

# Impact of Brand on Consumer Behavior with reference to ready to eat food

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## **Abstract:**

*The paper deals with the results of the primary research which purpose was to examine the impact of brand name associated with ready to eat food which influencing consumers to purchase a product. The goal of the paper is to stress the fact that the brand has an impact on customer decision making process. With the use of questionnaire primary data for the study were collected from the 400 respondents. Primary research was conducted in the different areas of Anand city of Gujarat state in India. An established questionnaire was pilot tested and revised before it was used. As the statistical method was used chi-square test. Based on above stated subject area of research have been formulated two hypotheses focused on relationship between the age of respondents and purchasing of branded ready to eat food products, and between the age of respondents and brand preference. Researcher found that purchasing of branded ready to eat food products and preference of the same brand origin depends on the age of consumers.*

**Keywords:** *Brand, Consumer Behavior, Brand Preference, Ready To Eat food.*

## **1. Introduction:**

Food is a basic necessity of human being but human needs and wants have no ends. Everyday any new desires come to our minds and to fulfill them, most of the times we indulge ourselves in buying and purchasing process in one or the other way. With the changing pattern of food many buyers are now using or purchasing ready to eat food products, either for their personal use or for the use of their family or friends. In the same way we as consumers also take decisions about disposing of used-up and worn-out ready to eat food products. For a variety of reasons, the study of consumer behavior has developed as an important and separate branch in marketing discipline. Scholars of marketing had observed that consumers did not always behave as suggested by economic theory. The size of the consumer market in all the developed and rapidly developing economies of the world was extensive. A huge population of consumers was spending large sums of money on ready to eat food items. Besides this, Brand is making such strong impact on consumer mind that consumer preferences were shifting and becoming highly diversified. Other important factors that contributed to the development of consumer behavior as a marketing

discipline include shorter product life cycles, increased environmental concerns, interest in consumer protection. Personal factors also influence buyer behavior. The important factors, which influence buyer behaviors, are brand name, image of the company, distribution network, and popularity of the products.

### **1.1 Brand:**

“Brand is something what remains us when our factory is burned”. These are the words of David Ogilvy who is considered “the father of advertising”. Brands are important to brand owners at two quite different levels. Firstly, they serve as a focus for consumer loyalties and therefore develop as assets which ensure future demand and hence future cash flows. They thus introduce stability into businesses, help guard against competitive encroachment, and allow investment and planning to take place with increased confidence (Loken, Ahluwalia, Houston, 2010). Brands are business assets, legally protected and shielded from duplication. They are valuable, rare, non-substitutable and provide sustainable competitive advantages – and therefore superior financial performance. A brand is built over time, by the impressions one has of the company, its products or services, and is confirmed (or destroyed) by experiences. People use brands to categorize their choices (Transparency, 2005). On the basis of existing definitions of the brand we define brand as: “Perceptible sign of the organization and its products to the human senses, through which the customer is able to differentiate an organization and its products from others” (Babčanová, 2010).

### **1.2 Branding and Brand Management:**

Branding ultimately works as a signal. It allows consumers to quickly recognise a product as one they are familiar with or one they like. It acts as a memory cue, allowing consumers to retrieve relevant information from memory. This information may be about past experience of the brand, brand perceptions or brand associations. The information we have stored about brands is crucial in guiding our decisions (Winkielman et al, 2000). Branding has become one of the most important aspects of business strategy. Branding is central to creating customer value, not just images and is also a key tool for creating and maintaining competitive advantage (Holt, 2015). Branding is the process of creating a relationship or a connection between a company's product and emotional perception of the customer for the purpose of generating segregation among competition and building loyalty among customers (Hislop, 2001). Brand management is the integral part of holistic marketing (Kotler et al, 2013). It is, in our opinion, a specific area of marketing, which uses special techniques in order to increase the perceived value of a brand. Branding and brand-based differentiation are powerful means for creating and sustaining competitive advantage. According to Aggarwal (2004) prior research has examined differences in how consumers perceive and evaluate brands, for example, through investigating brand equity, brand personality and brand extensions. More recently, researchers have noted that consumers differ not only in how they perceive brands but also in how they relate to brands. This line of research has suggested that people sometimes form relationships with brands in much the same

