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Effective building of an international brand in India- a well-being approach

1. Introduction

A brand- understood to be “ a name, term, sign, symbol, or design, or combination of them, is intended to identify the fashion products of one seller or a group of sellers and to differentiate them from those of competitors” (Kotlar, 1997)-can potentially play many roles in consumers decision making and choice behavior. Underlying many of the brand effects is consumer uncertainty about fashion product attributes and/or benefits. This uncertainty arises from the imperfect and asymmetric information state that characterizes most of the product (Erdem, Swait, Valenzuela, 2006).

The concept of brand building of fashion products has been widely discussed in the marketing literature; much of the research stems from Marketing Science Institute (MSI) conference on the topic (Leuthesser et al., 1995). Researchers such as Aaker (1991), Aaker and Keller (1990), Broniarczyk and Alba (1994), Frieder and Subrahmanyam (2002), Feldwick (1996), Keller (1993), Loken and Roedder-John (1993), and Park, Bernard and Deborah (1986) have written extensively about the concept of brand building. At the same time, advertising and market research executives have emphasized the importance of brand building (Bharadwaj et al., 1999).

Brand building is a consumer-centric, relational and story-driven approach to forging deep and enduring affective bonds between consumers and brands (Roberts, 1991). Proponents of branding proclaim that this high degree of

consumer passion is seldom, if ever, cultivated through rational arguments about tangible benefits or even appeals to symbolic benefits such as heightened self-esteem or status (Gobe, 2001). Rather, these potent consumer-brand linkages typically emerge when brand building strategies use narratives and tactics that demonstrate an empathetic understanding of consumer's inspirations, aspirations and life circumstances and that generate warm feelings of community among brand users (Atkin 2004; Cova and Cova, 2002; Fournier, 1998; Muniz and Schau, 2005).

The steadily growing literature contains several often divergent viewpoints on the parameters that influence fashion brand building, the perspective from which it should be studied, and the ways to measure it. However, there is agreement among the researchers on the general definition of the concept. Brand building is defined as the marketing effects or outcomes that accrue to a product with its brand name compared with those that would accrue if the same product did not have the brand name (Aaker 1991; Keller, 1993). The specific effect may be both consumer-level constructs, such as recognition, image and knowledge or firm level outcomes, such as price, market share, revenue and cash flow (Ailawadi et al., 2003).

Basically, there are various parameters affecting the brand building. Most previous studies (Volkner and Sattler, 20006; Pullig et al., 2006; Erdem et al., 2006; Thompson et al., 2006) investigated the brand building parameters related to consumer's requirements. There are also numerous studies (Ailawadi et al., 2003) on brand building parameters related to markets, firms etc. Furthermore, few studies (Brown et al., 2003; Rao et al., 2004) had been analyzed the brand building from both the aspects. However, in these studies, in order to discuss the brand building parameters, the authors did not identify the critical parameters affecting the building of an international brand in India. Up to now very limited work has been done to study the critical parameters in the field of garments.

This study attempts to identify the critical parameters that affect to build the international brand in India. The success of this study could help the brand builder to establish the brand in India more effectively. In turn, this would facilitate the Indian economy.

1.1 Objectives

The main concern of this study is to delineate the brand building parameters of various apparel products. In this regard, different parameters for fashion brand building are discussed and the critical parameters are identified. The relationship between various parameters and fashion brand building are also stated.

The principal objectives of the present research study are described as follows:

- 1) To study the various parameters affecting brand building of fashion products in India.
- 2) To study the statistical relationship between various parameters and the aspects of brand building of fashion.
- 3) To identify the critical parameters affecting brand building of fashion products in India.

1.2 Scope of the study

The focus of this research is the identification of critical brand building parameters only for international brands of fashion products. This delimitation can be justified because now-a-days consumers are more interested to purchase the international brands to maintain their status level.

In addition, present study emphasizes on Indian consumers because due to steady growing economy India is now a business hub for all International fashion brands with all opportunities.

2. Literature Review

[Vanuhuele and Dreze \(2002\)](#) measured the impact of price knowledge on brand building. The authors found that consumers memorize and recall price information when selecting brands for frequently purchase products such as fashion products/apparel etc. The results suggest that price knowledge involved in reference prices may often not be accessible to recall but shows up in price recognition and deal recognition. In the study, the author did not shed any light on various parameters affecting the building of an international brand especially for fashion products.

