

## AN EMPIRICAL ANALYSIS OF EFFECT OF ADVERTISING ON MARKETING OF FMCG PRODUCT

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### Abstract:

Fast-moving consumer goods (FMCG) are products that are sold quickly and at relatively low cost. Examples include non-durable goods such as soft drinks, toiletries, and grocery items. Though the absolute profit made on FMCG products is relatively small, they generally sell in large quantities, so the cumulative profit on such products can be substantial. The term FMCG refers to those retail goods that are generally replaced or fully used up over a short period of days, weeks, or months, and within one year. This contrasts with durable goods or major appliances such as kitchen appliances, which are generally replaced over a period of several years. FMCG have a short shelf life, either as a result of high consumer demand or because the product deteriorates rapidly. Some FMCGs – such as meat, fruits and vegetables, dairy products and baked goods – are highly perishable. Other goods such as alcohol, toiletries, pre-packaged foods, soft drinks and cleaning products have high turnover rates.

The current recession is the most brutal economic downturn in a lifetime. One industry where the consequences of the recession are felt particularly hard is the fast-moving consumer goods (FMCG) industry. In the past, this industry was dominated by such well-known manufacturer brands as Ariel detergent, Nescafe coffee, Philadelphia cream cheese, Flora margarine, and Pampers nappies. However, in recent decades, so-called private labels or store brands – brands owned by retail giants such as Wal-Mart, Tesco, Carrefour and Aldi – have made huge inroads, especially in Western Europe and the US. Today they control 20 per cent of the US FMCG market, 35 per cent in Germany, and more than 40 per cent in the UK Much of the loss of market

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share of manufacturer brands is initiated in economic downturns. Faced with a pressing need to save money, shoppers turn to (cheaper) store brands. They discover that the quality is good and, consequently, many stick with the brand when the economy improves again. Our research, spanning several decades of purchasing behaviour and multiple recessions in countries across the globe, shows that the growth of private labels in recessions leaves permanent scars on manufacturer brands. Will it be any different this time? It is possible, but this will depend on how brand managers respond to the current downturn. Brands that take a proactive stance and treat the recession as an opportunity are likely to come out of the recession stronger than before. In this article, we describe what they should do. Two issues drive the outcome of how brands make it through the recession: their equity at the onset of the recession; and investments in the brand during the recession.

**Keywords:** FMCG, Consumer, product portfolio, Brand equity, economic crisis.

### **Introduction:**

**Fast-moving consumer goods (FMCG)** are products that are sold quickly and at relatively low cost. Examples include non-durable goods such as soft drinks, toiletries, and grocery items. Though the absolute profit made on FMCG products is relatively small, they generally sell in large quantities, so the cumulative profit on such products can be substantial. The term FMCG refers to those retail goods that are generally replaced or fully used up over a short period of days, weeks, or months, and within one year. This contrasts with durable goods or major appliances such as kitchen appliances, which are generally replaced over a period of several years. FMCG have a short shelf life, either as a result of high consumer demand or because the product deteriorates rapidly. Some FMCGs – such as meat, fruits and vegetables, dairy products and baked goods – are highly perishable. Other goods such as alcohol, toiletries, pre-packaged foods, soft drinks and cleaning products have high turnover rates.

The following are the main characteristics of FMCGs:

- From the consumers' perspective:
  - Frequent purchase

- Low involvement (little or no effort to choose the item – products with strong brand loyalty are exceptions to this rule)
- Low price
- From the marketers' angle:
  - High volumes
  - Low contribution margins
  - Extensive distribution networks
  - High stock turnover

### **Research Methodology:**

The area of Agra city in Uttar Pradesh in INDIA is covered for this research. Total 46 respondents are covered. All statistical tools like standard deviation, skewness, kurtosis etc are used for data interpretation. Software tool which is used is SPSS package.

### **Data Analysis:**

Since the sig.(2-tailed) value of five variables are less than 0.05 i.e. 0.000 I can say that five variables (Learning About Product, Advertisement Capturing Best Quality Of Product, Method Of Advertising For Organization, Convincing Ability By Advertisement, Impression Of Advertisement) except variable Basic Source Of Information are significant. This means that these variables have put on impact on advertising on marketing of FMCG product.

### **Marketing strategies for fast-moving consumer goods:**

The current recession is the most brutal economic downturn in a lifetime. One industry where the consequences of the recession are felt particularly hard is the fast-moving consumer goods (FMCG) industry. In the past, this industry was dominated by such well-known manufacturer brands as Ariel detergent, Nescafé coffee, Philadelphia cream cheese, Flora margarine, and Pampers nappies. However, in recent decades, so-called private labels or store brands – brands



owned by retail giants such as Wal-Mart, Tesco, Carrefour and Aldi – have made huge inroads, especially in Western Europe and the US. Today they control 20 per cent of the US FMCG market, 35 per cent in Germany, and more than 40 per cent in the UK. Much of the loss of market share of manufacturer brands is initiated in economic downturns. Faced with a pressing need to save money, shoppers turn to (cheaper) store brands. They discover that the quality is good and, consequently, many stick with the brand when the economy improves again. Our research, spanning several decades of purchasing behaviour and multiple recessions in countries across the globe, shows that the growth of private labels in recessions leaves permanent scars on manufacturer brands. Will it be any different this time? It is possible, but this will depend on how brand managers respond to the current downturn. Brands that take a proactive stance and treat the recession as an opportunity are likely to come out of the recession stronger than before. In this article, we describe what they should do. Two issues drive the outcome of how brands make it through the recession: their equity at the onset of the recession; and investments in the brand during the recession.

