

# Consumers decisions: product attributes and branding



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In this research, instant coffee purchasing is selected to study the buying decision of consumers. Three blind taste tests are experimented and proofing that participant tended to choose the popular brand of coffee. Surprisingly, people made different choices in each of the test. The result tells us that without knowing the brand name, their buying decisions are different when comparing with knowing the brand name. In conclusion, brand has a strong influence in consumers' decisions.

To better understand the blind taste tests, we executed a questionnaire survey immediately. As a result, the survey tells us “ taste” is the most important factor in affecting their buying decisions whereas their second consideration would be price, brand, and influenced by advertisement. This giving an idea that except for the brand and taste, there are many factors should affecting the consumers' buying decision.

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## **Keywords**

Branding, Brand image, Brand equity, Consumer buying behavior, Consumer buying decision, Customer satisfaction and loyalty, Product attributes

## **Introduction**

Over the past few decades, a considerable number of studies have been made on the relationship of branding and consumer buying behavior (Fournier, 1994; Keon, 1983), i. e. how the consumer buying behavior affected by branding. Many companies devote lots of money and manpower to build up images for their brands. That is the reason why many studies have focused on this field.

In this research will be figured out which factor, brand name or product attributes, plays a critical role in affecting consumer buying decision. In the economist's normal approach, price is used as the main tool to explain the consumer buying behavior (Becker, 1996). We carry out blind taste tests and also conduct a questionnaire to find out the impact of branding on consumers' preferences.

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## **Literature Review**

This literature review is going to analysis what has been done in investigating the relationship among brand, consumer buying decision and product attributes. Such information will be digested and modified to be applied to instant coffee purchasing in the Hong Kong market.

## **Brand name**

In recognition of the growing coffee culture that is sweeping Hong Kong, different tastes of coffee have been rolled out on the market. For example, Nescafe has newly released a new series of coffee – Latte in which the image is totally different from the original Nescafe coffee. Old Town coffee has introduced a new series called white coffee. Why do they give new brand names for the new products? Why do they have different images? Is there any advantage for them to do so?

According to Armstrong and Kotler (1999), brands can be described as ‘ a name, term, sign, symbol, or design, or a combination of these, which identifies the maker or seller of a product or service’. Later, Olins (2000) gives a supplement to the definition of brand. He suggests that ‘ brand’ is a device that helps differentiating products from different sellers, ‘ without clear branding, in some fields, we literally could not tell one product or service from another’. By using brand names, consumers can easily distinguish products from different sellers.

## **Brand Image**

In the words of Keller (1998), marketers can build up an image for the product to draw customers’ attention so as to induce more sales (Keller, 1998). Randall (1997) says Brand image is the whole image of the brand existing in the minds of consumers. It is the total information that the consumers have received about the brand. Some scholars think that the brand image can influence consumers’ buying decisions. Furthermore, Ogilvy (1983) suggests that consumers do not buy products; rather they buy products with a personality. Ogilvy (1983) also suggests the fact that a brand  
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can have a personality or image reflecting that people not only want the basic function offered by the product, but also psychological benefits. If a brand image matches with an individual's image, he/she will purchase that product and may stick to that brand in future (brand loyalty) (Levine, 2003). From the above statements, it seems that consumers are concerned more about the brand image rather than product attributes. In the research, we will use the product of instant coffee to test the validity of the above statements.

After reviewing the sections of 2. 1 and 2. 2, we can say that there is an intimate relationship among brand name, brand image and the consumers.

### **Linking brands to consumer perceptions of product**

In the research, we will investigate how consumers make buying decisions. Perception of a product is crucial in making the buying decision; therefore, it is necessary to find the linkage between brand and consumer perceptions.

Olins (2000) suggests that people can have a relationship with a brand: 'they have an immense emotional content and inspire loyalty beyond reason'. Besides, Keller (1998) suggests that what distinguishes a brand from its unbranded commodity is the sum of consumers' perceptions and feelings about the product's attributes and performance, brand name and what it stands for and the company associated with the brand.

