



“TRACING THE FOOTPRINTS OF EMOTIONAL BRANDING: A study of BOP segment of Himachal Pradesh”

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ABSTRACT

As the bottom of the pyramid (BOP) segment has become a major direction for the organizations to expand the brand into the rural market. So, in order to attract the consumers in BOP sector, it is critical to understand their emotion, attitudes and motives because all these aspects help to building a brand image in BOP sector. So, this paper helps us to understand the implications of emotional behavior towards the branding on BOP segment and understand the dimensions of quality, product promotion and brand trust towards the BOP sector. As per the analysis in Himachal Pradesh people living in BOP segment have given positive feedback about information of various branded products and its adoption.

Keywords

Bottom of pyramid, Emotion, Quality, Brand image, Brand loyalty, Himachal Pradesh.

INTRODUCTION

Emotional branding is a practice of building the brands in the customer minds that will appeal directly to the consumer's ego, emotional state, needs, and aspirations. As we know that “Our emotions need to be educated as our intellect. It is important to know how to feel, how to respond, and how to let life in so that it can touch you”. The role of emotions in human-product interactions and the benefits of design that evoke positive emotions have been discussed extensively in this research paper.

Evolving markets have become an important context on the global economic map in the last few decades. At the beginning of the 2000s an extremely popular researcher Prahalad sparked a debate wherein he was explaining the opportunities of doing business to the low-income sector in the developing countries and evolving markets. He defined the segment as the Bottom of the Pyramid (BOP) arguing that there are about 4 billion people in the world living with less than \$2 per day. Despite the low purchasing power, he pointed out that there is a fortune at the BOP where firms can make profits and at the same time help those sector people to improve their standard of living. He explains that some industries like retail, Fast Moving Goods and Services, telecom. Finance and agribusiness have been developing initiatives to target the BOP sector.

Fletcher and Chikweche argued that companies should develop customized approaches to market to the BOP sector because of their limitations in terms of income, education, emotions, attitude, personality, and infrastructure. Researchers claim that a company uses traditional marketing strategies applied in a BOP would not be able to reach this type of market due to the constraints it has in terms of income, feelings, personality, education, and infrastructure. Researchers remain certain that a modified marketing mix strategy is needed, it is an underdeveloped research field about how firms ought to adapt their marketing strategies. This is the reason for which this study focuses on the strategies, consumer perception, and product positioning by various organizations for the bottom of the pyramid. The firms also need to focus on developing creative integrated marketing tools to reach potential communications.

1.1 The Concept of Bottom of the Pyramid (BOP)

The Bottom of the Pyramid (BOP) is also called the base of the pyramid. It is the socio-economic concept of a huge segment of 4 billion of the world's poorest populations which consist of an unserved, unnoticed, and unexplored market obstructed by environmental barriers that stop them from recognizing their human potential for their own benefit, those of their families and that of society at large. It is a large segment of consumers whose annual income on a purchasing power parity basis is less than \$1500 per year and which consists of about 4 billion population. This market is not one humongous entity, but it is made up of different segments that have different requirements and needs. Firms need to understand these to adapt their business models to facilitate effective engagement with those at the BOP. The poor population seems to have a basic requirement like access to food, shelter, etc. But these needs may seem, they vary highly from those in traditional markets of MNCs in developed countries and their regions. BOP marketing strategies are inclined towards stimulating commerce. Firms can improve the lives of billions of consumers and help them to grow, and stable.

1.2 The concept of Emotional Branding

Emotional Branding is one of the tools of Integrated Marketing Communication refers to the practices of building brands that appeal directly to the consumer's emotional state, needs, and aspirations. Emotional branding helps a company to build its personality to create a lasting impact on users. As the brand personalities create a historic charismatic attitude towards customer that would trigger a positive emotional response towards the brand. It makes the experience as an important factor in creating brand identity. Considering the BOP segment who are mostly connected with a lot of emotions, so adapting creative emotional strategies would be a way to target and reach this particular segment.

1.3 The Concept of Purchase Intention:

Purchase Intention is the willingness of the consumers to buy a specific product at a specific time or situation. Developing purchase intention makes a consumer more inclined to go through with the actual purchase. One of the studies showed that socioeconomic condition, product quality, brand image, and social influence is the important key factors that influence the purchase intention of the consumers.

1.3.1 Product quality: Quality is the capacity of a product to satisfy some specific wants of the customers. Perceived quality refers to the consumer's evaluation of products or brands that meet a person's expectations. The quality of a product is measured by the product features, benefits, and the ability to satisfy

the required needs.

1.3.2 Brand Image: Hsieh & Lijander (2009) defined the brand image as the mental perception based on its associations towards a brand. Firms try to create a strong brand that people recognize with a given product. Brand image is the overall impression in the consumer's mind that is formed from all forms of interaction with the organization.

