Consumer Brand Loyalty: A Study on FMCGs-Personal Care Products in Rural and Urban Areas of India

Mr. Jyoti Pradhan[1,] Dr. Devi Prasad Misra[2]

[1]Assistant Professor, Department of Management, Surana College, #16, South End Road, Basavanagudi, Bangalore - 560 004 Karnataka, India
[2]Professor, Department of Business Administration, F.M.University, Balasore, Odisha, India

Abstract: *The globalization of world economy has increased competition, locally as well as internationally. In such competitive business milieu, organizations need a distinguishing element that will keep consumers identifying and buying their products. With increase in competition annually, the traditional sources of competitive advantage like leadership in price and quality is not enough to ensure the success of a product anymore in both rural and urban markets. In other words, Company executives are recognizing that the true worth of the organization is not the tangible assets it owns, but the value ascribed to the brands it is developing to satisfy the needs of the consumer. This study analyzes brand loyalty for FMCGs in rural and urban markets. For this comparative study, one rural district of Odisha and Bangalore urban district were chosen. The relationship between demographic variables on the brand loyalty of the consumers and consumer's switching factors in respected selected product category was made. A randomly selected sample of 200 each from Keonjhar district, Odisha and Bangalore urban district, Karnataka were selected for this study. To indicate the amount of correlation between the variables, Chi-square test was used. Results show that among the variables namely gender, age, education and occupation, only age and education have the most significant impact on consumer's brand loyalty in urban areas and in rural areas. These variables were found insignificant after the study.*
Keywords: *Brand Loyalty, Brand Switching, FMCGs, Personal Care Products*

I. Introduction

Consumers typically go through seven major stages when making purchase decisions viz. need recognition, search for information, pre-purchase evaluation, purchase, consumption, post-consumption evaluation, and divestment. By understanding these seven stages and how various factors influence each stage of consumer's decisions roadmap, marketers can discover why people are or are not buying product and what to do to get them to buy more or from a specific supplier (Blackwell 2005).

If a consumer decided to purchase a product in evaluation stage he would make five purchase decisions, such as brand, vendor, quantity, timing and payment method. Purchase of all products do not involve all of these decisions. It depends on the cost, life, frequency of the product. In case of high cost and infrequently purchased products like television, all these decisions take place and there is no concept of trial purchase because these products can be purchased for a considerable period. In case of low cost and frequently purchased items like toilet soaps, food products etc. called Fast Moving Consumer Goods (FMCGs) may not involve all decisions like payment method. In the case of FMCGs, there is a possibility to make trial purchase and if the consumer is satisfied with the performance of the product or brand, he is likely to repeat the purchase (Sarangapani 2009: 20-21).

It is in the purchase stage of consumers two purchasing patterns are identified. They are: (i) the extent to which consumers develop repeat purchasing patterns and (ii) the extent to which purchases are unplanned. These subjects could be explained in the context of brand loyalty and impulse purchase. Impulse purchase is also called by some marketers as unplanned purchasing (Loudan and Della Bitta 2009: 563-567).

The repeat purchase behavior is therefore, linked to various degrees of brand loyalty, which may vary from category to category. At the one end, extant literature on brand loyalty has mostly considered loyalty as a notion of consumers being exclusively loyal to a single alternative. At the other end, also suggest that the unprecedented number of competing product alternatives and increased fragmentation of markets, have led to the decrease in the number of consumers purchasing brands exclusively. Consumers are therefore embracing a set of acceptable brands that match their needs rather than being loyal to one specific brand. Some researchers have suggested a useful definition of brand loyalty that recognizes true brand-loyal consumers who exhibit not only a high degree of repeat purchasing but also favorable attitude toward the purchased brand.

1.1 The definitions and concept of Brand Loyalty

'You learn that creating customer loyalty is neither strategic nor tactic; rather, it is the ultimate objective and meaning of brand equity. Brand loyalty is brand equity'. -Daryl Travis

Now, what constitutes brand loyalty? According to Bloemer and Kasper, brand loyalty implies that consumers bind themselves to products or services as a result of a deep-seated commitment. To exemplify this point, they rendered a distinction between repeat purchases and actual brand loyalty. In their published research, they assertthat a repeat purchase behavior 'is the actual re-buying of a brand' whereas loyalty includes 'antecedents' or a reason/fact occurring before the behavior. Bloemer and Kasper further delineate brand loyalty into 'spurious' and 'true' loyalty. Spurious loyalty exhibits the following attributes:
a. Biased
b. Behavioral response
c. Expressed over time
d. By some decision-making unit, with respect to one or more alternate brands, and
e. A function of inertia

True brand loyalty includes the above, but replaces inertia with a psychological process resulting in brand commitment.Next, let's turn to various definitions proposed by different authors and thinkers to get a better insight towards the term brand loyalty.

Brand loyalty is a topic of much concern to all marketers[1]. Every company seeks to have a steady group of unwavering customers for its product or service. Because research suggests that an increase in market share is related to improved brand loyalty, marketers are understandably concerned with this element. Thus, brands that seek to improve their market positions have to be successful both in getting brand users and in increasing their loyalty[2].

1.1.1 Oliver defines brand loyalty as 'a deeply held commitment to re-buy or re-patronize a preferred product or service in the future despite situational influences and marketing efforts having the potential to cause switching behavior.

1.1.2 Brand Loyalty is 'the degree of consistency in buying a particular brand(s) as a function of cognition, emotion, satisfaction, commitment, habit and positive attitude towards brand (s)'. A firm's ability to retain customers and foster brand loyalty is crucial for its continued success (Dogra and Ghuman 2008:119).

1.1.3 Consumer loyalty refers to the unwillingness on part of consume to switch over to the other products, brands or stores other than those he has been patronizing over a period of time. Consumer loyalty is broad term encompassing brand loyalty and store loyalty (Dogra and Ghuman 2008:120).

1.1.4 As a behavior phenomenon, brand loyalty simply implies repeat purchase behaviour. While as a cognitive phenomenon, brand loyalty is often thought of as an internal commitment on the part of the customer to purchase and repurchase a particular brand (Mowen, 1995)[3].

