Factors Affecting Brand Loyalty: A study in an emerging market on fast moving consumer goods

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Brand loyalty is a topic of interest both to academicians and practitioners involved with marketing. The concept of relationship marketing has its underpinnings in brand loyalty. In consumer products, typically fast moving consumer goods (FMCG), there are a host of complexities, that affect brand loyalty. The very concept of loyalty seems to have become a dynamic one with the marketing literature presenting different aspects of the concept. This study examines the combined effects of brand benefits, brand symbolism, brand trust, genetic influence and price consciousness of consumers on brand loyalty for toothpaste product category. Data from a random sample of four hundred and forty four consumers in India confirm significant influence of brand functional benefits, brand trust, price consciousness, and genetic influence on brand loyalty. Results suggest that marketers would have to balance the traditional axiomatic views of brand loyalty with the emerging dimensions of brand migration in a competitive context. This research paper explores factors closely related to the management of brand loyalty and could offer insights to practitioners of marketing. It also offers a framework, that reflects the implications of the study to marketing practice with regard to management of brand loyalty.

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Introduction

Brand loyalty is a topical managerial issue in fast moving consumer goods (FMCG) in several markets around the world. The top 16 retailers in Europe together spent more than $1 billion in 2000 on loyalty initiatives (Werner and Kumar 2002). While companies spend huge amount of money on loyalty programs, a variety of factors can generate false loyalty or make customers seem deeply loyal when they are not loyal to the brand (Jones and Sasser Jr 1995). Consumers in FMCG categories also show a marked level of price-consciousness. Highly loyal buyers in a product category have virtually disappeared from the brand franchise falling from 10 to 5 percent of category of heavy buyers of the brand (Hallberg 1995). Loyalty is won through delivery of superior customer experience (Reichheld and Schefter 2000). The symbolic aspects of branding could also influence brand loyalty (Kumar 2001). This research study attempts to investigate brand loyalty and its related dimensions namely brand functional benefits, brand trust, price consciousness, brand symbolism and genetic influence on brand selection to brand loyalty. The purpose of the research is to add a contemporary dimension to brand loyalty especially in a developing market using traditional and emerging factors associated with the literature on brand loyalty.

Research on Brand Loyalty

A major objective of any marketing strategy for most product categories is the facilitation of consumers to repurchase the brand through preference or involvement. Therefore, the topic of repeat purchase or brand loyalty has received considerable attention both by academicians and practitioners. Brand loyalty refers to the consumer's behaviour of repeatedly purchasing a specific brand over a certain period of time. This is based on the past behaviour and the brand loyal consumer is likely to purchase the products of a specific brand currently and in the future (Lin, Wu and Wang 2000). However, a debate that has been going on in this field since the seventies is whether brand loyalty involves more than a behavioural measure of repurchase (Day 1969). Therefore, researchers have focused on another dimension of brand loyalty ,namely attitudinal loyalty (Werner and Kumar 2002). This debate has not reached any consensus, but the fact remains that brand loyalty is believed to be a powerful tool to combat increasing competition in the marketplace (Amine 1998).

   Brand loyalty is important for marketers because it helps in retaining customers and often requires less marketing resources than acquiring new ones (Reichheld and Sasser 1990). It also has positive implications on brand

equity (Aaker 1991; Uncles and Laurent 1997; Chaudhri 1999). The purchase behaviour of consumers is greatly influenced by increasing competition reflected in the proliferation of brands in the packaged product categories, and in the consumer's thirst for variety (Choong 1998). Further, it has also been pointed out that not all consumers are created equal (Hallberg 1995) and their relationships with brands are also not alike either in strength or character (Fournier and Yao 1997). The concept of "Double Jeopardy" advocated that smaller brands experience the double jeopardy effect. This effect established that smaller brands have lesser market share and also have fewer consumers   loyal to them as compared to larger brands that have higher market shares and higher degrees of brand loyalty (Ehenberg, Goodhardt and Barwise 1990). This may be very applicable to emerging markets because there may be a number of smaller brands. It is therefore important to understand factors influencing brand loyalty of consumers so that marketers can accordingly formulate the marketing mix of their brands to target appropriate segments. This study is an attempt to understand key factors influencing brand loyalty in a changing environment.

A number of studies have focused on understanding the concept of brand loyalty and the factors influencing it. Product attributes, after sales service/usage, marketing capabilities, perceived quality/aesthetics, depth of product line and brand popularity are key differentiating factors influencing the behaviour of repeat purchasers and brand switchers in case of consumer durables (Lin, Wu and Wang 2000). Studies have also found that brand commitment is a necessary condition for true brand loyalty to occur(Bloemer and Kasper 1995; Amine 1998). This was supported by the findings of Knox and Walker (2001), wherein they found that a number of factors like packaging, new product trial, price, store location, product quality/features, vouchers, free gift, variety, children's influence and advertisements discriminate switching motivations of heterogeneous consumer segments like brand loyals, habitual loyals, variety seekers and switchers. Consumer's demographic characteristics like age and household income are also associated with high levels of brand loyalty (East, Gill, Hammond and Hammond 1995). The study also found that brand loyal consumers are more concerned with quality than price, are heavy spenders and are slightly more store loyal also.

