UNIVERSITY OF SOUTHAMPTON

BRAND RELATIONSHIPS - A NEW APPROACH TO BRANDING

VOLUME 1 (OF 2 VOLUMES)

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by Philokypros T. Andreou

The idea of brand relationships is neither novel nor outrageous; it is rather the way of thinking about it and the analysis here that shows an innovative process. The human parallel has been used by researchers in the past to show how the buyers differ from the non buyers on their perceived attitude of the brand towards them. This has been referred to as 'Relationship'. However a study in human relationships, indicates that reciprocity of attitude is only one of the factors, influencing a relationship between two persons. This research (with both a qualitative and a quantitative field study) therefore explores the issue by looking into the existence of the rest of the factors and demonstrates that the following are not only present in a consumer - brand relationship but are also important : the Similarity to the other party, the Equity from actions, the Affiliation felt, the Reinforcement received and lastly the Reciprocity of Attitude.

On the other hand, Loyalty as a concept has been very poorly defined. A number of diverse definitions are being used, which all tend to be operational due to the apparent lack of a conceptual definition. This can only be compiled when there is a concrete understanding as to what causes loyalty. But then Loyalty, or rather true Loyalty is all about commitment and dedication, and in a human world, commitment is dependent on the strength of the relationship.

This research has therefore been exploring the relationships consumers have with brands (they are loyal to), in order to understand if and how this relationship can affect their purchasing patterns and attitudes. This has also led to a conceptual definition of Loyalty since it is shown that this relationship is indeed the cause of Loyalty.

In addition to this, a model has arisen which can give a better picture of the segmentation of the customers of a brand, based on the strength of the Relationship and the Repeat purchase pattern. Techniques like Transactional Analysis have been used, demonstrating this need to monitor the interactions and therefore the Relationship of the customers to the brands. This then, allows the brand owners or the marketers to adapt their marketing and corporate strategies in a effort to maintain or increase the size of certain segments in their existing customer base.

LIST OF CONTENTS

TITLE PAGE
ABSTRACT
LIST OF CONTENT
LIST OF TABLES
LIST OF DIAGRAMS
ACKNOWLEDGEMENTS
ABBREVIATIONS / DEFINITIONS

CHAPTER 1

1.1 INTRODUCING THE THESIS 1
1.2 EXECUTIVE SUMMARY 2
1.21 EVOLUTION OF AIMS 3
1.22 RESEARCH DONE 4
1.23 SUMMARY OF RESULTS 6
1.231 The qualitative research 6
1.232 The quantitative research 6
1.3 MAP FOR THE READER 11
1.31 CHAPTER BY CHAPTER 11
1.32 SEARCH AND ANALYSIS LIMITS 15
1.4 BRAND RELATIONSHIPS - A NEW APPROACH TO BRANDING 15

CHAPTER 2

2.1 ORIGINS OF THE THEORY OF CONSUMER BEHAVIOUR 17
2.2 THEORY 20
2.21 A GENERAL THEORY 20
2.211 Hedonic Purchases & Symbolic Interactionism 23
2.2111 Hedonic Consumption 23
2.2112 Symbolic Interactionism 26
2.2113 Self Concept theories 29
2.2113 A Conclusive note 30
2.212 Types of Problem Solving Situations 32
2.2121 Extended Problem Solving 32

2.2122 Limited Problem Solving LPS 34
2.2123 Routinised Problem Solving 35
2.2124 Variety Seeking Behaviour 37
2.2125 Impulse Buying Behaviour 38
2.213 The Decision Process 40
2.2131 Need Recognition/Problem Recognition 40
2.2132 Information Search 45
2.21321 Internal Search 46
2.21322 External Search 48
2.21323 Evoked Set 49
2.21324 The Search Process 49
2.21325 Determinants of Search 50
2.2133 Evaluation of alternatives 51
2.21331 Attitudes Vs Attributes 51
2.21332 Compensatory Models 55
2.21333 Non Compensatory Models 57
2.21334 Importance Of Decision Rule 58
2.2134 Purchase Decision 59
2.21341 Attitude of Others 60
2.21342 Situational Factors 61
2.21243 Environmental Influences and Extremeness aversion Behaviour 63
2.2135 Post Purchase Behaviour 64
2.21352 Dissatisfaction 66
2.214 Influences 69
2.2141 Environmental Influences 70
2.21411 Culture 70
2.21412 Social Class 74
2.21413 Individual, group and family influence. 77
2.21414 Situational Influence 82
2.2142 Individual Influences 82
2.3 DISCUSSION - COMMENTS 87

CHAPTER 3

3.1 INTRODUCTION 91
3.2 BRANDS 92
3.21 DEFINITIONS 92

	3.22 DIFFERENT TYPES (A TYPOLOGY)	95
	3.23 BRAND EQUITY	100
	3.24 THE NAME OF A BRAND	103
3.3	BRANDING AND THE CONSUMER	106
	3.31 CONSUMERS AND BRANDS - THE BUYING ACT	106
	3.32 THE SOCIAL SIDE OF BRANDING	110
3.4	POSITIONING, IMAGE & PERSONALITY	112
	3.41 POSITIONING - WHAT IS IT?	112
	3.42 FROM THE IMAGE TO THE PERSONALITY	118
	3.43 BRAND IDENTITY	122
	3.44 USING CELEBRITIES	125
3.5	BRAND EXTENSIONS	128
	3.51 WHY A BRAND EXTENSION STRATEGY?	128
	3.52 SUCCESS AND FAILURE FACTORS	131
3.6	VALUE OF BRANDS	135
	3.61 WHY ARE BRANDS VALUABLE?	135
	3.62 IS BRAND VALUATION NECESSARY?	139
	3.63 HOW DO YOU MEASURE THE VALUE OF A BRAND?	141
	3.64 A CONCLUDING NOTE.	147

CHAPTER 4

4.1	INTRODUCTION	149
4.2	LOYALTY	150
	4.21 DEFINITION	150
	4.22 INVOLVEMENT AND LOYALTY	156
	4.23 USAGE AND LOYALTY	158
	4.24 GAPS IN THE THEORY	160
4.3	RELATIONSHIP	161
	4.31 WHAT IS A RELATIONSHIP ?	161
	4.32 ASPECTS OF RELATIONSHIP - LOOKING AT HUMANS	162
	4.33 RELATED CONCEPTS IN MODERN MARKETING	167
	4.331 Value for money	167
	4.332 Club belonging	169
	4.333 Relationship marketing	170
	4.334 Attitude of the brand	172

4.335 Societal marketing & Corporate image 173
4.336 Similarity 175
4.34 THE CONCEPT OF BRAND RELATIONSHIP IN MARKETING THEORY 176
4.341 Transactional Analysis in Branding 177
4.35 ABSTRACT MENTIONING OF RELATIONSHIP 179
4.4 NEED FOR THE RESEARCH 181

CHAPTER 5

5.1 INTRODUCTION 183
5.2 RESEARCH BRIEF 183
5.21 OBJECTIVES 183
5.22 TIMESCALE 184
5.23 RESOURCES AVAILABLE AND RESOURCE ALLOCATION 185
5.231 Representativeness of a student population 186
5.232 The question of premises 187
5.233 Stimulus material 188
5.3 EVALUATION OF ALTERNATIVE METHODS 188
5.31 "IN-DEPTH" INTERVIEWS 190
5.32 GROUP DISCUSSIONS (FOCUS GROUPS) 190
5.321 Sample generalisation 192
5.322 Need for projective techniques 192
5.4 METHODOLOGY 194
5.41 GROUPS FORMATION 194
5.42 MEASURE OF LOYALTY AND RATE OF USE 197
5.43 DEFINING THE GROUPS 198
5.44 SAMPLE AND SUBJECTS 199
5.45 PROCEDURES 200
5.5 PROBLEMS AND SOLUTIONS 204
5.51 THE PILOT INTERVIEW 204
5.52 PROBLEMS ENCOUNTERED DURING THE RECRUITMENT AND THE GROUP DISCUSSIONS 205
5.521 Low turn up rate 205
5.522 Interpretation of questions 206

CHAPTER 6

6.1 INTRODUCTION 207
6.11 AVAILABLE DATA 207
6.12 PROCESS 209
6.2 THEMES 210
6.21 DEFINITIONS 210
6.3 ANALYSIS OF QUALITATIVE DATA 212
6.31 ANALYSIS 213
6.311 Levels of Analysis 213
6.312 Methods/Theories considered 214
6.32 TOOLS TO BE USED 216
6.4 METHODOLOGY 217
6.41 DATA REDUCTION 217
6.411 Software HyperRESEARCH 217
6.412 Coding & Meta-coding 218
6.413 Recoder Reliability 219
6.42 DATA DISPLAY 220
6.421 Quotes 220
6.422 Tables/Matrices 220
6.43 DATA VERIFICATION 222
6.431 Stage One - Statistical Tests, Pattern Searching 222
6.432 Limitations of the statistical testing. 223

CHAPTER 7

7.1 RELATIONSHIP 225
7.11 SIMILARITY 225
7.111 Coding structure for Similarity theme. 225
7.112 Findings 228
7.1121 Group A - Heavy Loyal Users 228
7.1122 Group B - Loyals Light Users 231
7.1123 Group C - Non Loyal Light Users 234
7.113 Significance and statistical support 239
7.1131 Emerging patterns 239
7.1132 Statistical test - Chi square test 240
7.114 Individual and Outliers Analysis 243
7.12 EQUITY 247
7.121 Coding structure for Equity theme. 247
7.122 Findings 251
7.1121 Group A - Heavy Loyal Users 251

7.1122 Group B - Loyal Light Users 253
7.1123 Group C - Non Loyal Light Users 256
7.123 Significance and statistical support 259
7.1231 Emerging patterns 259
7.1232 Statistical test - Chi square test 260
7.124 Individual and Outliers Analysis 261
7.13 NEED FOR AFFILIATION 265
7.131 Coding structure for Need for Affiliation theme. 265
7.132 Findings 266
7.1321 Group A - Heavy Loyal Users 266
7.1322 Group B- Loyal Light Users 270
7.1323 Group C- Non Loyal Light Users 271
7.133 Significance and statistical support 275
7.1331 Emerging patterns 275
7.1332 Statistical test - Chi square test 276
7.134 Individual and Outliers Analysis 278
7.14 ATTITUDE OF THE BRAND 282
7.141 Coding structure for 'Attitude of the brand' theme. 282
7.142 Findings 284
7.1421 Group A - Heavy Loyal Users 284
7.1422 Group B - Loyal Light Users 287
7.1423 Group C - Non Loyal Light Users 289
7.143 Significance and statistical support 293
7.1431 Emerging patterns 293
7.1432 Statistical test - Chi square test 294
7.144 Individual and Outliers Analysis 295
7.15 REINFORCEMENT FROM THE BRAND/COMPANY 297
7.151 Coding structure for 'Reinforcement' theme. 297
7.152 Findings 300
7.1521 Group A - Heavy Loyal Users 300
7.1522 Group B - Loyal Light Users 302
7.1523 Group C - Non Loyal Light Users 303
7.153 Significance and statistical support 306
7.1531 Emerging patterns 306
7.1532 Statistical test - Chi square test 307

7.154 Individual and Outliers Analysis 310

CHAPTER 8

8.1 AIM OF THE RESEARCH 313
8.2 SUMMARY OF FINDINGS 314
8.3 DISCUSSION - CONTRAST WITH THEORIES 315
8.31 SIMILARITY 316
8.32 EQUITY 321
8.33 AFFILIATION 323
8.34 ATTITUDE OF THE BRAND 326
8.35 REINFORCEMENT 327
8.4 NEXT STEP 329

CHAPTER 9

9.1 INTRODUCTION 331
9.11 WHY A QUANTITATIVE STUDY? 331
9.12 WHAT TYPE OF QUANTITATIVE STUDY? 332
9.2 QUESTIONNAIRE DESIGN 333
9.21 QUESTIONS 334
9.22 SCALES 335
9.23 CONTROLS 336
9.24 TESTING THE QUESTIONNAIRE 337
9.3 ADMINISTRATING THE QUESTIONNAIRE
HAND OUT. 337
9.31 INSTRUCTIONS GIVEN TO RESPONDENTS 337
9.32 RESPONSES & PERSONAL STATISTICS 339
9.4 ITEM ANALYSIS 340

CHAPTER 10

10.1 METHODOLOGY OF ANALYSIS 342
10.2 HYPOTHESES SET OUT 342
10.3 PAIR COMPARISON
(WILCOXON SIGNED RANKS TEST) 344
10.31 METHOD 344
10.32 RESULTS 346
10.321 Loyalty Vs Relationship 346
10.4 PAIR COMPARISONS (USING T TEST) 347
10.41 METHOD 347
10.42 RESULTS 348

10.421 Loyalty Vs Relationship 348
10.422 H2 : Relationship Vs Usage 348
10.423 H3 : Relationship Vs Usage in Loyal consumers 349
10.424 H4 : Relationship & Market Share 351
10.425 H5 : Relationship - Vectors 352
10.5 USING CHI SQUARE 352
10.51 METHOD 353
10.52 RESULTS 354
10.521 H1 : Loyalty Vs Relationship 354
10.522 H2 : Relationship Vs Usage 355
10.523 H3 : Usage/Loyalty Vs Relationship 355
10.524 H4 : Relationship & Market Share 357
10.525 H6 : Similarity with other brands Vs similarity aspect 359
10.526 H7 : Low Equity with other brands Vs High Equity with Loyal brand. 361
10.53 TESTING THE OTHER INDEPENDENT VARIABLES 362
10.6 DISCUSSION & LIMITATIONS 364
10.61 DEALING WITH THE DATA FORMAT 364
10.62 LIMITATIONS OF DATA 367
10.7 THE EVIDENCE FROM THE DATA ANALYSIS 368

CHAPTER 11

11.1 AIMS OF THE RESEARCH 373
11.2 SUMMARY OF FINDINGS 373
11.21 THE RELATIONSHIP CONCEPT 374
11.22 THE LINK BETWEEN RELATIONSHIP & LOYALTY 374
11.23 INDEPENDENT & DEPENDENT VARIABLES 376
11.3 DISCUSSION 378
11.31 THE EMERGENCE OF A MODEL 378
11.311 Discussion of the results 378
11.32 EXPLORING THE RELATIONSHIP CONCEPT 387
11.321 Creation of Relationship 387
11.322 Analysing the Relationship 392

11.4 IMPLICATIONS FOR THE MARKETER & STRATEGIC CHOICE 401
11.41 RELATIONSHIP & CHOICE 401
11.42 IMPLICATIONS FOR BRANDING STRATEGIES - AN INTRODUCTION 406

CHAPTER 12
12.1 INTRODUCTION 409
12.2 DEFINING LOYALTY AND COMMITMENT 410
12.21 OTHER ASPECTS OF RELATIONSHIP 413
12.211 Usage and Loyalty 413
12.212 Market share & Relationship or Loyalty 415
12.213 Dissimilarity and Equity with other brands 416
12.22 A MODEL OF RELATIONSHIP BUILDING AND LOYALTY 418
12.3 STRATEGIC IMPLICATIONS FOR BRANDING - A MODEL FOR A BRAND AUDIT 421
12.4 LIMITATIONS 433
12.41 WEAKNESS OF DATA 433
12.42 PROBLEMS OF MEASUREMENT & ANALYSIS 435
12.5 OPENINGS FOR FURTHER RESEARCH 436
12.6 A FINAL WORD 438

BIBLIOGRAPHY i

VOLUME 2

APPENDIX I THE PHILOSOPHY OF BRAND LOYALTY (ARTICLE)
APPENDIX II/III MARKET TECHNIQUES FOR BRAND POSITIONING AUDIT
APPENDIX IV LOOKING AT BRAND VALUATION - (ARTICLE)
APPENDIX V MATERIAL USED IN QUALITATIVE STUDY
APPENDIX VI INFORMATION ON PEPSI & ITS CAMPAIGNS
APPENDIX VII TRANSCRIPTS
APPENDIX VIII DOCUMENT SENT TO PEPSICO
APPENDIX IX QUESTIONNAIRE FOR QUANTITATIVE STUDY
APPENDIX X SPREADSHEETS, GRAPHS, FORMULAS.
APPENDIX XI ADDITIONAL QUESTIONNAIRE

LIST OF TABLES

Table 1.1	Research tests and Hypotheses - A summary	8
Table 2.1	Determinants of Dominance: context (from Srinivasan 1987)	25
Table 2.2	Determinants of Dominance: Personality (from Srinivasan 1987)	25
Table 2.3	Classification of types of consumer behaviour	39
Table 2.4 -	Differences in the Degree of Search over Types of Problem Solving (Adapted Engel et al)	50
Table 2.5	Reference group influence on the choice of product and brand	80
Table 3.1	De Chernatony & McWilliams model of grouping brands	96
Table 4.1	Potential market segments (from Traylor 1981)	157
Table 5.1	Time diagram for research schedule	184
Table 7.1	Similarity to 'ideal' sub theme.	226
Table 7.2	Similarity to 'self' sub theme.	226
Table 7.3	Functional similarity sub theme.	227
Table 7.4	Dissimilarity to Rivals	227
Table 7.5	No Similarity sub theme.	228
Table 7.6	Abstract Similarity sub theme	228
Table 7.7	Segmenting the coded segments in sub themes and Groups	237
Table 7.8	Presence of 'ideal' similarity	240
Table 7.9	Presence of 'self' similarity	241
Table 7.10	Presence of 'functional' similarity	241
Table 7.11	Presence of 'Dissimilarity' with 'rival'	242
Table 7.12	Presence of 'no' similarity with brand/Don't care	242
Table 7.13	Individual summary analysis for Similarity theme	244
Table 7.14	Equity - 'I am getting more than I am giving'	247
Table 7.15	Equity - 'Others don't try as hard'	248
Table 7.16	Equity - 'Others are quite tempting so my advice is ..'	248
Table 7.17	Equity - 'I am getting what I am giving'	249

Table 7.18	Equity - 'I am still trying more than the brand.'	249
Table 7.19	Equity - 'I can see an effort - acknowledgement'	250
Table 7.20	Equity - 'The brand must try harder'	250
Table 7.21	Equity - 'Doesn't deserve the effort'	251
Table 7.22	Equity in the Relationship	258
Table 7.23	Presence of Positive/negative Equity	260
Table 7.24	Individual summary analysis for Equity theme	262
Table 7.25	Need for Affiliation	265
Table 7.26	Indifference or negative feelings to Affiliation	266
Table 7.27	Affiliation quotes	274
Table 7.28	Presence of Positive/negative Affiliation	276
Table 7.29	Individual summary analysis for Affiliation theme	279
Table 7.30	Coding structure for Brand's attitude	282
Table 7.31	Coding structure for Brand's attitude - Arrogant	282
Table 7.32	Coding structure for Brand's attitude - Pretentious	283
Table 7.33	Coding structure for Brand's attitude - OTT	283
Table 7.34	Coding structure for Brand's attitude - Complacent	283
Table 7.35	Coding structure for Brand's attitude - Confident/Cool	284
Table 7.36	Coding structure for Brand's attitude - Friendly/Pal	284
Table 7.37	Brand's attitude towards the consumer - An overview.	292
Table 7.38	Individual analysis for Brand's attitude theme	295
Table 7.38	Coding structure for Reinforcement	298
Table 7.39	Coding structure for Reinforcement	298
Table 7.40	Coding structure for Reinforcement	298
Table 7.41	Coding structure for Reinforcement	298
Table 7.42	Coding structure for Reinforcement	299
Table 7.43	Coding structure for Reinforcement	299
Table 7.44	Segmenting the coded segments in sub themes	305
Table 7.45	Presence of Positive/negative Reinforcement (from table 7.44)	308
Table 7.46	Presence of 'need for more reinforcement'	309
Table 7.47	Individual summary analysis for Reinforcement theme	310
Table 10.1	Example of contingency matrix	353
Table 10.2	Loyalty/Relationship table	354
Table 10.3	Usage/Relationship	355
Table 10.4	Usage Vs Relationship in Loyal respondents.	356
Table 10.5	Usage Vs Equity in Loyal respondents.	356
Table 10.6	Usage of brand Vs Affiliation in Loyal respondents.	357

Table 10.7	Market Share of Brand Vs Relationship in Loyal respondents.	358
Table 10.8	Market Share of Brand Vs Equity in Loyal respondents.	359
Table 10.9	Similarity of own brand Vs Dissimilarity of other brands	360
Table 10.10	High Equity of own brand Vs Low Equity of other brands	361
Table 10.11	Sex Vs relationship in all respondents.	362
Table 10.12	Nationality Vs relationship in all respondents.	363
Table 10.13	Control groups Vs relationship .	363
Table 10.14	Research tests and Hypotheses - A summary	369
Table 11.1	A model for the distribution of a brand's buyers	386
Table 12.1	Example for the distribution of a brand's customers	426
Table 12.2	Deciding on the strategies	432

LIST OF DIAGRAMS

Diagram 2.1	Formation of the consumer behaviour science	18
Diagram 2.2	Model of the consumers' use of products for role definition (Solomon 1983)	28
Diagram 2.3	Model of consumer evaluation and choice (Srinivasan 1987)	31
Diagram 2.4	Stages in EPS	33
Diagram 2.5	Limited problem solving brand purchase (adapted from de Chernatony and McDonald 1992)	35
Diagram 2.6	Routine problem solving behaviour (adapted from de Chernatony and McDonald)	36
Diagram 2.7	Need Recognition Process (Adopted with changes from Engel 1990)	41
Diagram 2.8	Maslow's Hierarchy of Needs	43
Diagram 2.9	Process for retrieving information (Adapted from Engel et al 1990)	47
Diagram 2.10	Grounds for Decision (Adapted from O'Shaughnessy 1987) .	54
Diagram 2.11	Marchant (1990) influences at buying behaviour.	62
Diagram 2.12	How Customers Handle Dissatisfaction (adapted Day 1977)	68
Diagram 2.13	Formation of cultural norms	73
Diagram 2.14	Influences on Resources	84
Diagram 3.1	Forms of Brands from Levitt (1983)	98
Diagram 3.2	The elements of Brand Equity (adapted from Aaker 1991)	100
Diagram 3.3	Brand name spectrum (from Murphy 1992b)	105
Diagram 3.4	Positioning (adapted from Aaker 1991)	113
Diagram 3.5	The process of communication of brand identity (from Kapferer 1992).	122
Diagram 3.6	The six facets of the brands identity (from Kapferer 1992)	123
Diagram 3.7	The Brand structure (adapted from Kapferer 1992)	124
Diagram 3.8	Effects of brand extension (from Aaker 1991)	131
Diagram 3.9	Bases of fit (from Aaker & Keller 1990)	134

Diagram 3.10	Interbrand's S curve (from Kapferer 1992, Birkin 1991)	147
Diagram 4.1	Model of relationship development (adapted from Maxwell 1985)	166
Diagram 4.2	The Relationship marketing orientation (from Christopher et al 1991)	171
Diagram 4.3	The Loyalty ladder of Marketing (adapted from Christopher et al 1991)	172
Diagram 10.1	Decision flow chart for choosing the appropriate test (adapted from Pagano 1986)	365
Diagram 11.1	Model indicating the stages in consumer decisions and the effect of communication (adapted from Lannon & Cooper 1983)	391
Diagram 11.2	The different Ego states in TA and types of transactions.	394
Diagram 11.3	Covert Transactions between Loyal Respondents and Pepsi	397
Diagram 11.4	The observed cases of Crossed transactions	398
Diagram 11.5	Crossed transactions between Respondents and Coke	399
Diagram 11.6	Covert Transactions between Respondents and Coke	400
Diagram 11.7	A model for market share for a brand/company (from Ohmae 1982)	407
Diagram 12.1	Model Of Relationship Development In Brands	419
Diagram 12.2	Aaker's loyalty pyramid (from Aaker 1991)	421
Diagram 12.3	The six facets of the brand identity for Pepsi	423
Diagram 12.4	Example of a structogram for looking at first and second choices	429

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Acknowledgements

ABBREVIATIONS - DEFINITIONS

ACORN - A Classification Of Residential Neighbourhoods - This is a method used by market researchers to segment the market in terms of social class and professional ability.

AIO - Activities, Interests, Opinion - This is a method to segment the market looking at the three variables mentioned for each consumer.

Ad hoc - from Latin - meaning 'made, arranged for a particular purpose'

Bona fide - from Latin - in good faith, sincere, with good intentions - the researcher's bona fide means that the researcher has done everything with good intentions, in best faith.

EPS - Extended Problem Solving - This refers to consumer decision making when the consumer is highly involved in the potential purchase. This leads the consumer in an elaborate mode of decision making for solving the problem.

EPPS - Edward's Personal Preference Scale - This is a method of segmenting the market by looking at the personality traits of the consumers.

Fmcg - Fast Moving Consumer Goods - This refers to a range of consumer goods that have a non durable nature i.e. they tend to be bought often - like chocolates, soft drinks ...

Harvard Style - A way to cite statements or parts from a written work. This style is the one used in the thesis. It consists of giving the name of the author of the work cited, and the year of the work. Then a list of references or a bibliography is given where the reader can search the details of the work cited. Example : Kapferer (1991).

Ibid. - from Latin- meaning 'the same' as before, in the same place.

JICNAR - Joint Industry Committee for National Readership Surveys.

LPS - Limited Problem Solving - a purchase situation where the consumer, due to the low involvement with the product group, tends to avoid an elaboration of the problem solving.

MDS - Multi - dimensional scaling - a mathematical technique aiming to reduce the various dimensions of a concept to a form that can be easily seen and understood (two or three dimensions).

Per se - from Latin - meaning 'as such', 'in itself', 'by its nature'.

POPAI - Point Of Purchase Advertising Institute - an institute that researches the consumer behaviour or the outcomes of promotion at the point of purchase (USA).

PR - Public Relations - a part of the marketing communication mix.

Prima facie - from Latin - meaning at 'first sight', on first consideration it seems that ..., what we can observe by looking at something for the first time.

VALS - Values & Lifestyles - a method of segmenting the market looking at the values and lifestyles of the individuals.

Vistas - from Latin - meaning visions, views, areas, directions. A distant view to which the eye is directed.

Vice Versa - from Latin - meaning in the opposite way from that just stated.

USP - Unique Selling Proposition - a term originating from Rosser Reeves, to indicate that for a product/brand to be successful, it needs to offer the consumer a unique proposition.

Dedication

This thesis is dedicated to my wonderful parents (my mother for all the support she has given me and my father for his persistence in me doing the P hD) , my fantastic wife (without her there would have been no balance in my life) and lastly to the science of Marketing, that has transformed me and has given me an interest, a hobby, knowledge and tools to succeed in my professional life.

CHAPTER ONE - INTRODUCTION

"To manage anything in everyday life is to try and cope with a flux of interacting events and ideas which unrolls through time. The manager tries to improve situations which are seen as problematical ... and yesterday's 'solutions' may be seen as today's problems."

Checkland (1990)

1.1 INTRODUCING THE THESIS

A PhD thesis is ultimately a research oriented work to achieve a number of pre-set goals, whether these are of exploratory, descriptive or explanatory nature. The candidate is expected to thoroughly review a body of literature and then through his/her own conducted research and/or analysis of a situation, to provide some new information that expands this body of knowledge. This however poses a potential problem to the new researcher, namely that the focus can be too much on the addition to the body of knowledge by new information. Thus constantly, answers may be sought for ill-defined problems or even based on ill-defined previous situations.

This research started with the analysis of a situation in the consumer behaviour - marketing field that seemed problematic. This was the question of Loyalty. The definition of Loyalty has been rather missing in its conceptual form with a number of operational definitions being used by researchers. This however was weakening the credibility of any results since people could have been classified differently in experiments according to the definition used. The problem has been, as stated by other researchers, that to arrive at a conceptual definition, one must first understand the causes of Loyalty.

At the same time, one other area of branding and consumer behaviour was growing, namely that of Brand Relationships. However, this area was headed by non academic researchers who were hesitating to disclose methods and results, due to their companies or clients confidentiality agreements. Writers in the area have also been referring to this new concept of branding Relationships but again the abstract form was used, probably because of lack of information and of understanding. In reviewing this

area one could notice that there has been no systematic approach to the question and maybe not even a good definition of the question and subject matter.

However, if one looks at the human paradigm in the area of Social Psychology, then one can observe not only a detailed analysis of the Relationship concept but also a mentioned link between this Relationship and commitment, the equivalent to loyalty. It was therefore this observations that led the researcher in this thesis to formulate a research program. Loyalty needed redefinition by looking at the causes and effects, the Relationship concept needed structuring and defining and the relation between the two needed exploring.

The background of the researcher in Marketing and Branding consultancy has also been suggesting a deficiency in as far as Brand auditing and valuation methods were concerned. This was because most of the methodologies available looked at branding from a financial point of view or were too general, looking at the companies performance from a marketing audit approach. In addition the researcher believed that the brand consultant or owner can only analyse in detail the performance of a brand if the brand structure is well understood, if the customer profile is known and if the relation between the brand and consumer is analysed. This, therefore has been the 'margin' objective. To provide a framework, given the results of the research, that can assist the marketers in the better management of their brands.

The management of the thesis has been in itself a truly managerial task. As Checkland (1990) mentions : "To manage anything in everyday life is to try and cope with a flux of interacting events and ideas which unrolls through time. The manager tries to improve situations which are seen as problematical ... and yesterday's 'solutions' may be seen as today's problems." In the same sense, the 'manager' of the thesis had to cope with a set of ideas that was evolving through time and to deal with problems that only became apparent as the process moved on.

1.2 EXECUTIVE SUMMARY

This part goes through the research process, indicating briefly to the reader how the research objectives were set and how the hypothesis have evolved. The research methods used are described and a summary of the results and conclusions is given.

1.21 EVOLUTION OF AIMS

The research aims were set in an evolving process since the objective of the thesis was to explore an area of study arriving at a usable method for brand auditing, based on the customer loyalty and interaction with the brand. Thus, the first aim set by the researcher was to use the literature on the behaviour of the consumer towards brands in order to understand how the consumers react and interact with brands and to further understand how loyalty works.

During this search of the literature, a number of important gaps were seen in the theory or rather the study of branding. Two of them were the Loyalty definition and the type or form of Relationship developed between consumers and brands. The latter was seen to be closely linked to Loyalty but there was no exploration of the subject or even an understanding of it. Although research has been done in the area, this had been limited and focused on a few ideas that came as a result of extending the brand's personality theme.

The limited literature had though indicated that the consumers might be forming Relationships with brands they are loyal to or vice versa and this could be affected by a number of independent variables like the usage of the product. In addition the researcher observed a breakdown of the Relationship in components that seemed to exist in different forms in marketing literature. Therefore it was decided to use qualitative type research to investigate this Relationship further using focus groups.

The qualitative research in its turn, provided the researcher with rich information and a number of observations about the independent factors that could be affecting the Relationship, the components or aspects of such a Relationship and the way consumers expressed themselves in such a Relationship. This enabled the researcher to formulate new research objectives for the quantitative research and consequently a number of hypothesis. This process as such, fed continuous information to the researcher allowing him to construct hypothetical models and to generate some original discussions in the researched area.

1.22 RESEARCH DONE

The research process of the thesis can be split in three parts. The first one is the secondary research by which one can refer to the literature review search which enabled the researcher to identify areas of problems and to use the results of previous research to understand better the subject or formulate hypothesis and make observations. The secondary research also allowed the researcher to reach the decision that what was needed at first was qualitative research. This was so in order to explore the issue and gain in richness of information so that observations could be made and contrast these with the theory. In addition, this qualitative part allowed hypothesis to be formed which were tested later on. The qualitative research also allowed the researcher to understand the language consumers use for the Relationships that could be later used in a more structured form in the quantitative research.

The qualitative research method chosen was that of the focus group discussions because of the richness and width of information that was needed at that stage and also because of the cost - benefit reasons. Nine group discussions of one and half hour each were held in March and April 1994 at the University premises. Each group consisted of 4-6 students that were selected in early March using a sift questionnaire, in order to allow for a number of controls. The groups were a success generating a lot of discussions and projective techniques were used both in group and individually on the members. The discussions were recorded and then transcribed by members of the Accounting and management department. In the end only six of the nine group transcripts were used in the analysis due to peculiarities in the subjects of the three groups and the fact that the it was decided to use the six that were on the same product group (soft drinks). The analysis was done using a Macintosh software called HyperRESEARCH, which allowed for the coding of the text (in preselected themes) and the grouping of pieces of text with the same codes. The coded segments were then analysed and new themes arose which allowed the further classification of data. Also factoring was used in the sense of merging codes to avoid excessive breakdown of information.

Various tables and matrices were then formed by the themes and subthemes and a guide was given as to the operational and theoretical definition of each theme. This was

so as to allow future researchers or reviewers to understand the coding system and to appreciate the categorisation as well as the limits of the findings. The collected themes were then analysed using the control groups as a point of reference and also the Outliers were pinpointed and examined in greater detail. This enabled the researcher to make a number of interesting observations which can be seen in summary in the next section. These observations were also used either directly as hypothesis for the quantitative study or were used as tools to assist in the development of hypothesis and assumptions. These observation were also referred to in the discussion chapters since they have provided the researcher with food for thought as to how possible models could be working.

The quantitative research then took place in November 1994 at the University of Southampton with a questionnaire on a sample of 108 students in the Accounting and Management Department. The questionnaire was constructed using statements expressed by subjects in the qualitative research and a Likert scale of 1 to 7 for agreement or disagreement with each statement. The students were used as their own control group, being asked to fill two identical questionnaires but for different brands in the same product category. One of the brands was the brand they exhibited a loyal behaviour towards while the other one was simply another brand in the category. In this way the completed questionnaires could have been compared and contrasted for each person as well as collectively per group (first and second questionnaire or loyal and non loyal subjects.)

A total of seven hypothesis were set and tested using the results of 98 double (196) questionnaires. Each hypothesis was tested using a variety of statistical testing, each time under different assumptions. In the section below there is a replica of the table with the hypothesis testing results, showing the different test done for each hypothesis set. The different tests however gave the same findings, which proved to reinforce the later discussions and conclusions in the thesis. One should note at this point that the hypothesis set were to be used as tools in the analysis and achievement of the aims rather than as means to an end themselves. This is because the underlying objectives of the thesis lay well beyond the proof or disproof of hypothesis but can be traced in the theoretical framework underlying brand management and loyalty management.

1.23 SUMMARY OF RESULTS

1.231 The qualitative research

The analysis of the group discussions held at this stage have enabled the following observations:

a. There is an observed relation between what has been defined as Relationship and Loyalty (as defined operationally under Jacoby & Kyner's guidelines.) Loyal groups exhibit a much greater positive response on all aspects of the Relationship thus showing a greater convergence to specific themes.

b. The usage level of the product group plays a part in the strength of the Relationship but only within the Loyal groups. Specific themes such as 'functional similarity' and 'more Reinforcement please' are seen to be predominant in different ends of the usage scale for the Loyal subjects.

c. The outliers analysis is pointing out that a number of different levels of commitment can exist as individuals also experience different interactions with the brand.

These observations were then discussed further breaking up the Relationship concept in the six facets or aspects, as discussed in chapters 4 and 6. For each aspect there has been a comparison of the more specific findings with past research and/or theoretical background.

1.232 The quantitative research

The quantitative research started with the following seven hypotheses :

H1 : The existence or level of a Relationship is related to the existence or level of Loyalty.

H2 : The existence or level of a Relationship is related to the level of Usage of the product.

H3 : The existence or level of a Relationship is related to the level of Usage of the product in Loyal consumers.

H3a : The existence or level of Equity in the Relationship is related to the level of Usage of the product in Loyal consumers.

H3b : The existence or level of Affiliation in the Relationship is related to the level of Usage of the product in Loyal consumers.

H4 : The existence or level of a Relationship is related to the market share the brand has amongst the market/target group.

H4b : The existence or level of Equity in the Relationship is related to the market share of the brand in the market/target group.

H5 : The Relationship concept is an amalgamation of all five aspects studied.

H6 : The existence of dissimilarity with other brands is influencing the existence or level of similarity with preferred brand.

H7 : The existence of negative or low Equity with other brands is influencing the level of Positive Equity with preferred brand.

These hypotheses were tested, as explained before, with a variety of statistical tests and using the answers of the control groups for the paired comparison tests. A summary of the results are given in the table below:

Table 1.1 Research tests and Hypotheses - A summary

	Chi Square	Fisher Exact test	T test for pair samples	T test for independent samples	Wilcoxon test for pair samples
H1 - Loyalty Relation-ship	0.001> P		0.001> P > 0.0005		P = 0.00000006
H2 Usage - Relation-ship	0.25 > P > 0.10			P > 0.25	
H3 Usage - Relation-ship Loyals	P > 0.25			P > 0.25	
H3a Usage - Equity in Loyals	P = 1.00			P > 0.25	
H3b Usage - Affiliation in Loyals	0.25 > P > 0.10			0.25 > P > 0.10	
H4 market share Rela-tionship	0.10 > P > 0.05			0.25 > P > 0.10	
H4a Equity -market share	P > 0.25			0.25 > P > 0.10	
H5 Relatio-nship vectors			positive-ness of all vectors		
H6 similarity of other's	0.05 >P > 0.025	P = 0.00008			
H7 Equity with other's	P > 0.25	P = 0.295			

The main conclusions drawn from the research results and from the total thesis investigation were as follows:

* The Relationship concept is linked to Loyalty to the effect that True Loyalty or commitment (which can obey to both a conceptual and operational definition) is an effect of the presence of Relationship. This is being discussed in the thesis and is being demonstrated that the Relationship is actually the cause of this Loyalty (effect).

* This finding has also enabled the researcher to opine on a conceptual definition of Loyalty which has been long missing from the marketing theory. This non existence of the definition so far, has led to studies giving conflicting evidence on branding research due to them basing the loyalty distinction on different operational definitions.

* This Relationship has been seen from the qualitative research to include five elements namely: The Similarity the consumers feel towards the values or the personification of the brand, the Equity the consumers feel exists between their efforts and that of the brand's, the Affiliation or club feeling the consumers feel towards the brand or the aurora of it, the Reinforcement the consumers feel they are getting from the company behind the brand and the Attitude of the brand, which refers to the way the consumers perceive the brand is thinking or talking or interacting with them. These five aspects of the Relationship have been used as vectors in the analysis and it has been shown that they all exist and indeed are linked positively with Loyalty.

* In terms of variables such as Usage and Brand's market share, the statistical tests have rejected any links with Loyalty at the pre-set 1% confidence level. This however must be tackled with care since the level of confidence has not only been set very high but also the definitions used for the variables and the dichotomous split within the definitions may have encouraged the support of otherwise weak null hypothesis. The reader is advised to note the limitation section which appears both in chapter 10, after the quantitative analysis, and at chapter 12 for the thesis in total.

* The link between aspects of the Relationship and Usage or Market share has also not being proved by the quantitative analysis. However, it has been proved that the similarity aspect of the Relationship is linked with the dissimilarity towards other brands. Thus consumers judge not only what they feel towards their brand for similarity but also what they think in terms of similarity, of other brands. A similar hypothesis for Equity was however not proved by the data. Although there was some evidence in the qualitative research and in the literature review of human Relationship, of the equity aspect being stronger when there is less equity between the subjects and others (the competition) this was not shown to be so in the statistical testing.

* The creation of Loyalty and Relationship is also discussed in the context of the evidence from the research. A suggestive model is presented which represents a number of sequences to the Relationship adapted from a psychological model in the human Relationship study. This model suggests that total commitment or Loyalty comes as a consequence to a development through attraction and liking, repeat purchase, satisfaction passing at the same time through the five different aspects of the Relationship as described in the thesis. Thus a continuum of loyalty is possible with customers of the company being price sensitive and switchers to satisfied buyers, friends of the brand and committed to the brand.

* Finally, this link between loyalty and Relationship and the amalgamation of all the findings has also led to the development of a model for auditing a brand in a marketing context. This model has been based on the new evidence about the Loyalty factors and it uses a number of tools from the other published work and the author's consulting experience. The model consists of three steps which examine the brand's value by looking at its internal structure, its customer base and their Relationship or interaction level with the brand. Thus the two parties in the interaction, the brand and the customer, but also what goes on between them, is examined as well. In the last stage it is important to note that the distribution of the customers of a brand, according to their Relationship, is crucial to the determination of the strategies by the brand owners. A number of different strategies are also discussed in the context of this distribution, indicating to the reader the possible actions a brand owner can take given a knowledge of the results of such a type of brand audit.

1.3 MAP FOR THE READER

In this section the reader is given a summary of the contents of each chapter, and this is done with two purposes in mind. Firstly, there is the issue of 'information flow'; that is to say, the reader needs to be able to identify how the thesis evolves, the connection between chapters and the role, various sections play in each chapter. Secondly, though, the reader is to be provided with a process map which indicates the direction of the thesis or rather the development of the researcher's work, allowing the reader to wear the same thinking 'cap' as the researcher throughout the reading.

1.31 CHAPTER BY CHAPTER

Chapter 1 - Introduction

In this chapter, the reader finds a mix between an executive summary, where the research process, the results and main conclusions of the thesis are given, and an introduction to the thesis, giving a map of the thesis with also the whys and the problems of the research. The aim of the chapter is to provide a concise summary "thesis" and at the same time guide someone through the links between chapters.

Chapter 2 - Consumer behaviour research

The thesis starts with the investigation and literature review of consumer behaviour research. This is because, in order to understand the way branding affects consumers and what goes on between consumers and brands at the buying process, one needs to understand the behaviour of the consumer at different situations. The hedonic approach and the symbolic interaction research is seen in detail since they provide some evidence as to how consumers choose particular products. This is complemented with a look at the cognitive approach and the behaviour of the consumer at each stage of the decision process. This is crucial in understanding the interaction later on, since the consumer is influenced by a number of environmental and individual aspects that may help him/her determine how to view particular brands and how to react towards their actions.

Chapter 3 - Branding research

The review in chapter two is really complemented here, with the review of the literature of branding. This chapter shows how branding research has treated the value of brands and discusses the transition in the branding literature from the brand image to the brand personality. This is important since writers have been referring to the Brand Relationships as the natural sequence in that transition. Taking into consideration that the thesis intends to move into a new brand audit system, it is only reasonable in this chapter to also review the factors that make brands more or less successful and the ways marketers value brands until now.

Chapter 4 - Setting the thesis

This chapter is really the place where the researcher explains the reasons for the thesis and the subsequent research. Having examined the background the researcher moves into the examination of concepts such as Loyalty and Relationship. Gaps in the theory are identified such as the definition of Loyalty and the concept of the Relationship and these are investigated. The obvious parallel comes from the human to human analogy, and thus this is examined and compared in section 4.33 with current marketing concepts. The chapter concludes with a look into the application of a psychotherapeutic technique in branding since this is about looking at transactions or interactions between two parties which is what goes on in a Relationship.

Chapter 5 - Methodology of research (I)

Once the need for the research has been identified, the next step is to examine the possible forms research can take to satisfy this need. This chapter deals with the research process, looking at the research brief, the objectives, timescale and the resources available. There is an evaluation or rather a contrast of the different methods, and once the group discussion or focus group method is chosen, there is an analysis as to the methodology. This includes the way groups were to be formed, how the selection was to take place, the samples and the procedures. Finally there is a section where some problems are discussed and the researcher explains how he tried to deal with them.

Chapter 6 - Methodology of analysis (I)

This chapter continues the line set at chapter five, first presenting to the reader the data available at the end of the research and then moving on to discuss the different ways with which this data could have been treated. As explained in the chapter, the literature on the analysis of qualitative data is extremely limited and thus it was seen as essential (as a point of future reference as well) at this point to offer some discussions and explanations as to a number of tools that could be used for such an analysis.

Chapter 7 - Analysis of qualitative data

Chapter 7 is really a step by step analysis chapter, where the reader can go through the coding of themes and the analysis of the recorded patterns. The analysis is done per aspect of the Relationship (Similarity, Equity, Reinforcement, Affiliation, Attitude) and the responses of the members of the three groups (Heavy/Loyal. Light/Loyal, Light/Non Loyal) are compared and contrasted. An individual and outlier responses analysis is also done for each aspect.

Chapter 8 - Summary of findings ; Some preliminary observations

This chapter follows on from the previous one since here one can see a summary of the findings of the research and also a discussion is given contrasting the findings with the theory of consumer behaviour and branding and with other research in the area. This leads to a number of preliminary observations which become a driving force for the second phase of the research to follow.

Chapter 9 - Methodology of research (II) and analysis (II)

The quantitative aspect of the research is examined here and the different possible types of research for such a purpose are examined. The method of written questionnaire is chosen and there is an explanation as to the scales, controls and tests to be used as well as to the administration of the questionnaire and the instructions given to respondents.

The questions used in the questionnaire are also discussed and there is a section on an item analysis, indicating the reasons for the exclusion of a number of questions.

Chapter 10 - Analysis of quantitative data

In Chapter 10 the different Hypothesis are set out and the researcher proceeds in a systematic way to test them using a variety of statistical tools. For each test that is used, the researcher explains the limitations and the assumptions as well as the methodology in using it.

Chapter 11- Discussion of findings; Implications for Marketing and Branding.

This and the next chapter are the conclusion chapters where the evidence from the research and the thesis in general is explained and discussions arise with a number of emerging observations and conclusions. Chapter 11 is really complementing the previous chapter with the discussion of the results from the statistical tests. At this point a model has emerged and there is a preliminary discussion which is completed and concluded in the following chapter. Chapter 11 offers also an exploration of the Relationship concept with a discussion as to how this Relationship may be created and also how it can be analysed using techniques such as Transactional Analysis already refereed to in chapter 4. A case study of the Marlboro cigarette is then briefly discussed to indicate the relation between choice in a competitive market and the Relationship and an introduction is given as to the implications of the findings of the thesis for branding strategies.

Chapter 12 - Conclusions - Limitations - Further research

The first part of the chapter deals with the conclusions of the thesis, beginning with the conceptual definition of Loyalty. The relation between this new defined loyalty (and the Relationship) and other variables such as usage, market share, dissimilarity and Equity with other brands is also discussed with reference to previous research and theories and the light of the new findings. The next section attempts to speculate over a possible model for the creation or building up of this Relationship aspect, taking into account the findings of the research and the literature review on both branding and

human Relationships. The researcher then moves on to construct a Brand Audit Model based on the model of brand Relationship and loyalty explained in chapter 11. This in a sense recaptures the essence of the various findings, observations and conclusions so far. The second part deals with the limitations of the research as it concerns weaknesses of the data and problems of measurement and analysis, while the third part deals with the openings for further research, stating the areas in which future researchers could investigate in order to have a better understanding of the subject matter.

1.32 SEARCH AND ANALYSIS LIMITS

The reader should be reminded here, of two important points; firstly, the actual literature search stopped in December 1992, meaning that the discussions on the gaps in the theory, conflicting research, unavailability of particular research and so on are subject to the time stated. This does not mean that the researcher had lost contact with the subject after that date, since the reader may observer a number of references after that point. What it means though that the actual extensive search had stopped at that date simply for time planning and logistical problems.

The second point is that of the limits of the analysis on the whole. The research is dealing with humans beings and their views, attitudes, feelings, interactions and so on, and is conducted and analysed also by a human being (the researcher.) This evidently means that, there is the danger of different perceptions or as Checkland (1990) states " human beings interpret what they perceive ..... the interpretation may be unique to a particular observer ....(meaning that) multiple perspectives are always available".

1.4 BRAND RELATIONSHIPS - A NEW APPROACH TO BRANDING

The marketing literature has for long been trying to discover the way brands work. The 90's is the brand's decade as one can deduce from the numerous books published on

the issue, the plethora of conferences and congresses dealing with aspects of the brand, and even the titles in the business pages of newspapers and magazines. The problem is however that everyone considers the consumers approach to brands as a static process which can be analysed ad hoc. However, consumers are human beings and human beings interact with each other in a continuous process. The result of the interaction is the formation of Relationships.

Brands are therefore the consumers' friends. And if they are good friends then the consumer does not mind to exercise an effort to interact with them, whether this effort is economical, physical or mental. We do not mind to drive from Southampton to Bristol to be with some friends, given that we really like them and we maintain a close Relationship with them.

The problem though starts when we perceive that these friends are not worth our effort and the Relationship is weaker. Well, the same with brands and consumers. The consumers control this perception of the Relationship, and the moment what they get in return is not enough for what they give .... then they look for other Relationships, other friends.

Consumers, like all human beings, prefer Loyalty to disloyalty, security to insecurity, known from the unknown. But at the same time, they have progressed in the battle of images, and they are not astonished anymore from the advertiser's tricks. They can look through the mirror and behind the mirror, and they interact with the brands they meet everyday. Brands become part of their lives and give sense to things, occasions and behaviours in the social context. This interaction then, leads inevitably to a Relationship and the stronger this Relationship gets to be, the better they feel.

However consumers are no longer .... naive partners; they are careful with these Relationships ... keeping their guard on. Maybe what has happened, is that they like the 'game' now and they .... start to set up their own rules.

CHAPTER TWO - CONSUMER BEHAVIOUR RESEARCH

" Products and brands tend to be viewed as projections of the self-image of the buyer; their symbolic meaning may give deep satisfaction which superficial analysis will not reveal."

Chisnal (1985)

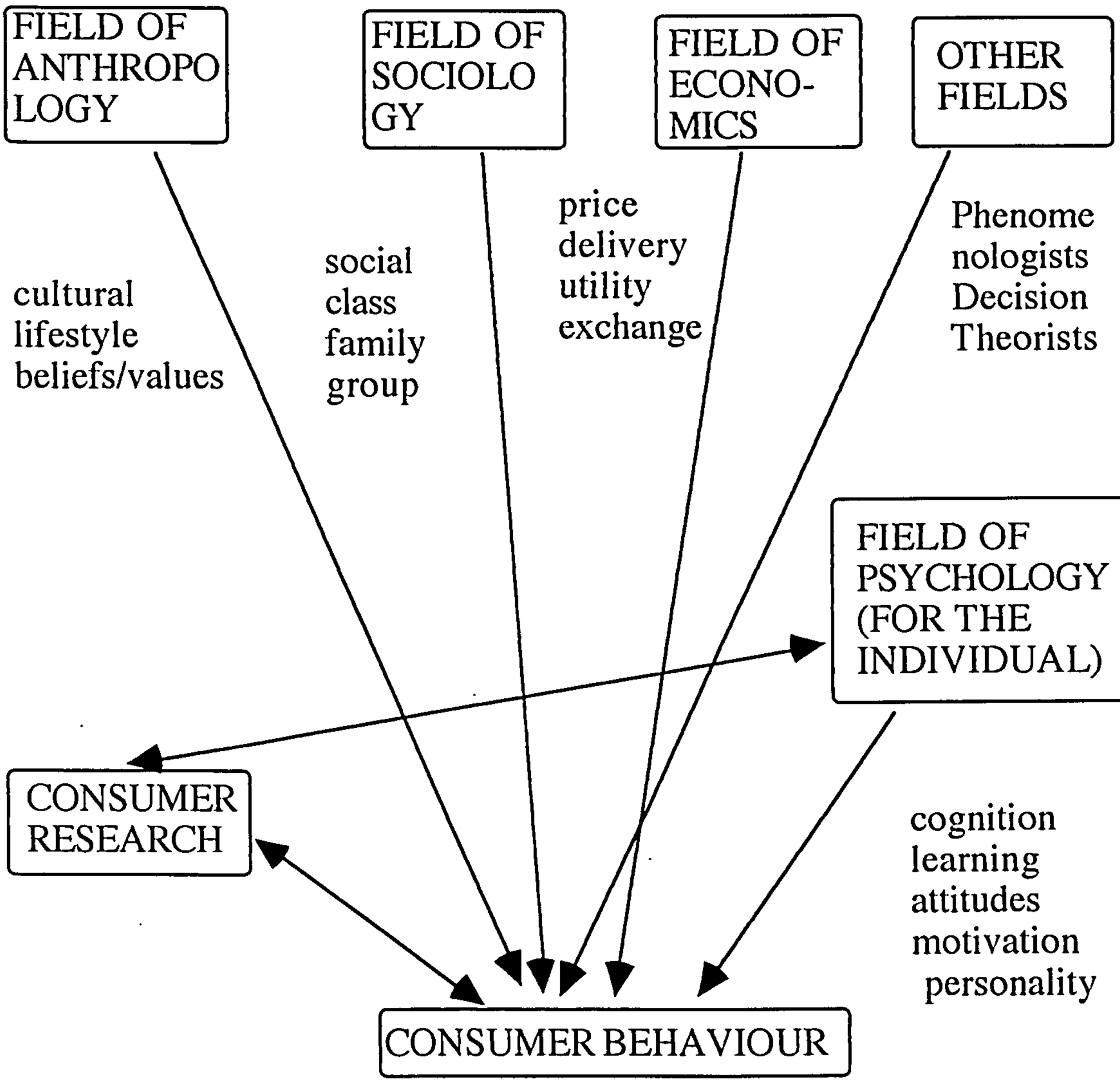
2.1 ORIGINS OF THE THEORY OF CONSUMER BEHAVIOUR

Consumer behaviour was originally studied and thought of as one of the links between the fields of Psychology, Economics, Sociology and Anthropology. Although researchers were interested as early as in the 1920's, it was not until the 1960's that consumer behaviour became a separate area of study and one of the favourite subjects in business schools. Prominent writers in both the economic and psychology field such as Katona (1953) challenged the assumptions of the 'rationality' of the consumer as presented in economic theory. He attempted to synthesise the knowledge of the psychology research with elements of the economic field in order to explain consumer behaviour in a general sense. The maximisation of utility as postulated by economists could then be explained in a range of situations by using elements of motivational theory in psychology. And it was from these areas of the behavioural sciences that integrated theories of consumer behaviour started to emerge.

Freudian oriented clinical psychology in the 1950's entered the marketing arena and began to explore behaviour on the basis of unconscious motivation. Some went as far as comparing the baking of cakes by women with the desire to give birth (Dichter 1960). However as Chisnall (1985) notes "oversimplified psychological explanations based on some personality theory cannot adequately explain buying behaviour". Others researched the needs of consumers and revealed that the benefits derived can be either utilitarian or hedonic/experiential (Copeland 1924, Hirshman & Holbrook 1982, Sirgy 1982, Belk et al 1982, Srinivasan 1987). However, this conflicted with the view that people behave in a purposeful manner (more like the rational argument in economics) and therefore theories such as the Self Concept ones were intended to explain this by projecting the maximisation of the individual's utility to be in enhancing his views on himself. It was therefore inevitable that the field of consumer behaviour, attempting to explain why people buy in a range of situations, had to borrow elements from the

psychological field concerned with individual choice of responses and the economic field covering the individual actions in a limited resource society. Elements were also borrowed from fields such as the Anthropological, Sociological, and generally any field that could offer an insight to a particular consumer behaviour. Diagram 2.1 gives an overview of the process of the formation of the science of consumer behaviour .

Diagram 2.1 Formation of the science consumer behaviour



Elements such as cultural and lifestyle influences on behaviour were borrowed from the Anthropological field whereas the science of Sociology was particularly useful in providing an insight into the effects of the social class system and the family, individual and group influences. The science of Economics can also be

Elements such as cultural and lifestyle influences on behaviour were borrowed from the Anthropological field whereas the science of Sociology was particularly useful in providing an insight into the effects of the social class system and the family, individual and group influences. The science of Economics can also be seen as a backbone to the theory of consumer behaviour contributing theories of transaction, utility, price effects and generally all the elements of the economic behaviour of an individual in a limited resources society. It must be noted though, that Economic theories are rather simplistic in nature since their aim is to decompose economic behaviour into simple constructs which can then be studied in isolation. This implies that there are a number of assumptions, that in a study of the real world may not stand and therefore it is very difficult to completely insert a part of Economic theory in the study of Consumer behaviour.

A number of these constructs though were combined with elements from the Psychological field (Social, Cognitive and Behaviour Psychologists) dealing with the individual and this became the spinal cord of the science of Consumer behaviour as it is at present. Psychologists had been looking at the individual for a long time and well researched areas such as cognition, attitudes, motivation, personality effects to name a few. What was then needed was to adapt this body of knowledge to the specifics of the consumer and customise further research to fill in the gaps from the links of the various other sciences in relation to the consumer, constructing a new theory.

Therefore this process of incorporating research findings from a variety of disciplines and the ability to create new constructs from observing and researching real life itself has enabled the field of consumer behaviour, although born as early as the 1960's, to grow tremendously and to offer an unprecedented insight in the lives of consumers. However as Srinivasan (1987) notes this had as a consequence the development of "sub-areas of knowledge which are not always congruent or synergistic."

As one will observe from the rest of the chapter, in a number of areas of consumer behaviour, researchers have still got conflicting views and theories as well, as research and empirical evidence is used to substantiate each side. However there are also large accepted common areas and it is fair to say that the questioning and the disproving of beliefs or concepts can only be a sign of a 'healthy' science.

Finally one can not ignore the huge contribution this new area of Consumer Research has given to the practical side of Marketing and to the development of such issues such as Branding, more efficient advertising and promotion and in general a more precise satisfaction of consumers' needs. This evolving body of knowledge has ever since being used by all marketers in their strategies and their analysis in the dynamic consumer world.

2.2 THEORY

2.21 A GENERAL THEORY

The literature on consumer behaviour and related models is huge and the objective here is to present a core theory providing an insight into the background of consumer behaviour rather than to compare and contrast the various models. However it could be of value to the reader if the major models were presented in a summary form simply for the appreciation of the vast depth that the field of consumer behaviour has reached.

It would be therefore useful at this point to refer to the classification of the existing models. There can be a number of different classifications and although Lillien and Kotler (1983) offer a very complete description of all models in terms of which area in the consumer behaviour they research (Perception, Evaluation, Attitude formation and so on), it is best to use Srinivasan (1987) classification since the interest at this point is only on the large scale models (i.e. looking at the total process). Srinivasan categorises the models of consumer Behaviour according to the angle with which they view the consumer and the process of buying. One group of models falls under the heading of problem solving where the focus is on models where the consumer makes decisions based on the perceived returns or perceived risk or is influenced by the 'bounded rationality' (i.e. the number of constraints on the individual like complexity or profitability). This group is seen as a one stage approach and Chisnall (1985) also refers to a similar category as Monadic models including models such as the perceived risk model (by Cox 1960), the black box model and others.

Another type is the Hedonic consumption group where the consumer is seen in these models as consuming both hedonic and tangible benefits through a hedonic process. In this field of study, researchers have begun to question whether one should group together the buying and the consumption process (Solomon 1983) since the latter could include a number of interactions of the consumer with the product and the act of consumption.

The third group of models, which seems to prevail in the marketing world, is that of the multistage process or multivariable models (Chisnall 1985). The characteristics of the models in this group are that they concentrate on the processes that a consumer goes through in order to arrive at a purchasing decision and this process can consist of a number of stages, both physiological and psychological. In this category one can find the model of the Hierarchy of Effects (Lavidge and Steiner 1961) which refers to the psychological stages of Awareness, Knowledge, Liking, Preference and Conviction describing how a consumer arrives at the purchase stage. Howard and Sheth (1969) have also presented a model that until today is considered one of the best models of buyer behaviour (CIM 1992). Their model is based on inputs (stimulus display - information on the products' and services' tangible and intangible elements) behaviour determinants (predisposition to the purchase by the environmental factors such as the culture, social context, personality of the buyer and other) the process of the interpretation of information (filtering and perception), the determinants (as to how the information will be evaluated and understood) and the inhibitors (any constraints that can prevent or change actual or potential behaviour). Howard and Sheth describe these constructs in terms of inputs, Perceptual constructs, Learning constructs and outputs and they present the connections between these constructs as either information flow or feedback effects.

Other main models are those by Assael 1981, Bettman 1979, Nicosia 1968 as well as models based on protocol statements (interpretative social science approach) of why people buy (O'Shaughnessy 1987). Most of these models share a lot of elements with the Howard and Sheth model and the Hierarchy of Effects model. Nicosia's model is based on the decision process prevailing before and after the purchase and is presented in terms of a computer flow chart with loops that connect elements in the psychological processes and the physiological. On the other hand the Bettman model is more on the information processing side. It thus concentrates on the kind of information sought by

the consumer, the method in which the consumer acquires such information and the way this information will be processed. In his Basic Hierarchy submodule he also presents a variety of choice Heuristics as the vehicles for the choice.

However, the backbone of the theory to be presented here is the model by Engel et al (1968, 1990) showing the consumer decision process as consisting of discrete stages with a number of external and internal influences. The five stages are: problem/need recognition, search for information, evaluation of alternatives, purchase, and post purchase behaviour. These stages are being carried through in the order mentioned to solve a problem the consumer might be facing. A synergy exists here with management science, since the individual or the organisation is seen to be going through the same steps when a problem is presented (Stoner et Al 1978). Lindzey et al (1985) discuss the differences to a great extent and gives a good review of the literature on the organisational side.

One should note at this point that the models concerned with hedonic consumption are not mutually exclusive with these multistage models and that they share many elements that affect the consumer's actions and thinking. The multistage models are also not the next step in the evolution of the consumer behaviour theory from the hedonic models but the two have rather taken a different approach to the subject. Although the field of hedonic consumption is of paramount interest to the thesis, it is believed that the multistage models offer a better and more complete understanding of the total process that occurs within a consumers mind when confronted with a potential need and a purchase despite the fact that some purchases may be based more on hedonic reasons. However a separate section will be devoted to the research on Hedonic purchases and the area of study concerned with symbolic interactionism.

This following section will then deal with the above before moving on to describe the process of consumer behaviour. The latter will be broken up in the following subsections: Subsection 2.212 deals with the various types of problem that a consumer can be faced with, such as Extended Problem Solving, Limited Problem Solving and Habitual/Routine situations. The following subsection 2.213 explores the above mentioned stages in some detail. Section 2.22 examines the various influences on the decision process and a discussion of the different types of goods and their

effects is presented in section 2.3. The chapter ends with a critique of a number of issues raised throughout the sections.

2.211 Hedonic Purchases & Symbolic Interactionism

2.2111 Hedonic Consumption

Hirschman & Holbrook (1982) define Hedonic consumption as "those facets of consumer behaviour that relate to the multisensory, fantasy and emotive aspects of one's experience with the products." The multisensory aspects refer to the fact that experiences with a product may be through taste, sound, scent, visual image and so on. While consumer researchers view these experiences to be afferent, the hedonic view researchers believe that the consumer not only reacts to an external stimulus by encoding it (e.g. the scent of a perfume) but reacts with it to generate more images themselves (think of sights, sounds and tactile sensations) which they experience as well.

These multisensory images could be seen as both 'historic' imagery (recalling an event that actually occurred) or fantasy imagery (Singer 1966). The emotive aspect refers to the fact that products can also generate emotions in the consumer such as joy, jealousy, fear and rage. These responses were found to be both psychological and physiological in nature (Ornstein 1977) and they are seen as keen motivators for the purchases and the consumption in the Hedonic perspective.

One of the first to talk about this issue was Levy (1959) in an article in Harvard Business Review entitled "Symbols for sale". He refereed to a number of purchases, even things like cigarettes, that were connected to emotional elements and stated that "people buy things not for what they do, but for what they mean to the consumer". This aspect will be further examined under the subsection on symbolic interaction.

Dichter, the father of motivational research, was also amongst the first to start researching the motivational reasons people bought things, and he focused on the

emotional aspects of products and the emotional reaction between the consumer and the products (Dichter 1960, Packard 1959).

Srinivasan (1987) refers to Hedonic purchases as offering benefits categorised as aesthetic, symbolic and emotional. This then is what differentiates the hedonic purchases from the utilitarian or cognitive rational. The second difference between the two is the process with which consumers choose or consume the products. Whereas in the rational-cognitive models the consumer is assumed to follow a deliberate, linear and in general, cognitive process, in hedonic purchases there is a holistic, emotional, simultaneous process which is integral to the consumer experience itself. Holbrook (1983) makes the distinction as "utilitarian value tends to result from belief about the way product imagery serves consumption needs whereas aesthetic value tends to hinge on an emotional response to the sign or significance appreciated for its own sake".

In terms of looking at the differences between the Hedonic and the cognitive rational perspectives Hirschman & Holbrook (1982) looked at a number of constructs such as the Mental construct, the Product Class, the Product Usage and the Individual differences. They then compared the research being done for both hedonic and the 'traditional' models and evaluated the results. In general one can pinpoint that researchers from the two fields tended to choose product categories in which their research would have favourable results and thus most research on Hedonic purchases is concentrated on the service industry like theatre and cinema going, concerts and operas whereas the traditional modellers looked mainly at household products. In terms of the usage studies, again this is difficult to compare since the traditional studies focused more on the decision whereas the hedonic studies looked at the consumption and the experiences (psychological). Srinivasan attempts to capture the difference of the context or usage of the products by a table. This is seen below in table 2.1

Table 2.1 Determinants of Dominance: context (from Srinivasan 1987)

Cognitive-Rational aspects (Vertical) /Hedonic aspects	High	Low
High	Situations of high emotional involvement and high social and performance risk(first home or car?)	Industrial buying
Low	Vacationing, Sentimental occasions, Gift giving	Routinised response situations

In terms of the individual differences Hirschman & Holbrook note that cultural differences were found to be important as well as social class differences. This effect of subcultures on consumer symbolism could be in the direction in which products are seen more hedonically (Lapso 1981) and also the degree (extent) of the hedonic element in the purchase (Hirschman 1982). Srinivasan notes that "Some individuals are more hedonically oriented than others", and presents the table below to distinguish between different personalities:

Table 2.2 Determinants of Dominance: Personality (from Srinivasan 1987)

Epistemic orientation (Vertical) /Hedonic orientation	High	Low
High	High Experience Seekers	Low Experience Seekers
Low	Hedonic Individuals	Experience avoiders

The limitations, however, of the research on hedonic purchases arise from the methods and product group used. This means that because the products have been usually service oriented (i.e. theatre) then there was variability in the product and the quality and so accurate measures can differ from one consumption to another. The product

group also made the measurement difficult since most of the choice and the consumption was at a psychological level rather than at a visible or accountable level. Even the scales drawn for measuring this hedonic effect could not adequately trace the dynamic changes in the degree of hedonic effort and capacity (Hirschman & Holbrook 1982). Lastly, even at the individual level the effect of the culture could not easily be separated from the effect of the social class and the environment and thus the distinction of effects can not be reliably measured.

2.2112 Symbolic Interactionism

The study of symbolic interactionism can be widely found in the writings of Social Psychologists and Sociologists where researchers tried to focus on the process by which individuals understand their world. However consumer researchers have since then taken the idea and developed it by trying to look specifically at how the consumer reacts to or uses a product (or a symbol) to achieve an aim or to satisfy a need.

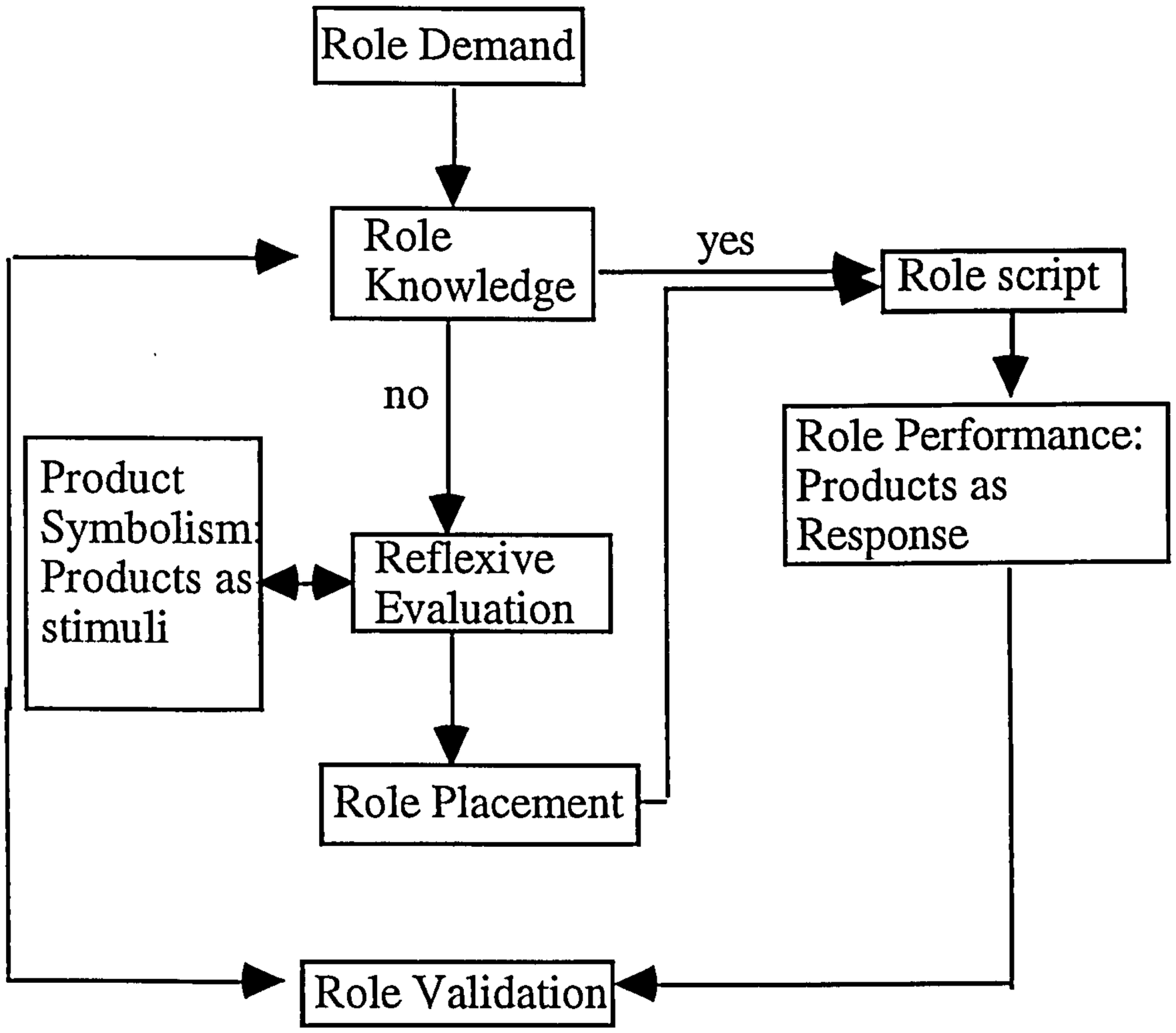
The idea of people using symbols is neither novel nor unique. Csikszentmihalyi & Rochberg-Halton (1981) state characteristically "The development of symbols or signs ... in a cultural tradition meant that people could compare their actions with those of their ancestors to anticipate new experiences ... Symbols became able to convey feelings and attitudes ... and this development of self-consciousness is generally considered the greatest accomplishment of humankind". Therefore symbols became important because they denoted personal attributes and goals as well as social patterns from an early time (Levy 1959).

But what are Symbols ? Levy defines them as "a general term for all instances where an object, action, word, picture or complex behaviour is understood to mean not only itself but also some other ideas or feelings". Britt (1978) makes this clearer by stating that "The function of symbols is to economise the quantity of referents needed to express a concept and to evoke a group of ideas in the minds of the audience members for the message of the communicator". He then goes on to give three categories of symbols such as accidentals (relating to a person's experience with the past), Universal (facial expressions or basic reactions such as happiness) and Conventional symbols (that identify items of culture or social structure).

These symbols are then present on purpose or sometimes accidentally, in many promotions and products themselves and they tend to influence the way the consumer views the whole brand. For example, the presence of a grandmother figure on the package or the advert of a brand would signal old fashioned goodness which is what the consumer may need to feel about the image of that product. In many cases, therefore, the marketer is using these symbols to signify things to the consumers since the symbols will be stronger than words.

However, another area of interest is the study of the interaction of consumers with symbols, that is the usage of symbols by the consumers. This was observed when consumers wanted to signify something themselves or to achieve a certain satisfaction. Levy (1959) talks about sex, gender, age and class as being the areas where consumers may use symbols to reinforce an image. For example a consumer may buy a particular brand because the brand promotes a macho image that he likes to maintain or acquire. Solomon (1983) talks about 'compensatory symbolism' which is the same notion, namely the fact that consumers use symbols to signal something they desired to be signalling themselves, ie compensating with the reality. He also refers to scripts that consumers act (i.e. the script of a 'good mother for my children' by a woman) and the fact that symbols could be used in this process of performing the 'act'. Figure 2.2 shows this model of the use of products for role definition.

Diagram 2.2 Model of the consumers' use of products for role definition (Solomon 1983)



Much research has been done in this area investigating whether particular purchases of brands were influenced by this symbolic interactionism (Evans 1959,1968, Birdwell 1966 and Ross 1971 looked at the purchase of cars, Landon 1974 looked at beer and food choices, Sirgy 1980 looked at magazines choices, Haire 1950 looked at instant coffee images). Most of these and many other studies looked at a variety of ways in which the image of the brand could affect the buyer. One of the main ones researched was the effect of a symbol on the judgement of status (Douty 1963 on clothing, Riesman & Roseborough 1955 compiled a list of goods and services the middle class Americans would aspire to, Green & Wind 1973 compare a number of product classes and status using multidimensional techniques). Csikszentmihalyi & Rochberg-Halton (1981) identified a number of ways a given object may become a symbol of status, namely through rarity, high price, age and by attracting the attention of people already being perceived as having status. Other ways in which symbols may interact with consumers (may be used to signify something) is the personality (Ferber 1962), the lifestyle characteristics (Green & Wind 1973), attractiveness (Holman 1980) and

attitude to social issues or being 'chic' (Harper 1978). Belk et al (1982) on the other hand looked at the development of this symbolic interactionism and found that it is mostly developed at Grade school and by college students. There was also a difference as to this development depending on the social class and the sex of the students which was congruent with earlier studies.

2.2113 Self Concept theories

This may be considered as part of the hedonic purchases and also part of the symbolic interactionism research. This self concept relates to the fact that consumers may be choosing particular brands because of their perception as to the relationship the product has with their personality. As Chisnall (1985) notes " Products and brands tend to be viewed as projections of the self-image of the buyer; their symbolic meaning may give deep satisfaction which superficial analysis will not reveal".

A number of studies have been done in this area attempting to link the consumer choices with their personality and the way the product was viewed by the consumer. One of the first studies was Birdwell's car study (Birdwell 1968). He showed that the image a person had of his/her car was congruent with the image of themselves. Sheth (1967) and Grubb & Hupp (1968) supported the previous findings with their research. Green et al (1969) found both sides of the story in their research, that is consumers buying brands that have a congruent image to self concept and other people buying brands totally different.

In general however there is some confusion as to what constitutes self concept, since other researchers viewed the influencing factor (the self) as being the ideal self (Ross 1971), the situational self (Schenk & Holman 1980), the Social self (Sirgy 1980) while some others viewed the self in a more restricted way i.e. as the sex-Role self, the image of best friend or Perceived Reference self (see J. Paul Peter 1980).

Sirgy (1982) makes a critical review of the studies and notes that although the ideal and actual self studies were the ones mostly supported by the findings of the various researchers (the rest of the studies have moderately supported the different distinct self)

still there were studies like the one by Green et al (1969) that failed to confirm these relationships. One should also take into consideration that these studies have been made using particular products as the stimuli, sometimes with particular segments of the population (i.e. students) and also using particular procedures or methods of analysis and different measurement methods of the variables. This limits, to a great extent, the comparison between them and as Sirgy (1982) concludes, there are a number of "research problems concerning the theoretical and methodological underpinnings of self-concept" and these have to be taken into consideration by future researchers. He further notes that consumer self-concept research is at its infancy stage and "much work is needed in theoretical generation, model construction and method development". Along the same lines, Chisnall (1985) concludes, after having reviewed the area of study, that "it has been indicated that self-concept has an influence on buying behaviour, although the exact nature of this varies with products types. The small sample sizes,.. the nature of the population, the lack of replication and the arguable bases of some definitions used suggest that caution should be used in applying these researches to marketing practice".

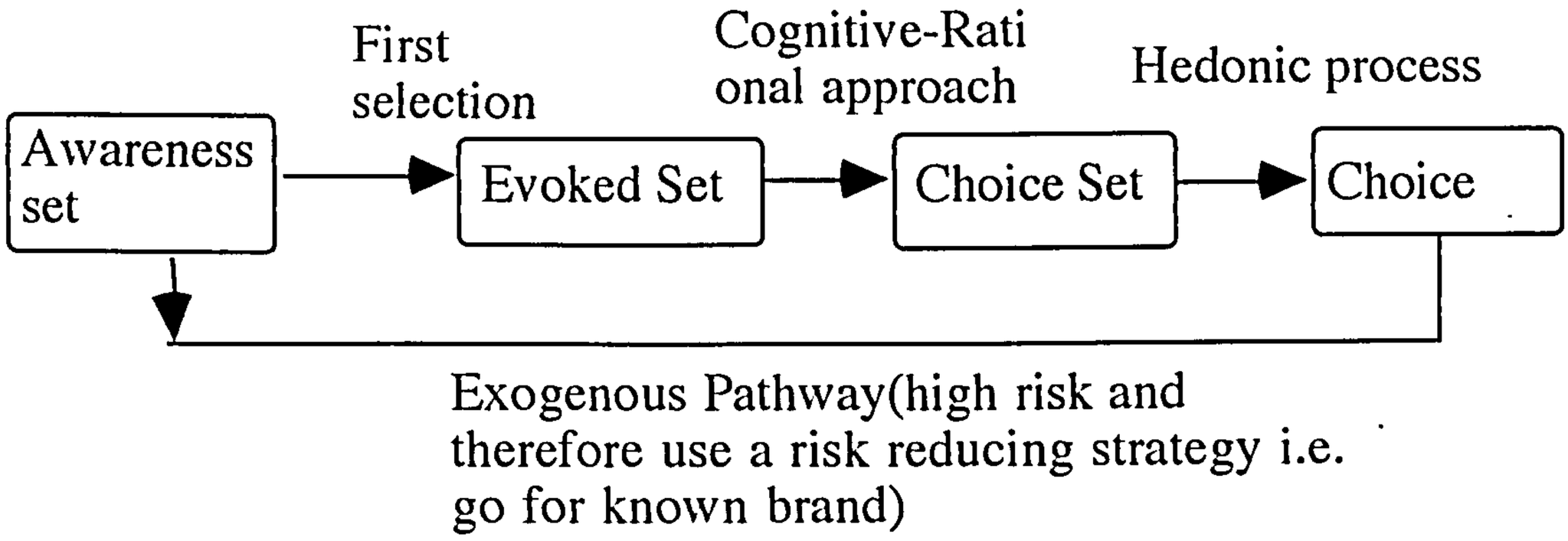
2.2113 A Conclusive note

The marketing implications for the use of these studies in hedonic research are enormous and already some of the findings are being utilised in both marketing and advertising plans. As Kahle (1986) notes "Markets can be segmented and products positioned by advertising along dimensions relevant to the self system." However, how does the whole idea of the hedonic perspective and subsequently the idea of symbolic interaction and self concept fit with the traditional cognitive approach to consumer behaviour?

Srinivasan (1987) provides a framework consisting of two stages. In the first stage the consumer will satisfy himself/herself that the brands for choice in a particular set (see the discussion in the following sections) are adequate as it regards certain functional (performance related), social (peer group recommendation), personal (intuitive approach), or risk reduction (well known brand). The next step is a filtration of the brands using a cognitive rational approach and the final choice between the remaining in the set brands is made by a hedonic process involving personal and psychological

purchases). The diagram below shows this model.variables. In different buying situations (see next section) the model is modified by the consumer skipping or avoiding certain stages or parts of them (e.g. impulse

Diagram 2.3 Model of consumer evaluation and choice (Srinivasan 1987)



However, the more complete models of consumer behaviour like the model to be used here of Engel et al (1968, 1990) do indeed cater to this aspect of consumer behaviour and do incorporate in the model this idea of hedonic choices. It could be that the degree of doing that is not as the hedonic perspective researchers would have liked, or even that the distinctions between the different product choices are not being elaborated so much; but one can not ignore the fact that these latest rational-cognitive models on the whole give a more complete picture of the thinking process and the influences on the consumer. The discussion of the different stages in the cognitive approach does not preclude the influence of hedonic factors in the decision (whether conscious or unconscious and whether instant or after time) for the individual either to skip the particular stage or to act in that stage in different ways.

It is therefore decided to use the cognitive rational approach for indicating the various aspects involved in consumer behaviour, integrating aspects of the hedonic perspective where needed.

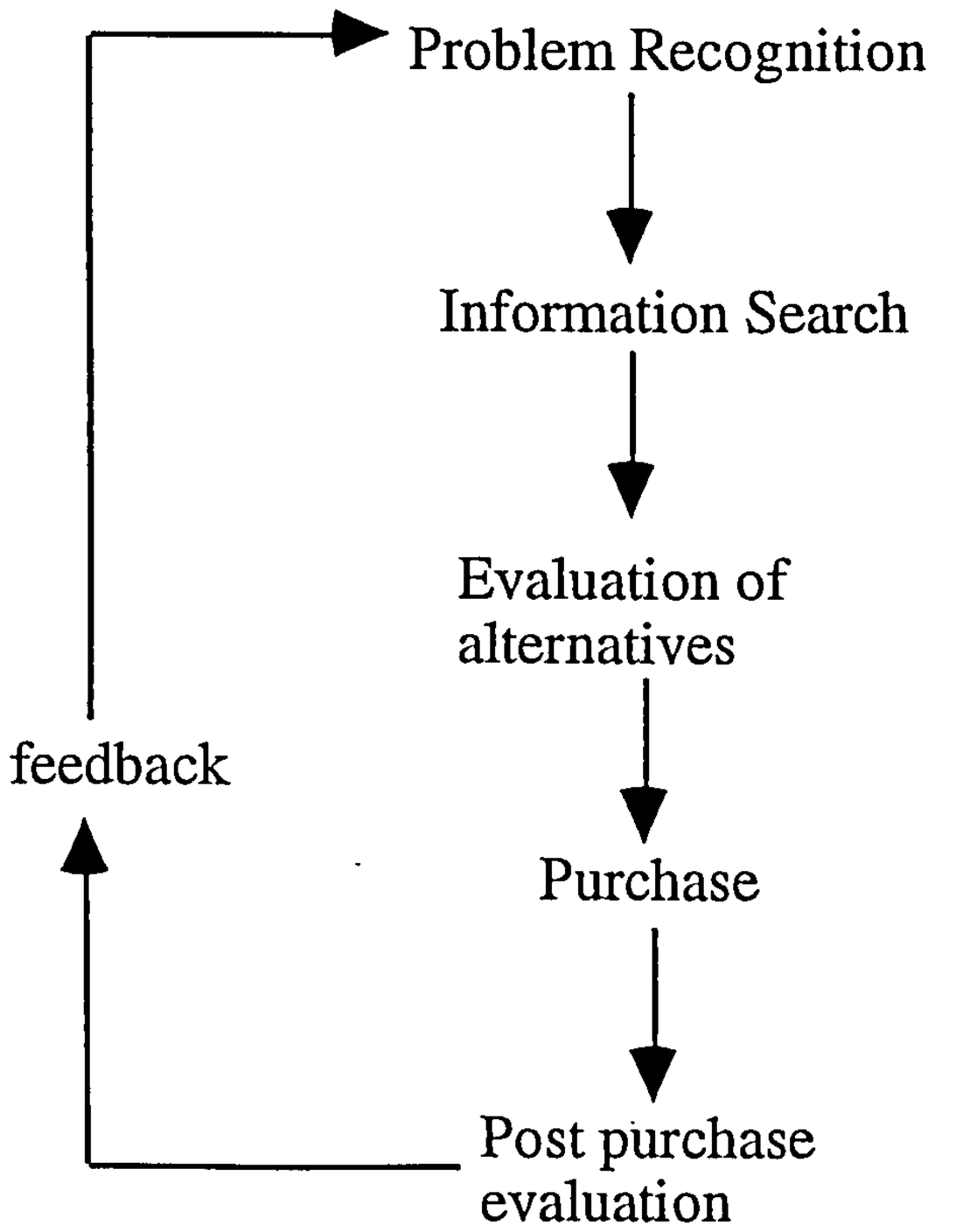
2.212 Types of Problem Solving Situations

This section examines the different types of problem solving situations or the different buying situations. The difference between these situations may be the time in which the stages are performed, or the sequence of the stages. A number of factors affecting as to which situation will exist on a particular time (related to the type of products involved) will be examined as well as the type of the relation between the product and the consumer (i.e. symbolic interaction effect). Morever situational and environmental factors to the purchase will be examined since they influence the consumer through the various stages.

2.2121 Extended Problem Solving (EPS)

The stages in the decision process are more clearly set out as in diagram 2.5 in what is called an Extended Problem Solving situation.

Diagram 2.4 Stages in EPS



This is a situation where the alternatives are relevantly different and there is a high degree of involvement accompanying the purchase. Time is also a central factor, since lack of it may lead to heuristics or rule of thumb procedures. The involvement will be high in a purchase when the following factors exist (Laurent et al 1985) :

1. Ego relationship - i.e.. the choice will reflect upon one's image (symbolic relationship).

2. Negative consequences could be the outcome if there is the wrong choice. These could be either financial or even just image-reflecting.

3. A degree of social acceptance depends on the outcome or choice.

4. Hedonic significance where the amount of pleasure or the ability to offer pleasure will depend on making the correct choice.

Kapferer & Laurent (1986) add to this, the Interest element, in the sense that a consumer may be involved in a purchase where he/she has an interest/hobby linked to the purchase.

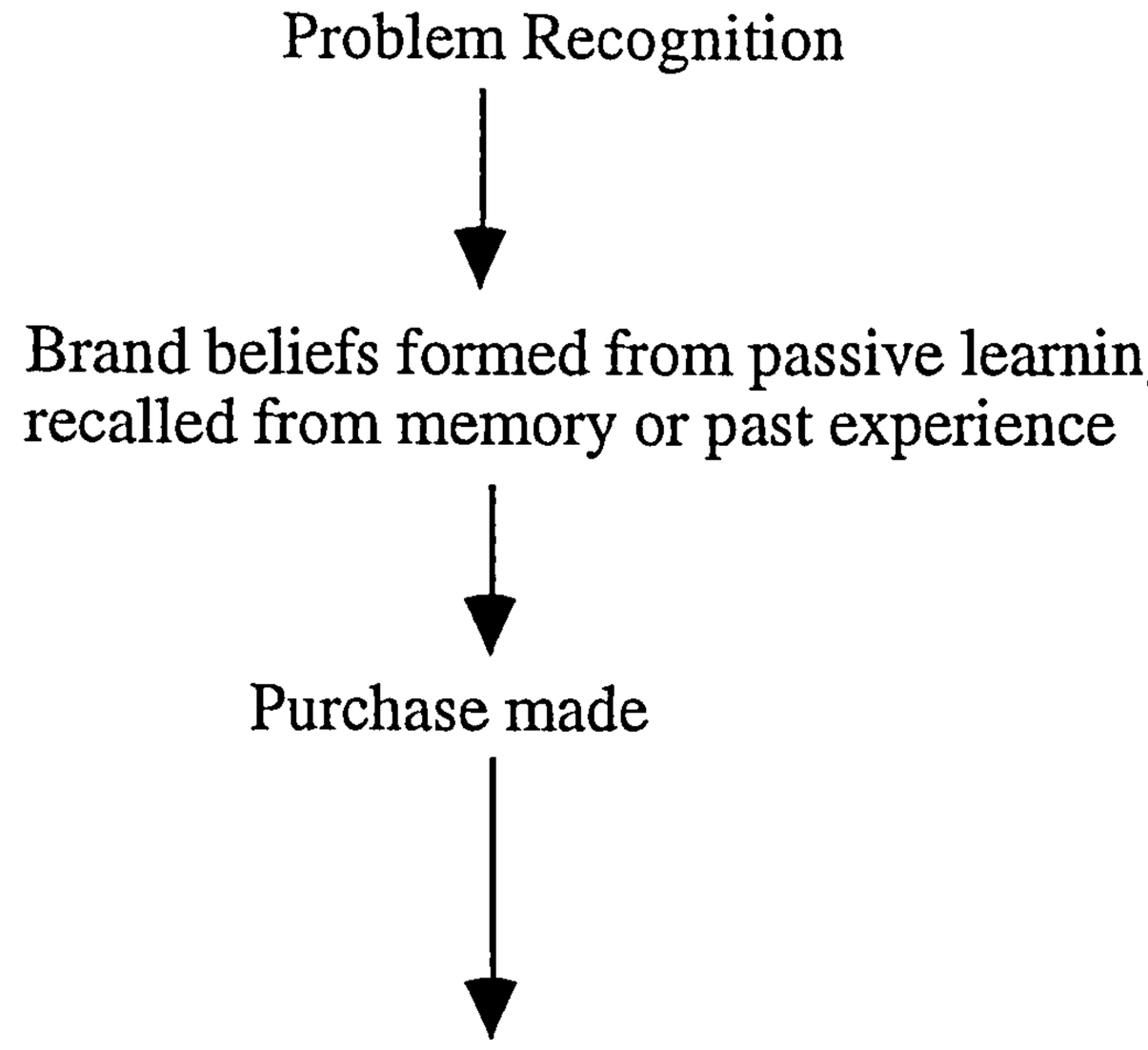
Howard & Sheth (1969) also define EPS as the "earlier stages of repetitive decision making (since the emphasis in their model is on a repetitive purchase) in which the buyer has not yet developed 'well defined' and structured choice criteria". Their emphasis is more on the fact that no attitudes have been formed about the various brands and therefore time is needed for deliberation and search for information to solve the problem. It might be worth noting here that if the decision criteria can not easily be set out due to the complexity of the product or the unfamiliarity of the consumer with the attributes then the consumer may move from the extended problem solving approach to a rule of thumb approach of 'choosing the best known brand' or choosing 'what a friend has suggested' as a risk reducing device (Srinivasan 1987). However, even in cases of 'well defined' criteria as in the second purchase of a home or a car, it is unlikely that consumers will simplify the process and reduce the problem to a Limited Problem Solving or a routine problem due to its high involvement. O'Shaughnessy (1987) distinguishes between situations that need deliberation (i.e. choice being the result of a decision making process) and situations where choice is based on Habit, random picking and intrinsic preferences. In the context of this model, both Extended and Limited problem solving can be thought of as deliberation situations.

2.2122 Limited Problem Solving (LPS)

When the involvement is lower and/or time is limited consumers do try to simplify the process and reduce the timely procedure of the five stages mentioned above. This is referred to as Limited Problem Solving (Engel et al 1990) and a simple rule is adopted to determine choice (e.g. price, liking, colour, etc.). In terms of the choice set, the buyer is likely to have a stronger attitude towards the brands but still some brand ambiguity might exist requiring the adoption of the already chosen decision rule. The buyer/consumer may go through the five stages, but in shorter time and using his/her past experience to guide him/her through them. Howard et al (1969) talk about Limited Problem Solving as a stage or a situation where the consumer has well defined

choice criteria and is aware of the brands in the product class and their value (to him/her). This enables the consumer to remove/reduce the information search stage or even the evaluation stage. The post purchase evaluation will be very important since it will continuously update the information to be used the next time for simplifying the process. De Chernatony and McDonald (1992) state that in this type of situation the alternative evaluation takes place after the purchase and in effect, "fully formed beliefs, attitudes and intentions are the outcomes of purchase not the cause". This might hold when there are no clear criteria of choice but the cost of the information search and alternative evaluation are regarded as outweighing the benefits. The model could then like in diagram 2.6.

Diagram 2.5 Limited problem solving brand purchase (adapted from de Chernatony and McDonald 1992)



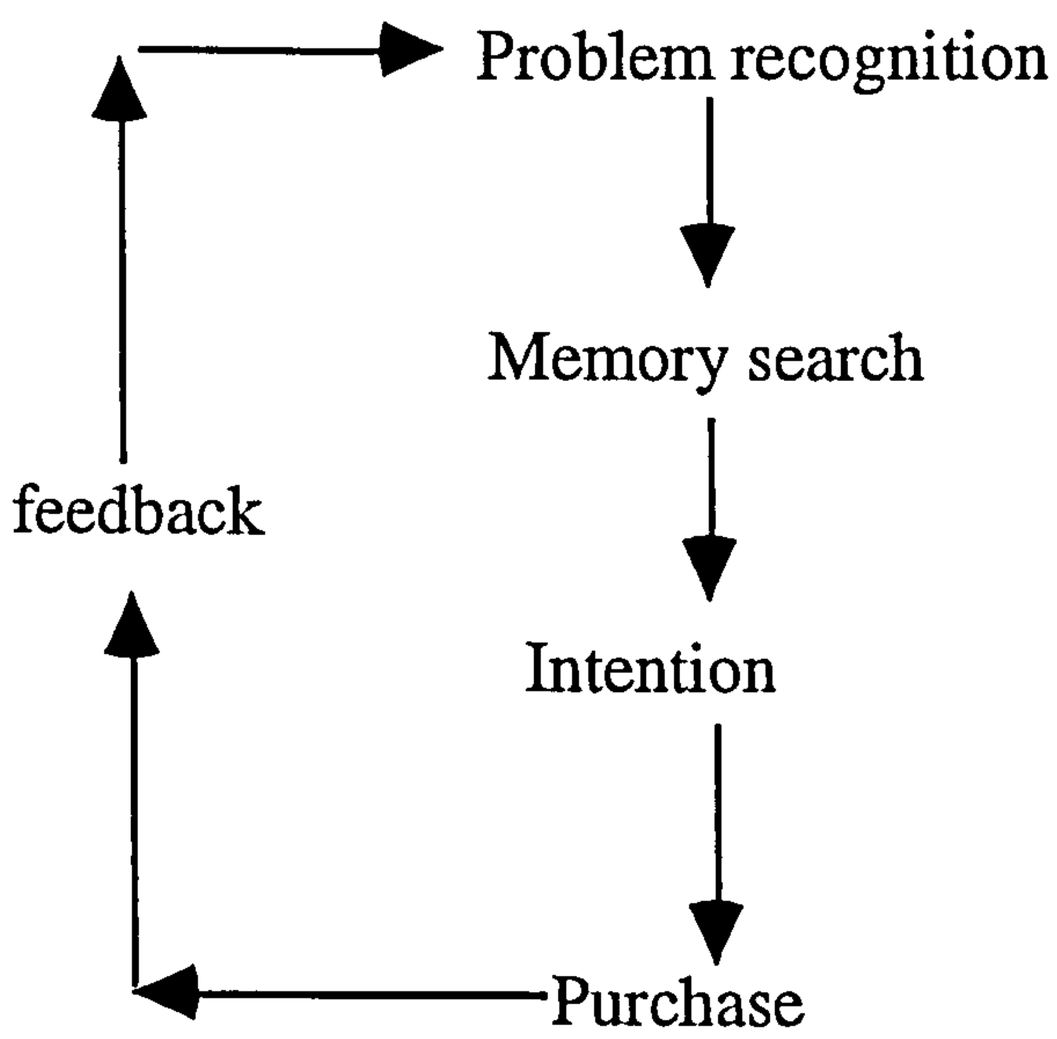
2.2123 Routinised Problem Solving

According to the theory of the 'Psychology of Simplification' (Howard 1963) the consumer will also attempt to reduce the complexity in the case of repetitive decisions .

This could result in a routinised responsive behaviour where a strong disposition towards a brand may exist and the buyer may or may not consider an alternatives' set. The term 'habitual decision making' is also being used to describe this situation where need recognition will lead to purchase intention and brand loyalty could be high. However, it is important to distinguish between brand loyalty and repeat buying, where habitual decision making will result in buying the same brand not because one believes it is the most suitable, but because it is not worth the effort to switch. This may be so because the consumer's involvement with the product is so low or the brands are so similar that an attempt to evaluate them and choose costs more (in time and effort) than the benefits from a better choice of the product. In such a case the consumer is 'indifferent' which implies that when a reason appears he/she would be more prone to switch (Traylor 1981).

Another reason for the routinised behaviour may be the experience of the buyer i.e. the fact that the consumer has gone through the process of deciding for a particular group many times before. This may have given the consumer enough knowledge about the set of products available as well as their relative worth and unless a change in any of the two is communicated to the consumer, he/she is very likely to make a choice based on memory concerning the previous purchase. De Chernatony and McDonald (1990) give the following diagram that summarises this view:

Diagram 2.6 Routine problem solving behaviour (adapted from de Chernatony and McDonald)



Shuchman (1968) found that light buyers will tend to buy the more popular brands and that the less popular brands will exhibit lower loyalty (also shown by Ehrenberg 1988, Barwise and Ehrenberg 1985, Ehrenberg 1992). This is because, due to their lower usage of the product class, these buyers prefer to routinise their behaviour and the most popular brands are the best risk reducing option (This is especially true when considering the group influence or majority rule on the purchasing situation. These are discussed in section 2.213). As far as the lower loyalty of the less popular brands, this may be explained by the variety seeking behaviour of other brands' heavy buyers (see next heading).

