

Advertising and Consumer Brand Selection: An Evaluation

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ABSTRACT

The proliferation of assorted brands of tooth paste in India has led to cut-throat competition for increased market share being witnessed among the operators in the tooth paste industry. When competition is keen and the consumers are faced with brand choice in the market, it becomes crucial for the manufacturers to understand the major factors that can attract the awareness of buyers to his own brand. These then form the basis for marketing planning and action

This study, which has been based on a survey of 200 randomly selected consumers of tooth paste in Chennai, India, examined the role played by advertising in influencing consumers' selection for Colgate tooth paste, which is one of the leading brands in the tooth paste industry in India. Results revealed that various socio-economic factors of the respondents were not equally influenced by advertising in their preference for the brand, further it revealed that their brand awareness were influenced by the advertisement, particularly in TV advertisement. 54% of the consumers show preference for Colgate out of the various brands of the tooth paste studied. The major reasons advanced for preference are its affluent quality (70.38%) and fascinating advertisement (29.68%). In the mode of advertisement, TV advertising was most preferred by 90% of the respondents. Therefore, this paper aimed to portray the importance of quality and advertisement in the cut-throat competitive market and further it highlight the role of advertisements towards not only to retain the companies' present market share but also to take positive steps to increase its market share.

Key words: Brand selection, Brand awareness, Socio-economic factors, and Advertisement

1. Introduction :

The proliferation of assorted brands of tooth paste in India has led to cut-throat competition for increased market share being witnessed among the operators in the tooth paste industry. When competition is keen and the consumers are faced with brand choice in the market, it becomes crucial for the manufacturers to understand the major factors that can attract the awareness of buyers to his own brand. These then form the basis for marketing planning and action. Advertising is perceived as a form of strategy for every manufacturer towards communicating and influencing the target market. Therefore, advertising is perceived as a communication tool used to influence the people to purchase products or services frequently, it communicates a message that includes the name of the product or service and how that product or service could potentially benefit the consumer. Particularly, in the present information era, advertising is perceived as a tool of the business enterprise to bend the potential customers to purchase or to consume a particular brand of product or service. This is proved that investment in advertisement in the 2007 was \$385 billion worldwide and the latter to exceed \$450 billion during year 2010. Therefore, the role of advertisement in the present day globalised business era is perceived to be a significant aspect towards bending of the consumer behavior and thereby market share.

1.2 Advertising and Consumer brand selections :

A consumer brand selection is perceived as a highly individualized and intricate, and is influenced by various intrapersonal, interpersonal, and external mediated factors. Intrapersonal factors include variables such as the consumer's individual characteristics, values, attitudes, and motivations. Interpersonal aspects

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include variables such as the consumer's personal interactions with others, especially family members and peers. Finally external mediated factors would include the factors such as non-personal sources of information especially the advertising in various forms - television, internet, magazines etc. In the present day business world, business enterprises are using the advertising as a tool to communicate and ensure the consumers towards their products/services, and this is perceived as a challenging task of the marketing people because, among the influencing factors of consumer brand selections, advertising is an external factor of non-personal promotion tool. The American marketing Association has defined advertising as "any paid form of non-personal presentation and promotion of goods, services or ideas by an identified sponsor"², therefore, the study of advertising on consumer behavior particularly consumer brand selection is deemed to be an interesting task and also it should have significant role in the field of health care industry where there is a cut-throat competition among the market firms.

1.3 Need for the study :

Marketing Managerial Personnel facing the considerable challenge in their job of communicating brand meaning to customers, particularly in the field of Health Care Industry - Tooth Paste, there are keen competition among the various brands viz., Colgate, Pepsodent, Close-up, Vicco, etc. In the keen competitive market situation, the present study enables the marketing managerial personnel of tooth paste industry to analyse the nature of individual consumption behavior as to why consumer uses tooth paste; which brand of tooth paste he buys; why he buys it; when he buys it; how often he buys it etc.

- Further this analysis enables the tooth paste industry to ensure:
- The consumer knowledge about the brand selections,
- The knowledge about the Marketing Mix (4Ps - Product, Price, Promotions- Advertising, and Physical Distribution)
- The understanding about the significant factors of influencing the consume brand selections.

