

Customer perception based brand equity analysis of dinshaw's ice-cream

[Business](#)



Customer Perception Based Brand Equity Analysis of Dinshaw's Ice-cream
Abhijeet Agashe *, Rupesh Pais**, Rashmi Shahu*** Abstract A brand is a name that has the power to influence a buyer. Brand influence could be as a result of a set of mental associations and relationship built up over time among customers or distributors.

Brand equity is the differential effect of a brand knowledge on a consumer response to the marketing of a brand. The present study focuses on the study of the basic four dimensions of customer-based brand equity on consumer's perceptions of a brand viz. brand awareness, brand loyalty, brand image, brand performance. This is based on the assumption that all these dimensions of customer-based brand personality have influence on consumer's perception of brand. Initially the research work attempts to evaluate the brand equity of the company and to find out the value of the brand. The study further tries to measure the brand awareness ; brand association of Dinshaw's.

This is followed by the quantitative measurement of brand loyalty ; perceived quality of the brand.

Finally the study attempts to suggest future marketing ; brand promotion strategies for the company so as to enhance its brand equity. This research work is expected to help the company in determined it's level of brand awareness, brand image, perception and brand loyalty in the mind of its customers. This information can then be used by them to analyze the difference between their branding efforts and the Brand Knowledge of the customers and accordingly redesign their branding efforts. Introduction

Strong brand equity has become a very important factor that influences consumer`s perception of a brand.

Success in brand management arises from understanding and managing brand equity correctly to produce strong attributes that will influence consumers when making their choices. Dinshaw`s is a brand of ice-cream that originated and established in Nagpur city and now it has national presence. * Lecturer, Dept. of Management, Shri Ramdeobaba K. N.

Engg. College, Nagpur ** Lecturer, Dept. of Management, Shri Ramdeobaba K. N. Engg.

College, Nagpur ***Asst. Prof. , Dept. of Management, Shri Ramdeobaba K. N.

Engg. College, Nagpur There are many national as well as international ice-cream brands in Nagpur city, of which Dinshaw`s is disputably the leader in the domestic brands. Hence, this research selected Nagpur region to measure brand equity of this premium ice cream brand. Brand Kotler et al defined a brand as “ a name, term, sign, symbol, design, or a combination of these that identifies the marketers or seller of the product or services”. According to Kapferer (2004), a brand is a name that has the power to influence a buyer.

He further to say that this influence could be as a result of a set of mental associations and relationship built up over time among customers or distributors. Brand Equity

Since the development of brand equity in 1980s, there have been rapid developments in the subject. This is due to the fact that branding has been recognized as an important factor of a firm especially in a very competitive business environment. In the literatures, different definitions of brand equity have been proposed. According to Park and Shrinivasan (1994) brand equity has no acceptable definition.

Farquhar (1989) defined brand equity as “ the value which the brand adds to the product”. Similar definitions were provided by researchers such as Aaker (1991), Keller (1993), Leuthesser (1998), Yoo and Donthun (2001) Keller (1993 p.) sees brand equity as the differential effect of a brand knowledge on a consumer response to the marketing of a brand. This is based on the assumption that the power of a brand lies on what have been learned, heard, seen and felt about the brand by the customers over time. Aaker (1991 p. 15) provided the most precise definition of brand equity, he defined brand equity as “ the set of brand assets and liabilities linked to a brand, its name and symbol, that to of subtract from the value provided by a product or service to a firm and/or to that firm`s customers.

In other words brand equity can be said to be any asset or liability connected to a brand name that adds or subtract a value to the product. Conceptualization of Consumer-Based Brand Equity Customer-Based Brand Equity is formally defined as the differential effect that brand knowledge has on consumer response to the marketing of that brand. A brand is said to have positive customer-based brand equity when consumers react more favorably to a product and the way it is marketed when the brand is

identified than when it is not (e. g. , when the product is attributed to a fictitious name or is unnamed).

Kevin Lane Keller 2004). Thus, a brand with positive CBBE equity might result in the consumers' acceptance of a new brand extension, less sensitiveness to price increases and withdrawal of advertising support, or willingness to seek the brand in a new distribution channel. On the other hand, a brand is said to have negative customer-based brand equity if consumers react less favorably to marketing activity for the brand compared with an unnamed or fictitiously named version of the product. The main ingredients of consumer based brand equity are differential effect, brand knowledge, consumer response in marketing.

