International Journal of Marketing, Financial Services & Management Research
Vol.2, No. 1, January 2013, ISSN 2277- 3622
Online available at www.indianresearchjournals.com

# BRAND LOYALTY: A CASE OF INDIAN WOMEN FOR WINTER CARE PRODUCT

**INDRANI MAJUMDER**

Indian Institute of Social Welfare and Business Management,
College Square (West), KOLKATA- 700 073,
West Bengal, India

---

## ABSTRACT

In this era of globalization customer retention has become a greater issue for consumer goods marketers. As the markets are gradually becoming saturated, competition within an industry is becoming bit by bit terrific. Nowadays, the consumers have more than enough choice for making their purchase decisions. So marketers are putting their best effort to design their strategies to retain the existing customers along with the creation of new demand obeying the relationship between loyal customers and increased profitability of the business concern. Consumer's commitment towards a particular brand to the extent where the consumer will be motivated to obtain that particular brand on every purchase is the focal point of strategy designing of any business unit of these days as selling to brand loyal customer is less costly than creation of customers and additionally brand loyal customers are less price sensitive. If the organization can take care of this matter then the organization can have a greater success in coming days. And this generally raised the questions about the factors that act behind the binding of the consumers and a particular brand of a product category. Is it the demography of the consumer, on which loyalty status of the consumers depend is questionable and the study tries to give a light on this particular issue.

**KEY WORDS:** Brand loyalty, Brand switching, Customer retention, Commitment, Price sensitive.

---

## INTRODUCTION

A product is a blend of multiple features with which it can satisfy the specific need of the consumers. And a product can be converted into a brand if can be positioned and distinguished by way of some special offerings. And, if a customer becomes loyal towards this particular brand, it means the product has fulfilled all the requirements of the customer and satisfying a customer can translate the brand into a pivotal product and can give a leading edge to the company's brand over its competitors through positive word-of-mouth. The brand loyalists have the power to make or break the image of a brand. As many consumer goods markets and segments are gradually reaching towards maturity the importance of brand loyal customer has become an even greater issue especially as the number of new customers available becomes increasingly small. Moreover, as the theory suggests, selling to brand loyal customers is less costly than converting new customers. So, deep brand loyalty becomes the ideal goal of any marketer, bearing in mind the often-stated link between loyal customers and increased

profitability. Loyalty reduces the sensitivity of consumers to marketplace offerings and gives the company time to respond to competitive moves. Brand loyal customers are comparatively less price sensitive. Due to all of these factors, managers must realize the importance of brand loyalty and give it sufficient consideration in their decisions, because loyal customer means increased profitability to the organization.

## Fundamentals of Brand Loyalty

In marketing terminology brand loyalty means a consumer's commitment to repurchase a specific brand. It leads to either repeat purchase of a product or word of mouth advocacy. True brand loyalty implies that the consumer is willing, at least on occasion, to put aside their own desires in the interest of the brand. Jacoby and Chestnut (1978) cited brand loyalty as a psychological phenomenon in which the decision making units, i.e. the consumers, show their biasness to one or more alternative brands out of a set of such brands over time.
Philip Kotler, the marketing legend, categorized the brand loyal into the following four types who reflect the following tendencies:

- *The Hard Core loyalists* : The consumers who is keen to buy one single brand every time.
- *Soft Core loyalists* : A consumer is loyal to 2-4 brands at a time.
- *Shifting loyalists* : Although a consumer is loyal towards a brand, but may keep shifting from one brand to another and keep coming back to the first brand towards which he was loyal.
- *Switchers:* : Who always lookout for a new brand. Here the consumer tries to experiment with new brands each time and also he may switch over because of pricing or some other reasons.

In general brand loyalty is more than simple repurchasing. Customers may repurchase a brand due to situational constraints, a lack of viable alternatives, or out of inconvenience. Such loyalty is referred to as spurious loyalty. True brand loyalty exists when customers have a high relative attitude toward the brand which is then exhibited through repurchase behavior

## Masterminds of Brand Loyalty

Before 1980's the main focus of the business organizations was to steal customers from their competitors. But afterwards the business organizations started to realize that the cost of gaining new customer is six times that of retaining the existing customer. In this regard the first work in this field by Reichheld (1993) is of worth mentioning, which established that by reducing customer migratory, i.e. by making the customer loyal to company's brand, by a mere 5 percent, there is a possibility to increase profits up to 60%.

Engel et al (1978) has mentioned three factors that influence brand loyalty; the first is customer characteristic, the second is marketing environment and the third is reference group. Aakers (1991) viewpoint in this context was that the customer loyalty can reduce weakness to competitive actions—competitors may be made discourageous to spend their time and money to attract the customers who are satisfied with their rivals' brand.

According to Reichheld and Teal (1996) brand loyalty of customer can empower the company by providing greater negotiation power to distribution channels and it help to reduce the selling cost and can help to generate higher revenue as brand loyal customers generally stay with the company, increase the frequency of their purchase.

