

A Study on Brand Loyalty With Regard To Clinic Plus Shampoo (With Reference to Vellore District)

K. Vinithi¹

Abstract: *Brand Loyal consumers reduce the marketing costs of the firm as the costs of attracting a new customer have been found to be about six times higher than the costs of retaining an old one. Cosmetic industry is a very lucrative, innovative fast paced industry. Innovation is significant and is considered to be the key to success. In addition, owing to the volatility of the cosmetic markets, it is essential to reveal the factor that influences the brand loyalty by examining determinants of brand loyalty, which provides marketing manager with insights of establishing a more comprehensive business strategy. This study has adopted convenience sampling method for data collection. 50 respondents have been selected who are the regular users of 'Clinic Plus Shampoo'. The research adopted a neatly prepared structured questionnaire for collection of primary data from respondents. Chi-square analysis has been used to interpret the data. The findings of this study will add to the body of knowledge and from part of future learning materials. Future researchers with interests in marketing will find the findings useful since it will recommend further areas of study to enhance more knowledge in the cosmetic industry.*

Introduction

Brand loyalty is intangible value of the company. The success of a firm depends largely on its capability to attract consumers towards its brands. Brand Loyal consumers reduce the marketing costs of the firm as the costs of attracting a new customer have been found to be about six times higher than the costs of retaining an old one. According to Kumar et al (2006), brand loyal consumers are willing to pay higher prices and are less price sensitive. Brand loyalty also gives the firm with trade leverage and valuable time to respond to competitive moves. In sum, loyalty to the firm's brands represents a strategic asset which has been identified as major source of the brand equity. Given the importance of brand loyalty, it is not surprising that it has received considerable attention in the marketing.

Brand loyalty is a scenario where the customer fears purchasing and consuming product from another brand which he does not trust. It is measured through methods like word of mouth, publicity, repetitive buying, price sensitivity commitment, brand trust, customer satisfaction etc., Brand loyalty exists when the customer feels that the brand consists of right product characteristics and quality at right price. Even if the other brands are available at cheaper price or superior quality, the brand loyal consumer will stick to his brand.

Examples of brand loyalty can be seen in US where true 'Apple customer' have the brand's logo tattooed onto their bodies. Similarly in Finland, Nokia customers remained loyal to Nokia because they admired the design of the handset or because of user -friendly menu system

¹ Assistant Professor of Commerce, D.K.M College for Women, Vellore.
Corresponding author: K. Vinithi can be contacted at: vinithivinu@gmail.com
Any remaining errors or omissions rest solely with the author(s) of this paper

used by Nokia phones.

Brand loyal consumers are the foundation of an organization. Greater loyalty levels leads to less marketing expenditure because the brand loyal customers promote the brand positively. Cosmetics are generally considered to be make-up products. However, they indeed present in different forms, varying from powders, body makeup, soap, shampoo, and toothpaste (Kumar et al., 2006). Cosmetic products serve the beautifying purpose and cover a wide range of products including: Cleaning body parts, enhancing features, and changing skin tones and colors such as makeup, perfume, toothpaste, shampoo, and deodorant (Kumar et al., 2006).

Nevertheless, the annual growth rate is the rapidest in this sector which have shown a growth of 12.9% in 2000 compared with an only 3.4% growth in all the three segments. Cosmetic industry is a very lucrative, innovative fast paced industry. Innovation is significant and is considered to be the key to success. In addition, owing to the volatility of the cosmetic markets, it is essential to reveal the factor that influences the brand loyalty by examining determinants of brand loyalty, which provides marketing manager with insights of establishing a more comprehensive business strategy. Marketing managers need to appreciate the constants changes in customer buying behavior.

Although the findings above showing the relationship between image, satisfaction and loyalty are inconclusive, it is important to note that different products may differ from each other as they each have unique characteristics of image, attributes which cannot be generalized to other products categories. Therefore, the determinants of brand loyalty need to be further validated in other product categories

Objectives of the Study

- To identify the level of customer satisfaction towards clinic plus shampoo.
- To inculcate suggestions for improvement of the clinic plus shampoo.
- To identify the buying behavior of customers with regard to clinic plus shampoo.
- To analyze the customer level of satisfaction towards clinic plus shampoo.
- To suggest ways and means for improvement of brand loyalty in future.