1.1.5 A more complete definition of brand loyalty describes it as : (a) the biased (nonrandom), (b) behavioral response (purchase), (c) expressed over time, (d) by a decision-making unit, (e) with respect to one or more alternative brands out of a set of such brands, and (f) a function of psychological (decision-making, evaluative) processes[4].

1.2 Loyalty driven Consumer typology

A first approach of classifying consumers considering their degree of loyalty is that of George H. Brown, according to whom buyers can be divided into four groups: hard- core loyals- always buy the same brand; split loyals - loyal to two or three brands; shifting loyals- loyal to one brand for a period of time, but easily shifting from one brand to another, due to certain advantages offered by the new brand; switchers - show no loyalty to any brand, switching the brand with almost any buying situation. A second approach is that of David A. Aaker who sees five levels of brand loyalty and groups customers accordingly into a loyalty pyramid.

[1]Thomas Exter, 'Looking for Brand Loyalty,' American Demographics, April 1986, pp.32-33, 52-56.
[2]S.P. Raj, 'Striking a balance Between Brand Popularity and Brand Loyalty', Journal of Marketing, 49:53-59, Winter1985
[3]Mowen, J.C. (2005) Consumer Behaviour (4th Edition), Prentice Hall Inc., 1995
[4]Jacob Jacoby and Robert W. Chestnut, Brand Loyalty: Measurement and Management, Wiley, New York, 1978, pp. 80-81.

Figure-1: Loyalty Pyramid
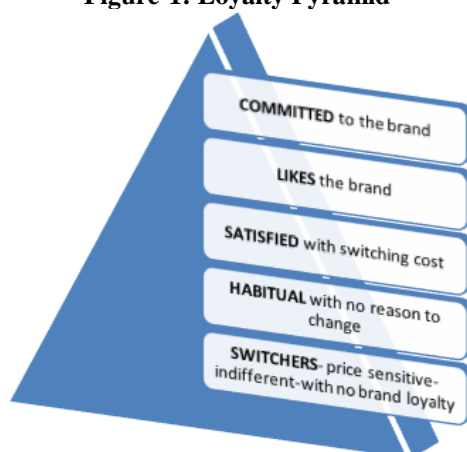
Source: Aaker, David A. (1991), Managing Brand Equity: Capitalizing on Value of Brand Name, The Free Press, New York: 40

Third model, considering the level of involvement and that of perceived differences between the brands Henry Assael identifies four brand loyalty driven consumers.

Figure-2: Involvement/Perceived differences based loyalty types

		Involvement	
		High	**Low**
Perceived Difference	Many and/or significant	Complex Loyals	Variety Seekers
	Few and/or not significant	Dissonance Loyals	Habitual Loyals

Source: Kotler, Philip (2002) Marketing Management, Millennium Edition, Prentice Hall Inc., Upper Saddle River, New Jersey: 97

a. **Complex Loyals:** Firstly they do research, and then develop beliefs and attitude about the brands and finally make a thoughtful choice.
b. **Dissonance Loyals:** They shop around and buy fairly quickly, as they may consider most brands in a given price range to be the same, even though expensive and self-expressive. Even though they experience dissonance noticing certain features or hearing favourable things about other brands, they seek information supporting their choice.
c. **Habitual Loyals:** They make decisions based on brand familiarity and keep buying the same brand out of habit as passive recipients of information conveyed by advertisements.
d. **Variety Seekers:** They switch brands for the sake of variety rather than dissatisfaction, choosing brands with little evaluation, and evaluating them mostly during the consumption.

Dick and Basu argue that the loyalty is driven by strength of relationship between relative attitude and repeat patronage. On the basis of attitude-behaviour relationship they propose four types of brand loyalty.

Figure-3: Attitude/Behaviour based Loyalty types

		Repeat Patronage	
		High	Low
Relative Attitude	High	Loyalty	Latent Loyalty
	Low	Spurious Loyalty	No Loyalty

Source: Dick, A., Basu, K. (1994) Consumer Loyalty: towards An Integrated Conceptual Framework, Journal of Marketing Science, Vol. 22 (2): 101

A study of repeat purchase behavior for nine products based on a Chicago Tribune purchase panel suggested that there were four brand loyalty patterns, as follows[5]:
a. **Undivided loyalty:** It is exhibited by families purchasing brand A in the following sequence: AAAAAA.
b. **Divided loyalty:** It is exhibited by the family purchasing brands A and B in the following sequence: A B A B A B.
c. **Unstable loyalty:** It is shown by the family buying brands A and following sequence: A AA B BB.
d. **No loyalty:** It is shown by families buying brands A B C D E and F in following sequence: A B C D E F.

---

[5]George H. Brown, 'Brand Loyalty-Fact or Fiction?'Advertising Age, January 26, 1953, pp. 75.

1.3 Factors of Brand Loyalty

Research has indicated that brand attributes are viewed as important elements in a consumer's decision making. For example, Lau, et al. (2006) in his article mentioned that there were seven factors that influenced consumer's brand loyalty towards certain brands. The factors were brand name, product quality, price, design, store environment, promotion and service quality.

1.3.1 Brand Name

Famous brand names can disseminate product benefits and lead to higher recall of advertised benefits than non-famous brand names (Keller, 2003). There are many unfamiliar brand names and alternatives available in the market place. Consumers may prefer to trust major famous brand names. These prestigious brand names and their images attract consumers to purchase the brand and bring about repeat purchasing behavior and reduce price related switching behaviors (Cadogan and Foster, 2000). 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 behavior.

1.3.2 Product Quality

Product Quality encompasses the features and characteristics of a product or service that bears on its ability to satisfy stated or implied needs. In other words, product quality is defined as 'fitness for use' or 'conformance to requirement' (Russell and Taylor, 2006). Consumers may repeat the purchase of single brands or switch around several brands due to the tangible quality of the product sold. Material is important in product quality because it affects the hand feel, texture and other performance aspects of the product. Further, consumers relate personally to color, and could select or reject a product because of color. If the color does not appeal to them or flatter their own color, they will reject the product. Functional attributes in cosmetics include quick-dry, breathable, waterproof, lightweight, and finally, durability. For instance, some consumers use cosmetics for work and some for leisure and sports, as they need a lot of movement, while durability is an important consideration in purchasing cosmetics. Perfectionist or quality consciousness is defined as an awareness of and desire for high quality products, and the need to make the best or perfect choice versus buying the first product or brand available (Sproles and Kendall, 1986). This indicates that quality characteristics are also related to performance.