Knox and Denison (2000) pointed out the loyal customers allocate proportionally more of their budget to their first choice than the brand switcher.

According to Giddens and Holfman (2002), brand loyal consumers are comparatively more loyal to a brand and they are ready to pay a higher price for a certain brand to which they are loyal and additionally they recommend the brand to other people.

In the viewpoint of Davis (2002) as brand loyal customers are less price sensitive, they are ready to pay a price premium for their favourite brand and thus can enhance marginal cash flow and profitability.

Several studies have shown a link between different demographic factors of consumers and brand loyalty. Chi et al (2009), Cole et al (2008) has examined age as an influential factor of brand loyalty. Chen et al (2008), Chi et al (2009), Moutinho and Goode (1995) has examined the role of gender. East et al (1995), Oh et al (2002) has worked on marital status and brand loyalty relation. Chi et al (2009), Moisesw (2009) examined education level.

There are some other works which has examined the role of psychography. In case of demography no consensus has been obtained and in this light in this paper an attempt has been made to reexamine the role of demographic factors in brand loyalty. But it has not considered the gender factor and specifically the women have been considered in isolation.

## Objective of the study

In the field of marketing management the experts advocates that irrespective of the size of the business to win a customer is more costly than to keep a customer. If the strategies can be best fitted to retain customers the business can make benefit from lower marketing costs. The initiatives to make the customers brand loyal may yield greater brand value and improved financial results as the loyal customers are less price sensitive. Moreover, the brand loyalists have the power to make or break the image of a brand by word of mouth publicity. Taking into consideration the intense competition in consumer market the intent of this study is to provide insights of the women as repeat buyers for different winter care product category. The study had tried to explore the role of age and occupation of women on their brand loyalty status. Very specifically the study had tried to give a focus on the following issues:

a. Brand awareness status of women in winter care product category.
b. The loyalty status of the aware women for different winter care product category
c. Relationship between brand loyalty status of women consumer and their age, and occupation.

## Research Methodology

### Sources of Data

Women (the focal point of the study) of urban areas of Nadia District of West Bengal in India:

| Age Category | Different educational status | Occupations |
|---|---|---|
| Below 15 | Illiterate | Housewives<br>Students<br>Teachers<br>Engineers |
| 15- 25 years | Literate: below 8th standard | |
| 25-35 years | Class X | |
| 36-50 years | Graduate | |
| Above 50 | Highly educated | |

**Period of Study:** November 2011

### Data Collection Approach

Data collection was done with the help of structured questionnaire containing some close ended questions in order to make a perception of loyalty scenario of women in different age category with different educational background and different occupational status. To make the study simple only winter product category has been chosen. Close ended questions consists of multiple choice questions which give more than two options. These questions tend to reduce the interviewer bias caused by varying level of responses**.** Some scaling techniques has been used, such as, Likert scale, 5-point scale to convert the qualitative behavioral phenomenon into quantitative format.

### Sampling Process

Convenience sampling technique have been used for selection of places and as the study was intended to measure the brand loyalty status of women consumers purposive sampling technique has also been applied . Women from different age category with different educational background and with different occupational status were chosen.

### Product Category Taken into Consideration

For sake of simplicity only three product categories under winter care division has been taken and they are as follows:

Winter care products:
1. Cold Cream
2. Body Lotion
3. Body Oil

### Statistical Tools & Techniques used

The collected data has been analyzed using several statistical tools such as ANOVA (to find out the relationship between age, occupation or the sector in which he or she is engaged and the status of brand loyalty). MARKOV matrix has been calculated to get the brand loyalty status of women.

## Findings & Analysis

| Table1: Demography of the Respondents | | | | | |
|---|---|---|---|---|---|
| **Age Group** | **Total** | **Occupation** | **Total** | **Educational qualification** | **Total** |
| **<15** | 04 | **Housewife** | 30 | **Class VIII** | 02 |
| **15-25** | 46 | **Teacher** | 16 | **Madhyamik** | 02 |
| **26-35** | 22 | **Student** | 52 | **HS** | 08 |
| **36-50** | 16 | **Engineer** | 02 | **Graduation** | 60 |
| **>50** | 12 | | | **Post graduation** | 28 |
| **Total** | 100 | **Total** | 100 | **Total** | 100 |

| Table 2: Media habit of the respondents & Attitude towards Ad in different media | | | | |
|---|---|---|---|---|
| **MEDIA** | **No of viewer/ listener/reader** | **Average time spent (in hrs)** | **likings of Ad on a 5-point scale** | **Role of Ad in Brand Decision on a 5-point scale** |
| **TV** | 100 | 2.64 | 1.44 | 1.18 |
| **Radio** | 74 | 1.82 | -1.24 | -1.16 |
| **Newspaper** | 98 | Na | 1.22 | 0.53 |
| **Magazines** | 78 | Na | -0.23 | -0.51 |

| Table 3: Relationship between age and media likings and role of media in brand decisions | | | | |
|---|---|---|---|---|
| **Factors** | **Correlation Coefficient** | | | |
| | **MEDIA** | | | |
| | **TV** | **Radio** | **Newspaper** | **Magazines** |
| **Age, Time Spent** | **0.14** | **-0.23** | **n.a.** | **n.a.** |
| **Age, Likings of Ad in respective media** | **-0.11** | **-0.17** | **-0.10** | **-0.09** |
| **Age, Role of Ad in Brand Decision** | **0.03** | **-0.02** | **-0.45** | **-0.26** |

The above analysis has been done to know the impulsive purchasing nature of sample women buyers. So it is evident that the women like to watch TV advertisements and they like to follow the newspapers advertisement but rarely do they make their brand choice depending on the messages in these two media. And they dislike magazine and radio advertisements.

