factor was extracted which accounted for the variance of 75.13 per cent (Table 4.21).

TABLE 4.21
Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.508	75.132	75.132	4.508	75.132	75.132
2	.453	7.552	82.683			
3	.441	7.354	90.038			
4	.261	4.349	94.387			
5	.193	3.218	97.605			
6	.144	2.395	100.000			

Extraction Method: Principal Component Analysis.

Source: Survey Results

All the items was loaded very heavily on the factor brand loyalty (Table 4.22).

TABLE 4.22
Component Matrix[a]

	Component
	1
First Choice Compared to other Brands	.911
Intend to Buy	.902
Regularly Buy	.885
Satisfied with the Purchase	.849
Recommend to Others	.839
Will Not Buy Other Brands	.809

a. 1 components extracted.

Source: Survey Results

Only one factor was extracted for brand loyalty and all the items loaded heavily on the extracted factors. It was observed that items with in brand loyalty were highly correlated and the construct was explained largely in terms of the factor extracted.

4.14.3 Factor Analysis Results of Perceived Quality Dimensions

Factor analysis was performed on perceived quality dimensions. Perceived quality which was measured using four items had a sampling adequacy of 0.804 (Table 4.23).

TABLE 4.23
KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.804
Bartlett's Test of Sphericity	Approx. Chi-Square	1577.165
	df	6.000
	Sig.	.000

Source: Survey Results

All the items of perceived quality were correlated and hence only one factor was extracted which accounted for the variance of 71.104 per cent (Table 4.24).

TABLE 4.24
Total Variance Explained

	Initial Eigen values			Extraction Sums of Squared Loadings		
Component	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.844	71.104	71.104	2.844	71.104	71.104
2	.482	12.043	83.147			
3	.416	10.404	93.551			
4	.258	6.449	100.000			

Extraction Method: Principal Component Analysis.
Source: Survey Results

All the items of perceived quality loaded heavily on the factor extracted (Table 4.25).

TABLE 4.25
Component Matrix[a]

	Component 1
Likely Quality is Extremely High	.879
Likelihood of Consistent Quality	.863
Looks Like a Quality Product	.828
Compared to Alternative Brands This is the Best	.800

Extraction Method: Principal Component Analysis.
a. 1 components extracted.
Source: Survey Results

Only one factor was extracted for perceived quality and all the items loaded heavily on the extracted factors. It was observed that items with in perceived quality were highly correlated and the construct was explained largely in terms of the factor extracted.

The scales of all measures appear to produce internally consistent results. Thus, these measures are deemed appropriate for further analysis because they express an accepted validity and reliability in this study.

4.14.4 Deriving a Brand Equity Structure

Factor analysis was employed to examine the validity of brand equity structure, which comprises of four underlying dimensions (i.e., brand awareness, brand loyalty, perceived quality and brand association).The p value of the Bartlett's Test of Sphericity demonstrated the statistical significance, there by justifying the application of Factor Analysis. High sample adequacy of 0.811 was portrayed (Table 4.26).

TABLE 4.26

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.811
Bartlett's Test of Sphericity	Approx. Chi-Square	2064.397
	df	6.000
	Sig.	.000

Source: Survey Results

Factor analysis with Principal Components and Varimax rotation produced just one factor, which had Eigen value greater than 1.0 (Table 4.27).

TABLE 4.27

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.989	74.724	74.724	2.989	74.724	74.724
2	.557	13.918	88.642			
3	.279	6.981	95.623			
4	.175	4.377	100.000			

Extraction Method: Principal Component Analysis.

Source: Survey Results

All the four dimensions of brand equity loaded heavily, with a factor loading of 0.75 and greater (Table 4.28).

TABLE 4.28

Dimensions of Brand Equity Structure

Brand Equity	Factor Loading
Brand Awareness	0.756
Brand Loyalty	0.854
Perceived Quality	0.923
Brand Association	0.915
Eigen value = 2.989	
Variance explained = 74.724 percent	

Source: Survey Results

The result supported the findings of Kim & Kim (2004). From this study it is evident that in the case of the FMCG industry Aaker's four sources of brand equity explains 74.724 percent of the brand equity.

The results of the factor analysis generally support the assertion that the four dimensions in question are valid underlying variables of brand equity. It is of interest to note that brand loyalty, perceived quality and brand association are loaded highly in the brand equity of FMCG companies, Where as brand awareness is not as highly loaded as other dimensions – although it still meets the significance threshold of 0.50 (Hair et al. 2006). The results imply that all four dimensions are found in the construct of band equity in FMCG companies. The findings supported the results of Cobb-Walgren et al. (1995) and Pappu et al. (2005) who had established that CBBE is a four dimensional construct, consistent with the conceptualization of Aaker (1991).

4.15 BRAND EQUITY DIMENSIONS OF FMCG BRANDS

Descriptive statistics provided information regarding the means and standard deviations of the multiple-item scales of brand equity for the three FMCG product categories. A five point Likert scale was used. The scale anchored from 1 (strongly disagree) to 5 (strongly agree). This study used an Independent Samples t-test to determine whether respondents' opinions differed between two different brands of toilet soap, fabric wash and tea with respect to the attributes underlying brand awareness, brand loyalty, perceived quality and brand association. One definite advantage of this approach was to obtain the most reliable answers from respondents' previous diverse experiences with brands of FMCGs under the study.

4.15.1 Brand Awareness of Lux and Cinthol

Brand awareness, which is the ability of a respondent to recognize or recall the brand, in the toilet soap category revealed higher brand awareness for Lux toilet soap (Table 4.29). Comparing the two toilet soap brands, the study identified one significant mean difference in brand awareness attributes for 'recognise the brand'. However, there were no significant mean differences between the Lux and Cinthol on the other brand awareness attribute 'what the product looks like'.

TABLE 4.29

Mean Differences of Brand Awareness between Lux and Cinthol

Measures	**Lux** (n=138)		**Cinthol** (n=138)		**t value**	***p* value**
	Mean	**Standard Deviation**	**Mean**	**Standard Deviation**		
Recognise the brand	3.91	.740	3.66	.769	2.793	.003**
What the product looks like	3.86	.868	3.70	.825	1.564	.0595
Brand awareness	3.88	0.806	3.675	0.796	2.350	0.009**

Note: - *p < 0.05, **p < 0.01, ***p < 0 .001
Source: Survey Results

This point out the importance of recognizing the brand among the competing brands in generating higher brand awareness. For new or niche brands, recognition can be important. For well-known brands such as Lux and Cinthol, recall and top-of-mind are more sensitive and meaningful. Lux was one of the oldest toilet soap brand launched in 1929 and was always synonymous with the leading films personalities and hence was able to occupy a strong position among the customers. This result supplements our earlier finding (Section 4.11.1) of higher brand awareness of Lux brand thereby leading to better operational performance.

4.15.2 Brand Awareness of Surf Excel and Ariel

The data revealed (Table 4.30) no significant difference in brand awareness and its attributes for the two fabric wash brands of Surf Excel and Ariel. The data on the brand recognition test (section 4.11.3) revealed high recognition (above 96 percent) for both brands of Surf Excel and Ariel. Even though Surf Excel had the highest (42.08 percent) top-of-mind awareness compared to Ariel (16.54 percent), there was no significant difference in the brand awareness of the two fabric wash brands. A company must design and implement its marketing activities in such a way that they enhance brand awareness and positively affect the creation of strong convictions in the consumer's consciousness (Vranesevic & Stancec 2003).

Even though the performance of Surf Excel was higher than Ariel, respondents showed no significant difference in the brand awareness indicating that there might not be a very significant influence of brand awareness on performance.

TABLE 4.30

Mean Differences of Brand Awareness between Surf Excel and Ariel

Measures	Surf Excel (n=139)		Ariel (n=139)		t value	p value
	Mean	Standard Deviation	Mean	Standard Deviation		
Recognise the brand	3.83	.776	3.74	.863	.950	.171
What the product looks like	3.86	.708	3.76	.937	.939	.174
Brand awareness	3.84	0.742	3.75	0.900	1.070	0.108

Source: Survey Results

4.15.3 Brand Awareness of Brooke Bond and Tata Tea

Both the attributes of brand awareness showed significant difference in the awareness level for the tea brands (Table 4.31). The data also revealed significant difference in mean brand awareness of Tata Tea and Brooke Bond (p < 0.01). The high brand awareness of Tata Tea could be due to the heavy and popular promotional campaign called 'Jagoore' launched by the company. Tata Tea which has higher brand awareness has higher operational performance. The result show the same trend as that of toilet soap further confirming the relationship between brand awareness and operational performance.

TABLE 4.31

Mean Differences of Brand Awareness between Brooke Bond and Tata Tea

Measures	Brooke Bond **(n=136)**		Tata Tea **(n= 136)**		t value	p value
	Mean	**Standard Deviation**	**Mean**	**Standard Deviation**		
Recognise the brand	3.69	.735	3.90	.743	2.296	.011*
Know what the product looks like	3.46	.877	3.83	.746	3.800	.000***
Brand awareness	3.57	0.809	3.86	0.744	3.452	.000***

Note: - *p < 0.05, **p < 0.01, ***p < 0 .001
Source: Survey Results

To conclude, Lux in the toilet soap category and Tata Tea in the tea category had high brand awareness compared to their competing brand considered in the study. Both these brands had high operational performance, pointing towards the implications of brand awareness in improving operational performance. Surprisingly for fabric wash, even though Surf Excel had higher brand awareness, there was no significant difference in brand awareness between Surf Excel and Ariel. Surf Excel had higher operational performance than Ariel there by questioning the significance of the role of brand awareness in improving operational performance in the FMCG industry.

4.15.4 Brand Loyalty of Lux and Cinthol

Brand loyalty which is the deeply held commitment to re-buy a preferred product consistently in the future, is significantly different for Lux and Cinthol. There were three significant mean differences in brand loyalty attributes between Lux and Cinthol brand. Those were 'regularly buy', 'intend to buy' and 'satisfied with the purchase'. All other brand loyalty attributes did not show any significant difference between the two brands (Table 4.32). The Lux brand with higher operational performance showed significantly high brand loyalty than Cinthol confirming the importance of the three brand loyalty attributes ' regularly buy', 'intend to buy' and ' satisfied with the purchase'. Brand loyalty stems from a number of factors and one of the important factors is customer satisfaction. Majority of the respondents purchased Lux for its quality (Source: Survey Results) indicating the satisfaction and the trust they have for the brand. Lux was successful in converting the satisfied customers to brand loyal customers.

TABLE 4.32

Mean Differences of Brand Loyalty between Lux and Cinthol

Measures	**Lux** (n=138)		**Cinthol** (n=138)		**t - value**	**p value**
	Mean	**Standard Deviation**				
Regularly Buy	3.25	1.121	2.84	.976	3.265	.000***
Intend to Buy	3.59	1.037	3.16	.856	3.798	.000***
First Choice Compared to other Brands	3.02	1.162	2.86	1.156	1.195	.116
Satisfied with the Purchase	3.60	.971	3.41	.885	1.750	.040*
Recommend to Others	3.35	1.008	3.20	.995	1.262	.104
Will Not Buy Other Brands	2.94	1.086	2.90	1.096	.331	.370
Brand loyalty	3.29	1.06	3.05	0.99	2.210	0.028*

Note: - *p < 0.05, **p < 0.01, ***p < 0 .001
Source: Survey Results

Moreover it was also proved that high share brands have significantly higher brand loyalty than low share brands (Fader & Schmittlein 1993). This further justifies the higher brand loyalty of Lux compared to Cinthol.

4.15.5 Brand Loyalty of Surf Excel and Ariel

With regard to fabric wash, majority of the respondents repurchase the brand Surf Excel and resist switching to another brand. The data revealed that all the attributes of brand loyalty and the total brand loyalty displayed significant mean difference between Surf Excel (which has higher business performance) and Ariel (Table 4.33). High share brands have significantly higher brand loyalty than low share brands where the brand loyalty was measured only by the behavioral aspect of repeat purchase, not considering cognitive aspects of brand loyalty.

TABLE 4.33

Mean Differences of Brand Loyalty between Surf Excel and Ariel

Measures	**Surf Excel** (n=139)		**Ariel** (n=139)		t value	p value
	Mean	**Standard Deviation**	**Mean**	**Standard Deviation**		
Regularly Buy	3.58	.932	3.00	1.161	4.557	.000***
Intend to Buy	3.73	.875	3.20	1.085	4.443	.000***
First Choice Compared to other Brands	3.54	.919	2.96	1.148	4.673	.000***
Satisfied with the Purchase	3.78	.826	3.47	.943	2.911	.002**
Recommend to Others	3.62	.888	3.24	1.011	3.34	.000***
Will Not Buy Other Brands	3.37	.927	2.96	1.093	3.374	.000***
Brand loyalty	3.60	0.88	3.13	1.07	4.435	.000***

Note: - $*p < 0.05$, $**p < 0.01$, $***p < 0.001$

Source: Survey Results

Brand loyalty research in consumable markets which includes the FMCG has typically focused on behavioral measures of loyalty. Hence high market share of Surf Excel indicates higher loyalty.

The results also confirm that when people repurchase the same brand without switching to another brand the operational performances of the business improve leading to the conclusion that brand loyalty leads to improved operational performance of business.

4.15.6 Brand Loyalty of Brooke Bond and Tata Tea

The survey results indicate a tendency of the respondents to buy only the brand Tata Tea in a product category tea. All the six attributes displayed significant mean differences in brand loyalty attributes between Tata Tea (which has higher operational performance) and Brooke Bond (Table 4.34). Consistent with the results of the toilet soaps and fabric wash, brands with higher market share have high brand loyalty.

TABLE 4.34

Mean Differences of Brand Loyalty between Brooke Bond and Tata Tea

Measures	**Brooke Bond** (n=136)		**Tata Tea** (n=136)			
	Mean	**Standard Deviation**	**Mean**	**Standard Deviation**	**t value**	**p value**
Regularly Buy	3.00	1.095	3.63	1.011	4.890	.000***
Intend to Buy	3.31	.890	3.81	.865	4.697	.000***
First Choice Compared to other Brands	3.08	.989	3.69	.939	5.218	.000***
Satisfied with the Purchase	3.39	.845	3.85	.788	4.603	.000***
Recommend to Others	3.32	.877	3.64	.795	3.115	.001**
Will Not Buy Other Brands	3.10	.957	3.30	1.006	1.729	.042*
Brand loyalty	3.19	0.93	3.65	0.90	4.77	0.000***

Note: - *p < 0.05, **p < 0.01, ***p < 0 .001

Source: Survey Results

Among the three product categories representing the FMCGs, brands with higher loyalty displayed higher operational performance than the brands which had lower brand loyalty. This indicates that brand loyalty significantly contributes to the operational performance of the business. Therefore, FMCG brands which have higher brand loyalty will lead to higher operational performance of business.

4.15.7 Perceived Quality of Lux and Cinthol

Consumers develop a judgment about the brand's overall excellence or superiority. In this study, the judgment developed about the brand appears to significantly differentiate between high and low performing brands (Table 4.35).

TABLE 4.35

Mean Differences of Perceived Quality between Lux and Cinthol

Measures	**Lux** (n=138)		**Cinthol** (n=138)		**t value**	**p value**
	Mean	**Standard Deviation**	**Mean**	**Standard Deviation**		
Likely Quality is Extremely High	3.43	.888	3.14	.766	2.977	.001**
Likelihood of Consistent Quality	3.65	.761	3.37	.838	2.934	.002**
Compared to Alternative Brands this is the Best	3.22	.811	2.97	1.025	2.280	.011*
Looks Like a Quality Product	3.68	.735	3.47	.785	2.296	.011*
Perceived Quality	3.49	0.80	3.235	0.85	3.149	.001**

Note: - $*p < 0.05$, $**p < 0.01$, $***p < 0.001$
Source: Survey Results

There were four significant mean differences in perceived quality attributes between the brands Lux and Cinthol. Brand rated as high quality by respondents had higher operational performance than the brand with lower perceived quality. The following attributes: 'likely quality is extremely high', likelihood of consistent quality', 'compared to alternative brands this is the best' and 'looks like a quality product' displayed significant difference in the perceived quality. Brand with higher perceived quality achieved higher operational performance than the brands which were perceived as of lower quality in those features.

The high perceived quality for Lux was due to the product distinctions or differences, in the minds of the participants. This difference might have arisen primarily through their receptiveness to the various marketing efforts. The perceived quality of products and services of strong brands add value to consumers' purchase evaluations.

