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A study on brand loyalty of hair oil among college student

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ABSTRACT

Loyalty to the brand is very important subject from marketing strategy perspective, especially as current markets are marked by its passing through a so high mature phase and intensive competition, whereas keeping the customers loyal to the brand is very crucial for the survival and continuity of the organization. Brand-loyal consumers may be willing to pay more for a brand. This strategy considered a more effective and efficient way than attracting a new customer. Similarly, brand loyalty leads to greater market share when the same brand is repeatedly purchased by loyal consumers consequently; the brand is the sole distinguishing factor among competing and similar products. Hence a study is made on brand loyalty of Hair oil among college students.

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Introduction

Understanding loyalty is essential for marketing practitioners as loyal customers are less likely to switch and make more purchases than similar non loyal customers (Reichheld,1996; Reichheld and sasser ,1990), thus if the company can retain just 5% more of its loyal customers, profits will increase by 25% - 125% (Reichheld and sasser,1990). Reichheld's (1996) is further supported by strauss and frost (1999). Who suggest that relationship marketing is cost effective; it is less expensive to retain one customer than to acquire one; it is easier to sell more products to one loyal customer than to persuade new customers. The loyal customers normally have more confidence towards the firms compared to new customer.

In addition, brand loyalty also contributes in reducing the costs of doing business, thus improving brand as well as company's profitability (Tiele and mackay,2001). In this instance, the profit gain is the result of loyal customers whom would possible provide 'free – advertisement' through positive word of mouth. Happy customers make recommendation about stores, product or services to their friends. A research study reported that each satisfied customer tells nine or ten people about the happy experiences and 13% of dissatisfied customers tell more than twenty people about how bad the company / product were (Sonnenberg , 1993). This is the reason why many companies are trying to understand the contributing factors of brand loyalty.

Theoretically, brand loyalty could be enhanced by maintaining the long term relationship with the customers in that it could help in creating the competitive advantages for any particular company. Normally, in order to increase the market share , most companies are utilizing common strategies such as discounting their market prices (having price war with competing brand), expanding their distribution channels or even launching promotional campaigns (Cravens , 1994). However, it would be more cost effective and profitable to increase the market share that could be sustained over time though effectively strategizing the brand loyalty rather than using the

common. Short-term strategies. Once the relationship or loyalty is build, it would be easier for the companies to achieve sustainable competitive advantage.

Statement of the problem:

Nowadays competitive business environments consumers are exposed to a large number of brand choice alternatives. Managers and marketers are battling to keep their brand loyal and trying to avoid competitors from grabbing of those customers.

Brand loyalty is one of the most important issues in the world of marketing and business due to the great importance that the brand subjected to the international business level in particular. Furthermore, a loyalty to the brand is very important subject from marketing strategy perspective, especially as current markets are marked by its passing through a so high mature phase and intensive competition, whereas keeping the customers loyal to the brand is very crucial for the survival and continuity of the organization. Brand-loyal consumers may be willing to pay more for a brand .This strategy considered a more effective and efficient way than attracting a new customer. Similarly, brand loyalty leads to greater market share when the same brand is repeatedly purchased by loyal consumers consequently; the brand is the sole distinguishing factor among competing and similar products. Hence a study is made on brand loyalty of Hair oil among college students.

Objectives of the study

1. To study the factors affecting Brand Loyalty of hair oil among college students.
2. To find out whether there exist relationships between personal profile and factors affecting brand loyalty.

Hypothesis

1. There is no relationship between personal profile of the Respondents and brand name.
2. There is no relationship between gender and factors affecting brand loyalty.
3. There is no relationship between marital status factors affecting brand loyalty.