1.4 Objectives of the study :

1. To examine the influence of advertising on consumer buying behavior.
2. To examine the influence of socio-economic factor on advertising towards consumer brand selection.
3. To make recommendation for further improvement in advertising and brand management so as to assist Colgate Palmolive (India) Limited in particular and other firms in the Personal Care Industry in general in their marketing efforts to increase their market shares.

1.5 The Company - Colgate Palmolive (India) Limited :

Colgate Palmolive (India) Limited, the subject of this study, is the leading company in India in Personal Care Industry, this is evidenced that in Oral Care products, the volume of market share during January 2008-March 2009 of toothpaste significantly increased by 3 per cent of 52.2 per cent. ³ The products of the Group include oral care and personal care. Oral care, including toothpastes, toothbrushes, toothpowders and whitening products; personal care, comprising of body wash, liquid hand wash, shave preps, skin care and hair care and dental care, consisting of sensitivity treatment solutions, gingivitis treatment solutions, tooth whitening solutions, fluoride therapy solutions and mouth ulcer treatment solutions. ⁴ Further, it is evidenced

for consistency in leading in its industry that from a Colgate spokesperson said: "To be rated the top brand consecutively in all but one of the past nine years since the survey was introduced, especially in an environment of fierce competition and shifting brand loyalties, is a reaffirmation of the trust, loyalty and confidence reposed in Colgate by millions of consumers across India."5

Originally, the company was founded in 1806 by William Colgate, who himself a soap and candle maker, opened up a starch, soap, and candle factory on Dutch Street in New York City under the name of 'William Colgate & Company', presently, Colgate-Palmolive Company is an American diversified multinational corporation owning subsidiaries in various countries including India focused on the production, distribution and provision of household, health care and personal products, such as soaps, detergents, and oral hygiene products including toothpaste and toothbrushes. The company's corporate offices are on Park Avenue in New York City.

2. Research Methodology :

2.1. Research Design :

A descriptive conclusive research design was used to present the study. The study was conducted to study the impact of advertisement on consumer brand preferences in Chennai City, Tamil Nadu. Research design indicates a plan of action to be carried out in connection with a proposed research work. It provides only a guideline for the researcher to enable him to keep track of his actions and to know that he is moving in the right direction in order to achieve his goals.

2.2. Data Collection Method :

Both primary and secondary data had been used in the present study. However, the major data for study had been collected by means of interview schedule. Two hundred (200) copies of interview schedule were administered on the members of the public at the major places in Chennai city. The respondents were selected randomly at each of the locations while the distribution was aimed at reflecting the population of each areas of Chennai city. The secondary data were collected from the company's annual reports, various magazines, newspapers and Internet

2.3. Sampling :

The convenience random sampling method was used according to the convenience of getting data from the consumers of tooth paste products in Chennai city. The number of respondents included in the study was two hundred only.

2.4 Tools for Data Analysis :

In the present study, statistical tools such as percentage analysis and Chi-square test have been used for measuring the impact of advertising on consumer brand preferences. Further, the statistical package, SPSS version 15, has been used for analysis of data.

2.5 Limitations of the study :

Every study has its own limitations and some of these encountered during this study are listed below

- Generally, Money and Time are constraint to carry out any research work. Therefore, this study also based on the Time and Money factors of limitations.

- Respondent's bias is possible for any field study; therefore, this study also involves respondent's bias in the field work because of inability and unwillingness of the respondents
- Consumer behaviors are changing nature; therefore, consumer behavior in this study is based on the data which have been collected from December 2009 to January 2010.

3. Analysis and Interpretation

Table 3.1

Distribution of consumers by Gender

Classification based on Gender	No. of. Respondents	Percentage (%) to Total
Male	136	68
Female	064	32
Total	200	100

Source: Primary data

The gender profile of sampled respondents is shown in Table 3.1. Out of the total 200 sampled respondents, 68% respondents are male and 32% are female. Further it is inferred that the majority of the sampled respondents for tooth paste product belongs to the gender of male.