4.15.8 Perceived quality of Surf Excel and Ariel

Significant difference was observed in only one attribute of perceived quality among the two fabric wash brands (Table 4.36).

TABLE 4.36

Mean Differences of Perceived Quality between Surf Excel and Ariel

Measures	**Surf Excel** (n=139)		**Ariel** (n=139)		**t value**	**p value**
	Mean	**Standard Deviation**	**Mean**	**Standard Deviation**		
Likely Quality is Extremely High	3.59	.797	3.45	.744	1.478	.070
Likelihood of Consistent Quality	3.57	.790	3.51	.706	.641	.261
Compared to Alternative Brands this is the Best	3.48	.802	3.19	.889	2.904	.002**
Looks Like a Quality Product	3.71	.766	3.68	.734	.320	.374
Perceived Quality	3.58	0.78	3.45	0.76	1.643	0.051

Note: - *$p < 0.05$, **$p < 0.01$, ***$p < 0.001$
Source: Survey Results

Surf Excel which had higher operational performance than Ariel had faired high only on the seemingly important attribute 'compared to alternative brands this is the best'. No significant difference in perceived quality was observed between Surf

Excel and Ariel. There were no significant mean differences between the two fabric wash brands in any of the other attributes.

Respondents perceived the quality of Surf Excel and Ariel to be equal. The difference in the functional benefit (if at all existed) was not clearly perceived by the consumers. The results demonstrated is in line with the findings regarding the reasons for purchase of fabric wash (Section 4.8.2) where nearly equal percentage of respondents cited 'good quality' as the reason to purchase Surf Excel and Ariel fabric wash.

4.15.9 Perceived Quality of Brooke Bond and Tata Tea

Perceived quality always involves a competitor frame of reference. In the case of tea, high performing tea brands are perceived to have higher quality than the low performing ones. Tata Tea stood significantly high on mean perceived quality on all the four attributes (Table 4.37).

TABLE 4.37

Mean Differences of Perceived Quality between Brooke Bond and Tata Tea

Measures	Brooke Bond **(n=136)**		Tata Tea **(n=136)**		**t value**	**P value**
	Mean	**Standard Deviation**	**Mean**	**Standard Deviation**		
Likely Quality is Extremely High	3.30	.819	3.64	.717	3.623	.000***
Likelihood of Consistent Quality	3.40	.763	3.73	.725	3.667	.000***
Compared to Alternative Brands This is the Best	3.14	.809	3.60	.763	4.859	.000***
Looks Like a Quality Product	3.50	.678	3.78	.805	3.098	.001**
Perceived Quality	3.33	0.76	3.68	0.74	4.54	.000***

Note: - *p < 0.05, **p < 0.01, ***p < 0 .001
Source: Survey Results

The high perceived quality of Tata Tea might be due to the high quality, taste and value for money attributes portrayed by the consumers while evaluating the reasons for purchasing the tea brands (section 4.8.3). The higher operational performance of Tata Tea indicates the influence of perceived quality. This result further confirms the influence of perceived quality on the operational performance of business.

To summarize, respondents perceived higher quality for Lux in the toilet soap category and Tata Tea in the tea category compared to their competing brand considered in the study. Both these brands had high operational performance, pointing towards the implications of perceived quality in improving business performance. Surprisingly for fabric wash, respondents did not perceive any difference in quality for Surf Excel and Ariel. Even though Surf Excel had higher business performance than Ariel, lack of significant difference in perceived quality doesn't nullify the effect of perceived quality on business performance in the FMCG industry. Perceived quality has been shown to be associated with price premiums and high stock return (Aaker 1996).

4.15.10 Brand Association of Lux and Cinthol

Brand association involved attributes, benefits, and attitudes stored in consumer's minds regarding the brands. Comparing those attributes, benefits and attitudes stored in consumer's minds regarding the two toilet soap brands, Lux showed significantly higher brand association than for Cinthol. Significant difference in mean brand associations was observed only for four attributes, which include good value for money', 'have a reason to buy', 'price paid is reasonable' and 'some characteristics come to mind quickly' (Table 4.38).

The image dimensions in the minds of the consumers that are unique to the brand ensure continued patronage of the brand by the consumer which leads to higher association there by leading to higher operational performance. The brand personality of Lux might have provided a link to the emotional and self-expressive benefits as well as a basis for customer relationship and brand differentiation. This is especially the case for brands in the toilet soap category where there are only minor physical differences.

TABLE 4.38

Mean Differences of Brand Association between Lux and Cinthol

Measures	Lux (n=138)		Cinthol (n=138)		t value	p value
	Mean	Standard Deviation	Mean	Standard Deviation		
Good Value for Money	3.70	.834	3.50	.727	2.077	.019*
Have a Reason to Buy	3.28	.996	3.08	.952	1.73	.042*
Price Paid is Reasonable	3.71	.803	3.51	.737	2.108	.018*
Has a Personality	3.44	.952	3.37	.846	.668	.252
Is Interesting	3.33	.998	3.34	.850	.130	.448
Have a Clear Image of the User	3.28	1.094	3.11	.994	1.382	.084
Made by a Trusted Organisation	3.54	.872	3.51	.785	.363	.358
Organisation Associated has Credibility	3.61	.768	3.54	.716	.729	.233
Admire the Organisation	3.54	.889	3.41	.834	1.327	.093
Some Characteristic Come to Mind Quickly	3.65	.868	3.40	.842	2.464	.007**
Brand association	3.50	0.90	3.37	0.83	1.76	0.040*

Note: - *p < 0.05, **p < 0.01, ***p < 0 .001
Source: Survey Results

4.15.11 Brand Association of Surf Excel and Ariel

On comparing the results of brand association which is anything linked in memory to a brand, the fabric wash brand surf Excel, did not reflect higher levels of association by the customer. Significant difference was observed only for two attributes ‘have a reason to buy’ and ‘have a clear image of the user’. For all other attributes and for brand association no significant difference was observed (Table 4.39).

Not all brands are personality brands. Using personality as a general indicator of brand strength will be a distortion for some brands, particularly those which are positioned with respect to functional advantages and value (Aaker 1996).

TABLE 4.39

Mean Differences of Brand Association between Surf Excel and Ariel

Measures	Surf Excel (n=139)		Ariel (n=139)		t value	p value
	Mean	Standard Deviation	Mean	Standard Deviation		
Good Value for Money	3.55	.845	3.47	.765	.745	.228
Have a Reason to Buy	3.65	.823	3.14	1.058	4.557	.000***
Price Paid is Reasonable	3.38	.820	3.45	.782	.748	.227
Has a Personality	3.48	.746	3.42	.798	.621	.267
Is Interesting	3.42	.670	3.40	.796	.245	.403
Have a Clear Image of the User	3.44	.733	3.06	1.002	3.553	.000***
Made by a Trusted Organisation	3.48	.695	3.55	.714	.766	.222
Organisation Associated has Credibility	3.52	.774	3.62	.726	1.119	.132
Admire the Organisation	3.42	.760	3.53	.854	1.113	.133
Some Characteristic Come to Mind Quickly	3.61	.766	3.53	.755	.946	.172
Brand association	3.49	0.76	3.41	0.82	1.09	0.138

Note: - *p < 0.05, **p < 0.01, ***p < 0 .001

Source: Survey Results

Surf Excel and Ariel were positioned based on the functional aspect hence; the comparison of the brands on the dimension brand association would be irrelevant in this context.

4.15.12 Brand Association of Brooke Bond and Tata Tea

Contrary to the results observed for fabric wash, respondents showed a higher mean brand association for Tata Tea which has higher business performance compared to Brooke Bond. Significant difference in brand association was very evident in all the attributes (Table 4.40).

TABLE 4.40

Mean Differences of Brand Association between Brooke Bond and Tata Tea

Measures	Brooke Bond (n=136)		Tata Tea (n=136)		t value	P value
	Mean	Standard Deviation	Mean	Standard Deviation		
Good Value for Money	3.43	.747	3.70	.855	2.795	.003**
Have a Reason to Buy	3.26	.800	3.56	.805	3.021	.001**
Price Paid is Reasonable	3.50	.699	3.66	.781	1.799	.036*
Has a Personality	3.40	.660	3.66	.845	2.799	.002**
Is Interesting	3.30	.810	3.60	.846	3.002	.001**
Have a Clear Image of the User	3.10	.810	3.26	.888	1.570	.059
Made by a Trusted Organisation	3.25	.884	3.87	.793	6.138	.000***
Organisation Associated has Credibility	3.30	.872	3.89	.767	5.908	.000***
Admire the Organisation	3.32	.767	3.89	.717	6.372	.000***
Some Characteristic Come to Mind Quickly	3.32	.717	3.59	.830	2.893	.002**
Brand association	3.31	0.77	3.66	0.81	4.66	.000***

Note: - *p < 0.05, **p < 0.01, ***p < 0 .001

Source: Survey Results

Tea is a product which are served in a social setting, and do make a statement about those who serve and drink them. In that context, the brand personality can be vital. This leads to the conclusion that for tea, where the market is highly fragmented based on the taste, customers are likely to develop a set of beliefs about what the brand stands for on each attribute. Tata Tea was successful in capitalizing the organizational association also in their favor. This perspective is particularly helpful when a corporate brand is involved. It can play an important role by showing that a brand represents more than products.

The results for the study on tea provides strong support for the results already observed for the toilet soap brands indicating strong support for the relationship between brand association and operational performance of business.

4.15.13 Summary of Brand Equity Dimensions for FMCG Brands

The summary of the different brand equity dimensions (Table 4.41) evaluated for different brands across three product categories is provided.

TABLE 4.41

Summary of Brand Equity Dimensions for FMCG Brands

Brand Equity Dimension	**Product Category**	**Brand with higher mean value**	**t value**	**p value**	**Level of Significance**
Brand Awareness	Toilet soap	Lux	2.350	0.009	HS
	Fabric wash	Surf Excel/ Ariel	1.070	0.108	NS
	Tea	Tata Tea	3.452	0.000	HS
Brand Loyalty	Toilet soap	Lux	2.210	0.028	S
	Fabric wash	Surf Excel	4.435	0.000	HS
	Tea	Tata Tea	4.77	0.000	HS
Perceived Quality	Toilet soap	Lux	3.149	0.001	HS
	Fabric wash	Surf Excel/ Ariel	1.643	0.051	NS
	Tea	Tata Tea	4.54	0.000	HS
Brand Association	Toilet soap	Lux	1.76	0.040	S
	Fabric wash	Surf Excel/ Ariel	1.09	0.138	NS
	Tea	Tata Tea	4.66	0.000	HS

Note: Interpretation of p value: $0 < p < 0.01$=Highly Significant (HS)
$p < 0.05$=Significant (S)
$p > 0.05$ = Not Significant (NS)

Source: Survey Results

The data revealed that in the category of toilet soap Lux brand with high operational performance stood high on the brand awareness, brand loyalty, perceived quality and brand association.

In the case of fabric wash, Surf Excel, which has higher operational performance than Ariel, scored high only on brand loyalty. No statistically significant difference between Surf Excel and Ariel was observed on brand awareness, perceived quality and brand association. The finding indicated the significance of brand loyalty on the operational performance of business.

For tea, Tata Tea stood high on all the four dimensions of brand equity, confirming the high equity of the brand over Brooke Bond.

4.16 DESCRIPTIVE STATISTICS OF BRAND EQUITY DIMENSIONS OF FMCGS

Descriptive statistics providing information regarding mean and standard deviation for brand equity variables for the FMCG products are provided in Table 4.42A.

The results show that there is no strong response bias for any of the variables. The degree of variations was not very high taking into account the three different types of FMCG products-toilet soap, fabric wash and tea-considered for the study. The study was also spread across five different States of India.

Descriptive information regarding the means and standard deviations indicated the respondent’s high response towards brand recognition, brand appearance, satisfaction level, consistent quality, quality in appearance, value for money, reasonable price, organizational trust, organizational credibility, admire the organization, brand characteristics and low response to regular purchase, intention to buy, first choice, recommend the brand, not buy other brands, high quality, comparative quality, reason to buy, interesting brand and clear image.

In terms of the mean scores, the ‘brand recognition’ dimension had the highest mean score (3.79), while the ‘not buy other brands’ had the lowest mean score (3.10).

TABLE 4.42A

Descriptive Statistics of Brand Equity Dimensions of FMCGs

Items	Mean	Standard Deviation
Brand recognition	3.79	0.776
Brand appearance	3.74	0.840
Regular purchase	3.22	1.091
Intention to buy	3.47	0.971
First choice	3.19	1.099
Satisfaction level	3.58	0.894
Recommend the brand	3.39	0.947
Not buy other brands	3.10	1.043
High quality	3.43	0.806
Consistent quality	3.54	0.773
Comparative quality	3.27	0.878
Quality in appearance	3.64	0.757
Value for money	3.56	0.801
Reason to buy	3.33	0.933
Reasonable price	3.54	0.778
Personality	3.46	0.816
Interesting brand	3.40	0.837
Clear image	3.21	0.935
Organizational trust	3.53	0.812
Organizational credibility	3.58	0.789
Admire the organization	3.52	0.824
Brand characteristics	3.52	0.805

Source: Survey Results

Descriptive statistics providing information regarding mean for each of the brand equity components brand awareness, brand loyalty, perceived quality and brand association and overall brand equity for the FMCG products are provided in Table 4.42B.

TABLE 4.42B

Brand Equity Dimensions and Overall Brand Equity of FMCGs

Variables	Mean
Brand Awareness	3.766
Brand Loyalty	3.323
Perceived Quality	3.466
Brand Association	3.464
Overall Brand Equity	3.306

Source: Survey Results

4.17 TESTING OF HYPOTHESES REGARDING BRAND EQUITY DIMENSIONS

There are four hypothesized relationship between brand equity and its dimensions (Chapter Two):

H_1: Brand loyalty has a significant positive effect on brand equity in the FMCG industry.

H_2: Perceived quality has a significant positive effect on brand equity in the FMCG industry.

H_3: There is a positive relationship between brand awareness and brand equity in the FMCG industry.

H_4: There is a positive relationship between brand association and brand equity in the FMCG industry.

The hypothesis test included Pearson correlation coefficient (r), multiple regression and coefficient of determination (R square).

4.17.1 Karl Pearson Correlation

Pearson's product –moment correlation coefficient (r) was calculated to identify the relationship, direction and strength of the relationship between brand equity and its dimensions. Correlation analysis indicated the significant relationship between overall brand equity and brand equity dimensions (Table 4.43).

TABLE 4.43

Pearson Correlation Matrix of Brand Equity Dimensions

Brand Equity & dimensions		Brand Awareness	Brand Loyalty	Perceived Quality	Brand Association
Overall Brand Equity	r	0.407	0.717	0.704	0.750
	p	0.000	0.000	0.000	0.000

Source: Survey Results

Note: r - Pearson Correlation coefficient;

p is level of significance $p < 0.001$

Brand Equity and Brand Loyalty

High, significant and positive correlation was found between brand loyalty ($r = 0.717$, $p < 0.001$) and overall brand equity in the FMCG industry. Hence H_1 is supported.

Brand loyalty was considered as one of the most important determinants of brand equity (Aaker 1991; Yoo et al. 2000). The result supports the research hypothesis $H_{1.}$Hence there is a relationship between brand loyalty and brand equity in the FMCG industry in india. The result is in tandem with the findings of Atilgan et al. (2005).

The findings showed that brand loyalty had significant influence on overall brand equity

Brand Equity and Perceived Quality

Significantly high correlation was also found between perceived quality ($r = 0.704$, $p < 0.001$) and overall brand equity. Hence the hypothesis H_2 is supported. Perceived quality has a significant positive effect on brand equity in the FMCG industry in India.

In the customer-based brand equity frameworks proposed by different researchers (Aaker 1996; Dyson et al. 1996; Farquhar 1989; Keller 1993), perceived quality is considered as a primary dimension. As perceived quality reduces perceived risk this was an important dimension especially for services. Surprisingly, the correlation coefficient revealed that perceived quality is an important dimension in the brand equity of FMCG companies. FMCGs being low involvement products, the concept of perceived risk was not considered to be very relevant. But it was found that consumer had to perceive quality in the product in order to purchase FMCGs. The relevance of perceived quality was consistent with the reason demonstrated by the consumers for purchasing the FMCGs. Quality had emerged as the most important factor for the purchase of all the three category of products. Perceived quality also helps in differentiating the brand from the competitors brand and facilitates brand extension (Aaker 1991), and offers a price premium advantage for firms (Keller 1993; Netemeyer et al. 2004).