Brand Awareness Brand awareness refers to the strength of the brand presence in the consumer's mind. It is the ability of a potential buyer to recognize or recall that a brand is a member of a certain product category.

This refers to the strength of a brand's presence in consumers' mind. Brand awareness is an important component of brand equity (Aaker, 1991; Keller, 1993). It is believed that brand awareness is improved to the extent to which brand names are chosen that are simple and easy to pronounce or spell; familiar and meaningful; and different, distinctive and unusual.

Brand awareness consists of brand recall and brand recognition. A brand can increase the demand for a product in several ways. Brand awareness makes it easier for consumers to identify products with the well-known brand names (Mary W.

Sullivan 1998). Therefore, brands provide information by increasing awareness and serving as a proxy for quality. Brand Recognition It is ability of consumers to identify a certain brand amongst other i. e. “ aided recall”. Aided recall is a situation whereby a person is asked to identify a recognized brand name from a list of the same product class.

Brand recall: This is a situation whereby a consumer is expected to name a brand in a product class. It is also referred to as “ unaided recall” as they are not given any clue from the product class. Top of Mind: This is referred to as the first brand that a consumer can recall amongst a given class of the product. Achieving Brand Awareness Aaker (1991) prescribed some of the following factors as ways to achieve brand awareness: Involve a slogan or jingle: a slogan is a visible feature of a brand. There can be a strong link between a slogan and a brand.

The slogan and jingle are powerful and can be a great change for a brand. Be different and memorable: as a result of the similarity between product and their means of communication, product differentiation is important. Symbol exposure: a known symbol will make it easier to recall and memorize a visible illustration of the brand. A logo that is connected to an existing brand or a developed brand will play a vital role in developing and keeping brand awareness. Publicity: one of the most important ways to get publicity and create awareness is through advertisement.

Event sponsorship: sponsorship of event can also help to create and maintain awareness.

Consider brand extension: one way to increase brand recall is to show the logo or name on the product and make the name popular. Example of this is coca-cola which is more publicized than the key product. Using cue: packaging is one of the most significant cues to a brand due to the fact that it is what the purchaser sees when purchasing a product. If the product or brand is not known, the only means of contact to the brand or product is the package. Brand Image

Engel Blackwell and Miniard (1993) referred to brand image as the combined effect of brand association or consumers perception of the “ brands tangible and intangible association”.

Keller (1993) see brand image as a perception or association consumers form as a result of their memory concerning a product. According to Low and Lamb (2000 p. 352), brand image can also be referred to as the emotional perception or reason that consumers place to a particular brand. Thus, brand image does not exist in the features, technology or the actual product itself, it is sometimes brought out by advertisement, promotion or users.

Brand image enables a consumer to recognize a product, lower purchase risks, evaluate the quality and obtain certain experience and satisfaction out of product differentiation.

Marketing researchers such as Keller (1993) have proposed that brand image is an important element of brand equity. Krishnan (1996) found out that brands with high brand equity are prone to more positive brand associations than those with low brand equity. Also Lassar et al (1995) found out that

brand with high brand image rating always have higher brand equity and premium price.

Conclusively, Kwon (1990) reported that positive brand image is mostly likely associated with preferred brands. Perceived Quality According to Aaker (1996) and Keller (1993, 1998), perceived quality is a core dimension of customers based brand equity as it relates to the willingness to pay a price premium, brand choice and brand purchase intention. Therefore, perceived quality can be said to be consumer's perception of the superiority of a brand which enables them to differentiate a brand from another.

Brand Loyalty According to Aaker (1991, p39), brand loyalty is “ the attachment that a customer has to a brand”.

Yoo and Donthun (2001) also referred to brand loyalty as the tendency to be loyal to a brand and this can be shown by the intention of the consumer to buy the brand as a foremost choice. Although, the definition of behavioral brand loyalty deals with consumer's sincere loyalty to a brand as shown in purchase choice, the definition based on attitudinal perspective stresses on consumers intention to be loyal to the brand. It is presumed that consumers understanding of quality will be associated with their brand loyalty.