way in which they form relationships with each other in a social context (Aggarwal, 2004). Branding has become one of the most important aspects of business strategy. Branding is central to creating customer value, not just images and is also a key tool for creating and maintaining competitive advantage (Holt, 2015). Activities within brand management enable to build loyal customers through positive associations and images or a strong awareness of the brand. Brand image is the key driver of brand equity, which refers to consumer's general perception and feeling about a brand and has an influence on consumer behavior. For marketers, whatever their companies' marketing strategies are, the main purpose of their marketing activities is to influence consumers' perception and attitude toward a brand, establish the brand image in consumers' mind, and stimulate consumers' actual purchasing behavior of the brand, therefore increasing sales, maximizing the market share and developing brand equity (Zhang, 2015). Brand awareness, as one of the fundamental dimensions of brand equity, is often considered to be a prerequisite of consumers' buying decision, as it represents the main factor for including a brand in the consideration set. Brand awareness can also influence consumers' perceived risk assessment and their confidence in the purchase decision, due to familiarity with the brand and its characteristics. On the other hand, brand awareness can be depicted into at least two facets – unaided (brand recall) and aided (brand recognition) – each of the two facets having its more or less effective influence on buying decision and perceived risk assessment (Aaker, 1991, Moiescu, 2009). Based on statements above, in our opinion, branding makes customers committed to the certain enterprise and its brand.

### **1.3 Objectives of the study:**

- To analyze and assess the awareness of consumers towards branded ready to eat food products.
- To analyze the brand awareness of consumers towards selected ready to eat food products.
- To analyze influencing factors for purchasing of selected ready to eat food products.

### **1.4 Hypotheses:**

- Ho: There is no association between Income of respondent and buying behavior of branded ready to eat food
- Ho: There is no association between factors and buying behavior of branded food.

## **2. Literature review:**

In order to make consumers to memorize products, business advertisers often use famous celebrities or experts to share their expertise and experience to promote a product or a service.

Advertising endorsers can produce a recommendation and endorsement effect and build customers' reliability and purchase intention. In addition, when selling a product, it can not only depend on whether a product is good or bad or focus on price to appeal customers' attention. Rather, it should apply advertising endorsers to recommend and promote a product in order to make differential product image and influence consumers purchase behavior. Thus, endorsement marketing is able to give a product new image and extra experience to customers and further increase product recognition (MacInnis, Rao, & Weiss, 2002; Laffery & Goldsmith, 1999; Goldsmith, Lafferty, & Newell, 2000).

Over the past twenty years, celebrity recommendation advertising increased tremendously (Hsu & McDonald, 2002). According to an advertising magazine in the U.S., among billions US dollar of TV commercial advertising spending, about 10% were paid to famous celebrities. It shows that most advertisers like to use celebrities to promote their products. Indeed, celebrities do have powerful attractiveness. Celebrity advertising can transfer a celebrity's attitude and feeling from consumers to a product (Chi, Yeh, & Huang, 2009), and endorsers' credibility can also influence consumer purchase intention (Ohanian, 1990, 1991; Laffery & Goldsmith, 1999; Bower & Landreth, 2001; Chi, et al., 2009). Advertising endorser's credibility can be divided into three dimensions: expertise, credibility, and attractiveness (Ohanian, 1990). When advertising endorsers have abundant professional knowledge and experience, their influence on purchase intention is more important than attractiveness and credibility (Chi, et al., 2009). Moreover, the interaction between endorser's image and a product will affect an endorser's credibility (Chi, et al., 2009). Freiden (1984) suggested that celebrity attractiveness is best suitable to appeal consumer awareness. Maddux & Rogers (1980) commented that expert recommendation can attract consumers' trust on a product, and advertising effects come from advertising endorser's image and trustable persuasion. A high persuasive advertising endorser can stimulate consumer purchase intention and promote brand recognition and product value. Therefore, an advertising endorser's behavior will affect consumers' recognition and image of an endorser and their purchase intention.

Dodds and Monroe (1985) proposed that the relationship model of price, quality and perceived value and mentioned that perceived value is an important factor in consumers' purchasing decision process, and consumers will buy a product with high perceived value. Dodds and Monroe (1985) and Zeithaml (1988) contended that consumers will evaluate what they give and what they get in their subjective perception when they are buying a product/service. According to Utility Theory, the probability of purchase intention will increase, when consumers acquire more benefits than they pay for a product (Dickson & Sawyer, 1990). Thaler (1985) also considered that perceived value is an important antecedent to influence consumer purchase intention because it is the composition of transaction utility and acquisition utility.

Swait and Sweeney (2000) used logic models to analyze the influence of customer perceived value on consumer purchase intention in retailing industry and found that different perceived value customers have different purchase behavior. In fact, many researchers considered

perceived value an important factor for marketing companies (Chen and Quester, 2006; Cornin et al., 2000; Pura, 2005). It is because perceived value can be a differentiation and competitiveness to a company. (Treacy & Wiersema, 1993; Heskett et al., 1994; Ravald & Gronroos, 1996). Furthermore, consumer can transfer their attitudes and feelings from an advertising endorser to product and create perceived value. Thus, if consumers can receive trustworthy perceived value in the process of product/service consumption, it will create a good brand image, loyalty, profit and competitiveness to a business.