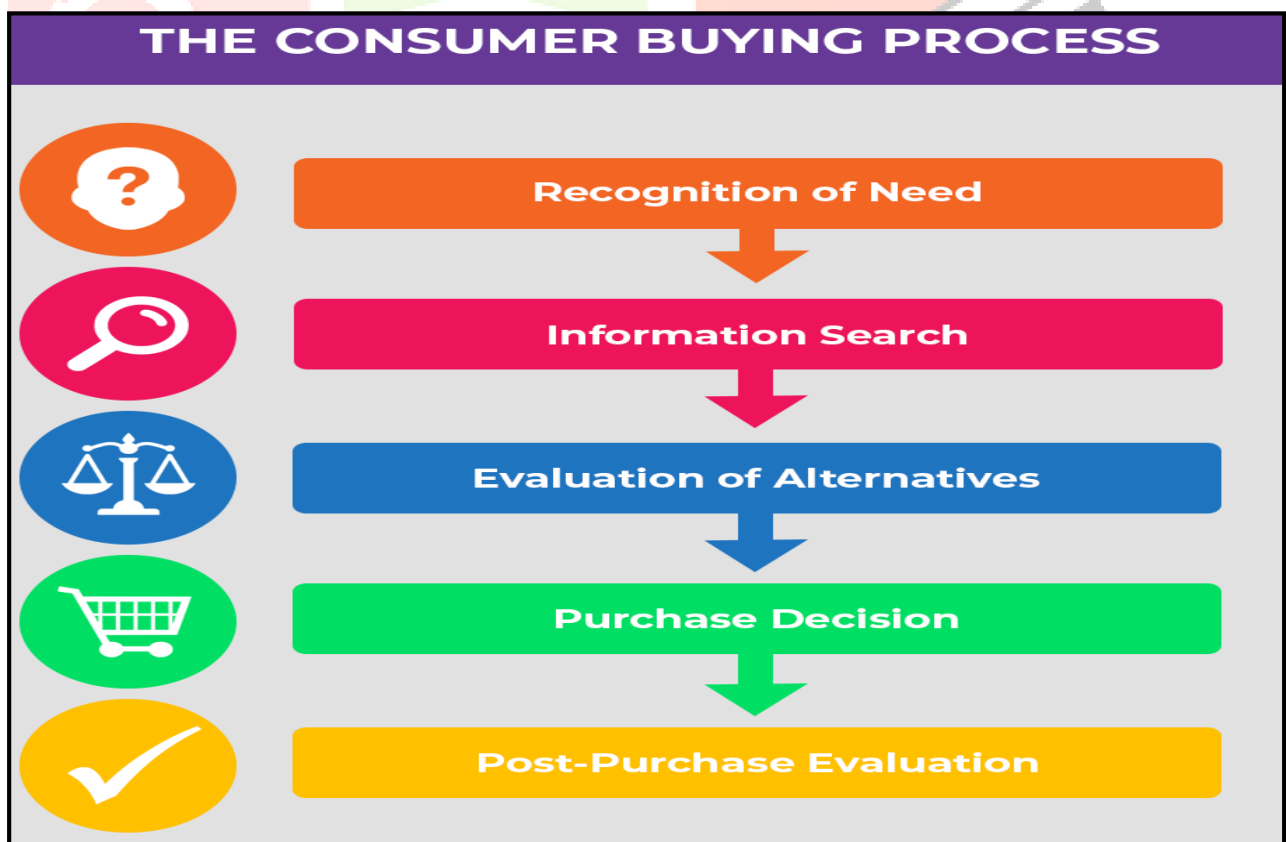
1.3.3 Socioeconomics: Socioeconomic conditions is an important issue for customers to make a purchase decision. One of the important factors of socioeconomics is the income of the individuals, it divides people into social standing by estimating their amount and source of revenue. Considering the BOP segment who try to purchase low price products from low price stores. Customers make decisions based on their characteristics like age, occupation, and economic circumstances. So, marketers consider socio-economic factors while designing products and promotional campaigns.

1.3.4 Social Influence: This refers to actions, feelings, thoughts, behavior, or attitude of individual change through interaction with other individuals or groups. It can be seen in socialization, peers, and family pressures. It is often related to the impact of social norms on the changing of individual behavior and attitude.

1.4 The Concept of Purchase Decision: Purchase decision is the thought process that leads a consumer from identifying a need, generating options, and choosing a specific product and brand.

Basically, there are three types of consumer buying behavior:

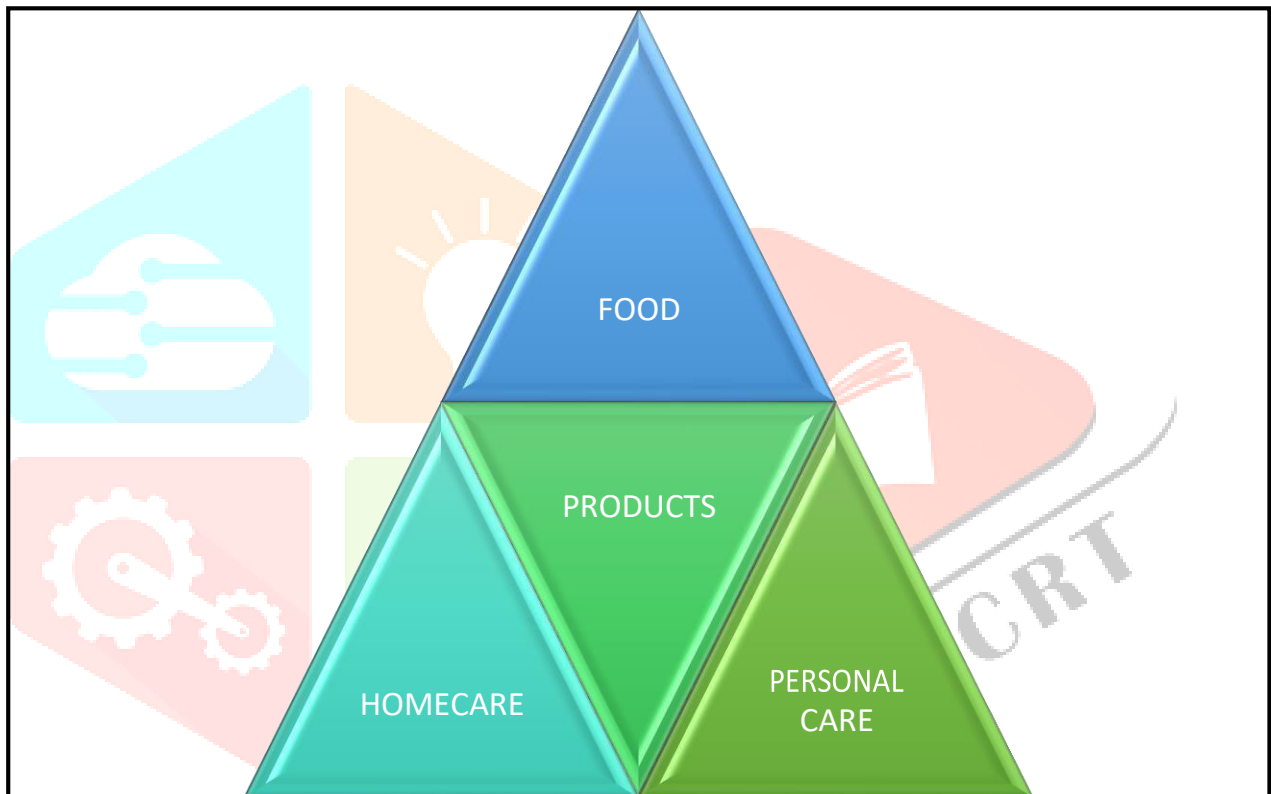
- Limited decision making
- Extensive decision making
- Impulsive decision making



1.5 INTRODUCTION TO THE COMPANY

In this research, we have taken HUL for assessing the footprints of emotional branding on the BOP sector in the Himachal region. HUL is an Indian consumer goods company and headquartered in Mumbai, India. It was established in 1931 as Hindustan Vanaspati Manufacturing Co. In 2018, HUL announced its acquisition of GlaxoSmithKline's. In 2020, HUL completed its acquisition with GlaxoSmithKline Consumer Healthcare (GSKCH India) after completing all legal procedures. The company has 18,000 employees. HUL deals in various product categories like foods, beverages, cleaning agents, personal care products, water purifiers, and other fast-moving consumer goods.

PRODUCTS



➤ **Food**

- Annapurna salt and Atta
- Bru coffee
- Brooke Bond like (3 Roses, Taj Mahal, Taaza, Red Label) tea
- Foods like Kissan squashes, ketchup, juices, and jam
- Homecare
 - Active Wheel detergent
 - Cif Cream Cleaner
 - Surf Excel detergent

- Vim dishwash
- Domex toilet cleaner
- Comfort fabric softeners

➤ **Personal care**

- Lakme beauty products and salons
- Lifebuoy soaps and handwash range
- Liril 2000 soap
- Denim Shaving products
- Clear anti-dandruff hair products
- Ponds talcs and creams
- Pepsodent toothpaste
- Sunsilk shampoo
- Vaseline petroleum jelly
- Lux soap, body wash, and deodorant



In our research, we have taken the FMCG products of HUL of Food, homecare, and personal care products.

2. **REVIEW OF LITERATURE**

There is limited literature available on the emotional aspects of Indian Consumers based on their socio-economic conditions in the FMCG sector. But globally lots of studies have been done highlighting the emotional branding on some specific products.

Emotions are highly depending on Recognizing and understanding other people's emotions about branded products (Dr. G. Rajini and D Prabha 2017). In one of the studies by Dr. Zeenat Ismail and Muhammad Sadiq Baloch (2015) explored the consumer behavior of the bottom of the pyramid market with respect to branded personal care products. The researchers try to explore the importance strategy and capability by MNCs within Pakistan and other local firms to tap this unexploited bottom of the pyramid market.

