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Topic: The Impact of Advertisement on Brand Perception
in FMCG Industry

ABSTRACT

Advertisement is a communication tool which provides information on price, product, brand availability etc., which are required to make an educated decision. The aim of advertising is to motivate buyers; it arouses and stimulates their need which in turn guides their behaviour. Advertisement creates certain perception in the mind of viewers which may or may not be successful in molding or changing the attitude and behavior of the buyers. Perception is defined as "the process of attending to and knowing objects by means of the senses" (Bahn, 1986). Brand perception is overall and intangible feeling about a brand. (Aaker, 2009) Brand Perception means how consumers perceive and evaluate brands. In fact it is Brand Perception which gives brand its equity. Brand perception depends upon the amount of information available to the consumers. Brand perception leads to purchase consideration and as such it is important to consider the influence of advertisement on brand perception.

Fast Moving Consumer Goods (FMCGs) are low priced goods which comprise the basic day to day needs of the consumers. FMCGs include a wide range of frequently purchased consumer products, such as: cosmetics, skin care products, toiletries; shaving cream, razor, soap shampoos, toothpaste and toothbrush, detergents and dish washing liquids etc. FMCGs are among the low-involvement category of products which do not go through the long and regular thinking process of buying. But they are product of importance as they are related to the health and beauty of the people. Also, FMCGs have a dynamic market characterized by frequent advertising in order to create some sort product differentiation in the minds of the consumers.

This study aims to understand the influence of advertisement on brand perception in FMCG Sector; the factors that influence buyers and how these factors can be exploited in order to lead them towards purchase consideration. As there existed diverse approach to the concept, the research may prove distinctive, yet significant in formulating an approach to study the effect of advertisements on brand perception for FMCGs. The research was undertaken with the primary objective of finding the impact of advertisement on brand perception for fast moving consumer goods. Advertisement appeals were classified into: Rational and Representational (or emotional) appeals. Brand Perception on the other hand, was found having three important dimensions; Brand Familiarity, Perceived Quality and Brand Resonance. As such, a scale was developed to measure the impact of the different appeals of advertisement on the dimensions of brand perception, so that the impact of advertisement on brand perception for FMCGs can be assessed.

The findings of the study are consistent with previous studies that awareness affects consumer's brand perception, which ultimately leads to brand choice. The rational appeals in advertisements help build

brand familiarity. And this holds true even in case of low involvement goods such as FMCGs. Messages containing functional benefits enable consumers to recall or recognize the brand under purchase situations. The findings of the study suggest that representational or emotional appeals influence the way consumers relate themselves with FMCG brands. The creation of emotional messages leads to the creation of added-value which, if done successfully, can lead to a sustainable advantage for a brand. When customers encounter emotional advertisements of a particular brand, brand familiarity enables them to relate the circumstances in the ad with themselves. They relate themselves with the personalities in the brand. The results of the study seem to be consistent with the previously held notion that portrayal of objective quality plays an important role in building quality perceptions. It holds true for even fast moving consumer goods. As, perceived brand quality is customer's objective assessments of brand quality, the communication of functional aspects usually treats the perceived rational benefits such as quality, efficiency, availability, value for money, taste and performance. The findings of the study imply that representational appeals in advertisements affect the way consumers perceive a brand to be credible and superior. The results of the study suggest that representational messages affect the consumers' perceived expertise, trustworthiness and likeability towards a FMCG brands. And ultimately increases the likelihood that the brand is included in the possible set of options. The result of the study suggests that rational appeals play an important role in developing brand resonance for FMCGs. Brand Resonance is a result of Brand Familiarity and Perceived Quality. The rational appeals develop loyalty even for low involvement fast moving consumer goods and helps to develop close affinity with the brand. Rational appeals helps FMCG brands achieve resonance and affinity with their customers and thus enjoy valuable benefits. The findings of the study are in accord with past research that advertisements containing emotional messages affect the consumers' loyalty towards a brand. It holds true even for FMCGs. Representational appeals create a persuading picture in which the customers relate themselves with the brand and also share their experience with others. 'Brand loyalty makes consumers purchase a brand routinely and resist switching to another brand'. The finding of the study suggests that in contrast to non-branded FMCGs, consumers highly consider branded FMCGs for quality, performance, reputation and options. They consider purchasing branded products in contrast to non-branded FMCG products. Branded FMCGs have a wide market base. They provide wide options and deliver performance. And thus consumers prefer branded products as they are a mark of reputation and provide much better options. The results of the study propose that advertisement is an important element which helps in projecting the right product quality and value before the consumers of FMCGs. Advertisement is an element which tells consumers about brand features. They consider advertisements' claims of benefits derived from the use of FMCG products before making purchases. 'Convincing, Thought Provoking, Creative or Memorable Message' in advertisements helps consumers to differentiate between competing brands of FMCGs. Besides, product related information in advertisement, such as 'Product Ingredients' and 'Price Discount' also plays an important role in differentiating between brands. The study is significant in respect that its findings suggest that advertisement has an impact on consumers' perception even for the low involvement category fast moving consumer goods and is consistent with past research conducted for high involvement, durable or convenient goods. The study clearly proves that a mix of rational and representational appeals exert important influence as to how consumers process the brand related information, perceive its quality and relate themselves with the brand.