Brand loyalty is also influenced by market structure (Lin, Wu and Wang 2000; Sharyn and Rebekah 2001), positioning and marketing mix strategies (Bhattacharya 1997). It was also found that brands which cater to niche markets are bought in higher quantities, have lower prices, are promoted to a lesser extent, have shallower price cuts and enjoy more than expected loyalty levels. Recently, Knox and Walker (2003) found a weak but significant relationship between level of involvement and brand loyalty in the grocery

market. Further, it is also recommended that while brands explore the possibility of exploiting the benefits of retail environment, brands should fully exploit the ability to communicate with all the senses and should specifically focus on sonic branding, which can be a powerful tool in the development of brand loyalty (Fulberg 2003).

While several factors influencing brand loyalty have been studied in the extant literature, the authors opine that brand loyalty has to be studied from the viewpoint of certain recent developments in academic research without losing the useful insights gained from traditional research studies. This study therefore attempts to investigate empirically the influence of key factors viz. brand functional benefits, price consciousness, brand trust, brand symbolism and genetic influence on brand loyalty. These factors represent traditional and emerging dimensions influencing brand loyalty and could help practitioners of marketing in designing suitable marketing strategies.

Importance of Research Issues

Brand loyalty has been researched for the last several decades. As discussed in the literature survey the traditional aspects of loyalty are undergoing a change in a changing environment. Researching any aspect of marketing, especially a concept like brand loyalty, which is topical and contextual requires exploring a new dimension associated with it .The authors have attempted this aspect in this research study. Researching the basic aspects and moving into recent developments is a well-accepted practice in research (Baker 2000). This paper makes an attempt to explore certain topical aspects of the concept in an emerging market. Recent literature on the concept suggests that brand loyalty could be an offshoot of attachment towards the brand and consumers could develop attachment towards a brand on a number of counts. These aspects associated with the brand relationship could be could be hedonism, personal gratification, self image, pleasure of the relationship, development of consumer's family and the brand's association with people with whom the consumer has emotional connections (Kapferer 2004). This study attempts to provide some of the dimensions in the backdrop of brand loyalty.

Another aspect of the research which warrants a study of this nature is that in the developing markets such studies on brand loyalty have not been published and this would be an opportunity to address issues which are not only relevant for academic research but which could also be useful to practitioners of marketing. The Indian context is witnessing the entry of multinational brands in the fast moving consumer goods categories. In the category of toothpastes for example, LG the Korean company is a new entrant and SmithKline Beecham launched its Aquafresh a few years back.

Other multinationals like Proctor & Gamble (which also launched a number of its global brands in India in the detergent category) may also launch its brands in India. This dimension of competition is a marked part of the scenario in an emerging market like India.

What is more interesting and distinguishing about the Indian market is that apart from competition from multinational brands, there is a huge unorganised market in the country in a number of categories. An unorganised market is one which caters to the local market in terms of geographical boundaries, has an offering which may have a slightly sub standard offering in terms of quality, uses small "pop and mom" shops for distribution and uses unconventional advertising like wall painting (advertisements of the offering may be painted on the walls of buildings). These offerings priced much below the branded offerings appeal to the masses who use them before they upgrade to branded offerings over a period of time as their purchasing power gets enhanced. These markets may be found in categories like biscuits, detergents, foot wear, tea, edible oil, hair oil, cassettes and mineral water.

Besides multinational brands and the unorganised market, there have been a new breed of brands which could be referred to as regional brands and these brands have been giving the larger brands a difficult time in the market at the lower end. In the category of toothpastes, Anchor is a brand, which is posing a threat to a brand like Colgate. Tea, detergents, edible oil, coffee, watches, men's apparel, toilet soaps and fast foods are some of the other categories in which regional brands have started making their presence in a significant manner. The regional brands (distributed in a much wider geographical area than a typical offering from the unorganised sector) offer a quality which could be comparable to that offered by multinational brands; advertise in conventional media though selectively within the region of their operations and they use the distribution channels which are used by large brands. They are priced below the multinational brand but a bit above the unorganised offerings. The challenge of the marketer of a strongly entrenched brand and a regional brand is to upgrade the consumer from the unorganised sector and also to build loyalty in a variety of ways. Hence apart from the topicality of the concept, brand loyalty concepts in an emerging market could have a profound impact on practice-oriented strategies, which are focused on loyalty and repeat purchase.

The study attempts to work around a traditional set of dimensions associated with brand loyalty (functional benefits and price consciousness) and combine them with contemporary developments in brand loyalty (symbolism, brand trust and genetic influence). The objective of the study is to address academic issues which also have practical significance in the management of loyalty in packaged product categories which are strongly

prone to brand switching due to price sensitivity and sales promotion. The study also takes into consideration the shifting brand proposition in consumer product categories where brands make an attempt to create bonding with emotional and self-concept oriented appeals. The aims of the study was to study the mix of issues associated with brand loyalty and provide a framework for marketers who would be able to derive insights from the framework to retain consumers in the respective categories.

