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**“A STUDY OF BRAND LOYALTY AND IT’S EFFECT
ON BUYING BEHAVIOUR IN CASE OF
SELECTED COSMETICS PRODUCTS
IN THE STATE OF GUJARAT”**

**THESIS
SUBMITTED TO
THE SAURASHTRA UNIVERSITY**

**FOR THE AWARD OF THE DEGREE OF
DOCTOR OF PHILOSOPHY
IN COMMERCE
UNDER THE FACULTY OF COMMERCE**

BY

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DECLARATION

I, hereby , declare that the THESIS titled “A STUDY OF BRAND LOYALTY AND IT’S EFFECT ON BUYING BEHAVIOUR IN CASE OF SELECTED COSMETICS PRODUCTS IN THE STATE OF GUJARAT” submitted for the award of the Ph.D. Degree, is my original work and no Degree or Diploma has been conferred on me before either by this University or by any other University for this work.

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CERTIFICATE

This is to certify that the THESIS titled, “A STUDY OF BRAND LOYALTY AND IT’S EFFECT ON BUYING BEHAVIOUR IN CASE OF SELECTED COSMETICS PRODUCTS IN THE STATE OF GUJARAT” submitted by Ms. Chitralkha H. Dhadhal for the award of the Ph.D. Degree in Commerce under the Faculty of Commerce, is based on the original research work carried out by her under my guidance and supervision; and to the best of my knowledge and belief, it has not been submitted for the award of any other Degree or Diploma.

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**“A STUDY OF BRAND LOYALTY AND IT’S EFFECT ON
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OF GUJARAT”**

PREFACE

The Indian Market today is characterized by rapid changes and at the turn of the millennium-one thing is clear-India is no longer leading an isolated existence. Post 1991 sectors, one after another have been opened to market dynamics. Products and services which were sold as commodities, till yesterday, are witnessing intense brand building exercises at present. And of course there are a host of new products and services that are mushrooming every day, vying for their share the consumer’s pocket. Offered with many goodies, naturally the desires of consumers are aroused. And the consumer wants more of it. Consequently, the consumer trend that is quite discernible these days, is a shift towards choosing the best brand that delivers the best value. Or rather, the final brand selection from among a set of well-known, better advertised brands, usually made in favour of the one perceived to deliver better quality and utility.

In the FMGC sector where a rush of new products are hitting the market, every now and then, the real challenge for the marketer is one of expanding the market while continuing to build a strong brand that can withstand competitive pressures from its immediate rivals. Essentially a brand is dynamic. It is not a sculpture, which once built will endure in its appeal for ever. Great brands have momentum. To build strong brands, companies need to build relationship between the brand and the consumer. We should never forget what is often misunderstood: that a brand unlike the product it contains – is created by, is valued by and lives exclusively in the minds of the consumer. Contemporary successful brands are less defined by their attributes and benefits and more by the lifestyles and attributes of the

target consumers. This is more relevant in the FMCG category where product advantages beyond a reasonable period of time are hardly sustainable. In such cases, the emotional connect of the brand is much more important than those attributes or benefits. Therefore in the FMCG Sector, brand success is defined by lifestyles and attitudes of the target consumers.

Brand Loyalty, known in popular parlance, is one of the most important issues facing businesses today. Contemporary marketers therefore frantically search strategies to maintain a set of satisfied customers, commonly known as Brand Loyals. Virtually, any organization, be it local, national or global, depend on a set of loyal customers for its success in the market place. Loyal customers undoubtedly keep the cash register ticking. Brand Loyal consumers, as a matter of fact, provide the basis for a stable and growing market share of a company. Especially in case of established firms, marketing inexpensive and frequently purchased consumer products, it is not the single sale that is of consequence; rather it is repeat sales to an ever-expanding group of customers that is that objective. In other words, the long term success of a particular brand is based, not on the number of consumers who purchase it once, but on who become repeat purchasers. Brand loyalty is one of the major causes of such Repeat Purchase Behaviour of the customers. The more the Brand Loyalty, the more is the power and profit of the company and vice-versa. Like it or not, we live in a commercial world where brands are a primary source of wealth. However, brand loyalty does not just happen. Organizations have to make it happen through systematic planning and strategies exercises.

Against such theoretical assertion, the present study attempts to explore the complexities of brand loyalty behavior of skincare cosmetics buyers in order to develop a subjective understanding of the factors having a direct bearing on the allegiance behavior of the consumers in the market place. It encompasses an analysis of the

brand loyalty level and pattern, attributes explaining the loyalty status, factors, both personal and product related, influencing brand loyalty/ switching demeanors, of the skincare cosmetics buyers. Being exploratory in character, the endeavour is organized in five chapters. The first chapter being introductory in nature, spells out the nature, scope objective and methodology adopted for the study along with a review of the empirical studies on brand loyalty. A detailed analysis of the beauty and personal care industry and the skincare cosmetics industry, both, at the global and Indian levels is presented in the second chapter. A comprehensive review about the various facets of brand and brand loyalty is presented in the third chapter. The sample profile and their buying behavior, the existence and extent of brand loyalty among women skincare cosmetics consumers in the state of Gujarat, the familiarity of the consumers with the term brand loyalty and its relationship between familiarity and loyalty, the perception of the consumers about the meaning of the term brand loyalty, the relationship between Personal and Product related factors and Brand Loyalty of consumers, the perceptions of women cosmetics consumers about the factors causing brand loyalty and switching, the brand buying behavior of women skincare cosmetics users and the important factors that influence the purchase of skincare cosmetics products by women are all analyzed in the fourth chapter. Finally, the major Findings, Conclusions and Suggestions emerging from the study are presented in chapter five.

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During the course of this study, the researcher claimed very heavily on the contributions made by the experts and the research scholars in the field of Marketing. Therefore, the researcher duly acknowledges their help by referring their names and works in the references as also in the bibliography. The researcher also expresses a sense of gratitude to all the nodal persons through whom the respondents were approached for collecting the primary data. The researcher equally owes to the women respondents for sparing their valuable time and for extending their co-operation in giving the information.

The entire research work has been carried out under the guidance and supervision of Dr. Shailesh J. Parmar, Associate Professor, Department of Commerce and Business Administration, Saurashtra University, Rajkot. The researcher expresses her deep sense of heartfelt gratitude to him for his continuous encouragement, guidance and supervision. This research work would not have been possible at all had the researcher not received inspiration from him.

The researcher continually benefits from the wisdom of her senior colleagues at the Department of Commerce and Business Administration, Saurashtra University, Rajkot- Dr. Mrs. Daksha P. Chauhan, Professor and Head of the Department and Dr. Alok Kumar Chakrawal, Associate Professor of the department and would like to greatly acknowledge their invaluable guidance, encouragement and support time and again. The researcher would like to take this opportunity to express her gratitude to the Department office staff members, Mr. Ajay Parmar, Late Jatibhai, Malaben and Nakumbhai without whom the administrative co-ordination of Ph.D. related activities and paperwork could not have been facilitated.

The researcher is heavily indebted to her parents Shri. Harishkumar and Smt. Saudmini Dhadhal and brother Dharamraj for their

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INDEX

INDEX

Sr.No.	Particulars	Page No.
#	Declaration by the Researcher	i.
#	Certificate by the Guide	ii.
#	Preface	iii.
#	Acknowledgements	iv.
#	List of Tables	xi.
#	List of Figures	xx.
#	Acronyms used in the study	xxii
Chapter.1.	RESEARCH METHODOLOGY	1-22
1.1.	INTRODUCTION	1
1.2.	REVIEW OF LITERATURE	3
1.3.	THE BACKDROP	9
1.4.	RESEARCH DESIGN	14
1.5.	LIMITATIONS OF THE STUDY	21
1.6.	SIGNIFICANCE OF THE STUDY	22
Chapter.2.	BEAUTY AND PERSONAL CARE INDUSTRY- CHANGING SCENARIO: AN OVERVIEW	23-73
2.1.	INTRODUCTION	23
2.2.	COSMETICS AND TOILETRIES-DEFINITIONS	24
2.3.	THE HISTORY OF COSMETICS	27
2.4.	ANALYSIS OF BEAUTY AND PERSONAL CARE INDUSTRY	32
2.5.	ANALYSIS OF SKINCARE INDUSTRY	53

Chapter.3.	BRAND LOYALTY – A CONCEPTUAL FRAMEWORK	74-126
3.1.	INTRODUCTION	74
3.2	BRAND	75
3.3	BRAND LOYALTY	101
Chapter.4.	ANALYSIS OF DATA AND INTERPRETATION	127-230
I.	RESPONDENTS’ PROFILE AND THEIR BUYING BEHAVIOR	127
II.	ANALYSIS OF THE EXISTANCE AND EXTENT OF BRAND LOYALTY AMONG WOMEN SKINCARE COSMETICS CONSUMERS IN THE STATE OF GUJARAT	135
III.	FAMILIARITY OF WOMEN WITH THE WORD “BRAND LOYALTY” AND BRAND LOYALTY	137
IV.	PERCEPTION OF WOMEN SKINCARE COSMETICS CONSUMERS ABOUT THE MEANING/ DEFINITION OF THE TERM “BRAND LOYALTY”	139
V.	PERSONAL AND PRODUCT RELATED FACTORS AND BRAND LOYALTY	145
VI.	ANALYSIS OF PERCEPTIONS OF WOMEN SKINCARE COSMETICS CONSUMERS ABOUT THE FACTORS CAUSING BRAND LOYALTY AND SWITHCING	193
VII.	BRAND BUYING BEHAVIOUR OF WOMEN SKINCARE COSMETIC USERS	214
VIII.	IMPORTANT FACTORS THAT INFLUENCE THE PURCHASE OF SKINCARE PRODUCTS BY WOMEN	219

IX.	ANALYSIS OF THE IMPORTANCE OF THE SUB-COMPONENTS OF EACH OF THE SIX MAJOR FACTORS AFFECTING THE PURCHASE OF SKIN CARE COSMETICS.	221
CHAPTER.5. SUMMARY, FINDINGS, CONCLUSION AND SUGGESTIONS		
5.1.	SUMMARY	231
5.2.	MAJOR FINDINGS RELATED TO THE BEAUTY AND PERSONAL CARE AND SKINCARE INDUSTRIES	236
5.3.	MAJOR FINDINGS BASED ON THE SURVEY	240
5.4.	CONCLUSION	256
5.5.	SUGGESTIONS	262
5.6.	RESEARCH ASPECTS	270
BIBLIOGRAPHY		
	BIBLIOGRAPHY	271-276
#	BOOKS	271
#	ARTICLES	272
#	JOURNALS AND MAGAZINES	273
#	E-RESOURCES	275
#	THESES	276
#	APPENDIX	277

LIST OF TABLES,

FIGURES

AND

ACRONYMS

LIST OF TABLES

Table No.	Particulars	Page No.
CHAPTER.2.	BEAUTY AND PERSONAL CARE INDUSTRY- CHANGING SCENARIO: AN OVERVIEW	
Table 2. 1.	Global beauty and personal care Products market value: \$billion, 2005-09	33
Table 2. 2.	Global beauty and personal care Market segmentation I:% share by value, 2009	33
Table 2.3.	Global beauty and personal care Market segmentation II:% share by value, 2009	34
Table 2.4.	Company Market Shares (By Global Brand Owner): GBO •Retail Value RSP • % Breakdown	35
Table 2.5.	Brand Shares (by Umbrella Brand Name) Retail Value RSP •% breakdown	36
Table 2.6.	Global beauty & personal care products market distribution : % share , by value 2009	41
Table 2.7.	Global beauty & personal care products market value forecast: \$million, 2009-14	42
Table 2.8.	Market Sizes Retail Value Rs. Million	42
Table 2.9.	Sales of Beauty and Personal Care by Sector: Value -2009 and % value growth- 2009	44
Table 2.10.	Beauty & Personal care products – India, Company Shares - 2009	45
Table 2.11.	Beauty and Personal Care Brand Shares by % retail value rsp- 2009	46
Table 2.12.	Sales of Beauty and Personal Care by Distribution Format: % Analysis -2009	47
Table 2.13.	Sales of Beauty and Personal Care by Region: %Value Growth 2004-2009	48

Table. 2.14.	Forecast Sales of Beauty and Personal Care Products by Sector: % Value Growth 2009-2014	49
Table. 2.15.	Sales of Beauty and Personal Care by Rural-Urban % Analysis 2009	50
Table. 2.16.	Sales of Beauty and Personal Care by Region: Value 2004-2009	51
Table. 2.17.	Forecast Sales of Beauty and Personal Care by Region: Value 2009-2014	52
Table. 2.18.	Forecast Sales of Beauty and Personal Care by Region: % Value Growth 2009-2014	52
Table. 2.19.	Global skincare market value: \$ million, 2005–09	54
Table. 2.20.	Global skincare market volume million units, 2005–09	55
Table. 2.21.	Global skincare market segmentation I: % share by value 2009	55
Table. 2.22.	Global skincare market segmentation II: % share, by value, 2009	56
Table. 2.23.	Global skincare market share, % share, by value, 2009	57
Table. 2.24.	Global skincare market distribution% share, by value, 2009	60
Table. 2.25.	Global Skincare market value forecast: \$million, 2009- 14	61
Table. 2.26.	Global Skincare market volume forecast \$million, 2009-14	62
Table. 2.27.	Market Sizes • Historic • Retail Value RSP • Rs. million • Current Prices	62
Table 2.28.	Company Shares (by Global Brand Owner) • Retail Value RSP • % breakdown	64
Table 2.29.	Brand Shares (by Umbrella Brand Name) • Retail Value RSP • % breakdown	65
Table 2.30.	Sales of Skin Care by Subsector: % Value Growth 2004-2009	66
Table 2.31.	Forecast Sales of Skin Care by Subsector: % Value Growth 2009-2014	71
Table 2.32.	Forecast Skin Care Premium Vs Mass % Analysis 2009-2014	72

CHAPTER.3.	BRAND LOYALTY – A CONCEPTUAL FRAMEWORK	
Table 3.1.	World’s ten most valuable brands in 2010	98
Table 3.2.	India’s Top Ten most valuable brands 2010	99
CHAPTER.4.	ANALYSIS OF DATA AND INTERPRETATION	
Table 4. 1.	Classification of Respondents according to the Cities they live in	127
Table 4. 2.	Classification of Respondents according to Age Groups	128
Table 4. 3.	Classification of Respondents according to Marital Status	129
Table 4.4.	Classification of Respondents according to Educational Qualification	129
Table 4. 5.	Classification of Respondents according to Occupation	130
Table 4.6.	Classification of Respondents according to their Monthly Family Income	131
Table 4.7.	Classification of Respondents on the basis of their Familiarity with the word “Brand Loyalty”	132
Table.4.8.	Classification of Respondents according to their Brand Loyalty for their Favourite Brand	133
Table 4.9.a.	Brand Loyalty of Women Skincare Cosmetics Buyers – Chi Square	135
Table 4.9.b.	Brand Loyalty of Women Skincare Cosmetics Buyers – Chi Square	135
Table 4.10.	Classification of Respondents according to the consistent use of a particular brand/s of skin care product/s.	136
Table4.11.a.	Classification based on Familiarity of the Women with the word Brand Loyalty	137
Table 4.11.b.	Familiarity with the word Brand Loyalty and Brand Loyalty	138
Table4.12.a.	Familiarity with the word Brand Loyalty and Brand Loyalty of Skin Care Cosmetics Buyers, Chi –Square Test	139
Table 4.12.b.	Familiarity with the word Brand Loyalty and Brand Loyalty of Skin Care Cosmetics Buyers, Chi –Square Test	139
Table 4. 13.	Responses of Women towards the Three Definitions Combined	140

Table 4. 14.	Responses of Women Skincare Cosmetics Buyers towards Definition 1.of Brand Loyalty on Five Point Scale	142
Table 4. 15.	Responses of Women Skincare Cosmetics Buyers towards Definition-2 of Brand Loyalty on Five Point Scale	143
Table 4. 16.	Responses of Women Skincare Cosmetics Buyers towards Definition 3 .of Brand Loyalty on Five Point Scale	144
Table 4. 17.	City of Residence of the Sample and Brand Loyalty	147
Table 4. 18.	City of Residence of Sample and Brand Loyalty	148
Table 4. 19.	Age of the Sample and Brand Loyalty	149
Table 4.20.	Age of the Sample and Brand Loyalty of Skin Care Cosmetics Buyers , Chi –Square Test	150
Table 4.21.	Marital Status of Women and Brand Loyalty	151
Table 4.22.	Marital Status of the Sample and Brand Loyalty Chi –Square Test	151
Table 4.23.	Education of the Sample and Brand Loyalty	152
Table 4. 24.	Educational Qualification of the Sample and Brand Loyalty, Chi –Square Test	153
Table 4.25.	Occupation of the sample and brand loyalty	154
Table 4.26.	Occupation of the Sample and Brand Loyalty, Chi –Square Test	155
Table 4.27.	Family Income of the Sample and Brand Loyalty	156
Table 4.28.	Household Income of the Sample and Brand Loyalty, Chi – Square Test	157
Table 4.29 a.	Good Reputation and Prestigious Image of the Brand and Brand Loyalty, Chi –square test	158
Table 4.29 b.	Good Reputation and Prestigious Image of the Brand and Brand Loyalty, Chi –square test	158
Table 4.30. a.	Ease of Pronunciation of the Brand Name and Brand Loyalty of Skin Care Cosmetics Buyers, Chi –Square Test	159
Table 4.30.b.	Ease of Pronunciation of the Brand Name and Brand Loyalty of Skin Care Cosmetics Buyers, Chi –Square Test	159

Table 4.31.a.	Reflection of the Brand's Personality in the Woman's Own Personality and Brand Loyalty, Chi –Square Test	160
Table 4.31 .b.	Reflection of the Brand's Personality in the Woman's Own Personality and Brand Loyalty, Chi –Square Test	161
Table 4.32. a.	Good Quality of the Product/s and a Woman's Brand Loyalty, Chi –Square Test	162
Table 4.32. b.	Good Quality of the Product/s and a Woman's Brand Loyalty, Chi –Square Test	162
Table 4.33 a.	Product/s-Consumer Skin Type Match and Brand Loyalty, Chi –Square Test	163
Table 4.33 b.	Product/s-Consumer Skin Type Match and Brand Loyalty, Chi –Square Test	163
Table 4.34 a.	The Availability of a Wide Range of Products under the Same Brand Name and Brand Loyalty. Chi–Square Test	164
Table 4.34 b.	The Availability of a Wide Range of Products under the Same Brand Name and Brand Loyalty, Chi–Square Test	164
Table 4.35 a.	The Harmful Chemical Contents of the Product/s and a Woman's Brand Loyalty for her favorite brand of Skincare Products, Chi –Square Test	165
Table 4.35 .b.	The Harmful Chemical Contents of the Product/s and a Woman's Brand Loyalty for her favorite brand of Skincare Products, Chi –Square Test	165
Table .4.36 a.	Value for Money of the Brand and A Woman's Brand Loyalty for her Favorite Brand, Chi –Square Test	166
Table .4.36 b.	Value for Money of the Brand and A Woman's Brand Loyalty for her Favorite Brand, Chi –Square Test	166
Table 4.37a.	The Woman's Perception that Increased Price of the Product is due to Superior Quality, so she does not mind paying a higher Price and her Brand Loyalty, Chi –Square Test	167

Table 4.37 b.	The Woman's Perception that Increased Price of the Product is due to Superior Quality, so she does not mind paying a higher Price and her Brand Loyalty, Chi –Square Test	168
Table 4.38 a	Regular Discount Offers of the Brand and A Woman's Brand Loyalty Chi –Square Test	169
Table 4.38 b.	Regular Discount Offers of the Brand and A Woman's Brand Loyalty Chi –Square Test	169
Table 4.39 a.	Attractive Advertisements of the Brand and a Woman's Brand Loyalty for her Favorite Brand Chi –Square Test	170
Table 4.39 b.	Attractive Advertisements of the Brand and a Woman's Brand Loyalty for her Favorite Brand Chi –Square Test	170
Table 4.40. a.	Consumers' Perception that Advertisements of the Brand attract them to Purchase it more frequently and their Brand Loyalty Chi –Square Test	171
Table 4.40.b.	Consumers' Perception that Advertisements of the Brand attract them to Purchase it more frequently and their Brand Loyalty, Chi –Square Test	171
Table 4.41.a.	Specific Promotions of the Brand and Brand Loyalty, Chi-Square Test	172
Table 4.41.b.	Specific Promotions of the Brand and Brand Loyalty, Chi-Square Test	172
Table 4.42. a	Availability of Special Discounts on the Brand and Brand Loyalty, Chi –Square Test	173
Table 4.42.b.	Availability of Special Discounts on the Brand and Brand Loyalty, Chi –Square Test	173
Table4. 43 a.	Knowledgeable and Well Trained Sales Staff of the Brand Store and a Woman's Brand Loyalty, Chi –Square Test	174
Table 4. 43 b.	Knowledgeable and Well Trained Sales Staff of the Brand Store and a Woman's Brand Loyalty, Chi –Square Test	174

Table 4.44 a.	Recommendations /Testimonials of those already using the brand and a Woman's Brand Loyalty, Chi –Square Test	175
Table 4.44 b.	Recommendations /Testimonials of those already using the brand and a Woman's Brand Loyalty, Chi –Square Test	175
Table.4.45 a.	Good and Easy to Access Brand Store locations and a Woman's Brand Loyalty for her Favorite Brand , Chi –Square Test	176
Table.4.45b.	Good and Easy to Access Brand Store locations and a Woman's Brand Loyalty for her Favorite Brand, Chi –Square Test	176
Table4.46 .a.	Sufficient number of Brand Outlets of her Favorite brand and a Woman's Brand Loyalty Chi –Square Test	177
Table4.46 .b.	Sufficient number of Brand Outlets of her Favorite brand and a Woman's Brand Loyalty, Chi –Square Test	177
Table 4. 47 a.	Wide availability of the Brand in Stores and Brand Loyalty , Chi –Square Test	178
Table 4. 47 b.	Wide availability of the Brand in Stores and Brand Loyalty, Chi –Square Test	179
Table 4.48. a.	Well done and attractive packaging of the branded products and Brand Loyalty, Chi –Square Test	179
Table 4.48. b.	Well done and attractive packaging of the branded products and Brand Loyalty, Chi –Square Test	180
Table 4.49.a.	Clear instructions on the package regarding the contents and application of the product and Brand Loyalty, Chi –Square Test	181
Table 4.49.b.	Clear instructions on the package regarding the contents and application of the product and Brand Loyalty, Chi –Square Test	181
Table 4.50.a.	Options of various convenient to use packages offered by the Brand and Brand Loyalty, Chi –Square Test	182
Table 4.50.b.	Options of various convenient to use packages offered by the Brand and Brand Loyalty, Chi –Square Test	182
Table 4.51.a.	Price Discounts offered by other brand/s and Brand Loyalty, Chi –Square Test	183

Table 4.51.b.	Price Discounts offered by other brand/s and Brand Loyalty Chi –Square Test	183
Table 4.52.a.	A woman’s desire to try different brands and her Brand Loyalty Chi –Square Test	184
Table 4.52.b.	A woman’s desire to try different brands and her Brand Loyalty Chi –Square Test	184
Table 4.53.a.	Recommendations of those using other Brands and a Woman’s Brand Loyalty Chi –Square Test	185
Table 4.53.b.	Recommendations of those using other Brands and a Woman’s Brand Loyalty Chi –Square Test	185
Table 4.54 a.	Allergic Reactions following the use of the Favorite Brand and a Woman’s Brand Loyalty Chi –Square Test	186
Table 4.54 b.	Allergic Reactions following the use of the Favorite Brand and a Woman’s Brand Loyalty Chi –Square Test	186
Table 4.55.a.	Effective and Attractive Advertising of other brand/s and a Woman’s Brand Loyalty for her Favorite Brand, Chi –Square Test	187
Table 4.55.b.	Effective and Attractive Advertising of other brand/s and a Woman’s Brand Loyalty for her Favorite Brand, Chi –Square Test	188
Table 4.56. a.	Sales Promotion of other brand/s and a Woman’s Brand Loyalty For her Favorite Brand , Chi –Square Test	189
Table 4.56.b.	Sales Promotion of other brand/s and a Woman’s Brand Loyalty For her Favorite Brand , Chi –Square Test	189
Table.4.57.a	Effective and Attractive In-store displays of other brands and A Woman’s Brand Loyalty , Chi –Square Test	190
Table.4.57.b.	Effective and Attractive In-store displays of other brands and A Woman’s Brand Loyalty , Chi –Square Test	190
Table 4.58.a.	Ineffectiveness of the Favorite Brand and a Woman’s Brand Loyalty for it. Chi –Square Test	191
Table 4.58.b.	Ineffectiveness of the Favorite Brand and a Woman’s Brand Loyalty for it. Chi –Square Test	191

Table 4.59. a	Unavailability of the Brand being currently used in the Stores and A Woman's Brand Loyalty Chi –Square Test	192
Table 4.59.b.	Unavailability of the Brand being currently used in the Stores and A Woman's Brand Loyalty Chi –Square Test	192
Table 4.60.	Average Scores and differences therein regarding Brand Name Related Factors affecting brand loyalty on a Five Point Scale.	195
Table 4.61.	Average Scores and differences therein regarding Product Quality Related Factors affecting brand loyalty on a Five Point Scale.	196
Table 4.62.	Average Scores and differences therein regarding Price Related Factors affecting brand loyalty on a Five Point Scale.	197
Table 4.63.	Average Scores and differences therein regarding Promotion Related Factors affecting brand loyalty on a Five Point Scale	198
Table 4.64.	Average Scores and differences therein regarding Distribution Related Factors affecting brand loyalty on a Five Point Scale.	199
Table 4.65.	Average Scores and differences therein regarding Packaging Related Factors affecting brand loyalty on a Five Point Scale.	201
Table 4.66.	Responses of Women Skincare Cosmetics Buyers towards Price Discounts offered by Other Brands on a Five Point Scale	202
Table 4.67.	Responses of Women Skincare Cosmetics Buyers towards Desire to Try Different Brands on a Five Point Scale	203
Table 4.68	Responses of Women Skincare Cosmetics Buyers towards Recommendations of Friends, Relatives and Others to Try/ Use Other Brands on a Five Point Scale	204
Table 4.69.	Responses of Women Skincare Cosmetics Buyers towards Allergic Reactions due to use of Favorite Brand on a Five Point Scale	206
Table 4.70.	Responses of Women Skincare Cosmetics Buyers towards Effective and Attractive Advertising of Other Brands on a Five Point Scale	207
Table 4.71.	Responses of Women Skincare Cosmetics Buyers towards Sales Promotion of Other Brands on a Five Point Scale	208

Table 4.72.	Responses of Women Skincare Cosmetics Buyers towards Effective and Attractive In store Displays of Other Brands on a Five Point Scale	210
Table 4.73.	Responses of Women Skincare Cosmetics Buyers towards Ineffectiveness of the Brand/s they are currently using on a Five Point Scale	211
Table 4.74.	Responses of Women Skincare Cosmetics Buyers towards Unavailability of their Favorite Brand in Stores/Out of Stock Condition on a Five Point Scale	213
Table 4.75.	Reaction of the Subjects when they are Unable to Find The Desired Brand/ Product While Shopping at a Store.	214
Table 4.76.	Relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Her Behavior That Results From Being Unable to Find The Desired Product While Shopping at a Store -Chi Square Test	215
Table 4.77.	Reaction of the Subjects When the Brand They Consistently Use is Finished in Stock at Home.	216
Table 4.78.	Relationship between A Woman's Brand Loyalty for Her Favourite Brand of Skincare Product/s and Her Behavior That Results When the Product is Finished in Stock at Home , Chi Square Test	217
Table 4.79.	Reaction of Subjects When the Brand They Consistently Use Offers a Price Discount	217
Table 4. 80.	Relationship between A Woman's Brand Loyalty for Her Favourite Brand of Skincare Product/s and Her Behavior That Results When the Brand She Consistently Uses Offers a Price Discount. Chi -Square Test	218
Table 4.8.1	Rankings of Important Factors Affecting the Purchase of Skincare Products by Women Respondents	219
Table 4.82.	Total Values and Average Values of the Ranks and the Final Ranks of Factors Affecting the Purchase of Skincare Products of Women and the Differences therein	220

Table 4.83.	Rankings of Brand Related Factors Affecting the Purchase of Skincare Products by Women Respondents	222
Table 4.84.	Total Values and Average Values of the Ranks and the Final Ranks of The Brand Related Factors Affecting the Purchase of Skincare Products of Women and the Differences therein	223
Table 4.85.	Rankings of Product Quality Related Factors Affecting the Purchase of Skincare Products by Women Respondents	224
Table 4.86.	Total Values and Average Values of the Ranks and the Final Ranks of The Product Quality Related Factors Affecting the Purchase of Skincare Products of Women and the Differences therein	224
Table 4.87.	Rankings of Price Related Factors Affecting the Purchase of Skincare Products by Women Respondents	225
Table 4. 88.	Total Values and Average Values of the Ranks and the Final Ranks of The Price Related Factors Affecting the Purchase of Skincare Products of Women and the Differences therein	225
Table 4.89.	Rankings of Promotion Related Factors Affecting the Purchase of Skincare Products by Women Respondents	226
Table 4. 90.	Total Values and Average Values of the Ranks and the Final Ranks of The Promotion Related Factors Affecting the Purchase of Skincare Products by Women and the Differences therein	227
Table 4.91.	Rankings of Distribution Related Factors Affecting the Purchase of Skincare Products by Women Respondents	227
Table 4.92.	Total Values and Average Values of the Ranks and the Final Ranks of The Distribution Related Factors Affecting the Purchase of Skincare Products by Women and the Differences therein	228
Table 4.93.	Rankings of Packaging Related Factors Affecting the Purchase of Skincare Products by Women Respondents	229
Table 4.94.	Total Values and Average Values of the Ranks and the Final Ranks of The Packaging Related Factors Affecting the Purchase of Skincare Products by Women and the Differences therein	229

LIST OF FIGURES

Figure No.	Particulars	Page No.
CHAPTER.2.	BEAUTY AND PERSONAL CARE INDUSTRY- CHANGING SCENARIO: AN OVERVIEW	
Figure 2. 1.	Global beauty and personal care Products market value: \$billion, 2005-09	33
Figure 2. 2.	Global beauty and personal care Market segmentation I:% share by value, 2009	33
Figure 2.3.	Global beauty and personal care Market segmentation II:% share by value, 2009	34
Figure 2.4.	Global beauty and personal care products Company Market Share: % share by value.	35
Figure 2.5.	Global beauty and personal care products Brand Shares: % share, by retail value.	36
Figure 2.6.	Global beauty & personal care products market distribution : % share , by value 2009	41
Figure 2.7.	Global beauty & personal care products market value forecast: \$million, 2009-14	42
Figure 2.8.	Market Sizes, Historic Retail Value RSP Rs. Million, Current Prices	42
Figure 2.9.	Beauty & Personal care products – India, Company Shares -2009	45
Figure 2.10.	Beauty and Personal Care Brand Shares by % retail value - 2009	46
Figure 2.11.	Sales of Beauty and Personal Care by Distribution Format: % Analysis -2009	47
Figure 2.12.	Sales of Beauty and Personal Care by Region: %Value Growth 2004-2009	48
Figure 2.13.	Forecast Sales of Beauty and Personal Care Products by Sector: % Value Growth 2009-2014	49
Figure 2.14.	Global skincare market value: \$ million, 2005–09	54
Figure 2.15.	Global skincare market volume million units, 2005–09	55
Figure 2.16.	Global skincare market segmentation I: % share by value 2009	56
Figure 2.17.	Global skincare market segmentation II: % share, by value, 2009	56

Figure 2.18.	Global skincare market share, % share, by value, 2009	57
Figure 2.19.	Global skincare market distribution% share,by value, 2009	60
Figure 2.20.	Global Skincare market value forecast: \$million, 2009-14	61
Figure 2.21	Global Skincare market volumeforecast \$million, 2009-14	62
Figure 2.22	Market Sizes • Historic • Retail Value RSP • Rs. million • Current Prices	63
Figure .2.23	Company Shares (by Global Brand Owner) • Retail Value RSP • % breakdown	64
Figure 2.24	Brand Shares (by Umbrella Brand Name) • Retail Value RSP • % breakdown	66
CHAPTER.3.	BRAND LOYALTY – A CONCEPTUAL FRAMEWORK	
Figure 3.1.	Brand Equity.	92
Figure 3.2.	The Conversion Model of Brand Loyalty	124
CHAPTER.4.	ANALYSIS OF DATA AND INTERPRETATION	
Figure 4.1.	Classification of Respondents according to Age Groups	128
Figure 4. 2.	Classification of Respondents according to Marital Status	129
Figure 4. 3.	Classification of Respondents according to Educational Qualification	130
Figure 4. 4.	Classification of Respondents according to Occupation	130
Figure 4. 5.	Classification of Respondents according to their Monthly Family Income	132
Figure 4.6.	Classification of Respondents on the basis of their Familiarity with the word “Brand Loyalty”	132
Figure 4.7.	Classification of Respondents according to the consistent use of a particular brand/s of skin care product/s.	136

ACRONYMS USED IN THE STUDY

BCE	Before the Christian Era
BL	Brand Loyalty
CAGR	Compound Annual Growth Rate
GBO	Global Brand Owner
FMCG	Fast Moving Consumer Goods
MPB	Most Preferred Brand
NAV	Net Asset Value
OOS	Out Of Stock
ORG	Operations Research Group
OTC	Over The Counter
RSP	Retail Selling Price
SKU	Shelf Keeping Unit
SPSS	Statistical Package for the Social Sciences
SPF	Sun Protection Factor

CHAPTER -1.

RESEARCH

METHODOLOGY

CHAPTER -1.

RESEARCH METHODOLOGY

Chapter.1.	RESEARCH METHODOLOGY	1-22
1.1.	INTRODUCTION	1
1.2.	REVIEW OF LITERATURE	3
1.3.	THE BACKDROP	9
	1.3.1.Brand Loyalty	9
	1.3.2. Cosmetics	9
	1.3.3.The Global Cosmetics Industry	10
	1.3.4.The Indian Cosmetics Industry	10
	1.3.5.Rationale of the Study	12
1.4.	RESEARCH DESIGN	14
	1.4.1. Problem Identification and Formulation	14
	1.4.2. Scope of the Study	15
	1.4.3. Nature and Sources of Data	15
	1.4.4. Sample Design	16
	1.4.5. Nature and Type of the Study	16
	1.4.6. Objectives of the study	16
	1.4.7.Broader Hypotheses of the Study	17
	1.4.8. Data Analysis	17
	1.4.9. Presentation of the Research Report	20
	1.4.10. Review Period for the Study	21
1.5.	LIMITATIONS OF THE STUDY	21
1.6.	SIGNIFICANCE OF THE STUDY	22

CHAPTER - 1. RESEARCH METHODOLOGY

1.1. INTRODUCTION

In the modern marketing environment consumers are becoming more and more demanding since the market is glutted with endless products and countless brands and offering them rich choices. In pursuit of achieving the best possible value for their money, modern day consumers are gradually becoming quite choosy about products/services on the basis of their intrinsic value. Gone are the days of the marketers with the placid assumption that a market once won is theirs'. In view of the same, marketers of today frantically search strategies to maintain a set of consumers who are loyal to the products/services that they are offering for sale. This phenomenon is particularly significant for the low priced, daily use, non durable products which are purchased repeatedly by the consumers at frequent intervals popularly termed as fast moving consumer goods (FMCGs). The purchase behaviour of the consumers for such products is of special interest to the marketer since these items are purchased repeatedly and it is this purchase that results in generating volumes and profits.

A number of research studies are, indicative to the fact consumers in general are found to be quite loyal to the brands of frequently purchased items. Brand loyal consumers as a matter of fact, provide the basis for a stable and growing market share of a company. Therefore, interest of marketers hover around the ways and means to develop and sustain brand allegiance for their products and services. However, retaining customers in a highly competitive and volatile market place is indeed a difficult proposition.

Creating brand loyalty in an overcrowded category is an onerous task. However, in the Indian market it is not altogether impossible, if the success of Hindustan Unilever, Titan, Amul, Maruti- Suzuki , Nirma, Airtel and many others is of any indication. Companies having decades of market existence and customer patronage are able to develop deep pockets and lineage on which they bank on to promote their brands. Another fall out of the coming of age of the branded products and services leading to the declining clout of the unorganised sector. Thus, competition in the organised market for many categories of products and services is more or less concentrated

among branded products and services. At the same time, competition in the branded category is forcing players to renovate the terms of designs, packaging, colour and even packaging techniques. For the branded players therefore, it spells an opportunity waiting to be tapped.

Many brands in the Indian bazar have fizzled out because their attitudes were not able to keep with the target groups, which changed over times. For example, the readymade branded apparel sector. At present it becomes difficult for many to remember brands such as Avis, Apache, and Blue Lagoon in the branded apparel sector, Organic in the shampoo category, Le-Sancy in the toilet soap category, Bush, and Weston in the television category which were doing fine just a few years ago. These brands failed to enhance their brand personality with changing times. Admittedly, companies need to monitor their external and internal environment regularly and make necessary changes in the brand personality as and when required in order to maintain brand loyalty.

The consumer generally becomes loyal to a brand, which is closest to his/ her thoughts and beliefs. They are bound to change over time (especially from generation to generation) and the brand which is flexible enough to adapt their changes with an add on to its personality lives the longest.

From the consumer point of view, once the consumer feels satisfied at the post purchase level, they cling on to those particular brands of products and services. In other words, if the experience with a product or services at the post purchase level is found rewarding, the consumer response is most likely to result in a testimonial to others as well as a possible repurchase in case the need arises for the same, as a part of positive confirmation at the post purchase level of consumer decision process, such a behaviour is termed as brand loyalty. Basically, brand loyalty symbolises the positive attitude created in the minds of the consumers towards a particular brand of product/service leading to the repeated purchase and recommending the same brand to others. Brand loyalty is undoubtedly one of the most important and interesting aspects of consumer behaviour. This also is a crucial area of exploration for the marketers for their survival and growth in a competitive environment. Almost all marketing strategy decisions are inextricably related directly or indirectly with the level of brand loyalty. Marketers are therefore, increasingly interested to probe deep into the inner world of

consumers by examining the most plausible factors leading to brand loyalty so as to develop successful marketing strategies in highly competitive environment.¹

1.2. REVIEW OF LITERATURE

Brand loyalty, a fascinating but intriguing phenomenon has been a subject of study in the West since about 1920s. Since then, hundreds of studies concerned with brand loyalty have been undertaken in various countries with different marketing environment. However, for a variety of reasons, studies investigating this critically important aspect of marketing are sporadic in our country. A brief review of such dispersed efforts of research in the field of brand loyalty available with the researcher is attempted in the following paragraphs.

1. An important study relating brand and store loyalty was attempted way back in 1956 by Cunnigham, R.M. (1956).² He attempted to find out whether consumers who are brand loyal are also store loyal. However, the study could not establish a close association between store and brand loyalty.

2. Mitterstaedt, R. (1959)³ observed that brand loyalty may be the cause of purchase dissonance felt by the consumer at the time of purchase of a certain product 'A'. And such experiences may lead him to repeat purchase of product 'B' .

3. Peesemiers, E.A., (1959)⁴'s approach to brand switching behaviour was based on the price factor. He emphasised the fact that price increase in the most preferred brand, relative to the price of the other brands, is instrumental to induce brand-switching behaviour in consumers.

4. Cunnigham, R.M., (1961)⁵undertook a study combining consumer loyalty to store and brand. He attempted to relate many store and brand loyalists and tried to

1 Panigrahi Rajeshwari and Raut Kishore Chandra , "Consumer and Brand Loyalty", Sonali Publications, New Delhi. 2006.

pp 26-28
2 Cunnigham, R.M., "Brand Loyalty, What, Where and How Much?" Harvard Business Review, Vol. 34, January/February, 1956, pp.116-128.

3 Mitterstaedt, R., "A Dissonance Approach to Repeat Purchasing Behaviour", Journal of Marketing Research, Vol. VI, November, 1959, pp. 444-446.

4 Pessenier, E.A., "A New way to Determine Buying Decisions", Journal of Marketing, Vol. 24, October, 1959, pp. 41-46.

5 Cunnigham, R.M., "Consumer Loyalty to Store and Brand", Harvard Business Review, Vol. 39. November/December, 1961, pp. 127-137

measure store loyalty by the concentration of total food products purchased on product by product basis. In all, eighteen product classes were identified and analysed. Out of the same, only three product classes showed statistically significant co-relation co-efficient. It was also made known in his study that high store loyalty did not necessarily contributed to high brand loyalty. When brand loyalty was measured on a product by product basis, significant association was found to exist in high brand loyal families concentrating their purchases in that product class in one store.

5. Tucker W.T., (1964)⁶ defined brand loyalty as three successive preference of the same brand in their empirical studies of this concept.

6. Ronald, F. and Harper, B. (1965)⁷ conducted a comparative study and indicated that socio-economic variables could not be differentiated between private and manufacturers' brand loyal consumers.

7. Cunningham, S.M. (1967)⁸ examined the pattern of consumer behaviour regarding the selection of one's favourite brand and its non-availability. He also analysed purchasing behaviour regarding the number of brands purchased, and the percentage of money spent on most frequently purchased brands by using a brand loyalty score. Relationship between brand loyalty and certain personality measures was observed in the Study .

8. Sheth, J.N. and Veketasan, M., (1968)⁹ suggested that perceived risk is a necessary condition for the development of brand loyalty. They tried to relate factors like cognitive dissonance and perceived risk of brand loyalty. They conducted a study in laboratory suggesting that perceived risk is essential for the development of brand loyalty. The sufficient condition being the existence of well established brands which the consumer can rely.

6 Tucker W.T. "The Development of Brand Loyalty", Journal of Marketing Research, August, 1964, pp. 32-35.

7 Ronald, F., and Harper, B., "Private Brand Prone Grocery Customers Really Different", Journal of Advertising Research, Vol. 5, December, 1965, pp. 27-35

8 Cunningham, S.M., "Perceived Risk and Brand Loyalty in Donald Coaxed Risk Taking Information Handling in Consumer Behaviour" Boston Harvard University Press, 1967, pp. 507-52.

9 Sheth, J.N., and Venkatesan, M., "Reduction Process in Rectitude Consumer Behaviour", Journal of Marketing Research, Vol. V, August, 1968, pp. 307-310.

9. Seth, J.N. (1968)¹⁰ study on brand loyalty is based on the factor analytic approach which relates to the frequency of purchases of a brand to patterns of these purchases by the consumers and gauge the level of brand loyalty.

10. Simon, J.L. (1969)¹¹ attempted to analyse the effect of advertising on the sales of brand. The role of advertisements in shaping one's image and perception of brands is known. Many researchers have attempted to study the role of advertisements on brand loyalty. A successful advertisement must be able to transfer its distinctive image and appeal over to the brand.

11. Carman, J.M. (1970)¹² was able to measure brand loyalty in some specific purchases made by consumers of certain brands during a set period of time. According to him, brand loyalty is closely associated with the consumers shopping pattern and the amount of money spent by consumers in shopping. There is also a close relationship between the amount of money spent on purchases, the brand last purchased, inter-purchase time, and store loyalty.

12. Bird, M., Chanon, C, and Eherenberg, A.C., (1970)¹³ in their paper observed that attitudes and usage level vary for different brands. The relationship between the attitudinal change and behavioural change with regard to the same group of people was analysed and studied by Chanon and Ehrenberg.

13. Newman, J.W. and Webal, R.A. (1973)¹⁴ in their study found that there exists a close relationship between brand loyalty and the satisfaction derived after using the particular brand purchased. Many researchers emphasized the fact that store loyalty was one of the most important factors correlating with brand loyalty. This may be due to the reason that store loyalty of a customer may restrict his choice to the limited variety of brands available to him in the store he is used to purchasing. The duo in their paper pointed out the known fact that brand loyalty is the natural outcome of

10 Sheth, J.N., "A Factor Analytical Model of Brand Loyalty", *Journal of Marketing Research*, Vol 5, Nov. 1968, pp. 395-404

11 Simon, J.L., "The Effect of Advertising on Liquor Brand Sales", *Journal of Marketing Research*, Vol. VI, August, 1969, pp. 301-305.

12 Carman, J.M., "Correlates of Brand Loyalty Positive Results", *Journal of Marketing Research*, February, 1970.

13 Bird, M., and Chanon, C. and Ehrenberg, A.C., "Brand Image and Brand Usage", *Journal of Marketing Research*, Vol. VII, August, 1970, pp. 307-314.

14 Newman, J.W., and Webal, R.A., "Multivariate Analysis of Brand loyalty for Major House Hold Appliances", *Journal of Marketing Research*, Vol. X, November, 1973, pp. 404 - 409.

brand satisfaction. They observed that a relatively strong relationship exists between brand loyalty and satisfaction with a present product of that brand.

14. Weinberg, C.B., (1973)¹⁵ in his study pointed out that competing brands occupying the market shelves contribute to disloyalty. This is because of one's personal experience and information gained through trying these brands.

15. Shopping-proneness is another characteristic that has been related to brand loyalty. Consumer who are not shopping prone, shop in relatively few stores. Within these stores, they tend to be loyal to a small number of brands rather than make careful choices between the values being offered by these stores. When the store in which the shopper normally makes a purchase, undergoes substantial change (such as ownership), it may also affect the buyers loyalty to the manufacturer's brand purchased from that store earlier. The study undertaken by Norstorm, R.D. and Swan, J.E., (1976)¹⁶ on auto buyers, discloses the above findings.

16. Consumers with relatively lower income do not indulge in extensive shopping as their means are also limited. They also make less use of the shopping alternatives available. Goldman, A. (1976)¹⁷ in his study on furniture came out with the above findings.

17. Singh, J.D. and Singh, R., (1981),¹⁸ in their study examined the store patronage behaviour of groups and found a positive correlation between brand and store loyalty of the consumers.

18. Some brands have value expressive dimensions, especially, commodities like clothing. Swartz, T.A. (1983)¹⁹ in her study described the brand symbols and message differentiation. She concluded that individuals had different interpretations for different brands of the same product. The extent to which functional differences

15 Weinberg, C.B., "The Decay of Brand Segments", *Journal of Advertising Research*, Vol. XIII, February, 1973, pp. 44- 47.

16 Norstorm, R.D., and Swan, J.E., "Does a Change in Customer Loyalty Occur when a New Car Agency is Sold", *Journal of Marketing Research*, Vol.XXII, May, 1976, pp.- 173-77.

17 Goldman, A., "Do lower income consumers have a more restricted shopping scope?" *Journal of Marketing*, Vol. 40, January, 1976, pp. 46- 54.

18 Singh, J.D. and Singh, R, "A Study of Brand Loyalty in India", *Indian Journal of Marketing*, Vol. XX, July/August, 1981, pp. 15-20.

19 Swartz, TA., "Brand Symbols and Message Differentiation, *Journal of Advertising Research*, Vol. 23, 5 October/November, 1983, pp. 59-63

between brands of the same product were minimal, and "message different"... was described as a viable differentiation strategy.

19. The study made by Agrawal, A.K., (1983)²⁰ on contributory factors of brand loyalty status of Indian consumers revealed that consumers in general, have been found to be quite loyal to the brands of frequently purchased items. The store loyalty was also observed to be high, though not as high as brand loyalty. Income of the household, size of the family and the age of the household were positively correlated with brand loyalty.

20. James, R.P., (1994)²¹ in his study examined the brand loyalty and brand switching behaviour of cooking oil consumers and observed the existence of a positive relationship between age and education of the consumers and their brand loyalty. Television and newspaper advertisements played a significant role in shaping the brand loyalty behavior of the housewives. Mostly out of stock situation (OSS) led to brand switching behaviour with the consumers. Besides, store loyalty and brand loyalty of the consumers are positively correlated.

21. Raut, K.C. and Nabi, M.K., (1998)²² examined how far the post purchase sequential pattern of favourable post purchase experience, high purchase intentions, brand loyalty, repeat purchases and recommendation to potential buyers in that order holds good in the Indian marketing environment in case of durable product like television. They concluded that even high level of satisfaction at post purchase stage is not adequate to inculcate strong brand loyalty. In short, brand loyalty behaviour of television owners more or less remained fragile suggesting that brand loyalty varied for different types of products/ categories.

22. Elif Akagun, Handan Ozdemir and Neruettin Parilti, (2005)²³ in an article published in the Journal of Business and Economics Research – May, 2005, titled Brand Loyalty in the Cosmetics Industry: A field study on Turkish women's Brand

20 Agarwal, A.K., "Brand Loyalty Status of Indian Consumers—A Study of Contributing Factors, Doctoral Dissertation submitted to Lucknow University, 1983.

21 James, R.P., "A Study of Brand Loyalty in Edible Oils among Educated Housewives in Tamilnadu," Unpublished Doctoral Dissertation Submitted to University of Madras, 1994.

22 Nabi, M.K., and Raut, K.C., "Brand Loyalty Behaviour of Colour TV Owners", Indian Management, Vol. 37, September, 1998, pp. 51-55.

23 Elif Akagun, Handan Ozdemir and Neruettin Parilti, "Brand Loyalty in the Cosmetics Industry: A field study on Turkish women's Brand Loyalty among Cosmetics Products", Journal of Business and Economics Research, (2005)

Loyalty among Cosmetics Products, studied the level and pattern of brand loyalty among Turkish women. They have further tried to analyse the relationship between demographic factors like age, education level, city of residence and occupation and brand loyalty; the relationship between factors that cause loyalty for and switching of brands and the Turkish women's Brand loyalty behavior . They concluded that firstly, Turkish women do have brand loyalty among the skin care products they use; secondly, there is no significant relationship between a woman's brand loyalty for skin care products and her age and education level but the city of residence of a woman and brand loyalty for skincare products are related to each other. Thirdly, when analyzing the relationship between a woman's brand loyalty and the reasons that a particular brand is selected, they found that factors like product advertisements, recommendations of family and friends, wide availability of the product and the brand name's reputation had significant relationship with a woman's brand loyalty for skincare products but factors like price of the product, packaging, sales promotion, and product-skin type matching did not. And finally they found out that there is significant relationship between a woman's brand loyalty and her behavior that results from being unable to find the desired product while shopping at a store and when the product is finished in stock.

23. Panigrahi Rajeshwari and Raut Kishore Chandra, (2006)²⁴ in a book titled "Consumer and Brand Loyalty." have comprehensively covered the Level and Pattern of Brand Loyalty Behaviour of consumers in the Indian Marketing Environment. Based on a survey work, the book explores the complexities of brand allegiance behavior of FMCG buyers. It attempts a subjective understanding of the factors having a direct bearing on the loyalty level and pattern of consumers at the market place.

24. Nair Vinith Kumar and Pillai Prakash R., "A Study on Purchase Pattern of Cosmetics among Consumers in Kerala", (2007).²⁵ The study analyses the purchase patterns and spending styles of people belonging to different segments of Cosmetic consumers in Kerala.

24 . Panigrahi Rajeshwari and Raut Kishore Chandra , "Consumer and Brand Loyalty", Sonali Publications, New Delhi. 2006.

25. Nair Vinith Kumar and Pillai Prakash R., "A Study on Purchase Pattern of Cosmetics among Consumers in Kerala", International Marketing Conference on Marketing & Society, 8-10 April, 2007

1.3. THE BACKDROP

1.3.1. Brand Loyalty

The most cited definition of brand loyalty is probably the one given by Jacoby and Olson (1970): **“The biased, behavioral response, expressed over time, by some decision-making unit, with respect to one or more alternative brands out of a set of such brands, and is a function of psychological processes”**. Selling to brand loyal customers is less costly than converting new customers. Loyalty reduces the sensitivity of consumers to marketplace offerings, which gives the company time to respond to competitive moves (Aaker,1991). In addition, brand loyal customers are less price sensitive). Due to all of these factors, managers must realize the importance of brand loyalty and give it sufficient consideration in their decisions.

Brand Loyalty is in fact recognized as an asset and consumers are willing to pay more for a brand. Well established brand names continue to contribute investment and time in upholding Brand Identity, preserving Brand Loyalty and developing new product lines so as to occupy more market share. Marketing managers realize the rising trends of Brand Switching and recognize Customer Retention as an easier and more reliable source of superior performance. Therefore it is important for marketers to acquire more knowledge in Brand Loyalty.

1.3.2. Cosmetics

Cosmetics refer to all products used to care for and clean the human body and make it more beautiful. The main goal of such products is to maintain the body in good condition, protect it from adverse effects of the environment and the aging process, change the appearance and make the body smell nicer. Thus the products used for the purpose of cleansing, beautifying, promoting attractiveness or altering one's appearance are termed as cosmetics. Any of the several preparations (excluding soap) applied to the human body for beautifying, preserving or altering one's appearance or for cleansing, colouring, conditioning or protecting the skin, hair, nails, lips, eyes or teeth are included in Cosmetics and are commonly termed as 'Cosmetics and Toiletries.'

The earliest known cosmetics were in use in Egypt in the 10th millennium B.C. The Romans and Ancient Egyptians used cosmetics containing mercury and often lead. In

the western world, the advent of Cosmetics was in the middle ages, although restricted to use within the upper classes. Cosmetics use was also questioned at some points in history when in the 19th century, Queen Victoria publicly declared make up improper. It was viewed as degrading and acceptable only for use by actors. By the middle of the 20th Century, Cosmetics were in wide spread use in nearly all societies around the world.

1.3.3. The Global Cosmetics Industry

The Cosmetics Industry today is a multinational, multi –billion dollar industry. In 2009, the Global Beauty and Personal Care Market was valued at U.S. \$ 406.5 billion, up 17% from U.S. \$ 348.7, in 2005 (in fixed exchange rate terms). A look at the global distribution of Cosmetics Consumption in the year 2009 revealed that Europe was the Leader with 39.5 % Market Share, North and South America together followed with 34 %, and Asia – Pacific had a Market Share of 26.4 % . Global market shares of the cosmetics products according to their revenues amounted to 27.2 % Over The Counter Health care Products, 17.1% % Skin care Products, 10.5 % Hair care Products, 7.9 % Colour Cosmetics and Remaining 29.7% comprised Shares of Other Categories of Cosmetics Products. Of the major players in the Cosmetics industry in 2009, were the oldest and the largest is L’Oreal, founded in France as a hair colouring company. The market was developed in the U.S.A. during the 1910s by Elizabeth Arden, Helena Rubinstein and Max Factor which were followed by Revlon before and Estee Lauder just after the World War II. As of 2009, In terms of Global Company Shares, Procter & Gamble Company, together with its subsidiaries, which manufactures and sells various consumer products worldwide is the largest player in the Global Cosmetics Industry with a market share of 11.7% , followed by The L’Oreal Groupe with 10.1% market share, And Unilever Group with a market share of 6.8% . And so far as Brand Shares in 2009 were concerned, the World’s Leading Brand was Avon with a Market Share of 3.4%, followed by L’Oreal Paris in second place, with a Market Share of 3.2% and Nivea with a Market Share of 2.8% in third place.²⁶

1.3.4. The Indian Cosmetics Industry:

26. Euromonitor International “Global Beauty and Personal Care Report”, 2010.

The Indian Cosmetics Industry is growing in terms of product development and marketing. The preference of Indian consumers is changing from merely functional to more 'advanced and specialized' cosmetics items. In 2005 the sales of Cosmetics & Toiletries in India stood at nearly Rs.176.025 billion, which was a 7 % rise over the Cosmetics & Toiletries sales in the year 2004 which were Rs.164.614 billion. And in the year 2009 the sales reached Rs. 277.302. Thus, a 58% growth in the Retail Sales of Cosmetics and Toiletries in India was observed over the five years spanning from 2005-2009. India is one of the fastest growing markets of Cosmetic & Toiletries in the world.

The entry of many multinationals into the Indian Cosmetics and Toiletries industry post 2005 has made it an extremely challenging and dynamic market. Foreign players are focusing more on product innovation; re launches and brand extensions spread across multiple price points and enhanced product penetration by extending their distribution networks. Briney has described an interesting trend among Indian Consumers; while global countries are taking to the traditional Indian herbal and ayurvedic applications for beauty solutions, Indian consumers are increasingly attracted to international personal care brands as lifestyle enhancement products in the belief that the association with the use of international brands confers upon oneself a sophisticated and upper class image .

Malhotra (2003) described the main reasons for boom in cosmetic industry as increasing fashion and beauty consciousness coupled with rising incomes and focus on health and fitness. To complement this, beauty culture or cosmetology has emerged as a major occupational avenue with significant commercial potential. New scientific developments, techniques, products and media hype, has contributed the Indian fashion industry in generating mega revenues and this has in turn added to the growth of cosmetic industry.²⁷

Rising hygiene and beauty consciousness due to changing demographics and lifestyles, deeper consumer pockets, rising media exposure, greater product choice, growth in retail segment and wider availability are the reasons reported by

27 Nair Vinith Kumar and Pillai Prakash R., "A Study on Purchase Pattern of Cosmetics among Consumers in Kerala", International Marketing Conference on Marketing & Society, 8-10 April, 2007, pp, 582.

(Euro monitor International, 2010). Over recent years, India has seen increasing literacy levels, penetration of satellite television, growing urbanization and greater beauty awareness among women, which has resulted in rewarding growth opportunities to cosmetics and toiletries manufacturers. Around 44.6 % of value sales (2009) of cosmetics & toiletries market in India are with three market leaders i.e. The Unilever Group, Colgate Palmolive Ltd., and Dabur India Ltd. The rest is very fragmented with hundreds of companies trying to penetrate into India and maintain if not increase their market share. These include well known Indian Brands like Marico, Godrej, etc. and International brands like Avon , Oriflame, P&G, L'Oreal , Revlon, Christian Dior, Estee Lauder, Nivea, Chambor, Lancome , Calvin Klein, Elizabeth Arden, Johnson & Johnson , etc.

1.3.5. Rationale of the Study:

Favorable Demographics for growth of Cosmetics sector vis- a vis increasing competition due to Globalization – the underlying reasons for companies to consider Brand Loyalty as a valuable asset in retaining existing consumers and attracting Brand Switchers.

- **Demography of India**

The population of India as per the 2001 census stood at over One Billion comprising of 531 million males and 496 million females. Also 3/4ths of India's male population and a little more than half of the female population are now literate. During 1991-2001 , Literacy rates improved drastically from 52.01% in 1991 to 65.38% in 2001; thus showing an improvement of more than 13 % points The more glaring aspect of improving literacy rate is the significant rise of 14.87% in the female literacy rate which is more than the increase of the male literacy rate, which has increased by 11.72%.²⁸

- **Women and the Cosmetics Connection-**

Increasing women workforce - the reason behind the Cosmetics Boom in India.

Again the growing number of women in white –collar jobs and their growing taste for sophistication has propelled India to become one of the fastest growing markets for

28. Census of India, 2001.

cosmetics & toiletries in the world according to a study released by the global consulting and research firm Kline and Company. The Indian women entering the workforce are placing greater emphasis on personal appearance and spending more to look their best.

Thus on the one hand, the favourable demographics of India as a whole including her various states pose a unique opportunity for global cosmetics giants as well as domestic companies to generate additional revenues through sales in India , on the other hand, the increasing competition in the Indian Cosmetics Industry due to the entry of foreign multinationals post 2005, has posed a tremendous threat to the players in the Cosmetics & Toiletries industry by making the Indian market an extremely challenging and a dynamic one.

It is in this backdrop that the researcher would like to underline the significance of the concept of 'Brand Loyalty' as a valuable asset at to disposal of various companies in the field and to analyse its role of helping to retain existing customers, as selling to brand loyal consumers is far less costly than attracting new consumers. Thus, **Brand Loyalty** is a reflection of Brand Equity, which, for many businesses is the largest single asset.

- **Brand Switching -a major challenge for companies to face**

Many marketing managers are concerned with a growing trend towards brand switching. Markets in which first-time purchases are rare, advertising if it works at all affects brand shares by either inducing, switching or retaining customers who otherwise might switch.

Among the reasons given for the decline in brand loyalty are consumer boredom or dissatisfaction with a product, the dazzling array of new products that constantly appear in the market-place and an increased concern with price at the expense of brand loyalty.

Advertisement also plays a vital role in the direction of brand switching. The three possible consequences advertising exposure can have on the brand choice behaviour of a household are: It can increase the probability that the household will change brands, it can induce the household to stay with the brand last purchased (leading to repeat purchasing) or it can have no effect on choice probabilities.

Major triggering influence on brand substitution is exposure to another alternative. This new information in effect causes the consumer to re-examine established beliefs and attitudes, with the result that intentions may shift. Some brand switching occurs as a result of a lowered price, but this does not necessarily signal any real change in beliefs and attitudes.

At times, the consumer has a set of alternatives perceived about price equality and a reduced price can readily lead to a temporary shift in choice. Restoration of relative price parity, however is generally accompanied by a return to the brand purchased most frequently, all things being equal.

Out of stock (OOS) conditions can also be an important situational determinant for brand switching. But, on the whole the possibility of a substitute brand to be purchased depends upon the degree of brand loyalty existing in that product category. If the purchase is strictly based on low involvement and habit, there is high possibility of loyalty shift. The most important factor here is the awareness of the manner in which situational factors can affect choice. It is always possible on the part of the marketer to take into account of the influence of controllable factors such as out of stocks and minimise the extent of brand switching to a great extent for the marketer.

1.4. RESEARCH DESIGN

The research Design of a Study outlines the nature of information required for the purpose of the study, the method of data collection, the technique used for the analysis and interpretation of the data for the study.

1.4.1. Problem Identification and Formulation

As is evident from the description above, till date, good amount of researches were undertaken to study various aspects of Brand Loyalty at the International Level. However one is yet to come across similar researches in the field of Brand Loyalty at the National Level in India or within the State of Gujarat, since the concept of Branding is yet to pick up in a developing nation like ours as compared to western more developed nations.

Against such a backdrop, the researcher has decided to undertake a study that extends over a wide canvas entailing a comprehensive examination of the brand

loyalty behavioural pattern of the women skincare cosmetics consumers in the state of Gujarat , titled –

“A STUDY OF BRAND LOYALTY AND IT’S EFFECT ON BUYING BEHAVIOUR IN CASE OF SELECTED COSMETICS PRODUCTS IN THE STATE OF GUJARAT”

1.4.2. Scope of the Study:

a. Geographical Scope – Geographically, this study covers Women Skincare Cosmetics Users residing in the Four Major Cities of the state of Gujarat, v.i.z. Ahmedabad, Surat, Vadodara and Rajkot. The study does not cover other cities or the rural areas of the state.

b. Functional Scope- The Study is Restricted to the Analysis of only the **Brand Loyalty aspect** in the area of Brand Management which again is a part of Marketing Management at large and covers only **Women Skincare Cosmetics Users** and not Men. Also, Since the Beauty and Personal Care Industry is the aggregation of a wide range of Product Category Manufacturers like Baby care, Bath and Shower Products, Deodorants, Hair care, Skin care, Colour Cosmetics, Men’s Grooming Products, Oral Hygiene, Perfumes and Fragrances, Depilatories and Sun care, each of which is an area of analysis separately, the Researcher has decided to focus only on the **Skincare Cosmetics Buyers (Women)** of the State of Gujarat.

1.4.3. Nature and Sources of Data:

Since the study is analytical and empirical in nature, it is based both on primary and secondary data. The Primary data were collected by the researcher through a well designed, structured and comprehensive questionnaire developed by the researcher in view of the theoretical literature and existing research findings as also the objectives of the research study (a copy of the questionnaire is given in the Appendix in the end) The close-ended questionnaire contained mainly dichotomous, multiple choice type questions and scaling questions with a five-point scale and some of the questions were in the form of ranking questions too. This questionnaire was administered to a sample of 800 women respondents residing in the Four Major Cities in the State of Gujarat.