A consumer's attitude and assessment and external factors construct consumer purchase intention, and it is a critical factor to predict consumer behavior (Fishbein & Ajzen, 1975). Purchase intention can measure the possibility of a consumer to buy a product, and the higher the purchase intention is, the higher a consumer's willingness is to buy a product (Dodds, et al., 1991; Schiffman & Kanuk, 2000). Purchase intention indicates that consumers will follow their experience, preference and external environment to collect information, evaluate alternatives, and make purchase decision (Zeithaml, 1988; Dodds et al., 1991; Schiffman & Kanuk, 2000; Yang, 2009).

Chi, et al., (2009) proposed that an advertising endorser's popularity, expertise, and attractiveness can appeal consumers' eyesight in a short time and increase purchase intention. Anand, Holbrook, and Stephens (1988), and Laroche, et al. (1996) also testified that advertising endorser's exposure rate can change consumer preference and attitude and promote purchase intention. Advertising endorser can utilize TV commercials or Newspaper or magazine advertisings to enforce a product's exposure rate and consumers' brand attitude and knowledge to elevate purchase intention (Miciak & Shanklin, 1994). MacInnis, et al. (2002) considered that endorser marketing can give an endorsed product a brand new image and advance consumer purchase intention. Moreover, consumers' brand attitude and purchase intention will be higher when a product has high preference image and familiarity (Kamins & Marks, 1991; Laroche, et al., 1996). Wang (2006) used brand image as independent variable, product category as moderator, and purchase intention as dependent variable and found that the higher the brand image is, the higher the purchase intention is. Fournier (1998) discovered that if a brand provides product functions that meet consumers' need, consumers will produce psychological associations and an irreplaceable relation with the brand which they will subjectively maintain interaction with the brand and raise their purchase intention accordingly.

Furthermore, consumer purchase intention comes from consumers' perception on benefits and values acquisition, and it is a important key to predict consumer purchase behavior. Monroe and Krishnan (1985) submitted that perceived value and perceived quality will influence purchase intention, and the more perceived value and perceived quality, the higher purchase intention is. Zeithaml (1988) also suggested that the higher perceived value is, the higher purchase intention is.

### 3. Research Methodology:

To study the objectives, required data was collected from primary as well as secondary sources. Primary data required for the study was collected from the respondents by personal interview method with the help of pre-structured questionnaire. The respondents were interviewed at retail outlets, departmental stores, bakeries and even at the homes. Secondary data was collected from books, journals, magazines, internet and other relevant sources. Questionnaire for the the study were filled by the respondents at retail outlets, departmental stores, bakeries and at home. Individual sample unit was selected for the study. 400 Sample size was selected for the current study. Non- probability Convenience sampling method used for the study

### 4. Results and Discussion:

The first question was: “Does the brand affect your choice by purchasing ready to eat food products?” It is clear that more than a half the amount of respondents answered that they choose a ready to eat food products by a brand name. The pie chart in the figure 1 describes information of two possible answers to the above question. Less than a half the amount of respondents chose the answer “no” – they do not purchase products or services by a brand. Respondents’ majority answers confirmed the premise that the brand itself is important influencer by purchasing ready to eat food products. Most of respondents who answered that the brand affected their choice by purchasing a ready to eat food products were from the age group 31 – 40. With 62 % (248 respondents) of answers resulting from respondents' opinions to the above question was confirmed our working version of the premise, because more that 50 % of the survey participants chose the ready to eat food products by a particular brand. Collected data were analysed and interpreted by using the chi-square test. Statistical significance of the results was evaluated at the alpha level ( $\alpha$ ) 0.05.

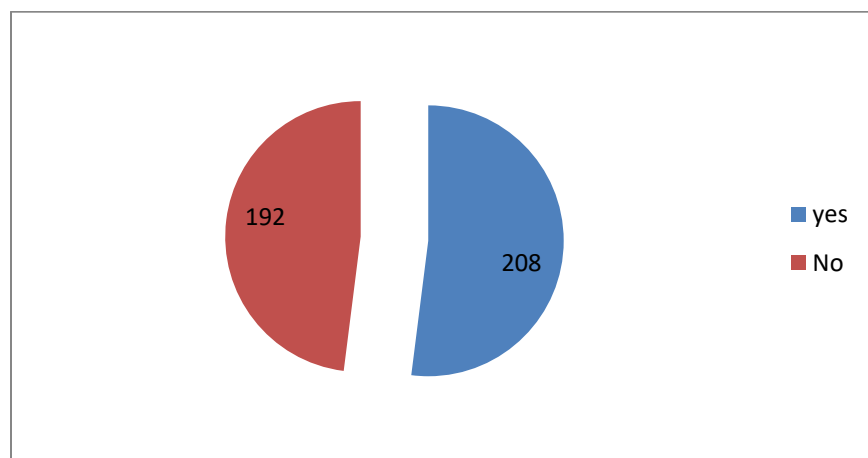


Fig. 1. Brand as an important factor while purchasing ready to eat food products

Hypothesis 1: There is a relation between the age group and decision to purchase products by a brand. The chi-square statistic was 28.6681, the p-value was  $< 0.00001$  and the result was significant at  $p < 0.05 \Rightarrow$  variables are dependent. According to this result, brand is an important factor in choosing ready to eat food products within the consumer's decision-making process of the purchase and there is a relation between the age group and decision to purchase products by a brand. The focus of the survey was also placed on consumer attitudes to domestic and foreign brands.