### **Brand equity:**

How strong is your brand? Is it a brand with many loyal buyers that people know and trust and are willing to pay a price premium for? Or is it a weak brand, commanding little loyalty and esteem? In sum, is your brand equity high or low? Strong brands enter the recession in a much more favourable position than weak brands. They are on the shelves of more retailers, have more shelf space and have a larger and more committed customer base. Marketing budgets for stronger brands also tend to be higher. In recessions, retailers across the world devote more shelf space to their own brands (especially since they also command a higher margin). For example, to cater to the increased price sensitivity of UK consumers in the wake of the economic downturn, Tesco launched on September 17 2008, its fourth line of private labels, called “Discount Brands at Tesco.” Sales of Tesco’s discount and value ranges are up 65 per cent on last year, and one in four shoppers now purchase these ranges. This puts a pressure on the number of national brands the retailer still carries. Retailers are less likely to kill brands with a strong and loyal customer base. High-equity brands are also better insulated against the switching to private labels behaviour that is ubiquitous in recessions, if only because loyal customers incur higher switching costs when buying non-preferred items. High-equity brands are known to suffer less, and to

recover faster, following a product-harm crisis. The same holds true when faced with an economic crisis.

### **Brand investments in recessions:**

In recessions, shoppers have a natural tendency to switch to private labels in order to save money. The logical thing for brands to do is to counter this tendency by either lowering their own price, or by offering sufficient non-price reasons to consumers to buy their brand. Our research, spanning more than two decades of actual marketing behaviour, reveals that most brands do exactly the opposite. First, brands can counter the price advantage of private labels by ramping up their own price promotions (temporary price reductions). Consumers are more price-sensitive in recessions, so offering more price promotions makes a lot of sense. Surprisingly, price promotion activity for most brands actually decreases in recessionary times. Second, the brand can counter the price advantage of private labels by increasing its investments in advertising or new product activity. Both provide non-price reasons to purchase the manufacturer brand – image and improved functional performance, respectively. However, our research shows that advertising and innovation activity decreases in recessions.

Marketing research is also one of the first victims in a recession. These outlays are discretionary, and offer an easy way to reduce costs. Unfortunately, in bad economic times, it is more difficult to convince consumers to buy your higher-priced brand. Optimal matching of your brand with consumer needs is even more necessary in difficult times, but evidence shows that brand manufacturers prefer to operate without this crucial guidance during recessions. Why do companies manage brands in such a counterproductive way? After all, their brands are their most valuable assets. Cutting back in recessions on price promotions, innovation activity and advertising saves money in the short term, but undermines the long-term equity of brands. We believe that it is due to a toxic combination of short-term perspective that characterizes the decision-making of many managers and the tremendous pressure on the bottom line in recessionary times. The easiest way out is to cut costs, and since price promotions, advertising, new product introductions and marketing research are largely discretionary costs, they can easily be cut in the short term.

However, this behaviour weakens the equity of brands and negatively impacts on shareholder value. We studied the stock price performance of 26 global companies over a 25-year period and



found that annual growth in shareholder value for companies that do not tie their advertising investments to the business cycle is 1.3 per cent higher compared with companies that do let their advertising investments depend on the business cycle. This translates into billions of dollars of shareholder value that are destroyed annually by adopting this erroneous practice. In sum, companies often do the wrong thing by reducing marketing expenditure despite compelling evidence that it pays to not follow the general trend of cutting back during a recession. Put differently, one should start to treat those marketing expenses as strategic investments, rather than as short-run costs that can easily be cut when the going gets tough. Note that “going against the trend” can be in absolute terms (strong form) or in relative terms (weak form). Indeed, by holding brand expenditures at pre-recessionary levels, while other brands spend less, one may still increase one’s share of total market communications.

#### **Four scenarios:**

By combining two dimensions of brand equity at the onset of the recession and brand investments in the recession, we get four scenarios.

1. Brand Equity (High), Reduction in brand investments: **High Loss Potential**
2. Brand Equity (High), No reduction/increase in brand investments: **Recession is opportunity**
3. Brand Equity (Low), Reduction in brand investments: **Survival game**
4. Brand Equity (Low), No reduction/increase in brand investments: **Double or nothing**

Brands in cell (1) run the distinct danger that their equity will be significantly eroded in the current recession. They start from a favourable position, but their behaviour will lead to a significant weakening of their position vis-à-vis private labels and the brands in cell (2). Managerial decision-making for these brands is overly cautious and focused on the short-term. These brands should emphasize activities that keep their customers satisfied (and, hence, retain them), rather than focus on cost-saving activities. Indeed, customers lost during the recession may never come back, even when the economy’s outlook improves again.

For brands in cell (2), the recession is an opportunity to pull ahead of their short-sighted competitors in cell (1). Their proactive behaviour will strengthen their (relative) position, not

only in the recession period, but also in subsequent years. Brands in cell (3) are in the worst possible situation: they start weak, and their management makes the wrong decisions. They are prime candidates to be de-listed by retailers who are pushing their private labels in recessions – and many of them will. Their brand equity will decline, and many will not even survive the recession.

The brands in cell (4) have the opportunity of a lifetime to fight back. They start in an unfavorable position – their equity is low and, in normal times, it would take tremendous marketing investments to break through the competitive clutter. However, given that most brands cut back in recessions (and, hence, belong to cells (1) and (3), brands in cell (4) are able to increase their share of total market communication in the category dramatically by maintaining or – even better – increasing their marketing investments. But it is a risky strategy – if it is poorly executed, the anticipated increase in sales and profits will not materialize and the brand may be discontinued.

### **Impact of Slowdown and Inflation and Changing Strategies in FMCG Sector**

The recent financial crisis has impacted several industries across the globe. In this article I will be addressing the impact on FMCG sector in India and the changing strategies which are being considered to counter the meltdown.