**Brand Loyalty Status of the Respondents**

It should be mentioned that the brands taken into consideration for analysis are the used (used by the respondents) brand under three different taken product categories. And brand loyalty status of the sample set has been examined through examining their spurious loyalty status and brand switching tendency. To make association between the loyalty status and the demographic factors five point Likert scale has been framed considering the behavioural, cognitive and commitment aspects of brand loyalty for each and every product category. Then the rest of the analysis is based on the menetioned hypothesis:

## Product Category: Body Oil

### ⇒ *Spurious Loyalty Status of the Respondents:*

The following table (Table 4.1 and 4.2) is examining the spurious loyalty status of the respondents by detecting whether the customers are purchasing their preferred brand or not.

**Table 4.1: Preferred Brand Vs. Last Brand Purchase Scenario for Body Oil**

| *PREFFERED BRAND* | LAST BRAND PURCHASED | | | | | |
|---|---|---|---|---|---|---|
| | Jac Olive | Keokarpin | Oriflame | A.D. Oil | Olive Oil | Row Total |
| Jac Olive | **6** | 4 | 0 | 0 | 0 | **10** |
| Keokarpin | 0 | **44** | 0 | 0 | 0 | **44** |
| Oriflame | 0 | 0 | **4** | 0 | 0 | **4** |
| A.D. Oil | 0 | 0 | 0 | **4** | 0 | **4** |
| Olive Oil | 0 | 0 | 0 | 0 | **14** | **14** |

**Table 4.2: Markov Matrix for Preferred Brand Vs. Last purchased Brand for Body Oil**

| *PREFFERED BRAND* | LAST BRAND PURCHASED | | | | |
|---|---|---|---|---|---|
| | Jac Olive | Keokarpin | Oriflame | A.D. Oil | Olive Oil |
| Jac Olive | **0.6** | 0.4 | 0 | 0 | 0 |
| Keokarpin | 0 | **1** | 0 | 0 | 0 |
| Oriflame | 0 | 0 | **1** | 0 | 0 |
| A.D. Oil | 0 | 0 | 0 | **1** | |
| Olive Oil | 0 | 0 | 0 | 0 | **1** |

***Remarks:*** the diagonal elements of the Markov matrix are reflecting that in maximum cases the consumers use to purchase their preferred brand. So this is discarding the possibility of spurious loyalty status of the respondents in body oil category.

### ⇒ *Brand Switching Tendency*

To judge the brand switching status of the respondents, they were asked that whether they are sticking to their previous purchased brand or not and the following responses have been obtained:

**Table 4.3: Brand Switching Matrix for Body Oil**

| *PREFFERED BRAND* | CURRENT BRAND | | | | | |
|---|---|---|---|---|---|---|
| | Jac Olive | Keokarpin | Oriflame | A.D. Oil | Olive Oil | Row Total |
| Jac Olive | **6** | 0 | 0 | 0 | 0 | 6 |
| Keokarpin | 0 | **48** | 0 | 0 | 0 | 48 |
| Oriflame | 0 | 0 | **4** | 0 | 0 | 4 |
| A.D. Oil | 0 | 0 | 0 | **4** | 0 | 4 |
| Olive Oil | 0 | 0 | 0 | 0 | **14** | 14 |

**Table 4.4: Markov Matrix for Brand Switching for Body Oil**

| *PREVIOUS BRAND* | CURRENT BRAND | | | | |
|---|---|---|---|---|---|
| | **Jac Olive** | **Keokarpin** | **Oriflame** | **A.D. Oil** | **Olive Oil** |
| **Jac Olive** | **1** | – | – | – | – |
| **Keokarpin** | – | **1** | – | – | – |
| **Oriflame** | – | – | **1** | – | – |
| **A.D. Oil** | – | – | – | **1** | – |
| **Olive Oil** | – | – | – | – | **1** |

***Remarks:*** the diagonal elements of the Markov matrix are reflecting that the respondents are 100% loyal to their body oil brands, they are continuing with the previously chosen brands.