Hypotheses Development

It has long been emphasised (Sheth and Whan 1974) that product attributes have a significant influence on brand loyalty. In fact the messages to which consumers are exposed, often stress product benefits (Green and Jain 1972). The attributes of the brand have been considered as necessary for consumers to like the brand and purchase it repeatedly (Lin, Wu and Wang 2000, 2000; Knox and Walker 2001). It is therefore expected that if consumers get certain functional benefits from a brand, they are likely to be more brand loyal to that brand. We therefore hypothesise that:

H1: Brand functional benefits are positively related to brand loyalty

Price Consciousness is defined as the degree to which the consumer focuses exclusively on paying a low price (Lichtenstein, Ridgway and Netemeyer 1993). A price conscious consumer is more concerned with price, seeks out lower price, and sees such a search as worthwhile (Monroe 1990). Several studies (Rothschild 1987; Raju, Srinivasan and Lal 1990) have found price promotion to be negatively related to brand loyalty. It has been found that high price conscious consumers look for better price and have lower buying intentions (Krishnamurihi and Raj 1991; Alford and Biswas 2002). Therefore, it is expected that consumers who continuously look for price before purchasing a brand will not purchase the same brand repeatedly until the brand is offered at the cheapest price continuously vis-à-vis other competitive brands in the market. Most of the brands in the market place introduce discounts/sales promotion on a regular basis in most fast moving consumer categories and price conscious consumers will keep on switching brands continuously as and when the brand is offered on sale (Reichheld 1996). It is therefore hypothesised that;

H2: Consumer's price consciousness will have a negative relationship with brand loyalty.

Past research (Doney and Canon 1997) has proposed that brand trust is a

calculative process based on the ability of the object (brand) to continuously meet its obligations, and on an estimation of the costs versus rewards of staying in the relationship. We adopt a more recent definition of brand trust adopted by Elena, Jose and Maria (2003), wherein brand trust is defined as 'the confident expectations of the brand's reliability and intentions in situations entailing risk to the customer'. We adopt this definition because we feel that trust is based not just on cost estimation but the confidence a consumer has in a brand. This definition has been conceptualised by considering literature from social psychology, sociology, management and marketing, which supports our view of brand trust. We propose that brand trust positively influences brand loyalty as has been suggested in previous research (Moorman, Zaltman and Despande 1993; Morgan and Hunt 1994; Chaudhari and Holbrook 2001). This is because high confidence or trust in a brand will help customers to reduce perceived risk and facilitate in purchasing the brand repeatedly. Therefore, consumers who have high trust in the brand will purchase it repeatedly. Based on the discussion, it is hypothesised that;

H3: Brand trust is positively related to brand loyalty

Brands have been considered important in creating individual identity related to consumers psychological needs (O'Cass and Frost 2002) associated with status, exclusivity and prestige (Eastman, Goldsmith and Flynn 1999). It has also been found that (Bhat and Reddy 1998) marketers do not necessarily have to position a brand as a prestige brand with its associations of expensiveness and exclusivity to tap the symbolic needs of the customer. One way to approach a brand's marketing strategy is to investigate if symbolism could be used to nurture brand loyalty. A marketing strategy that shows how the brand can be used to express a consumer's personality is an effective strategy for influencing the customer to exhibit loyalty towards the brand. We propose to investigate the influence of brand symbolism as reflected by the self-concept of consumers. We propose a positive relationship between brand symbolism and brand loyalty. In an emerging market like India, consumers in a changing context, full of lifestyle orientation, could use a brand for expressing their personality or self-concept and hence are more likely to be loyal to the brand. It is therefore hypothesised that;

H4: Brand symbolism is positively related to brand loyalty.

Several studies (Mooray-Shay and Lutz 1989; Olsen 1993; Elizabeth, William and Richard 2002) have identified intergenerational influence or lineage as key factor influencing brand loyalty. This forms part of the reference group

appeal on consumer purchase behaviour. Reference group influence on the purchase behaviour of a consumer can be from friends, colleagues, peer group, family etc. This study proposes that intergenerational influence or genetic influence can be a key factor influencing brand loyalty. This is because consumer socialisation research emphasises that adult consumer habits are formulated during childhood (Carlson, Grossbart and Walsh 1990) and during adolescence (Bahn 1986). Therefore, reference groups could influence childhood preferences in an environment, where choices are not available and hence may have had an impact on brand loyalty. It is therefore expected that consumer preferences are formed towards certain brands early in childhood and result in adult loyalty. This is especially relevant in a market scenario like that of the Indian market where there were only a few brands before the markets were opened up for competition about fifteen years ago. It is therefore hypothesised that;

H5: Genetic Influence is positively related to brand loyalty

Pioneering brands may have dominated the market for several decades in a emerging market like India which has been experiencing open economy for over just a decade. Colgate in the toothpaste market is an example. While most fast moving consumer good categories have several brands offering a choice to consumers, the authors opine that genetic influence on brand loyalty   is an important aspect which needs to be considered in brand loyalty research.

