_____

ORIGINAL ARTICLE

A STUDY OF IMPACT ON BRAND EXTENSION AND MODIFICATION OF HOME APPLIANCE IN NAGPUR CITY

Ashish Ashok Ghorpade
Researcher

ABSTRACT:-
        Brand Management is a very huge subject; therefore, the thesis will be limited to research on Home Appliance with specific examples from Indian and Multi-National companies for better clarity and analysis. The researcher has narrowed this study based on relevant scope and available time. The required surveys have also been conducted accordingly. All the respondents from the consumer survey are from Nagpur and the respondents from the company personnel survey are from Nagpur.

KEYWORDS : Brand Management , Indian and Multi-National companies.

INTRODUCTION:-
        Brand Management is the backbone of Marketing & Sales; especially in today's context. The objective of this study is to understand the Indian market, Product Management, Branding, definitions and concepts, outline the scope of Branding, roles of Branding and analyze Branding with respect to Brand Extensions and Brand Modifications. To achieve this, we will also understand in detail the concepts and models of Brand Equity.
        A Brand is a product or service that adds dimensions that differentiate it in some way from other products or services designed to satisfy the same need. These differences may be functional, rational or tangible, related to product performance of the Brand. They may also be more symbolic, emotional or intangible, related to what the Brand represents.
        The researcher has chosen this topic for this study, since it always presents immense challenges to practicing Managers as well as people from the academic field.
        The topic is vast; hence the researcher would be focusing mainly on Home appliances and mostly in the context of the scenario in India.

_____

_____

BRANDING

The word "brand" owes its to the Norwegian word "brandr' which means to burn. Cowboys used to put some identification mark on the body of their livestock's to distinguish their respective possession. In marketing parlance we say products are what companies make, but customers choose the brands. Therefore, marketers resorted to branding in order to distinguish their offerings from similar products (services) provided by their competitors. Additionally, it makes an inherent assurance to the customers that the quality will be similar in every purchase of the same brand. Products are made the brand is what gives then meaning and purpose telling us how a product should be viewed. It defines what and how much to expect from the products bearing its name.

WHAT IS BRANDING?

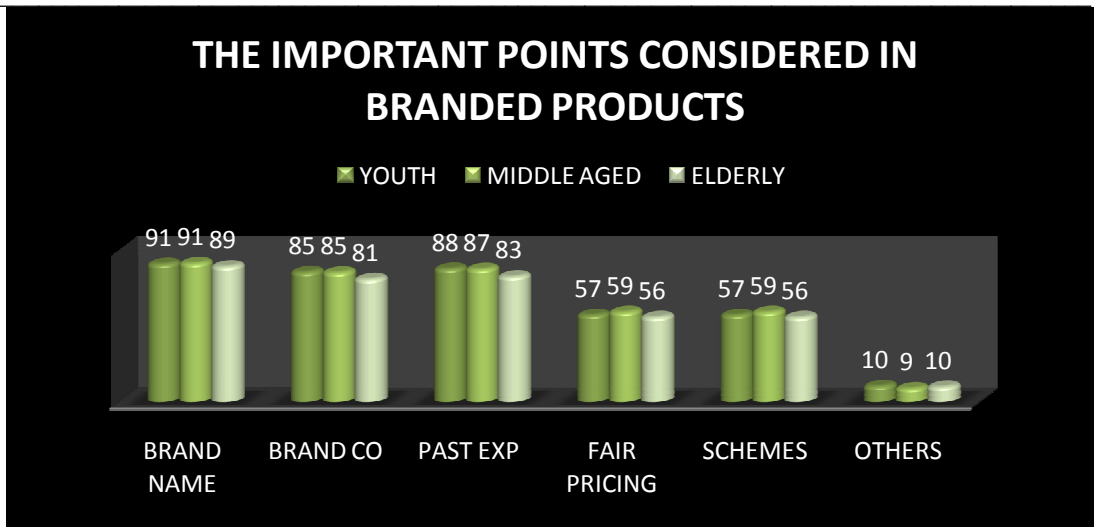Branding is a process, a tool, a strategy and an orientation.
• Branding is the process by which a marketer tries to build long term relationship with the customers by learning their needs and wants so that the offering (brand) could satisfy their mutual aspirations.

