

# Effect of Advertisement on the Brand Preference (A Case Study of College Going Students)

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**Abstract-**Advertising is one of the oldest forms of public announcement that occupies a vital position in an organization's product mix. According to the American Marketing Association, Chicago, "Advertising is any paid form of non personal presentation of ideas, goods and services by an identified sponsor." To advertise means to inform (seen as the flow of information about a product or service from the seller to the buyer). However, simply informing a customer that a brand exists is not enough. Advertising should be targeted towards the prospective audience in such a way that it forms a positive impact on the customers and in the process creates brand recognition. On the other hand a brand is an intangible asset often the most valuable asset of a corporation. Brand owners manage their brands carefully to create shareholder value, and the brand valuation is an important management technique that ascribes a money value to a brand, and allows marketing investment to be managed (e.g.: prioritized across a portfolio of brands) to maximize shareholder value. Advertising has a great effect on the customers specially the young students so an attempt has been made in this study to the level to which advertisement effects the choice of the students towards various brand preferences. The study has been on the college going students of a college in district Solan.

**Index Terms-**Brand Management, Advertising

## 1. INTRODUCTION

Advertisement in general sense means an openly sponsored offering of goods, services, or ideas through any medium of public communication. Advertisement is process, a series of activities necessary to prepare the message and bring it to the intended customer. Advertising is nothing but a paid form of non-personal presentation or promotion of ideas, goods or services by an identified sponsor with a view to disseminate information concerning an idea, product or service. The message which is presented or disseminated is called advertisement. In the present day marketing activities there is hardly any business which does not advertise. However, the form of advertisement differs from business to business.

To advertise means to inform (seen as the flow of information about a product or service from the seller to the buyer). However, advertising does not end with the flow of information alone. It goes further to influence and persuades people to take a desired action - like placing an order to buy a product. However, simply informing a customer that a brand exists is not enough. Advertising should be targeted towards the prospective audience in such a way that it forms a positive impact on the customer and in the process creates

brand recognition. Marketers generally target advertising campaigns at the groups of customers:

- **First Time Users of a Product:** Customers who don't use that product category at all. The aim is to convince them to try that product.
- **First Time Users of a Brand:** Consumers who don't use a particular brand but might be using a competitor's brand. The aim here is to convince buyers to switch from the competition product to theirs.
- **Regular Users of the Brand:** Buyers who are using the brand already. The aim is to serve as a reminder of the brand's benefits and convince them to continue using it.
- **Launch a New Brand into the Market**

## 2. CUSTOMER'S PREFERENCES TOWARDS BRANDS

Brand association is anything that is linked in memory to a brand. The preference reflects the fact products are used to express lifestyles whereas other preference reflects social positions, and professional roles. Still others will reflect associations involving product applications, types of people who might use the product, stores that

carry the product, or salespeople who handle the product or even the country of origin. Keller (1998) defines brand associations as informational nodes linked to the brand node in memory that contains the meaning of the brand for consumers. These associations include perceptions of brand quality and attitudes towards the brand. The brand preferences that a firm can use in differentiating its product is Customer benefit, product Attributes, country of Origin etc.

### **3. REVIEW OF LITERATURE**

The central concern of brand building literature experienced a dramatic shift in the last decade branding and the role of brands, as traditionally understood, were subject to constant review and redefinition, a traditional definition of a brand was "the name, associate with one or more items in the project line, that is used to identify the American marketing association (AMA) definition of a brand is a name term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of one seller or group of seller to differentiate them from those of competitors.

- (1) **According to Kapferer (1997)** in his study "serve eight functions" done on 234 peoples shown the first two are mechanical and concern the essence of the brand revealed that To function as a recognized symbol in order to facilitate choice and to gain time" the next are for reducing the perceived risk, and the final three concern the pleasure side of brand he adds that's brand perform an economic function in the mind of the consumer, "The value of brand comes from its ability to gain an exclusive, positive and prominent meaning in the minds of a large number of consumers".
- (2) **According to Peter (2002)**, in his study the brands should be "managed as valuable long-term corporate assets" done on 230 customers proposed that for a true brand asset mindset to be achieved, the relationship between brand loyalty and brand value needs to be recognized within the management accounting system. He further suggested that strategic brand management is achieved by having a multi-disciplinary focus, which is facilitated by a common vocabulary.
- (3) **According to George S. Low (2003)**, in his study "four factors generates revealed that dimensions of brand image", done on 223 customers focusing on the functions or value of the brand is perceived by customers in order to identify the four categories of functions: guarantee, personal identification, social identification and status. He further proposed that these functions have a positive influence on the customers' willingness to recommend the brand, pay a price premium for it and accept brand extensions.
- (4) **According to Cochin Wu National (2003)**, in his study "found the different brand categories" done on 20 product categories revealed that how the strength of brand associations, different brand breadths, and the similarity between a parent brand's product categories and its extension product categories influence customers' attitudes toward brand extensions.
- (5) **According to Rodolfo (2005)**, in his study "studied customers attitudes" done on 122 customers revealed that the higher level of affective responses to a focal advertisement significantly leads to a higher evaluation of that advertisement. The researcher further stated the effects of advertisement on customers' attitudes and purchase intentions in multiple brand environments.
- (6) **According to K. Alexandria (2007)**, in his study found that "Loyalty about different brands" done on 54 brand products revealed eight brand association factors: popularity done on management, logo, escape, vicarious achievement, nostalgia, pride and affect. The author further revealed that: five of the eight brand associations (escape, nostalgia, pride, logo, and affect) significantly contributed to the prediction of loyalty about different brands.
- (7) **According to Chimborazo and Mutandwa (2007)**, in his study "Assessed the factors that influence customer choice of brands" done on 112 customers revealed that they explained four factors namely promotion, price and availability, packaging and product quality. They noted that there is a need to increase brand visibility through promotion and ensuring that these brands are priced competitively. They also noted that ensuring product availability is also a matter of concern.
- (8) **According to Dolatabadi (2012)** in his study Investigated "The relationship between brand image" done in 233 customers revealed that personality traits and customer loyalty while buying laptops. The result showed that strong brand image leads to customers' higher