[Ailawadi, Lehmann and Neslin \(2003\)](#) studied on brand building of first moving consumer goods (FMCG) and its impact on revenue premium. The authors propose that the revenue premium a brand generates compared with that of a private level product is simple, objective and managerially useful product-market measure of brand building of fashion products in terms of equity. Revenue premium is conceptually grounded in the fundamental definition of brand equity and theoretically grounded as the equilibrium outcome of a competitive market place. Their study is very useful, but they are unable to put any example related to garment products for building an effective brand.

[Brown, Kozinets and Sherry \(2003\)](#) animated and illustrated about building of an old brand in new mode through an empirical analysis of two prominent exemplars. The authors examined that rise of retro brands in an attempt to develop tractable theory that contributes to marketing principles and practice. It was found that social and cultural forces that animate brand meaning are considerably more complex than prior conceptualization suggest. Brands mean more than relatively fixed arrangements of associative nodes and attributes. Although the authors put considerable effort to analyze the different brand

building parameters, they did not find out the critical parameters for building of a fashion brand.

[Ross and Harradine \(2004\)](#) conducted a study on brand building of fashion goods at school in the north-east of England using a range of research methods. The findings indicated that brand recognition commences at an early age with older age groups having greater brand awareness. Ross's study extensively surveyed on the parameters affected brand building; however, the author did not carry out any research to identify the critical parameters related to brand building of apparel products.

[Bridson and Evans \(2004\)](#) analyzed that the secret to a fashion advantage is brand orientation. The purpose of the authors was to develop a comprehensive measure of brand orientation and empirically examine whether a fashion retailers brand orientation assists in explaining variations in its retail offer advantage over competitors. The results suggest that the more brand oriented the fashion retailers, the greater its retail offer advantage over competitors. Their study highlighted about the fashion products, however a details analysis about the parameters are still fragmented.

[Rao, Aggarwal and Dahlhoff \(2004\)](#) manifested branding strategy related to the intangible value of a corporation. The authors discussed the supply and demand side advantages and disadvantages of different branding strategies. In order to build the brand they discuss about different strategy related to corporate branding, mixed branding etc. It was observed that corporate brand building is more positively related to the intangible firm value than are house of brands and mixed branding, may appear to be inconsistent with the concept of market segmentation. The authors extensively studied on various parameters related to brand building. However, knowledge of critical parameters is still missing. In addition, in their research they mainly highlighted on Gap, Nike *etc.*

[Kumar \(2005\)](#) analyzed the building of a brand in terms of extension. A brand that successfully build from its parent category into new extension category often faces a counter extension by a brand from the extension category back into its parent category. The authors contribute to the brand management literature by demonstrating the differential impact of solo-branded versus co branded building. A brand in the extension category benefits from the relatively greater increase in the psychological proximity between the two categories. Kumar's study although analysed about the brand extension as an important parameters to build the brand, the author did not emphasize on the other critical parameters for building of a fashion brands.

[Algesheimer, Dholakia and Herrmann \(2005\)](#) discussed about the social influence for brand building. They studied the social influence of brand community on consumers. Their study points to the importance of purposely selecting, initiating, managing and controlling interaction among customers when facilitating brand building. The author studied all the parameters extensively, but still the critical parameters are ambiguous.

[Forey, Park and Brandon \(2005\)](#) investigated on effects of evaluative criteria on fashion brand building. This study identified the parameters of evaluative criteria used when purchasing casual apparel and casual home furnishing. The authors found that image, quality, color/style and design/beauty of fashion products are important criteria when purchasing extended brands of casual apparel and home furnishing. Image of fashion products was the strongest predictor when brands were extended from apparel to home furnishing products. The authors put considerable efforts but all the parameters for brand building are still missing.

[Seiders et al., \(2005\)](#) analyzed the brand building. The results from their study suggest that the relationship between consumer satisfaction and purchase behavior is contingent on the moderating effects of convenience, competitive intensity, customer involvement etc. Their study sheds the light on different

parameters related to consumers which affect the brand building. However, they did not take into account about the different other parameters such as, market and media, loyalty etc.

[Roll \(2006\)](#) paper discussed about the strategic importance of brand building as managed by the boardrooms, so that asian companies can realize their full potential by inculcating right brand building practices. This paper had great value to Asian businessmen/women who can, by reading this paper, realize the growing significance of branding in their businesses. Roll's paper has good potential to analyze the brand building, but still any statistical interpretation to identify the critical parameters is still rare.