⇒ ***Hypothesis testing to measure the role of demographic factors in brand loyalty***

***Null Hypothesis: H01*** age and brand loyalty is independent for body oil
***Alternative Hypothesis: H11*** age and brand loyalty is dependent for body oil

**Table 4.5: Age wise brand loyalty scenario of the respondent**

| ACTUAL FREQUENCY | | | | | ESTIMATED FREQUENCY | | | |
|---|---|---|---|---|---|---|---|---|
| **Age Group** | **Hard-Core Loyal** | **Soft Core Loyal** | **Switcher** | **Total** | **Age Group** | **Hard-Core Loyal** | **Soft Core Loyal** | **Switcher** |
| **<15** | 4 | 0 | 0 | **2** | **<15** | 1.526 | 0.316 | 0.158 |
| **15-25** | 28 | 8 | 6 | **21** | **15-25** | 16.026 | 3.316 | 1.658 |
| **26-35** | 3 | 2 | 0 | **4** | **26-35** | 3.053 | 0.632 | 0.316 |
| **36-50** | 14 | 2 | 0 | **8** | **36-50** | 6.105 | 1.263 | 0.632 |
| **>50** | 6 | 0 | 0 | **3** | **>50** | 2.289 | 0.474 | 0.237 |
| **TOTAL** | **58** | **12** | **6** | **76** | | | | |

So, calculated, $\chi^2 = 0.820853$
d.f. = (5-1) x (3-1) = 8
$\chi^2$ (.999, 8) = .857
So, calculated $\chi^2 < \chi^2$ (.999, 8).
As the test statistic is greater than the upper critical value or less than the lower critical value, we reject the null hypothesis.
So the result is rejection of H01 and acceptance of H11.
So age and loyalty is dependent.

**Table 4.6 Occupation wise brand loyalty scenario of the respondent**

| ACTUAL FREQUENCY | | | | | ESTIMATED FREQUENCY | | | |
|---|---|---|---|---|---|---|---|---|
| **Occupation** | **Hard-Core Loyal** | **Soft Core Loyal** | **Switcher** | **Total** | **Occupation** | **Hard-Core Loyal** | **Soft Core Loyal** | **Switcher** |
| **HOUSEWIFE** | 16 | 2 | 0 | **18** | **HOUSEWIFE** | 6.868 | 1.421 | 0.711 |
| **TEACHER** | 10 | 2 | 0 | **12** | **TEACHER** | 4.579 | 0.947 | 0.474 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| STUDENT | 32 | 8 | 6 | **46** | STUDENT | 17.553 | 3.632 | 1.816 |
| ENGINEER | 0 | 0 | 0 | **0** | ENGINEER | 0 | 0 | 0 |
| TOTAL | **58** | **12** | **6** | **76** | | | | |

Calculated, $\chi 2 = 0.647492$
d.f. = (5-1) x (3-1) = 8
$\chi 2$ (.999, 8) = .857
So, calculated $\chi 2 < \chi 2$ (.999, 8).
As the test statistic is greater than the upper critical value or less than the lower critical value, we reject the null hypothesis.
So the result is rejection of H01 and acceptance of H11.
So occupation wise loyalty status varies.

**Product Category: Cold Cream**

⇒ ***Spurious Loyalty Status of the Respondents*** The following table (Table 5.1 and 5.2) is examining the spurious loyalty status of the respondents by detecting whether the customers are purchasing their preferred brand or not.

**Table 5.1: Preferred Brand Vs. Last Brand Purchase Scenario for Cold Cream**

| PREFERRED BRAND | LAST BRAND PURCHASED | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | *PONDS* | *NIVEA* | *JOHNSON* | *ORIFLAME* | *AYUR* | *OLAY* | *HIMALAYA* | *LAKME* | *LOTUS* | *DOVE* | *ROW TOTAL* |
| ***PONDS*** | 36 | 0 | 0 | 0 | 2 | 0 | 0 | 2 | 0 | 0 | 40 |
| ***NIVEA*** | 0 | 24 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 24 |
| ***JOHNSON*** | 2 | 0 | 4 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 8 |
| ***ORIFLAME*** | 0 | 0 | 0 | 6 | 0 | 0 | 0 | 0 | 0 | 0 | 6 |
| ***AYUR*** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ***OLAY*** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ***HIMALAYA*** | 0 | 8 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 8 |
| ***LAKME*** | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 8 | 0 | 0 | 10 |
| ***LOTUS*** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 0 | 2 |
| ***DOVE*** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 2 |

**Table 5.2: Markov Matrix for Preferred Brand Vs. Last Purchased Brand for Cold Cream**

| PREFERRED BRAND | LAST BRAND PURCHASED | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | *PONDS* | *NIVEA* | *JOHNSON* | *ORIFLAME* | *HIMALAYA* | *LAKME* | *LOTUS* | *DOVE* |
| ***PONDS*** | **0.9** | 0 | 0 | 0 | 0 | 0.05 | 0 | 0 |
| ***NIVEA*** | 0 | **1** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***JOHNSON*** | 0.25 | 0 | **0.5** | 0 | 0 | 0 | 0 | 0 |
| ***ORIFLAME*** | 0 | 0 | 0 | **1** | 0 | 0 | 0 | 0 |
| ***HIMALAYA*** | 0 | 1 | 0 | 0 | **0** | 0 | 0 | 0 |
| ***LAKME*** | 0 | 0.2 | 0 | 0 | 0 | **0.8** | 0 | 0 |
| ***LOTUS*** | 0 | 0 | 0 | 0 | 0 | 0 | **1** | 0 |
| ***DOVE*** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **1** |

***Remarks*:** The diagonal elements of the Markov matrix are reflecting that in maximum cases the consumers use to purchase their preferred brand.