MANAGING BRAND EQUITY

Brand equity is the term used to describe the value of a brand's name or symbol. The simplest form of brand equity is familiarity. Choosing a known brand gives the customer a justification for the decision. This justification may also serve as a social approval, indicating that the person has bought something of value. Brand equity is defined as a set of brand assets and liabilities linked with a particular brand,, its name and symbol. Brand equity creates value for both customers and the marketer.

THE IMPORTANT POINTS CONSIDERED IN BRANDED PRODUCTS

	BRAND NAME	BRAND CO	PAST EXP	FAIR PRICING	SCHEMES	OTHERS
YOUTH	91%	85%	88%	57%	57%	10%
MIDDLE AGED	91%	85%	87%	59%	59%	9%
ELDERLY	89%	81%	83%	56%	56%	10%

THE IMPORTANT POINTS CONSIDERED IN
BRANDED PRODUCTS

■ YOUTH   ■ MIDDLE AGED   ■ ELDERLY

	YOUTH	MIDDLE AGED	ELDERLY
BRAND NAME	91	91	89
BRAND CO	85	85	81
PAST EXP	88	87	83
FAIR PRICING	57	59	56
SCHEMES	57	59	56
OTHERS	10	9	10

From the above table and graph we find that the Brand Name is the most important point considered by every segment of consumers followed by Company brand and past Experience. So the three important things considered when buying a branded product is the Product Brand, followed by Company Brand and Past Experience with the usage of Brand.

PRODUCT BRAND

PDT_BRAND * SEGMENT Crosstabulation

			SEGMENT			Total
			YOUTH	MIDDLE AGED	ELDERLY	
PDT_BRAND	NO	Count	47	30	13	90
		% within SEGMENT	9.0%	8.5%	10.8%	9.0%
	YES	Count	476	325	107	910
		% within SEGMENT	91.0%	91.5%	89.2%	91.0%
Total		Count	523	355	120	1000
		% within SEGMENT	100.0%	100.0%	100.0%	100.0%

From the table above the **Column percentage** (**% within Segment**) presents the number respondents importance to the Product Brand importance (in the **Count** column) as a *percentage* of the total number of respondents in each type of segment respectively.

Irrespective of the type of segment of the consumers there is no difference in the preference of reasons for using a branded product. We find the most important point considered when buying a branded product is the Product brand. Hence irrespective of the segment of consumers all feel product name (approx 90% in every segment) is the important factor considered.

The chi square value is 0.821 and is not significant as the sig value is more than 0.05. Hence there is no significant difference with respect to the segment of consumers and the important point considered for buying branded products as the table given below.

_____

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.821[a]	3	.844
Likelihood Ratio	.976	3	.807
Linear-by-Linear Association	.013	1	.909
N of Valid Cases	1000		

a. 2 cells (25.0%) have expected count less than 5. The minimum expected count is .18.

COMPANY BRAND

Crosstab

			SEGMENT			Total
			YOUTH	MIDDLE AGED	ELDERLY	
CO_BRAND	NO	Count	75	51	24	150
		% within SEGMENT	14.3%	14.4%	19.2%	15.0%
	YES	Count	448	304	98	850
		% within SEGMENT	85.7%	85.6%	80.8%	85.0%
Total		Count	523	355	122	1000
		% within SEGMENT	100.0%	100.0%	100.0%	100.0%

From the table above the **Column percentage** (**% within Segment**) presents the number respondents importance to the Company Brand importance (in the **Count** column) as a *percentage* of the total number of respondents in each type of segment respectively.

Irrespective of the type of segment of the consumers there is no difference in the preference of reasons for using a branded product. We find the second most important point considered when buying a branded product is the Product brand. Hence irrespective of the segment of consumers all feel Company as a brand (approx 85% in every segment) is the important factor considered.

The chi square value is 3.846 and is not significant as the sig value is more than 0.05. Hence there is no significant difference with respect to the segment of consumers and the important point considered for buying branded products as the table given below.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	3.846[a]	3	.279
Likelihood Ratio	3.165	3	.367
Linear-by-Linear Association	3.009	1	.083
N of Valid Cases	1000		

_____

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	3.846[a]	3	.279
Likelihood Ratio	3.165	3	.367
Linear-by-Linear Association	3.009	1	.083
N of Valid Cases	1000		

a. 2 cells (25.0%) have expected count less than 5. The minimum expected count is .30.