Research Methodology

Product Category Selection Criterion
The authors decided to probe brand loyalty and its related dimensions in the category of toothpaste for the following reasons:

a) The product category has been in the market for several decades and consumers would have no problem in understanding the product, as they were familiar with the category. This was essential to ensure that consumers would be able to appreciate and discriminate between brands in the category and express loyalty based on the intrinsic differences between brands based on the core function of the category.
b) Toothpaste category has brands like Colgate, Close up, Vicco and Forhans, which have been in the market for several decades and the aspect of genetic influence could be considered.
c) Toothpaste is a category, which has therapeutic and cosmetic brands and hence offers scope for investigating functional and symbolic

benefits. For example: Close up is a brand, which was predominantly positioned and nurtured as a lifestyle brand with symbolism being the main driver of the brand. Colgate Fresh Energy Gel is another brand created on these lines.

d) Given the nature of the toothpaste category, the entry of a number of brands in recent times (especially after liberalisation) and high decibel advertising of brands, there is a strong possibility that consumers may have tried out several brands over a period of time and would be in a position to express their loyalty in the category in discerning ways.

e) Toothpaste is also a category where there is frequent sales promotion of brands and consumers have an opportunity to try out different brands. There are also different brands at price points which are close even within a specific price band. Advertising also enhances trials among consumers. The category of toothpastes not only offers scope to test out and research the dimensions identified, but also offers a backdrop for brand switching. This aspect makes the category of toothpaste very suitable for research on contemporary brand loyalty. However, the dimensions researched may be applicable to several other categories of fast moving goods.

Questionnaire Design, Pre-Testing and Final Administration

The questionnaire was constructed in simple language reflecting the various aspects of brand loyalty to ensure that respondents would not have problems understanding what kind of responses were expected from them. Though the respondents chosen were familiar with the product category, in the context in which research was conducted consumers do not frequently fill in questionnaires and hence may not understand a complex questionnaire. Besides, it was also necessary to make the questionnaire short without sacrificing the content required, to ensure that respondents respond to the questionnaire. Long questionnaires generally result in low return rates. The sequence of the questions in the questionnaire was selected based on consumer familiarity of brand loyalty dimensions. For example price as a factor affecting repeat purchase is relatively easier for respondents to comprehend (than probably brand trust). The dimensions they may be relatively familiar with, namely price and functional benefit aspects, were listed in the first phase of the questionnaire. After this sequence which would have ensured their initial interest, they were exposed to dimensions of repeat purchase, which would have made them think about their repeat purchase behaviour. The complex aspects of brand loyalty, namely brand trust and genetic influence on brand loyalty, were covered later in the questionnaire after repeat purchase aspects. The idea of the sequence reflected in the questionnaire design was to progress from simple to complex aspects

involved with the research issue with the introduction of repeat purchase in the middle to enable the respondents to think about their repurchase after going through some simpler dimensions of it.

Based on the dimensions identified from the literature and the hypotheses that were proposed subsequently, a questionnaire was formulated using the scales available in the literature to collect data from a large number of respondents. The questionnaire was pre-tested on a random sample of forty consumers who represented the target respondents for the final questionnaire. The sample had various kinds of consumers viz. male, female married, unmarried, student, employed, and self-employed.

Brand symbolism, brand trust, price consciousness, brand functional benefits, genetic influence and brand loyalty were measured using multi-item five-point Likert scale. Price consciousness was measured using a three-item scale developed by Lichtenstein, Bloch and Black (1988). Brand trust was measured using a four-item scale and was adopted from Chaudhuri and Holbrook (2001). Brand loyalty was measured using a four-item scale (Jacoby and Chestnut 1978) consisting of purchase loyalty and attitudinal loyalty. No scale for brand functional benefits is available in the literature, and it was also found difficult to develop a general scale of brand benefits, which would be applicable to all FMCG product categories. Therefore, a six-item scale for brand functional benefits was developed specifically for this particular study based on inputs from personal interviewing of consumers. A three-item brand symbolism scale was adopted after minor modification of different scales of brand symbolism, product sign and brand sign from Bhat and Reddy (1998) and Knox and Walker (2001). A two-item genetic influence measure was developed for this study based on personal interviewing of consumers. Although, most of the scales were adopted directly from the literature, except brand functional benefits and genetic influence, some of the items from existing scales were modified based on the inputs after pre-testing of the questionnaire from a sample of forty consumers. The final items used in the questionnaire are provided in Appendix-1. The hypotheses generated above were tested on a random sample of 444 customers from a metropolitan city in India. The mean age of the sample respondents was 27 years and standard deviation was 9 years. Table-1 shows other demographic characteristics of the sample respondents.

The questionnaire was administered in the field through an investigator who explained any doubts the respondents may have had with regard to the items mentioned in the questionnaire. The questionnaire was collected back by the field investigator after the respondents had filled in the responses.