Brand Equity and Brand Awareness

Moderate correlation was found between brand awareness ($r = 0.407$, $p < 0.001$) and overall brand equity. Hence the hypothesis is supported leading to the finding that there is a relationship between brand awareness and brand equity in the FMCG industry in India (H_3).

The findings are contrary to the studies of Yoo et al. (2000) and Yoo & Donthu (2001), where the findings did not detected any direct effect of brand awareness on brand equity. In their studies, brand awareness was combined with the dimension of brand associations.

Brand Equity and Brand Association

Brand association ($r = 0.750$, $p < 0.001$) also was highly and significantly correlated with overall brand equity. The research hypothesis H_4 is supported confirming that there is a significant relationship between brand association and brand equity in the FMCG industry in India.

The findings justify the statement of Keller (1993), who stated "customer-based brand equity occurs when the consumer is aware of the brand and holds some favorable, strong, and unique brand associations in memory".

Hence brand loyalty, perceived quality, brand awareness and brand association are the dimensions of brand equity for FMCG industry in India.These findings are consistent with the findings of Aaker (1991) and Pappu et al. (2005) who also reported the links between brand equity and its four dimensions. This finding indicates that each of the four dimensions is appropriately conceived as a determinant of brand equity in the FMCG industry. The result reinforces the existence of the dimensions, such as perceived quality and brand loyalty, which were reported in the previous studies (Aaker, 1991; Yoo & Donthu, 2001; Yoo et al., 2000). The collinearity between brand awareness and brand association was further probed with respect to the FMCG industry.

The correlation ranked highest for brand association, second for brand loyalty, third for perceived quality and fourth for brand awareness. The associations form the starting point for the consumer's impressions and opinions of a brand and for the choices consumers make about buying and using different brands (Keller 2001). This justifies the strongest influence of brand association on the overall brand equity.

Among the four brand equity dimensions of brand equity, brand association yielded 56.2 percent; brand loyalty yielded 51.4 percent; perceived quality yielded 49.6 percent and brand awareness yielded 16.6 percent explanatory power on overall brand equity (Table 4.44)

TABLE 4.44

Model Summary of Brand Equity Dimensions

Brand equity dimensions	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
Brand awareness	0.407	0.166	0.165	2.893
Brand loyalty	0.717	0.514	0.513	2.209
Perceived quality	0.704	0.496	0.496	2.249
Brand association	0.750	0.562	0.561	2.097

Note: r - Pearson Correlation coefficient; R^2 = Coefficient of determination

Source: Survey Results

The results of the present study confirmed the strong influence of brand association, brand loyalty and perceived quality on overall brand equity, and provided strong support for the value of research on brand equity in the FMCG industry. A high proportion of variance on overall brand equity was predicted by the brand association, brand loyalty and perceived quality dimensions, which suggests that it is important for managers to measure the brand association, brand loyalty and perceived quality of the FMCG brands, and further build them with the development of appropriate marketing strategies, if brand equity is to be built.

The results indicate that firms with the greater brand loyalty (H1: $t = 29.517$, $p < 0.001$), perceived quality (H2: $t = 28.488$, $p < 0.001$), brand awareness (H3: $t = 12.804$, $p < 0.001$) and brand association (H4: $t = 32.516$, $p < 0.001$) appear to achieve brand equity. Brand awareness, brand loyalty, perceived quality and brand association are dimensions that influence the strength of brand equity through successful customer relationships. Thus, Hypothesis 1, 2, 3 and 4 are supported (Table 4.45).

TABLE 4.45

Underlying Hypotheses Regarding Brand Equity Dimension

Hypothesis	Relationship	r	*p*	Supported
H_1	Brand loyalty ⟶ Overall brand equity	0.717	<.001	Yes
H_2	Perceived quality ⟶ Overall brand equity	0.704	<.001	Yes
H_3	Brand awareness ⟶ Overall brand equity	0.407	<.001	Yes Moderate
H_4	Brand association ⟶ Overall brand equity	0.750	<.001	Yes

Source: Survey Results

4.17.2 Multiple Regression Analysis

Multiple regression analysis was used to analyse the relationship between a single dependent variable overall brand equity and independent variables brand awareness, brand loyalty, perceived quality and brand association.

As shown in Table 4.46, the model is highly significant and brand awareness, brand loyalty, perceived quality, and brand association together explained 64.3 percent of the total variation in overall brand equity indicating a good model fit.

TABLE 4.46

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.802[a]	.643	.641	1.89784

a. Predictors: (Constant), Brand Association, Brand Awareness, Brand Loyalty, Perceived Quality

Source: Survey Results

The F value and significance is indicated in Table 4.47.

TABLE 4.47

Results of ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5317.048	4	1329.262	369.056	.000[a]
	Residual	2957.068	821	3.602		
	Total	8274.116	825			

a. Predictors: (Constant), Brand Association, Brand Awareness, Brand Loyalty, Perceived Quality.

b. Dependent Variable: Overall Brand Equity

Source: Survey Results

All the four independent variables, brand awareness, brand loyalty, perceived quality and brand association account for unique variance in the dependent variable brand equity. Also, the standardized regression coefficients indicate significant relationships between overall brand equity and its dimensions. Brand association with largest standardized ‘beta’ i.e. 0.476 emerged as the variable which has the most statistically significant influence on overall brand equity (Table 4.48).

TABLE 4.48

Beta Coefficients of Brand Equity Dimensions

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.602	.407		1.481	.139		
	Brand Awareness	.091	.059	.118	2.393	.000	.605	1.654
	Brand Loyalty	.205	.020	.339	10.374	.000	.409	2.446
	Perceived Quality	.151	.048	.129	3.154	.002	.260	3.850
	Brand Association	.242	.020	.476	12.246	.000	.288	3.474

Dependent Variable: Overall Brand Equity

Source: Survey Results

This is followed by brand loyalty at 0.339, which is still statistically significant though the effect on overall brand equity is less strong. This is then followed by perceived quality at 0.129. The standardized 'beta' (0.118) was the smallest for brand awareness. This could be indicating that consumers select FMCGs brands not just based on their awareness about the brand but based on other factors like quality, availability, value for money etc.

Brand equity dimensions were having 64.3 percent influence in enabling FMCG companies attain brand equity. The multiple linear regression model for overall brand equity is represented as:

OBE = 0.602 + 0.091BA + 0.205 BL + 0.151PQ + 0.24 BAss., where

Note:- OBE = Overall brand equity;

BA = Brand awareness;

BL= Brand loyalty

PQ = Perceived quality;

BAss.= Brand association;

4.17.3 Multicollinearity

In order to find out if there was any perfect linear relationship between the brand equity dimensions it was decided to test for multi-collinearity by investigating the Tolerance and Variance Inflation Factor (VIF). Tolerance which indicated the percent of variance in the predictor that cannot be accounted for by other predictors was more than 0.25 in all the cases. VIF was less than 3.9. All the VIF values less than 10, which indicate the multi-collinearity assumption was not violated (Hair et al. 2006). Eigen value was less than 5 (critical value>10.0); and the Condition Index was less than 28.7 (critical value >30.0) (Table 4.49).

TABLE 4.49

Collinearity Diagnostics[a]

Model	Dimension	Eigen value	Condition Index	Variance Proportions				
				(Constant)	Brand Awareness	Brand Loyalty	Perceived Quality	Brand Association
1	1	4.929	1.000	.00	.00	.00	.00	.00
	2	.036	11.735	.25	.07	.39	.01	.00
	3	.017	16.803	.61	.69	.05	.00	.00
	4	.012	20.594	.12	.24	.55	.25	.21
	5	.006	28.680	.02	.00	.01	.74	.79

a. Dependent Variable: Overall Brand Equity

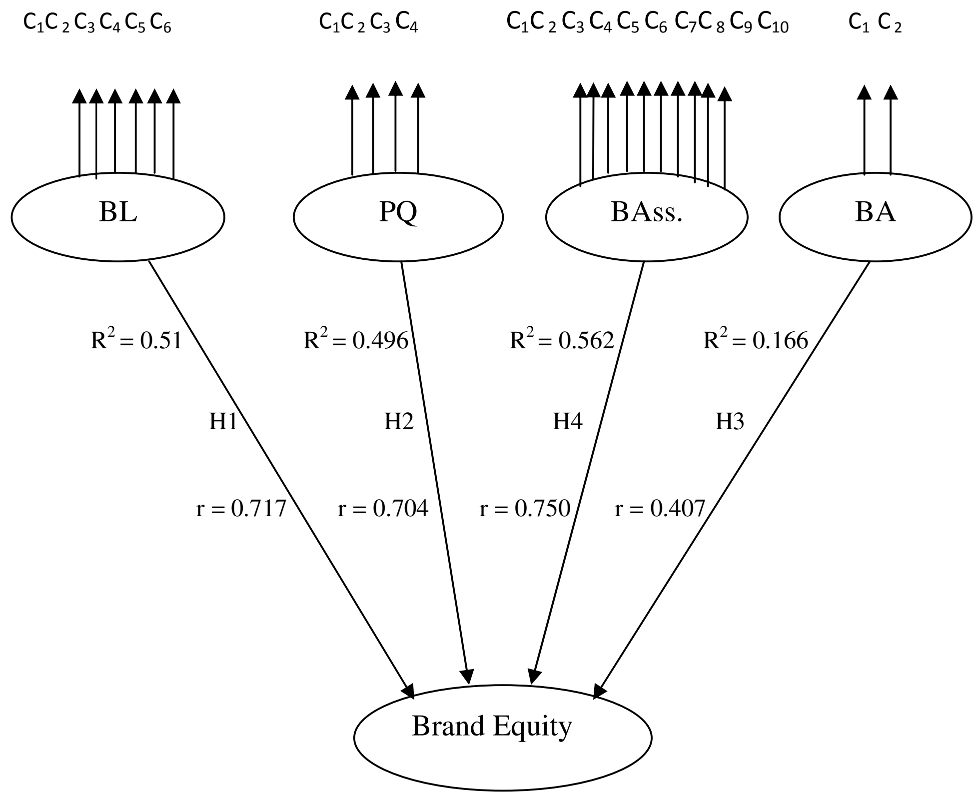
Source: Survey Results

Thus, none of the values indicate high and dangerous multi-collinearity. Based on the findings, it is confirmed that no significant multi-collinearity problems were confronted in this study there by indicating no strong relationship between brand awareness and association.

Brand awareness and brand associations in the study have also emerged as a distinct dimension as originally conceptualized in Aaker's (1991) model, even though it was combined with brand awareness into a single dimension in some other studies (Yoo & Donthu, 2001; Yoo et al., 2000).

Hence the brand equity model for the FMCG industry will be four factor one, with brand awareness, brand loyalty, perceived quality and brand association as the four dimensions.

The measurement model of brand equity dimensions specifies strength of their relationship (Figure 4.22).



Note: BL= Brand loyalty, PQ= Perceived quality, BAss.=Brand association, BA= Brand awareness, C= Components, r = Pearson product- moment correlation coefficient, H = Hypotheses, R^2 = Coefficient of determination, Significant at $p < 0.001$.

Source: Survey Results

FIGURE 4.22

Measurement Model of Brand Equity Dimensions

4.18 BRAND EQUITY OF FMCG BRANDS

The brand equity of the two brands under each product category is compared using box plot. The box plot is an extremely efficient means of describing the brand equity of each brand visually. By producing individual box plots representing brand equity for each product category it was easy to make quick comparisons between the different brands.

4.19 TESTING OF SUB-HYPOTHESES ON THE BRAND EQUITY OF DIFFERENT BRANDS

The box plot indicated a difference in brand equity between brands across three product categories. The values of 25th percentile, median and 75th percentile are marked in the box plot. In order to statistically confirm that the mean brand equity of one brand is higher than the other Independent Samples t- test was undertaken. In this test there are two distinct categories for the independent variable (i.e. different brands of FMCGs under each product category) and one dependent variable (brand equity), measured at the interval level. The brand equity value for the brand can range from 22 to 110. The following three hypotheses were tested for acceptance:

H_{5a}=Brand equity of Lux soap is higher than the brand equity of Cinthol.

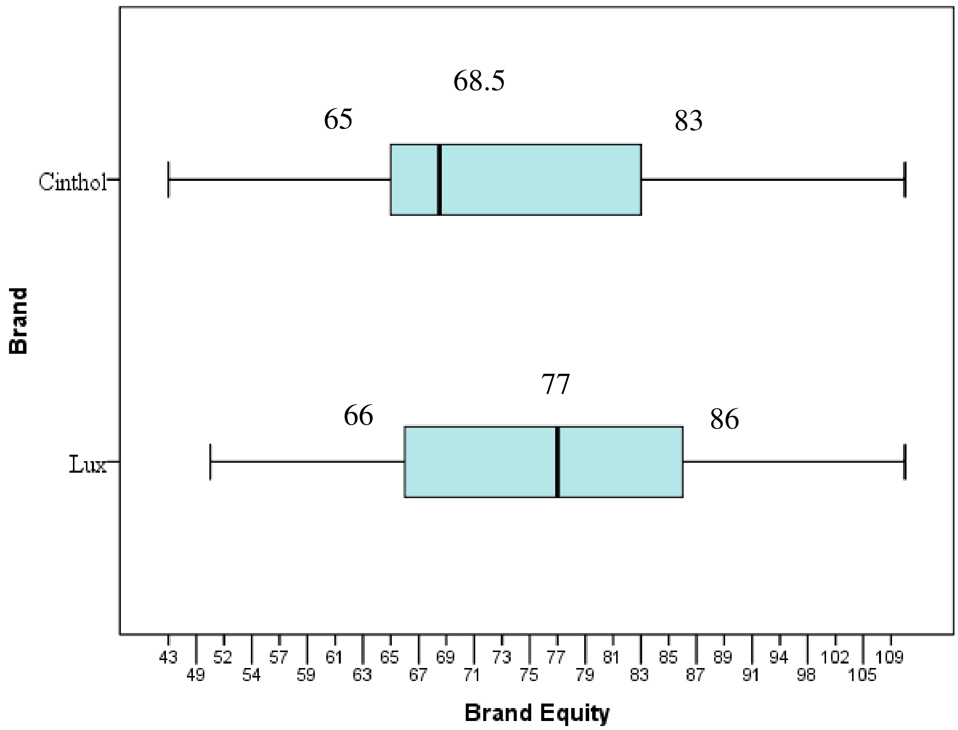
H_{5b}= Brand equity of Surf Excel fabric wash is higher than the brand equity of Ariel.

H_{5c}= Brand equity of Tata Tea is higher than the brand equity of Brooke Bond.

4.19.1 Brand Equity of Toilet Soap Brands

Brand equity of two toilet soap brands, Lux and Cinthol was represented using the box plots (Figure 4.23).

The box plot revealed that the median of Lux is higher than that of Cinthol indicating that Lux has higher brand equity than Cinthol. The median is also skewed right for Cinthol which further indicates that mostly the brand equity is concentrated on the low end of the scale. These results suggest that for toilet soaps, Lux has high brand equity than Cinthol.



Source: Survey Results

FIGURE 4.23

Box Plot for Brand Equity of Toilet Soap Brands

Box plot indicated that the brand equity of Lux is higher than the brand equity of Cinthol. Hence to statistically test this, the hypothesis was stated as:

H_{5a}= Brand equity of Lux soap is higher than the brand equity of Cinthol.

The t test result shows t statistic of 2.511 with 274 degrees of freedom. The corresponding one- tailed p- value is 0.0065 (Table 4.50) which is significant at $p < 0.01$. Therefore the hypothesis is supported and concludes that the brand equity of Lux is higher than the brand equity of Cinthol. The mean score of Lux is higher by 4.18 units than Cinthol.