As the more loyal a consumer to a brand, the more he/she is presumed to see the brand as a superior quality and vice versa. Also, the more favorable association's consumers have towards a brand, the more their loyalty and vice versa.

Aaker (1991 2002) classified loyalty as follows: Non- customer: these are

people who buy the brands of competitors. Price switcher: these are the once
<https://assignbuster.com/customer-perception-based-brand-equity-analysis-of-dinshaws-ice-cream/>

that are sensitive to price. Passive loyal: these once are purchase brand/product as a result of habit rather than reason. Fence sitters: are those that are indifferent between several brands.

Committed: are those who are honestly loyal to the brand. Kotler also classified loyalty to include switchers, soft-core, hard-core loyal and shifting loyal. So far, we have been able to connect the views of various researchers that address the issue of consumer based-brand equity.

From our readings and what we have been able to gather, we will like to state here that consumers base brand equity have influence on consumers perception of brand. Favorable perceptions of quality are more presumed to be developed by consumers who hold a favorable association toward a brand.

Thus, consumer's perceptions about the quality of a brand are presumed to be high when they have strong association with the brand and vice versa. Brand Tracking Brand audits are a means to provide in-depth information and insights that are essential for setting long-term strategic direction for the brand. In terms of more short-term tactical considerations, less detailed brand-related information should be collected as a result of conducting ongoing tracking studies. Tracking studies involve information collected from consumers on a routine basis over time.

Tracking studies typically employ quantitative measures to provide marketers with current information as to how their brands and marketing programs are performing on the basis of a number of key dimensions identified by the brand audit or other means (Agarwal ; Rao, 1996). Tracking <https://assignbuster.com/customer-perception-based-brand-equity-analysis-of-dinshaws-ice-cream/>

studies are a means to understand where, how much and in what ways brand value is being created. Tracking studies play an important function for managers by providing consistent baseline information to facilitate their day-to-day decision-making.

As more marketing activity surrounds the brand, it becomes difficult and expensive to research each individual marketing action. Tracking studies provide valuable diagnostic insights into the collective effects of a host of marketing activities on the customer mindset, market outcomes, and perhaps even shareholder Value.

The reality is that marketing can create all types of effects in the minds of consumers that may influence how they respond to subsequent marketing activity.

Regardless of how few or many changes are made in the marketing program over time, it is important to monitor the health of the brand and its equity so that proper adjustments can be made if necessary. A number of ingredients characterize a successful tracking program. To capture the effects of the complex, varied marketing activity that make up many marketing programs, it is important to adopt detailed, rich marketing models. If well-specified, these models should directly suggest a comprehensive, robust set of measures to employ in tracking.

At the same time, it is important to adopt a modular approach to tracking – not every type of measure needs to be included in every tracking survey every time.

For example, detailed measures of specific performance and imagery benefits may be included less frequently than basic measures of brand awareness, attitudes and behaviors that are likely to be impacted by a broad range of marketing activity. Finally, firms must obviously adopt good survey practices and carefully design surveys, collect data, and interpret results.

About the Company Dinshaw's Ice-cream and Dairy Foods is one of the premier and leading ice-cream manufacturers in India. The company manufactures various types of ice-cream and dairy products. It is a middle scale unit situated in Butibori, District Nagpur, in about 1.

5 acres of area. The annual turnover of the company is around 64 crores. The ice-cream products and milk are distributed throughout central India. Milk is procured from districts of Wardha and Yavatmal, The Company has seasonal types of characters.

But due to changing lifestyle the company has lost its seasonal character and now demand is throughout the year.

To give the proper and timely supply the company is geared with refrigerated vans and caters to entire Maharashtra, Madhya Pradesh, and part of Chhattisgarh and Andhra Pradesh. Today Dinshaw's have a chain of exclusive parlour spread out in Maharashtra and Madhya Pradesh. The Dinshaw's participates in local event organization such as Cricket tournament called Bapuna Cup, various sports related activities named under Dinshaw Cup, etc.

Methodology It is an exploratory research. Research instrument for data collection is structured questionnaire.

