



A Study On Consumer Perception On Brand Equity Of Consumer Durables With Special Reference To Irinjalakuda Municipality

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Abstract: Consumer perception of brand equity on the consumer durables sector focuses on how brand equity influences purchasing decisions and customer loyalty. Consumer durables, such as home appliances and electronic goods, represent high-value, long-term investments that require significant consideration before purchase. The research explores the key factors that contribute to brand equity, including brand awareness, perceived quality, brand associations, and brand loyalty, and examines how these elements shape consumer behavior. This study has been conducted among 200 respondents to analyse the consumer perception on brand equity of consumer durables with special reference to Irinjalakuda municipality.

Index Terms - Consumer Perception, Brand Equity, Brand Awareness, Brand Loyalty.

I. INTRODUCTION

In today's dynamic and competitive marketplace, consumer durables companies face the constant challenge of attracting and retaining customers. A key strategy for achieving this lies in building strong brand equity. Brand equity, the perceived value and strength of a brand, significantly influences consumer behavior, impacting purchase decisions, brand loyalty, and ultimately, a company's profitability. This paper explores the multifaceted nature of brand equity within the consumer durables sector, examining how consumers perceive and value different brands.

Consumer durables, encompassing a wide range of products from appliances and electronics to furniture and automobiles, represent significant investments for consumers. As such, purchase decisions in this category are often carefully considered, with brand reputation and perceived value playing a crucial role. This study delves into the specific dimensions of brand equity that are most salient for consumers when evaluating

durable goods. These dimensions may include, but are not limited to, brand awareness, brand associations, perceived quality, brand loyalty, and price perception.

The significance of this study lies in its focus on consumer perception. While companies invest substantial resources in building brand equity, the ultimate arbiter of brand strength is the consumer. Understanding how consumers perceive and value brands is essential for developing effective marketing strategies, optimizing product development, and building long-term customer relationships. This research provides valuable insights for companies seeking to enhance their brand positioning and gain a competitive edge in the consumer durables market.

A brand is a valuable, renewable and lasting asset capable of producing a sustainable competitive advantage for the company. This advantage enables companies to earn profits for years, just like any other durable asset would do. They represent consumers' perceptions and feelings about a product and its performance – in fact everything that the product or service means to the consumers. The real value of a strong brand is its power to capture consumer preference and loyalty. If a brand is strong it benefits from a high degree of loyalty and thus from stability of future sales. The reputation of the brand is a source of demand and lasting attractiveness, the image of superior quality and added value justifies a premium price. A dominant brand is an entry barrier to competitors because it acts as a reference in its category. Strong brands lead to opportunities for successful brand extensions and resilience against competitor's promotional efforts.

1.1 Statement of the Problem

While extensive research exists on brand equity in general, there's a need for more focused investigations into the specific dynamics of consumer perception of brand equity within the consumer durables market. Consumers often make significant financial investments in durable goods, making brand perception a critical driver of purchasing decisions. However, it remains unclear which dimensions of brand equity are most influential for consumers in this sector. Brand equity is the marketing and financial value associated with a brand's strength in a market. In short, it is the value built up in a brand. This study would stand as a sincere attempt to study the consumer perception on brand equity of consumer durables in Irinjalakuda municipality.

1.2 Objectives

- To study about the association between demographic variables and purchase of consumer durables.
- To study the factors influencing purchase decision of consumers with regard to consumer durables.

1.3 Research Methodology

Both descriptive and analytical type of research is undertaken for this study. The validity of any research is based on the systematic method of data collection and analysis of data collected. The study is based on the data collected from the respondents who are using consumer durables in Irinjalakuda municipality. The data is collected through primary as well as secondary sources. The primary data has been collected from 200 respondents in the study area through questionnaire. Convenient sampling technique is used to select the

respondents from the available database. Weighted average mean and chi-square test are used for data analysis.

II. REVIEW OF LITERATURE

Rosa E. Rios and Hernan E. Riquelme (2010), in their article named “brand equity for online companies”, has the main objective to test the predictability of sources of brand equity and the influence of selected internet marketing activities as antecedents of the sources. The study supports the use of a traditional approach to explain brand equity. The brand associations customers make in relation to brand recognition and trust, together with brand loyalty, create brand equity for internet brands such as Amazon.com, eBay. These sources of brand equity can be built by developing marketing activities that create fulfillment, web functionality and customer service online.

Maria Teresa Cuomo, Gerardo Metallo, Debora Tortora, Mario Testa, Philip J. Kitchen, (2009), in their research paper on "Building brand equity: the genetic coding of Mediterranean brands", the objective of the study is to stimulate reflection on the concept of Mediterranean brands, to map and qualify their specific genetic makeup and their influence on brand equity. This paper shows how the properties of Mediterranean elements are reconciled with branding models and more in general, with sustainable business. The paper highlights the generating drivers of value from a Mediterranean marketing perspective. Management has to govern these strategically in order to retain lasting competitive advantage.

III. DATA ANALYSIS AND INTERPRETATION

3.1 Ranking of factors that affect the perception of a brand

Table 1

Ranking of factors that affect the perception of a brand

Factors	Rank	1	2	3	4	5	6	Total	Weight	Rank
Price	f	76	42	31	35	6	10	200	4.585	II
	fx	456	210	124	105	12	10	917		
Quality	f	92	34	31	19	7	17	200	4.67	I
	fx	552	170	124	57	14	17	934		
Features	f	8	23	52	9	39	69	200	2.725	VI
	fx	48	115	208	27	78	69	545		
Serviceability	f	37	68	26	46	8	15	200	4.175	III
	fx	222	340	104	138	16	15	835		
Advertisement	f	13	53	25	78	20	11	200		

	fx	78	265	100	234	40	11	728	3.64	IV
Power consumption	f	19	29	43	11	42	56	200	3.02	V
	fx	114	145	172	33	84	56	604		

Interpretation:

Quality is ranked first in the case of perception of a brand, followed by price.