Nanda Ankita tried to examine the impact of different components of emotional branding on the intention to purchase. The researcher tried to explore the purchase intention of consumers during considering and evaluating product purchasing. She concluded that people have a good emotional connection with the brand and have the greatest impact on the purchase decision.

Brands do not compete in the product area but compete for the mind space of the customer (Neyati Ahuja 2015). The study was conducted by Md. Abbas Ali and Venkat Ram Raj Thumiki (2012) explained the effect of the rural consumers' purchase of FMCG in South India. The researcher tries to understand crucial issues relating to rural consumer behavior and more specifically relating to different geographic regions of the country. They concluded that the companies must educate rural retailers as the trust factor is a quite important aspect to sustain in the market.

Another research by Ashwin A Santoki and Milind H Parekh (2017) tried to examine on awareness and consumer buying behavior of various FMCG products. The researcher tries to explore what factors affecting buying behavior and brand awareness towards FMCG products. Consumer decision involves balancing of positive and negative emotions while purchasing the FMCG products (Vishal Soodan and Akhilesh Chandra Pandey, 2016). Ashish Gupta and Anushree Tandon (2018) stressed to examine the implications of maintaining a loyal consumer base in rural markets of India. The researcher tries to explore the relationships in the context of branded footwear purchase of Indian BOP consumers. They conclude BOP consumers show a comparatively extended usage of branded products to derive maximum value in cases of footwear and accessories.

Research conducted by Pawley & Cooper (2006) states that if you want to win consumers' hearts, you must develop a creative appeal on the brand. This will help the consumer to understand the importance of the brand. They further added that a consumer must understand the meaning a brand brings about commitment, passion & empathy. Emotional branding helps to differentiate a brand from its close competitors as it makes a brand super-evolve & category- of-one.

A study on brand commitment or loyalty was conducted by Park et al. (2009), Holbrooks (2001) & Oliver (1999). All these studies show that a customer will show loyalty to a brand only if e or she can connect with

the brand through an emotional bonding. These studies also confirm the relation between emotion attached to a brand with the purchasing decision. These studies show that if a person is emotionally connected to a brand, he or she will become a loyal customer for that brand.

Pandey et. al (2012) concluded that a brand can be successful using emotional branding as its strategy. Though function & rational appeal can be a considerable factor to understand the concern of customers to make a purchase emotional appeal is the most successful method to create a positive attitude about the brand. It directly impacts how & what a consumer perceives about a brand.

A research done by Ching (2010) shows that consumer satisfaction & liking for a product or brand is directly related with the level of emotional receptivity of the consumer & level of emotional intensity portrayed by the marketer. Hansen et.al (2006) also concluded that emotions plays a major role which is quite different from the traditional consumer choice behavior theory. These studies suggest that there is a significant impact of emotional branding on the buying behavior of a consumer.

3. **RESEARCH GAP:**

3.1. None of the research studies revealed the impact of Emotional branding based on socio- economic conditions. So, this study focused on a specific segment i.e. BOP (Bottom of Pyramid), and the effectiveness of emotional branding on their purchase decision.

3.2. This study focused on FMCG products especially, the frequent buying products by the BOP segment. This study covered the hair care and skin care products of the FMCG sector.

3.3. Within the FMCG sector this study narrowed its research on Hindustan Unilever Industry and its skin and hair care products.

4. **OBJECTIVES**

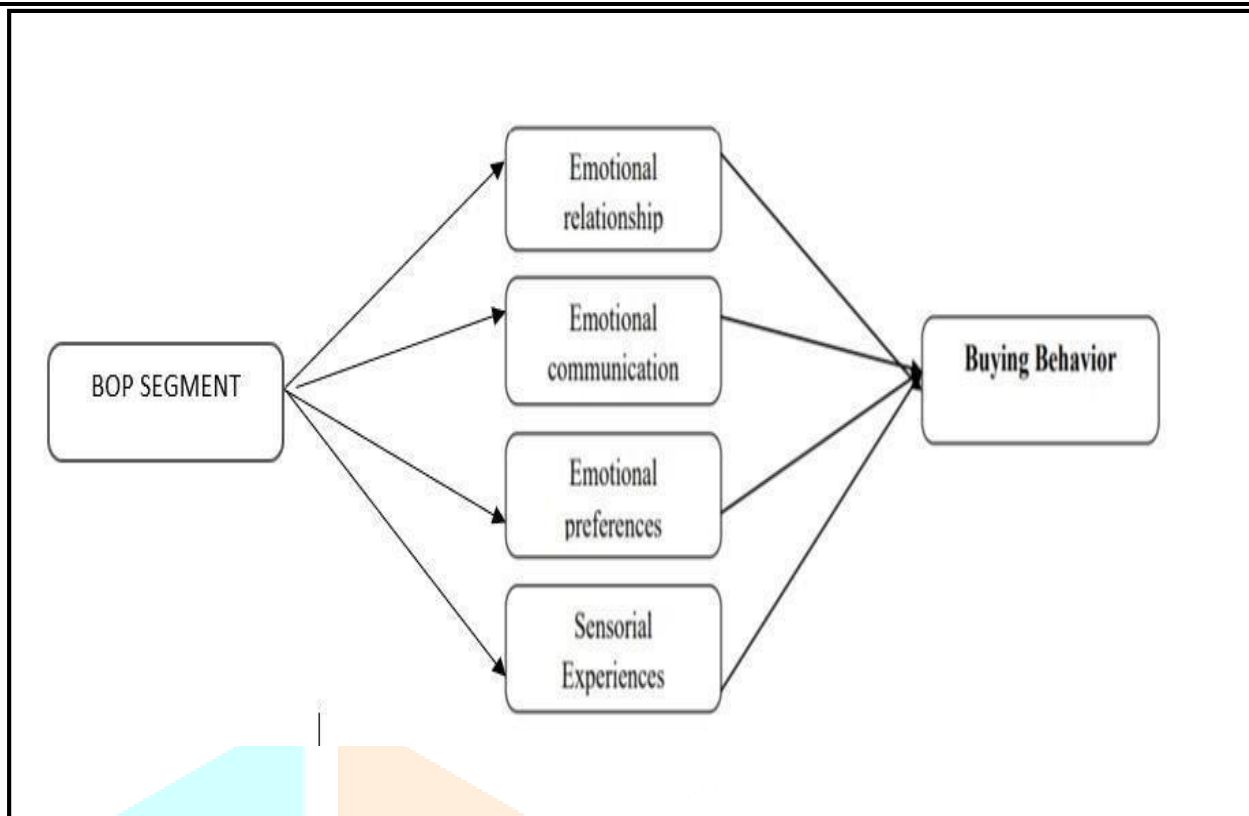
The objective of this study is to understand the role of emotions in consumer purchase decisions of BOP segment. The study covers following wide objectives:

- i. Analyse the awareness of BOP towards specific FMCG product
- ii. Analyse the emotional branding of specific FMCG product.
- iii. Impact of emotional branding on purchase intension & decision of BOP segment.
- iv. Study the role of emotional branding in differentiating brand from competitors in FMCG sector.

5. **CONCEPTUAL FRAMEWORK**

The conceptual framework provides a foundation for research study. The framework consists of four Emotional Branding predictors which are Emotional relationship, Emotional communication, Emotional Preferences, and one response variable which is buying behaviour.

The Conceptual framework which provides groundwork for the research, proposed is as under as taken by Riaz Hadiqa and Ahmed Hassaan (Dec, 2017) in their study:



We have added a variable BOP Segment in this as our research revolved around the BOP Segment.

6. RESEARCH METHODOLOGY

Under this part of the research we have discussed the methods adapted to measure the research variable, related design of the research which helps to provide proper understanding of the conceptual framework, data collection and statistical tools to measure the reliability of our research topic Tracing The Footprints Of Emotional Branding On Bop Segment is a descriptive study. The area of study is the cities of Himachal Pradesh. Research instrument that is applied in this study is Questionnaire. The questionnaire was designed based on the types of emotions and its underlying parameters on BOP segment. In this research we used the sample size of 250 persons and total 250 questionnaires were administered to the respondents.

6.1 POPULATION

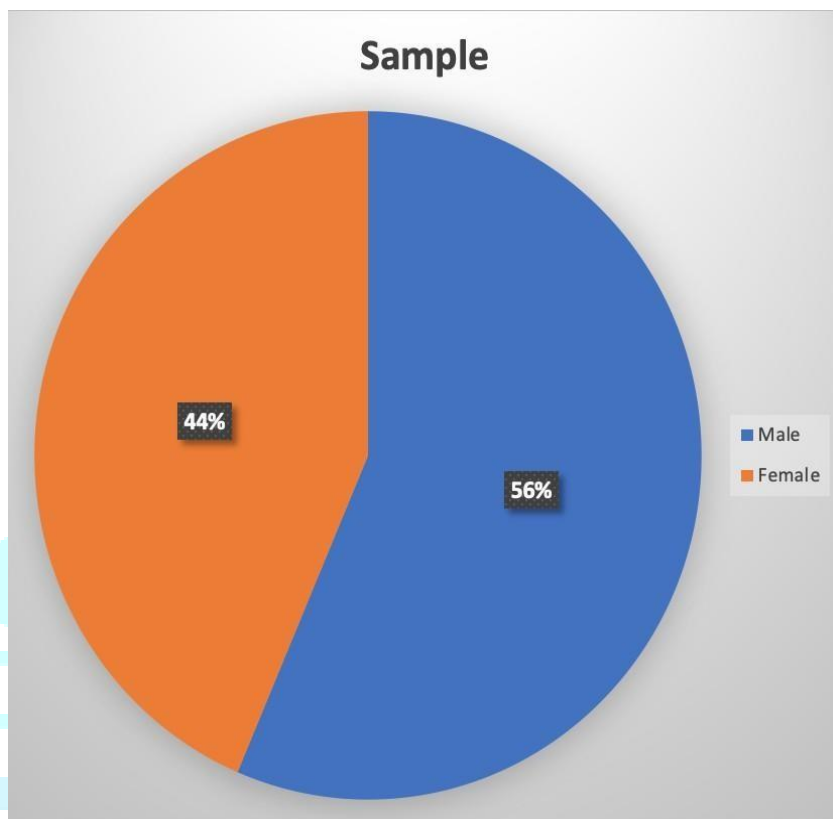
In this research we have taken the population of Himachal Pradesh who comes under in the BOP segment. The population of Himachal Pradesh is about 74 lakhs and the BOP segment within the population of Himachal is about 5.6 lakhs and we have taken this as the whole population for our research.