Table 1: Sample Demographics

		Percentage
Gender	Male	70
	Female	30
Marital Status	Married	30
	Unmarried	70
Occupation	Working Professional	41.4
	Own Business	13.7
	Student	27.4
	House Wife	17.6

Analysis and Discussion

A single factor analysis (Table-2) confirmed the underlying structure of the measurement items. Five factors were extracted from factor analysis explaining 62% of the variation in the variables. Most of the items loaded on to the respective factors as expected. The overall score for each variable was summate of the respective weighted items from factor analysis.

Table - 2: Factor Analysis

Extraction Method: Principal Component Analysis
KMO Measure of Sampling Adequacy = 0.791
Bartlett's Test of Sphericity. Sig.=0.000
Cumulative Variation Explained by Six factors = 62.26%.

Total Variance Explained

Component	Initial Eigenvalues		
	Total	% of Variance	Cumulative %
1	5.18	23.53	23.53
2	2.28	10.35	33.88
3	1.91	8.68	42.56
4	1.69	7.66	50.22
5	1.44	6.53	56.75
6	1.21	5.51	62.26

Factor Loadings

1. Price Consciousness						
I usually buy toothpaste, which is on sale	-0.10	-0.01	-0.01	0.12	**0.75**	0.04
I buy the lowest priced toothpaste that suits my needs	-0.12	-0.10	0.03	0.04	**0.75**	-0.02
When it comes to choosing toothpaste for me, I rely heavily on price	0.00	-0.03	0.00	-0.07	**0.81**	0.03
2. Brand Functional Benefits						
I feel that use of my regular brand of toothpaste provides me freshness throughout the day	0.19	**0.72**	0.10	-0.02	-0.03	-0.04
I feel that prolonged use of my regular brand of toothpaste would prevent tooth decay	0.14	**0.71**	0.08	0.25	-0.11	0.06
Use of my regular brand of toothpaste gives me a refreshing taste	0.21	**0.75**	0.01	-0.12	-0.02	-0.01
I feel that prolonged use of my regular brand of toothpaste helps in cavity protection	0.01	**0.72**	0.04	0.23	-0.12	0.16
I feel that prolonged use of my regular brand of toothpaste helps in whitening teeth	0.01	**0.68**	0.21	0.15	0.01	0.04
I feel that prolonged use of my regular brand of toothpaste helps in gum protection	0.08	**0.63**	0.07	0.38	0.03	0.03
3. Brand Loyalty						
I will buy my regular brand of toothpaste the next time I purchase toothpaste	**0.75**	0.22	-0.11	0.10	-0.05	-0.01
I intend to keep purchasing my regular brand of toothpaste	**0.74**	0.32	-0.14	0.13	-0.12	0.01
I am committed to my regular brand of toothpaste	**0.76**	0.09	0.14	0.18	-0.04	0.11
I would be willing to pay a higher price for my regular brand of toothpaste over other brands	**0.70**	-0.04	0.24	0.04	-0.09	0.04
4. Brand Trust						
I trust my regular brand of toothpaste for my tooth related problems	0.16	0.39	0.02	**0.68**	0.04	0.01

Cont'd…

I am likely to use my regular brand of toothpaste even if there is a scam surrounding it	0.05	-0.01	0.08	**0.55**	0.06	0.08
I rely on my regular brand of toothpaste for my tooth related problems	0.09	0.13	0.07	**0.80**	-0.01	-0.14
My regular brand of toothpaste is a reliable brand	0.35	0.30	-0.16	**0.49**	-0.02	0.04

5. Brand Symbolism

Using my regular brand of toothpaste helps me express my personality	0.10	0.36	**0.69**	-0.08	-0.02	0.05
Knowing whether a person uses my regular brand of toothpaste or not tells a lot about that person.	0.04	0.08	**0.86**	0.09	0.03	0.09
One can tell a lot about a person from the brand of toothpaste he/she buys	0.00	0.04	**0.83**	0.11	0.01	0.09

6. Genetic Influence

My regular brand of toothpaste is the same as what my parents had used for many years	0.08	0.06	0.09	0.02	0.01	**0.89**
My regular brand of toothpaste is the one I had used since my childhood	0.05	0.07	0.11	-0.03	0.04	**0.88**

Reliability coefficients (Cronbach's α) for all the measures were high and appropriate for research purpose. The reliability values for all the variables are shown in Table-3.

Table-3: Reliability Values

Variable	Reliability (Cronbach's Alpha)
Brand Symbolism	0.754
Brand Trust	0.650
Brand Benefits	0.842
Price Consciousness	0.668
Brand Loyalty	0.780
Genetic Influence	0.782

A pair wise correlation matrix was prepared to examine the multicollinearity and to ensure that there is no significant overlap between predictor variables (Table-4). Intercorrelations indicate only a minor level of multicollinearity among predictor variables. In general, correlations in the matrix indicate a

relative independence or little overlap among variables. Further, the correlation matrix indicates significant positive effects of brand benefits, brand trust, brand symbolism and genetic influence on brand loyalty and negative effects of consumer's price consciousness.

