

FACTORS AFFECTING THE BRAND LOYALTY OF BATH SOAPS: THE CONTEMPORARY OVERVIEW

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ABSTRACT

When consumers become committed to a particular brand and make repeat purchases over time. Brand loyalty is a result of consumer behavior and is affected by a person's preferences. Loyal customers will consistently purchase products from their preferred brands, regardless of convenience or price. Companies will often use different marketing strategies to cultivate loyal customers, be it is through loyalty programs (i. e. rewards programs) or trials and incentives (i.e. samples and free gifts). The extent of the faithfulness of consumers to a particular brand, expressed through their repeat purchases, irrespective of the marketing pressure generated by the competing brands. This paper has analysis of the factors which affecting the brand loyalty of bath soap in various aspects.

DEFINITION OF BRAND LOYALTY

Brand loyalty, in marketing, consists of a consumer's commitment to repurchase or otherwise continue using the brand and can be demonstrated by repeated buying of a product or service or other positive behaviours such as word of mouth advocacy (Dick and Kunal, 1994). Brand loyalty is more than simple repurchasing, however. Customers may repurchase a brand due to situational constraints (such as vendor lock-in), a lack of viable alternatives, or out of convenience (Jones et al., 2002). Such loyalty is referred to as "spurious loyalty". True brand loyalty exists when customers have a high relative attitude toward the brand which is then exhibited through repurchase behaviour (Reichheld and Earl, 1990), (Reichheld, 1993).

INTRODUCTION

There are many operational definitions of brand loyalty. In general, brand loyalty can be defined as the strength of preference for a brand compared to other similar available options. This is often measured in terms of repeat purchase behaviour or price sensitivity (Brandchannel.com, 2006).

Brand loyal consumers are less price-sensitive. A strong consumer franchise gives manufacturers leverage with retailers. And, loyalty reduces the sensitivity of consumers to marketplace offerings, which gives the firm time to respond to competitive moves. In general, brand loyalty is a reflection of brand equity, which for many businesses is the largest single asset. Brand equity reflects the value added to a product that results from brand knowledge. A loyal customer franchise is the most important source of competitive advantage.

Brand Loyalty is the consumer's conscious or unconscious decision, expressed through intention or behaviour, to repurchase a brand continually. It occurs because the consumer perceives that the brand offers the right product features, image, or level of quality at the right price. Consumer behaviour is habitual because habits are safe and familiar. In order to create brand loyalty, advertisers must break consumer habits, help them acquire new habits, and reinforce those habits by reminding consumers of the value of their purchase and encourage them to continue purchasing those products in the future.

PATTERNS OF BRAND LOYALTY BEHAVIOUR

1. Hardcore Loyal - who buy the brand all the time.
2. Soft-core Loyal - loyal to two or three brands.
3. Shifting Loyalty - moving from one brand to another
4. Switchers -with no loyalty (possibly 'deal-prone', constantly looking for bargains or 'vanity prone', looking for something different).

Loyalty includes some degree of pre-dispositional commitment toward a brand. Brand loyalty is viewed as multidimensional construct. It is determined by several distinct psychological processes and it entails multivariate measurements. **Customers' Perceived value, Brand trust, Customers' satisfaction, Repeat purchase behaviour and Commitment are found to be the key influencing factors of brand loyalty.** Commitment and Repeated purchase behaviour are considered as necessary conditions for brand loyalty followed by Perceived value, satisfaction and brand trust (Punniyamoorthy and Prasanna, 2007). The most elaborate conceptual definition of brand loyalty was presented by Jacoby and Chestnut (1978). However, Bloemer and Kasper (1995) defined true brand loyalty as having six necessary conditions which are:

- ✓ the biased (i.e. non-random);
- ✓ behavioural response (i.e. purchase);
- ✓ expressed over time;
- ✓ by some decision-making unit;
- ✓ with respect to one or more alternative brands out of a set of such brands; and
- ✓ a function of psychological processes.

True brand loyalty exists when customers have a high relative attitude toward the brand exhibited through repurchase behaviour. This type of loyalty can be a great asset to the firm: customers are willing to pay higher prices, may cost less to serve and can bring in new customers to the firm (Reichheld and Sasser, 1990). The brand loyal consumer does not attempt any kind of attribute evaluation but simply chooses the familiar brand on the basis of some overall positive feelings towards it. This overall positive evaluation stems from past experience with the particular brand under consideration.

FACTORS AFFECTING BRAND LOYALTY

- Product features,
- Sales Promotion,
- Advertisements,
- Availability,
- Brand image,
- Price, and
- Family influence

NEED OF BRAND LOYALTY

Consumer preference is an important factor of marketing management. Unless a marketing manager has the knowledge of the factors that affect consumer's purchasing patterns, consumers purchasing patterns are likely to be influenced by demographic, economic, psychological and sociological factors. They must find out how consumers translate their desires in to meaningful technical language. Consumers describe what they want, in terms of product benefits such as Functions, characteristics, performance criteria and even manufacturing procedures. A marketing manager must be aware of the reason, why people buy a Soap Since consumers differ in their present and future buying requirement, hence the knowledge of buying of different product helps marketers an identify groups, which represents the greatest sales potentials. Marketing management must know, buyers are really seeking their goods and services. Since the ultimate motive of all the marketing activities is based on consumer satisfaction.