In the past, there were only a few instant coffee brands available in the market. In recent years, a lot of new instant coffee brands appear in the market, such as Indocafe and Old Town coffee. The traditional branding strategy which has emphasized on product offerings and associated

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functional and utilitarian benefits is no longer workable in the market. People are now paying more attention to the brand (Levine, 2003). Therefore, it is no wonder many companies create a strong and distinctive brand image for their products so as to differentiate himself from other competitors (Keller, 1998). Advertising is widely used by the companies to build up a brand image. In Hong Kong, many coffee brands have been advertised on TV and in magazine, such as Maxwell house, Nescafe and Mr. Brown. Most studies have found that there are inter-relationships among brand, advertisement and consumers' buying decisions (MacKenzie et al., 1986). Besides, that the affective and cognitive-based attitudes towards the brand can affect the consumers' buying decisions (Homer et al., 1992). Advertising is the primary device used to build the image of a brand and most of the customers usually rely on advertising messages when they make an infrequent purchase for an unfamiliar product (Dowling, 2001). Well-established brands attract increased preference and usage (East, 1997), produce greater emotional ties (Biel, 1993), and boost trust and loyalty (Fournier, 1994). If the statement is true, it indicates that customers' perception of products derive from marketing effort such as brand images and brand differentiation in addition to the physical characteristics of the product. What about the product quality? Can product quality influence the perception of product?

## **Consumer buying behavior and decision making**

In our study, 'consumer buying decision' is our key focus. We will focus on how the consumers make their buying decisions in purchasing instant coffee. We want to know which factors, brand or product attributes, influences most in the process of buying decision making of consumers. Therefore, we must



understand the consumer buying behavior and how they make the buying decisions.

In the past, consumers were more concerned with a product's function- efficiency, reliability, value-for-money, durability and convenience - today's customers are prepared to pay more for a stylish product as they become more affluent and visually sophisticated (Henley Centre, 1989). It is no wonder companies put much effort on packaging, product design and advertising. In the words of Bayley (1989), the ' ambience', the ' layers of imagery', the ' texture', the ' decoding'- all of these are vested interests leading to the only rationale: a purchase.

Consumer buying behavior refers to the buying behavior of final consumers, individuals and households who buy goods and services for personal consumption (Armstrong et al., 1999). Consumers have to make decisions when there is more than one choice. However, how do the consumers make their buying decisions?

Foxall (1980) suggests that consumers will make the buying decisions according to perception, personality, motivation and attitudes. He says that consumer behavior is a process of learning and it depends on how you perceive the product. The process is modified according to the customer's past experience and the objectives he or she has set (Foxall, 1980). Besides, Foxall (1980) also suggests that ' consumer's personality and self-image' is important in studying consumer buying decision as he believes that consumers only choose products that are consistent with their perceptions of themselves. By using Foxall's (1980) idea, it is not difficult to understand the

relationship between brand and consumer buying decision. Once the brand image and consumer's image is matched, consumer will purchase that product.

Besides, Foxall (1980) also claimed that consumer buying decision is motivated by something more than awareness. ' It depends on the consumer's needs and drives, his tastes and aspirations, plus his attitudes, personality and social environment' (Foxall, 1980). Furthermore, Foxall (1980) says that attitudes and buying decision are related and each may influence the other, however, they are not always entirely consistent.

### **Customer satisfaction and loyalty**

Although our key focus of the research is how the consumers make buying decisions in purchasing coffee, customer satisfaction will also be investigated. In our study, ' satisfaction' refers to the situation when consumers' expectations are matched by perceived performance (Blackwell et al., 2001). After purchasing a product, consumers will have a post-purchase evaluation (Foxall, 1980). Consumers will continue to purchase the product if they are satisfied with it. It is called ' loyalty'. Sometimes, they may recommend it to their relatives and friends.