#### **Impact on FMCG Sector**

Post liberalization, because of the entry of a number of MNCs in India, the FMCG sales went up. But soon between 2000 and 2004, FMCG sector got hit, attributed to agricultural crisis and industrial slowdown. The crisis of declining FMCG markets was also driven by new avenues of expenditure for growing consumer income such as consumer durables, entertainment, mobiles, motorbikes etc. Indian population was all set to experience the new basket of products, but with cut-down on FMCG products. This led to low share of FMCG spends in the consumer's wallet. But every year the disposable income was increasing, from \$424 in 2002 to \$599 in 2007. There was an inflection in 2005, when they could spend on value added/ premium products along with the new basket of products. This was the boom stage; all categories were growing at healthy double digit rates. As the share of FMCG spend has come down over the last few years, high



inflation will not have a major impact on the consumer. The incremental expenditure will not pinch. In the current slowdown and high inflation, my hypothesis is that the consumers may not reduce the expenditure on FMCG products; rather they may cut down expenditure on expensive restaurants. People may prefer local cinema halls or in-house entertainment (Movies on Demand), than multiplexes. Consumers may prefer a local transport than Taxis. They may hold their decision of buying a new car for some time.

### **Possible impact on FMCG sector:**

#### **1. Marginal Slowdown in products with low perceived value**

large mass FMCG segment, which deliver value, may be insulated from the vagaries of the financial market; the under-penetrated premium-end category could face the heat. From 2005, we have seen willingness in consumers to move to evolved products/ brands, because of changing lifestyles, rising disposable income etc. This was the key reason for FMCG companies like HUL, P&G, Marico focusing lot on value-added products and premium-end products to drive their growths. We all have seen big launches of two premium Anti-Ageing brands, namely Olay and Pond's Age Miracle. In the current scenario, there may be some hit to the premium FMCG brands, because of mainly two reasons:

1. Products which are not differentiated and have low perceived value will be impacted. Consumer may reconsider buying expensive skin care products, high-end food items.
2. Some consumers who were ready to upgrade from popular to premium brands may hold, as they may find more value in popular brands

In a nutshell, consumer will look for value and not the MRP.

#### **2. Rural FMCG Sales: The growth engine**

In last few months we have several FMCG categories like shampoos, toothpaste, hair oils etc growing faster in rural than urban markets. This is attributed to higher prices of farm produce, farm loan waiver and rising rural income. These consumers are not impacted with the global slowdown. The rural consumers are upgrading to higher end products, which is driving the volume sales of FMCG companies. Now to understand the impact on FMCG sales, let us see the split. Rural, semi-urban and urban contributed 57%, 21% and 22% respectively in 2007-08. Rural with the highest base is growing the fastest. So even if there is marginal drop in premium



and value-added products (as mentioned in the previous point), the overall sales would not be impacted much. Therefore, FICCI's prediction of growth of FMCG sector by 16% may marginally come down, because of less than expected growth rates in the premium segments.

### Changing Strategies in FMCG Sector

As mentioned in the first half of my article, the overall impact on the FMCG sales will be marginal. Heavy dependence on the agri-sector and FMCG not being very capital-intensive are among the factors that have insulated the sector from the downturn. But rising input prices, inflation and increased commoditization of products are forcing FMCG companies to adopt new strategies, to have a viable business proposition. Let me enlist few of the strategies which companies have adopted and the outcome of the same.

**1. Increase in price:** Due to increase in raw material prices, many companies were forced to increase their prices and pass on the cost to the consumers.

a) HUL: Hiked the price of its detergent bar Surf Excel (120 g) earlier known as Rin Supreme from Rs 13 to 15. They have also increased some of their toilet soap brands

b) Tea Companies: Tata Tea and Duncan's Tea have also hiked prices for select brands in their stables. Even regional players like Royal Girnar and Society Tea have increased prices of their brands to compete with national players

c) Britannia: Hiked the price of its popular brand 'Britannia NutriChoice Digestive' from Rs 14 to 15.

Some companies have been able to maintain the prices. Parle Agro has not changed the price of Frooti in spite of upward pressure on prices.

It may be easy to increase the prices of premium products but in case of popular products, the preferred choice is between reducing grammage and maintaining the same price points or introducing another price point to suit consumer pockets.

**2. Introduction of lower SKUs:** To prevent down trading, the companies have introduced packs with lower SKUs so that per unit purchase does not pinch the consumer's wallet. With that companies are sharpening their focus on the existing smaller packs and increase their availability.

a) **Henkel:** Introduced a new 400 gm pack of Henko washing powder at Rs 40 and withdrawn the 500 gm pack that used to sell for Rs 46. As quoted by Henkel, “A family of four requires only 400-425 gm of washing powder in a month. We withdrew the 500 gm packs as they were making consumers spend more and consume more”. They have reintroduced Pril liquid for Rs 50 (425 gm bottle), down from Rs 55 (500 gm). They recently brought out its popular Fa deodorant in 75 ml and Margo soap in 40 grams.

b) **Procter & Gamble:** P&G has reduced the pack size of its flagship detergent brand ‘Tide’ from 1 kilo to 850 gm while maintaining the price point at Rs 62. They have also also reduced the size of its 500 gm to 480 gm at the same price.

c) **Gujarat Cooperative Milk Marketing Federation:** Amul introduced 25 gm packs of butter few months back, which is now registering higher sales than the traditional 100 gm and 500 gm packs. Same has happened to their milk powder. They used to sell more of traditional packs of 200 gm, 500 gm and 1 kg, with the 500 gm packs selling the most. In the recent scenario, 25 gm and 50 gm packs are selling in higher numbers.

As an outcome, companies are registering faster offtake in the mid-sized packs.