3.2 Association between age and purchase of consumer durables

H₀: There is no association between age and purchase of consumer durables.

H₁: There is an association between age and purchase of consumer durables.

Table 2

Observed frequency

Age	Purchase of consumer durables		Total
	Yes	No	
20 – 30	96	36	132
30 – 40	16	0	16
40 – 50	13	3	16
Above 50	29	7	36
Total	154	46	200

(Source: Primary Data)

Table 3

Calculated value

O	E	(O-E)	(O-E) ²	(O-E) ² /E
96	101.64	-5.64	31.8096	0.312963
16	12.32	3.68	13.5424	1.099221
13	12.32	0.68	0.4624	0.037532
29	27.72	1.28	1.6384	0.059105
36	30.36	5.64	31.8096	1.047747
3	7.36	-4.36	19.0096	2.582826
7	8.28	-1.28	1.6384	0.197874
Calculated value				5.33727

Level of significance = 5%

Degree of freedom = $(r-1)(c-1) = (4-1)(2-1) = 3$

Table value = 7.815

Interpretation:

The calculated value is less than table value. Therefore, we accept null hypothesis. There is no association between age and purchase of consumer durables. Both of these variables are independent.

3.3 Association between income and purchase of consumer durables

H₀: There is no association between income and purchase of consumer durables.

H₁: There is an association between income and purchase of consumer durables.

Table 4**Observed frequency**

Income	Purchase of consumer durables		Total
	Yes	No	
Less than 1lakh	78	26	104
1lakh – 3lakhs	30	14	44
3lakhs – 5lakhs	22	6	28
More than 5lakhs	24	0	24
Total	154	46	200

(Source: Primary Data)

Table 5**Calculated value**

O	E	(O-E)	(O-E) ²	(O-E) ² /E
78	80.08	-2.08	4.3264	0.054026
30	33.88	-3.88	15.0544	0.444345
22	21.56	0.44	0.1936	0.00898
24	18.48	5.52	30.4704	1.648831
26	23.92	2.08	4.3264	0.18087
14	10.12	3.88	15.0544	1.487589
6	6.44	-0.44	0.1936	0.030062
0	5.52	-5.52	30.4704	5.52
Calculated value				9.374702

Level of significance = 5%

Degree of freedom = $(r-1)(c-1) = (4-1)(2-1) = 3$

Table value = 7.815

Interpretation:

The calculated value is greater than table value. Therefore, we reject null hypothesis. There is an association between income and purchase of consumer durables. Both of these variables are dependent.

3.4 Association between occupation and purchase of consumer durables

H₀: There is no association between occupation and purchase of consumer durables.

H₁: There is an association between occupation and purchase of consumer durables.

Table 6

Observed frequency

Occupation	Purchase of consumer durables		Total
	Yes	No	
Business	21	3	24
Service	29	3	32
Professionals	31	5	36
Others	73	35	108
Total	154	46	200

(Source: Primary Data)

Table 7

Calculated value

O	E	(O-E)	(O-E) ²	(O-E) ² /E
21	18.48	2.52	6.3504	0.343636
29	24.64	4.36	19.0096	0.771494
31	27.72	3.28	10.7584	0.38811
73	83.16	-10.16	103.2256	1.241289
3	5.52	-2.52	6.3504	1.150435
3	7.36	-4.36	19.0096	2.582826
5	8.28	-3.28	10.7584	1.299324
35	24.84	10.16	103.2256	4.15562
Calculated value				11.93273

Level of significance = 5%

Degree of freedom = $(r-1)(c-1) = (4-1)(2-1) = 3$

Table value = 7.815

Interpretation:

The calculated value is greater than table value. Therefore, we reject null hypothesis. There is an association between occupation and purchase of consumer durables. Both of these variables are dependent.

IV. FINDINGS

- There is no association between age and purchase of consumer durables. Both of these variables are independent.
- There is an association between income and purchase of consumer durables. Both of these variables are dependent.
- There is an association between occupation and purchase of consumer durables. Both of these variables are dependent.
- Quality is ranked first in the case of perception of a brand, followed by price.

V. SUGGESTIONS

- Marketers should decide on the core needs and wants of consumers to be satisfied by the brand.
- Quality is a very important factor that can create and influence brand image. So, manufacturers must concentrate on the quality of their products.

VI. CONCLUSION

Much attention has been devoted in recent years to the concept of brand equity. There have been two general motivations for studying brand equity. One is a financially based motivation to estimate the value of a brand more precisely for accounting purposes (in terms of asset valuation for the balance sheet) or for merger, acquisition, divestiture purposes. A second reason for studying brand equity arises from a strategy based motivation to improve marketing productivity. Given higher costs, greater competition, and flattening demand in many markets, firms seek to increase the efficiency of their marketing expenses. As a consequence, marketers need a more thorough understanding of consumer behavior as a basis for making better strategic decisions about target market differentiation and product positioning, as well as better tactical decisions about specific marketing mix actions.

VII. REFERENCES

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