1.3.3 Price

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. In addition, customers have a strong belief in the price and value of their favorite brands so much so that they would compare and evaluate prices with alternative brands (Keller, 2003).

Consumers' satisfaction can also be built by comparing price with perceived costs and values. If the perceived values of the product are greater than cost, it is observed that consumers will purchase that product. Loyal customers are willing to pay a premium even if the price has increased because the perceived risk is very high and they prefer to pay a higher price to avoid the risk of any change (Yoon and Kim, 2000). Long-term relationships of service loyalty make loyal customers more price tolerant, since loyalty discourages customers from making price comparison with other products by shopping around.

1.3.4 Design

Design is visual appearance, which includes line, shape and details affecting consumer perception towards abrand (Frings, 2005). Brands that supply stylish package attract loyal consumers who are fashion conscious. Fashion leaders or followers usually purchase or continue to repeatedly purchase their products in stores that are highly fashionable. They gain satisfaction from using the latest brands and designs which also satisfies their ego. A research conducted by Duff (2007) investigated the niche market in women's cosmetics, and the results showed that cosmetics buyers were becoming more fashion conscious and were demanding products with more attractive design; furthermore, consumers have a tendency to use different makeup designs for different occasions. According to Sproles and Kendall (1986), fashion consciousness is generally defined as an awareness of new designs, changing fashions, and attractive styling, as well as the desire to buy something exciting and trendy.

1.3.5 Store Environment

Omar (1999) emphasized that the store environment was the single most important factor in retail marketing success and store longevity. Positive attributes of the store, which include store location, store layout, and in-store stimuli, affect brand loyalty to some extent. If consumers find the store to be highly accessible during their shopping trip and are satisfied with the store's assortment and services, these consumers may become loyal afterwards (Lovelock, 2010). The stimuli in the store, such as the characteristic of other shoppers and salespeople, store layout, noises, smells, temperature, shelf space and displays, sign, colors, and merchandise, affect consumers and serve as elements of product attributes, which may in turn, affect consumer decision making and satisfaction with the brand (Lovelock, 2010).

1.3.6 Promotion

Promotion is a marketing mix component, which is a kind of communication with consumers.

Promotion includes the use of advertising, sales promotions, personal selling and publicity. Advertising is a non-personal presentation of information in mass media about a product, brand, company or store. It greatly affects consumers' images, beliefs and attitudes towards products and brands, and in turn, influences their purchase behaviors (Lovelock, 2010). This shows that promotion, especially through advertising, can help establish ideas or perceptions in the consumers' minds as well as help differentiate products against other brands. According to Clow (2010), 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 a way to encourage purchase or sales of a product or service. Sales promotion tools are used by most organizations in support of advertising and public relations activities, and they are targeted toward consumers as final users.

1.3.7 Service Quality

A common definition of service quality is that the service should correspond to the customers' expectations and satisfy their needs and requirements (Lovelock, 2010). Service quality is a kind of personal selling, and involves direct interactions between salespeople and potential buyers. Consumers like to shop at specific stores because they like the services provided and are assured of certain service privileges. The impact of salespeople-consumer relationships will generally result in long term orientation of consumers towards the store or brand.

1.4 Brand Switching

People switch brands for various reasons. According to Graham Hankinson, there are two different types of brand switchers, promiscuous switchers and constrained switchers. Promiscuous switchers switch brands for a number of reasons. They may shop according to price and therefore, buy whichever brand is on special at that particular point in time or they may shop for convenience and purchase those brands which are available at their nearest supermarket (Irwin, 2004).

Constrained switchers have a limited selection of brands from which they choose depending on the occasion or circumstance. For example, in the category of instant coffee, a constrained switcher may purchase Ricoffy for everyday use but Nescafe for special occasions. There is also a school of thought which proposes that people switch brands purely for variety seeking reasons (Solomon, 1994). These consumers switch brands even if the current brand satisfies their needs. To them, there is no rational reason for the change except that they are bored with the current brand. In addition to the reasons mentioned above, it should also be noted that consumers switch brands when they are unhappy with their current brand. This may occur because of an unexpected and unwelcome change in any one of the elements of the marketing mix (product, price, place and promotion). For example, a consumer may decide to switch brands if his/her perceived value of the product has decreased due to a drastic drop in price.

II. Review Of Literature

Historically, the concept of brand loyalty first appeared as a uni-dimensional construct. However, in the 1950s, two separate loyalty concepts evolved, one to measure attitude and one to measure behavior. This bi-dimensional construct or composite model was researched and eventually presented by Jacoby (1971) as a brand loyalty model. Jacoby and Chestnut (1978) continued the research and refined Jacoby's initial model and combined both the attitudinal and behavioural constructs, thereby signaling the beginning of much interest in brand loyalty research (Rundle and Thiele, 2005). Using this composite model as a base, several models have emerged since, offering new dimensions and influences in various industries. Most notable was the model offered by Dick and Basu (1994), which identified the need to define the different manifestations of composite loyalty as separate dimensions. The concept brand loyaltybecame one of the most researched topics, and extended towards the services industry that has rapidly grown since the 1990s. With the increased

interest in a more relational approach to marketing, the focus shifted towards building long-term relationships with customers. This approach was in contrast with the traditional view of transactional marketing, where the emphasis was on single transactions (Rao and Perry, 2002). This new approach to marketing was met with enthusiasm, and represented, according to Scott (2006), 'a fundamental reshaping of the field'. It quickly became apparent that retaining a customer was far cheaper and convenient than creating a new one.