**3. Cost Cutting Strategies:** While companies resorted to price hike, many companies are exploring ways to cut down cost.

a) Companies are busy in strengthening their distribution and logistics, by bringing in more efficiency and innovation in the supply chain. Companies are closely monitoring their stock levels and loading patterns

b) Soap companies have shifted to cheaper options of raw materials to source their products at a competitive price.

c) Some companies have cut down their spends on advertisement

**4) Mergers and Acquisitions:** The turmoil in global markets seems to have a favorable impact on Indian FMCG majors’ acquisition. While many big FMCG companies find this situation an ideal opportunity to go for acquisitions, there are others who are cautious to invest in M&A. CK Ranganathan, chairman & managing director, CavinKare Pvt Ltd said that the global melt down will have a favorable impact for Indian companies’ acquisition plans. According to him, it’s an opportunity for them to acquire companies as they get good value for money. The current



financial crisis may offer more opportunities because of better valuation.

**5) Restructuring to leverage synergies:** With the 'power of one' strategy, PepsiCo is aligning its beverages and snacks businesses under a common leadership. This will help them to maximize synergies of the two businesses across key functions such as procurement, agriculture and production, which will lead to production efficiencies. This will help them to minimize the price hike.

### **Outcome: FMCG sales & profit unaffected despite mayhem**

FMCG companies saw an impressive topline growth. However, rising input prices and inflation impacted their profitability. To counter the decreasing profitability, companies adopted multiple strategies. As an outcome, if we look at September quarter results, it clearly shows that the FMCG sector is not impacted, despite rise in raw material cost; credit crisis and the global meltdown. The combined net profit of 12 Bombay Stock Exchange (BSE) FMCG index companies has increased by 14% as compared to the same quarter last year. In fact, net profit of 350 BSE-500 companies increased 7% in the July-September 2008 quarter, as compared to the same period last year. The robust net profit was boosted by a 21% increase in net sales of these 12 companies, despite the fact that raw material cost increased by 29% as compared to the same period last year. This clearly indicates that companies were able to offset the input cost hike by passing it on to the consumers as retail prices of goods in this segment increased on an average by 10-20% in the last few months. The sector is showing strong volume growth across product categories.

### **Multiple trends happening in the Indian FMCG sector**

#### **1. Focus on Health**

Companies are widening their health food portfolio to cash in on the rich, urban, health conscious Indian. In recent we have seen flurry of products in this segment. Have a look of some of them:

- 1.1) Sugar free Chywanprash
- 1.2) Organic spices/ pulses
- 1.3) Multi grain pastas/ Biscuits

- 1.4) Processed foods particularly juices
- 1.5) Probiotic Ice Creams
- 1.6) Butter Lite (Nutralite)
- 1.7) Corn Flakes/ Oats
- 1.8) Lays (40% less saturated fats) – Snack Smart
- 1.9) Low Calorie Sweeteners

**2. Impact of Inflation:** The expenditure of FMCG in the consumer's wallet is coming down year on year. This is leading to low sensitivity with price increases. Almost a decade back people use to downtrade from expensive brands to value for money ones. But now the trend is changing. Consumer are not switching to cheaper substitutes. Rather companies have come with lower quantity SKUs and make consumers switch from higher to lower SKUs and not from premium to popular brands (like Dove to Lux International). Just to give you an example, Henkel instead of increasing the price of their Henkwl detergent from Rs. 46 to Rs. 50, they have launched a new SKU of 400gms for Rs. 40. During the time of inflation, people shift to sachets of their brands. Sales numbers of FMCG companies are quite robust.

FMCG spend now comprises a smaller share of consumer's wallet

**3. Micro Segmentation/ Niches:** Its interesting and funny to see that companies are not leaving any opportunity to micro segment the market. I can foresee that we are here to see further segments in different categories. Here are some examples:

#### Age

- a) Junior Horlicks
- b) Junior Chyawanprash
- c) Pepsodent Barbie for Kids/ Colgate Strawberry

#### Sex

- a) Women's Horlicks
  - b) Male fairness cream
- Specialized Household Cleaners

- a) Kitchen Cleaner: Mr. Muscle
- b) Power Cleaner (Rust): Easy Off Bang



**4. Low value SKUs - Sachetization:** You name the category it has a sachet !! We all know that it all started in 1980's with shampoos. I think Nano is an interesting example of an automobile sachet. Here is a small list of sachets:

- 4.1) Shampoos
- 4.2) Butter (Munna Pack)
- 4.3) Hair Oils (Navratan – Thanda Thanda Cool Cool)
- 4.4) Noodles (Chotu Maggi)
- 4.5) Ketchup (Pichko)
- 4.6) Toilet Cleaner (Harpic)

**5. Jet Age Consumer Products:** Because of changing lifestyles, busy jobs etc marketers are coming up with Jet Age consumer products.

**Ready to Eat**

- a) Con Flakes/ Oats
- b) Pastas
- c) Biscuits
- d) Noodles
- e) Pizzas
- f) Burgers

**Ready to Drink**

- a) Energy Drinks
- b) Non-Cola Drinks (Juices)

**Ready to Cook**

- a) Cut Vegetables
- b) Soups
- c) Paranthas/ Rotis
- d) Snacks

**6. Mainstream Penetrated Growth Categories:** The high penetrated categories like Hair Oils, Washing Detergents, Detergent Cakes, Soaps etc are expected to grow at a healthy rate of 10%, attributed to price increases (not much impact of inflation - explained in point 2) and low volume

growth.

**7. Under-penetrated Growth Categories:** Barring few main mainstream categories as mentioned above, there are number of FMCG categories with low penetration and are expected to grow by 20% during 2008-2009. Have a look of that list:

- 7.1) Men's grooming products
- 7.2) Skin care & Cosmetics
- 7.3) skin/fairness cream
- 7.4) Anti-aging solution
- 7.5) Shampoos
- 7.6) Toothpaste
- 7.7) Hair Colour
- 7.8) Deodorants

There lies a huge potential in these categories.