2.2124 Variety Seeking Behaviour

A different case is seen with variety seeking behaviour (McAlistair 1982). This is more often seen when a number of similar alternatives exist and there might be a high purchase frequency (Engel et al 1990). Kassarjian and Kassarjian (1979) argue that these decisions are not complex in nature, and therefore consumers do not need to have an attitude associated with them. Consumers therefore adopt a routinised behaviour but at a later stage they may feel a need to complicate the buying situations, a process called the Psychology of Complications. This can actually imply that people could be moving from one segment to another in the market, satisfying the need for 'newness' and 'variety' rather than specific needs. Mehrabian et al (1974) suggest that there would be a particular type of people more prone to behave in such a way. They refer to them as 'Sensation Seekers' in their book and they share the characteristics of being motivated by continued high level stimulation and they are keen to avoid anything that can suggest boredom. Venkatesan (1973) was one of the first to suggest that boredom could be the cause for brand switching in these cases of expressed satisfaction with the previous brand. Later on the theory of Optimal Stimulation (Joachimsthaler et al 1984, Srinivasan 1987) stated that the reason for variety seeking behaviour was the need for a certain degree of stimulation at all times which would exist with a new purchase inconsistent with the regular repeated buying brand. At that time then, there would open a position in a choice set and new alternatives could be considered.

Research (Ehrenberg 1992, Johnson 1984) has shown that Light buyers in a product group tend to be much more loyal than heavy buyers (in terms of there existing more sole buyers that are light users than heavy users sole brand buyers). This is because heavy buyers will tend to feel more the need for variety seeking every now and then because of the high purchase and usage volumes. Variety seeking will also occur when the brands are perceived (Marchant et al 1990) as very similar in the evaluation and therefore the choice is not based on any evaluation but rather on a habit or mood of the day. De Chernatony and McDonald (1992) supported this view and also add that variety seeking behaviour would exist mainly at low levels of involvement with product. O'Shaughnessy (1987) refers to this, as "random picking in non deliberate situations" and he classifies it as a state where the consumer is buying a brand based on no previous consideration or given some rational evaluation.

2.2125 Impulse Buying Behaviour

The phenomenon of 'impulse buying' is seen mostly in lower involvement product groups. Impulse buying has been at first defined as 'unplanned purchases' but then a more diversified conceptualisation has been accepted (Stern 1962, Rook 1987). Stern talks about pure impulse purchases, reminder impulse purchases, suggestion impulse buying and planned impulse buying. According to Rook (1987) impulse behaviour can have one or more of the following characteristics: spontaneity (responding to point of sale situations), power, compulsion and intensity (as a motivation) excitement and stimulation and disregard for consequences). A POPAI research (Point-of-Purchase Advertising Institute) has shown that in 1972 a total of 53% of grocery store purchases in the USA were impulse purchases (Dagnoli 1987). The article also indicates that the percent of impulse buying was rising and therefore it may signal that variables such as time constraints are forcing consumers to rely on responding to impulse in satisfying needs. In a recent article in Marketing, Kathryn Dale (Dale 1993) refers to a new strategy by Jacobs bakery to bring out peanut shaped biscuits aimed specifically at impulse buyers in the UK, an estimated 45% of the market. The products are said to be sold in garages, pubs, newsagents, supermarkets and generally where the consumer would be approaching a counter or would have to enter a small space for another purpose (to buy something, or to pay).

Impulse buying however does not mean no brand loyalty, since the buyer could be reminded, or intrigued to purchase on the spot his/her favourite brand. Research (Bucklin et al 1992) showed that promotion can have the effect of households accelerating purchases and do not necessarily mean switching brands, so a promotion can trigger off an impulse purchase of a loyal consumer who would have bought the brand in the future. Impulse buying is being carefully assessed by retailers and items most prone to be bought on impulse are strategically placed near cash tills on the way out. In a recent article in Brand Strategy (Croft 1992a) Durex's marketing manager explains that the new Durex Assure is targeted for women and because of the embarrassment usually caused in buying condoms, it is packaged in discreet design and stocked alongside sanitary protection products. This means that they will be relying mainly for unplanned impulse behaviour and due to the specific features of the product class (embarrassing for women to ask for, or carry around) the position of it on the shelves will play an important role for its success.

The following table (adapted from Assael 1981) demonstrates a classification of types of consumer behaviour, according to involvement and market structure.

Table 2.3 Classification of types of consumer behaviour

Market structure/Type of purchase	**High Involvement**	**Low Involvement**
Significant brand differences	Complex decision process Extended Problem Solving	High loyalty - variety seeking - impulse buying Limited problem solving
No significant brand differences	Simplification rule Routinised Behaviour, Beliefs, Evaluation	Complication rule Routinised Behaviour, impulse, variety seeking - Random choice

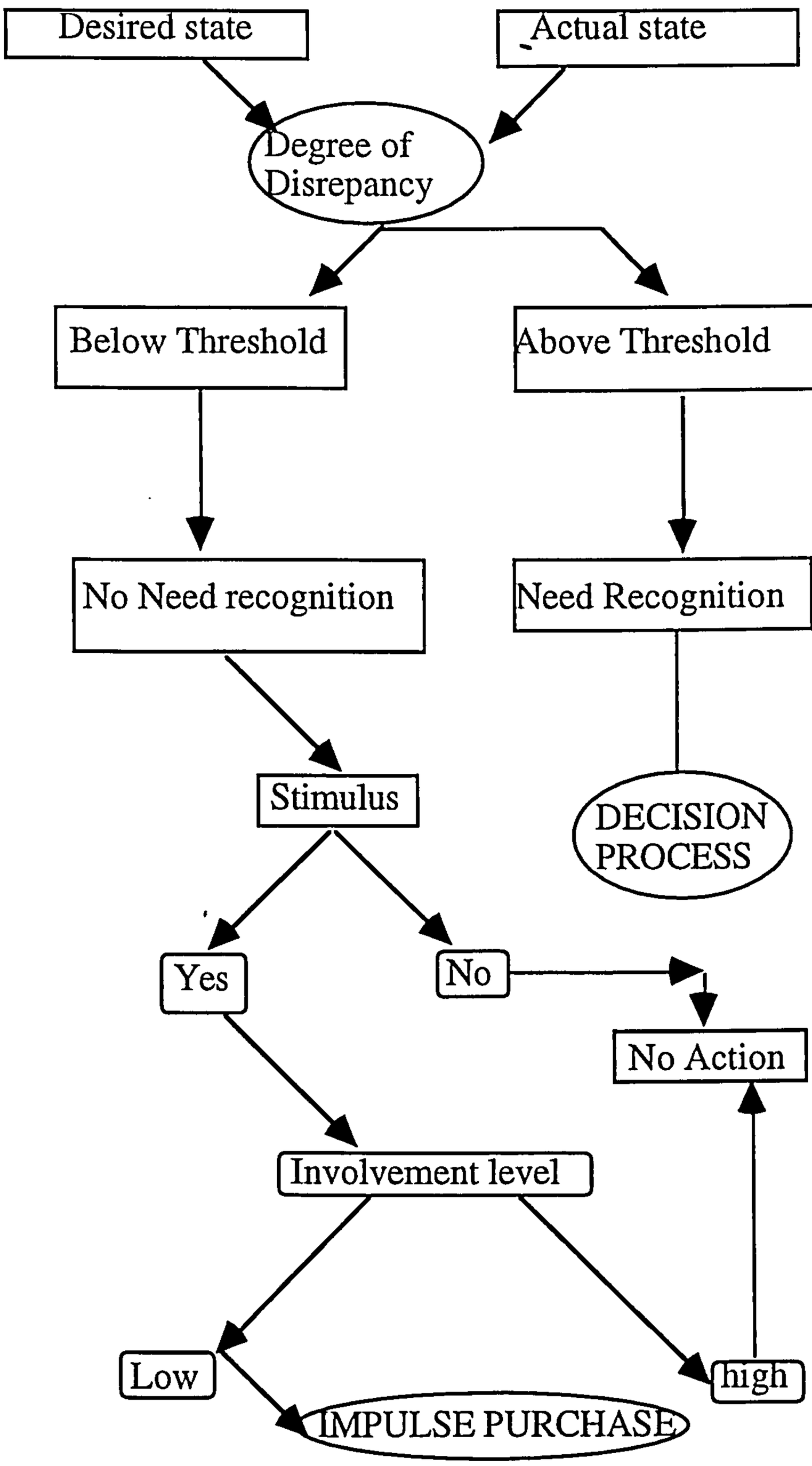
2.213 The Decision Process

2.2131 Need Recognition/Problem Recognition

This is defined as 'perception of a difference between the desired state of affairs and the actual situation sufficient to arouse and activate the decision process' (Engel et al 1990). The arising need will be general in nature (i.e.. feeling of being hungry) but at the recognition level it may end up being specific (i.e.. being hungry, needing a pizza) due to a routinised or habitual pattern of the particular problem solving. However, the fact that a discrepancy is perceived between the existing and a desired state doesn't mean the individual will take action. The individual must also be motivated to resolve the problem (Abelson et al 1985). This motivation will depend on the individual's assessment of the severity of the problem (Janis and Mann 1977) and the perceived ability to solve it (Abelson et al 1985.) A poor hungry man in a starving nation, for example, will not start searching for information on the alternatives to satisfy his hunger but would rather eat whatever is offered to him from the humanitarian aid. This is because of the limitations in the ability to solve the problem.

In most situations though, the motivation will be present if the need exceeds a certain threshold (i.e. to be perceived severe enough to take action). Chisnall (1985) also describes two types of thresholds, the absolute which will depend on the individual and the differential which depends on the competing stimulus. It is interesting to note here that there has been a great debate about the effect of stimulus below the thresholds, the famous subliminal perception, but there is no concrete evidence to support either side (see Packard 1957 and Barthol 1959 for some excellent discussions on the matter). In diagram 2.7 below, the need recognition process is seen.

Diagram 2.7 - Need Recognition Process (Adopted with changes from Engel 1990)

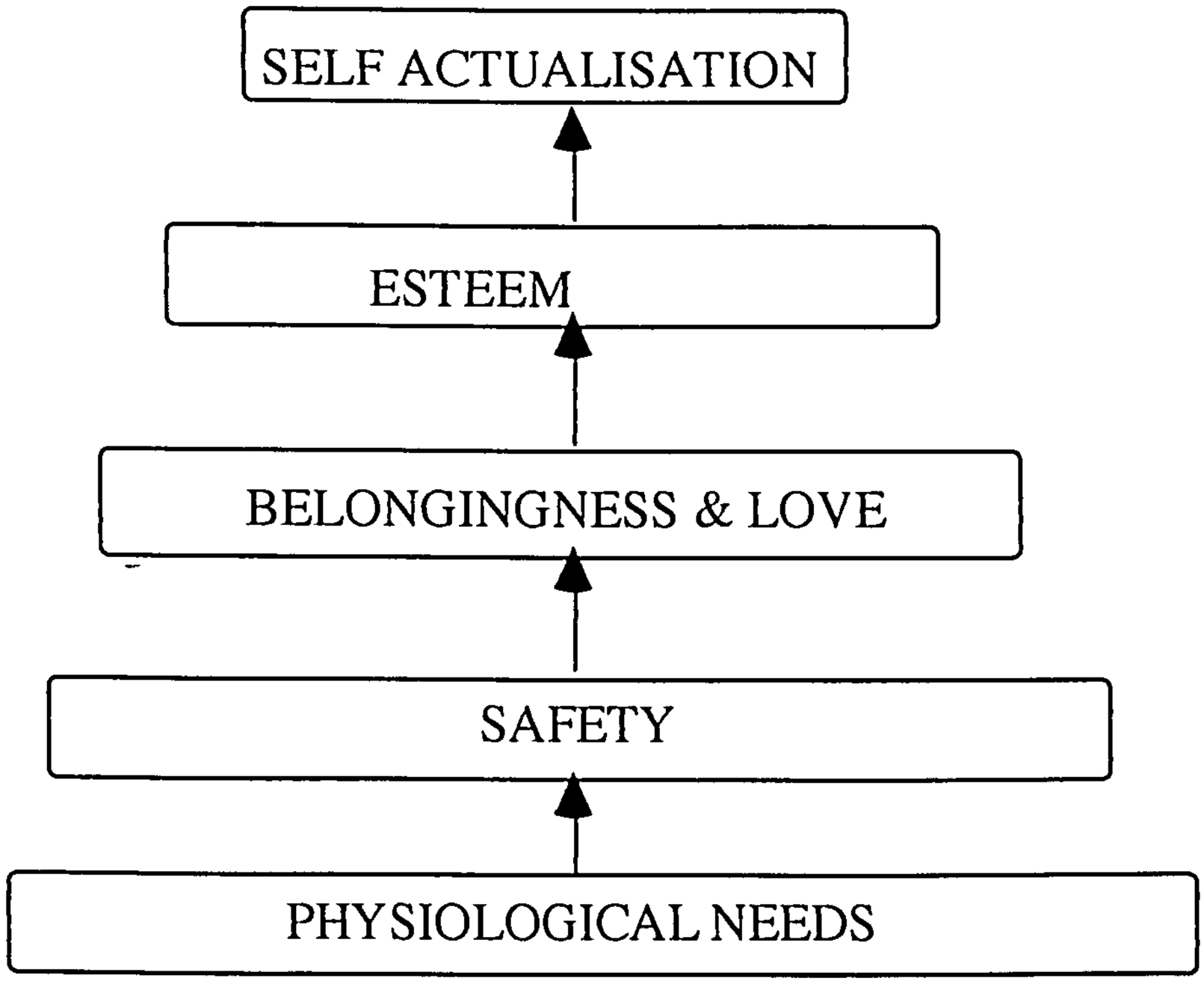


A purchase may still occur because of 'impulse buying' as explained in section 2.2115. Hansen (1972) talks about levels of arousal and tolerable levels of conflict where the decision to deal with a conflict when it arises, will depend upon the

individual and the motivation he/she may have in avoiding or escaping this unpleasant state of affairs. The decision would be to 'ignore, minimise or eliminate the conflict' (Janis 1959) in accordance with the goals of the person. A distinction can be made here between needs and wants and their relationship to goals. O' Shaughnessy (1987) defines a want as 'having a disposition towards using consuming or possessing a product'. He goes on to say 'wants express goals since goals subsume wants'. A need is seen as a special type of want which is a basic requirement. Britt (1960) says that you can buy a product, e.g.. a suit, without needing one, simply because you want it. Or more generally, when an individual has a goal then he/she is seeking a particular state of affairs and therefore a number of wants will arise to encourage he/she to reach that . But it can be argued that you must feel at some point you need it in order to buy something (e.g. a suit). Now whether the need is justifiable (the previous one is torn up) or subjective (i.e. social, needing a different image) is a matter of opinion. Every decision is rational since every decision maker has his/her own rationality. Therefore in the context of this thesis, the term 'needs' is held to include wants as defined by the previously mentioned authors.

One of the leading authorities in this field, Abraham Maslow, proposed that human needs develop in sequence from lower to higher ones (Maslow 1970). The lower needs then dominate higher ones, and so for a higher need on the list (e.g. need for self esteem) to be activated, all lower needs (e.g. need for safety and so on) need to be satisfied. Diagram 2.8 shows this hierarchy of needs.

Diagram 2.8 Maslow's Hierarchy of Needs



Maslow, though, stated that partial satisfaction can be tolerated to move to a higher level of need. He also discussed the existence of a smaller hierarchy related to the desire to know and to understand. These needs, cognitive in nature, should not be considered as separate from the basic ones in diagram 2.8 but rather as supplementary. It is worth mentioning though that Maslow's theory lacks empirical evidence but it is mainly accepted due to its sound common sense (Chisnall 1985). In addition to Maslow a number of other researchers have presented models of motivation, describing the process by which the needs will influence behaviour or the needs themselves (Atkinson's 'need for achievement' theory 1978, Alderfer's ERG theory 1969). Other theories of motivation (ie need generation and recognition) have been drawn either purely from the organisational field (Hertzberg's satisfiers/disatisfiers theory -see Hertzberg (1966) and Nadler and Lawler's model in Stoner and Freeman (1978) or the Psychological field (Freud's analysis of the unconscious- see Dichter (1960)).

However no model has been described as depicting the real situation accurately and all models have failed to have strong empirical support. This is partly because the subject matter, i.e. motivation and needs in people is very subconscious and not only difficult for the researcher to measure, but also difficult for the subjects to clearly provide clues as to varying levels.

A further point that could be made is that needs and wants do not exist in isolation. A need may not be as distinct as in the Maslow Hierarchy but rather a mixture of needs can be seen at a time (i.e. ordering a drink to satisfy thirst could also satisfy a need for self esteem) to be socially accepted in a specific environment (Andreou 1992). Conflicts between needs can also be observed where the need for security could conflict with the need for prestige (e.g. when buying a new car). It could even be argued that the sequence should be need-want-need where the consumer senses a need for something and he/she wants a particular product to satisfy the need. The successful marketer is then convincing the consumer that he/she needs the product in demand and no other may solve his/her problem. Engel (1990) calls these two needs as 'generic' and 'selective' respectively.

O' Shaughnessy (1987) presents in his model an interesting analysis of the reasons why needs although recognised by the consumer, are not activated and where needs are activated due to changes in circumstances. Reasons for the non activation of needs include the following:

- The need may be latent which means that the consumer has to become aware of the benefits of using a particular product to be reminded of a particular need. An example is discussed in Andreou (1991) where an advertisement emphasising the longer tails a Hathaway shirt has, enabling the shirt to stay firmly in the trousers, could act as activating a need and therefore playing an importance in the choice.

- The need may also be passive where the cost of satisfying the need is greater than the expected satisfaction and therefore there is no motive to do anything about it. An example is when a tired person feels thirsty but the effort to go to the kitchen and

check out the alternatives is greater than the satisfaction he can get from having a drink at the time. This is very similar to the threshold theory explained before.

- There may also be exclusive reasons where ethical or legal aspects of the problem enforce a stop to the procedure.

Needs could be activated though in a number of different circumstances such as:

-• when there is a change in every day life e.g.. a promotion leading to a need for a better quality outfit (the attractiveness of the previous one is lowered).

-• when the acquisition of a product activates a need for a complimentary (in the eyes of the consumer) product, i.e.. acquiring a new modern TV activating the need for a new modern type video.

-• when the consumption of a product reveals an out of stock situation and a planned purchase is then made. This is in lieu of an anticipated need.

-• as mentioned before any latent of passive needs can be activated with a situation that offers a need satisfaction at an accepted cost.

-• an attitude change could be the result of a need activation (Lea 1987). Many of the purchases for goods could be made simply because the time seems "right" rather than because of any other situational factor (Juster 1964).

In general, however, there is also the suggestion (Bruner 1987) that the individual's personality type (see also section 2.22132) will be of importance as to whether the need recognition occurs when they observe a difference in the present state (i.e. noticing an out-of-stock situation or a problematic car) or a difference in the desired state (i.e. when the desired state changes - fashion followers).

2.2132 Information Search

This stage is defined as 'the motivated activation of knowledge stored in memory or acquisition of information from the environment' (Engel et al 1990). As the definition suggests, when the need arises there can be two ways the consumer can move to the

stage of evaluating any alternatives. He/she can either do an internal search, more like a memory scan for the information relating to the satisfaction of the need, or an external search collecting information from the environment (market place). The information search may be a product search (which product will satisfy the need?) or a brand search, or even a set of rules by which to judge the various alternatives. If the consumer is buying a computer for example, the information search may be as to what questions he should ask about the models and what should be important in deciding. Mintzberg et al (1976) identified four types of search, namely: a memory scan, a passive search (waiting for alternatives to appear), a trap search (activating search generators i.e. letting people know what you need so they can pass information on to you) and active search. Both the trap and the passive search can be incorporated in external search since they don't rely on a memory (internal) search and will be examined under that section.

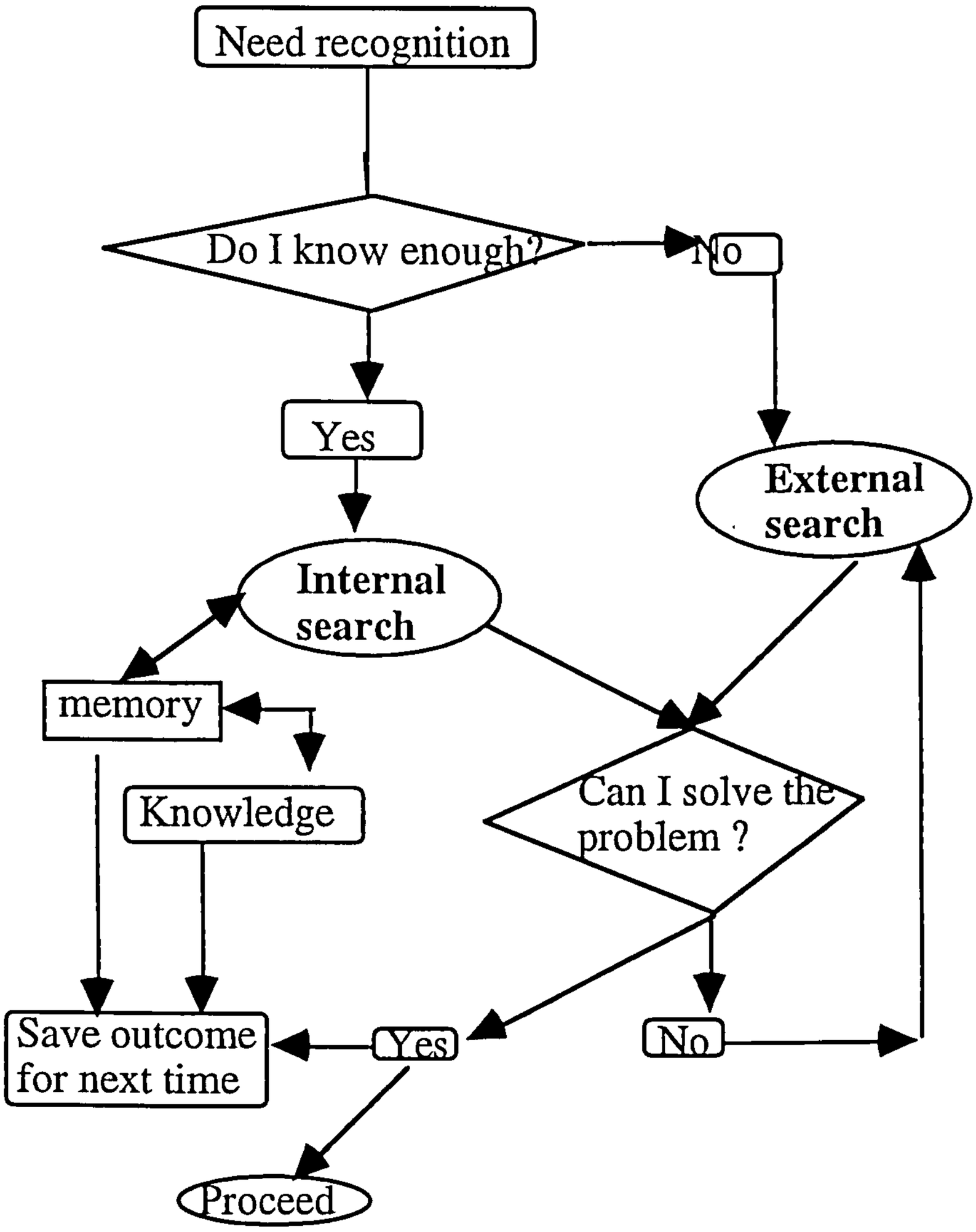
2.21321 Internal Search

The consumer will tend to use an internal search as far as possible since the external one requires more time, energy and possibly a cost. Decisions that can be made by simply remembering the right thing to 'do' or buy will be a possible motive leading to routine or habitual behaviour. In terms of low involvement purchases the consumer may attempt to use his/her prior experience and/or knowledge to assist him. Sheth and Venkasesan (1968) showed that information searches decrease as the choice process is repeated and the decrease occurs faster for low risk purchases (where the alternatives were nationally known brands).

Research (Alba 1986) has shown that when a brand is salient in the mind it can inhibit other brands recall. This may imply that the information search done when a salient brand is in the frame will be unsuccessful (if done internally) and the buyer will resort to a smaller set of alternatives.

Diagram 2.9 shows the internal process for retrieving information.

Diagram 2.9 Process for retrieving information (Adapted from Engel et al 1990)



2.21222 External Search

When the internal search is either ruled out or proves inadequate, the consumer will begin an external search of information in an effort to minimise the risk of dissonance. This search can take a series of forms from heightened attention (this is what Mintzberg referred to as passive search) to an extensive (or active) ad hoc search. The former is more towards being attentive to various stimuli and information messages about the subject (product class) whereas the latter will be a prepurchase specific information gathering. As mentioned before Mintzberg et al (1976) have added another type of search which they referred to as trap search. That is an active type since it involves the individual performing an action towards the acquisition of information but they classified it as different from active search because it doesn't involve the same magnitude of action. Trap search refers to involving other people that may have knowledge that an individual needs or they may come across it in the future. The individual then simply makes sure that other people are aware of his/her need hoping that they will be able to offer the information he/she needs at a later stage. An example may be that someone wants to buy a used car and he/she tells some friends about it so that if they know or come across someone who wants to sell their car they will put them in touch. A different type of search is the ongoing search (Block et al 1986) where the consumer is not motivated to search by a specific need but is rather engaged in continuous information gathering in various fields for future sporadic purchases.

Various consumer models (Howard & Sheth 1963, Bettman 1979) refer to stages in the information gathering as attention (to stimuli), perceptual encoding and information acquisition. These can lead to a stage of Brand comprehension where 'the buyer has established well defined criteria for identifying the brands he encounters' (Howard & Sheth 1969) that will enable the consumer to move to the next stage of evaluation. Post purchase satisfaction will add to this confidence created and information search stage can then be reduced in the next purchase (moving towards routinised behaviour).

2.21323 Evoked Set

The search for information whether internal or external is aimed at constructing an 'evoked' set of brands to be considered. Kotler (1991) refers to four sets of brands, the Total set with all the brands available, the Awareness set with the brands the consumer will have information on after the search, the Consideration set with the brands that could meet the consumer's criteria for more information and finally the Choice set from which the consumer will make his/her choice. The evoked set could be seen as the last set , the choice set.

The number of brands in the evoked set is subject to each consumer and to the product class (Campbell 1968). There is the suggestion by Howard & Sheth (1969) that the demand for "newness", in variety seeking, occurs when there is an empty position in the existing evoked set. The empty position may have been because one of the brands has become unacceptable or the brand has been depositioned (Ries & Trout 1986) by another brand. It is therefore essential for the marketer to achieve a high level of awareness for his/her products since that will enable the brands to move to the evoked set. This could happen because the consumer seeks information on the brands in his awareness set or seeks information from friends who again will provide what is in their memory. For low involvement groups, the simple fact that a brand is in the evoked set could mean purchase since the internal search will provide the consumer with their brands and that will be sufficient.

2.21324 The Search Process

A search process will have three dimensions, namely the Degree of Search (looking at the extent i.e.. the number of brands examined, amount of information gathered for each, number of information sources), the Direction (looking at the specifics i.e. which brands, which sources?) and the Sequence (looking at the process itself, the order the information collected). The three dimensions will determine the cost and time spent during this stage and it is important for the marketer to identify a potential pattern for information acquisition in the market in order to present the brand at the right place and the right time to the right people. For example, if there is a pattern showing that a

person interested in a computer purchase will search for information in the best selling computer magazine (because it is identified as a credible source) then advertising elsewhere could be more costly in terms of effectiveness. Attempts have also been made to segment consumers according to their level of search (Furst, Punj and Steward 1984). The most difficult segments to reach will be the ones engaging in minimum information search or those relying on internal search.

Table 2.4 - Differences in the Degree of Search over Types of Problem Solving (Adapted Engel et al)

	Extended Problem Solving	Limited Problem Solving	Routinised /Habitual	Variety Seeking	Impulse
Number of Brands	Greater	Fewer	One/Three	Few	One
Number of Sources	Greater	Fewer	One	One	One
Amount of Time	Greater	Fewer	Minimal	As LPS	None

The sequence of search will be affected by the method of evaluation (compensatory - non compensatory). This will be examined in section 2.2133.

2.21325 Determinants of Search

A study by Bucklin (1965) showed that advertising information was mostly used by consumers when shopping for less familiar items, items that they have not bought recently and high priced items. This showed that in general, more information was needed as the involvement in the buying process increased because of increased risk. The availability and quantity of information available as well as the time available prior

to the decisions will play an important role. Janis et al (1977) stated that the degree of search will be determined by the quality of the decision to be taken. The way in which a problem or its solution is viewed will be a determinant of the extent of the search.

Product specific determinants such as parity levels, price and stability of product category (little changes over time) will influence the search (Kiel & Layton 1981). This same determinant will also hold for retailers if the choice is between them. In terms of consumer characteristics, the amount of knowledge of the product category, the level of involvement, the level of beliefs and attitudes and demographic characteristics (age, income level, education) have been shown to be related to the amount of search (Engel et al 1981). It is interesting to note that the greatest prepurchase information search is done by moderately informed consumers who possess enough knowledge to undertake an elaborate search (Duncan et al 1982, Bettman et al 1987). Consumer with limited knowledge of the product class will tend to rely on others and ask for recommendations. On the other hand a highly informed consumer (probably using an ongoing search) will tend to rely on internal search.

The beliefs and attitudes determined are more of a cost and benefit analysis of time closely linked to the extent of the problems. O'Shaughnessy (1987) concludes that people resort to 'picking' when the cost of informed search is greater than the perceived benefit. In other cases the degree of search will be influenced by whether the decision problem requires an optimal or simply an adequate solution. Therefore it is the beliefs and attitudes of the consumer that will determine the level at which the information search will stop and the method to be used for collecting or evaluating the information.

2.2133 Evaluation of alternatives

2.21331 Attitudes Vs Attributes

It is important to consider whether the consumer will actually evaluate a particular brand based on its attributional characteristics or whether an attitude will be formed for each brand which will then lead to the decisions. It is very probable that the evaluation

of the alternative will be on the former but the choice process on the latter (see Srinivasan 1987 model earlier sections). This transformation is also captured by Engel et al (1990) and Howard & Sheth (1969) in their models at the cognitive stages of attention to stimuli - Brand comprehension - attitude formation. Attitudes can be simplex or complex (Chisnall 1985) in nature depending on the number of components in creating them.

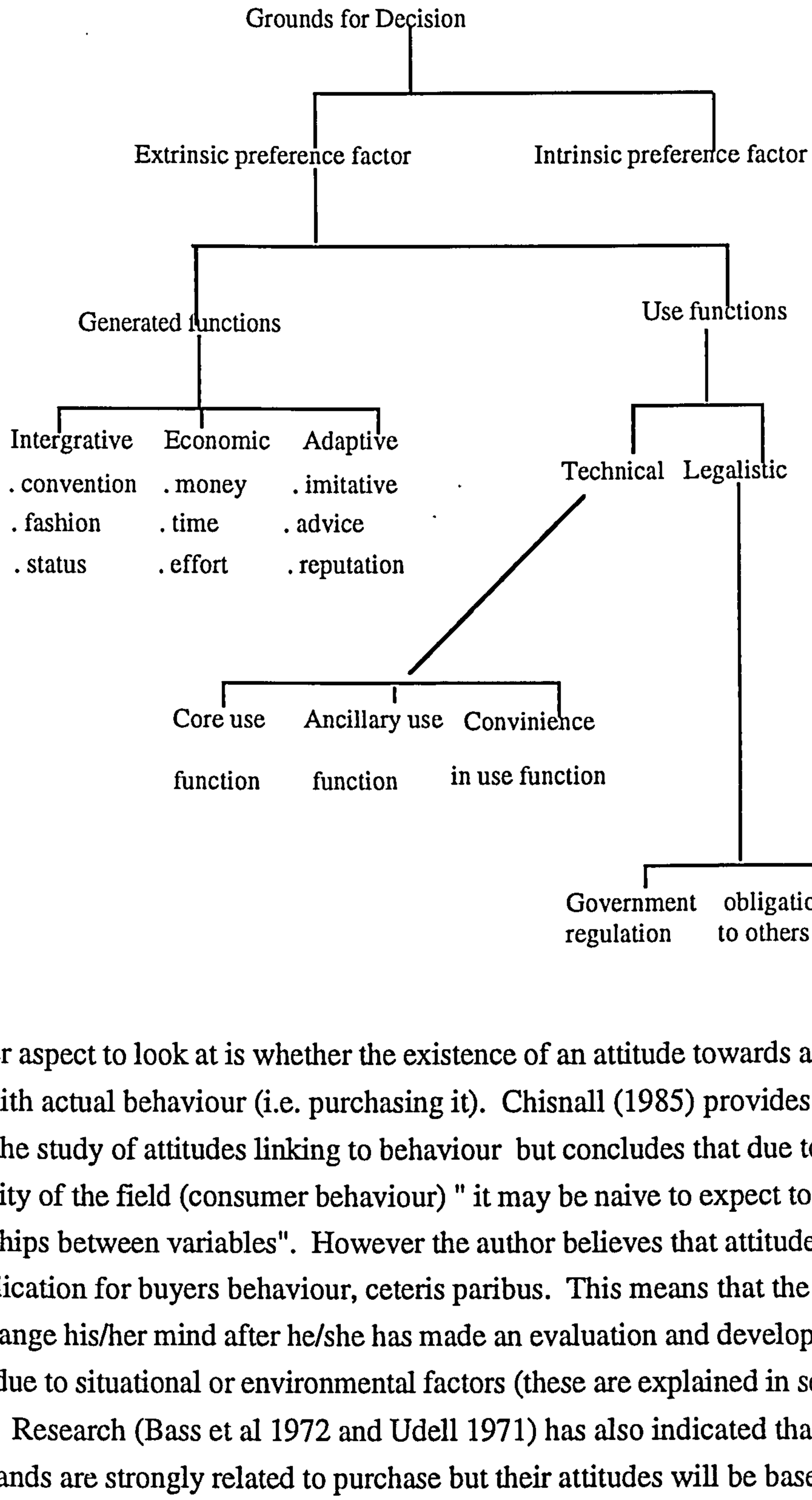
The most important aspects though for the marketer are the way attitudes are formed and whether they lead to analogous behaviour. Attitudes develop selectively and are based on information received from the mass media (communications of the company to the consumer), from information given by other people and by the consumers' experiences.

In a model by F. Nicosia (1968) the flow of a message from its origin to reception and comprehension is seen as having been composed from two subdivisions : subfield one where attributes of the company and products exist, and subfield two where cognitive factors and personal characteristics of the buyer exist. From the interaction of the two, an attitude will be formed to be then taken to the next field where a further evaluation will occur turning the result of the evaluation to an attitude and a motivation to buy the brand.

A distinction needs to be made however as to the various types of purchases. In high involvement purchases, there is more information gathering and this will tend to be in depth (see last section) and therefore the consumer will tend to construct a number of dimensions over which to evaluate the different brands. Kelly (1955) talks about personal constructs and states that a consumer will tend to form his/her own constructs with which to evaluate the various brands. In evaluating a car the consumer can look at things like speed, acceleration, price, dimensions which can be measured objectively and things like service, reliability, stability on the road, and image looks which are solely subjective and attitudinal. What is important, though, is the introspective perspective of the consumer on the properties of the brand and whatever the evaluation it will be the consumer who will have the final word (Wilkie 1973). This synergy of objective measurements and subjective attitudes will depend on the demand type for the product. There are three types of demand namely ego involvement, hedonic and

functional. Ego involvement demands can be subdivided to demands for products bought or prestige, as a maturity symbol, anxiety products and status (Woods 1960). Low involvement products for which a hedonic demand exists will be evaluated on an attitude scale and it is likely to be a sole aspect consideration decisions (i.e. preferring A to B merely because of one attribute e.g. taste or shape). As discussed in earlier sections these purchases involving hedonic or symbolic factors are likely to be based on aspects like the personality (including the need for the use of symbols or the need to signify something) of the consumer and his/her view of the personality, image or symbolic value of the product. Product groups where an ego involvement demand is present, like a car bought for prestige, will tend to be more multidimensional although the evaluation may not be of a highly objective form. Most brand purchases will be a combination of the three types where the brand is bought partly for its functionality, prestige or status and hedonic reasons. O'Shaughnessy (1987) states that there are intrinsic appeal factors (individual consumer liking) and extrinsic. The extrinsic choice criteria are: technical use functions, legalistic function (either to the law or to meet demands of others they feel obligated to), integrative (extent to which options add their integration to social systems e.g.. fashion,) adaptive (to minimise use), and economic functions (sacrifices). Diagram 2.10 shows the choice criteria in the O' Shaughnessy model.

Diagram 2.10 Grounds for Decision (Adapted from O'Shaughnessy 1987) .



The other aspect to look at is whether the existence of an attitude towards a brand is linked with actual behaviour (i.e. purchasing it). Chisnall (1985) provides a good review the study of attitudes linking to behaviour but concludes that due to the complexity of the field (consumer behaviour) " it may be naive to expect to find simple relationships between variables". However the author believes that attitudes can be a good indication for buyers behaviour, ceteris paribus. This means that the consumer could change his/her mind after he/she has made an evaluation and developed an attitude due to situational or environmental factors (these are explained in section 2.2134). Research (Bass et al 1972 and Udell 1971) has also indicated that attitudes about brands are strongly related to purchase but their attitudes will be based on beliefs about the relative importance of 'product specific attributes'. These attributes or dimensions will matter only if they are salient ones. The saliency of an attribute will

depend on the individual consumer. If all brands possess the same amount of that salient attribute then this will have no effect. It could be therefore the case that whatever method of evaluation, the result will be the formation of a further attitude for the brands in question. This attitude will then serve as a guide to the purchase or be stored as an input to the next time the same evaluation would be needed.

2.21332 Compensatory Models

Most models of the evaluation procedure can be classified according to the type of process they use i.e. whether it is compensatory or non compensatory. When the choosing process is compensatory then a weakness of a brand on one aspect (attribute) can be compensated by a strength in another. A type of summation is then used to determine a total "attitude" of the brand, whether more or less favourable than others. In the non compensatory models fewer attributes are used and failure to satisfy requirements in one or more equals an exclusion from the choice set.

Since compensatory models deal with multiattribute brands then one can assume that this process(es) take place in problems of high involvement where the consumer will have the time, information and inclination to perform such an analysis. A compensatory process however, might be also present in lower involvement purchases where the consumer attempts to make a choice using two or three dimensions (i.e. choosing a chocolate compensating size, price and content) but generally in such situations the decision process will need to be simpler and favourable attitudes will develop in order for the process to be routinised. This is also examined in the field research and some general observations are seen in the concluding chapter.

Amongst the variety of compensatory models that exist the most prominent are the Fishbein model, the Extended Fishbein Model and the Ideal Point model. The former is a simple weighted additive type of model developed in 1963 (Fishbein 1963) and it states that the attitude towards a brand can be calculated by multiplying together the belief that the brand possesses an attribute , with the evaluation (good or bad) of the attribute adding this across the number of salient attributes.

A number of studies attempted to evaluate the model (Wilkie et al 1973 gives a review) and several questions were raised as to the functionality of the belief (bi) measurement and the general application of the model to marketing situations.

A similar model was constructed by Bass and Talarzyk (1972) called the Belief/Importance Model which looked at the product of the attribute possessed by each brand, but this time by the importance of each attribute to the consumer.

Testing the two models gave ambiguous results as to their superiority (Lilien et al 1983) and Fishbein reassessed his model (Fishbein 1975, Ajzen et al 1980) to make it more relevant to marketing. To do that he added to the model the external influences a consumer might have when evaluating a brand and the inertia to comply with them.

This extended model has been shown to perform better than the original model (Lilien et al 1983). However as Sampson (1980) notes, the problem of all these models is that what people say they intend to do could be very different from what they actually do.

The Ideal Point model is similar to the belief/importance model but instead of just determining attitude and beliefs, it tries to model behaviour by focusing on an ideal product for the consumer and determining how far from that ideal each brand rates.

Many techniques have been employed to graph and present the position of such brands to the ideal such as non metric Multidimensional scaling techniques (see Green et al 1972, Aaker 1971). However this has received criticism because it is very difficult to generalise and when this is done the accuracy levels are lowered (Johnson 1974, Hodgkinson et al 1990). There are many product attributes where the "ideal level" differs significantly from consumer to consumer (e.g. lightness of beer, saltiness of food) and the consumer has to make a trade off . This has led to the growth of other techniques such as cluster analysis and conjoint measurement (Johnson 1974, Green et al 1975, Punj et al 1983) but still there is no evidence as to whether one particular technique is better. A lot still depends on the user's ability to use a toolbox approach (Holmes 1986) and draw out the appropriate

technique for each particular use or case as well as to adapt the technique to deal with the issues and questions they attempt to answer.

Limitation of Compensatory Models

One of the greatest problems of using compensatory models to explain behaviour is the selection of the salient attributes. The fear of double counting could crystallise since the attributes or criteria expressed in choice are dimensions expressed by the consumer (see Kelly 1955). If for example price is one attribute then by using 'value for money' as another one, there could be double counting. There is also the problem of 'halo effects' (Beckwith et al 1975) and there is the suggestion to avoid using lesser relevant attribute (maybe by using factor analysis to reduce dimensions - Green et al 1972).

The importance factor weights (or salience) also pose a series of questions. Howard et al (1969) believe that weights are unnecessary since the weighting is inherent in the consumer evaluation of the criteria and the inclusion of only important areas. Support is found in Rosenberg (1956) when the correlation between beliefs and effect were both explained to a possible extent by saliency.

Furthermore, there is much research going on, examining which are the best ways to measure the variables, how to choose one to be included, what to take into consideration, which scales to use and when and which method to use to aggregate the score (see Wilkie et al 1973).

2.21333 Non Compensatory Models

There are a lot of decisions the consumer has to make that a compensatory decision rule cannot help nor is desired. This could be because of cut off points constructed by the consumer or imposed on the consumer from the environment, or simply because the attributes are not possible to offset each other. Green et al (1972) mentions the case of a beauty contest and questions whether the judges may really offset a very beautiful face against a less perfect body and so on. O'Shaughnessy (1987) presents a protocol analysis which shows the existence of a number of inhibitions creating a social attitude and lists a number of dimensions which, if the

product fails, it doesn't go through the choice process. Such dimensions might be the price band and the effort needed to acquire the product/brand.

There are a number of non compensatory models to examine and each can be used by the consumer depending on the situation. A Conjunctive rule for example looks for brands that score above a certain point in all salient attributes, failing a brand if it underperforms in one. In a Disjunctive Rule, one or two attributes are only considered and the performance of the brands is only seen against those attributes, regardless of the performance on the rest. In a Hexicographic Rule the brands are evaluated on each attribute at a time, starting from the most important one. The evaluation continues as long as there are ties and stops when one brand outperforms the others on the specific attribute.

2.21334 Importance Of Decision Rule

It is very important for marketers to identify which type of decision rule the consumers are using to choose in the product category of their brands. Firstly, it enables them to supply the correct information at the right time to the consumer and position the brand in the choice set. If the 'target' consumer will only consider brands that seem affordable at first sight, then it would be of no use to talk about value of money if it does not signal to the consumer that it is affordable. Once that stage passes, then the other aspects of the brand can be promoted to lead to choice. And secondly, the marketer can structure the product mix in such a way so as to become first choice in the evaluation. If for example a Hexicographic model is used, then the marketer will need to ensure the brand rates superior in the first attribute rather than the last on the list. If on the other hand a compensatory model is used then there is the choice of performing well in some, to compensate for poor performance on other attributes or even trying to extend the number of salient attributes (modify the demand structure) to such dimensions in which the particular brand excels.

If one looks at the various types of purchase as defined in section 2.211 (EPS, LPS, routinised, variety seeking and impulse) then it would be fair to assume more of a non compensatory process for low involvement habitual buying that leads to a standard choice (more of a disjunctive rule with an attribute like taste used) down to a phased approach for the high involvement purchases (Payne 1970). The phased approach will involve the use of a non compensatory rule to reach the considered set and then probably using a type of compensatory approach to form an attitude leading to intention to purchase a brand. In the O'Shaughnessy (1987) model presented at the beginning of the section the criteria to be used is the function of the product and therefore consumers will have to balance their intrinsic preferences with the extrinsic ones. In the process, although the choice could be compensatory i.e. an inability to satisfy in the adaptive function could be compensated by the economic consideration, consumers will have certain quotes to be set and failure to do that will create a negative feeling about the brand/product.

Lussier and Olshausky (1979) showed that as the number of alternatives became bigger, subjects used more a non compensatory strategy and vice versa. However, it is unlikely that the consumer will be able to optimise by his purchase action (i.e. to purchase the 'ideal' brand). If the choice criteria are broad and a number of brands can optimise (because they all reach and satisfy the criteria) then 'picking' will be the result (O'Shaughnessy 1987). When this is not the case the consumer will make certain trade offs, or will be influenced by situational factors and the attitudes of others. Both of these are explored in the following section.

2.2134 Purchase Decision

Once the evaluation process has been completed the consumer moves to the purchase stage where the actual transaction will occur. The consumer, by now, has formed attitudes about the various alternatives and an intention to purchase or consume one of them. The intention to purchase however, does not constitute a purchase (see previous section on attitudes). O'Shaughnessy (1987) talks about intention being a prediction by the 'present state of mind' and that this is conditional in terms of 'time, place and circumstance'. The influences that could satisfy an intention are the attitude of others

and situational factors (Engel 1990) including own strength of commitment (Hansen 1972) and individual characteristics.

These influences can be an obstacle in any one of the stages in the buying process where the buyer determines which brand to purchase, from where (vendor), the quantity, the timing and the payment method. These stages could also be seen as influencing the alternatives and therefore the decision does not need to be taken in those steps. If, for example, the consumer has decided he wants to buy a suit and the alternatives are a Marks & Spencer suit or a Next suit, then the purchase decision may be in favour of the Next suit because the shop accepts credit cards. Therefore, in this instant, the payment method became an aspect of the choice.

It is worth noting that a fully planned purchase where both the product and the brand has been thought out, will need stronger situational factors to change it than a planned product purchase with an alternative brand set. This will be due to commitment and 'dissonance' about the choice.

Len Marchant (1990) states that buyers have an aim to maximise 'anticipated net value' (or utility) and are therefore looking for the greatest possible difference between the benefits and costs (including time, effort, money and compromising with undesired aspects of product). Since extreme products (in their positioning) cannot be tolerated by the mass market, it follows that there exists a 'zone of viability' and all brands lie within it or very near it. However, consumers are still individuals and have different tastes and therefore any product in the middle of the market will be competing against all others in terms of intrinsic positioning and therefore situational factors will be even more important. In order to avoid this, a brand needs to be distinctive (differentiated) to avoid switching but still be within the zone to survive.

2.21341 Attitude of Others

This has been the added variable to the Fishbein equation (Fishbein et al 1975) making the Extended Fishbein equation. The extent to which the attitudes of others will influence the buyer, depends on the intensity of the attitudes and the consumer's

motivation to comply with their wishes. The influence of others could result in the switching to another brand, the postponement of the purchase and/or the continuation of search of information. In cases of low involvement purchases, the influence to switch will be greater whereas in the high involvement group the attitude of others could reinforce the choice (if positive) leading to action when in doubt. This is also true when the risk involvement is high and the information search was not enough to minimise it. Kotler (1991) talks about different roles people might play in a buying situation and the influencer role is important as well as the decider and the buyer if they are not the same person as the user. Thus, in a case where the buyer is not the same as the user then he/she can be influenced more easily by situational factors or the attitudes of others having the commitment towards the decision (if he/she believes the user does not have a particular preference.) On the same lines, if the buyer is not the user, he/she can have a direct influence on the user even though a decision might have been taken simply because he/she holds the key to the action (i.e. a parent buying a bicycle which the son has directly decided on).

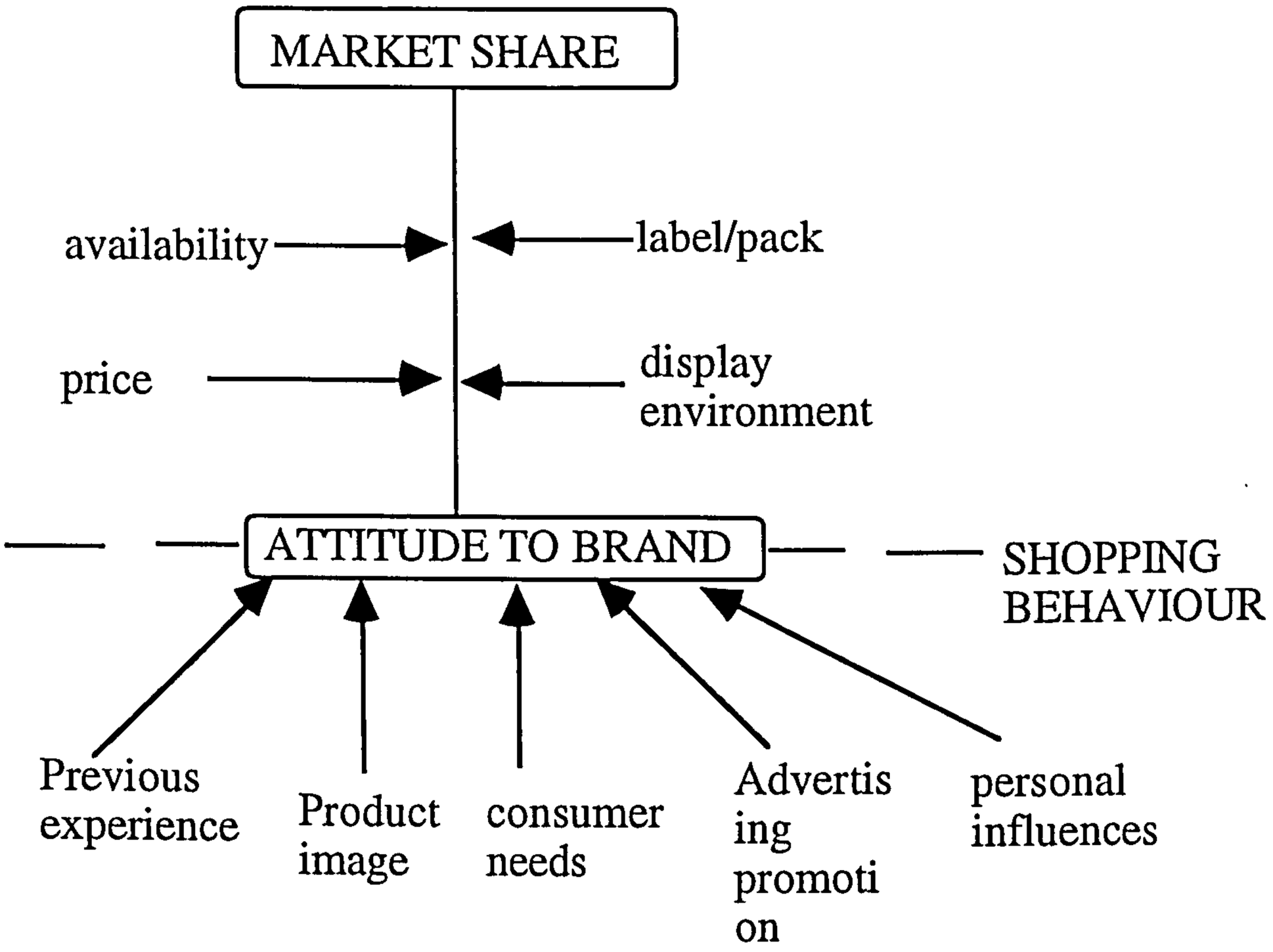
Carman (1970) showed that housewives who were more sociable with their neighbours tended to be more loyal to the same brand since they were receiving advice and reinforcement from the neighbours about the specific brand. Many experiments in psychology (Asch 1952) have shown that an individual will conform to group opinions. This is very true in case of lack of first hand knowledge (risk reducing strategy) and/or when others are considered more expert in the field (Krech et al 1962). The attitude of others would be also very important as it concerns symbolic purchases or the symbolism and self concept aspect of a product. A status product may acquire its status from the fact that others believe it has status (see earlier discussion on Symbolic interaction) and subsequently a consumer may be influenced as to whether or not to purchase what he has chosen by the way he/she would perceive at any point that others would think of him/her with the product.

2.21342 Situational Factors

Situational Factors can be seen as arising as a result of factors particular to the specific time and place of the purchase (Belk 1974). These are more commonly referred to as Unanticipated situational factors because it is assumed that the purchase decision had

already incorporated any anticipated factor (such as a known discount). Also the consumer has made the decision having in mind a number of stable conditions such as expected family income, expected price, expected benefits to be derived and so on. If any of these changes then the decision may not hold any more. Engel (1990) separates the situational influences in influences happening by communications (i.e. new information given to consumer to change both the hedonic and functional perception), influences at the purchase point (availability of the brand, promotions at point of sale, salesman approach and retail environment), and influences due to usage changes (a brand to be bought for breakfast may not be the same choice if time slipped and the need is for afternoon). Obviously, factors such as advertising are included here, representing any communication to the consumer after he has made the purchase decision but before the purchase. Marchant & Hutchinson (1990) represents the influences at the purchase point as in the diagram below, treating personal influences, and advertising/promotion as factors prior to the attitude and intention formation.

Diagram 2.11 Marchant (1990) influences at buying behaviour.



There are also individual factors that could influence the consumer at the purchase decision. The psychological state of the consumer is one of these and it is usually referred to as the mood of the consumer. Srull (1987) suggests that favourable moods enhance persuasion and vice versa. The consumer moods will also determine whether the consumer will be more tolerable to a level of conflict (Hansen 1972), produced by an influencing factor at the purchase point.

The commitment of the individual to purchase will be important. Hansen (1972) states that the commitment will be higher (and therefore increase the probability of purchase) when the consumer has told others about the intention to buy and when external factors (stimuli) remind the consumer of the need.

Another individual factor that could be important would be whether the consumer is an innovator (Hirschman 1980) and he/she gets confronted with a new alternative. This new alternative can be a stimuli for a variety seeking action and an innovative purchase. It may not have been included in the alternatives because of unawareness.

2.21343 Environmental Influences and Extremeness aversion Behaviour

Research by Simonson et al (1992) showed that there is a tendency to favour options depending on whether the trade-offs are favourable or unfavourable. If prices in the environment (e.g. the retail store) are high then the high priced alternative is considered more favourably. This may mean that the immediate environment the consumer goes in preceding the purchase could have an effect on the attitude of the consumer on the alternative, and a change of choice could be made. The second part of the research showed that when the consumer is faced with extreme options (i.e. alternatives on the opposite side of the scale for an attribute) the consumer will be influenced by the extremes to choose the middle option. This may mean that even if the consumer then decided to purchase a jumper for £30, if the environment (the shops he visits) present him with choices from £20 up to £120 then he/she might feel the need to purchase something in the region of £50-60 to avoid a perceived 'extreme' behaviour.

Other environmental influences such as changes in the life of the consumer (e.g. a promotion) or of the environment the consumer lives in (e.g. announcement of a new tax) could make the consumer change or postpone or completely abandon his/her decision. This could mean the particular brand or the store or the timing or even the method of payment. These influences are also seen in more detail under section 2.214.

2.2135 Post Purchase Behaviour

After the purchase the consumers will be faced with the consequence of their decisions as they will attempt to 'consume' the benefits of the product. This can lead them into satisfaction or dissatisfaction depending on both the brand's performance and their expectations. Research (La Barbera et al 1983, Swan et al 1976) showed that the satisfaction or dissatisfaction consumers will encounter will be a function of both the expectations of the product and its perceived performance. The amount of satisfaction/dissatisfaction will depend on the size of the gap between the expectation and performance. Judgement can take three forms (Churchill et al 1983):

1. Positive disconfirmation - when performance (P) is better than expectation (E) i.e. P>E
2. Simple confirmation i.e. P=E
3. Negative disconfirmation i.e. P<E.

Apart from the expected performance (which will depend on what the performance will most probably be) two other types of expectation can be seen: An expectation for equitable performance (Woodcuff et al 1983) which is based more on the costs and efforts done for the acquisition. This expectation would tend to be more effective for high involvement items and could eventually lead to dissatisfaction or to a post decision regret state. And secondly an ideal performance expectation in which the consumer will endorse an optimum ideal performance (Holbrook 1984). This is especially true when there is a repurchase and the consumer has been highly satisfied before and therefore failure to exceed this satisfaction leads to mild dissatisfaction (Westbrook et al 1978.) Folkes (1984) suggested another theory, the Attribution

Theory which looked into the expectations and the satisfactions of consumers and their causes. The theory formulates that a product will not perform because of a:

~ cause that is temporary or permanent (stability)

~ cause which is due to consumer or marketer (locus)

~ causes which can be controlled or are influenced and constrained by outside factors.

The consumers will then be satisfied/dissatisfied according to what they perceive the causes of the non performance to be. This is because their expectations are tuned to the perceived causes. If the cause for example was seen as a stable (permanent) one then a refund was preferred whereas when the cause was seen as temporary the consumers may be more prepared to put up with it for much longer.

2.21351 Satisfaction

Satisfaction may be defined as 'the buyer's cognitive state of being adequately rewarded in a buying situation' (Howard et al 1968) where adequately will be subjective (as discussed in 2.2135) to the purchaser. The same gift of money can vary in satisfying people and also across time (Howard 1961).

The important aspect of satisfaction is the reinforcement effects on the purchase and consequently of the brand. Satisfaction will affect the consumer's attitude of the brand (Halo effects) and this will strengthen any future intention to repurchase. Since the outcome of the action (purchase) will be a positive feeling the specific action will be encouraged and a habitual pattern may evolve especially for goods where the benefit demand does not justify an outlay of costs (effort, time, money) for evaluating alternatives at each purchase. Cohen and Houston (1972) showed in their study that consumers evaluated the different brands subjectively on attributes based on whether they were users or not. This ties in with the notion of cognitive dissonance because what consumers are trying to do is simplify the process and their purchase or commitment to a brand needs to be rationally explained (ie through giving a favourable post-purchase evaluation for the brand compared to the competition).

A number of factors (Engel 1990) will determine the amount of the effect of satisfaction on attitude: the intensity of satisfaction (i.e.. how much satisfaction is given), the difference between expected and actual (see 2.2125), the certainty, the latency (period of time between purchase and receipt of reinforcement) and the periodicity (timing of reinforcement and continuity).

The intensity will depend on the motives of the consumers (how much the need is there). If the function is essential and the brand has performed (even under the desired level) there could be a repurchase until a better option is formed in order to keep the need satisfied. The certainty depends on the clarity of the consumers' motives and/or the evaluation of the performance of the product. The consumers may not be aware of what they desire in order to satisfy the arising need and therefore this will make things difficult both for having clear expectations and for assessing performance (O'Shaughnessy 1987). The product's performance may be hard to assess (i.e. purchasing of new no fragrance aftershave that moisturises the skin) and it will often be the consumer's opinion that will count rather than the experience. With the latency factor, the satisfaction may be more long term because of the durability of the product class. A delay in reinforcement may encourage non reinforcement (Howard et al 1969). Lastly the periodicity has to do with partial or continuous or fixed reinforcement and their effects, and continuous reinforcement has been found to be the most effective (Forester and Skinner, 1957).

However, even if he consumer is satisfied with the purchase, this cannot guarantee a repurchase due to change in motives, attitudes and alternatives available.

2.21352 Dissatisfaction

The buyer may encounter a feeling of post decision regret which is escalated by an irrevocable action, a discovery of new attractive alternatives and a knowledge that the choice was made by free will (no external influences). This dissonance motivates the consumer (Festinger 1957) to act to reduce it by either confirming the choice or accepting that a wrong choice has been made. In the process, the person actively avoids situations and information that could increase the dissonance.

Cognitive Dissonance

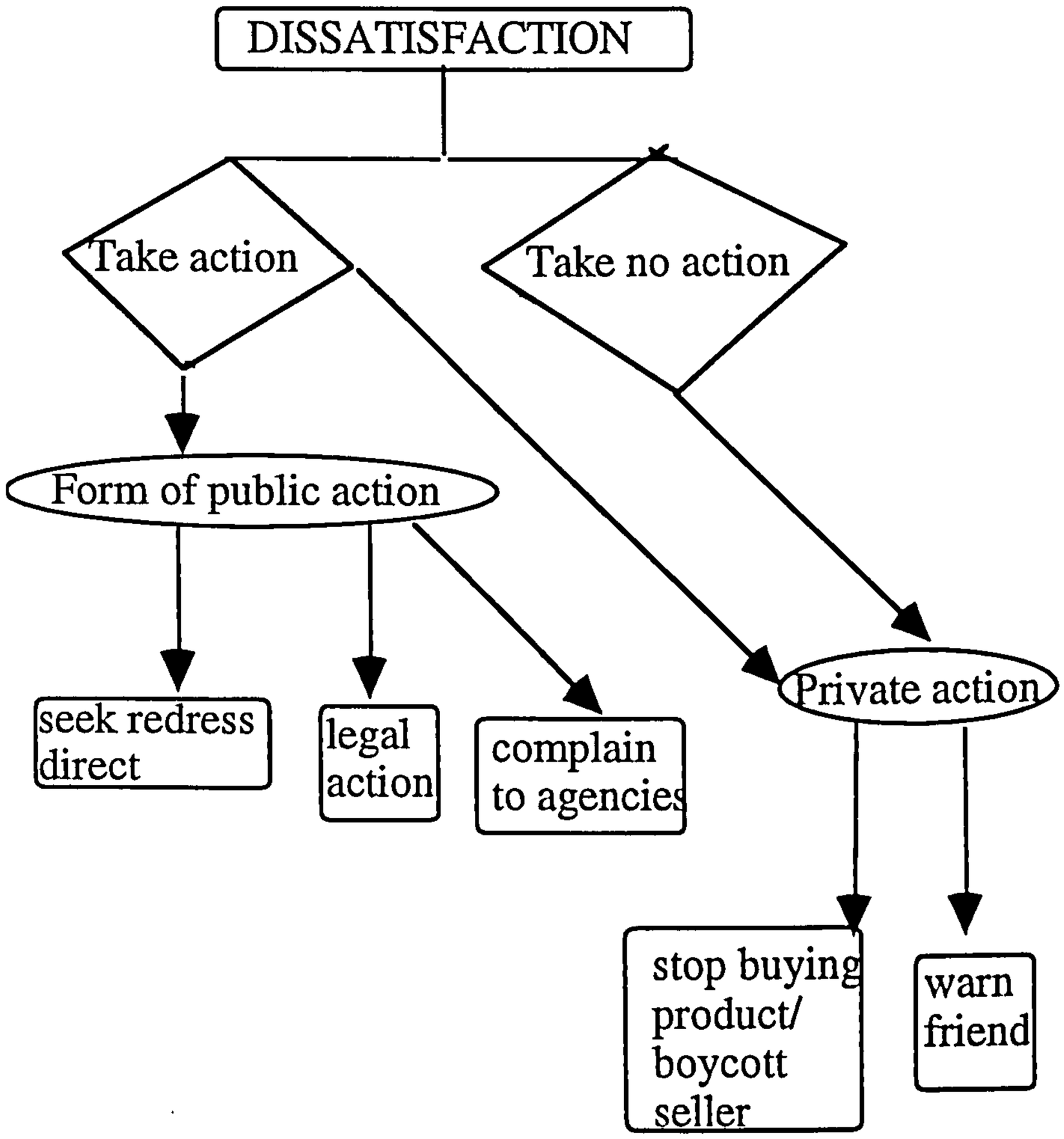
When the buyer is in doubt or does not want to accept a wrong decision, he/she needs reassurance for his/her actions. A study by Engel (1962) showed that consumers who recently purchased a car were more likely to notice and read advertisements about their choice and in an effort to convince themselves they made the right choice and therefore reduce dissonance.

The buyer will also attempt to 'input' higher performance and therefore satisfy the choice through inducing satisfaction. He/she is more likely to find satisfaction (especially in high involvement situations) for his/her actions and will search for information to support this (Festiger 1957). A number of studies (see J Mills 1970) indicate that people prefer information favouring their choice (consonant information) to information favouring rejected alternatives (dissonant information). Mills indicated in a research in 1964 (Mills 1970) that the certainty of the correctness of the choice will be negatively reduced to the interest in consonant information. Chisnall (1985) states that the Cognitive Dissonance theory has still "the evidence in favour..." and it provides the best explanation for results accounted in research and actual cases. However he advises a word of caution due to the limitations in the supporting experimental results.

Recognised Dissatisfaction

This is the second option of a consumer in dissonance and it involves a number of possible actions. In the diagram below the steps that can be taken by the consumer are seen.

Diagram 2.12 *How Customers Handle Dissatisfaction (adapted Day 1977)*



Day (Day et al 1981) has shown that only one third of dissatisfied consumers complain and seek redress and this is more likely to take the private action route.

Hirchmann (1970) developed a similar model where the choice of exit (buy elsewhere) and voice (complain) are given and the outcome of the latter will determine whether the consumer will remain loyal to the brand or choose the exit option. However the important aspect is that the choice of whether or not to complain, will depend on the feeling of loyalty in the first place and the perception of how the complaint will be handled. Various studies have also been made to segment the complainer by socio-economic and demographic factors. Engel et al (1990) summarises the characteristics of the complainer (from a wide review of research).

The price of entry (creating more cognitive dissonance) will be an important factor in the action taken as well as the price of exit (switching costs and perceived outcome of the exit action). If however the exit option is exercised then the likelihood of a repurchase is remote and negative word of mouth would be the outcome.

Lastly, studies (Singh et al 1991) have also concentrated to evaluate whether dissatisfaction is only at the consumption level or the attitude of the firm can encourage a complaining behaviour of the customer and lead to satisfaction in the end (often the firm solves the problem through an apology, a refund, an exchange or whatever else is possible). This theoretical model is very useful because it helps to understand both the effective resolution mechanisms, the effect of a diverse expected norm and responses. It is implied that managers have to know what customers expect in order to be satisfied before effective programmes are instituted.

2.214 Influences

The consumer is not alone in the environment and the decision process analysed above doesn't occur in such a discreet, straight forward way as it seems. The consumer will face, in his/her process of identifying and satisfying needs, environmental influences such as the influence of a number of reference groups, his/her family, and will be pressured by the norms of his/her culture and social position. In addition, the consumer may be affected by situational factors at the point of purchase, or even before at the decision or consideration stage. These influences will not, however, affect all consumers in the same way. The personality and other individual differences will make a difference and add more influence on the consumer. These two groups of effects, the Environmental and the Individual, have all been included in the various consumer behaviour models (Howard & Sheth 1969, Engel et al 1990, Nicosia 1968, Bettman 1979). In some (Engel et al) the distinctions between the groups are obvious and there is the addition of a third group of influences, the Psychological ones. This group includes all the influences that are instituted in the decision stages like the way the consumer learns or processes information. In models like the Howard & Sheth one the various influences are grouped together and their effect is shown as inhibitors to the purchase situation or as determinants in the psychological process (e.g. culture affecting directly the size and structure of the evoked set which will lead to

predisposition and the formation of an attitude). Since the attempt here is to present a complete overall analysis of the consumer behaviour theoretical and practical terrain, all the influences will be discussed, briefly, following a similar structure to that of Engel et al (1990) model.

2.2141 Environmental Influences

The consumer, in the process of decision making, will draw elements from his past experiences, beliefs, values and attitudes he/she has developed over the years. Many of these influences will be related to the consumer's culture, social class, family structure and behaviour. Consumers will also be influenced in a purchase situation by factors more specific to the particular purchase itself such as the opinion and influence of others and any situational elements created by the marketer (e.g. the packaging or special discounts). In the following sections a brief discussion will be given as to the influences of all these factors which were grouped under the term Environmental in the thesis.

2.21411 Culture

Culture has been defined as " a set of behaviour patterns" (Howard & Sheth 1969), "total way of life of any society..... a configuration of learned behaviour... whose component elements are shared and transmitted by the members" (Linton 1968), "...distinctive modal patterns of behaviour and the underlying regulatory beliefs, norms and premises" (Krech 1962) and "..a set of values, ideas, artefacts, and other meaningful symbols that help individuals communicate, interpret, and evaluate as members of society" (Engel et al 1990).

It is clear from the definitions that people of different cultures may behave differently towards satisfying a need or developing attitudes towards the same product or even evaluating the various brands. Engel et al (1990) states that culture can affect consumer's decision making in three ways :

- The structure of consumption

This implies that consumers from different cultures may have different needs and/or perceive different priorities for the satisfaction of the various needs arising. Bauer et al (1965) found that Negroes in the USA showed more concern and anxiety than whites over spending money on material goods. Culture also led Negroes to underspend (compared with whites of equal income) in four major areas : housing, automobile transportation, food and medical care. Other studies found similar results in the influence of culture to spending and consuming. Alexander (1968) found that families from different cultures had different consumption patterns and different attitudes for various product alternatives based on the housewives' beliefs of the suitability of the products for their families. Luqmani et al (1980) in their study of Islamic countries consumers state that certain categories of food products that are nutritious, cool and digested easily could have a lot of success for the beginning and end of the Ramadan fast. Kotler (1988) refers to a number of marketing blunders that happened because the marketer had not taken into consideration the cultural differences between different countries consumers. One example he gives is of the unsuccessful introduction of Hallmark cards in France. This was because French people dislike "syrupy" sentiment and prefer to write their own cards.

- Decision making process

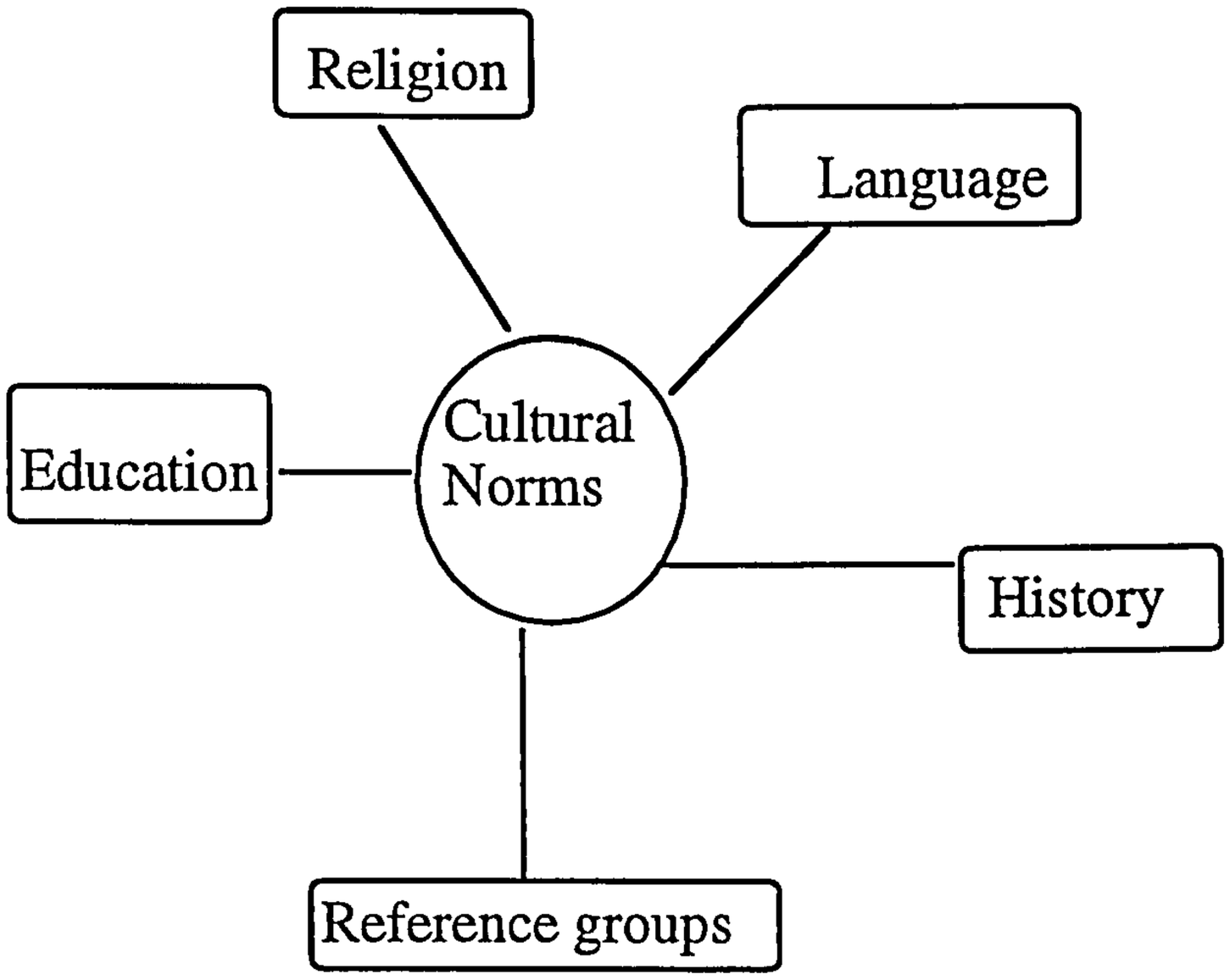
Culture can also affect the way an individual will go about in taking a decision, the attributes he/she will consider and the weightings given as well as the effect of situational factors at point of purchase. Luqmani et al (1980) mention the various Islamic concepts and their effect on consumer behaviour. One example is the concept of legitimacy which means that consumers, believing in fair dealings, do not want formal product warranties but need to trust and know the institution they are dealing with. Engel (1990) talks about the various cultures as portraying different values that they may need to see in the products. For example the American culture emphasises individuality and competitiveness whereas the Japanese culture emphasises conformity in consumption. Guy & Mattock (1991) discuss in their book the differences in some cultures and state that tests they had administered to audiences from different cultures show that they tend to give different priorities and different weights to certain benefits, emotions and feelings. This implies that their views on the same products or brands may be totally different due to their beliefs in respect to the offering.

- Communication of meaning to products.

McCracken (1986) states that culture is like a lens through which individuals view phenomena and thus it determines the way in which these phenomena will be understood and perceived. It is therefore not surprising that the products symbolising America are having a great success in Eastern European countries, since people there perceive their consumption with the virtues they aspire to. As Engel et al (1990) puts it "meaning moves first from the culture of a nation or group to consumer goods and then from those goods to individual consumers." Stef Tiratelli, account director at BBH, says of Levis jeans : "Levi's history gives the brand an image of originality, independence and sexiness ". Levi's is recognised in all over Europe as being the "original American jeans, associated with the America of the fifties, the rock 'n' roll, the Harley hogs and Chevrolets" (M. Bacon 1993).

But how are cultural norms formed ? And what constitutes a culture ? Antony Storr, a Psychiatrist (Guy et al 1991) states " the human tendency towards pattern-making is inborn and inescapable. " Engel et al (1990) refers to the process of "socialisation" as an explanation of the adoption of norms and values to the individual. This process is a continuous one from the time a baby is born and the person is 'forced' to adopt certain norms (representing certain values) to claim a belongingness to a group or a culture. Linton, in discussing his definition of culture (Linton 1962), states that the word 'transmitted' (i.e. culture being transmitted through its members) is very important. He continues to talk about the individual "...the culture of the society in which he is reared constitutes ...his social heredity. It provides him with a series of adaptations to the environment...developed by earlier members of the society .....passed to him by way of learning". Diagram 2.13 shows the influences and the variables helping to form cultural norms.

Diagram 2.13 Formation of cultural norms



However cultures change. This might be because the situations are different and the values themselves have had to change. In most European societies the attitude towards work and leisure have changed. Higher standards of living and higher salaries have turned consumers to looking into ways to spend their leisure time. As Chisnall (1985) notes " the old 'spit and sawdust' image is only a distant memory for many of the miners. The family structure has changed and the old 'nuclear' family is no longer the prevailing structure in some cultures. The role of the woman has also changed in the home and children are now seen as spenders and liabilities rather than the money earners and economic assets (Brooke 1990). In a recent article in the Marketing magazine (Dade 1992) there is an analysis of the values of British society and Dade explains how Menumasters was able to use the analysis to recover from declining market share. The problem with the brand was its strong association with conservative values such as authority, Security, Puritanism, Familism at a time when the number of people in that cluster (or sub culture) declined from 40% of the UK population in 1973 to 27% in 1989. The response of Menumasters was to introduce a new brand to gain a new segment, developing in the market covering such values as creativity and environmentalism. The new brand, named Healthy Options, was thought as necessary because Menumasters had too strong an image to be able to reposition in a new

segment and an extension could damage the original brand to the eyes of the loyal consumers.

Nevertheless culture is still a very important aspect in the lives of individuals. The process is not, however, one way. Individuals are influenced by culture but they influence cultures themselves, making them change. Individuals have to deal with a number of cultures; from their country culture to ethnic cultures to family, religion, work place, social groups and many others. The less conflicting all these cultures and sub cultures are, the easier it is for the consumer to adopt certain norms. And the least confusing!

2.21412 Social Class

The consumer will also find that there is an influence (in the purchase or consumption act) from the social norms according to the social class in which he/she belongs. O'Shaughnessy (1987) refers to these norms as "rules of behaviour." And indeed they can be thought as rules since they dictate to a person what he/she should do in order to belong to a class or to achieve a certain recognition, status. What is meant though by social class ? Engel et al (1990) defines it as "a grouping of people who are similar in their behaviour based upon their economic position in the market place." Kahl (1957) places more emphasis on the equality of the members and the non equality of the non members to define as "a large group of families approximately equal to each other and clearly differentiated from other families". Warner (1968) states that this ranking ordering is necessary in complex societies in order "to perform certain functions necessary for group survival." This happens as the division of labour in a society becomes more diverse and there is a need for co-ordination and integration to enable larger groups to survive. Berelson & Steiner (1964) refer to this social stratification as "socially necessary" for reasons very similar to the above. Ries & Trout (1986) parallel this ordering structure as chickens order to say "consumers are like chickens. They are more comfortable with a pecking order that everybody knows and accepts".

It is important to distinguish, at this point, the term social status and social class. Engel (1990) refers to Max Weber's 'Essays in Sociology' (1946) where it is stated

that "social classes" have to do with a stratification on the production and acquisition of goods whereas "status groups" are according to the consumption and styles of life. This is of importance because the class stratification will determine what the group of consumers are able to buy and the status element will influence the structure of needs, wants, priorities and therefore consumption patterns. In most of the literature however, the two terms are used almost synonymously and the reference to the needs or behaviour of a class (e.g. the upper class, according to a classification) is meant as the needs or behaviour of that status group.

Consumers will therefore behave in particular ways for two reasons: Either to maintain their position in society i.e. remain in the particular social group or in order to prove they are worth belonging to another group, they may feel they are not 'members.' The word 'members' is in inverted commas since membership in a group is not a concrete thing; no certificates or identification badges are given but rather a silent acceptance of the class members in their overall behaviour towards the individual. This effort of one to upgrade himself/herself in social status can be comparable to the higher needs in the Maslow theory (see section 2.2121). This is because, as Levy (1966) stated 'the higher one is on the social scale ... the greater the sense of participation in the community....self-fulfilment is more valued and more pursued...".

Consumers are therefore influenced to behave in the same ways that the social class they belong to or they aspire to belong to. This may mean consuming or using particular products or brands associated with the class. In the Need stage of the decision making chain, consumers can develop different needs based on their social class. This could be because of different values the classes share or because of the style of living. Martineau (1957) noted that there were differences even between the lower two classes of the Warner Social Classification (Warner 1968) in terms of how they saw their spending money. The upper - lower class view the house as their castle and spent money to equip it as best as they could whereas the lower-lower people preferred to spend the money on personal possessions and ostentatious goods. Engel et al (1990) noted that the proportion of family income spent on leisure may not vary tremendously between classes but the type of recreation will vary. This is because some types are associated more with certain classes than others like polo and opera are with upper class. In advertisements for ROLEX watches (Andreou 1991) one can observe that the sports used to promote the brand are upper class sports, since the

image of the brand is its most important asset (see chapter 3). In the Search stage, membership to the class may determine the media one is reached with and the messages (Moschis et al 1984). Once a certain magazine or newspaper has been labeled as of a particular class then it would be very difficult to gain a great market share from a much different class. Certain publications can be classified simply because of content, i.e. a jaguar owner car magazine would most likely be read by upper class consumers who can afford to own a jaguar. The type of advertising copy that will attract a lower class person will also be different from that catching the eye of an upper class one. This could be because of literacy levels (Andreou 1991), associations, message and overall layout (Engel et al 1990). Levy (1966) stated that for example, Upper middle class men tolerate a much more 'feminine' conception of the 'real man' than lower classes who gave emphasis on physical appearance and manual skills. This may have implications as to the men used in advertisements for various goods for particular class consumers. In the actual purchase act different class consumers may differ in the type of promotions they will be attracted to and the store types and layouts (Martineau 1957.) Also choosing between different brands in a category could influenced by status and class membership. Greenwood in an article in 1986 (Greenwood 1986) attempted to identify which brands one must buy (from a variety of product classes) in order to signal a high social status. In a recent article in Brand Strategy (Croft 1992b) the advertising agency DMB &B presented an analysis of Russian consumers by social class and their brand preferences for tobacco, alcohol and cars. A notable difference is observed on the whole due to the attitudes of the various classes towards western brands, their image consciousness and purchasing power they possess.

In certain areas the brands used signal so much acceptance to the group that once the core members observe other classes using them, they abandon the brand for something more exclusive. Morelli (1992) in an article about Sol beer states that its success depended on the image it gained from being the fashion beer for yuppies. They were the fashion leaders, status conscious and so others started being influenced and tried the brand. And as Carol Fisher, marketing director of Holsten Distributors, puts it "When builders with ponytails start drinking it, the trendies lose interest".

As far as the stratification itself is concerned then a number of researchers have proposed classifications based on shared values, economic situation, professional

status, area of residence and so on. Warner (1960) devised the Warner Social Class System using type of occupation, residential area, source of income and type of house. Centers (1952) classified people according to how they viewed themselves. Hollingshead (1958) used a weighted combination of residence, occupation, and income. All of the above were based on American consumers while the three prominent systems for the UK market are the JICNARS, ACORN and SAGACITY. The JICNARS (Joint Industry Committee for National Readership Surveys) family classification is based on the occupation of the head of the household. ACORN (A Classification Of Residential Neighbourhoods) originated in 1977 and it classifies people and households by the type of neighbourhood in which they live. SAGACITY classification combines life style, income and socio-economic groups. Whilst in the USA the Warner system is used widely, in the UK there is no consensus. It would appear that the SAGACITY classification may be more relevant to consumption patterns since it uses the purchasing power of the individual with the lifestyle (way money is spent) and the occupation. However each system has its strong points and ACORN, for example, has been very successful in helping with store locations, catalogue and mailing shots and advertising media selection (Chisnall 1985). SAGACITY on the other hand, faces the same criticisms as JICNARS (it even uses its data) for the use of occupations for the socio-economic grouping.

Stratification by social class is useful to the marketer to understand the influence on the consumer but it is not everything. The same social class may exist in different cultures or different cultures may exist in a social class. The consumer may be influenced greatly as to the purchase or the evaluation of a product or a brand but it might also be that these influences have no effect on the decision.

2.21413 Individual, group and family influence.

Consumers are also very likely to be influenced by word of mouth, i.e. input from friends, family and other people in their social and work environment, and by their perception of likely consequences as it concerns the members of the above groups. Both the group influence and the personal (individual) are likely to work in the same way in influencing the consumers' actions or attitudes and therefore in the literature review the two terms will be used synonymously.

Kassarjian (1968) defines groups as numbers of people with common "needs or goals" which leads to sharing an ideology and having membership interaction. Chisnall (1985) adopts a definition by Brodbeck which is more vague and talks about "aggregate of individuals standing in certain descriptive relations to each other." He then proceeds to distinguish between Primary and Secondary groups where the former is to describe groups such as the family of the individual and friends whereas the latter includes groups where the individual deliberates more such as local town groups, political parties and others. Cooley (1962) states that when looking at the two types, the greatest influence on the individual comes from the Primary group. Engel et al (1990) proceeds further to talk about Formal and Informal groups and Aspirational and Dissociative. However the most talked about type of group is the "reference group" which researchers use to indicate the group that the individual will look at for his/her "personal behavioural norms" (Chisnall 1985). Any of the other types of groups could be the, or included in the reference group(s) for the individual.

The term 'Aspirational group' has its roots probably in Stafford (1966) analysis of how reference groups influence behaviour. His verdict was that consumers could act in specific ways either to prove worthy for inclusion in a group they aspire, or to conform to guidelines in the group they belong. An example of the former is found in an article by Kjell Gronhaug (1983) where he states that a product (a ten speed bicycle in this case) became fashion amongst a group of youngsters, the non adopters lost their 'identity' as group members and were perceived as 'losers'.

Engel et al (1990) added a third effect of reference groups namely the role of provider of information and subsequently opinions and recommendations. This is also very true of the personal influence. Festinger (1954) argued that when no objective or non-social means are available for the consumer to evaluate his/her opinions then he/she will evaluate them by comparing them with the opinions and abilities of others (Theory of Social Comparison). Katz et al (1955) founded the Two Step flow theory which stated that in the consumer world, there exist opinion leaders who are first affected by the mass media with information about brands and they then transmit this information and their opinions to the masses. Aundt (1968) tested this theory and found it true and in addition he found that opinion leaders are more receptive to mass media communication. Stafford (1966) showed that when opinion leaders indicate a brand loyalty then they are more likely to transmit that loyalty to others and that the greater

the loyalty the more the other people who will be influenced. However, King (1964) accepted the two step flow theory only for the fashion market and rejected it for other markets whereas Sheth (1967) stated more diplomatically that the theory cannot be "valid for all markets".

The influence of reference groups is not uniform over products and situations. Bourne (1957) did a study and found that the status of the individual will play an important role as to whether he/she will be influenced. Consumers with high status were more secure in their opinions and tended to be able to deviate from a conforming group. On the other hand if the reference group or person has an established authority or status then the influence increases (Montgomery et al 1968). This was reflected in a case study where the market share of Crest toothpaste went up from 12% to 36% when the American Denticians association (ADA) recognised it as "effective decay preventive dentifrice" officially (Montgomery et al 1968).

Kassarjian et al (1968) notes that the degree of risk will also affect the influence a reference group can have on the consumer. The risk will be greater in situations where the consumer would lose a great amount (e.g. money, prestige, reputation) if the wrong decision is taken. This is a very similar concept to the high involvement purchases discussed in previous sections.

Venkatesan (1966) determined that the social influence is greater when the solution or the product in question can not be evaluated using objective criteria. In his experiment, subjects were asked to evaluate suits and choose the best one. When confederates agreed on one then the subjects conformed due to absence of specific knowledge on criteria to perform the evaluation.

Lastly the product or brand itself could be a factor governing whether the influence is more or less. Bourne (1957) and Arbor (1956) state that the influence will be greater when the product is 'conspicuous' in the sense that it can be seen and identified by others and when the product stands out and is noticeable. Both Arbor and Bourne use a classification of products and brands, where influence is shown to be greater or less, taken from the Bureau of Applied Social Research, Columbia University. Engel et al

(1990) presents a more updated version taken from an article by Bearden and Etzel in 1982. Figure 2.6 shows an adaptation of this classification.

Table 2.5 Reference group influence on the choice of product and brand

PRODUCT/BRAND	WEAK INFLUENCE	STRONG INFLUENCE
WEAK INFLUENCE	Private necessities soaps, refrigerator, floor lamp, mattress	Public necessities Wristwatch, automobile, men suits, magazines
STRONG INFLUENCE	Private luxuries TV game, ice maker, Air-conditioners, instant coffee	Public luxuries Sailboat, golf clubs, cigarettes, beer, drugs

Family influences on the consumer.

The family is one of the primary groups and its influence has been widely discussed. One of the importance of the family as a reference group is that a number of consumption habits are being passed on from the older to the younger members (Chisnall 1985). These habits could include specific brands for specific purposes or timings and purchasing habits in general. Certain brands could acquire significance as part of family life and be associated with various scripts (Berne 1964, Bandler et al 1979). An example may be a consumer purchase of DETTOL disinfectant for cleaning the bathroom in an effort to follow the script of "a good mother" since this was bought by the mother of the consumer (see the section on product symbolism). In addition there is the fact that family is the medium for introducing an individual to society and therefore this individual will carry with him/her a number of values (whether from cultural background, social position or simply from the particular family culture).

Komarovsky (1961) reported that members of a family were likely to have a different structure or behaviour across social classes. Thus Upper class young people would set up homes much earlier than people from other classes and would therefore be more influenced in consumption patterns for the household from their parents (J.W. Thompson 1976).

Families are also very important because the structure of the family will determine which member has the influence or what needs they are likely to have. Katona (1960) states that all items of consumer durable are bought by a larger proportion of younger than older families. These patterns (explained in detail in theories such as the Family life cycle - Engel et al 1990) may mean that the consumer may be influenced in the consumption due to majority conformity or because of belongingness factors (to the mature or 'young couples' 'clubs').

Much research has been done (Field 1968, Sampson 1968, Cooper 1968, Ward et al 1972) to identify the influence of the various members of the family either on the others or on the purchase act. Kotler (1991) refers to this, as the study of one's *family of procreation* in antithesis with one's *family of orientation* (parents family). Especially relevant to the influence of the *family of procreation* is the theory of the various buying roles. This theory identifies five different buying roles namely : the initiator, the influencer, the decider, the buyer and the user. These roles could all be played by one consumer or it could be five individuals each assuming one of the roles. In a family structure, the identification of which members assumes what role could important in considering the influence an individual from the family will be subject to in the purchase of a product. Gronhaug (1983) studied the influence of kids on other kids and on their parents in the buying process of ten speed bicycles. He found that when the ten speed bicycles became the "in" product, kids (users) began to acquire information about them and began to exert pressure (initiate) on their parents (buyers) and the resource allocation of the household was seen to change to accommodate that. The influencers were the early adopters of the product who also assumed the position of opinion leaders in the kids social groups. Although the decider for the product was the parent, they tended to have much less information regarding the brands and therefore the kids tended to be the ones influencing the decision for the brand.

2.21414 Situational Influence

This refers to influences that are present at a specific time and place and are independent of consumer and object characteristics. Belk (1975) identified five such influences or factors and they are: The physical surroundings, the social surroundings, the particular time of the purchase act, the tasks or goals the consumer have in mind at the time and the temporary moods the consumer brings to the situation. Hansen (1972) on the other hand separates consumer situations in three types namely : the communication situation (where the information and maybe processing is done) the purchase situation and the usage situation (where the product would be used and why). Bringing the two together one can see that in the processes of the consumer situations a number of situational influences will emerge and have an effect on the consumer's actions. In the purchase situation for example a number of stimuli could be present in the retail environment that could influence the consumer to buy or not a specific brand or product or even influence in the quantities. Music in the restaurants could affect the mood of the consumers and influencing him/her to stay longer (Milliman 1986) increasing the possibility for further spenting. Similarly crowding in a retail store may deter consumers from purchasing items considered as unnecessary, or they may postpone the purchase and there is less interaction with sales personnel observed (Harrell et al 1980). Other points of sale influences have been discussed in section 2.21342 in the purchase decision.

The usage situation is important because this will determine the true need behind the purchase and the brand choice will depend on the accurate understanding of where the product is to be used. If for example one wishes to purchase a suit, the reason being to attend a job interview, situational factors (such as an article in the Financial Times as to what interviewees should wear) could rule out his/her original brand/type/colour/cut choice.

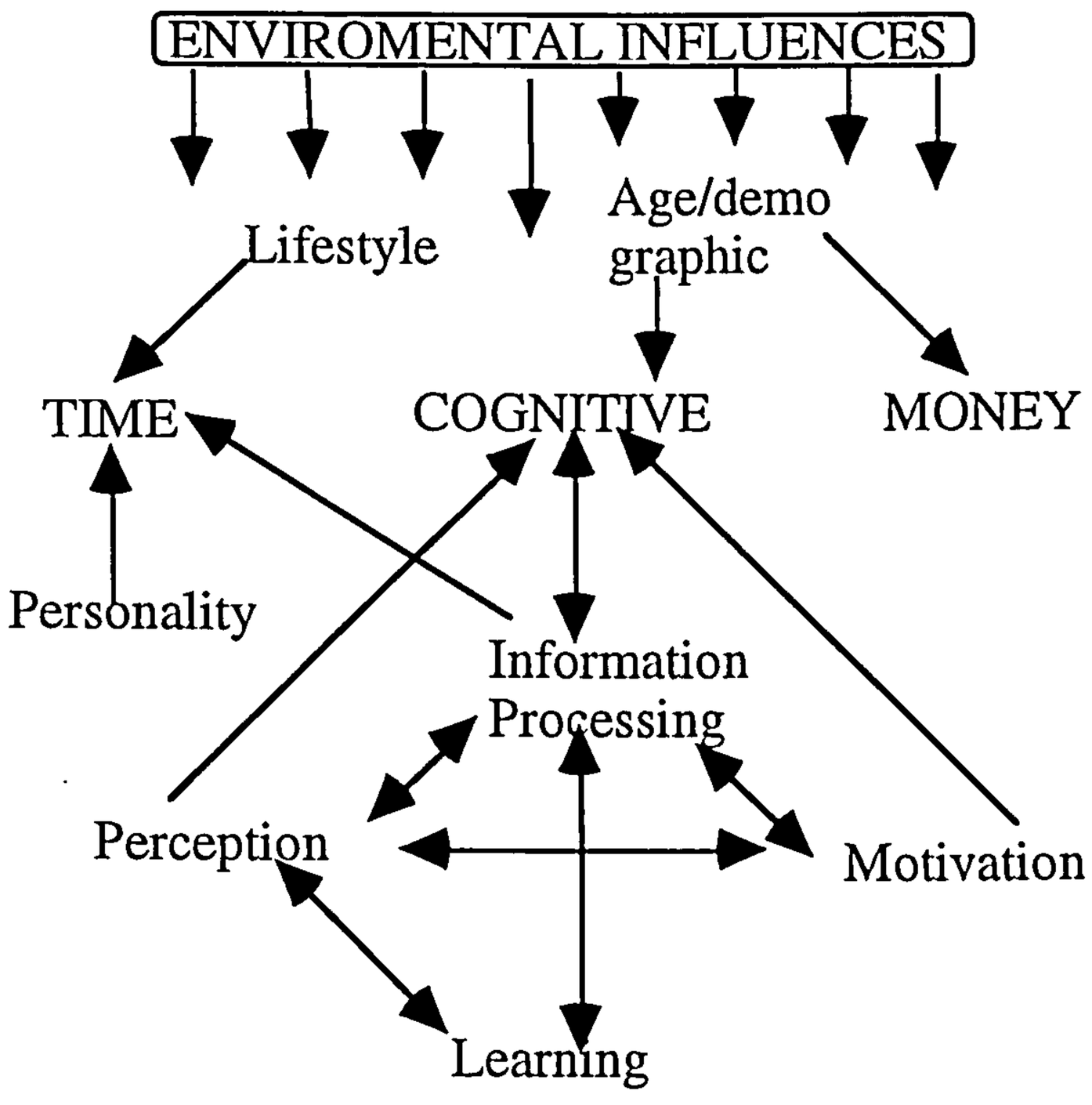
2.2142 Individual Influences

The consumer will also be influenced by factors or events which have a specific meaning only to him/her as an individual. Engel et al (1990) and Kotler (1991)

differentiates between two sets of 'personal influences'. These are the individual (referring to personality, age characteristics, previous knowledge, motivation & involvement, attitudes and resources available) and the psychological (referring to the way information is processed, learning and attitude & behaviour change). In most of the other models or theories (Howard and Sheth 1969, Bettman 1979) or literature reviews and textbooks (Chisnall 1985, Lilien et al 1983) these personal influences are merged together under the individual influences heading. In this thesis the latter approach will be used since the weight is on the understanding of the interrelationships of these influences on the consumer in a general way rather than a full literature review on the subject.

The consumer can be seen as having a set of limitations based on three resources, namely Time, Money and Cognitive ability. In examining each of these resources one can determine a structure of influences and an interrelationship pattern. This pattern is represented in figure 2.14 in the next page.

Diagram 2.14 Influences on Resources



The time resource may be connected to the lifestyle this consumer has and/or the personality of the consumer. Furthermore, these factors will be influenced or related to the age and/or demographic characteristics. This time resource can then influence choice or the decision in general since it can determine the ability of the consumer to deliberate on any of the stages of the decision chain. It can influence the type of evaluation the consumer will perform (if any) and the criteria he/she will use.