The questionnaire included questions regarding the brand awareness, perception, performance, loyalty. Thus the questionnaire was used as a research instrument to gather the primary data regarding the study. The sampling method was multi stage probability sampling with the sample size being 100 selected from different zones of Nagpur. Hypothesis of Research

H01 : There exists a strong and positive relationship between the number of people identifying the tagline of Dinshaw`s and the number of people identifying the logo of Dinshaw`s
H02 : There exists a strong and positive relationship between the number of people switching from Dinshaw`s due to increase in price and the number of people switching from Dinshaw`s due to unavailability
H03 : There exists a strong and positive relationship between the number of people switching from Dinshaw`s due to increase in price and the perception of people about the price of Dinshaw`s.

H04 : The ambience of the Dinshaw`s ice cream parlors in the various regions of Nagpur is the same
H05 : The willingness to switch brand incase of unavailability of Dinshaw`s in the same in the various regions in Nagpur
Data Representation Table 1 below depicts the data collected from the respondents in order to determine and analyze the customer perception based brand equity of Dinshaw`s ice cream.

The questions had been categorized to represent the various brand elements for which the question had been asked.

Brand Recall Which brand name comes in your mind when you say Ice-Cream? Options Dinshaw`s Amul Top n Town Baskin Robbins OTHER Respondents 59% 17% 9% 6% 9%

Brand Usage How often do you eat Ice-cream in a month? Options 1 to 2 times 2 to 3 times 3 to 4 times ; gt; 4 times Respondents 19% 26% 24% 31%

Brand Awareness Which brands of Ice-Cream are you aware of? Options Dinshaw`s Amul Top n Town Vadilal OTHERS Respondents 94% 74% 63% 39% 74%

Brand Usage Which brands of Ice-Cream do you consider eating? Respondents 68% 55% 23% 48% 58%

Brand Usage Which brand of Ice-Cream you ate last time? Respondents 63% 17% 8% 6% 6%

Brand Recall Identify the Ice-Creams from the taglines given below Respondents 57% 30% 27% 9% 0%

Brand Preference Why do you prefer Dinshaw`s Ice-cream? Options Good Taste Softness Availability Services Outlet is near Price Ambience Respondents 71% 33% 56% 10% 30% 38% 13%

Brand Preference In your opinion what attribute is/are differentiating Dinshaw`s from other Ice-cream brands? Options Taste Quality Availability Variety Respondents 46% 14% 32% 10%

Brand Association According to you Dinshaw`s is

Options Down to Earth Honest Daring Up to date Reliable Successful Upper class Charming Respondents 22% 25% 10% 21% 52% 55% 14% 13%

Brand Association Dinshaw`s gives the feeling of Options Warmth Fun Excitement Sense of security Confidence Social Approval Self respect Affectionate Respondents 14 68 26 18 20 14 9 12

Brand Loyalty I will not switch the Dinshaw`s until it raises its prices by Options 10% 20% 30% I will not switch Respondents 27% 30% 22% 21%

Brand Loyalty If the Dinshaw`s is not available, will you prefer other available brand

of	Ice-cream?	Options	Always	Often	Sometimes	Never
Respondents	21%	32%	37%	10%		

Other Observations and inferences When the respondents were asked to identify the Dinshaw's brand by looking at the logo, 94 % of the respondents correctly identified the brand. This indicates a very high brand recall as far as Dinshaw's is concerned. It is interesting to note that hundred percent of the respondents had heard about and tasted Dinshaw's ice cream some time or the other. This indicates a very high brand awareness and usage for Dinshaw's ice cream. When asked about the taste of the ice cream 96% of the respondents found the taste to be good and satisfactory.

5 % of the respondents felt that Dinshaw's provided them with a wide variety of flavors where as 64 % of them felt that the ice cream range was just average. This indicates a satisfactory product quality perception in the minds of the consumers of Dinshaw's ice cream. On trying to find out about the ambience in the Dinshaw's parlors, it was discovered that only 13 % of the respondents perceived it to be the best in the city, while 65 % perceived it to be good and the rest believed it to be just average.

This also indicates a satisfactory product quality perception in the minds of the consumers of Dinshaw's ice cream. It was found out from the research that 93 % of the respondents perceive that the price of Dinshaw's ice-cream is value for money, whereas 7% think it to be costly.