Table 4 – Correlation Matrix

	1	2	3	4	5	6
Brand Loyalty (1)	1					
Brand Benefits (2)	.415**	1				
Brand Symbolism (3)	.125**	.271**	1			
Brand Trust (4)	.369**	.456**	.148**	1		
Price consciousness (5)	-.163**	-.110*	.011	.011	1	
Genetic Influence (6)	.175**	.167**	.224	.055	.035	1

* Correlation is significant at the 0.05 level (2-tailed).
** Correlation is significant at the 0.01 level (2-tailed).

Next, regression analysis was performed to examine the relative influence of price consciousness, brand trust, brand symbolism, genetic influence and brand benefits on brand loyalty (Table 5). The results show that predictor factors viz. price consciousness, brand benefits, brand symbolism, genetic influence and brand trust, explain 19.8% of variation in brand loyalty. The value of condition index (16.636) also indicates that there is no serious problem of multicollinearity in the predictor variables although a moderate correlation is found between brand benefits and brand trust.

Table 5. Regression Analysis

	Beta Std.	**T-value**	**Sig.**
Price consciousness	-0.166	-3.747	**.000**
Brand benefits	0.217	4.227	**.000**
Brand Symbolism	0.019	0.412	.681
Brand Trust	0.242	4.922	**.000**
Genetic Influence	0.100	2.209	**.028**

Dependent Variable: Brand Loyalty

Adj R^2	**0.198**
F-Statistic	**21.644**
Sig	**0.000**
Condition Index	**16.636**

It is found that brand trust and brand benefits are relatively more significant in influencing brand loyalty than other predictor variables. Further, price consciousness is negatively related to brand loyalty. Results are supportive of the hypothesis which maintains that a high degree of consumer's price consciousness will have an adverse influence on brand loyalty. Consistent with the earlier discussion, the results also indicate that brand benefits and brand trust are effective in influencing brand loyalty. Also, genetic influence is positively related to brand loyalty. However, the results show that brand symbolism does not seem to affect brand loyalty. This may be due to the fact that consumers consider brand benefits more significant than the associations in a product category like toothpaste. However, it is possible that brand symbolism may be a significant predictor of brand loyalty in other FMCG product categories like soap, deodorants etc. where consumers associate brand with their self-concept or reference groups more than in case of a product category like toothpaste.

As indicated by the results, consumers perceive brand functional benefits and brand trust to influence brand loyalty. This could perhaps be interpreted that consumers, given their familiarity with the category and based on their experience in buying several brands over a period of time are discerning enough to maintain that functional benefits are required to keep the brand under consideration for repeat purchase, even when they have opportunities to try out new brands. The consumers may be motivated to try out new brands either due to sales promotion or due to symbolic proposition of brands, or even when there is an overtone of genetic influence on brand selection. There is also strong support to reflect that consumers' loyalty will be sustained through brand trust if a brand is able to create a loyalty which would inspire trust with regard to the brand over a period of time. This indicates that besides functional benefits, trust may be dependent on how authentic the brand communication will be with regard to conveying functional benefits (as they are core to brand loyalty), and how the brand is able to handle complaints through its grievance redressing systems. This interpretation may be unique to a country like India where service levels in general will have to be enhanced to greater levels in both product and service categories. With the growing development of the toothpaste category brands may benefit paying attention to consumers who may not be happy with the brand, and perhaps a point of purchase grievance handling/ complaint system may be one of the ways to build brand trust over a period of time.

Another dimension, which is contextual, is the availability of "look-alikes" (duplicate brands which are illegitimate) in the country. Several categories in fast moving consumer goods are plagued by duplicate "brands" that look almost similar in packaging to the brands they are attempting to clone.

Multinational companies have come together to address this problem. A brand's ability to create and nurture problems associated with the basic trust associated with it (including actions to prevent forces from diluting and destroying it) is important and the results of the study help in the interpretation of such contextual problems. The weak association of symbolism to loyalty can perhaps be explained by the fact that this symbolism is being diluted by a proliferation of brands in fast moving consumer goods categories. This would mean that the symbolism associated with the category (toothpaste in this context) might be adding value only if functional benefits are being updated. For example a brand, which has been associated with lifestyle symbolism ever since its launch would be preferred, only if functional benefits are updated either in its original product delivery form or in its variants launched subsequently. The close up brand of toothpaste, which has been positioned on symbolism, may have to launch (in the competitive context) whitener strips (which could whiten the teeth within minutes) to substantiate the "romantic symbolism" associated with its positioning.

**Implications of the study to Marketing Practice –
Developing a framework for Contemporary Brand Loyalty**

 The study established that the concept of loyalty is expressed in terms of their linkages with brand benefits, brand trust, genetic influence, and brand price consciousness. The study also probed into the significance of brand benefits, brand trust, price consciousness, symbolism and genetic influence of brand selection, on brand loyalty. These factors were found to have varying degrees of influence on brand loyalty.