**8. Low Per Capita Consumption:** Currently we are nowhere near to other developing countries in terms of per capita consumption. Be it Laundry, Skin Care, Shampoos or deodorants. Marketers have put in efforts to increase the consumption frequency or quantum of consumption per occasion. Colgate started the "twice a day" campaign few years back. Recently we have Good Night coming up with Double power pack. Per Re1 increase in per capita consumption of a category will lead to growth of more than 100 crores (with a popular base of more than 1 Billion)

**9) Evolved Product Forms:** 20 years back consumers had limited choices to pick from. The days of Tortoise Mosquito repellent coils are gone. This is the age of aerosols with value added functionality. I have picked up some examples, where we have seen a change in the product forms. Here is the list:

Dish Wash: Powder to Bar to Liquid

Shaving: Creams to Foams/ Gels

Repellents: Coils to Aerosols/ Body Creams/ Gels

Air Freshners: Sprays to Electric

Toilet Cleaner: Acid to Harpic to In-Cistern



**Conclusion:**

I can conclude that five variables (Learning About Product, Advertisement Capturing Best Quality Of Product, Method Of Advertising For Organization, Convincing Ability By Advertisement, Impression Of Advertisement) except variable Basic Source Of Information are significant. This means that these variables have put on impact on advertising on marketing of FMCG product.

The basic source of information for FMCG product is newspaper which is 28.3% and television 28.3%. 63% Respondents have learned about FMCG Product from media, 56.5% respondents do not say that advertisements are capturing best quality of product and 39.1% says that advertisements are capturing best quality of product. 19.6% respondents says that television is the best Method Of Advertising of FMCG product For Organization. 56.5% respondents says that companies have convincing ability by advertisement. 41.3% respondents have interesting impression Of FMCG product Advertisement. 32.6% says that advertisements are only informative for them.

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**Frequencies:**

	Basic Source Of Information	Learning About Product	Advertisement Capturing Best Quality Of Product	Method Of Advertising For Organization	Convincing Ability By Advertisement	Impression Of Advertisement
N Valid	46	46	46	46	46	46
Missing	0	0	0	0	0	0
Mean	3.07	1.37	1.65	5.22	1.43	3.87
Std. Deviation	1.597	.488	.566	2.780	.501	1.939
Variance	2.551	.238	.321	7.729	.251	3.760
Skewness	-.179	.559	.128	-.157	.272	.039
Std. Error of Skewness	.350	.350	.350	.350	.350	.350
Kurtosis	-1.618	-1.767	-.684	-1.765	-2.016	-1.805
Std. Error of Kurtosis	.688	.688	.688	.688	.688	.688

Basic Source Of Information

	Frequency	Percent	Cumulative Percent
Valid newspaper	13	28.3	28.3
Radio	6	13.0	41.3
Books	3	6.5	47.8



television	13	28.3	76.1
Internet	11	23.9	100.0
Total	46	100.0	

### Learning about Product

	Frequency	Percent	Cumulative Percent
Valid Media	29	63.0	63.0
Friends/Relatives	17	37.0	100.0
Total	46	100.0	

### Advertisement Capturing Best Quality Of Product

	Frequency	Percent	Cumulative Percent
Valid Yes	18	39.1	39.1
No	26	56.5	95.7
may be	2	4.3	100.0
Total	46	100.0	

### Method Of Advertising For Organization

	Frequency	Percent	Cumulative Percent
Valid Media	4	8.7	8.7

internet	6	13.0	21.7
television	9	19.6	41.3
Radio	3	6.5	47.8
Pamphlets	2	4.3	52.2
Newspaper	1	2.2	54.3
Others	21	45.7	100.0
Total	46	100.0	

#### Convincing Ability By Advertisement

	Frequency	Percent	Cumulative Percent
Valid yes	26	56.5	56.5
no	20	43.5	100.0
Total	46	100.0	