The secondary sources of data like Internet, Journals Periodicals, Magazines, Newspapers, Books, Census Reports, Ph.D. Theses and Published Reports have been used for Literature Review, Conceptual Reference and analysis of the Global and Indian Beauty and Personal Care Industry at large and the Skincare Industry in particular, as also for better reliability of the study.

1.4.4. Sample Design

Keeping in view the problem and scope of the study, Convenience Sampling method of choosing Women Skincare Cosmetics Buyers was adopted to select the Respondents in the Four Major Cities of Gujarat to represent an overall picture of the state of Gujarat.

Though the Universe of the study comprised women skincare cosmetics buyers above 18 years of age of the whole the state of Gujarat, limitation of time coupled with the simple reason of convenience accounted for the geographic concentration of the sample to the Four Major Cities of Gujarat namely, Ahmedabad, Surat, Vadodara and Rajkot. Every possible effort though was made to include a cross section of the population in the sample.

1.4.5. Nature and Type of the Study:

This research work is in the form of 'ex-post -facto' study in which the researcher tried to study the existing perceptions of the Women Skincare Cosmetics Buyers regarding the Concept of Brand Loyalty , The Factors Affecting it and the Factors Affecting the Purchase of Skincare Cosmetics in general, etc, without manipulating in any way the scenario as it stands presently. Thus, this Study is largely Empirical in approach.

1.4.6. Objectives of the study:

The study has been carried out with the following main objectives:

- (i) To know the extent of Familiarity of Sample Respondents regarding concept of Brand Loyalty
- (ii) To analyse the Perceptions of the Sample Respondents about the Meaning and Definition of Brand Loyalty
- (iii) To measure the Level and Study the Pattern of Brand Loyalty for Skincare

Cosmetics Products among Women Skincare Cosmetics Buyers/ Consumers in the state of Gujarat .

- (iv) To Determine the Skincare Cosmetics Brands which enjoy the maximum Loyalty in various Skincare Product Categories
- (v) To identify the Brand Loyalists and Brand Switchers among the sample respondents And examine their brand loyalty status on the basis of demographic and socio economic characteristics.
- (vi) To analyse the Relationship between a Woman's Brand Loyalty for Skincare Cosmetics and the Personal and Product Related Factors affecting it.
- (vii) To analyse the Perceptions and Differences therein of Brand Loyals and Brand Switchers regarding Factors causing Loyalty/ Switching
- (viii) To examine the Brand Buying Behaviour of Women Skincare Cosmetics Users.
- (ix)) To identify the important factors that influence the Purchase of Skincare Cosmetics Products by Women.

1.4.7. Broader Hypotheses of the Study:

- (i) Women Buyers in the State of Gujarat are Loyal to their Favourite Brand/s of Skincare Cosmetics Product/s.
- (ii) There is significant difference between the levels of agreement of Brand Loyals and Brand Switchers regarding the Meaning of Brand Loyalty .
- (iii) There is significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and Personal and Product Related Factors affecting it.
- (iv) There is Significant Difference between the Perceptions of Brand Loyals and Brand Switchers regarding the Personal and Product Related Factors Affecting Brand Loyalty/ Switching.
- (v) There is significant relationship between a Woman's Brand Loyalty for Skincare Cosmetics Products and the Resultant Brand Buying Behavior.

1.4.8. Data Analysis

Primary Data collected through the questionnaire were classified, tabulated and Analyzed with the help of SPSS. Statistical Tools and Techniques such as Arithmetic Average, Cross Tabulations and Percentages were used for studying

Central Tendency and Ranks and for hypothesis testing- Wilcoxon's Matched –pairs Test, Sandler's Test and Chi-square Test were used as non-parametric tests at 5% level of significance.

The brief descriptions of the tests are as follows:

✓ **Mean**

Statistical averages (Measures of central tendency) tell us the point about which items have a tendency to cluster. Such a measure is considered to be the most representative figure for the entire mass of data. Mean, Median and Mode are the most popular averages. Mean, also known as arithmetic average, is the common measure of central tendency and may be defined as The Value which we get by dividing the total of the values of various given items in a series by the total number of items.

It can be worked out as under:

$$\text{Mean} = \frac{\sum X_i}{n} = \frac{X_1 + X_2 + \dots + X_n}{n}$$

where \sum = symbol of summation

X_i = value of the i^{th} item X, $i = 1, 2, \dots, n$

n = total number of items²⁹

✓ **Sandler's A-Test :**

In this test, A-Statistic is found as follows:

$$A = \frac{\text{The sum of square of the Differences}}{\text{The square of the sum of the Differences}} \quad \text{or} \quad \frac{\sum D^2}{(\sum D)^2}$$

The calculated value of A-Statistic is compared with its table value at a given level of significance for the given degrees of freedom (n-1) and if the calculated value of 'A' Statistic is more than its corresponding table value, the Null Hypothesis of 'no difference' between the paired data is accepted, otherwise the alternate hypothesis to denote 'difference' between the paired data is accepted for both one tailed and two tailed tests.

✓ **Wilcoxon's Matched –Pairs Test (or Signed Rank Test):**

29 . Kothari C.R., "Research Methodology", Wishwa Prakashan, New Delhi, 2000, pp. 163

This is a test used to test the differences between the paired data. In this test, the T-Statistic is calculated on the basis of the ranks assigned to the differences between the paired data. While assigning the ranks, the values of the differences are assigned ranks giving first rank to the lowest difference and higher ranks to subsequent higher differences ignoring plus –minus symbols. Thereafter, the total of the ranks is calculated separately for positive-sign differences and negative–sign differences. Of the two totals, the lesser value of the total is considered as the value of T- Statistic. The calculated value of T-Statistic is compared with the corresponding table value of the T-Statistic for a given level of significance and for given degrees of freedom (n-1). The Null Hypothesis of ‘no differences ‘ is accepted when the calculated value of T-Statistic is found greater than the corresponding table value of the T-Statistic; Otherwise the alternate hypothesis of having ‘the differences’ is accepted for both one tailed and two tailed tests.³⁰

✓ **Chi –square Test**

Chi-square test is an important non-parametric test and as such no rigid assumptions are necessary in respect of the type of population. Only the degrees of freedom and the size of the sample are required for using the test. As a non-parametric test, chi-square can be used (i) as a test of goodness of fit and (ii) as a test of independence. Chi-square is symbolically written as χ^2 .

As a test of goodness of fit, χ^2 test enables the researcher to see how well the assumed theoretical distribution (such as Binomial Distribution, Poisson distribution or Normal distribution) fit to the observed data. If the calculated value of χ^2 is less than the table value at a certain level of significance, the fit is considered to be a good one which means the divergence between the observed and expected frequencies is attributable to fluctuations of sampling. But if the calculated value of χ^2 is greater than its table value, the fit is not considered to be a good one.

As a test of independence, χ^2 test enables the researcher to explain whether or not two attributes are associated. If the calculated value of χ^2 is less than the table value at a certain level of significance for given degrees of freedom, it can be

30 Agrawal Vinita H. “A study of the Impact of HRD Practices and Measures to resolve pertinent challenging issues of HRD in commercial banks in India.”, Ph.D. Thesis, Saurashtra University , 2005.

concluded that the Null hypothesis stands which means that the two attributes are independent or not associated. And if the calculated value of χ^2 greater than its table value, then the Null hypothesis does not hold good and which means that the two attributes are associated and the association is not because of some chance factor but it exists in reality. Chi-square however, does not measure the degree of relationship or the form of relationship between two attributes, but it is simply a technique of judging the significance of such association or relationship between the two attributes.³¹

1.4.9. Presentation of the Research Report:

The research report has been prepared and presented under the sequentially arranged five chapters with the following brief details:

❏ Chapter -1: Research Methodology.

This chapter with deals Introduction to the study, Review of literature on Brand Loyalty and the Cosmetics Industry, The Back drop and Research Methodology.

❏ Chapter 2. Beauty and Personal Care Industry-Changing Scenario:

An Overview

This chapter gives an overview of the Beauty and Personal Care Industry covering the History of Cosmetics and the Evolution of the Cosmetics Sector, Global Beauty and Personal care - Its Market Analysis and Five Force Analysis and Market Forecasts at the Global Level of Beauty and Personal care Products, Beauty and Personal Care in India, Global Skincare- an Overview and Skincare in India.

❏ Chapter 3. Brand Loyalty – A Conceptual Framework:

This chapter gives a description of the Concept of Brand, Brand Building, Brand Equity, Brand Loyalty and its Significance in Marketing Management, Conceptual and Operational Definitions of Brand Loyalty, Factors causing Brand Loyalty, Levels and Patterns of Brand Loyalty and Brand Switching.

31. Kothari C.R., "Research Methodology", Wishwa Prakashan, New Delhi, 2000, pp. 280-282.

Chapter 4. Analysis of Data and Interpretation.

This chapter is completely based on Survey Results. It includes analysis of the Familiarity of Sample Respondents with the concept of Brand Loyalty, The Level of Brand Loyalty among Women in Gujarat, Demographic Profiling of Sample respondents, The identification of category wise Favourite Brands among the respondents, Analysis of Relationships between Brand Loyalty and Personal and Product Related Factors. Analysis of Perceptions and Differences therein of Brand Loyals and Switchers regarding Factors causing Loyalty/ Switching. Analysis of Brand Buying Behaviour of the Respondents and the Important Factors that influence the purchase of Skincare Products.

Chapter 5. Summary, Findings, Conclusions and Suggestions.

In this chapter, a brief summary of the research report, the major findings of the study together with overall conclusions and possible suggestions to marketers for effective brand management have been given.

1.4.10. Review Period for the Study

The review period for the Analysis done in Chapter 2 on The Global and Indian Beauty and Personal Care Industry and The Global and Indian Skincare Industry is from **2005 to 2009**. And the Forecast Period- **from 2009-2014**.

The Survey was conducted during December 2010 to June 2011.

1.5. LIMITATIONS OF THE STUDY:

The researcher is very much aware of the following limitations of the study

- (i) Sampling Approach has been used in this study. As such the study suffers from the Limitations of sampling in general. The specific Limitation of this study has been the Non-inclusion of Rural Respondents and respondents of cities other than the four most populous ones, due to time constraints.
- (ii) The present study being part of Behavioural Research as such suffers from the subjectivity biases of the respondents.
- (iii) Again this study is limited to the State of Gujarat so the generalization of conclusions of the study may therefore not have universal applicability.

- (iv) Admittedly, consumer behavior is product and very often situation specific. It may vary from one product to another or even differ for the same product from one user to another. Therefore, general applicability of the inferences and conclusions of a consumer behavior study like the present one cannot be claimed.
- (v) The time constraint has been a major limitation of this study.

Despite the limitations, the researcher has taken all care to process the data properly and to analyse it systematically. By and Large, the researcher believes that the conclusions of the study were least affected by the limitations mentioned above, for the sample is very large sized and cross sections of respondents have been chosen without the researcher's personal bias. Moreover, the researcher was very neutral while selecting the major cities of the State of Gujarat judiciously, though convenience factor prevailed in this process of identification.

1.6. SIGNIFICANCE OF THE STUDY:

All these Limitations notwithstanding, the findings and conclusions of a study of the kind without doubt provide an empirical basis to the studies of consumer behavior in a developing economy like ours. As a matter of fact consumer research studies throughout the globe provide a new dimension to the existing literature and throw new light on an unexplored aspect of consumer behavior. Therefore the importance of such studies can hardly be overemphasized.

CHAPTER - 2.

BEAUTY AND PERSONAL CARE

INDUSTRY-

CHANGING SCENARIO:

AN OVERVIEW

CHAPTER - 2.

BEAUTY AND PERSONAL CARE INDUSTRY- CHANGING SCENARIO: AN OVERVIEW

Chapter.2.	BEAUTY AND PERSONAL CARE INDUSTRY- CHANGING SCENARIO: AN OVERVIEW	23-73
2.1.	INTRODUCTION	23
2.2.	COSMETICS AND TOILETRIES-DEFINITIONS	24
2.3.	THE HISTORY OF COSMETICS	27
2.4.	ANALYSIS OF BEAUTY AND PERSONAL CARE INDUSTRY	32
	2.4.1 Global Beauty and Personal Care	32
	2.4.2. Beauty and Personal care - India	42
2.5.	ANALYSIS OF SKINCARE INDUSTRY	53
	2.5.1. Global Skincare	53
	2.5.2. Skin care- India	62

CHAPTER -2. BEAUTY AND PERSONAL CARE INDUSTRY- CHANGING SCENARIO: AN OVERVIEW

2.1. Introduction :

Cosmetics refer to all products used to care for and clean the human body and make it more beautiful. The main goal of such products is to maintain the body in good condition, protect it from adverse effects of the environment and the aging process, change the appearance and make the body smell nicer. Thus the products used for the purpose of cleansing, beautifying, promoting attractiveness or altering one's appearance are termed as cosmetics. Any of the several preparations (excluding soap) applied to the human body for beautifying , preserving or altering one's appearance or for cleansing, colouring, conditioning or protecting the skin, hair , nails , lips, eyes or teeth are included in Cosmetics and are commonly termed as '**Cosmetics and Toiletries.**'



Source: www.googleimages.com

The Beauty and Personal Care market or the Cosmetics and Toiletries market as it is alternatively known, consists of the retail sales of over the counter healthcare products, skincare, hair care, makeup, fragrances, Colour Cosmetics, Baby Care, Oral Care, etc. as shown in the figure below in general



Source: Euromonitor International

Strictly defined- **Cosmetics** cover Colour Cosmetics, Fragrances and Skin Care, whereas **Toiletries** include, Baby care, Bath and shower products, Deodorants, Depilatories, Hair care, Men's grooming Products, Oral Hygiene and Sun care. In this sense when skin care or the skin care industry is referred to or discussed, it can be analysed under the head- **cosmetics, or skincare products can be considered cosmetics products.**

2.2. Cosmetics and Toiletries- Definitions:

1. Cosmetics-

1a. According to Guidelines issued by ICNA Act *Industrial Chemicals (Notification and Assessment) Act 1989* and NICNAS National Industrial Chemicals Notification and Assessment Scheme. Australia.

The definition of a cosmetic includes:

“A substance or preparation intended for placement in contact with any external part of the human body, including: the mucous membranes of the oral cavity and the teeth; with a view to: altering the odours of the body; or changing its appearance; or cleansing it; or maintaining it in good condition; or perfuming it; or protecting it.

Ingredients used in cosmetics and toiletries, including perfumes and fragrances, may be classed as industrial chemicals. This includes ingredients found in finished products - whether sold to the consumer or used in (for example) hair and beauty salons.

It also includes those cosmetic ingredients referred to as 'natural' ingredients or substances, such as oils, extracts and essences of plants. A naturally-occurring chemical means an unprocessed chemical occurring in a natural environment; or a chemical occurring in a natural environment, being a substance that is extracted by: Manual, mechanical or gravitational means; or Dissolution in water; or Flotation; or A process of heating for the sole purpose of removing uncombined water; all without chemical change in the substance. These ingredients are exempt from NICNAS requirements.”

1.b. The Food, Drug, and Cosmetic Act (FD&C Act) U.S.A. defines cosmetics by their intended use, as:

"articles intended to be rubbed, poured, sprinkled, or sprayed on, introduced into, or otherwise applied to the human body...for cleansing, beautifying, promoting attractiveness, or altering the appearance" [FD&C Act, sec. 201(i)]. Among the products included in this definition are skin moisturizers, perfumes, lipsticks, fingernail polishes, eye and facial makeup preparations, shampoos, permanent waves, hair colors, toothpastes, and deodorants, as well as any material intended for use as a component of a cosmetic product.



Source: www.googleimages.com

2. Category Definitions-

Beauty and Personal Care- This is the aggregation of baby care, bath & shower products, deodorants, hair care, colour cosmetics, men's grooming products, oral hygiene, perfumes & fragrances, skin care, depilatories and sun care. Black market sales and travel retail are excluded.

Baby Care-Includes products for babies and toddlers aged 0-3 years and products for children under 11 years of age.

Bath and Shower-This is the aggregation of bar soap, bath additives, body wash/shower gel, intimate washes, intimate wipes, liquid soap and talcum powder.

Colour Cosmetics- Includes foundation, rouge, face powder, blusher, highlighters, face bronzers and 2-way cake products.

Deodorants- Includes deodorants and antiperspirants in cream, pump, roll-on, spray, stick and wipe format.

Depilatories- This is the aggregation of women's pre-shave products, razors & blades and hair removers/bleaches.

Fragrances- This is the aggregation of men's, women's and unisex mass and premium fragrances. The distinction between mass market and premium is normally by price and label/positioning (mass fragrances rarely carry a designer label) and distribution.

Hair Care- This is the aggregation of shampoos, styling agents, 2in1 products, perms and relaxants, colorants and salon hair care.

Men's Grooming- This is the aggregation of men's shaving products and men's toiletries.

Oral Care- This is the aggregation of toothpaste, toothbrushes, mouthwashes/dental rinses, denture care, mouth fresheners, at-home teeth whiteners and dental floss.

Skin Care - This is the aggregation of facial care, body care and hand care.

Sun Care - This is the aggregation of sun protection, after sun and self-tanning products.

Premium Cosmetics-

This is the aggregation of premium colour cosmetics, fragrances, skin care, sun care and hair care. The distinction between mass market and premium is normally by price and label/positioning (mass cosmetics rarely carry a designer label) and distribution. **A brand is considered premium** when it is thought to be so by a majority of the population aware of that brand and its parent company.

Other perception considerations include a brand's label/positioning relative to established premium brands in a given local market. Brands generally considered premium in most countries include designer labels such as Yves Saint Laurent, Christian Dior, Chanel, names such as Estee Lauder, Lancome, Origins and Elizabeth Arden, etc.

Price (Lack of Discounting) while price is never used as the sole criteria for identifying a premium brand, premium products are generally priced near the top of the broader category, are typically not discounted, and tend to be targeted at middle to upper-income consumer groups. Wide pricing differences within sectors can still exist, however, depending on the type of product and any added properties.

Other Factors:

(1) Distribution: typical premium distribution channels include department

stores, perfumeries (e.g. Sephora) and up market specialists (e.g. Space NK, Origins). Because of factors related primarily to consumer perception, the Direct Selling channel is typically considered to be more of a mass distribution channel, particularly in Europe and the Americas.

(2) Science/Technology: perceived superiority of ingredient quality and/or technology patents.

\\\\\\\\\\(3) Packaging: more expensive and/or trendy packaging design.

(4) Training: sophisticated and extensive sales staff education (typically referring to department store counter staff, but also including specialized direct sales training).

Mass Cosmetics:

Any brand not receiving a Premium designation according to the criteria above receives a Mass designation.

2.3. The History of Cosmetics

Ever since the Egyptian era, cosmetics have been used quite commonly. They were usual in the Roman Empire and the Ancient Greece Empire, as well. The thought of putting on cosmetics in order to improve the facade of youth in ideal health is applicable right up to today. Colorful cosmetics conceal the appearance of pale lips and fingernails, whitish cheeks and dry hair. A lot of the cosmetics that were used in the past consisted of hazardous ingredients. Perhaps the dangers were unknown then, but there is no excuse for these same hazardous ingredients to continue to be used today. Frequently, there was more significance emphasized on the application of makeup rather than cleaning and washing the skin.

In the history of cosmetics, whitening the face was actually one of the most usual cosmetic rituals from the 14th century onwards. This remained popular in the 18th century. A combination of hydroxide, lead oxide, and carbonate was frequently used. This could cause paralysis of the muscles or even death when being used repetitively. In the 18th century, it was substituted by zinc oxide.

Another method, in order to have whiter skin, was by bleeding yourself. This was completed by utilizing the general medical practice of making use of leeches. A more severe, but seldom used method was referred to as cupping. This consists of

secreting blood by air heating in a glass cup whilst holding it closely against the skin. If the heat supply is removed, the cool air leads to a vacuum.

In the 1920s history of cosmetics, possessing tanned skin became in style when Coco Chanel was spotted sporting one on the yacht of the Duke of Westminster. The thought of having a tanned skin tone became more striking. Thus, products were created in order to achieve this artificial color.

The painting of the fingernails has been part of the history of cosmetics for a long period of time. The first evidences date from 3000 BC in the country of China. They made use of gum Arabic, gelatin and egg whites to produce a varnish. Silver and gold nail colors were used by the noble families in China. The colors red and black were also used in the 1st century AD. The lesser classes were only permitted to use pale colors. In Egypt, the color of the nail varnish was also used to represent social rank. Henna was also used to paint the nails. Now, nail varnish has an assortment of colors and is actually a variant of car paint.

Dressing hair and hair dye isn't new. The Greeks, Romans and Ancient Egyptians all have a history of intricate forms of dyeing and hairdressing. The majority of the past hair dyes like henna, sage, chamomile and indigo, could only give the hair a darker color. Female Romans would boast their dark and shiny hair that has been colored with a combination of leeks and boiled walnuts. They also made use of blond-colored dyes made from ashes and goat fat.

It was in the year 1907 that the very first artificial dye was invented by Eugene Schueller, a French chemist. It was initially named Aureole, but was later changed to what is now known as L'Oreal.

A HISTORY OF COSMETICS FROM ANCIENT TIMES



Source: www.googleimages.com

"A woman without paint is like food without salt."

- Roman philosopher, Plautus

Civilizations have used forms of cosmetics -- though not always recognizable to cosmetics users today -- for centuries in religious rituals, to enhance beauty, and to promote good health. Cosmetic usage throughout history can be indicative of a civilization's practical concerns, such as protection from the sun; class system; or of its conventions of beauty.

The timeline below represents a brief history of cosmetics usage, beginning with the Ancient Egyptians in 10,000 BCE up through the beginning of the 20th Century.

COSMETICS IN THE ANCIENT WORLD

10,000 BCE: Men and women in Egypt used scented oils and ointments to clean and soften their skin and mask body odor. Cosmetics were an integral part of Egyptian hygiene and health. Oils and creams were used for protection against the hot Egyptian sun and dry winds. Myrrh, thyme, marjoram, chamomile, lavender, lily, peppermint, rosemary, cedar, rose, aloe, olive oil, sesame oil, and almond oil provided the basic ingredients of most perfumes that Egyptians used in Religious rituals.



Source: www.googleimages.com

4000 BCE: Egyptian women applied galena mesdemet (made of copper and lead ore) and malachite (bright green paste of copper minerals) to their faces for color and definition. They employed a combination of burnt almonds, oxidized copper, different-colored coppers ores, lead, ash, and ochre — together

called kohl — to adorn the eyes in an almond shape. Women carried cosmetics to parties in makeup boxes and kept them under their chairs.

3000 BCE: Chinese people began to stain their fingernails with gum arabic, gelatin, beeswax, and egg. The colors used represented social class: Chou dynasty royals wore gold and silver, with subsequent royals wearing black or red. Lower classes were forbidden to wear bright colors on their nails.



Grecian women painted their faces with white lead and applied crushed mulberries as rouge. The application of fake eye brows, often made of oxen hair, was also fashionable.

Source: www.googleimages.com

1500 BCE: Chinese and Japanese citizens commonly used rice powder to make their faces white. Eyebrows were shaved off, teeth painted gold or black and henna dyes applied to stain hair and faces.



Source: www.googleimages.com

1000 BCE: Grecians whitened their complexion with chalk or lead face powder and fashion crude lipstick out of ochre clays laced with red iron.

EARLY COSMETICS

100 AD: In Rome, people put barley flour and butter on their pimples and sheep fat and blood on their fingernails for polish. In addition, mud baths came into vogue, and some Roman men dyed their hair blond.

300-400 AD: Henna was used in India as a hair dye and in mehndi, an art form in which complex designs were painted on to the hands and feet, especially before a Hindu wedding. Henna was also used in some North African cultures.

COSMETICS IN THE MIDDLE AGES

1200 AD: As a result of the Crusades, perfumes were first imported to Europe from the Middle East.

1300 AD: In Elizabethan England, dyed red hair came into fashion. Society women wore egg whites over their faces to create the appearance of a

paler complexion. Yet, some thought cosmetics blocked proper circulation and therefore posed a health threat.

RENAISSANCE COSMETICS

1400 - 1500 AD: In Europe, only the aristocracy used cosmetics, with Italy and France emerging as the main centers of cosmetics manufacturing. Arsenic was sometimes used in face powder instead of lead.

The modern notion of complex scent-making evolved in France. Early fragrances were amalgams of naturally occurring ingredients. Later, chemical processes for combining and testing scents superseded their arduous and labor-intensive predecessors.

1500-1600 AD: European women often attempted to lighten their skin using a variety of products, including white lead paint. Queen Elizabeth-I of England was one well-known user of white lead, with which she created a look known as "the Mask of Youth." Blonde hair rose in popularity as it was considered angelic. Mixtures of black sulphur, alum, and honey were painted onto the hair and left to work in the sun.

19TH AND EARLY 20TH CENTURY COSMETICS

1800 AD: Zinc oxide became widely used as a facial powder, replacing the previously used deadly mixtures of lead and copper. One such mixture, Ceruse, made from white lead, was later discovered to be toxic and blamed for physical problems including facial tremors, muscle paralysis, and even death.

Queen Victoria publicly declared makeup improper. It was viewed as vulgar and acceptable only for use by actors.

1900 AD: In Edwardian Society, pressure increased on middle-aged women to appear as young as possible while acting as hostesses. Increased, but not completely open, cosmetic use was a popular method of achieving this goal. Beauty salons increased in popularity, though patronage of such salons was not necessarily accepted. Because many women were loathe to admit that they needed assistance to look young, they often entered salons through the back door.

2.4. Analysis of Beauty and Personal Care Industry:



Source: www.googleimages.com

2.4.1 Global Beauty and Personal Care

1. MARKET ANALYSIS

The global beauty and personal care market grew at a steady rate during the period 2005-2009 as a result of steady sales growth across all product categories. The overall market is expected to decelerate in the forthcoming five years.

The global beauty and personal care market generated total revenues of \$406.6 billion in 2009, representing a compound annual growth rate (CAGR) of 3.9% for the period spanning 2005-2009. In comparison, the Americas and Asia Pacific markets grew with CAGRs of 4.1% and 4.6% respectively over the same period, to reach respective values of \$138.4 billion and \$107.4 billion in 2009.

The OTC healthcare sales proved the most lucrative for the global beauty and personal care products market in 2009, generating total revenues of \$110.7 billion, equivalent to 27.2% of the market's overall value. In comparison, sales of skin care generated revenues \$69.5 billion in 2009, equating to 17.1% of the market's aggregate revenue.

The performance of the market is forecast to decelerate, with the anticipated CAGR of 3.6% for the five year period 2009-2014, which is expected to lead the market to a value of \$484.4 billion by the end of 2014. Comparatively, the Americas and Asia-Pacific markets will grow with CAGRs of 3.7 and 4.4% respectively over the same period to reach respective values of \$166 billion and \$ 133 billion in 2014.

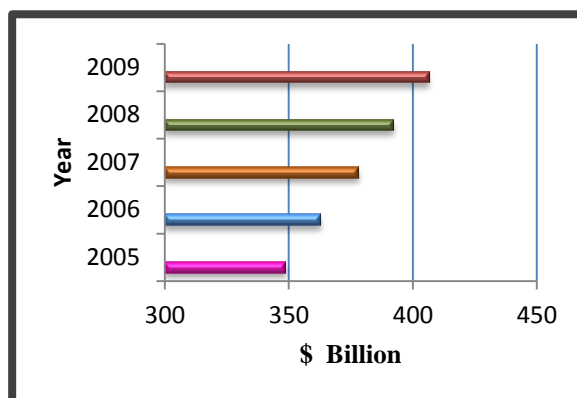
2. MARKET VALUE

The Global Beauty and Personal care products Market grew by 3.6% in 2009 to reach a value of \$ 406.5 billion. The compound annual growth rate of the market in the period 2005-2009 was 3.9. %

Table 2. .1:
Global beauty and personal care Products market value: \$billion, 2005-09

Year	\$ Billion	% Growth
2005	348.7	-
2006	362.7	4.0%
2007	378.0	4.2%
2008	392.4	3.8%
2009	406.5	3.6%
CAGR 2005-2009		3.9%

Figure 2.1:
Global beauty and personal care Products market value: \$billion, 2005-09



Source: Data monitor

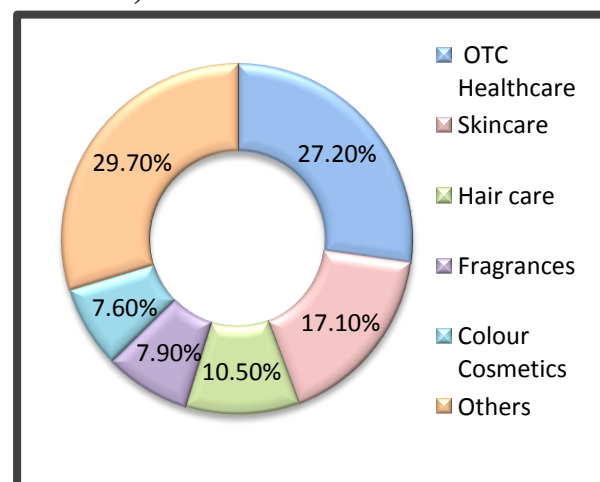
3. MARKET SEGMENTATION –I: CATEGORY WISE

OTC healthcare is the largest segment of the global beauty and personal care market, accounting for 27.2% of the market's total value, followed by the SKIN CARE segment in second place with a share of 17.1% in the overall market.

Table .2.2.
Global beauty and personal care products Market segmentation I: % share by value, 2009

Category	%Share
OTC Healthcare	27.2%
Skincare	17.1%
Hair care	10.5%
Fragrances	7.9%
Colour Cosmetics	7.6%
Others	29.7%
Total	100%

Figure 2.2. :
Global beauty & personal care products Market segmentation I: %share by: value, 2009



Source: Data monitor

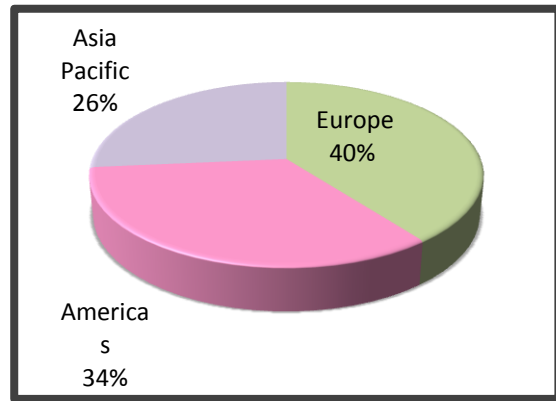
4. MARKET SEGMENTATION –II: GEORGAPHICAL REGION WISE

When it comes to geographic region wise shares, Europe accounts for 39.5% of the global beauty and personal care market products market value. Americas accounts for further 34% of the global market and Asia Pacific , 26%.

Table 2.3.
Global beauty & personal care segmentation II: % share, by value, 2009

Region	%Share
Europe	39.5%
Americas	34.0%
Asia Pacific	26.4%
Total	100%

Figure 2.3:
Global beauty & personal care products segmentation II: % share, by value, 2009



Source: Datamonitor

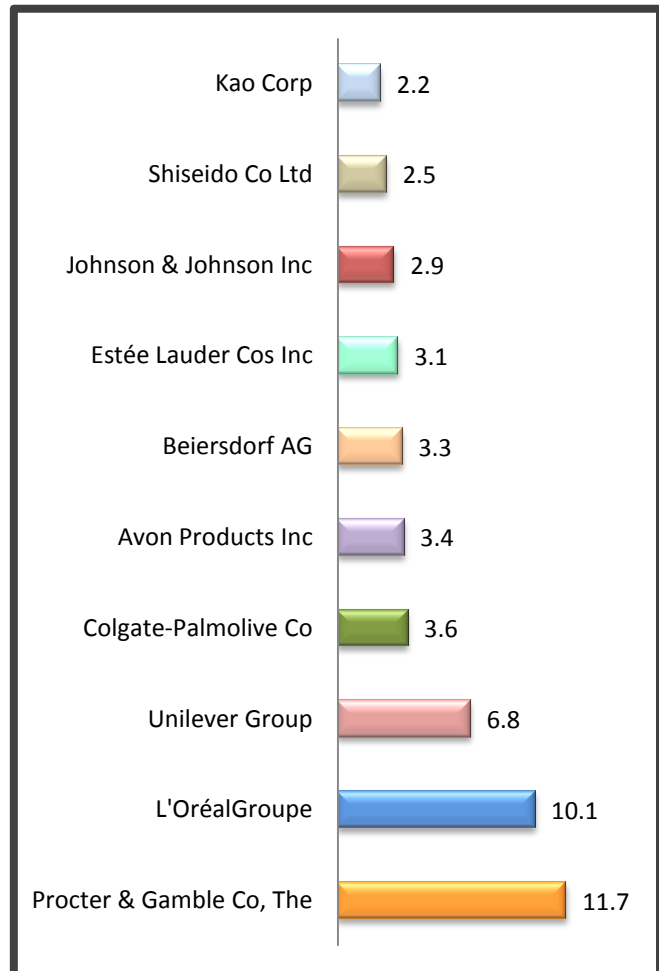
5. MARKET SHARES

Procter and Gamble Company is the leading Player in the Global Beauty and Personal Care Products Market generating a 11.7% share of the total market's value in 2009, followed by L'Oreal Group at 10% in second place and Unilever Group with a market share of 6.8% in third place.

Table 2.4.
Company Market Shares
(By Global Brand Owner)
GBO • Retail Value RSP •
% Breakdown

World		2009
Beauty and Personal Care		
1	Procter & Gamble Co, The	11.7
2	L'OréalGroupe	10.1
3	Unilever Group	6.8
4	Colgate-Palmolive Co	3.6
5	Avon Products Inc	3.4
6	Beiersdorf AG	3.3
7	Estée Lauder Cos Inc	3.1
8	Johnson & Johnson Inc	2.9
9	Shiseido Co Ltd	2.5
10	Kao Corp	2.2

Figure 2.4:
Global beauty and personal care
products Company Market Share:
% share, by value,



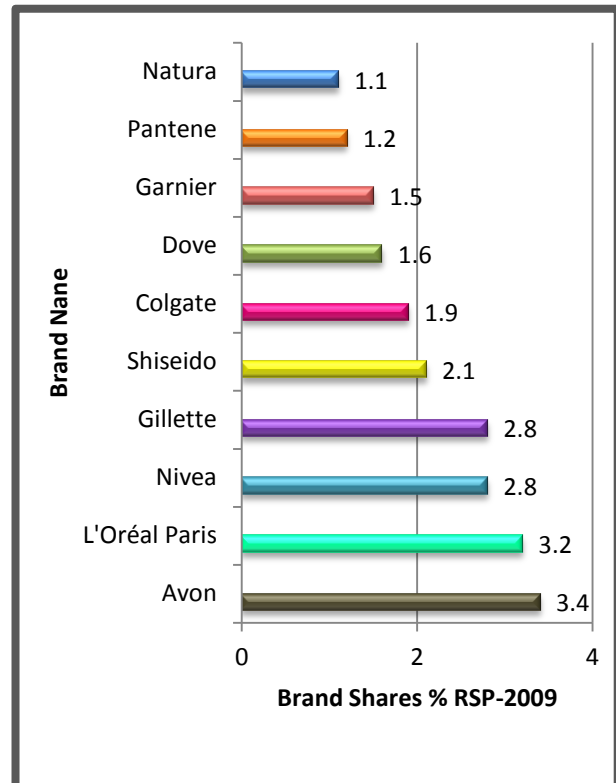
Source: Euromonitor International

Table 2. 5 .:
Brand Shares
(by Umbrella Brand Name)
 • Retail Value RSP •
 % breakdown

Beauty and Personal Care - World			
	Brand	Company name (GBO)	<u>2009</u>
1	Avon	Avon Products Inc	3.4
2	L'Oréal Paris	L'OréalGroupe	3.2
3	Nivea	Beiersdorf AG	2.8
4	Gillette	Procter & Gamble Co, The	2.8
5	Shiseido	Shiseido Co Ltd	2.1
6	Colgate	Colgate-Palmolive Co	1.9
7	Dove	Unilever Group	1.6
8	Garnier	L'OréalGroupe	1.5
9	Pantene	Procter & Gamble Co, The	1.2
10	Natura	NaturaCosméticos SA	1.1

Source: Euromonitor International

Figure 2.5. :
Global beauty and personal care products Brand Shares :
 % share, by retail value, 2009



6. FIVE FORCES ANALYSIS

The personal products market has been analyzed taking manufacturers of personal products as players. The key buyers are taken as retailers such as supermarkets / hypermarkets and specialist retailers, and manufacturers of fine chemicals and other ingredients needed for production of personal care products as the key suppliers.

The global personal products market is highly fragmented with top three players accounting for 28.6% of the total market value. The global personal products market has the presence of leading players like Procter & Gamble Company, L'Oreal and Unilever .

Supermarkets and hypermarkets are the main buyers in many countries and generally exert strong buyer power, especially if they are large chains.

The fact that manufacturers of personal products are able to source some of their raw material inputs from only a relatively small number of suppliers suggests that supplier power is boosted. However, some of the major players have integrated backwards and own palm olive plantations, etc, which significantly reduces their reliance on supply chain.

The existence of some strong brands and the scale economies associated with the necessary high-volume production facilities prevent the threat of new entrants from becoming a significant factor. Rivalry is intensified by high fixed-costs and exit barriers.

1. Buyer power

Globally, the retail market for personal products is highly concentrated. Within individual countries, especially in Western Europe, there can be high concentration in the general merchandize retail market, which boosts buyer power significantly. Subsequently, supermarket chains are often able to negotiate very strongly on price with producers. Retailers often occupy a position of power in the supply chain which allows them to negotiate favorable contracts with manufacturers, which enhances buyer power.

Manufacturers of personal products can differentiate their products quite strongly, not only by the overall function (shampoo or toothpaste, for example) but also by properties like brand, fragrance, design, and health benefits etc.

Branding is an important way of maintaining end-user loyalty, and as a result retailers are required to stock the more popular brands, which reduce their bargaining strength and buyer power.

However, the fact that major buyers usually offer a wide range of products for their own customers, tend to weaken buyer power.

Switching costs for buyers are not particularly high, which also increases buyer power in this market. Some retailers have attempted backward integration with supermarkets developing their own brand personal products, putting market players under significant pressure

Overall, buyer power can be considered as moderate.

2. Supplier power

Most modern personal products contain a variety of both synthetic and organic ingredients. Skin care creams and bath and shower products, for example, are manufactured from raw materials such as vegetable fats, surfactants, foam boosters, colorants, pearlizing agents, clarifying agents, fragrances, preservatives, antioxidants, skin conditioners, botanical extracts and antibacterial agents.

Supplier power is alleviated by the fact that the production of the chemicals used in the manufacture of many personal products is by nature a large-scale operation, and relatively few companies are able to supply each specific material.

Suppliers like Arven Chemicals Ltd. in the UK, and Trigon Chemie GmbH in Frankfurt, Germany, produce tailor-made chemicals for large multinational companies including personal product manufacturers.

Moreover, suppliers to the industry include major chemical manufacturers like Shell Chemical, Dial Industrial Chemicals and Dow, which increases supplier power.

However, a number of personal product manufacturers have integrated backwards into producing raw materials required by the industry. For example, Proctor & Gamble has a separate unit to manufacture chemicals that are important in the creation of a number of personal products and Unilever owns a palm oil production company in Malaysia along with large coconut plantations for the manufacture of coconut oil.

Plastic and cardboard packaging is also a significant input in this market and some market players enter into long-term contracts with their suppliers, which strengthen supplier power. It may be possible to find substitutes for some raw materials used in the production of personal products. For instance, if the price of one kind of chemical rises, a manufacturer would have an option of buying less of it and more of a cheaper alternative.

However, companies are often restricted to certain product formulae, which make them reliant on the suppliers that can provide specific inputs, and it may be difficult to find substitutes for certain components like fragrance.

Overall, supplier power can be assessed as moderate.

3. New entrants

A large number of brands, many of which are globally recognized, have a strong position in this market. Potential entrants will need to compete with major companies which are large firms whose scale economies allow them to compete more effectively on price, and invest in their own business.

Substantial funds are needed to start up a business in this market, with a significant capital required for investing in production, distribution, and also advertising, which is crucial to success in this market. Due to the high brand strength of leading personal products manufacturers, it is difficult for companies to develop their brands to compete on an international level.

However, the rising popularity of environmentally-friendly skin, body, hair and oral health care products in many countries makes it possible to enter this market on a small scale. Specialty and custom-made personal care products, which are usually handmade and created using all-natural ingredients, can be sold at higher prices and any initial investment in raw materials, production equipment, can be recouped by adding a substantial margin to the price of the end product.

The larger companies produce a range of consumer items, including personal products.

Producers need to distribute their personal products widely, which generally involves channels such as supermarkets. These retail chains often have considerable buyer power, which forces down the prices that the manufacturers of personal products can obtain. In such a market, scale economies of production become much more important, and as a result, barriers to entry, such as capital outlay on large-scale.

4. Substitutes

Substitutes for personal products include some traditional alternatives. Toothpaste may be made at home using baking soda, salt, glycerin and peppermint extract, a variety of skin and hair care products can be created with ingredients such as olive oil, milk, honey, fruit and herbs. However, any substitutes for commercially-

produced personal products need to be prepared at home, which is a relatively time consuming process, and may not provide the desired end results.

Moreover, make-up and OTC healthcare products are difficult to substitute. Although using traditional alternatives to manufacture personal products avoids exposure to many chemicals but, the relative inconvenience and ineffectiveness of some home-made alternatives makes it a potentially weak threat as substitute.

However, with the internet being such an integral part of society, users have access to a potentially vast database of alternatives, methods and means of making their own substitutes domestically.

Overall, the threat from substitutes can be considered as weak.

5. Rivalry

The global market for personal products is highly fragmented, with the top three players, Procter & Gamble, L'Oreal and Unilever, holding 28.6% of the total market in value terms.

While it is possible to differentiate their product effectively, and some manufacturers of hand and body care products have developed strong brands, end-users have a very wide range of products to choose from with low switching costs.

Moreover, the major players can, and often do, operate in various markets. This diversification defends their performance against competitive pressures in any one market. Fixed costs are high in this market, as most companies own large production facilities.

The need to divest such assets on exiting the global market constitutes an exit barrier and therefore a driver of rivalry.

Most of these companies are geographically diversified which weakens rivalry to some extent. Major players may offer specialty products, but much of their business involves mass-market goods. This implies high fixed costs, because of the need to operate large manufacturing plants, which also boosts rivalry.

Whilst a number of companies in this market also manufacture other items such as home and pet care products, making them less reliant on sales of personal products.

Overall, rivalry can be considered as strong.

7. MARKET DISTRIBUTION

Supermarkets / hypermarkets form the leading distribution channel in the global personal products market, accounting for a 29.9% share of the total market's value. Pharmacies / drugstores accounts for a further 29% of the market.

Table.2.6.

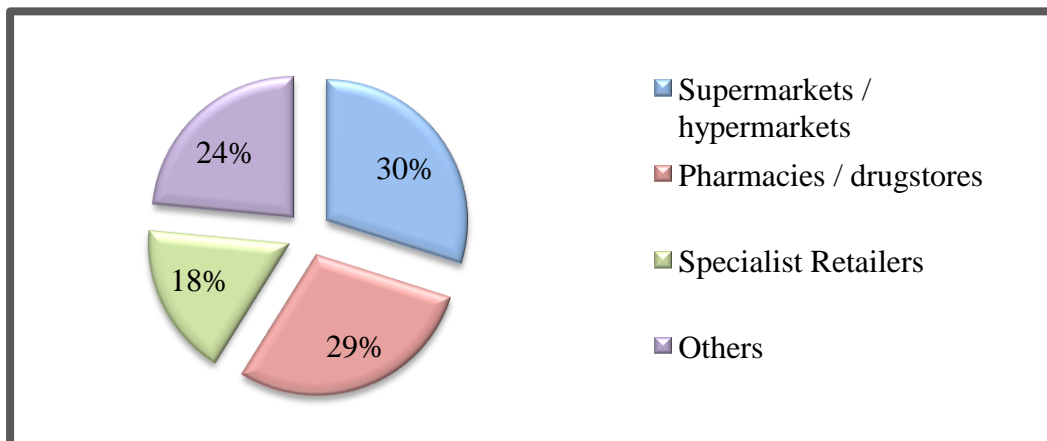
Global beauty & personal care products market distribution: % share, by value 2009

Channel	% Share
Supermarkets/hypermarkets	29.9%
Pharmacies/ drugstores	29.0%
Specialist Retailers	17.6%
Others	23.5%
Total	100%

Source: Datamonitor

Figure 2.6:

Global beauty & personal care products market distribution % share, by value, 2009



8. MARKET FORECASTS

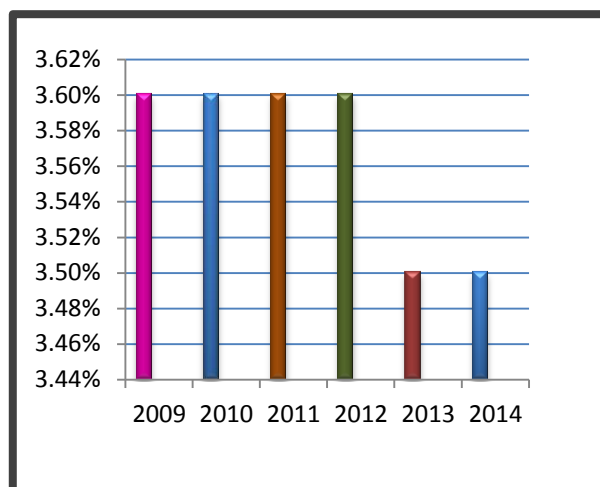
Market value forecast

In 2014, the global personal products market is forecast to have a value of \$ 484,446.7 million, an increase of 19.2% since 2009. The compound annual growth rate of the market in the period 2009–14 is predicted to be 3.6%

Table 2. 7.
Global beauty & personal care
Products market value forecast:
\$million, 2009-14

Year	\$ million	%Growth
2009	406,575.9	3.6%
2010	421,338.0	3.6%
2011	436,540.9	3.6%
2012	452,185.3	3.6%
2013	468,218.7	3.5%
2014	484,446.7	3.5%
CAGR: 2009–14		3.6%

Figure 2.7. :
Global beauty & personal care
products market value forecast: \$ million,
2009–14



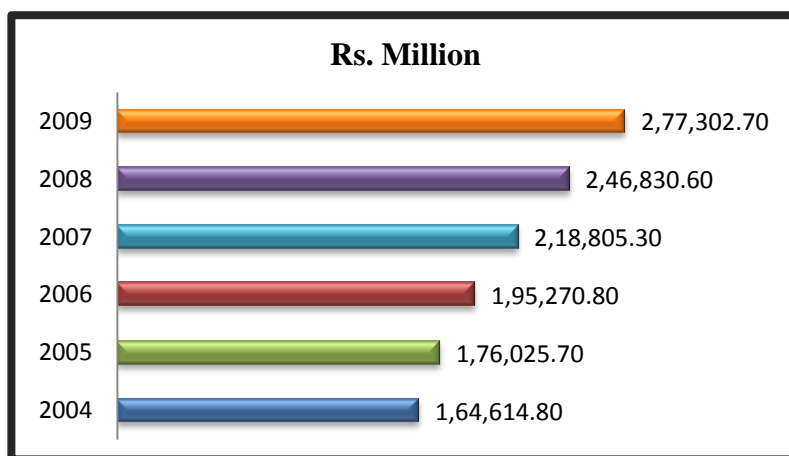
Source: Datamonitor

2.4. 3. Beauty and Personal care - India

Table 2.8.
Market Sizes
Retail Value Rs. mn

Year	Rs. Million
<u>2004</u>	164,614.8
<u>2005</u>	176,025.7
<u>2006</u>	195,270.8
<u>2007</u>	218,805.3
<u>2008</u>	246,830.6
<u>2009</u>	277,302.7

Figure:2.8
Market Sizes • Historic • Retail Value RSP
Rs mn • Current Prices



Source: Euromonitor International

Introduction

The Beauty and Personal Care products Market of India was valued at R. 277,302.7 million in 2009. The market registered a total growth rate of 59% since 2004. The figure above depicts that the market for the Beauty and Personal Care products in India has been rising all throughout since 2004.

Increasing concerns about hygiene and personal grooming drive sales - Several beauty and personal care categories continued to gain momentum in 2009, driven by rising awareness of hygiene and personal grooming across urban and rural India. While the H1N1 flu epidemic in mid-2009 underscored the importance of basic hygiene, such as washing with soap, rising exposure to international media and corporate working environments raised consciousness about personal grooming. Marketing activities involved popular celebrities, who consumers aspired to emulate. These advertising campaigns highlighted issues such as body odour, dandruff, oral health and spread of infection, further boosting the demand of beauty and personal care products.

Promotional Efforts/Discounts boost growth in the face of economic uncertainty- With consumers reining in discretionary spending during late 2008 and early 2009 due to economic uncertainty, beauty and personal care players undertook discounting, bundling and price correction to buoy sales. The promotional offers helped emerging players gain market share and boosted growth during an uncertain economic climate in the first half of 2009 and with consumer confidence bouncing back by the middle of the year, the economic uncertainty did not adversely affect the beauty and personal care industry in 2009

Table 2.9. Sales of Beauty and Personal Care by Sector: Value -2009 and % value growth- 2009

Category	Rs million	%value growth 2008/09
Baby Care	4,182.8	8.7
Bath and Shower	86,783.8	8.7
Colour Cosmetics	13,834.5	25.6
Deodorants	5,063.8	28.8
Depilatories	3,208.2	23.3
Fragrances	5,388.6	16.5
Hair Care	69,921.8	15.2
Men's Grooming	20,247.6	14.1
Oral Care	41,464.6	9.8
Oral Care Excl Power Toothbrushes	41,464.6	9.8
Skin Care	31,836.2	13.0
Sun Care	1,123.5	7.9
Sets/Kits	-	-
Premium Cosmetics	20,385.3	17.1
Beauty and Personal Care	277,302.7	12.3

Source: Euromonitor International

Domestic players expand their presence - Domestic players were prolific in new product launches and they expanded their footprint across beauty and personal care in 2009. Several existing players, including Godrej Consumer Products Ltd. and Wipro Ltd., extended their brands into emerging product categories such as deodorants, liquid soap and men's grooming.

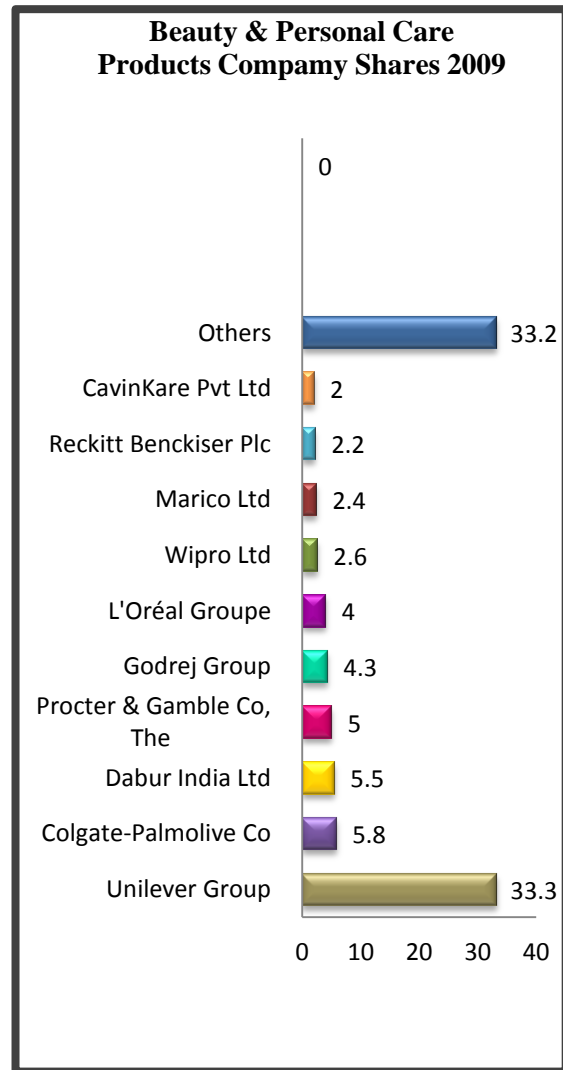
Moreover, players such as Emami Ltd. and Dabur India Ltd. leveraged on their experience with herbal/ayurvedic ingredients to launch innovative new brands such as Dabur Uveda skin care and Emami Healthy & Fair herbal baby care, which benefited from Indian consumers' preference for herbal and traditional products. 2009 also saw home-grown brands such as VLCC, Lotus Herbals and Colorbar expanding

their presence in up market retail outlets in the major cities with extensive product portfolios, discounts and point-of-sale marketing.

Table 2.10.
Beauty & Personal care products –
India, Company Shares -2009

Beauty and Personal Care Company Shares by GBO 2009		
	% retail value rsp	2009
1	Unilever Group	33.3
2	Colgate-PalmoliveCo	5.8
3	Dabur India Ltd	5.5
4	Procter & Gamble Co, The	5.0
5	Godrej Group	4.3
6	'Oréal Groupe	4.0
7	Wipro Ltd	2.6
8	Marico Ltd	2.4
9	Reckitt Benckiser Plc	2.2
10	CavinKare Pvt Ltd	2.0
	Others	33.0
	Total	100.0

Figure 2.9.Beauty & Personal care
products-India Company Shares –
2009



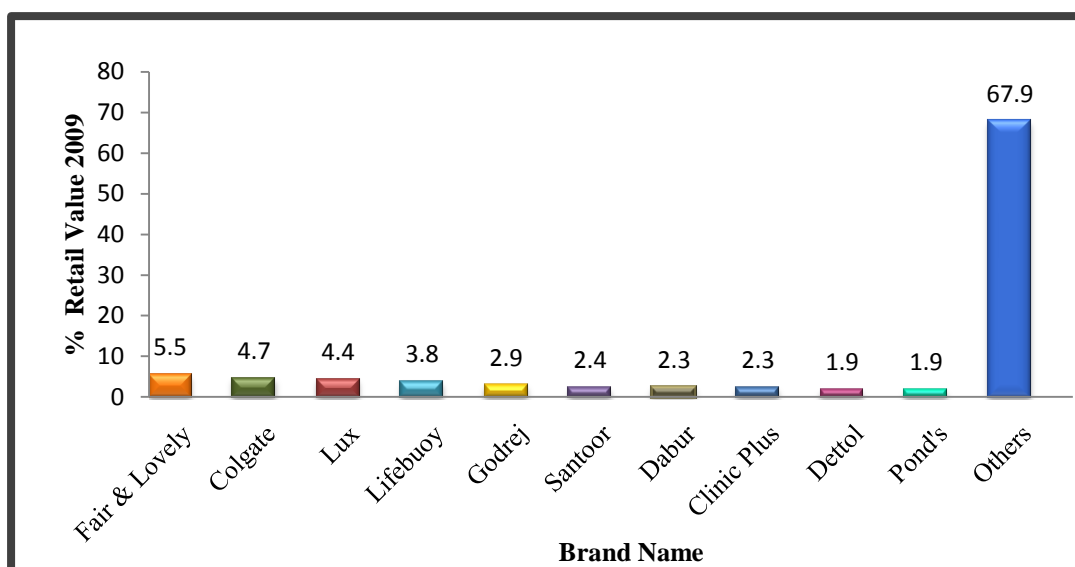
Source: Euromonitor International

Table 2.11. Beauty and Personal Care Brand Shares by % retail value rsp- 2009

Brand Name		Company Name	% retail value rsp 2009
1	Fair & Lovely	Hindustan Unilever Ltd	5.5
2	Colgate	Colgate-Palmolive India Ltd	4.7
3	Lux	Hindustan Unilever Ltd	4.4
4	Lifebuoy	Hindustan Unilever Ltd	3.8
5	Godrej	Godrej Consumer Products Ltd	2.9
6	Santoor	Wipro Ltd	2.4
7	Dabur	Dabur India Ltd	2.3
8	Clinic Plus	Hindustan Unilever Ltd	2.3
9	Dettol	Reckitt Benckiser (India) Ltd	1.9
10	Pond's	Hindustan Unilever Ltd	1.9
Others		Others	67.9
Total		Total	100.0

Source: Euromonitor International

Figure. 2.10: Beauty and personal care products Brand Shares: %retail value, 2009



Chained retailers create opportunities for point-of-sale marketing- While the retail landscape continued to be dominated by independent small grocers, chained retailers, particularly supermarkets and health and beauty specialists, witnessed robust growth in 2009. This created opportunities for players to make extensive use of point-of-sale marketing through displays, discounts and beauty advisors. While emerging

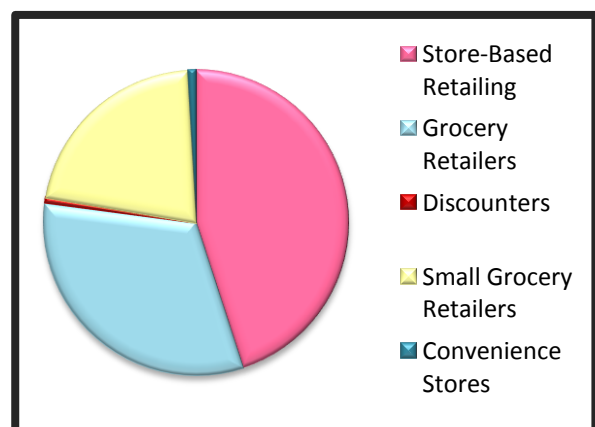
categories, particularly men’s grooming, benefited from the trials generated through these activities, well-established categories such as bar soaps benefited from being able to target the relatively affluent consumers, who shop at such outlets, with larger pack sizes and multipacks. The expansion of chained retailers also allowed consumers to benefit from the availability of affordably priced private label lines across several personal care categories.

Table 2.12.
Sales of Beauty and Personal Care by Distribution Format: % Analysis -2009

% retail value rsp	2009
Store-Based Retailing	96.4
Grocery Retailers	68.5
Discounters	1.5
Small Grocery Retailers	46.1
Convenience Stores	1.8

Source: Euromonitor International

Figure 2.11.
Sales of Beauty and Personal Care by Distribution Format: % Analysis -2009



Changing Economic and Behavioural Profile of Target Markets to drive future growth- Beauty and personal care in India is forecast to enjoy healthy growth in constant value terms. Rising affluence and greater consciousness of personal image and hygiene are expected to drive growth in both rural and urban areas.

While discretionary products such as colour cosmetics and fragrances are expected to remain mostly an urban phenomenon, basic necessities such as bath and shower and oral care are expected to see growth being increasingly driven by rural rather than urban consumers.

As Indian consumers catch up with modern practices of personal grooming in more developed countries, manufacturers are expected to bring more sophisticated products from their international portfolios to India.

Table 2.13.
Sales of Beauty and Personal Care
by Region: %Value Growth 2004-2009

%current value growth	2004-09 CAGR	2004/09 Total
East and Northeast India	11.4	71.4
North India	11.2	69.6
South India	10.7	66.0
West India	10.9	67.9
TOTAL	11.0	68.5

Source: Euromonitor International

Figure 2.12.
Sales of Beauty and Personal Care by
Region: % Value Growth 2004-2009

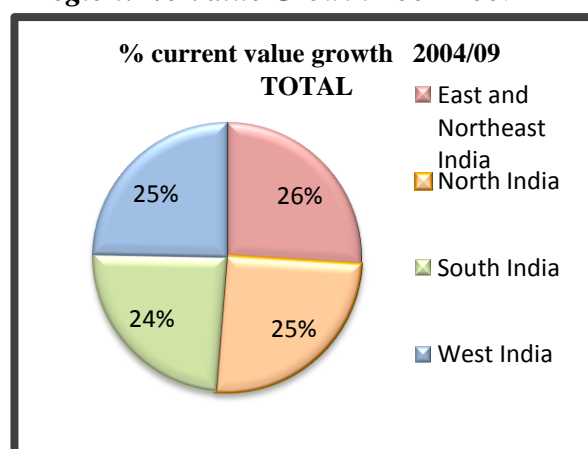
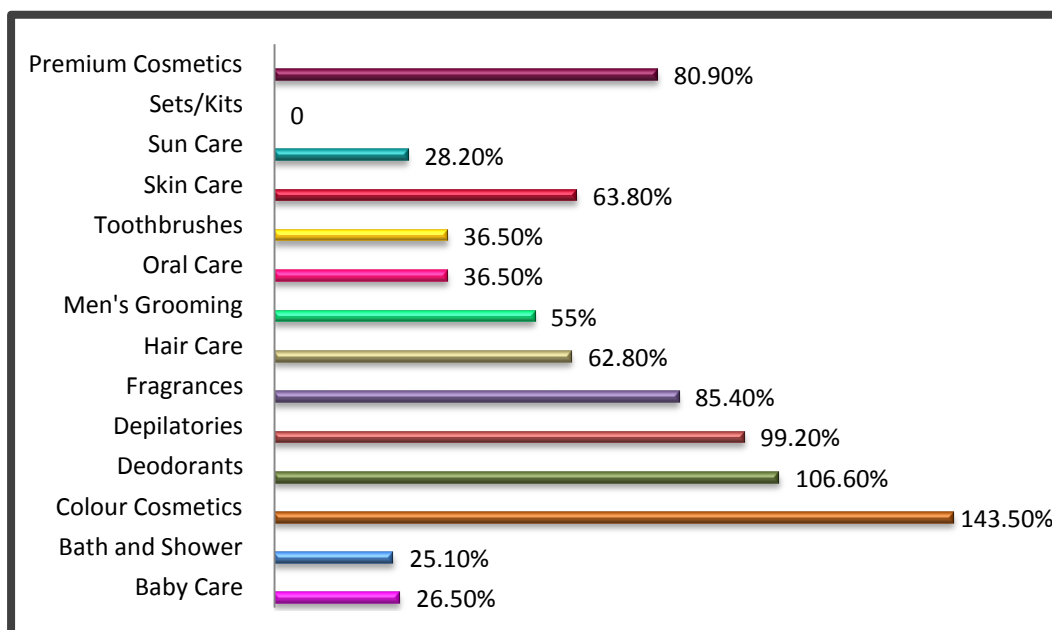


Table 2.14. Forecast Sales of Beauty and Personal Care Products by Sector:
% Value Growth 2009-2014

% constant value Growth	2009/14 TOTAL
Baby Care	26.5
Bath and Shower	25.1
Colour Cosmetics	143.5
Deodorants	106.6
Depilatories	99.2
Fragrances	85.4
Hair Care	62.8
Men's Grooming	55.0
Oral Care	36.5
OralCareExclPower Toothbrushes	36.5
Skin Care	63.8
Sun Care	28.2
Sets/Kits	-
Premium Cosmetics	80.9
Beauty and Personal Care	50.2

Source: Euromonitor International

**Figure 2.13. Forecast Sales of Beauty and Personal care Products by Sector:
% Value Growth 2009-2014**



KEY TRENDS AND DEVELOPMENTS

Competitive Landscape changes, Major Players of the Industry face the heat following intense competition-

The robust growth in consumer demand for beauty and personal care products and the low penetration of most products (with the exception of bar soaps, toothpaste and conditioners) in rural areas spurred companies to aggressively expand their product portfolios, distribution networks and marketing activities towards the end of the review period.

With a large number of new players, both domestic and multinational, entering the market and existing players expanding their brand and product ranges, competition intensified towards the end of the review period. While Hindustan Unilever Ltd controlled over one third of beauty and personal care sales in India over the review period, its market share started slipping downwards towards the end of the review period.

Domestic players such as Dabur India Ltd. and Emami Ltd. benefited from their focus on developing products with traditional and ayurvedic ingredients and expanding their

distribution network in rural areas, while premium brands gained momentum as purchasing power rose and chained retailers increased their penetration in affluent urban areas.