It is interesting to note that from the survey it was discovered that 45 % of the respondents were ready to switch to some other brand in case they get

the same flavor of some other brand at a lower price. This indicates a low brand loyalty for Dinshaw's ice cream. Hypothesis Testing

H01 : There exists a strong and positive relationship between the number of people identifying the tagline of Dinshaw's and the number of people identifying the logo of Dinshaw's
Tool used : Karl Pearson coefficient of correlation $r = 0.406688$ implies $r^2 = 0.165395$ Since, value of r^2 is positive and it is towards +1, there exists a positive correlation between the number of people identifying the Tagline ; Logo of Dinshaw's, but it is very weak, i. e.

it is not necessary that those who identified Tagline should identify the Logo of Dinshaw's.

H02 : There exists a strong and positive relationship between the number of people switching from Dinshaw's due to increase in price and the number of people switching from Dinshaw's due to unavailability
 $r = 0.849439$ implies $r^2 = 0.721547$
Tool used : Karl Pearson coefficient of correlation Since, value of r^2 is positive and it is towards +1, there exists a positive correlation between the people switching from Dinshaw's due to increase in price ; its unavailability, and it is very strong co-relation.

H03 : There exists a strong and positive relationship between the number of people switching from Dinshaw's due to increase in price and the perception of people about the price of Dinshaw's.

Tool used : Karl Pearson coefficient of correlation $r = 0.304849$ implies $r^2 = 0.092933$ Since, value of r^2 is positive and it is towards +1, there exists

a positive co - relation between the people switching from Dinshaw's due to
<https://assignbuster.com/customer-perception-based-brand-equity-analysis-of-dinshaws-ice-cream/>

increase in price ; the perception of people about its price, and it is very weak co-relation.

H04 : The ambience of the Dinshaw's ice cream parlors in various regions of Nagpur is the same Tool used : ANOVA $F = \frac{\text{Variance Between}}{\text{Variance Within}} = \frac{1.432}{0.311} = 4.59$ Degree of Freedom of denominator : (Number of samples - 1) = 4-1 = 3 Degree of Freedom of denominator : (nT-k) = 100 - 4 = 96 Table F value = 2.

64 Hypothesis is rejected. There exists a significant difference between the ambience of the Dinshaw's ice cream parlors in various regions of Nagpur

H05 : The willingness to switch brand in case of unavailability of Dinshaw's in the same in the various regions in Nagpur Tool used : ANOVA

$F = \frac{\text{Variance Between}}{\text{Variance Within}} = \frac{1.085}{0.983} = 1.104$ Degree of Freedom of denominator : (Number of samples - 1) = 4-1 = 3 Degree of Freedom of denominator : (nT-k) = 100 - 4 = 96 Table F value = 2.64 Hypothesis is accepted.

The willingness to switch brand in case of unavailability of Dinshaw's in the same in the various regions in Nagpur Conclusion and recommendations The brand awareness of Dinshaw's is found to be quite high whether it is aided recall of a brand element or unaided brand recognition. But there is always scope of improvement.

Hence, Dinshaw's should continue its intensive branding efforts to promote its brand. The brand performance of Dinshaw's relating to certain aspects like taste, availability and price is good, but still in the view of customers

Dinshaw`s should improve in all the aspects to become leading ice-cream brand in Nagpur. Dinshaw`s has a potential of being a brand to whom the customers can be loyal and it should work on this fact.

Suggestions to Dinshaw`s for enhancement of its Brand equity. 1) The proper promotional activities can be carried out to increase the awareness about the Brand Dinshaw`s.) Apart from promotional activities they can effectively utilize various advertising medium such as TV, News papers, Magazines, etc to promote their brand elements such as tagline. 3) The people in Nagpur are not that much aware about the tagline of the Brand, so it is suggested that they should work on the proper construction of a tagline. 4) The people in Nagpur prefer Dinshaw`s Ice-cream on various situations, so Dinshaw`s can take the advantage of this fact and increase its availability. 5) For the Nagpur region Dinshaw`s can conduct contests for the customers.

A contest to ask people to give suggestions to Dinshaw`s to improve. 6) Dinshaw`s should promote these contest through various advertising media, thus becoming an only stop for ice-cream lovers. 7) To maintain the perception that Dinshaw`s is mostly loved by youth the Dinshaw`s should sponsor various youth oriented collegiate events in Nagpur. 8) These initiatives should create a legacy and shall continue over years.

Thus attracting the most important brand element - loyalty.