### ⇒ *Brand Switching Tendency*

To judge the brand switching status of the respondents they were asked that whether they are sticking to their previous purchased brand or not and the following responses have been obtained:-

**Table 5.3: Brand Switching Matrix for Cold Cream**

| PREVIOUS BRAND | CURRENT BRAND | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | *PONDS* | *NIVEA* | *ORIFLAME* | *OLAY* | *AYUR* | *LOTUS* | *LAKME* | *JOHNSON* | *DOVE* | *ROW TOTAL* |
| *PONDS* | **40** | 8 | 2 | 0 | 2 | 2 | 0 | 0 | 0 | 54 |
| *NIVEA* | 0 | **24** | 0 | 2 | 0 | 0 | 4 | 0 | 0 | 30 |
| *ORIFLAME* | 0 | 0 | **4** | 0 | 0 | 0 | 0 | 0 | 0 | 4 |
| *OLAY* | 0 | 0 | 0 | **0** | 0 | 0 | 0 | 0 | 0 | 0 |
| *AYUR* | 0 | 0 | 0 | 0 | **0** | 0 | 0 | 0 | 0 | 0 |
| *LOTUS* | 0 | 0 | 0 | 0 | 0 | **0** | 0 | 0 | 0 | 0 |
| *LAKME* | 0 | 0 | 0 | 0 | 0 | 0 | **0** | 4 | 0 | 4 |
| *JOHNSON* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **4** | 0 | 4 |
| *DOVE* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **2** | 2 |

**Table 5.4: Markov Matrix for Brand Switching of Cold Cream**

| PREVIOUS BRAND | CURRENT BRAND | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | *PONDS* | *NIVEA* | *ORIFLAME* | *OLAY* | *AYUR* | *LOTUS* | *LAKME* | *JOHNSON* | *DOVE* |
| *PONDS* | **0.741** | 0.148 | 0.037 | 0 | 0.037 | 0.037 | 0 | 0 | 0 |
| *NIVEA* | 0 | **0.8** | 0 | 0.067 | 0 | 0 | 0.133 | 0 | 0 |
| *ORIFLAME* | 0 | 0 | **1** | 0 | 0 | 0 | 0 | 0 | 0 |
| *OLAY* | — | — | — | — | — | — | — | — | — |
| *AYUR* | — | — | — | — | — | — | — | — | — |
| *LOTUS* | — | — | — | — | — | — | — | — | — |
| *LAKME* | 0 | 0 | 0 | 0 | 0 | 0 | **0** | **1** | 0 |
| *JOHNSON* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **1** | 0 |
| *DOVE* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **1** |

***Remarks:*** the diagonal elements of the Markov matrix are reflecting that the respondents are highly loyal to their cold cream brands.

⇒ ***Hypothesis testing to measure the role of demographic factors in brand loyalty***

***Null Hypothesis: H02*** age and brand loyalty is independent for cold cream
***Alternative Hypothesis: H12*** age and brand loyalty is dependent for cold cream

**Table 5.5: Age wise brand loyalty scenario of the respondent for Cold Cream**

| ACTUAL FREQUENCY | | | | | ESTIMATED FREQUENCY | | | |
|---|---|---|---|---|---|---|---|---|
| Age Group | Hard-Core Loyal | Soft Core Loyal | Switcher | Total | Age Group | Hard-Core Loyal | Soft Core Loyal | Switcher |
| **<15** | 2 | 2 | 0 | **4** | **<15** | 0.72 | 1.16 | 0.12 |
| **15-25** | 16 | 30 | 2 | **48** | **15-25** | 8.64 | 13.92 | 1.44 |
| **26-35** | 6 | 12 | 2 | **20** | **26-35** | 3.6 | 5.8 | 0.6 |
| **36-50** | 8 | 8 | 2 | **18** | **36-50** | 3.24 | 5.22 | 0.54 |
| **>50** | 4 | 6 | 0 | **10** | **>50** | 1.8 | 2.9 | 0.3 |
| **TOTAL** | **36** | **58** | **6** | **100** | | | | |

Calculated, $\chi^2 = 0.978754421$
d.f. = (5-1) x (3-1) = 8
$\chi^2$ (.999, 8) = .857
So, calculated $\chi^2 > \chi^2$ (.999, 8).
As the test statistic is greater than the upper critical value or less than the lower critical value, we reject the null hypothesis
So the result is acceptance of H02 and rejection of H12.
So age and loyalty is dependent for cold cream.