PAST EXPERIENCE

Crosstab

			SEGMENT			
			YOUTH	MIDDLE AGED	ELDERLY	Total
PAST_EXP	NO	Count	64	44	21	129
		% within SEGMENT	12.2%	12.4%	17.5%	12.9%
	YES	Count	459	311	101	871
		% within SEGMENT	87.8%	87.6%	82.5%	87.1%
Total		Count	523	355	120	1000
		% within SEGMENT	100.0%	100.0%	100.0%	100.0%

From the table above the **Column percentage** (**% within Segment**) presents the number respondents' importance to the Past Experience (in the **Count** column) as a *percentage* of the total number of respondents in each type of segment respectively.

Irrespective of the type of segment of the consumers there is no difference in the preference of reasons for using a branded product. We find the third most important point considered when buying a branded product is the Past Experience with the Brand. Hence irrespective of the segment of consumers all feel Past Experience of brand (approx 87% in every segment) is the important factor considered.

The chi square value is 2.841 and is not significant as the sig value is more than 0.05. Hence there is no significant difference with respect to the segment of consumers and the important point considered for buying branded products as the table given below.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.841[a]	3	.417
Likelihood Ratio	2.907	3	.406
Linear-by-Linear Association	.120	1	.729
N of Valid Cases	1000		

_____

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.841[a]	3	.417
Likelihood Ratio	2.907	3	.406
Linear-by-Linear Association	.120	1	.729
N of Valid Cases	1000		

a. 2 cells (25.0%) have expected count less than 5. The minimum expected count is .26.

CONCLUSION
- Brand name is the most important factor while making a buying consideration followed by company name and then past experience of that company product or same brand name.
- There is no difference in the segment of consumers when it comes to various factors under consideration regarding branded products.
- The important reason for the consumers to prefer line extensions are same company name, same brand name and Trust in the brand.
- The consumers are not importantly concerned about the pricing, advertising and other options.

BIBLIOGRAPHY
- Aaker, D. A. and Keller, K. L., "Consumer evaluations of brand extensions", Journal of Marketing, Vol. 54 (January), 1990, 27- 41.
- Aaker, D. A., "Brand extensions: The good, the bad, and the ugly", Sloan Management Review, Vol. 31, 1990, 47-56.
- Aaker, D.A. and Keller, K. L., "Interpreting cross-cultural replications of brand extension research", International Journal of Research in Marketing, Vol. 10 (1), 1993, 55-59.
- Aaker, David A.; Erich Joachimsthaler (2000). *Brand Leadership*. New York: The Free Press. pp. 1–6. ISBN 0-684-83924-5.
- Alexandre-Bourhis, Nathalie, "L'Evaluation des Extensions de Marque par les Consummators: Une Etude Empirique", Working Paper No. 49, IAE-Caen, France, 1994.
- Barwise, Patrick, "Introduction to the Special Issue on Brand Equity" International Journal of Research in Marketing, Vol. 10 (1), 1993, 3-8.
- Bottomley, P. A. and Holden, Stephen J.S., "Do we really know how consumers evaluate brand extensions? Empirical generalizations based on secondary analysis of eight studies", Journal of Marketing Research, Vol. 38 (November), 2001, 424-500.
- Bottomley, Paul A. and John R. Doyle, "The Formation of Attitudes Towards Brand Extensions: Testing and Generalising Aaker and Keller's Model", International Journal of Research in Marketing, Vol. 13 (4), 1996, 365-77.
- Brand Portfolio Management by David Aaker.
- Broniarczyk, Susan M. and Joseph W. Alba, 'q-he Importance of the Brand in Brand Extension," Journal of Marketing Research, Vol. 31 (May), 1994, 214-28.