Table 2.15. Sales of Beauty and Personal Care by Rural-Urban % Analysis 2009

	Urban	Rural	Total
India	68.9	31.1	100.0

Source: Euromonitor International

Current Impact

While the beauty and personal care industry in India remained fairly consolidated in 2009 with the top 10 players accounting for some 65% of the overall industry sales, Hindustan Unilever Ltd's market share slipped from 35% in 2007 to 33% in 2009. Other than Hindustan Unilever Ltd, no other company had a market share of more than 6% in 2009 and other players became increasingly aggressive.

As companies became more aggressive in their marketing and distribution efforts towards the end of the review period and new brands and products flooded the market, consumer awareness of different types of products and brands increased. Moreover, consumers became experimental and more were willing to spend more on products with specific benefits. The increased competition in the market thus boosted value growth in the industry.

Hindustan Unilever Ltd's drop in market share towards the end of the review period resulted in the company undertaking several measures to consolidate its market position, including massive expenditure on mass media advertisements, rationalization of non-performing brands and new product launches. On 17 September 2009, the company bought out all the advertising slots on one of the leading Indian cable networks for a whole day. In order to tap into emerging growth areas, such as deodorants, liquid soap and men's grooming, Hindustan Unilever Ltd extended its existing brands Dove, Lifebuoy and Vaseline into these categories. The company also reinvigorated several legacy brands such as Liril and Hamam with new packaging and communications.

Despite the tough competitive environment some major players, including top 10 players Reckitt Benckiser (India) Ltd and Dabur India Ltd, increased their market share in beauty and personal care in 2009. Both these players benefited from their brands' association with niche benefits – Dettol benefited from its association with disease and infection prevention and Dabur India Ltd's brands benefited from being positioning as traditional/herbal/ayurvedic products. Premium players also continued to expand their presence in the market due to the burgeoning affluent consumer class in the major cities and their growing demand for international brands in skin care, fragrances and colour cosmetics.

Table 2.16. Sales of Beauty and Personal Care by Region: Value 2004-2009

Rs million	2004	2005	2006	2007	2008	2009
East and Northeast India	29,076.5	31,254.9	34,799.5	39,041.6	44,109.4	49,840.9
North India	43,767.1	46,803.3	52,111.7	58,543.0	66,055.1	74,250.0
South India	44,842.1	47,801.2	52,870.3	59,034.5	66,542.2	74,423.0
West India	46,929.1	50,166.2	55,489.2	62,186.2	70,123.9	78,788.8
Total	164,614.8	176,025.7	195,270.8	218,805.3	246,830.6	277,302.7

Source: Euromonitor International

The availability of private label brands in personal care also increased in 2009 and Pantaloon Retail India Ltd launched Sach – a private label fuelled by the celebrity endorsement of one of India's favourite sportsmen, to mimic the success of celebrity endorsements in boosting sales of a wide range of beauty and personal care products.

Outlook

Robust expansion in disposable incomes is expected to fuel the demand for more sophisticated products from urban consumers over the forecast period. Competition is expected to continue to intensify over the forecast period as the robust growth in the industry attracts more multinational brands and domestic players step up product and brand innovation.

Future Impact

The market share of Hindustan Unilever Ltd in the beauty and personal care industry is expected to continue to decline steadily over the forecast period as other players become more aggressive in their marketing and distribution efforts. The company is also expected to be adversely affected by the premiumisation trend in the metro cities where consumers are expected to increasingly adopt international brands and niche products such as depilatories and fragrances.

Table 2.17. Forecast Sales of Beauty and Personal Care by Region: Value 2009-2014

Rs million	2009	2010	2011	2012	2013	2014
East & Northeast India	49,840.9	54,509.0	59,589.4	64,876.3	70,282.7	75,751.3
North India	74,250.0	80,917.5	88,184.7	95,864.2	103,870.5	112,121.2
South India	74,423.0	80,470.4	87,279.1	94,524.4	102,295.2	109,976.8
West India	78,788.8	85,654.5	93,330.5	101,553.5	110,054.1	118,794.7
TOTAL	277,302.7	301,551.4	328,383.6	356,818.3	386,502.5	416,643.9

Source: Euromonitor International estimates

Table 2.18. Forecast Sales of Beauty and Personal Care by Region: % Value Growth 2009-2014

% current value growth	2013/14	2009-14 CAGR	2009/14 Total
East and Northeast India	7.8	8.7	52.0
North India	7.9	8.6	51.0
South India	7.5	8.1	47.8
West India	7.9	8.6	50.8
TOTAL	7.8	8.5	50.2

Source: Euromonitor International

Consumers have much to gain from increasing competition as aggressive pricing strategies, small-sized trial SKUs, discounts and promotional offers will allow consumers to experiment with new products and trade up. Consumers, particularly

rural consumers, are also expected to benefit from Hindustan Unilever Ltd's efforts to consolidate market share. The company is expected to increase its focus on expanding rural distribution and intensively use its existing networks to make more masstige products available in small cities and towns.

Hindustan Unilever Ltd is also expected to leverage its premium and masstige brands, such as Dove, to compete with other premium brands while using its economies of scale and volumes to reap the growth from low-priced products in rural areas.

2.5 – Analysis of Skincare Industry:



Source: www.googleimages.com

2.5.1. Global Skincare

1. MARKET OVERVIEW

Market analysis

Led steady sales growth across all product categories, the global skincare market grew at a robust rate between 2005 and 2009. The growth rate in this market is forecast to follow similar pattern, albeit at a lower rate, in the forthcoming five years.

The global skincare market generated total revenues of \$66 billion in 2009, representing a compound annual growth rate (CAGR) of 4.5% for the period spanning 2005-2009.

In comparison, the Americas and Asia-Pacific markets grew with CAGRs of 5% and 4.9% respectively, over the same period, to reach respective values of \$15.5 billion and \$27.4 billion in 2009.

Market consumption volumes increased with a CAGR of 4% between 2005-2009, to reach a total of 9.3 billion units in 2009. The market's volume is expected to rise to 11 billion units by the end of 2014, representing a CAGR of 3.5% for the 2009-2014 period.

Facial care sales proved the most lucrative for the global skincare market in 2009, generating total revenues of \$41.6 billion, equivalent to 63% of the market's overall value. In comparison, sales of body care generated revenues of \$11.5 billion in 2009, equating to 17.4% of the market's aggregate revenues.

The performance of the market is forecast to decelerate, with an anticipated CAGR of 4% for the five-year period 2009-2014, which is expected to lead the market to a value of \$80.1 billion by the end of 2014. Comparatively, the Americas and Asia-Pacific markets will grow with CAGRs of 4.3% and 4.2% respectively.

2. MARKET VALUE

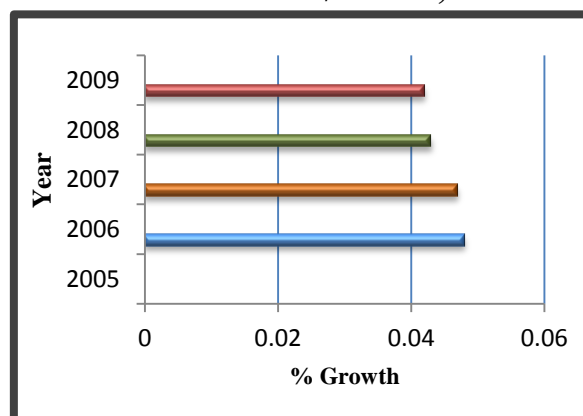
The global skincare market grew by 4.2% in 2009 to reach a value of \$65,991 million. The compound annual growth rate of the market in the period 2005–09 was 4.5%

Table 2.19.: Global skincare market value: \$ million, 2005–09

Year	\$ million	% Growth
2005	55,401.5	
2006	58,035.6	4.8%
2007	60,762.1	4.7%
2008	63,353.8	4.3%
2009	65,991.0	4.2%
CAGR: 2005–09 4.5%		

Source: Datamonitor

Figure 2.14.: Global skincare market value: \$ million, 2005–09



3. MARKET VOLUME

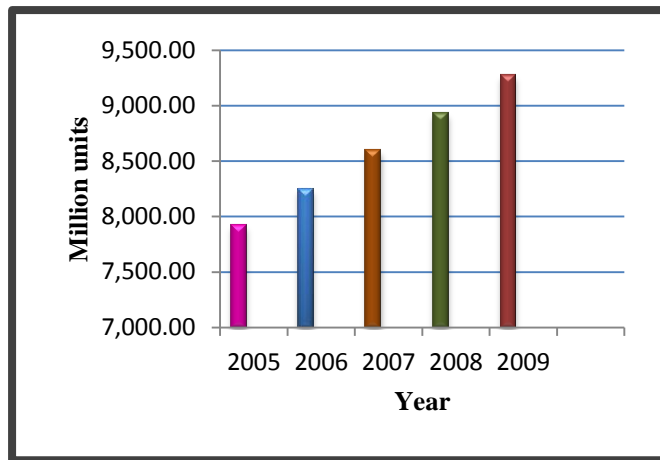
The global skincare market grew by 3.8% in 2009 to reach a volume of 9,270.7 million units. The compound annual growth rate of the market in the period 2005–09 was 4%.

Table 2.20.
Global skincare market
volume million units, 2005–09

Year	million units	% Growth
2005	7,916.0	
2006	8,241.6	4.1%
2007	8,591.0	4.2%
2008	8,929.1	3.9%
2009	9,270.7	3.8%
CAGR: 2005–09		4.0%

Source: Datamonitor

Figure 2.15. :
Global skincare market volume
million units, 2005–09



4. MARKET SEGMENTATION –I

Facial care is the largest segment of the global skincare market, accounting for 63% of the market's total value. The body care segment accounts for a further 17.4% of the market followed by Sun care at 9.6%

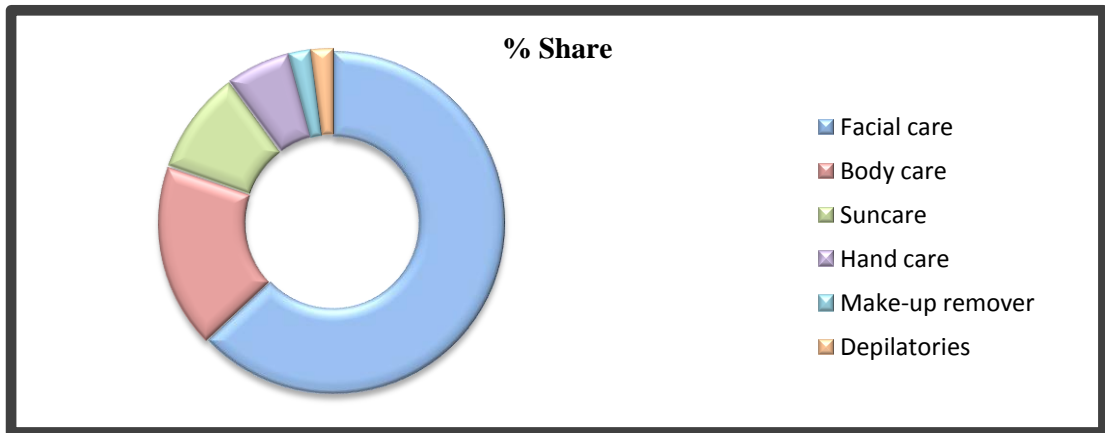
Table 2.21:

Global skincare market segmentation I: % share by value 2009

Category	% Share
Facial care	63.0%
Body care	17.4%
Sun care	9.6%
Hand care	6.0%
Make-up remover	2.1%
Depilatories	2.0%
Total	100%

Source: Datamonitor

Figure 2.16. : Global skincare market segmentation I: % share by value 2009



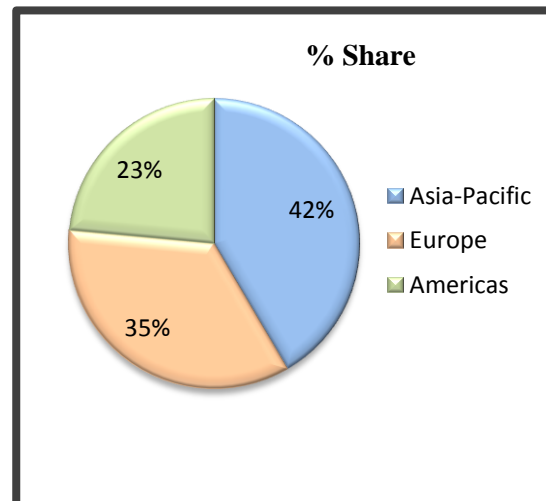
5. MARKET SEGMENTATION –II

Asia-Pacific accounted for 41.5% of the global skincare market value. Europe for a further 34.9% and Americas accounted for 23.5% of the global market share by value.

Table 2.22.: Global skincare market segmentation II: % share, by value, 2009

Region	% Share
Asia-Pacific	41.5%
Europe	34.9%
Americas	23.5%
Total	100%

Figure 2.17.: Global skincare market segmentation II: : % share, by value, 2009



Source: Datamonitor

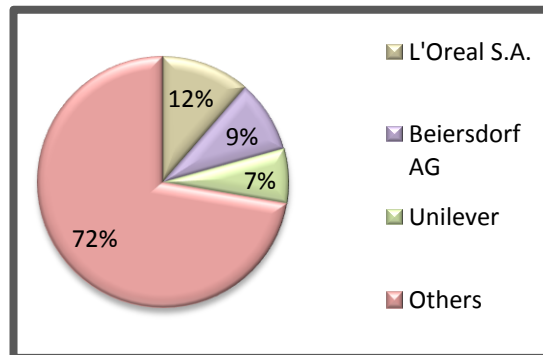
6. MARKET SHARE

L'Oreal S.A. is the leading player in the global skincare market, generating a 11.4% share of the market's value. Beiersdorf AG accounts for a further 9.3% of the market.

Table2.23. Global skincare market share, % share, by value, 2009

Company	% Share
L'Oreal S.A.	11.4%
Beiersdorf AG	9.3%
Unilever	7.0%
Others	72.3%
Total	100%

Figure2.18. Global skincare market share % share by value, 2009



Source: Datamonitor

7. FIVE FORCES ANALYSIS

The skincare market has been analyzed taking manufacturers of body care, depilatories, facial care, hand care, make-up remover and sun care products as players. The key buyers are taken as retailers, and manufacturers of fine chemicals, vegetable oils, and other ingredients needed for cosmetic production as the key suppliers.

The global skincare market is less concentrated, with three leading players accounting for 27.7% of the market value.

However, the strong brand identities built by the main players lead to end-user brand loyalty, which weakens the effective buyer power of retailers.

Most raw materials are fine and specialty chemicals, which are available from several suppliers. The availability of effective alternatives weakens supplier power. However, the high standard of the raw materials required adds to supplier power.

The likelihood of new entrants is moderate as the market players are well established with a portfolio of strong brands. **Overall, the global skincare market is assessed as moderate.**

1. Buyer power

The global skincare market includes buyers as retailers, with the main distribution channel being supermarkets and hypermarkets (33.6%). The major retailers in the

global market have considerable bulk-purchasing power, and also own a range of private-label brands. Both these factors increase buyer power considerably.

However, the main players invest significant amount of resources in research and development to create new skincare products to meet new demand triggered by changes in the lifestyle and purchasing power of consumers, especially those from developed and emerging economies like Brazil, Russia, India and China.

Such strategies serve to differentiate manufacturers in the market, and weaken buyer power. Retailers need to stock products of particular players because of end-user loyalty to well known brands. Some players have integrated forward with retail operations of their own – for example, L'Oreal acquired Body Shop in 2006 which weakens buyer power, although this is not a very common strategy. However, buyer power is strengthened by the fact that skincare products do not constitute a major part of business of large retailers such as supermarkets as they offer a very diverse. **Overall, supplier power is assessed as moderate**

2. Supplier power

Suppliers in the skincare market include manufacturers of fine chemicals, vegetable oils, and other ingredients needed for production of cosmetics. The quality of many of the raw materials is highly important. The chemicals used in these products must be of a standard suitable for manufacturing consumer products. For some chemicals there is no substitute, which increases supplier power.

However, there are generally several alternative products within each ingredient category, which reduces players' dependence on any particular supplier. Plastic, glass and metal packaging is an additional input for this market and the respective companies. **Overall, supplier power is assessed as moderate.**

3. New entrants

The main manufacturers are large, international companies which invest heavily in both product innovation and building of brand portfolios. Thus, new entrants face formidable competition.

There is also an issue of persuading stores to stock their products, and major retailers are aware of their importance in the distribution chain and may be unwilling to take the risk of displacing existing well established brands for new ones. Entering the skincare market also requires a new player to establish production facilities, which means significant capital outlay on machinery and factories. Skincare products are generally sold in high volume to a large number of consumers. Additionally, the reasonably high level of consolidation seen in most skincare markets, suggests that scale economies in manufacturing are likely to be important to the margins of players.

New entrants may be able to start on a small scale as niche companies or through the introduction of new technologies. **Overall, there is a moderate likelihood of new entrants.**

4. Substitutes

The main manufacturers are large, international companies which invest heavily in both product innovation and building of brand portfolios. Thus, new entrants face formidable competition.

There is also an issue of persuading stores to stock their products, and major retailers are aware of their importance in the distribution chain and may be unwilling to take the risk of displacing existing well established brands for new ones. Entering the skincare market also requires a new player to establish production facilities, which means significant capital outlay on machinery and factories. Skincare products are generally sold in high volume to a large number of consumers.

Additionally, the reasonably high level of consolidation seen in most skincare markets, suggests that scale economies in manufacturing are likely to be important to the margins of players.

New entrants may be able to start on a small scale as niche companies or through the introduction of new technologies. **Overall, there is a moderate likelihood of new entrants.**

5. Rivalry

The three leading players collectively hold a market share of approximately 27.7%. This is less concentrated than some personal and healthcare product markets. Retailers with their private-label offerings, as well as some smaller manufacturers, are correspondingly more significant.

The main market players are large, international companies who have the ability to compete more intensely on price. Rivalry is intensified by the fact that a significant proportion of market players produce mass-market goods, which implies high fixed costs along with high exit barriers.

However, the diverse product range produced by some major players, including not just other personal care products, but also household products and food, reduces their reliance on the skincare market, which eases rivalry. **Overall, rivalry is assessed as moderate.**

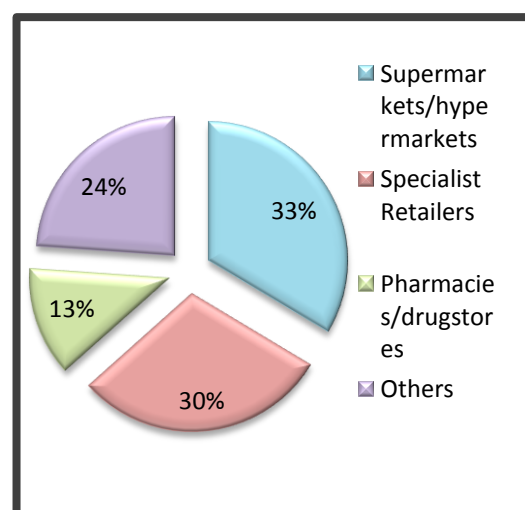
8. MARKET DISTRIBUTION

Supermarkets/hypermarkets form the leading distribution channel in the global skincare market, accounting for a 33.6% share of the total market's value. Specialist Retailers accounts for a further 29.8% of the market.

Table 2.24. :
Global skincare market distribution
% share, by value, 2009

Channel	% Share
Supermarkets/ Hypermarkets	33.6%
Specialist Retailers	29.8%
Pharmacies/drugstores	12.7%
Others	23.9%
Total	100%

Figure 2.19.:
Global skincare market distribution:
% share, by value, 2009



Source: Datamonitor

9. MARKET FORECASTS

Market value forecast

In 2014, the global skincare market is forecast to have a value of \$80,127.6 million, an increase of 21.4% since 2009.

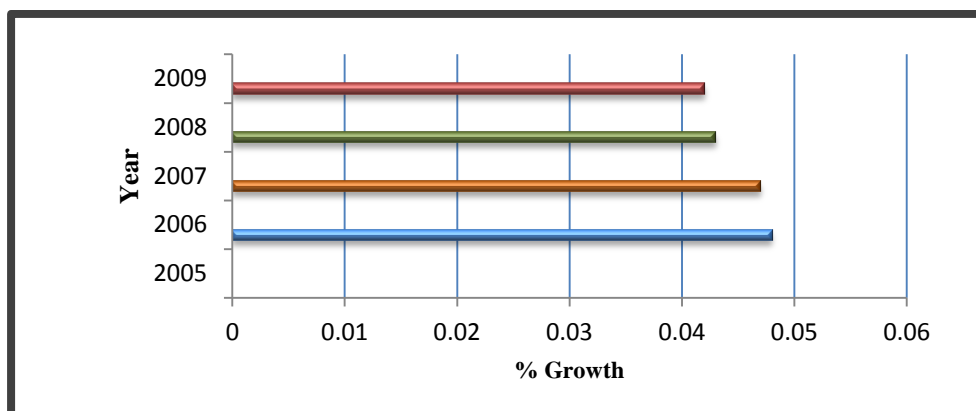
The compound annual growth rate of the market in the period 2009–14 is predicted to be 4%.

Table 2.25. Global Skincare market value forecast: \$million, 2009- 14

Year	\$ million	% Growth
2009	65,991.0	4.2%
2010	68,687.9	4.1%
2011	71,464.2	4.0%
2012	74,300.1	4.0%
2013	77,192.9	3.9%
2014	80,127.6	3.8%
CAGR:	2009–14	4.0%

Source: Datamonitor

Figure 2.20.: Global skincare market value forecast \$million, 2009-14



Market volume forecast

In 2014, the global skincare market is forecast to have a volume of 11,016.9 million units, an increase of 18.8% since 2009.

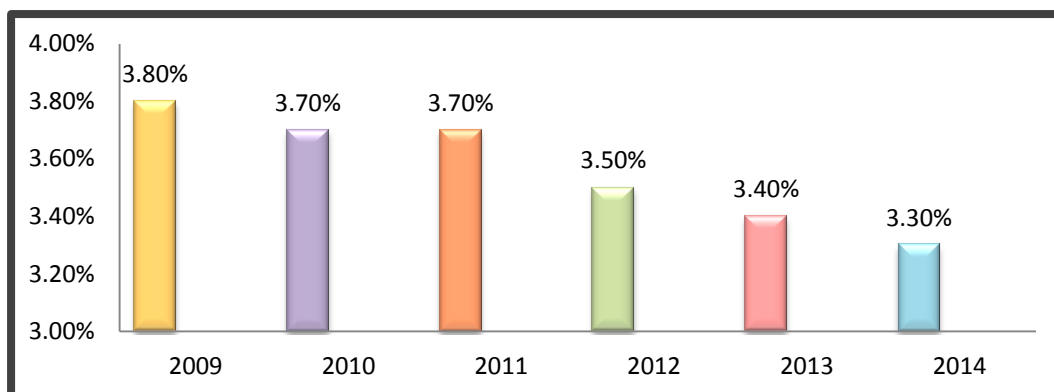
The compound annual growth rate of the market in the period 2009–14 is predicted to be 3.5%.

Table 2.26. Global Skincare market volume forecast \$million, 2009-14

Year	million units	% Growth
2009	9,270.7	3.8%
2010	9,610.8	3.7%
2011	9,963.4	3.7%
2012	10,312.6	3.5%
2013	10,666.3	3.4%
2014	11,016.9	3.3%
CAGR: 2009–14: 3.5%		

Source: Datamonitor

Figure 2.21. Global Skincare market volume forecast \$million, 2009-14



2.5.2. Skin care- India

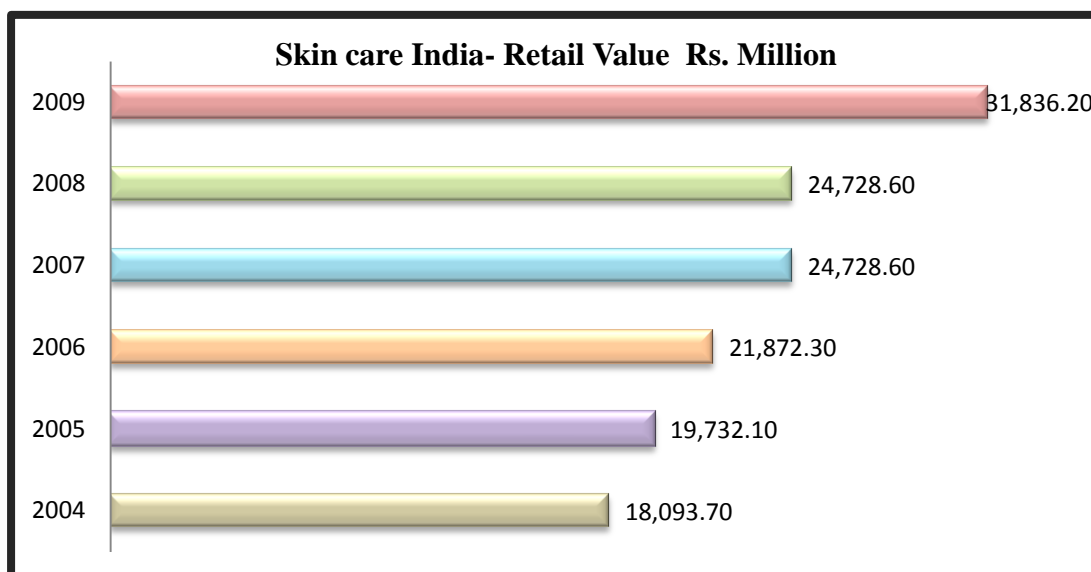
The skin care market of India grew by 13% in 2009, to reach Rs. 32 billion . The introduction of New Brands and Portfolio Extensions kept the skin care sector dynamic. Nourishers /anti-agers saw the fastest value growth of 19%in 2009. Hindustan Unilever Ltd’s products continued to dominate skincare sales . Skin care is forecast to see a constant value CAGR of 10%

Table 2.27. Market Sizes • Historic • Retail Value RSP • Rsmn • Current Prices

India	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Skin Care	18,093.7	19,732.1	21,872.3	24,728.6	24,728.6	31,836.2

Source: Euromonitor International

Figure 2.22. Market Sizes • Historic • Retail Value RSP • Rs.mn • Current Prices



Source: Euromonitor International

COMPETITIVE LANDSCAPE

Major Companies and Brands

Hindustan Unilever Ltd continued to dominate sales in 2009, accounting for a 61% value share. The company’s brands Fair & Lovely, Pond’s and Lakmé were the top three skin care brands in India in 2009, with Fair & Lovely accounting for 48% of the value sales of skin care in India. Despite increasing competition from new entrants such as Johnson & Johnson Ltd and Dabur India Ltd, the company’s sales performance remained strong, aided by its low-priced sachet SKUs, free samples and new variants for its major brands.

Hindustan Unilever Ltd witnessed the largest change in value share in 2009, falling by one percentage point compared to 2008. The sales of its major brand – Fair & Lovely – grew by only 10% in 2009. With the brand’s growth slowing as it reached higher and higher penetration levels towards the end of the review period it grew significantly more slowly than other moisturiser brands such as Pond’s and Garnier Skin Natural.

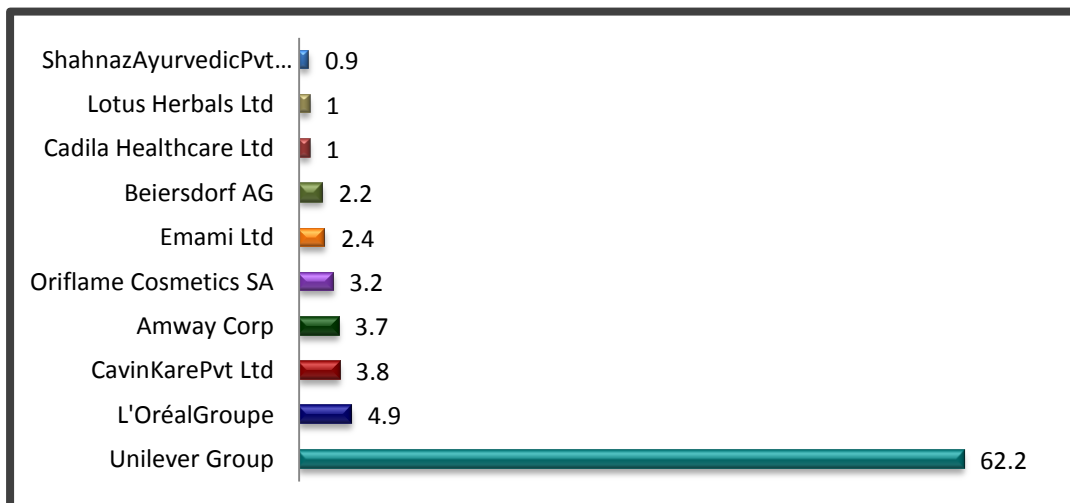
Table 2.28. Company Shares (by Global Brand Owner) • Retail Value RSP • % breakdown

	Company Name	2005	2006	2007	2008	2009
1.	Unilever Group	64.6	64.1	63.7	63.4	62.2
2.	L'OréalGroupe	2.3	3.0	3.8	4.8	4.9
3.	CavinKarePvt Ltd	4.2	3.9	3.6	3.6	3.8
4.	Amway Corp	3.6	3.8	3.8	3.8	3.7
5.	Oriflame Cosmetics SA	1.3	1.6	2.4	2.9	3.2
6.	Emami Ltd	0.5	1.6	1.8	2.0	2.4
7.	Beiersdorf AG	1.6	1.6	1.7	2.0	2.2
8.	Cadila Healthcare Ltd	1.2	1.2	1.1	1.1	1.0
9.	Lotus Herbals Ltd	0.9	0.9	0.9	0.9	1.0
10.	ShahnazAyurvedicPvt Ltd	1.2	1.2	1.1	1.0	0.9

Source: Euromonitor International

Figure 2.23.

Company Shares (by Global Brand Owner) • Retail Value RSP • % breakdown



Multinationals continued to dominate skin care sales in India in 2009. With Hindustan Unilever Ltd alone accounting for almost two thirds of sales, the strong growth of L'Oréal, Amway and Oriflame made the environment even more difficult for domestic players.

Major domestic players include CavinKare Pvt Ltd, Emami Ltd and Cadila Healthcare Ltd, which were the leading domestic skin care players in 2009. Domestic players continued to expand their presence in skin care in 2009. Domestic fmcg (fast-moving consumer goods) players such as Dabur India Ltd continued to expand in skin care in 2009.

Neutrogena and Dabur Uveda were the two major skin care brands launched in 2009. Both brands were launched across several skin care product categories with multiple variants in cleansers and moisturisers.

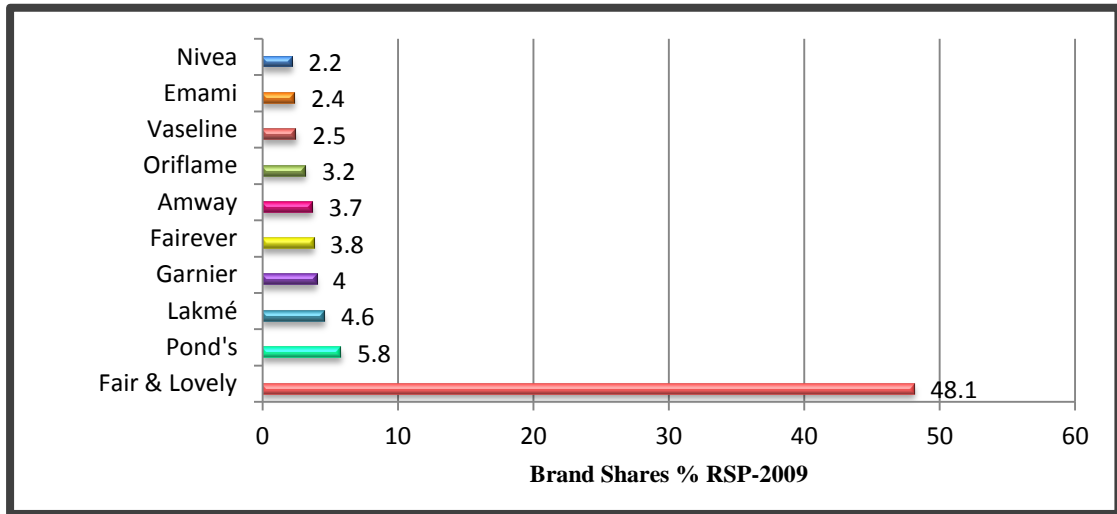
The launches signaled the entry of personal care players Johnson & Johnson Ltd and Dabur India Ltd in skin care in India and the products were heavily promoted using mass media and outdoor and point-of-sale displays and promotions. Hindustan Unilever Ltd was the most aggressive player in terms of TV advertisements in 2009.

Table 2.29. Brand Shares (by Umbrella Brand Name) • Retail Value RSP • % breakdown

	Brand	Company name (GBO)	2005	2006	2007	2008	2009
1.	Fair& Lovely	Unilever Group	49.9	49.5	49.0	49.2	48.1
2.	Pond's	Unilever Group	4.6	4.6	5.1	5.4	5.8
3.	Lakmé	Unilever Group	5.6	5.6	5.3	4.8	4.6
4.	Garnier	L'OréalGroupe	2.2	2.8	3.3	3.8	4.0
5.	Fairever	CavinKarePvt Ltd	4.2	3.9	3.6	3.6	3.8
6.	Amway	Amway Corp	3.6	3.8	3.8	3.8	3.7
7.	Oriflame	Oriflame CosmeticsSA	1.3	1.6	2.4	2.9	3.2
8.	Vaseline	Unilever Group	2.6	2.6	2.6	2.5	2.5
9.	Emami	Emami Ltd	0.5	1.6	1.8	2.0	2.4
10.	Nivea	Beiersdorf AG	1.6	1.6	1.7	2.0	2.2

Source: Euromonitor International

Figure 2.24. Brand Shares (by Umbrella Brand Name) • Retail Value RSP • % breakdown



Growth of Skincare products –

2009 value growth was slightly higher than the review period CAGR of 12%. Robust growth towards the end of the review period was driven by increasing consumer sophistication and premiumisation. Consumers traded up from basic products such as Fair & Lovely to more sophisticated variants offered by mass brands such as Pond's Flawless White, which incorporates SPF, UVAB filters and matt effect.

Table 2 .30. Sales of Skin Care by Subsector: % Value Growth 2004-2009

% current value growth	2008/09	2004-09 CAGR	2004/09 TOTAL
Body Care	9.6	10.5	64.7
- Firming/Anti-Cellulite Body Care	-	-	-
- General Purpose Body Care	9.6	10.5	64.7
Facial Care	13.4	12.1	77.4
- Acne Treatments	7.4	6.4	36.4
- Face Masks	5.6	6.3	36.0
- Facial Cleansers	18.5	14.8	99.1
- Facial Moisturisers	13.4	12.3	78.3
- Lip Care	-	-	-
- Nourishers/Anti-Agers	18.8	18.3	131.2
- Toners	6.8	6.7	38.3
Hand Care	-	-	-
Skin Care	13.0	12.0	76.0

Source: Euromonitor International

New Launches-

Several new brand launches and increased exposure to different types of skin care products (e.g. roll-ons, day and night moisturisers) due to the rapid expansion in the number of beauty advisors and skin care sales counters in department stores, supermarkets and beauty specialist retailers also buoyed growth towards the end of the review period.

Fastest Growing Segments –

Nourishers/anti-agers saw the fastest growth in 2009, albeit from a very small base. The category benefited from aggressive media campaigns for brands such as Olay Total Effects by Procter & Gamble Home Products Ltd and Recova by Paras Pharmaceuticals Ltd, which increased women's awareness about anti-ageing products. With consumers of skin care products in India being dominated by young women, under 35 years of age, manufacturers positioned their nourishers/anti-agers as preventative products which delay the effects of ageing such as the appearance of wrinkles rather than remedial products.

Average unit prices continued to slowly rise in 2009 as more and more consumers adopted masstige brands such as Oriflame or more expensive variants from mass brands such as Pond's Flawless White. Increasing consumer sophistication as well as rising purchasing power also fuelled the growth of premium brands such as Artistry and Clinique.

Rising share of Premium Brands-

Premium skin care grew slightly faster at 15% in current value terms than skin care as a whole in 2009. While skin care sales continued to be dominated by mass brands in India, urban women increasingly added one or two premium brands such as Estée Lauder and Artistry to their skin care regimen alongside staples such as Fair & Lovely and Pond's. Word-of-mouth publicity for direct selling brands and the growing visibility of international brands in outlets in the major cities boosted the growth of premium products in 2009.

Whitening and fairness products dominate the scene-

The "Whitening" and "fairness" and "glowing/clear complexion" remained the most prominent marketing claims in skin care in India in 2009 due to the prevailing preference of Indian consumers for fair skin. Whitening products accounted for 84% of the value sales of facial moisturisers in 2009, while they accounted for less than 10% of all other facial care categories.

Whitening facial moisturisers also remained the mainstay of men's skin care and this category attracted several new players in 2009. Fair & Lovely, the largest skin care brand in India with a 48% value share in 2009, continued to be updated with new variants such as Fair & Lovely Winter Fairness Cream in 2009.

Ointment/ Lotion are the popular formats available-

Acne treatment brands are commonly available in cream/ointment, lotion and bar soap formats. Cream/ointment is by far the most popular format, accounting for 81% of value sales of acne treatments in 2009. In September 2009, Clean & Clear Active Clear Acne Clearing Gel was launched by Johnson & Johnson Ltd. Acne kits are not available in India, and sales of acne treatment products are dominated by chemists outlets.

Therapeutic cosmetics not very popular yet-

Therapeutically positioned/pharma brands were not widely available in India over the review period and consumer awareness of such products remained low in 2009. However, with the expansion of chained chemists in the major cities towards the end of the review period, L'Oréal India Pvt Ltd increasingly stationed beauty advisors in upmarket chemists outlets to promote Vichy in Mumbai, Bangalore and Delhi. Nonetheless, due to its high price points and premium positioning, Vichy remained a highly niche brand in 2009.

Basic fairness creams dominate the sales of moisturisers in India and there is very little consumer awareness of specialised products targeting specific problem areas such as eyes. However, the launch of Garnier Light Eye Roll On in early 2009 was a huge success as the product highlighted the commonly faced problems of

puffiness of eyes and dark circles and leveraged consumers' latent need for such a product.

Convenient to use packaging matters-

The convenience of application and the massaging sensation of the roll-on were so popular among consumers that L'Oréal India Pvt Ltd launched a roll-on product for massaging the entire face under the Garnier AgeLift brand by end 2009. While the eye roll-on was highly successful, moisturising and anti-ageing eye creams remained niche as most consumers continued to rely on their regular fairness creams to target all problem areas on the face.

Low demand of Firming/ anti-cellulite body care products-

Firming/anti-cellulite body care had a negligible presence in India in 2009 as the leading body care mass brands, including Vaseline, Nivea and Pond's, did not see the marketing of such products in India. Firming/anti-cellulite body care were present mainly in the direct selling channel in 2009 and products such as Perfect Body Tight Tummy Toning Gel by Oriflame India Pvt Ltd had negligible sales due to low demand.

Scrubs and peel-offs very popular –

The use of face scrubs and peel-off face masks is very common in India and the products are mainly used to improve skin complexion by removing dead skin. While “fairness/whitening” remained the most dominant product claim in moisturisers, “refreshing”, “gentle” and “skin refining/exfoliating” were the most popular claims among cleansers, toners and face masks.

High growth rate of Facial Cleansers-

Facial cleansers witnessed a higher value growth rate in 2009 compared to 2008, spurred by the emphasis among newly launched brands such as Neutrogena (Johnson & Johnson Ltd) and EverYuth Menz (Cadila Healthcare Ltd) on this category through their mass-media campaigns. Moreover, existing brands with a loyal consumer base, such as StreetWear (Modi Revlon Pvt Ltd), Nivea for Men (Nivea India Pvt Ltd) and Lactocalamine (Piramal Healthcare Ltd), expanded their

product portfolio by launching facial cleansers in 2009. Even premium brands such as Clinique (Elca Cosmetics Pvt Ltd) saw a robust increase in the sales of their facial cleansers in 2009.

Not much innovation in packaging of skincare products-

There was no prominent packaging innovation in skin care in 2009. Squeezable plastic tubes were the most common skin care packaging available in India in 2009.

Premium and mass brands are often differentiated by distribution channel in India. While mass brands are mainly purchased from chemists stores and independent grocers, premium brands' availability is mostly limited to beauty specialist stores such as M.A.C., department stores and direct sellers such as Amway India Enterprises.

Skin care sector on very firm grounds in India –

Skin care is not expected to face any serious threats to expansion over the forecast period as the category is developing from a very basic level in India. As consumers become more sophisticated, claims of “whitening/fairness” are expected to face greater consumer scepticism and manufacturers are expected to increasingly focus on other issues such as skin texture and blemishes over the forecast period.

Facial cleansers is expected to be the fastest-growing product category over the forecast period with a constant value forecast CAGR of 16%. The category is expected to benefit from growing awareness about skin care products among consumers in small cities and towns who mainly use bar soap for washing their face. Even in the major cities, facial cleansers remained underpenetrated over the review period and the entry of brands such as Neutrogena and EverYuth Menz in 2009 is expected to raise consumers' awareness about cleansers over the forecast period.

Average unit prices are expected to continue to rise over the forecast period as consumers add more masstige and premium brands to their skin care regimen and manufacturers expand their mass brands by adding more masstige variants.

Table 2.31. Forecast Sales of Skin Care by Subsector: % Value Growth 2009-2014

% constant value growth	2009-14 CAGR	2009/14 TOTAL
Body Care	7.2	41.8
- Firming/Anti-Cellulite Body Care	-	-
- General Purpose Body Care	7.2	41.8
Facial Care	10.7	66.4
- Acne Treatments	3.0	16.1
- Face Masks	3.6	19.2
- Facial Cleansers	15.6	106.8
- Facial Moisturisers	10.5	64.8
- Lip Care	-	-
- Nourishers/Anti-Agers	14.2	94.2
- Toners	4.8	26.6
Hand Care	-	-
Skin Care	10.4	63.8

Source: Euromonitor International

Dabur Uveda and Neutrogena are both expected to see a favourable response in the short term. While Dabur Uveda is expected to leverage Dabur India Ltd's extensive distribution network in North and West India, its unique positioning as a modern skin care brand based on ayurvedic formulations is expected to be well received among urban consumers.

Neutrogena is also expected to be well received in the short term, particularly among consumers who are familiar with the brand from their stay/travel abroad.

Sales Promotion, a major tool at the hands of marketers –

Companies are expected to focus on getting consumers to try their products through sampling in women's magazines or bundled discounts and sachets for mass consumers and through direct consumer outreach in departmental and specialist stores by beauty advisors for premium brands.

Premium and masstige players are expected to focus on the major cities, while mass players such as Hindustan Unilever Ltd and Dabur India Ltd are expected to develop their distribution networks in semi-urban and rural areas.

Table 2.32. Forecast Skin Care Premium Vs Mass % Analysis 2009-2014

% retail value rsp	2009	2010	2011	2012	2013	2014
Premium	5.5	5.7	5.8	5.9	6.0	6.1
Mass	94.5	94.3	94.2	94.1	94.0	93.9
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International

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CHAPTER - 3.

BRAND LOYALTY –

A

CONCEPTUAL FRAMEWORK

Chapter- 3.

BRAND LOYALTY – A CONCEPTUAL FRAMEWORK

Chapter.3.	BRAND LOYALTY – A CONCEPTUAL FRAMEWORK	74-126
3.1.	INTRODUCTION	74
3.2	BRAND	75
	3.2.1. Introduction	75
	3.2.2. Brand: Meaning and Definition	77
	3.2.3. Marketing Implications of Branding	79
	3.2.4. Importance and Features of Branding	79
	3.2.5. Branding and Brand Building	83
3.3	BRAND LOYALTY	101
	3.3.1. Introduction	101
	3.3.2. The significance of Brand Loyalty for Marketing Management	104
	3.3.3. Stochastic Vs. Deterministic views of Repeat Purchase	105
	3.3.4. Conceptual and Operational Definitions of Brand Loyalty	107
	3.3.5. Factors of Brand Loyalty	117
	3.3.6. Developing Brand Loyalty	120
	3.3.7. Levels/Patterns of Brand Loyalty	121
	3.3.8. Factors explaining Brand Loyalty	122
	3.3.9. The Conversion Model of Brand Loyalty	123
	3.3.10. Brand Switching	125

CHAPTER-3. BRAND LOYALTY – A CONCEPTUAL FRAMEWORK

3.1. INTRODUCTION

In the era of liberalisation and globalisation, markets all over the world are going through a metamorphosis. The present day consumers are regularly exposed to newer life-styles, products and services unprecedented due to the impact of media and communication explosion. Simultaneously, thanks to the continuously increasing disposable incomes, there has been a radical shift in the attitude and aspirations of the consumers. Consequently, multifaceted and segment specific newer brands are regularly flooding the markets world over. In most of the categories, consumer goods more particularly Fast Moving Consumer Goods (FMCGs) are jostling for shelf-space in the overcrowded marketplace. Super markets, malls, and various retailing outlets have been catering to the ever increasing needs of the modern day consumers. In short, contemporary consumers are being offered umpteen number of choices in each and every product segment which is never seen before.

We are living in an age of brands. Today, there are normally no inanimate or dump products. They have transformed into brands with a personality of their own. They can be warm or friendly, cold or distant, old fashioned or sophisticated, stylish or shabby, and so on. This aura or ethos is what distinguishes a brand from a commodity.

Like outstanding individuals, the strongest brands, have more than personality—they have character, depth, and stand out in a crowd. This character has to be sustained and protected from a number of short-term demands so that the core image is not diffused. 'Brand itself has become a powerful brand in the common marketing practices!' A couple of decades back, hardly such a scenario was prevalent. Thanks to the ongoing liberalisation process and gradual emergence of India as a market destination for the international majors, there is a big assortment of brands in almost all product and service categories and brand competition has developed as one of the most significant features of the Indian marketing scenario in recent years. In an age of brands, the brand name is naturally a major marketing tool and one of the most important components of the total product/service personality. Against such a backdrop, the present chapter provides a conceptual review of brand loyalty. In the process, it

examines various facets of brand, branding and brand loyalty besides discussing the levels, process and factors of brand loyalty.

3.2. BRAND



Source: www.googleimages.com

3.2.1. INTRODUCTION:

There is legend that the practice of branding products originated when an ancient ruler decided that goods should bear some sort of symbol so that, if something should go wrong, buyers and the authorities would be in a position to identify the culprit. Forced to identify their brands with themselves, the story goes, producers started taking keen interest in their products and with all sincerity tried to make them better than those of their competitors', thus reversing the negative intent of the King's order. *Whether the story is true or not, it makes the point that branding serves many purposes within our society.* It necessarily helps buyers to determine which manufacturer's products are to be avoided and which are to be sought.³²

The contemporary world is gradually becoming a small place and perhaps provokes all and sundry to use the term 'global village' liberally often. Technological innovations, crumbling trade barriers, global flow of capital and technology, information explosion, intensity of market competition, changing life styles and the demand for new products and services are posing formidable challenges and opening up unprecedented opportunities to the business organisations world over. Most of the challenges to the modern business centre around competition. As a matter of fact, competition is one of the most important features of business in recent years. Once the business is able to weather competition successfully, unprecedented opportunities become a legion. For achieving success in a ruthless competitive market,

³² Zikmund, W. and D' Amico, M., Marketing, John Wiley and Sons, New York, 1984, p.243.

organisations thrive hard to develop deep pockets and close lineage with the customers. And in the process, those companies that have spend more time and effort in building strong brand allegiance/loyalty are observed to be more successful in getting new markets for their products and services.³³

Branding serves both the buyers as well as the sellers by making the process of exchange a pleasant-experience and need-fulfillment exercise. Branded goods and services possess the ability of ready marketability; thus considerably facilitating the task of the seller. It helps the sellers to attract and build loyal customers and to show that the firm stands behind what it offers. Any brand/firm that has earned an association with quality and reputation is able to make new product/service launch somewhat easier. In reality, brands provide the identity to the product which is being differentiated from the competitors.

Branded products/services offer a host of need-fulfilment and use-satisfaction experiences which buyers are hardly able to resist. Without branding, buyers would not be in a position in recognising products/services that have proved to be gratifying in the past. In many cases, consumers do have little knowledge about the physical semblance of products or salient characteristics of the service they buy most frequently. For many such consumers, purchases are made chiefly on the basis of the brand/firm reputation and goodwill which more or less acts as an assurance that the product/service meets certain standards.

In the free enterprise and market system economy that most of nations of the world are accepting as a way of economic life, branding is going to be an important characteristics of the buying and selling of products, services and even ideas. Even societies that have tried to do away with branding in the past such as the former Soviet Union and few other East European countries, have found that citizens will somehow determine which products are 'good' and which are 'bad' even if they use product serial numbers or other bits of information to differentiate between products.³⁴

33 Dasgupta, T. and Dutta, A., *Indian Management*, Vol. 39, No. 10 Oct. 2000, p. 82.

34 Zikmund, W. and D. Amico, M.D., *Op. Cit.*, p. 243.

3.2.2. BRAND: MEANING AND DEFINITION

A name becomes a brand when consumers associate it with a set of tangible or intangible benefits that they obtain from the product or service. Simply stated, brand is an outcome of company's marketing efforts, product performance: and customer satisfaction. A strong brand stands for many things: quality, design, product(s), position, image, and value for money and confidence.³⁵

Brand is defined differently by many authors but the word brand is comprehensive, encompassing other narrower terms. A brand is a name and/or mark intended to identify the product/service of one seller or group of seller and differentiate the product or service from competing products/ service

Specifically, a brand is a name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers. The legal term for brand is trademark.³⁶

A brand name consists of words, letters, and numbers that can be vocalised.³⁷ For example; Godrej, Colgate, Pepsodent, Titan, Britannia, Appolo, L&T, etc. are generic brand names.

A brand is defined as a name, term, symbol or design or a combination of them which is intended to identify goods and services of one seller or group of sellers and to differentiate them from those of competitors'.³⁸

Recognising that homogeneity of product offered precluded identification of a given producer's output at the point of sale, manufacturers' resort to branding as a means of distinguishing their product from that of their competitors.³⁹

Basically, a brand name is a word, mark, term, symbol, or device or a combination of these things used to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors. A brand name is a word that can be spoken such as Coke, Sony, Honda, Colgate, and so on. A brand

35 Gupta, N., Brand Management : Challenges and Opportunities, Indian Management, Vol. 40, No. 6, June 2001, p. 30.

36 Bennett, P.D., (ed.) Dictionary of Marketing Terms (2nd Edition), American Marketing Association, Chicago, 1995, p. 27.

37 Stanton, W.J., Etzel, M.J., Walker, B.J., Fundamentals of Marketing, McGraw Hill Inc., Tenth Edition, Singapore, 1994, p. 262.

38 Ramaswamy, V.S., and Namakumari, S., Marketing Management, McMillan India Ltd., New Delhi, 1995, p. 220.

39 Baker, M.J., Marketing, ELBS with McMillan, Fifth Edition, Hamshire, 1991, p. 105

mark, on the other hand is a symbol, design, or distinctive colouring or lettering closely identified with the product/company.⁴⁰

A good brand name can evoke feelings of trust, confidence, security, strength and many other desirable characteristics.⁴¹

Brand is the medium through which consumers identify their experiences with the product offerings of a company. The name of the company is forgotten but the brand name remains in the mind of the consumer. And this brand name along with its associations, initiates future purchases.⁴²

A brand is a product that provides functional benefits plus added values that some customers value enough to buy.⁴³

A brand is a distinguished name and/or symbol (such as a logo, trademark, or package design) intended to identify the goods or services of either one seller or a group of sellers, and to differentiate those goods or services from those of competitors.⁴⁴

A brand is inclusive. It is the tangible and intangible benefits provided by a product or service, the entire customer experience. It includes all the assets critical to delivery and communicating the experience, the name, the design the advertising, product or service, the distribution channel, the reputation.⁴⁵

A brand should convey the essence, character and purpose of a company and also its products and services.⁴⁶

A brand is a complex mixture of attributes: its visible face is its packaging and visual identity, its voice is its advertising ... but its actual personality is something that really exists only in the mind of the consumer.⁴⁷

40 Markin, R., Marketing-Strategy and Management, John Wiley & Sons, Second Edition, New York, 1997, pp. 265-266.

41 Shimp, T., Promotion Management and Marketing Communication, Dryden Press, Hinsdale, 1990, p. 67.

42 Aaker, D., Managing Brand Equity, Free Press, 1991.

43 Jones, JP, What's in a Name? Advertising and the Concepts of Brands, Lexington Books, New York, 1986

44 Aaker, D., Op. Cit. 1991

45 Gilmore, F., (Ed.) Brand Warriors, as cited in The Economic Times, December 19, 2000

46 Brand Magic, Indian Management, Vol. 41, Issue 5, August, 2002, p. 13

47 Anholt, S., India: The Nation As a Brand. Brand Equity, The Economic Times, 2nd January, 2002, p. 1.

Brands however, unlike commodities, are made of air, and are thus infinitely sustainable so long as the investment in marketing is maintained

3.2.3. MARKETING IMPLICATIONS OF BRANDING

Learning and brand loyalty are closely linked as most current purchases are based on past buying experience. If the experiences with a particular product/service are satisfying and gratifying, consumer response for the same would most likely be in the form of repeat purchase. If the experience is otherwise, the consumer response would most likely be in the form of switching the brand. One of the main aim of marketing is to develop a group of people who will repeatedly purchase/ search for the particular brand and wait for the brand in out of stock situation (OSS).

Brand loyalty, to a significant extent, is the net outcome of the desire of the consumer to minimise the risk involved in purchasing decisions. Such a phenomenon always works to the advantage of established brands which are well-entrenched in the psyche of the consumers as well as in the market.

New entrants of the market try hard to break the habitual response of the consumers. As a result, sales promotion measures like free samples, cents off, coupons and introductory offers are undertaken to make a dent on the loyalty base so that consumers are induced to shift their base to competing brands and establish a pattern of loyalty to a new brand.

The aim is to follow up a new response with an acceptable reward in order to increase the probability of the response being repeated. This is a tough job if the market leader is well established and has deep pockets of brand loyalty. Most often brand leaders are in the habit of adopting a conservative strategy of not juggling around too much with a winner. However, at times it becomes imperative for the brand leader to innovate and extent the brand in order to maintain its market-stand.⁴⁸

3.2.4. IMPORTANCE AND FEATURES OF BRANDING

Brands are of great significance to the buyers and sellers as well. From the buyer's standpoint, branding helps in identifying and recognising the product, thus speeding up the shopping chore. Brands also afford buyers fairly good protection against risks.

⁴⁸ Mandell, M.I., and Rosenberg, L.J., Marketing, Prentice Hall of India Pvt., Ltd., New Delhi, 1983, p. 151

By purchasing branded goods that have a high degree of market acceptance and with which a number of buyers are familiar, they are sure of getting at least minimum standards of quality and to some extent reasonable price.⁴⁹

Benefits of Branding to Consumers: Branding occupies a significant place in the consumer decision making process by providing valuable information and guidance for undertaking purchases intelligently. It offers several benefits to the consumers; the notable being:

1. Product Quality and Status

As a matter of practice, consumers always prefer products/services that are associated with high quality and dependability and even are willing to pay higher price to buy the same. Branded goods/services assure certain quality and standard which are consistently maintained by the producer. In addition, some brands have the aura of conferring status on those who purchase them. Thus consumers of such brands derive the immense satisfaction of prestige and status."

2. Innovation

Innovative products are usually heralded by a new brand name which often becomes generically known as the product or the service itself, as it happened in case of Dalda, Colgate, Dettol, Lifebuoy and a host of other brands.

3. Choice

Most often consumers value the freedom of choosing from among the many offering in a given product/service category and branding makes this possible by identifying each offering. Therefore for consumers of brands, shopping becomes easy and pleasurable.⁵⁰

Benefit of Branding to Marketers:

It is needless to indicate that marketers throughout the world use brand names in selling their products/services. The use of brand name or trade mark is indispensable

49 Markin, R., Op. Cit., p. 266.

50 Mandell, M.L., and Rosenberg, L.J., Opp. Cit., p. 285.

for the marketers, because it helps buyers to identify the product or service and distributors to handle it. The specific advantages of branding that accrue to marketers are as follows:

1. Advertising and Sales Promotion

Advertising and sales promotion becomes much easier if products and services are branded. Admittedly, undifferentiating and unbranding create innumerable promotion related problems for the marketers since they lack distinctiveness and therefore suffer from identity crisis. The brand becomes an important attribute in and of itself. It is a focal point around which other product attributes can be grouped to form a clear product image. In a purchasing environment, consumers come across a host of products and services having identical features and attributes. The branded ones are often those which the shopper is most familiar. In the contemporary world, consumers usually get little time for shopping and indeed wish to spend little on the same. And hence, the branded products and services which have been well advertised, to a great extent are pre sold. For that reasons, self service stores and shopping malls rely heavily on customer acceptance of their products by promoting branded commodities.

2. Preferential Demand

Branding necessarily facilitates for the creation of preferential demand for product and service in a class of products and services. Organisations often try to convince buyers, through their combined branding and promotional efforts that their product is significantly better than those of competitors'. In such a case, the business is in a position to convince the buyers that the product warrants' a premium at the marketplace.

Moreover, it is also expected that the customer be loyal to that brand and prefer the same over other similar competing products. Branding, thus reduces an in many cases totally eliminates direct price comparisons. Branding also helps to stabilize prices. Prices of branded commodities generally tend to fluctuate less than those of their anonymous counterparts.⁵¹

51 Markin, R., Opp. Cit. pp. 266-267.

CHARACTERISTICS OF A GOOD BRAND NAME:

A critical part of brand usage and strategy is choosing the brand name.

1. A good brand name is supposed to be distinctive, easily vocalised, highly Descriptive of the product attributes/service features and has significant use value, suggesting the desirable feature of the product/service.
2. A brand name, once selected should be retained as long as possible. In other words, it should be of a permanent nature.
3. Besides, a brand name should be in accordance with the law of the state.
4. Above all, brand name must be descriptive without unduly appropriating ordinary English words.⁵²

In practice, however it is difficult to find a brand name which satisfies all the aforementioned criteria. Many brand names have some of those characteristics, while some even though successful do not. Godrej Ezee liquid detergent, Kurl-on mattresses, Aquaguard water purifier, Surf detergent powder, Euroclean vacuum cleaner, Goodnight mosquito repellent, Mobil engine oils, are some of the exemplary brands which came close to meeting all the requirements for a brand name.

However, Kodak, Xerox, Exxon are brand names which really fit few of the criteria except that they are not descriptive English words and therefore have not appropriated any words unfair from the language. Therefore presence of many of the above mentioned characteristics is not the sole criteria for the success of a brand name in the market place. Many companies have used their first name or initials as their brand name e.g. GEC, GWK, ITC, AT&T, etc. and achieved brand eminence without the existence of any of the characteristics features.

Few of the brand names are found successful which are synonym for the product or service itself. Aspirin, Cellphone, Cola, Nylon, Xerox, Linoleum, Kerosene were once upon brand names. But with due course of time, they are being identified as products by consumers worldwide. Few of such names in fact, have become generic terms.⁵³ And many of them are constantly battling to protect their trademarks and to make the distinction that they are not categories but brands.

⁵² Stanton W.J., Etzel M.J., and Walker, B.J., *Opp. Cit.*, pp. 264-65.

⁵³ Boone, L.E., and Kurtz, D.L., *Contemporary Marketing*, The Dryden Press, Illinois, 1980, p. 181

3.2. 5. BRANDING AND BRAND-BUILDING

Rome was not built in a day. Similarly, brand building is also the result of relentless endeavor rendered by the companies. As a matter of fact, building a brand's personality is the single most difficult task in marketing.

To build strong brands, a company must build relationship between a brand and customer. Relationship arises from the customer's entire experience of the brand. As the relationship grows stronger, so does the brand.

Building strong brands is indeed an expensive and long-term phenomenon. Once developed and nurtured such brands add value to the company which owns them. These brands consequently contribute significantly to the company's earnings and profitability.⁵⁴

Starting from a basic brand which just represents a product, companies strategically build the brand which represent numerous products and gets associated with life-styles.

Additional power and value can be added to the brand by building a global image of a brand which have special credibility and authority. Think of the best names in any business. How did they get to be the best names? Imagination, innovation, quality and style had a lot to do with it.

Most brands do not take root. And from those that survive birth, most limp into category of 'also ran'. Only a handful are successful and from these occasionally, over the years springs a market leader.⁵⁵

Business is war; the objective is competitor destruction through superior industrial economics. Brand warfare is different: the brand warrior identifies the key conquest as the customer, not the rival. Beating the rival follows inexorably from winning over the customer's heart and mind so the process of nurturing a brand is a crucial aspect of the warrior's attack.

Branding is ultimately about securing the future of a company, its products and services, by building loyalties using emotional as well as rational values. Companies

⁵⁴ Gupta, N., *Opp. Cit.*, pp. 30-38.

⁵⁵ Mehta, S., *Brand Valuation: A Perspective*, Brand Power, The Economic Times, 17th August, 1984, p. 30

which are rated by marketers as the rising stars for the future are those with very clearly positioned confident corporate brands. These companies deliver through their core competencies and more importantly, have a coherent core value and emotional brand proposition for the consumers.

Ultimately, successful brand building involves identifying with the customer's desires and giving what he or she wants as the value (price and quality) plus the characteristics of image being sought, aspired to, or accepted.

For some organisations, the primary focus of strategy development is placed on brand building, developing and nurturing activities.⁵⁶

Many other companies use branding strategies in order to increase the strength of the product image. Factors that serve to increase the product image strength include:

- (1) Product quality,
- (2) Consistent advertising and other marketing communications in which brands tell their story often and well.
- (3) The distribution intensity whereby customers see the brand wherever they shop and
- (4) Brand personality where the brand stands for something.

Strong brands continuously provide relevant information and reasons to buy the product to the customer in a creative and motivating manner which will directly or indirectly drive sales growth. The basic attributes of winning brands obviously are ubiquity, equity, value positioning/pricing, consistency and innovation.⁵⁷

In India, most of the marketers hardly realised the importance of branding until recently. There wasn't any need for them to give it a second thought as the consumers in general did not have much of a choice in terms of better products in a closed market. Things started changing with opening up of the economy in the wake of economic liberalisation and opening of the country's gates to global competitors since the early nineties.

⁵⁶ Urde, M., "Brand Orientation—A Strategy for Survival", *Journal for Consumer Marketing*, 1994, pp. 18-32.

⁵⁷ Sen, S., as quoted in *Indian Management*, Vol. 41, Issue 5, August, 2002, p. 13.

There are significant demographic changes in the consumer profile. Most markets are growing in size and power and there is up gradation of Indian markets in terms maturity, taste, quality, and information.

In addition, consumer buying processes are changing. Consumers are now more demanding, educated and better informed. They now have higher exposure to quality products and their expectations are increasing.

Some of the Indian companies however, in the meantime have built a strong brand equity over the years. Most of them have realised that brands do have values and, should be viewed as assets of the firm. Many leading industrial houses have been able to develop enduring connections with their customers. Tata, Kirloskar, Bajaj, Mahindra, Godrej, to name a few.

The very well known Indian brands, include Asian Paints, Amul, Nirma, Park Avenue, Titan, VIP, Amul, and others. These are the brands that have withstood the tests of the time. In the recent past, some of the brands launched by Arvind namely, Newport, Ruf & Tuff, jeans have become runaway success. Brands like Titan, VIP, Amul have really worked out their strategies so well to keep the MNCs at bay.

So gradually many marketers in India are learning the nuances of marketing and the art of brand building to stay afloat in highly competitive markets.

■ **BRAND EQUITY**

A product is something that is made in a factory; a brand is something that is bought by a customer. A product can be copied by a competitor; a brand is unique. A product can be quickly outdated; a successful brand is timeless.