SAMPLING

This research is classified as an exploratory-cum-descriptive in nature. This research depends on the primary data, which was collected via a planned questionnaire. As our study is on tracing the footprints of emotional branding on BOP sector. So, basically, we have chosen the BOP sector in Himachal Pradesh. The questionnaire was distributed on a random sample basis in the BOP segment in Himachal Pradesh. A total of 250 questionnaires were administered and data was collected based on convenience sampling. This can be also increased later as “the larger the sample size, the more is the reliability” and we will try to cover as many

samples as we can. The final decision that completes the sampling plan is selecting the sampling procedure.

We are using probability sampling to determine the objects to be chosen as these represents the sample more accurately. Further in the probability sampling we are using Simple Random Sampling.



6.2 SCALING & RESEARCH INSTRUMENT:

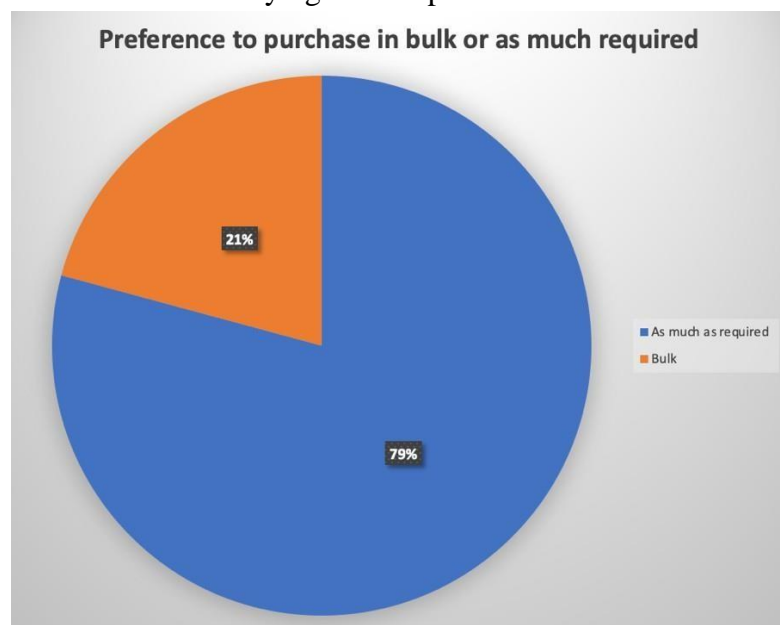
For this research we have circulated and gathered the data through five-point Likert scale questionnaire having questions ranging from (1strongly disagree to 5 strongly agree). We have used unidimensional method of scaling which is also known as **Likert scaling**. In this scaling we have found out the major possible occurrences and made them aligned in a chronological manner. In this we have taken mainly five options for rating. For example

1. Strongly Disagree
2. Disagree
3. Neutral
4. Agree
5. Strongly Agree

For preparation of the questionnaire to do research and knows the footprint of emotional branding on BOP. we have also used nominal scale for gender information as well as used ordinal scales for classifying different consumer behavior with relation to different identified variables.

ANALYSIS:**OBJECTIVE-1****ANALYSE THE AWARENESS OF BOP TOWARDS SPECIFIC FMCG PRODUCT**

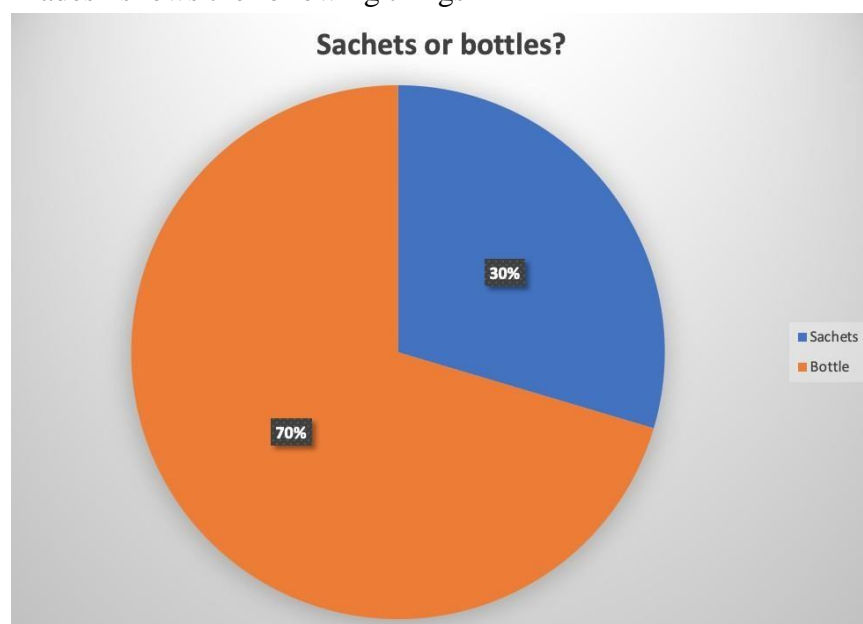
From the survey where we collected the data from 250 respondents, we got to know that BOP consumers are more inclined towards Price while purchasing the HUL products, indicating that they are more of price sensitive even in buying FMCG products.