    Loyalty is an important and topical marketing issue. The linkages of loyalty with the factors studied become important to avoid mismanagement of loyalty and to ensure that loyalty management programs are not wasted through indiscriminate sales promotion. Brand associations form an important aspect of branding. In an environment full of advertising clutter, managing brand associations is important. There is a need to manage brand associations in a manner that would appeal to consumers with different degrees of loyalty to the brand, and at the same time ensure that consistency of brand associations is maintained. Several brands in FMCG categories build themselves with symbolism (linked to self-concept or reference group aspects). The impact of symbolism on brand loyalty poses interesting challenges to marketers. Finally a framework that involves `Brand benefit set' (involving brand's functional benefits and trust) and loyalty that could be used by marketers to explore several marketing strategies is suggested.

The following framework shown in Figure 1 involves two dimensions `Brand benefit set' (concerned with, both brand's functional benefits and brand trust) and brand loyalty. This would give rise to form different categories of consumers who could be approached through different kinds of marketing strategies (as appropriate to FMCG categories).

Figure: 1 Developing Contemporary Brand Loyalty - A Framework

		Brand Loyalty	
		Low	**High**
Brand Benefit Set	**High**	`MYSTERY'	`VITALS'
	Low	`FLOATERS'	`SHAKERS'

`Brand benefit set' means brand benefits and brand trust. While price consciousness may have an impact on loyalty, a consumer, who perceives a brand high on `Brand benefit set', may experience less price consciousness. Consumers who could be categorised as `high' on `Brand benefit set' and loyalty are Vitals. These consumers are the core consumers of the brand and they not only perceive the brand `high' on benefits but also feel that they could rely on the brand even when the brand is going through a troubled phase. A brand should reward such consumers, and reinforce the goodwill, that they have in the brand. A database of such consumers with specific criteria endorsing their high degree of loyalty should enable the company to plan promotional programs for such consumers. Besides specific discounts on the brand (clearly communicating that the benefit is a result of their loyalty), frequent updates on the brand and its benefits could hold the involvement of these consumers.

   For example, a leading brand could offer its new variant exclusively for these consumers during the initial period of launch. The brand could also update the consumers on efforts taken by the company to improve its offerings. Depending on the type of brand association/positioning, innovative sales promotions that enhance the perception of these consumers on brand benefits could be formulated. For example, a brand like Colgate Total positioned on functional attributes (with a premium price) could offer dental check-ups (as a sales promotional effort) with a leading dentist in a specific town/city. Besides being rewarded, consumers would also have an

enhanced perception about the 'protection' promised by the brand.

One should also examine the `Brand benefit set' of a brand from the viewpoint of consumers. Trust is built up over a period of time and sales promotion of the kind mentioned earlier is likely to contribute to brand trust. Updates on scientific reports regarding the effectiveness of the brand in comparison to the functional attributes of competitive brands are also likely to contribute to brand trust.

Consumers who are `high' on loyalty but `low' on `Brand benefit set' (Shakers) are probably expressing inertia loyalty. This consumer group either feels that the purchase is not very important, or they have not had the motivation to realign their decision-making process to change their brand despite consciously knowing that they perceive the brand low on `Brand benefit set'. It may be worthwhile to probe into the psychographics of this group. The lower significance of symbolism associated with loyalty in the sample may be associated with this group of consumers. It is possible that they have internalised the brand association (if the brand is positioned on symbolism like Close up) to the extent of exhibiting high loyalty. Unless such a conclusion is derived, consumers in this group exhibit inertia loyalty. If symbolism is responsible for high loyalty, the brand should enhance its visibility (in an appropriate manner) in this group to convey its `Brand benefit set'. While brand benefits could be portrayed through marketing communication, brand trust can only be built up by emphasising the credibility of the brand over time. Instead of sales promotions (like the one suggested for `Vitals'), contests involving brand benefits may be useful to influence this consumer group. Contests involving product attributes/ benefits could be formulated and this approach would also influence the `word of mouth' among the group or the brand. Shakers who apparently exhibit a high loyalty can threaten the consumer base of the brand if their numbers are significant. If this group of consumers is not loyal due to symbolism, inertia loyalty could be unpredictable for the brand, as it is not borne out of commitment to the brand. Besides, attempting to retain such a loyal group through frequent sales promotion may not enhance the consumers' bonding with the brand.

Floaters are a group of consumers who are `low' on both `Brand benefit set' and brand loyalty. They are price conscious consumers who may be switching brands for purely pricing reasons and they may be prone to sales promotion deals of several brands in several product categories.