Scope of the Study

Brand loyalty is important for several reasons. First, it reduces the cost of promotion because the sales volume is higher; Secondly, companies with brand-loyal customers don't have to spend as much money on marketing the product, which will permit the company to either retain more earnings or to invest resources elsewhere. Third, companies may use premium pricing that will increase profit margins. Finally, loyal customer tends to recommend products that they like.

- It helps in price differentiation of products.
- It helps creating and maintaining brand loyalty to a particular product.
- It checks and controls limitation products, as it ensures legal rights of the procedure.
- It helps in advertising and packaging activities.

Brand loyalty is the storehouse of future profit, which result from past marketing activities most of the companies design profit, their market programmers in order to built and to build and to preserve the brand loyalty.

Brand loyalty assets provide value both to the firm and the customers. They add value by enhancing customers' interpretation and processing of information about the product and the brand, create customer confidence in the purchase decision, and customer satisfaction using the brand.

A Study on Brand Loyalty With Regard To Clinic Plus Shampoo (With Reference to Vellore District)

The findings of this study will add to the body of knowledge and from part of future learning materials. Future researchers with interests in marketing will find the findings useful since it will recommend further areas of study to enhance more knowledge in the cosmetic industry.

Background of the Study

This study has adopted convenience sampling method for data collection. 50 respondents have been selected who are the regular users of 'Clinic Plus Shampoo'

A questionnaire has been framed for collection of data. The data has been collected from various Departmental Stores in Vellore District. The data have been collected during the period January 2016.

Review of Literature

Bearden et al., (1989), says argued that an important determinant of an individual's behaviour is other individual's in influence, implying that social influence is an important determinant of consumer behaviour.

Bloch Sherral and Ridway (1986), suggest the distinction between task and experiential orientations in web usage may demonstrate a new application of the traditional ongoing search model.

Fournier (1994), suggests six dimension of emotional behavioral and cognitive connection beyond loyalty/ commitment along which consumer brand relationship vary: self-concept connection, nostalgic attachment, behavioral inter dependence, love, intimacy, and partner quality.

Hanson (2000), suggest recognition that obtaining new customers to a site is not only more difficult as online competition increases, but also more costly , will drive manager to reemphasize brand loyalty.

Hanson (2000), explain define visit duration by number of pages viewed which circumvents issues of low transmission speeds, slower end user computer and other delays that would contribute to longer visits but not to be positive attitudes.

A study shows that there is no doubt the world is changing and consumer behavior is evolving faster than what would have normally expected. Consumers and producers are bought together electronically in way we have never before experienced. One of the most exciting aspects of the new digital world is that consumers can interact directly with other people who live around the block or around the people.

A study conducted by Memon (2006), studied that wanted to trace the impact of private level brand on retailing dealing in garment this work considered only two retail brand Westside and Pantaloons in Ahmedabad city and accepted the hypothesis that people are ready to switch over to other brands if the same facilities are available.

Research Methodology

The research adopted a neatly prepared structured questionnaire for collection of primary data from respondents. Chi-square analysis has been used to interpret the data. A questionnaire consists of a set of questions presented to respondents for his /her answers. It has 5 point likert scale ranging from Strongly Agree, Agree, Neutral, Disagree and Strongly Disagree. The results are as follows:

Table 1: Better Quality Product

| Particulars | Strongly Agree | Agree | Neutral | Disagree | Strongly disagree | Total |
|------------------|----------------|-----------|----------|----------|-------------------|-----------|
| Below 25 years | 18 | 17 | 4 | - | - | 39 |
| 25-35years | 3 | 2 | 1 | - | - | 6 |
| 35-40 years | 2 | 2 | - | - | - | 4 |
| 45 years & above | - | 1 | - | - | - | 1 |
| Total | 23 | 22 | 5 | - | - | 50 |

Null Hypothesis (H0)

There is no significant difference regarding better quality products and age of the respondents.