Aaker (1996) already stated that the most important effects of brand loyalty are reduced marketing costs, trade leverage, the attraction of new customers through created brand awareness and reassurance to new customers, as well as the gained time to respond to threats by the competition. Since 2001, brand loyalty has risen in spite of the continuous entry of new products into the market. This phenomenon can be accredited to the consumer becoming aware of the advantages of well-known brands, such as the benefit of saving time searching for products or issues regarding the quality of the products (Daye and Van Auken 2009). Brand loyalty is built over time through a collection of positive experiences that requires consistent effort and attention to detail. Loyal customers are repeat customers who choose a brand or company without even considering other options. They buy more, and they buy more regularly, and they frequently recommend the brand to others (Manternach 2010). However, Aaker (1996) indicated that care should be taken in marketing mix decisions, because brand loyalty reflects the probability that a customer will switch to another brand, and this probability increases when the brand is subjected to a change in its marketing mix.

Different customers tend to remain loyal to a brand for different reasons of emotion, objectivity or inertia (Venkateswaran, 2003)[6]. There is an emotional bond between the customer and the brand that the customer believes is the best choice (Emotion). There are people who constantly reassess their buying decisions and tend to evaluate alternatives regularly on objective purchase parameters (Objectivity). Another group rarely reassess their purchase decisions. This could be out of involvement or high switching costs (Inertia). According to Assel, repeat purchase based on reasons other than commitment to a brand can be attributed to inertia loyalty. While loyalty, satisfaction and customer relationship management (CRM) are related concepts, recent literature throws light on several interesting findings on these concepts that satisfaction need not contribute to loyalty. Recency, frequency and monetary value of the purchase (RFM) is regarded as good measure of customer loyalty (Assel, 2001)[7].

Lagace (2008) stated that marketing managers must identify the influences of connection that is most relevant or could be made more relevant to consumers. For example, managers need to consider whether a product offers connection to, or disconnection from, others or oneself. And they must decide whether a connection is physical, social, or mental. Once these levels of connection are understood, marketing managers can better show how a product or service attends to the consumer's basic human needs.

Consumers are experimenting and changing their choice of products rapidly. One survey found that Indian consumers tried on average 6.2 brands of the same packaged goods product in one year, compared with 2.0 brands for American consumers. Consumers in emerging markets are far more focused than their western counterparts on the price/performance equation. Thus, customer loyalty is the combined effect of the product, the marketing mix and the overall customer experience (Dogra and Ghuman 2008).

There are lots of researches and studies done on consumer brand loyalty on FMCG Personal care products. These researches were conducted mostly by aiming a specific geographical area. But none of the researches was focused to do a comparative analysis of brand loyalty of two areas of different regions. Therefore the present study was undertaken to unravel the key factors influencing the brand loyalty in rural and urban areas and also the distinguishing factors.

III.   Objectives
The research addresses the following issues after reviewing the previous studies:
3.1 To study consumer brand loyalty concept from existing literature.
3.2 To ascertain the impact of demographic characteristics (age, education, Occupation) on the brand loyalty in rural and urban markets.
3.3 To study about the reasons for having/being Brand Loyal.
3.4 To analyze reasons for brand switching behaviour of consumers.

IV.   Research Methodology
The present study is descriptive research based on interview schedule administered on the rural and urban consumers of Keonjhar District of Odisha State and Bangalore Urban District of Karnataka State, India respectively. The keonjhar district is native place of residence of researchers and Bangalore urban is place of professional association, this is the reason for doing a comparative study of these two markets. 200

---

[6]Venketeswaran, R. (2003). 'A Consumer satisfied is not A Consumer retained', Management Review, Volume 15 (3), September 2003, pp.122.
[7]Assel, H. (2001). Consumer Behaviour and Marketing Action, Thompson Asia, pp.149-150.

respondents from the rural and 200 from the urban population were drawn on random basis. Preliminary discussions were held with the local consumers and the marketers about the consumption of branded personal care products as well as about the brands available and preferred in the study area to gather information on the products to be selected for the study. Based on the discussions, the most commonly available and used products in the study area were selected.

4.1 Collection of Data
To study the objectives, required data were collected from primary as well as secondary sources.

4.1.1 Primary Data
Data for the study were collected from consumers visiting retail outlets. The tool used for data collection is an interview schedule. Different types of questions were used in the interview schedule like open ended questions, closed ended questions, multiple choice questions etc. The interview schedule consisted of:

Part A: General information like name, gender, age, education, occupation, income type of area, family particular etc.
Part B: Specific information included the information regarding brand loyalty, switching behavior etc. about personal care products.

4.1.2 Secondary Data
Secondary data on location, demography and regarding population of the study area were collected from published sources.

4.2 Statistical Analysis
The data collected was analyzed   mainly thorough descriptive statistics, using Chi-Square method. The SPSS (Version 20.0) software was used to execute the analysis process. Methods such as bar charts and tabular formats were used to derive and summarize the data. The desired level of significant was 0.05 with the chi square test.

V.   Scope And Limitations Of The Study
The study was conducted in one of the rural districts of Odisha state and Bangalore urban district, Karnataka, India. It is believed that the findings in these district are fair representative of the other parts of the States. Though FMCGs include many product categories, like foods, confectionaries, hair care, household care, beverages etc. only personal care products were selected for study. In the market there are several personal care products but only soaps, shampoos, hair oil and facial creams only were chosen for the study of brand loyalty. Other limitations have been identified in this study are, the sample size do not ensure representative and conclusive finding , the behaviour of the consumers is changing fast and hence cannot be truly predicted and finally, a more robust analysis is needed to reach a strong conclusion.

VI.   Analysis And Interpretation
6.1 Socio-economic profiles of the Sample respondents
To understand the brand loyalty of the consumers towards personal care products, socio-economic characteristics of the consumers were studied. Generally, it is believed that, as the income, age and education of the consumers increase, the knowledge on brands also increases and which ultimately affects the brand loyalty. The following table gives the socio-economic profiles of the sample respondents.