The personality of the consumer will also directly influence choice although because of the difficulties and numerous ways of measuring personalities in a sample, the extent of the effect has been debated. The three main approaches for looking into personality are the Psychoanalytic (Freudian theories-see Chisnall 1985-, Dichter 1960), the Sociopsychological (Riesman's inner, tradition, and other directed -Riesman 1950-, and Horney's compliant, aggressive and detached categorisation - Horney 1945) and the Trait factor one (where personality is composed of dispositional attributes called traits, for example the Edwards Personal Preference Scale -EPPS -see

Engel et al 1990). The various methods or approaches have been widely used but still no consensus was reached as to the superiority of one over the other or in general the accurate effect that personality plays in the field of consumer behaviour. Evans (1959) arrived to a somewhat negative result as to the effect of personality on car choice, although Kuehn (1963) later argued against his interpretation. Alpert (1972) stated that the personality could relate to specific attributes of the choice rather than the choice itself and Cohen (1968) concluded that personality will affect product choice in different ways depending on the types of products. Packard (1957,1991) describes in his book a case where the toothpaste market was analysed using personality variables and it was found that different types of personalities wanted toothpastes for different reasons and therefore were using different brands.

Kassarjian (1965) also showed that different personalities (according to his classification similar to Riesman's) responded differently to advertisements made especially with these classifications in mind. This difficulty however to relate to personality, drew marketers and academics towards the measurement of lifestyles although even then the debate has not ceased. Two of the most prominent lifestyle segmentations are the AIO (segmenting on the basis of Activities, Interests and Opinions -see Plummer (1974) for a discussion) and the VALS (segmenting according to Values and Lifestyles -see Mitchell (1981)). The major criticism of these segmentations is that consumers are too pure in their categorisation and thus the error margin is big.

The theory of Self Concept has also been discussed (see earlier section) and used in relation with brands and consumer choices (Sentis & Marcus 1986). As far as age factor is concerned then this can affect both the level of deliberation at every stage in the process since different age groups (or indeed different stages of the family lifecycle - see Wells et al (1966) for classification) may have different schedules (Chisnall 1985), different priorities, needs, and can be influenced by others or by situational factors differently (as discussed under the Social Influences in the last section).

Researchers like Moschis et al (1984) have also put forward the idea that brand loyalty develops in adolescence and therefore a study of the effects on those years is of paramount importance to the marketer. In their model they have found some positive correlation between brand loyalty and Socio-economic class and Socialisation variables

(types of newspapers they read, television and peer influence) for pre adult age groups.

The Cognitive element of the individual is considered as a resource (Engel et al 1990) because the consumers have limitations on their ability to receive information, process it and store it. Moreover consumers perceive things depending on their beliefs, attitudes and generally their cognition system on the whole. These will therefore affect the stimulus effectiveness, the need arousal or the motivation to act, and generally the way consumers will act to solve a problem.

In terms of motivation, this has been discussed in the Need recognition section at the beginning of the chapter. One major factor linked with motivation and information processing (and subsequently with the decision process) is the perception of the individual. Perception will affect the stimulus by either transmitting it in its original form, or subjectively changing it or not transmitting the stimulus at all. This latter form can be seen in cases that the stimulus does not pass a determined threshold (as discussed in earlier sections). Allison et al (1964) tested the effect of brand names on the perception of quality and attribute rating and found that the perceptions of beer drinkers, based on the labels "did influence evaluations". Myers (1967) also concluded that national label brands were perceived and therefore treated, differently than private or lower priced brands. This aspect of perception and brands image will be examined in detail in the next chapter.

Once information is acquired then the learning process can take place in order to store the information on to memory for future uses. Learning can occur because of past experiences or by information gathering from a stimulus (e.g. an advertisement). There are two main approaches as to how learning takes place, the Cognitive and the Behaviouristic approach. Most of the models (Howard & Sheth (1969), Engel et al (1990), Nicosia (1968), Bettman (1979)) on consumer behaviour use the Cognitive approach where the information process passes through a number of stages such as Exposure and Attention to stimuli, Comprehension i.e. attachment of meaning to stimuli, Acceptance i.e. agreeing with the message and Retention i.e. transfer to short or long-term memory (these are the stages for Engel et al model; The other models vary slightly in their stages but are all based on the same principles). Thus learning

occurs through the stages whereas the cognitive approach is based on a stimulus - response -reinforcement scenario. Although the cognitive approach is more widely accepted for the modelling of consumer behaviour, many elements of the behaviouristic approach are used to explain phenomena or to plan actions. One example is the giving away of free samples where the aim is to encourage reinforcement through the consumption of the product after advertising campaigns (stimulus).

One other aspect of the use of learning process in marketing is the exploitation by marketers of the 'generalisation' principle. This is when the consumer, familiar with a brand, (i.e. has learned to recognise and feel positively in the presence of the name or logo) is then exposed to new products under the same logo (Umbrella branding) or the same brand in different product categories (Brand extension).

The learning process and the perceptions that consumers hold will result in the consumer forming attitudes about the various brands as discussed in section 2.21331. These attitudes which can be based on actual experience or through information acquisition, can be changed by either informing the consumer about new attributes for the evaluation (e.g. introduction of trackballs on portable computers instead of mouse) or trying to change the importance of the various attributes that the evaluation will be based on.

2.3 DISCUSSION - COMMENTS

The review presented in this chapter had a particular aim and that was not to exhaustively outline the research in the field of consumer behaviour. It was rather hoped to research the subject broadly enough to be able to base the theory about brands in chapter three and subsequently the reasons for this research study. A good understanding of how the consumer behaves and why, is essential in any study about brands. During the reading of the chapter a reader may have found himself/herself puzzled as to the completeness of the theory as well as to the representational aspect to reality. This section discusses some of the issues that may have been raised and

pinpoints some areas where clarification may still be needed by the researchers in the field.

The classification of consumer involvement in the purchase as high/low, resulting in EPS, LPS and habitual products or buying behaviour, has long been disputed by academics in the field. This low/high scale has been seen as much as a simple observation that in reality didn't exist. One of the leading academics in this area, Jean-Noel Kapferer, states on this issue (Kapferer et al 1985): "involvement theory has been largely oversimplified", and that empirical analysis shows that the high/low dichotomy represent only 25% of the purchase situations. In his study he shows a total of ten involvement classifications that consumers fall into. Kapferer uses the five antecedents of involvement (discussed in his literature review) namely: interest, perceived risk (which includes importance and probability), rewarding nature of product and the perceived ability of brand choice to express one's status, personality or identity. These are seen as facets through which consumers show their involvement in a number of product categories, and therefore in each category of involvement a different combination of facets' responses is seen. However the dichotomous classification was used in an attempt to focus on the roots of the theory used by the major textbooks.

The limitations discussed in the research for hedonic perspective, symbolic interaction and self concept has not really allowed the findings to drastically alter the core models of consumer behaviour. What it has done though was to open new 'vistas' and add elements to the study of consumer behaviour that complement the theory as well as question parts of it.

The types of behaviour themselves can be argued not to be as discreet and separate as they are presented. It is not unusual to find an EPS purchase being made on impulse, perhaps because of situational or other environmental influences, nor is it rare to observe a habitual purchase being deliberated as if it was an EPS situation.

The various stages of consumer behaviour towards problem solving are seen in the various models and theories as separate and autonomous stages and this can raise a few arguments. The information gathering stage can be related to the evaluation stage in the sense that the type of information will affect (and its gathering is affected by) the type of evaluation to follow. The evaluation may not only be product specific but people specific as well and the evaluation can awake new needs or wants in the consumer. Abelson et al (1985) refers to cycles being completed as the consumer moves from one stage to another.

In terms of influences on the consumer, there has been a great deal of controversy as to their measurement and even their effects on behaviour. Plummer (1984) for example comments on Personality and Lifestyle research: "no research can ever observe a person in all relevant situations", and he questions the stability of personality traits over time. In addition he points out that (pragmatic) scales are biased by the researcher and (theoretically/academically based scales) suffer because they are made under laboratory conditions.

The effect of the environmental influences can also be discussed given the recent debates about the globalisation of the markets in the world (see Andreou (1993) for a review) and the success of global brands may be defeating the notion of the cultural/social influence for certain products. It could be however, that these effects are limited for certain converging cultures or that the patterns of behaviour may look the same but the underlying motivations are different.

Even with the plethora of models of consumer behaviour, none has been proven to be adequately 'operational', i.e. to sustain quantitative pressure and to be able to specify the interrelationships of the various variables (see Lilien et al (1983), Chisnall (1985), Ehrenberg (1988)). Thus they can be seen more as conceptual frameworks rather than operational models of behaviour.

The general problem is that consumers are simply humans with purchasing power and thus they share all the complexities of human behaviour. There are so many variables affecting this behaviour and in a certain way behaviour is dynamically affecting these

variables. Therefore it is not surprising there is no agreed theory or model of consumer behaviour scientifically accurate in its totality.

CHAPTER THREE - BRANDING RESEARCH

" Brands give people a social structure ... One does not salivate over a Boeing chocolate nor takes off hapily on a Cadbury airplane! "

Lewis 1991

3.1 INTRODUCTION

In the previous chapter, the consuming process was seen mainly from an academic and research point of view where the consumer uses the product to solve a particular problem either of hedonic, symbolic or cognitive nature. In that analysis the solution to the consumer's problem i.e. the product, was seen merely in the context of the solution and therefore there was no mention of the difference between products and brands and the specific interaction of consumers with brands.

In this chapter the aim would be to build on from the previous chapter. This means to use the information and knowledge regarding the consumer decision making process and to examine the way brands work. Since brands are the profit centres of the companies as well, it would be vital to also examine the benefits granted by brands give to their owners and the different forms these brands may take, depending on the strategy of the brand owner or marketer. The consumer must therefore be studied in the context of branding because in real life the consumer uses a variety of brands rather than products to solve problems in particular ways.

This notion has been understood by the vast majority of manufacturing and services companies from an early time. However in the academic field, the branding 'science' took a much longer time to develop both in terms of gaining 'experts' in the field and in terms of specific books and publications. In 1993 the first journal of brand management has been launched and most of the books on branding and specific articles can be found post 1990's.

3.2 BRANDS

3.21 DEFINITIONS

There are a number of definitions in the literature for brands but most of them are very similar and the majority of the writers (Chernatony & McDonald 1992, Doyle 1989, Crimmings 1992, Aaker 1991, Arnold 1992) tend to quote the one by Kotler (1991):

"Brand is a name, term, sign, symbol or design or a combination of them which is intended to identify the goods or services of one seller or group of sellers and differentiate them from those of the competition."

This widely used definition focuses on the brand as a tool which can be used to make consumers aware of the offering or the product. There are therefore two parties involved in branding, the seller and the buyer and each use the brand for their own purposes. A number of other definitions however touch upon additional consumer aspects of the brand like the one by Keeble :

"(Brand) is a mixture of emotional, rational and physical reactions to the product, its packaging, its price and so on ." Keeble (1991)

A distinction can also be made between the brand and the product in the following definitions:

"A brand is not a product; it is the product's source, its meaning and its direction and it defines its identity in time and space" Kapferer (1992)

"A product is anything that meets the needs of the consumers whereas the brand is a name, symbol ..... " Doyle (1989)

"A product is something made in the factory; a brand is what is bought by the consumers; A product is an object or service that's available; a brand is a complex set of satisfactions delivered." Bullmore (1984)

"A brand is a cluster of value satisfactions differentiating the total offering from the competition" Levitt (1983)

"An identifiable product, service, person or place augmented in such a way that the user perceives relevant unique added values which match their needs more closely." De Chernatony & McDonald (1992)

Interbrand, a leading Consultancy in the Branding valuations define the brand as "much more than the product itself ... much more than merely a label. To the consumer it represents a whole host of attributes and a credible guarantee of quality and origin. To the brand owner it is, in effect, an annuity, a guarantee of future cash flow." Interbrand (1990).

Before analysing though the elements of the various definitions one should look briefly in the evolution of the brands to date in order to trace the importance of the various stakeholders in the history and the changes in the branding business.

Interbrand (1990) state that the word 'brand' originates from an old Norse word "Brandr" meaning 'to burn'. This was so because the owners of livestock used to mark their animals with their initials using a burning stick. Therefore one of the first uses of branding was simply to illustrate ownership.

Room (1992) proposes though that branding originated from much earlier times, maybe the Greek and Roman times or before, when sellers used oral or written (inscribed) methods in order to make the public aware of their products or services and gain an 'image' for their work. Thus pictures were also used showing an action (e.g. a carpenter) or a product (e.g. a row of hams) which also served for the illiterates of the time (who could identify a product through visual identity rather than a written description). Murphy (1992) adds that pride has played a part in this attempts to signalise and in a way differentiate the products or services.

De Chernatony & McDonald (1992) refer to these earlier branding actions as a means of 'shorthand devise' that later lead to 'a guarantee of source' and to a legal protection as in the case of the livestock owners. They quote in this respect the definition of the Oxford English Dictionary on brands: " to mark indelibly as proof of ownership, sign of quality or for any other purposes."

Therefore the development of brands as to how they are known now and as to how the definitions mentioned above define them, has been through a mixture of legal necessities, ownership factors and promotional activities. Nowadays the legal system has recognised the value of brands as intellectual property (patents, trademarks, designs and copyrights) which is internationally protected and

safeguarded. Brands have also started to be thought in non tangible attributes as well, differentiating the brands on the basis of consumer perception of either these distinct attributes or the gestalt image of the brand. With this development a number of services have began to work with brands (although there is still the argument that some like financial services are still at an infancy - See Murphy 1992) and in addition greater weight is given to the Corporate brand, that is the treatment of the companies total image and outlook as a brand as well. This, as King (1991) states will be the key for success in the nineties and the increasing number of 'Corporate identity consultants' seem to prove the growing need in that area.

A brand is therefore an amalgamation of all the points in its evolution since it is a sign of ownership (signalling), it is a method of protecting a product/service or idea (the idea of registered brands), a method of differentiating the offering (positioning-see later sections), a sign of authenticity (Feldwick -1991 states that a fake Rolex can fool everyone else apart from the bearer and this is important in the purchase), a promise of performance (for the consumer) and a shorthand devise. The latter refers to the fact that brand names and logos are especially designed to be simple to pronounce and asked for and identified. For example a Macintosh Classic computer is much easier to remember than a X -T123 5RTY model by International Machines of Croydon.

A brand also differs substantially from a product with a name. This is because through its abilities of signalling the various qualities and characteristics, the brand becomes more than the sum of its parts. This is where the idea of the gestalt' comes in (Kapferer 1993, Murphy 1992.) This is the notion that a brand needs to be looked upon as a totality rather than be broken down in parts because the totality may be more than the addition of the various characteristics or attributes even when things like the total image are added on. This is because one important element of the brand is the combination of the various attributes and the 'fit' of the particular image and personality or identity with the type of combinations. This is why some of the definitions have extended further than the one of Kotler to include elements of 'intangible values', 'unique added values', 'emotional reactions' and so on.

Lastly one should point to the fact that the customer must be included and involved in any definition of brands because inevitably a brand, amongst other things, is a perception of the consumer. The way a person perceives that brand will give the

brand the total value (for that person), the success of the differentiation, the degree of the guarantee, the level of the security for the performance and so on. Again this is reflected in definitions where it is mentioned that a brand is what is 'bought' by the consumer differentiating it from the 'product' which is what is made in the factory.

3.22 DIFFERENT TYPES (A TYPOLOGY)

There are a number of ways of looking at brands and categorising them, in the literature. This can be done by their appeal to the consumer (de Chernatony & McWilliams 1990, Lannon & Cooper 1983), the reason to buy (Solomon 1983, Park et al 1986), their complexity (Langmaid & Gordon 1988, Levitt 1983), their function to the manufacturer/consumer (de Chernatony & McDonald 1992), the branding strategy applied to them (Kotler 1991, Kapferer 1992, Fuller 1993), by the point in history (Heines 1992) and the level of interaction in the buying process (de Chernatony & McDonald 1992).

The de Chernatony & McDonald model of grouping brands depending on whether their appeal to the consumer is representational or functional (or rather into groups where each appeal is more dominant than the other - Lannon & Cooper 1983 talk about such a segmentation but no particular model was devised) has gained credibility in the marketing consultancy world (Hawksmere 1993 Brand Conference). This is mainly because it allows the owner to adopt particular strategies depending on the group the brand belongs to. Their model can be represented by the following table and definitions:

Table 3.1 De Chernatony & McWilliams model of grouping brands.

Strength of Functional/ Representational qualities	WEAK (Representational qualities)	STRONG (Representational qualities)
STRONG (Functional qualities)	***FUNCTIONAL BRANDS***	***THE ULTIMATELY COMPETITIVE BRANDS***
WEAK (Functional qualities)	***COMMODITIES***	***REPRESENTATIO-NAL BRANDS***

Representational Brands: those that have "a set of consistent beliefs and meanings held by their purchases and users which are associated with the product or service, but which exist over and above its physical functioning. ...best suited to the expression of their (the consumer's) particular personalities, roles, set of needs and emotions in a given situation".

Functional Brands: "Names developed by marketers both to distinguish between competing offerings and to facilitate ... decision making through rapid recall of consumer-relevant performance benefits. their values are less to do with the purchaser's and/or user's personality and more to do with the product's functional capabilities and physical attributes".

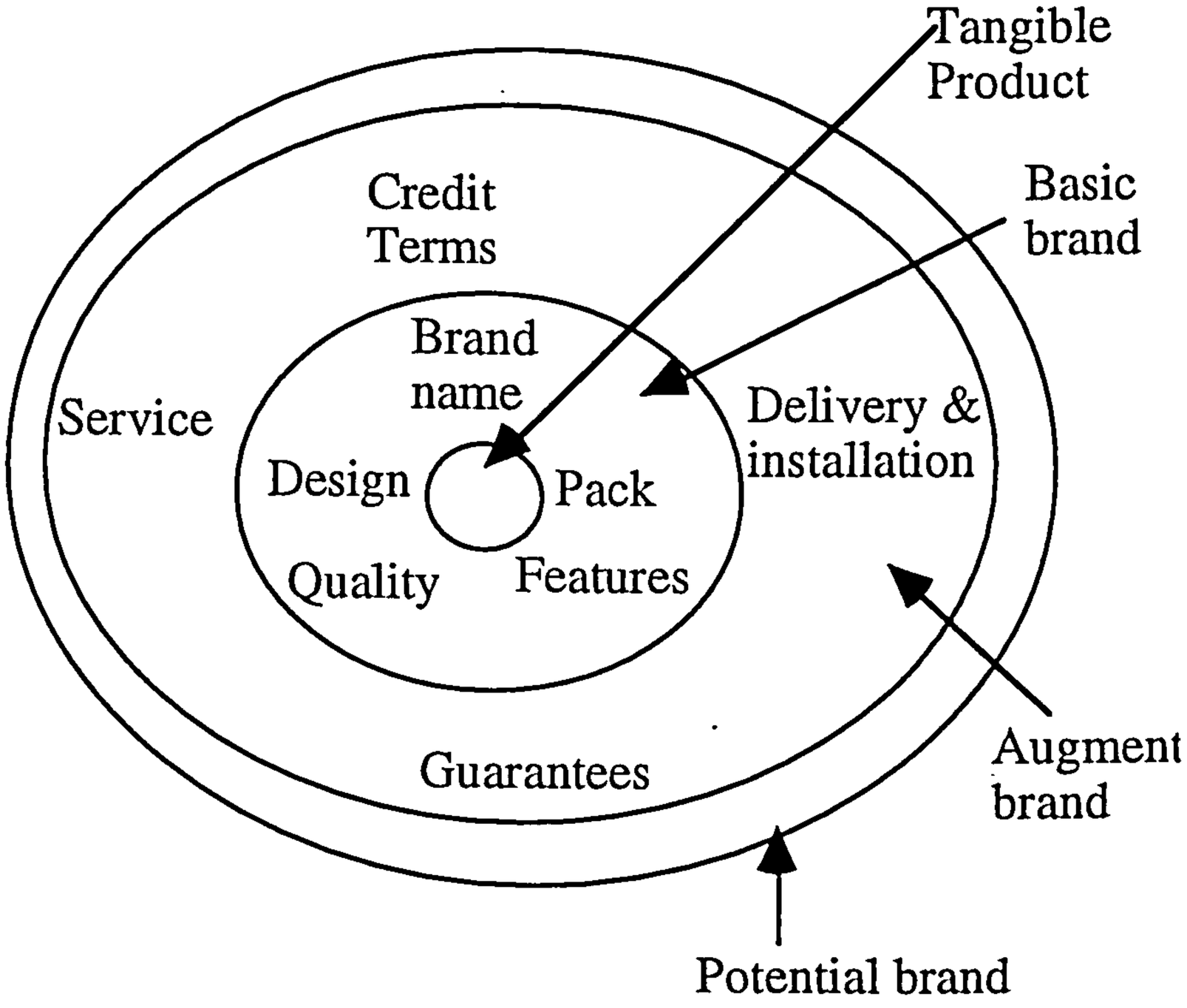
Once they defined the four (in effect) cells in the matrix, De Chernatony and McWilliams used a questionnaire administered to a sample of consumers and actually mapped a number of actual brands on a two axis representation. They then proceeded to devise strategies for brands, based on their cells characteristics. Thus, for example, Tipp-Ex fell into the functional brands where as is stated 'me-tooism' is the potential threat, and therefore high quality and continuous product development is needed with a promotional support focused on the functional benefits bringing out the product as a 'hero.'

The brands can also be seen in this light as 'Cost driven' or 'Value added' brands (or both in the case of the Ultimate Competitive brands) in which case the strategy or the potential problems are more clearly visible.

Solomon's (1983), Lannon & Cooper (1983) and Park et al (1986) segmentation of brands is very similar to the one above and also tends to be more towards the way consumers decision making process. The former states that brands should be grouped according to whether they provide a stimuli or a performance and the latter, grouped brands as to whether their appeal is symbolic, functional, experimental (hedonic) or a mixture of these. Park et al devised a Brand Concept Management (BCM) tool where by looking at these groups of brands independently and the stage of the product/brand in the market (similar to the lifecycle stage), they could pick up the most appropriate strategy. For example at the elaboration stage (after the introduction to the market) the brand will need reinforcement and this reinforcement will differ according to whether the product is sold for its symbolic or experiential appeal.

Langmaid & Gordon (1988) typology is more towards the simplicity and complexity of the brands' appeal. Some brands are seen as been simply a single association while others are more depended to structural (complex) associations. Levitt (1983) however showed a brand continuum starting with the tangible product (the commodity) to the basic brand (product plus the name, symbol, quality, features and the positioning) to the Augmented Brand (offering even more things to the consumer - adds on like service, delivery, credit terms) and finally the Potential Brand (consisting of anything that could be done to build customer preference and loyalty). This is seen in the next page in diagram 3.1 adapted from Levitt (1983).

Diagram 3.1 Forms of Brands from Levitt(1983)



The various parts discussed in the definition of the brand can also serve as a typology since some brands will be more towards one of the function than another. De Chernatony & McDonald (1992) give such a typology grouping brands as those who are used (or who have) for one or a combination or mixture of these:

- as sign of ownership, as differentiating devise, as a functional devise, a legal devise, as a shorthand devise (conveying information through the brand e.g. the Guardian Royal Exchange Choices Pension Plan), as a symbolic devise (communicating something about the owner), as a risk reducer (for the consumer providing the promise and security of a standard of performance) and as a strategic devise (as an asset or a profit centre) .

Another usual way to look at brands is to look at the branding strategy behind them in the sense of the manufacturer's strategy. Kotler (1991) and Kapferer (1992) refer to brands as:

Single product brands - like Kit Kat, Lexus, Rolex

Line Brands - where within the brand is a line of products like BMW 316, BMW 318 ...

Range brands - where the brand is a range of different related products like the 'Stefanel' skirts, shirts, jumpers ...

Umbrella Brand - where the company's name is a main part of the brand like the 'Cadbury Flake', 'Cadbury Dairy milk' and so on.

Source brand - where the brand has a distinct name but the source is known because it is part of the brand, like the fragrances series e.g. Escape by Calvin Klein, Obsession by Calvin Klein and Eternity by Calvin Klein.

Endorsement Brand - where the brand is the specific product but the name is endorsed with the name of the company. This is similar to the Umbrella brand but here the individual brand is very important and the endorsement serves more like a reference of source like the 'Ford Escort', the 'Ford Fiesta', the 'Ford Scorpio'. De Chernatony & McDonald split up the Endorsement category in 'weak' company endorsement and 'strong' company endorsement which is more like the Umbrella branding mentioned before.

Corporate Brand - where the brand is the company behind the product like Benetton.

These strategies of branding are important because they determine the strengths and weaknesses of the brands as well as the opportunities and threats that may exist at a given moment. The company is also at risk since in some of these strategies the name or the image of the company is strongly associated with the brand's. Fuller (1993) also gives an analysis of the different structures that a company can have for its brands referring to them as Branded (singles), Monolithic (Corporate brand) and Endorsed. She states that the choice would depend on both the objectives of the organisation and the environment where the brands will operate. (This is seen in much more detail in Olins 1986).

Heines (1992) talks about an evolution of the modern brands from the 'confident brand' in the 60's, 70's, the 'Embarrassed brand' in the 80's, and earlier 90's and the 'Flexible brand' in nowadays. This is because in the 60's the brands were very strong and usually were single brands that the consumers showed loyalty to while in the 80's it was the era of the endorsement, the insecurity (beginning of own label strength) and the weakening of the brands due to this less clear direction as to the strategy. The 'Flexible brand' is the one where both the manufacturer and the brand are promoting themselves so that in the case of endorsement it is an equal

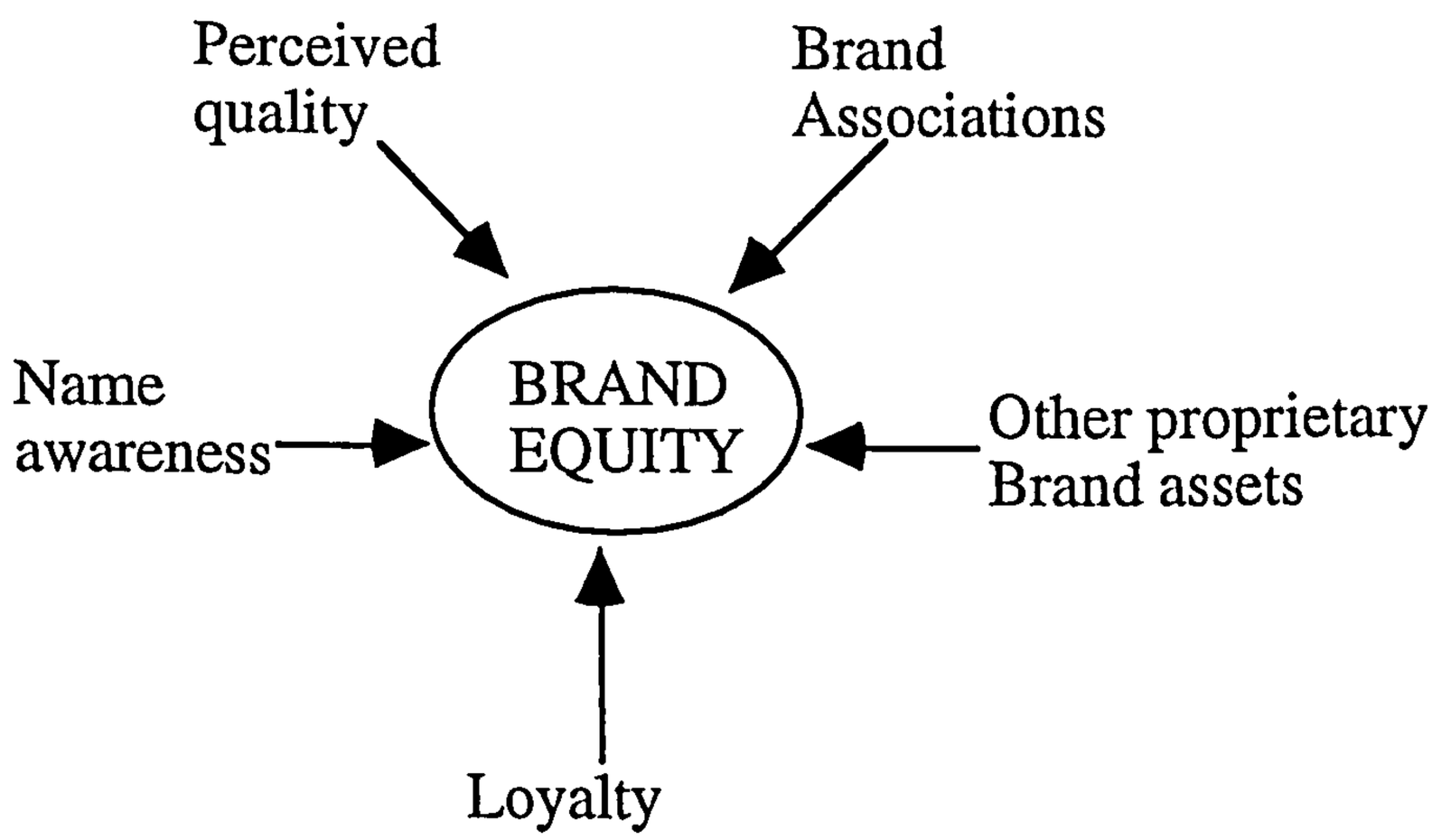
partnership and loyalty is a result of both the individual and the company brand. The 'Flexible brand' is also more ready and confident about its extensions.

The study of signs (semiotics) according to de Chernatony and McDonald (1992) can be useful in this typology and the brands can be seen as acting at four distinct levels: the utilitarian sign (functional elements preference), the commercial signs (value), the socio-cultural signs (association with particular groups) and the mythical signs (where the brand has a strong symbolic image).

3.23 BRAND EQUITY

Aaker (1991) uses the term 'brand equity' to describe the characteristics of a brand or rather the elements that surround a brand and give rise or result from its success. In diagram 3.2 the various elements are shown:

Diagram 3.2 The elements of Brand Equity (adapted from Aaker 1991)



The brand equity can then be seen to providing value to both the customers and the firm (owner) in the following ways: To the customer by helping in the processing and interpreting of the information about products/brands, by providing confidence in the purchase decision and by enhancing the use satisfaction (section 3.3). To the manufacturer by enhancing the efficiency and effectiveness of

marketing programs, by repeat sales through customer loyalty, by ability to charge higher prices and therefore receive higher margins, by the ability to create successful brand extensions, by the possibility of providing trade leverage and a competitive advantage (section 3.6).

Landor's research (Ryan 1988) showed that brand recognition is positively affecting esteem (how favourable the opinion consumers can have for brands and the company) and thus it could play a big part in sales. However one should note that this awareness must be persuasive because otherwise consumers can remember the brand but still buy something else they are used to.

The perceived quality aspect is also very important for the brand's equity. In his book, Aaker uses a number of case studies like the Schlitz brand case study where although the product was reformulated and the quality was upgraded and money was spent to communicate this to the consumers, due to the perception of the consumers of the low quality of the brand the sales never picked up. The perceived quality is an anchor for the consumer and it can give the brand a position, a price premium and provide a reason to purchase for the consumer. The PIMS findings (Buzzell & Gale 1987) showed that perceived quality is linked to Return of Investment (ROI) and therefore profitability. A number of other researchers linked perceived quality with market share, higher price and profitability (Jacobson & Aaker 1987, Arnold 1992, Garvin 1984).

Feldwick (1991) also talked about brands being about authenticity, replicability, reassurance and transformation of experience and he stressed the social power of the brands that is their role in "overt communal rituals" such as consumption of alcohol.

One interesting debate concerning the equity of the brand is whether the brands do have lifecycles like the products. Van Rossum (1984) in an interesting article claimed that brands may die of "neglect but never of old age." He stated that all brands may have ups and downs but brands like Coca Cola, Kellogg and so on will never be in a predictable position as to when they will die. The conclusion is "the life cycle theory is nothing more than just another piece of hindsight ... making historical observations and then dressing them up as a predictive technique."

A number of other researcher share this same view. Kapferer (1992) states "products are mortal, brands can escape the effects of time." The majority of the researchers though seem to agree on the notion that care is needed so that brands do not get into a lifecycle, that is with a continuous innovation and management of time in terms of change together with the environment, the lifecycle could be something only attributed to products (de Chernatony & McDonald 1992, Winram 1992, Arnold 1992). Arnold (1992) states "the concept has some flaws as far as brands are concerned .. but is useful to understand about nature of target (need for target position) and nature of differentiation (need for a positioning on a specific dimension)" . Thus basically he is saying that a brand if maintained as a brand (see definitions) then the lifecycle concept should not be relevant.

Even the critics of the above (Middleton 1984) do not state that brands need to have a lifecycle. Rather what they do point out is that if no corrective action is taken at intervals of the brands life, then the brand will follow the products lifecycle to maturity and decline.

The internationality of the brand is also seen as an important trend in equity, since it shows the ability of the brand to expand to other markets and exploit both the product lifecycle (i.e. when the home market is saturated then moving to other markets where demand is increasing) and the economies of scale and experience curve effects (i.e. the bigger the market, the more efficient the brand's marketing and production spent will be). In addition there is the notion that as the barriers of entry into the international market fall, all brands will be facing international competition and thus it is unsafe to be concentrated on a regional or national market. The global brands will be better recognised and will carry with them additional values to the consumer due to their internationality.

In addition the equity of the brand to the owner includes the ability to extend the brand further (see section 3.5), the ability to be recognised instantly and be considered at the time of purchase (see next section), the ability to differentiate and create a Loyal clientele (section 3.3 and 3.4) and the ability to offer financial and strategic advantages (see section 3.6).

3.24 THE NAME OF A BRAND

"What's in a name? That which we call a rose by any other name would smell as sweet." W. Shakespeare

"Shakespeare was wrong. A rose by any other name would not smell as sweet ... which is why the single most important decision in the marketing of perfumes is the name." Al Ries & J. Trout (1985).

Aaker (1991) states that the name is an important part of the brand because it signals a distinctive identity and generates associations to the brand. A good example is the 'Apple' computers. The founders wanted to give the computer a name that would be unique, easy to remember and also generate a feeling of easiness since that was the competitive advantage of the product. In a research done (Thomas 1993) the importance of the name (awareness) was clearly shown as 66% of the sample thought it was the most important aspect when purchasing a product or a service.

There can be a number of objectives a name choice should achieve (Aaker 1991):

- easy to learn (could be because it is interesting, emotions related, mental picture, meaningful). Kotler (1991) adds that it should be easy to pronounce and remember.

- Suggest a product class (however this might prove a hassle if brand extension is later desired). However research has shown (Collins 1992) that when a name symbolically 'fits' the object that it designates, "it seems to have the capacity to represent that object more vividly, more satisfactorily more satisfyingly ..."

- support a symbol and/or a slogan. In an article in Brand Strategy (1992) the problem of using a slogan for a name is discussed, like the brand "Gee, your hair smells terrific!." The problem is that if it doesn't deliver, it stands less chances of success than a normal brand due to the non distinctiveness or non easily manageable name.

- provoke desired brand association (e.g. Ultrabrite toothpaste), or suggest product qualities such as an action or colour (Kotler 1991). Also Murphy (1992b) states that the name can communicate messages subconsciously to the consumer.

- indicate distinctiveness. Ries & Trout (1986) state that a name must begin the positioning process.

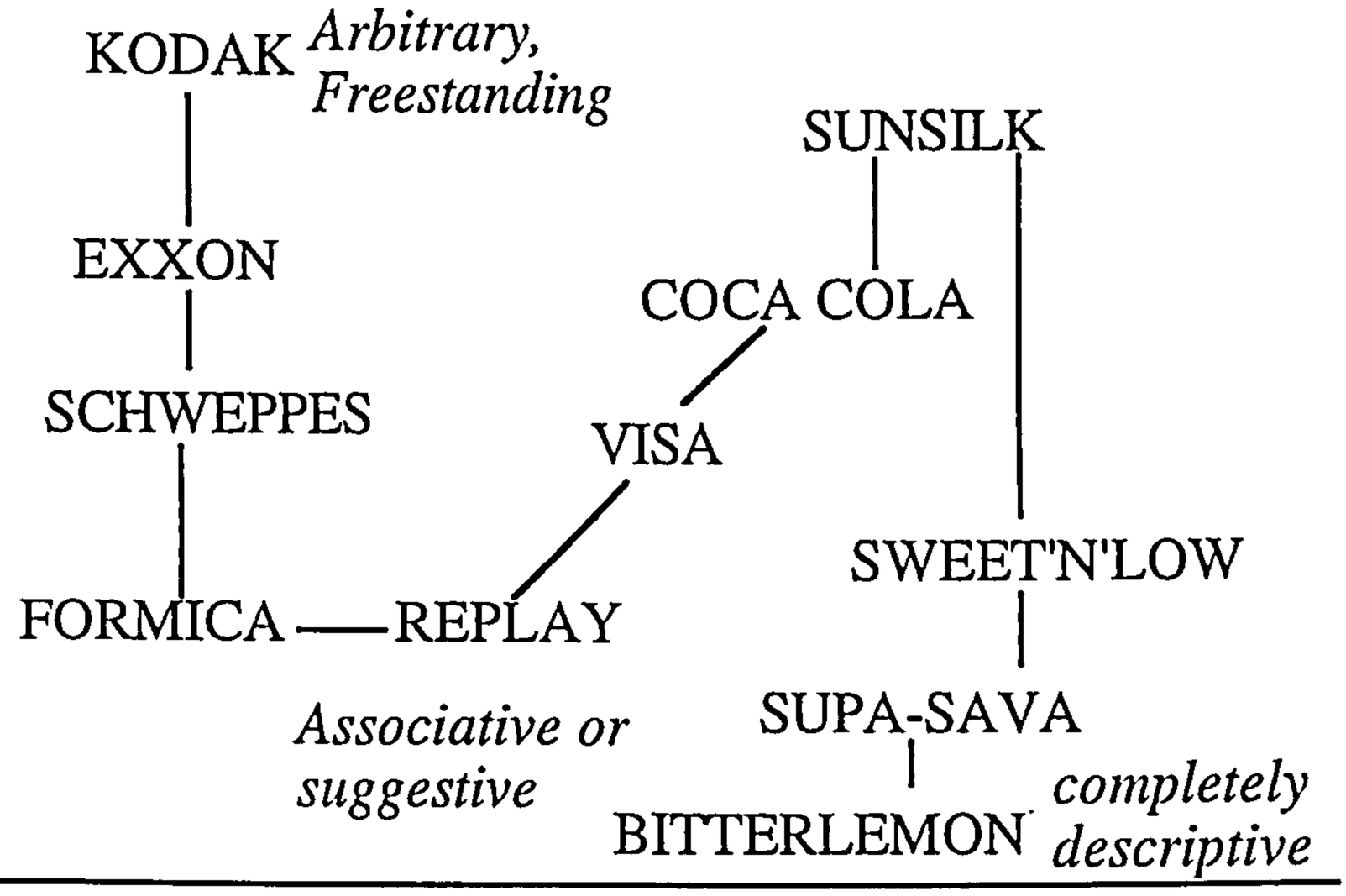
- must be strong legally. As Murphy (1992b) states the name can "function as a particular piece of legal property .. which through law is protected from competitive attack or trespass ... through time ... a name can become a valuable asset."

Kapferer (1992) adds that if the brand and the company share the same name then there is a transfer of identity through the culture element. Afterwards through the name again it is possible that the transfer is reversed (when the brand outgrows the company in importance). He then states that the choice of a name depends upon the brand's "intended destiny." This is because with a descriptive name the company is missing the opportunity to exploit the multimedia communication because the qualities of the brand will be known anyway and thus the name is wasted in repeating these (where it could be used to say something about the spirit or the identity).

If the name is localised then with time the brand may find itself restricted by its name as its market widens up. Ries and Trout (1986) give the example of the Eastern Airlines in the USA where although they are amongst the biggest carriers, nobody thinks of them as such and they have problems of awareness because of their 'localised' name. Morwind (1992) show that with the concept of internationalisation a company can have three choices with the name: Firstly it can attempt to use a descriptive or semidescriptive name for a target segment in all countries (if possible). A second option would be to use a non descriptive but a name that can be associated with the appeal function or type of product and thirdly it can choose a neutral, non specific name and give it a meaning through the communication in each market.

Murphy (1992b) refers to a 'brand name spectrum' which gives in a way the different types of names discussed above in a continuum line according to whether they are arbitrary found, associative or completely descriptive. Diagram 3.3 gives his spectrum with his examples.

Diagram 3.3 Brand name spectrum (from Murphy 1992b)



In developing a name strategy one should therefore study a number of relevant components like information about the product, market information (including competition, trends and so on), trademark information (corporate requirement and policies and legal requirements) and a clear statement of brand objectives (Murphy 1992b). Kapferer (1992) adds to the list of needed information the vision of the company or the brand, the territories or product categories and the imaginary or target client profiles.

However one should note that the name is only one of the brand signs. Others are the character and symbols, the trademark and logos, the main core product, the geographical and historical roots and the advertising (Kapferer 1992). In the Lacoste case the main core product is the Lacoste T shirt and this is a pivotal sign for the rest of the range. In the case of the Swissair or Coca Cola the origins are important in terms of the country and the time or the period they came about. As for the symbol, Ries & Trout (1986) state that in a survey done in supermarkets at the time, only 46% knew who George Bush was (at the time vice president of USA) but more than 95% knew Mr. Clean, the symbol for a P&G household cleaning product. The type of advertising could be a sign for the brand, especially if a particular photographer with a particular style is employed to give the brand an identity, as in the case of Nina Ricci perfumes (Kapferer 1992).

3.3 BRANDING AND THE CONSUMER

3.31 CONSUMERS AND BRANDS - THE BUYING ACT

In the previous chapter, the consumer buying process has been analysed and it was seen that consumers tend to buy and consume products for both hedonic and cognitive reasons, when a need is present. However this was examined mainly in the light of products and although in many cases this could easily be the same for brands, there could be a number of reasons consumers ask for specific brands (rather than the generic product). In addition the repeat buying process or loyalty for a brand may depend on factors other than the rational factors one could have assumed.

Pitch (1985) states that consumers do not have the time to weigh all the brands available (in order to perform a rational cognitive decision making) so they have to resort to short lists. The majority of the brands would therefore be ignored in a choice. At the same time the consumer would wish to avoid a number of risks that are present with every purchase. These could be Performance risks (i.e. the product bought does not perform to expectations or necessities), Social risks (the product bought fails in terms of the social needs of the consumer) and Self image risk (the product does not enhance or even damages the self image of the user/consumer). De Chernatony & McDonald (1992) also give a list of main risks that correspond to the ones by Pitch with the addition of financial risk and time risk. A brand is therefore employed to remove the consumer from these risks by offering trust and security and a standard performance that the consumer will always get with the same brand everywhere in the world. In the augmented brand (Levitt 1983) money back guarantee schemes could be offered to remove financial risks and performance risks. In that respect then, a consumer would tend to form an opinion or conviction for a brand(s) in each category to assist him/her in the next choice.

Jones (1986) identified a number of different ways by which a brand can offer added value to the consumer:

- Added value from experience i.e. the user reduces risk from using the brand over and over again.

- Added value from reference group effects i.e. since the brand carries with it a symbolic value or image (see next section) then the consumer can choose the symbolism he/she is looking for. This is only possible if the brand has a constant image and the consumer is aware of it.

- Added value from the belief that brand is effective i.e. the well discussed 'placebo' effect meaning that because of the image of the brand, the consumer is also buying his/her perception of the performance and this actually helps to either increase the performance per se or helps in the positive perception of the performance. This placebo effect is very important in medicine where the use of a curing drug by a patient could be as effective when the drug is saline as when the drug is an actual chemical. This is so because the patient in receiving the drug believes so strongly he/she will get better that he/she actually cures him/herself. Branthwaite & Cooper (1981) have also demonstrated this, in terms of branded analgesics.

- Added value from the brand's appearance i.e. the consumer will start forming impressions of the brands effectiveness and performance from the time they come into visual contact with it, even before they try it. Research by Ehrenberg (1972) showed that a brands success can be related to its initial appeal to the consumer and therefore to its penetration in the market. His research, although only on fmcg, also showed that loyalty is dependent on this market penetration . This may have been because the consumer is on the simplifying mood especially for lower involvement products, that would stick with a brand that he/she is aware, rather than search for information, necessary to switch to another brand, if there is no problem with the present one.

De Chernatony & McDonald (1992) also state that their research has shown that information search in the presence of brands is limited. Only 2% of available information was used for the choice of breakfast cereals by consumers and even when information is provided to the consumer and used, in the case of a repeat purchase, this information does not make the decision making more effective but rather makes the consumer more confident about the choice (cognitive dissonance).

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The consumer is constantly bombarded with information and this makes it impossible for the human mind to cope. In the 1950's there were 17 brands of cigarettes to choose from but in the 1990's there are about 175 brands which all try to transmit information to the consumer (Ries & Trout 1986). It is therefore the case that the consumer is forced to use selective perception, selective exposure to

information and selective attention. The consumers will organise the information in the brain in categories and place brands in these categories according to their perception of the brand characteristics and the category. In this way the brands achieve meanings depending in the category (e.g. Porsche is in the category of sports two seater cars for a consumer).

In each category the consumer would hold a small number of brands, usually the ones that are more prototypical of that category (Nedungadi & Hutchinson 1985). In their research Nedungadi & Hutchinson also found that the more prototypical the brand, the more favourable the evaluation. Lea et al (1987) state characteristically that "consumers use brands to organise complex information that constitutes a product field".

De Chernatony & McDonald add that by grouping brands into categories the consumers attach certain characteristics in these categories and this may influence their choice of brands later on. For example if the BMW 325i is seen as a sports car and the sports car category is perceived as consisting of cars that are fast, exciting but dangerous or unsafe, then in an evaluation for a car purchase the BMW 325i may not be selected because of the safety factor even though the particular car maybe a very safe car. Clark & Fujimoto (1990) have discussed in their article that product integrity is essential for success of a product in the sense that there must be a consistency between the product's performance and the customer's expectation of the brand (given the perception of the brand in the consumers mind). They showed that the problem with Mazda was that it had an image of a safe family car (category in the mind) and so when the manufacturers added features, at the time in demand in the market, like more power, 4 wheel drive and so on the consumers were confused and the integrity of the product was lost.

From the selective attention, the consumer will move on to comprehending the brands and forming attitudes and retaining information. Once more the comprehension will be 'selective' and consumers would choose to interpret brands using cues from other brands and the categories in their minds. This differential interpretation can be seen easily in the world of politics where the people hear the same speech by a politician but the messages and the interpretation will vary according to the political party the particular person belongs to.

Doyle (1989) refers to this idea of attitude formation as one of the reasons for the success of brands. This attitude formation is very useful for creating loyal customers who would strongly prefer one brand to another because of its superior performance or its fit with their 'needs.' The other reasons, he states, brands are successful are because they encourage consumers to form habits in an attempt to simplify the buying process and also they offer aspirational elements, motivating consumers to want them and need them. Kapferer (1992) states that "brands help people choose" because they associate with particular attributes or attitudes that consumers may like their choice to have. He also adds that on the international scene the availability of brands help the traveller in terms of risk reducing by the recognition of the brands (and therefore by the provision of the regular cues as to their performance that the consumer has stored from previous purchases or information in his/her home country) in a foreign country.

Sentis & Marcus (1986) researched the use of schemas by consumers in order to understand brands. Schemas are 'central cognitive units in the human information system' that hold information on attributes of the brand and feelings and emotions when using the brand. They refer to schemas as roadmaps to peoples personalities. Therefore people with different schemas will tend to be selective for different things in terms of what they hear or see. Therefore if one is schematic about obesity, he or she will notice something to do with the subject more than an aschematic in this subject, and will also perceive a particular situation differently. Thus consumers use their schemas as a basis of selectivity in information processing.

Arnold (1992) refers to four basic truths about the relation of consumers and brands:

- Customers do not understand products as well as the company does. Barwise & Ehrenberg (1985) showed that, whether people say that a brand has a particular attribute depends on whether they use the brand. Also the popularity of the brand seems to be related with the rating of the brand on all attributes. This means that the less popular brands also get a worse rating on any attribute, an idea known as 'Double Jeopardy' (McPhee 1963). This maybe related with the findings of Raj (1985) that the more popular brands (bigger market share) also tend to have a higher proportion of loyal users. However different types of product groups have different proportion of loyalty and this may depend on the number of brands in the category i.e. the number of choices available to the consumer.

- Consumers therefore perceive a product in their own terms in the sense of deciding which are the salient attributes and which of these, the brand has. Moog (1990) discusses the idea that many times consumers compromise "their perceptions" as in the case when the children want chocolates, and the mother, on one side wanting to satisfy them and on the other worried about their health, buys them chocolates that are advertised as being also nutritional because the brand is not classified in her perception as a 'candy' but rather as something a 'good mother' can buy.

- Consumers focus on the benefits which most of the time can be intangible (image, hedonic, symbolic).

- Consumers do not always perceive at the conscious level. Many times their preference or attitude formation maybe at the subconscious level.

These truths can be seen in the light of the various researches using blind tests. One of the first ones (Allison & Uhl 1964) showed that consumers were unable to distinguish between different types of beers when the label was removed and had very different preferences when the label ones were used. They also were able to describe the different characteristics of the different brands of beers when the labels were visible. The Pepsi Challenge test and subsequent advertisement campaign was an attempt to show to the Coca Cola drinkers this view that what they bought was the label because in a blind test not only could they not tell the difference but most of them preferred Pepsi to Coke.

3.32 THE SOCIAL SIDE OF BRANDING

The distinction discussed earlier on, of representational and functional brands can again give some insights as to how consumers view and treat brands. Some brands will be bought for what they do more in terms of the functions and some more for what they represent in terms of symbolism. Park et al (1986) refer to a 'market shielding' strategy to maintain the exclusivity of a brand since this is what is bought in certain cases. Thus they advise the marketer to market the product to both target and non target segments while at the same time demarket the supply that is make the brand desirable for everyone but unattainable for some segments. In an article in the Economist (1992) it is said that consumers seek these 'prestige' brands for two reasons: to show they are members of a class above or to distinguish from a class below. They refer to the buying of expensive watches of

symbolic value as buying "functional alibis" since people try to justify the higher prices with mentioning of quality and reliability.

Blackett & Denton (1992) discuss the fact that the consumer is affected in four ways: by logic and rational (thinking), sensation, feelings and intuition (these ideas are taken from early writings of Plato on people and the psychological analysis of Jung). Then they argue that a brand employs one or a combination of these in order for the consumer to buy it. They give the example of the brands like Cointreau liqueur that although the taste and quality are primary selling points there is an underlying message based on associations with emotions and sex.

Duckworth (1991) compares brand buying with buying the ability for consumers "to simplify and structure their buying patterns associating brands names with a set of meanings by which they could clearly identify the products that met their needs". This idea is very important in marketing, that is that brands enable us to make sense in the social world of consumption. If one were to bring an African tribe man to a supermarket in the modern world, the brands would be meaningless even if the products were explained and the tribe man would be lost as to the cues of consumption. That is why Woodward (1991) warns that if the messages of the brands are not clear then consumers are likely to reject a brand and go for one that gives them guidance in consumption and they can understand. Lewis (1991) state more clearly "brands give people a social structure ... one does not salivate over a Boeing chocolate nor takes off happily in a Cadbury aeroplane".

However brands can go even further and build worlds in which consumers live their dreams. Moog (1990), a psychologist, describes many cases where her patients use brands to deal with problems they have in life. In one particular case, a patient when going through a mid-life crisis, bought himself a Jaguar car as a measure of relief since the car providing him with a feeling of confidence in himself, a feeling of importance and sexiness. Moog further describes how that client had been rejecting other cars like Maserati because of their image of power and aggression and seduction. Her client had power at work and did not want seduction in his life, but he needed to feel he was still sexy and could be wanted. She later concludes that people actually use images of the brands to construct a social context: "The 'new generation' reality doesn't matter; the advertising exists as a plane of experience; people want to be ... somewhere else where life is better. Pepsi was making people thirsty not for the brand but for a fantasy life".

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Lewis states "people brand themselves through their personal packaging to signify a sense of personality or identify to a group ... the brands therefore becomes an extension of ourselves". De Chernatony & McDonald (1992) also add that consumers choose brands with the same care as they choose friends and this is the added value of the brand. It should give a feeling of at ease with the consumer and it must come closest to matching the actual/aspired self image (see discussion on previous chapter).

In sum one can say that the consumers buy brands not only to help them satisfy a need (a product need) but also in order to help them deal with other social and psychological problems arising either from choice (abundance of information, time constraints, presence of risks) or from the social environment of the consumers themselves (representational aspects).

3.4 POSITIONING, IMAGE & PERSONALITY

3.41 POSITIONING - WHAT IS IT?

Arnold (1992) describes positioning as the "process by which a company offers its brands to the consumer", communicated by all activities and not only the advertising done. Ries & Trout (1986) put it much more amusingly:

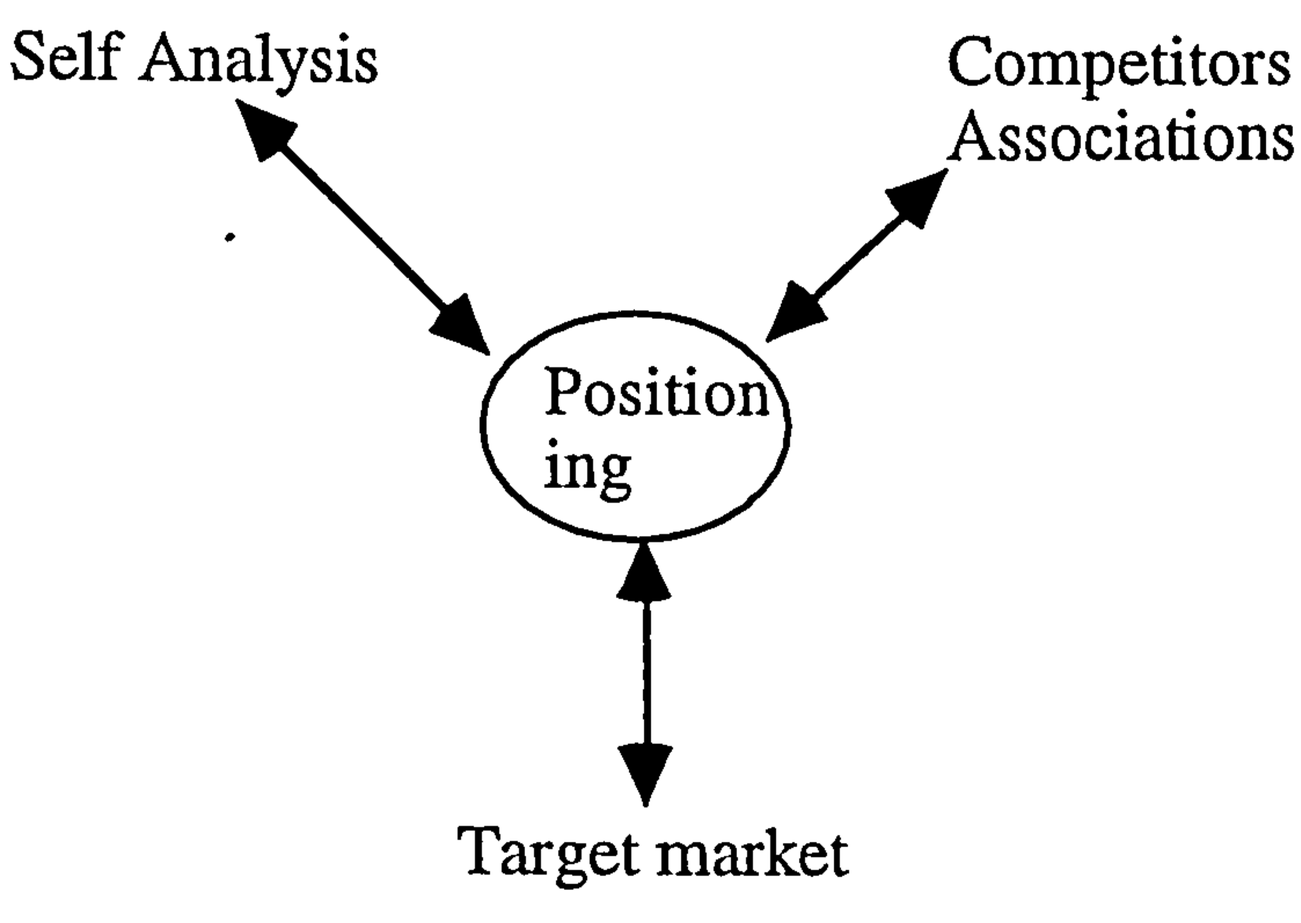
"To be successful today you need to touch base with reality. And the only reality that counts is what's in the prospects mind ... There are too many messages, images, the volume of communication is the enemy of the company ... the word's prayer contains 56 words, the Gettysburg address 266; the Ten commandments 297; the declaration of Independence 300 ... and a recent US government order setting the price of cabbage, 26911! ..... Positioning is therefore an organising system for finding a window in the mind".

Kotler (1991) gives the definition more clarity: "Positioning is the art of designing the company's image and value offer so that the segment's customers understand and appreciate what the company stands for in relation to the competition".

Therefore positioning would have to do with the communication of a message from the company to the consumer describing how the consumer can perceive the particular brand, what dimensions are relevant and what the brand is offering in relation to the competition.

Aaker (1991) gives the following diagram that describes the elements of the definition above.

Diagram 3.4 Positioning (adapted from Aaker 1991)



Self analysis is needed because the position that the brand/company is going to take must be consistent with actual attributes and with the consumers' perception of the company's attributes. The target market must be taken into consideration because it is to them that a reason to buy will be provided and it is to them that the position will add value. And lastly the competition and the associations that they communicate must be taken into consideration because a position needs to communicate something that the competition doesn't have.

Roser Reeves in the 1960's started the notion of USP, a Unique Selling Proposition that each successful brand must have. This USP must have a number of characteristics (Arnold 1992) in the sense that it must be a salient proposition (what is unique about the company must be something of importance to the customer), it must be built on real brand strengths, it must offer a competitive advantage (something that the competition does not offer) and must be

communicable (the consumer must be aware of it). MARS the chocolate company puts it in three words : the USP must be Competitive, Convincing and Relevant. The idea of unique or competitive is reflected in the statement by Keeble (1991) that says that the company must find a "way to the heart of the brand and find something that can be dramatised" that will be used to give the position. Ries & Trout (1986b) in their book "Marketing Warfare" parallel the position to a war position where the need is to outflank the competition by finding a position where the competition is weak and concentrate there.

This does not mean that the position must be based on tangible attributes like sugar content and size and calories and so on. The position could well be on intangible elements and Levitt in his famous articles "Marketing Success through differentiation of - anything" (1980) and "Marketing Intangible products and Product Intangibles" (1981) tackles these two issues of being able to differentiate and give a position to services as well as products and that every tangible product will include intangible elements that a position can rest upon, and equally every service (or intangible product) will have tangible elements. One example is in the provision of legal services that the tangible elements could be the presentation of the offices, the lawyers, their promotional material and so on, while in a product like televisions the intangibles elements could be the service, the home delivery and the friendliness of the staff. Jones (1992b) reports in an article about the new service offered by Virgin Atlantic namely the Mid Class fare which is a fare enabling the customer to get a ticket for a class between the Upper or First Class and the Economy. This new service is targeted towards business people who switched to Economy fares because of the recession. The new 'brand' would give the passengers more leg room and other extras like a free newspaper (tangible elements) and off course the passengers would have different check in terminals and overall treatment (intangibles).

The positioning strategy can therefore be on a number of different things like:

- the Product. For example BMW position their cars as the "ultimate driving machines" in terms of mechanical excellence, performance, handling and looks.

- Benefits. A shampoo can be positioned as one that makes your hair soft and shiny and therefore sexy which means that the buyer is interested in the product for the benefits that it promises.

- Price. A product or company can be positioned as the cheapest in the market (for example the campaigns by Tesco showing prices and items to prove that). Depending on the product group a company may assume the opposite position of being an expensive brand in the market to capture the higher end of the market. This may be especially feasible if the customers have no way of judging the products quality or features and price maybe used as a cue. The higher price gives the brand exclusivity and as mentioned before this is what is bought in some product groups (for example designer clothes).

- Usage. A brand maybe positioned according to the type of usage it promotes or the time of the day. After Eight mints are positioned as an after dinner luxury chocolate and in this respect do not compete with the countlines or even with Cadburys Roses chocolates that are positioned as a gift for a 'thank you' occasion. Certain coffee brands also try to position themselves according to the time of day for example, Nescafé for the afternoon/evening times.

- Customer/User image. The typical customer image can give a position to the company. Canada Dry is an adult soft drink, Club Med is a holiday club for independent singles or couples, Sol beer is for fashion led yuppies and so on. This could present a bigger problem than the rest of the positions if something goes wrong because it may be very difficult to reposition the brand. This was one of the problems Club Med was faced with, in the nineties namely that it has been associated with a particular user group that was dying out as a segment (changing habits) and it was difficult to change the people's perceptions as to the Club new position to suit new tastes.

- Celebrity. This could be an important way to position the brand and the success will depend not only on the personality and the brand fit but also on the category of the product (see later section on celebrities).

- Personality/Lifestyle. A brand can be seen as a personality, a personification which carries with it a number of behaviour characteristics (see next section).

- Product group characteristics. A brand can position itself by promoting characteristics that position it in the middle of two groups with advantages from each. For example a family car can promote its horse power in order to create a feeling of sports car although it is still in the family cars category. This may give it a unique position in the particular group(s).

- Competition. The positioning of a company or brand maybe relevant to the competition especially if it is a follower in the market. For example a very successful positioning campaign was one by Avis the car rental company that

positioned itself as second to the leader Hertz with the slogan "We are number two so we try harder".

-Country. The origin of a product or service could be a means to positioning. Absolut Vodka position itself as a produce from Sweden (Ind 1993) and used that in the communication strategy to gain Loyalty. In many other cases a brand will position itself as from a particular country if the product group has a special meaning or connotations of quality from a specific country for example Colombian coffee, Russian Vodka (Smirnoff), pasta & sauce from Italy (Barilla & Ragu).

Ries & Trout in their book "Positioning; the battle for your mind" give three positioning strategies. The first one is to position the brand next to the leader (competition positioning), a "cherchez le créneau" positioning, where the marketer must look for the hole or the empty space in the market and the last strategy is to deposition the competition. This means that the aim of the company must be to persuade the consumer that the competitors are positioned in a different way (e.g. do not offer essential or desirable adds on) so that the company's own brand is left alone in a particular position. Many detergents strategies are trying to do that by communicating that they are the only ones with the special power ingredients, showing that they can cope with problems that were not mentioned before (e.g. the new detergent for colour clothes) and comparing their brand functionality against the competition. Kotler (1991) adds that another positioning strategy is the 'exclusive club' strategy where a company or a brand is positioned as amongst the few leading brands in the category thus gaining image from the rest e.g. in the top three accounting firms, in the top ten best bought games.

One other important aspect of Ries & Trout book is the importance the give to the perception of the consumer as it concerns positioning. This is because the position of the brand or company is successful if it is in the mind of the consumer. As they say "Positioning starts with a product, a piece of merchandise, a service a company, an institution or even a person .... But positioning is not what you do to the product. Positioning is what you do to the mind of the prospect. That is, you position the product in the mind of the prospect".

Aaker (1991) refers to the necessary action to maintaining the position as to be consistent over time, to be consistent over marketing program and to manage disasters in order to minimise damage. This is because maintaining a position could

be very important for the success of the company since people will be associating the brand or the company with those dimensions or elements.

The position that a company will assume can be of one of three options. The company could position its brands to gain a mass market that is having a general appeal and being competitive on the cost factor (Cost leadership), position its brands in particular segments so that they differentiate from the competition and gain that segment and lastly go for a niche strategy where the company searches a small part or segment in the market where it can have a unique position.

Kotler (1991) therefore refers to positioning as the fourth P of the 4Ps of Strategic Marketing that are: Probing (researching the market), Partitioning (segmenting), Prioritising (targeting) and Positioning. Different strategies can also exist for leaders (and followers) in the market, since by being leaders they already have started having a position in the consumers minds (Ries & Trout 1986a). An example is the strategy of Coca Cola which is constantly shown as being the leader by themes like "the original taste", "the real thing" or more recently "always Coca Cola".

However, there maybe a time in the future that a brand will need to change its position either because the position is not competitive or because the brand can not justify being at that position anymore or because the segments needs and profiles are changing. This is when the brand needs to reposition itself. A classic case is the one of the drink Lucozade. While in the 70's it was positioned as a drink to help sick people recover, as the population was getting healthier and healthier the customer base was declining. Therefore the owners decided to position the brand as a sport drink to refresh and to give power for excellence, retaining the core 'energy giving' theme of the brand (Duckworth 1991).

Berry (1991) refers to this process of repositioning as 'rejuvenating' brands and presents a number of guidelines to be followed in such a case:

- Check if quality and image are acceptable & relevant ?
- Understand brand's core values
- Manage relationships with consumers
- Ensure there is a presence of unique idiocracy

- Check for co-ordination in new brand presentation
- Eventful brand relaunch

Wendy Gordon (1991) states that there two ways to reposition: by context reframing (i.e. communicating a brand in another context like Lucozade did) and content reframing (i.e. using the same communication but changing the way it is interpreted by the consumers, like Coca Cola moving from 'feel the taste' to 'Coke it is').

Aaker (1991) refers to repositioning as one of the ways of revitalising a brand in the same way as a brand extension, an augmentation of the brand's range, the entering of new markets and the persuading for an increase in usage (either more volume or more frequent).

Note: In Appendix III, a number of different positioning models is described as to the technique behind it and its uses. These models try to analyse the position of a brand or company in a market by either looking at their characteristics or the values of society, or the preferences of consumers or their personality.

3.42 FROM THE IMAGE TO THE PERSONALITY

What has been widely accepted is that the positioning of a brand will be supported by strong associations that give the brand a particular image. Thus positioning is a 'frame of reference' whereas Brand Image is a "set of associations" (Aaker 1991). These brand associations are anything that is linked to the brand in the memory and could be based on experiences in using it or exposure to the communication of the brand. Therefore this image of the brand is the strength of the brand, it is the source of all the competitive advantages that a brand can have.

This idea of brands having images is believed to originate from the 60's from the writings and work of a famous advertiser David Ogilvy. He referred to brand image as the part of the brand that makes meaningful to the consumer, the benefits of the brand and at the same time adds to the brand a value that strengthens loyalty (Ogilvy 1963).

Wendy Gordon (1991) gives the J.W.Thompson dictionary definition of brand image "Total impressions created in the consumer's mind by a brand and all its associations, functional and non functional". She includes in the brand image a number of concepts like the user image, occasion image, product image, the motivation for the use of the brand and the personality of the brand. All except the personality have been explained in the positioning section and the personality will be dealt in this section later on.

The image of a brand however, is not always construed at the conscious level although many of the causes will be on that level. Thus when consumer think that a car is more sporty than another there may be no rational reason for it and they may have not done a cognitive comparison but they may simply feel this is so. This may be the result of things they heard, read and discussed but also it will have to do with their image of a sports car and the way they categorise brands in product groups. Moog (1990) states about the Obsession and Eternity perfume brands of Calvin Klein " what is being sold here is an elaborate image of self control through psychological detachment. The real obsession is with the self, protecting the person from others and the environment. On the other hand Eternity is about addiction to the partner and it deals with images of closeness".

Since the 80's there has been though, a shift in the idea of the essential things a brand needs to gain consumers. The idea of the USP that a brand must have, has been transformed to Unique Selling Personality. This is because more and more researchers started understanding that consumers do not just evaluate brands according to their projected image, but rather see brands as persons, attach to them personalities and therefore evaluate them in the same way they evaluate a person, by the personality. A brand that has a pleasant personality has more chances to be liked than another one. Also consumers tend to think of brands as extensions of themselves or as friends and thus the self concept theory seemed to work with the personality of the brand. As Sentis & Marcus (1986) say "(consumers) need a framework or language .. to articulate their knowledge and feelings about the brand in a concise way .... one such framework or language is brand personality .. that is a global or top-level description of the important and affect laden features of the brand schema".

Plummer (1985) was one of the first ones to write an article about the brand's personality since most of the research in this area had been from the commercial

rather than the academic side. He described the brand as consisting of three parts namely, the physical attributes, the functional characteristics and benefits and a characterisational part. The latter is the personality of the brand and that could be in any direction like modern, old fashioned, sweet talker, tough person and so on. He also observed that the brand personality can have two faces, an input that is what we want consumers to think, and the out-take which is what they actually do think or feel about the brand. He referred to the former as the brand personality statement and the latter as the brand personality profile.

Plummer showed in his article how the image and the personality are different and can play a different part in the choosing. He discussed a case with soft drinks namely the case of Dr Pepper where the problem with the drink was the personality that was not appealing to the non users. As far as the image this was seen to be exactly the same, whether the user or the non user was concerned. Thus it was not helpful in order to distinguish between the two.

Johnson (1992) in an article in Marketing magazine explained how Rank Xerox understood that they were in need for a personality for their brand in order to compete in the market. To do that, they created advertising campaign using 'humans' to try and project their personality to the brand. As Grimes, UK communication & Corporate affairs Manager, says "We want Rank Xerox to be a stylish brand for young people and attach the same values to us as they do to Nike or Rolex".

In their research Sentis & Marcus tried to connect the self concept aspect with the personality of the brand. The results were that schematic people (who have an interest in the particular area of the brand's appeal e.g. masculinity) would tend to be more attentive to the masculinity portrayed by brands, would perceive brands differently than aschematics (to the same issue) and therefore would tend to choose different brands that portray a masculinity personality.

Woodward (1991) talks about hard and soft values of the brand with the former being things like the price, availability, market share and so on, and the latter being the image, the positioning and the personality of the brand. He then states that in brand valuations many times the hard values are being considered whereas the soft ones are the ones that actually matter more because they are often the reason why

consumers choose the brand. Sampson (1993) criticises the fact that even today very few brand image measurements consider the personality of the brand or know how to measure that. He claims that measuring the rational attributes of the brand can only give a partial picture. Two motor cars may look alike, have the same mechanical specification and extras pack, the price and pay deals may be very similar and the image they give out in this respect may be the same. So choice will be made according to "what and how (consumers) feel about each make. And what they feel is determined by how they react to the personality of a brand". According to Sampson, personality is about implicit characteristics and there are eight of them : Energetic (sense of energy and vitality), Extroverted (involving and active), Warm (supportive, family oriented), Affiliate (togetherness, sharing, trust), Subdued (quiet, reflective), Introverted (timid), cool (self control, defensive) and assertive (self gratification, indulgence).

A different way to look at the brands personality is given by Macrae (1991) who presents a number of stereotypes of personality that brands can have:

-The Ritual. This is when the personality of the brand depends on a code to behave, an occasion or as Macrae puts it, "(the personality) dominates a sense of time, place or occasion". An example is the Champagne which may transmit to the consumer a well dressed woman that is ready to be taken out for a special occasion.

-The Symbol. This is more a symbolic communication. The personality of the brand would be closely attached to a particular symbol e.g. of wealth, aristocracy, nobleness and so on. An example is the Lacoste shirt.

- The Heritage of Good. This is when the brand's personality can be described more in terms of specific values like friendship (Coca Cola) or mildness (Silk Cut).

- Aloof Snob. This is the personality that always tries to impress others. Thus the brand is used more to show an above others position. As Macrae puts it: "its purpose is to gratify the upper strata of the human pyramid". An example may be the Hermes accessories.

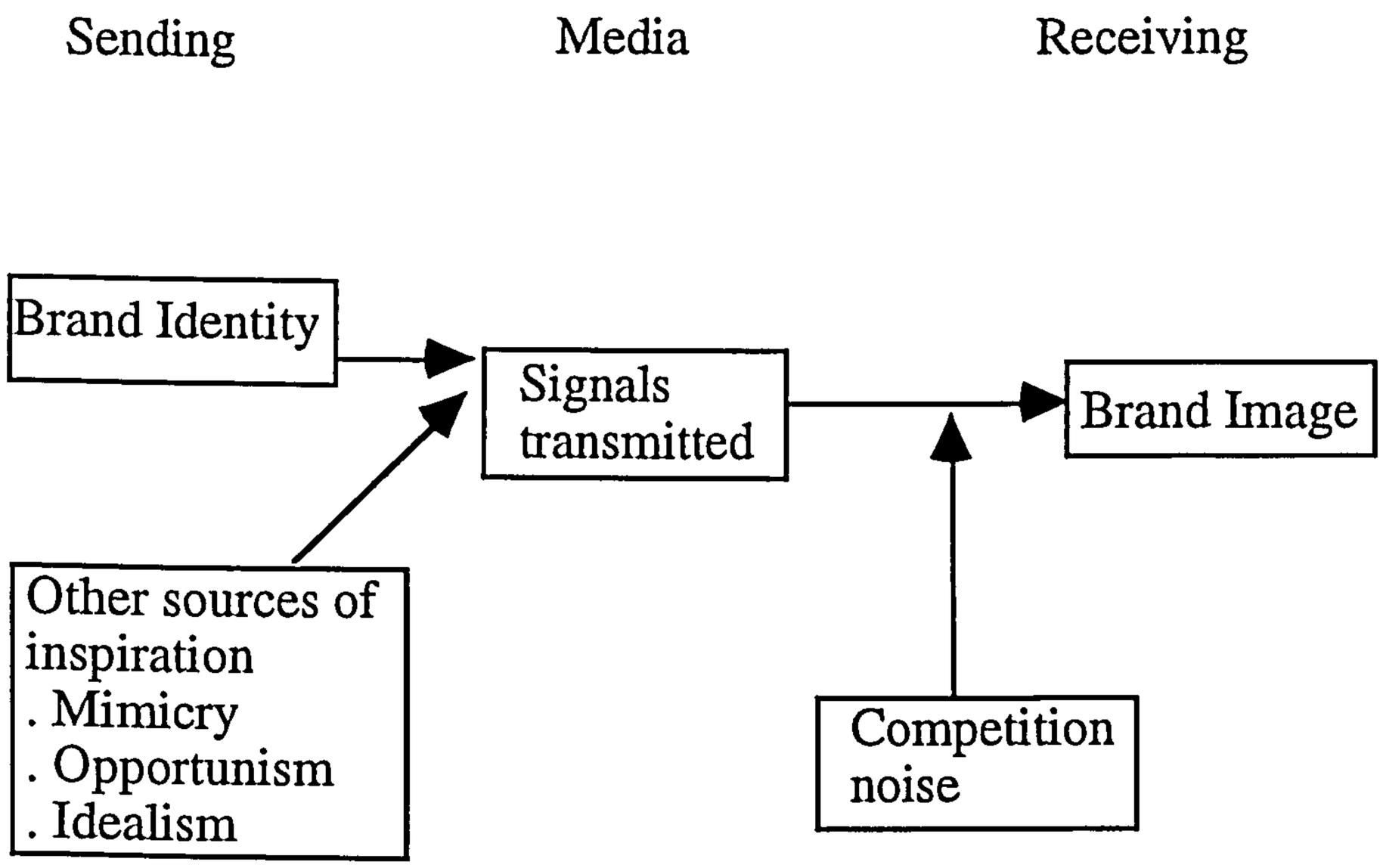
- The Belonging. Here the emphasis is to join in, and the personality of the brand is such to encourage consumers to enter the club and have a bond with the brand. For example many of the beer advertisements in the UK try to give their brands this type of personality.

- The Legend. Here the emphasis is on the personality inspiring a feeling of pride. The consumer feels proud to be with the brand. An example is the Levi's brand getting its strengths from its historical and tradition based background.

3.43 BRAND IDENTITY

Kapferer (1992) is one of the most prominent supporters of the idea of identity in branding. He refers to the identity as a reception concept that is centred on how a certain public imagines the product. Therefore the brand identity is on the sellers side and is what is sent out, so that the consumer in the end perceives the brand image and personality. Diagram 3.5 shows this process.

Diagram 3.5 The process of communication of brand identity - from Kapferer (1992).

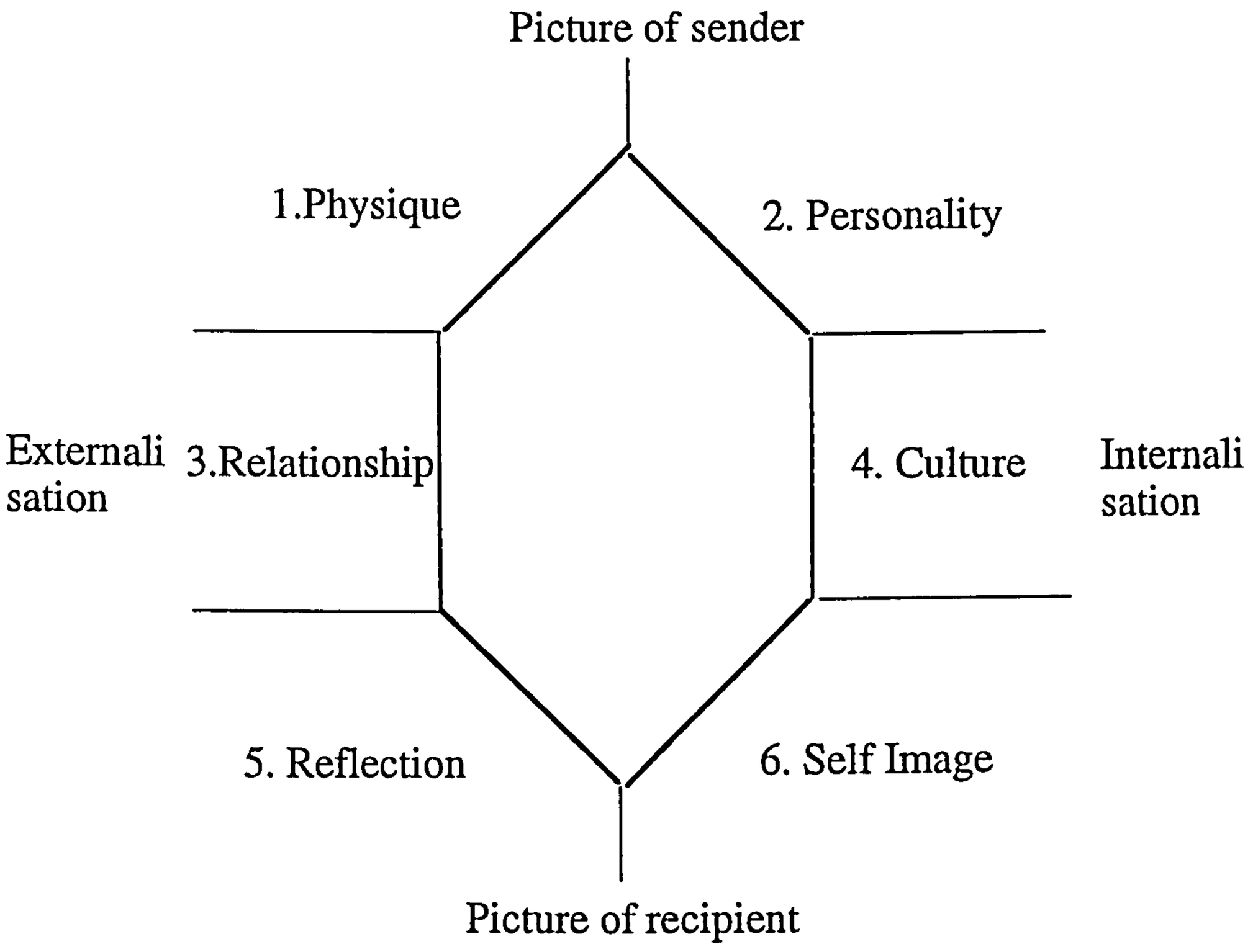


The sources of inspiration described above are simply the idea that a company can mimic the competition, change the identity to a fashion and try to show something that is not based on fantasy.

The reason Kapferer gives so much importance to the identity is because he believes that positioning the company or the brand on only some of the dimensions

or using the personality of the brand on its own can allow too much creativity in the communication that can ruin the image of the brand. In addition to this, both the personality or the positioning may be relevant only to one single product and can not support a multibrand strategy or support the corporate image as well. He also argues that without the identity, related brands can not be well differentiated. He proposes an identity based on Durability, Coherence and Realism that consists of six facets.

Diagram 3.6 The six facets of the brands identity (from Kapferer 1992)

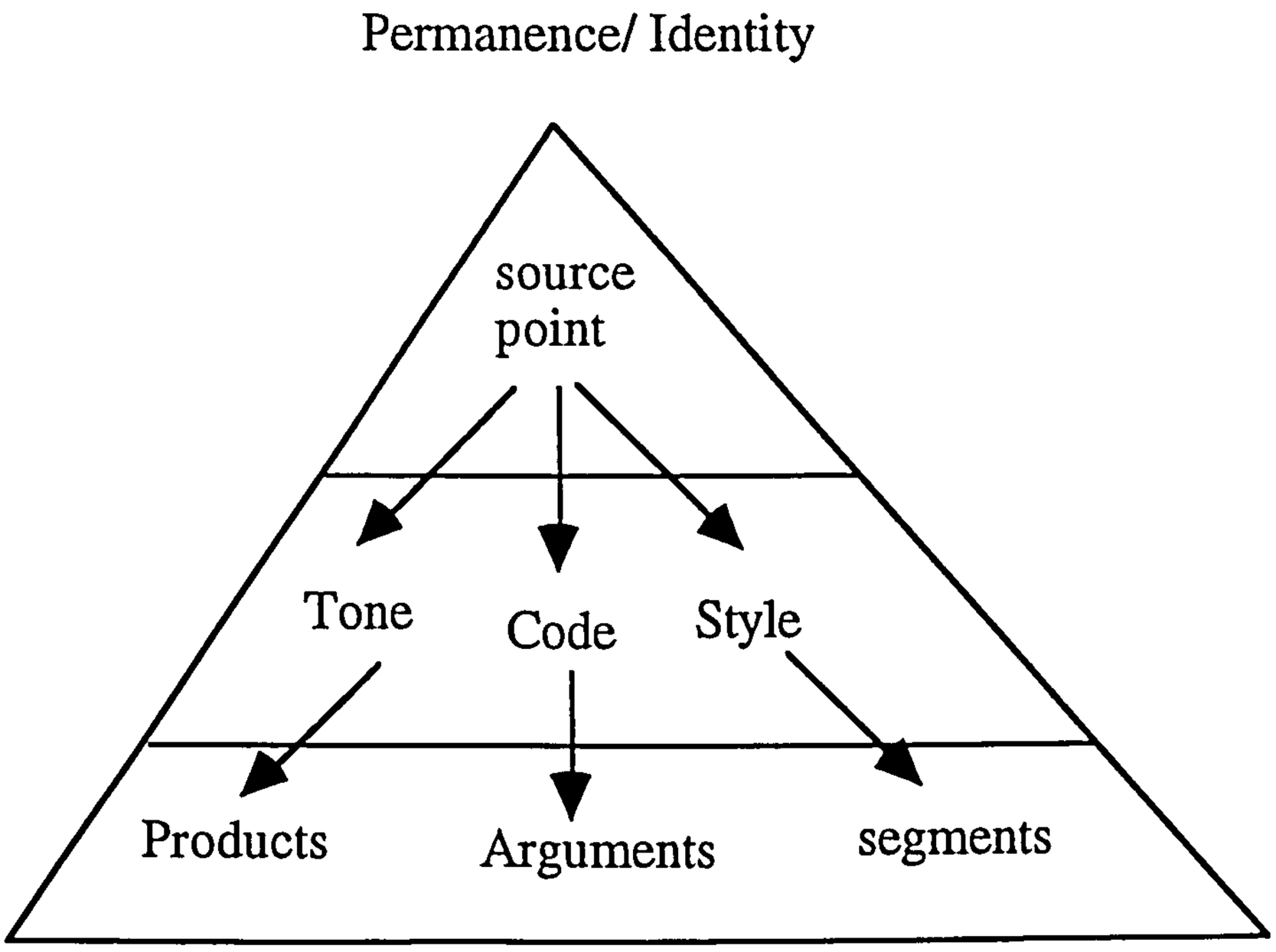


The Physique is the combination of independent characteristics or attributes which can be dominant or dormant. The Personality is what has been discussed before. The Relationship is the relationship that is being portrayed to the consumer for example the brand YSL is portraying a relationship of a man and a woman. This provides the opportunity for intangible exchange and it is part of the externalisation i.e. what is given to the customer. The Culture is more the system of values the brand has and it acts as a source of inspiration. For example the Citroen cars are implying an engineering culture where as the Mercedes cars are more towards a

German culture. The Reflection refers to the customers image i.e. the user image while the Self image is the customer's own internal mirror. The visible aspects i.e. the externalisation are the facets numbers 1,3,5 while 2,4,6 are internal facets. This identity is very important in terms of the communication of the brand.

Kapferer views the brand as a top down approach in a pyramid shape where at the top there is the source point from where the brand speaks. The customers looks at the brand bottom up, they discover the brand from the products, its themes, positioning and style of communication. But the brand management needs to be down top down. This is because at the top there will be the identity of the brand that must be kept the same even if other things lower down changes.

Diagram 3.7 The Brand structure (adapted from Kapferer 1992)



Others however view the identity of the brand as part of the brands image but without including the personality. Simpson (1993) refers to the idea that brand Image consists of the brand Identity (explicit items i.e. what is communicated) and the Brand's personality (which is about the implicit items i.e. what is received by the consumer). However the identity part of the brand needs to be well controlled

because with the wrong communicated identity neither the personality nor the image of the brand would be the desirable one (the one the company wants the consumers to have) and the company may lose its competitive advantage. The identity is presented here as an entity a totality of the communication process and thus it very important that all the elements have a 'fit' together as in the Kapferer model. The message a consumer receives must not be confusing in any way. This is what happened with the introduction of New Coke in the USA. As Moog (1990) says "what Coke missed is that the product isn't just a beverage. Coke has been part of American lives for over a hundred years. It is as American as the flag". Coke represented the Original spirit, the traditional relationship and the New Coke could not fit with this identity. The result was a confused consumer and the rejection of the brand itself.

3.44 USING CELEBRITIES

One way that companies try to give an identity and project a personality is by associating the brand with a famous personality, a celebrity. This is because the celebrity has a ready made identity and personality and thus this can be transferred automatically to the brand if the brand is associated strongly with them. Kaikati (1987) describes four types of celebrity advertising:

- The Genuine. Where the brand is associated with a genuine celebrity.

- The Look alike. Where the brand is associated with a look alike of a celebrity.

- The Founder/chief executive. Where the brand is associated with the founder of the company. This has proven to be a success especially if the founder has a well respected reputation and the brand is facing problems of either differentiation or with the product (like with Chrysler and Iaccoda, or Virgin and Richard Branson).

- By association. This is not a clearly legal method and was used in few cases where the celebrities name was used without actually indicating that the celebrity endorses the brand.

Kaikati also gives five advantages to using celebrities namely: the ability to get attention cutting through excess noise, consumer getting to respect the company more (and usually end up respecting the celebrity less), it can help in the repositioning of a brand (e.g. using an athlete can immediately signify a athletic identity), introducing a new brand around the celebrity (which gives it an

immediate close identification and an advantage in recognition) and finally helping global marketing (assuming that the celebrity not only is known internationally but also has the same identity in all the countries e.g. a successful endorsement was the Pepsi campaign with Michael Jackson).

As Lynch (1991) explains in her article, another form of celebrity used in endorsing brands is the cartoon or imaginary character. Some refer to this as "third party profiteering from character popularity" but as Lynch says the "manufacturers who use (them) are usually guaranteed better returns". This especially true when the character is long lived (e.g. Pink Panther) rather than a fashion or a fad. Mylrea of Thermos (a manufacturer of toys) states however that the market is very competitive and thus there is a need to be on top all the time with endorsing the latest trends : "We regularly seek advice on upcoming characters from the US to ensure we're ahead of our rivals" (Lynch 1991). Obviously this is a market more for juniors although there are cases when there could be a fit between the brand and a cartoon character for the adult market. The problem maybe that the endorsed brand, although it can get the recognition and awareness, it may not be so easy to transfer through a personality as it regards the adult market. In these cases a celebrity may be a better bet.

However, using a real life celebrity to endorse the brand can prove to be very problematic not only for the association but also for the total image. One of the biggest problem is the 'sleeper effect' (Hannah & Sternthal 1984) which refers to the case where the consumers remember seeing the celebrities in the advertisements but can not remember which brand was advertised by which celebrity. This can be the case when a number of brands in the product category use celebrities or when there is a tendency to use celebrity ads in a particular period. One way to solve that would be to use the celebrity as a means of getting attention rather than to identify with the brand as in the case of the recent advertisements by Cadbury's Chocolate Break. Famous personalities like Gary Lineker were presented as window cleaners while in the house the two women seemed to ignore them and not recognise them while all the attention was paid on the brand (Jones 1992).

Another big problem is the transfer of the wrong image should there not be a reasonable fit between the personality of the celebrity and the brand. Celebrities could also ruin the brands image by their actions and this is a risk a company may have to take. Many celebrities may be photographed by the press using the brand

of the opposition, in which case the credibility of the endorsed brand is ruined (Paul Gascoigne was found to be allergic to Brut after he endorsed it and Griff Rhys Jones made fun of Holstein Pils after he was dropped). Moreover the lifestyle of the celebrities may influence the brand negatively especially if they are involved in sex scandals or affairs that change the image of the celebrity and in effect can affect the image of the brand (which is the case of Pepsi dropping M. Jackson).

Cost is also a major obstacle since the better known the celebrity (for the getting more attention and so on) the more money they would ask for in order to endorse the brand. They could also be overshadowing the brand in the way that the consumers take notice only of the celebrity and the brand becomes a vehicle for their personality rather than vice versa. Abbott, creative director of BBDO, said characteristically: "there is a danger of using a vampire personality who will subsume the product" (Jones 1992).

In general Kaikati (1987) examined the effect of using celebrity advertising in both the pre-1980 era and the post-1980 era. The main result is that celebrity endorsement in the recent years is effective but much less than in the pre-1980's era. This could be because the consumers are getting more and more aware what the companies are trying to do with the celebrity endorsement and they tend to view the celebrities with much less respect and the marketers with much more caution. Also the overuse of celebrities has calmed down their effect and a celebrity endorsement is nothing new or exciting for the consumers nowadays. Obviously another main point to be made is that most of the research cited in Kaikati tended to deal with the consumers views on the endorsement and not so much on the ability to transfer across the personality or identity, which is one of the main reasons to use a celebrity endorsement. However as Lynch (1991) comments "when objectives are longterm .. the use of cartoons or comic characters is (better) .. having an enduring and universal appeal .. while use of film themes or characters is more effective in the short term, to boost sales within a highly competitive market".

3.5 BRAND EXTENSIONS

3.51 WHY A BRAND EXTENSION STRATEGY?

Kotler (1991) defines Brand Extension Strategy as "any effort to extend a successful brand name to launch new or modified product lines" . This has been a major strategy in the 80's and 90's due to the numerous advantages and visible benefits that it could claim and it has been observed in different forms over a diverse number of products. Mitchell (1992) in an article on Marketing stated : "looking back in the 80's the main trend in brand new product development was exploiting the old, not building the new... Stretching existing brands, sweating existing assets was the name of the game." To understand the importance of brand extensions today one can quote de Chernatony & McDonald and Kapferer (1992) that note that in a study by Nielsen in 1984, two fifths (40%) of new launches in supermarkets were brand extensions. Macrae (1991) also viewed the extension as a base of transferring across his stereotypes to other product groups and thus the idea of extendibility is given great importance in the strength or valuation of the brand.

Tamber (1988) discusses seven types of brand extensions:

(a) Same product different form e.g. Lux soap to Lux soap creme

(b) Distinctive taste component e.g. Philadelphia cheese to Philadelphia cream cheese.

(c) Companion product e.g. Duracell batteries to Duracell torches.

(d) Same customer franchise e.g. AA road assistance to AA motoring insurance.

(e) Using Expertise e.g. Canon cameras to Photocopiers using expertise on lenses, optics.

(f) Unique benefit, attribute, feature e.g. Johnson's baby shampoo to Johnson's baby powder.

(g) Designer status e.g. Armani clothes to watches to sunglasses using the high designer benefit.

Kapferer (1992) describes these different extension types as relationships (of brand and extension), and he refers to five of them. These are relationships based on the product, the formula, the know how, the interest and the philosophy and they correspond to the ones given by Tamber above.

Arnold (1991) states that "the reason (for a brand extension) is essentially economic" in the sense that it saves money to the company due to the improvement of the cost efficiency of the resources, the increase of probability of acceptance of the new brand and to the possibility that the extension would actually refresh the original brand. He refers to these as advantages of brand extension. Aaker (1991) elaborates on the transfer of image explaining that the associations that a strong brand will pass to the extension can be its source of differentiation and competitive advantage and the core brand can also benefit from the strengthening of the associations due to the extension. In addition he presents another benefit namely the fact that the extension strategy may be very useful if resources are not available for a new name support and through the extensions this can be achieved cheaply. As Sony's managing director is quoted (Mitchell 1992) saying " strong brands that are recognised throughout the world took hundreds of millions of dollars to create and thus it is very expensive to recreate ... if you have a brand that you can leverage, you should." De Chernatony & McDonald (1992) stipulate that the direct benefits would include an encouragement of trial, an increase of awareness and a transfer of quality associations.

Kapferer (1992) refers to a study of OC&C that showed that brand extensions outperformed new launches in Rate of Trial by 23%, in conversion rate by 32% and in Repeat purchase rate by 16%. He also discusses the idea that extensions are useful because they demonstrate to the consumer that the company is staying in tune with user habits and necessities (e.g. the introduction of Diet Coke) in addition to the usual benefits of cost efficiency and reduced risks. Smith & Park (1992) also refer to the 'spillover effect' from advertising and they show in their research that brand extensions capture greater market share and realise greater advertising efficiency than individual brands. Their results also indicate that the number of extensions does not affect the market share nor the efficiency and that the strength of the parent brand is related positively to market share of extensions but not to advertising efficiency.

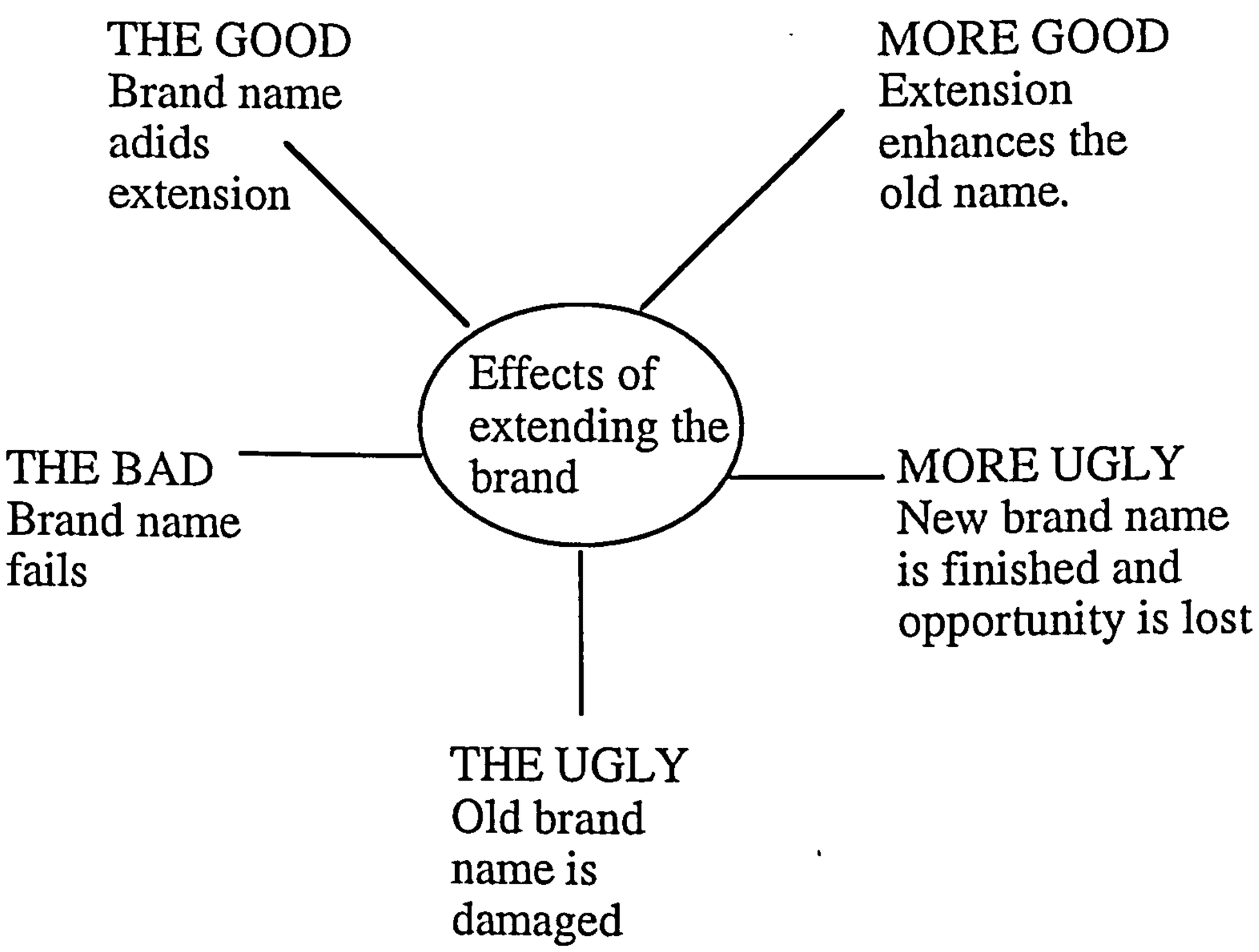
However not everything is in favour of brand extensions. There could be many problems and risks to the core brand if the extension is not managed well or if it is not appropriate and moreover when the stretch is such that the 'elastic breaks' (Mitchell 1992). Ries & Trout (1986) are the advocates against any extension and they refer to the concept as the 'free ride trap'. They are in favour of every brand trying to find its position in the consumer's mind and this position or ladder as they refer to it, needs to be its own and not one borrowed from an old brand. They discuss a number of cases where the extension proved disastrous and they show that even when the extension is successful (e.g. Heinz ketchup), the result is that the core brand (Heinz pickles) loses the leadership because they do not stand for the same things anymore. They state ironically: "It's bad enough when someone tries to take your position away. Its tragic when you do it to yourself ... logic is on the side of line extension. Truth unfortunately is not ... Brand extensions educate the prospect to the fact that Bayer (the aspirin brand) is nothing but a brand name".