#### Impression Of Advertisement

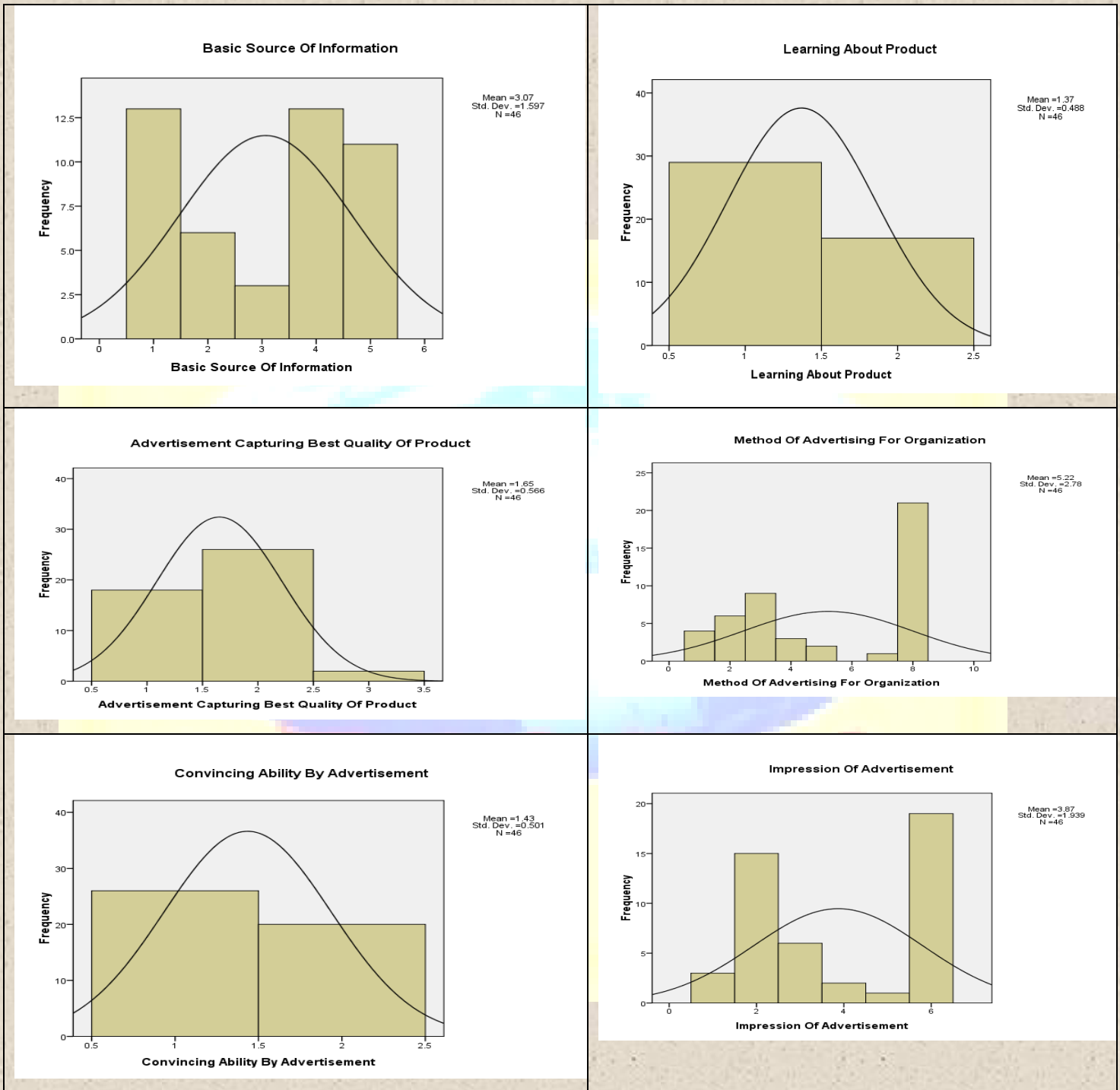
	Frequency	Percent	Cumulative Percent
Valid Funny	3	6.5	6.5
informative	15	32.6	39.1
Enticing	6	13.0	52.2
short	2	4.3	56.5
long	1	2.2	58.7
interesting	19	41.3	100.0

	Frequency	Percent	Cumulative Percent
Valid Funny	3	6.5	6.5
informative	15	32.6	39.1
Enticing	6	13.0	52.2
short	2	4.3	56.5
long	1	2.2	58.7
interesting	19	41.3	100.0
Total	46	100.0	





**Histogram**



T-Test

One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Basic Source Of Information	46	3.07	1.597	.236
Learning About Product	46	1.37	.488	.072
Advertisement Capturing Best Quality Of Product	46	1.65	.566	.084
Method Of Advertising For Organization	46	5.22	2.780	.410
Convincing Ability By Advertisement	46	1.43	.501	.074
Impression Of Advertisement	46	3.87	1.939	.286

One-Sample Test

	Test Value = 3					
	t	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Basic Source Of Information	.277	45	.783	.065	-.41	.54
Learning About Product	-22.659	45	.000	-1.630	-1.78	-1.49
Advertisement Capturing Best Quality Of Product	-16.140	45	.000	-1.348	-1.52	-1.18
Method Of Advertising For Organization	5.409	45	.000	2.217	1.39	3.04
Convincing Ability By Advertisement	-21.181	45	.000	-1.565	-1.71	-1.42
Impression Of Advertisement	3.041	45	.004	.870	.29	1.45

One way:

Descriptives

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum	
					Lower Bound	Upper Bound			
Learning About Product	newspaper	13	1.31	.480	.133	1.02	1.60	1	2
	radio	6	1.83	.408	.167	1.40	2.26	1	2
	books	3	1.33	.577	.333	-.10	2.77	1	2
	television	13	1.15	.376	.104	.93	1.38	1	2
	Internet	11	1.45	.522	.157	1.10	1.81	1	2
	Total	46	1.37	.488	.072	1.22	1.51	1	2
Advertisement Capturing Best Quality Of Product	newspaper	13	1.69	.480	.133	1.40	1.98	1	2
	radio	6	2.17	.753	.307	1.38	2.96	1	3
	books	3	2.00	.000	.000	2.00	2.00	2	2
	television	13	1.46	.519	.144	1.15	1.78	1	2
	Internet	11	1.45	.522	.157	1.10	1.81	1	2
	Total	46	1.65	.566	.084	1.48	1.82	1	3
Method Of Advertising For Organization	newspaper	13	6.38	2.599	.721	4.81	7.96	1	8
	radio	6	6.00	3.098	1.265	2.75	9.25	2	8
	books	3	6.00	3.464	2.000	-2.61	14.61	2	8
	television	13	4.23	2.421	.671	2.77	5.69	1	8
	Internet	11	4.36	2.838	.856	2.46	6.27	1	8
	Total	46	5.22	2.780	.410	4.39	6.04	1	8
Convincing Ability By Advertisement	newspaper	13	1.38	.506	.140	1.08	1.69	1	2
	radio	6	1.33	.516	.211	.79	1.88	1	2



	books	3	1.67	.577	.333	.23	3.10	1	2
	television	13	1.54	.519	.144	1.22	1.85	1	2
	Internet	11	1.36	.505	.152	1.02	1.70	1	2
	Total	46	1.43	.501	.074	1.29	1.58	1	2
Impression	Of newspaper	13	3.31	1.888	.524	2.17	4.45	2	6
Advertisement	radio	6	3.83	1.722	.703	2.03	5.64	2	6
	books	3	3.67	2.517	1.453	-2.58	9.92	1	6
	television	13	4.00	2.160	.599	2.69	5.31	1	6
	Internet	11	4.45	1.864	.562	3.20	5.71	2	6
	Total	46	3.87	1.939	.286	3.29	4.45	1	6