Table 3.2

Consumers' Age Distribution

Classification based on Gender	No. of. Respondents	Percentage (%) to Total
Male	136	68
Female	064	32
Total	200	100

Source: Primary data

An analysis done on the basis of age groups shown in the above table, there are 42% of the sampled respondents belongs to the age group between 15 to 30 years, followed by 34% of the sampled respondents belongs to the age group between 31 to 45 years and only 24% of the sampled respondents age lies in more than 45 years old. Further it is inferred that majority of sampled respondents (42%) of tooth paste product belongs to the age of between 15 to 30 years

Table 3.3
Distribution of Consumers by Income

Classification based on Income	No. of. Respondents	Percentage (%) to Total
Up to Rs.1,00,000	40	20
100001-250000	56	28
Above 250000	40	20
No - Income	64	32
Total	200	100

Source : Primary data

As presented above, the table 3.3 showed that the distribution of consumers by income, the result revealed that there are 20 % of the respondents belongs to the income group of below 1,00,000 similarly the same percentage of respondents belongs to the income group of above 2,50,000. There are 28% of the respondents belongs to the income group between Rs.1,00,000 to 2,50,000 followed by 32 % of the respondents belongs to No income group. Here, it is inferred that majority of the sampled respondents (32%) belonging to the No-income group- Job Seekers, dependents.

Table 3.4
Consumers' Brand Selection

Brand Name	No. of. Respondents	Percentage (%) to Total
Colgate	108	54
Pepsodent	44	22
Close-up	48	24
Total	200	100

Source : Primary data

The above table 3.4 reveals the Consumers' Brand selection about tooth paste and it is inferred that there are 54% of the respondents belongs to the Colgate brand, followed by 24% belongs to close-up brand and only 22% of sampled respondents belongs to the Brand of Pepsodent. Further it is highlighted that majority of the sampled respondents (54%) were preferred the Colgate tooth paste.

Table 3.5
Consumers' Reasons for Brand Selection

Classification of reasons	No. of. Respondents	Percentage (%) to Total
Advertisement	68	34
Quality	108	54
Price	16	8
Custom	8	4
Total	200	100

Source : Primary data

The table 3.5 titled Consumers' reasons for brand selection divulge that there were four percent of the sampled respondents preferred the brand by tradition- Custom, followed by eight percent of the respondents were prefer the brand for Price and 34% of the respondents were preferred their brand due to the advertisement reason. Finally 54% of the respondents were preferred their brand due to the quality reason. Here it is inferred that the consumer's reasons for brand preference are first quality and then the advertisement factor

Table 3.6
Consumers Reasons for Colgate Selection

Classification of reasons	No. of. Respondents	Percentage (%) to Total
Advertisement	32	29.62
Quality	76	70.38
Price	-	-
By tradition	-	-
Total	108	100

Source: Primary data

The table 3.6 highlights the reasons advanced for preferring Colgate by the respondents. Majority (70.38%) of the consumers gave quality as the reason for their preference, while 29.62% of the consumers gave the advertisement of the brand as their reasons for preference

Table 3.7
Brand Awareness of Respondent

Awareness	No. of. Respondent	Percentage (%) to Total
Yes	200	100
No	0	0
Total	200	100

Source: Primary data

In the table 3.7, it is inferred that 100% of the sampled respondents were possessed knowledge about brand awareness.

Table 3.8
Consumers' sources of awareness of Colgate

Classification of sources of information	No. of. Respondents	Percentage (%) to Total
Advertisement	168	84
Word of Mouth	32	16
Sales Promotion	-	-
Others	-	-
Total	200	100

Source : Primary data

Table 3.8 depicted that most of the consumers (84%) were aware of Colgate through advertising. Only 16% of the consumers were aware of Colgate through word of mouth. Further there is no other source of information found for consumers' brand awareness during the study

Table 3.9
Consumer Perception of media use in advertising Colgate

Classification	No. of. Respondents	Percentage (%) to Total
T.V	180	90
News paper and Magazine	20	10
Radio	-	-
Out Door display	-	-
Total	200	100

Source: Primary data

Table 3.9 reveals the Consumer perception of media use in Advertising Colgate. The results showed that most of the consumers (90%) expressed their preference for TV Advertising of Colgate while Newspaper and Magazine advertising showed only 10%. The powerful combination of sound and vision in the TV advertisements might be reason behind the expressed preference for this media.