loyalty. In addition, it was discovered that effect of personality traits on brand image is great. So it is important to develop brand image to improve customer loyalty. Offering different prices and different promotions to different members at models make customers more loyal.

- (9) **According to Reid's (2001)** in his study "understandings of brand image" done on 214 consumers concern the product of interaction I involving the consumer's specific experience with a certain brand, helped by advertising which reveals how the brand is to be understood and used, predominately for brands that contend at party.
- (10) **According to Herzog's** in his study that "brand image" done on 122 people's revealed that was the some of the total impression 1973 indeed such definitions all concur together echoed by the words of Levy who stated that "a brand image is a constellation of pictures and ideas in people's minds that sum up their knowledge of the brand and their main attitudes towards it"

#### **4. NEED OF STUDY**

Advertisement plays a significant role in promoting the sale of a product in the market. The present study will help in identifying the main source of information for the customers which will give a proper feedback to the company concerned for maximum utilization of particular source of information. The perception of the respondents towards advertisement and the appeal influencing their purchasing decision would further facilitate the policy makers and the marketing management staff for effective framing of advertisement in order to enhance their sale of the product in the competitive marketing.

It is a well known fact that the effect of advertising on the brand preference of products plays an important role in the making purchase decision for any product. The market is growing at a very high pace and with the kind of competition in the market the survival of any company depends upon its effective marketing strategy of which brand positioning is an integral part of marketing mix. Hence the study is an attempt to understand the behavioural dynamics of customers which will aid in developing marketing practices for the branded products.

#### **5. RESEARCH OBJECTIVES**

The main aim of the research is to study the effect of advertisement on the brand preferences of the customers towards various products.

More specifically, the objectives of the research are:

- (1) To identify the source of information for purchasing the products
- (2) To determine the effectiveness of advertisement as perceived by the students.
- (3) To identify the main factors influencing the respondents decisions for purchasing a particular brand.
- (4) To study how much time students spend daily in watching / listening / Reading the advertisement.

#### **6. SAMPLE SIZE & PROCEDURE**

Total sample size is 100. Random sampling method was used to collect the sample.

#### **7. SOURCES OF DATA COLLECTION**

##### **7.1 Primary**

For my survey primary data have been used as a questionnaire to collect the data.

##### **7.2 Secondary**

The secondary data has been collected from the various sources as - Books, Data through internet sources

#### **8. SCOPE OF THE STUDY**

The scope of the study is limited to the respondents from the Institution of higher learning. The factor perception has been limited in invoking the responses from respondents and the advertisement and behavioural dynamics only.

#### **9. LIMITATION OF STUDY**

This study has to rely upon the information obtained from secondary sources and the information given by respondents which at times may be biased.

- This study is limited to only one institution i.e L.L.R Institute, Solan (HP).
- The sample size is only 100 so the sample may not be truly representative of the whole population.

## **10. FINDINGS, CONCLUSION & SUGGESTIONS**

### **10.1 Findings**

This present study was conducted with a purpose of understanding the choice of youngsters who are in a young age, are developing their career, changes taking place in the minds of the customers towards modern market. It was observed that due to urbanization and awareness, coming up of branded products has given a lot many choices to the customers to choose from. Majority of the customers visit the branded shops after getting influenced by the advertisements. It was found that the students spare their time to watch the advertisements and get detail about the relevant product. Students belonging to lower income families prefer shopping with nearby mom-n-pop stores but they also visit the branded shops to have an idea and to have a glance at the products and if affordable like to pick them. Students belonging to the Upper class families were found to be more attracted towards the branded products and influenced by the brand names and advertisements. Therefore it can be concluded that the students are influenced by the advertisement to an extent which does affect the sales of the product

### **10.2 Suggestions**

The business persons should make the advertisements more attractive as the customer does get influenced by the advertisement and view the advertisement with keen interest especially the young students.

### **10.3 Conclusion**

This study reveals that the advertising has an effect on the brand preference of products as the markets are very big and it is in its growing stage, people are enjoying its products depending upon their need and choice and some of them use the branded products just as a status symbol only. Advertising does play an important role in the purchasing of the products, internet is the most important aid which students are now days using and spending time on to get the knowledge about the products.

An effort was made to the best to collect the data's and facts though it was difficult to read the psychology of the customers and the respondents. For the collection of primary data a structured questionnaire was prepared as per research objectives. The sample size of 100 was taken and percentile method was used to find out the result of the study done. After the study it was found that

out of 100 respondents 90 students were influenced towards the buying of the product while 10 did not consider advertisement as a factor of motivation towards the purchase of the product.

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