Mystery group consists of the group of consumers who are `high' on `Brand benefit set' but low on brand loyalty. These types of consumers buy the brand less frequently than Vitals though they may be convinced about the intrinsic value of the brand in terms of benefits and trust. They may be using the brand on specific occasions (like a brand of detergent used for

washing special clothes). Affordability could be one reason. Consumers may be attempting to regulate their category purchase with their favourite brand and with less favourite brands for a given period of time. If price consciousness is not the reason, variety-seeking behaviour to try other brands in the category may be another reason for buying the brand less frequently. Launching brand variants to increase   brand usage among consumers who value the brand is a strategy that is appropriate. Colgate Fresh Energy (the gel variant of Colgate) was launched several years after Close up pioneered the category of gel toothpaste in India. This may be to ensure that loyal consumers of the brand (or at least a cross section of them) stay within the fold of the brand by buying the variant.

Symbolism has lower significance with regard to brand loyalty in the category chosen and hence the framework has considered only those factors, that are primary reasons for being loyal to the brand (except in the case of Shakers). In other categories of consumers explained in the framework, symbolism may play a role in the trial associated with the brand. Enduring loyalty is a result of product benefits and brand trust.

Genetic influences on brand selection normally would start with the younger generation whose parents are associated with 'Vitals' group of consumers. This study indicated significant presence of genetic influence with regard to brand loyalty, but genetic influence could get altered after a period of time because of the younger generation's exposure to new brands/products. They are also influenced by several kinds of different reference groups (Hawkins, Best and Coney 1998). Hence a brand has to ensure that brand variants which are in consonance with changing trends as appropriate to the younger generation. Thus, variants should be introduced to prevent the group from moving over to other types of groups associated with loyalty. While Colgate has been in the market for several decades with its original version of the mother brand, the brand has introduced Colgate Strong Teeth, Colgate Total and Colgate Herbal in the last decade. If brand loyalty indicates a strong presence of genetic influence, the brand should ensure appropriate relationship management programs that link, both the younger and older generation, without losing the contemporary slant essential in a category like toothpaste. Such a challenge could open up new dimensions in branding.

Limitations of the Study and Directions for Future Research

The study has probed into only one category and hence the results cannot be generalised for other categories of products. Even for the same category, different buyer groups/ segments may express different responses with regard to the dimensions involved in the study. Hence the study provides

only certain factors which are linked with loyalty.

The study has not probed into how each loyalty group of consumers (namely, low loyalty, medium loyalty and high loyalty) differ on brand benefits, brand trust, price consciousness and brand symbolism. Future research should establish that various groups of loyal consumers differ in terms of various factors linked to loyalty.

Symbolic behaviour is being attributed to "low benefit-high loyalty" based consumer group. Further research should probe into the impact of symbolism on loyalty (especially the different degrees of loyalty and its linkages with symbolism). Research on genetic influences with regard to loyalty has been accomplished to a limited extent and this factor could be analysed further. The factor may be relevant to mass marketing of FMCG products in markets of developing countries where parents are still perceived as role models in several aspects of life. Urban markets in these countries may have experienced a change, but rural markets could be researched on genetic influences on consumer buying.

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Appendix – 1: Scale Items in Questionnaire

1 Completely Disagree	2 Moderately Disagree	3 Neither Agree nor Disagree	4 Moderately Agree	5 Completely Agree

Price Consciousness					
I usually buy toothpaste, which is on sale	1	2	3	4	5
I buy the lowest priced toothpaste that suits my needs	1	2	3	4	5
When it comes to choosing toothpaste for me, I rely heavily on price	1	2	3	4	5
Brand Functional Benefits					
I feel that use of my regular brand of toothpaste provides me freshness throughout the day	1	2	3	4	5
I feel that prolonged use of my regular brand of toothpaste would prevent tooth decay	1	2	3	4	5
Use of my regular brand of toothpaste gives me a refreshing taste	1	2	3	4	5
I feel that prolonged use of my regular brand of toothpaste helps in cavity protection	1	2	3	4	5
I feel that prolonged use of my regular brand of toothpaste helps in whitening teeth	1	2	3	4	5
I feel that prolonged use of my regular brand of toothpaste helps in gum protection	1	2	3	4	5

Cont'd...

Brand Loyalty					
I will buy my regular brand of toothpaste the next time I purchase toothpaste	1	2	3	4	5
I intend to keep purchasing my regular brand of toothpaste	1	2	3	4	5
I am committed to my regular brand of toothpaste	1	2	3	4	5
I would be willing to pay a higher price for my regular brand of toothpaste over other brands	1	2	3	4	5
Brand Trust					
I trust my regular brand of toothpaste for my tooth related problems	1	2	3	4	5
I am likely to use my regular brand of toothpaste even if there is a scam surrounding it	1	2	3	4	5
I rely on my regular brand of toothpaste for my tooth related problems	1	2	3	4	5
My regular brand of toothpaste is a reliable brand					
Brand Symbolism					
Using my regular brand of toothpaste helps me express my personality	1	2	3	4	5
Knowing whether a person uses my regular brand of toothpaste or not tells a lot about that person.	1	2	3	4	5
One can tell a lot about a person from the brand of toothpaste he/she buys	1	2	3	4	5
Genetic Influence					
My regular brand of toothpaste is the same as what my parents had used for many years	1	2	3	4	5
My regular brand of toothpaste is the one I had used since my childhood	1	2	3	4	5

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