**ANOVA**

			Sum of Squares	df	Mean Square	F	Sig.
Learning About Product	Between Groups	(Combined)	2.029	4	.507	2.393	.066
		Linear Unweighted	.163	1	.163	.768	.386
		Term Weighted	.039	1	.039	.183	.671
		Deviation	1.990	3	.663	3.130	.036
		Within Groups	8.689	41	.212		
Total			10.717	45			
Advertisement Capturing Best Quality Of Product	Between Groups	(Combined)	2.874	4	.719	2.548	.054
		Linear Unweighted Term	1.524	1	1.524	5.403	.025

		Weighted	1.046	1	1.046	3.708	.061
		Deviation	1.829	3	.610	2.162	.107
		Within Groups	11.561	41	.282		
		Total	14.435	45			
Method Of Advertising Between For Organization	(Combined) Groups		43.896	4	10.974	1.480	.226
	Linear Unweighted Term		36.910	1	36.910	4.979	.031
	Weighted		38.696	1	38.696	5.220	.028
	Deviation		5.200	3	1.733	.234	.872
	Within Groups		303.930	41	7.413		
	Total		347.826	45			
Convincing Ability By Advertisement	(Combined) Groups		.451	4	.113	.426	.789
	Linear Unweighted Term		.029	1	.029	.110	.742
	Weighted		.025	1	.025	.095	.760
	Deviation		.426	3	.142	.537	.660
	Within Groups		10.853	41	.265		
	Total		11.304	45			
Impression Advertisement	(Combined) Groups		8.221	4	2.055	.523	.719
	Linear Unweighted Term		6.616	1	6.616	1.685	.202
	Weighted		7.525	1	7.525	1.916	.174
	Deviation		.696	3	.232	.059	.981

Within Groups	160.997	41	3.927		
Total	169.217	45			

Post Hoc Tests

Multiple Comparisons

LSD

Independent Variable	(I) Source Information	Basic (J) Of Source Information	Basic Of	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
							Lower Bound	Upper Bound
Learning About Product	newspaper	radio		-.526*	.227	.026	-.98	-.07
		books		-.026	.295	.931	-.62	.57
		television		.154	.181	.399	-.21	.52
		Internet		-.147	.189	.441	-.53	.23
	radio	newspaper		.526*	.227	.026	.07	.98
		books		.500	.326	.132	-.16	1.16
		television		.679*	.227	.005	.22	1.14
		Internet		.379	.234	.113	-.09	.85
	books	newspaper		.026	.295	.931	-.57	.62
		radio		-.500	.326	.132	-1.16	.16
		television		.179	.295	.546	-.42	.77
		Internet		-.121	.300	.688	-.73	.48
television	newspaper		-.154	.181	.399	-.52	.21	
	radio		-.679*	.227	.005	-1.14	-.22	
	books		-.179	.295	.546	-.77	.42	



	Internet		-301	.189	.119	-.68	.08
Internet	newspaper		.147	.189	.441	-.23	.53
	radio		-.379	.234	.113	-.85	.09
	books		.121	.300	.688	-.48	.73
	television		.301	.189	.119	-.08	.68
	radio	Advertising Capturing newspaper		-.474	.262	.078	-1.00
Best Quality Of Product	books		-.308	.340	.371	-.99	.38
	television		.231	.208	.274	-.19	.65
	Internet		.238	.218	.281	-.20	.68
	radio	newspaper		.474	.262	.078	-.05
radio	books		.167	.375	.659	-.59	.92
	television		.705*	.262	.010	.18	1.23
	Internet		.712*	.269	.012	.17	1.26
	newspaper	books		.308	.340	.371	-.38
books	radio		-.167	.375	.659	-.92	.59
	television		.538	.340	.121	-.15	1.23
	Internet		.545	.346	.122	-.15	1.24
	newspaper	television		-.231	.208	.274	-.65
television	radio		-.705*	.262	.010	-1.23	-.18
	books		-.538	.340	.121	-1.23	.15
	Internet		.007	.218	.975	-.43	.45
	newspaper	Internet		-.238	.218	.281	-.68
Internet	radio		-.712*	.269	.012	-1.26	-.17
	books		-.545	.346	.122	-1.24	.15
	television		-.007	.218	.975	-.45	.43
	radio	Method Of Advertising newspaper		.385	1.344	.776	-2.33

For Organization	books	.385	1.744	.827	-3.14	3.91	
	television	2.154	1.068	.050	.00	4.31	
	Internet	2.021	1.115	.077	-.23	4.27	
	radio	newspaper	-.385	1.344	.776	-3.10	2.33
	books	.000	1.925	1.000	-3.89	3.89	
	television	1.769	1.344	.195	-.94	4.48	
	Internet	1.636	1.382	.243	-1.15	4.43	
	books	newspaper	-.385	1.744	.827	-3.91	3.14
	radio	.000	1.925	1.000	-3.89	3.89	
	television	1.769	1.744	.316	-1.75	5.29	
	Internet	1.636	1.773	.362	-1.95	5.22	
	television	newspaper	-2.154	1.068	.050	-4.31	.00
	radio	-1.769	1.344	.195	-4.48	.94	
	books	-1.769	1.744	.316	-5.29	1.75	
	Internet	-.133	1.115	.906	-2.39	2.12	
	Internet	newspaper	-2.021	1.115	.077	-4.27	.23
radio	-1.636	1.382	.243	-4.43	1.15		
books	-1.636	1.773	.362	-5.22	1.95		
television	.133	1.115	.906	-2.12	2.39		
Convincing Ability By newspaper Advertisement	radio	.051	.254	.841	-.46	.56	
	books	-.282	.330	.397	-.95	.38	
	television	-.154	.202	.450	-.56	.25	
	Internet	.021	.211	.921	-.40	.45	
	radio	newspaper	-.051	.254	.841	-.56	.46
	books	-.333	.364	.365	-1.07	.40	
	television	-.205	.254	.424	-.72	.31	