Although their methods are not exactly scientific (their remarks and observations are based more on experience than research testing) and although the only proof they give is the abundance of selected examples, one can not ignore that in the area of marketing they are amongst the best respected professionals and therefore their comments and views are incredibly valuable. In addition, a number of other professionals and researchers point out the problems (although not ruling out the benefits) an extension may cause:

Arnold (1992) refers to the results of an extension being in a continuum from the desirable to the highly undesirable. The best that can occur is the Enrichment where both the extension and the core brand benefit the same from the strategy. This was the case with the Weight Watchers extensions where the extensions helped to present a more congruent and solid image of the club and the concept. Another result could be a simple Extension where the extension benefits much more than the core brand or the effect could be Neutral for both the core and the extension. The undesirable effects start with the case of the conflict where the association with the core brand confuses the consumer over the extension and this contributes to the Failure of the extension. An example here is the attempt by the Levi's brand to extend to formal clothing which failed because the consumer had strong associations of the Levi's brand with jeans and informal clothing and thus could not imagine himself wearing a Levi's suit. However the worst scenario is when the confusion is at such a level that the consumer is not even sure about the core

brand anymore and thus the core brand is Damaged (core brand dilution.) This has been the case with the Gucci brand where with the many extensions and the wide licensing policy, the name began to be damaged and started having a quality perception problem. These different scenarios are being presented in most of the literature (Aaker 1991, Doyle 1989, De Chernatony & McDonald 1992, Interbrand 1990). Aaker gives a diagrammatic representation of the possible effects and this is seen below in diagram 3.8. One should note that Aaker, contrary to the rest, considers the failure of the extension and the loss of opportunity as more serious than the damage to the core brand.

Diagram 3.8 Effects of brand extension (from Aaker 1991)



3.52 SUCCESS AND FAILURE FACTORS

Arnold (1991) gives the three questions one should ask before going into a brand extension:

Is the brand essence still applicable?

Is the brand property transferable?

Can the extensions be promoted and distributed together?

The first two question are very important because the new brand must get a transfer of the associations and if this is not the case then there may be no reason for the launch. It could also be the case that the associations are not transferable either because they are tied to the specific product area or because they are tied to the specific brand. An example is the Coca Cola drink or the Levi's jeans, in which the values of the History of USA, the values of Americanism, the legend and inspiring image are so tight to the particular brands that an extension into a different product area would not work. Having said that though, closer extensions to the core product area are possible like the Diet and Cherry flavour cokes and the jean shirts and T-shirts. As far as the third question is concerned that aims to see whether there would be a cost advantage in the extension.

Kapferer (1992) concludes that the extension will be successful if it shares the same identity as the main brand. He gives the example of Gillette shaving foams, razors, aftershave where all the extensions share the identity "anything a man needs in the bathroom". Some of the problems a brand may encounter if the identity is not shared are:

- Inconsistency of identity for example the failure of the extension of Nina Ricci into household products since the brand did not possess social values.

-Inconsistency of new brands like what happened with the launch of Bic perfume which although shared the idea of the cheap and disposable it failed, because the market for perfumes is more on the exclusivity and image.

- Product trap which can result in a damage to the core brand since the new product area does not sustain the characteristics of the core area. An example was the introduction of Chanel T-shirts which had no indication of a better quality (due to being simply white cotton T shirts) than the rest but they were selling at the very high Chanel prices.

- Dilute expertise. This is more what Ries & Trout stated before in terms of when the consumer sees the company in many areas he/she looses the image about the company particular expertise.

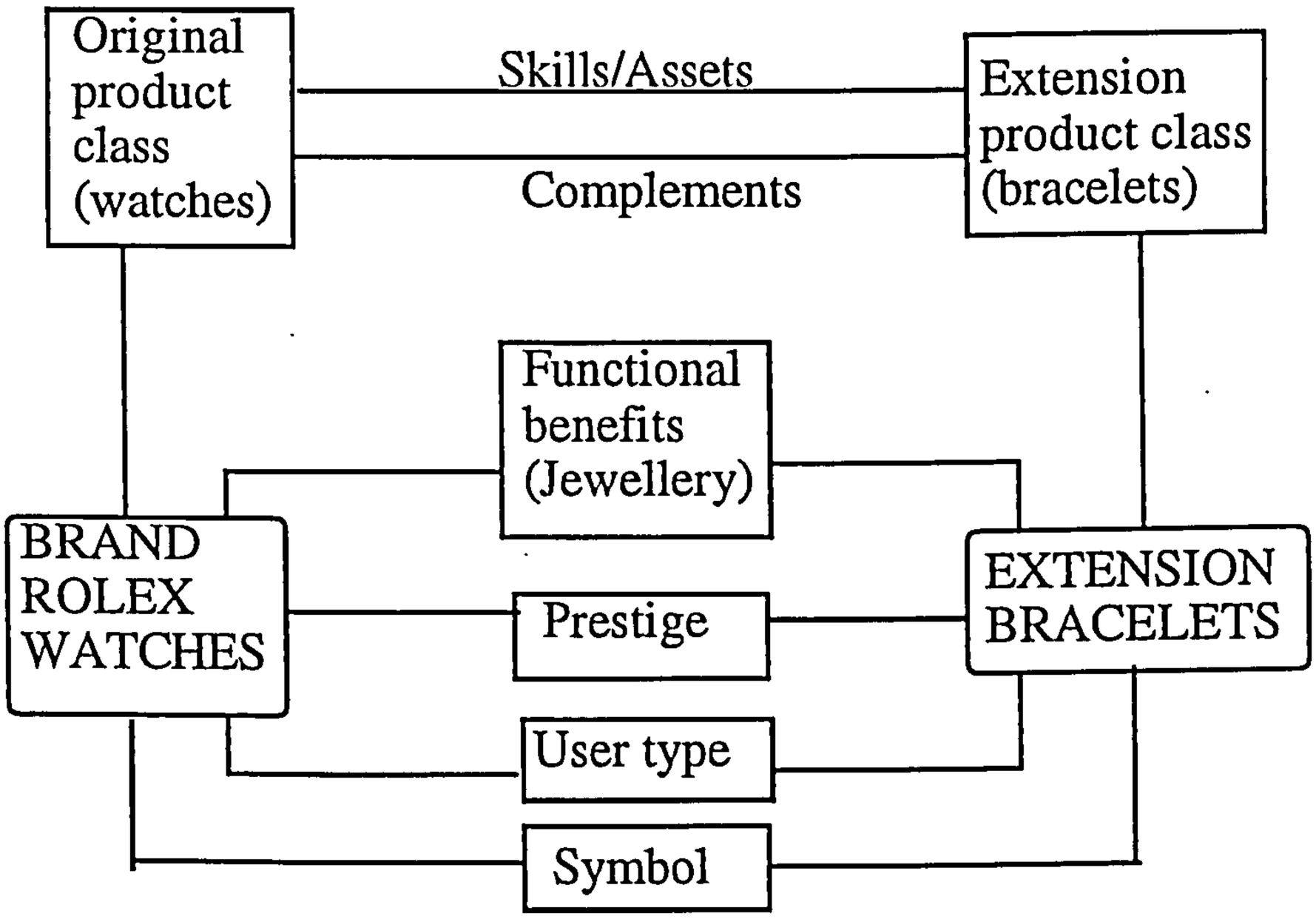
Different situations or types of brands however may imply different chances of success. In their research Keller & Aaker (1992) found out that high quality

brands stretch further. They also found out that having an intervening extension of brands may help future extensions for average quality brands, while if the intervening extension is unsuccessful then it could influence future extensions of a high quality brand although not hurting the core quality. However the evidence is still not clear since Smith & Park (1992) contradicted them (claiming that they are right since they used real data whereas Aaker and Keller experimented in laboratory conditions) stating that the degree of similarity between extensions has no effect on the market share and therefore the success. They also discovered that there would be a difference on the probability of the success of extensions depending on whether the product group is for experience (can only evaluate this once you buy it, e.g. cough and cold remedies) or search products (can evaluate it from comparing attributes to other brands, e.g. cars). Extensions in experience goods would tend to have a greater effect on market share and advertising efficiency but that would diminish as the products become established. This is because with experience goods, consumers can only use their prior experience to judge and in the case of a new product they will tend to infer from their evaluation of the core brand. Park et al (1990) confirmed the high quality advantage, showing in their research that Rolex watches could transfer their image for prestige much more easily than an inferior make like Timex.

Woodward (1991) supporting the Kapferer's view over the identity, states for the success factors: "a brand can 'own' a certain territory but a good brand extension must use values appropriately to extend to that territory. The brand identity and the product performance must be in continuous communication with the consumer. ..it can surprise but it must not contradict". Kapferer (1992) further add that the extension would be successful if the consumers perceive the product to be too complicated in the production and if they perceive the company as having the ability to produce it. Aaker & Keller (1990) support that by concluding in their research that the two factors necessary for the success of an extension are the transferability of skills and assets (i.e. the consumer perceives the brand as having the necessary skills and assets to make the extension) and the complimentarity (the extensions used with the core product category e.g. Vuarnet ski sunglasses and skis) of the extension. A number of other factors would govern the success as the similarity of the extension in terms of appealing to the same target group or sharing product features or maintaining the same image. Doyle (1989) also suggests to look at the similarity of the positioning strategies and use the extension if the brands appeal to the same market or have the same benefit or the same differentiation advantage.

The following diagram from their research indicates these bases of fit for an extension of Rolex watches into Bracelets.

Diagram 3.9 Bases of fit (from Aaker & Keller 1990)



Ries & Trout (1986a) although in principle argue against brand extensions, they can see the merits of extension in the following cases: when the brand competes in a crowded field as competition is concerned and the value of the brand is small, when the advertising budget is small, when the product is a commodity and when the items are sold by sales representatives. On the other hand Arnold (1991) proposes that extensions should be done when the variety is important (i.e. the consumers are mostly switchers and variety seekers and therefore an extension maybe the means to stop them from going to the competition) and when the repertoire is important for choice and for the company's image (as in the case of suncream lotions that people need to see that the brand has a wide range of different level creams, with different effects, in order to feel the brand is more scientific, has more expertise and gives them more choice) .

Finally Bellhouse (1992) discusses the steps necessary for a successful extension as : Divorcing the character of the brand (i.e. finding out what is the main benefit e.g. Volvo - safety), Personify the brand, Expand the Horizons (search where the character of the brand may appeal to potential customers), Evaluate the potential (commercial evaluation, barriers to entry, expertise needed), Prioritise (looking at the number of opportunities and the amount of resources available), formulate a Business plan and implement (monitor the image and the communication of the extension and the core brand).

3.6 VALUE OF BRANDS

3.61 WHY ARE BRANDS VALUABLE?

This chapter has firstly dealt with the issue of branding in as far as the consumer is concerned and it has been shown that consumers use brands for a range of purposes. It has also been discussed the issue of positioning and brand image in the sense that these are issues that should trouble the marketer to get them right. The issue of extending the brand has also been looked at, since it can allow the company to use the brand to get more benefits. However, what is left is a summary or a reunion of the different values a brand has and how these add up to the value of the brand for the company.

Doyle (1989) gives a good analysis of the value of the brand and it has been repeated with modifications in a number of other parts of the literature (King 1991, Knox 1993). The reasons therefore brands are valuable are:

* Brand leadership is profitable. The PIMS study (Buzzell & Gale 1987) shows that the brand leader in a category tends to generate over six times the return on sales of the number two brand. In addition if one looks at the relation between market share and profitability, assuming that the strong brand has the higher market share, then the PIMS study shows that as the market share increases the Return on Investment increases as well. This has also been one of the major findings of PIMS. Raj (1985) also observed that the larger the market share of the brand , the greater the loyalty and Ehrenberg (1972) refers to the 'Double Jeopardy' effect where the less popular brands get a worse evaluation on any

attribute and vice versa for the brand leaders. This however does not imply that the brand needs to compete in a big market. As Clifford & Cavanagh (1985) found out, being a strong brand in a niche or a small market actually earns the company a higher return than a strong brand in a big market.

* Brands can support higher prices. A brand can support a higher price due to the fact that the consumer believes in the added value of the name and also because of the intangible elements of the offers like good service (British Airways), trust in the product's performance (Mercedes), high inspection of product quality (Marks & Spencer food stuffs) and good after sale service (IBM). A study by BMS Ltd (Thomas 1993) showed that Business consumers in the UK were prepared to pay upto a 24% premium for a Hertz ,a leading brand in the car rental business, rather than use Europcar, the fourth brand in terms of market share. The same study also showed that for computer purchases again business customers would be prepared to pay a premium for IBM of 10% over Apple, 17% over Compaq, 40% over Amstrad and 46% over Dell. In addition to this strong brands often resist pressure for discount from the trade and as Clifford & Caravan (1985) report, on average, premium price products earned 20% more than discount brands. Crimmings (1992) also reported that out of the 13 categories they researched, the leading brands were being sold on average at 40% higher price than the store brand.

* Strong Brands can command Loyalty. This is perhaps the most important aspect of the brand value since it guarantees repeat purchase and therefore longevity if other things are managed well. Consumers as shown earlier in this chapter and in the previous one, desire to find a brand they can be loyal to because this simplifies for them the purchasing process and removes a number of risks. This is especially true in the purchases people carry out frequently since the same problem is presented to them every time. The brands then provide them with a mental shortcut to the solution and a solution to the problem of risk as well. In a survey by BMS (Thomas 1993) 66% of the sample see the brand name as very important when they purchase products or services while only 7% said they disregard the brand name. In addition more than 80% agreed with the statement that a strong brand name provides reassurance and confidence to the purchaser and 70% agreed that it results in high levels of customer loyalty. The other important aspect concerning loyalty is that once a consumer is loyal to a particular brand, this makes it even more difficult for the competition to appeal to that consumer. This is both because of the cognitive dissonance that he/she would have for his/her action but also

because the habit formation would remove the particular problem solving mode from the consumer's thinking and the consumer would not consider the merging needs as a problem in order to search for solutions. Instead he/she will link the habit solution to the problem and thus be in a situation of 'programmed decision making' (this is a term originating from managerial decision making see Stoner & Friedman 1978). Even in the case of promotions or offers, Bucklin and Gupta (1992) report that the brand loyal customers in the face of promotions will accelerate their purchases but will not switch brands whilst the switchers will switch brands but not accelerate their purchases. A number of cases (Perrier 1990 crisis, Tylenol 1987 disaster) indicate the importance of the loyalty in a brand since it is the loyalty of the consumers that enabled these brands to recover from problems of product quality or hygiene and become leaders in their category once more.

* Brands last longer. Interbrand (1990), Thomas (1993) in the UK and Aaker (1991) in the USA, show that a number of brands which were brand leaders in 1935 are still leaders in their category in the 1990's. These brands include Heinz soups, Kellogg's cornflakes, Colgate toothpaste, Gillette razors and many others. This as Interbrand (1990) puts it, "demonstrates that many good brands for all their complexity of product and consumer appeal, are not only capable of surviving for extraordinary long periods but are capable of maintaining their market position despite fierce competition and changes in fashion." This should also be seen in relevance to the idea that brands do not have lifecycles as discussed in previous sections, and thus the return on investment can be much greater since it is over a longer time.

* Creating stronger competitive barriers. This consumer attachment to the brands and the strong image consumers have about the brand's qualities make it very difficult for new competitors to enter the market. Although it is possible to produce identical products in terms of technology and design in order to compete with the Coca colas and the Marlboros of the world there must be something more. Doyle supports this view by pointing to the study of Hall in 1990 where it was shown that it is worth sacrificing some cost 'penalties' in order to achieve strong differentiation. In addition Thomas (1993) notes that since the name is very important in the purchases, then a newcomer would be better off starting either in a niche market or in a low price strategy, rather than confront with the established brands. Switching costs can also exist in the market and these can be both physical

and mental. A new non disposable razor brand will find it difficult to attract a customers since the existing customers of Gillette all possess the shaving equipment and only buy the blades on a regular basis. For them to change brands it will signify not only a change of habit or a wastage of the old equipment and unused blades but they would also have to buy the new shaving razors equipment as well (this is also a major problem in the computer industry with the switching from an IBM compatible to an Apple and vice versa). In terms of mental switching costs, this is even worse. A customer that has invested time and effort in order to adopt a brand, needs much more persuading to change since this change in reality signifies a loss of previous experience, knowledge and time. A study by Davis et al (1992) showed that promoting brands for brand switching had only the effect of temporary switching (probably for dissonance reducing purposes) for the particular purchase with the switchers not staying with the promoted or discount brand.

* Motivates stakeholders. This is because the image of the brand eventually projects the image of the company and a good image makes the company an attractive employer, customer, suppliers or simply collaborator. Thus a good brand image (resulting from a strong brand) usually gives the owners , good choice over recruitment, over dealing with retailers and suppliers helping the company in the distribution negotiations and generally in its agreements with third parties. Also the inclusion of brands in the balance sheet has been one of the major trends of the 1990's and this helps to motivate shareholders considerably since the money the company has been spending in the creation of brands, can be seen as an investment, as creating or buying an asset. This could be done in order to keep away a competitive takeover or merger or simply to get an estimation on the value added for that brand. For whatever reason, the effect is that the shareholders return on investment increases.

* Expandable mediator. De Chernatony & McDonald (1992), Aaker (1991) and Macrae (1991) add this value to the values of the brand in the sense that a strong brand can transfer the associations to other products in the range and thus the related profits are higher. Thus building a strong brand would not only result in the loyalty and profits created due to the customers of the brand but it would also enable the marketer to use the name to lower the risks of new products, to launch new products more cheaply and to transfer across the personality or image that was invested in the core brand.

* Internationality. Macrae (1991) concentrates on the international side of brands and thus considers the internationality of a brand as a key value for a branded product versus an unbranded one. He refers to this as the ability to have "no culture barriers". Obviously this is very important considering the globalisation of markets and the convergence of tastes (Levitt 1983). Brands like IBM and Adidas have successfully being carried on from market to market, from country to country enabling the companies to control costs and deliver unique high quality messages to the consumers around the world.

3.62 IS BRAND VALUATION NECESSARY?

The first brand evaluation (formal financial evaluation for balance sheet purposes) was seen in 1984 when R. Murdock put a value of publishing titles in the balance sheet of his Australian based "News Corporation" not as goodwill that could be written off, but as an asset. This increased the asset base and raised a number of questions starting the debate over the issue of including brands in the balance sheet. The arguments for this action at the time was based on the following three requirements that assets must comply with:

-Assets must produce revenues for more than a year in contrast with expenses that may produce revenue in a year. Murdock argued that the acquisitions he had made in terms of publishing titles were assets since he was expecting them to be generating revenues for a number of years.

-Assets are the identified investments that can produce sales for the future in their own right, and therefore brands could fall in that category.

-Assets must be separable (i.e. can be transferred and keep on producing sales under the new ownership) which again was a requirement brands could satisfy.

This was then followed by a series of brand valuations, especially at the eves of hostile or unwanted takeovers (for a more detailed history of brand evaluations see Arnold 1992, Kapferer 1992). The result was the incredibly high figures paid for brands in the 1990's. Nestle buying Rowntree, paying a price made from over

83% goodwill, Grand Metropolitan paying a price comprised of 86% goodwill and Cadbury Schweppes paying a price of 75% goodwill to name a few (Birkin 1993).

The reasons for these brand evaluations have been mainly for balance sheet benefits as explained before strengthening the asset base (lowering the gearing ratios) and raising the share or takeover bid value. However a number of other benefits can also be seen, such as:

- To provide better financial information to the market. Since the stock investors are in effect buying their assessment of the company's future, it may be a crucial bid of information to know the strength of the brand in relation to the competition brands.

- Management information. The valuation of brands can be an essential tool to provide the management with better and more accurate information. This will enable the company to use other techniques like portfolio matrix approaches in order to decide on resource allocations and future strategy. From a recent study carried out by PA consulting, it has been found that half of a client's brands were producing 150% of the profits with the other half eating up the excess 50% due to 'over enthusiastic marketing aiming for market share (Mitchell 1994). In addition to these, the valuation can provide information as to whether a brand extension would be possible, the needs of the company or brand in terms of its internationalisation process and it can also be used to justify budgets.

- Brands can be used as separate financial entities. This will enable the company to sell the brands, license them or franchise them which opens up many growth possibilities for the brand owners. Brands can be placed as collateral on loans, or even used in sale and leaseback arrangements to achieve tax benefits.

- Internal management benefits. This is due to the fact that the brand valuation can give a sign to the people of a company about the health of the company and even give them a mission or inspire them to understand the company's ethos. In addition the process of the brand valuation may bring together various company departments like marketing, legal, financial and so on, and as Kapferer (1992) states this collaboration will allow them to see the real issues in branding. These

are, the fact that the intangible assets may be much more valuable than the tangible ones and that the prospect should be the capitalisation on the long term and not the annual evaluation.

- Mergers and acquisition. The information provided by the evaluation can assist a company in the setting out of targets for mergers and acquisitions and in a sense eliminating some of the risk.

3.63 HOW DO YOU MEASURE THE VALUE OF A BRAND?

A number of researchers have proposed different ways of looking at the strength of brands, from a marketing point of view and this has added to the emerging concept of the need for evaluating the brands. However these methods or ideas as to what composes a brand's strength, on general tended not to provide a concrete framework or a methodology. In addition there was no financial appraisal system for evaluating a brand, like an asset, in order to include in the balance sheet or to compare its performance and act on investment decisions in relation to the rest of the brands or assets the company had. A selection of these proposals for the brand strength evaluation is presented in the next paragraph.

Macrae (1991) refers to an ABC rating for the strength which looks at the ability of the brand to extend abroad to international markets, the ability to give brand extensions and the ability to have a defendable marketing edge (looking at an audit for all risks). Thus he points out to a system of brand building where a brand must pass through 'bases' and the more bases it passes through, the stronger the brand is. The different bases are: The Value base, the Quality base, the Identity base, the Extendibility base and the Marketing Edge base.

Crimmings (1992) defines the value added by the brand as "the amount of value added by a brand is the ratio of its price to its competitors price when both products are equally desirable to consumers, minus one". He states that a brand's strength must be valued in terms of the amount of value added by the brand name, the breadth of added value in terms of extensions and the content of value added in terms of the qualities implied by the brand name. His proposal for the strength evaluation is more of a conjoint analysis where one should offer the brand at

different prices until it is equally desirable to the competition, in order to see the value.

Park & Smith (1992) used a different measure of brand strength, namely the rating by consumers for the brand on quality and value associated with the product. The average of this score was used in their research as the brand strength and it was reported to correlate highly with trust in the brand. However one can notice that they do not examine the brand valuation in any financial sense nor do they present reasoning or a methodology for doing that. The main aim of these brand strength evaluations measure is more in order to give a theoretical direction for the marketer wanting to examine the possibilities of the brand in the future, or as a platform for the researcher (themselves) to discuss several options a company may have that can add value to the brand.

The main ideas for brand financial evaluation though started after the 1985's and in the 90's a number of papers and books have been written discussing the possible ways and/or arguing for the implications of using such evaluations in the balance sheet of a company. Thus a number of ways to measure the brands value have been discussed and all have their problems and possible pitfalls. Most of the methods, described in the literature, are basically based on the accounting theory for asset valuation which refers to a number of ways for looking at the value such as the historic cost, the replacement cost, realisation value and so on.

In practice however the brands evaluation is being done using methods devised by Branding and Accounting Consultancies, with the aim to integrate elements of marketing theory, the legal aspects and the financial and accounting principles. The best well known one is the Interbrand method devised by the Interbrand consultancy which is probably the leading authority on brand valuations in the UK as well as internationally. It is also estimated that the Big Six accounting firms in the UK and many other consulting and accounting firms may have their own methodology for evaluating brands although a number of them seem to disagree with the idea of using this brand valuation for accounting purposes. This is especially true for the accounting based consultancies since the Institute of Chartered Accountants of England and Wales (ICAEW) have referred to this notion as "highly unwise due to the basis of financial position" after a common research project with the London Business School on the use of brands in the balance sheet (Barwise et al. 1989). In this section the main theoretical methods (for reviews

see Kapferer 1992, Birkin 1991,1993, Aaker 1991, Arnold 1992, Murphy 1992) will be briefly explained as well as the Interbrand method (Interbrand 1990, Birkin 1991).

Historic Cost method. This calls to aggregating all the past expenditure on the brand and therefore treating this as investment. This could be the promotional spend, the R&D, distribution and so on. If the brand has been recently acquired then that may be more straightforward but if the brand is an own brand of the company, then a number of problems are presented. The more serious problems involve the decision as to which expenses can be allocated and how this allocation can be done. The management time, the joint efforts of the company and the brand, the PR policy of the company, the corporate image expenditure and so on, have played a role in the value of the brand but how can this proportion be calculated. The quality of the efforts or spend on the brand is also sacrificed by the quantity and of course the Historic cost method has the major drawback that it does not reflect the current value of the brand in the market.

Current or Replacement cost. This refers to the idea that an asset must be valued at what it would cost the company to replace it, i.e. to buy it again. Since brands are not traded in the market frequently, this is a problem that requires a subjective evaluation based on very little information. In addition the different brands can have different strengths and so looking at the value of one may not give a lot of guidance as to the value of another one.

Realisation value. This calls to evaluating a brand in accordance to its market price, i.e. how much someone would be prepared to pay to buy it. However as noted before the trading of brands is not frequent and easy so that it will give a good basis for evaluations based on market prices.

Discounted cash flow. This calls for an attempt to calculate the future earnings or cashflow stream of the brand by extrapolating current earnings to the future and then discounting this to present values. However this assumption of future earnings does not take into account possible changes in the market, the capabilities of the brand's guardians (management and marketing personnel) and the problem of separability of the cash flow from the brand and the cash flow from other brands in the company that may be sharing the same distribution and promotion resources.

Price Premium method. This calls for a measure of the price premium a brand has over its competitor. This margin or premium then becomes the basis of the evaluation for the balance sheet. It is multiplied by the brand's volume of sales to obtain the turnover due to the brand. Kapferer (1992) suggests that the comparison product should be an unbranded one or a generic one, in order to see more clearly what the value of the brand is. However the problem is that it is very difficult to decide on the generic comparison of a specific brand like Chanel or Mars chocolate and also this may not be very accurate since the generic brands go for volume and not for margins which indicates that the price premium could be more a strategy question than an evaluation of the brand. Aaker (1991) discusses the use of blind tests instead of generic brands in the sense to see the difference in preference. However another problem applies both to this and the premium price method, in that these methods look at the situation (the strength of the brand) at present and not in the future (estimating the future earnings).

Royalties method. This calls for an estimation of the royalties the owner could receive in a year if the company could transfer the rights to use the brand under license. This figure could then be used to calculate the discounted cash flows over several years. However even in the cases that the brand owners do license the brand elsewhere, this has a number of other strategic reasons behind it, and thus the price is more a compromise to achieve those reasons like penetrations in foreign markets. Also the royalties figure include a number of other things like the training or transfer of tangible assets or simply a transfer of know-how.

The Sensitivity Method. This is suggested by Kapferer and it consists of firstly looking at the number of people recognising the brand. This is multiplied by the number who are sensitive to the brand, that is they are influenced by it, and the easiness by the which the brand can be obtained (Autonomy). So the end formula is : Value = Sales X Awareness X Influence X Autonomy.

Evaluation based on **Stock Price Movements.** Here the argument is that the stock market will adjust the price of the stock to reflect the future prospects of its brands. The stock price multiplied by the number of shares give the value of the company as a whole. Then the tangible assets values (Replacement cost) are subtracted and the rest are attributed to the value of the brand, the value of things like R&D and the value of the industry such as concentration factors and regulations. Although this method does look at the future capacity of the brand, it

suffers from a number of drawbacks such as the fact that the stock price would reflect more the future capability of the present management with the companies resources than the specific brand. In addition it can only apply to publicly listed company's and it is useful more to companies with one or with a very dominant brand.

Interbrand method. The Interbrand method looks for a multiplier on current earnings to give the present value of the brands. This multiplier is based on the brand's strength which in turn is based on an evaluation of a number of marketing and legal factors. Thus the method is based on three considerations, namely how to get to the appropriate earnings figure for the brands sales, how to calculate the strength of the brand using both hard and soft information about the brand's performance in the market and how to arrive at a multiple.

Earnings figure. This is calculated by subtracting from the specific brand sales the following : Cost of Brand sales, Marketing Costs, Variable and Fixed Overheads including Depreciation and Central Overhead allocations, Remuneration of Capital Charge (in the sense that the company must be getting a 5-10% rental charge on the replacement value of the capital employed) and Taxation.

Brand Strength. This is calculated by conducting an audit on the following factors:

* Leadership. This looks at market share, awareness, positioning and competitor profile.

* Stability. This looks at the longevity of the brand, its coherence in its identity and the different risks that can be present for the brands image.

* Market. This looks at the stability of the market, the size of the market, the barriers to entry and the market dynamics.

* Internationality. This looks at the geographical spread of the brand, its prestige and international positioning. This is based on the fact that an international brand is more valuable than a regional one and that as the global barriers are lowering a brand can not afford to be national or regional.

* Trend. This looks at the projections from the brand by the company, the possible actions of the competition, the long term market share performance and generally an assessment of the brand in terms of its ability to remain relevant to the consumers.

* Support. This looks both at the above and below the line spent and the consistency of the message and the spent. This is based on the premise that the

brand names that receive consistent investment and focused support are considered more valuable than those who have not. The quality of the support is also important.

* Protection. This looks at the strength of the trademark registration, any other conditions or strengths due to the common law and the outcomes of the litigation and disputes in the area.

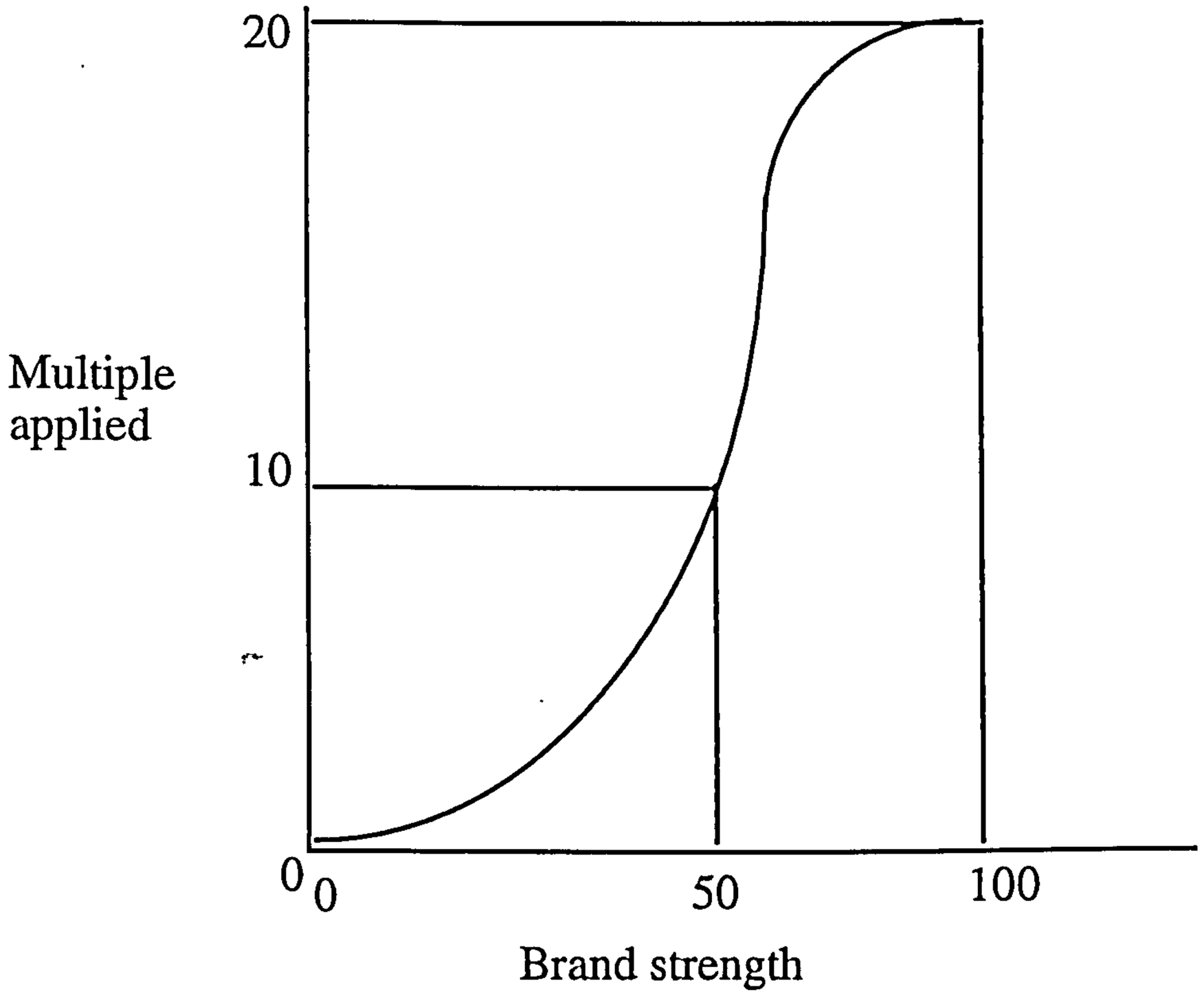
Each factor is assigned a maximum score out of a hundred as follows:

Leadership	25		
Stability	15		
Market	10		
Internationality	25		
Trend	10		
Support	10		
Protection	5	TOTAL	100

Each brand is then assessed in terms of these attributes and a final score is achieved. This score is then used to get the multiple. Usually weak national brands score around 20-40, strong national brands around 40-60, weak international brands 40-60 and strong international brands 60-90 (Marketing - Brand valuation Guide No 16).

The Multiplier. Interbrand have devised an S curve which can be used to convert this brand strength into a multiple or a discount rate. The stronger the brand, the higher the multiple and the lower the discount rate. This S curve then describes the relationship between brand strength scores and the multiple and this relationship is based on the Interbrand's experience in the area as well as on some factual information. The maximum multiple of 20 is given because one can compare it with other ways of investing money such as in fixed interest government bonds. Also the S shape is justified because additions either to a very weak or to a very strong brand should be able to only marginally change the evaluation at the first steps. An example of the S curve can be seen in diagram 3.10.

Diagram 3.10 Interbrand's S curve (from Kapferer 1992, Birkin 1991)



The brands earnings are then multiplied by the multiple to give the valuation of the brand which can be put in the balance sheet. This idea of a multiple resulting from an evaluation of brand strengths and the multiplication of the current earnings has been adopted by others (Aaker 1991, Thomas 1993) although the internationally accepted standard at the moment is that of Interbrand due to the experience they have from a number of important valuations across many industries.

3.64 A CONCLUDING NOTE.

Brand valuation as it was shown, can be done using a variety of methods either based on past or future earnings or even market based variables. However the most accepted method is the multiple variable method which looks to both isolate the earnings from the brand but also tries to look at the strength of the brand for the future. A number of companies are using consultants and accountants in order to arrive at an evaluation of their brands for one of the above mentioned reasons. However there is a note of caution. There is still a controversy in the accounting profession as to the role of accounting statements. This is in terms of the statements needing to be prudent and include only objective details of actual

completed transactions or to depend more on the 'true and fair view' part and thus include subjective evaluations of the company's real economic value (i.e. including brands). As mentioned before the ICAEW has rejected the inclusion of brands in the balance sheet at present due to insufficient evidence as to the basis of the evaluation. The Scottish Institute however, together with brand owners have disagreed strongly with some or all the conclusions of the report.

In addition to this debate the reader is reminded of three other limitations in the evaluation of brands. Firstly there is the issue of the different brand structures, in the sense that an endorsed brand is very different from an individual brand and from a company brand. The methods described so far may have difficulties in separating the brands from the company in terms of revenues, in terms of costs, in terms of attributable investments. The brand can also have a value to its extensions and it can be claimed that the Persil washing powder is not only contributing its sales to the company, but also part of the sales of the Persil dish washing liquid and the Persil softener. Thus the extensions need to be counted in but they maybe in different markets, trends and positions. The third limitations is the fact that the brand evaluation may not serve all purposes. Thus an evaluation for balance sheet purposes may not be the best one for looking at the marketing strategy and so forth. Therefore the company may have to decide on the objectives for the evaluation and then assess the suitability of the different methods or even work (alone or with a consultant) on the development of its own brand audit.

CHAPTER FOUR - SETTING THE THESIS

BRAND LOYALTY & HUMAN RELATIONSHIPS

" ... Automobiles are heavily laden with social meanings and are highly esteemed because they provide avenues for the expression ... of the character, temperament and self concept of the owner or driver ...The buying process is an interaction between the personality of the car and the personality of the individual."

Vance Packard in " The Hidden pesuaders "

1957

4.1 INTRODUCTION

This chapter deals with the main research question in the sense that it explores the specific elements from the literature chapters and the literature in general, to show the need for this research. Therefore this chapter shows that loyalty as a concept is still ambiguous and in the search for a definition, researchers have used a number of behavioural and attitudinal aspects referring to them as loyalty. However the question that is still unanswered is what causes loyalty.

In addition, this section shows that the brand relationship aspect is still new to the marketing and branding world. Although psychologists have investigated the human relationships in some depth, the consumers relationship with brands was not explored in such a manner. Instead, researchers have touched upon some aspects of such a relationship, without attempting to put them together to a relationship concept or theory.

The practitioners on the other hand have been referring to the issue of relationship in great lengths in the recent years but with no concrete examples of what they actually meant. These practical comments are also examined in this chapter leading to the formulation of the thesis; the formulation of the reasons underlying this research and the objectives it is expected to fulfil.

4.2 LOYALTY

4.21 DEFINITION

Although one of the main aims of marketing and indeed of branding has always been to maintain customers and achieve an endless row of repeated sales (or simply achieve customer loyalty through customer satisfaction), this loyalty term has neither been well understood nor conceptually defined. Both practitioners and academics understand the notion as the occurrence of a repeat purchase, but the fact remains that this is a rather behavioural response and therefore may not be adequate to describe the bond the company wants to achieve with the customers. A number of researchers have tried to define the term loyalty in various ways while others simply devised a measure in order to capture it either for performance research or simply for using it as a variable in a study.

When researchers started using or measuring the term of loyalty, the most obvious route to go for was to use the consumer's behaviour or overt purchase act. Thus a number of measurements or definitions of loyalty were born and these tended to be as many and diverse as the number of the different researchers.

George Brown (1952,1953) placed the emphasis on individual loyalty defined as a purchase pattern of AAAAAA of brand A in six consecutive purchases. He tested nine products groups and All purpose flour and Toothpaste had the highest loyalty where as coffee had the smallest non-loyal segment(identified by a purchase of ABCDEF).

On the other hand, R. Cunningham (1955-56) looked at the proportion of purchases a household devoted to a specific brand and in seven product categories Headache remedies came first with 72% loyalty.

Others such as Guest (1944) and Massy, Frank and Lodahl (1966) examined the stability of household brand loyalty over time, and stipulated that loyalty can be measured by looking at the proportion or sequence of purchases but in two distinct periods of time for example now and in ten years.

One of the first researchers to actually start the debate about the concept of loyalty was Day (1969) when he argued that loyalty has to be seen both in behavioural and in an attitudinal sense. Thus he claimed that the overt purchasing act could be because of promotions, coupons and unavailability of desired brand and not loyalty. His measure consisted of dividing the proportion devoted to the brand from the total consumer purchases, over a figure representing the attitude of the consumer towards the brand, multiplied by a constant.

This has led to Jacoby & Kyner (1973) article which challenges the definitions of loyalty as not only lacking in terms of conceptualism but also in terms of lacking in consistency. They show that a consumer that devotes three quarters of his purchases on one brand in a product category, will be classified as loyal with the percent definition (depending to the particular cut off point) while he may be classified as non loyal according to the sequence method (again depending to the cut off point). Thus the same consumer may be studied by different researchers as being of a different type to the loyalty question. They proceeded in their article to give a number of facets that one can use to differentiate a loyalty situation from a repeat purchase one. These six facets are:

- The purchase must be a biased one, in the sense that it must be accompanied by an attitude statement (i.e. must not be random).

- There must be a behavioural measure or response (that is the intention to buy must be followed by a purchase of the brand).

- It must be expressed over time (in the way of the early measures either in terms of number of purchases or actual time).

- There must be some decision making unit. Here Jacoby and Kyner indicated that the person that is measured for loyalty must be the same person that has taken the decision to be loyal, in the sense that a wife that repeats purchase a brand because her husband insists on that brand can not be taken as a representative loyal consumer even though she may satisfy the rest of the criteria.

- It must be a function of psychological processes, in the sense that the consumer must be loyal because the brand is considered the most satisfying and not because of a particular price cut or because of limited distribution in the shop consumers buy from.

- The selection must involve more than one brand. This is because as they rightly say "before one can speak of being loyal, one must have the opportunity for being disloyal".

However their research and definitions have faced constant criticism especially from Tarpey (1974, 1975) who pointed out that Jacoby has not answered the main question i.e. what causes loyalty and has therefore not given a conceptual definition. He stated that what Jacoby has given, is an improved version of an operational definition of loyalty. He further added that consumers do get loyal or committed to brands because of consuming the brand (satisfaction) and because of the firm's marketing strategy (the use of advertising, selling and so on that influence consumers on what to buy.) Jacoby responded to the criticism (Jacoby 1975) by stating that commitment according to Kiesler (1971) can be a function of many psychological factors which is what their model encapsulates and also that Tarpey does not contradict their conclusions with any data or an alternative explanation on the causes of loyalty.

However in the years that followed, this debate has not found a solution or an agreed conclusion. On one side of the ring, researchers like Ehrenberg (1972) and Murray (1986) declared that consumer's loyalty is not attitudinal or feelings oriented but rather is a result of the penetration of the brand in the market, at least in the fast moving consumer goods market. They claimed that what can be observed is a duplication of purchase and not loyalty, and this tends to deteriorate as the testing period extends. Thus, they argued, consumers are all multibrand buyers, choosing from a portfolio of brands, and the observed repeat purchase is simply based on satisfaction from the usage of the brand and therefore depending on the penetration level of the brand.

However this is contradicted by the majority of the researchers who look at the consumer from a micro rather than a macro point, supporting the view that the individual consumer would take a decision as to keep on buying the same brand on an attitudinal base. Johnson (1984) argues for example, that it is true that the longer the time, the more probability exists for a consumer to do a multiple purchase, but this is does not mean that the consumer is not loyal anymore. Particular consumers may be tempted at times by an offer or a promotion or even may go for a variety purchase, but could be returning to their brand after that. He also investigated the notion that loyalty on the whole has declined in recent times and showed that this is not true for the 1975 - 1983 period he researched. Moreover Cohen & Houston (1972) propose that when involvement is low then loyalty will result as a solution to avoiding the cost of obtaining information or re-evaluating the brands.

Tucker (1964) on the other hand actually showed that brand loyalty and a relationship can be developed based only on attitude. A number of housewives were given a choice of four identical types of branded bread and more than half developed a kind of brand loyalty through their usage and their attitude formation.

But what constitutes loyalty after all ? The researcher have not so far come to an agreed cause. Britt (1978) states that loyalty results from appreciation of 'added value' which is a combination of the real value observed from product usage and the reinforcement or advertising. Macrae (1993b) declares that loyal people are the ones with a strong identification with the brand or with little confidence in the market being therefore guided by tradition or advice from an expert. David Arnold (1992) states that " the intangible or emotional wants of the consumer are the source of loyalty to a brand... the blend of physical and emotional appeals must be distinctive".

Aaker (1991) as well as many others (Tranberg 1986, Assael & Lipstein 1978, Raj 1984, Grover & Srinivasan 1992) proposes that loyalty can exist at many different levels. Thus the market may not be divided simply in Loyal and not Loyal consumers but a whole continuum can exist. While though Aaker views that as a continuum in loyalty and commitment, others simply categorise these segments in terms of the behaviour observed and mainly in terms of consumers being sole buyers of the brand to those buying only two brands and so on. Aaker although not supporting it empirically, drew up a pyramid made up of layers of loyalty from the very committed loyal buyer to the switcher or price sensitive. He then described the different kind of consumers falling in the different layers, showing a progression from a risk reducing attitude to a true commitment because of identification with the brand. However, he does not propound a concrete method to actually measure or differentiate between the different loyalties. He rather suggests that a number of different ways exist, from looking at the behaviour measures to actually doing qualitative research on whether consumers talk with friends about the brand (signalling commitment). There is no method though described that one can use and derive the results quantitatively.

One of the interesting findings of a number of researchers is the existence of the 'double jeopardy' effect as it concerns loyalty and share in the market. Shuchman (1968) and Raj (1985) found that the more popular brands tend to have a more loyal client base, which is something in agreement to Ehrenberg's relationship

between penetration in the market (market share) and loyalty. This could be seen in terms of the social acceptance or social risk reducing actions in consumer behaviour where the consumer is likely to conform to the purchase pattern for obvious reasons. However the question still remains as to whether and at what point the consumer is committed to the brand or is repeat buying and how can this be measured.

These different types of loyalties have been used in other investigations as mentioned before, and thus it might be useful to look at the way the loyal buyers were segmented. Tranberg (1986) for example used a simple method to segment the loyal buyers based on purchase habits. He adopted a rule of sole buyer (buying one brand) a two brand loyal buyer and a three or more. He could then use this segmentation to draw a market map for different product markets. Raj (1982) on the other hand classifies consumers as high and low loyalty based on an arbitrary 50 per cent mark. However the long time used for the study, one year or 23 purchases, allows him as he claims, to be fairly accurate in this classification. In a later paper though, Raj (1986) splits up the consumers in terms of the choice level, that is depending whether the consumer is a sole consumer or whether he chooses the brand most often (primary, secondary choice). He then uses the information on sole users to construct a brand loyalty index (the ratio between sole buyers and all the buyers for a brand) that can allow brand comparisons.

Grover & Srinivasan (1992) define brand loyals as those who would stay with the brand for a number of purchases but their model uses an iterative process that calculates the extend of loyalty taking into account not only the percentage of purchases of the brand but also the probability that they will buy again. Their main findings is that loyal segments respond differently to switchers in terms of promotional activity, in that the loyal consumers accelerate purchases rather than switch brands and vice versa.

Tod Johnson (1984) uses behavioural information to classify the loyal consumers but he mixes three definitions for loyalty. He looks at the share of requirements (% share of purchases over other brands), a combination of this share of requirements with a minimum number of purchases from the brand and a calculation of the total number of brands bought (degree of brand mixing). He then uses these three definitions to comment about loyalty and other variables and also to plot loyalty over time. Crimmings (1992) on the other hand challenges Johnson behaviour

measures and so he proposes looking at the intention to buy, the number of sole users and the attitude for the brand. He also suggests a change in the share of requirement measure that becomes the "% of volume a brand derives from people who are loyal to that brand in at least two thirds of their purchases" which on average should coincide with the behaviour measure of buying the brand in two thirds of the purchases. He uses again these definition to research and comment on the commitment and loyalty levels over time, stating that they have not decreased in all categories in recent times but rather the movement depends on the specific product category.

It is therefore evident that a single method for measuring loyalty is not available and the characteristics that would differentiate a loyal buyer from a simple repeat buyer are not clear cut or distinct. The behavioural measurement of loyalty is the dominant way of distinguishing the loyal buyers from the non loyals but as it has been discussed before, this has its problems and biases. However, this behavioural selection could be close enough if the sample is big enough, or if the time period is varied as long as the research is based on other variables and on averages. This is to say that examining or exploring the loyalty *per se* of individuals using only one of the many overt measures may lead to non realistic results.

One other thing to note is through this loyalty research there has not been much published in terms of qualitative types of research being done, even though a lot of the practical unpublished investigations tend to go in that route. Thus loyalty seems to be more explored and investigated in depth on the micro level in terms of the commercial studies whereas the main focus of the academic research has been on the macro identification of loyalty either to correlate it with other variables or to draw conclusions as to simulated behaviour in given situations. In terms of the former the reader is directed to a number of studies attempting to segment loyal customers by their personal attributes, personal preferences, schemas present (ARF 1964, Farley 1963-64, Frank & Boyd 1965, Carman 1970, Moschis et al 1984, Sentis & Marcus 1986, Johnson 1984) while in terms of the latter the studies focused on the effect of price changes, promotions, advertising and other variables on loyal and non loyal segments (for example McCann 1974, Raj 1982, Grover & Srinivasan 1992).

It could be therefore resumed that the difference between the repeat behaviour and the loyalty must be that the latter contains a degree of commitment, a sense of

affiliation to the brand that determines the choice every time. This must affect the end decision either before the consumer passes to the information search or the evaluation stage, or it must be distorting these processes so that the winner choice is always the loyal brand. It is therefore this commitment that one must identify and isolate in order to understand the term of loyalty. Traylor (1981) distinguishes between loyalty and Commitment (although this seems to be the same distinction as repeat buying and loyalty with different words) by defining commitment as "pledging or binding of an individual to his brand choice". He then concludes that commitment must be attitudinal and implies a psychological attachment.

However this commitment was again never explained as to why it arises. Characteristically Jacoby (1975), who dealt much with this issue, states : "defining a causative relationship between A & B and even demonstrating that A causes B, in no way requires that we understand why A causes B." Therefore what Jacoby admits to have shown is that loyalty needs a certain 'commitment' but he has not explain what causes loyalty and why. This commitment according to Jacoby is present when his six stated conditions are met (see previous section).

4.22 INVOLVEMENT AND LOYALTY

Involvement is defined as : "an observable state of motivation, arousal or interest. It is evoked by a particular stimulus or situation and has drive properties. Its consequences are types of searching, information processing and decision making" (Rothchild 1984 quoted in Kapferer & Laurent 1985/86). This involvement with the product group could be in a way related to loyalty in the sense that the concept of involvement shows a particular bond the consumer has with the product group and this could be transferred across to the brand choice.

Researchers have shown that different product groups have different loyalty levels and thus this commitment/loyalty could be related to the involvement level the consumer has with the product category (Chance & French 1972). Specifically, other research has shown that in some categories where a higher involvement is present due to a number of reasons (see chapter two), this results in higher loyalty (Tyebjee 1977, Lactovicka & Gardner 1974).

This is seen as a result of the fact that in low involvement decisions the product is thought as trivial and thus the consumer has no reason to create a bond with the brand (Lactovicka & Gardner 1974). However this comes as a contradiction to the idea that brands are used by the consumer not only for reducing the risk but also for simplifying the process and reducing the need for choosing. Tyebjee (1977) states that low involvement leads to high variety seeking but again this can not be absolute since research also suggests that loyalty can be high in fmcg with low involvement (Brown 1052, 1953, Cunningham 1956, Arnold 1992, Crimmings 1992).

Traylor (1981) actually researched this hypothesis that product involvement matters for loyalty or commitment and the results were negative. He characteristically states : "the survey hypothesis cannot be wholly accepted. While some products do indeed show a significant, positive relationship between product involvement and brand commitment, others do not". His conclusion is that consumers can be segmented according to the involvement and commitment level as in the table below, and therefore the marketer can adopt different strategies for each type.

Table 4.1 Potential market segments (from Traylor 1981)

	High Product Involvement	Low Product Involvement
High Brand Commitment	Segment I	Segment II
Low brand commitment	Segment IV	Segment III

In segment I, for example, Traylor suggests a communication strategy designed to reinforce brand efficacy without mention of competitors since the consumers in that segment are both involved with the product and committed to a particular brand.

Cohen & Houston (1972) reinforce the view that it is in low involvement purchases, either because alternatives are very similar or because the purchase act is not likely to be repeated, that loyalty will be present since the consumer will prefer to routinise behaviour. The most complete analysis of involvement was the one carried out by Kapferer & Laurent (1985/86) where they have split the involvement levels in ten different categories (substantiating their existence with

research), arguing that a low and high involvement was a very simplistic assumption. Each of the ten involvement types was then seen in terms of their proposed five facets of the involvement (see chapter two) and then different product groups were examined in terms of the involvement type consumers have in respect to them. Thus, in terms of batteries (product) then 43% of respondents show a minimal involvement while 24% show a functional differentiation type. In this minimal involvement fall products such as pasta, detergents, dish washing liquid. In terms of the facets now, the consumers involve themselves with the brands in such a category due to the sign (what the brand says about the consumer, user image), competence (knowledge of the consumer as to the characteristics for choice in the category) and perceived difference (between the brands). What Kapferer & Laurent are therefore saying is that different product groups will need different strategies (communication and product based) in order to give the consumers the reason to repeat purchase or routinise their behaviour. These strategies will also differ in terms of the effect because of the involvement level and the split of that in the different facets.

All this discussion may therefore be seen as contradicting since some of the researchers refer to high or low involvement as leading to greater loyalty, whereas others show a number of levels or segments that respond differently in terms of loyalty and involvement. However most of this contradiction stems from the issue discussed in the section above. That is, are these measurements for loyalty (i.e. commitment) or for repeat purchases ? Since the two are not differentiated either in the methodology of the different research or in the discussions that followed, then the contradiction is present and unresolved.

4.23 USAGE AND LOYALTY

One other factor that was widely seen in connection to loyalty has been the usage of the brand, that is the amount of usage in terms of heavy and light buyers of the product class. The arguments as to the difference in loyalty between the heavy and light buyers turn back to the theory of consumer behaviour and the concept of involvement itself.

A heavy buyer can be seen as having a high involvement in a sense with a product due to the frequency and/or the volume of purchase. This high usage can imply that

the consumer needs to simplify the process for reducing the information and evaluation costs and thus a loyal behaviour may arise. This view has been held by Day (1969) who showed that true loyals were the heavy users of the brand and that the heavy user is bound to be more loyal because of his/her experience with the product and the need of simplification of the process. Cohen & Houston (1972) support this view, whereas Crimmings (1992) reports from his survey that more and more heavy consumers are becoming sole users of the brand.

On the other hand light buyers tend to be more loyal than heavy buyers because of two reasons: Firstly, light buyers have less contact with the product and therefore it would not compensate them to adopt a choosing rule which implies that the cost 'forces' them to be loyal to a brand. And secondly they have less temptation to switch due to the infrequent or low volume purchases. These views have been supported amongst others by Ehrenberg (1972, 1991), Barwise (Barwise & Ehrenberg), Murray (1986), Johnson (1984 and Arnold (1992). Ehrenberg's arguments especially support the view that since all consumers are multibrand users then the reason that light buyers are more loyal is precisely because they have less opportunity to being disloyal.

Crimmings (1992) challenges these views stating that from his experience and research it is the medium and heavy consumer that can be described more as a sole user or a loyal user. If one considers the fact that the heavy user has more chances of being disloyal and the fact that a heavy user may at a point feel the need for a variety seeking behaviour to increase stimulation (see chapter two), then Crimming's point of view may not be unrealistic.

Once again the question arises as to what constitutes loyalty. The research described above can only be accurate within its frame of reference. And that frame of reference contains a behavioural description of loyalty that differs from one research to another. The measuring of the percent of purchases is not the same as the counting of the sole buyers but both of them fell into the same ambiguity: they both measure an attitude or bondage, probably in the unconscious by the overt behaviour.

4.24 GAPS IN THE THEORY

It has been obvious, from the contrasting of the theory and the available research, that the incomplete or ill-defined concept of loyalty does not allow the researchers to get to definite conclusions either about loyalty or commitment themselves or about the variables that affect them.

The theory of consumer behaviour shows the consumer going through a number of stages (depending on the type of situation) in order to arrive to a purchase. At the same time that the overt distinct stages are observed there are psychological stages that again are passed from. The intention to purchase is actually the last covert stage which would lead to the overt action of purchase itself. However as seen in chapter two this intention to purchase does not always correspond to purchase. They are may be situational factors at the time or point of purchase that distort the measurement, since the consumer may be committed to brand A but buys brand B because of unavailability of A or because of a price promotion of B.

The question some of the researchers are placing is then: does this behaviour of the consumer reduce his commitment to a brand ? Can a consumer be committed to a brand, but at times choose or simply accept a predetermined choice over him (due to other factors outside his powers) which is not the brand he always buys ?

Consider the consumer who always buys brand A and once every while he decides to buy brand B for variety, knowing from before that he will return to brand A after that (that is he is not trying brand B as an experiment for changing his purchasing habits). Is that consumer a committed buyer or not ? If there had been a clear definition of this loyalty or commitment then things could have been easier but in the current situation, the particular consumer would be classified as loyal or not according to the method chosen for measuring his overt actions.

If one takes this further, then what about the consumer who always buys brand A because it is the best brand available and not because he is committed to the brand ? Is that consumer a loyal consumer ? As Andreou (1994) states over this issue in a recent article :"... consumers are forced to compromise. They have to live with brand X simply because brand Y is worse. Even more they may have to like brand

X ....this means they are not loyals; they are repeat buyers until something else more exciting becomes attainable".

The case of the introduction of Haagen Daaz ice cream in the US and the UK market and more recently in the Spanish market demonstrates this phenomenon (Macrae 1993b). The consumers were thought as loyal to the major brands in the market but they were simply satisfying due to the similarity of alternatives. It was possible to realise the non existence of bonds and commitment to other brands as Haagen Daaz captured a high percent of the market even though it was priced at seven times the other ice creams price. This loyalty towards Haagen Daaz works in such a way that there is a consumer pull demand forcing retailers to try and get hold of the product.

This bonding that may be needed for the existence of commitment leads therefore the researcher to examine the concept of relationships from the stand point of Psychology and Marketing.

4.3 RELATIONSHIP

4.31 WHAT IS A RELATIONSHIP ?

The concept of the relationship is something that has only lately been in much investigation by scientists in the field of social psychology. It is therefore not a well defined and clear concept that is given the same importance or meaning universally and moreover it is difficult to assess what constitutes it or how to measure it. Relationship is defined in the Longman dictionary as "a connection, having affairs together, or a way of treating and thinking of each other " and even that is closely associated with the word relation or relative. This is because the relationship as seen in the early times was closely associated with the family. However nowadays people's lives are full of relationships of all sorts and the quality and structure of life is based on them. Looking again at the definition it can be seen that it indicates that relationship is a state where two persons are sharing something together and this in itself could imply a sense of commitment. This commitment is relative but it would signal that in the same frame or relationship

category, the two persons having the relationship have a stronger bond than with any other member of the category.

Much of the research in that area in terms of humans try to differentiate between these different relationships that people may develop in their lives and the different stages these may take. Argyle (1988) discusses the different relationships as the ones of Friendship where the emphasis is on the liking aspect, the Love relationship where it could involve a sexual attraction and more intense interaction, the Marriage where there is more support and commitment, the Kinship which is less optional and has a lasting effect and the Workmates relationship where the emphasis is on the lessen formality and on its dependence more on the social interaction.

One other aspect of the relationship that is important whatever the type, is the fact that it is considered a more long term interaction. Therefore this allows the relationship to be distinguished from short term encounters or interactions. It is therefore this aspect that makes relationships more important to the marketing world. Relationship could mean commitment and it would have to be on a long term basis, which is what is lacking from the branding theory concerning loyalty. Relationship implies loyalty since a person feels a certain commitment with the person in relationship much more than with an outsider. This commitment is maintained from the relationship itself and continuously it is updated and refreshed from the interactions.

4.32 ASPECTS OF RELATIONSHIP - LOOKING AT HUMANS

In this section the aim would be to look at a number of influential models that represent what can constitute a relationship, what can influence this relationship and what stages could be there for the relationship. The aim here is to get an overall idea of how a relationship between humans can be seen and examined in the psychological field in order to be able to see the similarities this can have in the marketing and branding field. It would be long winding to actually go in depth in the study of interpersonal behaviour or relationship theories, since most of the elements represented in those studies and the research aims and methodology would not realistically serve the purpose of the thesis (for example there is a whole field of research on Romantic love - see Rubin 1970, sexual attraction - see Clarke

et al 1985, lovers behaviour see Davis & Latty-Mann 1987, parental influence see Driscoll et al 1972 and so on that have been considered as irrelevant with the purpose here).

Argyle (1988), a leading figure in Social psychology, proposes that the relationship is depending on a number of factors that affect the chances two people will like each other and develop a relationship. These factors will affect the two features of relationship, the attraction and the influence of one party to another. A selection of these factors will be examined below, integrating aspects from other relevant research in the area.

- **Proximity and frequency of interaction.** This is the idea that the more the interactions then the liking can increase and then this can lead to more interaction and so on. Therefore the idea is that the relationship can depend for its development on the amount of interaction happening. However one should note that this interaction is not directly related to liking or the relationship. This interaction facilitates liking should other conditions are met. These conditions are seen below.

- **Similarity.** Psychologists have a number of theories showing why similarity can act as a reinforcement to liking another person and therefore seeking their company. The most prominent one is the reinforcement -affect model of attraction (Byrne 1971) where one tends to like another person if one feels good when the other person is around and this is observed particularly when there is an attitude similarity. This is explained by the fact that each person has constructs of their own world that in certain cases are formed from subjective opinions and people in general when they cannot test these constructs for their validity, they tend to like people who share similar attitudes as a way of validating their constructs (Hinton 1993). There has also being a theory (Rosenbaum 1986) that the reverse could be happening i.e. that people could be indifferent or neutral to people with similar attitudes but they dislike and feel averted to people with dissimilar attitudes which in effect makes the rest (the former) look more attractive. This theory has faced criticism (Byrne et al 1986) as to the experimental design and therefore to its validity

- Equity - The issue of equity was at first probably considered by economists in their search for a theory of exchange of goods. They were concerned with the individual's maximisation of utility (or welfare) and the theory was that a 'rational' individual will only incur a 'cost' if the expected benefits would at least equal that cost or be more i.e. the consumer will be choosing a bundle (of two goods or more i.e. buying X (brand) and saving money (Y) or spending on another good(z)) which lies both on the budget line and his/her indifference curves for choice between the various goods (Varian 1987 has a good description of all the main considerations and outcomes about choice in Economic theory). Psychologists used the idea and developed theories about the relationships between people (see Argyle 1988, Hinton 1993). One such theory is the interdependence theory of Thibaut and Kelly (1978) which states that a relationship will be successful only if the two individuals by being in the relationship maximise their own 'profit' i.e. choose the best behaviour actions available to them (in economic terms this outcome would have been a Pareto equilibrium). The theory suggested that each person has a comparison level (CL) for judging the present relationship which is a result of past experiences. If the outcome of the present relationship equals or exceeds CL then the relationship is seen positively. However if the outcome falls below CL then this doesn't mean the end of the relationship since it depends on the comparison levels for Alternatives (CL_{alt}). Hatfield & Traupmann have been amongst the leading researchers in the equity side (see Hatfield et al 1979) and they also developed a scale to measure equity in different types of relationship. They postulate that when people find themselves in inequitable situations then they may take one of two actions: restore the balance through psychological means in the sense that they can make themselves believe they are wrong and they have equity, or restore the balance through actual actions (i.e. stopping the relationship or talking to the other party about it). The decision will depend on the cost/benefit associated with each strategy for the situation.

- Reinforcement. This refers to the principle that people need to satisfy the needs of others. Argyle refers to studies where the popular students in a school were the ones that helped and also encouraged and protected others as well as made them feel accepted. This is also referred to as 'social support.' This reinforcement can also influence the behaviour of people since it acts as a reward of desired behaviour. Duck (1983) also talked about reinforcement as affecting the stability of the relationship and Hinton (1993) using the term 'complimentarity' stales that there is a definite need for this, in long term relationships. Kerckhoff and Davis (1962) viewed this as a major component in the quality of the relationship.

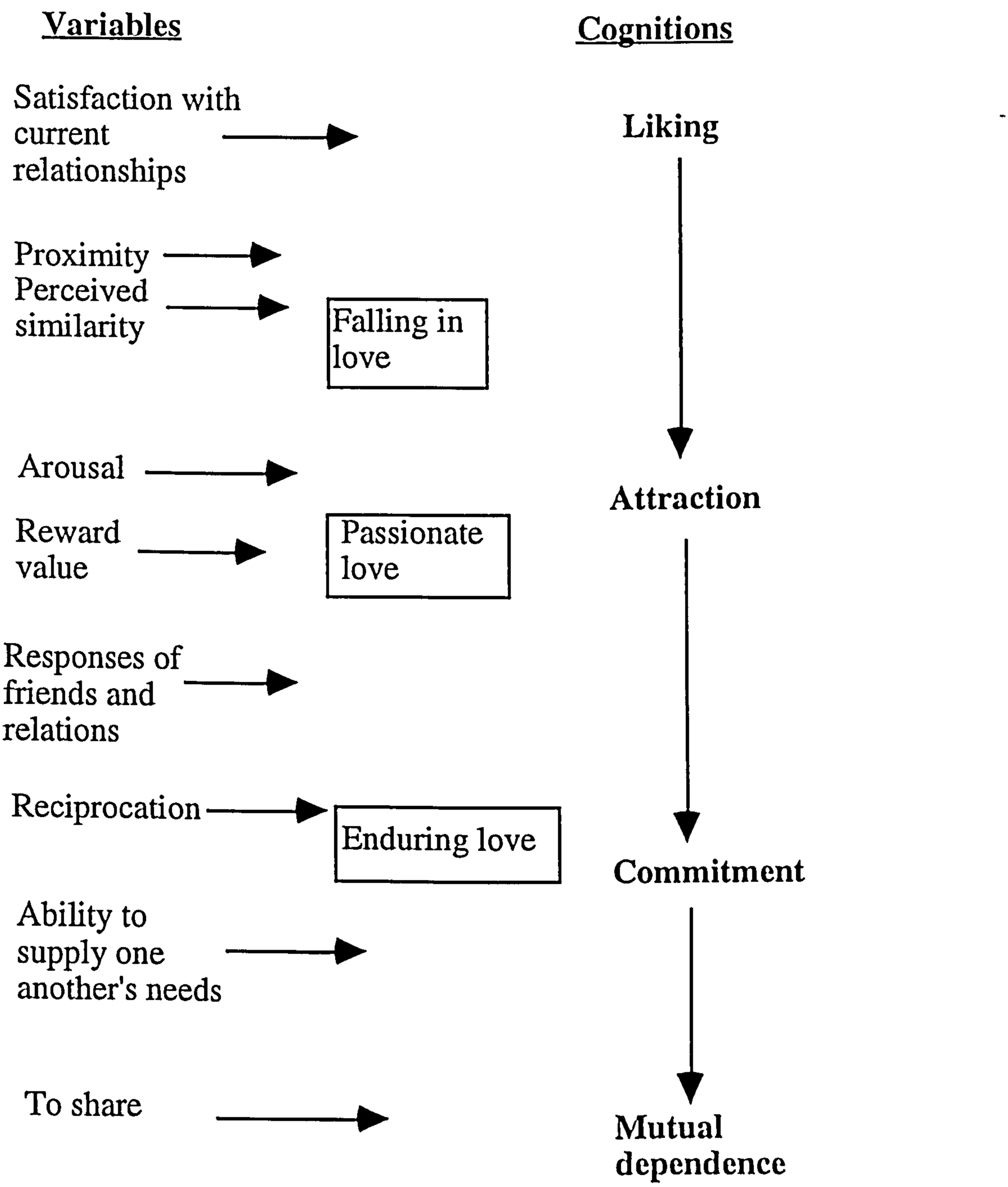
- **Need for Affiliation.** This is the idea that people tend to develop relationships that place them in a social content and structure. Thus a family relationship is one where the social structure is the family and the individual belongs to that and draws 'energy' and motivation from it. This is the same reason why people join clubs where the aim is to share elements of social life with the rest of the members. Argyle refers to this in the sense of two concepts, the Need for Affiliation as such and the 'building of a shared life' concept. He postulates that people in relationships become more important as their behaviour is needed in conjunction to the other party. This extends to the idea that people are part of a larger social network which as Argyle states: "helps to sustain the relationship". Csikszentmihalyi & Rochberg-Halton (1981) refer to an idea by Durkheim called 'collective effervescence' according to which people get out of a club more than the sum of its parts. They say that is especially true when the people participate in common activities, maybe of ritualistic or exhilarating kind. Thus people get much more out of the participation by being carried away by a 'group spirit'.

- **Reciprocated liking** - One of the most influential factors affecting your attraction towards someone is that person's evaluation of you (Baron et al 1989) This refers to the idea that people tend to like another person more when they know that the other person likes them. Argyle (1988), Duck (1983), Hinde (1981) and Hinton (1993) talk about this as an important rule for friendship and interpersonal attraction. One thing that is important here, is that what matters is the meta-perspective (Argyle 1988) or meta -perception rather the real perception. That means that A is more likely to like B if A believes B likes him, independent of what B really thinks. Research has also shown that even if this positive evaluation is believed to be inaccurate or is a recognised flattery from someone who can gain from it, then people are still pleased to receive it (Baron et al 1989).

Davis and Latty-Mann (1987) also propose a model that looks at the relationship in terms of viability, intimacy, care, passion and non presence of negative feelings. Their model in more specific terms looks at the acceptance and tolerance and respect (which in the way of measurement are close to the Similarity aspect), Intimacy, Trust and Passion (containing aspects of commitment, Reinforcement and Equity), care and Global satisfaction (including reciprocity, esteem and therefore Need for Affiliation and Reinforcement) and lastly the avoidance of conflict (non existence of ambivalence, unfair treatment and thus in a sense a belief of Reciprocated liking).

One of the best expressed models for looking at relationships is one by Maxwell (1985) where he outlined a sequence of stages through which the relationship passes through to reach commitment and mutual dependence. At each stage there are some conditions or factors that need to be in existence and these factors can be seen to correlate with the above mentioned ones. The model is seen below in diagram 4.1

Diagram 4.1 Model of relationship development (adapted from Maxwell 1985)



Through the stages of the model one can observe the elements referred to before. The similarity is present at the early stage, while the Need for affiliation can be seen as partly described in the responses of friends and relations since this implies a conformity to social structures and belonging. the Reciprocation implies the elements of Reciprocated liking as well as Equity which may also be considered in the reward value stage. The ability to supply each other needs may be seen in the light of reinforcement and sharing maybe part of equity or simply all of the above.

Although there might be many more models about relationships, the objective here was to present an amalgamation of the important elements of some of these models so that there can be a transfer of knowledge and thinking to the branding and marketing area. It is obvious that as far as the human to human relationship is concerned, the complexity is much larger than what has been described so far. The area of social Psychology is still progressing in understanding better the aspects of relationship and their functioning. However it is considered that what has been seen so far in this section may serve as a starting point in the thinking of relationships between brands and consumers in order to shed some light on the question of commitment or loyalty.

4.33 RELATED CONCEPTS IN MODERN MARKETING

Although the discussion in the previous section may seem very remote from the marketing and branding concepts there are a lot of shared elements. A number of concepts have been developed in marketing either through academic research or simply through the observation of practice in the area that demonstrate that thinking about the consumers developing a relationship with brands may not be a outrageous idea. The following sections are then aimed to look into the different related concepts and therefore set a basis for the thesis.

4.331 Value for money

One interesting concept that has been a motto in the 90's is 'Value for money'. It has been the phrase that campaigns have tried to project for the various brands in an effort to persuade consumers to adopt the brand in exchange of their money. However this concept, like the equity concept, is a very abstract one since the only

person that can judge value in a brand is the consumer. Moreover the money spent also belong to the consumer, which means that he/she would have to determine whether a brand is value for money according to his own perceptions. But is a designer label worth ten or twenty times the monetary value of the same good in an average store? When is the brand a good buy and when is it rather expensive. As for this aspect of the monetary comparison, then one could state that 'a price can not be cheap or expensive only a product with a price tag on it could be characterised like that.'

Murphy (1993) refers to the new campaign by Perrier aimed at "reminding consumers why they should cough up the extra pennies to drink Perrier" since consumers nowadays are more willing to test less high profile brands and stay with them if the quality is close to the brand leaders. However a recent survey by the Henley centre called 'Metamorphosis in Marketing 2000' revealed that more than 40% of the people believe that in certain products higher price equal best quality (Marketing Business July 1993). King (1990) argued that people in the nineties are changing radically and warned manufacturers of this change. As he said "consumers' interpretation of quality is also changing, (and it is)based on their perceptions of 'real values' not superficial styling". However it would seem that what is changing is the fact that people are maybe becoming a bit less image conscious and are therefore considering the brand's aura with suspicion. They may therefore need to be persuaded that there are functional benefits in the higher priced brand to justify the premium (for example they may need to believe that the Hermes silk scarf retailing at twenty times the price of an average silk scarf is made of better quality silk and printing rather than simply because it is exclusive).

However price isn't the only cost involved in acquiring a brand; there is also the effort of getting it, if distribution is not widespread, there is the opportunity cost of being able to use another brand instead or indeed use the money in another way and there is the possibility of being attached to a brand that you later wish to avoid or at some point disagree with its policies. On the other hand there are the benefits that the consumer gets from the brand which could be functional or representational and the amount of these benefits will depend both on the brand and the particular consumer.

Jones (1992c) states characteristically : "Consumers no longer are prepared to pay over the odds for a brand." he postulates that now it is the time of value marketing

and he explains it further: "It is not about short term discounts or promotional plays. value marketing is about delivering what you promise in the marketing and advertising - a combination of fair pricing, quality and good service".

It is therefore the case that many campaigns in the 90's have been designed to show to the consumer that the brand is offering him/her at least as much as it costs and that with the particular brand the consumer can rest assured that the brand would be putting the maximum effort in order to please him/her. A good example is the Avis campaign of 'we try harder' (Ries & Trout 1986) and the recent AA campaign in the UK 'For our customers we are the fourth emergency service'. Therefore this concept can be seen as very relevant to the Equity concept in relationships.

4.332 Club belonging

In many cases in the history of branding, a brand has managed to retain a core of consumers by offering a sort of a club membership explicitly. Examples of this are the Coca Cola clothes shop in the UK where people were buying all items of clothing endorsed not only with the brands name but also with a visible representation of something associating the core main brand (the soft drink) to the purchased item. Brands however can attempt to create this 'club' feeling by implicit means. In previous chapter it was seen, that the premium priced brands mainly work on the association of the brand to a symbol of success, individuality, wealth and others and the connection between the buyers is usually the logo of the brand at a visible spot. However other brands use the mind to create this 'club' attitude and communication is such, that consumers feel that by consuming the brand, they already qualify to belong to the 'club'.

Although little discussed in the literature, it is widely accepted in the marketing profession that creating a 'club' around the brand is going to have very positive effects on the loyalty. In a recent talk (Dear 1992) for the Chartered Institute of Marketing, Mr D. Dear, Communications Manager of British Airways, emphasised the need of companies to stay close to the consumer and build up a relationship with them. He explained that British Airways introduced the new Executive club membership, especially to attract consumers in a 'club' environment where they would be getting direct information from the brand and extra benefits for the

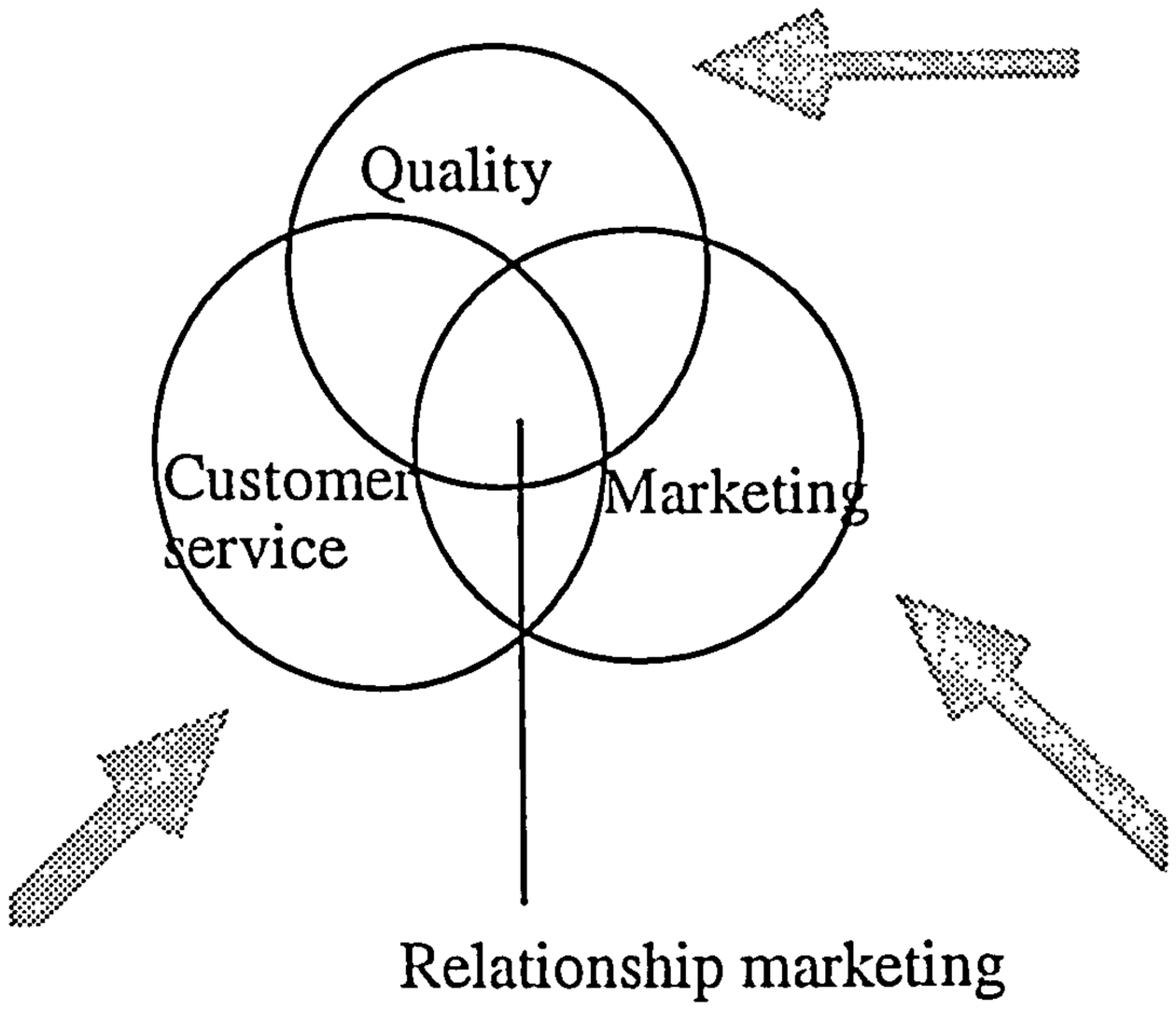
continuing usage of the brand (like free airmiles which can be redeemed for flights) and they would feel they belong more and therefore they would stay loyal to the brand. This was an example of the club build up, but there is also a synergy here with the influence of environmental issues like reference groups , culture and social class on the purchase act of an individual (see chapter two). If consumers are to belong to a brand's club they must also feel this belonging is accepted by the right groups and maybe even encouraged. This brand 'club' could be a reference group in its own merit as well. Lannon & Cooper (1983) mention in regard to this concept of affiliation : "Advertising functions to keep a user-group together, to recognise and identify one another. It can be a 'secret' language for minority brands like French cigarettes or Volvo cars in Britain-'others like me'-holding them together... buying the same brand affirms basic social arrangements".

Bidlake (1992) in a recent article in Marketing week, describes how Nestlé is attempting to create this club around the Buitoni brand. This is an actual club where the consumer will be able to go and visit the building and sent and receive communication concerning recipes and related brand developments. Bidlake states: "Buitoni club is designed to make consumers feel warmth and empathy for the brand - a sense of belonging- that will lock them in forever". This, as he claims, will enable Buitoni to demand a 10% price premium. This club building described above can therefore be seen as similar to the Need for Affiliation concept in relationships since the same elements and requirements are met.

4.333 Relationship marketing

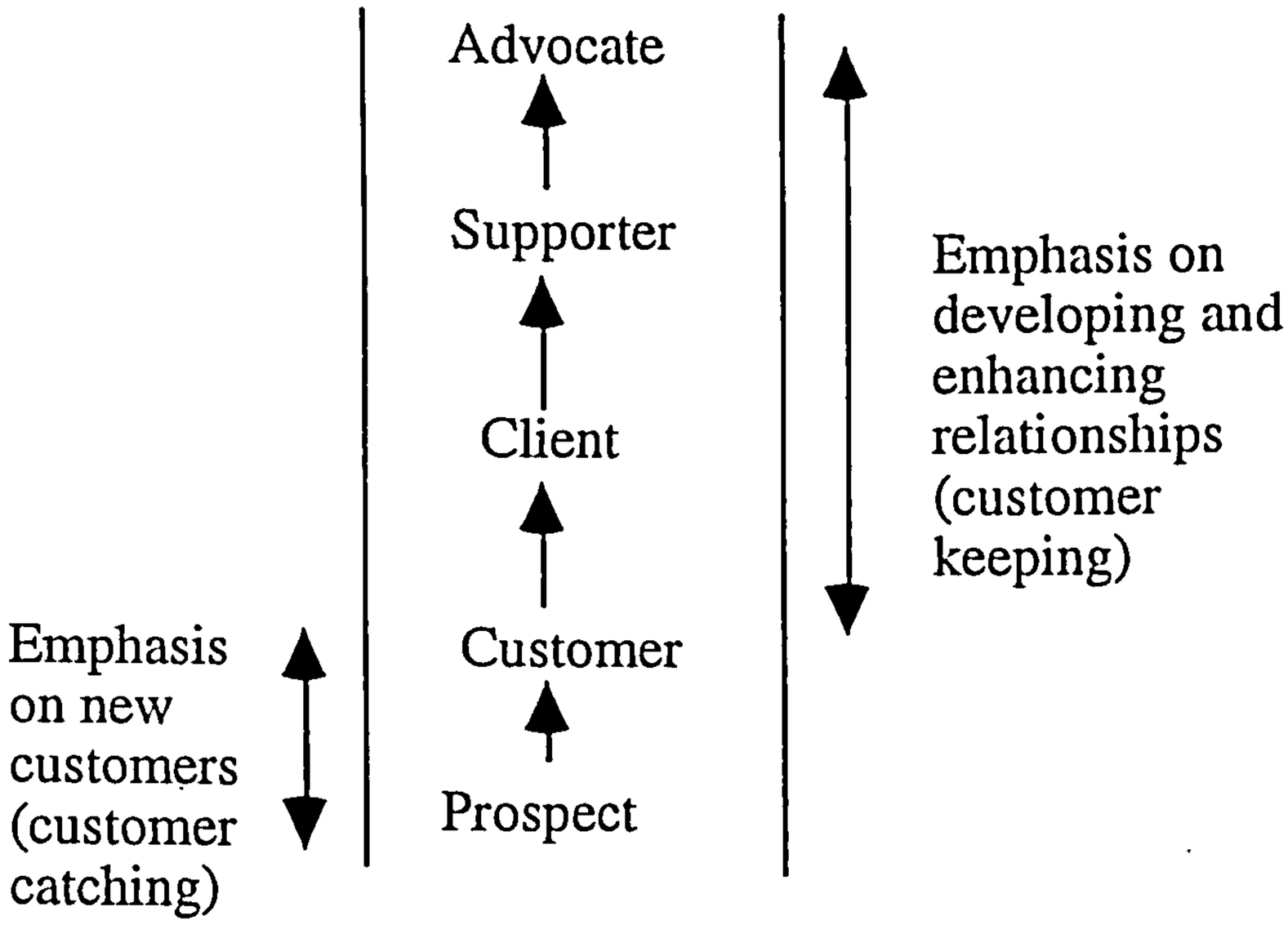
This may seem as actually the whole issue itself and it has been referred to as the new concept of marketing, and the new way of surviving in the nineties (Christopher et al 1991, Kotler 1991). However this is something that bears some but not a lot relation with the relationship concept being set out here between consumers and brands. This 'Relationship marketing' concept or theory is based on the view that marketing must be reproached because it has been too concentrated in gaining new customers rather than 'keeping' the old ones. Therefore it is suggested that Relationship marketing is where the marketing of the company merges with Customer service and Quality of offer (like in the diagram 4.2) to achieve better customer satisfaction and therefore retention.

Diagram 4.2 The Relationship marketing orientation (from Christopher et al 1991)



The Relationship marketing thus is seen as incorporating a better relation of the customer and the company or the products and a macro view is taken in general. The company is instructed to organise the activities so that it markets not only to customer markets, as traditionally defined, but also to internal markets (employees), potential employees, Influence markets (Financial Institutions, Government), Referral markets (distributors, agents .. anyone who refers the company to others) and supplier markets. In terms of the traditional customers then the emphasis is to shift them from customers to clients and even to advocates for the company or the brand (the ladder is seen below in diagram 4.3). The way to achieve that is claimed to be a better understanding of what the customer is buying in order to differentiate the offer from the competition, augment it, improve it and achieve the transition from customer satisfaction to customer 'delight'.

Diagram 4.3 The Loyalty ladder of Marketing (adapted from Christopher et al 1991)



Therefore this concept of marketing although it refers to the term of relationship, it is more concentrated on the total relationships a company must maintain with its customers and thus it deals on the macro level without going in depth to the micro side, at the individual side of the consumer and the relation with the individual brands.

4.334 Attitude of the brand

This is an issue that has been only lately discussed in the marketing literature, owing to a cited commercial study by Research International (Blackston 1992a, 1992b). Blackston explained in his articles that the brand can not be seen simply as a personality or an image but what must be studied is the total interaction between the consumer and the brand, the brand relationships. He however, focused on the aspect of the brand having an attitude which the consumer perceives and, treating the brand like a person, therefore likes the brand or not depending on this perceived attitude. He then describes a commercial study done where users and non users were asked to describe the brand in terms of the personality and image and the descriptions were similar but where they differed was when they were probed as to the perceived attitude the brand had towards them. Thus the non users were seeing the brand as rejecting them, and this made them not wanting to buy it or lessen their commitment towards it.

This idea of the brand actually been seen as a person with an attitude can be found in two earlier articles of Lannon & Cooper (1983) and Blackston & Holmes (1983). In both cases is more the communication of the brand (i.e. advertising) that is considered as giving the attitude of the brand and Transactional analysis (a psychotherapeutic technique for analysing transactions) is used to show how a bad communication can make the consumer less likely to like or buy the brand. In general however it was the latest articles of Blackston that brought this issue to the surface and also acted as direction for this thesis.

4.335 Societal marketing & Corporate image

Kotler (1991) refers to this concept of Societal marketing as a new concept for marketing, that guides the companies as to not only making profits by satisfying customer requirements but looking after the public good as well. His definition is :"The societal marketing concept holds that the organisation's task is to determine the needs, wants, and interests of target markets and to deliver the desired satisfactions more effectively and efficiently than competitors in a way that preserves or enhances the consumer's and the society's well being." What is important there is that companies have understood that this societal way of looking at marketing can be profitable in its own right since the consumer himself is now looking for companies that demonstrate to this that they do something for him at the macro level.

In the marketing scene, this has sometimes been explored in the form of community marketing. This has grown incredibly in the UK in the recent years with companies striving to get an image of the community carer by offering things for schools and other community projects with purchases. Although there is always the aspect of increasing short term sales by these promotions the main aim has been to create a 'type' of relationship that would lead to loyalty for the long term (although most of these promotions do not deal directly with the whole relationship but tend to go rather for an increase in awareness and change or creation of positive attitudes towards the brand). The main aim is to make the customer feel he is doing something worthwhile when doing the purchase. Texaco has launched a campaign in the UK urging consumers for Road safety while Tesco had offered schools computers through collecting vouchers from parents. These vouchers were given to customers when shopping at the stores and thus kids were encouraged through the campaign to ask their parents to collect the vouchers (and

thus persuade their parents to shop at Tesco) and present them at their school. This was later taken up by W.H.Smith which again offered vouchers to customers for schools to redeem. This community marketing has been seen not only as part of the societal marketing but also as a big part in the creation of the corporate identity of the company.

This Corporate Identity is based on similar principles, namely that the consumer would tend to evaluate a brand as a gestalt and this will include an assessment of the image of the company behind the brand. Thus more and more companies are hiring corporate identity specialists, designers and PR consultants to help them reform or create an image for the company that consumers would like and identify with. This will help them create a better relation with the consumer and thus gain better loyalties and market share. This corporate identity is then incorporated in the identity signals the company is sending out to the consumers. The extent of this depends on the corporate and branding strategy the company has followed. Thus in a monolithic structure like IBM it is very important that the consumer identifies the company with some aspects of reinforcement with issues he cares about and furthermore it is important that the right identity is projected. Even in the Branded identity (like Unilever) structure, it is now becoming more and more important to project the right identity for the company as a whole apart from the brand, something that before was not the case. As Wally Olin (Olin 1989), one of the gurus of corporate identity, states: "the corporation is .. becoming more closely integrated into society and that society is becoming increasingly judgmental about the behaviour and actions of corporations". The Public relations aspect of the company is again on the same lines, constantly trying to keep a favourable image to the consumer. Many big companies in the UK have been launching campaigns aiming not only to sell more but also to create a favourable aura around their name which could add to their long term success. As Perales (1993) states, if the company does not create an image for itself then others would do it for the company! Perales also advises that this image must be constantly monitored by qualitative research in order to act on the identity in case of an observed non desired image from the part of the consumer (Perales & Perez 1993).

This aspect is therefore very similar to the reinforcement one (in the relationship) discussed in the previous section, since it deals with the communication of the company to the consumer of things the consumer believes in or likes to hear. This in a way maybe a form of flattery the company is using in order to make sure the

consumer develops a positive attitude towards it and therefore maintain him in the relationship.

However Blackston (1992a, b) has been also discussing this issue in the relationship, phrasing it as the 'attitude' the Corporate brand has. His emphasis was on the fact that the corporation itself is a brand and in the cases that the organisation follows a monolithic structure, then the perceived attitude of this corporate brand will be what is affecting the consumer. His actual discussion on the matter is very similar to the concept of Reinforcement, since he indicates that the support of the company to the consumer will have a major impact on the perceived attitude, as well as the 'intensity, satisfaction and trust' the consumer feels towards the corporation. However considering the evolution of the company brand nowadays and the importance of the Corporate Identity concept for all brands sold in the 1990's, this focus on the corporation brand may be misleading. The consumers are aware of the company behind the brands, and they judge consciously and unconsciously the efforts they perceive coming from the corporation. It is therefore crucial to measure and monitor this reinforcement and this identity projected by the company.

4.336 Similarity

The similarity aspect has been a major field of discussion in the theory of consumer behaviour and especially in the debate about hedonic purchases and symbolism (see chapter two). The self concept, as discussed earlier, refers to the idea that consumers would choose and buy brands that project an image similar to the one the consumer has or would like to have. This in a sense is what the similarity concept in psychology or relationship theory says; namely that people tend to like others that share the same interests and attitudes.

In a recent article in marketing week (Anderson 1993) this idea of appealing to consumers through the similarity to the 'self' is being debated by major manufacturers and advertisers like Coke and Nike. Coca Cola's Marketing director in the UK stated that as it concerned the younger people (teenagers) Coke tailors its advertisements to be "relevant to their lives". On the other hand an account director responsible for Nike's new successful campaigns (Carrol 1993) indicated that it was far better for Nike to use an aspirational campaign rather than trying to follow

and adapt to the latest trends in consumers lives. However in an analysis of Nike's approach to the consumer and the communication, Ind (1993) states that although aspirational images were used (showing sport idols like Charles Bercley and Michael Jordan) the tone was designed to portray a sense of 'we understand you and we talk in your language.' As Ind says "the campaigns had in common a sense of intimate dialogue between advertiser and reader" and they aimed at producing a "relevant and desirable image". Thus the importance in both types of advertisements seemed to be to be able to communicate to the audience by projecting a brand that speaks the same language. In the Coke type, then the brand needs to be relevant by being like the consumer himself, while in the Nike case the brand needs to be admired but at the same time be able to speak at the consumer level, frankly and friendly.

One thing to note here is that neither the research nor the practical examples refer to the idea of commitment to the brand due to this similarity. The self concept theory was mainly about choice and not commitment. While the aspect is therefore considered here, it is in a new form, that is part of the relationship, although the concept has been researched before for different purchases.

Once again it must be noted that in his article, Blackston does mention the similarity concept although he uses it to indicated how the consumer will react to the perceived attitude of the brand, rather than as a separate element in the Relationship concept. That is, the consumer is seen as observing the similarity between the attitude the brand has with his/her attitude and obviously any similarities enhance the relationship. Blackston looks for the similarity in the quotes the consumers give concerning the brand's attitude. Once again this overloading on the brand's attitude dilutes the importance the other variables may have on the relationship, and off course the use of the reciprocated liking has no basis as the only factor of relationship in a human to humans studies.

4.34 THE CONCEPT OF BRAND RELATIONSHIP IN MARKETING THEORY

In the marketing theory as such, the issue of brand - consumer relationships has not been much developed. A number of writers and researchers have referred to the idea either abstractly (see section 4.35) or in the course of explaining a particular

aspect of the relationship like the similarity concept or the more general issue of relationship marketing discussed earlier on.

One of the researcher to actually discuss in depth the issue was Blackston (1992a, 1992b) who used the brand attitude concept as a measure of the relationship (see previous sections). He held the views that a relationship is interactive and thus previous measures of the brand personality were inadequate to deal with the consumers feelings towards the brands. He stated : "A brand relationship is a logical extension to a brand personality" and he showed how humans have relationships with other humans by evaluating their views as to what others think of them irrespective of what the truth is. He then held that this should be measured in brands to look at the relationships. However there was no mention of other aspects of the relationship.

Kapferer (1991) has also talked about brands relationships in his book, coming as a result from his model of brand facets. Relationship is therefore described as a facet of the brand but it is seen in a totally different way. Kapferer describes this relationship as one that the brand represents and communicates to the consumer like the brand "La vache que rit" sending out a mother-child relationship as part of the identity due to the maternalistic way in which the brand is presented. However, the issue of the brand having an actual relationship with the consumer, in terms of the existence of a connection or a binding for commitment, is not mentioned.

The only other part of the theory that is relevant to this issue of relationship is the one dealing with the introduction of Transactional Analysis in branding and this is examined below.

4.341 Transactional Analysis in Branding

Transactional Analysis is a very famous psychotherapeutic technique that aims to look in the problems people have in relationships by analysing their different transactions or communications. The basic theory behind it introduced by Berne (1968), postulates that individuals behave on a given occasion in one of three particular modes or 'ego states': Parent (standing for Authority, reassurance, protectiveness, disapproval, criticism), Adult (standing for Objectivity, presenting

functional values, low involvement), and a Child (standing for Instinct/Emotion, presenting warmth, pleasure, sensuality, hostility, fear, vindictiveness.) The theory then goes on to say that when people in a relationship communicate then if they do that in the same ego state the result will be complementary and thus reinforce the relationship, while if the ego states are different then the transaction will be crossed and thus the relationship in danger.