Alternative Hypothesis (H1)

There is significant difference regarding better quality of the products and age of the respondents.

Inference

Calculation of chi-square value is 2.1422, Table value @5% significant level V=12 is 21. The result shows that the calculated value is lesser than the table value, So Null Hypothesis, that there is no significant difference regarding better quality of the products and age of the respondents is accepted.

Table 2: Regular use to Clinic Plus Shampoo

| Particulars | 0-6 months | 1-2 years | 2-5years | More than5 years | Total |
|------------------|------------|-----------|-----------|------------------|-----------|
| Below 25 years | 4 | 17 | 4 | 13 | 38 |
| 25-35years | 1 | 2 | 4 | - | 7 |
| 35-40years | 1 | 2 | 1 | - | 4 |
| 45 years & above | 0 | - | 1 | - | 1 |
| Total | 6 | 21 | 10 | 13 | 50 |

Null Hypothesis (H0)

There is no significant difference between years/months of using clinic plus shampoo and age of the respondents.

Alternative Hypothesis (H1)

There is a significant difference between years/months of using clinic plus shampoo and age of the respondents.

Inference

Calculation of chi-square value is 15.40 and table value @ 5% significant level V=9 is 16.9. The results show that the calculated value is lesser than the table value, So Null Hypothesis, that there is no significant difference between years/ months of using shampoo and age of the respondents is accepted.

A Study on Brand Loyalty With Regard To Clinic Plus Shampoo (With Reference to Vellore District)

Table 3: Clinic Plus Shampoo Reduces Hairfall

| Particulars | Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree | Total |
|-----------------|----------------|-----------|----------|----------|-------------------|-----------|
| Below 25years | 10 | 17 | 8 | 1 | 2 | 38 |
| 25-35years | 4 | 1 | - | 1 | - | 6 |
| 35-40years | 1 | 4 | - | - | - | 5 |
| 45years & above | - | 1 | - | - | - | 1 |
| Total | 15 | 23 | 8 | 2 | 2 | 50 |

Null Hypothesis (H0)

There is no significant difference that clinic plus shampoo reduces hairfall and age of the respondents.

Alternative Hypothesis (H1)

There is no significant difference that clinic plus shampoo reduces hairfall and age of the respondents.

Inference

Calculation of chi-square value is 2.335 and table value @ 5% significant level V =12 is 21.0. The result shows that the calculated value is lesser than the table value, So Null Hypothesis, that there is no significant difference that clinic plus shampoo reduces hairfall and age of the respondents is accepted.

Table 4: Availability of Clinic Plus Shampoo

| Particulars | Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree | Total |
|-----------------|----------------|-----------|----------|----------|-------------------|-----------|
| Below 25years | 18 | 16 | 3 | 1 | - | 38 |
| 25-35years | 2 | 2 | 1 | 1 | - | 6 |
| 35-40years | 2 | 3 | - | - | - | 5 |
| 45 years &above | 1 | - | - | - | - | 1 |
| Total | 23 | 21 | 4 | 2 | - | 50 |

Null Hypothesis (H0)

There is no significant difference between availability of clinic plus shampoo and age of the respondents.

Alternative Hypothesis (H1)

There is no significant difference between availability of clinic plus shampoo and age of the respondents.

Inference

Calculation of chi-square value is 5.325 and table value @ 5% significant level V=12 is 20.1. The result shows that the calculated value is lesser than the table value, So Null Hypothesis, that there is no significant difference between availability of clinic plus shampoo and age of the respondents is accepted.

Table 5: Effective Advertisement

| Particulars | Television | News Papers | Social Network | Others | Total |
|----------------|------------|-------------|----------------|----------|-----------|
| Below 25 years | 30 | 1 | 3 | 4 | 38 |
| 25-35years | 4 | 1 | - | 1 | 6 |
| 35-40years | 3 | 1 | - | 1 | 5 |
| 40above | - | 1 | - | - | 1 |
| Total | 37 | 4 | 3 | 6 | 50 |

Null Hypothesis (H0)

There is a significant difference between the type of advertising and age of the respondents.

