Are FMCG’s Consumers More Loyal Towards Brands?  
An Empirical Study in Pakistan

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Abstract

Purpose: To determine the significant relationships between the Brand Image, Brand Experience, Brand Love, and Behavioral Loyalty in the Fast Moving Consumers Goods (FMCG) in Pakistan.

Design/Methodology: The data has been collected from the customers and consumers of different FMCG brands from the major cities of Pakistan. The instrument to measure the variables has been adopted from different relevant studies and data has been collected from 450 respondents.

Statistical Tools: The Microsoft Excel and SPSS have been run on the collected data and analyze the results.

Findings: The weak to strong correlation has been found in all of the variables and regression analysis is also exists in these variables at some extent.

Implications: This study has been first time conducted in Pakistan, its supports the theoretical basis of Brand Marketing literature and also helpful for the further research in future.

Limitations: The Time and Cost barriers were the major limitations to conduct this research. This study has been explore the thinking of specific cities of Pakistan, may be results are different from rural areas, as we expect.

Practical Implications: In the real practice, this research will be helpful to FMCG firms to understand the behavior of customers and consumers towards their brands.

Keywords: Brand Experience, Behavioral Loyalty, Fast Moving Consumers Goods (FMCG).

Introduction

In the recent years, most of multinationals expending their brand ranges by introducing new products in the consumer’s market. The basic reason behind this extension is that multinationals found less risk to the failure of new launched products. Because customers and consumers are more willing to adopt new products of renown brands. As we know that, this strategy is not free from the risk phenomena and also not convenient for all brands and may also produce negative effects on the reputation of brands. The satisfaction of customers or consumers is effectively related to rand extensions, because the satisfied consumers are willing to adopt new products of their favorite brands but what about unsatisfied consumers? The brand image (BI), brand experience (BE), brand love (BL), and Behavioral Loyalty (BLY) of brands, all of these are belonging to the consumers who utilized these brands and are act as satisfied consumers of relevant brand. Our study will find the relationship among brand image, brand experience, and brand love, and behavioral loyalty and also determine that whether satisfied consumers are willing to adopt the brand extension strategy by multinationals and what are the scopes of these kinds of strategies on the market of fast moving consumer’s goods (FMCG) in Pakistan.

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Literature Review

The concept of brand acquires the cultural meaning in multiple ways as, the kinds of users typically associated with it, its employees or chief executive officer, its product-related attributes, packaging details, product category associations, brand name, symbol, advertising message and style, price, distribution channel, and so forth (Aaker, 1997; Batra et al. 1993).

According to the McCracken (1986), the advertising may be act as driver to change the culture by the transfer of particular kind of message from outside of the world. The brand with an advertisement may change the widely accepted symbol of the particular kind of cultural meaning, i.e. the tone, pace, camera, direction, voice – overs, etc.

The term Brand Image is defined as “the perceptions about a brand reflected as associates existing in the memory of the consumer, (Keller, 1993) the association can be created from direct experience with the good or service, from the information communicated by the company itself, by other commercial sources and by word – of – mouth and by – making inferences according to the pre – existing associations about the company, the origin, etc.” (Martinez and Pina, 2003)

The term Brand Love defined as “the degree of passionate emotional attachment with a satisfied consumer has for a particular trade name which consists on the love prototype as passion for barnd, attachment towards the brand, positive evaluation of the brand, emotions in response to the brand, and declarations of love for the brand” (Ahuvia, 2005).

The inherited associations with the brand image are both tangible and intangible by nature, intrinsic and extrinsic, and may be based on the results if internal and external stimuli of individuals, depending on their experiences with the brand (Martinez and Pina, 2003). The study of Arthur (1994) also defined some dimensions of brand image associations as, product attributes (perceived quality, technological leadership, etc.), benefits to the customer, relative price rate, applications and significance of product, the kind of user or customer, presentation style of product, brand personality, class of product, competitor’s substitutes, and origin as country.