4. There is no relationship between educational qualification and factors affecting brand loyalty.

5. There is no relationship between brand name and factors affecting brand loyalty.

Methodology

Brand loyalty was being measured through the questionnaire method. The items taken and the reliability of this scale ranges from .85 to .59. Data has been collected from 75 respondents of hair oil brand which has extended its product line by introducing new products under the same brand name. One hundred copies of questionnaire were returned so, the response rate was 100%. Structured questionnaire was being used in this research to collect data. All the items were assessed on a five-point likert scale where 1 represents "strongly disagree" and 5 represents strongly agree". Primary data were collected through structured questionnaire. Secondary data were collected through websites, magazines, and journal, research, report and news papers. The sample size consists of 75 respondents. Convenient sampling method is used in the study.

Review of literature

Amine (1998) in her literature distinguishes two main approaches to define the loyalty construct: the behavioral one suggests that the repeat purchasing of a brand over time by a consumer expresses their loyalty, and; the attitudinal perspective which assumes that consistent buying of a brand is a necessary but not sufficient condition of 'true' brand loyalty and it must be complemented with a positive attitude towards this brand to ensure that this behaviour will be pursued further.

Lau et al. (2006) in his article mentioned that there were seven factors that influenced consumers' brand loyalty towards certain Hair oil brands. The factors were: brand name, product quality, price, style, store environment, promotion and service quality.

According to **Kohli and Thakor (1997)**, brand name is the creation of an image or the development of a brand identity and is an expensive and time consuming process. The development of a brand name is an essential part of the process since the name is the basis of a brand's image. Brand name is important for the firm to attract customers to purchase the product and influence repeat purchasing behaviour. Consumers tend to perceive the products from an overall perspective, associating with the brand name all the attributes and satisfaction experienced by the purchase and use of the product.

According to **Cadogan and Foster (2000)**, price is probably the most important consideration for the average consumer. Consumers with high brand loyalty are willing to pay a premium price for their favored brand, so, their purchase intention is not easily affected by price.

According to **Bucklin et al. (1998)**, price significantly influences consumer choice and incidence of purchase. He emphasized that discount pricing makes households switch brands and buy products earlier than needed. Price is described as the quantity of payment or compensation for something. It indicates price as an exchange ratio between goods that pay for each other. Price also communicates to the market the company's intended value positioning of its product or brand. Price consciousness is defined as finding the best value, buying at sale prices or the lowest price choice (Sproles and Kendall, 1986). Additionally, consumers generally evaluated market price against an internal reference price, before they decide on the attractiveness of the retail price.

A research conducted by **Duff (1999)** investigated the niche market in women's hair oil and the results showed that hair oil

shoppers were becoming more fashion conscious and were demanding products with more style; furthermore, consumers have a tendency to wear different attires for different occasions.

According to **Sproles and Kendall (1986)**, fashion consciousness is generally defined as an awareness of new styles, changing fashions, and attractive styling, as well as the desire to buy something exciting and trendy.

According to **Rowley (1998)**, promotion is an important element of a firm's marketing strategy. Promotion is used to communicate with customers with respect to product offerings, and it is also a way to encourage purchase or sales of a product or service.

Gronroos (1990) noted that the quality of a service as perceived by customers had three dimensions: functional (or process) dimension, technical (or outcome) dimension, and image. Furthermore, Richard and Allaway (1993) argued that utilizing only functional quality attributes to explain and/or predict consumers' behavior might be a misspecification of service quality and had low predictive validity.

Table-1

Profile of the respondent

	No of Respondents	Percentages
Age		
Up to 20 years	32	42.7
21- 40 years	43	57.3
Total	75	100
Gender		
Male	32	42.7
Female	43	57.3
Total	75	100
Marital Status		
Married	4	5.3
Unmarried	71	94.7
Total	75	100
Educational Qualification		
UG Arts	22	29.3
UG Science	4	5.3
PG Arts	41	54.7
PG Science	8	10.7
Total	75	100
Domicile		
Rural	44	58.7
Urban	31	41.3
Total	75	100
Family Income		
Up to Rs.5000	39	52
Rs.50001-10000	16	21.3
Rs.10001-15000	8	10.7
Above Rs.15000	12	16
Total	75	100