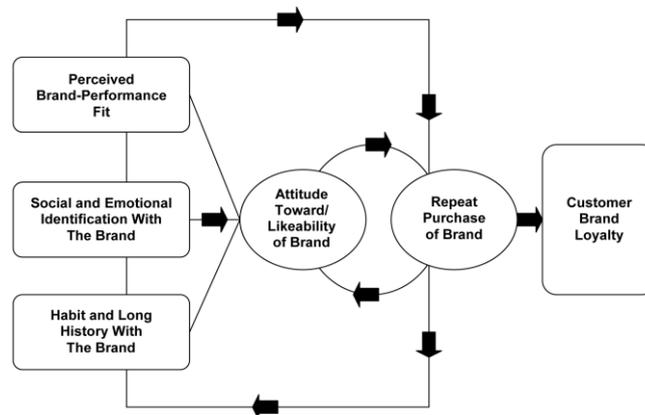
REVIEW OF LITERATURE

Various authors and researchers continuously emphasize on brands are evaluated on the basis whether they have the strong personality that may or may not match the personality of the consumer. Therefore consumers have strong preference for the product that possesses personality dimensions they look for in a product. So, greater the congruency of personality traits that describe an individual's self-image, stronger and greater the loyalty and preferences towards the brand (Iversen, 2003). At the individual level, brand loyalty is regarded as a consequence of the brand knowledge a consumer has stored in long-term memory (Roehm, 2002). It had been proved that positive reciprocal effects occur only when an average-quality parent brand introduces a successful extension that is similar to the parent brand. One major risk with brand extensions is the possibility of diluting the core brand's equity by creating negative brand associations (Chen & Liu, 2004).

Lau et al. (2006) in his article mentioned that there were seven factors that influenced consumers' brand loyalty towards certain sportswear brands. The factors were: brand name, product quality, price, style, store environment, promotion and service quality.

Famous brand names can disseminate product benefits and lead to higher recall of advertised benefits than non-famous brand names (Keller, 2003). Product Quality encompasses the features and characteristics of a product or service that bears on its ability to satisfy stated or implied needs. In other words, product quality is defined as "fitness for use" or 'conformance to requirement" (Russell and Taylor, 2006).

Though Krishnamurthi and Raj (1991) has showed brand loyal consumers are less price sensitive, we have included price in the factors, because Lau et al. (2006) has taken price as a factor. It might also be found that in the case of brand loyalty of toilet soap users that they are not price sensitive. But, we want to test it in the context of Dhaka City.



Source: Adapted from Dick and Basu (1994); Sheth et al. (1999)

TOILET SOAP INDUSTRY IN INDIA

Toilet soap is an important day to day basic requirement of any consumer. It is considered as cleansing and beautifying products which is usually used for cleansing one's body. The toilet soaps market is dominated by several, leading national and global brands and a large number of small brands.. The accepted and quality brands are Hamam, Lux, Power, Dove, . Rexona, Medimix, Cinthol, Pears, Mysore sandal, and Lifebouy. The existence of different brands made the consumers difficult to differentiate each brand from other. It is, therefore, very important to find out the impact of brand loyalty and advertisement lure the consumers. The toilet soap market is fragmented and highly competitive in nature.

In India, Toilet soaps became a lifestyle product in urban homes from the 1960s. Despite steady growth, the market penetration of Toilet soaps remained very badly low. Factors such as misconceptions

among India's that Toilet soaps have harsh chemicals which damage skin in the long run, and high excise duty in the earlier years, contributed to this. Aggressive marketing and decrease in excise duty (from 120 percent in 1993 to 16 percent in 2002) contributed to the rapid growth of the market. Between 1994 and 1998, the Toilet soaps market expanded by two- and-a half time. As of January 2001, the Toilet soaps market in India was worth Rs 85 million according to ORG MARG, market penetration in urban and rural areas was just 36 percent and 12 percent respectively. HLL with value share of 68 percent dominated the market. It was followed by P&G and Cavin Care Ltd.

Irrespective of income level and status people use toilet soap. The frequency of toilet soap might vary due to the individual hygiene practice. Many brands of toilet soaps are available in the market of many different prices. People buy toilet soap according to their own capabilities. In the same price range there are also many brands. So, all the time people have to make purchase decision among many brands. At the time of making purchasing decision, people might consider various factors. People might buy same brand repeatedly. They can switch among few brands or they can switch in lots of brands.

CONCLUSION

The success of a firm depends largely on its capability to attract consumers towards its brands. In particular, it is critical for the survival of a company to retain its current customers, and to make them loyal to the brand. To a large extent, the success of most businesses depends on their ability to create and maintain customer loyalty. In the first place, selling to brand loyal customers is far less costly than converting new customers. In addition, brand loyalty provides firms with tremendous competitive weapons.

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