[Erdem, Simmons and Netemeyer \(2006\)](#) studied on brand building. In this empirical analysis, the authors use survey and experimental data on orange juice and personal computers collected from respondents in Brazil, Germany, India, Japan, Spain, Turkey and the United States. The results provide strong empirical evidence across countries for the role of brand as signals of product positions. They focused on brand credibility and antecedents. However, factors that underlie brand credibility and sub dimensions of such factors may be moderated by cultural constructs as well. A better understanding of underlying dimensions of consistency, brand investment perception and the like has important branding and brand management implication in international markets. Their study is useful but its lacks rigor to understand the parameters for building of an international fashion brands more effectively.

[Park and Stoel \(2006\)](#) study discussed the brand building parameters. In order to do so, the authors stated that brand familiarity, experience and information have strong impact on building of an international brand. This study has significant importance to identify the parameters related to brand building, but, there is no statistical analysis to identify the critical parameters for brand building.

Although previous researchers put considerable efforts to analyze the brand building, the critical parameters for effective brand building is still fragmented, incomplete and rarely deep. This study will try to fill the part of the gap and will help to build the international brand more effectively in India.

3. Parameter, affecting brand building

Ishikawa's diagram is developed with aim aspects of "Building of a fashion brands" (Figure 1). In it are included the basic parameters, having direct influence on the brands building.

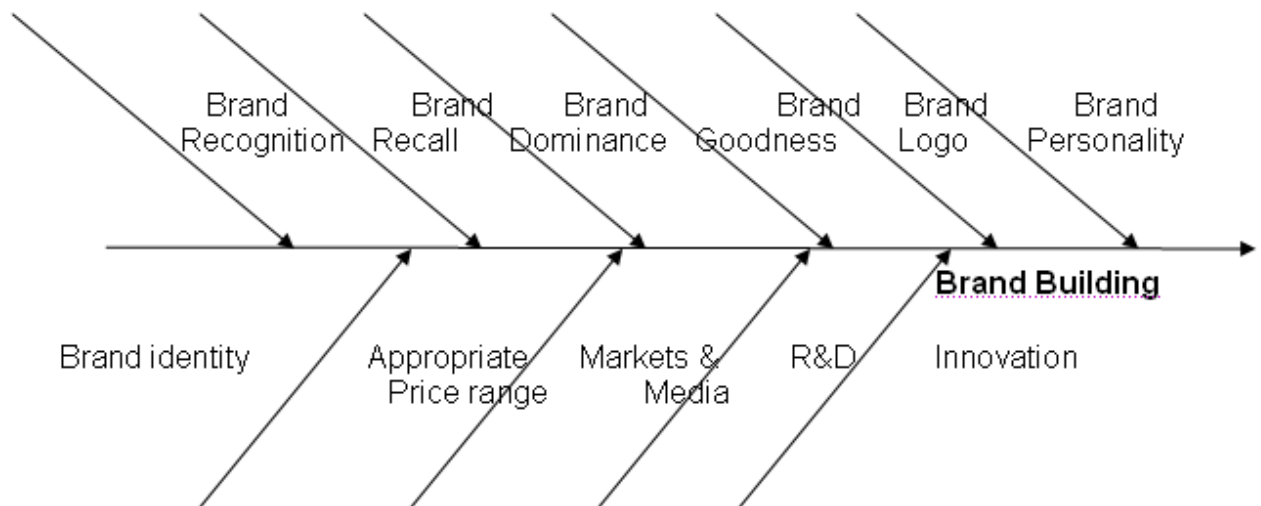


Figure 1. Diagram for analyzing brand building

4. Research methodology

For determination of influence's degree of the different parameters on building of an international fashion brand, ten parameters are chosen. These ten parameters are suggested by the Director of Indian Retail School. Every

parameter is given a number, showed in Table 1. This study tried to identify the most important dimensions for the building of an international brand in India through subjective ranking. The three most important dimensions are termed as “critical parameters for brand building”.

Table 1. Parameters numbering

Sr. No	Parameters affecting the building of international brand.
1.	Recognition
2.	Recall
3.	Dominance
4.	Goodness
5.	Loyalty
6.	Price range
7.	Markets and media
8.	Research & development
9.	Strategies
10.	Symbol
11.	Convenience

4.1 Selection of judges

The selection of judges is an important element for the subjective ranking, in order to achieve greater reliability and consistency. In this study, there were two criteria for the selection of the judges – 1) working experience in the retail sector, 2) research experience in retailing. It was assumed that a group of judges with experience in retail sector as well as research experience can maintain reliability and consistency during subjective ranking. The judges were selected from the Pearl Academy of Fashion (PAF), India; as PAF is regarded as a well renowned fashion institute in all over the world. The working experience of 30 academic staff of this institute was collected through personal discussion with each of the staff. It was found that ten faculty members had working experience in retail sector prior to their teaching job in PAF. The particulars of the selected ten judges for the present study were as shown in Table 2.