Alternative Hypothesis (H1)

There is a significant difference between the type of advertising and age of the respondents.

Inference

Calculation of chi-square value is 15.965 and Table value @ 5% significant level $V = 12$ is 16.9. The result shows that the calculated value is lesser than the table value, So Null Hypothesis, that there is no significant difference between type of advertising and age of the respondents is accepted.

Findings and Conclusion

- It is found that 56% of the respondents agree that clinic plus shampoo has better quality.
- It is found that 42% of the respondents use clinic plus shampoo for 1-2years.
- It is found that 46% of the respondents agree that clinic plus shampoo, reduces hair fall.
- It is found that 46% of the respondents strongly agree that clinic plus shampoo, is available in all shops.
- It is found that 74% of the respondents feel that television advertising is the most effective method for purchasing clinic plus shampoo.

Conclusion

Of survey reveals that the consumer behavior depends on the following reasons:

- Product quality,
- Family influence,
- Doctor's Prescription,
- Advertisement, Hair problem, Price of the product, and self.

Awareness about the product regarding the ingredients is very high in the minds of the consumer. Influence in the purchase of the shampoo mainly depends on the hair problem and assurance to solve that problem given by the brand. Influence of doctor and family is also very high.

Attributes of a particular brand also pay an important role in the purchase. Attributes like reasonable price, fragrance and quality plays its significant role. By the analysis we can conclude that consumers in the shampoo market are not much conscious about the price but its quality plays important role.

The survey showed a number of reasons for consumers using more than one brand or type of shampoos simultaneously. No single shampoo, according to the consumer, was able to fulfill all the hair requirements.

A Study on Brand Loyalty With Regard To Clinic Plus Shampoo (With Reference to Vellore District)

Consumers in the age group below 25 years are more innovative as compared to the other age groups. It has been observed from the study that females shampoo their hair twice a week, while male prefer using shampoo on alternate days. From the survey it was found that the Medium size pack of shampoos with quantity of 100 ml to 250 ml is the most frequently purchase pack. According to user sample 51 % of the people across different age groups and income groups prefer this packaging.

Amongst the factors which influence the choice of a brand of shampoo(s), Hair problem is most important one; people select shampoo(s) with reference to their hair problems. Hair type also plays a very important role. While selecting shampoo consumers take care to select the shampoo according to their hair type. The role which advertisements play cannot be neglected. According to study it is found that even advertisements influence the consumers a great deal in selecting a shampoo.

Advertisements play a significant role in the purchase decision of the consumers. 33% of consumers are influenced by the advertisements of shampoo they use. The message in the advertisements is paid more attention to, than the role models shown in the advertisements.

References

- Bearden, W.O., Netemeyer, R.G., & Teel, J.E. (1989). 'Measurement of customer susceptibility of Interpersonal influence. *Journal of Consumer Research*, Vol.15, pp.473-481.
- Bloch, P.H., Sherrell, D.I., & Ridway, N.M. (June 1986). Consumer Search: An Extended framework. *Journal of Consumer Research*, 13, 119-126.
- Butler, J.K. (1991). Toward understanding and measuring conditions of trust inventory. 'Journal of Management, Vol.17, pp.643-663.
- Copeland, M.T. (1923). Relation of consumer's buying habits to marketing methods. *Harvard Business Review*, 1, 282-289.
- Fournier, S. (1994). A consumer-brand relationship framework of strategic brand management. Dissertation at the University of Florida.
- Hanson, W. (2000). Principles of internet marketing Cincinnati, OH: South-Western College publishing.
- Memon. (2006). Garment life style retailing stores: Vis a Vis – Impact of private labels: A Paradigm Shift, 'The ICFAI Journal of Marketing Management'.
- RadhaKrishna, & Shylajan. (2007). 'Determinants of habitual buying behavior: A study of Branded Apparel'. The ICFAI Journal of Marketing Management, Vol.6, No.3, pp.6-21.