The first researchers to use this analysis were Lannon and Cooper (1983) in their article for the ESOMAR conference. They showed that advertising may not work in particular cases simply because consumers interact with advertising and carry on transactions. Thus if these transactions were crossed for a segment the result may be a bad feeling leading to a non purchase. For example a brand maybe shown in a child mode urging consumers to use it for pleasure and overindulgence or in a parent mode patronising consumers, whereas the consumers may view the product class in an objective manner as in adult stage. However Lannon and Cooper did not go in depth with this idea, even though they used a number of comments to suggest a type of relationship between consumers and brands : " people are active and participative receivers .... people do things to advertising, interact with it .... to design such advertising (effective) .. requires methods for opening up the inner world of what consumers do to advertising, their play and imagination, the language it speaks, its social values, and so on".

Blackston and Holmes (1983) then took this idea further and they suggested that it is the brand rather than advertising that is communicating with consumers and these communications of the brand that will affect the relationships. They propose a methodology for the research based on focus groups and individual depth interviews consisting of a dialogue between the consumer and the brand under discussion. This brand could be the one the consumer uses or not. In their paper, Blackston and Holmes describe a commercial study and also a study done especially for the paper by MARPLAN. What they show in the end is that consumers have complimentary transactions with ideal brand in an imaginary situation while they have crossed transactions in an actual situation with a brand they don't use or like. The ego states depend on the type of brand it is. Thus in their analysis they hold that consumers do have relationships with brands but the emphasis is on measuring the complementarity of the transactions rather than the assessment of what type of relationships are, why they exist and what is their effect. One could even say that Blackston later articles (1992a,b) are based on this

idea i.e. that consumers communicate with brands and the result of the communication will be the effect on the relationship; thus he focuses on the effect of the perception of consumers as to the attitude of the brand.

Murphy (1987) also uses Transactional Analysis to indicate that the communication of the brands to consumers must be customised to segments. These segments could be according to the ego states the different people are concerning the use of the product group in question. However as to the question of the relationship of brands there is no discussion.

4.35 ABSTRACT MENTIONING OF RELATIONSHIP

Although as seen before there has been little research and focus on the brand relationships, at least in terms of academic published research, a number of writers have been referring to the concept widely in their articles and books. This mentioning has been mainly on an abstract level indicating that the marketers need to understand this interaction of the brand and the consumer but have neither gone in details as to how to what constitutes this relationship and how it affects buying nor as to how to measure it.

Packard (1957) was one of the first ones to touch upon this issue both in terms of an aspect of the relationship and the relationship as a whole. For example in terms of Brands attitude he mentions : "everybody looks up in the world but only within believable limits. Products that are presented to the public as too perfect or too high toned may cause a sizeable number of people to ask a little anxiously : 'Am I good enough for the product?' " And in terms of the relationship, he later states : "And the major finding that stands out ... is that automobiles are .. loaded with social meanings and are highly esteemed ... providing 'avenues' of expressions .. of the character, temperament and self concept of the owner and driver ... the buying process is an interaction between the personality of the car and the personality of the individual".

McKenna (1991) argues in his paper that the marketing nowadays must be done differently since the consumer is getting cleverer and more demanding. He argues for better than more marketing by creating relationships between the consumer and

the company and in terms of the brands he states more explicitly : "After all, what is a successful brand but a special relationship ... marketing must move from the 'Monologue to the dialogue".

Gordon (1991) and Keeble (1991) hold that the motivation of consumer to the brand comes from the relationship through the years and Gordon (1991) state that the marketer needs to measure the 'closeness in distance and the intensity in time frame' as a salient facet in choice of a brand. However they do not explain what is the relationship they referred to or how one can measure this closeness in distance and the meaning of it.

Moog (1990) discusses the New Coke introduction campaign showing that the problem was that the company had not realised that consumers had a relationship with the old brand and thus the replacement was damaging this. However this relationship was not hurt in the end with the return of the old brand and it is still maintained. Again, Moog does not go into depth about this relationship nor explains the reasons for its existence. However she does link the relationship with loyalty in using the Coke example.

In terms of the marketing press, a number of times this relationship was mentioned or explored but this again was on an abstract level. One example was the reporting in Marketing week (July 1993) of a new technique of the agency DMB&B which analyses brands and places leaders in three categories : Power, Identity and Icon. These categories differ in terms of the consumer bond with these brand and thus the Power brands have low loyalty and no emotional attachment, the Identity is based on the consumer identification with the brand, built on emotions with reinforcement and the Icon brands are based on the sharing of an image, a dream. This could have been interesting to look at for the research although it could be that the analysis does not go deep enough for the relationship but rather stays on the reasons of choice. However the agency has refused to let out information, maintaining that the tool is only for clients.

In another article in Marketing week (Bidlake 1992) a more concrete example of the emergence of this brand relationship thinking, is described. In particular this was an article about the new Buitoni club that Nestle is trying to create in order to focus on a "one to one relationship with customers". Consumers would be able to get in

the club through filling coupons and so on and they will be able to visit the 'casa Buitoni' leading later on to a Buitoni 'frequent buyer' scheme. This relationship is being adopted by Nestle for the reasons that the mass advertising cost effectiveness has been declining and therefore new means are needed to get to the consumer and because the consumers are changing themselves. As Branbeck, the Vice President of Nestle, states in the same article: "We are confronting a consumer who wants a personal relationship with a brand but who wants that brand to be publicly known".

4.4 NEED FOR THE RESEARCH

At the first part of the chapter it has been seen that Loyalty as such, is a concept not clearly defined nor understood and the main reason for this is that there is no understanding as to what causes loyalty. There are a number of ways to measure loyalty since the concept is not conceptually defined. This implies that there could be no wrong or right way of measuring it, as long as the reasons and assumptions are stated and adapted for the product groups.. One may refer here to Checkland & Scholes' discussion of the soft system methodology which calls for first defining and examining the problem situation rather than going for the solution. Likewise, the question lies in the definition of Loyalty. The only help a researcher may get in this struggle for definitions is the presence of the conditions set out by Jacoby and Kyner (1973) which seem to be the most appropriate to avoid a mal-measure and they should be used to assess any measurement of loyalty.

On the other hand, the examination of branding and consumer behaviour suggest that there is an interaction between the consumer and the product that this consumer buys or uses. If the two parties were humans then this interaction would have been called a relationship and the management of this relationship would have determined the loyalty or commitment that could have been existing between the parties. It is therefore easy to see why this relationship concept has been used in some of the literature to indicate the same connotations but with the consumer and the brand. it is the logical extension of the consumer behaviour interaction theory. If humans interact using the symbols and the communications between them as signs of their attitude and as prerequisites for the widening of the commitment in the relationship then the consumer may be doing the same with the brand. The communication and the symbolism is there, and although the brand may not have

an attitude or a behaviour as such it is the consumers perceptions of it that matters. And research (Blackston 1992) has indicated this to be the case.

It is therefore at this point that this thesis comes in. The relationship concept needs defining, it needs exploring and most of all what needs to be seen is the relation between this relationship and loyalty. If this relationship exists, then what is its form ? how is created ? can it be measured? Does it link in with loyalty? with usage or frequency of interaction ? How do the consumers view the brands they are loyal to and how do they react to their advertising or communication ? Could this reaction be part of the relationship ? These are some of the questions this research and thesis sets out to discuss and it is hoped that at the end of the analysis, the marketers would have a clearer view as to whether this relationship really exists, in what forms and the link between it and loyalty. As seen in the previous chapters, loyalty is so crucial to the marketer that any new definition need to be taken into account for the planning of branding strategies. It is therefore hoped that eventually this research can lead to new approaches to the strategic evaluations of brands.

The work by Blackston and Holmes (1983, Blackston 1992a, b) and Lannon and Cooper (1983) acted as a catalyst for the setting of this thesis, but the objective here is to move further. If as they claimed, there is a relationship then this needs a clearer definition. And it needs a basis from where one can draw parallels and can compare.

It was therefore decided to use the human relationship literature as a guide for the research setting and to also use the aspects of the human to human relationship discussed in the section above for giving structure to the analysis. It must be emphasised at this stage that since the issue is new and previously untouched in terms of research, both the research setting and the analysis methods are subject to criticism. However the important aspect of this research is to explore the issue and to pave the way for more research rather than concretely explain or dictate what is happening in the complex world of consumer thinking and behaviour.

CHAPTER FIVE - METHODOLOGY OF RESEARCH (I)

" systems engineering looks at 'how to do it' when 'what to do' is already defined .... this was found to be the Achilles heel of systems engineering when it was applied ... to ill defined problem situations ...Problem situations for managers, often consists of no more than a feeling of unease, a feeling that something should be looked at ... ".

Checkland 1990

5.1 INTRODUCTION

This chapter deals with the research process of the thesis. The problems that arose from the literature have been discussed in the previous chapter and therefore what is now needed is the formulation of clear objectives for the research. In addition one needs to plan as to the management of logistic problems and constraints and take a decision as to the methodology to be followed.

5.2 RESEARCH BRIEF

5.21 OBJECTIVES

The main objective of the field research was to gather the necessary information enabling the researcher to :

- Explore the case for the existence of a relationship between consumers and brands and the various forms this relationship can take, based on the interaction of the two parties.

- Examine the possibility that such a relationship will differ between Loyal and non Loyal consumers and between Light and Heavy users of the product class.

- Examine and investigate the causes and effects of such relationships looking at mass media communications aiming towards the consumer.

- Observe any differences in the consumer decision process in the different consumer groups that could be related to the above.

5.22 TIMESCALE

The scheduled time scale can be seen below in the time diagram.

Diagram 5.1 Time diagram for Research schedule

Months	February	February	March	March	April	April	May	May	June
Weeks/Tasks	W 1&2	W 3&4	W 1&2	W 3&4	W 1&2	W 3&4	W 1&2	W 3&4	W 1&2
Planning & preparing resources									
Training Assistants									
Question route, outline, questionnaire									
Pilot interviews									
Sifting									
Focus Groups									
Analysis									

The field research was scheduled for February, March and April 1993. The whole of February was used for planning and preparing the resources available. During this time the research assistants (see section 5.13) were given a series of lectures on market

research methods and a number of meetings were held over which the plan and the context of the research was discussed. The different research methods that could have been used were evaluated and the method of focus groups discussion was selected (this is discussed in 5.2). The rest of the time was then used to think about the logistics and a detailed question route, question outline and a sifting questionnaire (see section 5.33) were constructed. The end of February also saw the first pilot interview and the subsequent revisions of the above documents.

In the first three weeks of March, the sifting questionnaire was to be administered to approximately 800 students in order to select about 140 for the various focus groups. Nine focus groups interviews were to be held in March and April and another three were scheduled for May. The reason for the time split was the Easter holidays at the university, meaning that students may not have been available. The analysis was to start in the beginning of June having collected the information, although some preliminary analysis was done at the beginning of the focus groups research (in addition to the pilot interview analysis), in order to help improve the discussion plan and the information collection. It was also scheduled to organise a quantitative study later in September, based on the results of this qualitative one and the necessities.

5.23 RESOURCES AVAILABLE AND RESOURCE ALLOCATION

The resources available for the project were the author, the research assistants (all volunteers from the second and third year of undergraduate degrees at the Accounting and Management science department) and the University premises and services (equipment). The constraints were the time available both from the assistants and the possible subjects for the research (bearing in mind the fact that the term was due by the end of March and that the exam time was very close at the beginning of the next term) and the financing since the whole research was funded by the author. The decision was therefore taken to do the research in the University campus using the students as a population for the needed subjects.

5.231 Representativeness of a student population

There was the obvious argument against using students, that they would not be representative of the general population of all consumers and also another concern was as to whether the methods adopted for the selection of the groups would enable the gathering of a representative sample of that population. After consideration though, it was concluded that the first argument in this case could not hold for the following reasons :

(a) The theoretical background for the study (i.e. all the previous research findings and theories used) apply to all consumer groups and does not suggest students should be excluded from such findings. Moreover the research as explained below was straightforward and the brands chosen were brands that the main consumers (i.e. the greater spent) was seen in these age groups.

(b) The choice of the product classes and the brands to be used was done after careful thought and analysis, (based on a pilot questionnaire), to accommodate the peculiarities of a student population.

Now as to the representativeness of the groups sample to the population the following two points could be made:

(a) The segmentation and therefore the selection of respondents was carried out on a quota basis using behavioural variables (loyalty and usage) and there is no indication that consumer - brand relationships differ with the status or socio-economic position of the consumer (Farley 1963-4, Frank et al 1965). The members of the groups were all selected using the controls of the Sift questionnaire and were therefore subject to the same entry requirements. The sample population was homogenous in all other respects and so the participants didn't differ in terms of age, occupation and place of residence (as long as they are students).

(b) The research, being of a qualitative nature and for exploratory purposes, does not really require the drawing representative samples.

5.232 The question of premises

As for the premises to be used, the R&D sub committee on qualitative research (1979) concluded that the important thing is for the premises to encourage an "informal, relaxed discussion". Robson (1989) and Morgan (1988) both stress the convenience factor and the comfort element but also state that for professionals, a sophisticated location will make them feel important and flattered about offering their opinion. The decision was therefore taken for the focus groups interviews to be held in the social behaviour laboratory in the psychology department. The place seemed to be comfortable and the size of room , convenient location and the air of confidentiality and sophistication, it evoked, were amongst its strongest points. Students needed to feel important about giving their opinions and the place seemed to provide this feeling. A meeting point was also appointed, at the faculty office, where a research assistant would meet the participants of the focus group and show them the way to the lab.

Interviews were scheduled to take place at lunch times (12.00 - 2.00 PM) or dinner time (5.30-7.30 PM) so that food could be provided as an incentive to attending. It was also possible to promote the feeling that "busy" students need not be distracted from their timetables. There was no cash incentive due to financial constraints but a number of prizes was advertised for a draw from the names of those attending.

The interviews were structured to last about an hour and a quarter but the selected respondents were told 11/2 to 2 hours to allow time for concluding remarks, overstreched discussion and latecomers (Morgan 1988).

Recording equipment was hired and this included a tape recorder with an external microphone for clarity of recording. Most of the reviewed literature on the subject (Sampson 1986, Robson 1989, May 1978, Morgan 1988) tends to point towards recording of the group discussions as a necessity when the importance is on the things said whereas a video recorder is recommended when observations need to be made as

to the physical behaviour of the group. In this case the former seemed more appropriate.

The research assistants administered the sifting questionnaire and one of them was also present at each focus group to help with any immediate problems and to take care of the logistics (show participants in to the room, prepare beverages, help with informal conversations and take down details of participants).

At a later stage, all the research assistants were gathered and a session was held to explore where they incurred difficulties and discuss some general observations they had about the group discussions .

5.233 Stimulus material

For reasons discussed under 5.51, stimulus material for the advertising and promotional campaigns of the brands used was needed. Once the two brands were decided, contact was made with the brand managers in the UK. The stimulus materials requested were:

(i) Copies of advertising campaigns for the past two years

(ii) Background information about the company and information about recent promotions.

Robson (1989) defines two purposes of using stimulus material: as a means of exploring respondents ideas, feelings beliefs and images and as a mean of assessing the stimulus itself. In this research the former was more relevant and thus the discussion using the stimulus was on an informal and unstructured basis.

5.3 EVALUATION OF ALTERNATIVE METHODS

Given the research objectives in 5.11, it was not difficult to conclude that the type of field research needed was to be of qualitative nature. Calder (1977) discusses this

choice over research types by looking at the whole philosophy of science. He points out that science is about conceptualisation, representing the real world with constructs simple enough to be understood. These constructs are developed both from the theory itself and the study of the real world. The qualitative approach to marketing research is then shown to be divided in three sub approaches: Exploratory (where the objective is to generate constructs and to validate them against every day experience), Clinical (where abstract constructs are used without numerical measurement) and Phenomenological (where the objective is to understand everyday experience of consumer.) Looking at it from this standpoint, the research needed here touches upon all three approaches but the main theme is the exploratory one.

Sampson (1986) listed a number of common examples of when qualitative research techniques should be used. Some of them are given below and strengthen the view that qualitative research should be used in this particular case :

(a) to obtain some background information where absolutely nothing is known about the problem area or product field in question.

(b) to identify relevant or salient behaviour patterns, beliefs, opinions, attitudes, motivation etc.

(c) generally define problem areas more fully and formulate hypotheses for further investigation and/or quantification.

(d) to discover why people behave in a particular way, where a straightforward question would not allow this to be done .

The two most prominent methods of qualitative research are : the one to one interview ("in-depth" interview) and the group discussions (focus groups).

5.31 "IN-DEPTH" INTERVIEWS

Many researchers (see Crimp 1990, Sampson 1986) argue that the word depth needs to be in inverted commas because it is relatively shallow compared with the depth interviews of other sciences like psychotherapy. Nevertheless these individual interviews provide much more depth than focus groups which in their turn concentrate on the breadth and context of the information gathered. Apart from the depth issue, individual interviews are held when group interaction is not desirable, when an experts opinion is sought after and/or when the subject matter is of an embarrassing nature that the presence of others will make it even more difficult for someone to discuss. Sampson (1986) cites topics like financial matters and taboo issues as falling in the latter group. The R&D subcommittee on qualitative research (1979) adds to that the categories where certain strong acceptable norms exist and there is the need to conform, where there is a highly detailed (step by step) understanding of complicated behaviour and where the interviews are with professionals and the topic evolved around their jobs.

However the final decision as to whether a need exists for a depth interview lies with the researcher. He/she will need to assess whether the subject of the investigation, the direction of the research and the depth of the information needed, justifies the costs and time problems of the individual depth interviews. Obviously there is also the limitation of the breadth of the information due to the interviewee having no one else to trigger his memory or share his/her views on specific aspects and help with the difficult task of expressing one's self. The researcher can also contaminate the research much more easily in one to one interview (Kelly 1955, Steward et al 1981) by adding what is referred to as "observer bias" or by leading the interviewee in specific lines of thought.

5.32 GROUP DISCUSSIONS (FOCUS GROUPS)

This was the method that seemed most suitable for fulfilling the requirements of the field research. The interaction between group members and the resulting breadth of the information gathered, were key elements shedding light on the exploration of the subject matter. Goldman (1967) discusses some of the characteristics of the method

and refers to the stimulation of new ideas helped by the group interaction, the dynamics of opinions and attitudes towards the subject , the greater spontaneity and the emotional setting in the group as being some of the advantages over the individual interview.

Moreover the cost effectiveness and the time effectiveness of the method cannot be ignored. The latter especially, given that the resources were only available for a limited time (before the exam period) but also the former since there were no funds to cover a large scale research using individual interviews to provide as good information as the focus groups.

Some of the drawbacks of using this method are also described by a number of researchers (May 1978, Gordon 1991, R&D 1979) and range from the possibility of blocking out minority viewpoints or non dominant persons, to the amount of depth the discussion can take, level of interruption, atypical populations and subjectivity of the results.

Some of these disadvantages can be avoided or minimised by the moderator taking extra care to ensure that the probing and the interventions do not lead the group to a superficial and biased discussion but rather point out to the group the areas which the discussion needs to cover (i.e. focuses the group). The moderator can also try and maintain a balance of the people speaking to avoid dominant personalities monopolising the talk (Robson 1989, Morgan 1988). As far as dealing with the issue of a typical sample, Falconer (1976) sends out warnings about generalising from focus groups discussions but Weiers (1984) and Calder (1977) argue strongly that this may not apply to cases of exploratory research where the statistical extrapolation to the larger population is not important. Lannon (1972) also argues that the data is "only as valuable as the extent to which is used" and in addition Cooper et al (1977) in their statistical section conclude that the sampling error of qualitative research can be "reasonably traded-off against its low non-sampling error" thus providing greater levels of confidence than can otherwise assume.

Another area one can look into is the selection of the actual participants in a group. Although the homogeneity aspect is dealt later in section 5.43, one could mention here, that the objective in using homogenous groups was to observe patterns of behaviour or attitude that could be attributed to the variables distinguishing one group from another. From this exploratory stage where constructs are created, it could then be possible to embark on a bigger quantitative or even qualitative study to support and prove the constructs for the total population.

5.321 Sample generalisation

Calder (1977) explains that sample generalisation is not particularly meaningful in the exploratory approach. It might be more meaningful in the clinical or the phenomenological approach as to determine whether inter subjectivity is shared amongst segments of the population. However this can be addressed by conducting more groups in an attempt to cover a variety of sub-groups from the population.

The decision to conduct focus groups for the field research was taken after considerate thought over the theoretical advantages and disadvantages but also over the practical cost benefit analysis. The main elements therefore shifting the balance towards focus groups were: the richness of the discussion, the breadth of information to be gathered (especially valuable in an exploratory investigation), the momentum of the group behaviour (encouraging people to discuss things and concepts that may avoid to do so in a one to one interview) and also the lower cost and lower necessities in terms of human and other resources (time, location, transcribing services and so on).

5.322 Need for projective techniques

The whole concept of this research process tends to involve the emotions, feelings and attitudes of consumers. The majority of these reactions are in people's subconscious rather than the conscious experience. It is very difficult if not impossible for a person to describe the "types" of relationships that he/she has developed with other humans let alone with immaterial objects or brands. Even the concept of a brand is a difficult one

to grasp since it is an addition to the product that attempt to give it an image, a personality, a behaviour, an appeal or create an aurora. Thus direct questioning would be of little use and advanced techniques need to be used. Such techniques in the area of perceptions are termed projective techniques. A good definition of projective techniques is given in Chaplin's dictionary of psychology (1968) : "the utilisation of vague ambiguous, unstructured stimulus objects or situations in order to elicit the individual's characteristic modes of perceiving his/her world or behaving in it".

One of the first practitioners of the technique, Mason Haire (1950) states that projective techniques help to direct the research towards the sizzle rather than the steak (because that is what one is actually selling). The individual is not only unaware of the time purpose of the question or situation but he/she is also "provided with the opportunity to indirectly express views through a third party or by interpreting the behaviour of others" (Weiers 1984). The barriers (Oppenteim-1970 , Worcester -1986, Crimp -1990) that may be inhibiting respondents to give true answers are given below:

(a) Barrier of awareness (especially in the case of research on motives)

(b) Barrier of irrationality (pressure from society for sensible, rational behaviour)

(c) Barrier of inadmissibility (sticking to what society considers good)

(d) Barrier of self incrimination (sticking to what society consider proper, legal)

(e) Barrier of politeness (towards the interviewer or others in the group)

The most likely barriers to have encountered in this research were (a), (b) and (c).

There are numerous projective techniques like word associations, cartoon completion, fantasy situations, sentence completion, story completion and Thematic Apperception test (TAT). Aaker (1991) refers to some of these as indirect approaches helping to determine the brands meanings. He refers to a number of fantasy projection techniques where the brand is imagined as a person (assessing the personality of the brand), the brand user is described and where the decision process, personal values driving choice and use experience are examined. A lot of these techniques originated from Ernest Dichter (see Weiers 1984 or Aaker 1991) who collected data about brands when asking people to describe their experiences with the product class as a whole or how and when they used the brand.

Wendy Gordon (1991) states that to understand the various facets of the brand one needs to explore the brand using different research techniques from the projective pool. It was therefore decided to use a combination of these, looking at the personality of the brand, the user image, perceived values and attitude of the brand towards the consumer. Special probes were devised to help with this process (see the moderator's outline in appendix V) and a cartoon was drawn requiring completion of the caption (see appendix V) as suggested at the pilot interview (see section 5.51).

In the process of the interviews the probes were continuously adjusted for improvement in order to help participants to better understand them and encourage discussion of them (see section 5.42 on the problems and solutions during the research process).

5.4 METHODOLOGY

5.41 GROUPS FORMATION

The first step in determining the formation of the various groups was the taking of a decision on what product class would be used and subsequently on what brands will be chosen for the investigation. This would have been closely linked with the later measurement of the variables like loyalty. As illustrated in Chapter four, there is still a grey area as to the measurement of these variables and therefore any type of measurement would have its problems. To ease that, it was important to select a product group where a number of conditions existed, that would enable the researcher to avoid criticism later on. According to Jacoby and Kyner (1973) loyalty can be seen and measured when the purchase is not at random (i.e. there is an attitude), the choice set includes more than one brand and there is a purchase involved which is preceded from a decision making unit. Furthermore the act must be repeated over time and the chosen brand must be seen more as the optimal (the choice is not forced because of distribution and so on).

It was thus felt to be important for the product class to have a number of characteristics while some of the other condition were incorporated in the selection method for subjects. These characteristics are listed below :

(a) Wide and open distribution of many brands in the product category and absence of intense price competition amongst brand leaders (this ensures the availability of choice and the optimal selection from the brand characteristics).

(b) High level of loyalty by brand users.

(c) Users being the same people as buyers and thus the decision makers.

(d) Brands in the product class being promoted and subsequently differentiated on representational values rather than functional.

(e) Low involvement decision making in the purchase and repeat purchase of the product group (so that loyalty can be measured using a short span of time).

In addition to the above mentioned reasons, some of the requirements arose following a short research performed at the university at an earlier stage by the author (thus customising the product group selection according to the population studied). Students were asked to state a planned purchase (both product and brand) and the following week they were asked as to their actions concerning the purchase. It seemed that where the purchase involved brands with great price differentiation then students would go for the cheaper brands (due to economical way of life) and the level of loyalty was very low (supporting the fifth condition of Jacoby and Kyner). Even the store loyalty was not high, since students would buy the cheapest own-brand of the most convenient store. Where students bought things for their house or for others, then the purchase was done on guidelines set by the other members or based on simple rules i.e. again buy the cheapest. Thus it was decided to go for products that were bought and used by the person coming to the group discussion. Where products tend to be promoted on functional rather than representational values, then a double jeopardy effect is seen. Firstly the decision process is more geared to features evaluation and secondly the respondents try very hard to prove that no subjective preference was involved in the decision process by quoting facts and figures. This is also observed in high involvement decisions where another problem seemed to come up; namely that students do not make many such purchases let alone making a

consecutive set of buys to determine the loyalty level. Samples of the questionnaire used in this pilot research can be seen in appendix V but the results have not been presented in quantitative form since there was no formal sampling but it was designed as a small scale initial exploratory study to give some information and some ground rules to be used.

The product classes chosen were : Soft Drinks and Cigarettes. These conformed to the above set guidelines and were also extensively used by students at the university. This meant that the availability was good and vending machines were seen spread around the campus. As for the choice of the brands, it was felt that using the brand leaders would make the research easier since more people would be available for recruitment. In the Cigarette group the brand leader by far was MARLBORO (according to managers at the different selling points at the university). Figures (see appendix V-2) from ROTHMANS, which handles MARLBORO in the UK, show that the brand is smoked by about 47-60% of all 18-24 age smokers. The brand is there because it depends whether MARLBORO RED KS or MARLBORO LIGHTS are chosen. This was another consideration for the research, namely whether the focus should be on one or the other or whether the MARLBORO LIGHTS are basically the MARLBORO alternative to high tar and the image is basically the same. The latter was decided, since loyal users of either of the two tended to classify themselves as loyal users of MARLBORO when they only smoked either of the versions. It was also observed that when respondents smoked the MLIGHTS they also smoked the MRED ones as well, but not other brands.

As for the soft drinks class, it was decided to go for PEPSI COLA because it is a brand that has been targeting the younger consumers (with its "new generation" campaign) and it will be interesting to see the level of relationship it has managed to achieve. PEPSI COLA is also one of the market leaders in the product category in the UK with 21% (BRITVIC 1992 Soft Drinks industry report) of the cola market and can be found in most places in the university. One of drawbacks was that COCA COLA apparently had a monopoly on the vending machines that could create a false "loyalty" measure amongst light users or even indifferent users. Thus care needed to be taken in the recruiting so that loyal users were really the ones that preferred one drink to another and not ones that were "forced" to consume a particular drink because of availability under time pressure (Vending machines can be found in most university buildings and

students tend to consume soft drinks during 10 minutes breaks between lectures). As in the case of cigarettes the problem arose of the brand extensions like DIET PEPSI and CAFFEINE FREE DIET PEPSI. It was again decided to consider the extensions as the brand itself and to group their loyal customers together with those of the core brand's.

5.42 MEASURE OF LOYALTY AND RATE OF USE

It was decided to use the same measure of loyalty for the two product classes and this was set arbitrarily at four or more of the last six purchases or consumption being of the particular brand (>AAA***, in whatever order, where A is a particular brand and * is any other brand in the product class). However the recruiters were trained in order to ask the subjects about their intentions as well in the sense that a behavioural response as to the four out of six purchases was a necessary but not a sufficient criterion for recruitment. The rest of consumers (i.e. those with no such brand preference) were classified as non loyal users. To cope with the problem of availability the interviewer at the sifting process had the liberty to select or reject respondents at the border (exhibiting a AAAAA* or AAA***) from their statements during the interview and their answers to consequent probing.

The definitions for the rate of usage were more difficult to structure. In the Soft Drinks class, it was decided to use an average of eight glasses or six to seven cans a week. Any consumers that consumed more than this amount per week were classified as heavy users and the rest as light users. The glasses measure was introduced to deal with the problem of one and two litres bottles being purchased for use at home. Obviously it could have been resulted in mis-clarification, for consumers on the borderline but interviewers were told to use their discretion and generally accept them into the heavy users, since this would lead to little distortion (if they are consuming very near the borderline they must develop the same kind of relationship as those with a consumption of one more glass).

As for the cigarettes again a rule of thumb needed to be taken. The distinction here was seen as between the social smoker (light) and the dedicated smoker (heavy). The

separating line was drawn arbitrarily at two packets or forty cigarettes (because you could buy packets of tens sixteen's and twenties) a week. It was thought that a social smoker would probably smoke less than two packets a week since they would usually smoke when they go out with friends and they tend to be very infrequent in their purchases of cigarettes. This was something that was incorporated in the research when the recruiting had started, that is, changing the rule of purchase to that of consumption in order to determine the rate of use. This proved to be very useful when dealing with students that travel and tend to bring duty free boxes of 200 when they returned to the UK but their usage rate classified them into a different group.

5.43 DEFINING THE GROUPS

Calder (1977) discusses the issue of whether groups need to be homogeneous and concludes that if a shared perspective is studied then it cannot emerge if the groups are heterogeneous. Since this study is trying to ascertain the differences, if any, between the relationships formed by the different groups then homogeneity was necessary.

At the beginning four groups were planned :

A - Loyal users and heavy users

B - Loyal users and light users

C - Non loyal users and Light users

D - Non loyal users and Heavy users

However as the recruiting began it became obvious that group D was almost non existent. This was not surprising as heavy users were most likely to have a preference in the product class from their experience with the product. Since the two product classes were also highly representational in outlook it was inevitable that consumers would tend to associate more with a particular brand and thus being drawn away from the others (given that differentiation existed) the more they used the brands. The only observed cases of group D were group A variety seekers that wanted a bit of change for a limited time before returning to their usual drink or cigarette. Thus it was decided to drop group D because it represented only a very small segment of each market.

5.44 SAMPLE AND SUBJECTS

The reasons for the choice of students have been discussed in previous sections. The remaining decisions relate to the size and number of the different groups and the sampling approach.

Most of the prominent writers in this area of research (Morgan 1988, Robson 1989, Weiers 1984, Sampson 1986, Crimp 1990) argue that there is no correct size for the group and they give some guidelines ranging from five to six participants for a small group to eight or ten for a big group. One thing they all seem to agree on is that the size will depend on the subject of the research, the type of respondents and their reluctance to talk about the subjects for discussion. In this research it was decided to try and keep to small groups (five or six) purely for reasons of manageability, with the belief that the subject would be familiar to all respondents and where projective techniques were to be used a smaller group would behave better and be more prepared to respond than a larger group. .

Morgan (1988) suggests a 20% oversampling in order to ensure a good turn up, and this was adopted, recruiting about eight persons for each group. However as the first groups were held, it was discovered that the turn up was about 40% (a few groups had to be cancelled and rescheduled). The oversampling then went up to about 70%! There were a number of reasons why students did not turn up, even though they had agreed to do so. The most prominent reason was forgetting and also giving it a last priority over all the other activities. The methods used to reduce the drop out rate, are described in section 5.52.

There is no consensus as to the number of focus groups that can constitute a project. Calder (1977) suggest three to four but this is simply a rule of thumb. The number has to be determined by the researchers who should judge when an additional group has nothing to offer (i.e. they can anticipate what is going to be said). As a first rule it was decided to recruit three to four groups of each particular type (A, B, C). This meant doing six groups for each of the two brands therefore conducting in total about nine focus group interviews.

All the subjects were to be recruited from the university campus area and the interviewers were positioned in all places where vending machines were situated and also in central points in the university where the traffic was heavy. Each interviewer had a quota for each particular group and time to ensure a good mix of subjects in each group. There was no quota as to socio-economic or behaviourist variables since this has not been shown to have had any relevance (ARF 1964, Farley 1963-64, Frank et al 1965) and the main segmentation was in the particular types of groups. In many of the other respects (i.e. age, occupation, general behaviour etc.) the groups were very homogenous because of the characteristics of the population.

5.45 PROCEDURES

As discussed before, this was to be a two-phase research where in the first phase a simple questionnaire was administered and the sifting took place. In the second phase a number of group interviews (four to five of each particular type of group split up between the two brands) will be held.

Phase one - Sifting

The sifting questionnaire had the following objectives:

(i) Determine whether a person is a user of any of the two product classes.

(ii) Assess whether the respondents are loyal or non loyal users to any of the brands in the product category according to the definitions set in 5.31.

(iii) Assess whether the respondents are heavy or light users and using the information in (ii) either reject them or classify them into one of the three groups.

(iv) Allow the respondents to associate the brand (PEPSI COLA, MARLBORO) in the chosen category (soft drinks or cigarettes) with a set of given statements which could give an indication to their attitudes and their beliefs prior to the discussion.

(v) Ask the respondents whether they were interested in participating in a focus group discussion and offer them incentives for turning up. If they agreed then ask them to select one of the set dates.

The sifting questionnaire needed to have the following characteristics:

- Short and simple. This was especially important since many of the respondents might have rejected the idea of coming to a discussion or they might not have been suitable (but information was needed from them in order to determine that).

- Easy to handle. All the recruiters (the research assistants) were inexperienced researchers and the classification needed to be easy to do in order to avoid mistakes and time delays.

- It was necessary to include the opening and concluding remarks of the interviewers (for the same reasons as above) in order to avoid contamination of respondents by over enthusiastic researchers with the result that people knew different things about the research before attending the focus groups.

Drafting the sift questionnaire took some time and the final version is in appendix V. The attitude list was compiled after holding brainstorming sessions with the research assistants. This particular version of the questionnaire had the advantage of show cards with the various brands on them, that eased to a great extend the recall, and the classification table was easy enough to use. The recruiter had to merely read the text on the question sheet, word for word, and then note the answers on the designated response sheet. Each recruiter was provided with one question sheet, one viewing card (double sided) and a pack of answer sheets, one for each respondent. It was decided to split the assistants into those recruiting for soft drinks and those recruiting for cigarettes. In this respect they were given the corresponding packet of material and different sessions were held to inform them and test the questionnaires. One question that was verbally added in the sifting was whether respondents had already being recruited by the other group although all those who were stopped twice were very eager to admit this before the second interview began. The assistants were also provided with a reminder card that was handed out to recruited persons in order to make the process slightly more formal, to reduce the chances of forgetting the place and time, to provide the selected people with an idea of what was going on, remind them of the incentives and finally provide them with a telephone number to contact if in doubt or if they could not attend.

Phase two - The Focus group interview.

The information needed from the interview was : (note: some of the information needed to be collected on an individual basis by administering simple tests in the interview room. This was so because projective techniques that had to do with drawings and fill in balloons are better administered individual than in groups. In this way, the respondent can freely project his/her ideas, emotions and feelings without influence of conscious aspects from others).

* Thoughts on the brand

(good and bad points, what makes them buy it ?, why not another brand ?, what are their experiences with the brand and the company as a whole ?, what they think when they are about to purchase the brand ?)

* Decision making process

(If the need arises, what is the process they follow in choosing the brand ?, what is important ?, when ?, what could make them change their mind ? probe about impulse buying and evaluation procedure)

* What the brand represents (personality and user profile) - if the brand was a person, if it walked into the room , how do they think it will be ?, if they saw the brand in a shopping list as a definite item what type of person the user of the brand might be ?

* What they believe the attitude of the brand is towards them (Brainstorming session where the participants attempt to visualise the brand talking to them on the shelf before buying it)

* What they believe the brand is saying to other people who don't use it regularly (Same as above but this time the expressions can be stronger as to what they think of the brand's attitude and also it can reveal a tendency for club membership)

* Thoughts on the communications of the brand with purchasers (Use of advertising, type of advertising, media, promotions, packaging, slogan, name)

The research then proceeded by drafting two essential documents to aid the group moderator: a question route and the outline of the actual wording. The moderator's task in the research is of outmost importance and it was essential to make these preparations. The pilot interview was done as much for testing the two above mentioned documents as well as preparing the moderator for the difficult task. The question route was intended to take the objectives of the research and turn them into an order of questions so that respondents will find it easy to follow the probes of the moderator. The moderator was not expected to follow the outline but rather to encourage the discussion of the different themes controlling where necessary the group dynamics. However it is very useful to obtain both a question route (to give the different themes and direction) and an outline of the questions (to remind the moderator of many probes and one liners that he/she can use during a session). Both of these documents can be seen in appendix V.

The groups are dynamic and in many cases the moderator has to observe the various stages (Foster 1989, Crimp 1990) the group passes through (forming, storming, norming, performing and mourning) and deal with the respondents accordingly. In the first stage of the interview some small talk was made to encourage participants to "dip their toes into the water" (Brown 1986) and the pace was slowly lifted up when there were signs of confidence and feeling at ease. The task or question or probe was frequently changed when the respondents looked a bit stuck and at the latter stages it was possible to create a good discussion with arguments and statements from all participants. At the last stage closing remarks were sought and again some general chat was encouraged on the various themes discussed.

5.5 PROBLEMS AND SOLUTIONS

5.51 THE PILOT INTERVIEW

As mentioned before the pilot interview was done with the aim of testing out the proposed question route and the wording of the questions and probes but at the same time to give the moderator (the author) the opportunity to "dip his feet in the water".

The group took a long time to form and they had some doubts as to why they were there. The introduction of the image questions in the second part was faced with suspicion as to what really the interviewer was trying to find out. Keeping too close to the format of the outline probably discouraged some participants from expressing their views on the subject because of the fear of being out of context. Finally the respondents had trouble remembering the promotional campaigns or advertisements and those with stronger memory overpowered the last bit of the discussion.

The debriefing revealed the following:

- An explanation was needed at the beginning as to why the group was selected and what was expected of them (all comments encouraged, looking for views from all the individuals ...).

- At the second section more probing was required and also a kind of visual aid (to use in conjunction with the projective questions).

- There was a definite need of showing them promotional material to freshen up their memory and the brand package itself when it was discussed.

- A relaxation time was needed at the beginning to get to know one another.

All the comments were taken aboard and the following steps taken:

- Food and drinks were served at the beginning to ease the atmosphere and everybody had to introduce themselves. This was followed by a brief introduction by the moderator explaining the reasons for the selection of the participants and how

important their comments were for the research. This seemed to work and there was the feeling of comfort amongst most groups.

- A cartoon (appendix V) was drawn up and this was given at the attitude questions; Respondents had to fill in the caption at the end of the session and the discussion was evolving around the various themes with it. This made a tremendous difference in the groups later on. The number of comments made was almost three or four times more than the number made at the pilot group.

- Promotional material was requested from the brand managers of the two brands and they both sent their advertising campaigns in the last two years. These were a great help to all participants and there was a much greater range and depth of discussion.

- More repertory grid (Kelly 1955, Fransella et al 1977) type of probes were introduced asking participants to compare two or three brands at a time and devise a construct where the two are dissimilar to the third. This helped participants to have views on brands that in other ways appeared the same to respondents.

- The moderators outline was followed less and less rigidly and with more groups the moderator had a very good mental idea of the information needed and he was therefore more able to allow for the discussion and to intervene and probe only at the necessary stages to control the information flow.

5.52 PROBLEMS ENCOUNTERED DURING THE RECRUITMENT AND THE GROUP DISCUSSIONS.

5.521 Low turn up rate

Despite initial enthusiasm the group meetings showed a relatively low turn up. This was because the groups were held in the last two weeks of term and many students

became less willing to turn up as other more important deadlines were coming up. The measures taken were to over sample and also :

* Reminder letters were sent to all potential participants;

* The night before the group the author contacted by telephone or by visiting every potential participant thus creating a relationship with the respondent.

* More prizes were promised as incentives for coming.

* As mentioned before the over sampling was almost trebled.

The above measures worked so that the various group discussions were successfully held but still the turn up rate was very poor in comparison with the effort put in.

5.522 Interpretation of questions

The participants were continuously trying to understand what the meaning behind each projective question was and the statements below were frequent:

"Are you asking this to see what we think about....."

"I am not influenced by image and therefore I don't think this is relevant..."

"Is this something to do with..."

The other problem with this was the fact that students see themselves as clever and wise, and believe that they were not affected by the image and the advertising and therefore tried to assess which questions were there to show this.

" This doesn't affect me..."

" I only drink/smoke this because of the taste.."

Most of the time the way forward was to project the question or the situation on a third person or the general public like " But how do you think other people apart from yourself.... or what would most of the people think ....".

This worked in a lot of the times but still there were the "reactionaries" that would argue about their position for a long time.

CHAPTER SIX - METHODOLOGY OF ANALYSIS (I)

"I am troubled by the apparent lack of concern about data analysis on the part of many qualitative researchers ..... One would find nothing about the analysis of qualitative data ... instead researchers talk about interpreting the data ...".

Griggs 1987

6.1 INTRODUCTION

This chapter will be dealing with the issues involved in analysing the data gathered. A number of considerations were taken aboard when deciding which method and which technique to use in order to arrive at meaningful results transforming the raw data to information. It is also intended here to set out the 'map' of the analysis methodology for future researchers who may wish to follow the route in order to examine parts of the results or extend the findings of this research.

6.11 AVAILABLE DATA

As already discussed, the field research was scheduled for February, March and April 1993. The whole of February was used for planning and preparing the resources available. The different research methods that could have been used were evaluated and the method of focus groups discussion was selected (see chapter five). The end of February also saw the first pilot interview and the subsequent revisions of the question route and moderator's script documents.

As discussed before, this was to be a two-phase research where in the first phase a simple questionnaire was administered and the sifting took place. In the second phase a number of group interviews (three of each particular type of group) took place.

Therefore in the first three weeks of March, the sift questionnaire was actually administered to approximately 600 students of Southampton University and about 100 were selected for twelve focus groups. At the end nine focus groups interviews were held in March and April with 39 participants.

By the end of the research phase there were 9 tapes ready to be transcribed and those tapes represented the following focus groups:

3 A type groups (i.e. Loyal/Heavy)

3 B type groups (i.e. Loyal/Light)

3 C type groups (i.e. Non Loyal/Light)

The turn up was not very good (55%) and this was the reason only twelve out of the planned sixteen groups were held. However the group discussions that were held were very successful and it was decided that twelve groups will suffice. The length of each focus group was between 75 and 90 minutes.

However, some of the data gathered, was not used for the analysis for a number of reasons. Firstly there were some observed anomalies with the cigarette groups. The respondents stated afterwards that they smoked more than they had stated in the sifting and the reason for lying was that they thought this had something to do with health campaigns (even though the aim of the research was given to them at the sift interview). This meant that respondents would have been in the wrong groups and therefore any comparisons would have been useless.

The males/female spread in the cigarette groups was not good comparing the groups due to the non turn up of people. This meant that in particular groups there were many more women respondents than men which could be influencing the analysis.

Also, in one case the tape recording device did not work and therefore the moderator and the assistants had to rely on their personal notes for the particular group. However this would have made the group analysis incomparable with the rest (both in terms of detail and accuracy).

These problems lead to the decision to disregard all together the cigarette groups (there were only three cigarette groups as well, compared with six for the soft drinks) from

the research. This was also thought to help the uniformity of data since the comparison would be for a single product group and the respondents would have been using expressions describing feelings and actions towards the same product.

The groups also had a good spread for males/females as well as in total numbers:

Group A (9 respondents) : 5 Men and 4 Women

Group B (9 respondents) : 5 Men and 4 Women

Group C (9 respondents) : 5 Men and 4 Women

Total : 27 respondents : 55% Men, 45% Women

6.12 PROCESS

As mentioned before, the interviews were recorded using a special recording device from the university teaching media department. Then the tapes were transcribed by secretarial staff of the Accounting and Management department at the University. The tapes were then listened by the Moderator and corrections were made to the transcripts so as to accurately represent what was discussed. The transcripts were then stored on computer diskettes so as to be analysed by the software Hyper RESEARCH (see section 6.411 below).

In the first part, repeated patterns of brand relationships were to be investigated across the three categories by looking at the similar groups. This was to be done by looking across each type of groups one by one (i.e. examining patterns between the three groups) and by looking at combinations of groups. This was in an attempt to identify patterns for one variable analysis using other variables as controls. For example:

Comparing group A (Heavy/Loyals) with groups B (Light/Loyals) and C (Non Loyal/Light) put together to determine whether differences are due to Usage levels.

Comparing group C (Non Loyal/Light) with groups A (Heavy/Loyals) and B (Light/Loyals) put together to see whether differences could be attributed to Loyalty levels.

These patterns of behaviour, attitude and perceptions would be arranged in such way to provide a theoretical platform from where researchers can choose items for explanatory or application research.

6.2 THEMES

6.21 DEFINITIONS

The general hypothesis set out in the thesis was whether a relationship exists and loyal consumers do in fact have relationships with brands, in contrast with non loyal consumers. The problem arising therefore was to analyse the data in such a way so that any indications as to the validity or the rejection of the hypothesis were noted. In order to do that, it was essential to first define what this relationship between a brand and a consumer would be and then look for the signs supporting or rejecting its existence.

In the exploratory study, therefore, the main aim was to create a definition or at least to search for any items that may be the aspects of this relationship. The way that was followed was to first adapt the number of definitions seen from Human relationships that either have been referred in earlier studies in the marketing context or their concept has been used in practice under a different theoretical, if any, basis. This has been discussed in Chapter Four and it has been shown that the Argyle model would be the most useful way to analyse the existence of a relationship. This is because the themes held at the model, can be seen to exist in different forms in approaches to marketing. This means that the same themes can be examined at this research both in individually and together since it is their combination that leads to the relationship.

<u>Components of Relationship</u>

All the different themes will be defined here in terms of the marketing aspect. The only one not included here, is the proximity and frequency of interaction since this is treated as a testing variable (i.e. usage). Even in the Argyle model, this is treated not as a condition for the relationship but rather as a reinforcement for a better and stronger relationship.

- **Similarity with one's self.**

Definition: These could be the feelings of similarity of the self as it is now or as an ideal self (an aspirational image). These similarities could be expressed as functional or physical similarities or simply image related. The issue of Similarity has always been a debatable one as to whether consumers actually purchase brands that are similar to their ideas of themselves (as they perceive themselves,) or as they want others to perceive them or even as they would have liked to be (ideals). In the literature (see chapter two and Sirgy 1982 for a complete review) however much has been discussed as it regards the issue of similarity to choice (see chapter Two) but this was not extended to the relationship level.

- **Reinforcement from the other party (Brand).**

Definition: "a supporting action from the company to or through the brand with the aim to satisfy customer needs better". This supporting action could take the form of the communication of the brand (but more the strategic rather than the message execution element i.e. advertising spent, content), or the form of the design of the package or generally any communication that the brand has with the consumer either directly or through other media (including rumours). This communication could be about changes or actions that the company will/has make on anything that concerns the consumers usage with the brand.

- **Equity of the two parties.**

Definition: Equity has been defined as the aspect of the relationship that looks for a balance in the efforts put in by the two parties whether these are in benefits (by the brand) or money and time (by the consumer).

- **Reciprocal Liking (Brand's perceived attitude towards the consumer).**

Definition: This is the attitude of the brand towards the consumers as perceived by the consumer. This is a newer concept and this brand's attitude could arise from the communication of the brand to the consumer.

- **Need for Affiliation.**

Definition: Need for Affiliation has been defined as that aspect of the relationship that shows whether a person feels a sense of belonging to the other party or to a theoretical construct that both he/she and the brand belong to.

6.3 ANALYSIS OF QUALITATIVE DATA

A general problem mentioned in the marketing literature is that of the analysis of qualitative data (R&D sub committee on qualitative research 1979, May 1978, Griggs 1987). Griggs states characteristically : "I am troubled by the apparent lack of concern about data analysis on the part of many qualitative researchers" after commenting on the increasing use of techniques and methods following the rapid growth of qualitative research. As he further states "One would find nothing about the analysis of qualitative data ... instead researchers talk about interpreting the data ...".

Miles and Huberman, some of the most prominent researchers in this area (coming from the Sociological field), recommend an analysis formed by three sorts of overlapping activities, data reduction, data display and data analysis and verification (Miles & Huberman 1984). This is the form that was adopted and it will be used here to aid the explanation of the methodology (see section 6.4 below).

6.31 ANALYSIS

6.311 Levels of Analysis

The research seemed to looking into two areas as it regarded the consumers themselves. It needed to explore their views on things to do with the brand and its environment but also it needed to look at their feelings and emotions concerning the state of a relationship between them and the brand if it existed. This meant that one needed to look both to the conscious and the subconscious self for the answers or to quote Griggs (1987) : "(one must) analyse the data and draw conclusions ... (by often going) beyond the spoken word".

This search to the conscious and subconscious can be referred to as level one and level two of analysis respectively in this piece of research. The level one analysis is very straight forward. One could observe all the instances that a respondent has been referring to something in connection with a theme and look at the face value of the statement. One should note here that each statement must not be considered only on its own but rather be seen in context to the meaning of the section. Mishler (1979) emphasises that meaning is driven by context in his article : "Meaning is always within context and contexts incorporate meaning". Therefore the analysis was done by first reading through the whole paragraph or discussion segment and then coding themes and adding notes and observations on individual sentences and words.

The most difficult part was in dealing with themes that required a level two analysis. This meant that statements, words and sections had to be interpreted and explored in order for the meaning to evolve. One could also expect most of the ambiguities or disagreements with other researchers to arise from these analysis. To facilitate both the present analysis and the future revision of the material both theoretical and operational definitions were given for the themes and sub themes. The former enables the reader or the researcher to understand what the sub theme or theme is looking for while the latter is showing how the researcher in the particular research has gone about in looking for it. In some of the operational definitions one could observe the use of expressed

words that were considered to be indicative of the respondent subconscious statement (positive or negative) of the sub theme.

One other problem arising was the fact that a statement by a respondent could be interpreted at both levels under different meaning. To illustrate this one can consider the statement: "*I really hated the Pepsi advertisement with Michael Jackson ... I think it was very stupid on behalf of Pepsi to do that.. they could loose customers* ." Now, one could see this from a level one analysis and say that this belongs to the Reinforcement theme where the consumer is expressing a dislike for a particular advertisement. However this could also be seen under a level two analysis and say that the consumer is expressing a number of feelings for the brand/company behaving in a club manner i.e. criticising the brand for taking a wrong action because he/she cares about it. This is especially in context with other consumers who could be expressing a dislike but not using criticism to strong words and emotions.

O'Shaughnessy (1987) refers to intrinsic and extrinsic reasons for loyalty arising from rational and expressed reasons for the latter and more internal and difficult to understand reasons for the former. This distinction could well be applied to the two levels. Level one coding is more straightforward because consumers understand the aspect of the relationship and can directly comment on it whereas level two would involve intrinsic factors that may need to be understood by the researcher through the words and phrases used by the respondents.

It was decided to relate any statements like that to both or to all themes that they may 'belong' as long as they fulfilled the criteria set out in the definitions.

6.312 Methods/Theories considered

There are quite a few methods/theories available to the researcher to follow in analysing the data. Two of the major ones which were considered prior to the analysis are Content analysis (Krippendorf 1980, Smith 1971) and Grounded theory (Glaser & Strauss 1967). The former involves assessing the meaning of words and phrases and then using a count down on the occurrence of that word to deduce an evaluation of

feeling by the respondent. In contrast Grounded theory refers to the extraction of the information from the subjects by revisiting each one after the interview and discussing with them any assumptions and conclusions arising from the first interview.

However it was decided not to follow a specific theory or method both because of operational problems specific to the research (especially with Grounded theory, since on would be dealing with the unconscious it would be difficult to discuss this with the person at the conscious level) and also because of the belief that it was best to avoid the restrictions of any theory on the analysis. Miles and Huberman (1984) strongly support this line of action saying characteristically : "..the creation, testing and revision of simple practical and effective methods is the highest priority for qualitative researchers... (we believe) that any method that works-that will produce clear, verifiable, replicable meanings from a set of qualitative data- is grist for our mill, regardless of its antecedents".

One issue that was important to the research as it concerns the methods to be used was the question of hypothesis testing and data dredging. The exploration of the themes could allow the researcher to start the search with no hypothesis in mind but rather search for patterns by examining the data. Alt & Brighton (1981) discuss this dilemma and conclude that "when data has been dredged it is not possible to know that the discovered pattern is a chance one or meaningful in the light of prior knowledge". Therefore although data dredging may provide valuable hypothesis, these hypothesis have to be tested further to justify acceptance.

In the research it was therefore decided to start with a hypothesis for each theme which was to be tested (in most cases this was the existence or not of the theme between the different groups). Each theme was selected using prior knowledge and then the data was used to decide whether there was evidence for rejecting the null hypothesis (that the theme would not vary between responses from respondents of different groups).

It was also decide to follow the more conventional method of verifying any results by doing a quantitative study using the information from the group interviews. This was

also followed by Blackston (1991, 1992) when he was doing the first exploratory study on brand's attitude.

6.32 TOOLS TO BE USED

Miles and Huberman (1984) present to the reader a full list of what they refer to as tactics for the generation of meaning through the data. In this research these tactics are referred to as tools since the researcher has the ability to use them as he/she sees fit in whatever combination in order to proceed with the analysis of data.

The main ones used in this research are:

Counting: this refers to the number counting for the times themes or words were mentioned/coded. This helps to see rapidly what is there in a large scale of data, verify a hunch or hypothesis and protect against bias.

Pattern Noting: this refers to the organising of text by coding into patterns, themes or gestalts.

Clustering and Factoring: these refer to the grouping and conceptualising objects that have similar patterns or characteristics in an effort to understand a phenomenon. Clustering is also used to move to higher levels of abstraction when this is thought as better for the research. Factoring assigns a 'factor' that could explain or describe the group of objects put together.

Making metaphors: This refers to the making a single generality out of several particulars in order to reduce the data. The advantage of using metaphors is that they reduce the bulk of the field notes without stopping the researcher to move into more in depth analysis. This tool is especially useful when dealing with the exploration of themes from the unconscious that could be expressed in different ways on the first level. The metaphor then captures these expressions into a single one.

Splitting Variables: this refers to the meta coding explained later on. The first set of themes was unable to explore the difference in attitudes between the groups or the respondents and further themes were created (more variables) for the better management and arrangement of the data.

6.4 METHODOLOGY

6.41 DATA REDUCTION

This is the first step in the methodology and calls for the reduction of the crude data into more manageable and meaningful pieces so as to be analysed. As Miles and Huberman (1984) put it: " it is a form of analysis that sharpens, sorts, focuses, discards and organises the data in such a way that final conclusions can be drawn and verified". As Griggs (1987) states : "data reduction essentially means coding". This meant categorising a sentence, segment or a word into a code which represents any one of the set up themes.

6.411 Software HyperRESEARCH

The software HyperRESEARCH from RESEARCHWARE was used for the analysis of the transcripts. It allowed the coding of segments of tests and then provided cards with the pasted segments for each code. The use of software sped up the process since under other conditions one would have to photocopy and cut and paste text using scissors and cards which could take an enormous amount of time.

The text was prepared in a normal Macintosh word processing package and was then transformed into electronic form by saving as Text only. The codes were saved as used and every time a piece of text was highlighted, a number of codes appeared from which the researcher could choose to assign one for the segment. The software then could run an analysis bringing together all pieces of text assigned with the same code(s) from either one or more of the interviews. This enables the researcher to run a printout of a code (for example 'Brand's attitude') for the B groups only which means that one can have a good layout for checking out the hypothesis and determining patterns.

6.412 Coding & Meta-coding

As Griggs (1987) explains: " a code is an abbreviation or symbol applied to a series of words, actions or events in order to classify them". They represent categories or themes drawn from the research questions and hypothesis.

When the transcripts were received at first, they were coded by hand remarks were added at the side lines. These remarks were later typed in the end document but in capital letters to differentiate from the actual interview data. The transcripts, as explained before, were coded using the five themes which constituted the research hypothesis. This meant that pieces of text were assigned to whether what was said could be interpreted to linked to a Similarity statement (positive or negative or of whatever extent) and so on.

When the printouts were ready for each code individually (but for all groups) then the text was revisited and this time more remarks were made at the sidelines summarising the tone or the message of the coded segment. This resulted in each theme (code) being broken up in many more sub codes (Splitting up variables) which were more precise and direct to the context. This process is referred to as 'meta-Coding' in the literature (Miles & Huberman 1984). Thus the first step was to get from each piece e.g. the 'similarity' coded document a number of emerging sub themes. These were written down with some examples and then they were further studied to see whether any of them really belonged to the same sub category (Clustering & Factoring) and where this was the case a new sub category/sub theme was introduced. This eventually led to a collapse of the number of sub themes to a manageable number.

This method of determining a number of sub themes was very successful in that it was then possible to rank the attitudes of the consumers in a continuum of attitudes from the negative to the positive side. Thus for example, in terms of similarity, there were a number of sub themes created from 'no similarity' to 'self similarity' and 'ideal similarity'. The way these were created, was to go over and over the quotes coded as similarity and draw a number of patterns, which could then be reduced by clustering and factoring to arrive at a smaller sum. Then all the attitudes coded as 'similarity'

were distributed to the various sub themes and at a later stage, separated in terms of the person and the group they were coming from.

6.413 Recoder Reliability

To minimise the problem of bias two measures were recruited. All the transcripts were recoded by the researcher for a second time (starting afresh) and the second coding was compared with the first for any disagreements. These arose in the form of segments being coded only in one selection or being coded for different codes and subcodes. Then a reconciliation process began where the segments in question were examined looking at the operational and theoretical definitions for each theme and sub theme and with the context view in mind (i.e. understanding what the respondent was trying to express at the time looking at the totality of the segment).

At the very beginning, an intercoder reliability ratio was sought after. A piece of text (about ten pages) was also given to an external researcher and she was asked to recode the piece given the definitions used before. The intercoder reliability proved to be adequately high:

I.C.R = Number of agreements/total number of agreements and disagreements = 72.6%

According to Miles and Huberman (1984) a rate above 70% would be quite good at the initial state. However after this intercoding, the reliability consisted on a recode test due to limitations in time and difficulties in getting other researchers willing to go over large pieces of data for coding purposes.

6.42 DATA DISPLAY

6.421 Quotes

The use of text from the transcripts was essential in the research in order to enable the reader to understand the pattern evolving. These text segments were given in *Italics* and in inverted commas and details were given as to where this text can be found and who has said it and in which interview. The usual format used was like the example below:

A1M2 (445 - 677) " *I believe that Pepsi should change its .....*"

The A1M2 signify that the quote was said by respondent M2 (the second male in the group - in the way they were sitting) in the first A group interview (A1). The numbers in brackets refer to the characters in the text and were given by the HyperRESEARCH analysis. One must note here that because the software could only analyse 16000 characters in a page the transcripts had to be arranged in many pages (usually 2 or 3 pages per transcript). This meant that the numbers for the characters given by the software correspond to the characters in that page but the page is not given in the quote. This in terms means that it could be possible at times to observe two quotes with similar characters from the same interview but with different text. This would be because they would have been in different pages. However the use of characters was thought to be essential both for keeping a score (a count) on the quotes mentioned (see the next section) and also for helping the easier retrieval of the text. Another thing to note is that the character numbers refer to the whole of the coded segment which at times may be much bigger than the quote used to exemplify something.

6.422 Tables/Matrices

The use of tables was an essential part in both the analysis and the display stage. As Griggs (1987) states "the use of texts and matrices allows the researcher to eyeball the data...compare and contrast the data and directly report findings". In the Miles and Huberman (1984) book as well as in other writings (Jones 1981, Griggs 1987, Sutherland (Ed) 1991) a number of suggestions are given as to what tables and matrices one can use in the different circumstances. However the emphasis here was to

create tables that would be best suited for the display of the specific data and thus the suggestions of the mentioned researchers were taken on board but only in as much as to aid rather to impose the design the tables used.

There were three main tables used:

The quotes summary table: This was a table where the rows represented the three groups of respondents (A, B, C) and the columns the various sub themes that were used to classify the respondents expressions. This meant that under each sub theme one could see the number of quotes of respondents that were classified as referring to that sub theme. This proved to be a very good way of observing at a glance whether a particular group was geared towards a sub theme. It also helped in creating the next table which was the contingency table for the statistical analysis.

Contingency table: Although with qualitative analysis, numbers are much less important, one can see a benefit of including a statistical measure to support the pattern analysis by verifying their existence. Since number counting would be a contradiction in terms in analysing qualitative data, the way forward was to assign a person in each group with a Hit (1) or a Miss (0) as to whether the person has showed signs of a particular sub theme. This eventually collapses the data as well since a person is assigned to a theme only once rather then every time he/she mentions it. This information could now be presented in a contingency table where the columns represent the groups (A, B, C) and the rows represent the number of respondents mentioning the theme and not. An example is given below:

Table 7.x Presence of xxxxx

Group ---------- ***Theme Present ?***	**Group A** (Loyal Heavy) (5M, 4F)	**Group B** (Loyal Light) (5M, 4F)	**Group C** (non Loyal Light) (5M, 4F)
Yes	6(3F,3M)	5(3M,2F)	3(2M,1F)
No	3	4	6

Outliers summary table: As Miles and Huberman (1984) point out there is always the temptation in both quantitative and qualitative research to 'smoothen' out the results by excluding the outliers from the data set to be analysed. However it is these outliers that may be important in order to verify any later concluding comments by analysing the reasons for both their presence and their absence in themes and sub themes. The same is true for the observance of any spurious relationships in the variables involved. In trying to justify or 'test' the newly sprang relationship one may discover the existence of a third variable that is the link in the relationship and therefore ascertain that the two or more variables do not correlate. In this table therefore the rows represented the individuals in the analysis from each group (27 rows) and the columns represented the sub themes that were seen as important in the emerging patterns. Each individual was then assigned with a Y (yes) or a N (no) for the mention of each sub theme. This enables the researcher to see immediately who might be an outlier and then a brief comment is given regarding the individuals and what it was that made them look like Outliers. This proved to be useful because particular individuals may be true Outliers (a pattern may be emerging from the analysis of all the themes) and also others may look like Outliers because of specific statements they had made which may not reflect their true attitude.

6.43 DATA VERIFICATION

The research comprised of two stages at the verification level. One was the pattern observation and statistical testing of the qualitative work (i.e. the interviews) and the other one was the statistical testing of the questionnaire (which was created from the results of stage one). At this section only stage one would be discussed.

6.431 Stage One - Statistical Tests, Pattern Searching

Although the data was not gathered for statistical purposes, as described above, it was thought to be useful to include some statistics in this first stage which would support the patterns that seemed to emerge.

The test used was the Chi square test which could determine whether the cells in the contingency table were influenced by the different groups or whether they were independent. Therefore the null Hypothesis for each table was that the numbers of respondents mentioning or not, a sub theme was independent of the group these respondents belonged to.

The format of the Chi square test which was used was the usual one and this is explained step by step in the first statistical test at section 7.1132.

6.432 Limitations of the statistical testing.

Since the research was not designed for statistical testing, they are a number of flaws in the tests used at this stage. One of the biggest problems was whether to use a statistical analysis and especially a Chi square given that in each table there were cells with numbers less than five (the minimum requirement for a cell size in Chi square). This limits tremendously the conclusions one could make from using the tool. However it was decided that the statistical testing at this stage was not intended to be used as a proof of the existence of the themes but rather as an indicator that these themes could indeed exist. It is also a fact that this minimum cell requirement is considered by researchers as too stringent, especially when there is only one cell with the size problem (Maxwell 1961, Cochran 1954). In addition, most of the cases the patterns were clearly visible to the naked eye and the use of the statistics was merely for illustrative purposes. It is therefore important for the reader to appreciate that the results from the statistical analysis were not intended to include or exclude variables and that stage two of the research would be the appropriate stage where the statistics would be used to prove the thesis of the research.

Another limitation of the statistical part was the use of the Hit and Miss method with the sub themes. This meant that a respondent who had mentioned the sub theme only once was ranked equivalently as someone who had mentioned it three or four times in the course of discussion. Although this collapse of data was useful for the numerical analysis, it tended to remove the richness of the pattern.

On the whole, the reader is reminded to look upon this statistical testing with caution and remember that the emphasis at this stage was the qualitative analysis for the exploration of the themes in preparation of the quantitative analysis rather than the strong proof of their existence in the various groups.

CHAPTER SEVEN - ANALYSIS OF QUALITATIVE DATA

".... the use of texts and matrices allows the researcher to eyeball the data...compare and contrast the data and directly report findings".

Griggs 1987

"... data is only as valuable as the extent to which is used"

Lannon 1972

7.1 RELATIONSHIP

This section will deal with all analysis specific to the components of the relationship as defined in chapter six. The various themes will be explored in an orderly fashion on their own by both analysing the theme per group as well as a whole. Various sub themes will be created in order to aid the analysis since by looking at all of them at a glance would make it easier to observe any emerging differences between the groups and perhaps within the groups between the respondents.

The findings, here, will be presented in both tabular and graphic form to enable a better understanding of the findings. In the following chapter a search would be carried out on the parts of the marketing theory, thus providing a platform over which the findings can be discussed. Some statistical analysis will also be done in this chapter to exemplify the strength of the findings. In the last section the individuals will be analysed in order to see if this type of analysis can offer a better insight regarding the reasons for the various opinions/feelings they have expressed which have been coded for this section.

7.11 SIMILARITY

7.111 Coding structure for Similarity theme.

In tables 7.1 - 7.6 the sub themes and their theoretical and operational definitions are given.

Table 7.1 Similarity to 'ideal' sub theme.

Types of Definition/Theme	Theoretical	Operational
Similarity to ideal	Expressed feelings that the brand represents a certain number of values or images or characteristics that the respondents consider as ideal or would have like to have themselves	Sentences that either explicitly say what the theoretical definition has stated or include any of the following about the brand: 'perfect ..', 'exciting', 'am impressed,' 'impressive', 'attractive', 'cool', 'gorgeous', 'trendy ..to be seen with', 'admire', 'wonderful'

Table 7.2 Similarity to 'self' sub theme.

Types of Definition/Theme	Theoretical	Operational
Similarity to self	Expressed feelings that the brand shares the same values, objectives, character as themselves at the time. Also that the brand is geared to their age and communicates messages directed towards them as they see themselves.	Sentences that either explicitly say what the theoretical definition has stated or include any of the following about the brand: 'like me', 'our age', I like that.' 'comfortable' 'straight to the point', 'closer to me', 'part of growing up'

Table 7.3 Functional similarity sub theme.

Types of Definition/Theme	Theoretical	Operational
Functional similarity	Expressed feelings that the brand is fitted towards the respondents in a much better way than other brands because of attributes that the brand possesses. These attributes could be visible or not but will be described as being functional and of great importance.	Sentences that explicitly say what the theoretical definition has stated.

Table 7.4 Dissimilarity to Rivals

Types of Definition/Theme	Theoretical	Operational
Dissimilarity to rivals	Expressed feelings that rival brand(s) represent(s) values or images, characteristics that the respondents doesn't agree with. Also expressed feelings of annoyance with rival brand(s) portrayal or communication.	Sentences that either explicitly say what the theoretical definition has stated or include any of the following about rival brand(s): 'I hate ..', '..with them you seem to need to.. ' 'it makes me not want to..'

Table 7.5 No Similarity sub theme.

Types of Definition/Theme	Theoretical	Operational
No similarity	Expressed feelings that the brand either hasn't anything they can feel similar to, or is too similar to all other brands and thus there is nothing to feel special about. The brand (or all brands) can also be seen as not for the age or status required.	Sentences that either explicitly say what the theoretical definition has stated or include any of the following about the brand: 'it wouldn't apply to me/us', 'I don't care', 'for me everything is the same', 'it's not for me'

Table 7.6 Abstract Similarity sub theme

Types of Definition/Theme	Theoretical	Operational
Abstract similarity	Statements that the brand represents a particular feeling of similarity but not in any of the above directions (sub themes)	Sentences that include any of the following (or similar meanings) about the brand: ' a different feeling', 'different emotions in you'

7.112 Findings

7.1121 Group A - Heavy Loyal Users

The Loyals/heavy consumers in the study have shown that they feel the brand is quite similar to them either as persons (i.e. the brands fits their age and way of thinking) or as ideal persons (the persons they would have wanted to be or be with). Some of them

have also expressed a feeling of dissimilarity with rival brands as to the things the brand stands for and the way it is portrayed.

Similarity with self ?

Respondents stated that they felt they were now at an age capable of making their own choices and also capable of having a taste of their own even if this is different from others. Examples from this observed feeling of similarity are:

A1F2 (12576 - 12812)"*You know I get this weird feeling that, because when I was younger, I used to think 'Oh no', I can remember thinking 'Oh no I don't drink Pepsi, that's not the real thing.' I feel now that I'm older and wiser and I just drink Pepsi.*"

This feeling of 'I am who I am right now' and I have decided that this brand reflects me or my moods, is seen repeatedly in the interviews whether the brand is portrayed as more towards the actual age group people are in:

A2M3 (8384 - 8786) "*I could imagine the Coca Cola man as being a judge to a beggar in the streets. But I couldn't the Pepsi Cola one being a judge; he would be the younger sort with the bright music and jeans, like that* "

or the sex:

A1M2: (13587 - 13990) "*Yeah I mean I can see the difference between Pepsi and other kind of fizzy drinks like Lilt and Fanta. I feel it is more masculine and the Sunkist type more feminine. And I like that better ..... if I am with a couple of girls, I'd rather drink Pepsi ... I don't know why*".

or even the whole aurora around the brand that seems similar to what they see as their environment:

A2M1: (5150 - 5385) "*I remember one (advertisement) shown here with the Christmas tree and the lights and so it appears more family type and it makes you have in mind the major theme of Christmas and the family and everything so it is very close to how we are at the time* ".

Similarity with Ideal ?

Due to the use of music Pop Stars in the campaigns of Pepsi, one can see this effect on looking upon the brand as the ideal. Consumers are questioning the fact that the only thing these Stars get out of it is money since they are perceived as very rich and they don't need it. Therefore the connection must be that they like it, prefer it and so the consumer may feel that by liking it as well they become friends of the brand and consequently of the Stars. An example of the type of quotes received are:

A1F2 (9015 - 9241) "... *with Pepsi you think why would Madonna or Michael Jackson do a Pepsi ad because they have all this money; surely they don't need more; There must be something more to it ..*"

Also the presentation and communication is perceived as more stylish, more attractive, more striking. Examples are:

A1F1 (10473 - 10715) "*When you look at the presentations too I suppose ....Pepsi ... somehow it strikes you better*"

A1M2 (10473 - 10715) "*Yeah it is more attractive .... more eye catching*"

In some of the other quotes there is also a similarity in the way the consumers would have liked to be themselves and they may be seeing the brand as a way to fulfil these fantasies. Examples are:

A1F1 (12616 - 13743) " .. *It's all the image of what you can't get and what you are striving for even if you will never ever get it obviously* ".

A1M2 (12616 - 13743) "*All these .. sort of make you feel like Pepsi can take you to a wonderful world, make you feel like more fun sometimes* ".

In addition to the similarity either with the ideal or the self there was also an observed feeling of dissimilarity towards the other brand(s). This could have been strengthening the feeling of similarity for the chosen brand. Some of the quotes used earlier to indicate this similarities do contain elements of comparison with other brands and could be positioned in this sub theme as well. For example "I couldn't imagine the Pepsi Cola one being a judge ... he would be the younger sort .. bright music, jeans".

In an individual analysis one could indicate that the particular consumer was a Master degree student for Law (!) with obviously high aspirations.

One other respondent exhibited a kind of attachment to the brand because he felt that the brand helps him get through when he has problems with his stomach (a kind of functional similarity i.e. I am similar to the brand because of a functional reason) :

A1M1 (14436 - 14570) " *I think Pepsi helps sometimes when like I am on the boat and I am sea sick or something. I mean like that, it helps set the stomach ..*"

As the analysis shows further on this was something that came up quite a lot in the Light/Loyals (group B.)

7.1122 Group B - Loyals Light Users

Similarity with Self ?

A large number of the respondents seem to point out that they felt the brand was very appealing to their age group and there was a similarity as to the way they felt at the time (mature, having a taste of their own) and the drink itself. Examples are:

B1F1 (4493 - 4918) "*As you get older you get the taste.*"

B1M2 (ibid.)" *Yes it is part of growing up isn't it? Getting to have a taste of your own*".

Also there were feelings that the brand was similar to some of them because it was simple or the communication of it was more intimate. For example:

B2M1 (1719 - 1987) "*Pepsi comes across as slightly more brash, prominent and straight to the point.*"

B2M3 (10188 - 10574) ".. *Pepsi adverts are more intimate ... closer to us*"

or that even if it portrayed a 'new generation' this need not be futuristic but it could be similar to them:

B2F1 (3378 - 5012) "*Yeah, it is the new generation, but the new generation doesn't only have to be futuristic.*"

Similarity to Ideal ?

Respondents from group B have been also expressing that they are viewing the brand as being modern, exciting and different from the rest. Examples are:

B1M1 (2612 - 3068) "*In one of them (advertisement) they had Michael Jackson doing it, a big cool star and in the other one an alien. Although he was different, he still preferred Pepsi. Both of the ads made Pepsi seem exciting to me* "

B2F1 (3378 - 5012) "*Different, modern, yeah* "

One respondent also said that he visualised Pepsi being a guy from a film (Apollo from Rocky) coming on stage in a glamorous outfit and another one agreed:

B2M2 (3181 - 3515) "*I have this picture of the Pepsi can being a guy from one of the Rocky films - Apollo - when he comes on stage in his thousands stripes ...*"

B2M1 (ibid.) "*Yeah that's the image I get.*"

Functional Similarity ?

Most of the respondents have indicated that they preferred Pepsi than another brand because of a functional reason, whether that was the distinct taste (sweet, lemon, bitter): B1M1 (1692 - 2139) "*Yes I think Pepsi tastes a lot better than others; It's a lot sweeter; goes well with the food* ".

B2M2 (2773 - 3418) "*Well myself, I like cola with lemon as you say ice and lemon! Great! Pepsi tastes like it has lemon in it, whereas the others don't ..*".

the amount of gas it contained:

B1M2 (1692 - 2139) "*There's a lot more gas in Coke; it fills you up ..... Pepsi is the opposite, which is probably why I switched .... it seems to go well and since then seems to have good meals ..*".

or the aftertaste. Examples are:

B2M3 (2773 - 3418) ".. *it doesn't froth in your mouth ...*".

B2F2 (ibid.) "*It's not got such a bad after-taste..*".

Some of the respondents also said that the brand was bringing them a 'different' feeling or a 'mixture' of emotions but they didn't take it further to elaborate on this. For example:

B2F2 (745 - 847) "*Pepsi I don't know, it gives you a different feeling ..*".

There was also a feeling of dissimilarity with rival brands especially when talking about the communication of the brands. Coke's advertising was seen as boring and pretentious and also the whole concept of the brand was seen as not 'for them'. Examples of comments were:

B2F1 (10188 - 10574) "*I hate Coke adverts ...they try to portray everyone would be happy if they drank Coke ...have a certain way of life ...drive open-top cars.*".

B2F2 (ibid.) "*Coke adverts never seem to change ...*".

B2M3 (2827 - 3209) "*With Coke maybe you seem to need to be dressed a bit better - better car .... *".

However there was one respondent that expressed a feeling of dissimilarity with the brand mainly in the issues of its advertising policy and the promotional side. He felt that Pepsi should have been more active in sports rather than so much in music since not all Pepsi's fans are interested in music. He also felt that some adverts were for heavier consumers who would associate with being 'addicted' to the brand and he further suggested that Pepsi should do more advertisements or promotions emphasising the fact that you can enjoy the drink with food since this is how the respondent was using the drink mostly. Another one also commented that some of the advertisement shown was for younger people. Some of the comments were:

B1M2 (11857 - 12124) "*I don't think it's a very good advert really. As I said before this brings out the addiction factor; only one Pepsi, in a situation where you may have to have an alternative. it rules out that factor and it makes me just go one half Pepsi, but it depends really*".

B1M2 (2612 - 3068) "*They should do another Pepsi advert with meals .... as whenever I go out to lunch I like a soft drink because most of the adverts for Pepsi are more to quench your thirst ....*"

7.1123 C Group - Non Loyal Light Users

All the respondents in the C groups were indicating that they perceive a great deal of similarity between the rival drinks and that was why none of them appealed to them more. Some were also eager to state that they did not care about soft drinks and thus there was no choice factor involved. The purchase was governed more by external environmental factors like the availability of the brands at the time of purchase and their position on the shelf and possibly their mood depending on which one they had recently (in order to try a variation). Although a number of them did use words like exciting and impressive to describe a brands' outlook or a campaign, they were rather quick to add that this view would not affect their purchase anyway but it could probably work with other people. Sometimes the ideal position assumed by the brand was thought to be over the top and therefore non persuasive and no feelings of similarity were evoked there.

<u>Expressing no similarity (between themselves and a brand) or no involvement in choice.</u>

As mentioned above the comments in this heading were numerous and respondents indicated either that they had no preference in the soft drinks market or in the Colas market. Examples are:

C1M3 (1462 - 1598) "*Definitely a cola man! Not specifically Coke or Pepsi; I drink the others. But I stay away from Lilt and typical fruit type drinks.*".

C2M1 (350 - 405) "*Well I drink most of them I suppose. I prefer diet drinks ..*".

There was the strong feeling that the communication of the brand but also generally the efforts of the company was not directed towards them and thus the bond was not there. Instead it was more for younger people :

C1M1 (8215 - 9124) "*Yes that's definitely the sort of Pepsi image ... but if I was buying Pepsi, I would prefer the old classic emblem, but then I think this is typical of our age group*".

C2F2 (1026 - 1758) "*I think the advertisement with Michael Jackson, younger kids are going to be quite influenced by it .... it wouldn't apply to people like us really ...*".

A couple of them argued that the problem with Pepsi (and also all other colas since they are thought as the same) is that it is not a sophisticated drink for their age:

C2F2 (3506 - 4383) "*It's not very sophisticated to drink it. If you went to a pub you would ask for a Pimms and lemonade or something, it would not be Pepsi*".

They also went on to say that it was so readily available and cheap that it could never be an older person's drink.

Similarity with ideal?

A few respondents were using adjectives like 'cool' or 'exciting' to describe their thoughts on the brand's new can or advertising but as said before they always tried to make clear that as far as they were concerned they were still indifferent between the various brands. For example:

C1M3 (8215 - 9124) "*It doesn't affect why I buy the drink, but I can see what they are trying to do ... it is more streamline and fast and exciting*".

Another one felt that buying Pepsi for your kid would mean spoiling him/her because it would be the ideal for them so a parent (but not he) would buy something else.

C2M1 (1003 - 1920) "*It is weird but probably your parent would not buy it(Pepsi); basically if you buy it it's like spoiling a little kid ...a kid's drink .. that your kid wants ... so instead .. you might buy something else, like lemonade, rubbish lemonade....I am not speaking from my point of view I am just saying the parents position ...*".

Most of the respondents however felt that there was a portrayal of ideal self by both the major Colas companies and this was greatly exaggerated. Example statements were:

C1M3 (12281 - 12665) "*the young American teenager, all this grinning, perfect teeth*".

C1M4 (ibid.) "*..exceptionally happy ...a perfect set of teeth sort of thing..*".

C2F2 (9139 - 9585) "*... there is a lot of young people quite attractive ... having a good time ... and I suppose the advertising is supposed to get it across to you that you will be like this if you drink Coke or whatever ... you wouldn't be as stupid as that* ".

This information could be condensed in table form so that it is easier to see the patterns arising between the different groups and the themes that have been shown to exist through the analysis.

Thus the table below represents the classification of the coded statements into the sub themes (horizontally) and also by the type of group, (vertically).

Table 7.7 Segmenting the coded segments in sub themes and Groups

	No Similarity	Ideal	Self / Mood	Functional	Dissimilarity with Rival	Abstract
A	A1M2 11427 A1M2 12481	A1F2 9015 A1M1 1420 A1M1 4410 A1F1 9312 A1F1 12616 A1M2 13743 A1F2 11427 A1F1 10473 A2M2 6562 A2F2 8384	A1F1 5847 A1M2 6575 A1M1 10321 A1F2 12576 A1M2 13587 A1M2 2229 A2M3 7379 A2M3 4228 A2M1 5150 A2M3 11778 A2F1 313	A1M1 14436	A1F2 12576 A2M3 8384 A2M3 956 A2F2 8986 A1F2 3559	
B	B1M2 11686 B1M2 16234 B1M2 11857 B2F1 3378	B1M1 2612 B1F2 8973 B2F2 3181 B2M2 3181 B2M1 3182 B2M1 3378 B2F1 3378 B2M2 3378 B1F1 12306	B1F1 4493 B1M1 4493 B1M2 4493 B2F1 4181 B2F1 3181 B2M3 10188 B2F1 3131 B2F1 3378 B2M2 3378 B2M1 1719	B1M2 1692 B1M1 1692 B2M1 2773 B2M2 2773 B2M3 2773 B2F1 2773 B2F2 2773	B2F1 10188 B2M2 10188 B2M1 10188 B2F2 10188 B2F2 2827 B2M3 2827	B2M2 10901 B2M3 10901 B1F2 745
C	Don't Care C1M4 1250 C1M3 3801 C1M4 1378 C1F1 1700 C1M2 1380 No Similarity C2M1 1003 C1M1 8215 C1M3 8215 C2F3 2837 C2M1 2837 C2F2 3506 C2M1 3506 C2F1 3506 C2F2 1026	C1M3 8215 C1M3 2066 C2F2 9139 C2M1 9964 C2M1 1003 C2M1 11902 C2M1 1026 C2M1 2837 *Ideal - Over The Top* *C1M3 12281* *C1M4 12281* *C2F2 9139* *C2F3 9805* *C2F2 11502* *C2F1 11902* *C2F3 1454*			C1M3 11162	

7.113 Significance and statistical support

This section will deal with the *prima facie* importance of the set of findings described above but with the aim of indicating out patterns rather than exploring the reasons why and contrasting that with aspects of the theory or previous research (this will follow in the next chapter).

7.1131 Emerging patterns

Looking at the table compiled above one can make some general observations. Firstly there seems to be a connection between Loyalty and similarity towards self. Only groups A and B seem to have shown signs of this type of similarity as it has been defined. In contrast group C has exhibited an overwhelming feeling that all (or most) brands in a category are the same in every respect and this doesn't allow them to consider one as closer to them than another. They were also quick to note that they do not care anyway.

As to the similarity towards ideal the things are less clear. All groups exhibit signs of it but one must note the following; group B is showing a much lighter version of this 'ideal' than its 'self similarity' and group C although it has shown signs that qualify inclusion in the 'ideal similarity', they were eager to state that this does not affect them at all. Obviously this could be because of a dissonance behaviour, especially since they know they were selected for being non Loyal and also since they had stated earlier on during the interview that they consider all drinks to be the same. However one must be careful in this area of assigning strengths and importance since they lie in the eye of the beholder. One additional thing to note here is the feelings of the C group when it concerned the 'ideal' similarity. Most of the respondents have indicated that they view this portrayal of the ideal by both brands as over the top and therefore far from convincing.

The concept of 'functional similarity' is interesting since it is almost exclusively shared by group B respondents. One may not have expected group C to have shown that they felt the brand was similar to them or it satisfied a functional need better than

another brand since it would by default make them buy it more. However what is interesting is the fact that group A doesn't share these views except from one respondent who was also the one exhibiting concerns as to the fact that the brand needs to improve its communication to tell hem more of what he wants to hear.

All the cases from the Loyal groups (A and B) that were classified as 'no similarity' were more to do with respondents not being able to associate themselves with a part of the communication (an advertisement or a promotion) rather than the more concrete feeling of group C of not associating with the concept of the brand or the total communication aspect.

7.1132 Statistical test - Chi square test

As explained in Chapter six the way forward was to assign a Hit (1) or a Miss (0) to each person as to whether he/she has a quote classified under a particular sub theme. From table 7.7 the following could be obtained:

Table 7.8 Presence of 'ideal' similarity

Group ---------- ***Theme Present ?***	**Group A** (Loyal Heavy) (5M, 4F)	**Group B** (Loyal Light) (5M, 4F)	**Group C** (non Loyal Light) (5M, 4F)
Yes	6(3F,3M)	5(3M,2F)	3(2M,1F)
No	3	4	6

The null Hypothesis (H_o) is that the outcomes from the analysis are independents of each other i.e. the number of respondents mentioning or not a theme is not dependent on the group they are in. The overall measure of discrepancy was therefore

$X^2 = \Sigma\Sigma (O - E)^2/E$ = Chi square measure for independence :

Chi square = X^2 = 2.09 i.e. with degrees of freedom (d.f.) = 2{=(r - 1)(c-1)} where r is number of rows and c is number of columns then P>0.25 so the null hypotheses

H_0 can not be rejected. This means that the quoted ideal statements seem to have had no effect on either the Loyalty or the Usage level of the brands in the research.

Table 7.9 Presence of 'self' similarity

Group ---------- *Theme Present ?*	**Group A** (Loyal Heavy) (5M, 4F)	**Group B** (Loyal Light) (5M, 4F)	**Group C** (non Loyal Light) (5M, 4F)
Yes	6 (4M,2F)	7 (5M,2F)*	0
No	3	2	9

* Or 8 (5M,3F) if the 'abstract' similarity is added to this, since it is the closest in terms of meaning (i.e. the abstract represents a similarity but in no specific direction which could be interpreted as 'self').

Chi square = X^2 =12.755 i.e. with d.f. = 2 then 0.005>P>0.001 so the null hypotheses H_0 can be rejected given a rejection level of 0.01 (99%). One could run a further Chi square test, this time grouping together the A and B group so that one can test a H_1 of the results being depended on the loyalty factor. This actually gives a Chi square value of 12.691 with d.f. = 1 which then lies well beyond the 99.9% level of certainty.

Table 7.10 Presence of 'functional' similarity

Group ---------- *Theme Present ?*	**Group A** (Loyal Heavy) (5M, 4F)	**Group B** (Loyal Light) (5M, 4F)	**Group C** (non Loyal Light) (5M, 4F)
Yes	1(M)	7(5M,2F)	0
No	8	2	9

Chi square = X^2 = 15.232 with d.f. = 2 then P value is P<0.001 i.e. there is a certainty of more than 99.9% that the statements were not randomly distributed. Therefore the null hypothesis can be rejected.

Table 7.11 Presence of 'Dissimilarity' with 'rival'

Group ---------- *Theme Present ?*	**Group A** (Loyal Heavy) (5M, 4F)	**Group B** (Loyal Light) (5M, 4F)	**Group C** (non Loyal Light) (5M, 4F)
Yes	3(1M,2F)	5(3M,2F)	1M
No	6	4	8

Chi square = X^2 = 4 with d.f. = 2 then P value is 0.25<P i.e. there is more than a 25% probability that this distribution could have occurred randomly i.e. independently of the groups. This is quite high and one must careful with trying to apportion this dissimilarity with rival to particular groups or types of consumers. However one must note here that the test is a bivariate one i.e. the fact that the rest of the people have not mention a theme is taken as if they didn't agree with the theme. Whilst this approach is strengthening the rejection of the H_0 hypothesis, it does weaken some of them in a considerable amount. Had one considered the Hits only and taken as a total measure of the distribution the total number of Hits then this particular H_0 might not have been in such a strong position for rejection.

Table 7.12 Presence of 'no' similarity with brand/Don't care

Group ---------- *Theme Present ?*	**Group A** (Loyal Heavy) (5M, 4F)	**Group B** (Loyal Light) (5M, 4F)	**Group C** (non Loyal Light) (5M, 4F)
Yes	1M	2(1M,1F)	8(4M,4F)
No	8	7	1

Chi square = X^2 = 13.194 with d.f. = 2 then P value is 0.005>P>0.001. Thus the H_O can be rejected and one can easily observe from the data that the statements in this category were dependent on the fact the group must have been non loyal.

7.114 Individual and Outliers Analysis

In this section there will be a presentation of the individuals in the groups and a summary of their comments on their brand in order to identify the outliers in the similarity theme and analyse them in greater depth.

Table 7.13 Individual summary analysis for Similarity theme

	ideal sim.	self sim	functional sim	no similarity	comments
A1 M1	Y	Y	Y	N	
A1 M2	Y	Y	N	Y	Pepsi = dream world but also exhibits an image for you as to who you are to others. Also complaints regarding communication not giving the images or information one wants.
A1 F1	Y	Y	N	N	
A1 F2	Y	Y	N	N	
A2 M1	N	Y	N	N	
A2 M2	Y	N	N	N	Brand shows ideal/ as you want to be. However the other's brand communication is effective in creating new ideals and similarities.
A2 M3	N	Y	N	N	
A2 F1	N	Y	N	N	
A2 F2	Y	N	N	N	Brand is seen as the ideal person and although there is a general dissimilarity towards other brands, there are instances of expressed similarity with the other major brand.

Table 7.13 contd.

	ideal sim.	self sim	functiona l sim	no similarity	comments
B1 M1	Y	Y	Y	N	
B1 M2	N	Y	Y	Y	A strong functional similarity - also similar to age. However functions are not communi-cated and so there is disapproval of current communication.
B1 F1	N	Y	N	N	
B1 F2	Y	N	N	N	Communication is not appealing, brand is geared towards ideal but still the differentiation is not extensive. Very much a choice of habit
B2 M1	Y	Y	Y	N	
B2 M2	Y	Y	Y	N	
B2 M3	N	Y	Y	N	
B2 F1	Y	Y	Y	Y	Slight functional similarity but strong dissimilarity with rivals. Ideal is seen but self similarity is low since part of the communication is not seen as appropriate.
B2 F2	Y	N	Y	N	Brand is seen as the ideal and there is a dissimilarity towards other brands. The functional similarity is there and some abstract comments that could be expressing a self similarity.

Table 7.13 cont'd

	ideal sim.	self sim	functional sim	no similarity	comments
C1 M1	N	N	N	Y	
C1 M2	N	N	N	Y	
C1 M3	Y	N	N	Y	Communication is not bad, brand gives an ideal image but the view is that the brand (and others) do not target him to give a good self/ideal image. Also some dissimilarity with rivals strengthening the brand.
C1 M4	N	N	N	Y	
C1 F1	N	N	N	Y	
C2 M1	Y	N	N	Y	Brand is seen as more ideal than its rivals but it generally loses on not being sophisticated enough not for his age.
C2 F1	N	N	N	Y	
C2 F2	Y	N	N	Y	
C2 F3	N	N	N	Y	

Signifies the Outliers. Y = Yes (i.e. the sub theme is mentioned), N = No (i.e. there is no mention of the sub theme)

7.12 EQUITY

7.121 Coding structure for Equity theme.

Although the literature did not suggest a number of distinct sub themes, it was obvious that there was a continuum of feelings. Thus expressions were categorised in a structured manner as to whether respondents felt they were giving more to the relationship (economic loss) up to the point where they were benefiting in excess from the relationship (economic surplus). The distinctions were more easily operationalised and in the end there were eight categories formed. However for statistical purposes and also for looking for patterns it might be easier to regroup the categories in two or three (clustering them), showing either a positive or a negative view as to the equity part.

In tables 7.14 - 7.21 the sub themes/categories and their theoretical and operational definitions are given.

Table 7.14 Equity - 'I am getting more than I am giving'

Types of Definition/Theme	Theoretical	Operational
(Positive feeling) 'I am getting more than I am giving'	Expressions that show that the respondent feels that he is benefiting from the purchase in surplus of the cost (effort and money wise).	Sentences that show that the respondent is gaining benefits (tangible or not) in excess of what is expected from the drink, or believes that the drink must be worth more in a sense and also exhibiting a price inelasticity.

Table 7.15 Equity - 'Others don't try as hard'

Types of Definition/Theme	Theoretical	Operational
(Positive feeling) 'Others don't try as hard therefore my brand gives more'.	Expressions that show that the respondents feel they are getting the best deal considering the alternatives.	These maybe sentences that compare the communication of the two brands or other factors like taste and appeal.

Table 7.16 Equity - 'Others are quite tempting so my advice is ..'

Types of Definition/Theme	Theoretical	Operational
(Positive feeling) 'I am still faithful but others are very tempting (offering more?) and so my advice is ...'	Expressed feelings that the brand is in danger from the other major brand(s) and the respondent is wishing for a change, therefore offering an advice.	Sentences that pinpoint out where other brand(s) are better (communication, presentation, image) but with the aim of offering advice rather than stating a choice to the other brand.

Table 7.17 Equity - 'I am getting what I am giving'

Types of Definition/Theme	Theoretical	Operational
(Positive feeling) 'I am getting out of this what I am giving in'	Expressed feelings of a balance in the transaction (relationship). Respondents are happy with the status quo but if something changes they might switch.	Sentences that refer to a switching action if a change is observed (in the loyal groups) whether this is price or another factor. Also any expressions of a balanced relationship in the form of aggreance but not support of the communication and the brand on the whole.

Table 7.18 Equity - 'I am still trying more than the brand.'

Types of Definition/Theme	Theoretical	Operational
Negative feeling 'I am still trying more than the brand'	Expressed feelings that the brand is not providing them with enough benefits (tangible or not) compared with its cost (effort and money). The consumer would have preferred more to reinforce the relationship.	Sentences that show the brand is lacking in a particular aspect (promotional, availability, presentation) and the consumer perceives that the efforts he/she exerts are more, considering the brand's efforts. However the consumer is not swi-tching but seems rather disappointed.

Table 7.19 Equity - 'I can see an effort - acknowledgement'

Types of Definition/Theme	Theoretical	Operational
Negative feeling 'I can see an effort from the brand but it is not enough'.	Expressed feelings that the brand is seen as trying in a way (promotions, prese-ntations, availability, communication) but it is not enough for these consumers.	Efforts from the brand are being appreciated in the form 'I can see what they are trying to do/say ..' but there is a 'but' involved stating that these efforts are either not enough or right for these types of consumers.

Table 7.20 Equity - 'The brand must try harder'

Types of Definition/Theme	Theoretical	Operational
Negative feeling 'The brand must try harder to get me (on a loyalty basis)'	Expressed feelings that the brand is not doing enough to provide non buyers with an incentive to switch, or even to keep loyal buyers.	Sentences that show the brand is lacking in particular aspects (promotional, availability, presentation) and the consumer is stating that more is needed to make them stay with the brand or persuade others to switch to that. The kind of statements will be similar to 7.19 but no acknowledgement is received here for trying.

Table 7.21 Equity - 'Doesn't deserve the effort'

Types of Definition/Theme	Theoretical	Operational
(Negative feeling) 'The brand or the relationship (if there is one) doesn't deserve the effort to keep it up.'	Statements that show that for the consumer it is not worth putting any effort to get the brand, presumably because the brand doesn't offer that much to the consumer (i.e. equity principle)	The consumer might be expressing that either due to close similarity in benefits from the different brands or because of assessing as low the benefits derived from the brand, he/she does not wish to put an effort in to either being loyal or to get out of other habits to acquire the brand.

7.122 Findings

7.1121 Group A - Heavy Loyal Users

The various trends seen in the analysis of the findings are providing no special surprises. Although there might be some interesting cases to explore further, the main conclusion is that the Loyals have a positive feeling of the equity involved with the brand compared with the non Loyals who constantly feel the brand is not worth their effort and devotion (in fact no brand is worth their effort and devotion).

On a closer look the heavy Loyals seem to very strongly exhibit a view that they are gaining in excess of the relationship, and that no other brand (other than their own can give them as much or a better deal). Respondents mentioning the promotions of the brand showed that you could get so much from consuming it:

A2M1 (5779 - 6258) "*You could win the car of the year with Coke, imagine a car with just paying 35 pence; it's good!* ".