In the research, the blind tests will be used to find out how the consumers perceive the product, that is, to see if consumers can recognize the taste of the brand that they have chosen. Previous study has found that customer satisfaction has a positive effect on loyalty and they will repurchase the product again (Oliver, 1997; Mittal et al., 2001). If the consumers are satisfied with the taste of coffee in the blind tests but it is not the brand the

consumers used to buy, we can say that brand influences consumers much and the consumers only loyal to the brand but not the product itself.

## **Product attributes**

According to Armstrong and Kotler (1999), product attributes can be defined as something that can deliver the benefits offered by the product and can add value to the customers. In the words of Keller (1998), product attributes are 'the ingredients necessary for performing the product or service function sought by consumers'. They refer to a product's physical composition and are what determine the nature and level of product performance (Keller, 1998). It can be further characterized according to important and optional features, either necessary for a product to work or for allowing customization and more versatile personalized usage (Keller, 1998). In the research, we will focus on the study of instant coffee and we will regard 'taste' as the most important attributes of coffee.

Some studies have carried out in which consumers perceive the products they buy and the brands they regularly choose. 'Taste' is used to determine the effect of brand identification on consumers' reactions to and evaluations of products (Allison & Uhl, 1964; Makens, 1961). The studies conclude that 'Participants in general did not appear to be able to discern the taste differences among the various brands, but apparently labels and their associations did influence their evaluations'.

To sum up the literature review, many studies (Allison & Uhl, 1964; Keon, 1983; Makens, 1961) have shown that consumers are influenced by branding. However, to what extent will the consumers make their buying

decisions according to product attributes? The research will find out the answer.

## **Research Methodology**

I used the technique of triangulation (White, 2000) in my research in which two techniques, blind taste test and questionnaire, were used. Before conducting the actual survey, I randomly selected 82 people outside a supermarket in Kowloon Bay, Hong Kong and asked them if they had the habit of buying instant coffee. 39 of them stated that they buy instant coffee regularly but 18 of them said that they do not drink instant coffee. In the 39 people, 33 (84. 6%) of them said that they usually buy Nestlé's instant coffee, Nescafe. 4 (10. 3%) of them buy Maxwell House instant coffee and 2 (5. 1%) of them buy Old Town instant coffee.

I invited the 33 Nescafe instant coffee buyers to do the blind taste test and questionnaire as they were the majority (84. 6%) of the respondents. I believed choosing Nescafe instant coffee buyers to be the sample was more representative as they represent the majority of the coffee drinkers that I have asked. However, only 30 of them agreed to participate in the test. The 30 Nescafe instant coffee buyers were my sample population. The sample consisted of 8 males and 22 females who have the habit of buying instant coffee on their own.

The blind taste test was carried out in order to find out how the consumers choose coffee. The test was divided into three parts and each part would have 10 participants. In the three blind taste tests, Tsit Wing instant coffee (TW), Maxwell House instant coffee (MH) and Nescafe instant coffee (NC)

were used. I chose the three coffees as their price is more or less the same. Every participant had tried the Tsit Wing instant coffee (TW), Maxwell House instant coffee (MH) and Nescafe instant coffee (NC) before. In Test A, three cups of different coffee were given without brand labels. NC was the brand that the sample population used to buy. The participants were asked to taste the coffee and choose one that they would purchase. The data collected in the Test A would serve as a base reference. If the participants like the taste of NC, they will also choose the NC in the test.

In Test B, three different cups of coffee were given. Each cup of coffee had a label showing the brand of coffee. The aim of the Test B was to see if there was any difference between Test A and Test B. If they really like the taste of NC, the results in the Test A and B would be consistent. If the results in the two tests are not consistent, it shows that 'brand' influence consumers' decision.

Test C was carried out to determine if the consumer buying decision was independent of the brand name. The Test C was the same as Test B, except the name of the coffee brand were labeled wrongly. I labeled the cup of MH as TW, the cup of TW as NC and the cup of NC as MH. By comparing with the result obtained in the three tests, we hoped to find out which factors, brand or taste, has a greater influence on the consumers.