Stephen King WPP Group, London

■ **THE ROLE OF BRANDS**



A brand is a distinguishing name and/or symbol (such as a logo, trademark, or package design) intended to identify the goods or services of either one seller or a group of sellers, and to differentiate those goods or services from those of

competitors. A brand thus signals to the customer the source of the product, and protects both the customer and the producer from competitors who would attempt to provide products that appear to be identical.

There is evidence that even in ancient history names were put on such goods as bricks in order to identify their maker. And it is known that trade guilds in medieval Europe used trademarks to assure the customer and provide legal protection to the producer. In the early sixteenth century, whiskey distillers shipped their products in wooden barrels with the name of the producer burned into the barrel. The name showed the consumer who the maker was and prevented the substitution of cheaper products. In 1835 a brand of Scotch called "Old Smuggler" was introduced in order to capitalize on the quality reputation developed by bootleggers who used a special distilling process.

Although brands have long had a role in commerce, it was not until the twentieth century that branding and brand associations became so central to competitors. In fact, a distinguishing characteristic of modern marketing has been its focus upon the creation of differentiated brands. Market research has been used to help identify and develop bases of brand differentiation. Unique brand associations have been established using product attributes, names, packages, distribution strategies, and advertising. The idea has been to move beyond commodities to branded products—to reduce the primacy of price upon the purchase decision, and accentuate the bases of differentiation.

The power of brands, and the difficulty and expense of establishing them, is indicated by what firms are willing to pay for them. For example, Kraft was purchased for nearly \$13 billion, more than 600% over its book value, and the collection of brands under the RJR Nabisco umbrella brought over \$25 billion. These values are far beyond the worth of any balance sheet item representing bricks and mortar.

An even clearer example of the value of a brand name is licensing. For example, Sunkist in 1988 received \$10.3 million in royalties by licensing its name for use on hundreds of products such as Sunkist Fruit Gems (Ben Myerson candy), Sunkist orange soda (Cadbury Schweppes), Sunkist juice drinks (Lipton), Sunkist Vitamin C (Ciba-Geigy), and Sunkist fruit snacks (Lipton).³ Lipton used the name

Sunkist Fun Fruits to overcome an established Fruit Corner line of fruit snacks from General Mills. The Fruit Corner tag line, "Real fruit and fun rolled up in one," was overshadowed by Sunkist Fun Fruits, a name that said it all.

The value of an established brand is in part due to the reality that it is more difficult to build brands today than it was only a few decades ago. First, the cost of advertising and distribution is much higher: One-minute commercials and sometimes even half-minute commercials are now considered too expensive to be practical, for example. Second, the number of brands is proliferating: Approximately 3,000 brands are introduced each year into supermarkets. This meant, and continues to mean, increased competition for the customer's mind as well as for access to the distribution channel. It also means that a brand often is relegated to a niche market, and so will lack the sales to support expensive marketing programs.

▪ **BRAND-BUILDING NEGLECT**

Despite the often obvious value of a brand, there are signs that the brand-building process is eroding, loyalty levels are falling, and price is becoming more salient. The accompanying insert suggests a series of indicators of a lack of attention to brands which most firms will find familiar.

Indicators of an Under- emphasis on Brand-Building

- Managers cannot identify with confidence the brand associations and the strength of those associations. Further, there is little knowledge about how those associations differ across segments and through time.
- Knowledge of levels of brand awareness is lacking. There is no feel for whether a recognition problem exists among any segment. Knowledge is lacking as to top-of-mind recall that the brand is getting, and how that has been changing.
- There is no systematic, reliable, sensitive, and valid measure of customer satisfaction and loyalty—nor any diagnostic model that guides an ongoing understanding of why such measures may be changing.

- There are no indicators of the brand tied to long-term success of the business that are used to evaluate the brand's marketing effort.
- There is no person in the firm who is really charged with protecting the brand equity. Those nominally in charge of the brand, perhaps termed brand managers or product marketing managers, are in fact evaluated on the basis of short-term measures.
- The measures of performance associated with a brand and its managers are quarterly and yearly. There are no longer-term objectives that are meaningful. Further, the managers involved do not realistically expect to stay long enough to think strategically, nor does ultimate brand performance follow them.
- There is no mechanism to measure and evaluate the impact of elements of the marketing program upon the brand. Sales promotions, for example, are selected without determining their associations and considering their impact upon the brand.
- There is no long-term strategy for the brand. The following questions about the brand environment five or ten years into the future are unanswered, and may have not been addressed: What associations should the brand have? In what product classes should the brand be competing? What mental image should the brand stimulate in the future?

▪ **THE ROLE OF ASSETS AND SKILLS**

One approach to introducing a strategic orientation is to change the primary focus from managing short-term financials to the development and maintenance of assets and skills.

An asset is something a firm possesses, such as a brand name or retail location, which is superior to that of the competition. A skill is something a firm does better than its competitors do, such as advertising or efficient manufacturing.

Assets and skills provide the basis of a competitive advantage that is sustainable. What a business does (the way it competes and where it chooses to do so) usually is easily imitated.

It is more difficult to respond to what a business is, since that involves acquiring or neutralizing specialized assets or skills.

Anyone can decide to distribute cereal or detergent through supermarkets, but few have the clout to do it effectively.

The right assets and skills can provide the barriers to competitor thrusts that allow the competitive advantage to persist over time and thus lead to long-term profits. The challenges are to identify key assets and skills on which the firm should base its competitive advantage, to build upon and maintain them, and then to use them effectively. The concept of an asset as a generator of a profit stream is familiar, especially when that asset is capitalized and appears on the balance sheet. A government bond is the prototypical example. A factory which houses plant, equipment, and people is another example. But of course a factory, unlike a government bond, requires active management and must be maintained.

The most important assets of a firm, however (such as the people in the organization and the brand names), are intangible in that they are not capitalized and thus do not appear on the balance sheet. Depreciation is not assessed, on "intangible assets," and thus maintenance must come directly out of cash flow and short-term profits.

Everyone understands that even in bad times a factory must be maintained, in part because of the depreciation term in the income statement and also because maintenance needs are visible. An intangible asset, by contrast, is more vulnerable, and its "maintenance" is more easily neglected.

Managing the Brand Name

One such intangible asset is the equity represented by a brand name. For many businesses the brand name and what it represents are its most important asset—the basis of competitive advantage and of future earnings streams. Yet, the brand name is seldom managed in a coordinated, coherent manner with a view that it must be maintained and strengthened.

Instead of focusing upon an asset such as a brand, too often "fast-track" managers get caught up in day-to-day performance measures which are easily available. A focus on short-run problems facing the brand can result in an operation

that performs well, sometimes over a long time-period. However, the danger is that this performance is achieved by exploiting the brand and allowing it to deteriorate. The brand might be extended so far that its core associations are weakened. Its associations might be tarnished by expanding its market to include less-prestigious outlets and customers. Price promotions might be used to provide a perceived bargain for customers. The brand should be thought of as an asset, such as a timber reserve. Short-term profits can be substantial if the reserve is depleted without regard to the future but the asset can be destroyed in the process.

It is not enough to avoid damaging a brand—it needs to be nurtured and maintained. A more subtle danger facing a brand is from a firm with a strong cost/efficiency culture. The focus is on improving the efficiency of operations including purchasing, product design, manufacturing, promotions, and logistics. A problem, however, is that in such a culture the brand may not be nurtured, and thus may slowly deteriorate. Further, efficiency pressures lead to difficult compromises between cost goals on the one hand and customer satisfaction on the other.

The value of brand-building activities on future performance is not easy to demonstrate. The challenge is to understand better the links between brand assets and future performance, so that brand-building activities can be justified. What are the assets that underlie brand equity? How do they relate to future performance? Which assets need to be developed, strengthened, or maintained? What exactly is the nature of the payoff/risk of such activities? What is the value of an improvement in perceived quality or brand awareness, for example? If answers to such questions would emerge, there would be more support for brand-building and more resistance to short-term expediency.

All brand-building activities require justification. However, the need is particularly acute in advertising because of the large expenditures involved that are often vulnerable to short-term pressures. Peter A. Georgescu, president of Young & Rubicam, captured the pressure on advertising by noting a need to learn how to measure, forecast, and manage the communication elements that go into the making of strong brands. He warned: "We have to find ways to measure and justify the megamillions our clients have to spend to build strong brands—or else." The "or else" referred to brands becoming "faceless, lifeless" commodities.

The first step in identifying the value of brand equity is to understand what it is—what really contributes to the value of a brand. Thus the definitional issue arises.

MEANING OF BRAND EQUITY

Brand equity is a set of brand assets and liabilities linked to a brand, its name and symbol, that add to or subtract from the value provided by a product or service to a firm and/or to that firm's customers.

For assets or liabilities to underlie brand equity they must be linked to the name and/or symbol of the brand. If the brand's name or symbol should change, some or all of the assets or liabilities could be affected and even lost, although some might be shifted to a new name and symbol. The assets and liabilities on which brand equity is based will differ from context to context.

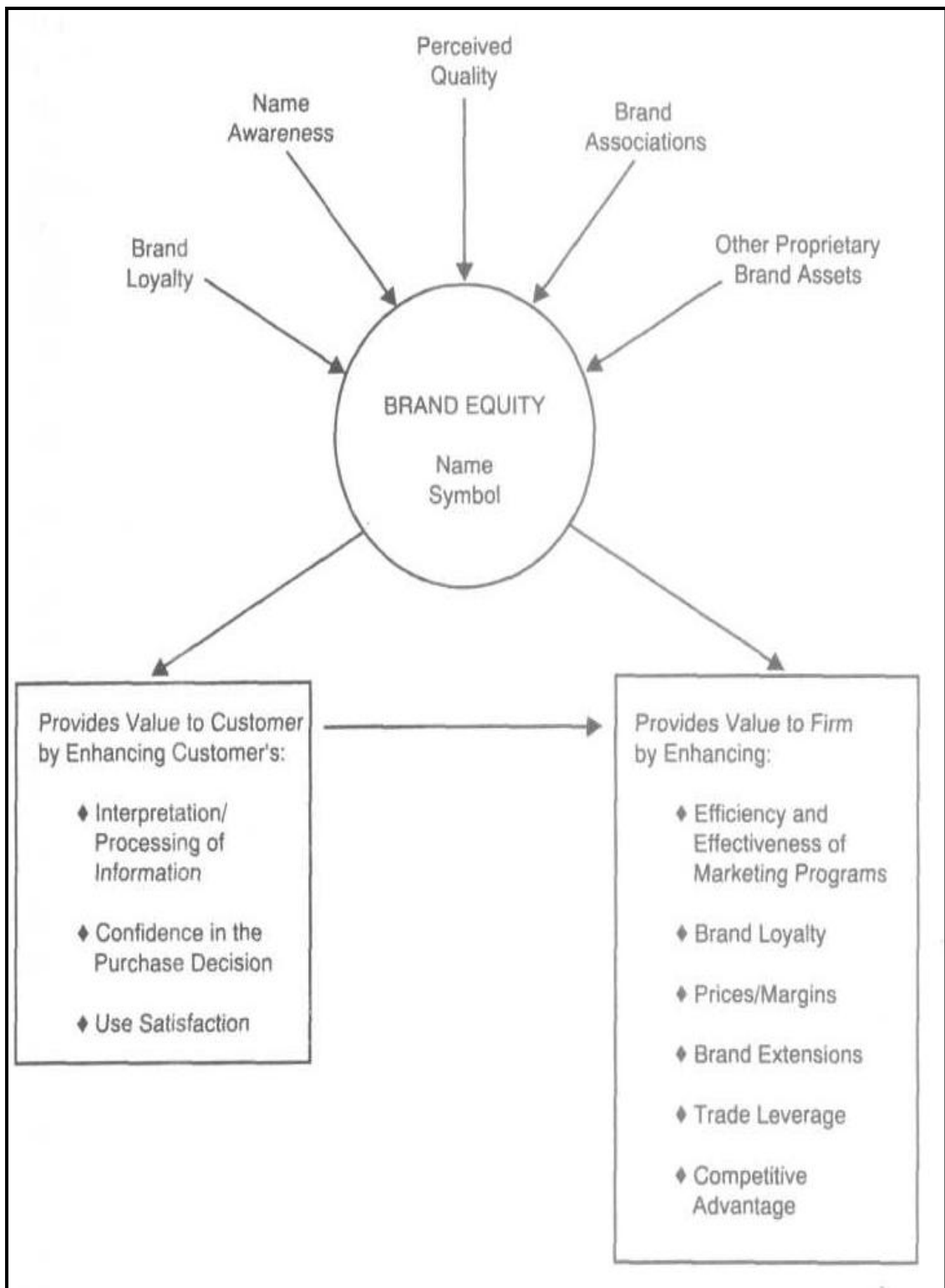
However, they can be usefully grouped into five categories:

- 1. Brand loyalty**
2. Name awareness
3. Perceived quality
4. Brand associations in addition to perceived quality
5. Other proprietary brand assets—patents, trademarks, channel relationships, etc.

The concept of brand equity is summarized in Figure below . The five categories of assets that underlie brand equity are shown as being the basis of brand equity.

The figure also shows that brand equity creates value for both the customer and the firm.

Figure 3.1. Brand Equity.



Source; Aaker, D., Managing Brand Equity

1. Providing Value to the Customer

- Brand-equity assets generally add or subtract value for customers. They can help them interpret, process, and store huge quantities of information about products and brands.
- They also can affect customers' confidence in the purchase decision (due to either past-use experience or familiarity with the brand and its characteristics).
- Potentially more important is the fact that both perceived quality and brand associations can enhance customers' satisfaction with the use experience. Knowing that a piece of jewelry came from Tiffany can affect the experience of wearing it: The user can actually feel different.

2. Providing Value to the Firm

As part of its role in adding value for the customer, brand equity has the potential to add value for the firm by generating marginal cash flow in at least half a dozen ways.

- First, it can enhance programs to attract new customers or recapture old ones. A promotion, for example, which provides an incentive to try a new flavor or new use will be more effective if the brand is familiar, and if there is no need to combat a consumer skeptical of brand quality.
- Second, the last four brand equity dimensions can enhance brand loyalty. The perceived quality, the associations, and the well-known name can provide reasons to buy and can affect use satisfaction. Even when they are not pivotal to brand choice, they can reassure, reducing the incentive to try others. Enhanced brand loyalty is especially important in buying time to respond when competitors innovate and obtain product advantages. Note that brand loyalty is both one of the dimensions of brand equity and is affected by brand equity. The potential influence on loyalty from the other dimensions is significant enough that it is explicitly listed as one of the ways that brand equity provides value to the firm.

It should be noted that there exist similar interrelationships among the other brand equity dimensions. For example, perceived quality could be influenced by awareness (a visible name is likely to be well made), by associations (a visible spokesperson would only endorse a quality product), and by loyalty (a loyal customer would not

like a poor product). In some circumstances it might be useful to explicitly include other brand equity dimensions as outputs of brand equity as well as inputs, even though they do not appear in Figure above.

- Third, brand equity will usually allow higher margins by permitting both premium pricing and reduced reliance upon promotions. In many contexts the elements of brand equity serve to support premium pricing. Further, a brand with a disadvantage in brand equity will have to invest more in promotional activity, sometimes just to maintain its position in the distribution channel.
- Fourth, brand equity can provide a platform for growth via brand extensions.
- Fifth, brand equity can provide leverage in the distribution channel. Like customers, The trade has less uncertainty dealing with a proven brand name that has already Achieved recognition and associations. A strong brand will have an edge in gaining both shelf facings and cooperation in implementing marketing programs.
- Finally, brand-equity assets provide a competitive advantage that often presents a real barrier to competitors. An association—e.g., Tide is the detergent for tough family laundry jobs—may preempt an attribute that is important for a given segment. For example, another brand would find it difficult to compete with Tide for the "tough cleaning job" segment. A strong perceived quality position, such as that of Acura, is a competitive advantage not easily overcome—convincing customers that another brand has achieved quality superior to the Acura (even if true) will be hard. Achieving parity in name awareness can be extremely expensive for a brand with an awareness liability.

The five categories of assets that underlie brand equity are discussed below. As each is discussed, it will become clear that brand-equity assets require investment to create, and will dissipate over time unless maintained.

a. Brand Loyalty

For any business it is expensive to gain new customers and relatively inexpensive to keep existing ones, especially when the existing customers are satisfied with—or even like—the brand. In fact, in many markets there is substantial inertia among customers even if there are very low switching costs and low customer commitment to the existing brand. Thus, an installed customer base has the customer

acquisition investment largely in its past. Further, at least some existing customers provide brand exposure and reassurance to new customers.

The loyalty of the customer base reduces the vulnerability to competitive action. Competitors may be discouraged from spending resources to attract satisfied customers. Further, higher loyalty means greater trade leverage, since customers expect the brand to be always available.

b. Awareness of the Brand Name and Symbols

People will often buy a familiar brand because they are comfortable with the familiar. Or there may be an assumption that a brand that is familiar is probably reliable, in business to stay, and of reasonable quality. A recognized brand will thus often be selected over an unknown brand. The awareness factor is particularly important in contexts in which the brand must first enter the consideration set—it must be one of the brands that are evaluated. An unknown brand usually has little chance.

c. Perceived Quality

A brand will have associated with it a perception of overall quality not necessarily based on a knowledge of detailed specifications. The quality perception may take on somewhat different forms for different types of industries. Perceived quality means something different for Hewlett Packard or IBM than for Tide or Heinz. However, it will always be a measurable, important brand characteristic.

Perceived quality will directly influence purchase decisions and brand loyalty, especially when a buyer is not motivated or able to conduct a detailed analysis. It can also support a premium price which, in turn, can create gross margin that can be reinvested in brand equity. Further, perceived quality can be the basis for a brand extension. If a brand is well-regarded in one context, the assumption will be that it will have high quality in a related context.

d. A Set of Associations

The underlying value of a brand name often is based upon specific associations linked to it. Associations such as Ronald McDonald can create a positive attitude or feeling that can become linked to a brand such as McDonald's. The

association of a "use context" such as aspirin and heart-attack prevention can provide a reason-to-buy which can attract customers. A life-style or personality association may change the use experience: The Jaguar associations may make the experience of owning and driving one "different." A strong association may be the basis of a brand extension: Hershey's chocolate milk provides the drink with a competitive advantage based upon Hersheys associations.

If a brand is well positioned upon a key attribute in the product class (such as service backup or technological superiority), competitors will find it hard to attack. If they attempt a frontal assault by claiming superiority via that dimension, there will be a credibility issue. It would be difficult for a competing department store to make credible a claim that it has surpassed Nordstrom on service. They may be forced to find another, perhaps inferior, basis for competition. Thus, an association can be a barrier to competitors

e. Other Proprietary Brand Assets

The last three brand-equity categories have just been discussed represent customer perceptions and reactions to the brand; the first was the loyalty of the customer base. The fifth category represents such other proprietary brand assets as patents, trademarks, and channel relationships.

Brand assets will be most valuable if they inhibit or prevent competitors from eroding a customer base and loyalty. These assets can take several forms. For example, a trademark will protect brand equity from competitors who might want to confuse customers by using a similar name, symbol, or package. A patent, if strong and relevant to customer choice, can prevent direct competition. A distribution channel can be controlled by a brand because of a history of brand performance.

Assets, to be relevant, must be tied to the brand. If distribution is a basis for brand equity, it needs to be based on a brand rather than on a firm (such as P&G or Frito-Lay). The firm could not simply access the shelf space by replacing one brand with another. If the value of a patent could easily be transferred to another brand name, its contribution to brand equity would be low. Similarly, if a set of store locations could be exploited using another brand name, they would not contribute to brand equity.

▪ VALUE OF A BRAND

Developing approaches to placing a value on a brand is important for several reasons.

First, as a practical matter, since brands are bought and sold, a value must be assessed by both buyers and sellers. Which approach makes the most sense?

Second, investments in brands in order to enhance brand equity need to be justified, as there always are competing uses of funds. A bottom-line justification is that the investment will enhance the value of the brand. Thus, some "feel" for how a brand should be valued may help managers address such decisions.

Third, the valuation question provides additional insight into the brand-equity concept.

What is the value of a brand name? Consider IBM, Boeing and Ford. What would happen to those firms if they lost a brand name but retained the other assets associated with the business? What would it cost in terms of expenditures to avoid damage to their business if the name were lost? Would any expenditure be capable of avoiding an erosion, perhaps permanent, to the business?

Black & Decker bought the GE small-appliance business for over \$300 million, but only had the use of the GE name for three years. After going through the effort to change the name, their conclusion was that they might have been better off simply to enter the business without buying the GE line. The cost to switch equity from GE to Black & Decker was as high as developing a new line and establishing a new name. Clearly, the GE name was an important part of the business.

At least five general approaches to assessing the value of brand equity have been proposed. One is based on the price premium that the name can support. The second is the impact of the name on customer preference. The third looks at the replacement value of the brand. The fourth is based on the stock price. The fifth focuses on the earning power of a brand.⁵⁸

Marketers should distinguish brand equity from brand valuation which is the of estimating the total financial value of a brand. Table below displays the world's most

58 Aaker, David., Managing Brand Equity, Free Press, 1991. P. 7-22

valuable brands in 2010 according to one ranking done by Interbrand the world's largest brand consultancy firm.

Table 3.1. World's ten most valuable brands in 2010

Rank 2010	Brand	Country of origin	Sector	2010 Brand Value(\$ m)	Change in Brand value over 2009
1	Coca-Cola	US	Beverages	70,452 (\$m)	+2%
2	IBM	US	Computer Services	64,727 (\$m)	+7%
3	Microsoft	US	Computer Software	60,895 (\$m)	+7%
4	Google	US	Computer Software	43,557 (\$m)	+36%
5	GE	US	Diversified	42,808 (\$m)	-10%
6	McDonald's	US	Restaurants	33,578 (\$m)	-4%
7	Intel	US	Computer Hardware	32,015 (\$m)	+4%
8	Nokia	Finland	Consumer Electronics	29,495 (\$m)	-15%
9	Disney	US	Media	28,731 (\$m)	+1%
10	Hewlett-Packard	US	Computer Services	26,867 (\$m)	+12%



Source: www.interbrand.com, www.google.com

As per an ICMR AND 4PS B&M SURVEY, the overall rankings of India's most valuable brands in 2010 is given below ;

Table 3.2. India's Top Ten most valuable brands 2010

RANK 2009	2009 BRANDS	RANK 2010	2010 BRANDS	BRAND AWARENESS	BRAND IMAGE & PERCEPTION	BRAND LOYALTY	BRAND PERFORMANCE	BRAND ASSOCIATION	TOTAL OVERALL MEAN
1	AIRTEL	1	TATA	4.99	4.98	4.98	4.98	4.99	24.92
2	TATA	2	RELIANCE INDUSTRIES	4.98	4.97	4.98	4.98	4.99	24.90
3	ADAG	3	AIRTEL	4.99	4.98	4.96	4.97	4.99	24.89
4	RELIANCE INDUSTRIES	4	INFOSYS	4.98	4.97	4.96	4.98	4.98	24.87
5	INFOSYS	5	MARUTI SUZUKI	4.99	4.98	4.99	4.98	4.92	24.86
6	MARUTI	6	ADAG	4.98	4.97	4.98	4.97	4.95	24.85
7	HERO HONDA	7	HERO HONDA	4.98	4.98	4.97	4.96	4.95	24.84
8	TIMES OF INDIA	8	HDFC BANK	4.97	4.97	4.97	4.97	4.95	24.83
9	MICROSOFT	9	IOCL	4.98	4.97	4.91	4.98	4.98	24.82
10	MAGGI	10	TIMES OF INDIA	4.99	4.97	4.98	4.95	4.92	24.81

Source : www.4psbusinessandmarketing.com.

▪ **ISSUES IN MANAGING BRAND EQUITY**

The introduction of the brand-equity concept raises a host of practical issues about the management of a brand, viz.

1. **The bases of brand equity:** On what should the brand equity be based? What associations should form the basis of the positioning? How important is awareness? Among which segments? Can barriers be created to make it more difficult for competitors to dislodge loyal customers?

2. **Creating brand equity:** How is brand equity created? What are the driving determinants? What is the role in any given context of the name, the channel, the advertising, the spokesperson, and the package, and how do they interrelate? As a practical matter, decisions on such elements need to be made as brand equity is created or changed.

3. **Managing brand equity:** How should a brand be managed over time? What actions will meaningfully affect the elements of equity—in particular the associations and perceived loyalty? What is the "decay rate" if supporting activities (such as advertising) are withdrawn? Often a reduction of advertising results in no detectable

drop in sales. Is there damage to the equity if a reduction is prolonged? How can the impact of a promotion or another marketing program be determined?

4. *Forecasting the erosion of equity:* How can erosion of brand equity, and other future problems, be forecast? The danger is that by the time that damage to the brand is recognized, it is too late. The cost of correcting a problem can be extremely high relative to the cost of maintaining equity. The forecasting issue is especially crucial in durables like automobiles, where the time needed to replace a product can be as long as five years. If a decline can be detected two years before the brand's damage becomes obvious, then the remedy can be more timely. A disaster such as the Tylenol tampering case has the advantage that the threat to brand equity, and the need to take action, are both obvious. More commonly, a brand is eroded so slowly that it is difficult to generate a sense of urgency.

5. *The extension decision:* To what products should the brand be extended? How far can the brand be extended before brand equity is affected? Of particular concern is the vertical brand extension: Can an upscale version of the brand be marketed? If so, will there be spillover impact upon the brand name? Do the Earnest and Julio Gallo varietals help the basic Gallo line? What about the temptation to exploit the brand by putting the name on a downscale product? How can the extent of damage to brand equity be predicted? Will the new associations of an extension be helpful or harmful?

6. *Creating new names:* The investment in a new brand name (an alternative to a brand extension) will generate a name with a new set of associations which can provide a platform for another growth stream. What are the trade-offs between these alternatives? Under what circumstances should the one be preferred over the other? How many brand names can a business support?

7. *Complex families of names and sub names:* How should different levels of brand-name families be managed? What mix of advertising should Black & Decker place behind the Black & Decker name, the Space Saver name that indicates a product subgroup, or the Black & Decker Dustbuster? Should the recruiting effort of the U.S. government be centered around the individual military branches, or should the U.S.

defense team be the focus? Delicate considerations of the vertical relationships among brands and "sub brands" have to be made.

8. Brand-equity measurement: A basic question which underlies all these issues is how to measure brand equity and the assets on which it is based. If it can be conceptualized in a given context precisely enough to measure and monitor it, the other problems become manageable. Clearly, there are several approaches to brand equity and its measurement. The need is to determine which is the most appropriate and to select a measurement method.

9. Evaluating brand equity and its component assets: A pressing related issue is how to value a brand. Given that there is a market for brands, it is of enormous practical value to actually provide methods to estimate that value. Of even more importance is to place a value upon the underlying assets (such as awareness and perceived quality). The key to justifying investment in building such assets is to be able to estimate the value of such activities. Although some progress has been made, this area remains a significant challenge for marketing professionals.⁵⁹

3.3. BRAND LOYALTY

3.3.1. Introduction

The brand loyalty of the customer base is often the core of a brand's equity. If customers are indifferent to the brand and, in fact, buy with respect to features, price, and convenience with little concern to the brand name, there is likely little equity. If, on the other hand, they continue to purchase the brand even in the face of competitors with superior features, price, and convenience, substantial value exists in the brand and perhaps in its symbol and slogans.

Brand loyalty, long a central construct in marketing, is a measure of the attachment that a customer has to a brand. It reflects how likely a customer will be to switch to another brand, especially when that brand makes a change, either in price or in product features. As brand loyalty increases, the vulnerability of the customer base to competitive action is reduced. It is one indicator of brand equity which is demonstrably linked to future profits, since brand loyalty directly translates into future sales.⁶⁰

⁵⁹ Ibid., p.30,31

⁶⁰ Ibid., p.39

Brand Loyalty as One Basis of Brand Equity

A set of habitual buyers has considerable value because they represent a revenue stream that can go forward for a long time. The erosion rate for those with stronger levels of loyalty will be lower, causing their value to be higher. If a relationship between loyalty and the frequency of buying a brand can be estimated, the value of a change in brand loyalty can be estimated.

Brand loyalty is qualitatively different from the other major dimensions of brand equity in that it is tied more closely to the use experience.

Brand loyalty cannot exist without prior purchase and use experience. In contrast, awareness, associations, and perceived quality are characteristics of many brands that a person has never used.

Brand loyalty is a basis of brand equity that is created by many factors, chief among them being the use experience. However, loyalty is influenced in part by the other major dimensions of brand equity; awareness, associations, and perceived quality. In some cases, loyalty could arise largely from a brand's perceived quality or attribute associations. However, it is not always explained by these three factors. In many instances it occurs quite independent of them and, in others, the nature of the relationship is unclear. It is very possible to like and be loyal to something with low perceived quality (e.g., McDonald's) or dislike something with high perceived quality (e.g., a Japanese car). Thus, brand loyalty provides an important basis of equity that is sufficiently distinct from the other dimensions.

In fact, all the brand equity dimensions have causal interrelationships. Perceived quality, for example, will in part be based upon associations and even awareness (a visible brand might be considered more able to provide quality). An association with a symbol, for example, might affect awareness. Thus, there is no claim that the four major dimensions of brand equity are independent.

A key premise is that the loyalty is to the brand—that it is not possible to transfer it to another name and symbol without spending substantial amounts of money and forgoing significant sales and profits. If the loyalty is to a product rather than the brand, equity would not exist. Buying a commodity like oil or wheat rarely

involves loyalty to the product itself, although the surrounding service may be attached to a brand and it could engender considerable loyalty.

A customer base can too easily be taken for granted when the interest is in short-term sales rather than in building and maintaining equity. The focus is often upon faceless sales statistics to be analyzed and controlled rather than on the people and organizations who are the customers. As a result, brand loyalty often is treated with benign neglect, and is neither nurtured nor exploited. Considering brand loyalty is a key, core bases of brand equity should help a firm treat customers as the brand assets that they are.⁶¹

Customer loyalty for a brand is one of the most important issues facing business today. In the modern business environment, marketing game-plans are gradually becoming more and more homogenous in nature. With fast technological advancements it also becomes increasingly difficult to sustain product advantages beyond a reasonable period of time. At the same time, modern day consumers are also becoming better informed and more discerning. They recognise and expect excellence. In such an environment, the successful marketers are those who recognise these changes in the consumers. They listen to and understand their need and take steps to meet their expectations. Today's marketers therefore frantically search strategies to maintain a set of satisfied customers popularly termed as brand loyal, by repurchasing the product/service whenever the need arises.⁶² Brand loyal consumers, as a matter of fact provide the basis for a stable and growing market share of a company. Therefore interest of the product marketers hovers around the ways and means to develop and sustain brand allegiance for their products and services.

Brand loyalty never just happens. Brand managers have to make it happen. There are the exceptions, of course. Sometimes brand loyalty does occur through no effort of the marketer. Sometimes even when a product is not promoted, it presents an attractive image to a particular consumer segment.⁶³

61 Ibid., p.41-43.

62 Linton, I., Building Customer Loyalty, University Press, Hyderabad, 1993, pp. 2-3.

63 Marconi, J., Op, Cit., p. 61

3.3.2. THE SIGNIFICANCE OF Brand Loyalty FOR Marketing Management

The two major assumptions of marketing experts upon which the concept of Brand Loyalty can be based are:

-First, most consumer product firms are interested in selling more of their product(s) and doing so with the greatest possible efficiency.

-Second, particularly with established firms marketing inexpensive and frequently purchased consumer products (i.e., nondurables), it is *not* the single sale that is of consequence; rather it is repeated sales to what it is hoped is an ever-expanding group of customers that is the objective. In other words the long-term success of a particular brand is based, not on the number of consumers who purchase it only once, but on the number who become repeat purchasers.

It stands to reason, then, that management will have at least the following four basic objectives:

1. To change the occasional purchaser of its own brand into a repeat purchaser.
2. If reasonable, to increase the amount consumed by the repeat purchasers of its own brand.
3. To attract purchasers from competing brands (and thereby inhibit repeat purchases of these brands).
4. To maintain high levels of repeat purchase for its own brand by "inoculating" repeat purchasers against brand switching.

These four objectives all reflect different aspects of one basic goal, namely, to increase market share. As C. Davis Fogg, Manager of Market Planning for the Electronic Products Division of the Corning Glass Works, noted: "Gaining and keeping significant market share is considered by many to be the single most important key to high, long-term profitability and substantial profit volume" (1974, p. 38). All forms of repeat purchase behavior (RPB)—including what we call brand loyalty (BL)—are inextricably related to developing, maintaining, and protecting market share.

3.3.3. STOCHASTIC VERSUS DETERMINISTIC VIEWS OF REPEAT PURCHASE

The marketing manager needs to understand the phenomenon of repeat purchase so as to achieve the aforementioned objectives and thereby increase control over market share .

The marketing literature has adopted two quite different philosophies in approaching this issue:

- **The first philosophy is represented by a number of mathematical models known as the "stochastic theories" of buyer behavior.** At their core is the suggestion of a strong random (i.e., purely chance) component underlying basic changes in the market structure (cf. Bass, 1974; Ehrenberg, 1972; Herniter, 1973). Although it does not seem reasonable to maintain that individual consumers are going through life flipping coins (at least one would hope that this is not the case, especially for industrial buying), the stochastic argument is quite powerful when applied to buyer behavior in the aggregate. As Bass (1974, p. 2) asserts: "even if behavior is caused but the bulk of the explanation lies in a multitude of variables which occur with unpredictable frequency, then, in practice, the process is stochastic."

Repeat purchase behavior (i.e., some degree of repetitive purchase of the same brand by the same buyer) appears to be one such behavior.

Consider the following correlations obtained in investigations of RPB:

Working wives are more likely to engage in RPB (Anderson, 1972).

High sociability with neighbors is related to a greater likelihood of RPB (Carman, 1970).

The list could continue at some length. Behind each correlation would seem to lurk a new explanation for RPB. Working wives were seen to "economize" actively on their time and hence considered fewer brands, often resorting to a favorite or easy choice, in purchasing. High sociability implied greater word-of-mouth communication, and thus, one might attribute RPB to the lack of any personal involvement in brand choice and to the suggestions of friends. And so the list might continue until the overall picture of causation looked very much like the situation described by Bass: one of numerous variables affecting RPB with unpredictable frequency (i.e., a stochastic process).

The implications of this reasoning for the marketing manager are twofold. On the positive side the assumption of a stochastic process greatly facilitates his ability to model and thereby predict gross fluctuations in the amount of RPB. From Lipstein's (1959) introduction of Markov Chains to the more recent developments by Bass and his associates (cf. Bass, Jeuland, and Wright, 1976; Bass and Wright, 1976), probabilistic models of buyer behavior and brand switching have proved valuable in the design and evaluation of marketing strategies. On the negative side, however, a major drawback pervades the very nature of this stochastic philosophy. By its acceptance the marketing manager abdicates or, at the very least, assumes severe limits on his ability to exert any influence over RPB. If buyer behavior is observed to be so complex as to present a random phenomenon, then the managerial objectives mentioned earlier must be viewed as being outside the reach of any advertising or marketing activity. If this were the case, it would lead to the conclusion that the marketing manager is unable to influence the presence of RPB.

- **The second research philosophy that is best labeled "*determinism*,"** assumes the existence of one or, more likely, some limited underlying causes, the marketing manager should be able to alter the very existence of RPB. The deterministic philosophy embraces the possibility of attaining the aforementioned management objectives by taking consistent brand-purchasing behavior out of the realm of chance.

Unfortunately, determinism has met with little generalizable success in its attempts to fully explain RPB. The very same reason, that stochastic models have proved so useful, accounts for determinism's lack of success, for RPB is multi caused. From small children demanding that their mother purchase a specific brand to the effect of end-counter displays or shelf space, RPB is the net result of many influences. Although it serves an academic interest for deterministic-oriented investigators to continue isolating cause after potential cause, it is of little practical use to the marketing manager. The plain fact of the matter is that he cannot hope to monitor and control so many diverse factors. What, then, is the future of determinism as related to the phenomenon of RPB?

The answer lies in a more realistic acceptance of the limits of this philosophy. On the assumption that determinism cannot explain the totality of RPB in a way that is of real value to the marketing manager, it is appropriate for adherents of this philosophy to narrow their focus and address something within the general limits of its ability.

*Thus according to Jacoby and Chestnut, the deterministic orientation can be meaningfully applied to a distinct subset of RPB, a subset referred to as Brand Loyalty*⁶⁴

Conceptual Definitions

Despite several hundred published articles on the subject, it has not been possible to point to one or a select few indices and, with any degree of confidence or justification, say: "These are the satisfactory, good, appropriate, or valid measures of brand loyalty." Consideration of the brand loyalty (BL) literature suggests that a basic reason behind this lack of progress is the absence of explicit and agreed-upon conceptual definitions to serve as the bases on which to develop indices of BL and guide research. The significance of this problem cannot be overemphasized; indeed, it is fundamental and crucial.⁶⁵

3.3.4. CONCEPTUAL AND OPERATIONAL DEFINITIONS

There are two basic types of definitions, conceptual and operational. ***Conceptual definitions are abstractions.*** They represent attempts to encompass in some symbolic form (usually language) the essence of what we mean when we speak about a particular item, phenomenon, or event. ***In contrast, defining a concept in terms of the instrument or processes used to measure that concept is called "operationalism" and such definitions are termed *operational definitions*.***

Thus operational definitions of BL are basically detailed descriptions of the procedures used to measure loyalty.

⁶⁴ Jacoby Jacob and Chestnut Robert .W. , 1978, "Brand Loyalty Measurement and Management", New York, John Wiley Sons, p. 1-5.

⁶⁵ Ibid., p. 67-68

There may be a variety of different ways to give empirical form to (i.e., measure) a given concept. In operationalizing "hunger," psychologists have: (1) asked people to respond to questionnaire items regarding their degree of perceived hunger; (2) deprived different individuals of food for different amounts of time so as supposedly to create more hunger in some than in others (e.g., people deprived for 16 hours must surely be more hungry than those deprived for only 2 hours); (3) measured the amount of food consumed from a standard portion given to each subject under the assumption that the more one consumes (perhaps adjusted by one's body weight, metabolism, etc.), the hungrier one is; and (4) measured the amount of adversity the organism will go through to obtain food. In the same manner, many ways have also been proposed to measure BL.

Defining a phenomenon is further complicated by researchers' often disagreeing among themselves about what constitutes the common essence of the phenomenon under question. Thus, not only may a single conceptual definition give rise to a variety of operational definitions, but also there may be numerous conceptual definitions. Given that each investigator makes his conceptual definition explicit (in terms of clearly articulated and precisely defined propositions), specific points of agreement and disagreement can be identified. The former may be assumed to represent the essential core (i.e., agreed-upon or "shared" meaning) of the concept, while the latter may be amenable to empirical resolution.

Assuming that we have with us a clearly articulated and precisely defined conceptual and operational definitions, which one should be used? The answer is both. *Conceptual definitions alone yield no data (Selltiz et al., 1960, p. 42), and operational definitions cannot exist without at least some germ of a conceptual definition. The critical question is, not which to use, but in what sequence.*

Treatises on science universally agree that, before one can adequately measure a phenomenon, object, or event, one must have some idea of what it is one is trying to measure (e.g., Massaro, 1975, p. 23; Plutchik, 1968, p. 45; Selltiz et al., 1960, pp. 146-147.) "The choice of operations should depend on the result of a conceptual analysis of the essential features of a construct" (Cook and Campbell, 1976, p. 241). "The concept always comes first, and then certain procedures (or operations) are

selected from a larger possible number and used as *indicators* of the concept" (Plutchik, 1968, p. 49). The starting point is thus the *concept*.

Once developed on the basis of some concept, scientific measures rarely remain static and unchanged over time. "Science develops its measuring tools, typically, by a series of successive approximations in which the concept gradually achieves greater precision ..." (Plutchik, 1968, p. 45). As research findings are interrelated and interpreted, they feed back to produce refinements and greater precision in our ability to specify the concept. In turn, as a result, the approaches to measure the concept are modified accordingly. This is true in the physical sciences, becoming true in the social sciences, and should be true if management is ever to become a true science.⁶⁶

The object of scientific research—whether basic or applied—is to relate findings from the present investigation to those from other investigations so as to build a body of knowledge that permits generalization across instances. Without generalizations we would have to test each and every case to determine that a finding that held true in all previous cases also held true in this instance. Even those investigations whose purpose is to answer a specific and narrowly confined problem (i.e., those that have no interest in relating findings from a given study to other investigations or generalizing to similar situations) are based on procedures developed and findings obtained from earlier investigations. Thus, though generalization is not the intent in these cases, it provides the basis for conducting the highly applied single-shot investigation.

The ability to relate findings from one investigation to another and to generalize hinges, to a very great extent, on the clarity and precision with which concepts are defined. When concepts are not clearly and precisely defined, we increase the possibility of their being misunderstood, carelessly used, and improperly measured. Imprecise concepts tend to create confusion. They impede understanding and the development of general knowledge. "Naming is classifying. It is not necessary (or possible) that a naming scheme be best, but for effective communication, it is necessary that different people give the same name to the same objects" (Hartigan,

⁶⁶ Ibid., p. 70-72

1975, p. 1). Many concepts have ultimately been discarded, not because they had no intrinsic utility, merit, or worth, but because so much imprecision existed regarding their assessment that it became no longer possible to communicate effectively regarding that concept.

Scientific concepts must be precisely and clearly defined to be useful (Carnap, 1950). If management is to become scientific, then it must also strive for precision in specifying concepts. This requires making explicit some of what is now implicit. Researchers of BL have always been guided by implicit conceptual definitions. The time has come to make these explicit. In the absence of explicit articulation, it is exceedingly difficult to see where areas of agreement and disagreement exist and to overcome the various problems inherent in the strictly operational approach.

■ A CONCEPTUAL DEFINITION OF BRAND LOYALTY

Thus far the argument has prevailed that conceptual definitions are indispensable, that they must precede and guide the development of operational definitions, and that both definitions—particularly the former—must be as explicitly stated and precise as possible.

A definition of Brand Loyalty:

The conceptual definition below was proposed in 1970 (Jacoby and Olson, 1970) and published one year later (Jacoby, 1971b). It has influenced conceptual definitions subsequently proposed by others, including those by Sheth and Park (1974) and Engel et al. (1973, pp. 550-552). Empirical substantiation for this definition was provided in 1973 (Jacoby and Kyner, 1973), although portions of the approach generated controversy (see Tarpey, 1974, 1975; Jacoby, 1975).

Regardless, it remains the only full-scale conceptual definition to be subjected to rigorous empirical substantiation.

The definition is expressed by a set of six necessary and collectively sufficient conditions.

These are that **BL is (1) the biased** (i.e., nonrandom), **(2) behavioral response** (i.e., purchase), **(3) expressed over time**, **(4) by some decision-making unit**, **(5) with respect to one or more alternative brands out of a set of such brands**, and **(6) is a function of psychological** (decision-making, evaluative) **processes**.

A discussion of the significance of each of these conditions follows below.

1. More specifically, if BL were a random event, there would be no purpose in making it the object of applied scientific inquiry. Random events, though interesting, defy prediction, modification, and control. Without one or more of the latter three possibilities, there is no justification for expenditures of managerial time.
2. Verbal reports of bias (i.e., statements of preference or intention to buy) are insufficient for defining BL. Such loyalty requires that statements of bias be accompanied by biased purchasing behavior. A mother who repeatedly says that she likes Brand X disposable diapers better than any other available diaper and intends to buy some, but who always buys some other form or brand of diaper instead, is not brand loyal.
3. Nor does a single, biased behavioral act constitute BL. The term *loyalty* connotes a condition possessing some temporal duration, and it is therefore necessary to have the purchase act occur at at least two different points in time. Indeed, managerial interest is not and probably should not be in predicting the very next purchase. Rather, it is the pattern of purchases overtime that is important. As is implicit in the sixth condition discussed below, brand-loyal individuals will, from time to time, compare their brands against other alternatives. This may involve the actual purchase and trial of one or more other brands. Predicting based on the five most recent purchases (all devoted to Brand X) that the consumer will purchase Brand X on the next occasion—when he actually ends up buying Brand Y—would not only result in a disconfirmed prediction but would also fail to incorporate the important fact that, for both theoretical (i.e., conceptual) and managerial reasons, BL is something expressed over time. It is not the *next* purchase event but the *pattern* of future purchase events that must be predicted for managerial success.
4. The phrase "decision-making unit" implies that the decision-maker need not be (a) the user or even the purchaser of the product, although he probably is, or (b) an individual; the decision-maker can be a collection of individuals (e.g., a family or organization). To illustrate proposition *a*, consider the husband, too busy to shop, who tells his wife what brand of shampoo to buy for him and whose wife obligingly does so time after time. It is he, the decision-maker (and, in this instance, the user as well), not she, the actual purchaser, who is brand loyal. As another example, assume that this husband decides his children should use Brand X

toothpaste regularly despite their preferring Brand Y. Again, it is the father, not the purchaser-mother nor user-children, who is the brand-loyal decision-maker.

These distinctions are far from trivial. Consider their implications for both measurement and the search for BL correlates and determinants. It would probably be impossible to understand the psychological dynamics and causative factors underlying BL by using data collected on purchasers who are not also the decision-makers.

Thus, of the three primary roles assumed by consumers—decision-maker, purchaser, user—it is only the first that is of consequence in attempts to understand the dynamics and causative factors underlying BL. That the decision-making *unit* may entail more than one person also has important measurement implications. To understand adequately the psycho dynamics involved, one must ensure that the measurements are based on all who take part in the decision-making process, particularly when the purchase represents a compromise. This could explain why individuals are sometimes not loyal (in their purchase behavior) to what they say is their most preferred brand (MPB).

5. The fifth condition- -BL involves selecting one or more brands out of a set of brands— also has important implications.

First, it recognizes that individuals can be and frequently are multi brand loyal, that is, loyal to two or more brands in the same product category (e.g., Duncan Hines and Pillsbury; Texaco, Shell Oil, and Citgo). This possibility did occur to early investigators (Brown, 1952-1953; Cunningham, 1956a) but has been more often ignored than explored. Recent exceptions are the empirical work of Massy, Frank, and Lodahl (1968), Ehrenberg and Goodhardt (1968), Jacoby (1969, 1970, 1971b), and the Howard and Sheth (1969) concept of "evoked set."

Second, BL is essentially a relational phenomenon. It describes preferential behavior toward one or more alternatives out of a larger field containing competing alternatives. Thus BL serves an acceptance-rejection function. Not only does it "select in" certain brands, it also "selects out" certain others. Before one can speak of being loyal, one must have the opportunity for being disloyal; there must be a choice. While practitioners are primarily interested in the "select in" aspect of

loyalty, scientific inquiry and good managerial sense require that all aspects of the phenomenon, including its inverse, be studied to reach comprehensive understanding.

6. The sixth condition notes that BL is a function of decision-making, evaluative processes.

It reflects a purchase decision in which the various brands have been psychologically (perhaps even physically) compared and evaluated on certain internalized criteria, the outcome of this evaluation being that one or more brands was (were) selected. Note that preference (such as is expressed in "I like Brand X best" kinds of statements) is only one element in the evaluation process and is sometimes not the most important. For example, price may dictate that brand-loyal behavior be manifested toward *a* preferred (or less preferred) brand (e.g., Cadillac) rather than *the most* preferred brand (Rolls-Royce). Indeed, it is even possible for BL to involve no positive affect toward the selected alternative. Directing attention toward salient evaluative decision criteria and away from the traditional preference measures emphasizes that the psychological processes underlying BL are insufficiently assessed by simple "I like Brand X best" kinds of statements. Marketing researchers studying BL must identify the set of salient evaluative criteria if they hope to provide answers to questions regarding the underlying dynamics and causes of BL.

As a result of this decision-making, evaluative process, the individual develops a degree of commitment to the brand(s) in question; he is "loyal." The concept of commitment provides an essential basis for distinguishing between brand loyalty and other forms of repeat purchasing behavior (RPB) and holds promise for assessing the relative degrees of BL.

The six criteria presented are considered necessary and collectively sufficient for conceptually defining BL.⁶⁷

⁶⁷ Ibid., p. 79-85

‡ Brand Loyalty Measurement:

OPERATIONAL DEFINITIONS OF BRAND LOYALTY

Nearly nine decades of marketing theory and research have been devoted to considering brand loyalty (BL). From the earliest paper on "brand insistence" (Copeland, 1923) to the present the relevance of this concept for understanding and predicting consumer purchase decisions has been universally acknowledged. It is, therefore, extremely interesting to find, upon reviewing this literature, that no one quite agrees on exactly what BL is.

Consider the fact that more than 50 different operational definitions have been employed in the hundreds of studies available on BL. As our perspectives have changed, so has the measurement of BL. Measurement indices have rarely been critically reviewed or shaped into more sophisticated approximations. Once created, BL indices tend to remain in existence to provide a technical clutter of widely varying operational definitions. If meaningful progress is to be made, these definitions should be critically evaluated in terms of their adequacy. The "best" measures need to be identified and the others discarded.

A review of loyalty measures was undertaken by Jacoby and Chestnut to meet these needs. They placed various operational measures into one of three categories: *behavioral* (i.e., those indices based on actual overt behavior or self-reports of actual past behavior), *attitudinal* (i.e., those based strictly on preference statements or statements of likely behavior), and *composite* (i.e., those reflecting some combination of behavioral and attitudinal aspects). In all, 53 different operational definitions were discussed by them in the review.

a. BEHAVIORAL INDICES OF BRAND LOYALTY

More than 60% (33) of the 53 measures available are behavioral in orientation; that is, they are based either on the actual purchasing behavior of the consumer or on his report of that behavior. These indices can be further subdivided into five groups: (1) those concerned with proportion of purchases devoted to a given brand, (2) those concerned with the sequence in which brands are purchased, (3) those that reflect probability of purchase, (4) those that synthesize or seem to combine several behavioral criteria, and, finally, (5) a number of miscellaneous measures.

Three such definitions out of the entire list of 33 Behavioural Indices are:

Proportion-of-Purchase Measures

1. *Exclusive Purchase* (Copeland, 1923; Churchill, 1942; and Brown, 1952). Here BL is said to exist for a consumer when he repetitively purchases a single brand. This measure does not allow for any deviations; a consumer must purchase Brand A without exception.
2. *Market-Share Concept* (Cunningham 1956a, 1956b). Loyalty is defined in terms of the percentage of total purchases devoted to the single most frequently purchased brand. In many situations the buyer is said to be brand loyal when this percentage exceeds 50%.
3. *Hard-Core Criterion* (Lipstein, 1959). This is the same as the market-share concept (Number 2), except that it adopts a higher cutoff point of 75%.

b. ATTITUDINAL INDICES OF BRAND LOYALTY

Relative to the behavioral category, there are few (12, or less than 25%) exclusively attitudinal measures of BL (i.e., indices based solely on statements of preference or intentions to behave, and not on actual purchase behavior). Many of these measures are of recent origin, and their utility has only begun to be explored.

The rationale underlying most of the strictly attitudinal measures is that, while strictly behavioral measures of BL may provide satisfactory prediction of subsequent behavior, they are incapable of offering an understanding of the factors underlying (i.e., causing) the development and modification of BL. Attitudes are considered to be the psychological construct most capable of providing such explanation.

Three Operational definitions based on attitudinal measures are as follows:

1. *Brand Preference* (Guest, 1942). A consumer is defined as loyal to the brand he names in response to the question: Which brand do you prefer?
2. *Constancy of Preference* (Guest, 1955). Loyalty is said to exist if a similarity Or constancy in favorable attitude toward brands can be found over a period of several years.

3. *Brand Name Loyalty* (Monroe and Guiltinan,1975). Degrees of loyalty are assessed based on responses to the following seven-point rating scale item: "I make my purchase selection according to my favorite brand name, regardless of price."

c. COMPOSITE INDICES OF BRAND LOYALTY

The composite measures of BL involve an integration of behavioral and attitudinal approaches. Most of these measures are of more recent origin, which partially explains why there are relatively few of these described in the published literature.

1. *Brand Insistence* (Copeland, 1923). This measure combines the behavioral index of exclusive purchase with an out-of-stock decision that another brand would be purchased only in the case of an emergency.
2. *Price until Switching* (Pessemier, 1959). The respondent's Most Preferred Brand (MPB) is determined and then, over a set of 10 or 15 purchase trials during which the prices of all other brands remain as they were, the price of the MPB is raised in constant increments (e.g., 1 cent per trial) until the point at which the consumer either switches to another brand or the designated trial series is completed. The index of BL is the number of trials (i.e., price increases) necessary to induce switching. Increasing the price of the MPB is not, however, the only way that this measure can be set up. Pessemier (and Jacoby and Kyner,1973) decreased the prices of all other brands while leaving the price of the MPB constant. Generally, results appear similar across such alternate manipulations. Tucker (1964) and McConnell (1968a) used other variants of this approach.
3. *Stated Brand Commitment* (Cunningham, 1967). Previous purchase behavior is assessed by first asking the consumer if there is any one brand of the product in question that he buys consistently. If his answer is "yes," he is then asked to imagine that he has gone to purchase this product and, while in the first retail outlet, has found that his favorite brand is out of stock. Under these circumstances, would he: (1) go to another store, (2) wait to purchase

his favorite brand until another shopping trip, or (3) buy an alternate brand at that point in time? The loyal consumer is operationally defined as one who asserts (in response to Question 1) that he usually buys one particular brand of the product and (in response to Question 2), upon finding this brand out of stock, says he would either proceed to another store to locate this brand or wait until another shopping trip and look for it then.⁶⁸

3.3.5. FACTORS OF BRAND LOYALTY

The brand choice is a decision usually based on the brand's image and value (price and quality, or the perception of quality). The decision to remain loyal to the brand over time is based on these considerations:

- value (price and quality)
- image (both the brand's own 'personality' and its reputation)
- convenience and availability
- satisfaction
- service
- guarantee or warranty

In terms of value, long-term use of the brand in one sense suggests loyalty, but much of the responsibility for keeping this going lies with the manufacturer's brand manager. Brand loyalty is not totally customer-driven, nor does it occur in a vacuum. A lessening of quality standards will disappoint even the most loyal supporters, as well as a price change that appears unwarranted. In some cases, it is helpful to advertise the manufacturer's suggested retail price.⁶⁹

The image of a company or brand has direct bearing on its market share. Products marketed as environment friendly built strong brand loyalty among a large segment of the marketplace. Similarly, the personality and reputation of the brand considerably influence brand loyalty. The reason some people drive or walk a considerable distance past one service station or fast food restaurant to get another is brand loyalty. Certainly price and quality are factors, but in most cases, the overriding reason is the

⁶⁸ Ibid., p.33-35, 47,48, 52,53.

⁶⁹ Marconi, J., Op, Cit., p. 62

brand, the brand of choice and its image that the customer has to come to identify with.⁷⁰

Convenience and availability contribute significantly in creating brand loyalty. A company may run huge ads, touting great sale prices, and special discounts, but if the location of the business is not convenient, it may not be able to create brand loyalty. Similarly, easy availability is another important factor of brand loyalty.⁷¹

Satisfaction is one of the crucial contributors of brand loyalty. This is the reason why certain established brands continue to enjoy loyal consumers for years together, whereas others are replaced with the latest version of the product indicating frequency brand switching. Satisfaction can be very often defined as the collective embodiment of all the other factors of brand loyalty: value, image, convenience, service and guarantee.

Service is one of the most overused words and under-delivered commodities in the business. Most surveys reveal that what a customer wants from every product or service category is service. Business from the days of the yore has been promising to provide better service to its customers through ads and signage, yet seems fully inadequate to the task. Reasons for a high level of dissatisfaction can often be traced to over promising. Promising a level of service that the organisation cannot deliver often backfire and leave a lasting smudge on a brand that might be otherwise worthy. Many a studies revealed that brands that are not significantly better than lower-priced competitive brands often enjoy repeat business and brand loyalty because of good service.

While not everyone takes advantage of guarantee or warranty, the mere fact that it is offered adds the perception of greater value to a product. When someone never needs to utilise a guarantee, the result should be an increase in the level of brand loyalty.⁷²

From the consumer point of view, once consumers feel satisfied at the post-purchase level, they cling on to a particular brand of product/service. In other words, if the experience with a product or service at the post-consumption level is found

70 Ibid., p. 64.

71 Ibid., p. 65.

72 Ibid., pp. 66-68.

rewarding, the consumer response is most likely to result in a testimonial to others as well as repurchase as and when the need for the same arises. As a part of the positive dis-confirmation at the post-purchase level of the consumer decision process, such behaviour is termed as brand loyalty. Basically, brand loyalty symbolises the positive attitude created in the minds of the consumers towards a particular brand to others. Brand loyalty is therefore one of the most important and interesting aspect of the consumer behaviour. This is also a crucial area of exploration for the marketers for their survival and growth in a competitive environment. Almost all marketing strategies are inextricably related directly or indirectly with the level of brand loyalty. Marketers are therefore increasingly interested to probe deep into the inner world of consumers by exploring the most plausible factors contributing to brand loyalty in order to develop appropriate marketing strategy.

Brand loyalty is a phenomenon which has been both fascinating and intriguing to the marketers. For some, brand loyalty is myth. For others, certain consumers' have a monogamous relations with some brands. Whatever the case may be, every marketers has consumers who are extremely loyal, moderately loyal and fickle to its product/service. Every company seeks to have a steady group of unwavering customers for its products and services. Contrary to popular notions, the most loyal consumers may not be the heaviest users. Therefore low usage normally do not worry intelligent marketers unduly. However, such marketers always try to find out what their most loyal consumers have in common so that more of them can be acquired by developing appropriate marketing strategies.⁷³

In many cases, brand loyalty is hard to measure because it may depend on the availability of competing and identical products/services. Most often, the reasons for faith in a product are often too personal to be of much help to marketers in performing market segmentation analysis and thereby examine brand allegiance.⁷⁴ A major goal of the contemporary marketers is be learn how and why of brand loyalty. Brand loyal consumers provide the basis for a stable and growing market share and can be a major intangible asset reflected in the purchase price of a company.

73 Mandel, M.I., and Rosenberg, L.J., Op, Cit., p. 151.

74 Ibid., p. 151.

A study of consumer purchase habits reported that brands with larger market share have proportionately larger group of loyal buyers.⁷⁵ Similarly, brand loyalty in big ticket durable purchase is relatively low (only one out of three repurchases the same brand in a particular product category) although category repurchases comprise two of every three sales in a product category, on an average. Whereas in the frequently purchased item like cereal, people switch brand as often as ten times a year and a new brand has only six months to establish himself before losing out to a more popular competitor. Thus, brand survival is one in three cases. Therefore, brand loyalty is a challenging goal each marketer seeks to attain.

Over the past few years, the track of brand loyalty seems to have accelerated because of the interplay of the following factors:

- Sophisticated advertising appeals and heavy media support.
- Parity of products in form, content and communication.
- Price competition from private and generic labels.
- Sales promotion tactics of mass displays, coupons, and price spirals that appeals to consumer impulse buying.
- General fickleness of consumers in buying behavior.⁷⁶

3.3.6. DEVELOPING BRAND LOYALTY

Behavioural scientists who favour the theory instrumental conditioning believe that brand loyalty results from an initial product trial that is reinforced through satisfaction, leading to repeat purchase.

Cognitive researchers on the other hand, emphasize the role of mental process in building brand loyalty. They believe that consumers engage in extensive problem-solving behaviour involving brand and attribute comparisons, leading to a strong brand preference and repeat purchase behaviour. Involvement theory suggests that frequent exposure to TV commercials that are rich in visual cues and symbolism and

75 Raj S.P., "Striking a Balance Between Brand 'Popularity' and Brand Loyalty", *Journal of Marketing*, 49, Winter 1985, pp. 53-59.

76 Loudon, D.L., and Bitta, A.J.D., *Consumer Behaviour Concepts and Applications*, McGraw Hill Book Co, Singapore, 1985. p. 674

short in duration, buttressed by strong in-store displays, creates a type of brand loyalty for low involvement purchases.⁷⁷

Some studies have indicated that there is little difference in demographics among consumers who are brand loyal and those who are not.⁷⁸

Others have found that brand-loyal consumers are older, have higher income, and greater perceived risk.⁷⁹

Some ethnic groups appears to be fiercely loyal to certain brands that have traditionally catered to their specific market. For example, hispanics have been loyal to Goya products for generations making it extremely difficult for other food marketers to gain a toe hold in the hispanics market place.⁸⁰

3.3.7. LEVELS/ PATTERNS OF BRAND LOYALTY

The study of repeat purchase behaviour for nine products based on a Chicago Tribune purchase panel revealed that there were four brand loyalty patterns as follows:

1. Undivided loyalty is exhibited by families purchasing Brand A in the following sequence: AAAA... also called **Hard core loyalty**.
2. Divided loyalty is exhibited by the family purchasing brand A and B in the following sequence: ABABAB....also known as **Split loyalty**
3. Unstable loyalty is shown by the family buying brand A and B in the following sequence: AAABBB....also known as **Shifting loyalty**
4. No loyalty is shown by families buying brands ABCDEF in the following sequence: ABCDEF...also known as **switchers**.

On the basis of products studied, it was concluded that the majority of consumers tend to purchase a favourite brand or set of brands. Although the degree of loyalty varied by product, the percentage of consumers exhibiting some brand loyalty was rather high. Efforts to group products by a type of merchandise classification for example

77 Schiffman, L.G. and Kanuk, L.L., Consumer Behaviour, Prentice Hall of India Pvt. Ltd., New Delhi, 1997 pp. 227-228.

78 Exter Thomas "Looking for Brand Loyalty". American Demographics, April 1986, 33.

79 Ronald Alsop, "Brand Loyalty is Rarely Blind Loyalty," The Wall Street Journal 19 October 1989, B 1.

80 Schiffman, L.G., and Kanuk, L.L. Op. Cit., pp. 227-228.

foods and non foods) showed no relationship to brand loyalty although a definite relationship was discovered between strength of brands and nature of the loyalty shown. Loyalty appears to be high for well established products in which little or no change have occurred and low where product entries are frequent.

Various other studies have used these and other measures of brand loyalty and have generally concluded that brand loyalty exists and is a relatively widespread phenomenon. Most studies however suffer from a lack of comparability because of differing conceptions of brand loyalty until consumer behaviour researchers agree on a common definition.⁸¹

3.3.8. FACTORS EXPLAINING BRAND LOYALTY

Numerous studies attempting to explain brand loyalty have been largely inconclusive to this point the following results appear to be indicated.

1. Some economic demographic and psychological variables are related to brand loyalty but tend to be product specific rather than general across products.
2. Loyalty behaviour of an informal group leader influences the behaviour of other group members.
3. Some consumer characteristics are related to store loyalty, which in turn is related to brand loyalty.
4. Brand loyalty is positively related to perceived risk and market structure variables such as the extensiveness of distribution and market share of the dominant brand, but inversely related to the number of stores shopped.
5. Effect of out of stock conditions—A potentially important influence on brand loyalty is the possibility of brand substitution. It has been found that between 19 per cent and perhaps 33 per cent of shoppers presold by an advertisement

81 Loudon, D.L., and Bitta, A.J.D., Op, Cit., p. 674.

campaign change their minds and switch to another brand when they get inside the super market.

An important reason for brand substitution is an out of stock condition (OOS). Although the result of OOS conditions appears to be significant, little research has been done on its effect on brand loyalty. The A.C Nielsen company, however has provided some indication of the extent of brand substitution in the supermarket. A large survey of shoppers found that 25 per cent left the store with some portion of their wants unsatisfied because of OOS conditions among desired brands or package sizes. Although 42 per cent of the consumers refused to accept a substitute brand, 58 per cent were willing to do so. The proportion of consumers refusing to accept a substitute brand varied among products studied, from 23 per cent for toiletries, 23 per cent for tissue to 62 per cent for toothpaste. Among consumers who failed to find their desired package size, 52 per cent bought another size of the same brand while 30 per cent bought another brand and 18 per cent would not accept a substitute.