Chi-Square Test :

Ho: There is no significant difference between the socio-economic factors of the respondents and the advertisement impact on their brand selection

Table 3.10
Role of Socio-economic factors on advertising impact

Socio-Economic factors	Degrees of Freedom	X2 value		Nature of significance
		Calculated	Tabulated*	
Gender	1	0.02	3.81	Accepted
Age	2	0.9505	5.991	Accepted
Income	2	2.91	5.991	Accepted

Source: Primary data

* At 5 per cent level of significance

Table 3.10 reveals the Chi-Square Test of Significance relationship between the Socio-Economic factors of the respondents and advertisement impact on their brand preference. In the socio-economic factors, Gender, Age and Income factors have been taken to study the impact of the advertisement towards consumers brand preference. The results shows that in all the cases, for 5% level of significance, the calculated value is less than the table value, therefore, the Hypothesis hold good and should be accepted. Further, it is inferred that there is no significant difference between the socio-economic factors of the respondents and the advertisement impact on their brand preference.

4. Results and Findings :

The study has reveals the following findings

- The majority (68%) of the sampled respondents for tooth paste product belongs to the gender of male.
- The majority of sampled respondents (42%) of tooth paste product belong to the age of between 15 to 30 years.

- The majority of the sampled respondents (32%) belonging to the No-income group- Job Seekers, dependents.
- It is highlighted that majority of the sampled respondents (54%) were preferred the Colgate tooth paste.
- The consumer's reasons for brand preference are first quality and then the advertisement factor.
- Majority (70.38%) of the consumers gave quality as the first reason for their Colgate brand preference.
- The knowledge about the brand awareness possessed by all the Consumers (100%)
- For the Colgate brand, Most of the consumers (84%) have the brand awareness knowledge through its advertisement.
- For the media use in Colgate advertising, majority of the consumers (90%) have prefer for Television advertising.
- The socio-economic factors of the consumers have not been influence the impact of Advertisement on the consumer brand preference

5. Conclusion and Implications

Quit a number of important conclusions can be drawn from the findings of this study which have policy implications for the company under study and also others in the industry. Brand selection does exist in the tooth paste industry. Majority of the consumers do not buy whatever is available if a product is good value for its price, it will command brand loyalty. However, advertising helps in projecting product quality and value before the consumers. This is what is applicable to Colgate presently.

Further, the primary data analysis revealed that all the respondents have been aware of tooth paste and they get influence by advertisement. Generally majority of respondents have been selecting brand based on the quality only. Therefore, for the tooth paste industry, it is suggested that they have to portray their quality through the advertisement since all the respondents get influence by advertisement for their brand awareness. It is identified that among the various brands available, maximum number of respondents have been prefer to buy the Colgate brand and they have the complete knowledge about brand awareness through the advertisement. The reasons behind the selecting of their brand (Colgate) are Quality and Advertisement particularly advertisement in the form of television. Furthermore, the study reveals that socio-economic factors of the respondents have not been influence the impact of advertisement on the consumer brand selection. Therefore, the study ensures the following suggestions to the industry particularly the Colgate Palmolive (India) Limited

- To accelerate the advertisement in the form Television towards consumers brand awareness and brand loyalty,
- To concentrate the new mode of advertisement towards attracting of young and youth consumers, whose role in the industry is perceived to be significant,

- To make more implications on quality while advertising the products,
- To make a special attention in advertisement towards attracting the female consumers

Finally, to conclude the study, the advertisements have influence on the consumers brand awareness, not in the brand selection. Consumers have been selecting their brand based on the quality; therefore, it is perceived that advertisement enables the consumers to acquire the brand awareness knowledge and some cases quality available in the products also. Here it is suggested that every manufacturer has to make an enough focus on quality while they do advertisement.

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