Table 2: Judges background

No. of faculty members	Teaching area	Working experience
2	Business and Technology	More than 15 Years
2	Marketing and Merchandising	More than 15 years
6	Retailing	More than 20 years

Every judge was asked to rank the importance of each parameters affecting building of an international fashion brand on a scale of 1-10.

4. Results and discussion

The ranking given by different researchers (identified from A-J) for the dimensions are shown in Table 3.

Table 3. Rank given by the researchers

Parameters affecting the building of international brand		1	2	3	4	5	6	7	8	9	10	11
Ranking by judges	A	10	9	9	8	4	8	6	6	8	4	8
	B	4	10	7	8	6	10	7	6	10	7	8
	C	6	10	10	7	7	8	8	8	9	7	7
	D	8	8	10	9	7	8	7	7	9	8	10
	E	7	8	8	9	9	10	6	6	8	5	8
	F	9	8	5	9	8	7	6	8	9	7	6
	G	10	10	5	9	6	6	7	6	10	6	8
	H	8	8	7	8	6	6	8	8	9	7	8
	I	8	8	5	8	6	6	9	7	9	6	7
	J	10	8	5	8	4	10	9	5	9	4	7
Rank total		80	87	71	83	63	79	73	67	90	61	77

If all the researchers are in complete agreement on rank, the rank total would be $11(1+2+3+4+5+6+7+8+9+10)$

$$= 11 \times 55$$

$$= 605$$

Moreover, if all the researchers had shown no ability in ranking the dimensions, the ranking number would be random. Therefore, rank total would be equal and

be one-eleven of the total 605, equal to 55. The actual rank totals are now compared (Table 4) with 55 to calculate the coefficient of concordance (W).

Table 4: Rank correlation

Parameters affecting the building of international brand	Rank Total (R.T)	Difference 55-R.T 	(Difference)² d²
1	80	-25	625
2	87	-32	1024
3	71	-16	256
4	83	-28	784
5	63	-8	64
6	79	-24	576
7	73	-18	324
8	67	-12	144
9	90	-35	1225
10	61	-6	36
11	77	-22	484
			5542 (sum of d ² =S)

Let, S= the sum of the squares of the difference = 5468

m= the number of judges = 10

n= the number of parameters affecting the building of international fashion brand
= 11

The measure of the degree of agreement among the researchers is given by the coefficient of concordance (W),

$$W = \frac{S}{[m^2(n^3 - n)]/12}$$

In this example,

$$W = \frac{5542}{[10^2(11^3 - 11)]/12}$$
$$= 0.531$$

Thus, the ten judges in this case exhibited a high degree of agreement on the ranking of the parameters affecting the building of international fashion brand.

The significance of the concordance may be tested by reference to the F tables. In order to do so first, the value of W is modified by changing its numerator and denominator.

- 1) Subtracted 1 from S
- 2) Added 2 to the divisor $[m^2(n^3-n)]/12$

Thus, $S = 5542 - 1 = 5541$

The divisor = $11000 + 2 = 11002$

Hence, $W = 5541/11002 = 0.504$ approx.

∴ Two estimates of the degree of freedom:

$$\text{The greater estimate} = (n - 1) - \frac{2}{m} = 10 - 2/10 = 9.8$$

The lesser estimate = $(m - 1)[(n - 1) - \frac{2}{m}] = 9 \times 9.8 = 88.2$

The value for F is then calculated:

$$F = \frac{(m - 1)W}{(1 - W)} = \frac{9 \times 0.50}{1 - 0.50} = 9$$

The calculated value of F, 9, is well above the 1 per cent level of F, 2.82, for degrees of freedom of 9 and 88.

Therefore, from the coefficient of concordance of value 0.501, it can be concluded that the ten researchers are in close agreement. This closeness is not due to chance because the F-value (9) is well above the 1% level of F (for degrees of freedom 9 and 88). The final ranking may now be made by considering the rank totals and given in Table 5. The ranks are graphically represented in Figure 2.

Table 5: Final rank

Parameters affecting brand building	1	2	3	4	5	6	7	8	9	10	11
Rank total	80	87	71	83	63	79	73	67	90	61	77
Final Rank	4	2	8	3	10	5	7	9	1	11	6

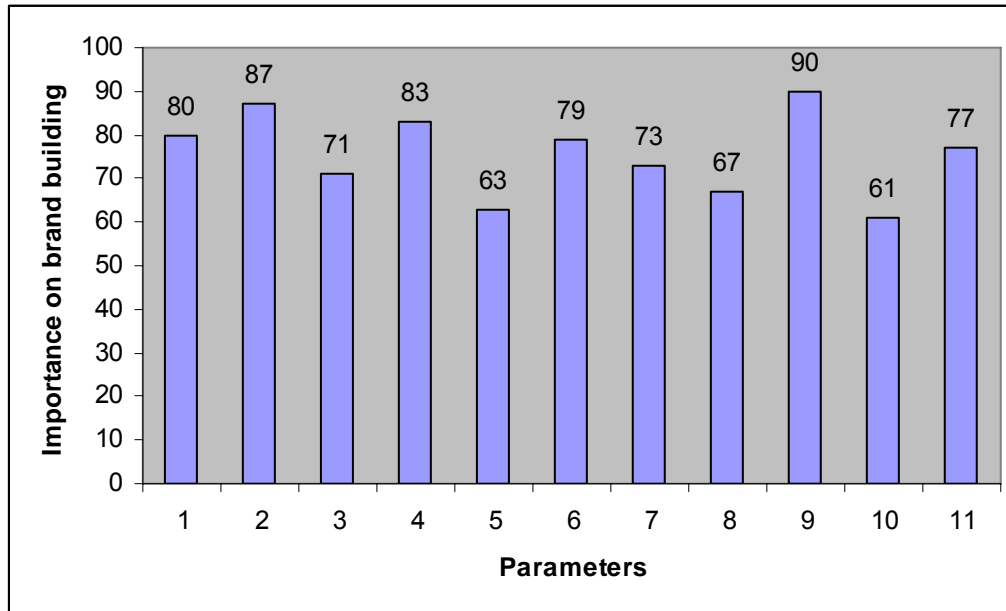


Figure 2. Importance of different affecting parameter on brand building

It is clear from the figure 2, that innovation, recall and goodness are the three critical parameters for building of an international brand in India based on experts view point. The innovation is always necessary to satisfy the consumers need. In addition, consumer must recall the product at the time of purchase and goodness in terms of quality always having significant importance for brand building of an international fashion brand.

5. Conclusion

Fashion brand makes consumers less sensitive to price increases and thus enables the brand to charge a premium price. An international fashion brand should make significant sales gain when it wants to build its brand in India. There are many parameters affecting building of an international fashion brand in India. By effective analysis of these parameters, an international fashion brand should have a weaker (less negative) “up” self-elasticity and a stronger “down” self-elasticity (Keller, 2003; Keller and Lehmann, 2001; Sivakumar and Raj, 1997).

Previous researchers provided evidences to understand that fashion brand building affected by various major parameters such as recognition, recall etc. Most of the studies analyzed the brand building either based on one or two parameters. Till to date, there is very little research available on identification of critical parameters for effective building of an international fashion brand in India.

A study which identifies the critical parameters for building of a fashion brand in India will definitely contribute to the knowledge of building of an international fashion brand. Knowledge of the critical parameters for brand building will help the retailers to increase the sale of fashion goods in India. Hence the purpose of this study is to identify critical parameters for building of an international brand in India.

There are many parameters that could affect the building of an international fashion brand. In order to effectively build a brand, it is essential to choose only the most important parameters affecting the building of an international fashion brand. This study tries to identify the most important parameters for the fashion brand building through subjective ranking by professional personnel in retail field.

The result of subjective ranking provides three critical parameters for building of fashion brand in India. They are: innovation, recall and goodness.

5.1 Impact of this study on well-being of all Indian

It can be concluded that these critical parameters can effectively help to build an international fashion brand in India. India is now a developing country; however, its growth rate of economy is second in the world. In order to sustain this growth, it is essential the investment from foreign company in India. This study will help to attract the brand manager of an international fashion group to invest in India and it will help to the Indian economy. In India many people are still below

poverty line. Foreign Direct Investment in India may help to improve the living status of Indian. Therefore, this study will ultimately contribute to the well-being of human beings.

5.2 Limitation and future study

Owing to limited time, this research only identified the critical parameters for brand building. In the near future, each critical parameter can be measured in their respective scale. Additionally, a normalization process can be applied to obtain a “Brand Building Index”.

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