Thus customers reactions to OOS conditions may be either short or long run nature, including switching brands, substituting product class, shopping at other stores, postponing purchase or altering choice behaviour for later decisions.⁸²

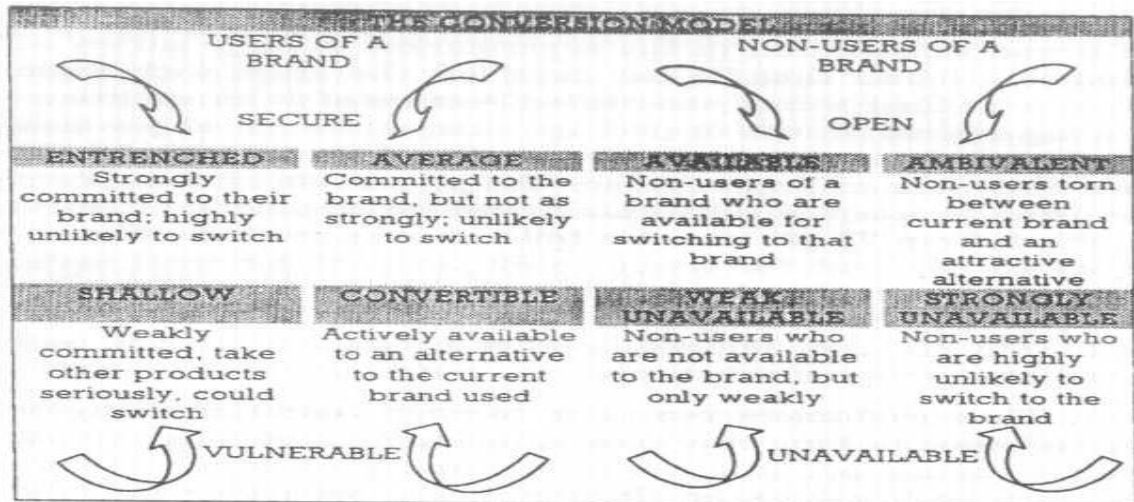
3.3.9. THE CONVERSION MODEL OF BRAND LOYALTY

South Africa based Dr. Jan Hofmeyr is a market research analyst whose Conversion Model has been used by the world's top marketing companies to understand how to retain their customers. Originally developed to study conversions from Hinduism to Christianity in South Africa, it has found ready applicability and validity across all segments. Therefore, few years later, the Conversion Model emerged as the leading research tool to understand consumer equity. Through franchisee arrangements it has been used across the world by the likes of Unilever, Procter & Gamble, Colgate-Palmolive, Volkswagen, General Motors. ORG-MARG is the franchisee of the Model in India. The model has wide applicability—from financial services, beverages

⁸² Ibid., pp. 674.

and fast moving consumer goods to media products, to utilities like gas and electricity, to social issues like democracy and environmentalism.

Figure 3.2. The Conversion Model of Brand Loyalty



Source: Panigrahi Rajeshwari and Raut Kishore Chandra, "Consumer and Brand Loyalty",

It is essentially a means of describing the market, in terms of consumers loyalty to a brand and its alternatives. Hofmeyr emphasises that the model measures the consumer equity as measured through commitment to the brand but not brand equity. Consumers are the focus, which is why the model also takes into account consumers who use other brands. The key variable measured is consumers' commitment or satisfaction with the brand rather than conventional marketing variables like loyalty or usage, which may be deceptive. In many cases, loyalty depends on the barriers to exit, which may not be the best way to retain consumers. Usage is an even more faulty measure. Heavy users may not be particularly loyal ones. Given a better product, they may just switch abruptly, causing heavy losses.

As per the specification of the model, the consumers are asked just three basic questions:

- Are you happy with the brand?
The more satisfied, the more committed one is likely to be.
- Do you care which brand you use?
One may be happy but not care much either way about the category in which case

the commitment levels are not that high.

- How do you rate other brands?

Brand does not exist in isolation, but with competitors. Even entirely new type of products are competing with products that address the same general need.

The responses are put through a proprietary algorithm, which segments them into the eight different categories (see graphic). Studying committed users provides insights on what binds people to the brand whereas examining unavailability suggest ways to reduce this group. Naturally, marketers need to focus efforts on marginal consumers in Uncommitted/Open categories. Uncommitted consumers need to be targeted for retention while Open consumers might be easiest to convert.

According to Hofmeyr, there seems to be evidence that different countries have different levels of commitment: New-Zealand and Australia seems to have low level of commitment, the US, Sweden and Norway have medium levels, while Asian countries like South Korea, Japan and the Philippines have high levels. Commitment levels also vary with age and sex. Men tend to be less committed than women, while commitment levels clearly increases with age. A particular interesting point is that commitment levels decrease as socio-economic levels rise.⁸³

3.3.10. BRAND SWITCHING

Many marketing managers are concerned with a growing trend towards brand switching.⁸⁴

Markets in which first-time purchases are rare, advertising if it works at all , affects brand shares by either inducing, switching or retaining customers who otherwise might switch.⁸⁵

Among the reasons the given for the decline in brand loyalty are consumer boredom or dissatisfaction with a product, the dazzling array of new products that constantly

83 Doctor, V., Trading Places, Brand Equity, The Economic Times, 22-28 November 2002, p. 4

84 Schiffman, L.G., and Kanuk, L.L., Op, Cit., p. 228.

85 Schwartz, D.J., Marketing Today a Basic Approach, Harcourt Brace Jovaovich Inc., Second Edition, New York, 1997, p. 468.

appear in the market-place and an increased concern with price at the expense of brand loyalty.⁸⁶

Advertisement also plays a vital role in the direction of brand switching. The three possible consequences advertising exposure can have on the brand choice behaviour of a household. It can increase the probability that the household will change brands, it can induce the household to stay with the brand last purchased (leading to repeat purchasing) or it can have no effect on choice probabilities.

Major triggering influence on brand substitution is exposure to another alternative. This new information in effect causes the consumer to re-examine established beliefs and attitudes, with the result that intentions may shift.

Some brand switching occurs as a result of a lowered price, but this does not necessarily signal any real change in beliefs and attitudes. At times, the consumer has a set of alternatives perceived about equally and a reduced price can readily lead to a temporary shift in choice. Restoration of relative price parity, however is generally accompanied by a return to the brand purchased most frequently, all things being equal.⁸⁷

Out of stock (OOS) conditions can also be an important situational determinant for brand switching. But, on the whole the possibility of a substitute brand to be purchased depends upon the degree of brand loyalty exists in that product category. If the purchase is strictly based on low involvement and habit, there is high possibility of loyalty shift. Nevertheless research undertaken some year ago showed that as high as 62 per cent of those shopping in supermarkets refused to buy a substitute brand toothpaste.⁸⁸

The most important factor here is the awareness of the manner in which situational factors can affect choice. It is always possible on the part of the marketer to take into account of the influence of controllable factors such as out of stocks and minimise the extent of brand switching to a great extent for the marketer.

⁸⁶ Schiffman, L.G., and Kanuk, L.L., Op. Cit., p. 229.

⁸⁷ Engel, J.F., Blackwell, R.D. and Miniard, P.W., Op. Cit., pp. 147- 148.

⁸⁸ Ibid., pp. 147-148.

CHAPTER - 4.

ANALYSIS OF DATA

AND

INTERPRETATION

CHAPTER - 4.

ANALYSIS OF DATA AND INTERPRETATION

Chapter.4.	ANALYSIS OF DATA AND INTERPRETATION	127-230
I.	RESPONDENTS' PROFILE AND THEIR BUYING BEHAVIOR	127
II.	ANALYSIS OF THE EXISTANCE AND EXTENT OF BRAND LOYALTY AMONG WOMEN SKINCARE COSMETICS CONSUMERS IN THE STATE OF GUJARAT	135
III.	FAMILIARITY OF WOMEN WITH THE WORD "BRAND LOYALTY" AND BRAND LOYALTY	137
IV.	PERCEPTION OF WOMEN SKINCARE COSMETICS CONSUMERS ABOUT THE MEANING/ DEFINITION OF THE TERM "BRAND LOYALTY"	139
V.	PERSONAL AND PRODUCT RELATED FACTORS AND BRAND LOYALTY	145
VI.	ANALYSIS OF PERCEPTIONS OF WOMEN SKINCARE COSMETICS CONSUMERS ABOUT THE FACTORS CAUSING BRAND LOYALTY AND SWITCHING	193
VII.	BRAND BUYING BEHAVIOUR OF WOMEN SKINCARE COSMETIC USERS	214
VIII.	IMPORTANT FACTORS THAT INFLUENCE THE PURCHASE OF SKINCARE PRODUCTS BY WOMEN	219
IX.	ANALYSIS OF THE IMPORTANCE OF THE SUB-COMPONENTS OF EACH OF THE SIX MAJOR FACTORS AFFECTING THE PURCHASE OF SKIN CARE COSMETICS.	221

CHAPTER – 4 . ANALYSIS OF DATA AND INTERPRETATION

I. RESPONDENTS' PROFILE AND THEIR BUYING BEHAVIOR

1. Classification of Respondents according to the Cities they live in

Table 4.1 presents the classification of the respondents according to the cities they live in.

Table 4. 1. Classification of Respondents according to the Cities they live in

City	Number of Respondents	Percentage
Ahmedabad	200	25.0%
Surat	200	25.0%
Vadodara	200	25.0%
Rajkot	200	25.0%
Total	800	100.0%

Source: Primary Data from Survey

The four major cities of the state of Gujarat have been selected by the researcher based on the cities' total population according to the 2011 census - ranging from the most populous city Ahmedabad with a population of 72 lakhs approx., followed by Surat at second place, with a population of 61 lakhs approx., Vadodara at third place with a population of 42 lakhs approx. to the least populous of the four, Rajkot with a population of 38 lakhs approx.

200 respondents each are selected from the four major cities to try and make the sample representative as far as possible which led to a total of 800 respondents in all.

2. Classification of Respondents according to Age Groups

Product needs often vary with the age of the consumer. Therefore, age of the consumer is considered to be a useful demographic variable to categorize respondents into different segments. The classification of the sample on the basis of age seems to be quite appropriate, because the tastes, buying habits and consumption pattern of people of different age groups vary moderately to significantly from one another as will be covered in the further analysis

Table 4.2. Classification of Respondents according to Age Groups

Age Group	Number of Respondents	Percentage
18-20	323	40.4%
21-25	307	38.4%
26-30	64	8.0%
31-35	32	4.0%
36-40	20	2.5%
41 and older	54	6.8%
Total	800	100.0%

Source: Primary Data from Survey

Figure 4.1. Classification of Respondents according to Age Groups

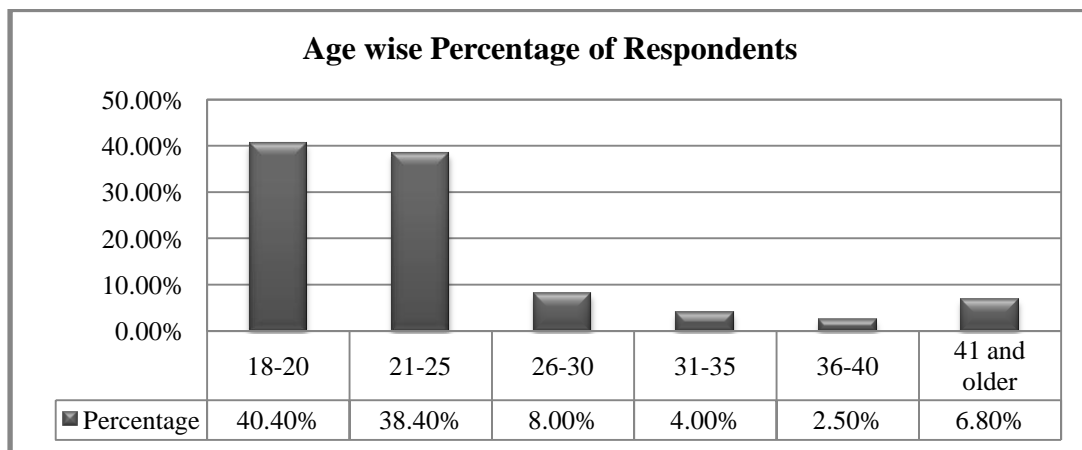


Table 4.2 and Figure 4.1. above present the age-based classification of the respondents included in the sample. On the basis of age the responses are divided into six categories as shown in therein. In the sample, majority i.e. 323 out of 800 respondents i.e. 40% represent the youngest age group ranging from 18-20 years, 38% of the respondents are in the age group of 21-25 years, 8% respondents are in the age group of 26-30 years, 4% of the respondents in the age group of 31-35, 2.5% are in the age group of 36-40 years and 6.8% are in the 41 and older age group

3. Classification of Respondents according to Marital Status

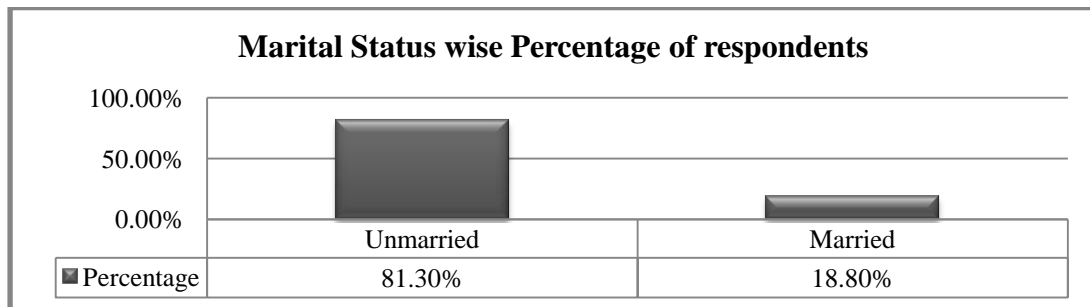
Table 4.3. shows the test subjects according to their marital status. Based on this classification, 650 respondents i.e. 81.3% are unmarried and 10 respondents i.e. 18.8% are married.

Table 4.3. Classification of Respondents according to Marital Status

Marital Status	Number of Respondents	Percentage
Unmarried	650	81.3%
Married	150	18.8%
Total	800	100.0%

Source: Primary Data from Survey

Figure 4.2. Classification of Respondents according to Marital Status



4. Classification of Respondents according to Educational Qualification

Education plays a vital role in influencing human action, the impulses and motives that sustain and regulate all mental activity and behavior of individuals, both at general as well as at purchasing level. Table 4 provides information regarding the classified education level of the sample respondents.

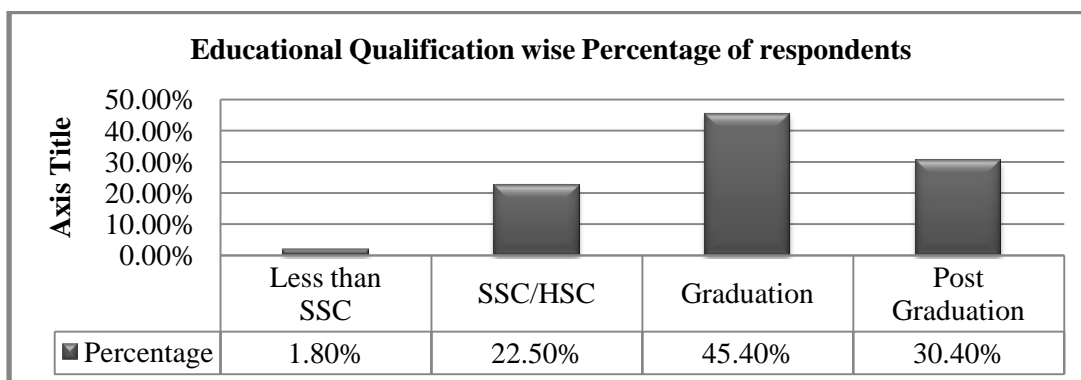
Table 4.4. Classification of Respondents according to Educational Qualification

Educational Qualification	Number of Respondents	Percentage
Less than SSC	14	1.8%
SSC/HSC	180	22.5%
Graduation	363	45.4%
Post Graduation	243	30.4%
Total	800	100.0%

Source: Primary Data from Survey

Based on this classification, 1.8% of the respondents have an educational qualification of less than S.S.C. , 22.5% of the respondents have either secondary or higher secondary level qualification, 45.4% of the respondents are graduates and 30.4% are post graduates.

Figure 4. 3. Classification of Respondents according to Educational Qualification



5. Classification of Respondents according to Occupation

Respondents are grouped according to their occupations in table 4.5.

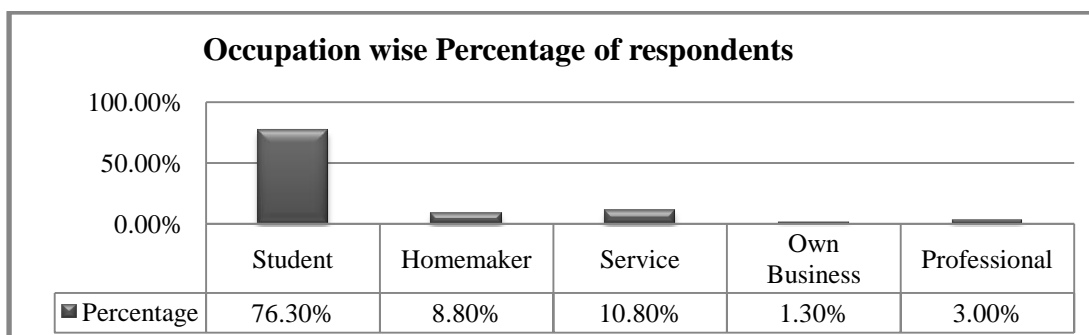
Table 4. 5. Classification of Respondents according to Occupation

Occupation	Number of Respondents	Percentage
Student	610	76.3%
Homemaker	70	8.8%
Service	86	10.8%
Own Business	10	1.3%
Professional	24	3.0%
Total	800	100.0%

Source: Primary Data from Survey

According to the survey results, 76% of the test subjects are students, 8.8% are homemakers, 10.8% are in service both private and public, 1.3% respondents are business women and finally 3% of the respondents are professionals like Doctors, Lawyers, Chartered Accountants, etc.

Figure 4. 4. Classification of Respondents according to Occupation



6. Classification of Respondents according to their Monthly Family Income

Income has for long been an important variable for distinguishing market segments in developing economies like ours. It is widely recognized that income is a major determinant as far as choice of products/ services is concerned.

Since the employment level among women respondents is not very significant in our country as a lot of them are simple homemakers without their own individual incomes, and given this fact since most women do use skincare cosmetics items, the researcher has considered monthly family income for the analysis.

On the basis of Family income on a monthly basis, the respondents are divided into four categories as shown in the table below.

Table 4.6. Classification of Respondents according to their Monthly Family Income

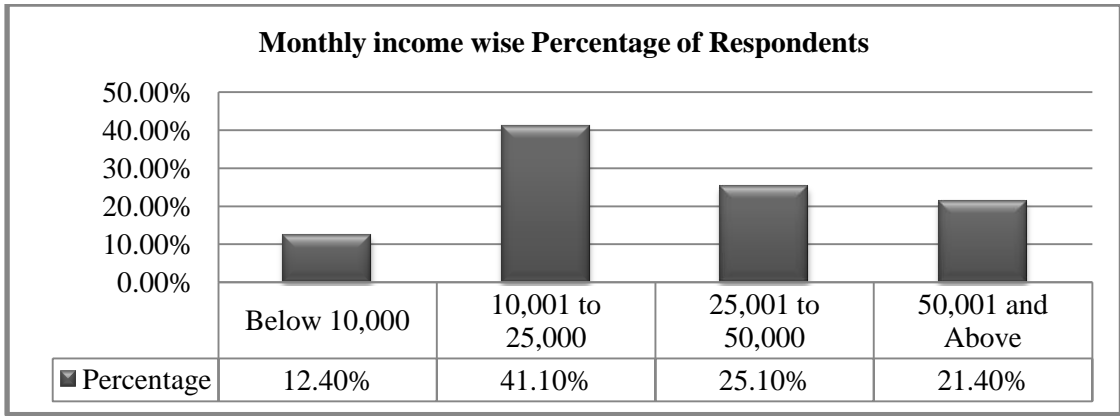
Monthly Family Income In Rupees	Number of Respondents	Percentage
Below 10,000	99	12.4%
10,001 to 25,000	329	41.1%
25,001 to 50,000	201	25.1%
50,001 and Above	171	21.4%
Total	800	100.0%

Source: Primary Data from Survey

In case of frequently purchased products like personal care, the level of income holds an outstanding significance in segmenting the market.

As seen from table 4.6., a bulk of the respondents i.e. 41% belong to the income group of Rs.10,000 to 25000, followed by 25% of them i.e. 201 respondents fall in the income category of Rs. 25000 o 50,000, 24% of the respondents i.e. 171 of them belong to the income group of Rs. 50,000 and above the rest i.e. 99 or 21.4% of the respondents belong to the lowest income group of Rs. 10,000 and below.

Figure 4. 5. Classification of Respondents according to their Monthly Family Income



7. Classification of Respondents on the basis of their Familiarity with the word “Brand Loyalty”

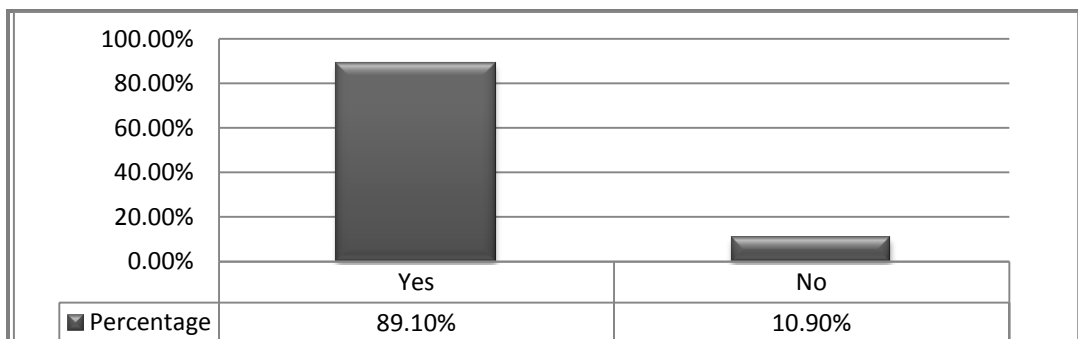
Table 4.7. Classification of Respondents on the basis of their Familiarity with the word “Brand Loyalty”

Familiarity with the word Brand Loyalty	No. of Respondents	Percentage
Yes	713	89.1%
No	87	10.9%
Total	800	100.0%

Source: Primary Data from Survey

The respondents were asked whether they are familiar with the word Brand Loyalty, in response to which 89.1% said that they are and only 10.9% responded negatively stating that they are not familiar with the term.

Figure 4.6. Classification of Respondents on the basis of their Familiarity with the word “Brand Loyalty”



8. Classification of respondents according to the Brands they regularly use / Brand Loyalty for their favorite brand.

Table 4.8. Classification of respondents according to their Brand Loyalty for their Favorite Brand attached : separately

The table 4.8. Presents the brand names of various categories of skincare products that the women respondents choose to use consistently/ purchase repeatedly. The results are classified based on the main categories of skincare products as shown in the table, viz. **Body care, Facial care and Hand Care.**

✦ ***In the broader Body care segment-***

- Among the General purpose body care products, Vaseline is the leading brand with 25.75% Brand Loyals , followed by Pond's with a loyalty score of 21.87% in second place and Fair and Lovely with a loyalty score of 18.17% in third place.

✦ ***In the broader segment of Facial care products***, the loyalty scores of the respondents were observed as under-

- Among the Acne Treatment products, Himalaya Herbals is the leader with a Loyalty score of 6.37%, Clean & Clear follows at 6.12% and Vicco shares the third pot with 5.62%.
- In the Face masks category, Ever youth leads with a loyalty score of 18.5%, Pond's follows with 8.12% and Fair & Lovely with the score of 7.25% comes in third place .
- Among the Cleansers, Clean & Clear leads with 10.75% score, followed by Ever youth and Lakme with 8.87% and 8.37% respectively.
- The Anti- agers, category has Olay as the leader with a 5% loyalty score followed by Pond's and Garnier with scores of 4% and 2.62% respectively.
- Among the Facial moisturizers, Pond's has the maximum no. of loyals at 18.37%, followed by Vaseline with a loyalty score of 17.62% and Nivea at third place with a score of 11.37%.
- In the Lip care category, Vaseline is the clear winner, with a loyalty score of 30.62%, way ahead of others, followed by Nivea at 15.5% and Lakme at 11.5% scores each.
- In the Toner category, Lakme leads with 4.75% Loyals to its credit followed by Amway with 3% loyals and Pond's with 2.87% Loyals.

✦ ***Finally, in the broader Hand care segment***, Vaseline emerged a winner again with a loyalty score of 22.3%, followed by Dettol at 16.5% in second place and Pond's with 12.87% score at third place.

**II. ANALYSIS OF THE EXISTANCE AND EXTENT OF BRAND LOYALTY
AMONG WOMEN SKINCARE COSMETICS CONSUMERS IN THE
STATE OF GUJARAT**

**✚ ANALYSING WHETHER WOMEN SKINCARE COSMETICSBUYERS/
CONSUMERS IN THE STATE OF GUJARAT ARE BRAND LOYAL OR
NOT –**

To Analyse The Existence of Women’s’ Brand Loyalty for their Favourite Brand/s of Skincare Cosmetics Products in the State of Gujarat, the hypotheses are :

H₀ Women Buyers in the State of Gujarat are not Loyal to their Favourite Brand/s of Skincare Cosmetics Product/s.

H₁ Women Buyers in the State of Gujarat are Loyal to their Favourite Brand/s of Skincare Cosmetics Product/s.

✚ CHI -SQUARE TEST

Table 4.9. a. Brand Loyalty of Women Skincare Cosmetics Buyers

	Loyal
Chi-Square(a)	146.205
df	1
Asymp. Sig.	.000

Table 4.9. b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi – Square	Hypothesis Accepted
1	5%	146.205	3.841	Null Hypothesis Is Rejected

The main hypothesis of this research is determining whether Women in the State of Gujarat are Brand Loyal towards their favorite brand of skincare cosmetics. Tables 4.9.a and b above present the results of the analysis of the main hypothesis. It was observed that, at one degree of freedom and 5% level of significance, the calculated value of Chi- square 146.205 is more than its table value 3.841.. Therefore, the Null Hypothesis that Women Buyers in the State of Gujarat are not Loyal to their Favourite Brand/s of Skincare Cosmetics Product/s is Rejected and the Alternate hypothesis that Women Buyers in the State of Gujarat are

Loyal to their Favourite Brand/s of Skincare Cosmetics Product/s is Accepted.

This analysis thus leads the researcher to conclude that **Women Consumers in the State of Gujarat are Loyal towards their Favourite Brand/s of Skincare Products.**

✚ ANALYSIS OF THE EXTENT OF BRAND LOYALTY AMONG THE WOMEN SKINCARE COSMETICS BUYERS IN THE STATE OF GUJARAT.

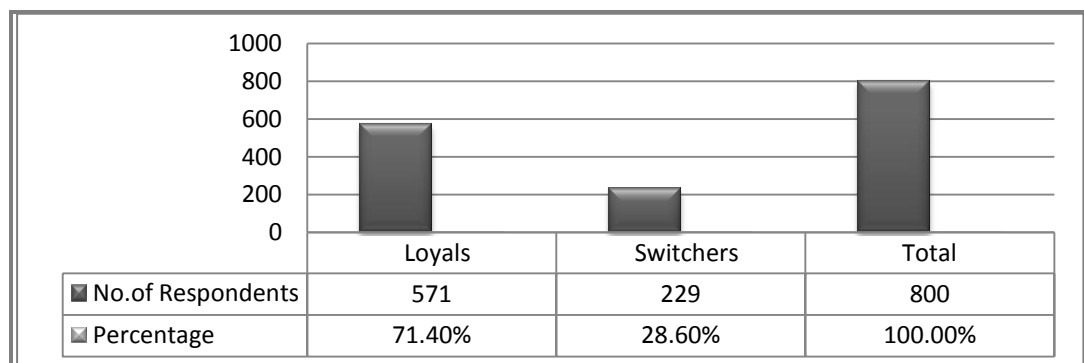
Table 4.10. Classification of Respondents according to the consistent use of a particular brand/s of skin care product/s.

Are you especially Loyal to a particular brand of Skin Care Product?	Number of respondents	Percentage value
Yes	571	71.4%
No	229	28.6%
Total	800	100.0%

Source: Primary Data from Survey

When the respondents were asked whether they consistently use the same brand of skin care products, 71.4% answered positively whereas the remaining 28.6% stated that they do not use the same brand all the time. Based on the responses the researcher has categorized the total number of women respondents into Brand Loyals and Brand Switchers.

Figure 4. 7. Classification of Respondents according to the consistent use of a particular brand/s of skin care product/s.



The Table and figure above indicate that 71.4% of the Women Skincare Cosmetics Buyers are Brand Loyal to their Favourite Brand/s of Skincare Cosmetics Products.

But the term Brand Loyalty did not mean Hard Core Loyalty where the purchase pattern of the buyer is Brand ‘A’, ‘A’, ‘A’... all the time.

Instead the Loyalty pattern observed by the researcher was either ‘**Split Loyalty**’ where the Loyalties are split between Two Brands ‘A’ and ‘B’ or ‘**Multi Brand Loyalty**’ where the Consumers exhibit Loyalty towards More than One but Limited Number of Brands

III. FAMILIARITY OF WOMEN WITH THE WORD “BRAND LOYALTY” AND BRAND LOYALTY:

+ CLASSIFICATION

Table 4. 11.a. Classification based on Familiarity of the Women with the word Brand Loyalty

Familiarity	No of Respondents	%
Yes	713	89.1%
No	87	10.9%
Total	800	100.0%

Source: Primary Data from Survey

Out of the 800 women respondents contacted for data collection, 713 (89%) of them expressed that they were familiar with the word “Brand Loyalty” which is a big majority.

However, 87 of the total of 800 which is equivalent to 11%, did express that they were not familiar with the word “Brand Loyalty” though most of them admitted that they practiced loyalty when they were explained the meaning which indicated that Loyalty as a name was not known to them though they practiced it without the knowledge of the term.

+ CROSS TABULATION

The relationship between a woman’s brand loyalty for her favorite brand and Familiarity with the word Brand Loyalty is presented in the Table 4.11. below :

Table 4. 11.b. Familiarity with the word Brand Loyalty and Brand Loyalty

			Loyal		Total
			Yes	No	
Familiar	Yes	Count	515	198	713
		% within Familiar	72.2%	27.8%	100.0%
		% within Loyal	90.2%	86.5%	89.1%
		% of Total	64.4%	24.8%	89.1%
	No	Count	56	31	87
		% within Familiar	64.4%	35.6%	100.0%
		% within Loyal	9.8%	13.5%	10.9%
		% of Total	7.0%	3.9%	10.9%
Total		Count	571	229	800
		% within Familiar	71.4%	28.6%	100.0%
		% within Loyal	100.0%	100.0%	100.0%
		% of Total	71.4%	28.6%	100.0%

Source: Primary Data from Survey

As can be evinced from the aforesaid cross tabulation, out of the Total 800 respondents 713 which equals to 89.1% of the total respondents are Familiar with the word Brand Loyalty the remaining whereas 87 of the Total Respondents which amounts to a meager 10.9% are not familiar.

Again, a closer look at the crosstabs also reveals that out of the 571 Brand Loyal Women 515 (90.2%) are Familiar and the rest 56(9.8%) are not familiar with the word Brand Loyalty. Further, out of the 713 Respondents who are Familiar with the word Brand Loyalty, 515(72.2%) are Brand Loyal and the rest 198(27.8%) are Brand Switchers

✚ SIGNIFICANCE OF RELATIONSHIP BETWEEN FAMILIARITY WITH THE WORD BRAND LOYALTY AND BRAND LOYALTY AMONG WOMEN

✚ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman's Brand Loyalty for her Favourite Brand and the Familiarity with the word Brand Loyalty the hypotheses are:

H₀ - There is no significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and her Familiarity with the word Brand Loyalty.

H₁ - There is significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and her Familiarity with the word Brand Loyalty.

Table . 4.12. a. Familiarity with the word Brand Loyalty and Brand Loyalty of Skin Care Cosmetics Buyers Chi –Square Test

	Value	df	Asy mp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	2.346 ^b	1	.126		
Continuity Correction ^a	1.977	1	.160		
Likelihood Ratio	2.259	1	.133		
Fisher's Exact Test				.133	.082
Linear-by-Linear Association	2.343	1	.126		
N of Valid Cases	800				

Table 4. 12. b. Familiarity with the word Brand Loyalty and Brand Loyalty of Skin Care Cosmetics Buyers Chi –Square Test

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
1	5%	2.346	3.841	Null Hypothesis is Accepted

Source: Primary Data from Survey

Table 4.12. a and b depict the results of the Chi- Square test to measure the effectiveness of the relationship between the Familiarity with the word Brand Loyalty and brand loyalty of women skincare cosmetics buyers. It was found that the Table Value of Chi- Square for 1 degrees of freedom (d.f) at 5% level of significance was 3.841 and its Calculated Value was 2.346. **The table value of chi-square was more than the calculated value.** *Therefore, the Null Hypothesis that There is no significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and her Familiarity with the word "Brand Loyalty "stood Accepted.* At the same time the Alternate Hypothesis that **There is significant relationship between a Woman's Brand Loyalty for her favourite brand and her Familiarity with the word "Brand Loyalty" was Rejected.**

IV. PERCEPTION OF WOMEN SKINCARE COSMETICS CONSUMERS ABOUT THE MEANING/ DEFINITION OF THE TERM "BRAND LOYALTY"

Brand Loyalty has been defined in more than one way by many authors conceptually and as per Jacoby and Chestnut, there are more than 50 Operational Definitions of the term 'Brand Loyalty'. The researched selected the three most popular of the Innumerable Definitions of Brand Loyalty to find out the Level of Agreement of the respondents with all the three definitions combined as well as each one of them separately. Also analysis was done by the researcher to find out if there were any differences in the perceptions of Brand Loyals and Brand Switchers about the meaning/s of Brand Loyalty

The following three Definitions of Brand Loyalty were put before the respondents through a structured questionnaire (Q. 2.2.1, 2and 3) in the form of a Five Point Scale in which they were asked to determine their level of agreement:

Definition 1. Brand Loyalty is said to exist for a consumer when he repetitively purchases a single brand. This measure does not allow for any deviations; a consumer must purchase Brand 'A' without exception.

Definition 2. Brand Loyalty is defined in terms of the percentage of total purchases devoted to the single most frequently purchased brand. In many situations the buyer is said to be brand loyal when this percentage exceeds 50%.

Definition 3. Brand Loyalty Is the biased, behavioral response, expressed over time, by some decision- making unit, with respect to one or more alternative brands out of a set of such brands, and is a function of psychological processes

a. Responses of Women towards the Three Definitions Combined

Table . 4. 13. Responses of Women towards the Three Definitions Combined

<i>Meaning / Definitions of Brand Loyalty</i>		<i>Average Scores</i>			<i>Differences (P₁-P₂)</i>		<i>Ranks of Differences</i>	
Sr. No.		All respondents	Loyals (P ₁)	Switchers (P ₂)	D	D ²	+	-
1	Q.2.2.1.	4.15	4.19	4.08	0.11	0.0121	3	
2	Q.2.2.2.	3.81	3.83	3.77	0.06	0.0036	2	
3	Q.2.2.3.	3.61	3.59	3.64	-0.05	0.0025		1
	Overall Average /Total	11.57 3.86	11.61 3.87	11.49 3.83	0.12 ∑(D)² 0.0144	0.0182	5	1

Source: Primary Data from Survey

The combined average score of all the 800 Women Respondents for their agreement to the three above-mentioned definitions of Brand Loyalty was 3.86 on a five point

scale which denoted more than 77% of their agreement for all the three definitions combined.

To find out the difference between the levels of agreement of the Brand Loyals and the Brand Switchers for the Three Definitions combined, the Hypotheses are :

H₀ - There is no significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers for the three definitions of Brand Loyalty

H₁ - There is significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers for the three definitions of Brand Loyalty

- Level of Significance =5%
- Degrees of Freedom = 3-1=2

i. Wilcoxon's Matched Pairs Test

Calculated Value of T-Statistic = **1**

Table Value of T-Statistic = **0**

For H₀: T_{cal.} (1) > T_{tab} (0) Therefore, Null Hypothesis is Accepted

ii. Sandler's A Test

Calculated Value of A-Statistic = $\frac{\sum D^2}{(\sum D)^2} = \frac{0.0182}{(0.12)^2} = \frac{0.0182}{0.0144} = \mathbf{1.26}$

Table Value of A Statistic = **0.369**

For H₀: A_{cal.} (1.26) > A_{tab} (0.369) Therefore, Null Hypothesis is Accepted

The average scores for the three definitions was 3.87 for the Brand Loyals and 3.83 for the Brand Switchers on a Five point Scale. But the difference between the two averages was not found statistically significant as per Wilcoxon's Test and Sandler's Test at 5% Level of Significance. For, the Calculated Value of T-Statistic was 1 against the Table Value (0) Zero and the Calculated Value of A Statistic was 1.26 against the corresponding Table Value of 0.369, a condition leading to the **Acceptance of the Null Hypothesis denoting that There was no significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers for the three definitions of Brand Loyalty Combined.**

b. Responses of Women towards the Three Definitions separately:

b.1. Responses of Women towards Definition -1

Table 4. 14. Responses of Women Skincare Cosmetics Buyers towards Definition 1.of Brand Loyalty on Five Point Scale

Level of Agreement and Score Points	No. of Respondents and total score points					Average Score points		Differences D	D ²	
	Loyals	Scores	Switchers	Scores	Total	Scores	Loyals			Switchers
Strongly Agree 5	219	1095	76	380	295	1475	1.92	1.66	0.26	0.0676
Agree 4	282	1128	116	464	398	1592	1.98	2.03	-0.05	0.0025
Undecided 3	31	93	16	48	47	141	0.16	0.21	-0.05	0.0025
Disagree 2	30	60	19	38	49	98	0.11	0.17	-0.06	0.0036
Strongly Disagree 1	9	9	2	2	11	11	0.02	0.01	0.01	0.0001
Total	571	2385	229	932	800	3317	4.19	4.08	0.11	0.0763

Source: Primary Data from Survey

The average score of all the employees for their agreement to the said definition was 4.15 on a five point scale which denoted that there was as good as 83% agreement amongst all the respondents for Definition no.1. of Brand Loyalty

To find out the difference between the levels of agreement of the Brand Loyals and the Brand Switchers for the Definition1 the Hypotheses are :

H₀ - There is no significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers for the definition 1. of Brand Loyalty

H₁ - There is significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers for the definition 1. of Brand Loyalty

- Level of Significance =5%
- Degrees of Freedom = 5-1= 4

Sandler's A Test

$$\text{Calculated Value of A-Statistic} = \frac{\sum D^2}{(\sum D)^2} = \frac{0.0763}{(0.11)^2} = \frac{0.0763}{0.0121} = \mathbf{6.31}$$

Table Value of A Statistic = **0.304**

For H₀: A_{cal.} (6.31) > A_{tab} (0.304) Therefore, Null Hypothesis is Accepted

The average scores for definition-1 was 4.19 for the Brand Loyals and 4.08 for the Brand Switchers on a Five point Scale. But the difference between the two averages was not found statistically significant as per Sandler's Test at 5% Level of Significance. For, the Calculated Value of A Statistic was 6.31 against the corresponding Table Value of 0.304, a condition leading to the **Acceptance of the**

Null Hypothesis denoting that There was no significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers for the definition-1 of Brand Loyalty.

b.2. Responses of Women towards Definition -2

Table 4. 15. Responses of Women Skincare Cosmetics Buyers towards Definition-2 of Brand Loyalty on Five Point Scale

Level of Agreement and Score Points	No. of Respondents and total score points					Average Score points		Differences D	D ²	
	Loyals	Scores	Switchers	Scores	Total	Loyals	Switchers			
Strongly Agree 5	106	530	35	175	141	705	0.93	0.76	0.17	0.0289
Agree 4	318	1272	125	500	443	1772	2.23	2.18	0.05	0.0025
Undecided 3	91	273	50	150	141	423	0.48	0.66	-0.18	0.0324
Disagree 2	55	110	19	38	74	148	0.19	0.17	0.02	0.0004
Strongly Disagree 1	1	1			1	1	0	0	0	0
Total	571	2186	229	863	800	3049	3.83	3.77	0.06	0.0642

Source: Primary Data from Survey

The average score of all the employees for their agreement to the said definition was 3.81 on a five point scale which denoted that there was as good as 76.2% agreement amongst all the respondents for Definition no.2. of Brand Loyalty

To find out the difference between the levels of agreement of the Brand Loyals and the Brand Switchers for the Definition. 2 the Hypotheses are :

H₀ - There is no significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers for the definition 2. of Brand Loyalty

H₁ - There is significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers for the definition 2. of Brand Loyalty

- Level of Significance =5%
- Degrees of Freedom = 5-1= 4

Sandler's A Test

$$\text{Calculated Value of A-Statistic} = \frac{\sum D^2}{(\sum D)^2} = \frac{0.0642}{(0.06)^2} = \frac{0.0642}{0.0036} = 17.83$$

Table Value of A Statistic = **0.304**

For H₀: A_{cal.} (17.83) > A_{tab} (0.304) Therefore, Null Hypothesis is Accepted

The average scores for definition-2 was 3.83 for the Brand Loyals and 3.77 for the Brand Switchers on a Five point Scale.

But the difference between the two averages was not found statistically significant as per Sandler’s Test at 5% Level of Significance. For, the Calculated Value of A Statistic was 17.83 against the corresponding Table Value of 0.304, a condition leading to the **Acceptance of the Null Hypothesis denoting that There was no significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers for the definition-2 of Brand Loyalty**

b.3. Responses of Women towards Definition -3

Table 4. 16. Responses of Women Skincare Cosmetics Buyers towards Definition 3 .of Brand Loyalty on Five Point Scale

Level of Agreement and Score Points	No. of Respondents and total score points						Average Score points		Difference S D	D ²
	Loyals	Scores	Switchers	Scores	Total	Scores	Loyals	Switchers		
Strongly Agree 5	104	520	45	225	149	745	0.91	0.98	-0.07	0.0049
Agree 4	251	1004	94	376	345	1380	1.76	1.64	0.12	0.0144
Undecided 3	115	345	59	177	174	522	0.6	0.77	-0.17	0.0289
Disagree 2	80	160	28	56	108	216	0.28	0.24	0.04	0.0016
Strongly Disagree 1	21	21	3	3	24	24	0.04	0.01	0.03	0.0009
Total	571	2050	229	837	800	2887	3.59	3.64	-0.05	0.0507

Source: Primary Data from Survey

The average score of all the employees for their agreement to the said definition was 3.61 on a five point scale which denoted that there was as good as 72.2% agreement amongst all the respondents for Definition no.3. of Brand Loyalty

To find out the difference between the levels of agreement of the Brand Loyals and the Brand Switchers for the Definition.3. the Hypotheses are :

Ho - There is no significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers for the definition 3. of Brand Loyalty

H₁ - There is significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers for the definition 3. of Brand Loyalty

- Level of Significance =5%
- Degrees of Freedom = 5-1= 4

Sandler's A Test

$$\begin{aligned} \text{Calculated Value of A-Statistic} &= \frac{\sum D^2}{(\sum D)^2} = \frac{0.0507}{(0.05)^2} = \frac{0.0507}{0.0025} = \mathbf{20.28} \\ \text{Table Value of A Statistic} &= \mathbf{0.304} \end{aligned}$$

For H_0 : $A_{\text{cal.}} (20.28) > A_{\text{tab}} (0.304)$ Therefore, Null Hypothesis is Accepted

The average scores for definition-3 was 3.59 for the Brand Loyals and 3.64 for the Brand Switchers on a Five point Scale. But the difference between the two averages was not found statistically significant as per Sandler's Test at 5% Level of Significance. For, the Calculated Value of A Statistic was 20.28, against the corresponding Table Value of 0.304, a condition leading to the **Acceptance of the Null Hypothesis denoting that There was no significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers for the definition-3 of Brand Loyalty.**

V. PERSONAL AND PRODUCT RELATED FACTORS AND BRAND LOYALTY

In the fast changing world of business, there are certain brands which continue to do well and are indeed, a virtual part of the business landscape, bringing a lash of instant recognition and appreciation representing well –entrenched brand loyalty. Whereas few others have become a part of the history of brand marketing and answer to trivia questions indicating fall from prominence to become footnotes in the history of brand names. . Thus, Brand Loyalty never just happens. Systematic planning and strategic exercises undertaken by the organization over a time frame has to make it happen. And it is a continuous activity area. Brand building and development of brand equity do not take place in vacuum; it is based on certain factors.

Among the various parameters which are taken into consideration, the personal factors of the consumers are of crucial importance. In fact, brand strategies are built taking into account the question why do people buy? The answer to this depends a lot on the personal factors of the consumers to whom the company intends to sell. Once the brand snugly fits into consumer expectations and becomes familiar, it automatically qualifies to be a better brand and purchases follow suit.

In this part of the chapter, an attempt has been made by the researcher to examine brand loyalty behavior of the sample in general. Besides, it also analyses the relative significance of each important factor influencing the brand loyalty pattern. Brand Loyalty is the result of a number of factors acting and interacting together in the favour of the product or service.

These can be divided broadly **into consumer-oriented and product oriented factors**. First the researcher examines Consumer- oriented personal factors and their influence on brand loyalty and the subsequent analysis deals with the Product –related factors and their influence on brand loyalty of the sample respondents.

The dependant variable brand loyalty along with each of the personal and product related variables have been cross tabulated for analysis and chi-square tests have been applied in appropriate cases and inferences have been drawn thereof. In the process, the relevant hypotheses have also been tested.

1. ANALYSIS OF RELATIONSHIP BETWEEN CONSUMER-RELATED (PERSONAL) FACTORS AND BRAND LOYALTY

✚ RELATIONSHIP BETWEEN A WOMAN'S BRAND LOYALTY AND THE CITY SHE LIVES IN.

The city in which a person lives is likely to have an impact on his/her purchase. Especially Metro and Sub- Metro cities house relatively affluent masses as compared to smaller cities. This could possibly lead to the wider availability and a greater variety of products in the market place which in turn can have an impact of the pattern of consumer brand loyalty.

An attempt is made to find out the significance of the relationship between the city of residence of a woman and her brand loyalty.

✚ CROSS TABULATION

Table 4. 17. City of Residence of the Sample and Brand Loyalty

			Loyal		Total
			Yes	No	
City	Ahmedabad	Count	129	71	200
		% within City	64.5%	35.5%	100.0%
	Surat	Count	124	76	200
		% within City	62.0%	38.0%	100.0%
	Vadodara	Count	142	58	200
		% within City	71.0%	29.0%	100.0%
	Rajkot	Count	176	24	200
		% within City	88.0%	12.0%	100.0%
Total		Count	571	229	800
		% within City	71.4%	28.6%	100.0%

Source: Primary Data from Survey

As can be observed from the above cross tabulation, of the total 200 respondents of the city of Ahmedabad, 129 (64.5%) are Brand Loyalists and 71(35.5%) are Brand Switchers, Of the total of 200 respondents from the city of Surat, 124(62%) are Brand Loyalists and the rest 76(38%) are Brand Switchers. Of the total 200 Respondents from the city of Vadodara, 142(71%) are Brand Loyalists and the Rest, 58(29%) are Brand Switchers and finally, Out of the 200 respondents from the city of Rajkot, 176(88%) are Brand Loyalists and 24(12%) are Brand Switchers.

This clearly depicts the presence of brand loyalty across women respondents residing in all the four major cities of Gujarat, to a significant extent, more than 60% in all the cities to be precise. Further, a closer analysis reveals that the Women Respondents of Rajkot City are the most Brand Loyal , (88%) and that of Surat City are Least Brand Loyal , (62%)

✚ **CHI -SQUARE TEST**

To Assess The Significance of Relationship between a Woman's Brand Loyalty for her Favourite Brand and the City She Lives in, the hypotheses are :

H₀ - There is no significant relationship between a Woman's Brand Loyalty for her Favorite brand of skincare product/s and the City she lives in.

H₁ - There is significant relationship between a Woman's Brand Loyalty for her Favorite Brand of skincare product/s and the City she lives in.

Table 4. 18. City of Residence of Sample and Brand Loyalty

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
3	5%	40.300	7.815	Null Hypothesis Is Rejected

Source: Primary Data from Survey

Table 4. 18. Depicts the results of the Chi- Square test to measure the effectiveness of the relationship between the City of Residence of the respondents and Brand Loyalty. It is found that the Table Value of Chi- Square for 3 degrees of freedom (d.f) at 5% level of significance is 7.815 and its Calculated Value is 40.300.

The table value of chi-square is less than the calculated value. Therefore, the Null Hypothesis that There is no significant relationship between a Woman’s Brand Loyalty for her favorite brand and The City She Lives In is Rejected.

At the same time the Alternate Hypothesis that there is significant relationship between a Woman’s Brand Loyalty for her favorite brand and The City She Lives In stands Accepted.

✚ AGE OF THE RESPONDENTS AND BRAND LOYALTY

The age of a person contributes significantly to his or her purchase behavior. Loyalty is usually associated with older persons. Against such a theoretical assertion, an attempt is made to relate the age of the respondents and brand loyalty thereof. The respondents are divided into two groups based on the dependant variable ‘brand loyalty’ as Loyalists and Switchers. They are further divided into six groups on the basis of their age viz., age group ranging between 18-20 years, 21-25 years 26-30 years, 31-35 years, 36-40 years and 41 years and older.

▣ CROSS TABULATION

The relationship between a woman’s brand loyalty for her favorite brand and her age is presented in the Table 4. 19. below :

Table 4. 19. Age of the Sample and Brand Loyalty

			Loyal		Total
			Yes	No	
Age	18-20	Count	232	91	323
		% within Age	71.8%	28.2%	100.0%
	21-25	Count	209	98	307
		% within Age	68.1%	31.9%	100.0%
	26-30	Count	43	21	64
		% within Age	67.2%	32.8%	100.0%
	31-35	Count	23	9	32
		% within Age	71.9%	28.1%	100.0%
	36-40	Count	16	4	20
		% within Age	80.0%	20.0%	100.0%
	41 and older	Count	48	6	54
		% within Age	88.9%	11.1%	100.0%
Total		Count	571	229	800
		% within Age	71.4%	28.6%	100.0%

Source: Primary Data from Survey

As can be evinced from the aforesaid cross tabulation, out of 323 respondents in the age group of 18-20 years, 232 (71.8%) are loyalists and the rest 91 (28.2 %) are switchers.

In the second category of age group ranging from 21-25 years, there are 307 respondents out of which 209 (68.1%) are brand loyals and the rest 98 (31.9 %) are switchers. In the third category of age group ranging from 26-30 years, out of a total of 64 respondents, 43 (67.2 %) are brand loyals whereas, 21(32.8 %) are brand switchers. In the fourth category of of age group ranging from 31-35 years, out of the total of 32 respondents, 23 (71.9 %) are loyals and 9 (28.1%) are switchers.

In the category ranging from 36-40 years, out of the total 20 respondents 16(80%) are loyal and 4 (20%) are switchers. And finally, in the age group of 41 years and older, out of the total 54 respondents, 48 (88.9%) are loyals and the rest 6 (11.1%) are switchers.

This clearly depicts the presence of brand loyalty across all age groups of the sample to a significant extent, more than 60% in all the age groups to be precise. Further, a closer analysis reveals that middle aged respondents have a higher tendency of brand switching as compared with younger and older sample respondents. A deeper

probe also indicates the existence of higher level of brand loyalty with old and young respondents.

✚ **CHI -SQUARE TEST**

To Assess The Significance of Relationship between a Woman’s Brand Loyalty for her Favourite Brand and her Age, the Hypotheses are:

H₀ - There is no significant relationship between a Woman’s Brand Loyalty for her favourite brand of skincare products and Her Age.

H₁ - There is significant relationship between a Woman’s Brand Loyalty for her favourite brand of skincare products and Her Age.

**Table 4.20. Age of the Sample and Brand Loyalty of Skin Care Cosmetics Buyers
Chi –Square Test**

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
5	5%	11.054	11.070	Null Hypothesis is Accepted

Source: Primary Data from Survey

Table 4. 20. Depicts the results of the Chi- Square test to measure the effectiveness of the relationship between age of the respondents and brand loyalty. It is found that the Table Value of Chi- Square for 5 degree of freedom (d.f) at 5% level of significance is 11.070 and its Calculated Value is 11.054.

The table value of chi-square is more than the calculated value. Therefore, the Null Hypothesis that There is no significant relationship between a Woman’s Brand Loyalty for her favourite brand and Her Age is accepted.

At the same time the Alternate Hypothesis that There is significant relationship between a Woman’s Brand Loyalty for her favourite brand and Her Age stands rejected.

✚ **MARITAL STATUS OF WOMEN AND BRAND LOYALTY**

✚ **CROSS TABULATION**

The cross tabulation below shows that out of the 650 Total Unmarried Women Respondents, 450 (70%) are Brand Loyal and the rest 194(30%) are not. The

percentage of Brand Loyals is more amongst the Married Women Respondents where out of the Total 150 of them, 115(76.7%) are Brand Loyal and 35(23.3%) are Brand Switchers.

Table 4. 21. Marital Status of Women and Brand Loyalty

			Loyal		Total
			Yes	No	
Marital	Unmarried	Count	456	194	650
		% within Marital	70.2%	29.8%	100.0%
	Married	Count	115	35	150
		% within Marital	76.7%	23.3%	100.0%
Total	Count		571	229	800
	% within Marital		71.4%	28.6%	100.0%

Source: Primary Data from the Survey

▣ *CHI -SQUARE TEST*

To Assess The Significance of Relationship between a Woman’s Brand Loyalty for her Favourite Brand and her Marital Status, the Hypotheses are :

H₀ - There is no significant relationship between a Woman’s Brand Loyalty for her favourite brand of skincare products and Her Marital Status.

H₁ - There is significant relationship between a Woman’s Brand Loyalty for her favourite brand of skincare products and Her Marital Status.

Table 4. 22. Marital Status of the Sample and Brand Loyalty Chi –Square Test

Degree of Freedom(d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
1	5%	2.530	3.841	Null Hypothesis is Accepted

Source: Primary Data from Survey

Table 4.22. Depicts the results of the Chi- Square test to measure the effectiveness of the relationship between Marital Status of the respondents and Brand Loyalty. It is found that the Table Value of Chi- Square for 1 degree of freedom (d.f) at 5% level of significance is 3.841 and its Calculated Value is 2.530.

The table value of chi-square is more than the calculated value. Therefore, the Null Hypothesis that There is no significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Product/s and Her Marital Status is accepted.

At the same time the Alternate Hypothesis that there is significant relationship between a Woman's Brand Loyalty for her favourite brand of skincare product/s and her Marital Status stands rejected.

🌈 EDUCATION OF WOMEN AND BRAND LOYALTY

The present study on brand loyalty behavior of women skin care cosmetics buyers includes respondents living in urban areas only. Accordingly an attempt has been made here to find out the significance of the relationship between education level of the respondents and brand loyalty.

📊 CROSS TABULATION

Table 4. 23. Education of the Sample and Brand Loyalty

			Loyal		Total
			Yes	No	
Qualification	Less than SSC	Count	11	3	14
		% within Qualification	78.6%	21.4%	100.0%
	SSC/HSC	Count	123	57	180
		% within Qualification	68.3%	31.7%	100.0%
	Graduation	Count	259	104	363
		% within Qualification	71.3%	28.7%	100.0%
	Post Graduation	Count	178	65	243
		% within Qualification	73.3%	26.7%	100.0%
Total	Count		571	229	800
	% within Qualification		71.4%	28.6%	100.0%

Source: Primary Data from Survey

The respondents are divided into four groups on the basis of their educational qualification, i.e. Less than SSC/HSC, SSC/HSC passed, Graduate and Post Graduate. The sample comprises highest no of respondents in the graduate category, 363 out of which 259 (71.3 %) are found loyalists and the rest, 104 (28.7 %) are switchers.

The second highest number of respondents fall in the post-graduate category where there are in all 243 respondents out of which 178 (73.3 %) are brand loyalists and 65 (26.7 %) are brand switchers.

The third highest category number of respondents wise, is the SSC/HSC passed in which there are a total of 180 respondents out of which 123 (68.3%) are loyalists and the rest 57 (31.7%) are switchers.

And finally, the last category in which the respondents fall based on their number of responses is the Less than SSC/HSC category, where there are in all 14 respondents out of which 11 (78.6%) are loyalists and 3(21.4%) are switchers.

As can be seen from the table above, Brand Loyalty is found to be the highest amongst the least educated group followed by the post graduates at second place, the graduates in third place and the SSC/HSC passed turning out to be the least loyal of all.

■ **CHI -SQUARE TEST**

To Assess The Significance of Relationship between a Woman's Brand Loyalty for her Favourite Brand and her Educational Qualification.

H₀ - There is no significant relationship between a Woman's Brand Loyalty for her favourite brand of skincare products and Her Educational Qualification.

H₁ - There is significant relationship between a Woman's Brand Loyalty for her favourite brand of skincare products and Her Educational Qualification.

Table 4. 24. Educational Qualification of the Sample and Brand Loyalty Chi –Square Test

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
3	5%	1.589	7.815	Null Hypothesis is Accepted

Source: Primary Data from Survey

Table 4.24 depicts the results of the Chi- Square test to measure the effectiveness of the relationship between educational qualification of the respondents and brand loyalty. It is found that the Table Value of Chi- Square for 3 degree of freedom (d.f) at 5% level of significance is 7.815 and its Calculated Value is 1.589.

The table value of chi-square is more than the calculated value. Therefore, the Null Hypothesis that There is no significant relationship between a Woman's Brand Loyalty for her favourite brand and Her Educational Qualification is accepted.

At the same time the Alternate Hypothesis that There is significant relationship between a Woman's Brand Loyalty for her favourite brand and Her Educational Qualification stands rejected.

🌈 OCCUPATION OF WOMEN AND BRAND LOYALTY

Here ,the researcher has tried to analyze the significance of the relationship between the occupation of a woman and her brand loyalty for her favorite brand, as a person's occupation can turn out to be a major determining factor especially in case of women who are expected to play varied roles and do a lot of multi-tasking . If a woman is pursuing a certain career which by nature is very time consuming, she is likely to spend less time searching for new products and may prefer to stick to her old tested and tried brands for long and vice versa.

📊 CROSS TABULATION

Table 4. 25. Occupation of the sample and brand loyalty

			Loyal		Total
			Yes	No	
Occupation	Student	Count	424	186	610
		% within Occupation	69.5%	30.5%	100.0%
	Homemaker	Count	60	10	70
		% within Occupation	85.7%	14.3%	100.0%
	Service	Count	60	26	86
		% within Occupation	69.8%	30.2%	100.0%
	Own Business	Count	9	1	10
		% within Occupation	90.0%	10.0%	100.0%
	Professional	Count	18	6	24
		% within Occupation	75.0%	25.0%	100.0%
Total		Count	571	229	800
		% within Occupation	71.4%	28.6%	100.0%

Source: Primary Data from Survey

Based on their occupation, the women respondents are divided into five groups viz. Students, Homemakers, Working women, Business women and Professionals. It can be clearly seen in the table above that business women are the most brand loyal of all

the occupational categories with a loyalty score of 90%, followed by Homemakers at 85.7%, professionals come next in their loyalty score at 75% followed by Working women with a loyalty score of 69.8% and finally, Students at 69.5% and. Thus amongst the five categories of women pursuing certain occupations, business women are the most loyal and students are the least loyal .

A detailed probe reveals though, that the extent of brand loyalty is more than 60% in case of all occupational groups which gives enough reason to the researcher to analyse the significance of the relationship between a woman’s occupation and her brand loyalty for her favourite brand.

▣ *CHI -SQUARE TEST*

To Assess The Significance of Relationship between a Woman’s Brand Loyalty for her Favourite Brand and her Occupation, the Hypotheses are:

H₀ - There is no significant relationship between a Woman’s Brand Loyalty for her Favourite brand of Skincare Product and Her Occupation .

H₁ - There is significant relationship between a Woman’s Brand Loyalty for her favourite brand of Skincare Product and Her Occupation.

Table 4. 26. Occupation of the Sample and Brand Loyalty Chi –Square Test

Degree of Freedom(d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	10.046	9.488	Null Hypothesis is Rejected

Source: Primary Data from Survey

Table 4.26. depicts the results of the Chi- Square test to measure the effectiveness of the relationship between occupation of the respondents and brand loyalty. It is found that the Table Value of Chi- Square for 4 degree of freedom (d.f) at 5% level of significance is 9.488 and its Calculated Value is 10.046.

The table value of chi-square is less than the calculated value. Therefore, the Null Hypothesis that There is no significant relationship between a Woman’s Brand Loyalty for her favorite brand and Her Occupation is Rejected.

At the same time the Alternate Hypothesis that there is significant relationship between a Woman's Brand Loyalty for her favorite brand and Her Occupation stands Accepted.

✚ FAMILY INCOME OF WOMEN RESPONDENTS AND BRAND LOYALTY

Brand loyalty Behavior of the Women Cosmetics Users is also influenced by the Household Income. An attempt has been made by the researcher to establish a relationship between Household Income and Brand Loyalty. On the basis of Household Income, the Sample has been divided into four groups. 99 Respondents have a household income less than Rs 10,000 out of which 69(69.7%) are Brand Loyals and 30(30.3%) are Switchers.

The second category consists of respondents having household income between Rs. 10,000 to Rs. 25,000 in which there are total 329 respondents out of which 245(74.5%) are Brand Loyals and 84(25.5%) are Switchers. Respondents with household income between Rs. 25,001 to Rs.50,000, are 201 in number out of which 147(73.1%) are Brand Loyals and 54(26.9%) are Switchers. And finally, respondents with household income of Rs. 50,001 and above are 171 in number out of which 110(64.3%) are Brand Loyals and 61(35.7%) are Switchers.

It can also be observed in the table below that as Household Income is increasing from Rs. 10,000 onwards, the Level of Brand Loyalty is falling from 74.5% to reach 64.3% at income levels of Rs. 50,000 and above.

So one can infer that after crossing the Rs. 10,000 mark the Level Household Income and Brand Loyalty are inversely related .

Table 4. 27. Family Income of the Sample and Brand Loyalty

			Loyal		Total
			Yes	No	
Income	Below 10,000	Count	69	30	99
		% within Income	69.7%	30.3%	100.0%
	10,001 to 25,000	Count	245	84	329
		% within Income	74.5%	25.5%	100.0%
	25,001 to 50,000	Count	147	54	201
		% within Income	73.1%	26.9%	100.0%
	50,001 and Above	Count	110	61	171
		% within Income	64.3%	35.7%	100.0%
Total		Count	571	229	800
		% within Income	71.4%	28.6%	100.0%

Source: Primary Data from Survey

✚ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman's Brand Loyalty for her Favourite Brand and her Household Income, Chi- square test has also been used.

H₀ - There is no significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product and Her Family Income .

H₁ - There is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product and Her Family Income .

Table 4.28. Household Income of the Sample and Brand Loyalty Chi –Square Test

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
3	5%	6.139	7.815	Null Hypothesis is Accepted

Source: Primary Data from Survey

Table 4.28. depicts the results of the Chi-square test. **It is found that at 3 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (6.139) of the chi-square is less than the table value (7.815).**

Hence the null hypothesis that *There is no significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Her Family Income stands accepted* and the Alternate hypothesis that - There is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Her Family Income is rejected.