**Table 5.6: Occupation wise brand loyalty scenario of the respondent for Cold Cream**

| ACTUAL FREQUENCY | | | | | ESTIMATED FREQUENCY | | | |
|---|---|---|---|---|---|---|---|---|
| Occupation | Hard-Core Loyal | Soft Core Loyal | Switcher | Total | Occupation | Hard-Core Loyal | Soft Core Loyal | Switcher |
| HOUSEWIFE | 12 | 18 | 2 | 32 | HOUSEWIFE | 5.76 | 9.28 | 0.96 |
| TEACHER | 6 | 10 | 0 | 16 | TEACHER | 2.88 | 4.64 | 0.48 |
| STUDENT | 18 | 30 | 2 | 50 | STUDENT | 9 | 14.5 | 1.5 |
| ENGINEER | 0 | 0 | 2 | 2 | ENGINEER | 0.36 | 0.58 | 0.06 |
| TOTAL | 36 | 58 | 6 | 100 | | | | |

Calculated, $\chi 2 = 0.011836523$

d.f. = (5-1) x (3-1) = 8
$\chi 2$ (.999, 8) = .857
So, calculated $\chi 2 < \chi 2$ (.999, 8).
We know that if the test statistic is greater than the upper critical value or less than the lower critical value, we reject the null hypothesis
So the result is rejection of H02 and acceptance of H12.
So occupation and loyalty is independent for cold cream.

**Product Category: Body Lotion**

⇒ ***Spurious Loyalty Status of the Respondents***

The following table (Table 6.1 and 6.2) is examining the spurious loyalty status of the respondents by detecting whether the customers are purchasing their preferred brand or not.

**Table 6.1: Preferred Brand Vs. Last Brand Purchase Scenario for Body Lotion**

| | LAST BRAND PURCHASED | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **PREFFERED BRAND** | ***LAKME*** | ***HIMALAYA*** | ***PONDS*** | ***TUHINA*** | ***VASELINE*** | ***BORO PLUS*** | ***ORIFLAME*** | ***DOVE*** | ***NIVEA*** | ***JOHNSON*** | ***AYUR*** | ***ROW TOTAL*** |
| ***LAKME*** | **6** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6 |
| ***HIMALAYA*** | 0 | **4** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 |
| ***PONDS*** | 0 | 0 | **0** | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 4 |
| ***TUHINA*** | 0 | 0 | 0 | **6** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6 |
| ***VASELINE*** | 0 | 0 | 0 | 0 | **52** | 0 | 0 | 0 | 0 | 0 | 0 | 52 |
| ***BORO PLUS*** | 0 | 0 | 0 | 2 | 0 | **0** | 0 | 0 | 0 | 0 | 0 | 2 |
| ***ORIFLAME*** | 0 | 0 | 0 | 0 | 0 | 0 | **6** | 0 | 0 | 0 | 0 | 6 |
| ***DOVE*** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **8** | 0 | 0 | 0 | 8 |
| ***NIVEA*** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **4** | 0 | 0 | 4 |
| ***JOHNSON*** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **6** | 0 | 6 |
| ***AYUR*** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **2** | 2 |

**Table 6.2: MARKOV Matrix for Preferred Brand Vs. Last Brand Purchase for Body Lotion**

| | LAST BRAND PURCHASED | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **PREFFERED BRAND** | ***LAKME*** | ***HIMALAYA*** | ***PONDS*** | ***TUHINA*** | ***VASELINE*** | ***BORO PLUS*** | ***ORIFLAME*** | ***DOVE*** | ***NIVEA*** | ***JOHNSON*** | ***AYUR*** |
| ***LAKME*** | **1** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ***HIMALAYA*** | 0 | **1** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ***PONDS*** | 0 | 0 | **0** | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| ***TUHINA*** | 0 | 0 | 0 | **1** | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ***VASELINE*** | 0 | 0 | 0 | 0 | **1** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***BORO PLUS*** | 0 | 0 | 0 | 1 | 0 | **0** | 0 | 0 | 0 | 0 | 0 |
| ***ORIFLAME*** | 0 | 0 | 0 | 0 | 0 | 0 | **1** | 0 | 0 | 0 | 0 |
| ***DOVE*** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **1** | 0 | 0 | 0 |
| ***NIVEA*** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **1** | 0 | 0 |
| ***JOHNSON*** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **1** | 0 |
| ***AYUR*** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **1** |

***Remarks:*** the diagonal elements of the Markov matrix are reflecting that each of the cases the consumers use to purchase their preferred brand**.**

⇒ ***Brand Switching Scenario***

To judge the brand switching status of the respondents they were asked that whether they are sticking to their previous purchased brand or not and the following responses have been obtained:-