Table-1: Socio-economic profiles of sample respondents

Variables	Categories	No. of respondents		
		Rural	**Urban**	**Total**
Gender	Male	157	164	321
	Female	43	36	79
	Total	**200**	**200**	**400**
Age	<25	25	34	59
	25-35	61	68	129
	35-45	91	74	165
	>45	23	24	47
	Total	**200**	**200**	**400**
Education	Illiterate	39	8	47
	10th	100	56	156
	12th	39	42	81
	Degree	16	58	74

	PG	6	36	42
	Total	**200**	**200**	**400**
Occupation	Agriculture	65	-	65
	Govt. Service	23	16	39
	Pvt. Service	31	88	119
	Business	42	50	92
	Others	39	46	85
	Total	**200**	**200**	**400**

6.2 Distribution of brand loyal and brand switchers in Rural and Urban markets

Table 2: Position of Brand Loyal Customers/Brand Switchers

Markets	Brand Loyal	Brand Switchers	Total
Rural	130 (65%)	70 (35%)	200 (100%)
Urban	110 (55%)	90 (45%)	200 (100%)
Total	240	160	400

Interpretation: It is observed from the above Table that 65 percent of rural consumers are brand loyal towards personal care products. However, the brand loyalty of consumers is 55 percent in urban markets.

6.3.1 Gender wise distribution of brand loyal customers in Rural and Urban markets

Table-3 (a): Gender wise distribution of Brand Loyalty

Gender/Markets	Rural	Urban	Total
Male	101 (77.70)	86 (78.18)	187 (77.91)
Female	29 (22.30)	24 (21.82)	53 (22.08)
Total	130 (100)	110 (100)	240 (100)

Table-3 (b): Chi-Square Test (Gender versus Brand Loyalty)

Gender wise Brand Loyalty	Rural			Urban		
	Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	144[a]	1	.705	2.414[a]	1	.120
Likelihood Ratio	.145	1	.704	2.465	1	.171
Linear-by-Linear-Association		1	.705		1	.116
	.143			2.402		
N of Valid Cases	200			200		

Ho: There is no significant association between gender and brand loyalty.
HA: There is significant association between gender and brand loyalty.

Interpretation: The Chi-square test revealed that the Pearson's significant level 0.705 (Rural) and 0.120 (Urban) are greater than significance level +0.05 at 95 percent confidence level, hence, there is no relationship between the variables. The null hypothesis is accepted. And it is concluded that there is no statistical significant relationship between the gender and the brand loyalty in rural and urban markets.

6.3.2 Age wise distribution of brand loyal customers in Rural and Urban markets

Table-4 (a): Age wise distribution of Brand Loyalty

Age/Markets	Rural	Urban	Total
<25	20 (15.38)	18 (16.36)	38 (15.83)
25-35	36 (27.69)	28 (25.45)	64 (24.67)
35-45	59(45.38)	50 (45.45)	109 (45.42)
>45	15(11.53)	14 (12.72)	29 (12.08)
Total	130(100)	110 (100)	240 (100)

Table-4 (b): Chi-Square Test (Age versus Brand Loyalty)

Age wise brand loyalty	Rural			Urban		
	Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	3.434[a]	3	.329	10.138[a]	3	.017
Likelihood Ratio	3.649	3	.302	10.246	3	.017
Linear-by-Linear-Association		1	.510		1	.070
N of Valid Cases	.435			3.273		
	200			200		

Ho: There is no significant association between age and brand loyalty.
HA: There is significant association between age and brand loyalty.

Interpretation: The Pearson's Chi-square significant level 0.329 in rural market is greater than significance level +0.05 at 95 percent confidence level, hence, there is no relationship between the variables. The null hypothesis is accepted. And we conclude that there is no statistical significant relationship between the age groups and the brand loyalty in rural markets. But, in urban market it is found statistically significant because significance level 0.017 is lesser than significance level +0.05 at 95 percent confidence level.

6.3.3 Education wise distribution of brand loyal customers in Rural and Urban markets

Table-5 (a): Education wise distribution of Brand Loyalty

Education/Markets	Rural	Urban	Total
Illiterate	28 (21.54)	8 (7.27)	36 (15.00)
10th	60 (46.15)	28 (25.45)	88 (36.67)
12th	27 (20.77)	20 (18.18)	47 (36.67)
Degree	11 (8.46)	30 (27.27)	41 (17.08)
PG	4 (3.08)	24 (21.82)	28 (11.67)
Total	**130 (100)**	**110 (100)**	**240 (100)**

Table-5(b): Chi-Square Test (Education versus Brand Loyalty)

Education wise brand loyalty	Rural			Urban		
	Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.303[a]	4	.680	10.267[a]	4	.036
Likelihood Ratio	2.318	4	.678	13.329	4	.010
Linear-by-Linear-Association		1	.938		1	.799
N of Valid Cases	.006			.065		
	200			200		

Ho: There is no significant association between education and brand loyalty.
HA: There is significant association between education and brand loyalty.

Interpretation: The Chi-square test revealed that the Pearson's significant level 0.680 in Rural market is greater than significance level +0.05 at 95 percent confidence level, hence, there is no relationship between the variables. The null hypothesis is accepted. And we conclude that there is no statistical significant relationship between the education and the brand loyalty in rural markets. But, in urban market it is found statistically significant because significance level 0.036 is found lesser than significance level +0.05 at 95 percent confidence level.

6.3.4 Occupation wise distribution of brand loyal customers in Rural and Urban markets

Table-6(a): Occupation wise distribution of Brand Loyalty

Occupation/Markets	Rural	Urban	Total
Agriculture	49 (37.69)	-	49 (20.42)
Govt. Service	15 (11.54)	6 (5.45)	21 (8.75)
Pvt. Service	21 (16.15)	48 (43.64)	69 (28.75)
Business	26 (20.00)	34 (30.90)	60 (25.00)
Others	19 (14.61)	22 (20.00)	41 (17.08)
Total	130 (100)	110 (100)	240 (100)

Table-6(b): Chi-Square Test (Education versus Brand Loyalty)

Occupation wise brand loyalty	Rural			Urban		
	Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	7.906[a]	4	.095	6.358[a]	3	.095
Likelihood Ratio	7.864	4	.097	6.450	3	.092
Linear-by-Linear-Association		1	.008		1	.679
N of Valid Cases	6.980			.172		
	200			200		

Ho: There is no significant association between occupation and brand loyalty.
HA: There is significant association between occupation and brand loyalty.