TABLE 4.50
Group Statistics-Toilet Soap

	Brand	N	Mean	Std. Deviation	P value (one-tailed)	95% Confidence Interval for Difference in Mean
Brand Equity	Lux	138	76.6087	13.73122	0.0065	(0.90, 7.46)
	Cinthol	138	72.4275	13.93043		

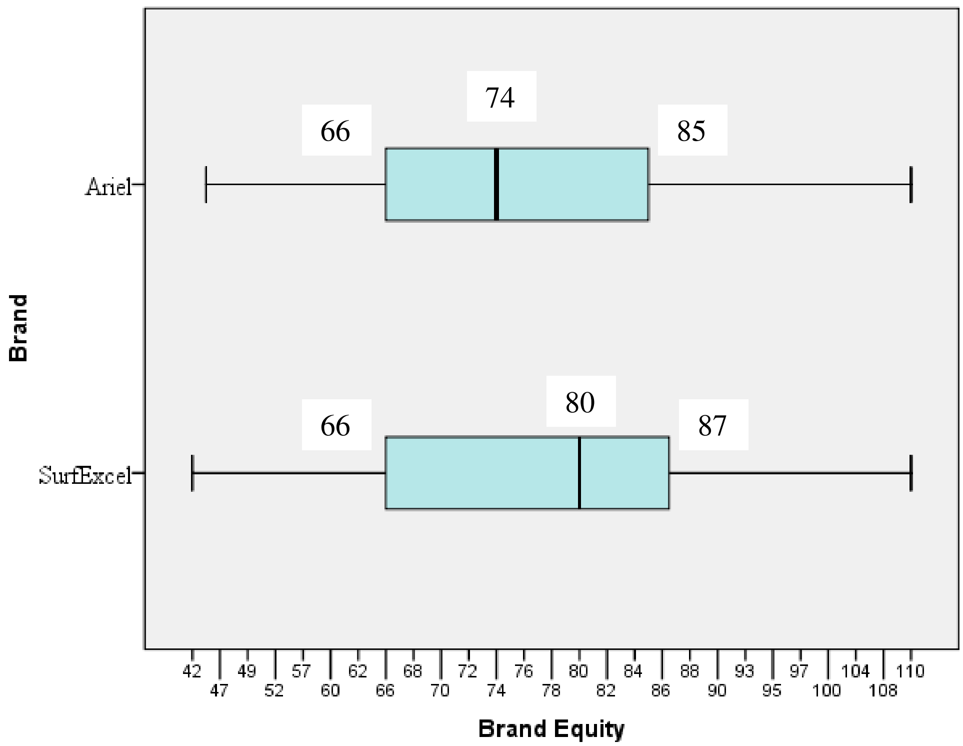
Source: Survey Results

The high brand equity of Lux is attributed to high brand awareness, brand loyalty, perceived quality and brand association demonstrated by the brand compared to Cinthol. The brand faired high on all the four brand equity dimensions there by emerging as a toilet soap brand with high equity.

4.19.2 Brand Equity of Fabric Wash Brands

The brand equity data represented by the box plot for the two different fabric wash brands is provided in Figure 4.24.

The box plot revealed that the median of Surf Excel is higher than that of Ariel and the distribution of brand equity is skewed towards left for Surf Excel, indicating that brand equity observations are concentrated on the high end of the scale for Surf Excel. Whereas the brand equity observations are concentrated on the lower end for Ariel, thereby strengthening the earlier finding of Surf Excel having higher brand equity.



Source: Survey Results

FIGURE 4.24

Box Plot for Brand Equity of Fabric Wash Brands

To statistically test the results of the box plot the hypothesis was stated as:

H_{5a}= Brand equity of Surf Excel is higher than the brand equity of Ariel.

The t test result shows t statistic of 2.628 with 276 degrees of freedom. The corresponding one- tailed p- value is 0.0045 (Table 4.51) which is significant at $p < 0.01$.

TABLE 4.51
Group Statistics-Fabric Wash

	Brand	N	Mean	Std. Deviation	P value (one-tailed)	95% Confidence Interval for Difference in Mean
Brand Equity	Surf Excel	139	78.6043	13.60446	0.0045	(1.07, 7.47)
	Ariel	139	74.3309	13.51081		

Source: Survey Results

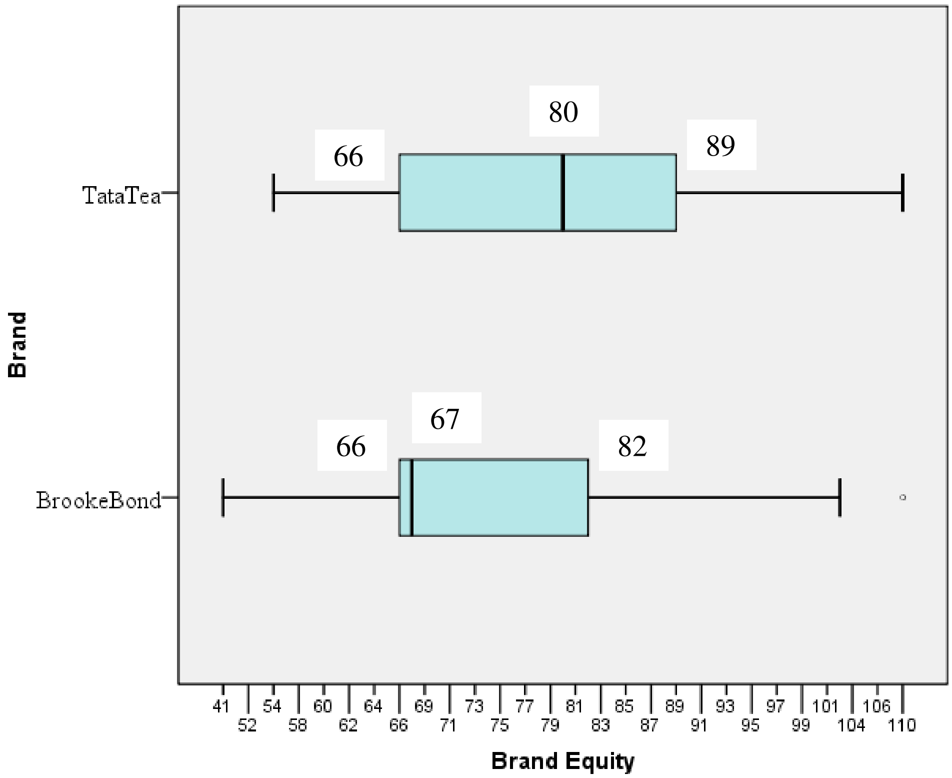
Therefore the hypothesis is supported and concludes that the brand equity of Surf Excel is higher than the brand equity of Ariel. The mean score of Surf Excel is higher by 4.27 units than Ariel.

Surf Excel scored high only on brand loyalty. Whereas the brand did not show any significant difference in brand awareness, perceived quality and association compared to Ariel. The higher brand equity of Surf Excel might be due to the stronger influence of brand loyalty on the brand equity indicating that if the brand has higher loyalty it can have high equity. Brand loyalty has emerged as the significant dimension of brand equity for FMCG brands

4.19.3 Brand Equity of Tea Brands

The brand equity of different tea brands represented using box plot reveals that the median of Tata Tea is higher than that of Brooke Bond (Figure 4.25).

For Brooke Bond the distribution is skewed right, indicating that brand equity was on the low end of the scale. The box plot representing the brand equity of Brooke Bond is comparatively short suggesting high level of agreement of the respondents with each other regarding brand equity. For Tata Tea the distribution is skewed left further confirming the higher brand equity of Tata Tea.



Source: Survey Results

FIGURE 4.25

Box Plot for Brand Equity of Tea Brands

Box plot indicated that the brand equity of Tata Tea is higher than the brand equity of Brooke Bond. Hence to statistically test this, the hypothesis was stated as:

H_{5c}=Brand equity of Tata Tea is higher than the brand equity of Brooke Bond.

The t test result shows t statistic of 5.0511 with 270 degrees of freedom. The corresponding one-tailed p-value is 0.000 (Table 4.52).

Therefore the hypothesis is supported and concludes that the brand equity of Tata Tea is higher than the brand equity of Brooke Bond. The mean score of Tata Tea is higher by 8.21 units than Brooke Bond. The higher brand equity of Tata Tea is similar to the findings of toilet soap, where the high brand equity is attributed to the high level of brand awareness, loyalty, perceived quality and brand association of the Tata Tea brand.

TABLE 4.52
Group Statistics-Tea

	Brand	N	Mean	Std. Deviation	P value (one-tailed)	95% Confidence Interval for Difference in Mean
Brand Equity	Tata Tea	136	81.080	13.7275	0.000	(5.01, 11.41)
	Brooke Bond	136	72.867	13.0808		

Source: Survey Results

In the case of toilet soap, the brand equity of Lux is higher than Cinthol. In the case of fabric wash, the brand equity of Surf Excel is higher than Ariel, and in the case of tea, Tata Tea has higher brand equity than Brooke Bond (Table 4.53).

TABLE 4.53

Underlying Hypotheses Regarding the Difference in Brand Equity

Hypothesis	**Relationship**	**df**	***p* value**	**Supported**
H_{5a}	Brand equity of Lux soap is higher than the brand equity of Cinthol	274	$P < 0.01$	Yes
H_{5b}	Brand equity of Surf Excel fabric wash is higher than the brand equity of Ariel	276	$P < 0.01$	Yes
H_{5c}	Brand equity of Tata Tea is higher than the brand equity of Brooke Bond	270	$P < 0.001$	Yes

Source: Survey Results

Interestingly, for all the three product categories, the brand with higher equity has higher operational performance, which provides a strong support for the relationship between brand equity and operational business performance.

The conclusion regarding the box plot and Independent Samples t-test is provided in table 4.54.

TABLE 4.54

Brands with Higher Brand Equity

Product Category	**Brands Compared**	**Brand with Higher Brand Equity**	
		Box Plot	**Independent Samples t- test**
Toilet Soap	Lux Vs Cinthol	Lux	Lux
Fabric Wash	Surf Excel Vs Ariel	Surf Excel	Surf Excel
Tea	Tata Tea Vs Brooke Bond	Tata Tea	Tata Tea

Source: Survey Results

4.20 TESTING OF HYPOTHESES ON THE RELATIONSHIP BETWEEN BRAND EQUITY AND BUSINESS PERFORMANCE

Two hypothesized relationships between brand equity and business performance (Chapter Two) were tested:

H_5: Brand equity and financial business performance measure are related in the FMCG industry in India.

H_6: There is a relationship between brand equity and operational business performance measure in the FMCG industry in India.

4.20.1 Relationship between Brand Equity and Financial Performance

Pearson's product –moment correlation coefficient (r) was calculated to identify the relationship between brand equity and financial performance (Table 4.55).

Correlation analysis revealed no significant relationship between brand equity and financial performance (r = 0.004).

Hence the hypothesis H_5 is not supported, concluding that brand equity and financial business performance measure are not related in the FMCG industry.

TABLE 4.55

Pearson Correlation Matrix of Brand Equity and Business Performance

		Operational Performance	**Financial Performance**
Brand Equity	r	0.572	0.004
	p	0.026*	0.495
Operational Performance	r		0.779
	p		0.001**

Note: r - Pearson Correlation coefficient;
p - Level of significance
**p < 0.01
* p < 0.05

Source: Survey Results

The results are consistent with the findings of other researchers (e.g., Barth et al. 1998; Chu & Keh 2006; Mizik & Jacobson 2008), most of who provide little evidence on the association between brand equity and financial performance. Few studies by researchers had suggested a positive relationship between brand equity and financial performance particularly in the services industry.

4.20.2 Relationship between Brand Equity and Operational Performance

The hypothesis H_6 was tested using Pearson product-moment correlation coefficient calculated for the scores of brand equity and operational performance. For FMCG industry in India, brand equity was found to be significantly correlated with operational performance of the business ($r = 0.572$, $p < 0.049$). Thus, Hypothesis H_6 is supported.

Brand equity explained 32.7 percent of the total variation in the operational performance for the FMCG companies (Table 4.56). It is apparent from the results that there are factors other than brand equity that influence the operational performance. Brand equity is an important predictor of operational performance, but the other factors might also impact performance.

The results are in tandem with the study by Baldauf et al. (2003), according to whom brand equity accounted for 31 percent of variation in brand market performance. Brand market performance was measured using sales volume.

This study aims to provide a clearer understanding of brand equity that has a significant direct positive influence on the operational performance (H_6: $r = 0.572$, $p < 0.05$). The results indicate that FMCG companies with the greater brand equity will achieve higher business performance, a finding similar to Park and Srinivasan, (1994), Aaker,(1996), and Kim and Kim, (2005).

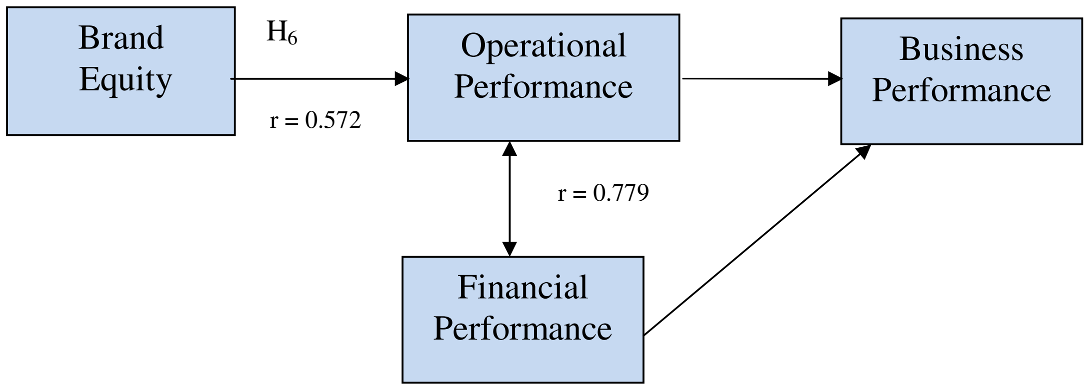
TABLE 4.56

Underlying Hypotheses Regarding Brand Equity and Business Performance

Hypothesis	**Relationship**	**r**	**R Square**	**p value**	**Supported**
H_5	Brand equity and financial performance	0.004		0.495	No
H_6	Brand equity and operational performance	0.572	0.327	0.026*	Yes

Note-: r = Pearson Correlation coefficient
R^2 = Coefficient of determination
*p < 0.05
Source: Survey Results

Surprisingly, a new unexpected relationship was observed between operational performance and financial performance. Operational performance was found to be correlated with financial performance in the FMCG industry ($r = 0.779$, $p < 0.01$). This interesting finding was in tandem to the findings of Prieto & Revilla (2006) according to whom organizational non-financial performance positively affects organizational financial performance. The measurement model of brand equity and business performance is depicted in Figure 4.26.



Note: r = Pearson Correlation Coefficient

Source: Survey Results

FIGURE 4.26
Measurement Model of Brand Equity and Business Performance

While the hypotheses linking brand equity and operational performance are supported, the findings suggest a complex picture of the relationship between each dimension of brand equity and operational performance. Hence the influence of the dimensions of brand equity on operational performance was analyzed in detail.

The study provides important theoretical contribution expanding on previous knowledge and literature of brand equity and business performance.

This research is one of the first known studies to directly link brand equity to operational performance, and business performance in the FMCG industry in India. This study attempts to integrate the key dimensions that positively influence and lead to the creation of brand equity and examines the influence of brand equity on operational performance. Furthermore, this study investigates the importance of brand equity to business performance of the FMCG industry of India.

4.20.3 Relationship between Brand Equity Dimensions and Operational Performance

In order to find out the relationship between the different brand equity dimensions with the operational performance of FMCG companies, the Karl Pearson product moment correlation coefficient was calculated.

Brand Awareness and Operational Performance of FMCG Companies

There existed no significant relationship between brand awareness and operational performance in the case of FMCG companies in India.

This is contrary to the study by Kim & Kim (2004) and Kim H-B et al. (2003), according to which brand awareness had the strongest direct effect on revenues in the hotel industry. But in the FMCG industry brand awareness alone cannot assure operational performance.

Brand awareness did not exhibit any association with business performance in this sector. The result implies that brand awareness alone may not be enough to achieve high operational performance.

Brand Loyalty and Operational Performance of FMCG Companies

Significant positive relationship between brand loyalty and operational business performance ($r = 0.673$, $p < 0.01$) in the FMCG industry in India. The findings indicated that the operational performance of FMCG companies increases with the increasing loyalty by the customers. But brand loyalty had the least influence on revenues in the hotel industry according to Kim & Kim (2004).

Most of the FMCGs tend to be a low involvement purchasing decision for most customers, and they may easily switch from one brand to another if one brand offers any price discount or undertakes heavy promotional activity. Hence, brand managers of FMCG brands should focus on building brand loyalty. Given the importance of brand loyalty in building brand equity, the implications for managers are fourfold.

Perceived Quality and Operational Performance of FMCG Companies

Significant positive relationship was demonstrated between perceived quality and operational business performance ($r = 0.570$, $p < 0.05$). Perception of quality by the consumers is an important contributor to operational performance for FMCGs.