**Table 6.3: Brand Switching Matrix for Body Lotion**

| PREVIOUS BRAND | CURRENT BRAND | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | *VASELINE* | *AYUR* | *TUHINA* | *JOHNSON* | *ORIFLAME* | *LAKME* | *DOVE* | *NIVEA* | *PONDS* | *HIMALAYA* | *ROW TOTAL* |
| *VASELINE* | 52 | 0 | 4 | 0 | 0 | 0 | 6 | 0 | 2 | 0 | 64 |
| *AYUR* | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 |
| *TUHINA* | 0 | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 2 | 0 | 6 |
| *JOHNSON* | 0 | 0 | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 4 |
| *ORIFLAME* | 0 | 0 | 0 | 0 | 6 | 0 | 0 | 0 | 0 | 0 | 6 |
| *LAKME* | 2 | 0 | 0 | 0 | 0 | 4 | 0 | 0 | 0 | 0 | 6 |
| *DOVE* | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| *NIVEA* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 0 | 0 | 4 |
| *PONDS* | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| *HIMALAYA* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 2 |

**Table 6.4: MARKOV Matrix for Brand Switching for Body Lotion**

| PREVIOUS BRAND | CURRENT BRAND | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | *VASELINE* | *AYUR* | *TUHINA* | *JOHNSON* | *ORIFLAME* | *LAKME* | *DOVE* | *NIVEA* | *PONDS* | *HIMALAYA* |
| *VASELINE* | **0.813** | 0 | 0.06 | 0 | 0 | 0 | 0.09 | 0 | 0.031 | 0 |
| *AYUR* | 0 | **1** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| *TUHINA* | 0 | 0 | **0.67** | 0 | 0 | 0 | 0 | 0 | 0.333 | 0 |
| *JOHNSON* | 0 | 0 | 0 | **1** | 0 | 0 | 0 | 0 | 0 | 0 |
| *ORIFLAME* | 0 | 0 | 0 | 0 | **1** | 0 | 0 | 0 | 0 | 0 |
| *LAKME* | 0.333 | 0 | 0 | 0 | 0 | **0.67** | 0 | 0 | 0 | 0 |
| *DOVE* | 1 | 0 | 0 | 0 | 0 | 0 | **0** | 0 | 0 | 0 |
| *NIVEA* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **1** | 0 | 0 |
| *PONDS* | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| *HIMALAYA* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **1** |

***Remarks:*** the diagonal elements of the Markov matrix are reflecting that the respondents are highly loyal to their cold cream brands.

⇒ ***Hypothesis testing to measure the role of demographic factors in brand loyalty***

***Null Hypothesis: H03*** age and brand loyalty is independent for body lotion
***Alternative Hypothesis: H13*** age and brand loyalty is dependent for body lotion

| Table 6.5: Age wise brand loyalty scenario of the respondent | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| ACTUAL FREQUENCY | | | | | ESTIMATED FREQUENCY | | | |
| Age Group | Hard-Core Loyal | Soft Core Loyal | Switcher | Total | Age Group | Hard-Core Loyal | Soft Core Loyal | Switcher |
| **<15** | 0 | 4 | 0 | 4 | **<15** | 0.72 | 1.24 | 0.04 |
| **15-25** | 18 | 30 | 0 | 48 | **15-25** | 8.64 | 14.88 | 0.48 |
| **26-35** | 8 | 10 | 2 | 20 | **26-35** | 3.6 | 6.2 | 0.2 |
| **36-50** | 6 | 12 | 0 | 18 | **36-50** | 3.24 | 5.58 | 0.18 |
| **>50** | 4 | 6 | 0 | 10 | **>50** | 1.8 | 3.1 | 0.1 |
| **TOTAL** | 36 | 62 | 2 | 100 | | | | |

Calculated, $\chi 2 = 0.697126213$
d.f. = (5-1) x (3-1) = 8
$\chi 2$ (.999, 8) = .857
So, calculated $\chi 2 < \chi 2$ (.999, 8).
And as the test statistic is greater than the upper critical value or less than the lower critical value, we reject the null hypothesis
So the result is rejection of H03 and acceptance of H13.
And the correlation coefficient between age and loyalty status is = -0.087057951
Implication: Negatively correlation.

| TABLE 6.6: Occupation wise brand loyalty scenario of the respondent | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| ACTUAL FREQUENCY | | | | | ESTIMATED FREQUENCY | | | |
| Occupation | Hard-Core Loyal | Soft Core Loyal | Switcher | Total | Occupation | Hard-Core Loyal | Soft Core Loyal | Switcher |
| HOUSEWIFE | 10 | 20 | 0 | 30 | HOUSEWIFE | 5.4 | 9.3 | 0.3 |
| TEACHER | 6 | 8 | 2 | 16 | TEACHER | 2.88 | 4.96 | 0.16 |
| STUDENT | 18 | 34 | 0 | 52 | STUDENT | 9.36 | 16.12 | 0.52 |
| ENGINEER | 2 | 0 | 0 | 2 | ENGINEER | 0.36 | 0.62 | 0.02 |
| TOTAL | 36 | 62 | 2 | 100 | | | | |

Calculated, $\chi 2 = 0.290306045$
d.f. = (5-1) x (3-1) = 8
$\chi 2$ (.999, 8) = .857
So, calculated $\chi 2 < \chi 2$ (.999, 8).
We know that if the test statistic is greater than the upper critical value or less than the lower critical value, we reject the null hypothesis
So the result is rejection of H02 and acceptance of H12.
So occupation and loyalty is independent for body lotion.