_____

- Chen, Junsong and Paliwoda, Stanley, "Adoption of new brands from multi-branding firms by Chinese consumers", Journal of Euro--Marketing, Vol. 12 (1), 2002, 63-77.
- Czellar, Sandor, "Consumer attitude toward brand extensions: an integrative model and research propositions", International Journal of Research in Marketing, Vol. 20 (1), 2003, 97-115.
- Davis and Halligan, "Extending your brand by optimizing your customer relationship", The Journal of Consumer Marketing, Vol. 19, 2002, 7-11.
- General Magazines and Marketing Magazines.
- Grime, Ian., Diamantopoulos, Adamantios and Smith, Gareth, "Consumer evaluations of extensions and their effects on the core brand: Key issues and research propositions". European Journal of Marketing, Vol. 36 (11/12), 2002, 1415-1438.
- Gronhaug, Hem and Lines, "Exploring the impact of product category risk and consumer knowledge in brand extensions", Journal of Brand Management, Vol. 9 (6), 2002, 463-476.
- Hair, Joseph F., Rolph E. Anderson, Ronald L. Tatham, and William C. Black, Multivariate Data Analysis, 5th ed., Prentice Hall, New Jersey, 1998.
- Holden, Stephen J.S. and Patrick Barwise, "An Empirical Investigation of What It Means to Generalise", in Holden, Stephen J.S. and Patrick Barwise, "Generalizing from Replication Studies: An Exploratory Case Study", Working Paper 96-004, Australian Graduate School of Management, 1996.
- http://en.wikipedia.org/wiki/Brand_management.
- http://www.interbrand.com/en/best-global-brands/2012/Best-Global-Brands-2012-Brand-View.aspx.
- Kapferer, J. N., Strategic brand management, 2nd ed., Kogan Page, London, 1997.
- Keller, K. L., Strategic brand management: building, measuring, and managing brand equity, Prentice Hall, New Jersey, 1998.
- Lane, Vicki R., "The impact of ad repetition and ad content on consumer perceptions of incongruent extensions", Journal of Marketing, Vol. 64 (April), 2000, 80-91.
- Managing Brand Equity by David Aaker.
- Marketing Management by Philip Kotler and Kevin Lane Keller.
- Marketing Management by Philip Kotler.
- Mason, Charlotte and William D. Perreault, "Collinearity, Power, and Interpretation of Multiple Regression Analysis", Journal of Marketing Research, Vol. 28 (August), 1991,268-80. Nijssen, E.J. and D. Hartman, "Consumer evaluations of brand extensions: An integration of previous research", In: J. Bloemer, J. Lemmink and H. Kasper (eds.), Proceedings of 23rd. European Marketing Academy Conference, Maastricht, 1994, 673-683.
- *P&G Changing the Face of Consumer Marketing*. Harvard Business School. May 2, 2000. Retrieved March 9, 2011.
- Park, Whan, Sandra Milberg, and Robert Lawson, "Evaluation of Brand Extensions: The Role of Product Feature Similarity and Brand Concept Consistency", Journal of Consumer Research, Vol. 18 (September), 1991, 185-93.
- Riel, A. C. R. V., Lemmink, J and Ouwersloot, H., "Consumer evaluations of service brand extensions", Journal of Service Research, Vol. 3 (3), 2001,220-231.
- Shamoon, Sumaira, and Saiqa Tehseen. "Brand Management: What Next?" *Interdisciplinary Journal Of Contemporary Research In Business* 2.12 (2011): 435–441. Business Source Complete. Web. October 20, 2012.

_____
Review Of Research | Volume 3 | Issue 9 | June 2014

7

Available online at www.lbp.world

_____

- Sunde, L. and Brodie, R. J., "Consumer evaluations of brand extensions: Further empirical results", International Journal of Research in Marketing. Vol. 10(1), 1993, 47-53.
- Swaminathan, Fox and Reddy, "The impact of brand extension introduction on choice", Journal of Marketing, Vol. 65 (October), 2001, 1-15.
- Taylor, Valerie A and Bearden, William O., "The effects of price on brand extension evaluations: The moderating role of extension similarity", Journal of the Academy of Marketing Science, Vol. 30 (2), 2002, 131-140.
- True, Jacqui (2006). "Globalisation and Identity". In Raymond Miller. *Globalisation and Identity*. South Melbourne: Oxford University Press. p. 74. ISBN 978-0-19-558492-9.
- Zhang, Shi and Sood, Sanjay, ""Deep" and "surface" cues: Brand extension evaluations by children and adults", Journal of Consumer Research, Vol. 29 (June), 2002, 129-141.