Next most important brand equity dimension after brand loyalty that influences operational performance after brand loyalty is perceived quality. For a FMCG firm to improve its operational performance, the consumers should perceive the product to be of high quality. The firms should also send cues to consumers through their communication so that they perceive quality.

Brand Association and Operational Performance of FMCG Companies

Perceived quality was followed by brand association in contributing to the operational performance of FMCG companies. Brand association was found to be moderately correlated with operational performance ($r = 0.417$, $p < 0.05$) of FMCGs. Consumers should be able to generate product related association and organization related information to associate with the FMCG brands.

Hence from the data it is concluded that among the four dimensions of brand equity brand loyalty (45.3 percent) has the highest influence on operational performance, followed by perceived quality (32.4 percent) and brand association (17.3 percent) (Table 4.57).

FMCG sector primarily operates on low margin and therefore success very much depends on the volume of sales (Sarangapani & Mamatha 2008). Higher sales volume can be achieved only through repeat purchase leading to brand loyalty. Hence this justifies the highest contribution made to the operational performance by brand loyalty.

TABLE 4.57

Summary of the Relationship between Brand Equity Dimensions and Operational Performance

Brand Equity Dimensions	r	R Square	p value
Brand awareness	0.152		0.23
Brand loyalty	0.673	0.453	0.008**
Perceived quality	0.570	0.324	0.026*
Brand association	0.417	0.173	0.035*

Note-: r = Pearson Correlation coefficient, R^2 = Coefficient of determination
**p < 0.001, *p < 0.05
Source: Survey Results

Brand loyalty, perceived quality and band association should be carefully managed in tandem to promote operational performance for FMCGs. It is worth noting that brand association, which has the strongest relationship with brand equity construct for FMCGs, is not the largest contributor for FMCG firm's operational performance. The largest contributor to the operational performance is brand loyalty. The finding that brand loyalty has the strongest effect on market share and thereby on the business performance makes brand loyalty the focal point for FMCGs.

The four dimensions of brand equity exhibited, differences in their contribution to achieving operational performance outcomes suggesting the need for a fine-grained approach to building a branding strategy, one crafted specifically to the FMCG industry context and particular business performance goals.

In conclusion, the results of this study imply that strong brand equity can cause a significant increase in the operational performance of the business and that a lack of brand equity in FMCG brands can damage performance of the business. That is, if marketers of FMCG firms do not make an effort to improve consumer based brand equity, then marketers should expect declining market share over time. Brand managers should keep in mind that many familiar brands may suffer from reduced performance due to poor brand management.

In conjunction with prior research, the findings suggest that the development of a brand equity strategy requires consideration of the brand equity dimensions and business performance goals because of the uneven effects in the association between brand equity components and performance objectives.

4.21 CHAPTER SUMMARY

The analysis of the data yielded significant results. Factor analysis of brand equity components –brand loyalty and perceived quality revealed the internal consistency of the items. In the case of brand associations two factors emerged. A brand equity structure for FMCG industry was developed through factor analysis. High correlation existed between brand equity and its components there by supporting the first four hypotheses. The strength of the relationship was indicated by multiple regression analysis. Brand association had the strongest effect on brand equity. Box plot and Independent t-test indicated that Lux, Surf Excel and Tata Tea were the brands with higher brand equity. By exploring the relationship between brand equity and business performance, the data revealed that brand equity had a significant influence on the operational performance. The influence of individual dimensions of brand equity on operational performance was also discussed.

CHAPTER 5

FINDINGS, CONCLUSIONS & RECOMMENDATIONS

CHAPTER 5

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 CHAPTER OVERVIEW

The chapter discusses the summary of findings, conclusions and recommendation of the research undertaken. Section 5.2 highlights the major findings of the study. Section 5.3 provides the conclusions based on the findings of the study. The recommendations of the researcher and the suggested framework are provided in section 5.4. Section 5.5 briefly discusses the theoretical and managerial implications of the study. The limitations of the research and directions for future research are discussed in section 5.6 and 5.7 respectively. Finally the chapter concludes with section 5.8 with the final word.

The study was based on both descriptive and exploratory approach. The study involved the description of phenomena and characteristics associated with the FMCG consumers for discovery of associations among brand equity and its variables. The study is based on both inductive and deductive argument where a clear theoretical position was developed prior to the collection of data. Hypotheses were stated and tested empirically. Data collected from five different States of India, on three different product categories and six different brands were used to analyze and interpret the findings regarding brand equity dimensions and its relationship with business performance in the Indian FMCG industry. The analysis involved the use of both descriptive and inferential statistics. The study was able to suggest a model for improving business performance of FMCG companies.

5.2 MAJOR FINDINGS

5.2.1 Findings on Dimensions of Brand Association

a) **Brand association**: Brand association dimensions analysed using Factor Analysis with Varimax Rotation identified two factors for brand association. The factors identified for brand association in the FMCG industry in India are: (i) Product Association (ii) Organisational Association.

b) Multiple regression analysis concluded that product association had a significantly strong positive relationship ($\beta = 0.642$; $p < 0.001$) with brand association than organizational association ($\beta = 0.442$; $p < 0.001$).

5.2.2 Findings on the Dimensions of Brand Equity

a) Multiple regressions analysis confirmed that brand awareness, brand loyalty, perceived quality, and brand association together explained 64.3 percent of the total variation in overall brand equity

b) **Brand Loyalty:** Brand loyalty has a significant positive effect on brand equity in the FMCG industry in India. (H1: $t = 29.517$, $r = 0.717$, $p < 0.001$). It was concluded that 51.4 percent of the variance in overall brand equity is explained by brand loyalty.

c) **Perceived Quality:** Perceived quality has a significant positive influence on brand equity in the FMCG industry in India (H2: $t = 28.488$, $r = 0.704$, $p < 0.001$). The perceived quality dimension of the FMCG products yielded 49.6 percent explanatory power on performance.

d) **Brand Awareness:** Brand awareness has the lowest positive correlation with brand equity in the FMCG industry in India (H3: $t = 12.804$, $r = 0.407$, $p < 0.001$). Brand awareness explains 16.6 percent of the total variation of the overall brand equity.

e) **Brand Association:** Brand association has highest, positive, significant relationship with brand equity in the FMCG industry in India (H4: $t = 32.516$, $r = 0.750$, $p < 0.001$). Brand association accounts for 56.2 percent of the total variation in overall brand equity.

f) No significant multi-collinearity problems were confronted between the brand equity dimensions. Hence the brand equity model for the FMCG industry will be four factor one, with brand awareness, brand loyalty, perceived quality and brand association as the four dimensions.

g) Brand equity dimensions analysed using Factor Analysis with Varimax Rotation confirmed that brand equity consists of four dimensions: brand awareness, brand loyalty, perceived quality and brand association which explained 74.72 percent of variance in brand equity.

h) The results of the present study established the multidimensionality of consumer-based brand equity, consistent with the conceptualization of Aaker (1991).

5.2.3 Findings on the Comparative Brand Equity among FMCG Brands

Box plot and Independent Samples t-test concluded the following:

a) **Toilet Soap:** Brand equity of Lux soap is higher than the brand equity of Cinthol (H_{5a}: $t = 2.511$, $p < 0.01$).

b) **Fabric Wash:** Brand equity of Surf Excel fabric wash is higher than the brand equity of Ariel (H_{5b}: $t=2.628$, $p < 0.01$).

c) **Tea:** Brand equity of Tata Tea is higher than the brand equity of Brooke Bond (H_{5c}: t=.5.051, $p < 0.001$).

5.2.4 Findings on the Relationship between Brand Equity and Business Performance

a) **Brand Equity and Financial Performance:** No significant relationship was observed between brand equity and financial performance for FMCG industry in India (H5). Most of the previous research linking brand equity and financial performance was undertaken for service industry whereas this research is an attempt to get insight into the FMCG industry.

b) **Brand Equity and Operational Performance:** There is a relationship between brand equity and operational business performance measure in the FMCG industry in India (H6: $r = 0.572$, $p < 0.05$). Brand equity explained 32.7 percent of the total variation in the operational performance.

5.2.5 Findings on the Relationship between Brand Equity Dimensions and Operational Performance

a) Brand loyalty was found to be correlated with operational performance in the FMCG industry in India ($r = 0.673$, $p < 0.01$), followed by perceived quality ($r = 0.570$, $p < 0.05$) and brand association ($r = 0.417$, $p < 0.05$). No statistically significant relationship existed between brand awareness and operational performance.

b) Operational performance was found to be correlated with financial performance in the FMCG industry ($r = 0.779$, $p < 0.01$).

5.2.6 Findings on Brand Familiarity

a) **Toilet Soap:** Respondents are familiar with both the toilet soap brands undertaken in the study. Lux has a significantly higher level of familiarity compared to Cinthol. The Chi-Square test of independence indicate that brand familiarity is dependent of the type of brand ($\chi^2 =. 28.6$, df=3, $p < .001$).

b) **Fabric Wash:** The familiarity of both the fabric wash brand Surf Excel and Ariel is high. Surf Excel has a higher level of familiarity among the respondents compared to Ariel ($\chi^2 =. 9.385$, df=2, $p < .01$).

c) **Tea:** There is no significant difference in the familiarity of the two different brands of tea. Respondents are equally familiar about both Brooke Bond and Tata Tea.

5.2.7 Findings on Reasons for Purchase of FMCGs

a) **Toilet Soap:** Factors considered while buying toilet soap was its quality, availability and value for money. Customers preferred Cinthol for its fragrance. **Fabric Wash:** In the case of fabric wash, good quality, value for money and availability was the criterion for purchase.

b) **Tea:** While purchasing tea, good quality, taste, and value for money were the important reasons. Availability was an important reason for purchasing Brooke Bond.

   Packaging was not considered as an important factor for purchasing any of the products.

5.2.8 Findings on Brand Awareness of FMCGs

a) **Toilet Soap:** Lux, Cinthol and Lifebuoy were recognized by more than 90 percent of the respondents. Lux soap is the brand of toilet soap which is the first recalled by 37.68 percent respondents.

b) **Fabric Wash:** Surf Excel, Ariel and Tide brands were recognized by more than 94 percent of the respondents. Surf Excel is the first recalled brand by 42.08 percent respondents.

c) **Tea:** Tata Tea and Brooke Bond were recognized by more than 95 percent of the respondents. Tata Tea had the highest top-of-mind awareness with 42.27 percent customer recall.

5.2.9 Findings on Brand Loyalty (Price Premium) of Consumers towards FMCG Brands

The Chi-Square test undertaken confirmed the following on the brand loyalty of brands.

a) **Toilet Soap:** Respondents are more loyal towards Lux than Cinthol.

b) **Fabric Wash:** Respondents portrayed more loyalty towards Surf Excel compared to their competitor brand in terms of price premium.

c) **Tea:** Even though more customers displayed loyalty towards Tata Tea, the difference in loyalty between Tata Tea and Brooke Bond were not statistically significant.

5.2.10 Findings on Brand Awareness of FMCG Brands

Independent Samples t-test revealed that, in the toilet soap category, Lux portrayed higher level of brand awareness than Cinthol. There was no significant difference in the brand awareness of the two fabric wash brands. In the case of tea, Tata Tea had significantly higher awareness than Brooke Bond.

5.2.11 Findings on Brand Loyalty of FMCG Brands

Independent Samples t-test confirmed that Lux had significantly higher brand loyalty than Cinthol. With regard to fabric wash, majority of the respondents repurchases the brand Surf Excel to Ariel. Respondents prefer to buy only the brand Tata Tea in the product category tea.

5.2.12 Findings on Perceived Quality of FMCG Brands

Independent Samples t-test revealed that customers perceive Lux soap to have higher quality than Cinthol. The construct, perceived quality did not reflect a significant difference between Surf Excel and Ariel. Tata Tea stood significantly high on perceived quality than Brooke Bond.

5.2.13 Findings on Brand Association of FMCG Brands

Lux stood significantly high on brand association than Cinthol. For fabric wash no significant difference was observed between brands on brand association. Independent Samples t confirmed higher brand association for Tata Tea compared to Brooke Bond.

5.2.14 Findings on Sample Characteristics

a) **Gender:** The study revealed that 51 percent of the respondents were male and 49 percent were female

b) **Age:** The age distribution of the respondents revealed that 51.3 percent of the respondents belong to the age group of 20-29 years, 16 percent belong to the age group of 30-39 years, 13.6 percent belonged to the age group 40-49 years and 5.4 percent belonged to the age group 50-59 years.

c) **Educational Qualification:** The survey revealed that 52.1 percent of the FMCG consumers were graduates and 34.3 percent were post graduates.

d) **Profession:** Survey revealed at the professional level that 54.5 percent of the respondents were employees in various organizations and 27.7 percent were students from different colleges. Nearly, 11.4 percent represent women who are housewives.

e) **Income:** It was also found that 28.5 percent of the respondents belong to the income category of Rs. 21,000 to Rs.30, 000 per month. And 16.7 percent had the income between Rs. 10,000 to Rs.20, 000 per month, 20.5 percent above Rs.51,000 per month and 15.7 percent in the range of Rs. 31,000 to Rs.40, 000 per month.

5.3 CONCLUSIONS

The study used survey-based method for measuring the brand equity of brands in different product categories of FMCG products and evaluated the relationship between brand equity and business performance. The study permits brand managers to assess the impact of a brand's equity on the operational performance (market share) and financial performance (sales growth rate). Previous studies did not explicitly address those issues. Based on the major substantive findings from the research on the brand equity of FMCG products the following conclusions have been drawn in relation to the objectives of the study.

5.3.1 Dimensions of Brand Equity for FMCG Companies in India

The review of literature identified different dimensions of brand equity by different authors. From the contributions of different researchers this research focused on the four dimensional construct of brand equity. The four dimensions were brand awareness, brand loyalty, perceived quality and brand association. The research gap identified that the dimensions of brand equity varied with different industry. Few researchers suggested brand equity to be a three factor model, where the component brand awareness and brand associations were merged to form the new dimension. This research identified the need to come out with a brand equity structure for the FMCG companies in India. FMCG industry being one of the fastest growing industries, the importance of brand equity of their brand is very relevant. Hence it was necessary to identify the dimensions that measure brand equity for FMCGs. In the current study, the researchers examined how the four components affect brand equity for FMCG brands in the Indian market. The four components of brand equity, appears to play a more dominant role in determining a brand's equity for FMCG products. Brand associations are more important than the other three dimensions in shaping a brand's equity. Brand loyalty emerged as the next most influential dimension, followed by perceived quality. Perceived quality emerged as an important contributor to brand equity even though the perceived risk was less for FMCGs. The influence of brand awareness was low concluding that success in the Indian FMCG market cannot be assured through brand name alone.

The research confirmed the four factor model of brand equity with brand association, brand loyalty, perceived quality and brand awareness as its dimensions. Brand awareness and brand association were separate dimensions. Brand association had the strongest influence on brand equity, followed by brand loyalty and then perceived quality. Brand awareness had the least impact on the brand equity. The positive relationship between brand association and brand equity likewise mirrored other findings. This prompts the researchers to conclude that strong associations which "support a competitively attractive and distinct brand position" can help to inspire positive attitude and behavior toward the brand.

The results and the measurement model supported the proposed four-factor model. The study contributes to our understanding of brand equity measurement by examining the dimensionality of this construct. The principal contribution of our findings is that they provide empirical evidence of the multidimensionality of brand equity, supporting Aaker's (1991) conceptualization of brand equity.

5.3.2 Brand Association Dimension for FMCGs in India

The present study measured various types of consumers' associations to the brand. The measures of brand associations used by previous research varied in its dimensions. The research enriched brand equity measurement by incorporating perceived value, brand personality and organizational association as the measures of brand association.

Brand association had two dimensions for FMCGs, instead of the proposed three dimensions. The dimensions include product associations and organizational associations. The product associations had a stronger influence on brand associations than organizational association.

5.3.3 Influence of Brand Equity on the Financial Performance of FMCG Companies in India

Previous studies have investigated the relation between brand equity and financial performance. Few studies supported the influence of brand equity on financial performance but few studies were not supportive of this relationship. This study reveals that brand equity of FMCGs does not have a direct impact on the financial performance of the business. The financial performance was measured using the sales growth. Interestingly financial performance of FMCG was found to be highly correlated with operational performance of the business there by leading to improved business performance.