Interpretation: The Chi-square test revealed that the Pearson's significant level 0.095 both in rural and urban markets are greater than significance level +0.05 at 95 percent confidence level, hence, there is no relationship between the variables. The null hypothesis is accepted. And we conclude that there is no statistical significant relationship between the occupation and the brand loyalty in rural and urban markets.

6.4.1 Customer Brand Loyalty Level in Personal Care Product-Soaps

Table-7: Customer Brand Loyalty Level in Soaps

Soaps	Rural		Urban	
	Frequency	Percent	Frequency	Percent
Breeze	11	8.33	8	7.27
Cinthol	11	8.33	2	1.81
Dettol	7	5.30	10	9.09
Dove	-	-	4	3.63
Fiama Di wills	4	3.03	2	1.81
Godrej No.1	3	2.27	4	3.63
Lifebuoy	26	19.69	7	6.36
Hamam	3	2.27	3	2.72
Liril	5	3.78	6	5.45
Lux	15	11.36	14	12.72
Margo	6	4.54	4	3.63
Medimix	-	-	6	5.45
Mysore sandal	-	-	10	9.09
Nima Sandal	11	8.33	4	3.63
Pears	2	1.51	6	5.45
Rexona	10	7.57	6	5.45
Santoor	2	1.51	2	1.81
Superia	9	6.81	2	1.81
Vivel	7	5.30	10	9.09
Total	**132**	**100**	**110**	**100**

Interpretation: It is evident from the above Table that, in rural markets brand loyalty is maximum for Lifebuoy (19.69%) followed by Lux (11.36%), Breeze, Cinthol and Nima (8.33%) each. In urban markets, maximum loyalty was found with Lux (12.72%) followed equally by Dettol, Mysore sandal and Vivel (9.09%).

6.4.2 Customer Brand Loyalty Level in Personal Care Product-Shampoo

Table-8: Customer Brand Loyalty Level in Shampoo

Shampoo	Rural		Urban	
	Frequency	Percent	Frequency	Percent
Amway	-	-	4	3.63
Chik	11	8.33	4	3.63
Clinic All Clear	20	15.15	6	5.45
Clinic Plus	40	30.30	18	16.36
Dove	2	1.51	10	9.09
Garnier	-	-	6	5.45
H&S	11	8.33	36	32.72
Himalaya	-	-	10	9.09
Pantene	6	4.54	4	3.63
Sunsilk	6	4.54	8	7.27
Superia	2	1.51	-	-
Don't use	34	25.75	4	3.63
Total	**132**	**100**	**110**	**100**

Interpretation: It is noticed from the above Table that, in rural markets brand loyalty is maximum for Clinic Plus (30.30%) followed by Clinic All Clear (15.15%). In urban markets, maximum loyalty was found with Head & Shoulder (32.72%) followed by Clinic Plus (9.09%).It is also observed from the table that non-users of Shampoo is 25. 75% in rural markets and only the same is 3.63 % in urban markets.

6.4.3 Customer Brand Loyalty Level in Personal Care Product-Facial cream

Table-9: Customer Brand Loyalty Level in Facial Cream

Facial Cream	Rural		Urban	
	Frequency	**Percent**	**Frequency**	**Percent**
Emami F&H	8	6.06	24	21.82
Fair &Lovely	45	34.09	24	21.82
Himalaya	-	-	2	1.81
Lacto Calamine	-	-	8	7.27
Lakme	-	-	2	1.81
Nivea mens	-	-	8	7.27
Olay	-	-	2	1.81
Ponds white	-	-	2	1.81
Vaselene	-	-	2	1.81
Vicco	5	3.78	8	7.27
Don't use	**74**	**56.06**	**28**	**25.45**
Total	**132**	**100**	**110**	**100**

Interpretation: It is observed from the above Table that, in rural markets brand loyalty is maximum for Fair & Lovely (34.09%) and in urban markets, maximum loyalty was found equally with Emami Fair and Handsome and Fair & Lovely (21.82%). The non-users are 56.06% and 25.45% in rural and urban market respectively.

6.4.4 Customer Brand Loyalty Level in Personal Care Product-Hair Oil
Table-10: Customer Brand Loyalty Level in Hair Oil

Hair oil	Rural		Urban	
	Frequency	**Percent**	**Frequency**	**Percent**
Bajaj Almond drops	4	3.03	10	9.09
Clinic All Clear oil	2	1.51	8	7.27
Daburamla	27	20.45	26	23.63
DaburVatika	9	6.81	12	10.90
DaburSarson	10	7.57	-	-
Hair&Care	8	6.06	6	5.45
Himalaya	-	-	6	5.45
KeoKarpin	-	-	2	1.51
Mustard oil	31	23.48	-	-
Navaratna oil	-	-	6	5.45
Nihar	7	5.30	-	-
Parachute	22	16.66	6	5.45
Sesa	-	-	4	3.63
Trichup	-	-	6	5.45
Coconut oil	11	8.33	-	-
Don't use	**1**	**0.76**	**18**	**16.36**
Total	**132**		**110**	**100**

Interpretation: It is evident from the above Table that, in rural markets loyalty is maximum for Mustard oil (23.48%), followed by Daburamla hair oil (20.45%) and Parachute coconut oil (16.66%). In urban markets, maximum loyalty was found with Daburamla (23.63%), followed by DaburVatika (10.90%) and Bajaj almond drops (9.09%). The non-users of hair oil are less than 1% in rural areas and 16.36% in urban areas.

6.5 Number of Years of Brand Loyalty of Personal Care Products in Rural and Urban markets
Table-11: Average No. of Years of Brand Loyalty in Personal Care Products

Years	Rural		Urban	
	Frequency	**Percent**	**Frequency**	**Percent**
<1 Year	4	3.03	14	12.72
1 Year	17	12.87	24	21.81
2 Years	23	20.90	26	23.63
3 Years	37	28.03	26	23.63
>3 Years	51	38.63	20	18.18
Total	132	100	110	100

**Figure-4: Average No. of Years of Brand Loyalty in Personal Care Products**

Interpretation: It is seen from the above Table and Graph that 38.63% of rural consumers are brand loyal towards personal care products for more than 3 years whereas it is only 18.18 % in urban markets.