**Role of Promotional Strategy of the Marketer in brand decision of the Respondents**

Using a 5- point scale the following result has been achieved for the role of promotions in brand decisions of the women consumers:

| | |
|---|---|
| **CELEBRITY ENDORSEMENT/ PUBLICITY:** | -0.86 |
| **SALES PROMOTION:** | 0.14 |

***Remarks*:** From the above result we can say that women consumers are not impulsive purchaser; rather they are cognitive kind of consumer. Celebrity endorsed advertisement or publicity has a negative impact and sales promotion though have a positive impact but the figure is showing a lesser degree.

## Conclusion

Switching matrix indicates how many consumers stick to the same brand or switch to another brand on five consecutive purchase occasions. These aggregate switching matrices can easily be transformed into a Markov matrix of conditional switching probabilities. Component (1,2) of Markov matrix indicates the conditional probability of choosing brand B given that brand A was chosen on the previous purchase occasion. The diagonal elements then represent the probability of staying with the same brand, and can be interpreted as a measure of brand loyalty.
A first-order Markov process implies that consecutive purchases are statistically dependent (i.e. the probability of buying brand B in period t- depends on what brand was purchased in (t-*1)*
From the above findings we can conclude that women using body oil are very much loyal with the brands they are using. In case of cold cream and body lotion also women are loyal with their brands but the degree of loyalty is little less than the body oil. And it is seen that as the age is increasing that is mostly above 45 women are inclined towards being neutral or they generally use what the younger members of the house use. Another important thing, that was noticed, that women belonging to this age are more conscious about their face rather than their whole body. But women belonging to the age of 20 to 35 are very much conscious about their whole body. And it is also found that they constitute the major portion of the loyalty status.

## BIBLIOGRAPHY

1. Aaker, D. A. (1991), Managing Brand Equity: Capitalizing on the value of a Brand Name, The Free Press, New York.
2. Chen, H. C., Miller, J. and Green Robert, D. (2008), Male and Female Influence on Hypermarket Brand Equity, *International Business & Economics Research Journal*, 7(9), 9-20.
3. Chi, C. G. Q., Gursoy, D. and Qu, H. (2009), Demographic Variables and Loyalty Formation: A Systematic Examination, Conference article, *International CHRIE Conference*, San Fransisco, United States, July 29th – August 1st 2009.
4. Cole, C., Laurent, G., Drolet, A., Ebert, J., Gutchess, A., Lambert-Pandraud, R., Mullet, E., Norton, M. I. and Peters, E. (2008), Decision making and brand choice by older consumers, M*arketing Letters*, 19(3), 355-365.
5. Davis, M. S. (2002), Brand Asset Management: Driving Profitable Growth through Your Brands, Jossey-Bass Publishing.
6. East, R., Harris, P., Willson, G. and Hammond, K. (1995), Correlates of First-Brand Loyalty, *Journal of Marketing Management*, 11(5), 487-497.

7. Engel, J., Blackwell, R. and Kollat, D. (1978), Consumer Behavior, Third Edition, New York: Holt, Rinehart, and Winston, Inc.
8. Giddens, N., and Hofmann, A. (2002), Brand Loyalty, Iowa State University Working paper (C5-54).
9. Jacoby, J. and Chestnut, R.W. (1978), Brand Loyalty: Measurement Management, John Wiley & Sons, New York.
10. Knox, S.D. and Denison T. J. (2000), Store loyalty: its impact on retail revenue. An empirical study of purchasing behaviour in the UK, *Journal of Retailing and Consumer Services*, 7, pp 33-45.
11. Kotler, P. (1984), Marketing Management: Analysis, Planning, and Control, Englewood Cliffs, Prentice-Hall.
12. Moisescu, O. I., (2009), The Influence of Market Type and Demographics on Brand Loyalty: A Study among Urban Romanian Consumers, *Annuals of the University of Oradea*, 4(1), 737-741.
13. Moutinho, L., and Goode M., (1995), Gender Effects to the Formation of Overall Product Satisfaction: A Multivariate Approach, *Journal of International Consumer Marketing*, 8(1), 71-91.
14. Oh, J. and Fiorito, S. S. (2002), Korean women's clothing brand loyalty, *Journal of Fashion Marketing and Management*, 6(3), 206-222.
15. Reichheld, F. & Teal T. (1996). The loyalty effect, Boston, MA*: Harvard Business School Press*.
16. Reichheld, F. F. (1993). Loyalty-based management, *Harvard Business Review*, Vol. 71, Issue 2, pp. 64–72.
17. Reichheld, F. & Teal, T. (1996). The Loyalty Effect: The Hidden Force Behind Growth, Profits, and Lasting Value, *Harvard Business School Press*.