Others however saw the communication as being the best you can get (this case can also be seen in the 'others don't try so hard' and others simply stated that an individual knows what is the best drink and (the best value for money) in all ways:

A2M3 (10328 - 10643) "*If I may take this a little further and say that (Pepsi and Coke) were two ladies and (the consumer) went to bed with both .. and he knew what to expect from each one ...nothing any of them could say to convince him ...he would know which one was the best, so he would go for the best ...*".

This respondent also complained during the interviews that in the refectory they tend not to sell his brand after lunch (only the competing brand) and he had to search for it other where:

A2M3 (4712 - 4843) " *In the afternoon they don't have Coke; they only have Pepsi and that's unacceptable ...*"

In addition to the feeling of excess there is also a feeling of 'others not trying so hard' which seems to be absent from the light groups altogether. This could be because the Light but loyal groups(B) seem to show more of a feeling that other brands are becoming tempting and want to give advises to their brand, which in practical sense says that they can't be very supportive of an idea that their brand offers much more than the competition.

This feeling of others not trying so hard can be seen both in the communication effort:

A1F1 (9358 - 9459) "*... Coke adverts have really got old, but the Pepsi ones are more recent ...*"

A2F2 (491 - 1251) "*They (Pepsi) never advertise what they actually taste like .... they are giving you an image ...what you will look like with the can ...and you just assume what it tastes like ...*"

and also in the functional form :

A1F2 (11301 - 11511) "*... I think that Diet Coke is so awful. It is so horrible that I think Pepsi could put anything in there ...*"

Some of the respondents also expressed worries for their brands in the sense that other brands are or were offering a great deal more and therefore advised the brand (or the company to act on that):

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Some of the respondents also expressed worries for their brands in the sense that other brands are or were offering a great deal more and therefore advised the brand (or the company to act on that):

A1M2 (12481 - 12865) "*One thing about Diet Pepsi they must advertise more is how many calories it contains, or how healthy it is. You know that would be my interest. One thing that Diet Coke mentions is that it contains only one calorie or something. That made me buy a couple of Diet Cokes actually ...Whereas Pepsi doesn't say how healthy it is or how many calories it has. I would definitely like that ..*"

There was only one respondent that had a balanced view in the sense that 'I am getting from the brand what I am giving' but this could easily have been because of the various classifications that put the Heavy Loyals in stronger positions. Nevertheless a few respondents went on the 'negative side' indicating either that they were trying more than the brand (because of the exerted effort on promotions for example):

A1F2 (7018 - 7257) "*I am really getting annoyed with these Pepsi cans that are supposed to have this lucky number. I have ripped apart the whole can.*"

A1F1 (ibid.) "*You don't know what the competition is about. Where is the number?* ".

Or that they can acknowledge an effort for the brand but still believe it has to try more to equal what others are offering and consequently their effort of choosing it:

A1M2 (11990 - 12473) "*Well I feel like Coke is the real thing and that Pepsi is sort of copied Coke but now it has improved ..*"

A1F1 (ibid.) "*I think that historically Coke was first, I don't know the figures but now Coke isn't more than Pepsi. I think it's just Coke has been more widespread than Pepsi .*"

7.1122 B groups - The Loyal Light Users

This group respondents had expressed feelings and opinions for the most of the set out categories/sub themes. Although they seemed strong on feeling positive about the benefits they were deriving from the brand, they were also criticising the brand on particular grounds that it was not trying enough and they needed to see more effort.

The statements from this group that were classified in expressing 'I am getting more from the brand than I am giving' ranged from simply showing a price inelasticity ('the brand is giving me more so I can afford to pay more' type of thing):

B1F1 (8483 - 9834) "*We would still buy Pepsi* ." (if there was a price increased of about 20% compared with all other competing soft drinks).

B1M2 (ibid.) "*Yes the price goes up for everything these days ...eventually you get used to the fact that it's a bit more but if it's still more expensive than the others and the others are at standard price, I suppose I would still go for it, as you are getting value for money ...*".

to actually exhibiting the fact that they are/were prepared to put the effort and go the distance to get it, if availability was a problem ('it's worth the extra effort' type):

B2M2 (5549 - 6067) "*Yeah. I actually did that the other day. I went to the shop and they didn't have a chilled Pepsi, so I went to the bar..*".

In addition to these there was also a respondent who felt Pepsi was offering more by being less gassy, something that helped him enjoyed it with his meals (and something other drinks couldn't offer).

Although there were not any respondents sharing the view that other brands do not try as much as their own, there was a strong feeling (still positive) that they would have liked the brand to change something so that it could match some of the others. This was not in any sense a threat to switch brands but rather a form of constructive criticism. For example:

B1M2 (2612 - 5727) "*They should bring out the image that you can drink it just casually with a meal ... They have brought out that there is a thirst factor, but not the fact you could just have it with a meal ...*".

B1M1 (ibid.) "*Even the thirst factor I think they should portray it better.*".

One area that a number of respondents seemed also to be agreeing on, is the fact that at the moment they were at a balance in the equity i.e. they thought that any changes to the price or the effort required to get the drink would put them in a situation that they would switch to something else:

B2M2 (9252 - 9621) "*It's pretty tempting ... once the price is different ... it would tell you where to go ..*".

B2M1 (5549 - 6067) "*I will just go with whatever it's there as long as it's cold .. I wouldn't normally go out and look for Pepsi if it wasn't there or if it wasn't chilled ...*".

However if things stayed as they were they see no reason why they should switch to something else ('I am getting what I am giving here, I am OK'):

B1F2 (1691 - 2527) "*.. If he (about a consumer like them making a choice) was a Pepsi drinker .. he is used to and wouldn't try for something different just in case he doesn't like it, so he is going to go for what he's used to ...*"

On the negative side then again there were a number of feelings indicating that the respondents felt they were trying more than the brand, either because of the availability:

B1M1 (2569 - 2824) "*Coke is usually more available I find. Yes everywhere; it's a shame I like Pepsi ..*".

or because the brand was thought to be ignoring those who drink it (reference to this would be done in a special section of the analysis):

B1M2 (1691 - 2527) "*with a new person he (the brand) would put more effort ... and the regular one even if I (the brand) say something not too good, he is still going to be really addicted ..*"

Also a couple of respondents shared a view that the 'more a brand does for them the better' maybe reinforcing the above idea that they thought they were putting more effort already in the brand by choosing it :

B2M1 (8679 - 9064) "*It's got to be chilled ... It is certainly easier (if it is on a shelf) if I don't have to look for it, if it's just there ..*"

A large number of respondents also acknowledged the effort put by the brand in the new logo and the new design. An example of the statements:

B1M1 (8973 - 9355) "*The can looks better. I can't remember what the last can looked like, but I remember my impression when the new ones came out ..*".

although they were still feelings that it was not enough:

B2F2 (991 - 1156) "*Perhaps it's not changed enough though. It is not very striking or interesting ..*".

There were also other statements that fitted in the category of 'the brand needs to try harder - this isn't enough' sort of thing:

B1F2 (2612 - 5727) "*Yes perhaps they should change and be more like Coke, then they would be more popular. Coke adverts certainly appeal to more people whereas Pepsi adverts are more rubbish ..*".

7.1123 C group - The Non Loyal Light Users

The respondents in this group have illustrated that they feel the brand on the whole is not trying enough to justify their effort of adopting it and maybe searching for it and in most of the cases they emphasised that they don't consider any brand at the moment is worth them exerting any effort.

A couple of respondents acknowledged the effort put by the brand in the new design, although they also felt it was irrelevant to their choice:

C1M3 (8215 - 9124) "*.. I can see what they are trying to do with it ... is more streamline and fast and more exciting ... but I think I would go for one of the much older ones*".

However all of the respondents seem to indicate a negative 'equity' feeling i.e. that firstly they felt the brand was not worth any premium (and they weren't loyal anyway, so a premium on the brand would push them in removing it from their choice set):

C1M3 (6214 - 6604) "*If it was 10 pence more expensive I would have the other one because the difference isn't strong enough .. to qualify that ..*"

Secondly they felt they were older now and could not be affected by the image and therefore the brand had to try and offer something more:

C1M1 (1634 - 2067) "*I think you grow cynical of the image behind the drink ...the older you get, if you like the taste, you buy the drink .. you look at the adverts and you are grimacing ..*"

Some also felt the drink needed to be more sophisticated to appeal to them (this was also discussed in similarity theme), there was a view that soft drinks are bad for you anyway which was making the respondents go for healthier choices and also a respondent commented that the brand was offering nothing so special to make someone change his/her habits for adopting it. Example statements from the above are:

C1F1 (2343 - 2694) "*It is supposed to be really bad for your teeth, the worst thing you can drink ...*".

C2F2 (2231 - 2372) "*Can I just say I prefer a little carton of orange juice or something a bit more healthy if it's available, rather than sugary canned drinks..*".

C2M1 (8476 - 9582) "*I think they (people) are just complacent. I am totally happy as I am thank you very much. I don't have any problems ...why change?* ".

In table 7.22 one can see the various sub themes/categories in a continuum order and the descriptions (who said it and what character number the passage begins) of the expressions given for each by respondents from the three groups.

Table 7.22 Equity in the Relationship

	Doesn't deserve the effort	Must try harder	I can see an effort but not enough	I am still trying more than the brand	I am getting what I am giving	Others give more so my advice is	Others don't try as hard so brand gives more	I am getting more than I am giving
A			A1M2 11990 A1M1 11990 A1F1 11990	A1F2 7018 A1F1 7018	A1F2 10224	A1M210224 A1M2 12481 A2M3 10269	A1F2 9358 A1F2 11301 A2F2 491 A2M3 2817 A2F1 6430 A2M1 7760	A1F2 8292 A2M3 4712 A2M3 10328 A1M1 14436 A2M1 5779 A2F2 5779 A2F1 6430
B		B1M2 2612 B1F2 2612 B2M210577 B2M310577 B2M2 717 B2F2 991	B1M1 8973 B1M2 8973 B1F1 8973 B1F2 8973 B2F2 991 B2M1 991	B1M1 2569 B1M2 2569 B1M2 1691 B2M1 8679 B2M2 8679	B1M1 8483 B1F2 1691 B1F1 2612 B2M2 9252 B2M1 9252 B2M1 5549	B1M1 2612 B1M2 2612 B1F1 2612 B1M1 5849 B1M2 5849 B1M2 5849 B2F2 5849 B2M2 7419 B2M2 7784		B1M2 1792 B1F1 8483 B1M2 8483 B1M2 10265 B2M2 5549
C	C1M2 1246 C1M3 6214 C1F1 6214 C1M4 7209 C1M3 791 C1M1 791 C1M4 791 C2F1 5159 C2F2 5159 C2F2 2231 C2F2 3605	C1F1 2343 C1M1 1634 C1M1 7209 C1M3 8215 C1M3 3165 C2M1 3506 C2F1 3506 C2M1 8476	C1M3 8215 C1M3 8215					

7.123 Significance and statistical support

7.1231 Emerging patterns

A number of interesting patterns have arisen here. The first one to note is the apparent positive equity of the Loyal groups in contrast with the somewhat negative equity of the non Loyal groups. If one classifies columns 5-8 from table 7.22 as positive (i.e. the consumer believes he/she is getting a good deal and is positive about it) then it is clear that both the A (Heavy/Loyal) and B (Light/Loyal) monopolised the classified statements. C group (Non Loyal/light) seems to have done a kind of 'assessment' for the brand and they believe they would have to put too much effort to adopt it, compared with what the brand is giving. The responses of the C group are therefore more geared towards the negative side of the continuum.

The light users (loyal) of the group also seem to be expecting the brand to perform more than it does at the moment (something that C group is also requesting or better complaining about) and there is also the feeling that they are trying more than the brand. They also seem more eager to give the brand advice as to what to do to equal any temptations or good work from other brands. This is also supported by the fact that the Light/Loyals do not exhibit any feelings of 'others aren't trying so hard so my brand is the best' which are evident in the Heavy/Loyal groups. The latter's view that the only brand that offers as much is their brand seems to be affecting positively their preference of sticking with the brand.

One could also note that the Heavy/Loyal groups are feeling more that they are getting a surplus in the relationship whereas the Loyal/Light feel stronger about being equal and also about needing more (maybe to get a surplus rather than get equal).

The Light users also suffer from what one can describe as product scare where they feel it is unhealthy to consume too much of the product, which in a certain way explains their decision of being Light users. The Loyal Light users also constantly feel that the other major brand is more popular and better and therefore seem to need more evidence that the brand is offering them more to be with it and ignore the majority.

7.1232 Statistical test - Chi square test

The same form for statistical testing as in 7.1132 would be used here. However the categories tested would not always correspond to the sub themes because in certain cases new ones are formed by the clustering together of a number of sub themes.

From table 7.22 the following could be obtained:

Table 7.23 Presence of Positive/negative Equity

Group ---------- *Theme Present ?*	**Group A** (Loyal Heavy) (5M, 4F)	**Group B** (Loyal Light) (5M, 4F)	**Group C** (non Loyal Light) (5M, 4F)
Positive (columns 5-8)	7(3F,4M)	6(4M,2F)	0
Not present	2	3	9
Negative (columns 1-4)	4(2F, 2M)	9	8
Not Present	5	0	1

Testing for Positive equity between Loyals and non Loyals:

Chi square = 12.542 with degrees of freedom =1 then the P value is < 0.001. One can therefore assume with a 99.9% certainty that getting a feeling of positive equity does depend on whether the respondent is Loyal to the brand.

Testing for Negative equity both on Loyalty and Usage:

One can test to see whether the show of negative equity will depend on the category of usage or the category of loyalty by grouping respondents from B and C together in the first instance and grouping respondents of A and B in the second.

(i) Negative equity and Usage test

The Chi square there is 8.718 which gives a P value $0.005<p<0.001$ that is the null hypothesis is rejected and one can say that negative equity have to do with usage.

(ii) Negative test and Loyalty test

The Chi square there is 0.989 which gives a P value much bigger than 0.25 meaning that the null hypothesis can not be rejected. This signals that negative equity feelings do not depend on Loyalty.

7.124 Individual and Outliers Analysis

In this section there will be a presentation of the individuals in the groups and a summary of the outliers comments as to their brand in order to be able to look at them in a greater depth.

Table 7.24 Individual summary analysis for Equity theme

	does not deserve effort	I am trying more than the brand	Equity/ I am getting more from this than another	comments
A1 M1	N	Y	Y	
A1 M2	N	Y	N	The respondent feels that he is not getting his full worth from the brand since although he is keen, the brand does not try enough to comfort him. He likes other brand's communication but he prefers to belong to one brand (Need for affiliation study can show this). He associates with elements from this brand but he wishes the brand would transform in order to give him even more.
A1 F1	N	Y	Y	
A1 F2	N	Y	Y	
A2 M1	N	N	Y	
A2 M2	N	N	N	This respondent showed no signs of feelings on the equity theme. However this could have been because he never got the chance to say something to fit the category. He can not therefore be strictly regarded as an outlier.
A2 M3	N	N	Y	
A2 F1	N	N	Y	
A2 F2	N	N	Y	

Table 7.24 contd.

	does not deserve effort	I am trying more than the brand	Equity/ I am getting more from this than another	comments
B1 M1	N	Y	Y	
B1 M2	N	Y	Y	
B1 F1	N	N	Y	
B1 F2	N	Y	Y	
B2 M1	N	Y	Y	
B2 M2	N	Y	Y	
B2 M3	N	Y	N	The problem with this respondent is that he feels ignored by the brand as to the communication. He feels the brand owes it to people like him to satisfy their needs by communicating what they want to hear.
B2 F1	N	N	N	Respondent believes the brand is trying but no other signs are given to really categorise the respondent with a positive or a negative equity view.
B2 F2	N	Y	N	This respondent believes that the brand needs to do more and has indicated that the things done so far are not enough for the effort put in by her in buying the brand.

Table 7.24 cont'd

	does not deserve effort	I am trying more than the brand	Equity/ I am getting more from this than another	comments
C1 M1	Y	N	N	
C1 M2	Y	N	N	
C1 M3	Y	N	N	The only respondent that has acknowledged the effort put by the brand, even though he still may think the brand is not worth the effort.
C1 M4	Y	N	N	
C1 F1	Y	N	N	.
C2 M1	Y	N	N	
C2 F1	Y	N	N	
C2 F2	Y	N	N	.
C2 F3	N	N	N	No comments have been coded for this respondent to indicate feelings in either way.

Signifies the Outliers. Y = Yes (i.e. the sub theme is mentioned), N = No (i.e. there is no mention of the sub theme)

7.13 NEED FOR AFFILIATION

This section would be attempting to see whether there is any evidence of differing degrees of this aspect of relationship or even whether this aspect exists in this product group.

7.131 Coding structure for Need for Affiliation theme.

The coding in this theme was straight forward in that passages were selected where there was an expression of belongigness, attachment to a club feeling or where the respondents indicated that they clearly did not perceive any club existing or did not want to belong to an existing one.

In contrast to the previous mode of analysis, no sub themes were structured other than a positive and a negative or indifference feeling towards the theme. This does not mean that all statements coded and extracted to this theme are identical but rather that whatever dimensions or aspects are better examined within the two ends of the feeling in order to gain a better understanding to the strength of the feeling of belongingness.

Table 7.25 Need for Affiliation

Types of Definition/Theme	Theoretical	Operational
Existence of 'Belongigness, Need for Affiliation'	Statements showing that respondents share feelings with the brand, think how to improve the 'club' they belong to and support it strongly or even criticise it (both appraisal and criticism are signs of an existing bond)	Sentences that show the respondent having an emotional bond to the brand, showing that other 'club' consumers are thought of differently, rejection of other brand's efforts to 'lure' them to their club and generally signs that the consumer cares about the brand and thus has views, opinions and feelings on the brand's appeal and actions.

Table 7.26 Indifference or negative feelings to Affiliation

Types of Definition/Theme	Theoretical	Operational
Indifference or negative Need for Affiliation	Statements that show that the consumer does not feel any belongigness to the brand.	Sentences that show that the consumer either does not belong to any 'club' or that he/she thinks the existence of a further bond with the brand is not feasible.

7.132 Findings

7.1321 Group A - Heavy Loyal Users

The respondents in this group exhibited in a number of times that they have an emotional bond with the brand and what is interesting is the diversity in the ways this was shown. In some cases this was straightforward 'club' attitude in the sense 'our club/brand should do (have done) this to win over the competition' like below:

A1F1 (12867 - 13754) "*I know that somewhere in the States they have launched a Pepsi that is just like the Tab Clear. I don't understand why they haven't launched it here yet.*".

A1F2 (ibid.) "*It feels a shame that they have Crystal Pepsi and they let Coke launch Tab Clear first in the UK ...*".

In other cases the feeling was stronger and more in the sense 'if you belong to the club then you look for places where the brand exists':

A2M3 (4345 - 5016) "*Let me ask you something; have you ever been to Mac Donald's? The reason I ask is that there is no way I go there because they are selling that stupid black thing they put on as Coca cola... pretending that this was Coke or whatever as if any black soft drink was the same as another ...and this is the reason I don't go there and probably a lot of other people too .. of course if you go to Burger King you get your Coke!!!*".

In general there was a lot of support for the actions of the brand which perhaps reinforced this sense of belonging to the 'right place':

A1F1 (9886 - 10222) "*I think they are rejecting a whole part of like traditions, when they are trying to break away ....it's like based on the future and everything and this Ultra modern image. Then they are rejecting the before image. I don't know it seems good ..*".

A2M3 (8072 - 8566) "*I think we should stick to the Coke logo and the 'can't beat the feeling'* ..." (in a question if the brand should change anything in its communication to the consumer).

Club membership ?

It is interesting that in some of the cases respondents went as far as using the prefixes 'we', 'ours' to describe the actions of the brand as seen in the previous quote. After the second interview (A2) some of the respondents actually 'complained' or rather made a remark to the moderator about the inclusion in the group of a respondent who apparently was not so much 'as them' in her feelings to the brand. The reason was some comments from the particular respondent that she enjoys other soft drinks (orange flavour) as well although she chooses Coke most of the times (or at least a type of Coke: Diet, Caffeine free, cherry). The other respondents commented when she had left: " We don't understand why you brought her here; she was not one of us; liking Tango and 'cherry coke' what kind of a person can she be? !" Despite the friendly and casual way with which the above were said, they do show a 'clique' feeling of these consumers towards other consumers who share the same brand in maybe the same way.

Overtness in strength of choice

On the contrary respondents in group A1 wanted to show exactly the opposite. In certain cases they wanted to exhibit that although they preferred the brand to anything else, they were really easy and casual about it and they wanted to project the latter image to their friends.

A1M1 (8632 - 8854) "*I have met a lot of people that won't drink Coke or won't drink Pepsi because their loyalty is too big to the other one. It's disgusting. I like both .. it's just Pepsi for me has that motivation ...*".

When an advertisement was shown that stressed the things one can do to get hold of the brand instead of an alternative, they agreed they would have done the same thing but would not like anyone to know about it:

A1M2 (2229 - 3515) "*Yeah but do you want anyone to know that kind of thing? You know that you would go miles away for it. You know I wouldn't want anyone to know about that ...I would prefer to give the impression that I am practical ..*".

A1F1 (ibid.) "*Yeah I wouldn't want anyone to know, keep it to my self ..*".

Others however associated with the advertisement and were ready to state that they would the same:

A2F1 (282 - 551) "*According to what I said earlier, if I can't find Coke at the place I am, then I search for Coke somewhere else. I can see myself like that guy ..*"

It would therefore seem that consumers can form different versions of this aspect of relationship with the brand where the attachment can be seen as an intimate thing that is best kept secret (Pepsi brand) or an expression which can serve as a bond bringing the members of the club together (Coke brand). It was also interesting to observe that in public places (bars, restaurant etc.) respondents felt it was embarrassing to ask for Pepsi because it would show a particular choice and using the term Coke was more generic and made them feel more at ease. A common example of the sort of feeling:

A1M1 (6883 - 7127) "*Yeah, you can't ask for Pepsi at a pub, it sounds weird .. you just say ' oh I will have a Coke' ...*".

This was seen a lot with the light loyal group as well.

Criticism as a sign of emotion ?

Being negative about something is not always a sign of not caring. Some respondents expressed their attachment to the brand or the club by criticising the actions of the club with strong emotions and stating that they wished the brand would not engage in that activity in the future. For example:

A1F1 (6715 - 7446) "*I can just see Pepsi using any means to get the attention of people. because I mean what bothers me in some adverts was that you actually saw all these famous people drinking Coke and going 'eh take me away' making fun and Pepsi gives them magic ... or putting someone like Michael Jackson ..when so many people are fans of his that they think that he advertises for Pepsi, so I must go out and buy a Pepsi.. I mean it is really sad ... I'd rather have none of these famous people ..*".

Reasons for this Affiliation

One respondent indicated very clearly that this sense of belonging to the brand was because of an emotional attachment of the brand due to a situation:

A1M1 (2004 - 2551) "*Well my brother and I used to go out for sorts of smokes and we used to bring a can of Pepsi with us. And we sort of got into the whole thing of Pepsi, bring a Pepsi.. I guess it is sort of a good old days type of thing ...I will have Pepsi to celebrate the good old days.. Pepsi has got a special place in my heart ..*"

Others seem to be more abstract and it would seem that the brand seemed to represent more of a set of values or ideas that they believed in. A number of these examples have been seen through the quotes so far but a characteristic example is the following where the respondent believes that the brand represents the original spirit and a necessity whereas anything else would be an attempt to copy and distort the idea of purity and originality:

A2M3 (9030 - 9332) "*I think Pepsi is fighting an endless war against Coke because it is as if someone is trying to create a substitute for milk. Once you have got milk, milk is the one and only milk; the best for of this, this and that. So trying to produce another e.g.. powder thing, to substitute milk is useless ..*"

7.1322 Group B- Loyal Light Users

Respondents from this group seem to share the same feelings as the ones from the group above. The 'club' feeling was there but maybe not so strong. However the same type of quotes seem to come up in terms of being older and getting to have a taste of your own and also there was the support to the brand, especially towards the observed criticism of it from the public:

B1M2 (4851 - 6390) "*And people may also think they are trying to copy Coke because the drink looks the same .... I just feel if Pepsi wasn't dark brown, it might be OK. It might help. It's just that it's brown and people say there is only one Coca Cola ..*"

B1F1 (ibid.) "*I guess with other drinks, you don't compare this rebena with other..*"

A number of them also wanted to give advice as to what can be changed or modified for the communication of the brand in order to appeal to more consumers. For example:

B1F2 (6417 - 7421) "*they could have more sophisticated adverts that would appeal to older people ...*".

and some supported the view that Pepsi should make Coke do the running (more of a 'lets beat them in this game') :

B1M2 (6417 - 7421) "*what they should do is make Coke do the running..*".

Overtness in choice

The same kind of intimacy or rather secrecy about the relationship is sought after by the Light Loyals. The respondents indicated that again they prefer not to seem too choosy in public places and they would have rather kept their choices to themselves. Examples of the former are:

B2M3 (4677 - 5903) "*If I go to a bar, I just ask for a Coke...I won't say 'can I have a Pepsi?' ...it sounds very American to say that ..*"

B2M1 (ibid.) "*..If you ask for a Pepsi you are making a definite choice. If you ask for Coke you are taking whatever they are offering...*"

and a typical example of the latter was the following quote again said after the advertisement was shown:

B2M2 (5762 - 6971) "*Well the other day I was at the coffee bar and they didn't have anything I fancied. But I couldn't be bothered to go anywhere else, so I just .. I mean I don't think ..I don't want to seem weird to my friends. I just go with what is there.*"

Indifference and negativism

One of the difference between the Loyal/Heavy respondents and this group is that there is not a strong show of emotions to support or even criticise the brand actions form a club point of view. However there is a sign of apathy and indifference at some points.

B1F1 (5112 - 5768) "*..I think of it (Pepsi) as one of many. When I go to a machine, I don't necessarily just go for Pepsi ...Different days, depends on the mood ...*"

The feeling that sometimes comes through is that soft drinks is not something one should care about or even make an effort about. Whether this is still part of the previously mentioned covertness towards the relationship or simply a sign of an indifference emotion, it is not possible to say from the data. An example of this kind of attitude is:

B2M2 (5762 - 6971) "*I don't find soft drinks that much of an issue in my life to go out of my way to get them ..*"

B2M3 (ibid.) "*Yeah not worth the time and effort..*"

7.1323 Group C- Non Loyal Light Users

There were three main 'thesis' coming from the respondents of group C and these were more complimentary to each other rather than exclusionary. The respondents were showing a sense of belonging but to a more generic product class (e.g. colas, main brands), a sense of not believing in affiliation with a specific brand and an indifference feeling.

The first thesis held by a number of the respondents was that they were affiliated or they liked to 'stick' with either the 'main brands' or with the Colas. The choice of brand seemed to be less important and as one will see from the third thesis, not important at all at times. Some examples of this more generic affiliation:

C2M1 (830 - 1268) "*I stick with the main brands I suppose. I don't like small brands like Panda Cola ...*".

C2F3 (1925 - 2055) "*I drink mainly Coke or Pepsi; the occasional Lilt or Tango;but generally main brands and more Diet drinks than non diet drinks..*".

There was also the feeling of not being able to belong to any of the brand 'clubs' because of age. The respondents felt that, at their age, it is not feasible to belong anywhere and they did not expected that either. Some of them felt that this was a general feeling from all people like them while others accepted that they might be people with different views on the matter. Some examples showing the above are:

C1M3 (1634 - 2067) "*I think by our age you are more or less stuck in your ways to a certain extend. And that if your tastes are different, they will continue to be different but if you are a fan of a particular brand, you will continue to use that brand.*"

C1M4 (983 - 1599) "*Well we are a group of people who are indifferent to it anyway. The sort of people who preferred and always drank Pepsi would go from the ground floor* (if they are playing sport at the lower level in the university) *to the top floor* (where the Pepsi machine) *to get it* ".

The indifference towards the choice and belonging in general was demonstrated by the respondents through the interviews repeatedly. They were clearly viewing the brands as the same and were thus using both, by either choosing them in alternative situations or simply grabbing the one most prominent in the display:

C2M1 (3203 - 3668) "*I just take them in turns. If I haven't had Diet Pepsi for a while, I will have that instead of Diet Coke ..*".

C1M3 (3869 - 3955) "*It's just a feeling of thirst. I just go to the machine and it's whatever is there*".

They also supported the view that when they were ordering they were using the name Coke because they wanted to signal that they had no preference:

C1M4 (8948 - 10475) "*No, not the brand name. I wouldn't use the brand name..*".

C1M2 (ibid.) "*If you want a Cola drink, you would say Coke* ".

C1M4 (ibid.) "*And they often ask you 'we've only got Pepsi is that OK?' and you wonder why they say that. They think you really wanted Coke..*"

In table 7.27 the respondents quotes for the theme can be seen in a Positive and negative/indifference column.

Table 7.27 Affiliation quotes

	Positive feelings of affiliation	Negative feelings / or Feelings of Indifference
Group A	A1M1 2004 , 3486 A1F2 907 A1M2 12616, 2229 A1F1 2229, 9886 A1M1 12867 A1F2 12867 A2M3 9030 A2F1 6430, 3686 A2M3 4345 A2F2 8986 A2M2 279 ...more	*Can't be seen to club/not too strong affiliation* A1M1 8632 *Covert choice* A1F2 8000 A1F2 7543 A1M2 2229 A1F1 2229 A1M1 6883
Group B	B1M2 1079 B1M2 4493 B1F1 4851 B1M1 6417 B2M3 4677 B2M2 5762 B1F2 6417 B2F1 5762	*Covert choice* B2M3 4677 B2F1 4677 B2M2 4677, 5788 B2M1 4677 *indifference* B1F1 5112 B1F2 5112 B1M2 10265 B2M2 5768 B1M3 5768
Group C	*Belonging to a more generic function.* C2M1 830 C2F3 1925 C1F1 4232 C1M1 498 C2F1 3840 C2M1 14412 C2F2 3203	*Indifference* C1M1 498 C1F1 1788 C1M3 9869 C1M3 1634 C1M4 1634 C1M1 1634 C2M1 6249 C1M3 4482 C1M2 4482 C2F3 2831

7.133 Significance and statistical support

7.1331 Emerging patterns

It was not surprising to see that there were respondents exhibiting a feeling of affiliation from the Loyal groups and this was non existence in the Non Loyal groups. The respondents that were also heavy users of the brand have shown an even stronger affiliation which again one would expect given that they associate more frequently with the brand and they probably have to justify their actions to themselves and to others more often (which can reinforce the idea of the 'club feeling' and the 'I have my tastes and my beliefs....') These stronger feelings were mainly shown by their direct support to the brand or by their emotional criticism on the actions that they wished to see changed. In both cases they seemed more into the running of the club which would probably show a greater involvement in the relationship.

One other thing that was coming through was the preference of loyal respondents, mainly the Light ones, of showing a casual image of indifference and non relationship with the brand to friends and others. Although they prefer the drink to another in all cases, they would not ask for it but use the word 'Coke' to signify any soft drink or Coca Cola which is the popular drink.

This can be seen together with the exhibition of an indifference from some of the respondents from the Loyal groups (again mainly the Light group) which rested on the fact that they did not see such a difference in the two brands and would be happy with the other brand as well. However one must not forget that these quotes were mainly said after a lot of discussion (when the discussion had been going on about what people would do for a brand), and in the presence of A group of people, which could mean that these respondents may have been merely trying to persuade others that they were casual about it (i.e. the above theme was coming in).

As for the Non Loyals it was not surprising to see that they were probably only affiliated to what they had been showing loyalty to i.e. the product class: the colas or

the 'main' brands. As for the individual brands, since they had never adopted them in an exclusionary manner they had no feelings of belongigness or affiliation.

7.1332 Statistical test - Chi square test

The analysis structure in the Affiliation theme was rather simplistic in terms of sub themes and a statistical analysis may not prove more useful to the strengthening of the facts than what the reader can deduce by simply looking at the data. However it was decided to proceed with a contingency table analysis and a Chi square analysis only where useful.

From table 7.27 the following could be obtained:

Table 7.28 Presence of Positive/negative Affiliation

Group ---------- ***Theme Present ?***	**Group A** (Loyal Heavy) (5M, 4F)	**Group B** (Loyal Light) (5M, 4F)	**Group C** (non Loyal Light) (5M, 4F)
Positive (columns 5-8)	8 (4F,4M)	7 (4M,3F)	0
Not present	1	2	9
Negative (columns 1-4)	1 (M)	5 (3M,2F)	7 (5M,2F)
Not Present	8	4	2
Covert choice	4 (2F,2M)	4 (3M,1F)	0

As one can observe from the table above, it would not be very useful to apply a statistical analysis on the mentions of the 'positive' Affiliation. The Loyal groups have clearly got a strong correlation with positive affiliation and the Non Loyals have got an inverse correlation with the theme as well as a correlation with indifference or negative

affiliation. If one was to create tables with Loyalty and usage against Positive and negative affiliation mentions then the following could be obtained:

Positive Affiliation

Loyals 15	Non Loyals 0
Heavy Users 8	Light Users 7

Negative Affiliation

Loyals 6	Non Loyals 7
Heavy Users 1	Light Users 12

One can easily deduce from the table that (even though an adjustment needs to be made because of the uneven number of participants in the two groups) Loyalty seems to play an important part in positive feelings of affiliation (or vice versa) and usage plays a part as to whether any feelings of negative affiliation will be present. This may be thought of as the existence and strength of this bondage, with positive feelings exhibiting a bondage and negative ones the strength. A Chi square analysis will not be very useful in these cases since the difference is large indicating a significance even to the naked eye. What could be though of interest is the second part of the tables and a Chi square can be used there (with caution, since a cell will always be less than five). The test would therefore be to determine whether Positive affiliation has any relation with usage and whether negative affiliation has any relation with Loyalty levels.

(a) Positive affiliation and Usage

	Heavy users	Light Users
Theme present	8	7
Theme 'not present'	1	11

Chi square = 6.095 and with d.f.. = 1 then the p value is $0.025 < p < 0.010$ which can allow the rejection of the null hypothesis at the 97.5 % level but not at the 99%.

(b) Negative affiliation and Loyalty

	Loyal users	Non Loyal Users
Theme present	6	7
Theme 'not present'	12	2

Chi Square = 4.728 which gives a P value of $0.05 > p > 0.025$ which again allows the rejection of the null hypothesis only at the 95% level but not at the 99%.

The covert choice numbers in table 7.28 are simply indicating that some of the respondents from both Loyal groups show this action or feeling but because of the difference in the brand in A group (Coke Vs Pepsi) a further analysis would not be very useful. What is interesting is simply the fact that the theme exists in the Loyal groups.

7.134 Individual and Outliers Analysis

In the next page, in table 7.29 one can see the individual analysis for the Affiliation theme.

Table 7.29 Individual summary analysis for Affiliation theme

	Negative affiliation or indifference	Positive affiliation belong to the 'club'	comments
A1 M1	Y	Y	This respondent feels an emotional bond with the brand but is also saying that he cannot understand other people who are very loyal. As mentioned before in the analysis this could be because of dissonance behaviour rather than a sign of differing views from the others.
A1 M2	N	Y	
A1 F1	N	Y	
A1 F2	N	Y	
A2 M1	N	N	This respondent has shown signs of weak loyalty both in terms of statements as to buying whatever drink is available and also he seemed to particularly liked the image that Pepsi (competitor) brand was offering. The reason for his purchase rate (justifying the inclusion in the Loyals) could have been because of group influence or majority influence ('most people prefer Coke' argument)
A2 M2	N	Y	
A2 M3	N	Y	
A2 F1	N	Y	
A2 F2	N	Y	

Table 7.29 contd.

	Negative affiliation or indifference	Positive affiliation belong to the 'club'	comments
B1 M1	N	Y	
B1 M2	Y	Y	
B1 F1	Y	Y	
B1 F2	Y	Y	
B2 M1	N	N	
B2 M2	Y	Y	
B2 M3	Y	Y	
B2 F1	N	Y	
B2 F2	N	N	

As there was no specific pattern that this group followed it was more difficult to spot any outliers. A number of these respondents showed both a negative and a positive view of affiliation where others showed none. What seems to be coming out is that these respondents (maybe due to their usage pattern - infrequent interaction with the brand) feel more unease in admitting a 'club feeling' and prefer to be seen as indifferent consumers. This coincides with the observed 'covert action' sub theme, where respondents stated that they prefer others to think of them as easy going and casual concerning their soft drink choice even if they had strong preferences over a particular drink. Although this 'covert action' sub theme is seen also in the Heavy Loyal groups the effect of it on the 'club feelings' is minimum.

Table 7.29 cont'd

	Negative affiliation or indifference	Positive affiliation towards a more generic club	comments
C1 M1	Y	Y	
C1 M2	Y	N	
C1 M3	Y	N	
C1 M4	Y	N	
C1 F1	Y	Y	.
C2 M1	Y	Y	
C2 F1	N	Y	This respondent has shown (as a number of respondents of this group) a sense of belonging to a more generic category e.g. Colas or the main brands and therefore although there was no direct mention of indifference or negativeness towards affiliation with a specific brand this can be assumed. Therefore one could argue that there are no outliers in this group.
C2 F2	N	Y	ibid.
C2 F3	Y	Y	

Signifies the Outliers. Y = Yes (i.e. the sub theme is mentioned), N = No (i.e. there is no mention of the sub theme)

7.14 ATTITUDE OF THE BRAND

This theme was explored using direct questioning and also using a 'fill in the gap' picture projective technique. The respondents were asked to comment on the perceived attitude of their brand (if loyal) and of other competing brands.

7.141 Coding structure for 'Attitude of the brand' theme.

Firstly all the parts in the transcripts where the theme was explicitly discussed, were coded as BRAATT together with any phrases in the text that refereed to the brands attitude in an indirect way. These together with the completed pictures (one by each respondent) were examined to draw a list of attitudes that the brand and other brands were seen as adopting.

A list of seven attitudes was compiled by bringing together attitudes that were expressing the same idea (attitude).

Table 7.30 Coding structure for Brand's attitude

Types of Definition/Theme	Operational
Brand's Attitude : I don't care/I don't need you anyway	Descriptions of the brand being apathetic to the buyer or explicitly saying to him/her that.

Table 7.31 Coding structure for Brand's attitude - Arrogant

Types of Definition/Theme	Operational
Brand's Attitude : Arrogant/pushy	Descriptions of the brand showing an arrogant/pushy/ironic/pedantic attitude or saying to the consumer things like: 'I'm big and so you have to listen to me', 'do as I tell you'

Table 7.32 Coding structure for Brand's attitude - Pretentious

Types of Definition/Theme	Operational
Brand's Attitude : Pretentious / hypocritical	Descriptions of the brand having a pretentious or hypocritical attitude, or even acting in ways that say to the consumer 'I can cheat on you' or 'I am saying this but the truth ...'

Table 7.33 Coding structure for Brand's attitude - OTT

Types of Definition/Theme	Operational
Brand's Attitude : Too many promises, the brand is going 'over the top'	Descriptions of the brand promising too many things to the consumer that the consumer knows are not true and he/she therefore feels it is just a marketing ploy.

Table 7.34 Coding structure for Brand's attitude - Complacent

Types of Definition/Theme	Operational
Brand's Attitude : Complacency - you can enter the club with my rules.	Descriptions that show the brand being complacent with the buyers, in a way knowing they 'have' to come to it, or adopting a grandiose attitude of 'you are welcomed as long as you know the rules'

Table 7.35 Coding structure for Brand's attitude - Confident/Cool

Types of Definition/Theme	Operational
Brand's Attitude : Confident/cool	Descriptions of the brand exhibiting explicitly or implicitly a confident/cool/simple and straight forward attitude. This is mainly a positive attitude.

Table 7.35 Coding structure for Brand's attitude - Confident/Cool

Types of Definition/Theme	Operational
Brand's Attitude : Confident/cool	Descriptions of the brand exhibiting explicitly or implicitly a confident/cool/simple and straight forward attitude. This is mainly a positive attitude.

Table 7.36 Coding structure for Brand's attitude - Friendly/Pal

Types of Definition/Theme	Operational
Brand's Attitude : Friendly/pal/inviting	Descriptions of the brand being friendly in attitude to the buyer talking to him/her like a pal and also being inviting and alluring.

7.142 Findings

7.1421 Group A -The Heavy Loyal Users

One could assume the first five sub themes or attitude categories to be representing a somewhat negative attitude (in the sense that a consumer would not like the brand, he/she is loyal to, to have that attitude towards him/her). The Loyals have been stating that they felt their brand would be scoring positively (i.e. having an attitude represented in one of the last two categories) while they felt the competing brand(s) were adopting a negative attitude towards them.

Own brand

The respondents in this group indicated that the brand would have been friendly towards the consumer, straight forward and also simple, getting a message across to

inform the consumer of the benefits of consumption in order to attract him/her. Examples of this friendliness are:

A1F2 (3389 - 4247) "*The Pepsi can would say 'Come on try something different ..*"

A2F1 (10826 - 12268) "*Coke was the first ...he might say 'look at me, I was here first of all; I have more knowledge of what has been the market, how it has been difficult to start and how I have reached my pedestal and I know how to do it, and Pepsi is a follower, a poorer quality'...*".

The balloon filling was a very good way of collecting the information as to the perceptions of consumers for the brand's attitude regarding them. The ones that had filled the balloon assuming the brand was their own, thought that the brand would be saying the following to them:

A1 (cartoon) "*OK, I might be a pigment of your imagination, but I am also the 'choice of the new generation.' Buy me! I'll take you away to a better place..*". This quote was also accompanied with music notes indicating a happier tone to the brands attitude and probably a more friendly approach and communication as this is seen on the television advertising.

A1 (cartoon) "*Come on, ... try a new taste!!! ..*" Again the message is simple and straightforward and the brand is seen as friendly, giving a proposition to the consumer who might be thinking of buying another brand. The same message is given in the following quote although there is also the element of downgrading the competition:

A1 (cartoon) "*Come on! Drink Pepsi, the choice of the New Generation. Be trendy, be modern..(who wants to drink old fashioned coke?)*".

There were however instances where the respondents indicated that even their own brands could be pushy or ironic. One particular respondent stated that he felt the brand was simply overpowering him by shouting out its name at him when he was about to choose a soft drink:

A1M1 (2214 - 2485) "*I think it would say 'Pepsi, Pepsi, Pepsi, Pepsi Pepsi, Pepsi' just like that. That what it would say if it was me...*"

This was repeated (probably by the same person) in the balloon filling exercise:

A1(cartoon) "*Peps! Peps! Peps! Peeeeeps! Peps! Peps! Peps! (blow back?) Peps!Peps! Peps! Peeeeeps! Peps! Peps! Peps! etc.....*"

Sometimes there was also the feeling that the brand was getting over the top with promises:

A1M1 (1152 - 1598) "*Coke is just sort of like everyone having fun, just normal people having fun and like Pepsi it is the superstars singing on stage drinking lot's of Pepsi, which doesn't impress me* ".

A1M2 (10224 - 11337) "*I prefer the more practical sort of one.... Lots of people drinking Pepsi while they are surfing ...That alien one or the Michael Jackson one it's not for me... I feel like it's not the drink for me*".

About the Competition (other brand(s) attitudes)

Again, most of the respondents in the groups seem to agree on the negativeness of the attitude of the competition. This was so, despite the fact that the two groups represented different brands (and therefore different competition, actually the reverse).

A number of respondents indicated that the competitor brand was aggressive (and maybe pushy):

A1M1 (6454 - 7446) "*I think that the Coke would be more aggressive you know*".

while others perceived the style of the competitor to be of the arrogant sort:

A2M3 (4228 - 4621) "*I think Coke would go for the more conventional way of trying to appeal to all generations and would have more conventional use of language whereas Pepsi would go for the new generation image, something like 'you man', kind of arrogant style*".

The style was also perceived as hypocritical and pretentious, sometimes because of the communication of the brand:

A1F1 (11772 - 12125) "*I find the Coke adverts very boring. They are the same thing all the time.. all seem to be a group of people dancing around or having a great time... because of coca cola... Doing something really fun, all because of coca cola!!*".

A2F2 (314 - 1251) "*They never advertise what they actually taste like.. They say cool and refreshing but that's just the taste we all like best.....it's like a man, what's he going to be like? It's sort of just his appearance what he is going to look like holding your hand; this is what they are trying to project* ".

The cartoons though draw better the picture for the A2 group since the respondents were asked to fill in what the competitor drink would have said. One seemed to refer to the pretentious element of Pepsi being a 'sexy black' drink alluring it's followers:

A2 (cartoon) "*I'm black, I'm wet and I'm waiting for your lips ...try me .!* ".

Other saw Pepsi as pushy and arrogant, attacking consumers for consuming Coke:

A2 (cartoon) "*I really can't believe you are still drinking Coke.. Didn't;t you know that Pepsi represents now, the new generation?* ".

And another one showed the can being arrogant or even pretentious based on the new style of the can:

A2 (cartoon) "*'The new look Pepsi!!' Thank God you have chosen me!!* ".

7.1422 Group B - The Loyal Light Users

The patterns observed here are not that different from the above Loyal groups. The negative attitude coming from the competitor brands and the positive friendly attitude of the own brand are still the prevailing patterns.

Own brand

Most of the respondents indicated that they thought the brand had a straight forward, confident attitude towards them like:

B1M2 (730 - 2911) "*I suppose,* (the brand would) *just be plain and get to the point, real trendy words to say 'I am better than him* (the competition)'".

B2F1 (3787 - 8594) "*It would say 'I know you have always drank Coke, but have you ever tried Pepsi?' Saying it is better. Break tradition by trying something different*".

The balloon quotes also supported this perceived attitude of the brand by the respondents. There seemed to be a consensus of the image that the brand would show to them. The brand would be smooth talking, encouraging consumers 'simply' to try out, emphasising the taste and the way it can refresh. Examples of the quotes in the cartoon exercise are:

B1 (cartoon) "*Why don't you try me - I taste much better..*"

B2 (cartoon) "*I look good but I taste great!*".

The brand was also seen to have a friendly and 'inviting to try' attitude. It was expected to encourage the regular drinker(support) and invite the indecisive one as in:

B1M2 (730 - 2911) "*He would probably encourage the regular drinker by saying yes, you are doing the right thing. Whereas, the indecisive one would probably say, 'you don't know what you are missing if you don't try'.*"

B1 (cartoon) "*Have you ever tried me? How can you loose? try and you will see* ".

Two respondents also categorised their brand's attitude as complacent at least towards the loyal buyers like themselves, since they felt that the brand could perceive them as addicted and not needing any attention or effort:

B1M2 (730 - 2911) "*I think it* (the brand's attitude) *would be similar to a regular drinker .... or maybe not, because with a regular drinker it doesn't need to but with a new person, he would put a lot more effort to try to think of something ...and the regular one, even if I say something not too good, he is still going to be really addicted*".

Another respondent indicated in the cartoon exercise a feeling of pushy attitude from the brand urging the consumer to get the brand because he/she might not have a second chance:

B1 (cartoon): "*You may not have a second chance so go for it ...*"

About the Competition(other brand(s) attitudes)

A large number of the Light Loyals in the research expressed that their perception of the competitor's brand attitude was one of complacency and indifference in a sense. Typical statements were:

B1M2 (730 - 2911) "*I don't think the Coke can would try as hard (as Pepsi)*".

B1F1 (ibid.) "(the Coke can would) *be more passive..*"

The other brand was also seen by respondents to have a pretentious or arrogant attitude towards consumers and this is shown in the next couple of examples from the list:

B2F1 (3787 - 8594) "*Coke may be more arrogant ..*"

B2M3 (ibid.) "*Yeah Coke could be very pretentious, doing things the right way and so on... Pepsi would be more free*".

B2M2 (ibid.) "*I think the Coke can would be putting across the idea that drinking Coke is going to change your life...You are going to be able to go out, get a nice tan, good looking girlfriend, live in California, get a nice car*".

7.1423 Group C - The Non Loyal Light Users

The respondents in these groups tended to categorise the brands in certain bigger categories like the Colas or the big brands and therefore they saw the brands as having a similar attitude towards them. This attitude was negative most of the time, and the statements they were giving grouped the attitude of the brands as arrogant, pretentious, pushy and indifferent towards them. When they were asked to concentrate on a particular brand then this did not change the overall evaluation.

The brands were therefore seen as having a lousy bad attitude:

C1M1 (13198 - 13289) "*The Coke Person (brand personification) would be even more sickening than the Pepsi one* ".

which turned arrogant to consumers:

C1F1 (14930 - 15275) "*They (both Coke and Pepsi) might say, 'throw away the can you have got in your hand, because it is not as good as us' or something..*"

There was also an element of 'both are doing the same thing' but simply to get more customers not because they want to, in a sense a hypocritical element:

C2F3 (8788 - 9050) "*You are saving the world if you drink it ...like Michael Jackson ...There was saving the world for Coke three or four years ago, but now there is Michael Jackson singing about saving the world for Pepsi ...*"

And there was the opinion that both drinks with their attitude excluded the older ages (even the twenties plus) from consuming the drink. An example of this was:

C2F2 (325 - 637) "*I mean older people might think Coke or Pepsi are just for younger people ...you tend to think they advertise it for young people so that you are not allowed to drink it because you are too old*".

The cartoons were very indicative of these feelings of exclusion and bad attitude and one group of people were asked to describe the statement of Coke towards them and the other of Pepsi. The results were amazingly similar:

C2 (cartoon - Pepsi) "*Drink me, I am trendy, American, popular and you are not! .*"

C2 (cartoon - Pepsi) "*If you want to be as 'cool' as Michael Jackson, let everyone see you drinking me!*".

C1 (cartoon - Coke) "*Drink me big boy*".

C1 (cartoon - Coke) "*OK so you look a bit sad, your clothes are terrible your hair is a night mare and your teeth are bad - but in the Coke world even you can be cool*".

Table 7.37 gives an overview of the picture for the Brand's attitude, as perceived by the consumers. There might be a greater positive effect in the B group responses (in comparison with the A Loyal Heavy groups) because of the difference in the

instructions between the two groups. Half of the respondents in the A group (one group of them - A2) were Coke's loyal buyers but they were instructed to complete the cartoon exercise stating what Pepsi's attitude is to them. Most of these statements were negative and were coded as such (for the competitor brand). In contrast B's statements on the cartoon exercise were all for the respondents preferred brand (Pepsi) and thus B's responses seem on a prima facie to give a more positive perception for the brand's attitude.

The table was constructed by grouping together some of the different attitude categories and thus collapsing the categories from seven to four. The first one is clearly an expression of negative attitudes whereas the last one is of positive ones. Although the second and third categories are expressing a somewhat negative attitude, this is not as strong as the first one.

Table 7.37 Brand's attitude towards the consumer - An overview.

Brand's attitudes/ Type of group	I don't care../Arrogant Pushy, ironic../ Pretentious, hypocritical	Too many promises/Over the top/Annoying	Complacency /Enter club with my rules	Straight forward, simple, cool, confident/ Friendly, Pal, Inviting
A	A1F1 1152* 11772* A1F2 11212* 6454* A1M1 2214@ 6454* A2F2 314* A2M3 4228* A2 Cartoon* A1 Cartoon@ A1M1 1450@ A2M2 10114* A2 cartoon* A2 cartoon* A2 cartoon *	A1M1 1152 @ A1M2 10224 @ A2 cartoon *	A1M2 6454 * A2M3 4228 *	A1F2 3389 @ A2M1 10826 @ A2M3 4228@ A2M1 4228* A1 cartoon @ A1M1 1152 * A1F1 3389@ A1F2 3389@ A2F1 10826 @ A1cartoon@ A1cartoon@
B	B2F1 3787 * B2F2 3787 * B2F2 2827 * B1 cartoon @ B2M3 3787 * B2F1 9847 *	B2M2 3787 * B2M2 9847 *	B1M2 730 @ B1M2 730 * B1F1 730 * B1F1 3078 * B1M2 3078 * B1F2 9847 * B1M2 9847 * B1M3 2827 * B2 cartoon @	B1F1 730@ B1M2 730 @ B1M1 730 * B2F1 3787 @ B2M2 9847 @ B1 cartoon @B1 cartoon @ B1 cartoon @B2 cartoon @ B2 cartoon @B2 cartoon @ B1M2 730 @B1M2 730 @ B1M1 730 @B1M2 3078 & B2F2 3078 @B2F2 3078 @ B2M3 9847 @B1 cartoon @ B2 cartoon @
C	C1M3 3901& C2F2 325& C2F2 1026@, 6318 @ C1M1 13198& C1M4 13651& C1F1 14930& C1M2 15641& C2F1 6318 & C1M4 6802& C1M3 191* C2M1 6318 @ C2F3 8788 & C2 cartoon @, cartoon @ C1 cartoon * C2 cartoon & C1 cartoon *, cartoon * C1M3 2165 * ,191 @ C1 cartoon *, cartoon *	C1M3 12281 & C1M2 12281 & C1M4 12281 & C2F2 9139 *		C1M4 191 * C2 cartoon @

@ = Consumer's preferred brand, * = other brand(s) & = both brands (*,@)

7.143 Significance and statistical support

7.1431 Emerging patterns

There are two main patterns in this analysis, which seem to support not only the rest of the analysis but also the research done by others (Blackston 1992). The first pattern concerns the loyal segments and indicates that consumers that are loyal to a brand perceive the brand of having a positive attitude towards them (in a sense approving them and being friendly and casual with them). This is particularly interesting when one notes their perception of the attitude of the competitor brand. In the case of soft drinks most consumers considered the market for soft drinks to be dominated by the two leading brands and A and B group respondents were loyal to one of them. This meant that they considered the other leading brand as the main and sometimes the only other choice and competitor to their brand.

The loyal respondents were sure that the other brand had a very bad attitude, at times it was arrogant and pushy and at other times it was hypocritical and pretentious. It was seen of promising too much (going over the top) and also of being complacent, not caring about them. There were also instances when the respondents criticised their own brands of having a negative attitude but the main pattern emerging was that the competition was seen as such.

It is interesting to also observe that the arrogant or hypocritical or other negative tone and attitude was present in the perception of all respondents despite the fact that some of the respondents were referring to a different brand than the others. However the particular campaigns and communication of the brands were evidently the creators of these feelings. The fact that one brand (Coca Cola) had not advertised for some time and had been using old style advertisements ('fun on the beach' style) seems to be received as an attitude of complacency and arrogance ('I am big and I can do whatever I want'). As for the other brand (Pepsi), its association with super stars and communication through them seemed to create a feeling of pretence or hypocrisy amongst non users and a feeling of complacency (the brand having an attitude of 'you

may have different tastes but I can't be bothered to think about you') amongst its own users at times.

The second pattern that emerged is that multibrand users or the non loyal respondents perceive a negative attitude from both the brands, picking up the negative points mentioned above for both. This makes them conclude that both brands have lousy attitudes and therefore they don't feel they want to proceed in a relationship. They feel that the brands are not allowing them to enter their clubs, but even if they had done so, they (the brands) would always watch them with a critical eye as if they (the consumers) are not as good as them. The respondents also perceive the brands as dishonest and as if they are trying to cheat on them by promising things that are not true and laughing behind their backs for it. This perceived hypocritical attitude makes the respondents very wary of anything the brands say or do in their communication and of course keeps them away from adopting them as their drink (or their friend in this level).

7.1432 Statistical test - Chi square test

The statistical analysis at this point could have been done using the negative - positive poles of table 7.37. However a number of problems appears. One big problem is with the cartoon exercise since on one hand they provide the richest source of the themes existence and importance but on the other hand, counting them would be double counting a hit from the groups of respondents. There is also the problem of group A which have completed the exercise stating their attitude of the competition brand rather than the one they support. This is also true in the C groups where one group was told to complete the exercise stating the attitude of Coke and the other one Pepsi. The biggest problem is however the one with the poles themselves. Does a non mention of perceived positive attitude mean that the respondents feels the brand has a negative attitude towards him/her or vice versa? It was felt that due to the above it would be better to do without a statistical part and simply rely on the eye analysis.

7.144 Individual and Outliers Analysis

In table 7.38 the individual analysis can be seen for the Brand's attitude theme.

Table 7.38 Individual analysis for Brand's attitude theme

	Own brand positive attitude	Own brand negative attitude	other brand's positive attitude	other brand negative attitude	comments
A1 M1	Y	Y	N	Y	This respondent is the only one that stated an observed kind of pushy attitude from the brand. This was shown both in his statements and the cartoon exercise, with the brand continuously whispering to him the brand's name. However this does not seem to affect him in a negative way. It would rather seem that the brand is overpowering him rather than being perceived as pushy. However in the analysis the latter was recorded simply for reasons of objectivity.
A1 M2	Y	Y	N	Y	This respondent has shown signs (as in the analysis of the other themes) that the brand's attitude is too phoney at times promising too many things that it probably won't deliver.
A1 F1	Y	Y	N	Y	The only criticism that this respondent is expressing as to the brand's attitude relates to a specific advertisement. There it would seem that he perceives the brand as having an ironic and pretentious attitude, making fun of the competitor's drink and the respondent feels that the brand has enough qualities as it is, so there is no need to talk bad about the other drinks
A1 F2	Y	N	N	N	
A2 M1	Y	N	Y	N	The competitor's brand is perceived as having a positive attitude towards the respondent (and he states that he is attracted to it through the communication).
A2 M2	Y	N	N	Y	
A2 M3	Y	N	N	Y	
A2 F1	Y	N	N	Y	
A2 F2	N	N	N	Y	This respondent does not explicitly say anything about the attitude of her brand and therefore it is difficult to comment on it.

Table 7.38 contd.

	Own brand positive attitude	Own brand negative attitude	other brand's positive attitude	other brand negative attitude	comments
B1 M1	Y	N	Y	N	
B1 M2	Y	Y	Y	Y	The respondent feels that the brand is placing more emphasis on the newcomers and having a somewhat relaxed (complacent) attitude towards the loyal buyers. However in general he believes both brands can have a friendly attitude although Coke would be much more laid back and complacent on the whole.
B1 F1	Y	N	N	Y	
B1 F2	Y	N	N	Y	
B2 M1	Y	N	N	N	As before there is no mention of a definite perceived attitude for the other brand.
B2 M2	Y	N	N	Y	
B2 M3	Y	N	N	Y	
B2 F1	Y	N	N	Y	
B2 F2	Y	N	N	Y	

	BOTH brands positive attitude	**BOTH** brands negative attitude	comments
C1 M1	N	Y	
C1 M2	N	Y	
C1 M3	N	Y	
C1 M4	N	Y	
C1 F1	N	Y	
C2 M1	N	Y	
C2 F1	N	Y	
C2 F2	N	Y	
C2 F3	N	Y	

Signifies the Outliers. Y = Yes (i.e. the sub theme is mentioned), N = No (i.e. there is no mention of the sub theme)

All the respondents from the C groups have stated that they perceived both brand's attitudes to be negative towards them. A number of them have also indicated that the attitudes of specific brands could be positive at times which does encourage them to adopt the drink but at most other times the general feeling was that there were rejected, ignored or treated badly by both brands.

7.15 REINFORCEMENT FROM THE BRAND/COMPANY

This is one of the themes that deals with first level constructs in the sense that the consumers would be expressing their feelings directly on this issue rather than having to decode the messages in the sentences. The consumer is asked at different stages of the discussion to evaluate the performance of the company behind the brand and the brand itself in the amount of reinforcement they provide him/her, whether this reinforcement is in the activities and communication of the brand or simply the perceived activities and attitude of the company and people behind it.

7.151 Coding structure for 'Reinforcement' theme.

In coding this theme, there was the danger of repeating things from the rest of the themes since a statement can be taken to mean exactly what it says (first level) or can be interpreted into what it implies (second level). It was decided to code all the statements that refer to the theme and then use more caution in the analysis to avoid an unnecessary duplication of statements and over-analysis.

The sub themes and their definitions are given in the next page.

Table 7.38 Coding structure for Reinforcement

Types of Definition/Theme	Operational
'Company's support is annoying me.. they must change'	Direct criticism of actions of the brand or company that although they maybe aimed at creating a positive feeling, the effect is negative.

Table 7.39 Coding structure for Reinforcement

Types of Definition/Theme	Operational
'Company's support is OK but I can't see it working (on me or anyone else)'	Either direct mention that the support of the company or brand is ineffective or signs that although the respondent can point out the specific communication or action, can not associate it with a specific brand.

Table 7.40 Coding structure for Reinforcement

Types of Definition/Theme	Operational
'Company's support is not directed towards me, or people like me'	Statements by the consumer that he/she feels that the reinforcement that the company does is not targeted at him/her.

Table 7.41 Coding structure for Reinforcement

Types of Definition/Theme	Operational
'I need more reinforcement than what is currently given'	The consumer acknowledges the existence of the reinforcement for him/her by the company or brand but states that he/she would prefer more reinforcement to be done.

Table 7.42 Coding structure for Reinforcement

Types of Definition/Theme	Operational
'Company is reinforcing (me) but not as well or as much as others do...I need more or I believe the company should give more'	This is a request for more but on the positive side. The consumer has acknowledged the efforts put in by the company/brand and he/she likes them but compares with rivals and demands more. This however may be on the club feeling as well in the sense that the respondent feels the brand/company must give more so that others (maybe not so loyal) would be satisfied and not him/her.

Table 7.43 Coding structure for Reinforcement

Types of Definition/Theme	Operational
'Company's support is good/better than rivals'	This sub theme groups the statements of respondents that express a satisfaction with the efforts of the brand and/or state that the brand/company efforts are the best you can expect in the industry comparing with others.

One can see from the definitions that a synergy exists between the sub themes of this aspect and the other themes or sub themes mentioned earlier in the analysis. In some cases it was difficult to classify a statement distinguishing between the reinforcement coding and other themes coding definition. The Similarity theme for example looked at whether the consumer feels he/she can associate with the brand and in what way he/she does that. There were instances of coding the respondent expressing that he/she believes the communication is not like 'them' which a very similar concept to the definition in table 7.40. However the former would be the result of a analysis of meaning (subconscious) whereas the latter would be the direct statement.

7.152 Findings

7.1521 Group A - Heavy Loyal Users

It was not surprising to find that the majority of the statements coded for the reinforcement theme were on the positive end of the spectrum in this group. Most of the respondents have indicated that the company or the brand are giving them good support and in general they are much better than the rival (s). The advertising of the competing firms was greatly discussed and the respondents were in different ways expressing the fact that the advertising carried out by the company of their brand (they were loyal to) was better. Some examples are given below:

A1F2 (9358 - 9459) "*I mean Coke adverts have really got old, but the Pepsi ones are more recent..*"

A2M2 (2334 - 2588) "*Well Coke uses the phrase 'feel the taste', it is always there.. it does advertise the taste while Pepsi does not...*"

There was also some general evaluations of the campaigns by the brands which again resulted in expressing that the respondents' brand was reinforcing consumers (and them) better:

A2M3 (7128 - 8068) "*I think that Pepsi is dividing people between 10 and 16 years old because of ..the different advertisements. But Coke is always trying to appeal to the whole population... Especially because Pepsi is trying so absolutely to keep a different class. They are appealing to people who listen to Michael Jackson saying here is your God and he drinks Pepsi ..*"

There were also discussions between respondents about the policies of the company regarding the appeal to the rest of the public or reactions towards the competition. Some respondents indicated that they thought the company must try more because of the dangers of the competition:

A2M2 (3686 - 4341) "*There is something which tells you I am going to choose this from this... of course now you may take these adverts as presentation of Coke rather*

than Pepsi. But in time if Pepsi keeps on doing that and Coke does not then I think that Coke will loose out".

There was also the discussion about Crystal Pepsi, which was mentioned in another theme (Affiliation theme.) There the respondents were discussing (and criticising) the actions of the Pepsi company in not bringing out the Crystal Pepsi (a soft drink that Pepsi launched in the USA similar to the Tab Clear soft drink) and allowing Coca Cola (the rival company) to take the lead with their Tab Clear.

A number of respondents in this group also expressed that they needed more reinforcement from the company mainly in the field of the promotions or advertising. One respondent referred to the use of modern features in advertising which he did not like, stating that he preferred Pepsi to do the Coke style traditional advertisements:

A1M2 (10224 - 11337) "*I certainly enjoyed those advertisements but if Pepsi wants to keep me to drink it, they should maybe try something else*".

Other respondents on the Coca Cola camp however, stated that they would prefer Coke to do the type of modern advertisements that Pepsi is doing.

Two respondents on the other hand were coded criticising the brand and the company for its communication messages in a strong way. One of them was criticising Pepsi for trying to put down Coke in the advertisements:

A1M1 (6996 - 8248) "*I don't know, I can just see Pepsi using any means to get the attention of people. Because I mean what bothers me in some of the adverts was that you actually saw all these famous people drinking Coke and going 'Ew take me away' .... and Pepsi gives them magic..... I don't know it's like using any means to capture the attention... It's a bit tacky....I just find it really really sort of petty and tacky..*"

whereas the other one was referring to the fact that he did not feel he could identify with the messages given (this is the same person who was asking for more traditional advertising).

7.1522 Group B - Loyal Light Users

The same sort of pattern as the one of heavy Loyals is seen here in this group. Almost all of the respondents in this group express their satisfaction with the company/brand's actions and policies. Some of them commented on the modernisation of the can undertaken by Pepsi stating that they thought it was a good thing to do and successful:

B1M1 (10049 - 10207) "*..that promotes the drink that is changing all the time, basically staying upto date, so it's taste might not change, but to modernise it*".

while others expressed a more general feeling of satisfaction for the variety and style of the advertising done by the company:

B2F2 (1455 - 1542) "*In terms of adverts, Pepsi has more variety than Coke. Coke adverts are all the same...*"

Few comments were coded as 'company is not supporting as much as others', and the ones coded as such were either about problems with the availability or discussions on the style of advertisement that Coke does and whether the modern style of Pepsi is better or not. There were also some mixed feelings as to whether Pepsi should not change the design of the can anymore in order to achieve a classic status:

B1M2 (9593 - 9969) "*Staying original, staying to their own brand (Coke), probably a plus point for that, but Pepsi have changed it just once. And if they were to change it again, and Coke still stayed the same, it maybe an advantage. I think it's best if it's left. I don't know ...*"

There were some comments as to the need of the brand/company to try more especially when the new can design was discussed in one group. Some respondents felt that the change was not enough to make a big impact or for the money spent (expressing their wish for greater effort):

B2M2 (40 - 1217) "*They are bringing out the new Pepsi makes to compete with Coke - no caffeine, free calories and it is said to have spent 15 million pounds on this can logo and all they did was to put little silver lines around the edge ..*"

Others simply felt that Pepsi needs to keep on trying more because Coke has been around longer :

B1F1 (4613 - 5245) "*Yes Pepsi needs to try harder because Coke has got a big market. Because Coke has been around longer...when you were young you started drinking Coke and unless you were unhappy with Coke, you probably wouldn't try Pepsi*".

On the negative side, a number of respondents indicated that they felt a number of actions by the brand/company were not right or successful, like some of the advertising styles the Pepsi Challenge promotion (for a full discussion of the reasons for the failure of the Pepsi Challenge promotion refer to appendix VIII) and the design of the new can. An example of this critique is:

B2M2 (7996 - 8884) "*Just that Pepsi have been quite famous for getting stars to do adverts: Madonna, Michael Jackson and others. But for me that kind of style doesn't really connect....Some adverts are worth watching, a lot of the beers adverts...Carling Black label and Castlemaine XXXX adverts are two of the funniest...and when they (Pepsi) pay millions to get these stars to do it ... it doesn't seem worth it...The adverts don't mean anything to me...*"

7.1523 Group C - Non Loyal Light Users

A shift in emphasis can be observed in the responses in this group. Most of the respondents in this group indicate that they feel the brands/company support or actions although acknowledged, are not successful. This is seen by the fact that although they remember all the different adverts and what they were about, and had shown a preference for the Pepsi ones, they were still not likely to adopt one brand over the other. They also referred to the new can design and new logo, stating that they could not distinguish between the old one and the new one and that they didn't even realised it had changed:

C1M1 (7209 - 7816) "*..I mean they spent millions designing the new Pepsi design, didn't they? God knows why*".

C1M4 (ibid.) "*I didn't even notice it had changed*".

One of the respondents also thought that Coke had done a similar exercise which further demonstrated the way they had perceived the effort of the brand:

C1M3 (ibid.) "*Coke did the same thing as well, didn't they?..*"

There is also a number of respondents that feel these actions are not directed towards them anyway and therefore very few believe that the problem might be they would need more reinforcement:

C1M3 (2066 - 2244) "*They do get the message across but maybe it's not the message I want to hear... I can see what they are trying to get across, but it doesn't appeal to me*".

Two respondents felt at a time that they would have liked to see some more reinforcement from the company. One expressed a nostalgia to the old bottle style that was replaced by the cans stating that you could still get hold of bottles in other European countries and therefore it could have been an action that Pepsi or Coke could do to reinforce people like him:

C1M2 (4829 - 5016) "*You don't see them much anymore in this country... The old glass bottles are out now. But abroad you can get hold of them quite easily and I like the bottles...*" (incidentally Coke had brought back to the UK and Europe, the bottles, although in a semi plastic semi glass form, shortly after this research was finished).

Another two respondents stated that other brands were a bit better in the support they give (Coke and Tango and Lilt). However the same respondents stated earlier on that Pepsi had the upper hand in some aspects of the promotion. Examples of these statements are:

C1M3 (9415 - 9634) "*I can't remember anything except television advertising for Pepsi. Whereas with Coke advertising you can think of so many different examples from bill boards to sport, to anything like that*".

C1M3 (8215 - 8554) "*..with the new one(the design) the impression I get is that it is more streamline and fast and more exciting, if you can take it from an emblem...*".

Table 7.44 Segmenting the coded segments in sub themes

	company support is annoying	Support is OK but it doesn't work	Support not directed to people like me	I need more reinforcement	Acknowledged support but others do more	Support is good/better than others
A	A1M1 6996 A1M1 8485		A1M2 10224	A1F2 7018 A1F1 7018 A1M2 10224 A1M2 12481 A2M1 8072 A2F2 8072	A1F1 12867 A1M1 12867 A1F2 12867 A2M2 10269 A2M3 10269 A2M2 3686 A2M3 9227	A1F2 9358 A1F1 11028 A1F2 5129 A1M2 5129 A1F2 10224 A2F1 8086 A2M3 7128 A2M1 7128 A2M3 8072 A2M2 8072 A1F2 11427 A2M1 5965 A2M2 6993 A2M2 2334 A2M3 2421 A2M5 3022
B	B2M2 7996	B1F2 6457 B1M1 6457 B1F2 9513 B2M2 1217	B2M2 7996	B1F1 4613 B2M1 8929 B2F2 1217	B1M2 2824 B1M2 9513 B1M2 214 B2M1 852	B1M1 10049 B1M2 10049 B1F1 11641 B1F2 11641 B2F1 8673 B2M3 1217 B2F2 1217 B2M1 1217 B2F2 1115 B2M1 1115 B2F2 1455 B2M3 7164
C	C1M3 2538 C1M4 2538	C1M1 5427 C1M2 5427 C1M3 5427 C1M1 7209 C1M1 7209 C1M4 7209 C1M3 7209 C1M3 1609 C2F1 12577 C2F2 12577 C2M1 37	C1M2 12625 C1M3 3487 C1M3 3801 C1M3 3165 C2M1 6250	C1M2 4879 C1M1 3105	C1M3 9415 C2M1 10114	C1M3 5427 C1M3 8215 C2M1 12577

7.153 Significance and statistical support

7.1531 Emerging patterns

There are two main things to note here; firstly the slight differences between the two loyal groups, the heavy and light users and secondly the shift in emphasis comparing the loyal groups to the non loyal.

If one looks at the first point mentioned, then one can observe a tendency by the heavy loyal groups to state they need more reinforcement either as a personal thing or because they feel other brands are supporting their customers more. This is despite the fact that both the light and heavy Loyals declare their brand/company as being better than anyone else in support (over specific issues) and also stating they are happy with the level and direction of hew reinforcement the company is giving. Although this second fact may seem to clearly contradict the first pattern, it need not be so.

The Loyals are the ones that have invested their loyalty in the brand and they would clearly expect every kind of support back. Since they continue to be Loyal to the brand one can assume that they are receiving at least the minimum of this support or that they make themselves believe that they are getting this support, because of cognitive dissonance. This is the pattern observed from both the loyal groups.

However the heavy Loyals maybe in a more difficult position than the light Loyals since their level of commitment is much higher. One must note that by level of commitment, at this point is not meant the level of loyalty (i.e. the minimisation of a switching pattern). What is rather meant is that heavy buyers because of their frequent interaction with the brands, they have more opportunities to switch or adopt a variety behaviour and because their actions would be more visible and noticeable, by staying loyal they may need to justify this behaviour to both themselves and to other reference groups around them. This could be what is making them believe that the brand/company needs to do more, since the more the company/brand does for them, the more justifiable is their decision to remain loyal. The Light Loyals would be in the same route but with the difference that they would feel more at ease with the need for

justification since their purchases and consumption is less frequent and possibly less noticeable.

The second pattern that was observed is the same one that has been coming through in the whole of the analysis, namely that the non Loyal groups exhibit a behaviour of having no relationship with the brand(s). In this theme the non Loyals statements seemed to be concentrated in the 'negative' area if such an area exists. They indicate that the support of the company/brand (and most of the time they would refer to all the big brands/companies rather than just to the brand in question) towards them is either not good or has no effect. In some instances they may state that a particular brand is better than another in certain areas of the communication. An interesting case arises with two individuals who state that they prefer Pepsi's support to them but they seem to want Pepsi to do more and reinforce them in a bigger way (maybe in order to justify them adopting a Loyal behaviour).

7.1532 Statistical test - Chi square test

The three main patterns (one of the two mentioned above consists of two parts) can be arranged in contingency tables for testing although one has to note that again some of the cells will be less than five long (the minimum requirement for the validity of this test). However it is worth proceeding because even without the computed statistical significance one can realise that there is a significant difference between the results from different groups to support the observed emerging patterns.

Table 7.45 Presence of Positive/negative Reinforcement (from table 7.44)

Group ---------- *Theme Present ?*	**Group A** (Loyal Heavy) (5M, 4F)	**Group B** (Loyal Light) (5M, 4F)	**Group C** (non Loyal Light) (5M, 4F)
Positive (column 6)	7 (3F,4M)	8 (4M,4F)	2 (M)
Not present	2	1	7
Negative (columns 1-3)	2 (M)	3 (2M,1F)	7 (5M,2F)
Not Present	7	6	2

In the tests below the two groups of Loyals have been added together since their results are very similar and the test is to check between Loyals and non Loyals.

The Chi Square value for the positive reinforcement (i.e. testing to see whether there is any difference between the Loyals and non Loyals in their statements for receiving good reinforcement from the brand/company) is $X^2 = 9.668$ which with 1 d.f. gives a value of $p < 0.005$. This allows the rejection of the null hypothesis that positive Reinforcement is not related to Loyalty.

The negative reinforcement cells represent the grouping of feelings that the reinforcement from the company/brand is annoying/inadequate or simply not appropriate. Again grouping together the Loyals and testing the Chi square this gives a value of : $X^2 = 6.062$ allowing the rejection of the null hypothesis but only at a confidence level of 97.5%. Since the 99% is adopted then one can not reject at this point the null hypothesis.

Testing the 'need for more reinforcement' between the two Loyal groups

Table 7.46 Presence of 'need for more reinforcement'

Group ---------- *Theme Present ?*	**Group A** (Loyal Heavy) (5M, 4F)	**Group B** (Loyal Light) (5M, 4F)
Yes	8(3F,5M)	4(2M,2F)
No	1	5

Testing the Chi square gives a value of $X^2 = 4.001$ which means that the confidence level lies between 95% and 97.5%. This is a quite acceptable level but given the limitations in the computation (with the minimum size of cells) then one can keep this hypothesis in the background for further testing before rejecting or accepting it.

7.154 Individual and Outliers Analysis

Table 7.47 Individual summary analysis for Reinforcement theme

	Support from the company is inadequate/inappropriate	I need more reinforcement	The reinforcement /support from the company/ brand is good/ better than rivals	comments
A1 M1	Y	Y	N	Obviously this respondent has been dissatisfied with the reinforcement he has been receiving from the company and the brand. He does not agree with the campaign messages and he believes he needs/deserves more reinforcement. In another instance he has expressed his view that he likes all soft drinks but Pepsi is special for him. This maybe the start in the ruining of the relationship.
A1 M2	Y	Y	Y	This respondent has simply expressed a specific dislike for some of the advertising. however his relationship with the brand is going strong.
A1 F1	N	Y	Y	
A1 F2	N	Y	Y	
A2 M1	N	Y	Y	
A2 M2	N	Y	Y	
A2 M3	N	Y	Y	
A2 F1	N	N	Y	
A2 F2	N	Y	N	This respondent has already indicated an inclination to switch or at least to exhibit a variety seeking behaviour. He seems to prefer the rival's campaigns and wishes for his brand to adapt its messages to the times.

Table 7.47 contd.

	Support from the company is inadequate/inappropriate	I need more reinforcement	The reinforcement /support from the company/ brand is good/ better than rivals	comments
B1 M1	Y	N	Y	The respondent had expressed a strong dislike towards the Pepsi Challenge promotion
B1 M2	N	Y	Y	
B1 F1	N	Y	Y	
B1 F2	Y	N	Y	As M1 above.
B2 M1	N	Y	Y	
B2 M2	Y	N	N	This respondent seems a bit frustrated both with the money the company spends on the new logo (that he doesn't think it deserves it) and the money spent on advertising that he believes is far inferior to other non soft drinks brands. Since nothing else in the product category appeals to him, he may continue with his purchases by this may mean a relationship not on a sound base which may be broken at any moment.
B2 M3	N	N	Y	
B2 F1	N	N	Y	
B2 F2	N	Y	Y	

Table 7.47 cont'd

	Support from the company is inadequate/ inappropriate	I need more reinforcement	The reinforcement /support from the company/ brand is good/ better than rivals	comments
C1 M1	Y	Y	N	
C1 M2	Y	Y	N	
C1 M3	Y	Y	Y	This respondent has been exhibiting signs of wanting to start a relationship with the Pepsi brand. He still has some reservations given the things he does not like about the brand (some parts of the communication) but is on the right track. he needs some more reinforcement in order to be completely sure for adopting the brand given his position as a non brand man at this time.
C1 M4	Y	N	N	
C1 F1	N	N	N	No comments have been coded for this respondent to indicate feelings in either way.
C2 M1	Y	Y	Y	As C1M3 above.
C2 F1	Y	N	N	
C2 F2	Y	N	N	.
C2 F3	N	N	N	No comments have been coded for this respondent to indicate feelings in either way.

Signifies the Outliers. Y = Yes (i.e. the sub theme is mentioned), N = No (i.e. there is no mention of the sub theme)

CHAPTER EIGHT - SUMMARY OF FINDINGS: SOME PRELIMINARY OBSERVATIONS

The main finding from the research done was that the concept of relationship does exist and it is probably composed of a number of smaller concepts whose amalgamation provide its strength.

8.1 AIM OF THE RESEARCH

As explained in chapter four and five, the aim of the research was to explore the concept of the consumer - brand relationship and the relation of it to loyalty. This was also to be supported by investigating the possible connections between usage and relationship and therefore loyalty.

The literature search had given the researcher a number of points of interest to investigate and therefore a number of concepts were formulated in order to commend upon them from the findings of the exploratory study:

- Loyalty implies an attitudinal commitment in addition to the behavioural actions, and this commitment is related to the concept of relationship.

- This relationship must be similar to the relationship concept for humans and therefore it may depend on a number of aspects like Similarity, Reinforcement, Equity, Affiliation and Perceived Attitude of the other party.

- Consumers may have different types of relationships depending on the frequency of interaction with the brand i.e. the usage levels.

- Within loyal groups, there might be different levels of loyalty or attachment in the same way that a relationship may have different strength depending on the individuals involved and the circumstances.

8.2 SUMMARY OF FINDINGS

The findings of the research were very encouraging, supporting the above concepts as well as providing a lot of information as to the conceptualisation of the subject matter. The richness of information provided by the focus groups, has enabled the formation of the following observations :

(a) - There is an observed relation between what has been defined as a relationship (created by the various aspects of it) and loyalty. The loyal groups have exhibited a much more positive response to the elements discussed and provided quotes that were different to those of the non loyals respondents. These quotes, when analysed according to the operational and conceptual definitions of the relationship aspects set out, were found to be proving the existence of each theme/aspect in contrast to the quotes by the non loyals. The amalgamation of the presence of all themes leads to a conclusion that relationship exists.

(b) - The difference in usage levels has been seen to play a role concerning the type and strength of the relationship but only as far as the loyal respondents are concerned. That is, in terms of the different aspects it can be seen that:

* the loyal-heavy respondents are seen to have less 'functional similarity' than the loyal-light as well as less cases of 'no similarity'.

* the loyal-heavy respondents have indicated much more than the loyal-light ones, that they are getting a better deal from the brand and therefore have less complaints and demands from the brand.

* the loyal-heavy respondents have, at more times indicated their affiliation to the brand or club around the brand, and in stronger and overt terms. In contrast, the loyal-light group have shown that they can at times be ashamed of their loyalty, and prefer to be seen as indifferent by their friends.

* the loyal-heavy respondents stated that they needed more reinforcement from the company, although they acknowledged a good support level from the brand. In

contrast, the loyal light at times, expressed that the support was OK but was simply not effective or annoying.

(c) - Looking at the outliers analysis and the transcripts themselves, one can observe that a number of different levels of commitment can exist within a group of respondents, even though the groups were homogenous to loyalty and usage. This difference does not suggest that further segmentation is needed but rather that people are individualistic and it is a reminder that the concept of relationship with brands is a concept in the mind of the individual. This means that respondents would feel different towards the brand as they would towards different people. The research has also shown that individuals have different experiences with the brands (associations of the brand to a situation, person or instance in life) and these experiences also play a part in the shaping of the relationship and therefore the level of commitment.

In sum, one could say that the research so far, has been successful in contributing to the development of a new concept in branding, allowing the various academic and practice ideas and statements to be based on better and more solid ground. In addition it is hoped that this would open a forum of discussion and research of forming a better idea as to the possible origins of loyalty and commitment.

8.3 DISCUSSION - CONTRAST WITH THEORIES

This section is really the platform where the findings of the field research can be compared and contrasted with findings from previous research and/or the established theories and literature. Since this field of research is new, there isn't a lot in the literature to either support or contradict the findings in a direct and absolute way. However, given that the research has a primary aim of exploring the issues involved this approach would not have been optimal anyway. What one could therefore do is to merge the various areas that either have indirect relation with the field of study or explore areas in other sciences and draw parallels between the findings there and here at this research.

The analysis will be done in the same manner and sequence as in chapter seven, namely there will be an analysis per theme integrating the sub themes that have emerged.

8.31 SIMILARITY

The first pattern that was observed was the expressed 'similarity towards the self' by the Loyal groups which was not shared at all by any respondents from the non loyal groups. In addition it is of interest that there is apparently 'no significance' in the existence of the 'ideal' similarity because respondents express that, from all the groups although in a different proportion (yet not different enough to warrant a significance - see section 7.1132). How do these compare with the literature in the area?

The findings here seem to tie up well with the findings of Birdwell (1968) and Ross (1971) who stated that in comparing the effect of a brand stressing an image of an ideal self concept and an image of an actual self concept then the latter was preferred more. However, Sirgy (1979, 1980) showed that the ideal self concept was more close to preference than purchase intention but actual self concept was more close to intention than preference. Therefore, it could be that the respondents showing ideal self concept still prefer one brand to another but it is not enough to guarantee the purchase (i.e. not enough commitment).

The main conclusions of previous research done on the self concept are that consumers, will buy a product that will not conflict with their self concept evaluation. This means the way they perceive themselves to be at the time. This will also have a direct effect on the way consumers will process information. The findings of the research presented in this thesis indicate the same thing and can bring here an example of the responses from group C (the non Loyals):

"*Younger kids are going to be influenced by it .. it doesn't apply to people like us really*"

where as the Loyals seem to indicate the opposite i.e. that the whole idea is that the brand is like them (the way they imagine themselves) :

" *I feel like now I am older and wiser, I just drink Pepsi* "

Also this idea of the brand being more geared towards yourself in terms of age and status has been put forward by both Levy (1959) and Walter (1960). Levy says characteristically that "people use symbols to distinguish themselves" and these distinctions could be to show more or less gender as in the following quote from a loyal consumer:

"*Yeah I can see the difference between Pepsi and other kind of fizzy drinks like Lilt and Fanta. I feel it is more masculine and the(others) more feminine...And I like that better ... if I am with a couple of girls, I'd rather drink Pepsi ... I don't know why.*"

Another area where people may want to use symbols to distinguish themselves is the area of maturity (Walters 1960). Levy also comments that teenagers would be trying to avoid any reference to a symbol that can imply childness. A loyal user of Pepsi commented that :

"*Pepsi has more of a yuppie, sophisticated image ... whereas Coke is sort of teenager type.*"

This again shows that what is important is this similarity to 'self' rather than in which direction the dissimilarity to the other brand is. Recent campaigns of Coke ('Always Coca Cola') and an article by Anderson (1993) point towards a move away from its classic 'beach and fun' campaigns, segmenting the market into different types of consumers who wish to see the brand portrayed in different sense. Thus they create a number of advertisements and communicate different messages to each segment. This reinforces the findings in the research since there was a perceived problem with those campaigns for not giving the right 'self similar' image to certain segments (the non Loyal consumers and the Loyals to other brands). Although most of the Loyal respondents (Coca Cola group) were supportive of the old type of advertising there were a few that believed the brand should move with the times:

"*In time if Pepsi keeps on doing this (type of 'modern' campaigns) and Coke does not, then I think Coke will loose out.*"

The research findings of Tranberg (1986) say that when products are being used for conspicuous consumption then there is less loyalty involved. This combined with the view (among the first to suggest this were Walters 1960, Levy 1959, Woods 1960) that brands can be used to also achieve a status position or prestige then one might make a daring assumption; it could be that the similarity for 'ideal' describes the fact consumers can use or are using the brand for conspicuous reasons (a brand would need to be perceived as ideal to be used for such a purpose). This would effectively mean that non loyal consumers see the brand as a means to an end. However it can be difficult to argue that such fast moving consumer goods as soft drinks which tend to be widely available at a low price can ever be seen as symbols of status or class (Economist 26th of December 1992).

These types of products though, could be used by consumers to express a view about themselves but this would require the brand to have similarity to the 'self' at some extent. This can explain why the non Loyals in the research, although they have shown some signs of 'similarity to ideal' they still belonged to the non Loyal group. However those exhibiting an 'ideal similarity' in the non Loyal groups, could be the easier target for the brand to attack and strengthen the position by offering them a 'self similarity' (since they already have a kind of favourable attitude). It is also of interest to note that, in confirmation of the above assumption, of conspicuous consumption amongst some of the respondents in non loyal groups, the individuals (C1M3, C2M1 and C2F2) showing the signs of 'ideal similarity' are also the ones stressing that the drink lacks 'sophistication' and has wide availability which weakens the attraction to them.

One can also strengthen this point by referring to the individual analysis in the loyal groups. The individuals that have shown an 'ideal similarity' but not a 'self similarity' tended to be rather confused about their loyalty and felt a similarity with other brands as well and there was a bigger possibility of deviation from the group.

On the other hand this similarity to the 'ideal' could simply serve as an additional bonus where once the consumers have identified themselves with the brand (i.e. the similarity with 'self' established) then they can also use it to achieve a further bond with the brand. This would be an aspirational bond where consumers will feel the brand is giving them the key to move forward to the achievement of their dreams.

Heavy consumers could thus be getting more involved with the brand because it gives them the opportunity to use it in such a way.

It would therefore seem that loyalty requires that the consumers can in some way identify with the brand and view the brand as similar to themselves rather than similar to what they would considered as an ideal self or an aspiring image.

Another interesting finding is the dissimilarity felt by the respondents for other brands which was mainly on the images that these brands tried to portrayed. These images were too idealistic and the consumers couldn't identify with those and this fact had the following effect; In the loyal groups (both the heavy and the light users) this dissimilarity strengthened the view of the respondents as to the similarity with their brand:

" *... billions of people and they are all dancing .... is kind of stupid and it just shows how much better Pepsi is ...*"

In the non loyal group however this dissimilarity is expressed on all brands (especially the two leading ones) and the effect is that the brands are considered as very similar in the mind and therefore no particular one has an edge for loyalty to develop. This is despite the apparent presence of 'ideal' similarity towards both brands:

" *... there is a lot of young people quite attractive . having a good time .. and I suppose the advertising is supposed to get it across to you that you will be like this if you drink Coke or whatever .. you wouldn't be as stupid as that ...*"

As discussed in chapter four, the psychological research findings, point to two directions of similarity and liking. That is, liking someone when you share similar attitudes or disliking someone with dissimilar attitudes. If we extend these theories to the research here, then both could stand. As for the first one, certainly where there are signs of similarity of attitude there seems to be a greater loyalty (as explained above) but for the second one the signs of dissimilarity are not coming from all Loyal respondents. However looking at both table 7.7 of the themes and table 7.13 of the individual analysis one can observe another interesting pattern. There seems to be a

relation between 'self similarity' and 'dissimilarity' to other brands i.e. the respondents who express a dissimilarity to Y also express a 'self similarity' to X. Since the reverse is not true (i.e. self similarity does not warrant dissimilarity) one might wonder as to the possibility that a number of consumers are indeed behaving according to Rosenbaum (1986) theory i.e. because of their dissimilarity with brand Y then they do not like Y and therefore start to feel a similarity towards brand X.

It also cannot be tested if the dissimilarity felt by the respondents for the main competing brand extends to all other brands in the category. In certain cases it seems the opposite holds, since loyal buyers of Pepsi see nothing wrong with non cola drinks and they rather like them :

" .. *sometimes if I am really thirsty I will go for something like Sunkist or orange flavour* "

" ..*sometimes it's time you think of taking a Fanta or something* .."

As to the issue of functional similarity, there can be some interesting thoughts there. The only group to show these functional similarity were the light loyal group and this could be either because they were feeling more the need to rationalise (to themselves) their decision of being loyal or that they tend to have more bonds with the brand through individual benefits.

The first situation does not seem very strange because the brand in question had the characteristic of being an individualistic drink and was also not a leader in its category. This meant that buyers may have felt more compelled to explain their deviation from the popular choice and the easier way would have been to express this rational in functional terms. The heavy buyers however may feel the relationship stronger (see also above the discussion about the ideal similarity) and therefore did not feel this need to rationalise; they were simply closer to the brand and therefore they were more comfortable, also through the frequent interactions with the brand, to state their loyalty without reasons. Argyle (1988) states that in a relationship the more frequent the interaction, the stronger that relationship is going to be.

However the second reason could also be supported by the research of both Ehrenberg and Johnson in the area. Ehrenberg (1988) showed that light buyers are often more loyal than heavy buyers, and Johnson (1984) showed that there were more sole buyers amongst the light users than the heavy users of a brand. These findings however have to be treated with caution because what both are referring to is the effect i.e. the term 'more loyal' comes from the fact that there is less switching going on and there are more sole buyers. And this is logical because if a light buyer makes a purchase of one drink only then it is 100% certain that this buyer will be a sole and a very loyal buyer. As stated in chapter two, heavy buyers would be more prone to exhibit a 'variety seeking' behaviour. Also what is of interest here is whether this functional similarity is the outcome of a stronger bond or a weaker one. Unfortunately the data at this moment can only raise the question rather than answer it.

8.32 EQUITY

The concept of Equity has not really been discussed much in the marketing literature and it would be therefore difficult to compare the findings with other such research. What one can do though would be to firstly compare it to a concept that is similar like the 'value for money' concept and also discuss the findings using past research findings to build a more complete picture of the theme or produce evidence that the theme should be discarded in the process.

In this research the term equity has been used to define the aspect of the relationship where the consumer feels that he/she is getting what he/she is giving, so in a sense it was a value for money concept. However the term was used in an abstract form and a number of observations can be made as to his equity principle and the various consumers studied. Firstly one could stop and wonder as to whether the definition of value for money or equity concept can vary between different consumers so that some believe they need to get more than they give from the brand and some the same amount. It would seem that heavy/Loyal consumers get more (a surplus) from the brand than the Light/Loyal consumers who on average seem to get from the brand what they give. The latter expressed that as long as the brand was maintained on price and availability, then they would stick to it whereas the former were more prepared to stay with the brand even if price was increased. For example:

B2M2 (9252 - 9621) "*It's pretty tempting ... once the price is different ... it would tell you where to go ..*"

A2M3 (10328 - 10643) "*I...nothing any (the soft drinks) of them could say to convince him (to change)...he (consumer) would know which one was the best, so he would go for the best ...*"

It would also seem from the research that the equity principle (or a positive equity as the term has been used) is either a prerequisite or an effect to loyalty. This would most certainly agree with the Psychological field of research where a relationship would also depend on whether the parties involved felt there was an equality in what they offered and got out of it (see Argyle 1988, Hinton 1993). The non Loyal consumers were constantly stating that the brand is not worth the effort since the competing brands were very similar indeed. In contrast the loyal consumers felt the brand was offering them a number of benefits which they perhaps would not get from the other brands.

One interesting thing to note here is that all the respondents that had mentioned that 'other brands are not trying as hard and therefore their brand was the best', had also been noted as giving statements about them receiving more than they were giving. This could be because the rejections of the other alternatives was justifying their decision for loyalty to their brand. Since this was observed only in the Loyal/Heavy groups one can make some more interesting observations; Firstly the rejection of the alternatives must have been a cause or part of the 'surplus feeling' rather than a result (the Light group respondents exhibited a 'surplus feeling' but not a 'alternative rejection'). Secondly the theory of Thibaut and Kelly (1978) on comparison levels for alternatives (CL_{alt}) may exist in this area as well. Thus the strength of the relationship (or commitment) with the brand will not depend only on the expectations from previous performance (CL) but will also depend on the range of alternatives available.

Lastly one could make a reference to the well discussed, in the literature 'evoked set' the consumer has, that directs the possibilities of choice (this has been discussed in chapter Two). The smaller the evoked set ,. the larger the possibilities that a consumer will repeat-purchase the same brand. It would therefore seem that the Heavy/Loyal consumer's evoked set may be shrinking in the presence of this feeling of other

brands not offering to him/her a benefit (worthy of the effort, he/she would put) or to be more precise equal to the effort the chosen brand puts in. The fact therefore that Light consumers are shown to be more Loyal (Ehrenberg 1972) may be less due to a smaller evoked set and more because they would rather avoid the effort or risk of switching given that the benefits they may be deriving from the product class are not that many (it is easier to adopt a habit type behaviour). This has also been discussed and supported by Johnson (1984).

However this shrinking of the evoked set may have other connotations, namely that there is an empty position now and this can be filled with a new brand (Howard and Sheth 1969) and thus lead to a need for newness and a variety seeking behaviour.

The research has also shown that Light consumers are more likely to believe they are putting more effort in the brand at times (negative equity). It was mostly them, that indicated a feeling of 'fear for stating choice' and a propensity to change if conditions were different. However, they also appear on the other end of the scale by stating a functional attraction, indicating that the brand indeed offers them good value. This may be a rationalisation of choice, which could have been handy to justify the commitment when the rational is challenged.

8.33 AFFILIATION

It was not so surprising, the finding that the Loyal consumers had expressed a kind of positive affiliation to the brand in contrast with the non Loyal ones. The respondents in the Loyal groups showed emotions of care, concern and attachment to the brand and they were equally ready to support the brands actions to others as well as to criticise them. O'Shaughnessy (1987) talks about brands that may bring 'Social integration' because of their visibility and therefore satisfy both a social need as well as a specific private one. This could be seen from the behaviour of the group which through being homogenous in choice level, it was generating feelings of club and togetherness. The club was also a reference group in itself to the extent that respondents respected the outliers from the group less and invited the rest to have a drink at the bar (in the A and B groups). It can be seen in the outlier analysis, that a respondent that showed a low

positive affiliation and generally scored lower on a number of other aspects, in general still supported the leading brand, agreeing with the rest of the group on particular issues or smoothing out his views when others disagreed.