The second question of the survey was: “Do you prefer rather Indian or foreign brands when purchasing ready to eat food products?” The question was answered by respondents who answered the first question with option “yes” – brand affects customer’s choice by purchasing a ready to eat food products.

Hypothesis 2: There is a relation between the age group and decision to purchase ready to eat food products by origin of a brand. The chi-square statistic was 23.9733, the p-value was  $< 0.000081$  and the result was significant at  $p < 0.05 \Rightarrow$  variables are dependent. The older the respondent was, the more was preferred purchasing of Indian brands. More than half the amount of respondents prefers rather Indian brands than foreign ones (see Fig. 2). As reasons was mentioned: higher quality of products, national pride, support of the Indian economy, support of domestic producers. Such a behavior is related to the age groups 31 – 40 and 41 –50.

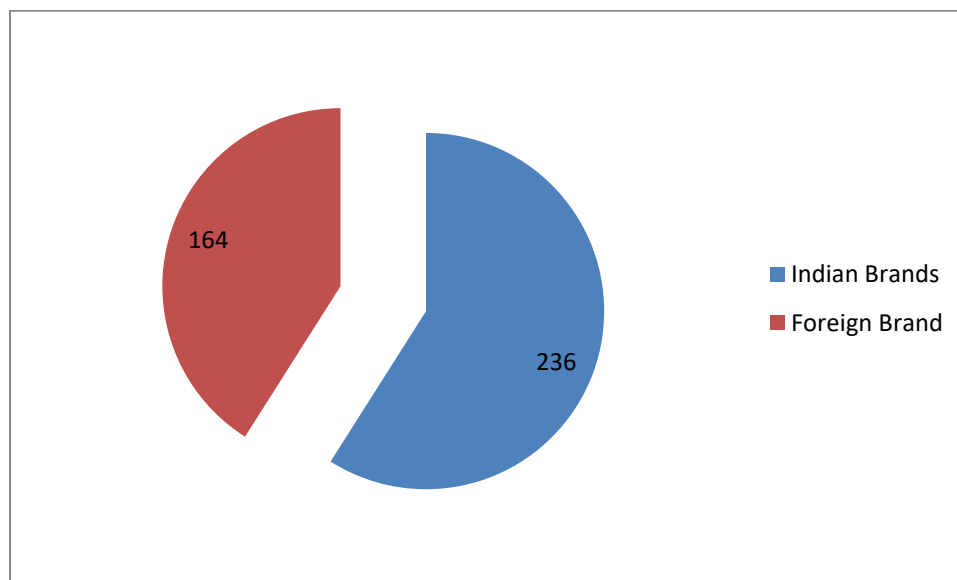


Fig. 2. Indian vs. foreign brand preference

Individual motivation factors of the consumer’s decision-making process were also surveyed in the next question (Table1.), which was: “What motivates you to buy ready to eat food products of a particular brand?”



Table 2. Motivation factors in decision-making process of purchasing a branded product.

Answers of respondents	% of respondents
Quality	76.6
Price	10.4
Packaging	5.2
Tradition	8.2

Within this question we investigated product's internal factors in decision-making process of purchasing a branded ready to eat food products, not external factors, e. g. advertising of the product. The quality (with 76.6 %) is the key factor in decision-making process of purchasing a branded product. Price is the second important factor (10.4), tradition (8.2 %) of the brand is the third most important factor and the last one was packaging with 5.2 % of respondents.

### 5. Conclusion:

In conclusion researcher have to stress the fact that brand is the factor which has an impact on consumer purchase decision-making process. Brands provide information about products and create associations that affect the mind of the consumer in purchase process. Very important category of consumer behavior research is brand awareness. Suitable forms of marketing activities as a whole can create a positive brand associations and start a purchase action of positively seen brands. Our survey was aimed on examine impact of a branded ready to eat food products on consumer behavior. More than a half the amount of respondents chooses ready to eat food products by a brand. Participated survey respondents stated that the quality is the key factor in their decision-making process of purchasing a brand. A higher quality of products was the most mentioned reason for purchasing ready to eat food products.

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