2. ANALYSIS OF RELATIONSHIP BETWEEN PRODUCT RELATED FACTORS AND BRAND LOYALTY

✚ RELATIONSHIP BETWEEN A WOMAN'S BRAND LOYALTY AND THE GOOD REPUTATION AND PRESTIGIOUS IMAGE OF THE BRAND

✚ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman’s Brand Loyalty for her Favourite Brand of Skincare Product/s and the Good Reputation and Prestigious Image of the Brand, the hypotheses are :

H₀ - There is no significant relationship between a Woman’s Brand Loyalty for her favorite brand of skincare product/s and the Good Reputation and Prestigious Image of the Brand

H₁ - There is significant relationship between a Woman’s Brand Loyalty for her Favorite Brand of skincare product/s and the Good Reputation and Prestigious Image of the Brand

Table 4.29 a. Good Reputation and Prestigious Image of the Brand and Brand Loyalty Chi –square test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	32.825 ^a	4	.000
Likelihood Ratio	33.991	4	.000
Linear-by-Linear Association	5.576	1	.018
N of Valid Cases	800		

Table 4. 29 .b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	32.825	9.488	Null Hypothesis Is Rejected

Source: Primary Data from Survey

Tables 4.29 a and b depict the results of the Chi- Square test to measure the effectiveness of the relationship between the Good Reputation and Prestigious Image of the Brand and Brand Loyalty.

It is found that the Table Value of Chi- Square for 4 degrees of freedom (d.f) at 5% level of significance is 9.488 and its Calculated Value is 32.825. **The table value of chi-square is less than the calculated value.**

Therefore, the Null Hypothesis that There is no significant relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Products and The Good Reputation and Prestigious Image of the Brand is Rejected.

At the same time the Alternate Hypothesis that there is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Products and The Good Reputation and Prestigious Image of the Brand stands Accepted.

✚ EASE OF PRONUNCIATION OF THE BRAND NAME AND BRAND LOYALTY

📊 CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman's Brand Loyalty for her Favourite Brand and the Ease of Pronunciation of the Brand Name, the Hypotheses are :

H₀ - There is no significant relationship between a Woman's Brand Loyalty for her favourite brand of skincare products and the Ease of Pronunciation of the Brand Name.

H₁ - There is significant relationship between a Woman's Brand Loyalty for her favourite brand of skincare products and the Ease of Pronunciation of the Brand Name .

Table 4.30. a. Ease of Pronunciation of the Brand Name and Brand Loyalty of Skin Care Cosmetics Buyers Chi –Square Test

	Value	df	Asy mp. Sig. (2-sided)
Pearson Chi-Square	9.975 ^a	4	.041
Likelihood Ratio	10.206	4	.037
Linear-by-Linear Association	3.512	1	.061
N of Valid Cases	800		

Table 4. 30 b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	9.975	9.488	Null Hypothesis is Rejected

Source: Primary Data from Survey

Table 4.30 a & b Depict the results of the Chi-Square test to measure the effectiveness of the relationship between Ease of Pronunciation of the Brand Name and Brand

Loyalty. It is found that the Table Value of Chi- Square for 4 degrees of freedom (d.f) at 5% level of significance is 9.488 and its Calculated Value is 9.975.

The table value of chi-square is less than the calculated value. Therefore, the Null Hypothesis that There is no significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and Ease of Pronunciation of the Brand Name is Rejected.

At the same time the Alternate Hypothesis that There is significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and Ease of Pronunciation of the Brand Name stands Accepted.

REFLECTION OF THE BRAND'S PERSONALITY IN THE WOMAN'S OWN PERSONALITY AND BRAND LOYALTY

CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman's Brand Loyalty for her Favourite Brand of Skincare Products and Reflection of the Brand's Personality in the Woman's Own Personality, the Hypotheses are:

H₀ - There is no significant relationship between a Woman's Brand Loyalty for her favourite brand of skincare products and the Reflection of the Brand's Personality in the Woman's Own Personality

H₁ - There is significant relationship between a Woman's Brand Loyalty for her favourite brand of skincare products and the Reflection of the Brand's Personality in the Woman's Own Personality

Table 4.31.a. Reflection of the Brand's Personality in the Woman's Own Personality and Brand Loyalty Chi –Square Test

	Value	df	Asy mp. Sig. (2-sided)
Pearson Chi-Square	5.158 ^a	4	.271
Likelihood Ratio	5.287	4	.259
Linear-by-Linear Association	2.892	1	.089
N of Valid Cases	800		

Table 4. 31 .b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	5.158	9.488	Null Hypothesis is Accepted

Source: Primary Data from Survey

Tables 4.31.a & b depict the results of the Chi- Square test to measure the effectiveness of the relationship between Reflection of the Brand’s Personality in the Woman’s Own Personality and Brand Loyalty. It is found that the Table Value of Chi- Square for 4 degrees of freedom (d.f) at 5% level of significance is 9.488 and its Calculated Value is 5.158.

The table value of chi-square is more than the calculated value. *Therefore, the Null Hypothesis that There is no significant relationship between a Woman’s Brand Loyalty for her favourite brand of Skincare Product/s and Reflection of the Brand’s Personality in the Woman’s Own Personality is Accepted.*

At the same time the Alternate Hypothesis that there is significant relationship between a Woman’s Brand Loyalty for her favourite brand of skincare product/s and Reflection of the Brand’s Personality in the Woman’s Own Personality stands Rejected.

🚦 GOOD QUALITY OF PRODUCT/S AND A WOMAN’S BRAND LOYALTY
🚦 CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman’s Brand Loyalty for her Favourite Brand and Good Quality of the Product/s

H₀ - There is no significant relationship between a Woman’s Brand Loyalty for her favourite brand of Skincare Products and Good Quality of the Product/s .

H₁ - There is significant relationship between a Woman’s Brand Loyalty for her favourite brand of Skincare Products and Good Quality of the Product/s .

**Table 4.32. a. Good Quality of the Product/s and a Woman’s Brand Loyalty
Chi –Square Test**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8.346 ^a	4	.080
Likelihood Ratio	8.303	4	.081
Linear-by-Linear Association	6.403	1	.011
N of Valid Cases	800		

Table 4. 32 .b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	8.346	9.488	Null Hypothesis is Accepted

Source: Primary Data from Survey

Table 4.32 a and b depict the results of the Chi- Square test to measure the effectiveness of the relationship between Good Quality of the Product/s and brand loyalty. It is found that the Table Value of Chi- Square for 4 degrees of freedom (d.f) at 5% level of significance is 9.488 and its Calculated Value is 8.346.

The table value of chi-square is more than the calculated value. *Therefore, the Null Hypothesis that There is no significant relationship between a Woman’s Brand Loyalty for her favourite brand of Skincare Products and Good Quality of the Product is Accepted.*

At the same time the Alternate Hypothesis that There is significant relationship between a Woman’s Brand Loyalty for her favourite brand of Skincare Products and Good Quality of the Product stands Rejected.

✚ PRODUCT/S-CONSUMER SKIN TYPE MATCH AND BRAND LOYALTY

✚ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman’s Brand Loyalty for her Favourite Brand and Product/s-Consumer Skin Type Match, the Hypotheses are:

H₀ - There is no significant relationship between a Woman's Brand Loyalty for her Favourite brand of Skincare Product and the Product/s-Consumer Skin Type Match

H₁ - There is significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Product and Product/s-Consumer Skin Type Match

**Table 4.33 a. Product/s-Consumer Skin Type Match and Brand Loyalty
Chi –Square Test**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8.941 ^a	4	.063
Likelihood Ratio	8.669	4	.070
Linear-by-Linear Association	8.135	1	.004
N of Valid Cases	800		

Table 4. 33 .b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	8.941	9.488	Null Hypothesis is Accepted

Source: Primary Data from Survey

Tables 4.33 a and b depict the results of the Chi- Square test to measure the effectiveness of the relationship between the Product/s-Skin Type Match and Brand Loyalty. It is found that the Table Value of Chi- Square for 4 degrees of freedom (d.f) at 5% level of significance is 9.488 and its Calculated Value is 8.941.

The table value of chi-square is more than the calculated value. Therefore, the Null Hypothesis that There is no significant relationship between a Woman's Brand Loyalty for her favorite brand and the Product/s-Skin Type Match is Accepted.

At the same time the Alternate Hypothesis that there is significant relationship between a Woman's Brand Loyalty for her favorite brand and the Product/s-Skin Type Match stands Rejected

✚ THE AVAILABILITY OF A WIDE RANGE OF PRODUCTS UNDER THE SAME BRAND NAME AND BRAND LOYALTY

✚ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman’s Brand Loyalty for her Favourite Brand and The Availability of a Wide Range of Products under the Same Brand Name, the Hypotheses are:

H₀ - There is no significant relationship between a Woman’s Brand Loyalty for her Favourite brand of Skincare Products and The Availability of a Wide Range of Products under the Same Brand Name.

H₁ - There is significant relationship between a Woman’s Brand Loyalty for her Favourite brand of Skincare Products and The Availability of a Wide Range of Products under the Same Brand Name.

Table 4.34 a. The Availability of a Wide Range of Products under the Same Brand Name and Brand Loyalty Chi–SquareTest

	Value	df	Asy mp. Sig. (2-sided)
Pearson Chi-Square	10.433 ^a	4	.034
Likelihood Ratio	10.406	4	.034
Linear-by-Linear Association	1.465	1	.226
N of Valid Cases	800		

Table 4.34 b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	10.433	9.488	Null Hypothesis is Rejected

Source: Primary Data from Survey

Table 4.34 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (10.433) of the chi-square is more than the table value (9.488).

Hence the null hypothesis that There is no significant relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Product/s and The Availability of a Wide Range of Products under the Same Brand Name stands Rejected and the Alternate hypothesis that There is significant relationship between a

Woman's Brand Loyalty for her favorite brand of Skincare Product/s and The Availability of a Wide Range of Products under the Same Brand Name is Accepted.

✚ HARMFUL CHEMICAL CONTENTS OF THE BRANDED PRODUCT/S AND A WOMAN'S BRAND LOYALTY FOR HER FAVORITE BRAND

✚ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman's Brand Loyalty for her Favourite Brand of Skincare Products and Harmful Chemical Contents of the product/s, the Hypotheses are :

H₀ - There is no significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and The Harmful Chemical Contents of the Product/s

H₁ - There is significant relationship between a Woman's Brand Loyalty for her Favourite brand of Skincare Products and The Harmful Chemical Contents of the Product/s

Table 4.35 a. The Harmful Chemical Contents of the Product/s and a Woman's Brand Loyalty for her favorite brand of Skincare Products Chi –Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	3.489 ^a	4	.480
Likelihood Ratio	3.458	4	.484
Linear-by-Linear Association	.323	1	.570
N of Valid Cases	800		

Table 4. 35 .b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	3.489	9.488	Null Hypothesis Is Accepted

Source: Primary Data from Survey

Tables 4.35 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (3.489) of the chi-square is less than the table value (9.488).

Hence the null hypothesis that There is no significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and The and The Harmful Chemical Contents of the Product/s is Accepted and the Alternate hypothesis that There is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and The Harmful Chemical Contents of the Product/s is Rejected.

✚ VALUE FOR MONEY OF THE BRAND AND BRAND LOYALTY BRAND LOYALTY

✚ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman's Brand Loyalty for her Favourite Brand and Value for Money of the Brand, the Hypotheses are:

H₀ - There is no significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Products and Value for Money of the Brand

H₁ - There is significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and Value for Money of the Brand

Table . 4.36 a. Value for Money of the Brand and A Woman's Brand Loyalty for her Favorite Brand Chi –Square Test

	Value	df	Asy mp. Sig. (2-sided)
Pearson Chi-Square	9.252 ^a	4	.055
Likelihood Ratio	9.606	4	.048
Linear-by-Linear Association	3.679	1	.055
N of Valid Cases	800		

Table 4. 36 .b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	9.252	9.488	Null Hypothesis is Accepted

Source: Primary Data from Survey

Tables 4.36 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (9.252) of the chi-square is less than the table value (9.488).

Hence the null hypothesis that There is no significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Value for Money of the Brand is Accepted and the Alternate hypothesis that There is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Value for Money of the Brand is Rejected

✚ CONSUMERS' PERCEPTION THAT INCREASED PRICE OF A PRODUCT/ BRAND IS DUE TO SUPERIOR QUALITY AND SO THEY DO NOT MIND PAYING A HIGHER PRICE AND THEIR BRAND LOYALTY

✚ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman's Brand Loyalty for her Favourite Brand of Skincare Product and Her Perception that Increased Price of the Product is due to Superior Quality and so she does not mind paying a higher Price, the Hypotheses are:

H₀ - There is no significant relationship between a Woman's Brand Loyalty for her Favourite brand of Skincare Products and Her Perception that Increased Price of the Product is due to Superior Quality and so she does not mind paying a higher Price.

H₁ - There is significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and Her Perception that Increased Price of the Product is due to Superior Quality and so she does not mind paying a higher Price

Table 4.37a. The Woman's Perception that Increased Price of the Product is due to Superior Quality, so she does not mind paying a higher Price and her Brand Loyalty Chi -Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	16.898 ^a	4	.002
Likelihood Ratio	17.198	4	.002
Linear-by-Linear Association	12.526	1	.000
N of Valid Cases	800		

Table 4. 37. b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	16.898	9.488	Null Hypothesis is Rejected

Source: Primary Data from Survey

Tables 4.37 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (16.898) of chi-square is more than the table value (9.488).

Hence the null hypothesis that There is no significant relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Product/s Her Perception that Increased Price of the Product is due to Superior Quality, so she does not mind paying a higher Price stands Rejected and the Alternate hypothesis that There is significant relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Product/s and Her Perception that Increased Price of the Product is due to Superior Quality, so she does not mind paying a higher Price is Accepted.

✚ REGULAR DISCOUNT OFFERS OF THE BRAND AND A WOMAN’S BRAND LOYALTY

✚ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman’s Brand Loyalty for her Favourite Brand of Skincare Product and Regular Discount Offers of the Brand, the Hypotheses are:

H₀ - There is no significant relationship between a Woman’s Brand Loyalty for her favourite brand of Skincare Products and Regular Discount Offers of the Brand

H₁ - There is significant relationship between a Woman’s Brand Loyalty for her Favourite brand of Skincare Products and Regular Discount Offers of the Brand

Table 4.38 a Regular Discount Offers of the Brand and A Woman's Brand Loyalty Chi –Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	5.687 ^a	4	.224
Likelihood Ratio	5.805	4	.214
Linear-by-Linear Association	3.202	1	.074
N of Valid Cases	800		

Table 4.38 .b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	5.687	9.488	Null Hypothesis Is Accepted

Source: Primary Data from Survey

Table 4.38 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (5.687) of the chi-square is less than the table value (9.488).

Hence the null hypothesis that There is no significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Regular Discount Offers of the Brand is Accepted and the Alternate hypothesis that There is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s Regular Discount Offers of the Brand is Rejected.

✚ ATTRACTIVE ADVERTISEMENTS OF THE BRAND AND A WOMAN'S BRAND LOYALTY

⚡ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman's Brand Loyalty for her Favourite Brand of Skincare Product and Attractive Advertisements of the Brand, the Hypotheses are:

H₀ - There is no significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and Attractive Advertisements of the Brand

H₁ - There is significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and Attractive Advertisements of the Brand

Table 4. 39 a. Attractive Advertisements of the Brand and a Woman's Brand Loyalty for her Favorite Brand Chi –Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	15.426 ^a	4	.004
Likelihood Ratio	16.060	4	.003
Linear-by-Linear Association	2.688	1	.101
N of Valid Cases	800		

Table 4. 39 b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	15.426	9.488	Null Hypothesis is Rejected

Source: Primary Data from Survey

Tables 4. 39 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (15.426) chi-square is more than the table value (9.488).

Hence the null hypothesis that There is no significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Attractive Advertisements of the Brand stands Rejected and the Alternate hypothesis that There is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Attractive Advertisements of the Brand is Accepted.

✚ CONSUMERS' PERCEPTION THAT ADVERTISEMENTS OF THE PRODUCT/BRAND ATTRACT THEM TO PURCHASE IT MORE FREQUENTLY AND THEIR BRAND LOYALTY

✚ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman’s Brand Loyalty for her Favourite Brand of Skincare Product and Her Perception that the Advertisements of the Brand attract her to Purchase the Brand More Frequently, the Hypotheses are :

H₀ - There is no significant relationship between a Woman’s Brand Loyalty for her Favourite brand of Skincare Products and Her Perception that the Advertisements of the Brand attract her to Purchase the Brand More Frequently

H₁ - There is significant relationship between a Woman’s Brand Loyalty for her Favourite brand of Skincare Products and Her Perception that the Advertisements of the Brand attract her to Purchase the Brand More Frequently

Table 4.40. a. Consumers’ Perception that Advertisements of the Brand attract them to Purchase it more frequently and their Brand Loyalty Chi –Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8.189 ^a	4	.085
Likelihood Ratio	8.268	4	.082
Linear-by-Linear Association	1.164	1	.281
N of Valid Cases	800		

Table 4. 40. b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	8.189	9.488	Null Hypothesis Is Accepted

Source: Primary Data from Survey

Table 4.40 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (8.189) of the chi-square is less than the table value (9.488).

Hence the Null hypothesis that There is no significant relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Product/s and Her Perception that the Advertisements of the Brand attract her to Purchase the Brand More Frequently is Accepted and the Alternate hypothesis that There is significant relationship between a Woman’s Brand Loyalty for her favorite brand of

Skincare Product/s and Her Perception that the Advertisements of the Brand attract her to Purchase the Brand More Frequently is Rejected.

✚ SPECIFIC BRAND PROMOTIONS AND BRAND LOYALTY

✚ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman’s Brand Loyalty for her Favourite Brand of Skincare Product and Specific Promotions of the Brand, the Hypotheses are :

H₀- There is no significant relationship between a Woman’s Brand Loyalty for her favourite brand of Skincare Products and Specific Promotions of the Brand

H₁ - There is significant relationship between a Woman’s Brand Loyalty for her Favourite brand of Skincare Products and Specific Promotions of the Brand

Table . 4. 41.a. Specific Promotions of the Brand and Brand Loyalty Chi Square Test

	Value	df	Asy mp. Sig. (2-sided)
Pearson Chi-Square	30.473 ^a	4	.000
Likelihood Ratio	31.163	4	.000
Linear-by-Linear Association	2.569	1	.109
N of Valid Cases	800		

Table 4. 41. b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	30.473	9.488	Null Hypothesis Is Rejected

Source: Primary Data from Survey

Tables 4.41 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (30.473) of the chi-square is more than the table value (9.488).

Hence the Null hypothesis that There is no significant relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Product/s and Specific Promotions of the Brand is Rejected and the Alternate hypothesis that There is significant relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Product/s Specific Promotions of the Brand is Accepted .

✚ AVAILABILITY OF SPECIAL DISCOUNTS ON THE BRAND AND BRAND LOYALTY

✚ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman's Brand Loyalty for her Favourite Brand of Skincare Product and Availability of Special Discounts on the Brand, the Hypotheses are:

H₀ - There is no significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and Availability of Special Discounts on the Brand

H₁ - There is significant relationship between a Woman's Brand Loyalty for her Favourite brand of Skincare Products and Availability of Special Discounts on the Brand

Table. 4. 42. a Availability of Special Discounts on the Brand and Brand Loyalty Chi –Square Test

	Value	df	Asy mp. Sig. (2-sided)
Pearson Chi-Square	8.258 ^a	4	.083
Likelihood Ratio	8.367	4	.079
Linear-by-Linear Association	3.176	1	.075
N of Valid Cases	800		

Table 4. 42 .b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	8.258	9.488	Null Hypothesis Is Accepted

Source: Primary Data from Survey

Table 4.42 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (8.258) of the chi-square is less than the table value (9.488). **Hence the Null hypothesis that There is no significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Availability of Special Discounts on the Brand is Accepted** and the Alternate hypothesis that *There is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Availability of Special Discounts on the Brand Rejected.*

WELL TRAINED AND KNOWLEDGEABLE SALES STAFF OF THE BRAND STORE AND BRAND LOYALTY

CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman’s Brand Loyalty for her Favourite Brand of Skincare Product and Well Trained and Knowledgeable Sales Staff of the Brand Store, the Hypotheses are:

H₀ - There is no significant relationship between a Woman’s Brand Loyalty for her favourite brand of Skincare Products and Well Trained and Knowledgeable Sales Staff of the Brand Store

H₁ - There is significant relationship between a Woman’s Brand Loyalty for her Favourite brand of Skincare Products and Well Trained and Knowledgeable Sales Staff of the Brand Store

Table .4. 43 a. Knowledgeable and Well Trained Sales Staff of the Brand Store and a Woman’s Brand Loyalty Chi –Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	4.731 ^a	4	.316
Likelihood Ratio	4.664	4	.324
Linear-by-Linear Association	.896	1	.344
N of Valid Cases	800		

Table 4. 43 b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	4.731	9.488	Null Hypothesis Is Accepted

Source: Primary Data from Survey

Tables 4.43 a and b. depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (4.731) of the chi-square is less than the table value (9.488).

Hence the Null hypothesis that There is no significant relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Product/s and Well Trained and Knowledgeable Sales Staff of the Brand Store is Accepted and the Alternate hypothesis that There is significant relationship between a Woman’s Brand

Loyalty for her favorite brand of Skincare Product/s and Well Trained and Knowledgeable Sales Staff of the Brand Store is Rejected.

RECOMMENDATIONS /TESTIMONIALS OF THOSE ALREADY USING THE BRAND AND BRAND LOYALTY

CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman’s Brand Loyalty for her Favourite Brand of Skincare Product and Recommendations /Testimonials of those already using the brand, the Hypotheses are:

H₀- There is no significant relationship between a Woman’s Brand Loyalty for her favourite brand of Skincare Products and Recommendations /Testimonials of those already using the brand.

H₁ - There is significant relationship between a Woman’s Brand Loyalty for her favourite brand of Skincare Products and Recommendations /Testimonials of those already using the brand.

Table 4.44 a. Recommendations /Testimonials of those already using the brand and a Woman’s Brand Loyalty Chi –Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	6.702 ^a	4	.152
Likelihood Ratio	6.858	4	.144
Linear-by-Linear Association	1.567	1	.211
N of Valid Cases	800		

Table 4.44 b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	6.702	9.488	Null Hypothesis Is Accepted

Source: Primary Data from Survey

Tables 4.44 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (6.702) of the chi-square is less than the table value (9.488).

Hence the Null hypothesis that There is no significant relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Product/s and

Recommendations /Testimonials of those already using the brand is Accepted and the Alternate hypothesis that There is significant relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Product/s and Recommendations /Testimonials of those already using the brand is Rejected.

GOOD AND EASY TO ACCESS BRAND STORE LOCATIONS AND BRAND LOYALTY

CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman’s Brand Loyalty for her Favourite Brand of Skincare Product and Good and Easy to Access Brand Store locations, the Hypotheses are:

Ho - There is no significant relationship between a Woman’s Brand Loyalty for her Favourite brand of Skincare Products and Good and Easy to Access Brand Store locations

H₁ - There is significant relationship between a Woman’s Brand Loyalty for her favourite brand of Skincare Products and Good and Easy to Access Brand Store locations

Table. 4.45. a. Good and Easy to Access Brand Store locations and a Woman’s Brand Loyalty for her Favorite Brand Chi –Square Test

	Value	df	Asy mp. Sig. (2-sided)
Pearson Chi-Square	4.509 ^a	4	.341
Likelihood Ratio	4.382	4	.357
Linear-by-Linear Association	1.528	1	.216
N of Valid Cases	800		

Table 4.45. b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	4.509	9.488	Null Hypothesis Is Accepted

Source: Primary Data from Survey

Tables 4.45 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (4.509) of the chi-square is less than the table value (9.488). **Hence the Null hypothesis that**

There is no significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Good and Easy to Access Brand Store locations is Accepted and the Alternate hypothesis that *There is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Good and Easy to Access Brand Store locations is Rejected.*

✚ SUFFICIENT NUMBER OF BRAND OUTLETS OF HER FAVOURITE BRAND AND A WOMAN'S AND BRAND LOYALTY

✚ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman's Brand Loyalty for her Favourite Brand of Skincare Product and Sufficient number of Brand Outlets of the brand, the Hypotheses are :

H₀ - There is no significant relationship between a Woman's Brand Loyalty for her Favourite brand of Skincare Products and Sufficient number of Brand Outlets of the Brand

H₁ - There is significant relationship between a Woman's Brand Loyalty for her Favourite brand of Skincare Products and Sufficient number of Brand Outlets of the Brand

Table 4.46 .a. Sufficient number of Brand Outlets of her Favorite brand and a Woman's Brand Loyalty Chi –Square Test

	Value	df	Asy mp. Sig. (2-sided)
Pearson Chi-Square	6.340 ^a	4	.175
Likelihood Ratio	6.509	4	.164
Linear-by-Linear Association	.750	1	.386
N of Valid Cases	800		

Table 4.46. b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	6.340	9.488	Null Hypothesis Is Accepted

Source: Primary Data from Survey

Tables 4.46 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (6.340) of the chi-square is less than the table value (9.488).

Hence the Null hypothesis that There is no significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Sufficient number of Brand Outlets of the Brand is Accepted and the Alternate hypothesis that There is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Sufficient number of Brand Outlets of the is Rejected.

WIDE AVAILABILITY OF THE BRAND IN STORES AND BRAND LOYALTY

CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman's Brand Loyalty for her Favourite Brand of Skincare Product and Wide availability of the Brand in Stores, the Hypotheses are:

H₀ - There is no significant relationship between a Woman's Brand Loyalty for her Favourite brand of Skincare Products and Wide availability of the Brand in Stores

H₁ - There is significant relationship between a Woman's Brand Loyalty for her Favourite brand of Skincare Products and Wide availability of the Brand in Stores

**Table 4. 47. a. Wide availability of the Brand in Stores and Brand Loyalty
Chi -Square Test**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	10.764 ^a	4	.029
Likelihood Ratio	11.614	4	.020
Linear-by-Linear Association	.964	1	.326
N of Valid Cases	800		

Table 4.47. b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	10.764	9.488	Null Hypothesis is Rejected

Source: Primary Data from Survey

Tables 4.47 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (10.764) of the chi-square is more than the table value (9.488).

Hence the Null hypothesis that There is no significant relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Product/s and Wide availability of the Brand in Stores stands Rejected and the Alternate hypothesis that There is significant relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Product/s and Wide availability of the Brand in Stores is Accepted.

✚ WELL DONE AND ATTRACTIVE PACKAGING OF THE BRANDED PRODUCTS AND BRAND LOYALTY

🚩 CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman’s Brand Loyalty for her Favourite Brand of Skincare Product and The Well done and Attractive Packaging of the branded products, the Hypotheses are:

H₀ - There is no significant relationship between a Woman’s Brand Loyalty for her favourite brand of Skincare Products and The well done and attractive packaging of the branded products

H₁ - There is significant relationship between a Woman’s Brand Loyalty for her Favourite brand of Skincare Products and The well done and attractive packaging of the branded products

Table 4.48. a. Well done and attractive packaging of the branded products and Brand Loyalty Chi –Square Test

	Value	df	Asy mp. Sig. (2-sided)
Pearson Chi-Square	10.932 ^a	4	.027
Likelihood Ratio	10.462	4	.033
Linear-by -Linear Association	4.007	1	.045
N of Valid Cases	800		

Table 4.48. b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	10.932	9.488	Null Hypothesis is Rejected

Source: Primary Data from Survey

Table 4.48 a and b. depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (10.932) of the chi-square is more than the table value (9.488).

Hence the Null hypothesis that There is no significant relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Product/s and The well done and attractive packaging of the branded products stands Rejected and the Alternate hypothesis that There is significant relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Product/s The well done and attractive packaging of the branded products is Accepted.

✚ CLEAR INSTRUCTIONS ON THE PACKAGE REGARDING THE CONTENTS AND APPLICATION OF THE PRODUCT AND BRAND LOYALTY

⚑ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman’s Brand Loyalty for her Favourite Brand of Skincare Product and Clear instructions on the Package regarding the Contents and Application of the Product, the Hypotheses are :

H₀ - There is no significant relationship between a Woman’s Brand Loyalty for her favourite brand of Skincare Products and Clear instructions on the Package regarding the Contents and Application of the product

H₁ - There is significant relationship between a Woman’s Brand Loyalty for her Favourite brand of Skincare Products and Clear instructions on the Package regarding the Contents and Application of the product

Table 4.49.a. Clear instructions on the package regarding the contents and application of the product and Brand Loyalty Chi –Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	13.226 ^a	4	.010
Likelihood Ratio	14.071	4	.007
Linear-by-Linear Association	8.700	1	.003
N of Valid Cases	800		

Table 4.49.b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	13.226	9.488	Null Hypothesis is Rejected

Source: Primary Data from Survey

Tables 4.49 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (13.226) of the chi-square is more than the table value (9.488).

Hence the Null hypothesis that There is no significant relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Product/s and Clear instructions on the Package regarding the Contents and Application of the Product stands Rejected and the Alternate hypothesis that There is significant relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Product/s and Clear instructions on the Package regarding the Contents and Application of the Product is Accepted.

✚ OPTIONS OF VARIOUS CONVENIENT TO USE PACKAGES OFFERED BY THE BRAND AND A WOMAN’S BRAND LOYALTY FOR IT.

✚ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman’s Brand Loyalty for her Favourite Brand of Skincare Product and Options of various convenient to use packages offered by the Brand, the Hypotheses are :

H₀ - There is no significant relationship between a Woman's Brand Loyalty for her Favourite brand of Skincare Products and Options of various convenient to Use packages offered by the Brand

H₁ - There is significant relationship between a Woman's Brand Loyalty for her Favourite brand of Skincare Products and Options of various convenient to use packages offered by the Brand

Table 4.50.a. Options of various convenient to use packages offered by the Brand and Brand Loyalty Chi –Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	13.083 ^a	4	.011
Likelihood Ratio	13.231	4	.010
Linear-by-Linear Association	4.067	1	.044
N of Valid Cases	800		

Table 4.50. b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	13.083	9.488	Null Hypothesis is Rejected

Source: Primary Data from Survey

Tables 4.50 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (13.083) of chi-square is more than the table value (9.488).

Hence the Null hypothesis that There is no significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Options of various convenient to use packages offered by the Brand stands Rejected and the Alternate hypothesis that There is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Options of various convenient to use packages offered by the Brand is Accepted.

3. ANALYSIS OF RELATIONSHIP BETWEEN PERSONAL AND PRODUCT RELATED FACTORS CAUSING BRAND SWITCHING AND BRAND LOYALTY/ SWITCHING

PRICE DISCOUNTS OFFERED BY OTHER BRAND/S AND BRAND LOYALTY FOR FAVORITE BRAND

CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman’s Brand Loyalty for her Favourite Brand of Skincare Product and Price Discounts offered by other brand/s, the Hypotheses are:

H₀ - There is no significant relationship between a Woman’s Brand Loyalty for her favourite brand of Skincare Products and Price Discounts offered by other brand/s

H₁ - There is significant relationship between a Woman’s Brand Loyalty for her favourite brand of Skincare Products and Price Discounts offered by other brand/s

Table 4.51.a. Price Discounts offered by other brand/s and Brand Loyalty Chi –Square Test

	Value	df	Asy mp. Sig. (2-sided)
Pearson Chi-Square	2.916 ^a	4	.572
Likelihood Ratio	2.900	4	.575
Linear-by-Linear Association	1.852	1	.174
N of Valid Cases	800		

Table 4.51. b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	2.916	9.488	Null Hypothesis Is Accepted

Source: Primary Data from Survey

Tables 4.51 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (2.916) of chi-square is less than the table value (9.488).

Hence the Null hypothesis that There is no significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Price Discounts offered by other brand/s is Accepted and the Alternate hypothesis that There is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Price Discounts offered by other brand/s is Rejected.

DESIRE TO TRY DIFFERENT BRANDS AND A WOMAN'S BRAND LOYALTY

CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman's Brand Loyalty for her Favourite Brand of Skincare Product and her Desire to try Different Brands, the Hypotheses are:

H₀ - There is no significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and her Desire to try Different Brands

H₁ - There is significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and her Desire to try Different Brands

Table 4. 52. a. A woman's desire to try different brands and her Brand Loyalty Chi -Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	34.556 ^a	4	.000
Likelihood Ratio	38.070	4	.000
Linear-by-Linear Association	33.949	1	.000
N of Valid Cases	800		

Table 4.52. b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi -Square	Table Value of Chi-Square	Hypothesis Accepted
4	5%	34.556	9.488	Null Hypothesis is Rejected

Source: Primary Data from Survey

Tables 4.52 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (34.556) of chi-square is more than the table value (9.488).

Hence the Null hypothesis that There is no significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and her Desire to try Different Brands stands Rejected and the Alternate hypothesis that *There is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and her Desire to try Different Brands is Accepted.*

✚ RECOMMENDATIONS OF THOSE USING OTHER BRANDS AND A WOMAN'S BRAND LOYALTY

⚡ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman's Brand Loyalty for her Favourite Brand of Skincare Product and Recommendations of those using other Brands, the Hypotheses are:

H₀ - There is no significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and Recommendations of those using other Brands

H₁ - There is significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and Recommendations of those using other Brands

Table 4.53.a. Recommendations of those using other Brands and a Woman's Brand Loyalty Chi -Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	23.529 ^a	4	.000
Likelihood Ratio	26.050	4	.000
Linear-by-Linear Association	21.459	1	.000
N of Valid Cases	800		

Table 4.53.b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi -Square	Table Value of Chi -Square	Hypothesis Accepted
4	5%	23.529	9.488	Null Hypothesis is Rejected

Source: Primary Data from Survey

Tables 4.53 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (23.529) of chi-square is more than the table value (9.488).

Hence the Null hypothesis that There is no significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s Recommendations of those using other Brands Rejected and the Alternate hypothesis that There is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Recommendations of those using other Brands is Accepted.

🌈 ALLERGIC REACTIONS DUE TO USE OF FAVORITE BRAND AND A WOMAN'S BRAND LOYALTY/ SWITCHING

🏠 CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman's Brand Loyalty for her Favourite Brand of Skincare Product and Allergic Reactions following its use, the Hypotheses are :

H₀ - There is no significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and Allergic Reactions following its use.

H₁ - There is significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and Allergic Reactions following its use

Table 4.54 a. Allergic Reactions following the use of the Favorite Brand and a Woman's Brand Loyalty Chi -Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	6.823 ^a	4	.146
Likelihood Ratio	7.228	4	.124
Linear-by-Linear Association	2.477	1	.116
N of Valid Cases	800		

Table 4.54. b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi -Square	Table Value of Chi -Square	Hypothesis Accepted
4	5%	6.823	9.488	Null Hypothesis Is Accepted

Source: Primary Data from Survey

Tables 4.54 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (6.823) of chi-square is less than the table value (9.488).

Hence the Null hypothesis that There is no significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Allergic Reactions following the use of the Favorite Brand is Accepted and the Alternate hypothesis that There is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Allergic Reactions following the use of the Favorite Brand is Rejected.

✚ EFFECTIVE AND ATTRACTIVE ADVERTISING OF OTHE BRAND/S AND A WOMAN'S BRAND LOYALTY FOR HER FAVOURITE BRAND

✚ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman's Brand Loyalty for her Favourite Brand of Skincare Product and Effective and Attractive Advertising of other brand/s, the Hypotheses are:

H₀ - There is no significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and Effective and Attractive Advertising of other brand/s

H₁ - There is significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and Effective and Attractive Advertising of other brand/s

Table 4.55.a.Effective and Attractive Advertising of other brand/s and a Woman's Brand Loyalty for her Favorite Brand Chi –Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	27.735 ^a	4	.000
Likelihood Ratio	26.877	4	.000
Linear-by-Linear Association	9.266	1	.002
N of Valid Cases	800		

Table 4.55. b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	27.735	9.488	Null Hypothesis is Rejected

Source: Primary Data from Survey

Tables 4.55 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (27.735) of chi-square is more than the table value (9.488).

Hence the Null hypothesis that There is no significant relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Product/s and Effective and Attractive Advertising of other brand/s stands Rejected and the Alternate hypothesis that There is significant relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Product/s and Effective and Attractive Advertising of other brand/s is Accepted.

SALES PROMOTION OF OTHER BRANDS AND BRAND LOYALTY OF A WOMAN FOR HER FAVORITE BRAND

■ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman’s Brand Loyalty for her Favourite Brand of Skincare Product and Sales Promotion of other brand/s, the Hypotheses are:

H₀ - There is no significant relationship between a Woman’s Brand Loyalty for her favourite brand of Skincare Products and Sales Promotion of other brand/s

H₁ - There is significant relationship between a Woman’s Brand Loyalty for her Favourite brand of Skincare Products and Sales Promotion of other brand/s

Table 4.56. a. Sales Promotion of other brand/s and a Woman's Brand Loyalty For her Favorite Brand Chi –Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	14.382 ^a	4	.006
Likelihood Ratio	14.322	4	.006
Linear-by-Linear Association	6.716	1	.010
N of Valid Cases	800		

Table 4. 56. b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	14.382	9.488	Null Hypothesis is Rejected

Source: Primary Data from Survey

Tables 4.56 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (14.382) of chi-square is more than the table value (9.488).

Hence the Null hypothesis that There is no significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Sales Promotion of other brand/s stands Rejected and the Alternate hypothesis that There is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Sales Promotion of other brand/s is Accepted.

✚ EFFECTIVE AND ATTRACTIVE IN-STORE DISPLAYS OF OTHER BRANDS AND A WOMAN'S BRAND LOYALTY FOR HER FAVORITE BRAND

⚑ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman's Brand Loyalty for her Favourite Brand of Skincare Product and Effective and Attractive In-store displays of other brands, the Hypotheses are:

H₀ - There is no significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and Effective and Attractive In-store displays of other brands

H₁ - There is significant relationship between a Woman's Brand Loyalty for her Favourite brand of Skincare Products and Effective and Attractive In-store displays of other brands

Table.4.57.a Effective and Attractive In-store displays of other brands and A Woman's Brand Loyalty Chi –Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	9.234 ^a	4	.056
Likelihood Ratio	9.309	4	.054
Linear-by-Linear Association	7.361	1	.007
N of Valid Cases	800		

Table 4.57 . b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	9.234	9.488	Null Hypothesis Is Accepted

Source: Primary Data from Survey

Tables 4.57 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (9.234) of the chi-square is less than the table value (9.488).

Hence the Null hypothesis that There is no significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Effective and Attractive In-store displays of other brands is Accepted and the Alternate hypothesis that There is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Effective and Attractive In-store displays of other brands is Rejected.

✚ INEFFECTIVENESS OF THE BRAND BEING CURRENTLY USED (FAVORITE BRAND) AND A WOMAN'S BRAND LOYALTY FOR IT
⚑ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman's Brand Loyalty for her Favourite Brand of Skincare Product and Ineffectiveness of the Brand being currently used by her, the Hypotheses are:

Ho - There is no significant relationship between a Woman's Brand Loyalty for her favourite brand of Skincare Products and the Ineffectiveness of the Brand being currently used by her.

H₁ - There is significant relationship between a Woman's Brand Loyalty for her Favourite brand of Skincare Products and the Ineffectiveness of the Brand being currently used by her.

Table 4.58.a. Ineffectiveness of the Favorite Brand and a Woman's Brand Loyalty for it. Chi –Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8.538 ^a	4	.074
Likelihood Ratio	9.038	4	.060
Linear-by-Linear Association	5.290	1	.021
N of Valid Cases	800		

Table 4.58. b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	8.538	9.488	Null Hypothesis Is Accepted

Source: Primary Data from Survey

Tables 4.58 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (8.538) of chi-square is less than the table value (9.488).

Hence the Null hypothesis that There is no significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and the Ineffectiveness of the Brand being currently used by her is Accepted and the Alternate hypothesis that There is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and the Ineffectiveness of the Brand being currently used by her is Rejected.

✚ UNAVAILABILITY OF THE BRAND BEING REGULARLY USED IN THE STORE/S (OUT OF STOCK CONDITION) AND BRAND LOYALTY

✚ CHI -SQUARE TEST

To Assess The Significance of Relationship between a Woman’s Brand Loyalty for her Favourite Brand of Skincare Product and Unavailability of the Brand being currently used in the Stores, the Hypotheses are:

H₀ - There is no significant relationship between a Woman’s Brand Loyalty for her favourite brand of Skincare Products and Unavailability of the Brand being currently used in the Stores

H₁ - There is significant relationship between a Woman’s Brand Loyalty for her favourite brand of Skincare Products and Unavailability of the Brand being currently used in the Stores

Table 4.59. a Unavailability of the Brand being currently used in the Stores and A Woman’s Brand Loyalty Chi –Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	30.114 ^a	4	.000
Likelihood Ratio	31.666	4	.000
Linear-by-Linear Association	11.901	1	.001
N of Valid Cases	800		

Table 4.59. b.

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
4	5%	30.114	9.488	Null Hypothesis is Rejected

Source: Primary Data from Survey

Table 4.59 a and b depict the results of the Chi-square test. It is found that at 4 degrees of freedom (d.f.) and 5% level of significance, the calculated value of (30.114) of the chi-square is more than the table value (9.488).

Hence the Null hypothesis that There is no significant relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Product/s and the Unavailability of the Brand being currently used in the Store stands Rejected and the Alternate hypothesis that There is significant relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Product/s and the Unavailability of the Brand being currently used in the Stores is Accepted

VI. ANALYSIS OF PERCEPTIONS OF WOMEN SKINCARE COSMETICS
CONSUMERS ABOUT THE FACTORS CAUSING BRAND LOYALTY
AND SWITCHING

The researcher made an effort to know the opinions of the women respondents regarding the factors causing brand loyalty and brand switching. As such Brand Loyalty and Switching are a matter of degree or proportion. The two move on a continuum meaning, if the degree of Brand Loyalty is more in a given situation the degree of Brand Switching will be less and vice versa. So the factors affecting Loyalty are the Factors affecting Brand Switching as well.

But for the purpose this analysis, the researcher has classified the Factors Influencing the Brand Buying Behaviour of Women into Factors Causing Loyalty and Factors Causing Switching taking clues from past researches of the similar type.

1. Factors causing Loyalty

In this connection, Product related Factors determining Brand Loyalty were grouped under Six major heads viz., **1.Brand Name; 2.Product Quality; 3.Price; 4 Promotion; 5. Distribution and 6.Packaging and Labeling** and each broad category mentioned above contained factors like:

Well Known Reputation of the brand name and its Image, Ease of Pronunciation of the Brand Name and the Reflection of the Brand Personality in the Consumer's Personality, **under the head Brand Name.**

Under the head Product Quality were included factors like Quality of Products offered by the brand, Match between Product- Consumer Skin type, Availability of a Wide range of Products under the Same Brand Name and Contents of Harmful Chemical in the Products.

Under the head Price were included factors like Value for Money of the Brand, Consumer's insensitivity to increased price of their favorite brands compared to other brands and Offer of regular discounts by the brand.

Under the head Promotion, the factors included for analysis were, Attractive advertisements of consumer's favourite brand, Inducement provided by the brand Advertisements to the consumer to purchase the brand more frequently, Specific

promotions of the brand, Availability of special discounts on the brand, Knowledgeable and well trained sales staff of the brand store and Testimonials of those already using the same brand.

Factors like Easy to access and convenient brand store locations, Sufficient number of brand outlets and Wide availability of consumer's favorite brand in the stores were included **under the head Distribution** and finally,

under the head Packaging and Labeling factors like Well done and attractive packaging of the branded products, Clear instructions on the label regarding product contents and its application and Options of convenient to use packages of various shapes and sizes were included for the purpose of seeking responses from the Women Skincare Cosmetics Consumers/Buyers.

Thus in all a total of Twenty-Two factors mentioned above which determine Brand Loyalty were considered for the purpose of the Analysis of Perceptions of the Women Respondents regarding the factors affecting Brand Loyalty/Switching .

The Respondents were asked to determine their opinions about the factors affecting Brand Loyalty in the form of their Levels of Agreement on a five point scale. Based on their responses, the researcher has made an effort to find out the Differences and the Significance thereof, in the Perceptions of Brand Loyals and Brand Switchers regarding the Factors affecting Brand Loyalty and Switching.

For the said purpose firstly, the researcher tried to find out the average scores of all the 800 respondents together as well as that of the Brand Loyals and Switchers separately for all the Twenty Two Factors affecting loyalty, the details of which are shown in the table below.

Each of the Twenty Two Factors considered for analysis need a further probe into the matter as to which of these factors are perceived differently by both the categories of respondents.

For ease of understanding, the 22 factors have been grouped under each of the Six major heads viz. Brand Name, Product Quality, Price, Promotion, Distribution and Packaging and Labeling and analysed. The first being the Brand Name

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1.a. BRAND NAME Related Factors

Table 4. 60. Average Scores and differences therein regarding Brand Name Related Factors affecting brand loyalty on a Five Point Scale.

<i>Factors Causing Brand Loyalty</i>		<i>Average Scores</i>			<i>Differences</i>		<i>Ranks of Differences</i>	
		<i>All respondents</i>	<i>Loyals (P₁)</i>	<i>Switchers (P₂)</i>	<i>(P₁-P₂)</i>	<i>D²</i>	<i>+</i>	<i>-</i>
<i>Sr. No.</i>					<i>D</i>	<i>D²</i>		
1	Q. 3.1.1. a.	3.93	3.96	3.86	0.1	0.01	1	
2	Q. 3.1.1. b.	2.38	2.43	2.24	0.19	0.0361	3	
3	Q. 3.1.1. c.	3.39	3.43	3.27	0.16	0.0256	2	
	Total/ Overall Average	9.7	9.82	9.37	0.45	0.0717	6	0
		3.23	3.27	3.12	$\sum(D)^2$ 0.2025			

Source: Primary Data from Survey

To find out the difference between the Perceptions of Brand Loyals and Brand Switchers regarding Brand Name Related Factors affecting Brand Loyalty, the Hypotheses are:

H₀ - There is no significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Brand Name Related Factors

H₁ - There is significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Brand Name Related Factors

- Level of Significance =5%
- Degrees of Freedom = 3-1 = 2

Sandler's A Test

$$\text{Calculated Value of A-Statistic} = \frac{\sum D^2}{(\sum D)^2} = \frac{0.0717}{(0.45)^2} = \frac{0.4857}{0.2025} = \mathbf{0.35}$$

$$\text{Table Value of A Statistic} = \mathbf{0.369}$$

For H₀: A_{cal} (0.35) < A_{tab} (0.369) Therefore, Null Hypothesis is Rejected

The average score for was 3.27 for the Brand Loyals and 3.12 for the Brand Switchers on a Five point Scale. The difference between the two averages was found statistically significant as per Sandler's Test at 5% Level of Significance and Two degrees of freedom leading to the acceptance of the Alternate hypothesis that *There is significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding the (Three) Brand Name Related Factors.* It was also observed

that the Differences in the Respondents' Perceptions were the least (as low as 1%)in case of **Well known Reputation of the Brand Name and its Image** and the Most (3.6%) in connection with **Reflection of the Brand Personality in the Consumer's Personality**.

1. b. PRODUCT QUALITY Related Factors

Table 4.61. Average Scores and differences therein regarding Product Quality Related Factors affecting brand loyalty on a Five Point Scale.

Factors Causing Brand Loyalty		Average Scores			Differences (P ₁ -P ₂)		Ranks of Differences	
		All respondents	Loyals (P ₁)	Switchers (P ₂)	D	D ²	+	-
Sr. No.								
4	Q. 3.1.2. a.	4.37	4.4	4.27	0.13	0.0169	3	
5	Q. 3.1.2. b.	4.37	4.42	4.26	0.16	0.0256	4	
6	Q. 3.1.2. c.	3.37	3.4	3.3	0.1	0.01	2	
7	Q. 3.1.2. d.	3.85	3.87	3.82	0.05	0.0025	1	
	Total/ Overall Average	15.96 3.99	16.09 4.02	15.65 3.91	0.44 $\frac{\sum(D)^2}{0.1936}$	0.055	10	0

Source: Primary Data from Survey

To find out the difference between the Perceptions of Brand Loyals and Brand Switchers regarding Product Quality Related Factors affecting Brand Loyalty, the Hypotheses are:

H₀ - There is no significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Product Quality Related Factors

H₁ - There is significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Product Quality Related Factors

- Level of Significance =5%
- Degrees of Freedom = 4-1 = 3

Sandler's A Test

$$\text{Calculated Value of A-Statistic} = \frac{\sum D^2}{(\sum D)^2} = \frac{0.055}{(0.44)^2} = \frac{0.4857}{0.1936} = \mathbf{0.28}$$

$$\text{Table Value of A Statistic} = \mathbf{0.324}$$

For H₀: A_{cal} (0.28) < A_{tab} (0.324) Therefore, Null Hypothesis is Rejected

The average score was 4.02 for the Brand Loyals and 3.91 for the Brand Switchers on a Five point Scale. The difference between the two averages was found statistically

significant as per Sandler's Test at 5% Level of Significance and Three degrees of freedom leading to the acceptance of the Alternate hypothesis that *There is significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding the (Four) Product-Quality Related Factors*. It was observed that the Differences in the Respondents' Perceptions were the least (as low as 5%) in case of **Contents of harmful chemicals in the product** and the Most (16%) in connection with the factor **Match between Product- Consumer Skin type**.

1. c. PRICE Related Factors

Table 4. 62. Average Scores and differences therein regarding Price Related Factors affecting brand loyalty on a Five Point Scale.

Factors Causing Brand Loyalty		Average Scores			Differences (P ₁ -P ₂)		Ranks of Differences	
Sr. No.		All respondents	Loyals (P ₁)	Switchers (P ₂)	D	D ²	+	-
8	Q. 3.1.3. a.	3.88	3.92	3.78	0.14	0.0196	1	
9	Q. 3.1.3. b.	3.67	3.75	3.45	0.3	0.09	3	
10	Q. 3.1.3. c.	3.14	3.18	3.02	0.16	0.0256	2	
	Total/ Overall Average	10.69 3.56	10.85 3.62	10.25 3.42	0.6 ∑(D)² 0.36	0.1352	6	0

Source: Primary Data from Survey

To find out the difference between the Perceptions of Brand Loyals and Brand Switchers regarding Price Related Factors affecting Brand Loyalty, the Hypotheses are:

H₀ - There is no significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Price Related Factors

H₁ - There is significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Price Related Factors

- Level of Significance =5%
- Degrees of Freedom = 3-1 = 2

Sandler's A Test

$$\text{Calculated Value of A-Statistic} = \frac{\sum D^2}{(\sum D)^2} = \frac{0.1352}{(0.6)^2} = \frac{0.1352}{0.36} = \mathbf{0.376}$$

$$\text{Table Value of A Statistic} = \mathbf{0.369}$$

For H_0 : $A_{cal} (0.376) > A_{tab} (0.369)$ Therefore, Null Hypothesis is Accepted

The average score was 3.62 for the Brand Loyals and 3.42 for the Brand Switchers on a Five point Scale. The difference between the two averages was not found statistically significant as per Sandler's Test at 5% Level of Significance and Two degrees of freedom leading to the acceptance of the Null hypothesis that

There is no significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding the (Three) Price Related Factors. It was observed that the Differences in the Respondents' Perceptions were the least (as low as 14%) in case of **Value for Money of the Brand** and the Most (30%) in connection with the factor **Consumer's insensitivity to increased price of their favorite brands compared to other brands.**

1. d. PROMOTION Related Factors

Table 4.63. Average Scores and differences therein regarding Promotion Related Factors affecting brand loyalty on a Five Point Scale.

Factors Causing Brand Loyalty		Average Scores			Differences		Ranks of Differences	
		All respondents	Loyals (P ₁)	Switchers (P ₂)	D	D ²	+	-
Sr. No.								
11	Q. 3.1.4. a.	3.25	3.3	3.14	0.16	0.0256	5	
12	Q. 3.1.4. b.	2.74	2.77	2.67	0.1	0.01	1	
13	Q. 3.1.4. c.	3.14	3.18	3.03	0.15	0.0225	4	
14	Q. 3.1.4. d.	2.91	2.92	2.8	0.12	0.0144	3	
15	Q. 3.1.4. e.	3.13	3.18	3.01	0.17	0.0289	6	
16	Q. 3.1.4. f.	3.49	3.46	3.57	-0.11	0.0121		2
	Total/ Overall Average	18.66 3.11	18.81 3.13	18.22 3.04	0.59 $\sum(D)^2$ 0.3481	0.1135	9	2

Source: Primary Data from Survey

To find out the difference between the Perceptions of Brand Loyals and Brand Switchers regarding Promotion Related Factors affecting Brand Loyalty, the Hypotheses are:

H₀ - There is no significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Promotion Related Factors

H₁ - There is significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Promotion Related Factors

- Level of Significance =5%
- Degrees of Freedom = 6-1 = 5

Sandler's A Test

$$\text{Calculated Value of A-Statistic} = \frac{\sum D^2}{(\sum D)^2} = \frac{0.1135}{(0.59)^2} = \frac{0.1135}{0.3481} = \mathbf{0.326}$$

Table Value of A Statistic = **0.293**

For H₀: A_{cal} (0.326) > A_{tab} (0.293) Therefore, Null Hypothesis is Accepted

The average score was 3.13 for the Brand Loyals and 3.04 for the Brand Switchers on a Five point Scale. The difference between the two averages was not found statistically significant as per Sandler's Test at 5% Level of Significance and Five degrees of freedom leading to the acceptance of the Null hypothesis that *There is no significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding the (Six) Promotion Related Factors.* It was observed that the Differences in the Respondents' Perceptions were the least (as low as 10%) in case of **Inducement provided by the brand advertisements to the consumer to purchase the brand more frequently,** and the Most (17%) in connection with the factor, **Knowledgeable and Well Trained Sales Staff of the Brand Store**

1. e. DISTRIBUTION Related Factors

Table 4.64. Average Scores and differences therein regarding Distribution Related

Factors affecting brand loyalty on a Five Point Scale.

<i>Factors Causing Brand Loyalty</i>		<i>Average Scores</i>			<i>Differences</i>		<i>Ranks of Differences</i>	
		<i>All respondents</i>	<i>Loyals (P₁)</i>	<i>Switchers (P₂)</i>	<i>(P₁-P₂)</i>	<i>D²</i>	<i>+</i>	<i>-</i>
<i>Sr. No.</i>					<i>D</i>	<i>D²</i>		
17	Q. 3.1.5. a.	3.55	3.58	3.47	0.11	0.0121	3	
18	Q. 3.1.5. b.	3.62	3.64	3.57	0.07	0.0049	1	
19	Q. 3.1.5. c.	3.84	3.86	3.78	0.08	0.0064	2	
	Total/ Overall Average	11.01	11.08	10.82	0.26	0.0234	6	0
		3.67	3.69	3.61	$\frac{\sum(D)^2}{0.0676}$			

Source: Primary Data from Survey

To find out the difference between the Perceptions of Brand Loyals and Brand Switchers regarding Distribution Related Factors affecting Brand Loyalty, the Hypotheses are:

H₀ - There is no significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Distribution Related Factors

H₁ - There is significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Distribution Related Factors

- Level of Significance = 5%
- Degrees of Freedom = 3-1 = 2
-

Sandler's A Test

$$\text{Calculated Value of A-Statistic} = \frac{\sum D^2}{(\sum D)^2} = \frac{0.0234}{(0.26)^2} = \frac{0.0234}{0.0676} = \mathbf{0.35}$$

$$\text{Table Value of A Statistic} = \mathbf{0.369}$$

For H₀: A_{cal} (0.35) < A_{tab} (0.369) Therefore, Null Hypothesis is Rejected

The average score was 3.69 for the Brand Loyals and 3.61 for the Brand Switchers on a Five point Scale. The difference between the two averages was found statistically significant as per Sandler's Test at 5% Level of Significance and Two degrees of freedom leading to the acceptance of the Alternate hypothesis that *There is significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding the (Three) Distribution Related Factors.*

It was observed that the Differences in the Respondents' Perceptions were the least (as low as 7%)in case of **Sufficient number of brand outlets** and the Most (11%) in connection with the factor **Easy to Access and Convenient Brand Store Locations.**

1.f. PACKAGING Related Factors

Table 4.65. Average Scores and differences therein regarding Packaging Related Factors affecting brand loyalty on a Five Point Scale.

<i>Factors Causing Brand Loyalty</i>		<i>Average Scores</i>			<i>Differences</i>		<i>Ranks of Differences</i>	
		All respondents	Loyals (P ₁)	Switchers (P ₂)	<i>D</i>	<i>D</i> ²	+	-
Sr. No.								
20	Q. 3.1.6. a.	3.8	3.85	3.68	0.17	0.0289	2	
21	Q. 3.1.6. b.	4.23	4.29	4.11	0.18	0.0324	3	
22	Q. 3.1.6. c.	3.7	3.75	3.59	0.16	0.0256	1	
	Total/ Overall Average	11.73 3.91	11.89 3.96	11.38 3.79	0.51 $\sum(D)^2$ 0.2601	0.0869	6	0

Source: Primary Data from Survey

To find out the difference between the Perceptions of Brand Loyals and Brand Switchers regarding Packaging and Labeling Related Factors affecting Brand Loyalty, the Hypotheses are :

H₀ - There is no significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Packaging and Labeling Related Factors

H₁ - There is significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Packaging and Labeling Related Factors

- Level of Significance =5%
- Degrees of Freedom = 3-1 = 2

Sandler's A Test

$$\text{Calculated Value of A-Statistic} = \frac{\sum D^2}{(\sum D)^2} = \frac{0.0869}{(0.51)^2} = \frac{0.0869}{0.2601} = \mathbf{0.334}$$

$$\text{Table Value of A Statistic} = \mathbf{0.369}$$

For H₀: A_{cal} (0.334) < A_{tab} (0.369) Therefore, Null Hypothesis is Rejected

The average score was 3.96 for the Brand Loyals and 3.79 for the Brand Switchers on a Five point Scale. The difference between the two averages was found statistically significant as per Sandler's Test at 5% Level of Significance and Three degrees of freedom leading to the acceptance of the Alternate hypothesis that *There is*

significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding the Three Packaging and Labeling Related Factors. It was observed that the Differences in the Respondents' Perceptions were the least (as low as 16%) in case of **Options of convenient to use packages of various shapes and sizes of the products** and the Differences in the Respondents' Perceptions were the Most (18%) in connection with the factor **Clear instructions on the label regarding product contents and its application.**

2. Factors causing Brand Switching

2 .a. Price Discounts offered by Other Brands and Brand Loyalty/ Switching

Table 4. 66 . Responses of Women Skincare Cosmetics Buyers towards Price Discounts offered by Other Brands on a Five Point Scale

Level of Agreement and Score Points	No. of Respondents			Score Points					Differences	D ²
				Total score points			Average Score points			
	Loyals	Switchers	Total	Loyals	Switchers	Total	Loyals	Switchers	D	
Strongly Agree 5	39	19	58	195	95	290	0.34	0.41	-0.07	0.0049
Agree 4	139	61	200	556	244	800	0.97	1.07	-0.1	0.01
Undecided 3	70	34	104	210	102	312	0.37	0.45	-0.08	0.0064
Disagree 2	253	89	342	506	178	684	0.89	0.78	0.11	0.0121
Strongly Disagree 1	70	26	96	70	26	96	0.12	0.11	0.01	0.0001
Total	571	229	800	1537	645	2182	2.69	2.82	-0.13	0.0335

Source: Primary Data from Survey

To find out the difference between the Perceptions of Brand Loyals and Brand Switchers regarding Price Discounts offered by other Brands as a Factor affecting Brand Loyalty/Switching, the Hypotheses are :

H₀ - There is no significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Price Discounts offered by other Brands

H₁ - There is significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Price Discounts offered by other Brands

- Level of Significance =5%
- Degrees of Freedom = 5-1 = 4

Sandler's A Test

$$\text{Calculated Value of A-Statistic} = \frac{\sum D^2}{(\sum D)^2} = \frac{0.0335}{(-0.13)^2} = \frac{0.0335}{0.0169} = 1.98$$

Table Value of A Statistic = 0.304

For H_0 : A_{cal} (1.98) > A_{tab} (0.304) Therefore, Null Hypothesis is Accepted

The average score for the factor *Price Discounts offered by other Brands* was 2.69 for the Brand Loyals and 2.82 for the Brand Switchers on a Five point Scale.

But the difference between the two averages was not found statistically significant as per Sandler's Test at 5% Level of Significance for 4 degrees of freedom. For, the Calculated Value of 'A' Statistic was 1.98 against the corresponding Table Value of 0.304, a condition leading to the **Acceptance of the Null Hypothesis denoting that There is no significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers regarding Price Discounts offered by other Brands.**

2.b. Desire to Try Different Brands

Table 4. 67. Responses of Women Skincare Cosmetics Buyers towards Desire to Try Different Brands on a Five Point Scale

Level of Agreement and Score Points	No. of Respondents			Score Points					Differences	D2
				Total score points			Average Score points			
	Loyals	Switchers	Total	Loyals	Switchers	Total	Loyals	Switchers	D	
Strongly Agree 5	36	26	62	180	130	310	0.32	0.57	-0.25	0.0625
Agree 4	265	142	407	1060	568	1628	1.86	2.48	-0.62	0.3844
Undecided 3	74	23	97	222	69	291	0.39	0.3	0.09	0.0081
Disagree 2	153	35	188	306	70	376	0.54	0.31	0.23	0.0529
Strongly Disagree 1	43	3	46	43	3	46	0.08	0.01	0.07	0.0049
Total	571	229	800	1811	840	2651	3.19	3.67	-0.48	0.5128

Source: Primary Data from Survey

To find out the difference between the Perceptions of Brand Loyals and Brand Switchers regarding Desire to Try Different Brands as a affecting Brand Loyalty/Switching, the Hypotheses are :

H_0 - There is no significant difference between the Perceptions of Brand Loyals

And Brand Switchers regarding Desire to Try Different Brands

H_1 - There is significant difference between the Perceptions of Brand Loyals and

Brand Switchers regarding Desire to Try Different Brands

- Level of Significance =5%
- Degrees of Freedom = 5-1 = 4

Sandler’s A Test

$$\text{Calculated Value of A-Statistic} = \frac{\sum D^2}{(\sum D)^2} = \frac{0.5128}{(-0.48)^2} = \frac{0.5128}{0.2304} = 2.22$$

Table Value of A Statistic = 0.304

For H₀: A_{cal} (2.22) > A_{tab} (0.304) Therefore, Null Hypothesis is Accepted

The average score for the factor *Desire to Try Different Brands* was 3.19 for the Brand Loyals and 3.67 for the Brand Switchers on a Five point Scale. But the difference between the two averages was not found statistically significant as per Sandler’s Test at 5% Level of Significance for 4 degrees of freedom. For, the Calculated Value of ‘A’ Statistic was 2.22 against the corresponding Table Value of 0.304, a condition leading to the **Acceptance of the Null Hypothesis denoting that There is no significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers regarding *Desire to Try Different Brands***

2.c. Recommendations of Friends, Relatives and Others to Try/ Use Other Brands

Table 4.68 Responses of Women Skincare Cosmetics Buyers towards Recommendations of Friends, Relatives and Others to Try/ Use Other Brands on a Five Point Scale

Level of Agreement and Score Points	No. of Respondents			Score Points					Differences D	D ²
				Total score points			Average Score points			
	Loyals	Switchers	Total	Loyals	Switchers	Total	Loyals	Switchers		
Strongly Agree 5	62	34	96	310	170	480	0.54	0.74	-0.2	0.04
Agree 4	294	143	437	1176	572	1748	2.06	2.5	-0.44	0.1936
Undecided 3	62	26	88	186	78	264	0.33	0.34	-0.01	0.0001
Disagree 2	120	22	142	240	44	284	0.42	0.19	0.23	0.0529
Strongly Disagree 1	33	4	37	33	4	37	0.06	0.02	0.04	0.0016
Total	571	229	800	1945	868	2813	3.41	3.79	-0.38	0.2882

Source: Primary Data from Survey

To find out the difference between the Perceptions of Brand Loyals and Brand Switchers regarding Recommendations of Friends, Relatives and Others to Try/ Use Other Brands as a Factor affecting Brand Loyalty/Switching, the Hypotheses are :

H₀ - There is no significant difference between the Perceptions of Brand Loyals And Brand Switchers regarding Recommendations of Friends, Relatives and Others to Try/ Use Other Brands

H₁ - There is significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Recommendations of Friends, Relatives and Others to Try/ Use Other Brands

- Level of Significance =5%
- Degrees of Freedom = 5-1 = 4

Sandler's A Test

$$\text{Calculated Value of A-Statistic} = \frac{\sum D^2}{(\sum D)^2} = \frac{0.2882}{(-0.38)^2} = \frac{0.2882}{0.1444} = \mathbf{1.99}$$

Table Value of A Statistic = 0.304

For H₀: A_{cal} (1.99) > A_{tab} (0.304) Therefore, Null Hypothesis is Accepted

The average score for the factor ***Recommendations of Friends, Relatives and Others to Try/ Use Other Brands*** was 3.41 for the Brand Loyals and 3.79 for the Brand Switchers on a Five point Scale.