5.3.4 Influence of Brand Equity on the Operational Performance of FMCG Companies in India

Few researchers opined that traditional financial measures of performance are inadequate in today's environment, and that financial measures alone cannot guide an organization to market dominance. The importance of monitoring and improving the non-financial indicators were stressed in the literature. In this research, an effort was made to investigate the relationship between brand equity and specific non-financial performance measure (operational performance) of business. The impact of a brand's equity on the operational performance (market share) is substantial. The brands with higher levels of brand equity yielded substantially greater market share. The findings highlight the need to gain an understanding of the separate impact of brand equity dimensions on operational performance of FMCGs. The dimensions of brand equity identified for FMCG products were brand association, brand loyalty, perceived quality and brand awareness. The study also investigated whether all brand equity measures were associated with operational performance of business.

For the firms in the FMCG industry, where the relationship with the client is important yet indirect, brand equity measures are relevant for the growth of the business. The study provides a clear understanding of the significant positive influence of brand equity on the operational performance of FMCGs. Among the four dimensions of brand equity, brand loyalty has the highest influence on operational performance. The finding that brand loyalty has the largest effect on market share and thereby on the business performance makes brand loyalty the most important dimension for FMCGs. Brand loyalty are the primary drivers of brand preference and intention to re-purchase among brand users. This is an important finding for companies that need to emphasize loyalty programs, especially in the FMCG industry where brand switching is high. The next important dimension of brand equity for FMCGs is perceived quality. The consumers should perceive quality in the products leading to product adoption. Among non-users of the brands, perceived quality is the primary driver of brand preference, which in turn affects intention to purchase. The association of the consumers with the brand with respect to their product association and organizational association also contributes largely to operational performance after perceived quality. Being aware of the brand alone doesn't contribute to the operational performance of FMCG firms.

5.3.5 Relationship between Brand Equity and the Business Performance of FMCG Companies in India

The literature identified two types of business performance- financial and operational (non-financial) performance. While this study supported the relationship between brand equity and operational performance, relationship between brand equity and financial performance was less evident for FMCG industry.

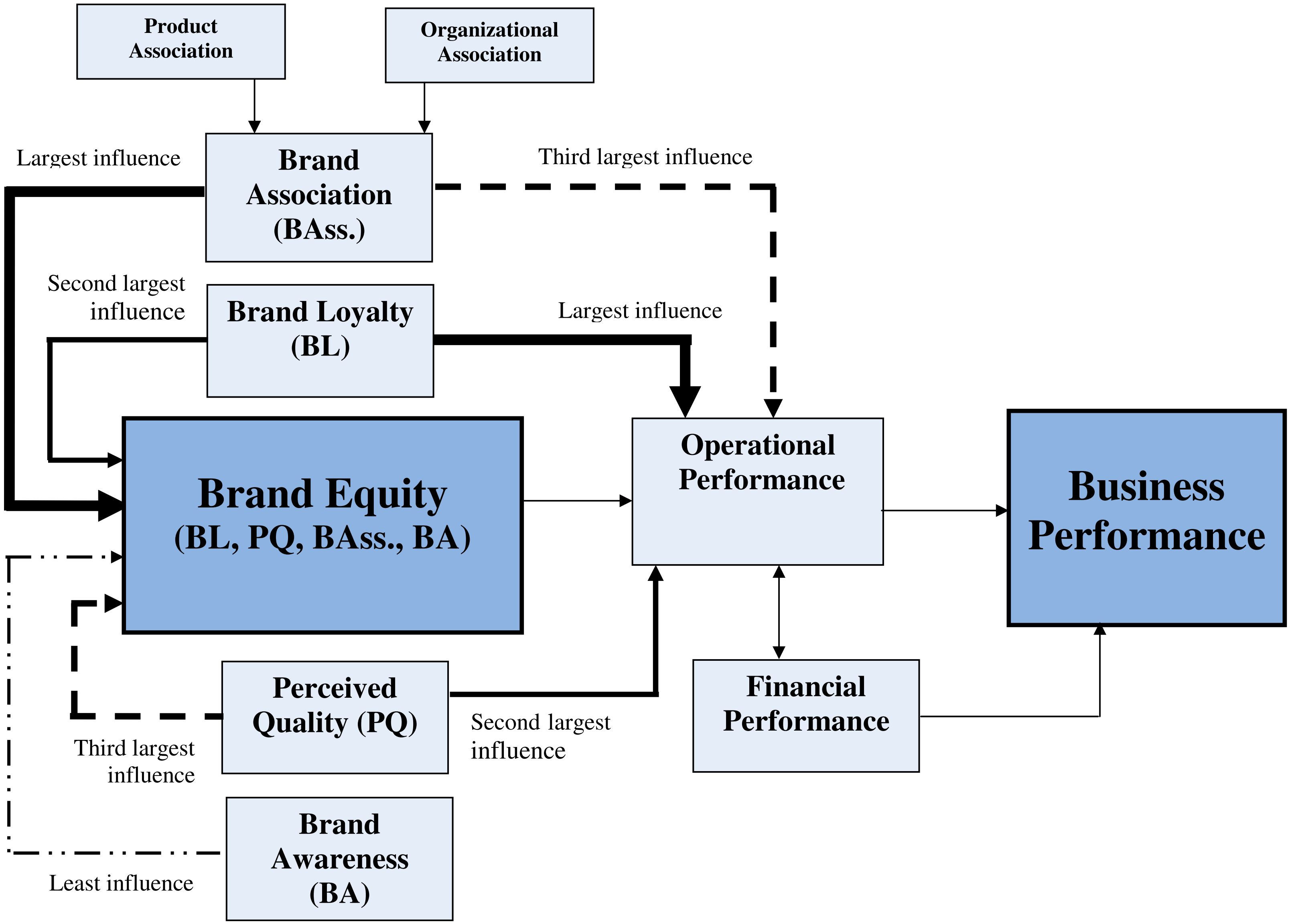
The findings suggest a complex picture of the brand equity constructs and its performance outcomes. The brand equity varied in their effects on the operational performance complicating the picture of how brand equity can be designed to improve the performance. For example, brand loyalty is not the most important dimension of brand equity for FMCGs, but brand loyalty was found to be an important element in explaining business performance. Hence these differences in the contribution of brand equity dimensions to brand equity as well as operational performance suggest the need for a well defined strategy specifically crafted for the FMCG industry.

An interesting finding revealed that brand association is the key driver of brand equity among FMCG consumers, but is only the third largest contributor to operational performance. While brand loyalty is the second strongest factor influencing brand equity, it is the largest and most significant contributor to operational performance. Perceived quality is the third most affecting factor of brand equity, but is the second largest contributor to operational performance. Among the four brand equity dimensions, brand awareness is least important factor in terms of its contribution to brand equity as well as operational performance.

Both operational performance and financial performance together lead to the business performance of companies. The study provides evidence for the effect of brand equity only on operational performance. The literature confirms the importance of financial performance for the business performance of the organization. The study also highlights positive, significant and strong relationship between operational performance and financial performance. Higher operational performance leads to higher financial performance, thereby improving the business performance. The study confirms the relationship between brand equity and business performance in the FMCG industry.

5.3.6 Model for Improving the Brand Equity for Leveraging Business Performance of FMCG Companies in India

In this study, brand equity has a significant and positive effect on performance of FMCG businesses. In addition, dimensions of brand equity have significant relationship to brand equity. The analysis of this methodology will contribute significantly toward understanding how FMCG businesses in India utilize brand equity to gain superior performance. These complicated interactions are represented in the suggested framework linking brand equity and business performance. This study advances an integrative brand equity model that links brand Equity with business performance. Brand equity constructs identified from the literature are tested for its acceptability in the FMCG industry. The four dimensions were integrated in the proposed model (Figure 5.1) and linked with operational and financial performance of business. Few important measures of brand loyalty, perceived quality, brand association and brand awareness identified were integrated into the model. This model provides a comprehensive means of covering important performance antecedents, as well as a better understanding of the position of a brand in the minds of consumers. By measuring the model, there is a possibility of obtaining information concerning the customer-brand relationships, customer's associations and evaluations of the brand and awareness of the brand. The determinants' impact on the customer-brand relationships is crucial for a company's future performance. The impacts will vary in strength and offer ample opportunities for exploring the possibilities of improving the brand equity and thereby the performance.



Source: Survey Results

Figure 5.1
Model of Brand Equity for Leveraging Business Performance of FMCG Companies in India

The results provide an understanding of how brand equity dimensions are related to brand equity, and which elements of brand equity structures may be most closely associated with performance based outcomes.

The overall implications for the research suggest that measures of brand equity are accurate reflections of business performance in the marketplace, particularly with the operational performance.

5.4 RECOMMENDATIONS

The Indian FMCG industry is characterized by the large MNC and local firms. The competition faced by different organizations in the FMCG industry has become more and more intense, and hence the pressure to perform better is high. The study suggested a model (Figure 5.1) where brand equity can be managed to improve the business performance. The recommendations based on the findings of this study will enrich the FMCG companies pertaining to the use of brand equity for leveraging business performance of FMCGs.

1. The positive association found between brand equity and operational performance suggests that brand managers should consider reviewing and redesigning their branding strategies with respect to brand association, brand loyalty, perceived quality and brand association to develop and maintain the brand's equity.
2. The operational performance of business is most significantly affected by brand loyalty. Brand managers should devise strategies to drive loyalty to improve business performance.
3. Focus on brand association for increasing the brand equity of the brands. To improve the association of the brand by the consumers, focus should be on product associations and organizational associations. Focus on building organizational credibility, trust, charging reasonable price there by providing value for money products to drive brand association.
4. Companies should focus on the quality of the product to fight competition. In order to perceive the product to be a quality product, focus should be on

developing high quality product consistently, especially compared to competitor's products. Quality should also be reflected in the appearance of the product.

5. Managers should focus on brand recall than brand recognition. Brand managers have to achieve top-of-mind awareness for their brands for improved performance.

6. Concentrating just on building brand awareness for FMCG products does not drive brand equity nor business performance. Brand managers should consider the order and relationships that exist between the components and, specifically, not to under rate the influence of brand awareness on overall equity.

5.5 THEORETICAL AND MANAGERIAL IMPLICATIONS

The thesis has attempted to provide a brand equity and performance model that can be effectively used by the companies in the FMCG industry in India. The study throws more light on to the dimensions of brand equity and its relationship with performance. One of the major implications of this research is that, FMCG companies have to manage effectively certain important dimensions to enhance brand equity.

The evidence that the brand equity dimensions impact differently on brand equity may help marketers to allocate resources more effectively. The results from the study provide important insights for brand managers to justify the resources spent on building brand equity. The study also provides some insight on the appropriateness of the brand-equity model in explaining future operational performance. The results are important for both (marketing and financial) managers and designers of performance measurement and evaluation systems. The results provide marketing decision makers with the opportunity to substantiate their marketing investments. As a result, marketing decision makers can evaluate whether the amount invested in branding activities lead to the attainment of specific results in terms of brand equity, also, whether the brand equity developed can be expected to pay off in performance terms.

The findings from this study thus may increase the accountability of marketers. Similarly, the results are relevant for financial managers as it can help to forecast earnings and cash flows more accurately, or provide better value estimates for brands. Thus, this research project is a first step in identifying and understanding how marketing assets contribute to both operational and financial performance for the FMCG companies. The results indicate that specific brand equity measures are congruent with the goals that most firms pursue and provide additional information on future performance of the business. It motivates managers and provides insight in managerial efforts and effectiveness in brand building.

The results of the study may be informative for marketing managers of brand intensive firms. This study helps marketing and brand managers in FMCG firm to understand the role of brand equity on business performance. In a highly competitive market, building and managing brand equity is very important. Because the aim of brand equity is to maintain or increase the level of loyalty, association and awareness of the firm's brand, there by leading the firm to superior performance.

5.6 LIMITATIONS OF THE RESEARCH

1. FMCG industry is large with wide variety of products with diverse attributes. The study focus only on six brands of renowned corporate houses representing the FMCG sector in India.

2. There are different views regarding the concept of brand equity. This study is based on the model suggested by Aaker (1991).

3. The study uses only one measure to evaluate the financial performance and operational performance of FMCG firms, when there are several measures to evaluate performance.

4. Branding is a long-term process, so the time lag in the data collection from the sample might not be long enough to capture the effects of branding activities.

5.7 DIRECTIONS FOR FUTURE RESEARCH

According to the results of this study, the need for further research is apparent. The theoretical model developed in this study can be replicated on other industries in order to identify the important factors affecting the dimensions of brand equity. This would help generalize the proposed model globally and drive international marketing strategies. It would be interesting to determine which marketing and branding activities would help increase brand awareness, brand association, perceived quality and drive loyalty in the Indian FMCG industry.

Future research can collect data from a larger population on business performance so that results can be used in other industries to further understand relationships among brand equity constructs and performance studied in this research.

Future research requires contriving a more sophisticated measure of firm performance, perhaps using financial measures such as ROI (Return on Investment) and more operational performance measures.

Finally, future research may develop a more hybrid and composite scale for approximating brand equity encompassing more FMCG products and brands. In light of these considerations, it is hoped that the findings in this study will provide a firm basis on which to undertake additional research.

5.8 FINAL WORD…….

The popular quote "If this business were split up, I would give you the land and bricks and mortar, and I would take the brands and trademarks and I would fare better than you" by John Stewart (Former CEO of Quaker) justifies the importance of brands for the success of the business. This study helps in clearly identifying how brands influence the performance.

The objective of the study was to investigate the effects of brand equity dimensions on developing brand equity for FMCGs and using these measures to improve performance. Brand association, brand loyalty, perceived quality and brand awareness were selected as measures of brand equity. Results indicate that all four measures are dimensions of brand equity and brand loyalty, perceived quality and brand association are significant predictors of performance. But the degree of impact of the different dimensions on brand equity as well as performance varies. Brand association emerged as the strongest dimension that contributes to brand equity. But brand loyalty contributes largely to operational performance. Brand managers can effectively manage these dimensions to improve brand equity and operational performance. The high correlation between operational performance and financial performance further strengthens the indirect influence of brand equity on the financial performance of business. This study opens the door for a series of research streams that could be useful in advancing knowledge in the area of brand equity and business performance.

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APPENDICES

PW-L

Title: Brand Equity for Leveraging Business Performance of Fast Moving Consumer Goods Companies
(Intended Respondents: FMCG Consumers)
Survey Questionnaire

Dear Sir/ Madam,
I am doing research in the Department of Humanities, Social Sciences and Management, NITK Surathkal, Mangalore. As a part of the research I am conducting a survey on Brand Equity of FMCGs . I would be grateful if you could spare a few minutes and complete the attached questionnaire.
I assure you that the information collected will be kept strictly confidential and will be used only for academic purposes.
Thank you in advance for your cooperation.

Bijuna C Mohan
Asst.Professor
Department of Humanities, Social Sciences & Management,
National Institute of Technology Karnataka,
Surathkal, Mangalore – 575 025

I). **General Information** [*Please tick (√) in the appropriate box]*

Name (optional) _________________

1 .Gender: Male ☐ Female ☐

2 .Age: Less than 20 years ☐ 20 – 29 years ☐ 30 – 39 years ☐
40 – 49 years ☐ 50 – 59 years ☐ More than 60 years ☐

3 .Education: School ☐ Graduate ☐ Post Graduate ☐
Others (please specify)____

4. Marital Status: Married ☐ Unmarried ☐

5. **<u>If married</u>** answer the questions below **.<u>If unmarried</u>** go to question no 6

(a)No: of children-----------------

(b)Employment status of your spouse – Employed ☐ unemployed ☐

6. Your Profession:

Self employed ☐ Student ☐
Employee ☐ Housewife ☐

Others (Please specify)----------

7. Household income per month

Less than Rs.10,000/- ☐ Rs.31,000/- to Rs.40,000/- ☐
Rs.10,000/- to Rs.20,000/- ☐ Rs.41,000/- to Rs.50,000/- ☐
Rs.21,000/- to Rs.30,000/- ☐ Rs.51,000/- and above ☐

8. Where do you reside at present?

Urban ☐ Rural ☐

9. Which State in India do you reside? --------------------------------

II) PERSONAL WASH (SOAPS)

10. Please name any three brands of toilet soaps you can think of.

i. --------

ii. ----------

iii. ----------

12. Tick the brand names of toilet soaps which you are aware of from the following:

i) Lux ☐
ii) Vivel ☐
iii) Fiama DiWills ☐
iv) Cinthol ☐
v) No.1 ☐
vi) Lifebuoy ☐
vii) Nima ☐

13. Please indicate your familiarity towards the LUX brand of toilet soap by ticking the appropriate box.

i) I have not heard of this brand ☐

ii) I have heard of this brand, but know nothing about it ☐

iii) I have heard of this brand and know a little about it ☐

iv) I have heard of this brand, and know it quite well ☐

If you have ticked (iii) or (iv), please continue with the next question.