If the data obtained in the Test A does not match with the data obtained in the Test B, it tells that 'brand' has an influence on consumers' decisions. The reason is in Test A, the participants only know the taste of the coffee and they can only choose the coffee according to the taste of coffee. In Test

B, however, the participants know both the taste and brand. If their decisions are different, that means the brand affects their buying behavior. For the Test C, the three different coffees were used again. However, their brand names were labeled wrongly this time. Comparing the result obtained in this test to that of in the Test B, if the result has a big difference, that means the brand has a greater influence than the taste on the decision of participants.

Besides, questionnaire (Annex 7. 1) was also used to obtain data. The questionnaire, used immediately after the blind taste tests, consisted of five questions with choices given.

## **Pilot study**

The pilot study made me realize that what I need is to observe their buying behavior which cannot be asked but observed. Therefore, I decided to do the blind taste tests and questionnaire instead of doing an interview which allowed me to focus on measuring the influence of brand and taste on the consumers' decisions. Afterwards, I decided to carry a three blind taste tests with three groups of people. I enjoy to take this chance tend to do all blind taste test is they will remember the taste of the coffee in the test, and finally affect their choice in the next following tests.

## **Findings and discussions**

### **Participants**

Of the total number of 30 respondents, 8 (26. 7%) were males and 22 (73. 3%) were females. All of them were NC consumers.

**More than a half people had 1 to 3 years NC purchasing experience and 70% of them had at least 1 year purchasing experience. From the data, we can assume that some participants are experienced in purchasing instant coffee and the results obtained from them are valuable to discuss and analyze.**

### **Relationship of brand, taste and decision**

In the research, blind taste tests were used to find out how the consumer made decisions regarding brand and taste in purchasing instant coffee.

Three tests were carried out. In each test, participants were given three cups of different coffee. In Test A, three cups of coffee without brand name were given. In Test B, brand name was given to each cup of coffee. In Test C, brand names were given but placed wrongly on each coffee.

In Test A, three cups of coffee without label were given to participants to taste. Surprisingly, the result was not consistent with our expectation. In other words, taste was the only reason for their choices in the Test A. The result told us that without knowing the brand name, their preferences were different when comparing with knowing the brand name.

In this test, the result was changed because the participants knew the brand name when comparing with the result of the Test A. There was a 30% increase in the NC and a 30% decrease in the MH. The data showed that the brand really influenced participants when deciding the coffee.

In Test C, the participants had to taste three cups of different coffee in which the brand labels were placed wrongly. The result was very close to that of Test A. That means they chose as if just chose by the taste only. It gave us a

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hint that with a different label on the cups, their choices were different. What we can conclude is that the brand plays an important role in affecting buying decision of participants.

## **Post-tests evaluation**

After the three blind taste tests, the participants in Test A and C were told about the correct branding of the coffee they had tried. All the participants were asked if they would continue to purchase the NC after trying the tests.

As shown in the Table 4 . 5, only 30% of the participants would firmly say yes. Half of them had a second thought of their decisions. It told us that they started to think about their perceptions of NC coffee. It implies that the participants will also consider the taste when purchasing instant coffee.

Participants were asked to choose one coffee to recommend to their friends after trying the blind taste tests. The result was shown in Table 4 . 6. The result was very interesting that about half of them recommend NC to their friends while another half suggested MH, was most people voted due to the taste in the Test A. It implies that branding and taste also have a strong influence in consumers buying behavior.

Participants were asked if they were satisfied with the NC. Before the blind taste test, over 40% of the participants were satisfied with the NC. However, after the blind taste tests, only 17% were satisfied with it and there was 13% of participants were dissatisfied. From the result in Fig. 4 . 7 and Fig. 4 . 8, we can see that the participants were influenced by the blind test. We can say that beside the factors related to the products, there are some other factors may affect our buying decision.

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## **Buying behavior**

In the research, participants were asked immediately after the blind taste tests about how they made the buying decision when purchasing instant coffee.