But the difference between the two averages was not found statistically significant as per Sandler's Test at 5% Level of Significance for 4 degrees of freedom.

For, the Calculated Value of A Statistic was 1.99 against the corresponding Table Value of 0.304, a condition leading to the **Acceptance of the Null Hypothesis denoting that There is no significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers regarding Recommendations of Friends, Relatives and Others to Try/ Use Other Brand**

2d. Allergic Reactions due to use of Favorite Brand

Table 4. 69. Responses of Women Skincare Cosmetics Buyers towards Allergic Reactions due to use of Favorite Brand on a Five Point Scale

Level of Agreement and Score Points	No. of Respondents			Score Points					Differences D	D ²
	Loyals	Switchers	Total	Total score points			Average Score points			
				Loyals	Switchers	Total	Loyals	Switchers		
Strongly Agree 5	162	71	233	810	355	1165	1.42	1.55	-0.13	0.0169
Agree 4	219	87	306	876	348	1224	1.53	1.52	0.01	0.0001
Undecided 3	63	34	97	189	102	291	0.33	0.45	-0.12	0.0144
Disagree 2	85	29	114	170	58	228	0.3	0.25	0.05	0.0025
Strongly Disagree 1	42	8	50	42	8	50	0.07	0.03	0.04	0.0016
Total	571	229	800	2087	871	2958	3.65	3.8	-0.15	0.0355

Source: Primary Data from Survey

To find out the difference between the Perceptions of Brand Loyals and Brand Switchers regarding Allergic Reactions due to use of Favorite Brand as a Factor affecting Brand Loyalty/Switching, the Hypotheses are :

H₀ - There is no significant difference between the Perceptions of Brand Loyals And Brand Switchers regarding Allergic Reactions due to use of Favorite Brand

H₁ - There is significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Allergic Reactions due to use of Favorite Brand

- Level of Significance = 5%
- Degrees of Freedom = 5-1 = 4

Sandler's A Test

$$\text{Calculated Value of A-Statistic} = \frac{\sum D^2}{(\sum D)^2} = \frac{0.0355}{(-0.15)^2} = \frac{0.0355}{0.0225} = \mathbf{1.58}$$

$$\text{Table Value of A Statistic} = 0.304$$

For H₀: A_{cal} (1.58) > A_{tab} (0.304) Therefore, Null Hypothesis is Accepted

The average score for the factor *Allergic Reactions due to use of Favorite Brand* was 3.65 for the Brand Loyals and 3.8 for the Brand Switchers on a Five point Scale.

But the difference between the two averages was not found statistically significant as per Sandler's Test at 5% Level of Significance for 4 degrees of freedom. For, the Calculated Value of A Statistic was 1.58 against the corresponding Table Value of 0.304, a condition leading to the **Acceptance of the Null Hypothesis denoting that There is no significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers regarding Allergic Reactions due to use of Favorite Brand.**

2.e. Effective and Attractive Advertising of Other Brands.

Table 4.70. Responses of Women Skincare Cosmetics Buyers towards Effective and Attractive Advertising of Other Brands on a Five Point Scale

Level of Agreement and Score Points	No. of Respondents			Score Points					Difference s D	D ²
				Total score points			Average Score points			
	Loyals	Switchers	Total	Loyals	Switchers	Total	Loyals	Switchers		
Strongly Agree 5	23	16	39	115	80	195	0.2	0.35	-0.15	0.0225
Agree 4	119	44	163	476	176	652	0.83	0.77	0.06	0.0036
Undecided 3	77	61	138	231	183	414	0.4	0.8	-0.4	0.16
Disagree 2	246	84	330	492	168	660	0.86	0.73	0.13	0.0169
Strongly Disagree 1	106	24	130	106	24	130	0.19	0.1	0.09	0.0081
Total	571	229	800	1420	631	2051	2.48	2.75	-0.27	0.2111

Source: Primary Data from Survey

To find out the difference between the Perceptions of Brand Loyals and Brand Switchers regarding Effective and Attractive Advertising of Other Brands as a Factor affecting Brand Loyalty/Switching, the Hypotheses are :

H₀ - There is no significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Effective and Attractive Advertising of Other Brands

H₁ - There is significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Effective and Attractive Advertising of Other Brands

- Level of Significance =5%
- Degrees of Freedom = 5-1 = 4

Sandler's A Test

$$\text{Calculated Value of A-Statistic} = \frac{\sum D^2}{(\sum D)^2} = \frac{0.2111}{(-0.27)^2} = \frac{0.2111}{0.0729} = 2.89$$

Table Value of A Statistic = 0.304

For H₀: A_{cal} (2.89) > A_{tab} (0.304) Therefore, Null Hypothesis is Accepted

The average score for the factor *Effective and Attractive Advertising of Other Brands* was 2.48 for the Brand Loyals and 2.75 for the Brand Switchers on a Five point Scale.

But the difference between the two averages was not found statistically significant as per 'Sandler's Test at 5% Level of Significance for 4 degrees of freedom. For, the Calculated Value of 'A' Statistic was 2.89 against the corresponding Table Value of 0.304, a condition leading to the **Acceptance of the Null Hypothesis denoting that There is no significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers regarding factor *Effective and Attractive Advertising of Other Brands***

2.f. Sales Promotion of Other Brands .

Table 4.71. Responses of Women Skincare Cosmetics Buyers towards Sales Promotion of Other Brands on a Five Point Scale

Level of Agreement and Score Points	No. of Respondents			Score Points					Differences	D ²
				Total score points			Average Score points			
	Loyals	Switchers	Total	Loyal s	Switcher s	Total	Loyals	Switcher s		
Strongly Agree 5	20	15	35	100	75	175	0.18	0.33	-0.15	0.0225
Agree 4	109	42	151	436	168	604	0.76	0.73	0.03	0.0009
Undecided 3	91	54	145	273	162	435	0.48	0.71	-0.23	0.0529
Disagree 2	264	98	362	528	196	724	0.92	0.86	0.06	0.0036
Strongly Disagree 1	87	20	107	87	20	107	0.15	0.09	0.06	0.0036
Total	571	229	800	1424	621	2045	2.49	2.72	-0.23	0.0835

Source: Primary Data from Survey

To find out the difference between the Perceptions of Brand Loyals and Brand Switchers regarding **Sales Promotion of Other Brands** as a Factor affecting Brand Loyalty/Switching, the Hypotheses are :

***H₀ - There is no significant difference between the Perceptions of Brand Loyals
And Brand Switchers regarding Sales Promotion of Other Brands***

***H₁ - There is significant difference between the Perceptions of Brand Loyals and
Brand Switchers regarding Sales Promotion of Other Brands***

- Level of Significance =5%
- Degrees of Freedom = 5-1 = 4

Sandler's A Test

$$\text{Calculated Value of A-Statistic} = \frac{\sum D^2}{(\sum D)^2} = \frac{0.0835}{(-0.23)^2} = \frac{0.0835}{0.0529} = \mathbf{1.57}$$

$$\text{Table Value of A Statistic} = 0.304$$

For H₀: A_{cal} (1.57) > A_{tab} (0.304) Therefore, Null Hypothesis is Accepted

The average score for the factor ***Sales Promotion of Other Brands*** was 2.49 for the Brand Loyals and 2.72 for the Brand Switchers on a Five point Scale.

But the difference between the two averages was not found statistically significant as per Sandler's Test at 5% Level of Significance for 4 degrees of freedom.

For, the Calculated Value of 'A' Statistic was 1.57 against the corresponding Table Value of 0.304, a condition leading to the **Acceptance of the Null Hypothesis denoting that There is no significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers regarding *Sales Promotion of Other Brands*.**

2.g. Effective and Attractive In store Displays of Other Brands

Table 4. 72. Responses of Women Skincare Cosmetics Buyers towards Effective and Attractive In store Displays of Other Brands on a Five Point Scale

Level of Agreement and Score Points	No. of Respondents			Score Points					Differences	D ²
				Total score points			Average Score points			
	Loyals	Switchers	Total	Loyals	Switchers	Total	Loyals	Switchers	D	
Strongly Agree 5	22	10	32	110	50	160	0.19	0.22	-0.03	0.0009
Agree 4	100	53	153	400	212	612	0.7	0.93	-0.23	0.0529
Undecided 3	91	47	138	273	141	414	0.48	0.62	-0.14	0.0196
Disagree 2	270	96	366	540	192	732	0.95	0.84	0.11	0.0121
Strongly Disagree 1	88	23	111	88	23	111	0.15	0.1	0.05	0.0025
Total	571	229	800	1411	618	2029	2.47	2.71	-0.24	0.088

Source: Primary Data from Survey

To find out the difference between the Perceptions of Brand Loyals and Brand Switchers regarding Effective and Attractive In store Displays of Other Brands as a Factor affecting Brand Loyalty/Switching, the Hypotheses are :

H₀ - There is no significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Effective and Attractive In store Displays of Other Brands

H₁ - There is significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Effective and Attractive In store Displays of Other Brands

- Level of Significance =5%
- Degrees of Freedom = 5-1 = 4

Sandler's A Test

$$\text{Calculated Value of A-Statistic} = \frac{\sum D^2}{(\sum D)^2} = \frac{0.088}{(-0.24)^2} = \frac{0.088}{0.0576} = 1.52$$

$$\text{Table Value of A Statistic} = 0.304$$

For $H_0: A_{cal} (1.52) > A_{tab} (0.304)$ Therefore, Null Hypothesis is Accepted

The average scores for the factor *Effective and Attractive In store Displays of Other Brands* was 2.47 for the Brand Loyals and 2.71 for the Brand Switchers on a Five point Scale.

But the difference between the two averages was not found statistically significant as per Sandler's Test at 5% Level of Significance for 4 degrees of freedom.

For, the Calculated Value of 'A' Statistic was 1.52 against the corresponding Table Value of 0.304, a condition leading to the **Acceptance of the Null Hypothesis denoting that There is no significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers regarding *Effective and Attractive In store Displays of Other Brands***

2. h. Ineffectiveness of the Brand/s Respondents are currently using.

Table 4.73. Responses of Women Skincare Cosmetics Buyers towards Ineffectiveness of the Brand/s they are currently using on a Five Point Scale

Level of Agreement and Score Points	No. of Respondents			Score Points					Differences D	D ²
				Total score points			Average Score points			
	Loyals	Switchers	Total	Loyals	Switchers	Total	Loyals	Switchers		
Strongly Agree 5	106	44	150	530	220	750	0.93	0.96	-0.03	0.0009
Agree 4	230	108	338	920	432	1352	1.61	1.89	-0.28	0.0784
Undecided 3	72	33	105	216	99	315	0.38	0.43	-0.05	0.0025
Disagree 2	122	36	158	244	72	316	0.43	0.31	0.12	0.0144
Strongly Disagree 1	41	8	49	41	8	49	0.07	0.03	0.04	0.0016
Total	571	229	800	1951	831	2782	3.42	3.62	-0.2	0.0978

Source: Primary Data from Survey

To find out the difference between the Perceptions of Brand Loyals and Brand Switchers regarding Ineffectiveness of the Brand/s they are currently using as a Factor affecting Brand Loyalty/Switching, the Hypotheses are :

H₀ - There is no significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Ineffectiveness of the Brand/s they are currently Using

H₁ - There is significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Ineffectiveness of the Brand/s they are currently Using

- Level of Significance = 5%
- Degrees of Freedom = 5-1 = 4

Sandler's A Test

$$\text{Calculated Value of A-Statistic} = \frac{\sum D^2}{(\sum D)^2} = \frac{0.0978}{(-0.2)^2} = \frac{0.0978}{0.04} = 2.45$$

$$\text{Table Value of A Statistic} = 0.304$$

For H₀: A_{cal} (2.45) > A_{tab} (0.304) Therefore, Null Hypothesis is Accepted

The average score for the factor ***Ineffectiveness of the Brand/s Respondents are currently using*** was 3.42 for the Brand Loyals and 3.62 for the Brand Switchers on a Five point Scale.

But the difference between the two averages was not found statistically significant as per Sandler's Test at 5% Level of Significance for 4 degrees of freedom.

For, the Calculated Value of 'A' Statistic was 2.45 against the corresponding Table Value of 0.304, a condition leading to the **Acceptance of the Null Hypothesis denoting that There is no significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers regarding *Ineffectiveness of the Brand/s Respondents are currently using***

2.i. Unavailability of the Respondent's Favorite Brand in Stores/Out of Stock Condition

Table 4.74. Responses of Women Skincare Cosmetics Buyers towards Unavailability of their Favorite Brand in Stores/Out of Stock Condition on a Five Point Scale

Level of Agreement and Score Points	No. of Respondents			Score Points					Differences D	D ²
				Total score points			Average Score points			
	Loyals	Switchers	Total	Loyals	Switchers	Total	Loyals	Switchers		
Strongly Agree 5	74	25	99	370	125	495	0.65	0.55	0.1	0.01
Agree 4	207	111	318	828	444	1272	1.45	1.94	-0.49	2.2401
Undecided 3	62	42	104	186	126	312	0.33	0.55	-0.22	0.0484
Disagree 2	174	44	218	348	88	436	0.61	0.38	0.23	0.0529
Strongly Disagree 1	54	7	61	54	7	61	0.09	0.03	0.06	0.0036
Total	571	229	800	1786	790	2576	3.13	3.45	-0.32	2.355

Source: Primary Data from Survey

To find out the difference between the Perceptions of Brand Loyals and Brand Switchers regarding Unavailability of the Respondent's Favorite Brand in Stores/Out of Stock Condition as a Factor affecting Brand Loyalty/Switching, the Hypotheses are:

H₀ - There is no significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Unavailability of their Favorite Brand in Stores/Out of Stock Condition

H₁ - There is significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding Unavailability of their Favorite Brand in Stores/Out of Stock Condition

- Level of Significance = 5%
- Degrees of Freedom = 5-1 = 4

Sandler's A Test

$$\text{Calculated Value of A-Statistic} = \frac{\sum D^2}{(\sum D)^2} = \frac{2.355}{(-0.32)^2} = \frac{2.355}{0.1024} = 23$$

Table Value of A Statistic = 0.304

For H₀: A_{cal} (23) > A_{tab} (0.304) Therefore, Null Hypothesis is Accepted

The average score for the factor *Unavailability of the Respondent's Favorite Brand in Stores/Out of Stock Condition* was 3.13 for the Brand Loyals and 3.45 for the Brand Switchers on a Five point Scale.

But the difference between the two averages was not found statistically significant as per Sandler's Test at 5% Level of Significance for 4 degrees of freedom.

For, the Calculated Value of 'A' Statistic was 23 against the corresponding Table Value of 0.304, a condition leading to the **Acceptance of the Null Hypothesis denoting that There is no significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers regarding Unavailability of the Respondent's Favorite Brand in Stores/Out of Stock Condition**

VII. BRAND BUYING BEHAVIOUR OF WOMEN SKINCARE COSMETIC USERS

1. Reaction of the Subjects when they are Unable to Find The Desired Brand/ Product While Shopping at a Store.

In order to examine the Brand Allegiance Behaviour of the sample, the respondents were posed with the question about their Probable Reaction When they are unable to find their Desired Brand while Shopping at a Store. They were offered with the option of either Purchasing a Different Brand or Going to Another Store . The Tabulated responses are shown in the Tables below:

▣ CROSS TABULATION

Table 4.75. Reaction of the Subjects when they are Unable to Find The Desired Brand/ Product While Shopping at a Store.

			Loyal		Total
			Yes	No	
Q4_1	Purchase a different brand	Count	55	56	111
		% within Loyal	9.6%	24.5%	13.9%
	Go to other Store	Count	516	173	689
		% within Loyal	90.4%	75.5%	86.1%
Total		Count	571	229	800
		% within Loyal	100.0%	100.0%	100.0%

Source: Primary Data from Survey

As can be seen, as high as 86.1% (689) of the total sample indicated that if they are unable to find their favourite brand while shopping at a store they will not purchase a

different brand and will prefer to go to another store instead to buy their desired brand. And as expected, 90.4% of the Brand Loyals indicated that they will go to another store to find their desired brand whereas 9.6% of them also indicated they will purchase a different brand which brings out the multiple brand loyalty of this group of brand Loyals.

■ **CHI-SQUARE TEST**

In order to analyse the relationship between A Woman’s Brand Loyalty for Her Favourite Brand of Skincare Product/s and Her Behavior That Results From Being Unable to Find The Desired Product While Shopping at a Store the Hypotheses are:

H₀ There is no significant relationship between a Woman’s Brand Loyalty for her Favorite brand of Skincare Product/s and Her Behavior That Results From Being Unable to Find The Desired Product While Shopping at a Store

H₁ There is significant relationship between a Woman’s Brand Loyalty for her Favorite brand of Skincare Product/s and Her Behavior That Results From Being Unable to Find The Desired Product While Shopping at a Store

Table 4. 76. Relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Product/s and Her Behavior That Results From Being Unable to Find The Desired Product While Shopping at a Store

-Chi Square Test

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
1	5%	30.049	3.841	Null Hypothesis Is Rejected

Source: Primary Data from Survey

As evident from the table above, at 5% Level of Significance and 1 Degree of the Calculated Value (30.049) of Chi- Square is more than the Table Value (3.841) leading to *The Rejection of the Null Hypothesis and The Acceptance of the Alternate Hypothesis, establishing the fact that There is significant relationship between a Woman’s Brand Loyalty for her favorite brand of Skincare Product/s and Her Behavior That Results From Being Unable to Find The Desired Product While Shopping at a Store.*

2. Reaction of the Subjects When the Brand They Consistently Use Is Finished in Stock at Home.

In order to further examine the Brand Loyalty/ Switching Behavior, the Sample were asked to determine their probable reaction to a situation in which their Favorite Brand/Product is Finished in Stock at Home. The options available with the Sample being to: Go Out and Purchase the Same Brand Immediately, Put it on their Shopping List and Buy it During the Next Shopping Trip and Purchase the Same Brand only if they remember it while shopping.

▣ CROSS TABULATION

Table 4.77. Reaction of the Subjects When the Brand They Consistently Use is Finished in Stock at Home.

			Loyal		Total
			Yes	No	
Q4_2	Go out	Count	218	61	279
		% within Loyal	38.2%	26.6%	34.9%
	Next Shopping	Count	320	132	452
		% within Loyal	56.0%	57.6%	56.5%
	Same brand	Count	33	36	69
		% within Loyal	5.8%	15.7%	8.6%
Total		Count	571	229	800
		% within Loyal	100.0%	100.0%	100.0%

Source: Primary Data from Survey

Responding to such a Query, Majority of the respondents 56.5% (452) opined that they would Put their Favourite Brand on their Shopping List and Purchase it in their Next Shopping Trip. 34.9% (279) of the Respondents indicated that they will go out and Purchase their Favorite Brand Immediately and only 8.6% (69) out of the total of 800 Respondents indicated that they will Purchase their Favorite Brand only if they remember it while shopping.

▣ CHI-SQUARE TEST

In order to analyse the relationship between A Woman's Brand Loyalty for Her Favourite Brand of Skincare Product/s and Her Behavior That Results When the Product is Finished in Stock at Home the Hypotheses are:

H₀ There is no significant relationship between a Woman's Brand Loyalty for her Favorite brand of Skincare Product/s and Her Behavior That Results When the Product is Finished in Stock at Home

H₁ There is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Her Behavior That Results When the Product is Finished in Stock at Home

Table 4.78 . Relationship between A Woman's Brand Loyalty for Her Favourite Brand of Skincare Product/s and Her Behavior That Results When the Product is Finished in Stock at Home Chi Square Test

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi –Square	Table Value of Chi –Square	Hypothesis Accepted
2	5%	25.045	5.991	Null Hypothesis Is Rejected

Source: Primary Data from Survey

As evident from the table above, at 5% Level of Significance and 2 Degree of the Calculated Value (25.045) of Chi- Square is more than the Table Value (5.991) leading to *The Rejection of the Null Hypothesis and The Acceptance of the Alternate Hypothesis, establishing the fact that There is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Her Behavior That Results When the Product is Finished in Stock at Home.*

3. Reaction of Subjects When the Brand They Consistently Use Offers a Price Discount

▣ CLASSIFICATION

Question 4.3 of the Survey Questionnaire asked to the Subjects was What would they do if their Favourite Brand Offers them a Price Discount.

Table 4.79. Reaction of Subjects When the Brand They Consistently Use Offers a Price Discount

		Loyal		Total	
		Yes	No		
Q4_3	Not purchase	Count	110	64	174
		% within Loyal	19.3%	27.9%	21.8%
	Purchase just as much	Count	317	122	439
		% within Loyal	55.5%	53.3%	54.9%
	Take Advantage	Count	144	43	187
		% within Loyal	25.2%	18.8%	23.4%
Total		Count	571	229	800
		% within Loyal	100.0%	100.0%	100.0%

Source: Primary Data from Survey

21.8% Respondents claimed that In spite of the Price Discount they would not purchase the product if they don't need it at that point in time. 55% said that they would purchase just as much as they need. The remaining 23.4% declared that they would take advantage of the discount offer and stock up their favorite product, since they use it all the time.

❏ **CHI- SQUARE TEST**

In order to analyze the Relationship between A Woman's Brand Loyalty for Her Favourite Brand of Skincare Product/s and Her Behavior That Results When the Brand They Consistently Use Offers a Price Discount, the Hypotheses are:

H₀-There is no Significant Relationship between A Woman's Brand Loyalty for Her Favourite Brand of Skincare Product/s and Her Behavior That Results When the Brand She Consistently Uses Offers a Price Discount.

H₁There is Significant Relationship between A Woman's Brand Loyalty for Her Favourite Brand of Skincare Product/s and Her Behavior That Results When the Brand She Consistently Uses Offers a Price Discount.

Table 4. 80. Relationship between A Woman's Brand Loyalty for Her Favourite Brand of Skincare Product/s and Her Behavior That Results When the Brand She Consistently Uses Offers a Price Discount. Chi Square Test

Degree of Freedom (d.f.)	Level of Significance	Calculated Value of Chi -Square	Table Value of Chi - Square	Hypothesis Accepted
2	5%	8.717	5.991	Null Hypothesis Is Rejected

Source: Primary Data from Survey

As evident from the table above, at 5% Level of Significance and 2 Degree of the Calculated Value (8.717) of Chi- Square is more than the Table Value (5.991) *leading to The Rejection of the Null Hypothesis and The Acceptance of the Alternate Hypothesis, establishing the fact that There is Significant Relationship between A Woman's Brand Loyalty for Her Favourite Brand of Skincare Product/s and Her Behavior That Results When the Brand She Consistently Uses Offers a Price Discount.*

VIII. IMPORTANT FACTORS THAT INFLUENCE THE PURCHASE SKINCARE PRODUCTS BY WOMEN

The Researcher tried to find out the perception of women skincare cosmetics consumers regarding the Factors that Influence the Purchase of Skincare Cosmetics Products. For this purpose, Six Factors that are likely to influence the Purchase of Skincare Cosmetics Products by the respondents namely, Brand Name, Product Quality, Price of the Products offered by the Brand, Brand Promotion, Brand Distribution and Packaging and Labeling of the Brand were put forth before the respondents with a request to rank them from 1 to 6 in order of their importance in Question 5.1. The responses received from the subjects in this connection are shown in table below:

Table 4.8.1 Rankings of Important Factors Affecting the Purchase of Skincare Products by Women Respondents

Sr. no of Factors	No. of Respondents giving ranks 1 to 6																	
	Loyals						Switchers						Total					
	1	2	3	4	5	6	1	2	3	4	5	6	1	2	3	4	5	6
Q.5.1																		
1	126	221	115	46	37	26	45	89	48	22	16	9	171	310	163	68	53	35
2	410	103	29	14	7	8	164	35	13	3	8	6	574	138	42	17	15	14
3	14	146	219	94	56	42	11	73	72	37	23	13	25	219	291	131	79	55
4	8	26	67	154	171	145	4	12	28	56	63	66	12	38	95	210	234	211
5	3	36	84	140	166	142	0	6	49	60	74	40	3	42	133	200	240	182
6	8	43	59	123	135	203	4	17	20	50	42	96	12	60	79	173	177	299

Source: Primary Data from Survey

On the basis of the responses received another table 4.8.2 was prepared for analysis and inferences. For this purpose, average rank values were calculated for every a Factor included in questionnaire by dividing the total rank values of the Factor by the number of Women respondents giving the ranks to arrive at the Final ranks. These final ranks were calculated for all the women respondents as also for Brand Loyals and Brand Switchers separately for every Factor affecting the purchase of Skincare Cosmetics.

Table 4. 82. Total Values and Average Values of the Ranks and the Final Ranks of Factors Affecting the Purchase of Skincare Products of Women and the Differences therein

Sr. No. of Factors	BRAND LOYALS			BRAND SWITCHERS			ALL RESPONDENTS		
	Total Value	Average Value	Final Rank	Total Value	Average Value	Final Rank	Total Value	Average Value	Final Rank
1	1438	2.52	2	589	2.57	2	2027	2.53	2
2	842	1.47	1	361	1.58	1	1203	1.5	1
3	1871	3.27	3	714	3.12	3	2585	3.23	3
4	2602	4.56	5	1047	4.57	5	3649	4.56	5
5	2569	4.5	4	889	3.88	4	3578	4.47	4
6	2656	4.65	6	1084	4.73	6	3740	4.68	6

Source: Primary Data from Survey

The analysis showed that the Factors Affecting the Purchase of Skincare Cosmetics Products according to the perception of all women respondents taken together were as per the following order of importance.

- 1. Product Quality**
- 2. Brand Name**
- 3. Price of the Products offered by the Brand**
4. Distribution of the Brand
5. Brand Promotion and finally,
6. Packaging and Labeling of the Brand

The researcher did not find difference in the rankings given separately by the Brand Loyalists and Brand Switchers as well.

Thus it can be inferred from the foregone analysis that Product Quality was considered by all the categories of Women Respondents as the most important factor affecting the purchase of skincare cosmetics, followed by Brand Name and Price of the Branded Products as second the third most important factors affecting the purchase of skincare cosmetics respectively.

IX. ANALYSIS OF THE IMPORTANCE OF THE SUB-COMPONENTS OF EACH OF THE SIX MAJOR FACTORS AFFECTING THE PURCHASE OF SKIN CARE COSMETICS.

The Researcher tried to find out the perception of women skincare cosmetics consumers regarding the importance of the sub-components of each of the Major Factors Affecting the purchase of skincare cosmetics namely, Brand Name, Product Quality, Price, Promotion, Distribution and Packaging and Labeling of the Brand by posing Question no. 5.2 in the questionnaire.

Q.5.2.a. For the said purpose, *The first factor Brand Name* was sub divided into five factors like Well known Reputation of the Brand, Brand Name, Brand Symbol, Brand Colour and Characters and Ease of Pronunciation of Brand Name and titled '**Brand Related Factors**'.

Q.5.2.b. *The second major factor Product Quality* was sub-divided into two namely: The Match between Product and Consumer Skin-Type and The Availability of a Wide Selection of Products under the Same Umbrella Brand and termed as '**Quality Related Factors**'.

Q.5.2.c. *The third major factor Price of the Branded Products* was sub-categorized into two Factors namely, Reasonable Price of the Brand and Availability of Special Discounts on the Brand and labeled as '**Price Related Factors**'.

Q.5.2.d. *The fourth major factor Brand Promotion* was subdivided into three sub-factors viz. Brand Advertisements, Specific Promotions of the Brand and Knowledge and Training of the Store's Sales Staff about the Brand and termed as '**Promotion Related Factors**'.

Q.5.2.e. *The fifth major factor affecting the purchase of skincare cosmetics by women Distribution of the Brand* was sub categorized into two factors namely, Wide Availability of the Brand in Stores and Sufficient Number of Brand Outlets and termed as '**Distribution Related Factors**' and finally,

Q.5.2.f. *the Sixth major factor Packaging and Labeling of the Brand* was divided into four sub-factors viz. Promotion on Packaging, Options of Various Types of Packaging offered by the Brand, Clear Instructions on the Brand Packages

regarding Product Application and Specific Promotions of the Brand and titled: **‘Packaging Related Factors’**.

The researcher tried to analyse the relative significance of each of these sub-factors as compared to the others in the same category in order to find out which of these sub-factors are the most important and which ones the least important according to the perception of women skincare cosmetics buyers. The results of the analysis will be instrumental in providing important clues to the Marketers in formulating their Brand Management Plans and Strategies.

1. For the purpose of analyzing the relative significance of Q.5.2.a. **Brand Related Factors**, Five of them, namely, Well-known Reputation of the Brand, Brand Name, Brand Symbol, Brand Colour & Characters and Ease of Pronunciation of Brand Name were put forth before the respondents with a request to rank them from 1 to 5 in order of Importance. The responses received from the subjects in this connection are shown in table 4.83 below:

Table 4.83. Rankings of Brand Related Factors Affecting the Purchase of Skincare Products by Women Respondents

Sr. no of Factors	No. of Respondents giving ranks 1 to 5														
	Loyals					Switchers					Total				
Q.5.2 .a.	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5
1	331	292	180	80	70	134	116	60	60	10	465	408	240	140	96
2	170	520	267	148	75	74	216	111	24	20	244	736	378	172	95
3	15	158	522	948	330	10	76	252	332	70	25	234	774	1280	400
4	39	136	606	864	230	8	44	228	412	100	47	180	834	1276	330
5	16	40	144	236	2140	3	12	39	80	935	19	52	183	316	3075

Source: Primary Data from Survey

On the basis of the responses received another table 4.84 was prepared for analysis and inferences. For this purpose, average rank values were calculated for each of Five Factor included in category of Brand Related Factors in the questionnaire by dividing the total rank values of the Factor by the number of Women respondents giving the ranks to arrive at the Final ranks. These final ranks were calculated for All the women respondents as also for Brand Loyals and Brand Switchers separately for every Factor affecting the purchase of Skincare Cosmetics.

Table 4. 84. Total Values and Average Values of the Ranks and the Final Ranks of The Brand Related Factors Affecting the Purchase of Skincare Products of Women and the Differences therein

Sr. No. of Factors	BRAND LOYALS			BRAND SWITCHERS			ALL RESPONDENTS		
	Total	Average Value	Final Rank	Total	Average Value	Final Rank	Total	Average Value	Final Rank
1	953	1.67	1	380	1.66	1	1349	1.69	1
2	1180	2.07	2	445	1.94	2	1625	2.03	2
3	1973	3.46	4	740	3.23	3	2713	3.39	4
4	1875	3.28	3	792	3.46	4	2667	3.33	3
5	2576	4.51	5	1069	4.67	5	3645	4.57	5

Source: Primary Data from Survey

The Table above shows that the order of importance of the Five Brand Related Factors According

to the Perception of All the Women Respondents of the Sample is as follows :

Rank 1. Well-known Reputation of the Brand

Rank 2. Brand Name,

Rank 3. Brand Colors and Characters

Rank 4. Brand Symbol and

Rank 5. Ease of Pronunciation of Brand Name.

As far as the Brand Loyals and the Brand Switchers are concerned, The Ranks given by the Brand Loyals are the same as those of All the Respondents taken together. And The Brand Switchers differ from the rest of the categories only in case of Ranks 3 and 4. Thus whereas Total Respondents' and Brand Loyals' Perceptions regarding the order of importance of the Brand Related Factors are the same, The Brand Switchers differ from them in that they believe 'Brand Symbol' to be a more important factor as compared to Brand Colors and Characters whereas the other two categories perceive 'Brand Colours and Characters' as more important as compared to Brand Symbol.

2. For the purpose of analyzing the relative significance of Q.5.2.b. **Product Quality Related Factors**, Two Factors, namely, Match between Product and Consumer Skin-Type and The Availability of a Wide Selection of Products under the Same Umbrella Brand were put forth before the respondents with a request to rank them 1 and 2 in order of Importance.

The responses received from the subjects in this connection are shown in table 4.85 below:

Table 4.85. Rankings of Product Quality Related Factors Affecting the Purchase of Skincare Products by Women Respondents

<i>Sr. no of Factors influencing the purchase of Skincare Products</i>	<i>No. of Respondents giving ranks 1 and 2</i>					
	Loyals		Switchers		Total	
	1	2	1	2	1	2
Q.5.2 .b. 1	517	108	198	62	715	170
2	57	102	30	398	87	1426

Source: Primary Data from Survey

On the basis of the responses received another table 4.86 was prepared for analysis and inferences. For this purpose, average rank values were calculated for each of Two Factors included in category of Product Quality Related Factors in the questionnaire by dividing the total rank values of the Factor by the number of Women respondents giving the ranks to arrive at the Final ranks. These final ranks were calculated for All the women respondents as also for Brand Loyals and Brand Switchers separately for every Factor affecting the purchase of Skincare Cosmetics.

Table 4. 86. Total Values and Average Values of the Ranks and the Final Ranks of The Product Quality Related Factors Affecting the Purchase of Skincare Products of Women and the Differences therein

Sr. No. of Factors	BRAND LOYALS			BRAND SWITCHERS			ALL RESPONDENTS		
	Total	Average Value	Final Rank	Total	Average Value	Final Rank	Total	Average Value	Final Rank
Q.5.2. b.1	625	1.09	2	260	1.14	1	885	1.11	1
2	159	0.28	1	428	1.86	2	1513	1.89	2

Source: Primary Data from Survey

The Table above shows that the order of importance of the Two Product Quality Related Factors according to the Perception of All the Women Respondents of the Sample is as follows :

Rank 1. Match between Product and Consumer Skin-Type

Rank 2. Availability of a Wide Selection of Products under the Same Umbrella Brand

Whereas, the responses of Brand Switchers are the same as that of All the Women taken together, The Brand Loyals differ from this view and Perceive the Availability of a Wide Selection of Products under the Same Umbrella Brand as a more important factor as compared to Match between the Product and Consumer Skin-Type.

3. For the purpose of analyzing the relative significance of Q.5.2.c. **Price Related Factors**, Two Factors, namely, Reasonable Price of the Brand and Availability of Special Discounts on the Brand were put forth before the respondents with a request to rank them 1 and 2 order in of Importance. The responses received from the subjects in this connection are shown in the table below:

Table 4.87. Rankings of Price Related Factors Affecting the Purchase of Skincare Products by Women Respondents

<i>Sr. no of Factors influencing the purchase of Skincare Products</i>	<i>No. of Respondents giving ranks 1 and 2</i>					
	Loyals		Switchers		Total	
	1	2	1	2	1	2
Q.5.2 .c. 1	450	242	183	92	633	334
2	120	902	45	368	165	1270

Source: Primary Data from Survey

On the basis of the responses received another table 4.88 was prepared for analysis and inferences. For this purpose, average rank values were calculated for each of Two Factors included in category of Price Related Factors in the questionnaire by dividing the total rank values of the Factor by the number of Women respondents giving the ranks to arrive at the Final ranks. These final ranks were calculated for All the women respondents as also for Brand Loyals and Brand Switchers separately, for every Factor affecting the purchase of Skincare Cosmetics.

Table 4. 88. Total Values and Average Values of the Ranks and the Final Ranks of The Price Related Factors Affecting the Purchase of Skincare Products of Women and the Differences therein

Sr. No. of Factors	BRAND LOYALS			BRAND SWITCHERS			ALL RESPONDENTS		
	Total	Average Value	Final Rank	Total	Average Value	Final Rank	Total	Average Value	Final Rank
Q.5.2.c .1	692	1.21	1	275	1.20	1	967	1.21	1
2	1022	1.79	2	413	1.80	2	1435	1.79	2

Source: Primary Data from Survey

The analysis showed that there was no difference between the Perceptions of all the three categories of respondents namely The Brand Loyals, The Brand Switchers and The Total Respondents. All the three Perceived Reasonable Prices as the of the Branded Products as the most important factor affecting the purchase of skincare cosmetics followed by Availability of Discounts at second place.

4. For the purpose of analyzing the relative significance of Q.5.2.d. **Promotion Related Factors**, Three factors, namely, Brand Advertisements, Specific Promotions of the Brand and Knowledge and Training of the Store’s Sales Staff about the Brand were put forth before the respondents with a request to rank them from 1 to 3 order of Importance. The responses received from the subjects in this connection are shown in table 4.89 below:

Table 4.89. Rankings of Promotion Related Factors Affecting the Purchase of Skincare Products by Women Respondents

<i>Sr. no of Factors influencing the purchase of Skincare Products</i>	<i>No. of Respondents giving ranks 1 to 3</i>								
	Loyals			Switchers			Total		
	1	2	3	1	2	3	1	2	3
Q.5.2. d.1	211	444	414	80	182	174	291	626	588
2	162	462	534	66	204	183	228	666	717
3	198	238	762	84	72	327	282	310	1089

Source: Primary Data from Survey

For this purpose, average rank values were calculated for each of Three Factors included in category of Promotion Related Factors in the questionnaire by dividing the total rank values of the Factor by the number of Women respondents giving the ranks to arrive at the Final ranks. These final ranks were calculated for All the women respondents as also for Brand Loyals and Brand Switchers separately, for every Factor affecting the purchase of Skincare Cosmetics.

Table 4. 90. Total Values and Average Values of the Ranks and the Final Ranks of The Promotion Related Factors Affecting the Purchase of Skincare Products by Women and the Differences therein

Sr. No. of Factors	BRAND LOYALS			BRAND SWITCHERS			ALL RESPONDENTS		
	Total	Average Value	Final Rank	Total	Average Value	Final Rank	Total	Average Value	Final Rank
Q.5.2. d 1	1069	1.87	1	436	1.90	1	1505	1.88	1
2	1158	2.03	2	453	1.98	2	1611	2.01	2
3	1198	2.10	3	483	2.11	3	1681	2.10	3

Source: Primary Data from Survey

The analysis showed that there was no difference between the Perceptions of all the three categories of respondents namely The Brand Loyals, The Brand Switchers and The Total Respondents. All the three perceived the three Promotion Related factors in the following order:

1. Brand Advertisements as the most important of all, followed by,
2. Specific Promotions of the Brand in second place and
3. Knowledge and Training of the Store's Sales Staff about the Brand in third place

5. For the purpose of analyzing the relative significance of Q.5.2.e. **Distribution Related Factors**, Two factors, namely, Wide Availability of the Brand in Stores and Sufficient Number of Brand Outlets were put forth before the respondents with a request to rank them 1 and 2 in order of Importance. The responses received from the subjects in this connection are shown in table 4.91 below:

Table 4.91.

Rankings of Distribution Related Factors Affecting the Purchase of Skincare Products by Women Respondents

<i>Sr. no of Factors influencing the purchase of Skincare Products</i>	<i>No. of Respondents giving ranks 1 and 2</i>					
	Loyals		Switchers		Total	
	1	2	1	2	1	2
Q.5.2 .e. 1	378	386	143	172	521	558
2	196	750	87	284	283	1034

Source: Primary Data from Survey

For this purpose, average rank values were calculated for each of Two Factors included in category of Distribution Related Factors in the questionnaire by dividing the total rank values of the Factor by the number of Women respondents giving the ranks to arrive at the Final ranks. These final ranks were calculated for All the women respondents as also for Brand Loyals and Brand Switchers separately, for every Factor affecting the purchase of Skincare Cosmetics.

Table 4. 92 . Total Values and Average Values of the Ranks and the Final Ranks of The Distribution Related Factors Affecting the Purchase of Skincare Products by Women and the Differences therein

Sr. No. of Factors	BRAND LOYALS			BRAND SWITCHERS			ALL RESPONDENTS		
	Total	Average Value	Final Rank	Total	Average Value	Final Rank	Total	Average Value	Final Rank
Q.5.2. e.1	764	1.34	1	315	1.38	1	1079	1.35	1
2	946	1.66	2	371	1.62	2	1317	1.65	2

Source: Primary Data from Survey

The analysis showed that there was no difference between the Perceptions of all the three categories of respondents namely The Brand Loyals, The Brand Switchers and The Total Respondents.

All the three Perceived Wide availability of the brand in stores as the most important factor affecting the purchase of skincare cosmetics followed Sufficient Number of Brand Outlets at second place.

6. For the purpose of analyzing the relative significance of Q.5.2.f. **Packaging Related Factors**, Four factors, namely, Promotion on Packaging, Options of Various Types of Packaging offered by the Brand, Clear Instructions on the Brand Packages regarding Product Application and Specific Promotions of the Brand were put forth before the respondents with a request to rank them from 1 to 4 in order of Importance. The responses received from the subjects in this connection are shown in table 4.93 below:

Table 4. 93 . Rankings of Packaging Related Factors Affecting the Purchase of Skincare Products by Women Respondents

Sr. no of Factors	No. of Respondents giving ranks 1 to 4											
	Loyals				Switchers				Total			
	1	2	3	4	1	2	3	4	1	2	3	4
Q.5.2 .f.1	80	220	621	696	33	86	255	272	113	306	876	968
2	100	430	447	428	41	182	165	168	141	612	612	596
3	337	246	219	152	141	90	93	48	478	336	312	200
4	54	250	429	996	14	102	168	432	68	352	597	1428

Source: Primary Data from Survey

On the basis of the responses received another table 4.94 was prepared for analysis and inferences. For this purpose, average rank values were calculated for each of Four Factors included in category of Packaging Related Factors in the questionnaire by dividing the total rank values of the Factor by the number of Women respondents giving the ranks to arrive at the Final ranks.

These final ranks were calculated for All the women respondents as also for Brand Loyals and Brand Switchers separately, for every Factor affecting the purchase of Skincare Cosmetics.

Table 4.94. Total Values and Average Values of the Ranks and the Final Ranks of The Packaging Related Factors Affecting the Purchase of Skincare Products by Women and the Differences therein

Sr. No. of Factors	BRAND LOYALS			BRAND SWITCHERS			ALL RESPONDENTS		
	Total	Average Value	Final Rank	Total	Average Value	Final Rank	Total	Average Value	Final Rank
Q.5.2.f.1	1617	2.83	3	646	2.82	3	2263	2.83	3
2	1405	2.46	2	556	2.43	2	1961	2.45	2
3	954	1.67	1	372	1.63	1	1326	1.66	1
4	1729	3.03	4	716	3.13	4	2445	3.06	4

Source: Primary Data from Survey

The analysis showed that there was no difference between the Perceptions of all the three categories of respondents namely The Brand Loyals, The Brand Switchers and The Total Respondents.

All the three Perceived Clear Instructions on the Brand Packages regarding Product Application as the most important factor affecting the purchase of skincare cosmetics, followed by Options of Various Types of Packaging offered by the Brand, Promotion on Packaging and Specific Promotions of the Brand in Second, Third and Fourth places respectively.

CHAPTER - 5.

SUMMARY,

FINDINGS,

CONCLUSIONS

AND

SUGGESTIONS

CHAPTER - 5.

SUMMARY, FINDINGS, CONCLUSIONS AND SUGGESTIONS

CHAPTER.5.	SUMMARY, FINDINGS, CONCLUSIONS AND SUGGESTIONS	231-270
5.1.	SUMMARY	231
5.2.	MAJOR FINDINGS RELATED TO THE BEAUTY AND PERSONAL CARE AND SKINCARE INDUSTRIES	236
5.3.	MAJOR FINDINGS BASED ON THE SURVEY	240
5.4.	CONCLUSION	256
5.5.	SUGGESTIONS	262
5.6.	RESEARCH ASPECTS	270

CHAPTER-5. SUMMARY, FINDINGS, CONCLUSIONS AND SUGGESTIONS

5.1. SUMMARY:

In the era of Liberalization and Globalization, markets all over the world are going through a metamorphosis. At the same time, consumers are becoming demanding since the market is glutted with endless products and countless brands offering them with rich choices in the changing market place. Every now and then, multifaceted and segment specific new brands in every wedge of consumer goods are flooding the markets world over. The present day consumers are regularly exposed to newer lifestyles, products and services unprecedented, due to the impact of media and communication explosion. With the continuously increasing disposable incomes, there has been a radical shift in the attitude and aspirations of the consumers. While pursuing the objective of the best possible value for their money, contemporary consumers are gradually becoming choosy about products and services.

Being exposed to large varieties of products and services in different categories, the modern day consumers are continuously enticed to try out new brands or variation of the existing ones to experience something different. Companies also develop their brand strategies around the plank of innovation, features, utility, lifestyle and so on so as to induce the potential buyers into their marketing arena. Essentially we are living in an age of brands. Today there is hardly any inanimate or dump product. Most of the Products/ Services that we use have transformed into brands of a personality of their own.

With the gradual emergence of India as a market destination for the international majors, there is a big assortment of brands in almost all product and service categories. Consequently, brand competition has developed as one of the most significant features of the Indian marketing scenario in recent years.

Customer Loyalty is one of the most important issues that businesses face today. Marketers of goods and services therefore, frantically search for strategies in order to have a set of brand loyal customers. Whether it is product, promotion, price, place-related decisions, almost all decisions a company makes as regards its marketing mix are inextricably related with brand loyalty. For any marketer, brand loyalty therefore is a phenomenon too important to be taken lightly.

Brand loyalty never just happens. Brand managers have to make it happen. The decision to remain loyal to the brand over time is based on the considerations of values (price and quality), image, convenience and availability, satisfaction, service, guarantee or warranty. The positive interplay of all these factors leads to brand allegiance. In any strategy of brand loyalty, understanding core values and staying relevant by connecting these to consumer needs is extremely important. Needless to say, the core value of any brand has to remain constant, at the same time, it should be innovative and relevant to the evolving consumer. This is the key to success in inculcating brand loyalty and the mantra of the majority of robust and powerful brands world over.

The Cosmetics Industry today is a multinational, multi –billion dollar industry. In 2009, the Global Beauty and Personal Care Market was valued at U.S. \$ 406.5 billion, up 17% from U.S. \$ 348.7 in 2005 (in fixed exchange rate terms). A look at the global distribution of Cosmetics Consumption in the year 2009 revealed that Europe was the Leader with 39.5 % Market Share, North and South America together follow with 34 %, and Asia – Pacific had a Market Share of 26.4 % . Global market shares of the cosmetics products according to their revenues amounted to 27.2 % Over The Counter Health care Products, 17.1% % Skin care Products, 10.5 % Hair care Products, 7.9 % Colour Cosmetics and Remaining 29.7% comprised Shares of Other Categories of Cosmetics Products.

The Indian Cosmetics Industry is growing in terms of product development and marketing. The preference of Indian consumers is changing from merely functional to more ‘advanced and specialized’ cosmetics items. In 2005 the sales of Cosmetics & Toiletries in India stood at nearly INR 176.025 billion, which was a 7 % rise over the Cosmetics & Toiletries sales in the year 2005 which were INR 164.614 billion then. And in the year 2009 the sales reached INR 277.302 billion. Thus, a 58% growth in the Retail Sales of Cosmetics and Toiletries in India was observed over the five years spanning from 2005-2009. India is one of the fastest growing markets of Cosmetic & Toiletries in the world. The entry of many multinationals into the Indian Cosmetics and Toiletries industry post 2005 has made it an extremely challenging and dynamic market. Foreign players are focusing more on product innovation; re launches and brand extensions spread across multiple price points and enhanced product penetration by extending their distribution networks.

Malhotra (2003) describes the main reasons for boom in cosmetic industry as

increasing fashion and beauty consciousness coupled with rising incomes and focus on health and fitness. To complement this, beauty culture or cosmetology has emerged as a major occupational avenue with significant commercial potential. New scientific developments, techniques, products and media hype, has contributed the Indian fashion industry in generating mega revenues and this has in turn added to the growth of cosmetic industry.

Rising hygiene and beauty consciousness due to changing demographics and lifestyles, deeper consumer pockets, rising media exposure, greater product choice, growth in retail segment and wider availability are the reasons reported by (Euro monitor International, 2010). Over recent years, India has seen increasing literacy levels, penetration of satellite television, growing urbanization and greater beauty awareness among women, which has resulted in rewarding growth opportunities to cosmetics and toiletries manufacturers.

The population of India as per the 2001 census stood at over One Billion comprising of 531 million males and 496 million females. Also 3/4ths of India's male population and a little more than half of the female population are now literate. During 1991- 2001 , Literacy rates improved drastically from 52.01% in 1991 to 65.38% in 2001; thus showing an improvement of more than 13 % points The more glaring aspect of improving literacy rate is the significant rise of 14.87% in the female literacy rate which is more than the increase of the male literacy rate, which was 11.72%. Again the growing number of women in white –collar jobs and their growing taste for sophistication has propelled India to become one of the fastest growing markets for cosmetics & toiletries in the world according to a study released by the global consulting and research firm Kline and Company. The Indian women entering the workforce are placing greater emphasis on personal appearance and spending more to look their best.

Thus on the one hand, the favourable demographics of India as a whole poses a unique opportunity for global cosmetics giants as well as domestic companies to generate additional revenues through sales in India, on the other hand, the increasing competition in the Indian Cosmetics Industry due to the entry of foreign multinationals post 2005, has posed a tremendous threat to the players in the Cosmetics & Toiletries industry by making the Indian market an extremely challenging and a dynamic one. It is in this backdrop that the researcher would like to underline the significance of the concept of 'Brand Loyalty' as a valuable asset

at to disposal of various companies in the field and to analyse its role of helping to retain existing customers, as selling to brand loyal consumers is far less costly than attracting new consumers. Thus, **Brand Loyalty** is a reflection of Brand Equity, which, for many businesses is the largest single asset.

Brand loyalty, a fascinating but intriguing phenomenon has been a subject of study in the West since about 1920s. Since then, hundreds of studies concerned with brand loyalty have been undertaken in various countries with different marketing environment. The names of a few scholars who made contributions in this were to include Cunnigham, R.M., Mitterstaedt, R., Peesemiers, E.A, Tucker W.T Ronald, F. and Harper, B., Cunnigham, S.M., Sheth, J.N. and Veketesan, M., Seth, J.N., Simon, J.L., Carman, J.M., Bird, M., Chanon, C, and Eherenberg, A.C., Newman, J.W. and Werbal, R.A., Weinberg, C.B., Norstorm, R.D. and Swan, J.E., Goldman A., Singh, J.D. and Singh, R., Swartz. T.A., Agrawal. A.K., James, R.P., Raut, K.C. and Nabi, M.K., Akagun, Handan Ozdemir and Neruettin Parilti., Panigrahi Rajeshwari and Raut Kishore Chandra, Nair Vinith Kumar and Pillai Prakash R.

The contributions of these scholars concentrated on studying Store loyalty, Relationship between post-purchase satisfaction / dissonance of consumer purchases of a brand and the consequent Brand Loyalty/Brand Switching, Relationship between Perceived risk and Brand Loyalty, Relationship between frequency of purchase of a brand and the pattern of these purchases for gauging brand loyalty, The association of brand loyalty with consumers' shopping pattern and the amount of time spent by them on shopping, The impact of Demographic and Socioeconomic factors on brand loyalty and the Contributory factors to brand loyalty and so on. For a variety of reasons though, studies investigating this critically important aspect of marketing are sporadic in our country.

No study till date could be made to know the Level and Pattern of Brand Loyalty of Women Skin care Cosmetics Consumers of the State of Gujarat, to identify the Brand Loyalists and the Brand Switchers among the Sample Respondents, analyse their Perceptions and Differences therein regarding the Concept and Factors Affecting Brand Loyalty, To Analyse the Significance of Relationship between the Demographic and Socioeconomic Characteristics of Women Skincare Cosmetics Users and Brand Loyalty for their Favorite Brand, To Identify the Important Factors

that affect the Purchase of Skincare Cosmetics products by Women and Examine their Brand Buying Behaviour.

Thus, to fill up this gap the researcher decided to undertake a study of Brand Loyalty in the Cosmetics Sector titled: **“A STUDY OF BRAND LOYALTY AND IT’S EFFECT ON BUYING BEHAVIOUR IN CASE OF SELECTED COSMETICS PRODUCTS IN THE STATE OF GUJARAT”**

The research report has been prepared and presented under the sequentially arranged five chapters with the following brief details:

❏ Chapter -1: Research Methodology.

This chapter with deals Introduction to the study, Review of literature on Brand Loyalty, The Back drop and Research Methodology.

❏ Chapter 2. Beauty and Personal Care Industry-Changing Scenario:

An Overview

This chapter gives an overview of the Beauty and Personal Care Industry covering the History of Cosmetics and the Evolution of the Cosmetics Sector, Global Beauty and Personal care - Its Market Analysis and Five Force Analysis and Market Forecasts at the Global Level of Beauty and Personal care Products, Beauty and Personal Care in India, Global Skincare- an Overview and Skincare in India. The review period for the Analysis done in this Chapter is from **2005 to 2009**. And the Forecast Period- **from 2009-2014**.

❏ Chapter 3. Brand Loyalty – A Conceptual Framework

This chapter gives a description of the Concept of Brand, Brand Building, Brand Equity, Brand Loyalty and its Significance in Marketing Management, Conceptual and Operational Definitions of Brand Loyalty, Factors causing Brand Loyalty, Levels and Patterns of Brand Loyalty and Brand Switching.

❏ Chapter 4. Analysis of Data and Interpretation

This chapter is completely based on Survey Results. It includes analysis of the Familiarity of Sample Respondents with the concept of Brand Loyalty, The Level

of Brand Loyalty among Women in Gujarat, Demographic Profiling of Sample respondents, The identification of category wise Favourite Brands among the respondents, Analysis of Relationships between Brand Loyalty and Personal and Product Related Factors. Analysis of Perceptions and Differences therein of Brand Loyals and Switchers regarding Factors causing Loyalty/ Switching. Analysis of Brand Buying Behaviour of the Respondents and the Important Factors that influence the purchase of Skincare Products.

❖ Chapter 5. Summary, Findings and Suggestions

In this chapter, a brief summary of the research report and major findings of the study together with overall conclusions have been given.

5.2. MAJOR FINDINGS RELATED TO THE BEAUTY AND PERSONAL CARE AND SKINCARE INDUSTRIES:

□ Beauty and Personal Care Industry

a. Global Beauty and Personal Care Industry:

- ❖ The global beauty and personal care market grew at a steady rate during the period 2005-2009 as a result of steady sales growth across all product categories. The overall market is expected to decelerate in the forthcoming five years.
- ❖ It generated total revenues of \$ 406.6 billion in 2009, representing a compound annual growth rate (CAGR) of 3.9% for the period spanning 2005-2009. In comparison, the Americas and Asia Pacific markets grew with CAGRs of 4.1% and 4.6% respectively over the same period, to reach respective values of \$138.4 billion and \$107.4 billion in 2009.
- ❖ OTC healthcare is the largest segment of the global beauty and personal care market, accounting for 27.2% of the market's total value, **followed by the SKIN CARE segment in second place with a share of 17.1%** and Hair care with a market share of 10.5% at third place in the overall market in 2009.
- ❖ In terms of geographic region wise shares, Europe accounted for 39.5% of the global beauty and personal care market products market value. Americas (North and South) accounted for further 34% of the global market and Asia Pacific, 26%.

- ✚ Procter and Gamble Company was the leading Player in the Global Beauty and Personal Care Products Market generating a 11.7% share of the total market's value in 2009, followed by L'Oreal Group at 10% in second place and Unilever Group with a market share of 6.8% in third place.
- ✚ The top three brands in the Beauty and Personal Care Market in 2009 were Avon with Retail Sales of 3% in the entire market, followed by L'Oreal Paris with Retail Sales Value of 3.2% and Nivea with a Retail Sale Value of 2.8% in second and third places respectively.
- ✚ Supermarkets / hypermarkets formed the leading distribution channel in the global personal products market, accounting for a 29.9% share of the total market's value. Pharmacies / drugstores accounts for a further 29% of the market.
- ✚ In 2014, the global personal products market is forecast to have a value of \$ 484.447 billion, an increase of 19.2% since 2009. The compound annual growth rate of the market in the period 2009–14 is predicted to be 3.6%

b. Indian Beauty and Personal Care Industry:

- ✚ The Beauty and Personal Care products Market of India was valued at Rs. 277.303 billion in 2009. The market registered a total growth rate of 59% since 2004. The market for the Beauty and Personal Care products in India has been rising all throughout since 2004 till 2009 and ahead.
- ✚ The top three categories of Cosmetics Products in India were the Deodorants with a percentage growth of 28.8%, Colour Cosmetics with a percentage growth of 25.6% and Depilatories with a percentage growth of 23.3% in 2009.
- ✚ The Unilever Group was the leading Player in the Indian Beauty and Personal Care Products Market generating a 33.3% share of the total market's value in 2009, followed by Colgate Palmolive Company in second place with 5.8% and Dabur India Ltd. with a market share of 5.5 % in third place.
- ✚ In terms of Brand Shares of Indian Cosmetics Companies in 2009, Fair and Lovely emerged the leader with a retail sale value of 5.5% followed by Colgate Palmolive at 4.7% and Lux at 4.4% resp. It was interesting to note that the Indian Consumers consider soap as a beautifying and skin protecting agent and hence, soaps like Lux, Lifebouy, Godrej, Santoor, etc have been considered amongst the top Beauty and Personal care Brands in India as opposed to the west where soaps are used more with the purpose of cleaning the body as a Depilatory.

- In 2009, Store-based Retailing accounted for 96.4% of the distribution network of Beauty and Personal Care Products in India followed by Grocery Retailers at 68.5% and Small Grocery Retailers at 46%.

□ Skincare Industry

a. Global Skincare Industry:

- Led steady sales growth across all product categories, the global skincare market grew at a robust rate between 2005 and 2009. The growth rate in this market is forecast to follow similar pattern, albeit at a lower rate, in the forthcoming five years.
- The global skincare market generated total revenues of \$66 billion in 2009, representing a compound annual growth rate (CAGR) of 4.5% for the period spanning 2005-2009. In comparison, the Americas and Asia-Pacific markets grew with CAGRs of 5% and 4.9% respectively, over the same period, to reach respective values of \$15.5 billion and \$27.4 billion in 2009.
- Facial care sales proved the most lucrative for the global skincare market in 2009, generating total revenues of \$41.6 billion, equivalent to 63% of the market's overall value. In comparison, sales of body care cosmetics generated revenues of \$11.5 billion in 2009, equating to 17.4% of the market's aggregate revenues.
- The performance of the market is forecast to decelerate, with an anticipated CAGR of 4% for the five-year period 2009-2014, which is expected to lead the market to a value of \$80.1 billion by the end of 2014. Comparatively, the Americas and Asia-Pacific markets will grow with CAGRs of 4.3% and 4.2%
- Facial care was the largest segment of the global skincare market, accounting for 63% of the market's total value in 2009. The body care segment accounted for a further 17.4% of the market followed by Sun care at 9.6%
- Asia-Pacific accounted for 41.5% of the global skincare market value. Europe for a further 34.9% and Americas accounted for 23.5% of the global market share by value in 2009.
- L'Oreal S.A. was the leading player in the global skincare market, generating a 11.4% share of the market's value in 2009. Beiersdorf AG accounted for a further 9.3% of the market and Unilever 7% of the market share.
- Supermarkets/hypermarkets formed the leading distribution channel in the global skincare market, accounting for a 33.6% share of the total market's value. Specialist

Retailers accounts for a further 29.8% of the market and Pharmacists and Drug Stores 12.7% of the distribution network.

- ✚ In 2014, the global skincare market is forecast to have a value of \$80.127 billion, an increase of 21.4% since 2009. The compound annual growth rate of the market in the period 2009–14 is predicted to be 4%.

b. Indian Skin care Industry:

- ✚ The skin care market of India grew by 13% in 2009, to reach Rs. 32 billion. The introduction of New Brands and Portfolio Extensions kept the skin care sector dynamic.
- ✚ Nourishers /anti-agers saw the fastest value growth of 19% in 2009. Hindustan Unilever Ltd's products continued to dominate skincare sales. Skin care is forecast to see a constant value CAGR of 10% from 2009-1014
- ✚ Hindustan Unilever Ltd continued to dominate sales in 2009, accounting for a 62.2 % value share. The company's brands Fair & Lovely, Pond's and Lakmé were the top three skin care brands in India in 2009, with Fair & Lovely accounting for 48% of the value sales of skin care in India.
- ✚ Nourishers/anti-agers saw the fastest growth in 2009, albeit from a very small base. The category benefited from aggressive media campaigns for brands such as Olay Total Effects by Procter & Gamble Home Products Ltd and Recova by Paras Pharmaceuticals Ltd, which increased women's awareness about anti-ageing products. With consumers of skin care products in India being dominated by young women, under 35 years of age, manufacturers positioned their nourishers/anti-agers as preventative products which delay the effects of ageing such as the appearance of wrinkles rather than remedial products. Facial Cleansers and Facial Moisturisers were the second and third fastest growing segments in the Indian Skincare Market.
- ✚ The "Whitening" and "fairness" and "glowing/clear complexion" remained the most prominent marketing claims in skin care in India in 2009 due to the prevailing preference of Indian consumers for fair skin. Whitening products accounted for 84% of the value sales of facial moisturisers in 2009. Basic fairness creams dominated the sales of moisturisers in India .
- ✚ There was no prominent packaging innovation in skin care in 2009. Squeezable plastic tubes were the most common skin care packaging available in India in 2009. Though Convenient to use packaging did matter.

- Skin care is not expected to face any serious threats to expansion over the forecast period from 2009-2014 as the category is developing from a very basic level in India. As consumers become more sophisticated, claims of “whitening/fairness” are expected to face greater consumer scepticism and manufacturers are expected to increasingly focus on other issues such as skin texture and blemishes over the forecast period.
- Facial cleansers is expected to be the fastest-growing product category over the forecast period with a constant value forecast CAGR of 16%. The category is expected to benefit from growing awareness about skin care products among consumers in small cities and towns who mainly use bar soap for washing their face.

5.3. MAJOR FINDINGS BASED ON THE SURVEY:

5.3.1. Extent and Pattern of Brand Loyalty

5.3.1.1. In this study, out of the 800 women skincare cosmetics buyers, 571 Respondents (71.4%) were found to be Loyal to their favorite brand of skincare products while, the remaining 229 of them (28.6%) turned out to be brand switchers, not loyal to any particular brand. This broadly confirms the existence of a high degree of Brand Loyalty among women skincare cosmetics users in Gujarat. **The respondents were classified into two main groups: Brand Loyalists and Brand Switchers based on sample responses.**

5.3.1.2. The pattern of loyalty observed among most of the respondents was ‘Split Loyalty’, where the consumer loyalty is split between Two brands- ‘A’ and ‘B’ and ‘Multi- Brand Loyalty,’ where the Consumer exhibits Loyalty towards More than One but a Limited Number of Brands. There were a few Hard Core Loyals in the Sample too.