PW-L

***Instructions:** The questions below are based on the brand of toilet soap **LUX**.*

14. Why would you prefer to purchase LUX soap? (Please rank them in the order of preference)

i. Good Quality ☐
ii. Value for money ☐
iii. Easily available ☐
iv. Good packaging ☐
v. Lasting fragrance ☐
vi. Any other reasons…….

15. How much extra price are you ready to pay for LUX soap?

i. Nil ☐
ii. Rs.2/- or less ☐
iii. Rs.3/- to Rs.5/- ☐
iv. Rs.6/- to Rs.8/- ☐
v. Rs.9/- to Rs.11/- ☐
vi. Rs.12/- and above ☐

Listed below are different opinions about LUX toilet soap. Please rate the following statements by placing a tick (√) mark in the appropriate box.

(SD - Strongly Disagree D - Disagree NAND - Neither agree nor disagree A – Agree SA - Strongly Agree)

No	Item	SD	D	NAND	A	SA
16	I can recognize LUX soap among competing brands					
17	I know what LUX soap looks like					
18	I regularly buy LUX soap					
19	I intend to buy LUX soap again					
20	I usually use LUX soap as my first choice compared to other brands					
21	I am satisfied with the purchase/use of LUX soap					
22	I would recommend LUX soap to others					
23	I will not buy other brands if LUX soap is available at the store					

PW-L

(SD - Strongly Disagree D - Disagree NAND - Neither agree nor disagree
A – Agree SA - Strongly Agree)

No.	Item	SD	D	NAND	A	SA
24	The likely quality of LUX soap is extremely high					
25	The likelihood that LUX soap would have consistent quality is very high					
26	In comparison to alternative brands LUX soap is the best					
27	LUX soap looks and feels like a quality product					
28	LUX soap provides good value for the money					
29	I have a reason to buy LUX soap over other brands					
30	The price paid for LUX soap is reasonable					
31	LUX soap has a Personality					
32	LUX soap is interesting					
33	I have a clear image of the type of person who would use LUX soap					
34	LUX soap is made by an organization I would trust					
35	The organization associated with LUX soap has credibility					
36	I admire the organization of LUX soap					
37	Some characteristics of LUX soap come to my mind quickly					
38	It makes sense to buy LUX instead of any other brand, even if they are the same					
39	Even if another brand has the same features as LUX, I would prefer to buy LUX					
40	If there is another brand as good as LUX , I prefer to buy LUX					
41	If another brand is not different from LUX in anyway, it seems smarter to purchase LUX.					

PW-C

Title: Brand Equity for Leveraging Business Performance of Fast Moving Consumer Goods Companies (Intended Respondents: FMCG Consumers)
Survey Questionnaire

Dear Sir/ Madam,
I am doing research in the Department of Humanities, Social Sciences and Management, NITK Surathkal, Mangalore. As a part of the research I am conducting a survey on Brand Equity of FMCGs . I would be grateful if you could spare a few minutes and complete the attached questionnaire.
I assure you that the information collected will be kept strictly confidential and will be used only for academic purposes.
Thank you in advance for your cooperation.
Bijuna C Mohan
Asst.Professor
Department of Humanities, Social Sciences & Management,
National Institute of Technology Karnataka,
Surathkal, Mangalore – 575 025

I). **General Information** [*Please tick (√) in the appropriate box]*
Name (optional) ___________________

1 .Gender: Male ☐ Female ☐

2. Age: Less than 20 years ☐ 20 – 29 years ☐ 30 – 39 years ☐
40 – 49 years ☐ 50 – 59 years ☐ More than 60 years ☐

3. Education: School ☐ Graduate ☐ Post Graduate ☐
Others (please specify)____

4. Marital Status: Married ☐ Unmarried ☐

5. **<u>If married</u>** answer the questions below **.<u>If unmarried</u>** go to question no 6
(a)No: of children-----------------
(b)Employment status of your spouse – Employed ☐ unemployed ☐

6. Your Profession:
Self employed ☐
Employee ☐
Student ☐
Housewife ☐
Others (Please specify) -------------

7. Household income per month
Less than Rs.10,000/- ☐
Rs.10,000/- to Rs.20,000/- ☐
Rs.21,000/- to Rs.30,000/- ☐
Rs.31,000/- to Rs.40,000/- ☐
Rs.41,000/- to Rs.50,000/- ☐
Rs.51,000/- and above ☐

PW-C

8. Where do you reside at present?

   Urban ☐ Rural ☐

9. Which State in India do you reside? --------------------------------

PERSONAL WASH (SOAPS)

10. Please name any three brands of toilet soaps you can think of.

    i. --------

    ii. ----------

    iii. ----------

11. Tick the brand names of toilet soaps which you are aware of from the following:

    i. Lux ☐
    ii. Vivel ☐
    iii. Fiama DiWills ☐
    iv. Cinthol ☐
    v. No.1 ☐
    vi. Lifebuoy ☐
    vii. Nima ☐

12. Please indicate your familiarity towards the CINTHOL brand of toilet soap by ticking the appropriate box.

    i. I have not heard of this brand ☐
    ii. I have heard of this brand, but know nothing about it ☐
    iii. I have heard of this brand and know a little about it ☐
    iv. I have heard of this brand, and know it quite well ☐

    If you have ticked (iii) or (iv), please continue with the next question.

PW-C

Instructions: *The questions below are based on the brand of toilet soap* ***CINTHOL.***

13. Why would you prefer to purchase CINTHOL soap? (Please rank them in the order of preference)

i.	Good Quality	☐	iv.	Good packaging	☐
ii.	Value for money	☐	v.	Lasting fragrance	☐
iii.	Easily available	☐	vi.	Any other reasons…….	

14. How much extra price are you ready to pay for CINTHOL soap?

i.	Nil	☐	iv.	Rs.6/- to Rs.8/-	☐
ii.	Rs.2/- or less	☐	v.	Rs.9/- to Rs.11/-	☐
iii.	Rs.3/- to Rs.5/-	☐	vi.	Rs.12/- and above	☐

Listed below are different opinions about CINTHOL toilet soap. Please rate the following statements by placing a tick (√) mark in the appropriate box.

(SD - Strongly Disagree D - Disagree NAND - Neither agree nor disagree
A – Agree SA - Strongly Agree)

No.	Item	SD	D	NAND	A	SA
16	I can recognize CINTHOL soap among competing brands					
17	I know what CINTHOL soap looks like					
18	I regularly buy CINTHOL soap					
19	I intend to buy CINTHOL soap again					
20	I usually use CINTHOL soap as my first choice compared to other brands					
21	I am satisfied with the purchase/use of CINTHOL soap					
22	I would recommend CINTHOL soap to others					
23	I will not buy other brands if CINTHOL soap is available at the store					

PW-C

(SD - Strongly Disagree D - Disagree NAND - Neither agree nor disagree
A – Agree SA - Strongly Agree)

No.	Item	SD	D	NAND	A	SA
24	The likely quality of CINTHOL soap is extremely high					
25	The likelihood that CINTHOL soap would have consistent quality is very high					
26	In comparison to alternative brands CINTHOL soap is the best					
27	CINTHOL soap looks and feels like a quality product					
28	CINTHOL soap provides good value for the money					
29	I have a reason to buy CINTHOL soap over other brands					
30	The price paid for CINTHOL soap is reasonable					
31	CINTHOL soap has a Personality					
32	CINTHOL soap is interesting					
33	I have a clear image of the type of person who would use CINTHOL soap					
34	CINTHOL soap is made by an organization I would trust					
35	The organization associated with CINTHOL soap has credibility					
36	I admire the organization of CINTHOL soap					
37	Some characteristics of CINTHOL soap come to my mind quickly					
38	It makes sense to buy CINTHOL instead of any other brand, even if they are the same					
39	Even if another brand has the same features as CINTHOL, I would prefer to buy CINTHOL					
40	If there is another brand as good as CINTHOL , I prefer to buy CINTHOL					
41	If another brand is not different from CINTHOL in anyway, it seems smarter to purchase CINTHOL.					

WP-S

Title: Brand Equity for Leveraging Business Performance of Fast Moving Consumer Goods Companies (Intended Respondents: FMCG Consumers) Survey Questionnaire

Dear Sir/ Madam,
I am doing research in the Department of Humanities, Social Sciences and Management, NITK Surathkal, Mangalore. As a part of the research I am conducting a survey on Brand Equity of FMCGs. I would be grateful if you could spare a few minutes and complete the attached questionnaire.
I assure you that the information collected will be kept strictly confidential and will be used only for academic purposes.
Thank you in advance for your cooperation.
Bijuna C Mohan
Asst.Professor
Department of Humanities, Social Sciences & Management,
National Institute of Technology Karnataka,
Surathkal, Mangalore – 575 025

I). **General Information** [*Please tick (√) in the appropriate box]*

Name (optional) ___________________

1 .Gender: Male ☐ Female ☐

2 .Age: Less than 20 years ☐ 20 – 29 years ☐ 30 – 39 years ☐

40 – 49 years ☐ 50 – 59 years ☐ More than 60 years ☐

3 .Education: School ☐ Graduate ☐ Post Graduate ☐

Others (please specify)____

4. Marital Status: Married ☐ Unmarried ☐

5. **If married** answer the questions below**. If unmarried** go to question no 6

(a)No: of children-----------------

(b)Employment status of your spouse – Employed ☐ unemployed ☐

6. Your Profession:

Self employed ☐ Housewife ☐
Employee ☐ Others (Please specify)----
Student ☐

7. Household income per month

Less than Rs.10,000/- ☐ Rs.31,000/- to Rs.40,000/- ☐
Rs.10,000/- to Rs.20,000/- ☐ Rs.41,000/- to Rs.50,000/- ☐
Rs.21,000/- to Rs.30,000/- ☐ Rs.51,000/- and above ☐

8. Where do you reside at present:

Urban ☐ Rural ☐

WP-S

9. Which State in India do you reside? ---------------------------------

WASHING POWDERS/LIQUIDS

10. Please name any three brands of washing powders/liquids you can think of.

i. --------

ii. ----------

iii. ----------

11. Tick the brand names of washing powders which you are aware of from the following:

i. Tide	☐	iv. Nirma	☐
ii. Henko	☐	v. Wheel	☐
iii. Surf Excel	☐	vi. Ariel	☐

12. Please indicate your familiarity towards the SURF EXCEL brand of washing powder by ticking the appropriate box.

i. I have not heard of this brand ☐

ii. I have heard of this brand, but know nothing about it ☐

iii. I have heard of this brand and know a little about it ☐

iv. I have heard of this brand, and know it quite well ☐

If you have ticked (iii) or (iv), please continue with the next question.

WP-S

Instructions: *The questions below are based on the brand of washing powder* **SURF EXCEL.**

13. Why would you prefer to purchase SURF EXCEL washing powder? (Please rank them in the order of preference)

i. Good Quality	☐	iv. Good packaging	☐
ii. Value for money	☐	v. Lasting fragrance	☐
iii. Easily available	☐	vi. Any other reasons…….	

14. How much extra price are you ready to pay for SURF EXCEL washing powder?

i. Nil	☐	iv. Rs.6/- to Rs.8/-	☐
ii. Rs.2/- or less	☐	v. Rs.9/- to Rs.11/-	☐
iii. Rs.3/- to Rs.5/-	☐	vi. Rs.12/- and above	☐

Listed below are different opinions about SURF EXCEL washing powder. Please rate the following statements by placing a tick (√) mark in the appropriate box.

(SD - Strongly Disagree D - Disagree NAND - Neither agree nor disagree A – Agree SA - Strongly Agree)

No.	**Item**	**SD**	**D**	**NAND**	**A**	**SA**
16	I can recognize SURF EXCEL washing powder among competing brands					
17	I know what SURF EXCEL washing powder looks like					
18	I regularly buy SURF EXCEL					
19	I intend to buy SURF EXCEL again					
20	I usually use SURF EXCEL as my first choice compared to other brands					
21	I am satisfied with the purchase/use of SURF EXCEL					
22	I would recommend SURF EXCEL to others					
23	I will not buy other brands if SURF EXCEL is available at the store					
24	The likely quality of SURF EXCEL is extremely high					
25	The likelihood that SURF EXCEL would have consistent quality is very high					

WP-S

(SD - Strongly Disagree D - Disagree NAND - Neither agree nor disagree
A – Agree SA - Strongly Agree)

No	Item	SD	D	NAND	A	SA
26	In comparison to alternative brands SURF EXCEL is the best					
27	SURF EXCEL looks and feels like a quality product					
28	SURF EXCEL provides good value for the money					
29	I have a reason to buy SURF EXCEL over other brands					
30	The price paid for SURF EXCEL is reasonable					
31	SURF EXCEL has a Personality					
32	SURF EXCEL is interesting					
33	I have a clear image of the type of person who would use SURF EXCEL					
34	SURF EXCEL is made by an organization I would trust					
35	The organization associated with SURF EXCEL has credibility					
36	I admire the organization of SURF EXCEL					
37	Some characteristics of SURF EXCEL come to my mind quickly					
38	It makes sense to buy SURF EXCEL instead of any other brand, even if they are the same					
39	Even if another brand has the same features as SURF EXCEL, I would prefer to buy SURF EXCEL					
40	If there is another brand as good as SURF EXCEL, I prefer to buy SURF					
41	If another brand is not different from SURF EXCEL in anyway, it seems smarter to purchase SURF EXCEL.					

WP-A

Title: Brand Equity for Leveraging Business Performance of Fast Moving Consumer Goods Companies (Intended Respondents: FMCG Consumers) Survey Questionnaire

Dear Sir/ Madam,
I am doing research in the Department of Humanities, Social Sciences and Management, NITK Surathkal, Mangalore. As a part of the research I am conducting a survey on Brand Equity of FMCGs . I would be grateful if you could spare a few minutes and complete the attached questionnaire.
I assure you that the information collected will be kept strictly confidential and will be used only for academic purposes.
Thank you in advance for your cooperation.
Bijuna C Mohan
Asst.Professor
Department of Humanities, Social Sciences & Management,
National Institute of Technology Karnataka,
Surathkal, Mangalore – 575 025

I). **General Information** [*Please tick (√) in the appropriate box]*

Name (optional) ___________________

1 .Gender: Male ☐ Female ☐

2 .Age: Less than 20 years ☐ 20 – 29 years ☐ 30 – 39 years ☐

40 – 49 years ☐ 50 – 59 years ☐ More than 60 years ☐

3 .Education: School ☐ Graduate ☐ Post Graduate ☐

Others (please specify)____

4. Marital Status: Married ☐ Unmarried ☐

5. **<u>If married</u>** answer the questions below **.<u>If unmarried</u>** go to question no 6

(a)No: of children-----------------

(b)Employment status of your spouse – Employed ☐ unemployed ☐

6. Your Profession:

Self employed ☐
Employee ☐
Student ☐
Housewife ☐
Others (Please specify)----

7. Household income per month

Less than Rs.10,000/- ☐
Rs.10,000/- to Rs.20,000/- ☐
Rs.21,000/- to Rs.30,000/- ☐
Rs.31,000/- to Rs.40,000/- ☐
Rs.41,000/- to Rs.50,000/- ☐
Rs.51,000/- and above ☐

WP-A

8. Where do you reside at present:

Urban ☐ Rural ☐

9. Which State in India do you reside? ---------------------------------

WASHING POWDERS/LIQUIDS

10. Please name any three brands of washing powders/liquids you can think of.

i. --------

ii. ----------

iii. ----------

11. Tick the brand names of washing powders which you are aware of from the following:

i.	Tide	☐	iv.	Nirma	☐
ii.	Henko	☐	v.	Wheel	☐
iii.	Surf Excel	☐	vi.	Ariel	☐

12. Please indicate your familiarity towards the ARIEL brand of washing powder by ticking the appropriate box.

i.	I have not heard of this brand	☐	iii.	I have heard of this brand and know a little about it	☐
ii.	I have heard of this brand, but know nothing about it	☐	iv.	I have heard of this brand, and know it quite well	☐

If you have ticked (iii) or (iv), please continue with the next question.

WP-A

Instructions: The questions below are based on the brand of washing powder **ARIEL.**

13. Why would you prefer to purchase ARIEL washing powder? (Please rank them in the order of preference)

i.	Good Quality	☐	iv.	Good packaging	☐
ii.	Value for money	☐	v.	Lasting fragrance	☐
iii.	Easily available	☐	vi.	Any other reasons…….	