6.6 Reasons for Brand Loyalty in Rural and Urban Markets

Table-12: Reasons for Brand Loyalty

| Reasons	Rural		Urban	
	Frequency	Percent	Frequency	Percent
Product Quality	47	35.60	50	45.45
Price	65	49.24	32	29.09
Brand name & Image	9	6.81	10	9.09
Promotion	11	8.33	18	16.36
Design	-	-	-	-
Total	132	100	110	100

Figure-5: Reasons for Brand Loyalty
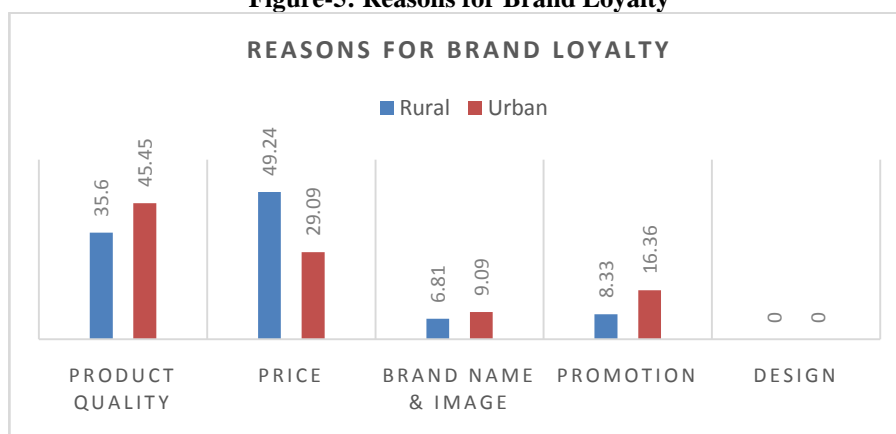
Interpretation: It is observed from the above Table and Graph that the main reasons for brand loyalty of rural consumers are price (49.24%) whereas quality (35.60%). However, it is opposite for urban consumers i.e. quality (45.45%) and price (29.09%). It is also noted that Design does not influence the brand loyalty in both rural and urban areas.

6.7 Reasons for Brand Switching in Rural and Urban Markets

Table-13: Reasons for Brand Switching

Reasons	Rural		Urban	
	Frequency	Percent	Frequency	Percent
Variety Seeking	30	44.12	43	47.78
Price	29	42.64	27	30.0
Non-availability	3	4.41	2	2.22
Friends and family influence	6	8.82	14	15.56
Total	68	100	90	100

Figure-6: Reasons for Brand Switching
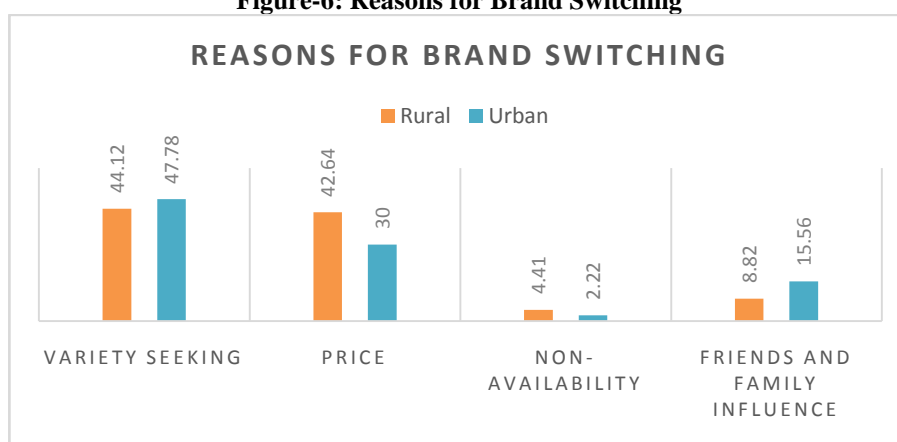
Interpretation: It is evident from the above Table and Graph that the reason for brand switching of rural consumers is variety seeking (44.12%) followed by price (42.64%). In the case of urban consumers variety seeking (47.78%) is the main factor for brand switching followed by price (30.0%).

VII. Findings

a. The present study reveals that 65% of rural consumers and 55% of urban consumers are brand loyal towards personal care products.

b. Testing the hypotheses, it is found that that there is no statistical significant relationship between the demographic variables such as gender, age, education, occupation and the brand loyalty towards personal care products in rural markets. However,in urban markets, out of these independent variables only age and education were found statistically significant to brand loyalty in urban markets.

c. In rural markets brand loyalty is maximum for Lifebuoy soap (19.69%) followed by Lux (11.36%) and in urban markets, maximum loyalty was found with Lux (12.72%) followed equally by Dettol, Mysore sandal and Vivel (9.09%).

d. In shampoo category, brand loyalty is maximum for Clinic Plus (30.30%) followed by Clinic All Clear (15.15%) in rural market. In urban markets, maximum loyalty was found with Head & Shoulder (32.72%) followed by Clinic Plus (9.09%).

e. In rural market, loyalty is maximum with facial cream Fair & Lovely (34.09%) and in urban markets, maximum loyalty was found equally with Emami Fair and Handsome and Fair & Lovely (21.82%).

f. In rural markets, loyalty is maximum for Mustard oil (23.48%), followed by Daburamla hair oil (20.45%) and Parachute coconut oil (16.66%). In urban markets, maximum loyalty is found with Daburamla (23.63%), followed by DaburVatika (10.90%) and Bajaj almond drops (9.09%).

g. It is found that 38.63% of rural consumers are brand loyal towards personal care products for more than 3 years and the same is only 18.18 % in urban markets.

h. It is interesting to note that Design as a variable does not affect the brand loyalty in both rural and urban markets.

i. It is found that the reason for brand loyalty of rural consumers is price (49.24%) whereas for urban consumers it is quality (45.45%). This suggests that the economy of rural consumer is still a reason behind their brand loyalty or brand stickiness.

j. It is found that the reason for brand switching of both rural consumers and urban consumers is variety seeking i.e. 44.12 % of rural consumers and 47.78 % of urban consumers switch the brands mainly for variety seeking. This finding suggests that penetration of globalization, telecommunication facilities and modern outlook is driving even rural consumers for brand switching who were earlier rated better on loyalty scale compared to urban consumers.