5.3.2. Familiarity of respondents with the word Brand Loyalty

5.3.2.1. Extent of familiarity of respondents with the word Brand Loyalty.

It was good to notice that 89% of the respondents (713) were familiar with the word ‘Brand Loyalty’, whereas 11% (87) of them were not familiar with the word ‘Brand Loyalty’, interestingly though most of them admitted that they were brand loyal and it was just that they did not know that their behavior of a kind where they repetitively purchase a single or limited number of brands is termed as ‘brand loyalty’.

5.3.2.2. Significance of Relationship between Familiarity of Respondents with the word ‘Brand Loyalty’ and their Brand Loyalty.

Again, no significant relationship was observed between a Woman’s Brand loyalty for her Favorite Brand of Skin care Product/s and her Familiarity with the word ‘Brand Loyalty’. This is evident from the fact that respondents were found loyal despite not knowing what it meant.

5.3. 3. Perceptions of the Respondents about the Meaning of Brand Loyalty and Differences therein if any:

5.3.3.1. For the purpose of analyzing the Perceptions and the Difference therein between the Brand Loyals and Brand Switchers regarding the Meaning/ Definition of the term Brand Loyalty, the following three most popular definitions of brand loyalty were put before the respondents for the determination of their level of agreement on a five point scale:

Definition1. Brand Loyalty is said to exist for a consumer when he repetitively purchases a single brand. This measure does not allow for any deviations; a consumer must purchase Brand ‘A’ without exception.

Definition2. Brand Loyalty is defined in terms of the percentage of total purchases devoted to the single most frequently purchased brand. In many situations the buyer is said to be brand loyal when this percentage exceeds 50%.

Definition3. Brand Loyalty is the biased, behavioral response, expressed over time, by some decision- making unit, with respect to one or more alternative brands out of a set of such brands, and is a function of psychological processes

Based on their responses, it was found that ***There was no significant difference between the levels of agreement of the Brand Loyals and the Brand Switchers for the three definitions of Brand Loyalty Combined as well as for each of them separately.***

The combined average score of all the 800 respondents for their agreement on the three definitions combined was 77% indicating a high level of agreement amongst all of them.

5.3.3.2. As concerns the three definitions separately, the first definition of brand loyalty which means hard core loyalty was the most agreed upon definition of brand loyalty wherein the level of agreement among the respondents was the highest at 83% , followed by the second definition where Brand Loyalty was defined in terms of the percentage of total purchases devoted to the single most frequently purchased brand

for which the level of agreement of all the respondents was 76% and the least agreed upon definition was the third one which hinted at Multi- Brand Loyalty for which the level of agreement was 72% amongst all respondents.

This is indicative of the fact that the respondents perceive Hard Core Loyalty as the most preferred definition of brand loyalty and Multiple Brand Loyalty as the Least preferred. Their perception is that in most situations brand loyalty is split between two or three brands.

5.3.4. Brands of Skincare Products enjoying Maximum Brand Loyalty:

The women respondents were asked to determine brand names of various categories of skincare products that they chose to use consistently/ purchase repeatedly. The survey results as classified based on the main categories of skincare products viz. **Body care, Facial care and Hand Care** are as under:

✚ In the broader Body care segment-

- Among the General purpose body care products, **Vaseline** turned out to be the leading brand with 25.75% Brand Loyals, followed by Pond's with a loyalty score of 21.87% in second place and Fair and Lovely with a loyalty score of 18.17% in third place.

✚ In the broader segment of Facial care products, the loyalty scores of the respondents were observed as under-

- Among the Acne Treatment products, **Himalaya Herbals** was the leader with a Loyalty score of 6.37%, Clean & Clear followed at 6.12% and Vicco shared the third spot with 5.62%.
- In the Face masks category, **Ever youth** led with a loyalty score of 18.5%, Pond's followed with 8.12% and Fair & Lovely with the score of 7.25% occupied third place .
- Among the Cleansers, **Clean & Clear** led the market with 10.75% score, followed by Ever youth and Lakme with 8.87% and 8.37% shares respectively.
- The Anti- agers, category had **Olay** as the leader with a 5% loyalty score followed by Pond's and Garnier with scores of 4% and 2.62% respectively.
- Among the Facial moisturizers, **Pond's** had the maximum no. of loyals at 18.37%, followed by Vaseline with a loyalty score of 17.62% and Nivea at third place with a score of 11.37%.

- In the Lip care category, **Vaseline** was the clear winner, with a loyalty score of 30.62%, way ahead of others, followed by Nivea at 15.5% and Lakme at 11.5% scores each.
- In the Toner category, **Lakme** led with 4.75% Loyals to its credit followed by Amway with 3% loyals and Pond's with 2.87% Loyals.
- **Finally, in the broader Hand care segment, Vaseline** emerged a winner again with a loyalty score of 22.3%, followed by Dettol at 16.5% in second place and Pond's with 12.87% score at third place.

5.3.5. Personal/ Demographic Factors and Consumer's Brand Loyalty

Brand Loyalty is the result of a number of factors acting and interacting together in favour of or against the product or service. These Factors can broadly be divided into Personal or Consumer Oriented and Product Oriented Factors. The researcher tried to analyse the Significance of Relationship between Personal/Consumer-oriented Demographic Factors and a Woman's Brand loyalty and also examine the Brand Loyalty Status of Women on the basis of their personal/demographic and socioeconomic characteristics using chi-square test and cross tabulations.

The findings are as under:

5.3.5.1. Relationship between personal or consumer-oriented factors and brand loyalty

A significant observation of the study was that **Two out of the Six Personal Factors considered for examination, namely *The City of Residence of the respondents and Their Occupation have Significant Relationship with a Woman's Brand Loyalty for her favorite brand of Skincare products***, whereas, the other Four, namely The Age of the respondents, Their Marital Status, Educational Qualification and Monthly Family Income do not have a significant relationship with a Woman's Brand Loyalty which is evinced from the tests of significance undertaken through chi-square.

It is interesting to observe that a high degree of brand loyalty which is more than 62% existed with the respondent-sample belonging to every segmented group.

5.3.5.2. Brand Loyalty Status of Women on the basis of their personal/ demographic and socioeconomic characteristics

- The presence of brand loyalty was observed amongst women respondents residing in all the four major cities of Gujarat to the extent of 62% and more.

Women of Rajkot City are the most Brand Loyal, followed by Vadodara, Ahmedabad and the least loyal of all Surat .

- The age based analysis revealed that Middle-aged respondents falling in the age groups of 21-25 and 26-30 years have a higher tendency of brand switching as compared to the old and young respondents below 21 years and above 30 years respectively who are more brand loyal.
- Married women were found to be more brand loyal as compared to unmarried ones possibly due to the pressure of looking beautiful and time constraints on them regarding shopping for various options due to family and professional responsibilities and consequent time constraints. Married women preferred to stick to tested and tried brands without doing much experimentation and shop from a few preferred shops.
- Among the four education categories, brand loyalty was observed to be the highest with the least educated group of education less than SSC., followed by the Post- Graduates, Graduates and the HSC/SSC passed respondents in that order. Thus the HSC/SSC pass outs turned out to be the least loyal of all the educational groups.
- Amongst the five categories of women based on their occupations, business women are found to be the most loyal and students the least loyal of all. Home makers followed the Businesswomen in second place followed by Professionals and Working women in third and fourth places respectively.
- The women falling in the monthly income group of Rs. 50,000 and above were observed to be the least loyal of with a loyalty score of 64% and those falling in the income range of Rs. 10.000 to 25000 were found to be the most loyal.

5.3. 6. Product-Oriented Factors and Brand Loyalty of Women Skincare Cosmetics Buyers.

For the purpose this analyzing the Significance of Relationship between The Product Related Factors and Brand Loyalty of Women, the researcher classified the Factors Influencing the Brand Buying Behaviour of Women into Factors Causing Loyalty and Factors Causing Switching taking clues from past researches of the similar type.

□ Factors causing Loyalty:

In this connection, Product related Factors determining Brand Loyalty were grouped under Six major heads viz., **1.Brand Name; 2.Product Quality; 3.Price; 4**

Promotion; 5. Distribution and 6. Packaging and Labeling and each broad category mentioned above contained factors like:

Well known Reputation of the brand name and its Image, Ease of Pronunciation of the Brand Name and the Reflection of the Brand Personality in the Consumer's own Personality, **under the head Brand Name.**

Under the head Product Quality were included factors like Good Quality of Products offered by the brand, Match between Product- Consumer Skin type, Availability of a Wide range of Products under the Same Brand Name and Contents of Harmful Chemicals in the Products.

Under the head Price were included factors like Value for Money of the Brand, Consumer's insensitivity to increased price of their favorite brands compared to other brands and Offer of regular discounts by the brand.

Under the head Promotion, the factors included for analysis were, Attractive advertisements of consumer's favourite brand, Inducement provided by the brand Advertisements to the consumer to purchase the brand more frequently, Specific promotions of the brand, Availability of special discounts on the brand, Knowledgeable and well trained sales staff of the brand store and Testimonials of those already using the same brand.

Factors like Easy to access and convenient brand store locations, Sufficient number of brand outlets and Wide availability of consumer's favorite brand in the stores were included **under the head Distribution** and finally,

Under the head Packaging and Labeling factors like Well done and attractive packaging of the branded products, Clear instructions on the label regarding product contents and its application and Options of convenient to use packages of various shapes and sizes were included for the purpose of seeking responses from the Women Skincare Cosmetics Consumers/Buyers. Thus in all a total of Twenty-Two factors mentioned above which determine Brand Loyalty were considered for the purpose of the Analysis.

5.3.6.1. *Relationship between product -oriented factors and brand loyalty –Findings*

In comparison to the Consumer-Oriented Factors affecting Brand Loyalty of Women, lots of Product-related Features/Factors are observed to have Significant Relationship with Brand Loyalty Demeanor of the Sample. **The Product Attributes which are**

found to have significant relationship with brand loyalty are *Well known Reputation of the Brand Name and its Image, Ease of Pronunciation of the Brand Name, Availability of a Wide range of Products under the Same Umbrella Brand, Consumer's insensitivity to increased price of their favorite brands compared to other brands, Attractive advertisements of consumer's favourite brand, Specific promotions of the brand, Wide availability of consumer's favorite brand in the stores, Well done and attractive packaging of the branded products, Clear instructions on the label regarding product contents and its application and Options of convenient to use packages of various shapes and sizes.* Whereas, the rest namely: Reflection of the Brand Personality in the Consumer's own Personality, Good Quality of Products offered by the brand, Match between Product-Consumer Skin type, Contents of Harmful Chemicals in the Products, Value for Money of the Brand, Offers of regular discounts by the brand, Inducement provided by the brand Advertisements to the consumer to purchase the brand more frequently, Availability of special discounts on the brand, Knowledgeable and well trained sales staff of the brand store, Testimonials of those already using the same brand, Easy to access and convenient brand store locations and Sufficient number of brand outlets **were found to have No Significant Relationship with a Woman's Brand Loyalty for her Favorite Brand.**

❑ **Factors causing Brand Switching :**

5.3.6.2. *Relationship between Personal and Product related Factors causing brand Switching and Brand Switching Behavior of Women Skincare Cosmetics Buyers*

❑ **Factors causing brand switching**

Of nine factors identified by the researcher as the ones causing Brand Switching, **five namely, A woman's desire to try different brands, Recommendations of those using other Brands, Effective and Attractive Advertising of other brand/s, Sales Promotion of other brand/s and Unavailability of the Brand being currently used by women in the Stores were found to have a Significant Relationship with a woman's Brand Loyalty for her Favorite Brand of Skin care Products whereas,** the remaining four, namely, Price Discounts offered by other brand/s, Allergic Reactions following the use of the Favorite Brand, Effective and Attractive In-store displays of

other brands and Ineffectiveness of a woman's Favorite Brand did not have a Significant Relationship with a Woman's Brand Switching Behaviour.

5.3.7. Difference in the Perceptions of Brand Loyals and Brand Switchers regarding the factors causing Brand Loyalty and Brand Switching.

The researcher made an effort to know the opinions of the women respondents regarding the factors causing brand loyalty and brand switching. As such Brand Loyalty and Switching are a matter of degree or proportion. The two move on a continuum meaning, if the degree of Brand Loyalty is more in a given situation the degree of Brand Switching will be less and vice versa. So the factors affecting Loyalty are the Factors affecting Brand Switching as well.

But for the purpose this analysis, the researcher classified the Factors Influencing the Brand Buying Behaviour of Women into Factors Causing Loyalty and Factors Causing Switching taking clues from past researches of the similar type.

5.3.7.1. Factors causing Loyalty and Differences in Perceptions of Respondents about them:

In this connection, the Twenty- two Product related Factors determining Brand Loyalty mentioned in point no. 6 earlier were grouped under Six major heads viz., **a. Brand Name; b. Product Quality; c. Price; d. Promotion; e. Distribution and f. Packaging and Labeling .**

5.3.7.1.a. Brand Name

As regards the **Three Brand Name Related Factors (combined)**, namely, Well Known Reputation of the brand name and its Image, Ease of Pronunciation of the Brand Name and the Reflection of the Brand Personality in the Consumer's Personality, it was observed that *There was significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding the (Three) Brand Name Related Factors.* It was also observed that the Differences in the Respondents' Perceptions were the least (as low as 1%) in case of **Well known Reputation of the Brand Name and its Image** and the Most (3.6%) in connection with **Reflection of the Brand Personality in the Consumer's Personality.**

5.3.7.1.b. Product Quality

Significant difference was observed between the Perceptions of Brand Loyals and Brand Switchers regarding the (Four) Product-Quality Related Factors, namely, Quality of Products offered by the brand, Match between Product- Consumer Skin type, Availability of a Wide range of Products under the Same Brand Name and Contents of Harmful Chemical in the Products.

It was observed that the Differences in the Respondents' Perceptions were the least (as low as 5%) in case of **Contents of harmful chemicals in the product** and the Most (16%) in connection with the factor **Match between Product- Consumer Skin type.**

5.3.7.1.c. Price

*No significant difference was observed between the Perceptions of Brand Loyals and Brand Switchers regarding the (Three) Price Related Factors, namely Value for Money of the Brand, Consumer's insensitivity to increased price of their favorite brands compared to other brands and Offer of regular discounts by the brand . It was observed that the Differences in the Respondents' Perceptions were the least (as low as 14%) in case of **Value for Money of the Brand** and the Most (30%) in connection with the factor **Consumer's insensitivity to increased price of their favorite brands compared to other brands.***

5.3.7.1.d. Promotion

As regards the Six Promotion Related Factors affecting Brand Loyalty, namely, Attractive advertisements of consumer's favourite brand, Inducement provided by the brand Advertisements to the consumer to purchase the brand more frequently, Specific promotions of the brand, Availability of special discounts on the brand, Knowledgeable and well trained sales staff of the brand store and Testimonials of those already using the same brand, it was observed that, *No significant difference was observed between the Perceptions of Brand Loyals and Brand Switchers regarding the (Six) Promotion Related Factors.* It was also observed that the Differences in the Respondents' Perceptions were the least (as low as 10%) in case of **Inducement provided by the brand advertisements to the consumer to purchase the brand more frequently,** and the Most (17%) in connection with the factor, **Knowledgeable and Well Trained Sales Staff of the Brand Store.**

5.3.7.1.e. *Distribution*

Significant difference was seen in the Perceptions of Brand Loyals and Brand Switchers regarding the (Three) Distribution Related Factor, namely, Easy to access and convenient brand store locations, Sufficient number of brand outlets and Wide availability of consumer's favorite brand in the stores .

It was observed that the Differences in the Respondents' Perceptions were the least (as low as 7%) in case of **Sufficient number of brand outlets** and the Most (11%) in connection with the factor **Easy to Access and Convenient Brand Store Locations.**

5.3.7.1.f. *Packaging and labeling*

There was significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding the Three Packaging and Labeling Related Factor, namely, Well done and attractive packaging of the branded products, Clear instructions on the label regarding product contents and its application and Options of convenient to use packages of various shapes and sizes.

It was observed that the Differences in the Respondents' Perceptions were the least (as low as 16%) in case of **Options of convenient to use packages of various shapes and sizes of the products** and they were the Most (18%) in connection with the factor **Clear instructions on the label regarding product contents and its application**

5.3.7.2. **Factors causing Switching and Differences in Perceptions of Respondents about them:**

As far as factors causing switching are concerned, it is observed that *There is no significant difference between the Perceptions of Brand Loyals and Brand Switchers regarding All the nine factors causing Brand Switching namely, Price Discounts offered by other Brands, Desire to try Different Brands, Recommendations of Friends, Relatives and Others to Try/ Use Other Brands, Allergic Reactions due to use of Favorite Brand, Effective and Attractive Advertising of Other Brands, Sales Promotion of Other Brands, Ineffectiveness of the Brand/s they are currently using and Unavailability of their Favorite Brand in Stores/Out of Stock Condition.* Indicating a general overall agreement between both the groups regarding the factors causing brand switching.

5.3.8. Brand Buying Behavior of women skincare cosmetics users.

5.3.8.a. Findings of Cross tabulations:

5.3.8.a. 1. Reaction of the Subjects when they are Unable to Find The Desired Brand/ Product While Shopping at a Store.

In order to examine the Brand Allegiance Behaviour of the sample, the respondents were posed with the question about their Probable Reaction When they are unable to find their Desired Brand while Shopping at a Store. They were offered with the option of either Purchasing a Different Brand or Going to Another Store.

The cross tabulations revealed that, as high as 86.1% (689) of the total sample indicated that if they are unable to find their favourite brand while shopping at a store they will not purchase a different brand and will prefer to go to another store instead to buy their desired brand. And as expected, 90.4% of the Brand Loyals indicated that they will go to another store to find their desired brand whereas 9.6% of them also indicated they will purchase a different brand **which brings out the multiple brand loyalty of this group of brand Loyals stemming out of the Out- of- Stock Condition of their Favorite Brand.**

5.3.8.a.2. Reaction of the Subjects When the Brand They Consistently Use Is Finished in Stock at Home.

In order to further examine the Brand Loyalty/ Switching Behavior, the Sample were asked to determine their probable reaction to a situation in which their Favorite Brand/Product is Finished in Stock at Home. The options available with the Sample being to: Go Out and Purchase the Same Brand Immediately, Put it on their Shopping List and Buy it During the Next Shopping Trip and Purchase the Same Brand only if they remember it while shopping.

Responding to such a Query, *Majority of the respondents 56.5% (452) opined that they would Put their Favourite Brand on their Shopping List and Purchase it in their Next Shopping Trip.* 34.9% (279) of the Respondents indicated that they will go out and Purchase their Favorite Brand Immediately and only 8.6% (69) out of the total of 800 Respondents indicated that they will Purchase their Favorite Brand only if they remember it while shopping.

5.3.8.a.3. Reaction of Subjects When the Brand They Consistently Use Offers a Price Discount

When Subjects were asked what they would do if their Favourite Brand offers them Price Discount, 21.8% Respondents claimed that In spite of the Price Discount they would not purchase the product if they don't need it at that point in time. **55% said that they would purchase just as much as they need.** The remaining 23.4% declared that they would take advantage of the discount offer and stock up their favorite product, since they use it all the time.

5.3.8.b. Relationship between Brand Loyalty and Consumer Brand Buying Behaviour:

5.3.8.b.1. Relationship between A Woman's Brand Loyalty for Her Favourite Brand of Skincare Product/s and Her Behavior That Results From Being Unable to Find The Desired Product While Shopping at a Store.

In order to find out the significance of relationship between between A Woman's Brand Loyalty for Her Favourite Brand of Skincare Product/s and Her Behavior That Results From Being Unable to Find The Desired Product While Shopping at a Store, chi- square test is applied. The results show that at 1 degree of freedom and 5% level of significance, Calculated Value (30.049) of Chi- Square is significantly higher than the Table Value (3.841) leading to *The Rejection of the Null Hypothesis and The Acceptance of the Alternate Hypothesis, that There is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Her Behavior That Results From Being Unable to Find The Desired Product While Shopping at a Store.*

5.3.8.b.2. The Relationship between A Woman's Brand Loyalty for Her Favourite Brand of Skincare Product/s and Her Behavior That Results When the Brand She Consistently Uses is Out- of -Stock at Home.

To find out the significance of Relationship between A Woman's Brand Loyalty for Her Favourite Brand of Skincare Product/s and Her Behavior That Results When the Brand She Consistently Uses is Out-of –Stock at Home, chi-square test was applied and it was found that at 5% Level of Significance and 2 Degrees of freedom, the Calculated Value (25.045) of Chi- Square was much higher than the Table Value

(5.991) *leading to The Rejection of the Null Hypothesis and The Acceptance of the Alternate Hypothesis, that There is significant relationship between a Woman's Brand Loyalty for her favorite brand of Skincare Product/s and Her Behavior That Results When the Product is Finished in Stock at Home.*

5.3.8.b.3. Relationship between A Woman's Brand Loyalty for Her Favourite Brand of Skincare Product/s and Her Behavior That Results When the Brand They Consistently Uses, Offers a Price Discount.

In order to examine the Relationship between A Woman's Brand Loyalty for Her Favourite Brand of Skincare Product/s and Her Behavior That Results When the Brand She Consistently Uses Offers a Price Discount, chi-square test was applied which shows that at 5% Level of Significance and 2 Degrees of freedom, the Calculated Value (8.717) of Chi- Square is more than the Table Value (5.991) *leading to The Rejection of the Null Hypothesis and The Acceptance of the Alternate Hypothesis, that There is Significant Relationship between A Woman's Brand Loyalty for Her Favorite Brand of Skincare Product/s and Her Behavior That Results When the Brand She Consistently Uses Offers a Price Discount.*

5.3.9. Important Factors that influence the purchase of Skincare Products

5.3.9.a. Important Factors that influence the purchase of skincare products by women.

The Researcher tried to find out the perception of women skincare cosmetics consumers regarding the Factors that Influence the Purchase of Skincare Cosmetics Products. For this purpose, Six Factors namely, Brand Name, Product Quality, Price of the Products offered by the Brand, Brand Promotion, Brand Distribution and Packaging and Labeling of the Brand were put forth before the respondents with a request to rank them from 1 to 6 in order of their importance.

The results of the ranks assigned by the respondents showed that the Factors Affecting the Purchase of Skincare Cosmetics Products according to the perception of all women respondents taken together were as per the following order of importance.

- 1. Product Quality**
- 2. Brand Name**
- 3. Price of the Products offered by the Brand**
- 4. Distribution of the Brand**

5. Brand Promotion and finally,
6. Packaging and Labeling of the Brand

The researcher did not find difference in the rankings given separately by the Brand Loyalists and Brand Switchers as well.

Thus it can be inferred that Product Quality was considered by all the categories of Women Respondents as the most important factor affecting the purchase of skincare cosmetics, followed by Brand Name and Price of the Branded Products as second the third most important factors affecting the purchase of skincare cosmetics respectively.

5.3.9.b. Important Sub- Components of each of the Six major factors affecting the purchase of skincare cosmetics by women.

The researcher also tried to analyse the relative significance of each of these sub-factors as compared to the others in the same category in order to find out which of these sub-factors are the most important and which ones the least important according to the perception of women skincare cosmetics buyers. The results of the analysis will be instrumental in providing important clues to the Marketers in formulating their Brand Management Plans and Strategies.

5.3.9.b.1. Relative significance of Brand Related Factors

For the purpose of analyzing the relative significance of **Brand Related Factors affecting brand loyalty**, Five of them, namely, Well-known Reputation of the Brand, Brand Name, Brand Symbol, Brand Colour & Characters and Ease of Pronunciation of Brand Name were put forth before the respondents with a request to rank them from 1 to 5 in order of Importance.

Well-known Reputation of the Brand is the most important of the Five Brand Related Factors According to the Perception of All the Women Respondents of the Sample, followed by Brand Name, Brand Colors and Characters, Brand Symbol and Ease of Pronunciation of Brand Name in order of importance.

As far as the Brand Loyals and the Brand Switchers are concerned, The Ranks given by the Brand Loyals are the same as those of All the Respondents taken together. And The Brand Switchers differ from the rest of the categories only in case of Ranks 3 and 4 . Thus whereas Total Respondents' and Brand Loyals' Perceptions regarding the order of importance of the Brand Related Factors are the same, The

Brand Switchers differ from them in that they believe 'Brand Symbol' to be a more important factor as compared to Brand Colors and Characters whereas the other two categories perceive 'Brand Colours and Characters' as more important as compared to Brand Symbol.

5.3.9.b.2. Relative Significance of Product Quality Related Factors

For the purpose of analyzing the relative significance of **Product Quality Related Factors**, Two Factors, namely, Match between Product and Consumer Skin-Type and The Availability of a Wide Selection of Products under the Same Umbrella Brand were put forth before the respondents with a request to rank them 1 and 2 in order of Importance.

*Of the Two Product Quality Related Factors according to the Perception of All the Women Respondents of the Sample, **Match between Product and Consumer Skin-Type is more important** than Availability of a Wide Selection of Products under the Same Umbrella Brand*

Whereas, the responses of Brand Switchers are the same as that of All the Women taken together, The Brand Loyals differ from this view and Perceive the Availability of a Wide Selection of Products under the Same Umbrella Brand as a more important factor as compared to Match between the Product and Consumer Skin-Type.

5.3.9.b.3. Relative Significance of Price Related Factors

For the purpose of analyzing the relative significance of **Price Related Factors**, Two Factors, namely, Reasonable Price of the Brand and Availability of Special Discounts on the Brand were put forth before the respondents with a request to rank them 1 and 2 order in of Importance

It was found that there was no difference between the Perceptions of all the three categories of respondents namely The Brand Loyals, The Brand Switchers and The Total Respondents. *All the three Perceived Reasonable Prices as the of the Branded Products as a more important factor affecting the purchase of skincare cosmetics* as compared to Availability of Special Discounts .

5.3.9.b.4. Relative significance of Promotion Related Factors

For the purpose of analyzing the relative significance of **Promotion Related Factors**, Three factors, namely, Brand Advertisements, Specific Promotions of the Brand and Knowledge and Training of the Store's Sales Staff about the Brand were put forth before the respondents with a request to rank them from 1 to 3 order of Importance.

It was found, that there was no difference between the Perceptions of all the three categories of respondents namely The Brand Loyals, The Brand Switchers and The Total Respondents. *All the three perceived Brand Advertisements as the most important of the three factors* , followed by Specific Promotions of the Brand in second place and Knowledge and Training of the Store's Sales Staff about the Brand in third place.

5.3.9.b. 5. Relative significance of Distribution Related Factors

For the purpose of analyzing the relative significance of **Distribution Related Factors**, Two factors, namely, Wide Availability of the Brand in Stores and Sufficient Number of Brand Outlets were put forth before the respondents with a request to rank them 1 and 2 in order of Importance.

It was found that there was no difference between the Perceptions of all the three categories of respondents namely The Brand Loyals, The Brand Switchers and The Total Respondents. *All the three Perceived Wide availability of the brand in stores as the most important factor affecting the purchase of skincare cosmetics* followed Sufficient Number of Brand Outlets at second place.

5.3.9.b.6. Relative significance of Packaging Related Factors

For the purpose of analyzing the relative significance of **Packaging Related Factors**, Four factors, namely, Promotion on Packaging, Options of Various Types of Packaging offered by the Brand, Clear Instructions on the Brand Packages regarding Product Application and Specific Promotions of the Brand were put forth before the respondents with a request to rank them from 1 to 4 in order of Importance.

It was found that there was no difference between the Perceptions of all the three categories of respondents namely The Brand Loyals, The Brand Switchers and The Total Respondents. *All the three Perceived Clear Instructions on the Brand Packages regarding Product Application as the most important factor affecting the purchase of skincare cosmetics*, followed by Options of Various Types of Packaging offered by the Brand, Promotion on Packaging and Specific Promotions of the Brand in Second, Third and Fourth places respectively.

5.4. CONCLUSION:

The Inferences drawn and evidences obtained from the present exploratory endeavour when examined against the objectives of the study bring out to the fore certain interesting as well as useful conclusions:

Every study necessarily serves two basic purposes. Firstly it helps the expansion of the existing knowledge about the phenomenon. Secondly, the new knowledge so derived is put to use by some segment/s of the society. Viewed from these two perspectives, this study is also no exception.

From the academic stand point, it provides better insight into the inner world of the consumers, their purchasing process and buying behavior. Besides the specific objective of finding out whether brand loyalty exists in sufficient measure with women consumers in India at large and the state of Gujarat in particular with respect to the purchase of skincare cosmetics has been answered in affirmative. The findings of the present study prove beyond doubt that Brand Allegiance is very much in sufficient magnitude amongst Consumers in the State of Gujarat. Such a conclusion also establishes beyond doubt that in FMCG purchases, consumers in India behave almost in identical manner to their counterparts in other countries.

The pattern of Brand Loyalty observed though was mainly Split or Multiple Brand Loyalty with a Few Hard Core Loyals too. The researcher feels, Out of Stock Condition of the Consumers' Favorite Brand in Stores or the Deterioration in the Quality of their Favorite Brands are the major causes of Split Loyalty amongst the Sample and Desire to try Different Brands a major cause of Multiple Brand Loyalty.

A very vast majority of the sample nearly 90% of them were found to be Familiar with the term Brand Loyalty and No Significant Relationship could be established between a woman's brand loyalty for her favorite brand of skincare products and her familiarity with the term brand loyalty. The fact that as many as 64% of the sample were brand loyal despite lack of familiarity with the concept of brand loyalty led the researcher to conclude that Familiarity with the Concept of Brand Loyalty was not a Pre-condition for Existence of Brand Loyalty among Skincare Cosmetics Buyers in Gujarat.

Quite contrary to the greater magnitude of Split and Multiple brand loyalty pattern observed by the researcher as compared of Hard Core Loyalty, the Sample perceived Hard Core Loyalty to be the most preferred meaning/ definition of Brand

Loyalty and Multiple Brand Loyalty as the least preferred. Their perception was that in most situations Brand Loyalty is Split between two or more Brands.

The Analysis Results of the Indian Skincare Industry reveal that Hindustan Unilever Limited. Continued to dominate the Indian Skincare Cosmetics Market with 62% market share and the Company's Brands Fair & Lovely, Pond's and Lakme` were the top three skincare brands in India in 2009. In fact the combined share of the three leading brands stood as high as 58.5%. In the Sample Survey too, the analysis revealed that out of the nine brands that led their respective skincare categories in terms of securing maximum Brand Loyal Customers, the Three Hindustan Unilever Limited Brands namely, Vaseline, Pond's and Lakme` reigned over Five Skincare Segments namely, General Purpose Body Care, Facial Moisturizers, Lip care, Toner and Hand care Segments which is a clear lead over the competing brands in the Skincare Market namely, Ever youth, Himalaya Herbals, Clean & Clear and Olay. Thus the researcher observed the Findings of the Survey to be quite in conformity with the analysis results of the Indian Skin care Industry described in Chapter 2.earlier.

Two of the Six Personal Factors namely, City of Residence and Occupation of the Respondents were found to have a Significant Relationship with the Brand Loyalty of the Sample and the remaining four namely, Age, Marital Status, Education and Income of the sample Did Not Have Any Significant Bearing on their Brand Loyalty. But the interesting thing to note is that a high degree of Brand Loyalty existed with the respondent sample belonging to every segmented group despite the fact that the relationship between Personal Characteristics of the Consumers and their Brand Loyalty was Not Significant in most cases.

Compared to the Demographic/ Personal Factors influencing Brand Loyalty, Lots of Product Related Factors/Features were found to have a Significant Relationship with the Brand Loyalty demeanor of the sample. The Product Related attributes which have a significant relationship with a woman's brand loyalty are Well known Reputation of the Brand Name and its Image, Ease of Pronunciation of the Brand Name, Availability of a Wide range of Products under the Same Umbrella Brand, Consumer's insensitivity to increased price of their favorite brands compared to other brands, Attractive advertisements of consumer's favourite brand, Specific promotions of the brand, Wide availability of consumer's favorite brand in the stores, Well done and attractive packaging of the branded products, Clear instructions on the

label regarding product contents and its application and Options of convenient to use packages of various shapes and sizes.

The Indian consumer market is price sensitive, many believe. The intensity of brand- allegiance has therefore been put to examination through the study. Among the four Price Related Factors that were put to test for assessing their relationship with a consumer's brand loyalty, it was found that three of them namely, Value for money of the brand, Discount offers at regular intervals by their favorite brand and Price Discounts offered by Other Brands had no significant relationship with brand loyalty of women. The interesting thing to note rather was, In the perception of Brand Loyal women, Increased price of the product is due to Superior Quality and so she does not mind paying a higher price as compared to other brands. In fine, there exists a high degree of brand loyalty with the sample more or less in conformity with the findings of earlier research studies and consumer surveys undertaken in India sporadically and in other countries intensively. Price rise of the present brand or price decline of competing brands of skincare products is hardly able to detract the brand loyal demeanour of the sample.

The study however, does not dismiss altogether the brand switching behavior of the sample. Contrary to the popular notion that consumers in India care very little for quality and are highly price sensitive, the study brings to the fore, their quest for quality and insensitiveness towards price while making FMCG purchases. Willingness to switch brands in search for better quality by the sample is a pointer towards this phenomenon. Such a demeanour establishes Indian Consumers on the same plank with their brethren elsewhere. The common practice amongst most consumers is that they try out a new product based on the ads and Word of Mouth Communication. Further new products are promoted with increasingly innovative ads. A Brand launched with a marketing blitz is able to attract a majority of the respondents who seemingly harp on the philosophy of 'having a try of the alternative' and 'quest for the best'.

The fact that Significant Difference was observed between the perceptions of Brand Loyals and Switchers regarding Brand name, Product Quality, Distribution and Packaging and Labeling related factors affecting Brand Loyalty of the sample on the application of Sandler's A Test and the corresponding higher average scores of 3.27, 4.02 3.69 and 3.96 resp., for Brand Loyals as compared to the Switchers, indicates that these Four Product-related factors namely, Brand Name, Product

Quality, Distribution of the Brand and Packaging and Labeling have a greater influence on the Brand Loyals in determining their Loyalties for their favorite brands as compared to the Brand Switchers.

Though No Significant Difference could be observed by the researcher between the perceptions of Brand Loyals and Switchers regarding all the nine factors causing brand switching, the higher average scores of the Brand Switchers of 2.82, 3.67, 3.79, 3.8, 2.75, 2.72, 2.71, 3.62 and 3.45 for the factors namely, Price Discounts offered by other Brands, Desire to try Different Brands, Recommendations of Friends, Relatives and Others to Try/ Use Other Brands, Allergic Reactions due to use of Favorite Brand, Effective and Attractive Advertising of Other Brands, Sales Promotion of Other Brands, Ineffectiveness of the Brand/s they are currently using and Unavailability of their Favorite Brand in Stores/Out of Stock Condition respectively, as compared to Brand Loyals, depict the greater importance of the above mentioned factors in affecting the consumers' brand switching behavior. It indicates that Brand Switchers react to each of the above mentioned factors more as compared to Brand Loyals.

Factors like Price Discounts, Effective and Attractive Advertisements and Sales Promotion of other brands could affect the Brand Switchers' purchase decision and induce Switching among brands. However, Brand Loyals do not need frequent Advertising, Promotions or Price Discounts.

Regarding the Brand Buying Behavior of the Women Skincare Cosmetics Users, it can be concluded that the significant relationship observed between a woman's brand loyalty for her favorite brand of skincare products and her behavior that results from being unable to find her desired brand in stores coupled with the instance of nearly 50% of the respondents out of those who opted to purchase a different brand in the event of non-availability of their favorite brand in stores being brand switchers, is indicative of the fact that Out of Stock Condition of the Consumers' favorite brand in the stores can lead to Brand Shifting by the Consumers and this could prove to be a possible threat to their Brand Loyalty for their favorite brand if two-three consecutive experiences of out of stock conditions occur one after another.

The matter of relief though for marketers of brands having strong loyalty base is that of All the Women who indicated that they would go to another store in the event of Non Availability of their favorite brand in stores, nearly 90% were Brand

Loyals. Thus, While Brand Loyal Women tend to visit other stores in search of their favorite brand, Brand Switchers prefer to purchase a different brand instead. Again the opinion of 9.6% of the Brand Loyals that they would purchase a different brand if unable to find their favorite brand in the stores hints at the probability of Split or Multiple Brand Loyalty amongst this Group of Brand Loyals.

From amongst all the 35% women who opined that they would go out and purchase their favorite brand immediately rather than purchase it in the next shopping trip or buy it only if they remember it while shopping, 78% were Brand Loyals and only 22% were Switchers. This shows the greater urgency of going out immediately to purchase their favorite brand amongst the Brand Loyals indicating a situation of 'Can't do without it' faced by them since there was significant relationship observed between a woman's brand loyalty for her favorite brand and her behavior that results when her favorite brand goes out of stock at home. Out of the 57% women who opined that they would put their favorite brand on their shopping list and purchase the same in the next trip, 71% were brand loyal.

Regarding the reactions of the subjects to the changes in the price of their favorite brand and that of the other competing brands: based on the study, the researcher is able to conclude that the significant relationship observed between a woman's brand loyalty for her favorite brand and her behavior that results when the brand she consistently uses offers a Price Discount can be justified in terms of the Price insensitivity depicted by the respondents following a Price discount offer by their favorite brand where nearly 77% (613) 800 of the total respondents claimed that they would not purchase their favorite brand or purchase just as much as needed despite the Price Discount rather than take advantage of the discount.

Again No Significant relationship was observed between a Woman's Brand Loyalty and Price Discounts offers by their favorite brand. This kind of Price insensitive behavior of was observed in greater proportion amongst the Brand Loyals up to the extent of 70% . This is due to their perception that increased price of the brand is due to superior product quality and so they do not mind paying a higher price. And the justification this type of Behavior is further strengthened by another very significant observation of the researcher where No Significant Relationship could be observed between a woman's brand loyalty for her favorite brand and Price Discounts offered by Other Brands.

Among the Important Factors that Influence the purchase of Skin care Cosmetics, Product Quality was considered by all the Women Respondents (Both Brand Loyals and Switchers) as the Most Important Factor, followed by Brand Name and Price of the Branded Products as the Second and Third Most Important Factors affecting the purchase of skincare cosmetics respectively. The Sample provided the highest ranking to these three factors. Other Factors namely, Distribution of the Brand, Brand Promotion and Packaging and Labeling of the Branded Products played only a Secondary role in enticing the brand choice behavior of the sample. Thus, no significant difference could be observed in the Perceptions of Brand Loyals and Switchers regarding the Important Factors affecting the purchase of skincare cosmetics.

As far as the Relative Significance of the Sub-Components of Each of the Six Major Factors Affecting the Purchase of Skincare Cosmetics by Women are concerned, Well Known Reputation of the Brand was considered by all the respondents as the Most Important Brand Related Factor Followed by Brand Name, Brand Colours and Characters and Brand Symbol. Ease of Pronunciation was the Least important of all in their Opinion. Thus whereas Total Respondents' and Brand Loyals' Perceptions regarding the order of importance of the Brand Related Factors are the same, The Brand Switchers differ from them in that they believe 'Brand Symbol' to be a more important factor as compared to Brand Colors and Characters whereas the other two categories perceive 'Brand Colours and Characters' as more important as compared to Brand Symbol.

The opinion of the Brand Switchers regarding Product Quality Related Factors is that Match between Product and Consumer Skin-Type is more important than Availability of a Wide Selection of Products under the Same Umbrella Brand Whereas, The Brand Loyals differ from this view and Perceive the Availability of a Wide Selection of Products under the Same Umbrella Brand as a more important factor as compared to Match between the Product and Consumer Skin-Type.

Both Brand Loyals and Brand Switchers Perceived Reasonable Prices of the of the Branded Products as a more important Price Related factor affecting the purchase of skincare cosmetics as compared to Availability of Special Discounts .

The Brand Loyals and Brand Switchers perceived Brand Advertisements as the most important of the three Promotion Related factors, followed by Specific Promotions of the Brand as the second and Knowledge and Training of the Store's

Sales Staff about the Brand as the third most important factor affecting the purchases of skincare products by women.

No difference was observed in the perception of both The Brand Loyals and Brand Switchers as far as the Relative Significance of the Two Distribution Related Factors were concerned. Both perceived Wide availability of the brand in stores as a more important factor affecting the purchase of skincare cosmetics as compared to Sufficient Number of Brand Outlets.

And Finally, Amongst Packaging and Labeling Related Factors both Brand Loyals and Switchers were of the view that Clear Instructions on the Brand Packages regarding Product Application is the most important factor affecting the purchase of skincare cosmetics, followed by Options of Various Types of Packaging offered by the Brand, Promotion on Packaging and Specific Promotions of the Brand in that order of Importance.

5.5. SUGGESTIONS:

The success of most businesses depends on their ability to create and maintain customer loyalty. Companies have realized that selling to brand loyal customers is less costly than converting new customers. Brand Loyalty provides companies with strong, competitive weapons. It provides predictability and security of demand for the firm and it creates barriers to entry that make it difficult for other firms to enter the market. Loyalty can also translate into customer willingness to pay a higher price – often 20-25% more than competing brands.

Perhaps the most distinctive skill of professional marketers is the ability to create, maintain, enhance and protect brands. Thus the key lies in devising an effective Brand Management System including well thought of Branding Strategies that ensure Enduring Brand Loyalty.

The present study elucidates the following suggestions for the marketers:

5.5.1. Suggestions of Specific Nature:

✦ First and foremost, Skincare Cosmetics Companies **should device a feedback mechanism whereby they can identify and measure the extent of Brand Loyalty of their customers and this should be made an integral part of the Research and Development process of the organization.** Consumer Surveys should be conducted at regular intervals in a planned manner so that the needed

information can be elicited by the company in a manner that is most convenient for the respondents without making them feel indifferent or hostile to take them.

- ✦ Since Split or Multiple Loyalty is not always due to the Changing tastes and preferences of the consumers or their desire to try different brands, **marketers should try to find out the causes of this kind of behavior and try to eliminate them if they are controllable.** In case out-of Stock Condition of their favorite brand in stores is the cause of consumers being compelled to purchase other brands, marketers must ensure a regular supply of their products for which they may have to devise an effective Inventory Management System. And in case consumers shift to competing brands in the quest for better quality products, manufacturers must take this as a warning signal for a permanent switch over by the consumers to another better quality brand if manufacturers of their favorite brand do not realize this and make efforts to improve the quality of their products to match the consumer expectations.
- ✦ The fact that Women's Occupation is one of the factors having significant relationship with their brand loyalty for their favorite brand, should provide clues to Cosmetics Companies to work on innovations which possess multiple benefits like all-in-ones e.g. Olay Total effects which serve the multiple requirements of working women of fairness coupled with moisturizing, nourishing and anti-aging all in one product. Such women are found to stick to a tested and tried brand once they get to like a brand since they cannot afford to spend more time hunting for newer better products as often as homemakers or students do.
- ✦ The instance of middle-aged women's tendency to switch brands as compared to the younger and older age groups should prompt cosmetics companies to indulge .in offering a greater variety of products under the same umbrella brand or different brands under the same product category to meet different consumer wants and compete against specific competitor's brands.
- ✦ So far as Product Related factors are concerned companies should pursue the following product oriented strategies to ensure a loyal customer base since there is significant relationship of all these with a woman's brand loyalty for her favorite brand:

1. Concerning Brand Name related factors- Companies should focus their energies on building a Strong Reputation in the market place so that the

brand image can be enhanced in the customer's mind and the Brand Name should be Easy to Pronounce as well.

2. Concerning Product Quality related factors- Manufacturers of Skincare cosmetics should ensure the availability of a wide range of products under the same Umbrella brand. There is sense of familiarity with the brand that prompts a consumer of a certain brand to try out innovations launched by their favorite brand first and so there are expectations that the existing brand should be pioneers in the market place.

3. Concerning Price related factors- Manufacturers of products enjoying a strong loyalty base have a very big responsibility of living up to the consumers' expectations regarding superior quality of their products and services, since their buyers are ready to pay a higher price for it than competing brands. Thus though Price discount offers by consumers' favorite brands may not be necessary for Brand Loyals they may be necessary to with hold the price sensitive, probable Brand Switchers who might switch brands otherwise.

Again, manufacturing efficiency and cost – cutting should remain an integral part of the firm's marketing efforts . Companies like P&G spend large sums of money in developing and improving its production operations to keep its costs amongst the lowest in the industry, allowing it to reduce the premium prices at which some of its goods sell, which in turn can help in drawing the price sensitive non-users of the brand.

4. Concerning Promotion related factors- Brand Switchers, especially women are the most impulsive about shopping and the least organized. They are also receptive to advertising that is strongly visual in character, communicates a product's competitive advantage and conveys a certain lifestyle. Thus Brand Switchers react to promotional advertising and specific promotions like coupons and special inducements more than Brand Loyals. Thus companies seeking to grab a share of the competitor's market should device effective promotion campaigns to woo the brand switchers away from their favorite brands. Brand loyals, however, do not need frequent advertising or price promotions as compared to switchers though they need to be informed and reminded about their favorite brands and the improvements or innovations therein from time to time to reinforce their faith in and loyalty for the brand.

5. Concerning Distribution related factors- In order to retain the existing loyalty of consumers, manufacturer should ensure a wide availability of their favorite brands in stores. Out of Stock Condition of the Consumers' favorite brand in the stores can lead to Brand Shifting by the Consumers and this could prove to be a possible

threat to their Brand Loyalty for their favorite brand if two- three consecutive experiences of out of stock conditions occur one after another.

In order to maintain a regular supply of the consumers' favorite brands, manufacturers need to do sales forecasting based on which they should try replenish their stocks. In case a rise in demand is forecasted, and the firm has underutilized capacity, they should increase capacity utilization to match the forecasted demand. In case the firm is operating at full capacity, and a further rise in demand is expected, they should consider increasing their production capacity by expanding the scale of their operations. As far as Brand Switchers are concerned, out of- stock condition of their favorite brand in stores will not stop them from purchasing a different brand, so to avoid this situation, ensuring a regular supply of the consumers' favorite brand is a must on the part of the marketer.

6. Concerning Packaging and Labeling related factors- Well-designed packages can build brand equity and drive sales. The package is the buyer's first encounter with the product, and is capable of turning the buyer on or off. Packaging also affects consumers' later product experiences. Since packaging achieves the multiple objectives of brand identification, conveying descriptive and persuasive information about the brand, facilitating product transportation and protection, assists at home storage and aids product consumption, in order to satisfy the desires of the customers, marketers must choose the aesthetic and functional component of the packaging correctly. The aesthetic considerations relate to a package's size and shape, material, color, text and graphics. The meaning and interpretation of colour, however, is influenced to a significant extent by culture in India, the colour green is associated with freshness and yellow with purity. From the functional point of view the structural design of the package is important. For example, poor packaging design causes high wastage and loss while transporting and storing fruits and vegetables in many countries. Innovative packaging solutions, through better structural designs and usage of appropriate materials, are needed to reduce damages and wastages and to ensure longevity of perishables. Again the packaging elements must harmonize with each other as well as with other elements of the marketing mix namely, pricing, advertising, etc. also.

As far as Labeling is concerned- In case of Skincare cosmetics the *description* function of the label whereby the consumers are informed about who made the product, where it was made, when it was made, what it contains, how it is used and

how to use it safely need to be communicated to them through proper labeling so as to restore their confidence in the brand. Thus manufacturers need to include clear instructions on the product labels regarding the product contents, its manufacturing and expiry dates, and the mode of application of the product which are more important to buyers as compared to other aspects.

5.5. 2. Suggestions of General Nature:

In order to maintain and extend the Brand Loyalties of the existing Customers and to induce Non-users or Competitor's Customers to Switch their brands in their favour, companies should embark upon the following endeavors;

1. Develop Long- term outlook coupled with Extensive Research and Development:

Companies seeking to ensure a larger loyalty base should develop a long term strategy for the brand incorporating issues like the associations a brand should have with the target market, the product categories in which the brand should compete and the mental image the brand should stimulate in the future. Companies should take time to analyse each opportunity carefully and prepare the best product and then commit itself to making it a success. All this requires continuous marketing research and intelligence gathering. Companies which do so are able to create a well known reputation in the market place and gain wide popularity which in turn can lead to a favorable image in the minds of the consumer and brand loyalty follows.

2. Continuous Product Innovation:

In order to develop deep entrenched loyalty base, companies need to become active product innovators, and devote a certain fixed amount of their sales revenue to research and development activities. A part of a company's innovation process should be focused on developing brands that offer new customer benefits. This will prove to be extremely instrumental in retaining the existing customers who would otherwise shift to competing brands in the quest of trying something new or different.

3. Quality Strategy:

Since Product Quality is the most important factor that influences the purchase of Skincare cosmetics, Companies which design products of above-average quality and continuously improve them are able to withhold their existing Loyal Customer base. Again those players who are fighting for their share in the market place or new entrants will be able to successfully woo the Brand Loyals away from their favorite brand if they are able to offer better quality products as compared to their favorite brands.

4. Build Brand Equity by creating the right brand knowledge structures

with the right customers:

Since Brand Loyals value Brand Name, Product Quality, Effective Distribution and Packaging and Labeling of the Brand more as compared to Switchers, Companies aiming at securing greater brand loyalties of their customers should focus on building brand equity by creating the right brand knowledge structures with the right customers. This process depends on all brand related contacts – namely, the initial choices of the brand elements or identities making up the brand (brand names, logos, symbols, characters, spokespeople, slogans, jingles, packages, and signage), the product and all accompanying marketing and supporting marketing programs i.e. the Brand which customers can relate to, supported by in-house research and development efforts, a wide manufacturing base to ensure adequate output as per demand, extensive distribution reach with a sufficiently large number of sales outlets, an effective brand logo with functionally and aesthetically designed packaging and effective promotion through mass media. All these factors together contribute to the development of a strong brand and thereby enhance the brand image so that customers can rely on them all the time for the best, the newest and the most price effective, etc.

5. Brand Extension and Multi- Brand Strategy:

Companies should produce its brands in several sizes and forms to gain more shelf space and prevent competitors from moving in to satisfy unmet market needs. Moreover companies should also use its strong brand names to launch new products with instant recognition and much less advertising outlay. e.g. Dove has

successfully extended from bathing soap to hair care products like shampoos and conditioners and Pond's from moisturizing creams to face wash and anti-aging products. Most new products are in fact line extensions.

Also companies should make several brands in the same product category, such as Pond's Fair and Lovely and Lakme are three brands owned by Hindustan Unilever Ltd. in the Skincare Segment of the Beauty and Personal Care Products. Each brand meets a different consumer want and competes against specific competitors' brands.

In pursuing Brand Extension and Multiple Branding Strategies, companies should be careful in not extending their lines too much or selling too many brands, for, all brands have boundaries. So companies aspiring to be market leaders need to assemble an Optimal 'Brand Portfolio' (Set of all brands and brand lines a particular firm offers for sale in a particular category or market segment) with each of its brands having the ability to maximize its equity in combination with all other brands. Marketers generally need to trade off market coverage with costs and profitability. If they can increase profits by *dropping* brands, a portfolio is too big; if they can increase profits by *adding* brands, the portfolio is small. The basic principle in designing a brand portfolio is to *maximize market coverage*, so that no potential customers are being ignored, but to *minimize brand overlap*, so brands are not competing for customer approval. Each brand should be clearly differentiated and appealing to a sizable enough marketing segment to justify its marketing and production costs

With Strong Portfolio of brand variants within a product category, consumers who need a change - because of boredom, satiation, or whatever- can **switch to a different product type** without having to leave the *Brand Family thereby ensuring enhanced Brand Loyalty*. This can surely contain the Brand Switching Behaviour of the consumers within the Same Umbrella Brand.

6. Managing Brand equity through Brand Reinforcement:

Companies need to create strong consumer awareness and brand preference among all its buyers, existing and prospective from time to time so that its brand value does not depreciate over time, through communications that convey the meaning of the brand in terms of (1) the products represented by the brand, the core benefits it supplies and the consumer needs it satisfies, and (2) the superiority of the brand over others and the strong, unique and favorable associations that should exist in the minds

of the consumer. Nivea for example, one of Europe's strongest brands, has expanded its scope from a skincare cream brand to a skincare and personal care brand through carefully designed and implemented brand extensions reinforcing the Nivea brand promise of "mild", "gentle" and "caring" in a broader arena.

7. Managing Brand Equity through Brand Revitalization:

Changes in consumer tastes and preferences, the emergence of new competitors or new technology or any other new development in the marketing environment can affect the fortunes of a brand. In virtually every product category, once prominent and admired brands- have fallen on hard times or even disappeared. Nevertheless, a number of brands have managed to make impressive comebacks in recent years, as marketers have breathed new life into them. Often the first thing to do in revitalizing a brand is to understand what sources of brand equity to begin with. Are positive brand associations losing their strength or uniqueness? Have negative associations become linked to the brand? Then decide whether to retain the same positioning or create a new one, and if so, which new one. Sometimes the actual marketing program is the source of the problem, because it fails to deliver on the brand promise. In other cases, however, the positioning is just no longer viable and a "reinvention" strategy is necessary. Again there are Brands like Vaseline that has been continuously reinventing itself in terms of product, packages, promotion and distribution.

8. Brand Management System:

P&G. has originated the brand management system, in which one executive is responsible for each brand. This system has been copied by many competitors but not often with P&G's success. Recently, P&G modified its general management structure so that each brand category is run by a category manager with volume and profit responsibility. No wonder P&G is the market leader in the Global Beauty and Personal care market. Companies aiming to scale similar heights will have to follow suit and give P&G a tough competition.

The successes of most businesses depend on their ability to create and maintain customer loyalty. Companies have realized that selling to

brand loyal customers is less costly than attracting new customers. Brand Loyalty provides companies strong and competitive weapons to fight with competitors in the market place. The concept of brand loyalty is so important that managers must give it sufficient consideration before they plan and implement their marketing strategies.

The Cosmetics sector is a very dynamic sector in India. Indian women are introduced to all of the new and existing products of well-known brands in the market just like other consumers elsewhere in the world. However, the Indian market has a special significance. Compared to other countries in the region except China, India has a huge population, nearly half of which is made up of women. The availability of such a big target market and the increasing demand for cosmetics products make India an interesting potential market for global and multinational as well as domestic companies. Companies invest a lot of money in the Indian market to find out as much as they can about the characteristics of their consumers. A major goal of the marketing function is to be able to satisfy the needs and wants of their target markets more effectively and efficiently than competitors. Hence the researcher hopes that the information provided in this study will assist companies already existing in or planning to enter the Indian market, in shaping their marketing strategies and serving their customers better.

5.6. RESEARCH ASPECTS:

This is an exploratory study of Brand Loyalty in the Skincare Cosmetics sector in the state of Gujarat. The researcher feels that since this particular study was restricted only to the Urban population of Gujarat, further work is need to be undertaken in the Rural areas of the state to find out the differences if any, in the results. Even other states can be explored for Brand Loyalty behavioral study. Again future research can be administered on how various brand loyalty factors influence a consumer's loyalty towards other product categories – FMCG and Non FMCG. to find out the behavioural patterns of consumers and differences between the Loyalty patterns among the various product categories , if any.

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APPENDIX

APPENDIX

Schedule of Questions for Women *Skincare* Cosmetic Buyers/Consumers

“A STUDY OF BRAND LOYALTY AND ITS EFFECTS ON BUYING BEHAVIOUR IN CASE OF SELECTED COSMETICS PRODUCTS IN THE STATE OF GUJARAT”

A kind Note for respondents : Skincare products include all the products that are available in cream/ointment, lotion and bar/soap formats applied for the purpose of nourishing, whitening and therapeutic treatment of the skin like moisturizers, anti-agers, face masks, cleansers, Toners, etc. You have to provide responses only for the SKINCARE category of products.

PART – I: PERSONAL PROFILE

1.1. Your Name : _____

1.2. Name of the City of Your Residence: (Please Tick your response)

Ahmedabad Surat Vadodara Rajkot

Others Please Specify _____

1.3. Your Age in Years : (Please Tick your age group)

18-20 21-25 26-30 31-35 36-40

41 and older

1.4. Your Marital Status: (Please ✓) Unmarried Married

1.5. Your Educational Qualification (Please ✓)

Less than SSC SSC/HSC Graduation Post Graduation

1.6. Your Occupation: (Please ✓)

Student Homemaker Service Own Business

Professional

1.7. Your Monthly Family Income in Rupees: (Please ✓)

Below 10,000 10,000 to 25,000 25,001 to 50,000

50,001 and Above

PART – 2: BRAND LOYALTY

2.1 Are you familiar with the word “Brand Loyalty”? (Tick any one)

Yes No

2.2. Kindly tick the relevant column by determining your level of agreement regarding each of the Meanings of Brand Loyalty:

Sr. No.	Brand Loyalty :	Your Opinion				
		Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree
1.	Is said to exist for a consumer when he repetitively purchases a single brand					
2.	Is defined in terms of the percentage of total purchases devoted to the single most frequently purchased brand					
3.	Is the biased, behavioral response, expressed over time, by some decision-making unit, with respect to one or more alternative brands out of a set of such brands, and is a function of psychological processes.					

2.3. Have you purchased any brands of skincare products like moisturizers, facial masks, Under-eye creams, etc. lately? (Please tick)

Yes No

2.4. Are you especially loyal to a particular brand of Skincare products? (Please tick)

Yes No

2.5. Out of the list of the following categories of brands of Skin Care Products, Which ones are those that you purchase /use consistently/ repeatedly? Please tick the brand for every category of product you use. (i.e. if you use one product of a brand as face mask and another of the same or another brand as moisturizer and third as cleanser you will have to tick three cells in total.)

PART- 3: FACTORS CAUSING BRAND LOYALTY AND BRAND SWITCHING IN CASE OF SKIN CARE PRODUCTS

3.1. Please indicate your level of agreement with the statements that best describe your feeling toward your favorite brand by ticking the relevant column for **each factor** causing brand loyalty towards skin care products.

<i>No.</i>	<i>Factor/s Causing/determining Brand Loyalty</i>	<i>Strongly agree</i>	<i>Agree</i>	<i>Undecided</i>	<i>Disagree</i>	<i>Strongly Disagree</i>
1.	Brand Name - I repeatedly purchase the same brand of skincare product because :					
a)	The Brand is well reputed and the prestigious brand Image as well its popularity induce me to buy it repeatedly					
b)	The brand name is easy to pronounce and the name and symbol are attractive and easy to remember					
c)	It Reflects my own personality					
2.	Product Quality-					
a)	The brand offers good quality of products					
b)	The products of the brand match my skin-type					
c)	A wide range of products are offered under the same brand name					
d)	The products do not contain harmful chemicals					
3.	Price -					
a)	The brand provides good value for money					
b)	The increased price of the brand is due to superior quality so I do not mind paying a higher price for it					
c)	The brand offers required discounts at regular intervals					

4.	Promotion -					
a)	The advertisements of the brand are attractive					
b)	Advertisements of the brand attract me to purchase more frequently					
c)	The brand is specifically promoted					
d)	Special Discounts are available on the brand					
e)	The sales staff of the brand/store is knowledgeable and well trained					
f)	Of Recommendations /Testimonials of those who are already using the brand.					
5.	Distribution-					
a)	The brand has good store locations which are easy to access					
b)	The brand has sufficient outlets					
c)	The brand is widely available in stores					
6.	Packaging and Labeling -					
a)	The packaging of the branded products is well done and attractive					
b)	There are clear instructions on the package regarding its contents and product application					
c)	The Brand offers options of various convenient to use packages					

3.2. Please indicate your level of agreement with the statements that best describe the **reasons for changing the brand of your skin-care products**, by ticking the relevant column for *each factor causing Brand Switching*

No.	Factor/s causing Brand Switching	Opinion				
		Strongly agree	Agree	Undecided	Disagree	Strongly Disagree
1.	In my opinion the reasons /factors that are responsible for changing my brand of skin-care products are : Price Discounts offered by other brand/s					
2.	Desire to try Different Brands					
3.	Recommendations of Friends, relatives and others who are using other brands					
4.	Allergic Reactions					
5.	Effective and attractive Advertising of other brand/s					
6.	Sales Promotion of other brands					
7.	Effective and attractive In-store displays of other brands					
8.	Ineffectiveness of the brand I am using currently					
9.	Unavailability of the Brand I am regularly using in the store/s					

PART-4: BEHAVIOUR OF BRAND LOYAL CONSUMERS

- 4.1 What would you do in case you are not able to find your particular/ favorite brand at a store? (Kindly Tick any one of the following as your answer)

<i>No.</i>	<i>Reaction when you are unable to find your particular brand at a store</i>	<i>Your answer</i>
1.	I will purchase a different brand	
2.	I will go to other stores until I find the regularly/consistently used brand	

- 4.2. What would you do when your particular brand of skin care product gets over in your stock? (Kindly Tick any one of the following as your answer)

<i>No.</i>	<i>Reaction when your particular brand of skin care product is finished in stock</i>	<i>Your answer</i>
1.	I will go out and purchase the same brand immediately	
2.	I will put it on my shopping list and buy the Same Brand during next shopping	
3.	I will purchase the same brand only if I remember it while shopping	

- 4.3. What would you do when your favorite brand gets you a Price Discount? (Kindly Tick any one of the following as your answer)

<i>No.</i>	<i>Reaction when your favorite brand gets you a Price Discount</i>	<i>Your answer</i>
1.	I will not purchase the product if I don't need it at that moment	
2.	I will purchase just as much as I need	
3.	I will take advantage of this discount offer and stock up on my favorite brand /Product	

PART- 5: IMPORTANT FACTORS THAT INFLUENCE THE PURCHASE OF SKINCARE PRODUCTS

5.1. Kindly list the Factors you consider while making the decision to purchase Skin-care products in order of Importance by ranking them from **1 to 6** with rank 1 for the most important and **6** for the least important factor.

<i>No.</i>	<i>Factors that influence the purchase of Skin-care Products</i>	<i>Rank</i>
1.	Brand Name	
2.	Product Quality	
3.	Price of Products offered by the Brand	
4.	Brand Promotion	
5.	Distribution of Brand	
6.	Packaging and Labeling of the Brand	

5.2. Among each of the six major factors affecting the purchase of Skincare products, viz :Brand name, Product Quality, Price of Products offered by the Brand, Brand Promotion, Distribution of Brand and Packaging and Labeling of the Brand given in 5.1, kindly rank the sub factors in order of importance from 1for the most important sub-factor to 5, 2, 2, 3, 2 and 4 respectively for the least important.

<i>No.</i>	<i>Factors that influence the purchase of Skin-care Products</i>	<i>Rank</i>
	<i>a. Brand Related - (kindly rank them from 1to 5 in order of importance)</i>	
1.	Well Known Reputation of the Brand	
2.	Brand Name	
3.	Brand Symbol	
4.	Brand Colour and Characters	
5.	Ease of Brand Name pronunciation	
	<i>b. Product Quality Related (kindly give ranks 1and 2 in order of importance)</i>	
1.	The products of the brand match my skin-type	
2.	Wide Selection of Skin care products under the same brand name	

	<i>c. Price Related (kindly give ranks 1 and 2 in order of importance)</i>	
1.	Reasonable price of the brand	
2.	Special available discounts	
	<i>d. Promotion Related (kindly rank them from 1 to 3 in order of importance)</i>	
1.	Brand Advertisements	
2.	Specific Promotions of the Brand	
3.	Sales Staff's knowledge and training about the particular brand	
	<i>e. Distribution Related (kindly rank them from 1 to 2 in order of importance)</i>	
1.	Wide availability of the brand in stores	
2.	Sufficient number of brand outlets	
	<i>f. Packaging Related (kindly rank them from 1 to 4 in order of importance)</i>	
1.	Promotion on Packaging	
2.	Options of various types of packaging offered by the brand	
3.	Clear instructions on package regarding product application	
4.	Specific Promotions of the Brand	

Thank You