		Internet	-.030	.261	.908	-.56	.50
	books	newspaper	.282	.330	.397	-.38	.95
		radio	.333	.364	.365	-.40	1.07
		television	.128	.330	.699	-.54	.79
		Internet	.303	.335	.371	-.37	.98
	television	newspaper	.154	.202	.450	-.25	.56
		radio	.205	.254	.424	-.31	.72
		books	-.128	.330	.699	-.79	.54
		Internet	.175	.211	.412	-.25	.60
	Internet	newspaper	-.021	.211	.921	-.45	.40
		radio	.030	.261	.908	-.50	.56
		books	-.303	.335	.371	-.98	.37
		television	-.175	.211	.412	-.60	.25
Impression Advertisement	Of newspaper	radio	-.526	.978	.594	-2.50	1.45
		books	-.359	1.269	.779	-2.92	2.20
		television	-.692	.777	.378	-2.26	.88
		Internet	-1.147	.812	.165	-2.79	.49
	radio	newspaper	.526	.978	.594	-1.45	2.50
		books	.167	1.401	.906	-2.66	3.00
		television	-.167	.978	.866	-2.14	1.81
		Internet	-.621	1.006	.540	-2.65	1.41
	books	newspaper	.359	1.269	.779	-2.20	2.92
		radio	-.167	1.401	.906	-3.00	2.66
		television	-.333	1.269	.794	-2.90	2.23
		Internet	-.788	1.291	.545	-3.39	1.82
	television	newspaper	.692	.777	.378	-.88	2.26



	radio	.167	.978	.866	-1.81	2.14
	books	.333	1.269	.794	-2.23	2.90
	Internet	-.455	.812	.579	-2.09	1.18
Internet	newspaper	1.147	.812	.165	-.49	2.79
	radio	.621	1.006	.540	-1.41	2.65
	books	.788	1.291	.545	-1.82	3.39
	television	.455	.812	.579	-1.18	2.09

\*. The mean difference is significant at the 0.05 level.

### Regression:

#### Variables Entered/Removed<sup>a</sup>

Model	Variables Entered	Variables Removed	Method
1	Method Of Advertising For Organization		Forward (Criterion: Probability-of-F-to-enter <= .050)
2	Advertisement Capturing Best Quality Of Product		Forward (Criterion: Probability-of-F-to-enter <= .050)

a. Dependent Variable: Basic Source Of Information

#### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.334 <sup>a</sup>	.111	.091	1.523
2	.456 <sup>b</sup>	.208	.171	1.454

a. Predictors: (Constant), Method Of Advertising For Organization

b. Predictors: (Constant), Method Of Advertising For Organization, Advertisement Capturing Best Quality Of Product

c. Dependent Variable: Basic Source Of Information

**ANOVA**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	12.772	1	12.772	5.508	.023 <sup>a</sup>
	Residual	102.032	44	2.319		
	Total	114.804	45			
2	Regression	23.913	2	11.957	5.657	.007 <sup>b</sup>
	Residual	90.891	43	2.114		
	Total	114.804	45			

a. Predictors: (Constant), Method Of Advertising For Organization

b. Predictors: (Constant), Method Of Advertising For Organization, Advertisement Capturing Best Quality Of Product

c. Dependent Variable: Basic Source Of Information

**Coefficients**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.065	.482		8.441	.000
	Method Of Advertising For Organization	-.192	.082	-.334	-2.347	.023

2	(Constant)	5.640	.826		6.829	.000
	Method Of Advertising For Organization	-.213	.079	-.371	-2.716	.009
	Advertisement Capturing Best Quality Of Product	-.885	.385	-.314	-2.296	.027

a. Dependent Variable: Basic Source Of Information

**Excluded Variables**

Model	Beta In	t	Sig.	Partial Correlation	Co linearity Statistics	
					Tolerance	
1	Learning About Product	-.064 <sup>a</sup>	-.446	.658	-.068	1.000
	Advertisement Capturing Best Quality Of Product	-.314 <sup>a</sup>	-2.296	.027	-.330	.986
	Convincing Ability By Advertisement	.035 <sup>a</sup>	.241	.811	.037	.999
	Impression Of Advertisement	.181 <sup>a</sup>	1.279	.208	.191	.991
2	Learning About Product	.010 <sup>b</sup>	.069	.946	.011	.945
	Convincing Ability By Advertisement	.083 <sup>b</sup>	.601	.551	.092	.976
	Impression Of Advertisement	.136 <sup>b</sup>	.982	.332	.150	.967

a. Predictors in the Model: (Constant), Method Of Advertising For Organization

b. Predictors in the Model: (Constant), Method Of Advertising For Organization, Advertisement Capturing Best Quality Of Product

c. Dependent Variable: Basic Source Of Information



**Residuals Statistics<sup>a</sup>**

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	2.16	4.54	3.07	.729	46
Std. Predicted Value	-1.236	2.026	.000	1.000	46
Standard Error of Predicted Value	.265	.590	.366	.064	46
Adjusted Predicted Value	2.00	4.99	3.07	.742	46
Residual	-3.542	2.836	.000	1.421	46
Std. Residual	-2.436	1.951	.000	.978	46
Stud. Residual	-2.587	2.008	-.002	1.011	46
Deleted Residual	-3.993	3.005	-.007	1.522	46
Stud. Deleted Residual	-2.782	2.085	-.007	1.035	46
Mahal. Distance	.512	6.433	1.957	1.167	46
Cook's Distance	.000	.284	.024	.044	46
Centered Leverage Value	.011	.143	.043	.026	46

a. Dependent Variable: Basic Source Of Information

Charts:

