A Study On Advertising Effectiveness As A Factor Influencing Brand Equity Of Colour Television Products With Specific Reference To Coimbatore City-Tamil Nadu -India

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RELEVANCE OF BRAND EQUITY:

“A brand is a symbol or mark that helps a customer to recall and differentiate it from a competing product”.

According to Author David Aaker Brand Equity “refers to the marketing effects or outcomes that accrue to a product with its brand name as compared to those that would accrue if the same product did not have a brand name.

The equity Aaker says is due to factors like awareness, reputation/perceived quality, loyalty, associations and brand assets or patents. Higher equity brands are preferred by the consumers since they find it easier to interpret what the brand stands for, what benefits it offers, and are confident in dealing with it. They get more satisfaction from a high equity brand.

ADVERTISING EFFECTIVENESS;

Advertisements create awareness to products and brands. The objectives of advertising are to inform, persuade and remind the customers. Good advertisements have to adhere to the Attention, Interest, Desire and Action formula. Effectiveness on all these areas of advertising of the brand can add to the brand equity from the customer’s perspective.

NEED FOR THE STUDY:

Advertising as a promotion mix tool is vital for all companies, and huge amounts are being spent on advertising. It is necessary therefore to study the role of advertising effectiveness as a factor influencing brand equity especially from the customers’ perspective.

OBJECTIVES OF THE STUDY:

1. To determine the impact of socio economic variables of the customer on advertising effectiveness.
2. To assess the relationship between advertising effectiveness and factors of brand equity.
3. To study the advertising effectiveness on overall brand equity of the specified Colour Television Brands (hereinafter referred to as CTV) brands.
4. To assess from the customer perspective the preferred advertising media for CTV products.
5. To examine the advertising effectiveness of each brand as indicated by CTV owners.

Literature Review – The base for indulging in this study:

V. Seenu Srinivasan – Adams distinguished Professor of Management – Stanford Graduate School of Business in his study “Calculating the dollar value of Brand Equity” mentions that the greater the awareness of your brand is the major component driving brand equity.

Kathryn Shaw; Ernest C.Arbuckle – Professor of Economics Stanford graduate School of Business found that “companies that spend heavily on advertisement to build their brand reputation own a higher percentage of franchise outlets for that brand as a way to protect it’s reputation.

Bell, Chaing and Padmanabhan (1999) found that “higher loyalty brands generate greater stockpiling from promotions”.

Aba, Hutchinson and Lynch 1991 –“ Exposure to high equity brands through visual means such as displays or future advertisements may enhance brand’s competitive advantage”.

Keller (1993) stated that “when a brand has a stronger equity, consumers hold more favorable, powerful and unique associations with the brand”

RESEARCH METHODOLOGY:

Methodology used in this study:

The study was descriptive in nature. Methodology involved instrument development and validation, data collection and appropriate analysis. The research is designed in a way to gather data to analyse the role of advertising effectiveness on Brand Equity.

The Universe/population in this study is the Colour television owners in Coimbatore city. Probability sampling is used and the data is collected based on multi-stage sampling. In the first stage Coimbatore city is first divided into four zones ( North , South, East & West) based on the
bifurcation as adhered to by the Coimbatore district administration.* Each Zone has 18 wards and so in the second stage purposive sampling is adopted by which the areas were chosen from the zones. Then again in the third stage through convenient sampling, the streets and houses were chosen and the data was collected from the customers. The sample size chosen for this research is 400 customers of Colour Television products in Coimbatore city. Because the total CTV owners was not known Quota sampling was followed by taking 100 respondents from each zone. Colour Televisions as per popularity and market shares ascertained from the Company executives fall in the order of sales quantity as LG, Samsung, Onida, Sansui & Videocon. Therefore in the study, focus is given to these top five brands for the study of brand equity.

Data collection for the research:

The data from the respondents were collected from schedules which have been filled up by meeting the respondents. The researchers had made a pilot study on 30 respondents initially, to find out how effective the schedule should be. The Company executives of CTV companies suggested some ideas at this stage. Secondary data was collected from the Books, Journals, Newspapers & Magazines, other research reports and Net resources.

Discussions were had with the company executives at Coimbatore and also the Dealer network to ascertain the performance of the specified brands before administering the schedule to the respondents.

Statistical tools used for analysis:
One way ANOVA, Correlation, Regression, Kendall’s coefficient of concordance.

ANALYSIS AND INTERPRETATION:
One way ANOVA was applied to find whether there is significant difference among the personal factors in the average advertisement effectiveness factor of brand scores.

The following Hypothesis were framed and tested.
Hypothesis: There is no significant difference among the type of education groups in the average advertisement effectiveness factor of brand scores.

The ANOVA result shows that the calculated F-value ratio is 3.269, which is higher than the table value of 2.627 at 1% level of significance. Since the calculated value is higher than the table value it is inferred that there is significant difference among the type of education type groups in the average advertisement effectiveness factor of brand scores. Hence the Hypothesis is rejected.

Hypothesis: There is no significant difference among the family size groups in the average advertisement effectiveness factor of brand scores.

The ANOVA result shows that the calculated F-value ratio is 2.509, which is lower than the table value of 3.018 at 5% level of significance. Since the calculated value is lower than the table value it is inferred that there is no significant difference among the type of family size groups in the average advertisement effectiveness factor of brand scores. Hence the Hypothesis is rejected.

Hypothesis: There is no significant difference among the occupation groups in the average advertisement effectiveness factor of brand scores.

The ANOVA result shows that the calculated F-value ratio is 2.053, which is lower than the table value of 2.394 at 5% level of significance. Since the calculated value is lower than the table value it is inferred that there is no significant difference among the type of occupation groups in the average advertisement effectiveness factor of brand scores. Hence the Hypothesis is accepted.

Hypothesis: There is no significant difference among the monthly family income groups in the average advertisement effectiveness factor of brand scores.

The ANOVA result shows that the calculated F-value ratio is .712, which is lower than the table value of 2.627 at 5% level of significance. Since the calculated value is lower than the table value it is inferred that there is no significant difference among the type of monthly family income groups in the average advertisement effectiveness factor of brand scores. Hence the Hypothesis is accepted.

Hypothesis: There is no significant difference among the type of CTV owned groups in the average advertisement effectiveness factor of brand scores.

The ANOVA result shows that the calculated F-value ratio is 2.256, which is lower than the table value of 2.394 at 5% level of significance. Since the calculated value is lower than the table value it is inferred that there is no significant difference among the type of CTV owned groups in the average advertisement effectiveness factor of brand scores. Hence the Hypothesis is accepted.

| Table 1: Specific Brand Equity as related to the brand’s advertisement effectiveness |
|-----------------------------------------------|----------|----------|----------|----------|----------|
| Brand equity factors/ CTV brands | LG       | SAMSUNG  | ONIDA    | SANSUI   | VIDEOCON |
| Loyalty factor of the brand             | 0.386**  | 0.192    | 0.175    | 0.181    | 0.164    |
| Awareness factor of the brand           | 0.372**  | 0.440**  | 0.246**  | 0.353**  | 0.615**  |
| Association factor of the brand         | 0.571**  | 0.550**  | 0.264**  | 0.529**  | 0.549**  |
| Reputation factor of the brand          | 0.239    | 0.412**  | 0.211*   | 0.118    | 0.316*   |
| Overall Brand Equity Score              | 0.530**  | 0.521**  | 0.313**  | 0.422**  | 0.553**  |
Inference:
Through correlation analysis the relationship between Brand Equity factors and Advertisement Effectiveness is ascertained. **Relationship is significant at 1% level.
From the above table in the study it is found that the overall brand equity score for LG is .530, for Samsung it is .521, for Onida it is .313, for Sansui .422, and for Videocon it is .553.
For the Loyalty factor the highest score is for the brand LG (.386) followed by Samsung (.192), followed by Sansui (.181), followed by Onida (.175) and followed by Videocon (.164). For the Awareness factor the highest score is for the brand Videocon (.615), followed by Samsung (.440), followed by LG (.372), followed by Sansui (.353), and followed by Onida (.246). For the Association factor of the brand the highest score is for the brand LG (.571), followed by Samsung (.550), followed by Videocon (.549), followed by Sansui (.529), and followed by Onida (.264). For the Reputation of the brand the highest score is for the brand Samsung (.412), followed by Videocon (.316), followed by LG (.239), followed by Onida (.211) and followed by Sansui (.118).

Table 2: Regression of Brand LG on overall brand equity
Dependent Variable: Overall Brand Equity Score

<table>
<thead>
<tr>
<th>Regression Coefficients(B)</th>
<th>Std. Error</th>
<th>t</th>
<th>Sig.</th>
<th>R</th>
<th>R Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>17.058</td>
<td>1.744</td>
<td>.530</td>
<td>.281</td>
<td></td>
</tr>
<tr>
<td>Advertisement Effectiveness of the brand</td>
<td>1.293</td>
<td>.263</td>
<td>4.918 **</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 3: Regression of Brand Samsung on overall brand equity
Dependent Variable: Overall Brand Equity Score

<table>
<thead>
<tr>
<th>Regression Coefficients(B)</th>
<th>Std. Error</th>
<th>t</th>
<th>Sig.</th>
<th>R</th>
<th>R Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>15.726</td>
<td>1.646</td>
<td>.521</td>
<td>.272</td>
<td></td>
</tr>
<tr>
<td>Advertisement Effectiveness of the brand</td>
<td>1.454</td>
<td>0.252</td>
<td>5.765 **</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 4: Regression of Brand ONIDA on overall brand equity
Dependent Variable: Overall Brand Equity Score

<table>
<thead>
<tr>
<th>Regression Coefficients(B)</th>
<th>Std. Error</th>
<th>t</th>
<th>Sig.</th>
<th>R</th>
<th>R Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>19.235</td>
<td>1.752</td>
<td>.313</td>
<td>.098</td>
<td></td>
</tr>
<tr>
<td>Advertisement Effectiveness of the brand</td>
<td>0.924</td>
<td>0.255</td>
<td>3.624 **</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Inference:
Regression analysis was applied to find the effectiveness of advertisement on overall brand equity scores. The regression results show that advertisement has a positive effect on overall brand equity. The R square value is (0.281) which indicates that 28.1% of variation in overall brand equity has been contributed by advertisement effectiveness. The regression coefficient of advertisement (1.293) shows that the unit increase in advertisement effectiveness will increase the brand equity score by 1.293 scores. The t-test (4.918) shows that the advertisement effectiveness has significantly influenced the brand equity at 1% level of significance.

Inference:
Regression analysis was applied to find the effectiveness of advertisement on overall brand equity scores. The regression results show that advertisement has a positive effect on overall brand equity. The R square value is (0.272) which indicates that 27.2% of variation in overall brand equity has been contributed by advertisement effectiveness. The regression coefficient of advertisement (1.454) shows that the unit increase in advertisement effectiveness will increase the brand equity score by 1.454 scores. The t-test (5.765) shows that the advertisement effectiveness has significantly influenced the brand equity at 1% level of significance.

Inference:
Regression analysis was applied to find the effectiveness of advertisement on overall brand equity scores. The regression results show that advertisement has a positive effect on overall brand equity. The R square value is (0.098) which indicates that 9.8% of variation in overall brand equity has been contributed by advertisement effectiveness. The regression coefficient of advertisement (0.924) shows that the unit increase in advertisement effectiveness will increase the brand equity score by 0.924 scores. The t-test (3.624) shows that the advertisement effectiveness has significantly influenced the brand equity at 1% level of significance.
Table 5: Regression of Brand Sansui on overall brand equity
Dependent Variable: Overall Brand Equity Score

<table>
<thead>
<tr>
<th>Regression Coefficients (B)</th>
<th>Std. Error</th>
<th>t</th>
<th>Sig.</th>
<th>R</th>
<th>R Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>17.432</td>
<td>2.049</td>
<td>0.422</td>
<td>0.178</td>
<td></td>
</tr>
<tr>
<td>Advertisement Effectiveness of the brand</td>
<td>1.215</td>
<td>0.302</td>
<td>4.026</td>
<td>**</td>
<td></td>
</tr>
</tbody>
</table>

Inference:
Regression analysis was applied to find the effectiveness of advertisement on overall brand equity scores. The regression results show that advertisement has a positive effect on overall brand equity. The R square value is (0.178) which indicates that 17.8% of variation in overall brand equity has been contributed by advertisement effectiveness. The regression coefficient of advertisement (1.215) shows that the unit increase in advertisement effectiveness will increase the brand equity score by 1.215 scores. The t-test (4.026) shows that the advertisement effectiveness has significantly influenced the brand equity at 1% level of significance.

Table 6: Regression of Brand Videocon on overall brand equity
Dependent Variable: Overall Brand Equity Score

<table>
<thead>
<tr>
<th>Regression Coefficients (B)</th>
<th>Std. Error</th>
<th>t</th>
<th>Sig.</th>
<th>R</th>
<th>R Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>15.324</td>
<td>2.116</td>
<td>.553</td>
<td>.306</td>
<td></td>
</tr>
<tr>
<td>Advertisement Effectiveness of the brand</td>
<td>1.450</td>
<td>.333</td>
<td>4.357</td>
<td>**</td>
<td></td>
</tr>
</tbody>
</table>

Inference:
Regression analysis was applied to find the effectiveness of advertisement on overall brand equity scores. The regression results show that advertisement has a positive effect on overall brand equity. The R square value is (.306) which indicates that 30.6% of variation in overall brand equity has been contributed by advertisement effectiveness. The regression coefficient of advertisement (1.450) shows that the unit increase in advertisement effectiveness will increase the brand equity score by 1.450 scores. The t-test (4.357) shows that the advertisement effectiveness has significantly influenced the brand equity at 1% level of significance.

Overall inference:
The regression results indicate effectiveness of advertisement has a positive effect on brand equity for all brands. The brand Videocon has the maximum of (30.6%) variation in overall brand equity contributed by advertisement effectiveness, followed by LG (28.1%), followed by Samsung (27.2%), followed by Sansui (17.8%) and Onida (9.8%).

Table 7: Best media for advertisements

<table>
<thead>
<tr>
<th>Media</th>
<th>Mean Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Television</td>
<td>2.32</td>
</tr>
<tr>
<td>Newspaper</td>
<td>3.90</td>
</tr>
<tr>
<td>Magazine</td>
<td>4.61</td>
</tr>
<tr>
<td>Hoardings</td>
<td>6.00</td>
</tr>
<tr>
<td>Glow sign</td>
<td>6.77</td>
</tr>
<tr>
<td>Wall painting</td>
<td>4.45</td>
</tr>
<tr>
<td>Posters</td>
<td>5.53</td>
</tr>
<tr>
<td>Banners</td>
<td>5.58</td>
</tr>
<tr>
<td>In shop advertisement</td>
<td>5.83</td>
</tr>
</tbody>
</table>

Kendall's Coefficient of Concordance

| Kendall’s W              | .238      |

Inference:
By applying the Kendall’s co-efficient of concordance, the mean ranks show that Television was the top in best media (mean rank 2.32), followed by Newspaper (3.90), then wall paintings (4.45), then Magazines (4.61), then posters (5.53), then Banners (5.58), in shop advertisements (5.83), then hoardings (6.0), then glow sign (6.77) By ranking the priority items from 1-8, the top association item got the rank of 1 and the least priority item got the rank of 8. The Kendall’s ‘W’ is found to be 0.238 which indicates
that there is less similarity among the respondents in assigning the reasons for liking the brand owned.

Table 8: Mean ranks of advertising effectiveness as indicated by the CTV owners

<table>
<thead>
<tr>
<th></th>
<th>Mean Rank</th>
<th>Mean Rank</th>
<th>Mean Rank</th>
<th>Mean Rank</th>
<th>Mean Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>LG owners</td>
<td>Samsung owners</td>
<td>Onida owners</td>
<td>Sansui owners</td>
<td>Videocon owners</td>
</tr>
<tr>
<td>LG</td>
<td>1.80</td>
<td>2.33</td>
<td>2.14</td>
<td>2.39</td>
<td>2.42</td>
</tr>
<tr>
<td>Samsung</td>
<td>2.89</td>
<td>2.20</td>
<td>2.86</td>
<td>2.94</td>
<td>2.84</td>
</tr>
<tr>
<td>Onida</td>
<td>3.03</td>
<td>2.91</td>
<td>2.47</td>
<td>3.04</td>
<td>3.04</td>
</tr>
<tr>
<td>Sansui</td>
<td>3.66</td>
<td>3.88</td>
<td>3.84</td>
<td>3.04</td>
<td>3.82</td>
</tr>
<tr>
<td>Videocon</td>
<td>3.63</td>
<td>3.68</td>
<td>3.68</td>
<td>3.60</td>
<td>2.87</td>
</tr>
<tr>
<td>Kendall’s W</td>
<td>0.228</td>
<td>0.234</td>
<td>0.221</td>
<td>0.074</td>
<td>0.105</td>
</tr>
</tbody>
</table>

Inference:

By applying the Kendall’s co-efficient of concordance, the mean ranks by LG CTV owners show that the most effective advertising is by LG (1.80), followed by Samsung (2.89), followed by Onida (3.03), followed by Videocon (3.63), followed by Sansui (3.66). The Kendall’s ‘W’ is found to be 0.228 which indicates that there is less similarity among the respondents in assigning the effectiveness of the advertising of the CTV brands.

The mean ranks by the Samsung CTV owners show that the most effective advertising is by Samsung (2.20), followed by LG (2.33), followed by Onida (2.91), followed by Videocon (3.68), and followed by Sansui (3.88). The Kendall’s ‘W’ is found to be 0.234 which indicates that there is less similarity among the respondents in assigning the effectiveness of the advertising of the CTV brands.

The mean ranks by the Onida CTV owners show that the most effective advertising is by LG (2.14), followed by Onida (2.47), followed by Samsung (2.86), followed by Videocon (3.68) followed by Sansui (3.84). The Kendall’s ‘W’ is found to be 0.221 which indicates that there is less similarity among the respondents in assigning the effectiveness of the advertising of the CTV brands.

The mean ranks by the Sansui CTV owners show that the most effective advertising is by LG (2.39), followed by Samsung (2.94), followed by Onida and Sansui (3.04), and followed by Videocon (3.60). The Kendall’s ‘W’ is found to be 0.074 which indicates that there is less similarity among the respondents in assigning the effectiveness of the advertising of the CTV brands.

The mean ranks by the Videocon CTV owners show that the most effective advertising is by LG (2.42), followed by Samsung (2.84), followed by Videocon (2.87), followed by Onida (3.04), followed by Sansui (3.82). The Kendall’s ‘W’ is found to be 0.105 which indicates that there is less similarity among the respondents in assigning the effectiveness of the advertising of the CTV brands.

The above inferences also indicate that LG and Samsung are emerging as strong brands in advertising effectiveness.

**FINDINGS:**

**Objective I (Findings through ANOVA):**

To determine the impact of socio economic variables on advertising effectiveness.

1. There is significant difference among education and advertisement effectiveness.
2. There is no significant difference among family size and advertisement effectiveness.
3. There is no significant difference among occupation and advertisement effectiveness.
4. There is no significant difference among monthly family income and advertisement effectiveness.
5. There is significant difference among CTV owned and advertisement effectiveness.

**Objective II: (Findings through correlation):**

To assess the relationship between advertisement effectiveness and brand equity factors:

6. For the relationship to the Loyalty factor the highest score is for the brand LG
7. For the relationship to the Awareness factor the highest score is for the brand Videocon
8. For the relationship to the Association factor of the brand the highest score is for the brand LG.
9. For the relationship to the Reputation of the brand the highest score is for the brand Samsung.

**Objective III: (Findings through Regression analysis):**

To study the advertising effectiveness on overall brand equity of each brand:

10. For Brand LG, advertisement has a positive effect on overall brand equity. Overall 28.1% of variation in overall brand equity has been contributed by advertising effectiveness.
11. For the brand Samsung, advertisement has a positive effect on overall brand equity. Overall 27.2% of variation in overall brand equity has been contributed by advertising effectiveness.
12. For the brand Onida, advertisement has a positive effect on overall brand equity. Overall 9.8% of variation in overall brand equity has been contributed by advertising effectiveness.
13. For the brand Sansui, advertisement has a positive effect on overall brand equity.
Overall 17.6% of variation in overall brand equity has been contributed by advertising effectiveness.

14. For the brand Videocon, advertisement has a positive effect on overall brand equity.

Overall 30.6% of variation in overall brand equity has been contributed by advertising effectiveness.

**Objective IV:** (Findings through Kendall’s Coefficient of concordance);
To find out the best advertisement media suggested by the customer:

15. The best media for advertisements as mentioned by the respondents is televisions

**Objective V:** (Findings through Kendall’s coefficient of concordance)
To examine the advertising effectiveness of each brand as indicated by the CTV owners.

16. LG CTV advertisements were given as most effective by LG CTV owners.
17. Samsung Advertisements were given as most effective by Samsung CTV owners.
18. LG CTV advertisements were given as most effective by Onida CTV owners.
19. LG CTV advertisements were given as most effective by Sansui CTV owners.
20. LG CTV advertisements were given as most effective by Videocon CTV owners.

**SUGGESTIONS AND SCOPE FOR FURTHER RESEARCH:**
1. Since from the study it is ascertained that advertising effectiveness has a positive role in the brand equity from the customers’ perspective and so the companies can focus on increasing their advertising effectiveness.
2. Onida, Sansui and Videocon Companies may improve their advertising effectiveness for Colour televisions to build brand equity.

This Research has been carried out for specific colour television brands and in the city of Coimbatore. There is much scope for doing similar research on other consumer durable and non-durable products and also in Metros and rural markets.

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