VIII. Suggestions

This study identifies how effectively demographics factors like gender, age, education and occupation had an impact on consumer brand loyalty. Based on the research findings Companies may change their marketing-mix programmes for marketing of their goods into Odisha and Karnataka market environment.For a brand to establish itself in rural India and enhance brand loyalty, a marketer needs to educate consumers, develop their interest through interactive communication and build confidence in the brand through live demonstrations and post-purchase engagement with consumers. It is essential for an organization to conduct a regular, timely, sensitive, comprehensive, and integrated day-to-day management surveys of customer

satisfaction / dissatisfaction in order to understand customers' feelings, identify the reasons of overall satisfaction change, and adjust products and services accordingly. The switching costs must be created by providing unique and valuable solutions for customers' problems or rewarding loyalty directly through specific incentives and advantages. In addition to these, it should be noted that, the brand loyalty can only be achieved through a strong brand positioning which means creating and managing a brand's 'unique, credible, sustainable, and valued place in the customer's minds' and 'it revolves around a benefit that helps the product or service stand apart from the competition'. All these measures help building long-term relationships vis-à-vis brand loyalty.

IX. Conclusion

The consumer brand loyalty is apparently decreasing in recent times, attributed to several factors, viz., sophisticated advertising appeals and heavy media support, similarity of products in form, content, price, communication, sales promotion tactics of mass displays, coupons, and price specials that appeal to consumer impulse buying, general fickle mindedness of consumers in buying behavior, growth of new products competing for shelf space and consumer attention. The reasons for variation in the degree of brand loyalty is an important area of study in the vast understanding of consumer behavior. These differences in brand loyalty are affected by demographic factors and studying the significance of demographic factors in determining brand loyalty may help the marketers in redesigning the marketing strategy to increase brand loyalty for their products which has several benefits to the marketers and the organizations.

References

[1].   Aaker, D.A. (1991). Managing Brand Equity: Capitalizing on the Value of a Brand Name. New York, NY: The Free Press.
[2].   Aaker DA 1996. Building Strong Brands. New York, NY: The Free Press.
[3].   Aaker, D.A., & George S. Day(1986) Marketing Research, John Wiley & Sons
[4].   Bloemer J.M.M., Kasper J.D.P. (1995). The Complex Relationship between Consumer Satisfaction and Brand Loyalty.Journal of Economic Psychology, Vol.16, No.2
[5].   Carrrigan, M., Attalla, A. (2001). The Myth of the Ethical Consumer do Ethics Matter in Purchase Behavior?.Journal of Consumer Marketing,Vol. 18(7): 560-578
[6].   Chaudhuri A, and Holbrook, M.B. (2002). The Chain of Effects from Brand Trust and Brand affect to Brand Performance:The role of brand loyalty. Journal of Marketing, 65(2):141-149.
[7].   Davis, M. Scott, and Aaker, A. David (2002) Brand Asset Management: Driving Profitable Growth Through Your Brands, Wiley, John & Sons, Incorporated
[8].   Dick, A. S. and Basu, K. (1994). Customer loyalty: Toward an Integrated Conceptual Framework. Journal of Academy of Marketing Science, Vol. 22(2): 99–113
[9].   Gupta, Reetika and Jain, V.K. (2014). A Study of Consumer BehaviourTowards Branded Food Products in Urban and Rural Areas in India. IJBMS, Vol.4 (2), April-June 2014.
[10].   Innis, Daniel E., La Londe, and Bernard J. (1994). Customer Service: The Key to Customer Satisfaction, Customer Loyalty, and Market Share, Journal of Business Logistics, Vol.15 (1)
[11].   Karthikeyan, C., and Karthikeyan, R. (2013). A Theoretical Reading on Brand Loyalty - A Psychological Sensory Approach. International Journal of Business and Management Invention, Vol. 2(5), 1-4
[12].   KirthiKalyanam, Daniel S. Putler. (1997). Incorporating Demographic Variables in Brand Choice Models: An Indivisible Alternatives Framework. Marketing Science, Vol. 16 (2): 166- 181
[13].   Kotler, Philip (2002). Marketing Management, Millennium Edition, Prentice Hall Inc., Upper Saddle River, New Jersey
[14].   Kotler, P. and Keller KL. (2006). Marketing Management. 12th Edition. London: Prentice Hall.
[15].   Lagace, M. (2008). Connecting With Consumers Using Deep Metaphors Office. From <http://hbswk.hbs.edu/cgi-bin/print?id=5871> (Retrieved: February 21, 201
[16].   Lindstrom, Martin (2005). Brand Sense Build Powerful Brands through Touch, Taste, Smell, Sight, and Sound, The Free Press, New York;
[17].   Luck David J. and Ronald Rubin S. (1994). Marketing Research. 7th Edition Prentice Hall of India Pvt. Ltd.: New Delhi
[18].   [18] Muthuvelayutham, C., and Subburaj, L. (2012). The Study of Consumer Brand Loyalty on FMCG- Cosmetic Products with Special Reference to Madurai, Tuticorin, Kanyakumari Districts, Tamil Nadu State, South India. European Journal of Scientific Research, Vol. 71 (1), 127-147
[19].   Narang, R. (2006). A Study on Branded Foods. Journal of Indian Marketing, 36 (11), 3-9
[20].   Rowley, Jennifer, Daves, Jillian, Disloyalty - A Closer Look at Non-Loyals, Journal of Consumer Marketing, Volume 17, No.6;
[21].   Travis, Deryl. (2000). Emotional Branding: How Successful Brands Gain the Irrational Edge, Crown Publishing Group.