This feeling of belonging, was certainly detected in respondents views about the difficult times their brand was facing, offering suggestions as to how to overcome it and generally showing an empathy and sympathy in the same way humans would treat their friends:

A1F2 (ibid.) "*It feels a shame that they have Crystal Pepsi and they let Coke launch Tab Clear first in the UK ...*"

Lannon & Cooper (1983) mentioned that buying the same brand affirms basic social arrangements and on the human side this social network belonging, helps to sustain the relationship. This can be seen in the heavy-loyal groups, when points were made as to the actions or identity of the brand that could open the way for a club, where members would be part of the identity of the brand or its symbolism:

A1F1 (9886 - 10222) "*I think they are rejecting a whole part of like traditions, ... they are rejecting the before image. I don't know it seems good ..*"

The way this club develops is also quite diverse and must be interesting to examine. The communication strategy and the identity projected certainly are among the most influential factors in determining whether the brand is seen as having a 'club' for its members and respondents showed an attachment due to situations and particular emotions linked with the brand itself. In addition, some consumers linked the functional characteristics of the brand or the image it carries with it (e.g. being the 'original') to creating a club with people that 'could understand better' or could 'appreciate the same functional elements.' Characteristically, phrases like "*people like me*" or "*most people see that ...*" were showing this club attitude.

In terms of the differences between light and heavy loyal respondents, there was a noticeable lower level of affiliation feelings and some signs of indifference from the part of the former. It could be that Argyle first rule applies in that the more frequent the

interaction (heavier usage) then the stronger the belonging and the relationship. The light loyal groups, inherently do not have the same psychological pressure to justify their loyalty, since the behavioural aspect is less visible (to both others and themselves). This less visibility, therefore, imposes a minimum influence from reference groups and the club itself. Choice can be justified by functional reasons (as discussed in Similarity and Equity) and they can be free from the 'constraints of belonging'. It is also true that they are loosing the 'group effervescence' but it could be that there is an implied intangible cost in belonging and that is the comparison with other members of the club who are heavier users and at the outset seem different.

The non loyal groups also provided an interesting view of a 'generic loyalty.' This is when they seemed to join up with the 'cola group' or the 'main brands persons'. This could be simply a satisfaction of a need to simplify (reduce the evoked set by using a non compensatory approach e.g. prefer Colas than all drinks) or a need of belonging (belonging to a group of people with similar characteristics that can be determined but the use or origins of certain drinks rather than the drink itself). Thus they could belong to the healthy image club (I prefer the diet drinks) or the macho club (I prefer the colas not the orangy stuff) or the status club (I stick with the main brands). But what they show is that, they do not want to indicate a brand choice that may require a rationalisation and an effort from their part.

In terms of how they went on to choose, there seems to be a variety seeking approach either to obtain a higher stimulation:

C2M1 (3203 - 3668) "*I just take them in turns. If I haven't had Diet Pepsi for a while, I will have that instead of Diet Coke ..*"

or to demonstrate their decision to be independent of any club or commitment:

C1M4 (983 - 1599) "*Well we are a group of people who are indifferent to it anyway.*"

The reasons for this low level of affiliation could be coming from the fact that respondents have not identified the reasons for loyalty that is in the differentiation of the brands. They have not participated in schemes or had other interaction providing the necessary emotions or convictions linked with the brand and these are obviously linked with the underlying commitment.

8.34 ATTITUDE OF THE BRAND

This aspect is clearly seen to agree with the theories or rather with the previous research in the area. Blackston (1992a, b) has shown that non users of a brand can be seeing the brand as rejecting them and therefore this stops any possible relationship, while users and brand loyal customers have a feeling of the brand accepting them and liking them as they like the brand. This was clearly seen more from the projective techniques i.e. the balloon feeling, rather than the discussion itself. In actual fact this was what Blackston was suggesting one should use, given the complexity and therefore difficulty of the consumer to relate to the reciprocate attitude of the brand on a conscious level.

The own brand Attitude was straight forward, likeable, charming and friendly,:

B1M2 (730 - 2911) "*I suppose,* (the brand would) j*ust be plain and get to the point, real trendy words to say 'I am better than him* (the competition)'".

while the competition was rude and arrogant as well as pushy at times:

B2M3 (3787 - 8584) "*Yeah Coke could be very pretentious, doing things the right way and so on... Pepsi would be more free ..*"

This is an issue that should be considered with care since it could be, prima facie, the decisive factor as to how the brand treats the consumer and therefore result in the attitude the consumer will have for the brand. This can be traced back to the packaging and direct communication of the brand (that is advertising and promotions). The problem for the marketer is that the attitude of the brand does not change the image the brand has or in that respect the personality and thus it is more difficult to detect and uncover it (Blackston 1992a, b).

The human element that states that people like being flattered, i.e. a positive attitude by others, even if it is not real or intended, was not to be seen here. The heavy group, in particular had expressed, on a number of times, their rejection to this 'false attitude' and 'promises over the top' of the brand. In general though it can be seen that they perceive the attitude to be sufficiently positive and thus they tend to like the brand, In

the outliers analysis, the respondent which perceived a negative attitude at times from the brand were also quoted to perceive a positive attitude as well! Thus this negative attitude may be only due to a particular advertisement or to a specific communication strategy. The problem with soft drink as a product group is that the target market is more a mass market and thus the marketers have to decide on a complete communication strategy to cover all targeted audiences. This in effect means that they run the risk of cross communication and thus consumers may be disassociating from their brand.

This can be seen where a group of shown advertisements had different effects. The respondents were showing a positive view over some of the advertisement, although in some others they were clearly disappointed. An example:

A1M2 (10224 - 11337) "*I prefer the more practical sort of one.... Lots of people drinking Pepsi while they are surfing ...That alien one or the Michael Jackson one it's not for me...*".

The attitude of the competition brand for the loyals was also seen as complacent and this was more thought by the light users rather than the heavy ones. This complacency can be linked with Equity where the loyals, observing an attitude of complacency, translate that in terms of the action taken by the brand and thus believe in the end that the brand is not doing enough to justify the effort put by the consumer. People like their friends, not only to care for them but also to show them that by actually saying it or as is usually said : 'by having the right attitude'. Unfortunately for a brand, if its projected identity and image is received badly, then the attitude would be seen as negative and this would prevent or may destroy a relationship between it and the consumer.

8.35 REINFORCEMENT

This concept has been identified in chapters 4 and 6, as very closely linked to societal marketing and corporate identity craze of the nineties. This is because the emphasis is on the consumer's reception of a reinforcement from the company behind the brand. This reinforcement in humans affect the stability of the relationship (Duck 1983) and

the long term performance (Hinton 1993). In terms of the company side, it has been suggested that this Corporate identity aspect (Olins 1986) and responsibility (King 1991) will be the main impacts on marketing in the nineties. Although not talking directly for brand-consumer relationships, King argues that the consumer is now more confident and looks at added values, which emerge from the company brand. He states characteristically: "choice will depend rather less on the evaluation of functional benefits ... rather more on their assessment of the people in the company behind it, their skills, behaviour ... the whole company culture in fact".

The results have shown a number of these ideas to be true. The respondents have indicated, that they are more sophisticated and more demanding, needing not only more reinforcement but also better reinforcement. This was in terms of more focused or customised to them reinforcement, and it was seen by both the light and heavy users in the loyal groups:

B2M2 (7996 - 8884) "... *for me that kind of style doesn't really connect....Some adverts are worth watching, a lot of the beers adverts...Carling Black label and Castlemaine XXXX adverts are two of the funniest...and when they (Pepsi) pay millions to get these stars to do it ... it doesn't seem worth it...The adverts don't mean anything to me...*".

A2M3 (7128 - 8068) "*I think that Pepsi is dividing people between 10 and 16 years old because of ..the different advertisements. But Coke is always trying to appeal to the whole population... Pepsi is trying so absolutely to keep a different class*".

Even the non loyals have become more demanding whether this is as a condition to join the 'club' of loyals or simply to keep the brand in the repertoire of brand to purchase. This sophistication does not end in the advertising communication but extends to sports sponsorship (wanting the brand to participate in events they like), packaging (wanting the brand to bring back the old shape bottles) and distribution (wanting the brand to be exclusively distributed to gain status.)

It is also interesting to observe what happens when the Reinforcement is thought to be inadequate. This can be seen by looking at the outlier analysis and comparing their whole attitude towards the brand and their loyalty. In agreement with Duck's views,

the withdrawal or rather the absence of adequate reinforcement influences the stability of the relationship. In one particular case a respondent from the heavy loyal group is seen to be angry with the amount of reinforcement he is receiving and as a consequence his commitment is weakening, stating that he sometimes drinks other soft drinks and he sees no reason for being loyal. In another case, a respondent, who at times acknowledged the competition brand is giving him better reinforcement, is seen to be ready to switch should the competitors offer improve slightly and reinforcement from her preferred brand does not improve.

This has to be seen in terms of dissatisfaction from the overall reinforcement rather than dissatisfaction with a single campaign or action. The latter may be mentioned by the respondent and is probably an indication of belonging rather than an indication of a serious problem. As discussed before, because of the type of the product in question, the target group is quite big (wide in demographics), and therefore some campaigns or parts of the communication may result in the dissatisfaction of particular sub segments of the group. In addition to these, all brands have campaigns that their success depends on the way they are perceived by the consumer at the time of execution. An example of this, has been the Pepsi Challenge campaign in the UK, which was rejected by the Pepsi users and was withdrawn from the media (see the report sent to PepsiCo Management in appendix VIII). Although this can be seen as a failed campaign, the consumer expressing an opinion about it, can not be classified as less committed because of Reinforcement. On the contrary, if the consumer is analysing it, then it must be because of his/her involvement and commitment. The problem of Reinforcement may arise if the consumer starts perceiving a general lack of 'proper' images sent, a communication strategy not targeted to him/her in particular, and/or actions of the company that do not fit with his views on proper conduct that he/she prefers the company to have.

8.4 NEXT STEP

The main finding from the research done was that the concept of relationship does exist and it is probably composed of a number of smaller concepts whose amalgamation provide its strength. The concepts analysed in the research were taken from the

psychological and marketing field and were compared with concepts currently in practice or with themes that marketers talk about. The focus group method employed proved to be invaluable and a lot of new information arose from the discussions.

This information has been analysed in terms of its meaning and has been compared with past research in the area of branding, marketing and at time psychology and sociology. This has helped to form a clearer picture of the relationship that could be present between consumers and brands. This relationship seems to vary in terms of the usage but also individual levels were seen. This individual levels could be partly because of errors in the behavioural measurement of loyalty, although it would appear that the groups of loyal and non loyal respondents differ enough between them to warrant the categorisation. The fact that within each group there might have been more levels does not distort the main picture but rather adds food for thought and future research.

However the research has been of a qualitative nature and in addition to this the groups had been reduced from the original plans due to obstacles in the field work. One should therefore treat the data accordingly, with care before generalising the findings or making concrete conclusions. The aim of the research has always been to explore the subject and provide hypothesis rather than categorimategaly reject them or explain them.

It was decided at this point to proceed with a quantitative research in order to reinforce the observations so far in the research, by turning them into hypothesis and testing them where possible. This would then provide the raw materials to the researcher in order to define better the Relationship concept which could lead to the conceptual definition of loyalty and consequently to a new brand auditing technique.

CHAPTER NINE - METHODOLOGY OF RESEARCH (II) AND ANALYSIS (II)

In general one could say that it must be the 'utopia' of a researcher to be able to have identical subjects in the control and the experiment group.

9.1 INTRODUCTION

This chapter will be dealing with the history of the research from the qualitative analysis leading to the need for a quantitative study and will show the reader the thinking process behind the selection and design of the particular method and questionnaire. There is also a small section on the administration process and the response. The next chapter follows through to show the analysis of the data gathered.

9.11 WHY A QUANTITATIVE STUDY?

As described in the previous chapter, the qualitative data gathering phase had a number of problems especially with the cigarette groups and it was decided to exclude those focus groups. However this meant that the data was weakened tremendously as now the conclusions would be based on half the sample as before.

A second problem or concern became apparent at the time. Since the research was dealing with second level constructs, where assumptions were deducted from text and meaning was attached to words and sentences, any general conclusions would be based to an extend on the researcher's perception. This was made worse by the fact that the statistical analysis or any content analysis (using a Hit or Miss method) was subject to criticism since it would not deal with the fact that direct questions were not asked and therefore it was possible that in a specific focus group a particular theme was involuntarily missed out.

In addition, the qualitative work was more focused on formulating the hypothesis rather than attempting to reject them and it was felt that the thesis would be more complete if an attempt was made to substantiate the different elements touched upon in the qualitative analysis. The qualitative part could then be used to feed elements in a larger quantitative study and a number of raised hypothesis could be tested.

It was therefore at this point that it was decided to complement the research by adding a quantitative study in order to attempt to reject any Hypothesis coming out of the qualitative part. This would then have given the freedom to the qualitative part of being a truly exploratory study (which was what was intended in the first place) and remove any weight of having to support or prove conclusions.

The quantitative study would have to then draw from elements from the qualitative one and attempt to uniform questions over a greater sample of people. The study would attempt to quantify as to the differences between the groups of consumers (Heavy/Light users and Loyal/Non Loyal buyers) regarding the strength of a relationship (should this exist).

9.12 WHAT TYPE OF QUANTITATIVE STUDY?

The two types of study considered were the questionnaire or the structured interview. From these two the questionnaire seemed to be more appropriate for a number of reasons. Firstly the experience of the qualitative study indicated that without paying the respondents it was difficult to actually get them to give you time for a one to one interview, whereas they all indicated that they would have been happy to complete a questionnaire. In addition to this one could add that with the questionnaire they felt more secure in terms of an 'invasion in the private world'.

Secondly, the questionnaire seemed more appropriate for achieving the uniformity of the questions asked and understood by the respondents. The interview may have meant that different people would ask different questions in the process and maybe the

interviewer would have a greater chance of inducing a bias by explaining some of the things. It is worth mentioning here as a third reason that an interviewing process would have been more costly in terms of human resource time. Obviously there should be a cost and benefit analysis involved in these decisions.

The last (and probably most important) reason for adopting the questionnaire approach was the suitability of the technique in terms of the particular method and structure that was desired. This was namely the use of control groups so that one could deduct the conclusions from comparing the performance (responses) of people in the 'experiment' and 'control' groups. It was also decided to use students from a number of classes (second and third year) and administer the questionnaire during a class hour to encourage participation. Section 9.23 deals in greater detail with the design and section 9.4 explains the administration of the questionnaire.

9.2 QUESTIONNAIRE DESIGN

The questionnaire was designed by looking at the format of other questionnaires dealing with human to human relationships in Social Psychology. Clarke et al (1985) had studied the relationships by giving out a number of words drawn from thesaurus denoting emotions or feelings and then asking respondents to rate on a scale of 1-9, whether the word was characteristic to the relationship. The problem was that many of the words used were very direct relationship words (e.g. love, sexual attraction) and it was thought to be inappropriate for this study. In addition the research of Clarke was directed to couples where a relationship was assumed to exist (or some kind of a relationship) and this again was not the case here. Rubin (1970) used a similar scale with sentences instead of words and although the method seemed appealing, the format of the sentences used was more in line with a human close interaction relationship.

Davis & Latty-Mann (1987) used a points scale as well but the questions were designed to look at the relationship in three levels namely viability, intimacy and passion and therefore looking for the quality rather than the strength of the relationship. Lott et al (1970) used a method for ascertaining the adjectives people use

to describe different relationships which was also thought of as unsuitable. The only one that seemed very relevant to this research case, was a research by Maxwell (1985) which looked at measuring the closeness of a relationship and included a series of questions grouped in themes like the ones used here namely similarity, commitment and so on. The scale he used was a 1 - 7 scale where the consumer needed to identify the degree of agreeing or the degree of frequency depending on the question or statement.

It was therefore decided to use a similar scale (combining the above methods into a single format) where a number of statements would be drawn from the focus interviews (statements that indicated the presence of a relationship in the Loyal groups).The respondents would then be asked to use a 1-7 scale to indicate whether they agreed or not and the extent of their agreement or disagreement.

9.21 QUESTIONS

The questionnaire was structured in three parts, namely a part dealing with personal details (age, sex and so on), a part dealing with their consumption details and the third part asking for their attitudes in regard to a set of given statements.

The first part was simply to introduce the candidates to the questionnaires giving them confidence as to their ability to answer (Shaughnessy 1990). It could also be used at a later stage to check for any relation between the answers and some characteristics of the sample such as the nationality, age and sex. Since the sample was to be drawn from the student population then their geographical spread, socio-economic conditions (of their own) and educational level were going to be the same over the sample. As to whether using students is adequate to represent the total population the reader is referred to the discussion in Chapter five.

The second part was attempting to gather information in order to then be able to classify the respondents in the groups of Heavy/Light or Loyal/Non Loyal consumers. A choice of brand was given to the respondents in the sense that they could choose to answer the questionnaire for any brand they wanted (with the restriction that it needed

to belong to a product class that they do a repeat purchase in order to be able to state whether they buy the same brand and so on- see the section on the administration of the questionnaire).

Sixteen statements were drawn altogether from the focus groups interviews to go into the third part. Five of these refer to aspects of Similarity, four to aspects of Reinforcement, three to aspects of Affiliation, three to aspects of Equity and one (question 16) to the brand attitude aspect. All questions were using the same scale (1-7), asking respondents about their own attitudes, perceptions and feelings as to the brand and were numbered individually. Question sixteen however was a six part question asking the respondents directly as to whether they perceive the brand having one of the listed (six) attitudes and to what extent (1-7 classification). In general the statements were given in a combination of formats many similar to the ones given in the studies mentioned earlier. Some were simply stating a behaviour/attitude (e.g. I prefer X because ..), others were giving the respondent the opportunity to think and state his/her behaviour in an assumptions situation (e.g. if the price of X was increased ...) and others were taking the consumer to the fantasy world using projective techniques in order to ask indirect questions about the relationship (e.g. if X was a person we would have a lot in common ...).

The whole questionnaire can be seen in appendix IX.

9.22 SCALES

The scale used was the normal Likert seven point scale with one (1) being 'I do not agree at all' and seven (7) being 'I totally agree' with the given statements. As Babbie (1983) states 'the advantage of this format is its "unambiguous ordinality of the response categories". This method was also thought to be best for facilitating the later on analysis since the response categories, being numbered, enable both the summation and deduction of scores as well as the application of statistical tests to observe the differences between different consumers.

However every scale has problems and some of the problems of using this scale in this research and ways to overcome them in the analysis will be discussed in detail in the

next chapter when the analysis is presented. Mainly the problems arise from the fact that different consumers may interpret the scale differently and might use it in either an ordinal or a cardinal way. Arising from this is the other problem of the distances between different points (see chapter ten).

9.23 CONTROLS

It was decided to use control groups for the quantitative study since it could provide a stronger validation of results and also it could provide the ability to research deeper into the subject matter. One idea was then to administer the questionnaire to a sample of students and have control groups as to the personal characteristics and their consumption and loyalty levels. This would have meant having a sifting method, very much like the first study, which would set the controls and then administering the questionnaire.

However it was decided to go in a different way in this case and use each person as his/her own control, where possible! Once the samples were selected (coming from two different classes from the Accounting and Management department at the university) the questionnaire was administered to all. However the samples contained a relatively equal number of male/females and the age variation was not expected to be great (as it will be seen in the next chapter, these assumptions were very much right).

Therefore each person was asked to complete two questionnaires, one for a brand they repurchase and on another one from the same product group. Thus data was gathered from two perspectives. Firstly, data was gathered on responses to the questionnaire for an equal number of Loyal/Non loyal people which could be used to analyse the differences. This is also strengthened by the fact that for each person there exist individual controls (as to age, sex, socio-economic situation and so on) for the two groups. However the data gathered could also be used in another way, namely to check the individual variations between the groups which proved to be very useful in the face of the problems faced with the analysis of scales. In general one could say that it must be the 'utopia' of a researcher to be able to have identical subjects in the control and the experiment group.

9.24 TESTING THE QUESTIONNAIRE

Once the questionnaire was constructed, it was given to a sample of fifteen students who were told to complete it in the normal way. Once they had done it, they were asked to discuss any points of the questionnaire that were unclear, any questions or statements that had been misleading or had double meanings and generally any items that they felt uneasy about. The result of this, was the reconstruction of the questionnaire in terms of the order of the statements so that some patterns were not apparent anymore. As to the statements themselves, respondents felt that they could have used more guidance concerning the meaning of some statements (questions) but that was decided to be done orally before the questionnaire was completed. In addition it was decided to do an item analysis on the completed questionnaires rather than exclude questions at this phase. However, the questions over which uneasiness was felt, were noted down for further reference (at the item analysis stage).

9.3 ADMINISTRATING THE QUESTIONNAIRE HAND OUT.

The questionnaire was administered to 108 students on Friday 12th and Monday 15th of November 1993. The personal statistics are given below in section 9.42. Two questionnaires were completed by each respondent. Completing the questionnaire was optional for the students and those that did not wish to do so they were asked to do a small assignment instead.

9.31 INSTRUCTIONS GIVEN TO RESPONDENTS

The respondents were split up in two groups (group A and B) and the process for the two groups was reversed. Respondents from the A group were then given one questionnaire and were asked to complete the personal information at the first section. They were also asked to indicate with a number their position of sitting in the class or to put their initials on the top of the questionnaire depending on the number and the spread of the students in the class. This number or initial was to be then used in order to compare the two sets of data gathered (when performing a paired analysis).

The purpose of the exercise was told to all those completing the questionnaire but in general terms, explaining that this questionnaire was anonymous and that the aim was to find out the attitudes of people as to some brands they buy.

The statements that had been pinpointed from the testing were then explained in more detail and the respondents were then asked to complete the questionnaire for a brand they purchased most often in a given product class. To make things easier they were asked to complete it for soft drinks, if they were soft drinks drinkers, but if not then they were told they could complete it for any repeat purchase product. Once they had completed it, the questionnaires were gathered by the researcher and a second identical one was given to the respondents. This time they were asked to complete it for another brand in the same product group they used before. The second brand was then the 'control brand.' If any questions were raised then the explanations were given to the whole class.

The second group went through the same procedure exactly with the difference that the questionnaires were reversed in terms of the brands for which they were completed. Therefore respondents in the B group completed the first questionnaire for a brand that was not the most favourite brand in the category and the second one for the preferred brand.

The respondents were not told that they would have to complete two questionnaires in order not to raise anxiety and bias their answers. Once the whole exercise was finished, respondents were asked to complete a third questionnaire referring to their perception of Loyalty and the link between Loyalty and the aspects of the relationship as seen in the qualitative research. The aim of the research was explained in more detail and they were asked to complete the third questionnaire so that they could assist the researcher as to what they really thought was important. This third questionnaire can be seen in appendix IX and was used in the analysis in order to try and make some conclusions as to the causes and effects of the relationship aspects.

9.32 RESPONSES & PERSONAL STATISTICS

The questionnaire was administered to 108 students, each asked to complete two questionnaires as mentioned before. These students belonged to two classes (years) and the split was as follows:

Year 2= 55 students Year 3 = 53 students

There were 8 students who preferred not to complete the questionnaire or were not present at the beginning when the instructions were given and they were asked to do another exercise, getting the number of actual respondents to 100. In addition 2 person's questionnaires were excluded from the analysis since some of the questions were not answered and they were considered incomplete.

The following statistics could be obtained from the respondents:

Total number of respondents = 98 Average Age = 20.1 years old

Men = 54 (55%) Average Age = 21

Women = 44 (45%) Average Age = 20

British = 69 split up in Men = 40 (58%) and Women = 29 (42%)

Other = 29 split up in Men = 15 (52%) and Women = 14 (48%)

Heavy Users of product class (* These were classified as such from their answers in question 2a. If any of the first two options were marked then the respondents were taken as Light User and if the latter two, as Heavy User).

Heavy Users = 68	Light Users = 30
Men = 41 (61%)	Men = 13 (43%)
Women = 27 (39%)	Women = 17 (57%)
British = 50 (74%)	British = 19 (63%)
Other = 18 (26%)	Other = 11 (37%)

The respondents were also in two groups (two years) and the two groups were given the questionnaires to complete in a different order (see section on control groups). The statistics for the two groups are:

	Group A (50)	Group B (48)
Men:	28 (51%)	26 (49%)
Women:	22 (50%)	22 (50%)
British:	35(51%)	34(49%)
Other:	15 (52%)	14 (48%)
Heavy Users	35 (51%)	33 (49%)
Light Users	15 (50%)	15 (50%)

9.4 ITEM ANALYSIS

Item analysis is a method of reducing the data by selecting the best items (Babbie 1983). Essentially each item is correlated with the large composite measure and any items that correlate lowest are excluded from the analysis since they are not good indicators of the variable.

Since the questionnaire consisted of a number of questions on five themes, each theme was examined separately. Questions, where it was realised that the respondents had either not understood what was required or the answers varied in such a way that an average would not represent the reality (e.g. answers of both 7 and 1, 2 were seen repeatedly) were needed to be excluded from the analysis.

The first step was to ask a sample of respondents as to how clear the questions seemed for them (see the testing of the questionnaire section) and also to note down the question numbers for which respondents asked for further clarification during the filling of the questionnaires. Thus a number of questions were identified as problematic.

The second step was to calculate the deviations for each question in both absolute terms and as a percentage of the mean response. This showed that all deviations were

below 2 and below 40% of the average (mean) answer, except from five questions. Three of these were the ones identified earlier on and two were new ones.

It was therefore decided to exclude questions which gave a deviation of a size of 50% of the size of the mean. The questions that were excluded were number 3,5,11,12,14. Question 3,12,14 were questions that were not generally understood and they were the same ones indicated in the original testing of the questionnaire. The reason for this, was that these questions were also being repeated in the questionnaire in a different wording and the respondents could not understand how these differed. The deviations for the questions were 2.32 (61.2%), 2.05 (52.7%), 2.09 (50.2%) respectively. The deviations in percentages are useful because it illustrates better the importance of the deviation. This is because a deviation of 2 on a mean of 3 (66.6%) is more important than a deviation of 2 on a mean of 6 (33.3 %).

Question 11 was excluded from the analysis both because of the difficulties in appreciating the meaning but also because the respondent was required to answer in a manner that was not compatible with the rest of the questions. It was namely a question on whether the respondent would have liked more reinforcement from the company and thus an answer on whatever end of the scale could not have been used for indicating a relationship or not (the qualitative analysis did not say there was one). The deviation was 2.05 (52.738%) and 2.14 (58.9%) in the Non Loyals.

Question 5 was generally not well understood and gave deviation figures of 2.04 (54.3%) in Loyals and 2.07 (64.63%) in the Non Loyals. The deviations in the Non Loyal, although in general agree with the Loyal's, were not used on their own. This is because, as mentioned before, the consumers had the freedom to choose the second brand. This could have been one they used less frequently or not at all. Therefore this variation in choice could account for part of the deviations in questions.

The deviation figures for all questions and resulting graphs can be seen in appendix X together with the percentagés of the deviation over the mean.

CHAPTER TEN - ANALYSIS OF QUANTITATIVE DATA

The main question that was answered in this chapter and in the thesis was : Does Loyalty have anything to do with what has been defined as a Relationship and does the latter exist? And the answer seems to be evidently Yes.

10.1 METHODOLOGY OF ANALYSIS

The analysis of the data presented the researcher with a challenging task. The data was in a form that could be used in a variety of ways and there did not seem to be a right or wrong way. This chapter is written in the form of a historical description as to how the analysis was done, explaining why a method was deployed, how it was used what were the results and how those were used. Each statistical test used, carries with it a number of assumptions about the data and also a different strength. The researcher has tried with the use of progressively stronger tests to raise the credibility of the findings. As it will be shown the strength of the research relies partly in this process of optimisation , but also in that the results tend to agree to a great extent throughout the analysis.

10.2 HYPOTHESES SET OUT

There were a number of hypotheses to be tested in the research. These, were selected from the questions raised in the qualitative analysis and they were the ones used for the construction of the questionnaire. These hypotheses were based on the fact that there seemed to exist a number of independent variables like the Usage, Loyalty and the Market share of the brand consumed, that affected the dependent variables namely the aspects of the Relationship and consequently the Relationship itself. It was therefore the aim of the analysis to examine this relation between the independent and dependent variables in order to provide a more concrete picture and argument for its existence.

Below, these hypotheses or relations are given in the form of statements whereas in the actual testing section a null and alternative hypothesis will be set for each statement.

H1 : The existence or level of a Relationship is related to the existence or level of Loyalty.

H2 : The existence or level of a Relationship is related the level of Usage of the product.

H3 : The existence or level of a Relationship is related to the level of Usage of the product in Loyal consumers.

H3a : The existence or level of Equity in the relationship is related to the level of Usage of the product in Loyal consumers.

H3b : The existence or level of Affiliation in the relationship is related to the level of Usage of the product in Loyal consumers.

H4 : The existence or level of a Relationship is related to the market share the brand has amongst the market/target group.

H4b : The existence or level of Equity in the relationship is related to the market share of the brand in the market/target group.

H5 : The Relationship concept is an amalgamation of all five aspects studied.

H6 : The existence of dissimilarity with other brands is influencing the existence or level of similarity with preferred brand.

H7 : The existence of negative or low Equity with other brands is influencing the level of Positive Equity with preferred brand.

Each of the hypotheses was tested using a variety of methods (five in particular) where possible. Some of the hypotheses could only have been tested with one method due to the characteristics of the hypotheses. The next sections will explain how each of the methods (Chi Square, Fisher Exact test, T pair tests, T test and Wilcoxon Signed Rank test) were employed and the results of the analysis.

10.3 PAIR COMPARISON (WILCOXON SIGNED RANKS TEST)

Looking at the main theme of the thesis, namely the relation between the Brand Relationships and Loyalty, it was deduced that what was needed was a test that would look at the differences between the responses of the same individuals. This was in order to assess if the respondents were indicating a different relationship, through the valuation of the statements in the two questionnaires.

The only problem there was whether the respondents really understood the cardinality of the Likert scale or if they simply used it as an ordinal scale. In the first case, the T test for paired comparisons would have been ideal whereas in the second case a non parametric test was really needed. It was decided to use both tests, holding each assumption at a time.

The first test to be used was a non parametric one. Thus the Wilcoxon signed ranks test was employed since it is considered more powerful than the simple signed test (Kazmier & Pohl 1987, Pagano 1986) looking at both magnitude and direction of the difference scores. However the reader must be reminded that such non parametric tests are essentially less powerful than tests like the t test, which followed.

10.31 METHOD

The first thing to note in terms of the data available, is that it exist in terms of vectors for the different aspects of the relationship (Similarity, Equity, Reinforcement, Affiliation and Brand's Attitude) that all together comprise the relationship. The vectors have unequal length because some aspects of the relationship have more questions in the questionnaire than others. However, one could assume that the relationship relies on the five aspects equally and therefore there was a need to equalise them. Since the questions were variations of each theme it was decided to take the mean of each vector to add to the relationship factor. The questions were therefore sorted out per vector

and the mean was calculated for each vector. The five means were then added together to get the relationship score.

The only question treated slightly different was question 16 (which comprised vector five - the brand's attitude) since it was asking for consumers to rate statements that ranged from negative to positive. It was then decided to group the different parts of the question in two, a positive group (with scores from questions 16.5 and 16.6) and a negative group (with questions 16.1, 16.2, 16.3). Question 16.4 was a neutral statement that could not have been rated as positive or negative and it was decided to leave it out.

The two groups were to then provide the scores of the relationship. In group 1 the scores for each question were reversed since all statements indicated a negative aspect of relationship. This meant that if a respondent had answered a question with a 7 meaning that he/she agreed totally with the negative aspect this was given a score of 1 and so on. The two scores for the groups were then averaged individually so that they could be compared and were then added together to get the mean of the vector to be added to the rest of the vectors.

The method to be followed was decided as follows: Firstly the difference of the response of each respondent would be calculated for every question. Then the questions would be grouped in vectors and the average score (difference) per individual per vector would be computed. This leaves the researcher with a set of five differences over each individual. Adding these gives the individual total difference which can then be used for the Wilcoxon or indeed a t test.

For example

Individual	Dif. Vector 1	Dif. Vector 2	Total Dif.
1	4	-6	-2

For Individual 1 then, the score of all differences is the aggregate, once all the differences per vector have been found and averaged(to equalise weight.)

Using the Wilcoxon method, from then on, was very straightforward. The difference is ranked both in terms of magnitude and in terms of sign. The result is two columns with the ranked differences and the smaller of the two sums being the Wilcoxon T statistic for the two tail test. For rejection then of the null hypothesis, the T statistic must be smaller than the critical value.

It was decided to use the 1% or p = 0.01 mark as the decisive point for rejecting the null hypothesis. Although the critical point is usually seen to be the 5% (p = 0.05), it was decided to use a stricter measure, thus adding more credibility to the results.

The spreadsheet can be seen in Appendix X.

10.32 RESULTS

10.321 Loyalty Vs Relationship

The null and alternative hypothesis were set as

H_0 = The existence of a relationship is independent of levels of Loyalty.

H_1 = The existence of a relationship is related/linked to levels of Loyalty.

The test was done using the data at the last stage of the t test and the ninety eight differences (d) were ranked and then given their sign. Both the positive and the negative sum was calculated, and the latter gave a sum of -62 which was also by far the smallest sum. Since the sample and consequently the sums were larger than what the normal statistical tables provide for, an equation was used to get Z since it is approximately normal (Wonnacott & Wonnacott 1985). The formulae and the calculations can be seen in appendix X.

$$\Pr(W \leq -62) = \Pr(Z \leq -5.319)$$

$$= 0.0000000579$$

Therefore the p value is something like 0.00000579% which does not provide any credibility for the null hypothesis.

One should note here that Howell (1989) gives a slightly different equation for approximating W to the normal which in this case results to Z being even larger nearing -6.7 (which obviously moves further along the tail).

10.4 PAIR COMPARISONS (USING T TEST)

Using a more powerful test like the t test, means that one has to incorporate a different set of assumptions. In this case the assumption of cardinality was coming in, but then again, the Likert scale is one that is intended to be used in a cardinal way. Since the two groups are identical and one is the control of the other then the t test for correlated or paired comparisons is the recommended one to use. This gives a much lower sampling error and the test is more sensitive for detecting the differences in the means and therefore for ascertaining if a difference exists, than the t test for independent groups (Kazmier & Pohl 1987, Pagano 1986). One should also add that with the use of the t test for independent groups in the rest of the hypotheses, most of these hypotheses could be tested (something not possible with the Wilcoxon test).

10.41 METHOD

Once again there was a need to deal with the question of the different vectors. Performing a t analysis on the whole of the questionnaire would have meant not using any weights for the different vectors and therefore loosing some of the representativeness of the structure.

The other advantage of doing the analysis per vector, is that one can even test each vector individually. Let's assume that the null hypothesis is that the relationship does not exist amongst Loyal consumers in anymore way than in the non Loyal group. Then, this would mean that the differences in each vector over all individuals should be equal to zero. Thus one can test if this is so, by looking *prima facie* at the data gathered. One should also note at this point that Question 16 was treated in exactly the same way as before.

It was decided to use once more the 1% or p = 0.01 mark as the decisive point for rejecting the null hypothesis.

10.42 RESULTS

The spreadsheet with the computations of the variables and the formulas used can be seen in appendix X.

10.421 Loyalty Vs Relationship

H_0 = The existence or level of a relationship is independent of levels of Loyalty.

H_1 = The existence or level of a relationship is related/linked to levels of Loyalty.

With a total of 98 pair responses one could get the numbers to the t equation below, in order to test for the existence or not of a relationship comparing Loyal and Non loyal brand related responses:

$t = d_{av} / S\, d_{av}$ (see appendix X for the formulas)

Results: t = 3.251 with degrees of freedom (d.f.) = 97 gives that the credibility of the null hypothesis is extremely low, between $0.001 < P < 0.0005$. This implies that one can reject the null hypothesis.

10.422 H2 : Relationship Vs Usage

This test could indicate whether there is any relation between usage in general and the existence of the relationship. One should note here that no distinction is made between Loyalty or not of the respondents classified as heavy or Light Users.

H_0 = The existence of a relationship is independent of levels of usage.

H_1 = The existence of a relationship is related/linked to levels of usage.

Since the Heavy and the Light users are different and of different numbers then the t test for paired comparisons needs to be substituted with the normal t test for two sets of observations (see appendix X). The Heavy and Light users' answers are then taken on their own and the differences are calculated between their Loyalty and non Loyalty answers (where the relationship is expected to be). The figures can be taken directly from the above (relationship/loyalty) analysis which give the difference figure as the mean difference from all vectors. Thus the researcher can simply classify the 98 figures obtained for the previous analysis in Light and Heavy users.

This provides the researcher with a set of figures for each usage group representing the relationship difference for each individual. The two sets of differences can then be used to get to the t value.

$t = 0.475$ which gives a $p > 0.25$

This reinforces the credibility for Ho since there is much more than 25% chance of getting these difference by random. Thus the Ho can not be rejected.

10.423 H3 : Relationship Vs Usage in Loyal consumers

This next statistical test was made in order to look even deeper in the relation between usage and relationship. For this purpose only one set of the data was used, the set of data for the Loyalty group. For this test and the following ones that look at the Loyal consumers the set of differences were taken from the Loyal set of responses. The null and alternative hypothesis are set as :

H_0 = The existence or level of a relationship is independent of levels of usage in Loyal consumers.

H_1 = The existence or level of a relationship is influenced by the levels of usage in Loyal consumers.

The result was $t = 0.360$ which gives a $P > 0.25$, meaning that there is more than 25% probability that the result could have been observed in random. In accordance to the Tcrit = 0.01 set at the beginning, the null hypothesis can not be rejected in this case.

H3a : Equity & Usage

This is an extension of the above test, looking specifically at the Equity factor and its differences in values between the Heavy and Light consumers, again within the Loyal group.

H_0 = The existence or level of a Equity (in Loyal consumers) is independent of the usage/consumption of the brand by the consumer

H_1 = The existence or level of a Equity is influenced by the usage/consumption of the brand.

The t test gave a value of 0.128 which with d.f. = 1 gives a p value > 0.25 providing again credibility for the null hypothesis.

H3b : Affiliation & Usage

This is another variation of the third hypothesis (H3) where again the search is specific to the Affiliation aspect and the Usage in the Loyal group.

H_0 = The existence or level of Affiliation (in Loyal consumers) is independent of the usage/consumption of the brand (by the consumer).

H_1 = The existence or level of a Equity is influenced by the usage/consumption of the brand.

The t test is 1.057 which with d.f. = 97 gives a p value $0.10 < P < 0.25$ meaning that there is more than 10% chance of reproducing the figures observed in random but less than 25%. This, may indicate that further research may be useful but for the purpose of this research (with the tcrit at 0.01), the null hypothesis can not be rejected.

10.424 H4 : Relationship & Market Share

This next statistical test was made in order to look in the relation between market share and relationship for the loyal respondents. This was because the loyal groups seemed to differ sometimes in their views depending of the brand they were discussing and there was the assumption that with popular brands, then the consumer has more of an ability to create a relationship. Market share was examined in a dichotomous form with the brand (that respondents chose i.e. were loyal to) being classified as a Leader or a Follower in its category. This was done by both looking at 1991 market shares for categories where available or by consulting with the Union shops and cafeterias. In most cases this task was easy since the product groups were soft drinks, chocolates and cigarettes where the brand leaders in the market (and student market) were Coca Cola, Kit Kat and Marlboro respectively.

H_0 = The existence or level of a relationship (in Loyal consumers) is independent of the popularity or leadership of the brand (in terms of market share.)

H_1 = The existence or level of a relationship is influenced by the popularity of the brand in terms of being the leading brand (in Market share.)

The t test gives a figure of 0.772 which with d.f. = 97 gives a p value $0.10 < P < 0.25$. Again, given the rejection rule at 99% the null hypothesis has to remain and further investigation to be recommended.

H4a : Equity & Market Share

This is a variation of the above test, looking at only one aspect of the relationship namely the Equity aspect and the market share of the brand.

H_0 = The existence or level of a Equity (in Loyal consumers) is independent of the popularity or leadership of the brand (in terms of market share.)

H_1 = The existence or level of a Equity is influenced by the popularity of the brand in terms of being the leading brand (in Market share.)

The t test gives a 1.062 which with d.f. = 97 gives a p value 0.25> p > 0.10. Again the null hypothesis is to stay.

10.425 H5 : Relationship - Vectors

This is the fifth hypothesis stated at the beginning. Within the t test method, one can isolate the effect of the five vectors and thus compare their magnitude and sign. The result is that the five vectors have the same sign (positive) and almost the same magnitude (varying around the 100-150 mark). This strengthens the point that the Relationship concept is an amalgamation of all five aspects studied, in an equal way. Since this sum is the differences between the scores of loyal respondents and the non loyal ones, the significance must be that commitment is a concept that distinguishes the consumers in all aspects, rather than in some. The respondents seem to have indicated that there is a difference in how they feel about the brand they are loyal to, and the one they are not, and this difference is seen in a number of specific factors like Similarity, Equity, Reinforcement, Affiliation and Brand's attitude.

10.5 USING CHI SQUARE

It was then decided to use another powerful test in order to check on the similarity of the results and also to enable the testing of some hypothesis that due to their peculiarities could not have been tested using the t test. The Chi square test seemed very appropriate for most of the Hypothesis since what is searched for is a proof that two groups have different views about a subject. Thus for example, Chi square could be deployed to show that the people who take one of two positions as to the issue (the relationship with the brand) are not independent from the group they are coming from (Loyal or non Loyal).

The assumptions that were held with the use of Chi square were similar to the t test (i.e. the cardinality of the Likert scale) but also that of a dichotomous line between responses. Thus a median was selected (see next section) from the scale and it was assumed that respondents scoring more or less than that, were indicating an inclusion

one of two groups (e.g. having or not a relationship, or having a high or low relationship).

10.51 METHOD

Since the scale was a 1-7 scale it was decided that a person with an overall relationship score of 20 or more on all vectors (a mean of 4 or more) would be classified as having a relationship with the brand and vice versa. Thus the median number 4 was taken as the dividing score between the existence of a relationship and not, since scores of 4 or more on any questions signify that the respondent agrees more than disagrees with the statement. Since then all the statements were of a positive nature this was taken to indicate a (closer) relationship.

The next step was to then apply this classification to all the responses irrespective of whether they came from the same person. The two questionnaires therefore were treated as aiding in the selection of respondents for the loyal and non loyal groups with the same characteristics.

Once the classification was completed then the respondents (or rather the responded questionnaires) were split up in two columns, the High and Low scores (or the Presence and Absence of Relationship groups). Since the questionnaires were also classified as to whether they were completed for a loyal brand or not a contingency matrix was emerging.

Table 10.1 Example of contingency matrix

	High score (Relationship)	Low score(no or lower level relationship)
Classified Loyal	x	y
Non Loyal	z	v

More contingency tables could then be drawn to test the relation with Heavy and Light consumers and Relationship and the other variables such as usage, market share and so on. It was decided to use again the 1% or p = 0.01 mark as the decisive point for rejecting the null hypothesis.

10.52 RESULTS

The spreadsheet with the computations of the results and the vectors can be seen in appendix X. The analysis shown below includes the different contingency tables and the Chi square results.

10.521 H1 : Loyalty Vs Relationship

With a total of 196 responses one could get Table 10.2 from the classification of the questionnaires, into the Loyal and Non Loyal segments and the existence and not of a relationship.

Table 10.2 Loyalty/Relationship table

	High score (High Relationship)	Low score(no or lower level relationship)
Classified Loyal	73	25
Non Loyal	12	86

H_0 = The existence or level of a relationship is independent of levels of Loyalty.

H_1 = The existence or level of a relationship is related/linked to levels of Loyalty.

This gives a Chi square of 75 which with degree of freedom = 1 there is a p value of <0.001. This undermines the credibility of the null hypothesis. The hypothesis that the loyal and Non loyal groups are independent of the relationship aspect is rejected. There must be a relation between the two sets of figures, at the 99% confidence level.

10.522 H2 : Relationship Vs Usage

This test could indicate whether there is any relationship between usage in general and the existence or level of the relationship. One should note here that no distinction is made between Loyalty or not of the respondents classified as heavy or Light Users.

Table 10.3 Usage/Relationship

	High score (High Relationship)	Low score (no or lower level relationship)
Classified Heavy User	63	73
Classified Light User	21	39

H_0 = The existence or level of a relationship is independent of levels of usage.

H_1 = The existence or level of a relationship is related/linked to levels of usage.

The table gives a Chi square of 2.447 which with d.f. = 1 gives a p value of $0.25>P>0.10$. This means that the scores observed have a probability of greater than 10% (actually very near 25%) to have been produced in random. According to the 1% point of rejection, the null hypothesis must stay.

10.523 H3 : Usage/Loyalty Vs Relationship

As before, this test tries to establish the relationship between usage and brand 'relationship' but for the Loyal consumers. The respondents were then classified into Loyal/Heavy and Loyal/Light users and were separated into those with a high and low score for a relationship. The following table was then obtained:

Table 10.4 Usage Vs Relationship in Loyal respondents.

	High score (High Relationship)	Low score (no or lower level relationship)
Classified Heavy User	53	15
Classified Light User	20	10

H_0 = The existence or level of a relationship is independent of levels of usage in Loyal consumers.

H_1 = The existence or level of a relationship is influenced by the levels of usage in Loyal consumers.

The Chi square is 0.994 which with d.f. = 1 gives a p value > 0.25 which does not allow the rejection of the null hypothesis.

H3a : Equity & Usage

Table 10.5 Usage Vs Equity in Loyal respondents.

	High score (High Equity)	Low score (no or lower level Equity)
Heavy User	43	25
Light Users	19	11

H_0 = The existence or level of a Equity (in Loyal consumers) is independent of the usage/consumption of the brand by the consumer

H_1 = The existence or level of a Equity is influenced by the usage/consumption of the brand.

The Chi square is 0.0000003 which with d.f. = 1 gives a p value ≈ 1.00 providing a irrefutable credibility for the null hypothesis.

H3b : Affiliation & Usage

Table 10.6 Usage of brand Vs Affiliation in Loyal respondents.

	High score (High Affiliation)	Low score (no or lower level Affiliation)
Heavy User	49	19
Light User	18	12

H_0 = The existence or level of Affiliation (in Loyal consumers) is independent of the usage/consumption of the brand (by the consumer).

H_1 = The existence or level of a Equity is influenced by the usage/consumption of the brand.

The Chi square is 2.032 which with d.f. = 1 gives a p value $0.10 < P < 0.25$. This may need further tuning and research but for the purpose of this research, the null hypothesis can not be rejected. As it has been discussed the null hypothesis is rejected with values less than 0.01 i.e. 99% certainty of the results not being in random .

10.524 H4 : Relationship & Market Share

This again uses the differences in the loyal group but this time in order to look for the relationship between the brand 'Relationship' and the market share the brand has. Once again the market share of the brand, for this purpose, is viewed in a dichotomous way: leader or follower.

Thus the respondents with different levels of relationship (High and Low as before) were split according to the performance of the brand for which they had completed the questionnaire for. The following table was then obtained:

Table 10.7 Market Share of Brand Vs Relationship in Loyal respondents.

	High score (High Relationship)	Low score (no or lower level relationship)
Leader brand	52	12
Follower brand	21	13

H_0 = The existence or level of a relationship (in Loyal consumers) is independent of the popularity or leadership of the brand (in terms of market share).

H_1 = The existence or level of a relationship is influenced by the popularity of the brand in terms of being the leading brand (in Market share).

The Chi square is 3.793 which with d.f. = 1 gives a p value $0.05 < P < 0.10$. Given the rejection rule at 99% the null hypothesis has to remain and further investigation to be recommended. One should note that if the level was set at a level between 0.05 or 0.10 then the null hypothesis would have been rejected.

H4a : Equity & Market Share

The difference between these tests and the ones above is that only one aspect is looked at and therefore the respondents are classified as scoring a High or a Low score on the Equity questions. Again the Loyal group was selected since it was them that showed there was more equity felt depending on the popularity and the usage of the brand. Furthermore it has already been seen that the Relationship (and therefore Equity) is present mostly at the Loyal respondents.

Table 10.8 Market Share of Brand Vs Equity in Loyal respondents.

	High score (High Equity)	Low score (no or lower level Equity)
Leader brand	40	24
Follower brand	22	12

H_0 = The existence or level of a Equity (in Loyal consumers) is independent of the popularity or leadership of the brand (in terms of market share).

H_1 = The existence or level of a Equity is influenced by the popularity of the brand in terms of being the leading brand (in Market share).

The Chi square is 0.19 which with d.f. = 1 gives a p value > 0.25 providing credibility for the null hypothesis.

10.525 H6 : Similarity with other brands Vs similarity aspect

The hypothesis here, deals with the issue whether the existence of dissimilarity with other brands is influencing the existence or level of similarity with preferred brand? The way to test it involved observing whether the respondents that had indicated a high Similarity score in their loyal brand sheet, scored low in questions of Similarity to the other brand. One should note at this point that the data may not so suitable since the respondents completed the second questionnaire for a brand they may be using at times but obviously at a lesser frequency or dedication than the first one. This could therefore mean that they feel dissimilarity towards other brands but not so much against the ones they use (including the ones they use less).

The mid point i.e. number 4 was used as the decisive point for High and Low similarity for both brands for each consumer and the following table was obtained, showing the number of respondents that indicate a high or low score for each of the two brands.

Table 10.9 Similarity of own brand Vs Dissimilarity of other brands.

	High score (High Similarity) Loyal brand	Low score (lower level Similarity) Loyal brand
High score (High Similarity) Non Loyal brand	16	2
Low score (lower level Similarity) Non Loyal brand	57	23

H0 = The existence of (negative or) low Similarity with other brands is NOT influencing the level of Positive Similarity with preferred brand.

H1 = The existence of (negative or) low Similarity with other brands is influencing the level of Positive Similarity with preferred brand.

A problem for testing these figures arises, since there is a cell with a figure less than five (the minimum for Chi Square test). However, Cochran (1954) and Maxwell (1961) argue that this rule of five is too stringent and they suggest that if relatively few cells are less than five (say one or two) then a minimum expectation of 1 is allowable in computing Chi Square. In addition they propose that one could substitute the Chi Square test with the Fisher's Exact test stating that : "Although a bit laborious, it is the only safe method to employ when the sample size is less than about 40 and one or more of the expected frequencies falls below 5" (Maxwell 1961).

The formula for the Fisher Exact test can be seen in appendix X. For testing this hypothesis, both the Chi Square and the Fisher's Exact test were used and the results were :

Chi Square = 4.3552 with d.f.=1 gives a p value $0.05 < p < 0.025$

Fisher's Exact test - p = 0.000085

One can see that the Chi Square test is slightly far off the exact value and using the Fisher test as the accurate test, the null hypothesis in this case has to be rejected.

10.526 H7 : Low Equity with other brands Vs High Equity with Loyal brand.

This is the seventh hypothesis and the test was structured in exactly the same way as above. The table below was obtained and the null and alternative hypothesis was set.

Table 10.10 High Equity of own brand Vs Low Equity of other brands.

	High score (High Equity) Loyal brand	Low score (lower level Equity) Loyal brand
High score (High Equity) Non Loyal brand	5	2
Low score (lower level Equity) Non Loyal brand	57	34

H0 = The existence of (negative or) low Equity with other brands is NOT influencing the level of Positive Equity with preferred brand.

H1 = The existence of (negative or) low Equity with other brands is influencing the level of Positive Equity with preferred brand.

The same situation arose as it regards the size of cell, i.e. one cell had a size of less than five and thus both the Chi Square and the Fisher's Exact test were calculated. The results were:

Chi Square = 0.236 with d.f.=1 gives a p value $p > 0.25$

Fisher's Exact test - $p = 0.295$

Therefore the null hypothesis can not be rejected and the conclusion has to be that the equity felt from the brand the consumers are loyal to, does not depend on the amount of equity felt with other brands.

10.53 TESTING THE OTHER INDEPENDENT VARIABLES

This section deals with the testing of the other independent variables like the sex, the group they were in and the nationality of the respondents. This is simply in order to ensure that none of these variables has been influencing the relationship aspect, since they were variables which were not controlled by the research process. The group process was also important to test, since the order of giving the questionnaires could influence the answers. The hypothesis held for each of the three variables was that they were independent to the existence of a relationship and it was decided to use the Chi square method to test it.

SEX, NATIONALITY & GROUP PROCESS VS RELATIONSHIP

In the same process as shown above the following contingency tables and chi squares were obtained:

Table 10.11 Sex Vs relationship in all respondents.

	HIGH SCORE (RELATIONSHIP)	LOW SCORE (NO OR LOWER LEVEL RELATIONSHIP)
MALES	47	61
FEMALES	37	51

H_0 = the existence of a relationship is independent of sex of consumers

H_1 = the existence of a relationship is related to the sex of the consumer

The chi square obtained was 0.059 giving a p value of well above 0.25 and therefore the null hypothesis can not be rejected.

One should note here that the test was also repeated using the loyal and the non loyal groups separately and the p value did not change reinforcing the null the hypothesis in each case.

Table 10.12 Nationality Vs relationship in all respondents.

	HIGH SCORE (RELATIONSHIP)	LOW SCORE (NO OR LOWER LEVEL RELATIONSHIP)
BRITISH	57	81
OTHER	27	31

H_0 = the existence of a relationship is independent of the nationality split observed

H_1 = the existence of a relationship is influenced by the nationality of the respondent.

The chi square observed was 3.19 giving a p value of $0.10 > p > 0.05$ and the null hypothesis can not be rejected (given the 0.01 break point set at the beginning).

Table 10.13 Control groups Vs relationship .

	HIGH SCORE (RELATIONSHIP)	LOW SCORE (NO OR LOWER LEVEL RELATIONSHIP)
CLASSIFIED GROUP A	42	58
CLASSIFIED GROUP B	42	54

H_0 = the existence of a relationship is independent of the group in which the respondent belonged when the questionnaire was administered.

H_1 = the existence of a relationship is influenced by the group a respondent was in when the questionnaire was administered.

This gives a chi square of 0.059 which in turns gives a p value of much greater than 0.25 (the greater number in the statistical table the researcher had). This in turn supports the null hypothesis and shows that the control group and the experiment group were not influenced by the process in which the questionnaires were administered.

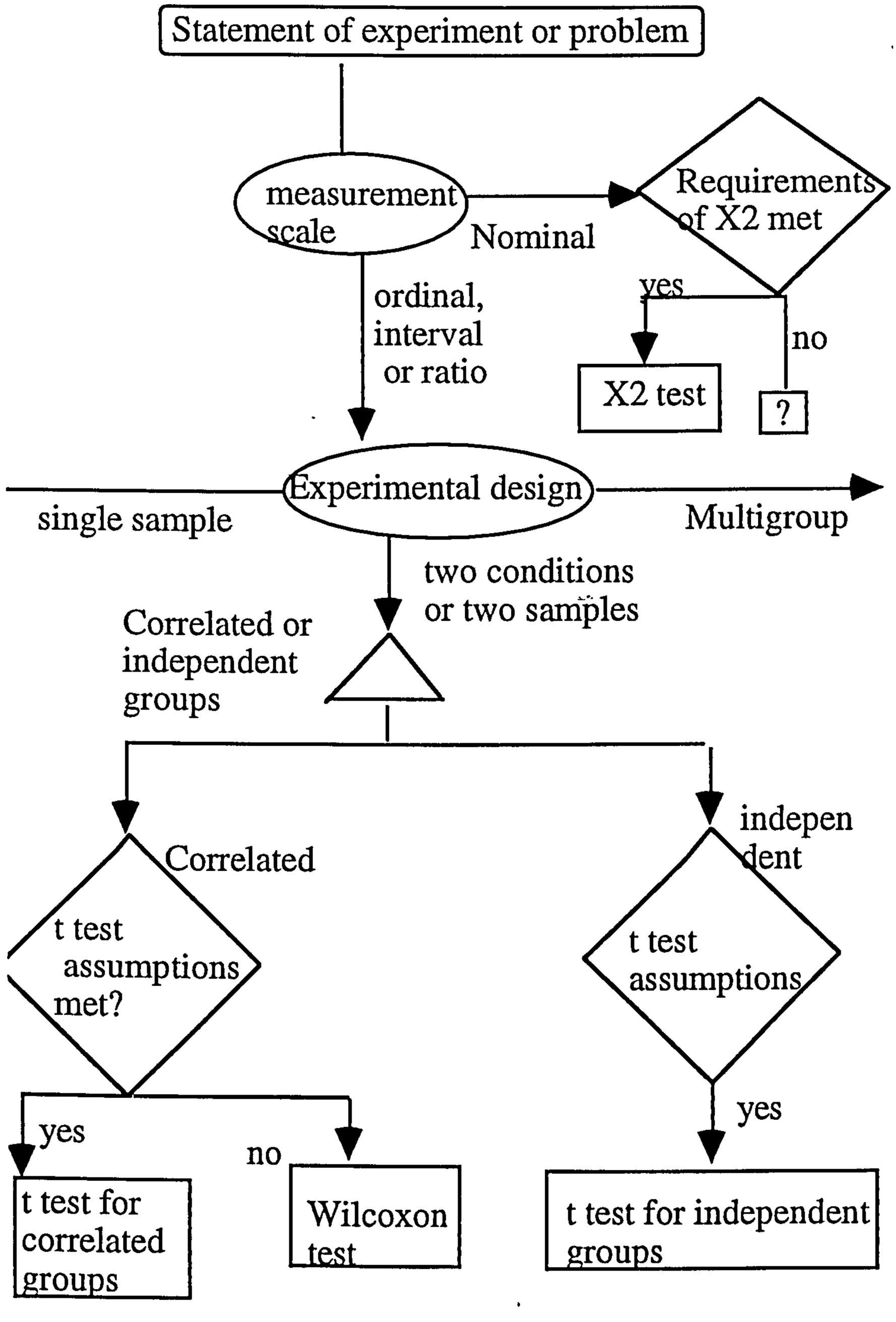
One should note here that the test was also repeated using the loyal and the non loyal groups separately and the p value did not change reinforcing the null the hypothesis in each case.

10.6 DISCUSSION & LIMITATIONS

10.61 DEALING WITH THE DATA FORMAT

Pagano gives one fundamental rule in choosing an inference test which is "to use the most powerful test possible." (Pagano 1986) The diagram below, adapted from his book shows the questions that should be asked and the routes to follow to arrive at the best test in each case.

Diagram 10.1 Decision flow chart for choosing the appropriate test (adapted from Pagano 1986)



In looking at the data for the analysis one could have pointed out a number of problems. The first problem that could have existed was whether the scale of 1-7 was really understood by the respondents. In creating the framework for the Chi Square it was decided to use the number 4 as the neutral point or rather as the point where the positiveness begun.

1 2 3 **4** 5 6 7

However this is only working on the assumption that the respondents have been answering the questions knowing that an answer of four or more signifies a positive view to the relationship (or to the statements) or vice versa. Obviously this is a drawback of any scale used (i.e. making the respondents understand the distances on the scale) and the seven point Likert scale is a well tried tool but here is also a matter of interpretation.

In order to deal with this problem it was thought to adjust the neutral position according to the mean of the answers i.e. instead of it being the neutral point (4) then it could be the mean. This would then classify the positive and negative (or existing and not) relationships around the mean and if people have been overmarking or undermarking in the question points then this could be dealt with. However the mean would bias the results since it is an average and by definition a number must be above and a number below the mean, meaning that if there were no very high or very low points then the two sides would be equal by default.

The second problem that seemed to exist was whether the differences observed between respondents should be used as equidistant differences. Thus a consumer marking everything at 3 and 1, could be simply showing a differential treatment of the statements in the same way that someone is marking 5 and 7 rather than meaning that the latter is more positive about the statements. Similarly someone using the numbers 2 and 6 to demonstrate a difference may be showing the same attitude with someone marking 2 and 3 and the difference is attributed to the interpretation of the scale and personal taste.

These hypothetical problems, of the respondent understanding the format of the scale used, have been solved by using the three different methods of statistical testing. Thus

the Chi square examined the responses from the point of view of cardinality and of classification groups dichotomously for each variable. The t test looked at the magnitude of the differences of the scores focusing not on the individual answers but rather on the differences in the responses of the individual and lastly the Wilcoxon test removed the assumption of cardinality and looked at the data simply to detect a difference.

Following the diagram one can observe that the analysis has taken all possible paths making sure the research was reinforced at every stage. Thus the Chi square method was used where the assumption of the nominal numbers was held and the t test was used for pair comparisons given that the experimental design was one of two correlated samples. The Wilcoxon test was also used to deal with the issue of the cardinal assumption of the t test.

Therefore through the use of the three methods the researcher was able to show that the assumptions held for each one of the three particular test were not responsible for the outcome of the results. The use of a number of tests not only helps the credibility of the results but also allows the complementary elements of each test to work in synergy.

10.62 LIMITATIONS OF DATA

However one can not ignore the limitations of the data itself and in some way of the way it was extracted from the raw data of the questionnaires. The issues of the limitations of the quantitative study have been dealt elsewhere (see chapter 9) and one can also be directed to the final chapter for a discussion as to the limitations of the research as a whole. In terms of the data arrangement or use, then what can be said is that the researcher has acted in *bona fide* and the structure of the analysis was one emerging from the qualitative study and the structure of the questionnaire, i.e. the use of the five vectors and the weighting of them equally. One could argue that the 'compensating' approach used in the emergence of a single vector or number (arising from the summation of the differences for each vector) is a dangerous action based on the assumption that consumers look at the relationship from this point of view.

However, the research in the human relationships cited in earlier chapters have used this assumption when needed to comment on the strength. In addition one should note that all the vectors have the same sign indicating a tendency to move in the same direction (see the discussion under 10.7). The fact that some were maybe numerically higher than others could easily be attributed to the way the statements were presented and/or the cardinal problems of the scale (which was one of the reasons the Wilcoxon test was adopted).

10.7 THE EVIDENCE FROM THE DATA ANALYSIS

This section deals only with the conclusive evidence from the quantitative analysis and not with the overall analysis of the thesis which is presented in both chapter eight and the conclusions in chapter eleven. The following table shows the hypothesis results and the various test done :

Table 10.14 Research tests and Hypotheses - A summary

	Chi Square	Fisher Exact test	T test for pair samples	T test for independent samples	Wilcoxon test for pair samples
H1 Loyalty Relation-ship	0.001> P		0.001> P > 0.0005		P = 0.00000006
H2 Usage - Relation-ship	0.25 > P > 0.10			P > 0.25	
H3 Usage - Relation-ship Loyals	P > 0.25			P > 0.25	
H3a Usage - Equity in Loyals	P = 1.00			P > 0.25	
H3b Usage - Affiliation in Loyals	0.25 > P > 0.10			0.25 > P > 0.10	
H4 Market share Rela-tionship	0.10 > P > 0.05			0.25 > P > 0.10	
H4a Equity mkt share	P > 0.25			0.25 > P > 0.10	
H5 Relatio-nship vectors			All vectors being positive		
H6 Simila-rity other's	0.05 >P > 0.025	P = 0.00008			
H7 Equity with other's	P > 0.25	P = 0.295			

The main question that was answered in this chapter and in the thesis was : Does Loyalty have anything to do with what has been defined as a Relationship and does the latter exist? And the answer seems to be evidently Yes. A number of different tests were employed, searching for the acceptance of the null hypothesis but everything has pointed to the other direction. The Wilcoxon test in particular has reinforced this thesis tremendously producing a probability of 0.000006% for the results to have been due to random.

One thing that was of interest was the fact that the compensatory rule was **not** actually used since **all** the vectors were positive and thus any doubts for the inclusion of any of the vectors is weakened. It is also a fact that the sum of each vector resulted to be of the same magnitude as the rest, indicating that no vector has a greater importance. Small variations can also be explained since consumers who can be classified as having the shown relationship may be dissatisfied with aspects of the brand or not completely satisfied and therefore this is expressed, although it is not enough to either make them change brand or not be classified in the relationship group. It could also be that the respondents represented consumers in different stages of their relationship with the brand (an idea similar to that of the product lifecycle but for the consumer). Thus consumers at the beginning of the relationship are not as strongly involved as others well through the relationship. Yet others may be tempted by other brands in the market and maybe considering a change in which case they are maybe at the end of the relationship cycle and thus scoring a low albeit adequate score to be included in the relationship class.

In terms of the usage, the test has been clearly negative as to any relation between heavy/light users and the existence of a relationship. This was seen for both the whole set of respondents and the Loyal group per se. The qualitative study at times was indicating a difference in the level of relationship in terms of usage for the Loyal group but this is not supported by the findings in the quantitative study. However, one should bear in mind that the quantitative study is limited because of the questions asked and the pressure on.respondents to answer within proforma guidelines or scales. In all the tests the p values for this variable was below the acceptance level for a credible rejection of the null hypothesis. In most cases there was shown to exist a probability of

more than 25% that the results could have been achieved by random which is a very high probability considering the 1% critical value for the non rejection of the null hypothesis.

In terms of the market share and the Relationship, again the results of the quantitative study were not supportive of any relationship between them although the T test, showed a greater evidence than in the usage tests. This, as mentioned above, may be investigated more, maybe looking at better ways to denote market share, or looking at other related characteristics of the brands. The 99% barrier however was not reached and for this research, the hypothesis that the brands with higher market share make it easier for consumers to develop relationships, has to be rejected. This was also the case when one aspect of the relationship was looked, namely Equity, in the idea that consumers feel greater levels of equity when the brand is a leader in the category (because of the conformity and the reassurance). Again at the 99% level this hypothesis was rejected.

Hypothesis six and seven (tested by Chi Square due to the peculiarities of the measurements), although similarly phrased and coming from the same source in the qualitative search, have produced results in totally different directions. The similarity concept seems to be related with the other brands as well, and the consumers not only find similarity in the favourite brand but if dissimilarity arises between them and the other brands then, they feel a greater attraction or in this respect a greater similarity. This is more in the lines of the evidence from the qualitative research and it shows how the environment influences the way people perceive things i.e. if everything else is not good or one does not agree with Y then X must be better or in this case closer to his/her views and feelings one have.

In contrast with this, the Equity concept produced evidence that it does not work like this and thus, the equity between consumers and other brands does not affect the equity the consumer feels with the preferred brand. It would seem that Equity is a concept that depends more on the actions of the brand to the respondent rather on the actions of other brands. It has therefore a direct influence, whereas Similarity can be seen to have both a direct and an indirect influence.

However what is of paramount interest is the direction of the research as to the existence and influence of the Relationship. The credibility of the null hypothesis in all tests ranged from 0.1% in the Chi square to 0.05 - 0.1% in the t test and lastly to 0.00003% in the Wilcoxon test. This little credibility for the null hypothesis, backed up by all the results using the different methods seem to be pointing towards the conclusion that indeed Loyalty and Relationship are variables linked. This then opens up many more areas of action for the marketer since now the importance may be shifting towards finding out and controlling all the elements of the relationship.

CHAPTER 11 DISCUSSION OF FINDINGS - IMPLICATIONS FOR MARKETING AND BRANDING.

The consumer however, is a high level being who needs the Relationships for the creation of his/her life. The consumer seeks these Relationships in the things he possesses and interacts with, and according to the satisfaction from this interaction he/she proceeds in the stages of the Relationship having stronger and stronger bonds, reaching to the commitment.

11.1 AIMS OF THE RESEARCH

The aims of this research and indeed the thesis were formulated in chapter four, having examined the literature, and the current practice. These aims were used as objectives for the qualitative research that followed. There were two main ones: Firstly, the exploration of the existence and form of the brand Relationship concept, using the human paradigm as a benchmark. This meant, looking at the framework in which this relationship exists and its effects.

The second objective was to provide a framework for establishing a complete definition for Loyalty since this was seen to be lacking in the conceptual form. This was because the main thesis of the PhD has been, that it is this 'Relationship' that actually leads to Loyalty or rather to true Loyalty and therefore it needs to be incorporated in any conceptual if not also operational definition of Loyalty.

11.2 SUMMARY OF FINDINGS

One should note at this point that the term Loyalty, as was used in the research and as it will be used here, conforms to the operational definition rather than the true conceptual one. For this purpose, when Loyalty is used with the conceptual definition the sign © will be given or the word commitment will be used instead.

11.21 THE RELATIONSHIP CONCEPT

When first thinking of the concept of the Relationship between brands and consumers, there were two main ways to examining it (from the literature sources available). One either had to find a similar concept in another paradigm or to break up the concepts in parts and find evidence from past research supporting these different parts. This research did both before arriving at the actual methodology to be followed for primary research and later on the hypothesis to be tested.

The human to human Relationship was examined in some detail, looking for the elements that this could have in common with the theme of the thesis. At the same time, any previous attempts to deal with brand Relationships, as well as other developed areas of marketing that could resemble aspects of the proposed Relationship (in the first stage as it was presented in humans), were examined. In the end, the common ground was there. Relationship in humans could be seen in a number of aspects (that partners should fulfil for each other) and some of these aspects also represented areas where marketing study or practice has been indicating, there needs to be action from the marketer for the satisfaction of the customer. These aspects of the Relationship were then taken and were used as abstract points in the analysis of the qualitative research. There, it was seen that they do indeed exist, and in differing levels between respondents. What was interesting was also that these factors or aspects, in totality, seemed to satisfy this Relationship, and no new aspects were observed. In addition it was observed that it was their amalgamation that made this Relationship stronger. This was later put to test in the quantitative study and the t test results showed not only all vectors to be positive but also of more or less the same magnitude. It was therefore concluded at this point that it is the positiveness of these aspects that contribute to the existence and level of the Relationship.

11.22 THE LINK BETWEEN RELATIONSHIP & LOYALTY

This was one of the main hypothesis formulated from the qualitative research and put extensively to test in the quantitative side. The results have been irrefutable whatever the test.

In the qualitative part, it was becoming evident that the Loyal respondents were expressing statements always on the positive side of the Relationship spectrum in contrast to the Non Loyal respondents who were clearly on the negative side. The quantitative study though put the hypothesis clearly to the test. The constructed questionnaires were aimed to look, not only for the differential treatment (perception) of brands by Loyal and not Loyal consumers (this is something well discussed by researchers - see chapter four), but also to the existence of a Relationship between consumers and brands. The five vectors on which the questions were based, were drawn both from the literature and the qualitative empirical evidence, and the questionnaire was structured in such a way that if a Relationship did not exist, one could not have obtained the positive figures needed for the Relationship classification. Moreover the use of a control for each respondent eliminated the fear of getting a biased sample in one of the two groups.

All questions were analysed individually, and from the numerical set up and the graphs, it was obvious that there was a difference between the answers of Loyal and Non Loyal respondents. The testing of the hypothesis was done using a variety of tests in an effort to demonstrate the findings beyond any doubts.

The Wilcoxon test was employed, looking only at the direction of the difference rather than the numerical number (in case the Likert scale or the double questionnaire used were mal interpreted). The result was a p equal to 0.000006% allowing the rejection of the null hypothesis (stating a non relation between Loyalty and Relationship) at the pre-set 1% level.

Two other important tests were employed in sequence, in an effort to test this and other emerging hypothesis with stronger statistical tests. Although the Chi Square test and the T test for pair comparisons added a number of assumptions to the data, they added credibility to the analysis and the discussion of the findings, due to their being more powerful tests.

The Chi Square method, based on the numerical scores of the actual answers of the respondents, has shown that when respondents think of the brand they are Loyal to, they give a higher than average score on all statements corresponding to the aspects of the Relationship. The result was a p less than 0.001 meaning that the

chance of the set of figures being independent is less than 0.1%. This again allowed for the rejection of the null hypothesis at the 1% level.

The t test for paired comparisons went a step further, demonstrating that there is a clear difference in Relationship scores between the statements of respondents for the brand they are loyal to and another brand they are not. Respondents clearly showed that when they were completing the questionnaire for their favourite brand then they were scoring higher in all positive statements and lower on the negative ones. The t test showed a result of p being between 0.001 and 0.0005 meaning that there was less than a 0.1% probability for the figures to have been produced by random.

11.23 INDEPENDENT & DEPENDENT VARIABLES

As the time progressed, the qualitative research reinforced the original formulation of the thesis, as it concerns the links between Loyalty, Relationship, and Usage. A number of other interesting indications were also observed and tested later on, in the quantitative study together with the rest of the findings (from the first study). These, refer to the link between the market share of the brand and the Relationship as well as the link between a number of individual aspects of the main Relationship such as Equity and Affiliation and Usage or Market share.

The qualitative research indicated that the usage did have something to do with the Relationship level but only when observed in the Loyal consumers. This seemed to agree with the human research, in that the frequency of interaction affects the level of the Relationship when that Relationship is in existence. In addition to this, the level of affiliation and the level of equity were particularly seen to change depending to the usage.

However when these hypotheses were tested in the quantitative research, the results were negative. In both the Chi and the t tests, the p value was greater then 25% for the whole Relationship and the Equity, while the Affiliation resulted in a p value between 10 and 25%, still extremely high for the 1% acceptance level set earlier on. Thus according to the quantitative study, the fact that a consumer is a

heavy or a light user of the product group would not influence the existence or the level of Relationship he/she would have with the brand.

Another hypothesis, arising from the first study, was that the consumers will be influenced as to the level of Relationship they have with their favourite brand, depending on the position this brand has in the market in terms of market share. Thus respondents in the research, were seen to have different Loyalties depending if the brand was a leader or not. The quantitative research denied that with a p value of 0.05 to 0.10 in the Chi Square test and 0.10 to 0.25 in the t test. One could argue that the high acceptance level, set at 1%, is favouring the non rejection of the null hypothesis but this has been chosen as such to ensure the high credibility of the findings. The reader is directed to the section for the limitations, where it is explained that the definitions used for the various categorisation of the variables and the dichotomous split may have not allowed the researcher to test to the full limit all hypothesis.

In addition to the above it was observed from the qualitative research that the Equity, respondents felt for their favourite brand, varied according to the market share, but once again the p value in the quantitative study was between 0.10 and 0.25.

Two more hypothesis were tested in the survey and these were namely: that similarity for the favourite brand depends on the dissimilarity the consumer feels for other brands and that the Equity they feel for their brand depends on the Equity they feel with other brands. Both hypothesis were rejected (although the similarity one only just - i.e. the null hypothesis could have been rejected at the 5% level) at the Chi test. However this was somewhat questionable because the size of the particular cells (less than 5) does not permit the accurate computations of the test. Fishers Exact Test was then employed, and the similarity hypothesis was accepted at the 1% level with a p value of 0.00008 or a 0.008% probability of the figures being in random. This in fact indicates that the similarity aspect of the Relationship is not only a function of the thinking and behaviour of the brand and the consumer but could rather be influenced by a factor such as the dissimilarity the consumer feels towards all other brands in the market.

11.3 DISCUSSION

11.31 THE EMERGENCE OF A MODEL

11.311 Discussion of the results

As the previous section explained, the results have been very conclusive of the presence of a relation between Loyalty and Relationship in the respondents (and to the consumers in general). However what the previous research analysis has not dealt with is exactly what kind of a relation is there! Is the presence of a Relationship a prerequisite for Loyalty or is it the other way round ? What will follow, will be the researcher's analysis as to these issues of cause and effect using the existing data, the theory behind the consumer behaviour and the third part of the field research, namely the feedback questionnaire.

Setting the scene

Given the split of consumers, into those exhibiting a Relationship and those not (using the measures for the Chi square analysis i.e. using the overall mark of 4 as the balance point) and given the consumers answers as it regards the two brands, one can arrive at the following groups:

Consumers (or respondents) can be split in:

(a) those that exhibit both a Loyalty to a brand and a Relationship

(b) those that don't exhibit Loyalty but exhibit a Relationship

(c) those that exhibit Loyalty but no Relationship

(d) those that exhibit neither a Loyalty nor a Relationship.

Groups (a) and (d) are in a sense similar and excluding and the relation has been established before. However what is of interest, is the existence and the reasons for the existence of the other two groups.

(b) Relationship but no Loyalty

There were twelve identified such cases namely P8, P22, P26, P27, P28, P41, P67, P71, P73, P87, P93, P94. The reader should be reminded that these cases are drawn from the second questionnaire of the consumers (where they were asked to answer the questions about a second brand in the chosen category i.e. a brand which they purchase less often or not at all).

The first step would be to identify whether the respondents do indeed fit in the category, using any other way of measuring this. Two other factors were looked at. The first was to check whether all these respondents answered positively to the first questionnaire (showing that they had a Relationship with their chosen brand as well) and the second was to look for the sign of the difference between the Loyal and Not Loyal response rather than just the classification of the absolute number.

Nine of the twelve respondents were thus eliminated because it was shown that the sign was positive (i.e. there was a difference in the magnitude of the Relationship between the Loyal and Non Loyal brand in the favour of the former). This meant that the respondents had either been wrongly picked up as outliers or that they did indeed have a Relationship of a lesser extent with another brand.

Looking at the theory, one could see that in the case of the Variety Seeking behaviour and Habitual behaviour (section 2.2124) this double Loyalty could be common. In the former, it is common, when the consumer is indeed a loyal and Heavy buyer of a brand. There at times of low stimulation the emphasis is to seek a substitute brand for a change and consequently to get some stimulation from this. This substitute brand could simply be another favourite and as a result the consumer can again simplify the decision process. Looking at the characteristics of the nine respondents one can observe that they are all classified as heavy users of the product class and thus this explanation seems to gain credibility. It is therefore very probable that these consumers have an 'evoked set' (Howard 1968) or to be more precise a 'consideration' set (Kotler 1991) of more than one which would usually be the size of a Loyal consumer purchasing on a habitual basis (Traylor 1981, Engel 1990). Thus, although they have adopted a habitual behaviour

concerning the product's purchases, they also have other brand(s) as second favourites in order to have the ability to turn to Variety Seeking behaviour.

The interest is now on the three remaining respondents who seem to fall on both the two categories mentioned in the beginning. This is because the three respondents, P22 P26 and P87 show a Relationship with the brand they are not showing a strong purchasing preference, and at the same time they are showing an absence of Relationship with the brand they are purchasing most often. It would be more interesting to examine the two sides of the problem together. One can first look at the second category only, so that later everything is in place for the analysis of these two outliers.

(c) Loyalty but no Relationship

Using the tables for the Chi square analysis, a total of 25 respondents are pointed out as not having a sufficient score for the Relationship classification. However as mentioned before, looking at the sign of the differences in the scores between the respondent's answers is a more suitable indication of a Relationship than the absolute score or the absolute difference.

Once this sign was examined for the above group of respondents it was found that indeed the outliers were reduced to 5 namely the two mentioned in the above section i.e. P22, P26 and three new ones P39, P57, P61. The last three have not shown a Relationship with the 'non Loyal' brand as Chi scores were concerned but neither have they shown a Relationship with the 'Loyal brand'. The difference sign is negative and although in some cases of a small magnitude (P57's is 0), it does qualify them to joining the other two in the true outliers group.

Looking at the feedback questionnaire

This questionnaire can be seen in appendix XI. It was given to respondents after having explained to them the purpose of the research. The questionnaire was asking respondents to state, whether, in their opinion, they should have been classified as Loyal consumers and then it asked them for a rating as to the influence

of the aspects of the Relationship that would make someone Loyal. The aspects of the Relationship (the vectors) then explained and consumers used the 7 point scale to indicate the agreement or disagreement.

This questionnaire was never intended to be used as a scientific instrument and thus its simplicity and reliance on oral instructions and explanations. However one could use it to look at individual cases and examine closer the causes of an outlier behaviour.

The ratings for the five outliers were as follows:

Respondent	P22	P26	P39	P57	P61
Similarity	6	3	7	4	6
Need for Affiliation	7	3	5	6	7
Equity	7	6	5	5	6
Reinforcement	5	4	5	7	6
Attitude of brand	6	3	6	6	7

One can also look at the differences per vector (from the previous analysis) and therefore one observes that all these respondents have a problem (a negative sign) with the vectors of Reinforcement and Attitude of the brand which coincides with the above table (although in all the cases not the most important factors).

The three respondents may have therefore been indicating that they are frustrated or alienated with the level of support or reinforcement the company is providing them and the negative attitude of the brand towards them. This is made worse by the fact that another brand is covering the ground and providing the opportunity for a better Relationship.

So why are they not switching their purchases to the other brand?

Comparing the outliers within

If one starts comparing the responses of the three outliers with one another, one can get to a number of interesting observations. Firstly the three respondents P22,

P26 and P57 are stating in the feedback questionnaire that they consider themselves to be Loyal buyers and they further explain that the reasons they think that, is that, they like more the designated drink! It could be therefore the case that one could be observing one of the following:

(a) The sign difference is simply a matter of overmarking or undermarking unconsciously in one of the questionnaires

(b) The respondents are indicating a tendency towards liking more another brand but this is not strong enough at the moment to change the decision making process or to switch the brands in the 'choice set'.

(c) Although they are disappointed and angry with the first brand, situational and environmental factors force them to continue with the repeat purchase.

and in the cases of (b) and (c)

(d) their answers to the question about Loyalty are part of a Dissonance behaviour (See chapter 2 section 2.21352) since they know they have completed the questionnaire with the first brand as their most-often-purchased brand.

The cases of P39, P61 are slightly different because they state that they are not Loyal buyer of any brand and they believe that a True Loyal person would need to have higher scores in the vectors. In this case, one could still wonder why the purchasing pattern has been like a Loyal respondent? The answer must once again lie in the factors mentioned above or in these below:

(e) the respondent is only buying the brand on a regular basis because he wishes to simplify the decision process to a habitual one and if there is a possibility to easily change this to another brand he will do it (see discussion later on). It could also be that there is no other brand available that can satisfy him/her and therefore the consumer is satisfying instead of optimising. This is important because it means that there is an empty position in the evoked set in the minds of these consumers and a new brand could easily capture that.

(f)The respondent has a strong loyalty to the source (because of other reasons) and the brand is the only one available (from the other brands in his choice set) there.

This source could the vending machine near his house or the university refectory and so on.

The Cause and Effects - a conclusive note.

This section has started with a question, namely: considering that there is a relation between the Relationship aspects and the loyalty observed in consumers, which is the cause and which is the effect?

Although a definite answer would probably need more specific research, one can attempt to summarise here what has been emerging from the analysis:

1. There can be an observed Relationship but no classified loyalty.

This is true if one defines that Loyalty can only exist towards one brand, and therefore a respondent that has a choice set of two, can alternate between brands and is either not Loyal or he/she is Loyal to the brand passing the classification barrier.

This would be especially true in Heavy/Loyal Consumers when Variety seeking behaviour is done. The consumer is therefore having a second or third Relationship with a brand for the occasions of switching. One can also include here the fact that the Relationship may need to pass through particular stages before it results into Loyalty. This means that consumers may be building up a Relationship with a brand but still not adopting a repeat purchase behaviour (not passing the Loyalty threshold) due to other situational factors or the need for this Relationship to be at a higher level before Loyalty is given.

It could also be that the consumer has moved from one brand to another but still maintains the links (or the likes) for the old brand. The Relationship is still there although there might be a stronger Relationship with the other brand leading to a repeat purchase of the latter.

2. Loyalty can not be present without the Relationship.

The findings here might be somewhat controversial since on *prima facie* some consumers were seen to present a Loyalty purchase for a brand where the Relationship with other brand(s) is higher than with the former. However one can seriously question the definition of Loyalty (Andreou 1994) at this stage (The reader is also referred to the discussion in Chapters 4). In the research, Loyalty was measured in a simple way, by the amount of repeat purchases for a brand over total purchases for a period, which is one of the widely used methods (Day 1969, Farley 1964, Raj 1985, Brown 1952,1953, Cunningham 1955, 1956 and many others). However, this although it works on average, does not deal with the problem of repeat purchase due to situational or other environmental factors. Respondent P39 states explicitly that he is not a Loyal consumer of the particular brand but yet he has been classified as one due to his purchasing pattern, and subsequently he is the one found to be an outlier in the research. Since these consumers are not committed or have any links with the brand then Loyalty as such cannot be present. Repeat purchasing, yes but true loyalty© no (one should refer to the discussion of loyalty in the next section).

This leads to the conclusion that had a conceptual definition of Loyalty© been used, then the outliers would not have been classified as Loyals© because they are only exhibiting a repeat purchase pattern. The Relationship level can thus be seen as the heart of the Loyalty© concept and the differentiating devise between Repeat purchasing and Loyalty. This therefore implies that it is this relationship that adds and reinforces the commitment aspect in the Loyalty©. At this moment, one can therefore support this finding (of the non possibility of the presence of Loyalty without Relationship) albeit with caution.

3. Relationship will always exist between consumers buying a particular brand.

This refers to the fact that where there is an interaction there will be an observed Relationship albeit of different magnitude. The bigger and the more complete (in terms of all aspects) this Relationship and the more the repeated purchase, the more likely it is that the consumer will develop a Loyalty towards the brand. If however one of the links, that is the aspects of the Relationship, is malfunctioning, then the

more probable will be that the consumer may be alienated and look in developing a Relationship with another brand.

The emergence of a model

This discussion and the results of the research are pointing to a particular direction, and this is that different consumers buying the same brand, do not necessarily have the same attitudes or feelings towards it. This is neither novel nor outrageous. In the marketing literature, there has always been discussions about the loyal buyers of brands, the occasional buyers, the multibrand buyers and so on. One can not ignore that industrial marketing (business to business) is based on the premise of customers differing in their degree of commitment. However, this research has been demonstrating a new interesting concept. This is the fact that a brand's buyers can be segmented in terms of the Loyalty or rather the purchase pattern they exhibit, and the Relationship they have with the brand. Thus the following table can be observed:

Table 11.1 A model for the distribution of a brand's buyers

	LOW RELATIONSHIP	HIGH RELATIONSHIP
LOW LOYALTY - REPEAT PURCHASE PATTERN	Occasional buyers - as a variety seeking - or first time buyers - or even impulse and promotion sensitive switchers	Relationship with a few brands using variety as a stimulation tool - second best brand for when gets bored of favourite - distribution or source problems - old brand having changed because of social or situational reasons.
HIGH LOYALTY - REPEAT PURCHASE PATTERN	Repeat purchase as a simplification to the decision making - ready to switch if something else offers a better deal and a Relationship- loyal to a source/retailer - influenced by the situational factors - could be buying the leading brand	TRUE LOYALTY© COMMITMENT

This is indicating that although a marketer can observe a total sales figure or a market share for his/her brands, the distribution of the buyers may be very important for the next strategic decision. The choices could be totally different if a lot of the sales are coming from buyers in quadrant four, where there is a total commitment and true Loyalty© towards the brand, than if the sales are coming mainly from quadrant 1 or 3 where the promotional strategy of the firm and of the competition could have disastrous effects on the market share. The strategic considerations would be seen in section 11.4.

As a general conclusion at this point one can say, looking at the previous statements 1 and 2, that this emerging Relationship seems to be the cause for

Loyalty© rather than the other way round. One should note again that the term Loyalty© is used to mean the true behavioural and state of mind attitude rather than the observed action in the purchasing field. However the only way a researcher can be certain of a particular relation, is to actually induce that relation through experimental means and under control situations, something that was not done here or anywhere else. This may mean that the challenge remains open for the researchers and until the time of doing this, the statement of the cause and effect should remain with a question sign attached to the end.

11.32 EXPLORING THE RELATIONSHIP CONCEPT

The concept of the Relationship has been explained before, and it has been used to define loyalty and to look at the relations between other variables and loyalty. However, at this point one must try and capture this concept and try to understand how it functions, how it is created and also how it can be analysed.

11.321 Creation of Relationship

The creation of the Relationship between brands and consumers is a result of a number of different actions by the company that are projected either intentionally or accidentally to the consumer. These actions could also be split up into direct (that are projected directly from the company to the consumer, i.e. an advertising campaign) or indirect (that are actions the company does in the management of its functions and are seen by the consumer as part of the brand e.g. the lay off of personnel may have a negative impact for a company's image affecting also the image of the brand).

A number of the factors direct and indirect that seem to influence the consumer's view of the brand and also the progress of the Relationship have been identified in the qualitative research. The main ones are:

Advertising:

Advertising has been seen as a major influencer and one has to distinguish between the straight forward message that is received by the consumer and the unconscious message that the consumer receives, many times without the knowledge of the company. This includes such things as the projected attitude of the brand, that as we have seen could be very important in the Relationship. This attitude will be perceived by the consumer depending on the tone and general structure of the advertising campaign. One example from the qualitative research was the rejection by the Coca Cola Non Loyal drinker as to the messages communicated from the brand. These portrayed the brand with too much happiness and perfection in the world of Coca Cola. The consumers in this case, rejected the brand emphasising at points that they either felt exploited or that Coca Cola was attempting to lure them with this perfectionism.

Within this comes the question of celebrities; again in the early part of the research there has been seen that respondents use the celebrities to associate with the brand. This is not necessarily a bad thing. The aim of using celebrities is exactly that, to really ensure an association with the desired image and to gain a rapid recognition and awareness of the brand due to the celebrity association. However these celebrities could project a variety of images and the company may not necessarily want all of them to be associated with the brand. In the research, respondents have indicated that the use of M. Jackson for Pepsi was not exciting for them nor adding to the prestige. At points there was even criticism to the level that the use of such personalities was damaging feelings of Affiliation and was creating a negative Attitude for the Brand. In addition to this, when the fees for such celebrities was given in the press there was a questioning as to the soundness of their use, with the respondents feeling that the reinforcement they were getting was inadequate because the company was overspending unnecessarily. Although the use of celebrities may be more targeted to attracting new customers (through the recognition effect and the awareness impact and associations), this effect it seems to have on the existing customers rings the alarm bells. Therefore more investigation is needed and the monitoring is essential to prevent a leakage in the market share basket. One can add here that Pepsi have stopped using celebrities in the recent campaigns especially after Michael Jackson was accused for sexual abuse to minors.

Promotions

Promotions have also been seen as having an active part in the Relationship, since the consumer could be evaluating the Equity and/or the Reinforcement he/she is getting from the brand and the company. Another area that promotions could affect is the area of affiliation, in the sense that promotions could be helping the different people feel together as a club, either because of the promotional action or the outcome as well. An example of this is the promotions of brands like Coca Cola with the giving away of hats, t-shirts and so on, with the Coke emblem which help in the strengthening of the club feeling.

Packaging

This could again affect the whole identity that is projected from the brand. The packaging whether consciously noticed or unconsciously conceived could have an importance as to how the attitude of the brand is perceived or even the similarity between the brand and the consumer. It is true that in real life the way people dress not only tells us things about them but also predisposes how we would react to them. The packaging could be signalling a number of things about the brand and the values it carries with it. The packaging may be signalling whether the brand is a traditional one or one that moves with time. These attributes may be very important not only in choice but also in the selection of the brand to have a closer connection, a Relationship. The packaging is thus an extension of the advertising and a crucial part of the identity process.

Distribution, Price

These are factors that in terms of the Relationship could be affecting the perceived Equity in the Relationship. In the research there have been many cases whether the consumers expressed a feeling of negative equity because they felt their brand was not making an effort to be available where it should have been. Again, these would be important as to the projected identity, in terms of not producing any conflicts.

Corporate Identity

Although this may seem only necessary in monolithic structures, it is gaining importance in the rest of the structures as well. The consumers are now more aware of the companies behind the brands and they watch the totality of the actions they do. The performance of the company or the aggressiveness in the market may lend associations to the brand which in turn may affect the perceived Reinforcement or even the affiliation felt by the consumers. The actions of the company as for reducing personnel or closing deals in the market may be a key signal to the consumers as to the image of the brand itself and therefore affect the Similarity aspect as well. Along the same lines comes the visual identity of the company and the relation of the company with issues important to the consumer such as the Environment or even more localised issues such as the schools in the area (see the examples on the TEXACO campaigns in chapter 4). Therefore the management of the Corporate Identity program may be crucial for the development of a good Relationship between the brand and the consumer especially in the Monolithic and Endorsed type structures.

Other Associations

This is an idea that can be found in Kapferer's (1992) line of thinking, that the brand is associated with a number of elements in the environment whether these are Relationships (La Vache que rit - mother child Relationship), Countries (Pepsi - American) or even values (Intel - highest technology). These associations then can create an identity in themselves and even change that as the perception of the associated feature changes. Thus if Americanism is in fashion in a place (e.g. Eastern Europe) then Pepsi may becoming more popular. This would be so also because the associations allow the consumers to identify with the brand (Similarity), to determine the worth of it (Equity) and the way it treats them (Attitude of the brand).

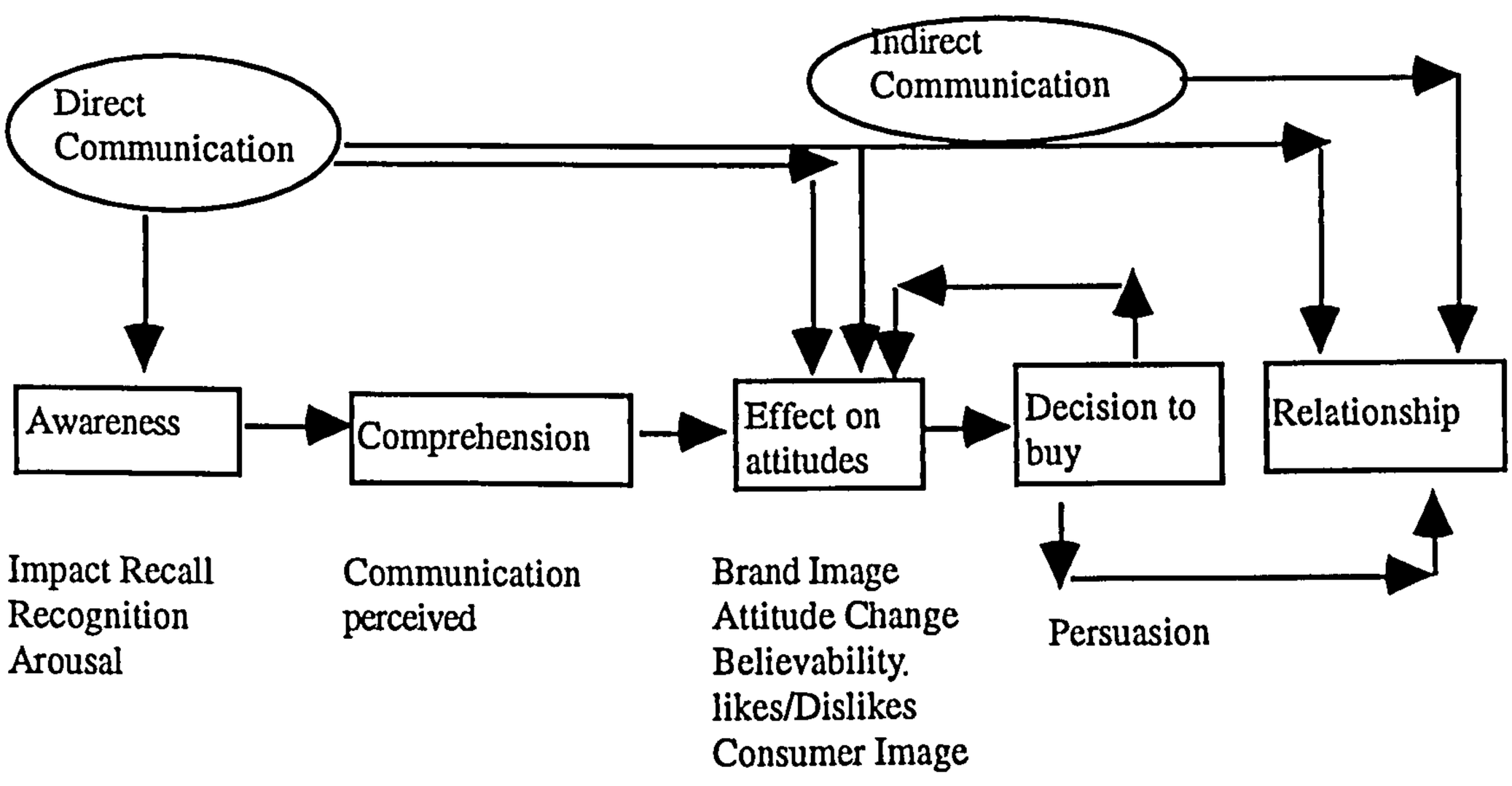
One can therefore see now how the direct and the indirect factors affect the Relationship. The direct ones could be the Advertising, the promotions, the packaging, the corporate Identity program where as the indirect ones could be the distribution and pricing strategies, the various associations, the celebrities'

perceived image and the actions of the company behind the brand. As it has already been discussed the direct communication policy may unconsciously project a number of undesired effects, where as the indirect one has to be constantly monitored to avoid potential problems.

A danger at this point must be any conflicting images that could be passed on to the consumer. That means that the company may be trying to communicate to the consumer a particular image so that the consumer begins to feel a similarity , and the promotional programs and the packaging all aimed to create a sense of Equity and Reinforcement, Affiliation and positive Brand Attitude, and the (anti-racist) consumer receives an indirect communication (through the press) of the company's rejecting attitude towards minorities. Or imagine the stress on the Relationship between consumers in Granada and soft drinks brands when America invaded Granada (and Pepsi or Coke are seen as the flagship of the American nation).