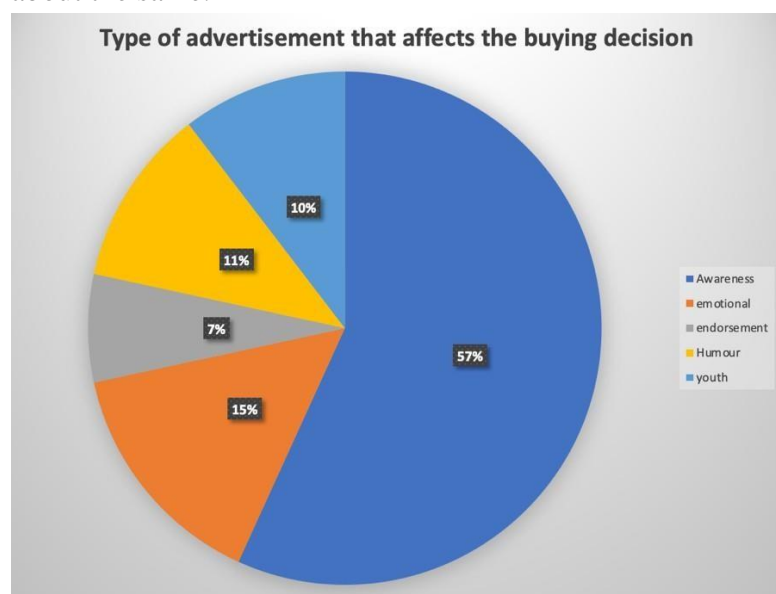
About 76% of BOP come across the brand and the industry names through mediums like television advertisements, radio, poster, indicating the more of exposure of traditional platforms. So, the additions of emotions in the advertisements would add feather to the hat of the brands in attracting more of the rural market. Brands are now creating more of the creative advertisement strategies in grabbing the rural market. From the statistics it was found that about 82% of BOP are aware of the brands which they are using, so brands are now competing in grabbing the market. From the statistics, it was found that about 62% of the BOP segment aware with the brand name HUL.

OBJECTIVE-2**ANALYZE THE IMPACT OF EMOTIONAL BRANDING OF SPECIFIC FMCG PRODUCT**

As per our study, the data collected from randomly selected 250 respondents from BOP sector of Himachal Pradesh shows the following things-



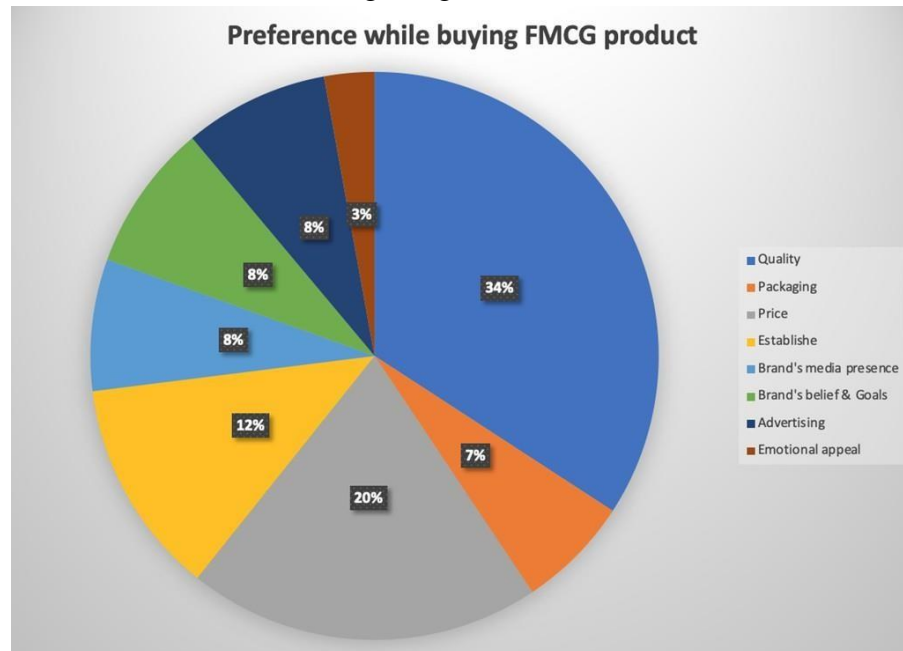
- 66% people believe that brands can somehow affect you emotionally into buying their products. However, 34% people believes that emotional advertisement does not have any impact in their buying decision. When we tried to look further to understand this mixed reaction, we got to know that most of the BOP customer base is actually price sensitive. That's why they are more concerned about the utility of the product rather than the emotional appeal of any brand.
- 56.4% people believes that they can get inspired from social media ads & posts whereas 43.6% people disagree on this point. The reason behind this is the lack of facility available to them. Most of them who are from old age group are not aware about social media. Youths are using social media as a medium of entertainment & communication. 57.6 % believes that there is a impact of social media ads. However, this does not mean that their purchasing decision will be based on social media ads. 28.4% people believes that there is no impact of social media in their purchasing decision at all.
- 54.8% people says that ads related to social awareness effects their buying decision. Whereas 20.4% choose cultural ads, 20.4% choose religious ads. However, 4.4% people believes that any sort of emotional connection does not affect their decision. This data clearly shows that if a brand wants to attract more BOP customer base, they should opt for advertisement that will relate to social issues & will also spread awareness about the same.



- When it comes to the nationality of any brand, majority of the BOP customers are not bothered about this. They have limited income & believes in maximum output with the help of minimum input. That's why brand's nationality is not a decision-making factor till the time the product is able to satisfy the needs & desires of a customer. When we tried to look into their past experience, the data shows that in majority of the cases emotional advertisements were not a deciding factor.

OBJECTIVE-3**IMPACT OF EMOTIONAL BRANDING ON PURCHASE INTENSION & DECISION OF BOP SEGMENT.**

As per our study, the data collected from randomly selected 250 respondents from BOP sector of Himachal Pradesh shows the following things-



- 79.2% of the BOP segment prefer purchasing as per the requirement rather than going for bulk purchase. However, 20.8% people likes to purchase in bulk. They both have considerable reasons where the first category prefers spending less money at once whereas the second category is attracted to the extra benefits or promotional offers on purchasing bulk. 70.4% people likes to purchase bottles whereas 29.6% people opts for sachets. They also prefer buying in bottles due to discounts.
- 73.6% people says that they will become a loyal customer of a brand if they like the product as quality is a deciding factor for them. On the other hand, 26.4% says that price matters the most & they might change their brand preference depending on the price even if they like the product. They also mentioned that they sometimes buy product just because of the brand name as they believe a good brand name will must provide good products at reasonable price. However, 17.6% people says that brand name is not a deciding factor. So, price is always the major factor effecting their purchasing decision.
- They believe that they can easily change the product or brand & adapt to a new product. If the quality is good & the price is reasonable then they are ready to stick to a particular brand. Only brand name is not enough to attract this segment. However, awareness type of advertisements can attract this customer base. So, a brand must focus on the quality, price & advertisements that spread awareness about the product.

OBJECTIVE-4**STUDY THE ROLE OF EMOTIONAL BRANDING IN DIFFERENTIATING BRAND FROM COMPETITORS IN FMCG SECTOR.**

As per our study, the data collected from randomly selected 250 respondents from BOP sector of Himachal Pradesh shows the following things-



In the following sections, first the data analyses procedure including statistical analyses on the quality of product and buying behavior. Following this, the results of the data are presented in two parts. First, users about the quality of the product. The aim of this part is to understand the relationship between the emotions of users and brand awareness. The result shows that about 29% customer judge on the basis of friend's advice and need to use the product.





The second users about the criteria of the customer to buy the product. The objective of this part is to understand the emotions of the users to buying the FMCG products. As the result shows that about 34% customer are buying their product on the basis of price, quality and brand.

This above result shows that for emotional branding in differentiating the product from competitors the users mainly focus on price, quality and brand on the basis of friend's advice and use the product first.

6.3 STATISTICAL TECHNIQUE:

For carrying out the analysis part of our research we have used the basic statistics analysis technique to measure the impact of the emotional branding on BOP segment in FMCG sector.

7. CONCLUSION:

The growing importance of customers emotions in purchase decisions has led to the researchers to underline the emotions as a driver to make the purchase. This study was an attempt to measure the effectiveness of Emotional Branding on the purchase decisions of FMCG products of HUL of BOP segment and offer marketers a strategy to target and attract the BOP segment. The factors derived from the study suggest that the relevant emotions which influence the consumer buying behavior of BOP segment.

So, we can conclude that the reaction to emotional advertisement is a mixed output where people believe that emotional advertisement can impact their decision-making process. However, while making the final decision they prefer utility over emotion as they want to spend the limited amount of money in such way that they can get the maximum out of it. BOP is a price sensitive customer base & brands should focus on price & utility of their product rather than focusing on emotional advertisement. However, if they still decide to go for advertisements, they should try something related to social awareness as this is the type of advertisement which is able to create more impact. But price remains the priority. So, good quality products at a reasonable price along with social awareness advertisements will help a brand to increase their customer base in BOP segment.

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