14. How much extra price are you ready to pay for ARIEL washing powder ?

i.	Nil	☐	iv.	Rs.6/- to Rs.8/-	☐
ii.	Rs.2/- or less	☐	v.	Rs.9/- to Rs.11/-	☐
iii.	Rs.3/- to Rs.5/-	☐	vi.	Rs.12/- and above	☐

Listed below are different opinions about ARIEL washing powder. Please rate the following statements by placing a tick (√) mark in the appropriate box.

(SD - Strongly Disagree D - Disagree NAND - Neither agree nor disagree A – Agree SA - Strongly Agree)

No.	Item	SD	D	NAND	A	SA
16	I can recognize ARIEL washing powder among competing brands					
17	I know what ARIEL washing powder looks like					
18	I regularly buy ARIEL washing powder					
19	I intend to buy ARIEL again					
20	I usually use ARIEL as my first choice compared to other brands					
21	I am satisfied with the purchase/use of ARIEL washing powder					
22	I would recommend ARIEL to others					
23	I will not buy other brands if ARIEL is available at the store					
24	The likely quality of ARIEL washing powder is extremely high					
25	The likelihood that ARIEL would have consistent quality is very high					

(SD - Strongly Disagree D - Disagree NAND - Neither agree nor disagree
A – Agree SA - Strongly Agree)

No.	Item	SD	D	NAND	A	SA
26	In comparison to alternative brands ARIEL washing powder is the best					
27	ARIEL looks and feels like a quality product					
28	ARIEL washing powder provides good value for the money					
29	I have a reason to buy ARIEL over other brands					
30	The price paid for ARIEL washing powder is reasonable					
31	ARIEL has a Personality					
32	ARIEL washing powder is interesting					
33	I have a clear image of the type of person who would use ARIEL washing powder					
34	ARIEL washing powder is made by an organization I would trust					
35	The organization associated with ARIEL has credibility					
36	I admire the organization of ARIEL					
37	Some characteristics of ARIEL come to my mind quickly					
38	It makes sense to buy ARIEL washing powder instead of any other brand, even if they are the same					
39	Even if another brand has the same features as ARIEL, I would prefer to buy ARIEL washing powder					
40	If there is another brand as good as ARIEL, I prefer to buy ARIEL					
41	If another brand is not different from ARIEL in anyway, it seems smarter to purchase ARIEL.					

PT-B

Title: Brand Equity for Leveraging Business Performance of Fast Moving Consumer Goods Companies (Intended Respondents: FMCG Consumers) Survey Questionnaire

Dear Sir/ Madam,
I am doing research in the Department of Humanities, Social Sciences and Management, NITK Surathkal, Mangalore. As a part of the research I am conducting a survey on Brand Equity of FMCGs . I would be grateful if you could spare a few minutes and complete the attached questionnaire.
I assure you that the information collected will be kept strictly confidential and will be used only for academic purposes.
Thank you in advance for your cooperation.

Bijuna C Mohan
Asst.Professor
Department of Humanities, Social Sciences & Management,
National Institute of Technology Karnataka,
Surathkal, Mangalore – 575 025

I). **General Information** [*Please tick (√) in the appropriate box]*

Name (optional) ___________________

1 .Gender: Male ☐ Female ☐

2 .Age: Less than 20 years ☐ 20 – 29 years ☐ 30 – 39 years ☐

40 – 49 years ☐ 50 – 59 years ☐ More than 60 years ☐

3 .Education: School ☐ Graduate ☐ Post Graduate ☐

Others (please specify)____

4. Marital Status: Married ☐ Unmarried ☐

5. **If married** answer the questions below **.If unmarried** go to question no 6

(a)No: of children-----------------

(b)Employment status of your spouse – Employed ☐ unemployed ☐

6. Your Profession:

Self employed ☐ Housewife ☐
Employee ☐ Others (Please specify)----
Student ☐

7. Household income per month

Less than Rs.10,000/- ☐ Rs.31,000/- to Rs.40,000/- ☐

Rs.10,000/- to Rs.20,000/- ☐ Rs.41,000/- to Rs.50,000/- ☐

Rs.21,000/- to Rs.30,000/- ☐ Rs.51,000/- and above ☐

PT-B

8. Where do you reside at present:

Urban ☐ Rural ☐

9. Which State in India do you reside? ---------------------------------

PACKAGED TEA

10. Please name any three brands of packaged tea you can think of.

i. --------

ii. ----------

iii. ----------

11. Tick the brand names of packaged tea which you are aware of from the following:

i. BrookeBond ☐
ii. Lipton-Yellow label ☐
iii. Kanan Devan ☐
iv. Agni ☐
v. Waghbakri ☐
vi. Tata Tea ☐

12. Please indicate your familiarity towards the BROOKE BOND brand of packaged tea by ticking the appropriate box.

i. I have not heard of this brand ☐
ii. I have heard of this brand, but know nothing about it ☐
iii. I have heard of this brand and know a little about it ☐
iv. I have heard of this brand, and know it quite well ☐

If you have ticked (iii) or (iv), please continue with the next question.

PT-B

***Instructions:** The questions below are based on the brand of packaged tea* ***BROOKE BOND** .*

13. Why would you prefer to purchase BROOKE BOND? (Please rank them in the order of preference)

i. Good Quality	☐	iv. Good packaging	☐
ii. Value for money	☐	v. Taste	☐
iii. Easily available	☐	vi. Any other reasons…….	

14. How much extra price are you ready to pay for BROOKE BOND brand of packaged tea?

i. Nil	☐	iv. Rs.6/- to Rs.8/-	☐
ii. Rs.2/- or less	☐	v. Rs.9/- to Rs.11/-	☐
iii. Rs.3/- to Rs.5/-	☐	vi. Rs.12/- and above	☐

Listed below are different opinions about BROOKE BOND brand of packaged tea. Please rate the following statements by placing a tick (√) mark in the appropriate box.

(SD - Strongly Disagree D - Disagree NAND - Neither agree nor disagree A – Agree SA - Strongly Agree)

No.	Item	SD	D	NAND	A	SA
16	I can recognize BROOKE BOND among competing brands					
17	I know what BROOKE BOND looks like					
18	I regularly buy BROOKE BOND brand of packaged tea					
19	I intend to buy BROOKE BOND again					
20	I usually use BROOKE BOND as my first choice compared to other brands					
21	I am satisfied with the purchase/use of BROOKE BOND brand of packaged tea					
22	I would recommend BROOKE BOND to others					
23	I will not buy other brands if BROOKE BOND is available at the store					

(SD - Strongly Disagree D - Disagree NAND - Neither agree nor disagree
A – Agree SA - Strongly Agree)

No.	Item	SD	D	NAND	A	SA
24	The likely quality of BROOKE BOND is extremely high					
25	The likelihood that BROOKE BOND would have consistent quality is very high					
26	In comparison to alternative brands BROOKE BOND is the best					
27	BROOKE BOND brand of packaged tea looks and feels like a quality product					
28	BROOKE BOND provides good value for the money					
29	I have a reason to buy BROOKE BOND over other brands of packaged tea					
30	The price paid for BROOKE BOND is reasonable					
31	BROOKE BOND has a Personality					
32	BROOKE BOND brand of packaged tea is interesting					
33	I have a clear image of the type of person who would drink BROOKE BOND					
34	BROOKE BOND is made by an organization I would trust					
35	The organization associated with BROOKE BOND brand of packaged tea has credibility					
36	I admire the organization of BROOKE BOND					
37	Some characteristics of BROOKE BOND come to my mind quickly					
38	It makes sense to buy BROOKE BOND instead of any other brand, even if they are the same					
39	Even if another brand has the same features as BROOKE BOND , I would prefer to buy BROOKE BOND brand of packaged tea					
40	If there is another brand as good as BROOKE BOND , I prefer to buy BROOKE BOND					
41	If another brand is not different from BROOKE BOND in anyway, it seems smarter to purchase BROOKE BOND .					

PT-T

Title: Brand Equity for Leveraging Business Performance of Fast Moving Consumer Goods Companies (Intended Respondents: FMCG Consumers)
Survey Questionnaire

Dear Sir/ Madam,
I am doing research in the Department of Humanities, Social Sciences and Management, NITK Surathkal, Mangalore. As a part of the research I am conducting a survey on Brand Equity of FMCGs . I would be grateful if you could spare a few minutes and complete the attached questionnaire.
I assure you that the information collected will be kept strictly confidential and will be used only for academic purposes.
Thank you in advance for your cooperation.

Bijuna C Mohan
Asst.Professor
Department of Humanities, Social Sciences & Management,
National Institute of Technology Karnataka,
Surathkal, Mangalore – 575 025

I). General Information [*Please tick (√) in the appropriate box]*

Name (optional) ___________________

1 .Gender: Male ☐ Female ☐

2. Age: Less than 20 years ☐ 20 – 29 years ☐ 30 – 39 years ☐
40 – 49 years ☐ 50 – 59 years ☐ More than 60 years ☐

3. Education: School ☐ Graduate ☐ Post Graduate ☐
Others (please specify)____

4. Marital Status: Married ☐ Unmarried ☐

5. **<u>If married</u>** answer the questions below **.<u>If unmarried</u>** go to question no 6

(a)No: of children-----------------

(b)Employment status of your spouse – Employed ☐ unemployed ☐

6. Your Profession:
Self employed ☐
Employee ☐
Student ☐
Housewife ☐
Others (Please specify) --------

7. Household income per month
Less than Rs.10,000/- ☐
Rs.10,000/- to Rs.20,000/- ☐
Rs.21,000/- to Rs.30,000/- ☐
Rs.31,000/- to Rs.40,000/- ☐
Rs.41,000/- to Rs.50,000/- ☐
Rs.51,000/- and above ☐

PT-T

8. Where do you reside at present:

Urban ☐ Rural ☐

9. Which State in India do you reside? --------------------------------

PACKAGED TEA

10. Please name any three brands of packaged tea you can think of.

i. --------

ii. ----------

iii. ----------

11. Tick the brand names of packaged tea which you are aware of from the following :

i. BrookeBond	☐	iv. Agni	☐
ii. Lipton-Yellow label	☐	v. Waghbakri	☐
iii. Kanan Devan	☐	vi. Tata Tea	☐

12. Please indicate your familiarity towards the TATA TEA brand of packaged tea by ticking the appropriate box.

i. I have not heard of this brand	☐	iii. I have heard of this brand and know a little about it	☐
ii. I have heard of this brand, but know nothing about it	☐	iv. I have heard of this brand, and know it quite well	☐

If you have ticked (iii) or (iv), please continue with the next question.

PT-T

Instructions: *The questions below are based on the brand of packaged tea* ***TATA TEA***.

13. Why would you prefer to purchase TATA TEA? (Please rank them in the order of preference)

   i. Good Quality ☐
   ii. Value for money ☐
   iii. Easily available ☐
   iv. Good packaging ☐
   v. Taste ☐
   vi. Any other reasons…….

14. How much extra price are you ready to pay for TATA TEA?

   i. Nil ☐
   ii. Rs.2/- or less ☐
   iii. Rs.3/- to Rs.5/- ☐
   iv. Rs.6/- to Rs.8/- ☐
   v. Rs.9/- to Rs.11/- ☐
   vi. Rs.12/- and above ☐

Listed below are different opinions about TATA TEA brand of packaged tea. Please rate the following statements by placing a tick (√) mark in the appropriate box.

(SD - Strongly Disagree D - Disagree NAND - Neither agree nor disagree
A – Agree SA - Strongly Agree)

No.	Item	SD	D	NAND	A	SA
16	I can recognize TATA TEA among competing brands					
17	I know what TATA TEA looks like					
18	I regularly buy TATA TEA brand of packaged tea					
19	I intend to buy TATA TEA again					
20	I usually use TATA TEA as my first choice compared to other brands					
21	I am satisfied with the purchase/use of TATA TEA brand of packaged tea					
22	I would recommend TATA TEA to others					
23	I will not buy other brands if TATA TEA is available at the store					

No.	Item	SD	D	NAND	A	SA
24	The likely quality of TATA TEA is extremely high					
25	The likelihood that TATA TEA would have consistent quality is very high					
26	In comparison to alternative brands TATA TEA is the best					
27	TATA TEA brand of packaged tea looks and feels like a quality product					
28	TATA TEA provides good value for the money					
29	I have a reason to buy TATA TEA over other brands of packaged tea					
30	The price paid for TATA TEA is reasonable					
31	TATA TEA has a Personality					
32	TATA TEA brand of packaged tea is interesting					
33	I have a clear image of the type of person who would drink TATA TEA					
34	TATA TEA is made by an organization I would trust					
35	The organization associated with TATA TEA brand of packaged tea has credibility					
36	I admire the organization of TATA TEA					
37	Some characteristics of TATA TEA come to my mind quickly					
38	It makes sense to buy TATA TEA instead of any other brand, even if they are the same					
39	Even if another brand has the same features as TATA TEA, I would prefer to buy TATA TEA brand of packaged tea					
40	If there is another brand as good as TATA TEA , I prefer to buy TATA TEA					
41	If another brand is not different from TATA TEA in anyway, it seems smarter to purchase TATA TEA.					

ANNEXURES

List of Publications based on PhD Research Work

Sl No.	**Title of the paper**	**Authors**	**Name of the Journal/ Conference/ Symposium, Vol., No., Pages**	**Month & Year of Publication**	**Category ***
1	An Application of David A. Aaker's Brand Identity Planning model- A case study approach	Bijuna C Mohan, Dr. A.H. Sequeira	International Conference on Economics, Business Management and Marketing, Singapore, pp.249-253.	October 2009	3
2	Exploring the Interlinkages between Brand Equity and Business Performance- Towards a Conceptual Framework	Bijuna C Mohan, Dr. A.H. Sequeira	Managerial Marketing eJournal, Vol.4,No. 41	September 2012	1
3	The Relationship between Brand Equity and Business Performance- A Conceptual Framework	Bijuna C Mohan, Dr. A.H. Sequeira	Asian Academic Research Journal of Social Science & Humanities, volume 1, Issue 3, pp.146-156	September 2012	1
4	Customer-Based Brand Equity in the Fast Moving Consumer Goods Industry in India	Bijuna C Mohan, Dr. A.H. Sequeira	The International Journal of Management, Vol.1, Issue 4, pp. 1-19	October 2012	1
5	Consumer -Based Brand Equity and Its Antecedents in the Fast Moving Consumer Goods Industry	Bijuna C Mohan, Dr. A.H. Sequeira	Consortium of Students in Management Research,COSMAR-2012, Indian Institute of Science, Bangalore	November 2012	3

6	Brand Equity and Operational Performance of Business in the FMCG Industry	Bijuna C Mohan, Dr. A.H. Sequeira	National Conference on Emerging Dimensions in Marketing, Kottayam	November 2012	4
7	Linking Customer-Based Brand Equity with Business Performance –A Conceptual Framework"	Bijuna C Mohan, Dr. A.H. Sequeira	AMET international Journal of Management , Vol.4, No.2, 67-72	July- Dec 2012	1
8	Brand Equity And Business Performance– Towards A Conceptual Framework	Bijuna C Mohan, Dr. A.H. Sequeira	Indian Journal of Marketing, Vol.43 (2) ,5-10	February 2013	1
9	Exploring the Relationship between Brand Equity and Business Performance in the FMCG Industry	Bijuna C Mohan, Dr. A.H. Sequeira	International Marketing Conference, Indian Institute of Management (IIM), Calcutta, and GeorgiaTech	December 29-30, 2012	4

* Category: 1: Journal paper, full paper reviewed
2: Journal paper, Abstract reviewed
3: Conference/Symposium paper, full paper reviewed
4: Conference/Symposium paper, abstract reviewed
5: others (including papers in Workshops, NITK Research Bulletins, Short notes etc.)

(If the paper has been accepted for publication but yet to be published, the supporting documents must be attached.)

Research Scholar
Name & Signature, with Date

Research Guide
Name & Signature, with Date

BRIEF BIO-DATA

Name and Details	Ms. Bijuna C Mohan Assistant Professor, Department of Humanities, Social Sciences and Management, National Institute of Technology Karnataka, Surathkal, Mangalore-575025 Karnataka, INDIA
Qualifications	B.Sc (Physics), MBA
Permanent Address	Ms. Bijuna C Mohan H.No.10-2-95, Kanari Compound, Mosque Road, Udupi- 576101 Karnataka, INDIA