## **Factors affecting buying decision**

In the research, the participants were asked to give factors they thought were influential in making the buying decision in the questionnaire. The answers were shown in the Table 4 . 9. In Fig. 4 . 9, it shows the most influential factor affecting buying decision. 63% of the participants regard 'Taste' was the most influential (Table 8. 1), 13% voted for 'Influenced by advertisement', 10% for 'Brand image', 7% for Price and 7% for Word-of-mouth. Nobody voted for brand in the questionnaire. Comparing to the results obtained in the blind tests, the results were inconsistent. In the blind tests, it was found that the influence of the brand was greater than the influence of the taste.

In Fig. 4 . 10, it shows the top three influential factors affecting buying decision regarding to instant coffee purchasing. Nearly one-third of the whole population voted for the 'Taste', the second one was 'Price' (20%) and the third were 'Brand' (13. 3%) and 'Influenced by advertisement' (13. 3%). The Fig. 4 . 10 shows that Price is also an important factor in making the buying decision.

The data gives us an idea that beside brand and taste, there are many factors should be considered in making the buying decision.

## Discussions

According to the three blind taste tests and the questionnaires done by the participants, we can see that the brand influence was strong to the participants. In the Test A, participants did not know the brand but the taste. They chose the coffee according to the taste. More than 50% of the NC buyers chose MH. However, when the brands were labeled on each cup of coffee in Test B, 50% of the NC buyers choose NC. In Test C, three cups of coffee were given with the wrong brand labels, the result showed that participants tend to choose coffee according to the brand name as 60% of the NC buyers chose MH which was labeled with a NC label. The three test results indicate that 'brand' affects consumers' decisions and which is supported by Olins (2000) and Keller (1998). Olins (2000) suggests that 'brand' helps people to differentiate products from different sellers. Besides, Keller (1998) suggests that 'brand' is an external aspect of product and it can affect the purchase or consumption procedure.

Besides, the participants were asked if they were satisfied with the NC before and after the blind taste tests, Over 40% of the participants were satisfied with NC. However, after the blind taste tests, the number of satisfied people decreased and there was 13% of participants dissatisfied with the NC. From the results, we can see that the participants were influenced by the blind test and there are some other factors may affect our preferences. As we mentioned in the literature review, consumers will buy the product again if they are satisfied with the product (Foxall, 1980). From the results, we can see that the brand influences consumer buying decisions a lot.

From the data in Table 4 . 9, there were 63% of participants chose ' Taste' as the most influential. However, nobody voted ' brand' as the most important factor. Compared that to the results obtained in the blind taste tests, in which brand had a strong influence in consumers' decisions, there is a contradiction. The inconsistency shows that people do not understand what influences their behavior very well.

## **Conclusion**

### **Recommendations**

The result obtained from the tests and the questionnaire is not consistent in some way. If the answers from participants are truly reflecting their preferences, the obtained result should be consistent. So we should not trust the result given from the research and we should be critical in reading other research data in the future.

Furthermore, if it is feasible, we may observe their actual buying behavior after trying the blind taste tests over a period of time in order to get an accurate result.

## **Conclusion**

In this research, we carry out three blind taste tests and find out that participants tended to choose coffee according to the brand name. 60% of one of the instant coffee brand supporters chose another brand of coffee which is wrongly labeled as their favorite coffee brand by me. Surprisingly, 80% of them do not choose their favorite coffee brand in another test when the labels are gone. The only factor which affects their decisions if the labels are gone is the taste of the coffee. In other words, taste is the only reason

for their choices if no labels are provided. The result tells us that without knowing the brand name, their buying decisions are different when comparing with knowing the brand name. The result shows us that brand had a strong influence in consumers' decisions.

I conduct a questionnaire immediately after the blind taste tests. The statistical result shows that "taste" is the most important factor affecting their buying decision while "price", "brand", and "influenced by advertisement" come second, third and fourth respectively. The data gives us an idea that beside brand and taste, there are many factors should be considered in making the buying decision.

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