Lannon & Cooper (1983) presented a version of the following model concerning the effect of communication on the consumer. Here, the model can be modified to show the flow of the process in terms of the decision to buy.

Diagram 11.1 Model indicating the stages in consumer decisions and the effect of communication (adapted from Lannon & Cooper 1983)



The model shows that the consumer passes from number of stages and the effect of direct communications can be measured using different tests at each stage. However the effect of indirect communication is difficult to measure and its effect is going to be not only on the attitudes but also on the Relationship itself once it is formed. Direct communication can also be seen to have an effect on the Relationship as explained earlier on.

11.322 Analysing the Relationship

One of the earlier papers that talked about the analysis of Relationships was the one by Blackston and Holmes (1983). As a matter of fact though, they were referring to the interactions between the brand and the consumers (the Relationship concept was introduced much later on by Blackston in 1992) and together with the article of Lannon & Cooper (1983), they were the first ones to introduce the technique of Transactional Analysis (TA) in this field. The reader is referred to the discussion on TA in chapter four.

It is the belief of the researcher here, that TA could indeed be a valuable tool to be used for the specific analysis of Relationships. In the first place, the evidence from before (Blackston & Holmes 1983) indicate that the use of it in branding is suitable as it concerns the analysis of the communications sent by the brand to the consumer, and they demonstrate this with a study done. Secondly, the advantage of TA techniques is that it could help identify the problems and at the same time offer solutions to them. This is, in the way of identifying the elements necessary to change or the aspects of the communication that could be annoying the consumer. On the other hand since Transactional Analysis is a tool to look for the possible problems in the transactions of two individuals, it could be a powerful aid to show why people could be developing or maintaining different links or Relationships with the same brands. If for example a particular group seems to have a well-developed Relationship with the brand then one could see the way the transactions between them are handled in the context of TA and compare this with the type of transactions someone from another group has with the same brand. The use of TA is however more for situations of problems where the marketer needs to know why a particular targeted segment is not responsive or is even negative to the interaction.

To demonstrate the use of TA, a section of the qualitative research was taken and analysed and the results are given below. One should note that the research was not done to provide information for this type of analysis and thus this was not extended to the whole of the research. In the cases where the marketer observes a problem in the Relationship between the brand and the consumers or segments of these consumers then a full TA study is advised where the tests done and the information gathered could be used directly in the analysis of the problem and the corrective action could be formulated.

Before moving on with the demonstration of the technique in the research, one must remember the basic theory behind this, that refers to the idea that interactions between two persons are made up from the transactions coming from each party's Ego state. This Ego state could be one of three, Parent, Adult, Child and they are represented in the following form:

Parent : Authority, Judgmental, Critical (N), Concerned (P), Comforting (P), Reassuring (P), Disapproving (N) - Good/Bad, Should/Should not, Must/Must not.

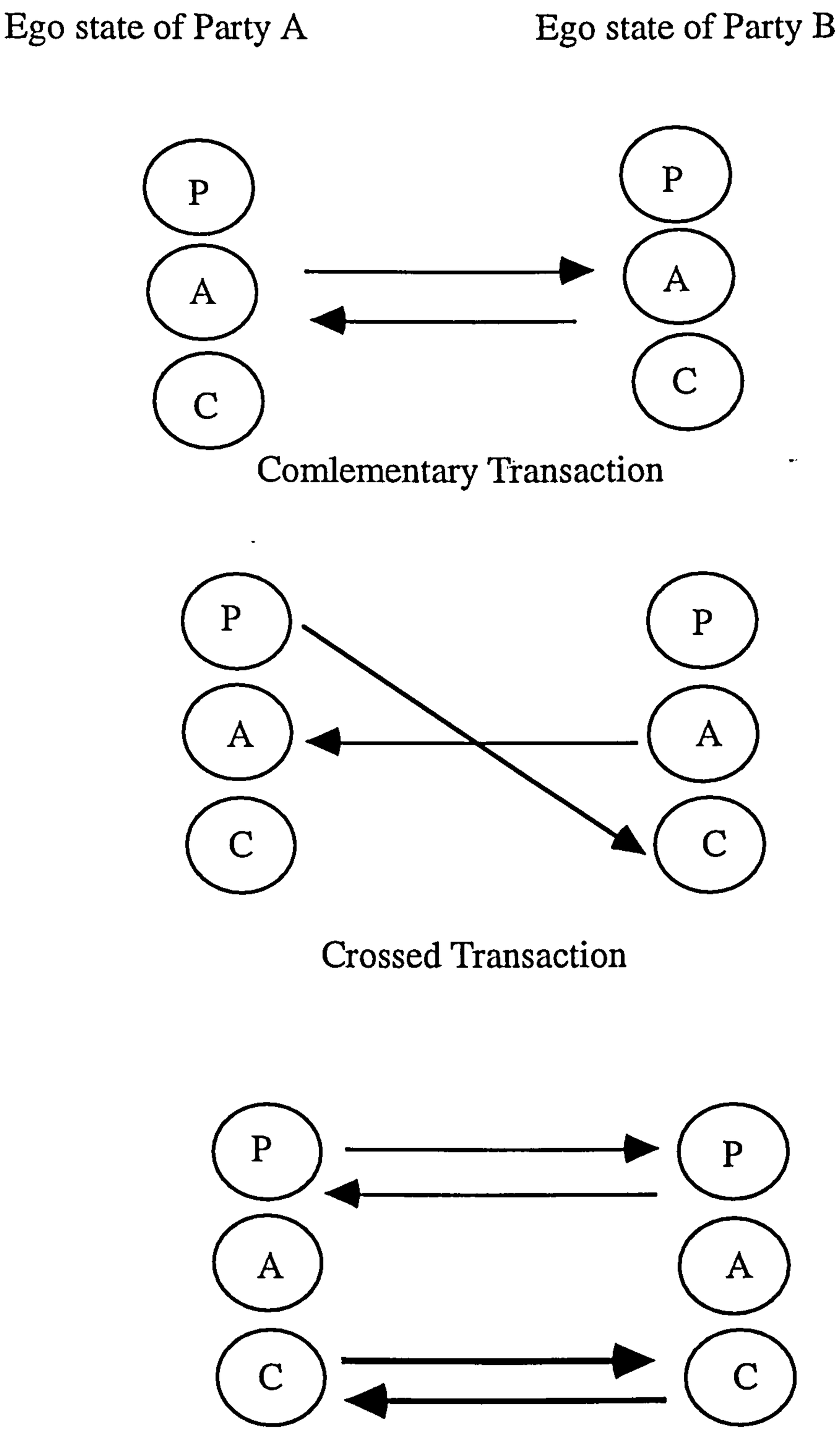
Adult : Objectivity, Evaluative, Calm, Even, Low involvement (N), functional Values (P).

Child : Instinct, Emotion, Spontaneous, Assertive, Fun Loving, Defiant (N) - sensuality (P), pleasure (P), warmth (P), hostility (N), fear (N), vindictiveness (N).

P = Positive Relationship N = Negative Relationship

The following diagram shows the three forms and the possible types of communications between them. These communications can take one of three forms : Complimentary, Crossed and covert (Complimentary or Crossed).

Diagram 11.2 The different Ego states in TA and types of transactions.



In the case of Complementary Transaction the interaction and therefore the Relationship is successful. The two parties are able to 'play a game' (Berne 1964) and there are no problems in the Relationship. On the other hand, the Crossed Transactions is a signal of problems. The interaction is unsuccessful and if this continues, the two parties are not satisfied from the Relationship feeling that the other party does not understand them or that they are simply at different levels. They are therefore less willing to continue with the 'game' (Relationship).

An interesting case is that of the last diagram where the transaction is a covert one. This occurs, when the two parties have a complimentary transaction on a social or overt level but at the same time the main transaction is a complimentary covert one at the psychological level. This is the case when the parties are trying to cover their Child Ego (emotions, sensuality and so on) by carrying out the transaction at a 'socially accepted' level of the Adult or Parent Ego. The Covert transaction and the overt one could be, complimentary or Crossed.

The Pepsi respondents' statements were analysed with TA, both in terms of their Relationship with their brand Pepsi and also with other brands (Coke).

Statements/ views :

From respondents to Pepsi:

"Pepsi is a kind of sweat thing ..."

" I will always say come on, get a Pepsi, I will have a Pepsi today ... (I don't believe in being Loyal or better or that... it just ..)Pepsi's got a special place in my heart "

" To the older person the can would try to talk to them reasoning on how it is a good digestive."

"I think Pepsi is better (healthier) for me anyway ... I got the impression Pepsi is better ..."

"I am not bothered but for some reason I tend to buy Pepsi more..."

" You don't think about buying it, and then you see it and you take it .."

"The motto does look more attractive. probably that's why I buy more Pepsi, it is more eye catching ..."

"Pepsi is going to say the taste is better, isn't it?"

From Pepsi to respondents :

"The Pepsi can would say :Come on try something different .."

"the Pepsi can would say : Pepsi, Pepsi, Pepsi,... Peps ...Peps..... just like that"

"Drink Pepsi, the choice of the New Generation .. trendy ..modern (who wants to drink old fashioned Coke ?)"

"Come on try something different .."

"OK, I may be a pigment of your imagination but I am also the 'choice of the New Generation.' .. buy me! I will take you away to a better place !"

"He would probably encourage the regular drinker by saying yes, you're doing the right thing. Whereas, the indecisive one would probably say, "you don't know what you're missing if you don't try".

(The following comments were made after the showing of a video where the emphasis was on the new look of the Pepsi cans using a humoristic story with a Ferrari and a top woman model. One can see the Child state being covert from the Adult state in wanting the fun side but socially accepting it is not serious).

"Looking at the new car, this really good looking girl and all the kids could say is 'what a great Pepsi can.' I think it's mickey taking a bit, but it applies to men more than women. Well it is funny".

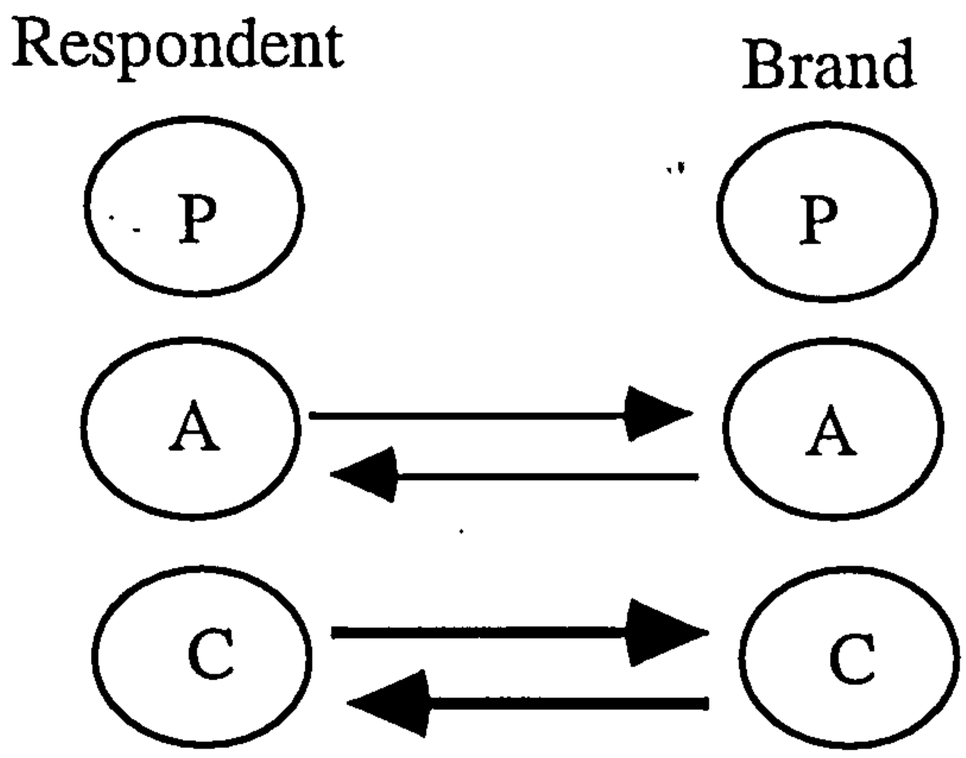
" even though it's a mickey take, having a beautiful woman in it it's still going to apply to men - attract first, then make you laugh. But it is good, because it still makes you laugh.

Loyal Respondents are therefore seen to have a complimentary transaction with the brand at the Adult to Adult state. The brand is talking to them on an even or sometimes straight forward tone and they are responding again at the adult state liking the functional aspects (one can point out to the functional similarity seen in the analysis which shows the consumers stating a functional benefit from Pepsi - i.e. helps with the stomach pain, the sweetness and so on), and thinking Pepsi is much better, healthier, sweater ....

But on a closer look this can be seen to be a truly covert transaction for the Child to Child complimentary transaction. The emphasis from the brand is really on the emotions, the spontaneity, the 'follow your instincts', 'I will take you to a better place' and so on. The tone is more for fun loving and the respondents are also

replying in that mode. One can detect emotions, impulse behaviour and thinking, a tendency to follow an instinct (in the sense that I think or I prefer that with no reason..). Therefore the Relationship is successful since the respondents are satisfied as to their requirements to the game. They get from the brand the adult overt state but what is motivating them is this child state of sensuality and fun loving which is where they feel the same. The transaction is seen below:

Diagram 11.3 Covert Transactions between Loyal Respondents and Pepsi



However these transactions are not always the case. In many instances it can be observed that the transaction becomes crossed, since in the communication of Pepsi to the respondents, there are elements that are not liked.

"Pepsi is like the Superstars singing on stage, drinking lots of Pepsi which doesn't impress me."

"I mean what bothers me in some of the adverts was that you actually saw all these famous people drinking Coke and going .. 'Ehh " take me away' making fun and Pepsi gives them magic ... I don't know, it's like using any means to capture attention ."

"I 'd rather have none of them (Pepsi / coke advertisements with famous people.)"

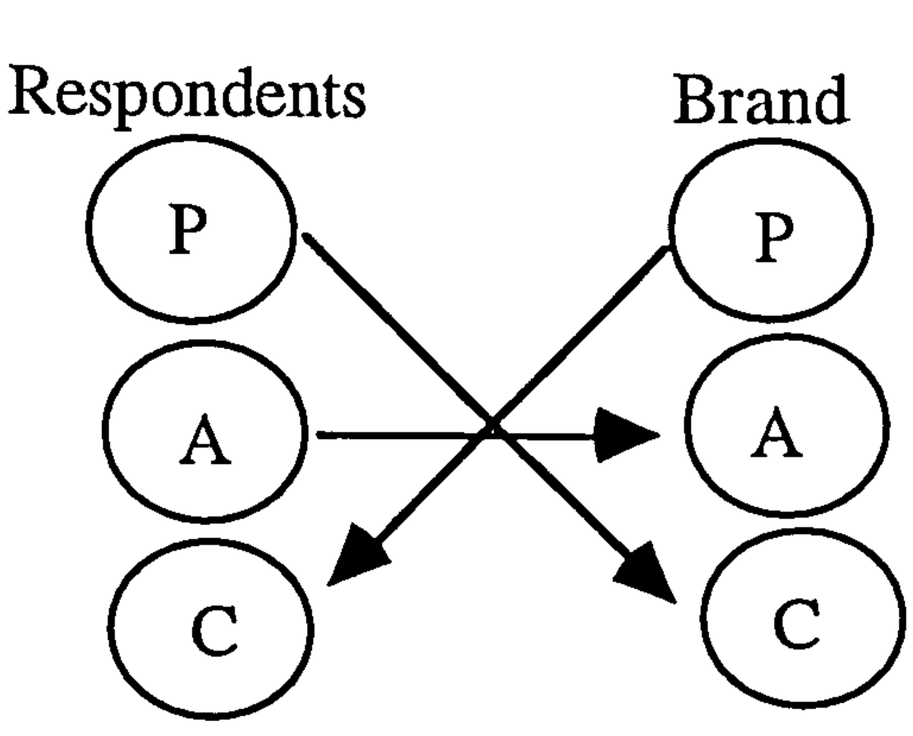
" I find it really really sort of petty and tacky... people should be brighter than that."

"I mean ... if that's the impression they want to give you, that you will do anything to drink Pepsi ... it's like make you feel sort of a fool .."

"If Pepsi wants to convince me .. it should try something else .....diet Pepsi ..(must advertise) how many calories it contains or how healthy it is .."

The respondents thus at times are indicating that the approach of Pepsi is more that of a Parent state talking to a Child state (authoritative, demanding, telling them what to do or not, critical of others) and as a result the respondents take a Parent to a Child view (criticising, judging the communication, being concerned and showing elements of authorities well). Also they sometimes become Adult to Adult, stating objectively the problem and their lower levels of Involvement. This means that the brand is not successful in getting through to the covert Child to Child since at the Social level it is not portraying a clear Adult to Adult. The reaction of the respondents to a Parent to Child communication of the brand is to simply adopt the same Parent to Child. Thus the transaction becomes crossed and bad feelings are seen as to the Relationship.

Diagram 11.4 The observed cases of Crossed transactions



The respondents are therefore seen to have problems at times with the interaction with their preferred brand. These problems are perhaps responsible for the different layers of loyalty or Relationship. This is so since the respondents are not indicating this to be a continuous problem but rather at specific times (i.e. because of a particular campaign or the use of particular people or tone of communication in a particular instance). Thus the majority of the interactions or the transactions are complementary and the main Relationship is maintained.

One can see here the difference between the views of the Pepsi respondents as to the transactions between them and another brand. Since Pepsi and Coke are mostly considered as the two alternatives, the respondents were seen as giving their

opinions and views on Coke when asked for other brands. There is a definite cross transaction there which obviously impedes any further Relationship.

Coke to consumer = Parent to child ie promises trying to allure him, tempt him using non realistic promises

"You see billions of people and they are all dancing you 'can't beat the feeling' ...it is kind of stupid and it shows you that Pepsi is so much appealing."

"Coke would be pretentious, doing things the right way .."

"Coke would be putting across the idea that drinking Coke would change your life ... be able to go out, get a nice tan, good looking girlfriend, live in California ..."

Or simply being passive, low involvement like a negative Adult to Adult state.

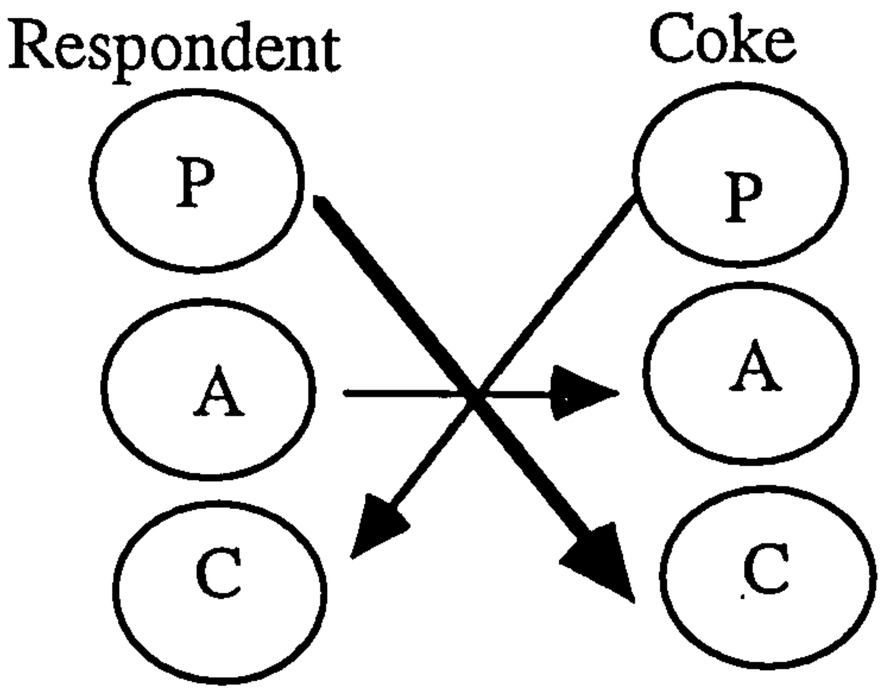
"I don't think the Coke can would try as hard .."

"(the Coke can would) be more passive ."

But Consumer to Coke = Adult to Adult (when Coke goes as Parent to Child) " Look at the facts nothing is going to change"

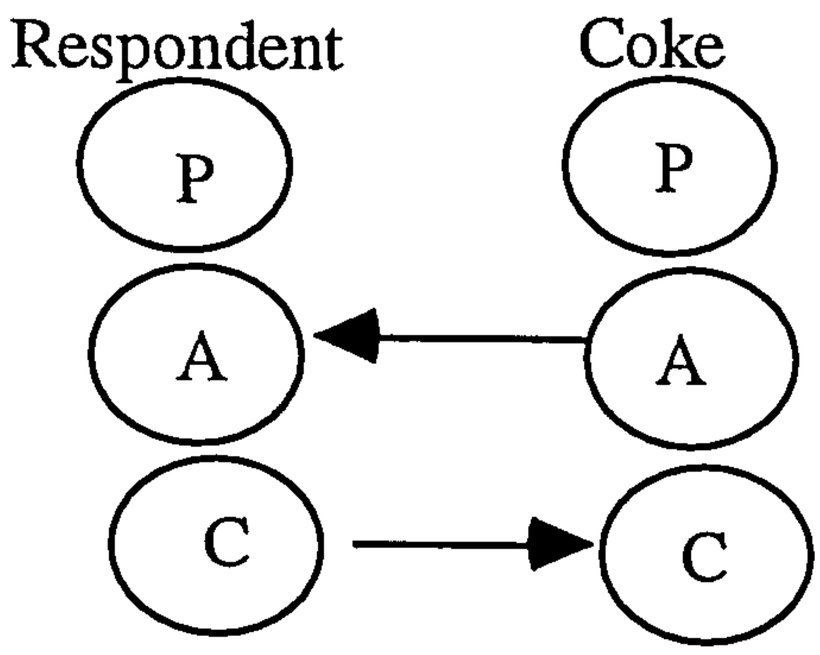
or covert Parent to Child " I read your games but they have no effect on me"

Diagram 11.5 Crossed transactions between respondents and Coke



whereas the covert transaction from the consumer has been Child to Child (need of emotion, attention ...) as seen before in the Pepsi transactions.

Diagram 11.6 Covert Transactions between Respondents and Coke



"I hate Coke adverts. They try to portray everyone would be happy if they drank Coke; have a certain way of life; drive open-top cars."

"Coke adverts never seem to change."

"Yeah, they are annoying, they really get to me."

"they are easy to see through every in California on the beach having fun - it's what people want to see."

As it was stated at the beginning of this section, the emphasis has been more on demonstrating the usefulness of the TA technique in analysing brand Relationships rather than to show a particular case or to demonstrate how to adopt the technique. Since the technique is a psychotherapeutic one, one could wonder whether a marketer could employ it fully without help from a specialist.

Blackston & Holmes (1983) have shown that this kind of qualitative study can be taken a step further, turning the analysis into quantitative (should sufficient numbers be available) by tabulating on the kind of the transactions present by each respondent. Thus in the end the marketer would know the percentages of the respondents that present particular transaction problems, and in a sense the particular problem. Thus the communication of the brand can be changed from functional to emotional or *vice versa* and so on, to accommodate the needs of the parties involved.

Another idea coming from the same paper is to use the different means of communication in the research (in the case of Blackston & Holmes, they refer to

brand name, packaging, advertising and product trial, although in this case one can integrate the direct and indirect communication discussed earlier on) in stages, observing the differences in the transactions to predict possible problems. Thus stimuli are introduced one at a time, until all are introduced together, and the transactions are recorded by asking the respondents to make dialogues with the brands at each stage. The results can be quantified and analysed as previously, and the communication problems can be traced.

It would therefore be the suggestion at this point to use TA in order to resolve specific problems or to identify a particular communication problem (indirect as well as direct), but with the help of a specialist in the area. This would undoubtedly increase the knowledge the marketer has on the unconscious or subconscious interactions the brand is having with the consumers that on a face value may seem perfectly normal but may indeed create big problems.

11.4 IMPLICATIONS FOR THE MARKETER & STRATEGIC CHOICE

11.41 RELATIONSHIP & CHOICE

As it can be seen, the Relationship is closely linked to loyalty and commitment, rather than to choice. This could indicate why the marketer has been ignoring this element in strategic and functional decisions. The emphasis so far has been on how the consumer chooses, how the consumer decides for a product or a brand and the evolution of attitudes in relation to this. In addition, the mal-definition of Loyalty or the confusion of Loyalty with repeat purchasing has been leading the marketers to pursue policies aimed to capture this first purchase in the hope that the maintenance is automatic. The consumer however, is a high level being who needs the Relationships for the creation of his/her life. The consumer seeks these Relationships in the things he possesses and interacts with, and according to the satisfaction from this interaction he/she proceeds in the stages of the Relationship having stronger and stronger bonds, reaching to the commitment.

Thus the abundance of models that exist to look for the preferred choice, can be showing a mixture of effects. On one hand, the consumers are responding as to their evaluation of a particular brand given the characteristics of the brand but on another hand this evaluation may not mean actual choice or purchase. This is because the consumers may evaluate highly a brand but still buy another one they have a Relationship with. This may be more the choice when the product is a low involvement, non durable one since the consumer may rely more on the Relationship for the choice (in an effort to reduce the risks at less cost.) In many cases when the author has used a Multidimensional scaling tool to identify which brand fits a segment better, the results were, surprisingly, as described above. That is, brand X was plotted as closest to the preferences of the people (from their views on the evaluation of attributes of the brand and the competition), but the market leader in the segment was Y. The people even at times admitted they liked X but Y was the one they always had bought. In higher involvement purchases though, this could be different, because of the dissonance behaviour as to one's belongings (therefore ratings can differ - being more subjective), and probably there would be more careful consideration and evaluation of the different choices.

Thus the findings of this research and indeed the analysis presented in this chapter is an attempt to stochastically augment this field of knowledge and implement a number of hypothetical models that can explain better how the consumer moves on, from the first stages of the interaction with the brands. Consumers are after all, human beings, and thus it is only logical that they would transfer their thinking process/ behaviour from one area in the life to another. The interaction with people results in Relationships; so does the interaction with brands. People look for the various clues or aspects to determine how much to give to the Relationships they are involved with other persons; the same they do with brands. The commitment is therefore the outcome of a hard work from the part of the brand or the company because the consumer needs to be persuaded to 'monogamy' and that implies a great effort from his/her part. He/she therefore needs to see the brand trying, to attract, to offer, to listen, to understand, to reward and generally to maintain the Relationship positively.

The Marlboro case

Note : Although the discussion is based on the treatment of the Marlboro Friday by the economic press, the assumptions on which the analysis is based reflects solely the author's views.

The 'Marlboro Friday' in April 1993 has been a classic example in the recent years of the loss in power for mega brands. It was also a sign that these brands no longer can command higher prices or loyalty, and that the new competition was making the market price sensitive. On that particular day, Philip Morris the company behind Marlboro cigarettes, announced a cut in the price of the leading cigarette in the US market by 20%. This strategy though, has been seen by the economic press both as inevitable and self destructive. Following that, the R.J. Reynolds company (owners of Camel cigarettes, the main competitor for Marlboro) announced that it must maintain its competitive position signalling that a price war was not an unlikely event.

Even the critics of this strategy, admited that Philip Morris, the company, had little choice when faced with the growing market share of lower priced cigarettes. The problem, according to the economic press (Economist, Financial Times and so on) was that consumers have started realising that the difference between these cheap alternatives and the high price brands was not worth the extra price. They were thus seen to switch to cheaper alternatives, saving money, and at the same time destroying millions of dollars of goodwill that Philip Morris had created through the years. The consumers, it seemed, no longer cared about super brands, or quality. They were only interested in what they paid for their smoking pleasure and they were able to realise through the different brands that the differences were small, something they had not realise for decades now.

Could that be all the truth though ? Or could it have been, that Marlboro has forgotten to give their customers this extra incentive to be loyal or committed ? Could it have been that the marketer needed to concentrate more on the ongoing Relationship, rather than the choice or the first choice? And how about the influence of the cheaper versions ?

The answer may lie, once again, in the parallel with the Human Relationships. People have friends with whom they share things and they built Relationships. The

strength of a Relationship between X and Y depends on the behaviour of the two parties and the situational influence. That is, if a X starts discovering that Y is not acting as he is expected to do, giving the same attention and care as before, then doubts come to mind as to the worth of the effort and the Relationship. If at the same time, X starts meeting other people (Z) with whom he has apparent similarities and they seem prepared to support the Relationship, then the first Relationship is more in trouble. X starts to associate, in the beginning infrequently, with Z up to the point where, should the attitude of Y not change, X decides to stop the Relationship. In addition to this sequence of events, one must remember that the appearance and attitude of others in this case Z, also influences the perception as to the attitude and actions of the Y for X, as well as the Similarity that X may be feeling towards Y and Z.

In the same lines one could see the branding situation. On the Relationship side, Marlboro may have been providing its customers with the Similarity, Affiliation and possibly the Reciprocity of attitude, since the buyers have chosen Marlboro in the first place, have been with it for a long time and the communication strategy (at least the direct one) had not changed. There has been no indication that the buyers of Marlboro had any of those problems. Shops of Marlboro clothing have been quite successful and the buyers seemed satisfied with the affiliation aspect. In addition, its customers have always been more due to the similarity to the 'old' cowboy ideal through the years and this did not change either in terms of new ideals or of problems with the old symbol.

However Marlboro may have been ignoring the consumers, who had a Relationship with the brand, in terms of both the Reinforcement (support from the company) and Equity (the reciprocity of the actual offering). This lack of two issues was been made more apparent as other makes in the market were offering to the consumer attractive deals. Marlboro may have been seen as too busy with its success to actually deal with the other party in the Relationship. The consumers may have been feeling on the conscious or equally in the unconscious side that the brand was asking for a big sacrifice (to be Loyal in their purchases even though the times were hard, and the brand was incredibly expensive) without, it making an effort for them. This effort could have been in terms of rewards to the buyers (in the cigarette groups in the qualitative research, respondents did mention that they would have appreciated the brand if it gave them gifts such as lighters, clothing and so on, for collecting a number of packets).

Thus the brand could have rewarded the repeat purchase buyers and this could have helped not only for creating switching costs but also for smoothing the process of the Relationship. This Equity side of the Relationship is very important especially when other brands are trying to get into the market with new offers or new ideas. The Marlboro may have been relying too much on the image side of the story, thinking that the image and personality built through the years is enough to keep consumers satisfied and happy to buy it. However, as consumerism increases, and as the new brands use tangible elements to differentiate (e.g. price) then the prestige brands may need to reinforce their positions with something more than a glorious past memory.

In terms of the Reinforcement element, this has been reduced obviously due to the legal restrictions for tobacco advertising. One can not but observe also that the corporate identity of the companies in the market has not been improving either. The product, itself is suffering due to the health scare. The fashion side of it, is disappearing if not turning against it (at least in the US, where smoking is being permitted in limited places, and in designated areas only.) The companies behind the brands are therefore not so visible anymore, and this certainly contributes to the idea of 'why pay more for the 'prestige'?. Certainly, the sponsoring of events has helped but then the focusing of Marlboro on particular niche events only (like formula 1 racing) is maybe frustrating the smokers who do not enjoy those kind of sports (compare the spread of the sponsorship of Coca Cola or IBM for sporting events to that of Marlboro and Camel!).

One has to also think that the sponsorship may be working less as time passes by, since the consumers maybe now viewing the brand as a natural endorsement of the sportsman or car and the associations are not so vivid. In addition to this, the consumer may be needing reinforcement as to what the company is actually doing for them, for the environment, for their social life and for their specific environment rather than a reinforcement of the portrayed image.

Therefore it could be that the consumer's move to the new cheaper brands has been to some point, a result of the neglect shown by the bigger brands in the market. The price cuts could be seen as a way to offer better deals but on the other hand, the consumers may be getting a signal that the brand has been cheating them so long with the higher price. The Economist argued wisely on that issue: "the self

destructive tendency of firms to teach their customers to buy on price, can lead to death spiral in the profitability of consumer goods" (Economist April 1993). What they were saying effectively is that once the consumers understand that the mystique or the value of the brand is not there, what they would be looking for, is price. And once this happens, then the brands would no longer be able to command higher margins and possibly not offer frills and social values.

The reader is also reminded that a Price can not be cheap or expensive! Only a product with a price tag can be referred to in these terms. Therefore the Marlboro brand has only started to be expensive when it allowed its offering to lower in relation to the rest. Should the strategies had been different then maybe the consumer would have perceived a greater value in the brand and therefore a relatively price competitive offer.

One can also be directed to examples like 'After Eight' mints that although the chocolate per pence content is minimum, it commands a much higher price than other box chocolates with a much better content to price ratio. Therefore the consumer perceives a value for a brand, that may be far from the objective value an expert can give.

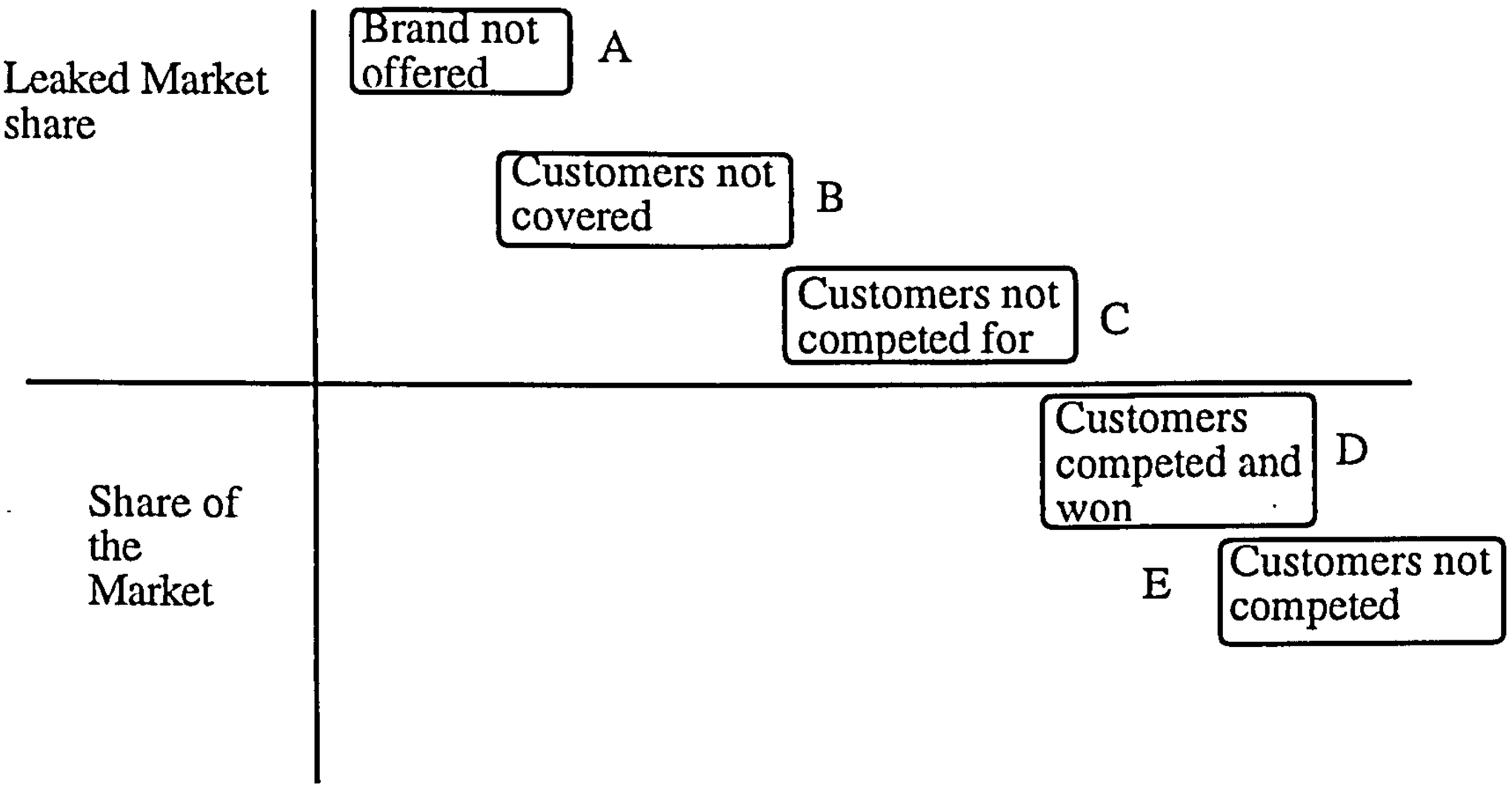
The consumer is not an objective mirror, and he/she sees what the marketer communicates it offers and understands it or perceives it in his/her own way. However the consumer would always look for the Relationship. The difference would be that here, the consumer would be taught to have a polygamous Relationship where he would be the sultan of the harem of the brands, even though this harem would not contain any prestigious or extraordinary brands.

11.42 IMPLICATIONS FOR BRANDING STRATEGIES - AN INTRODUCTION

Branding strategies have so far been focused on the brands themselves and the target market, i.e. their potential customers. One of the things that one can observe is the great pains a company goes into to appeal to the potential customers and the effort to attract them to the buying of the brand. Ohmae (1982) presents a model

for looking at different market shares of the brand. This are split in share of brand in the market and leaked market share. The diagram below shows this model.

Diagram 11.7 A model for market share for a brand/company (from Olmae 1982)



The outcome of this research, suggests that the marketer must carefully analyse segment D (and to a certain extend E) since there can be great variation in the composition of this segment. De Chernatony & McDonald (1992) split this segment into the Loyalists (committed buyers), the Swingers (customers satisfied with the brand but will also look elsewhere in the next purchase), the Apathetics (viewing the brand as adequate but not satisfying) and the Doubters (who tried the brand but are most likely to switch next time). This categorisation is then similar to an extend to the model of Loyalty and Relationship explored earlier in the chapter.

However this research points out that the marketer must also take into consideration the interaction between these customers and the brand, i.e. the Relationship. This is because this Relationship will be crucial to the loyalty shown and the consumers that have different Relationships with the brand would also need different support from the brand on this Relationship. They would in fact react differently to changes or new strategies. This means that the marketer must know the composition of the customer base so that the less loyal ones would be

persuaded to join the club of the brand. As the model of Loyalty and Relationship has shown, the split in the customers of the brand goes further than just Loyal and non Loyal to the extend of having customers sharing a relationship with the brand but not buying the brand repeatedly, customers that buy the brand frequently but have no Relationship and also occasional non committed buyers.

The strategist would then need to fully understand the mechanics of both parties to the act: the consumer as well as the interaction between them and the brand, if it is to be able to fully audit his/her brand. A model to do that is shown in the next chapter, where the conclusions of the thesis are set.

CHAPTER TWELVE - CONCLUSIONS - LIMITATIONS - FURTHER RESEARCH

It would seem that the consumers have been playing the 'game' for a very long time now, and the researchers have yet to learn the rules.

12.1 INTRODUCTION

This research has started with a number of basic propositions that through time have developed into objectives and for the research part, hypotheses. However the main thrust of the thesis has been to understand better the question of Loyalty rather than to offer a turn key solution to the marketer or strategist. As Checkland (1990) argues in his call for a Soft System Methodology (SSM) in social science problems : " systems engineering looks at 'how to do it' when 'what to do' is already defined .... this was found to be the Achilles heel of systems engineering when it was applied ... to ill defined problem situations ...Problem situations for managers, often consists of no more than a feeling of unease, a feeling that something should be looked at ... ". What Checkland therefore proposes is a system where the definition of the problem is part of the process and the methodology becomes a learning process itself. This has been the route of this research.

The issue of Loyalty and Relationship and their role in branding strategies, could only have been seen in both a systemic and systematic way. Systematic in that the analysis followed a certain pattern and the aspects of the Relationship and Loyalty were broken down and analysed where possible on their own. But for most part, the real world is problematic or 'messy' and therefore the methodology needed to be Systemic in that the whole was observed as a gestalt. Loyalty is about commitment, commitment is about Relationships and Relationships are about feelings, perceptions and intentions. And since all these derive meaning from the 'experienced world' the researcher needs to observe and continuously aim to better define the problem rather than simply look for a solution.

A definition of Loyalty is proposed here, that is based on the conceptual side having examined the cause and effect aspect in the previous chapter. In addition

there is a brief discussion on the rest of the findings and the relation between the various independent variables on Relationship and Loyalty. Finally, a model is proposed on brand auditing which looks at an evaluation of the brand in terms of the internal and external conditions. This is not intended to be a financial evaluation but rather a framework where the experience from the thesis can form a way to better analyse the brand. It is therefore not a solution but a worksheet where the problem can be further and better analysed.

12.2 DEFINING LOYALTY AND COMMITMENT

In chapter four a discussion was given as to what constitutes loyalty and how the researchers so far have dealt with the issue. It was shown that Jacoby & Kyner (1974) were together with Day (1969), the originators of this new line of thought, namely that repeat purchase does not mean loyalty. They further tried to define Loyalty, by looking at a number of criteria a loyal purchase or a loyal buyer must fulfil. These criteria have been used in this research in order to get to real loyalty but still, a number of them are difficult to control or to measure. It is important at this point to set below once more the criteria for a Loyal purchase (from Jacoby and Kyner 1974):

(1) The purchase must be a biased one, in the sense that it must be accompanied by an attitude statement (i.e. must not be random).

(2) There must be a behavioural measure or response (that is the intention to buy must be followed by a purchase of the brand).

(3) It must be expressed over time (in the way of the early measures either in terms of number of purchases or actual time).

(4) There must be some decision making unit. Here Jacoby and Kyner indicated that the person that is measured for loyalty must the same person that has taken the decision to be loyal, in the sense that a wife that repeats purchase a brand because her husband insists on that brand, can not be taken as a representative loyal consumer even though she may satisfy the rest of the criteria.

(5) It must be a function of psychological processes, in the sense that the consumer must be loyal because the brand is considered the most satisfying and not because of a particular price cut or because of limited distribution in the shop consumers buy from.

(6) The selection must involve more than one brand. This is because as they rightly say "before one can speak of being loyal, one must have the opportunity for being disloyal".

One can observe here that criteria 5 and 6 are difficult to apply to any research done, simply for Loyalty. This is because in the case of 5, a promotional campaign may indeed make the consumer feel satisfied for buying the brand and thus it is difficult to distinguish between consumers who are truly satisfied and those who buy the brand due to an offer. In addition, how can this satisfaction be measured ? and what about the fact that one that is satisfying may not be optimising or that one may be satisfied because of the lack of suitable alternatives?

As for criterion 6, then one can question the exact need for a number of alternatives to be present for choice to be loyal one. Does this mean, suitable alternatives, satisfying alternatives or any alternatives ? What about the consumer who goes to a shop and the selection is limited so he/she buys a brand from there rather than walk to the next shop to buy his/her more favourite brand ? Is the action observed a consequence of the limit of choice or is the decision not to walk to the next shop a parameter of choice, signifying that the loyalty to any brand is low ?

In addition to this, one must add, that this loyalty definition or rather framework has faced criticism in terms of being operational for the simple reason of not dealing with the cause of Loyalty. Tarpey (1974, 1975) has indicated that the conceptual definition of Loyalty has to come only by looking at the way loyalty is formed i.e. the causes of true loyalty.

The definition of Loyalty has to also be consistent, independently of the type of measurement, in the sense that, someone that fits in the description, must be seen as Loyal whatever the cut off point. This is one of the points that was explored by Jacoby, indicating that with the different operational definitions of Loyalty a person may be seen as Loyal under one measurement and as non Loyal under another.

In this research, it has been seen that the consumers have Relationships with the brands they buy, in the same way as they have Relationships with the people they interact. It has also been seen that the level of Relationship varies with the level of

repeat purchase and thus a person that is seen as Loyal under a particular definition is very likely to also have a high level Relationship with the brand. It is these people that are the true loyals© in the sense that they are truly committed to the brand, and they truly prefer the brand than something else because of the brand itself rather than the alternatives or the situation.

It is easy to see why other definitions of loyalty have been failing, namely because they were measuring only what could be seen rather then the interaction itself. It was like counting the number of times a person calls another person or mentions them, in order to then opine on the strength of the Relationship between them. And this is not the case. People themselves have different Relationships with others and the strength of the Relationship has to be measured and seen in itself, rather than on the overt variables around their lives. Sure, this can correlate with the interaction, since people are likely to have more contact with the ones they like but this is not a necessarily strict rule. Many times people have more contact with people they don't like very much because of particular situations and circumstances. However it is the strength in the Relationship that determines, in the case of persons, the commitment they have for one another and their dedication in the sense of giving something to the other people whether this is time, money or themselves. This must be the same with the consumer - brand Relationships. Consumers are Truly Loyal© to the brand with which they have the best Relationship and in consequence feel closer to.

Loyalty can then be defined as the 'attitudinal and behavioural state of the consumer, when due to the presence of a high level Relationship with a brand, there is an emotional attachment and commitment resulting in the choice of the brand on all possible occasions'. This Relationship as has been seen, is an amalgamation of a number of concepts (Similarity, Equity, Affiliation, Reinforcement and Reciprocity or brand's attitude) that together influence the consumer as to the commitment to the brand. This presupposes, that minor changes in the brand or the situational factors do not affect the feelings or actions of the consumer and the latter is supportive to the whole aura of the brand.

This is then a definition in accordance to the main writers in the area. It is a truly conceptual definition, since it deals directly with the concept of Loyalty. In order to define something conceptually one needs to mentally determine it, having examined the circumstances under which this happens. This means looking at the

why someone is Loyal and the when is someone Loyal. This definition does just that. Having examined loyalty, then the reasons are given (the Relationship), and the Relationship concept explains how it is formed. The operational definitions could still obey Jacoby & Kyner (1973) guidelines in terms of being easy to apply and universal for research purposes. However knowing the conceptual side of it, makes it easier for the researcher not only to realise at times the limitations in the measurements but also to improve the way they apply their operational definitions to get as close to the true loyalty segment.

One can even add to this, that the arguments of Ehrenberg (1972) and Murray (1986) of multibrand consumers have a sense of logic but as far as the concept of Loyalty is concerned, they are not accurate. True, consumers may have evoked sets containing more than one brand but that is relative, and it does not mean that consumes can not have a Relationship with a brand and loyalty towards it. The variety seeking in terms of trying a brand every now and then, does not signify there is no loyalty, especially when the Relationship is there and the behaviour is there (a number of repeat purchases). On the other hand it is true that a number of consumers are multibrand consumers and not Loyal to any brand and even when the operational definition shows the presence of Loyalty, there still could be some consumers who in reality are multibrand buyers. However, if the commitment still exists for a number of interactions then this is true loyalty©.

12.21 OTHER ASPECTS OF RELATIONSHIP

12.211 Usage and Loyalty

One of the surprising findings of the research was the apparent non confirmation of the relation between Usage and Relationship which in fact may mean that Loyalty© is not related to Usage either. This was surprising because previous findings in the literature review have been strongly supporting the view.

Most of the arguments in terms of usage and Loyalty arose from the fact that the Light buyer has less chances of being disloyal and that a light buyer making a purchase of 1 is going to be completely Loyal. However, what has changed here is the definition of Loyalty, since now one can look at loyalty as commitment and as a

state where a Relationship exists, rather than simply the overt action. This means that a light buyer may not be a Loyal buyer even if he/she completes a purchase of 1 to a brand. This therefore reverses all the rules. The research by Ehrenberg, Crimmings, Johnson (cited in Chapter 4) have been focused on the operational definitions of Loyalty and thus the measures of sole buyer, or multi buyer were measures of the repeat purchase pattern rather than the inherent loyalty behind them. It is not surprising that there was disagreement as to whether it is the heavy or the Light buyers that are more Loyal to a brand (Cohen & Houston 1972 Vs Ehrenberg 1972, Barwise & Ehrenberg 1985). The problem has always been, what is Loyalty ?

The theory of consumer behaviour predicts that heavy users would tend to repeat purchase more because they have more of a need to simplify the purchase decision and because they have more experience with the product group due to the frequency of usage. However they would also be the people most likely to adopt a variety seeking behaviour at times as a method of stimulation (see chapter 2). On the other hand, Light buyers may try to repeat purchase because their infrequent interaction with the product group does not compensate them to evaluating the products. However it would be at these stages that the awareness of the brand can play an important part. That is the light buyers may repeat purchase the brand whose name is in their evoked set because the effort to get information or go through the decision making process is greater than the benefits.

At this point one can also make a distinction between the types of goods, i.e. the fmcg certainly fall in this category but the higher involvement goods may influence the process differently because of the involvement of the consumer and the product category. In some of these categories one can wonder whether there is a distinction between heavy and light users (if the distinction is based on purchases i.e. purchase of a car or a refrigerator). The way to look at heavy and light buyers in that case may be more in terms of usage of the product (i.e. usage of the television, or washing machine) but then again the decision making in these purchases will be infrequent.

Therefore as to the connection between Loyalty© and usage, the research has shown a negative result indicating that in terms of the strength of the Relationship, it does not matter whether the consumers are using or buying the brand more or less. This is not contradicting previous research in the area, because as it has been

explained the definitions of Loyalty has changed. There are however two areas of criticism about the results. Firstly, the definition of usage in terms of the split between heavy and light users can be an important variable as to the results. That is, if a different definition or measure had been used the results here could well have been different. Again at this point the bona fide of the researcher is taken as granted. Secondly, the research on human Relationships indicates that the more frequent the interaction, the stronger the Relationship gets. This seems to be a clear contradiction to the findings of this research. However, there was no attempt to measure the strength of the Relationship and differentiate between the heavy and light consumers. What was done was to classify the heavy and light buyers as having a Relationship or not (or having a strong Relationship or not). This dichotomous separation, though, has removed the ability from the research to investigate the continuum of the Relationship strength and it is maybe there that the difference in the usage can be seen.

12.212 Market share & Relationship or Loyalty

The primary indications were that the higher the market share of the brand in question the greater the loyalty towards it. This was seen in the focus groups and it was something supported in the literature by Raj (1985) and Shuchman (1968) that stated that the more popular brands have more Loyal clientele. However this was shown not to be the case.

If one considers the part of the theory of branding, that treats brands as a risk reducer mechanism whether the risks are social, performance or self image, then one can understand this hypothesis of the leading brand having a more loyal clientele. However the difference is that this clientele may be buying a brand repeatedly, not because there is a bond but because given the costs of the wrong choice it is the safest option. Thus the consumers may be needing extra persuasion to move from one brand to another if that brand is a leader in the market simply because of the risks involved. This ties in with the research of Ehrenberg (1972) stating that the highest the penetration (market share) in the market, the highest the loyalty (behaviourally measured).

The difference here is that, with the redefinition of Loyalty, it is not enough to repeat purchase in order to be a loyal customer. Thus, the leadership of a brand

may encourage many consumers that either have a low involvement with the purchase or that are easily influenced by reference groups and social pressure, to keep on buying the brand without feeling anything towards it, and without a commitment. The danger with these 'loyal' consumers is that when something change then they are all switching. Many of the 'fashion' products' consumers could be included in this category, and this extends to beverages as seen in two articles in Marketing Week entitled "Beer Group Pressure", and "Premium Bonds for trendy tipples". These articles describe the way some of the 'designer' beers managed to steal away the English market even though being overpriced, simply by adding insignificant attributes (like being served with a lime on the top of the characteristically 'long necked' bottle) and therefore acquiring a trendy image. However these types of brands (and perhaps product groups) have no long term loyalty future but they do manage to inflict the damage on the other long term established brands. The brand managers of all brands therefore need to know who is sticking with them in the tough times and who is likely to change, and even why and where, if they are to minimise danger in the short term.

Therefore the results of the research showing that the market share does not affect the Relationship may not be surprising. The management of the Relationships is crucial for all brands and the customers of a brand may believe in that brand even if there is a social pressure to buy another brand. One could even say that this commitment to the brand is even more crucial when the brand is not a leader brand or a niche brand (a niche brand may be seen as a leader brand in its own niche!) On the other hand, this Relationship has to be accompanied by sales for the success of the brand and it is this combination of Relationship and repeat purchase that make the true Loyalty© in the long run. Once again, one must mention that the research did not look for different strengths of Relationship and this dichotomous analysis may have impeded the discovery of a relation (on a continuum scale) between Relationship and market share, or in particular Equity and market share.

12.213 Dissimilarity and Equity with other brands

This was something that came up originally in the qualitative research, and was also supported by the literature on the human Relationships and the relation between liking and disliking others (Rosenbaum 1986). In consumer behaviour it can also be seen that the situational influence affects the consumer in the way he/she evaluates the brands or his/her favourite brands. The presence of brands

that are dissimilar to the consumer either in terms of personality or other factors can influence the perception of the consumer as to the rest of the brands (see chapter 2). Blackston (1992a) had also used this similarity and dissimilarity when talking about the favourable attitude of the consumer to the brand and he incorporated it in the brand's attitude concept.

This was supported as well by the quantitative research. What it then indicates, is that brands that offer a type of personality or image very close to the consumers' one are likely to be continuously chosen especially when the other brands are offering a totally different image. This can be seen as similar to the Marchant (1990) model where the brands are seen to be chosen by consumers depending not only on their average net value (how much they are liked) but also on their distinctiveness (see appendix III). Thus a brand that is not distinctive (appealing to everyone) may be liked by all consumers but may end up second or third choice, where each consumer would be choosing the brand he/she feels more similar to. Thus when brands are distinctive, then the consumers can have choices that are very close to themselves and at the same time other brands are far away. This then could be facilitating the development of the Relationship at least as the similarity aspect is concerned. Even in human Relationships, this is not strange. Everyone likes people like them and when in a place where everyone is different, this liking for the similar becomes stronger. A good example is the effect of foreigners abroad or even the so called 'ghettos', where people from a particular country or race hang out together in a foreign place because others are more dissimilar to them. In their own country or place, the same people may not have been friends or even like each other but abroad they feel more similar because of the dissimilarity with others.

However with Equity, this was not the case as far as the statistics have shown. Although the hypothesis was well supported in terms of the Human paradigm (Thibaut & Kelly 1978), the respondents have indicated that the equity they received for the favourite brand was not dependent on the equity they felt for another brand. This can be understood in terms of the fact that the levels of comparison for equity may not be with other brands but rather the return itself against an arbitrary sum. This return is then made up from the effort, the monetary cost, the social or self image risk and the benefits they get out of the brand. Thus the consumer is not interested if the brand is good value for money compared with the alternatives but rather if it is good value compared with his/her predetermined idea of good value. Certainly in the purchase of conspicuous goods, this must be

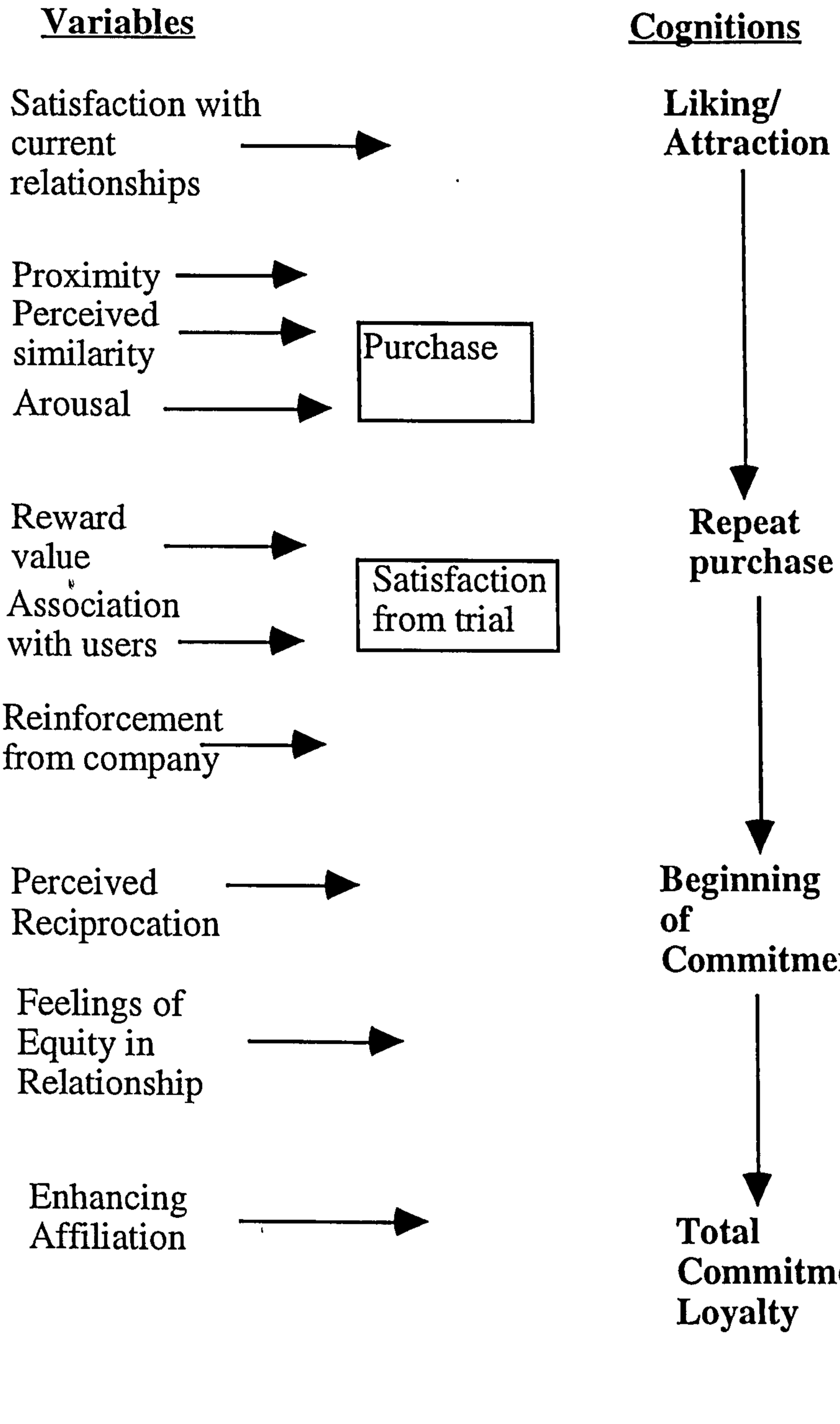
the case, especially when the price paid is many times more than a good quality alternative. There consumers apply their own measures or scales for the value for money of the good. However as mentioned at previous chapter, this conclusion suffers the limitation that the two sets of data may not have been gathered for the exact purpose. Thus the consumers may indeed feel a negative or low equity towards other alternatives but have rather completed the questionnaire for one where this negative or low equity is minimum (since it could be one of their other chooses - but their most favourite i.e. the one they repeat purchase often).

12.22 A MODEL OF RELATIONSHIP BUILDING AND LOYALTY

In the previous chapter, it was seen that the relationship was affected by both the indirect and direct communication messages and attitudes transmitted by the brand and the company behind it. As it was also seen, these communications have a main thrust on the way the consumers form an attitude. There one can observe, the choice to be coming from the two factors (discussed in chapter 2), namely the hedonic or symbolic effects and the cognitive or rational effects. The direct communication will affect both sides of the effect depending on the message and the strategy, but the indirect communication would be more effective on the symbolic side. This is because the indirect effects will be more towards the associations consumers have and the emotional value of those associations to the life of the consumer.

At the present stage of the research, there is no indication about any stages in the development of the relationship. What one can observe though, is that a number of respondents, although being classified to the same group may have different types of relationships and of differing strengths. In chapter four, a model by Maxwell (1985) was given as to the development of a relationship in humans. This model showed that commitment and mutual dependence (the ultimate cognitive stages in the relationship) come about after a number of variables are seen to exist and the relationship has moved through a number of stages. The aspects of the relationship as seen in this research are clearly marked in the model as variables and the relationship progresses from liking to attraction and then to commitment and mutual dependence as these aspects are satisfied. One could therefore hypothesise that the same model (with slight modifications) can apply to this case.

Diagram 12.1 Model Of Relationship Development In Brands



One could then use this model to understand how the loyalty is reached. The previous sections have showed how the different aspects of the relationship are influenced by the direct and the indirect communication from the company to the consumer, and here one can see how the different aspects contribute to the development of the relationship.

As one can observe from the diagram, the Similarity concept is essential at the beginning of the Relationship. This is evident even from the early talks on the self concept theory where the consumer is seen as looking for self similarity for choice of brand. Therefore that must be essential, as it is in human relationships for the first contact (and later on off course). The Affiliation aspect also comes early on in the relationship and this is because the consumer will make the purchase (and the repeat purchase) looking at the image of the brand in terms of the social and self image risks he is trying to avoid. Therefore, the feeling of belonging that the consumer may develop, will be instrumental in the development of the relationship. In addition this affiliation aspect will come later on, when the relationship is at the stage of commitment because at this point the consumers could be looking for more ties with the other users and a 'club' feeling could arise.

The Reciprocity (brand's attitude), Reinforcement from the company and Equity are also very important later on, as the relationship passes from the repeat purchase to the commitment since they start to define better for an individual the closeness of the relationship and the possible areas of conflicts with the brand. The consumer may repeat purchase a brand because he likes it, he feels a similarity maybe an affiliation, but at the end of the day if he feels rejected by the brand (attitude) or neglected by the company (reinforcement) or betrayed in terms of the mutual efforts put in the relationship (equity) then the future of this relationship would be shaky.

All elements or aspects of the relationship are important in individualistic terms but it is the presence of all together that gives rise to the development and the emergence or creation of loyalty and commitment. Thus it is not surprising to see different consumers at different loyalties to a brand; they could simply be in different stages. The model suggested by Aaker (1991), refers to this idea of different strengths of loyalty although he does not refer to anything to do with relationships. Aaker represented these in a pyramid shape drawing where the different kinds of consumers were falling in the layers in a progression from a risk reducing attitude (repeat purchase) to true commitment. This can be seen below:

Diagram 12.2 Aaker's loyalty pyramid (from Aaker 1991)

The analysis at this stage could therefore be looked on as an improvement to this model (or rather hypothesis - since Aaker is not providing any evidence to support it), where the different loyalties do not exist on their own but are rather conditioned to the relationship between the consumer and the brand. This relationship is then based on the interaction between the two and the development of this interaction through time.

12.3 STRATEGIC IMPLICATIONS FOR BRANDING - A MODEL FOR A BRAND AUDIT

This new insight to Loyalty© and Brand Relationships could be very useful to the marketer not only *per se* but also as a part to a complete audit on the brand. In this way the richness of the data can be appreciated fully.

In this section, a proposed method of analysis is given, that starts with the Kapferer's brand facets (Kapferer 1992) as an internal audit of the brand, moving to segmentation profiling of the customers to a Relationship analysis in the end. The first two steps are simply there to indicate the flow and type of information needed in order to complement the analysis at the third step.

Step One - Knowing your brand

Kapferer's identity model was described in detail in chapter three of the thesis. His model is based on the argument that all the elements or facets of the brand must be well tied together to present a coherent identity to the consumer. Therefore the identity needs to be broken down and be studied in facets that cover both the external elements of the brand (physical characteristics, portrayed Relationships, and user image) and the internal ones (personality of the brand, inherent culture and the actual feelings of the consumer when using the brand). This identity could then be very useful in supporting future extensions and in enhansing the corporate identity on the whole, irrespective of whetehr the structure of the company is monolithic, endorse or multibrand.

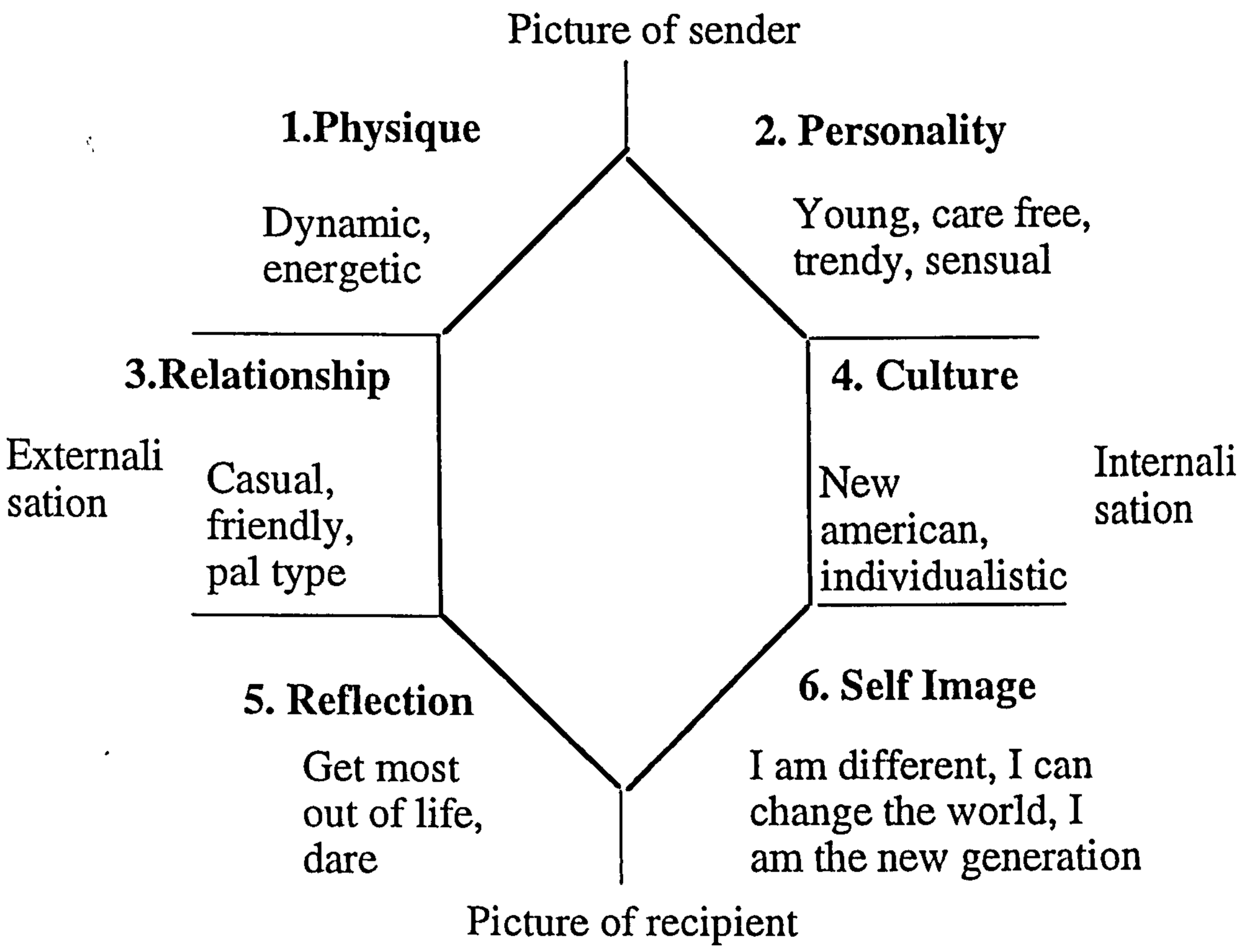
Therefore the marketer may need to take some time and analyse the brand in terms of these facets. Getting this ready, is by no means easy. It needs a deep understanding of the philosophy behind the brand, the strategy attempted so far and the results. A worthwhile process would have been to actually prepare two such models. One, with the company's vision and perception and one with the data from the consumers. The marketer could then use this process, to identify if the communication strategy has been putting across the desired identity and whether the noise in the marketplace has been such, that this process was disrupted. This analysis of the differences is thus very important and it leads to an evaluation as to the reasons for their existence and their effects.

It is however the process that produces most of the learning than the actual final results. As in Corporate Identity studies, and such a study could be incorporated here as well, the company needs to assess elements that it has never thought, they mattered. The involvement of the different directors of the areas is important since the portrayed identity is not only what the marketing director agrees with the advertising office. All functions of the company have a part in the projection of the

identity and all should be involved in such an analysis. The analysis of the differences between the identity and the consumer's image could then indicate to the various managers of the company how to change things or at least some of the areas that need improvement.

An identity model for Pepsi is given below, constructed by the author based on the information on the communication strategy in the later years. Obviously the facets are only seen in a simplistic manner for the reason that the detailed communication strategy is confidential material and also the model here is to be given as an example rather than as a real case tool for the identity analysis.

Diagram 12.3 The six facets of the brands identity for Pepsi



Therefore this may be what the company is trying to project through the various means and media. A detailed study on the consumer side, will indicate whether this is achieved or whether there are conflicts as to the products used, the arguments or the customers (see the brand communication structure in chapter three, diagram 3.5 - from Kapferer 1992). If one also notices facets 4 and 6 that stress the individualistic elements, then one can understand the reported problems of the

Pepsi Challenge campaign arising from a conflict in the identity communication. The full report, sent to the company, is included in appendix VIII.

In addition, one can observe the danger of the conflict in the identity, that could be created by the use of celebrities in the communication strategy. This conflict may exist, not so much due to the direct communication but rather due to the indirect communication and the associations resulting from the celebrities actions and behaviour.

Step two - Customer profiling

This is a step that calls for an understanding of the customers of the brand as opposed to the segmentation of the market to identify the target segment. In the world of marketing everybody talks about segmentation and targeting and positioning as being the tools to be used by marketers. In classic textbooks these concepts appear in a consecutive way and therefore one gets: The segmentation of the market in terms of socio-economical or geographical or benefit characteristics, the development of segments profiles and the evaluation of them leading to the decision to target in one. Targeting means the direction of efforts and strategy to capturing the particular segment or gaining a bigger market share in that segment than the competition. The positioning aspect refers to the mental position a brand or a company would have in the minds of the consumers in the particular segment, since there can be a number of different approaches a company might take to appeal to a particular consumer.

However once one starts selling the products then a different type of segmentation is maybe needed; the segmentation of the actual buyers. The benefit and demographic or socio-economic segmentation is needed here as before. This again is in order to test, whether the target marketing has really worked. Many companies would be surprised as to the results of this test. A commercial study by the author for a chain of clothing shops indicated that the target market accounted only for 11% of the total sales whereas the rest of the sales were made by people that belonged to other segments in the market. This was traced back to an unsuccessful positioning due to a failed communication strategy. The marketing director though had been thinking all along, that the positioning and the targeting worked, since the sales were there and the company had success in the market. In

the specific case it was decided to revamp the positioning strategy and remain with the actual buyers, adapting the overall strategy of the company.

In addition to this though, the company needs to understand the purchasing habits of the customers regarding the product. Some of them will be using the product more than others and some of them will be using the product as well as that of the competition. The purchasing hours, the preferred means of payment and so on, could be important for the better adaptation of the day to day function of the company. In terms of usage, it is also recognised that the Pareto principle of 20:80 holds here. This states that 20% of a company's buyers will usually account for 80% of the volume of the sales. This means that heavy buyers are very important for a firms success and in many cases in industrial marketing, this is a common secret for survival. Discounts on quantity and free gifts on large purchases are frequent promotional tools in business to business marketing to maintain this customer. A large client never goes with the usual price list and is never treated as one of the rest by the seller's staff.

A light buyer however can be very important. This is because as the volume of purchase decreases then that buyer becomes more of a sole buyer. As the frequency of purchase lessens it is important to keep that customer since once he or she makes a purchase the competition would have to wait for the next time in order to persuade him to change his mind. In addition, 20% of the sales volume is enough to make a company bankrupt, if does not obtained.

Step three - Relationship Analysis

The next step is then about analysing the Relationship levels of the customers not only on their own but also in connection with their repeat purchasing patterns.

In terms of repeat purchasing and the Relationship, one can refer to the model, explained earlier on in the thesis. This calls for an analysis of the customers of a brand according to whether they show a high or low Relationship, and whether they repeat purchase the brand (have a loyalty measured in operational terms). The following table can then be obtained with percentages of the total sales of the company for a given period.

Table 12.1 Example for the distribution of a brand's customers

	LOW RELATIONSHIP	HIGH RELATIONSHIP
LOW LOYALTY - REPEAT PURCHASE PATTERN	28%	15%
HIGH LOYALTY - REPEAT PURCHASE PATTERN	39%	TRUE LOYALTY© COMMITMENT 18%

This is then, very important because each cell on the table represents a different type of customer and a different Relationship. The first thing that this table helps to do, is to allow the researcher to understand better the reasons for the purchase of the brand. As it can be seen not all sales can be attributed to the consumers loving the product, and the present total sales figure, does not reveal much information about the future. Also the repeat purchasers or the infrequent buyers are not all the same, as to how they view the brand and as to their future actions.

The table then, gives the marketer the opportunity to understand better the customers, to forecast more accurately or prudently, to evaluate various strategic decisions such as extensions, promotions, pricing and most importantly to devise Relationship strategies with the aim of improving the performance of the company and strengthening its position with the customers.

The bottom right cell in the table give to the marketer the percentage of the customers that are truly committed and show a true loyalty© to the brand. This is obviously the best group for the brand owner. These are the sort of people that believe in the brand and they are satisfied with the Relationship at the moment. These people are the ones less affected by the actions of the competition since they are likely not to take notice or to even view the advertisements of the competition with suspicion or perceiving them as for their own brand (this was seen in the qualitative research for some of the members of the heavy loyal group of Coke). This group of people is happy with its dealings with the brand and could even accept a price increase. They are also the ones likely to buy extensions of the

brand, participate in promotions and use the brand as part of their lives (buy accessories of the brand such as mugs, t shirts and so on). In terms of the forecasting, this is more like the 'sure' group, that are likely to keep on buying should nothing major happens that could affect the Relationship in the long term (the association of the brand with gone values, the no adequate support and so on).

The top left cell represents a totally different picture. These people are the ones that bought the brand although they do not seem to have either a Relationship with the brand or a pattern of repeat purchase behaviour. This could be because this is their first try of the brand or because they belong to a group of people that are promotion sensitive or offer seekers. They could also be variety seekers that purchase the product purely for the functional benefits and since they perceive all the brands to be the same then they tend to alternate their purchases in an attempt to maximise satisfaction from variety rather than from optimising choice.

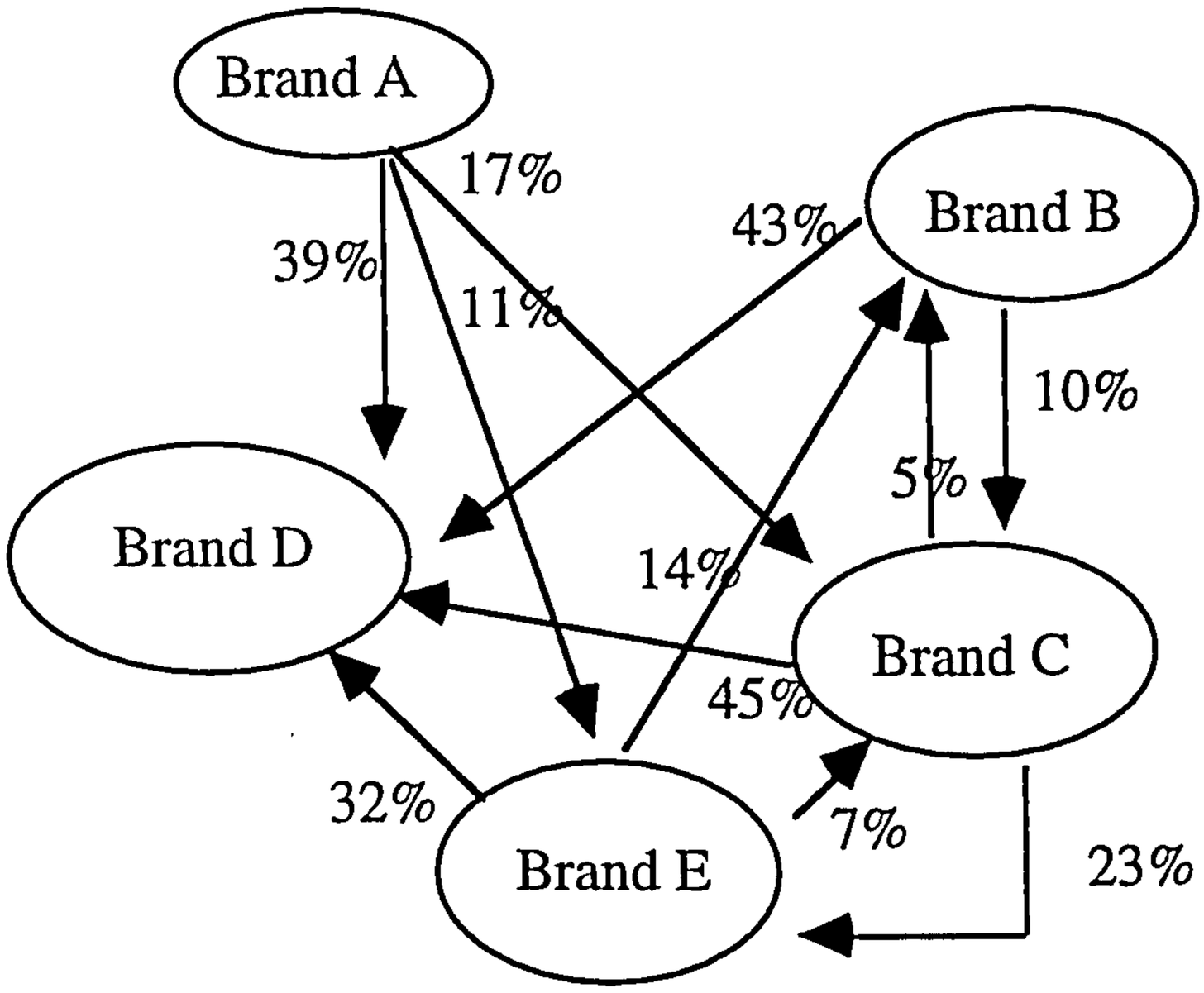
In terms of forecasting this is probably the worse group to be counting on, although one could say that this could give a good picture of the success rate for a new promotion or price cut strategy. The launching of extensions in that segment is likely to be unsuccessful since the required associations (benefits) are not there to justify the costs of the extension (in terms of risks for damaging of the new or the established brand). One could also say here, that given the nature of these switchers, it could be possible to use a more focused differentiation strategy where the aim could be to draw the attention to particular elements that may modify the demand structure (Dickson & Ginter 1987). Thus the particular consumer would start to classify the brand in a different group where optimisation exists and thus a more repeat purchase behaviour could be seen leading to a higher level Relationship and to Loyalty. The qualitative study has shown these people in the non loyal group perceiving all brands to be identical (no particular similarity with one) and as a result of this and their low Relationship (never developed) with any of them, they saw the purchase act as an opportunity to alternate between brands and criticise the habitual purchasing of others.

The top right cell and the bottom left cell represent the rest of the buyers that either have a good Relationship with the brand; although they don't commit their purchases to it or purchase the brand repeatedly on a habitual basis even though there is no special Relationship between them and the brand.

In the first case, the consumers could be having a Relationship with a number of brands and either one of the other brands is bought more often or they really do a variety seeking within these selected brands. In the latter case, these consumers maybe grouping brands together in the market, making segments which they like or not and in many cases the Relationship is held with the group rather than with the individual brands. In the qualitative study respondents were at times seen to state a preference for the 'big name brands' or the 'colas' or the 'orangy drinks'.

It could also be the case that these consumers use the brand as a second best when they get bored of the main brand or when they have problems in finding their favourite brand (distribution problems i.e. out of stock, source problems which could be because the brand is not stocked at a convenient source). This is not necessarily a bad thing for the company. It is always better to be a second brand than nothing for a number of consumers and in many cases, by simply being second to a big number of them, the actual sales can improve tremendously. In a study done by the Consultancy office of the author, a particular brand of menthol mints had particular problems in terms of sales, simply because buyers of the brand had other brands as second best to switch whenever it was needed, but no buyers of the other brands had the brand in question as a second brand to switch to. In such cases a structogram could assist in making things clear as to the switching tendencies of buyers in a particular market and the second best choices.

Diagram 12.4 Example of a structogram for looking at first and second choices.(Arrows with percentages for customers' second choice)



In this simplistic example, one make some interesting observations: Brand A is never chosen as a second choice (no arrows from other brands go to A) which means that although A's buyers would occasionally buy other brands for a variety of reasons, the customers of other brands prefer brands except A, when they want or need to switch. This may be a tremendous loss of sales and a contrary situation can be seen for brand D which is getting almost half of the buyers of other brands when they decide to switch. Since the size of the circle indicates the market share in terms of sales, the effect of this second best can be seen for D. The reasons for a brand not being in the 'second best' market may be that : it has problems in the reaching of the consumers or the distribution or the offering (which appeals only to a small segment - or if it is new the innovators). Certainly any brand owner must aim to offer a better Relationship to the consumers even if they tend to purchase habitually other brands. This Relationship could lead in the commitment to an extension (many Coke drinkers prefer Diet Pepsi when opting for a diet drink) or simply gaining sales in the case of a good promotional strategy. Therefore, in terms of forecasting the marketer can make good use of these people, since they are amongst the ones that buy the brand, but in a less frequent mode. In addition, they may be sensitive to a promotion (although only for the duration of it) and at some point may be persuaded to become fully committed to the brand (given the right incentives and later on switching costs are in place). An example here could be the Adidas brand that lost tremendously in the last years to Reebok, Nike, Head and shops own brands only to start over again this year with the World Cup. Even in

the short term the relationship can be shocked by major communicated news (e.g. a health scare like the Perrier case).

A third but maybe less likely reason for the existence of this high Relationship - low loyalty situation is that the brand in question has been the consumer's old brand that they still maintain links with, although situational and social factors have made them to switch to other brands in the market (e.g. the Renault driver that got a big promotion and bought a BMW as a status symbol or the Marlboro smoker that now smokes JPS mint cigarettes due to the circle of friends and the high visibility of the exclusiveness of the cigarette brand). In such cases the brand could attempt to reposition itself so to capture a number of segments in the market (the Kellogg's campaign for adults "Have you forgotten how good they taste?") or simply concentrate in the rest of the segments. This is because these consumers will tend to purchase the brand in an infrequent manner due to the reasons stated above, and as a consequence they are not likely to carry through the associations and go for extensions or be tempted by any promotions. Moreover, one could say that these consumers are most likely to be moving away from the brands as the time moves on and therefore if one were to forecast for the future, considering these consumers, it could be a mistake.

The bottom left cell describes a slightly different type of consumer behaviour. The consumers in this segment are the ones that are either simplifying the decision making by repeat purchasing or are loyal to a source that supplies them with a particular brand or they buy the same brand because of situational or social factors. In all three cases, the Relationship may develop in time through the interaction and thus the consumers can move to the bottom right cell. However it could be the case that these consumers remain simply 'repeat purchase' consumers that are very prone to switching when the conditions change (i.e. demand modification, pricing, better visibility of other brands, change in the source and so on).

Therefore these consumers, will be sensitive to promotions from another brand should these promotions be communicated clearly to them and require little effort from their part. One must remember that these consumers are purchasing the brand, because of simplicity and therefore they are unlikely to be highly involved in the decision making, or prepared to go into complicated promotion schemes (that require from them to make an effort). In terms of communication, these

consumers would be less reactive to the competition's claims unless these claims seriously challenge their perception of the brands and the benefits or the necessary attributes. They would consider extensions of the brand if these extensions fall in the same category of low involvement since their 'loyalty' to the name or the company is not because of commitment or faith in the brand but rather because of the situation.

If on the other hand they are loyal to a source rather than the brand itself (e.g. buying always Coop cola because of the nearby Coop shop) then competing brands may try to extend their distribution to them or lure them with free samples and advertising to create the background for a change in choice. The marketer responsible for the brand they buy, must ensure they have good access to it and at the same time try to induce the feeling of actually getting more at of it, creating a Relationship bond to shift them from repeat buying to commitment. If however, they are influenced by the position of the brand as a leader in the market i.e. buying the leading brand, then again this must be promoted and emphasised in terms of the affiliation aspect in order to lead to other elements of the Relationship.

In terms of the forecasting, these consumers may be seen as buyers in the short term, should nothing major happen either in terms of the brand or in terms of other brands while in terms of long term this may depend on the actions from the part of the brand. However it is very usual that these consumers keep on buying the brand in the form of habitual buying (especially in fmcg) and thus many times they can be wrongly recorded as Loyal or committed buyers (see earlier discussion on Loyalty).

Thus the following table with strategies can be compiled for a brand.

Table 12.2 Deciding on the strategies

	LOW RELATIONSHIP	HIGH RELATIONSHIP
LOW LOYALTY - REPEAT PURCHASE PATTERN	* Promotional and pricing strategies to attract the switchers * Induce a differentiation of the brand based on functional characteristics at first. * Ensure the distribution is adequate as well as the shelving and point of sale material to encourage impulse purchases.	* Ensure the distribution is adequate for these consumers * Promotions and point of sale material to capture consumers having the brand as second option. * Reposition the brand or extend the positioning for other segments.
HIGH LOYALTY - REPEAT PURCHASE PATTERN	* The emphasis must be on inducing the Relationship through the interaction. * Create switching costs to minimise problems from competition * Use promotions to encourage more interaction and also communication from and to the consumer. * Extensions can be launched and communicated to them if they share the same functional elements that make consumers buy. * if leader brand, then emphasise this in communication strategies	* Monitor and maintain the Relationship by looking at all aspects. * Special care should be taken with Reinforcement and Brand's Attitude since they are unconsciously affecting the consumer * Create more Affiliation bonds by organising the brand as a club. * Launch extensions to these groups since it will be easy to create these new Relationships with the extensions brands.

The strategies stated above are not meant to be all used at a time. What should be done though, is to analyse the proportions of the purchases of the brand and to analyse the various alternatives the marketer has. This may, for example, include strategies from the top left cell (if there is a big number of consumers in that cell) since the marketer would want to ideally move them down to the bottom right cell (of Loyalty©). To do that, the marketer needs to stimulate repeat purchases and at

the same time encourage the start of a relationship by communicating to the consumer the many aspects and benefits.

In terms of the different cells one could also argue that a separate analysis is needed as to the state of the Relationship for the consumers. This analysis could be done also to the non customers simply to find out the reasons for the non purchase and possible problems. The analysis could be done using Transactional Analysis and also using different models from the human to human Relationship analysis. This may involve, looking at the strength of the Relationship, the effect of different communication strategies and analysing the reaction of the consumer to possible new actions of the company.

It can therefore be concluded that the strategic considerations for the brand must be taken once the marketer has gone through a process similar to the three steps outlined before. The internal knowledge of the brand and the customer knowledge are two elements very important for every seller but the analysis of the Relationship state is the element that really allows the marketer to understand who, why and how is buying the brand. And it is only when the marketer understands these questions, that he/she can move a bit forward in understanding better the consumer behaviour (specific to the brand).

12.4 LIMITATIONS

12,41 WEAKNESS OF DATA

The main weaknesses of the data have already been discussed both at the analysis of the qualitative and the quantitative research. What is important to examine here, though might be the effect these weaknesses have on the results and the suggestions one might make for future research.

One of the first and major weaknesses, is the use of students as subjects of the research. In the qualitative part it was explained that the use of students did not influence the outcome of the research as such, because students were a population not shown to act differently in terms of the research subject, and the type of study,

i.e. the exploration of the concepts, did not require that the sample was representative of the population. In addition to this, the various controls held at the sifting stage, enabled the researcher to select the students in an independent way, following a quota method, and the group structures seemed to reflect that. The reader is directed to 5.231 for discussion of the use of students and to 5.32 for the choice of method.

As far as the quantitative study is concerned then the use of students can be seen as a weakness if the research were to be of a descriptive nature extrapolating the findings to the total population. However the objectives of the research were to test whether the Loyal-to-a-brand people and the non Loyal, would share different Relationships with the brand (or in a sense, stronger Relationships), and to relate this finding to a number of other variables. This meant a hypothesis testing, where the emphasis must be on the structure of the test and the controls used rather than the size of the sample. It was thus decided to test that, using a normal group and a control group in which case the results of the research are valid should the two groups have the same characteristics. The control groups, this research, were exactly the same as the normal groups (as in a before and after test). The difference was that the respondents completed the questionnaire for a different brand presenting the researcher with somewhat of an utopia situation as it regards the controls in the groups. As long as the first selection was fine, the second was perfect as well. The members of the groups shared the same characteristics except from sex and nationality and these together with the process of administrating the questionnaires were tested for independence and the results were positive. In addition, the respondents differ in terms of their behaviour towards the chosen product class and thus a number of other variables such as Usage and Market share of brand were tested.

It is also the case that most academic research in the field, use the student population for such tests as long as the normal and control group method is used. The samples sizes vary but it is not unusual for research in psychology and consumer behaviour to see samples size of 10 to 20 simply because the emphasis is on the difference in the two groups.

In their paper Blackston & Holmes (1983) and indeed later on, Blackston (1992) set the conditions needed for research on Relationships to take place (citing the conditions from the commercial study). He postulated that the method needs to

contain open ended questions, projective techniques, and one must quote exactly the consumer on the qualitative side (the use of focus groups for this research proved to be equally good if not better) and a quantitative study with control groups with a minimum size of 50 per cell and ideally of 100. Again this was seen in this research with the cell size of 98. The subjects for his research were also split up into users and non users of the brand with no indication for treatment of social class, age or other demographics.

One must also not forget that with the choice of product group (in the quantitative study the choice was given to the respondents) then problems with age or status are limited. This is because the main product groups used were soft drinks, chocolates, beer and cigarettes that are mainly consumed at the age band of the student population. In addition, the various brands used are also brands targeting this younger generation. Therefore, the use of students, although not ideal, did not create a great deal of problem for the validity of the research. The emphasis has been on the exploration of concepts, the testing of hypotheses and the building of a theoretical model for strategy purposes. This has been achieved in an efficient and effective way and the choice of population helped. However should other researchers wish to make a descriptive study and test the model for a particular brand then surely the general population must be used and a random and representative sample would offer more validity and authority.

12.42 PROBLEMS OF MEASUREMENT & ANALYSIS

Most of the problems in the qualitative analysis arise from the interpretation of the data and the classification in the various themes and sub themes. The Recoder method was used in an effort to deal in a sense with this problem and once again one must stress that the outlying of the operational definitions for each sub theme are meant to give a clear guidance to any researcher recoding the transcripts. However the limitation is still there and future researchers must try to provide a method of interpreting this kind of data without structuring it in such a way so to loose the richness of it.

In the quantitative data analysis, one could point out to a number of possible improvements in terms of the questionnaire, since a number of questions were rendered useless (due respondents could not really understand them). It might also

have been better to use projective techniques with balloon filling or sentence completing in the questionnaire to ensure better quality information on the attitudes of consumers to the Relationship. If the aim was to present a completely structured questionnaire, one could provide the respondents with a set of phrases to use for the projective techniques.

In the quantitative analysis there were the limitations discussed in chapter 10, concerning the suitability of the scale and the statistical tests, but the different tests employed seemed to deal with them. However one other limitation seems to be present. What was done there, was to measure the Relationship at a point in time only. This may mean that there is a dynamic of the Relationship that can not be captured. That is, heavy buyers that for one reason or another are loosing the Relationship bond, are registered as heavy Loyal buyers and light buyers that are starting to have a Relationship or have passed the threshold of the Relationship are registered accordingly as well. Thus there could be a number of errors due to this dynamic effect.

Future researchers are also advised to investigate the case of break-off points for heavy and light users, leading and not brand and so on. Any definition used can face a criticism and could distort the findings or conclusions. In this research, the break -off points had been decided after discussions with members of staff, looking at secondary sources for the average consumption or leadership of brands and talks with student panels. It is therefore, above all advised, to use all information and resources available so that any definitions used, to be on the *bona fide* of the researcher.

12.5 OPENINGS FOR FURTHER RESEARCH

This thesis has been more about opening new *'vistas'* for new problems rather than solving a particular problem in mind. What was seen in this research, was that consumers do interact with brands in similar ways as they do with other persons and it is therefore the duty of every serious marketer to try to explore the process of these Relationships. It has also been shown that this concept of Relationship is linked to Loyalty and a hypothesis has been given as to a new conceptual definition

of Loyalty. However one could see three parts that require further research: the Content of this Relationship, the Process and the Outcome.

The Content

The research has shown that a Relationship is the outcome of the perception of the consumer as to a number of aspects in the interaction with the brand. However, these aspects as well as the gestalt idea of the Relationship, needs to be further defined. This is so because should the Relationship be so important as it seems in terms of the influence on the consumers purchases and loyalty, then much more investigation is needed to define in detail concepts and characteristics. This has been the first exploratory research in the area and more specific research is needed, not only to reaffirm the findings but also to augment and fine tune the new aspects of the knowledge as well. Therefore one should investigate the elements of the Relationship, extending this investigation to different segments of the population and to a variety of products, (durable and non durable), with high and low involvement and so on.

The Process

This is also very important in terms of the how this Relationship is formed and how does it exist. This thesis has briefly discussed these issues and gave some hypotheses using models from Social Psychology, but further research is clearly needed to form proper consumer behaviour models and test them. This testing should extend as to how the various communication elements of a company affect the consumer perceptions and how these perceptions of interaction actually influence the Relationship. The various forms of existence is also important in terms of the layers or levels of Relationship and the characteristics of the consumes or the interaction in each of these levels.

The Outcome

As stated before the most important element of the thesis has been this redefinition of loyalty and the relation between the Relationship concept and the loyalty or commitment. However more research is needed in order to better understand how

the Relationship transforms into Loyalty and how the various other characteristics, of either the brand (i.e. market share) or the consumer (i.e. usage), affect the Loyalty or the Relationship. As it has already been seen, the definitions used for these variables, can affect greatly the outcome of the test. In addition the various assumptions held at the time could be tested since the continuous redefinition of the problem is a major step forward in the desired knowledge to be acquired in any field of science. Such assumptions may include the dichotomous formulation of the groups of respondents as to the various variables, as well as the non dynamic effect of the dependent variables.

12.6 A FINAL WORD

The direction is therefore given and the way opened for further research. The elements discussed in this thesis could be so important that the need for further research, even if it is to simply test the same findings, must be considered crucial. Unlike other areas of marketing or branding, this aspect of the Brand Relationships has been largely ignored by the academia while the commercial side has been building slowly, some knowledge about it. The reason for that could be that, to investigate in depth the Relationships, one needs to focus on one or two brands and have the complete information about their communication strategy. This is obviously very difficult to access for the academic researcher since such information is usually treated with confidentiality by the companies and their researchers.

However the consumer behaviour and branding can not be complete without a true understanding of Loyalty and what causes it. The Relationships, consumers have with brands are also an important part in understanding, how consumers deal with brands, how and why they use them and what goes on in the interaction between them. It would seem that the consumers have been playing the 'game' for a very long time now, and the researchers have yet to learn the rules. Should the follow up to this research be quick and effective, then the consumer may indeed encounter a much stronger opponent in the consumption game, in the near future.

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BRAND RELATIONSHIPS - A NEW APPROACH TO BRANDING

by Philokypros T. Andreou

The idea of brand relationships is neither novel nor outrageous; it is rather the way of thinking about it and the analysis here that shows an innovative process. The human parallel has been used by researchers in the past to show how the buyers differ from the non buyers on their perceived attitude of the brand towards them. This has been referred to as 'Relationship'. However a study in human relationships, indicates that reciprocity of attitude is only one of the factors, influencing a relationship between two persons. This research (with both a qualitative and a quantitative field study) therefore explores the issue by looking into the existence of the rest of the factors and demonstrates that the following are not only present in a consumer - brand relationship but are also important : the Similarity to the other party, the Equity from actions, the Affiliation felt, the Reinforcement received and lastly the Reciprocity of Attitude.

On the other hand, Loyalty as a concept has been very poorly defined. A number of diverse definitions are being used, which all tend to be operational due to the apparent lack of a conceptual definition. This can only be compiled when there is a concrete understanding as to what causes of loyalty. But then Loyalty, or rather true Loyalty is all about commitment and dedication, and in a human world, commitment is dependent on the strength of the relationship.

This research has therefore been exploring the relationships consumers have with brands (they are loyal to), in order to understand if and how this relationship can affect their purchasing patterns and attitudes. This has also led to a conceptual definition of Loyalty since it is shown that this relationship is indeed the cause of Loyalty.

In addition to this, a model has arisen which can give a better picture of the segmentation of the customers of a brand, based on the strength of the Relationship and the Repeat purchase pattern. Techniques like Transactional Analysis have been used, demonstrating this need to monitor the interactions and therefore the Relationship of the customers to the brands. This then, allows the brand owners or the marketers to adapt their marketing and corporate strategies in a effort to maintain or increase the size of certain segments in their existing customer base.