Source- Primary Data

57.3 percentages of the respondents are in the age group of between 21 to 40 years. 57.3 percentages of the respondents using hair oil are female. 94.7 percentages of the respondents using hair oil are unmarried. 54.7 percentages of the respondents are educated up to post graduate holders in arts. 58.7 percentages of the respondents in rural area. 52 percentages of the respondents receive a family of income of below Rs.5000

28 percentages of the respondents use the brand VVD Gold. 73.3 percentages of the respondents are using Hair Oil for Quality.

Table-2

Brand Preference of Hair Oil		
Name of Brand	No of Respondents	Percentages
Aswini Homeo	6	8
Anoop Herbal	2	2.7
Amla kesh	7	9.3
Dabur Vatika	3	4
Kashavarthini	5	6.7
VVD Gold	21	28
Parachute	24	18.7
Emami	3	4
Others	14	18.7
Total	75	100
Reason for using Hair Oil		
Reasonable Price	14	18.7
Quality	55	73.3
offers	6	8
Total	75	100

Source: Primary Data

Table-3

	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
Product Quality	No of Resp.	%	No of Resp.	%	No of Resp.	%	No of Resp.	%	No of Resp.	%
Opinion about-“packing size of hair oil is good”	24	32	33	44	15	20	2	2.7	1	1.3
Opinion about-“material used by the brand are comfortable”	22	29	37	49	10	13	5	6.7	1	1.3
Opinion about-“the brand has sufficient colour”	14	19	33	44	22	29	3	4	3	4
Opinion about-“brand has functional quality”	10	13	43	57	12	16	4	5.3	6	8
Opinion about-variety of styles in brand	25	33	22	29	18	24	7	9.3	3	4
Opinion about-style of the brand are suitable for me	14	19	36	48	15	20	10	13	-	-
Opinion about-styles of the brand features	13	17	22	29	21	28	14	19	5	6.7
Opinion about-brand is trendy and fashionable	15	20	26	35	19	25	9	12	6	8

Source- Primary Data

Table-4

	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
Brand Name	No of Resp.	%	No of Resp.	%	No of Resp.	%	No of Resp.	%	No of Resp.	%
Opinion about-reputable to the brand	26	35	27	36	12	16	6	8	4	5.3
Opinion about-brand name and image attract me to purchase	14	19	36	48	6	8	11	15	8	10.7
Opinion about-pricing of brand is satisfactory.	15	20	26	35	19	25	9	12	6	8
Opinion about-brand reflects my own personality	17	23	30	40	20	27	4	5.3	4	5.3

Source- Primary Data

Table-5

	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
Store Environment	No of Resp.	%	No of Resp.	%	No of Resp.	%	No of Resp.	%	No of Resp.	%
Opinion about-store location of the brand	24	32	37	49.3	11	14.7	2	2.7	1	1.3
Opinion about-brand has sufficient outlets	9	12	40	53.3	14	18.7	11	14.7	1	1.3
Opinion about-interior display is attractive	16	21.3	29	38.7	16	21.3	10	13.3	4	5.3
Opinion about-colour and music inside the store and attractive	28	37.3	17	22.7	20	26.7	6	8	4	5.3

Source- Primary Data

Table-6

	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
	No of Resp.	%	No of Resp.	%	No of Resp.	%	No of Resp.	%	No of Resp.	%
Service Quality										
Opinion about-salesperson of the store is well-trained	18	24	23	30.7	18	24	15	20	1	1.3
Opinion about-salesperson of the stores are willing to help	11	14.7	36	48	19	25.3	5	6.7	4	5.3
Opinion about-salesperson of the stores friendly and courteous	14	18.7	17	22.7	30	40	11	14.7	3	4
Opinion about-stores have neat appearance	21	28	25	33.3	19	25.3	9	12	1	1.3

Source- Primary Data

Table-7

	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
	No of Resp.	%	No of Resp.	%	No of Resp.	%	No of Resp.	%	No of Resp.	%
Promotion										
Opinion about-advertisement of the brand is attractive	32	42.7	24	32	10	13.3	7	9.3	2	2.7
Opinion about-advertisement of the brand attract me to purchase	16	21.3	33	44	9	12	13	17.3	4	5.3
Opinion about-window displays are attractive	20	26.7	25	33.3	21	28	6	8	3	4

Source- Primary Data

Table-8

	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
	No of Resp.	%	No of Resp.	%	No of Resp.	%	No of Resp.	%	No of Resp.	%
Price										
Opinion about-increase of price does not hinder me to purchase	14	18.7	15	20	22	29.3	18	24	6	8
Opinion about-the brand provide goods value for money	18	24	24	32	15	20	10	13	8	10

Source- Primary Data

Table-4 indicates that 44 percentages of the respondents agree with the statement – “packing size of hair oil is good”. 49 percentages of the respondents agree the statement – “material used by the brand are comfortable to the hair oil”. 44 percentages of the respondents agree the statement – “The brand has sufficient colour”. 57 percentages of the respondents agree the statement – “brand has functional quality”. 33 Percentages of the respondents strongly agree the statement – “variety of styles”. 48 percentages of the respondents agree the statement – “style of the brand are suitable for me”. 29 Percentages of the respondents agree the statement – “styles of the brand features”. 35 Percentages of the respondents agree the statement brand is trendy and fashionable

Table-4 describes that 36 percentages of the respondents agree the statement – “reputable to the brand”. 48 percentages of the respondents agree the statement – “brand name and image attract me to purchase”. 35 percentages of the respondents agree the statement- ‘pricing of brand is satisfactory’. 40 percentages of the respondents agree the statement – “brand reflects my own personality”.

Table-5 states that 49.3 percentages of the respondents agree the statement – “store location of the brand”. 53.3 percentages of the respondents agree the statement – “brand has sufficient outlets”. 38.7 percentages of the respondents agree the statement – “interior display is attractive”.

37.3 percentages of the respondents strongly agree the statement – “colour and music inside the store and attractive”.

Table-6 explains that 30.7 percentages of the respondents agree to the statement – “salesperson of the store is well – trained”. 48 percentages of the respondents agree the statement ‘salesperson of the stores are willing to help’. 40 percentages of the respondents are neutral to the statement ‘salesperson of the stores friendly and courteous’. 33.3 percentages of the respondents agree the statement - “stores have neat appearance”.

Table-7 reveals that 42.7 percentages of the respondents strongly agree the statement – “Advertisement of the brand is attractive”. 44 percentages of the respondents agree the statement - “Advertisement of the brand is attractive”. 33.3 percentages of the respondents agree the statement - “window displays are attractive”.

Table-8 shows that 29.3 percentages of the respondents agree the statement - “Increase of price does not hinder me to purchase”. 32 percentages of the respondents agree the statement - “The brand provides goods value for money”.

Suggestion

1. Majority of the respondents feel that the product quality is good. So the Hair oil company can try maintaining the same quality level.

2. The majority of respondents feel that the neat appearance to the stores. So the stores can try to maintain the same level.

3. Most of the respondents became aware of the brand by watching television. So the company can try to increase the advertising.

4. Most of the respondents became aware the advertisement of the brand attract me to purchase so the maintaining the same advertisement level.

5. Care must be taken by the producer for manufacture of hair oil which suits all types of users.

Conclusion

The purpose of this research is to investigate how the respondents are influenced by factors of brand loyalty towards hair oil brands. Brand loyalty is important for an organization to ensure that its product is kept in the minds of consumers and prevent them from switching to other brands. Product quality plays a significant role in influencing consumers to be brand loyal customers. Four hypotheses are accepted and two hypotheses are rejected.

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