According to the study of Keller (1999), the brand image associations are further classified into three dimensions as, attributes, benefits, and attitudes. The consumer may also evaluate the overall brand attitude to their descriptive characteristics of product or service. And, this kind of analysis strongly affects the behavior of consumers mind towards the brand. Aker and Alvarez del Blanco (1995) proposed three dimensions for appraising the brand image, which are perceived value, personality, and the organization. The perceived value interprets the functional benefits of the product and also its attempts to measure the suitable significant relationship between performance and price of the brand. The dimension personality refers the symbolic and emotional benefits which are arising from the brand. And finally, organization, the component which is based on the firm’s image and aims at the degree of admiration for the company. The level of confidence of brand and general brand image itself affect the perception of the consumer.

The study of Gardner and Levy (1955) was the first one who’s introduced the communication of brand image in the marketing activity as the target segment. Now, it has been common in research of consumer behavior since from 1980s to till now (Dobni and Zinkhan, 1990). Traditionally, brand image was introduced in the marketing disciplines by different concepts and these foundations are still now alive. Most of the researcher tends to use the brand image and other brands related constructs, interchangeably like brand identity, etc (Dobni and Zinkhan, 1990).

According to the Aaker (1996), the brand image – trap is the brand identity and brand management and these are different concepts from the brand image, but the reality is that both of these have been evaluated from the associative network theory. The brand identity
referred as “a unique set of brand associative that the brand strategist aspires to create or maintain”.

There are so many researches that showed the significant direct relationship between product involvement and buyer – decision processes which is extended towards the extended decision – making by the series of sequential stages which involving the information search and evaluation of criteria (Browne and Kaldenberg, 1997). It is not in ability to the consumers that to exert a great deal of effort to process the information in a very low involvement situation (Chung and Zhao, 2003). When the product involvement is higher than the consumers are more likely to exert more efforts and have more capability to evaluate the brand image (Fazio, 1990).

According to the Aaker (1996), the brand identity acts as the set of assets and liabilities which are linked to the name and symbol of the brand. The brand identity allowed various kinds of associations that attempts to communicate and regardless of the fact image. Whenever, the company follows up or draws down any strategy these variables are strongly affects him.

The brand experience is based on various dimensions of experiences as, product, shopping and services, and consumption. The product experience occurs whenever customer or consumer search for the product and evaluate them in their own view (Hoch, 2002). The shopping and service experience occurs when customer or consumer interacts with the physical environment of the store, staff, and policies and practices of stores (Hui and Bateson, 1991; Kerin, Jain, and Howard, 2002). and last one, the consumption experience occurs when consumer utilize this product. This experience is multidimensional such as feelings, fantasies, and fun (Holbrook and Hirschman, 1982).

The study of Brakus, Schmitt and Zarantonello (2009), conceptualized the brand experience as subjective point of view, the brand’s design and identity, packaging, communication, and environment are relatively depends on the internal consumer responses (sensations, feelings, and cognitions) and behavioral responses produced by brand – related stimulations. The brand experiences are different in respect to their strength and intensity; some experiences are stronger or more intense as compared to others and with respect to product, some brand experiences are positive or some are negative. The brand experiences are may relate to each other but conceptual distinction is also present in it from others brand constructs. The brand attitudes, brand involvement, brand attachment, customer delight, and brand personality are some brand experiences which may evaluate from affective and associative constructs.

According to Brakus et al., (2009), it has been evidenced that there is a considerable agreement of brand experience in their categories such as philosophers, cognitive scientists, and management thinkers. The scale development of brand experience is based on the dimensions of sensory, affective, intellectual, behavioral and social circumstances.

The term brand love and satisfaction are different. The study of Fournier and Mick (1999) investigated the distinction between them as, brand love is a mode of satisfaction, i.e. the responses experienced by someone (but not for all), and for satisfied consumers. The keys of brand love and satisfaction are different in several ways. Because satisfaction is generally a cognitive judgment and brand love is much stronger than the affective focus. The satisfaction is usually term as transaction – specific outcome, but the brand love is the results of long – term relationship of consumers with the brand. The satisfaction may passes through expectancy disconfirmation paradigm. But the brand love never suffers from disconfirmation. The term “consumer – love” has been widely discussed in the field of marketing because consumer’s love for particular items, brands, products, and activities are major noticed attempts in marketing. But these feelings and acts of satisfaction are not clearly and easily
measureable due to dynamic responses of consumers and customers. And, these feelings are also not perfectly determined for one public to another (Lett, 2006).

The study of Shimp and Madden (1988) designed the conceptual framework model for theory of love which was presented by Steinberg’s (1986). All these authors concluded the expected results of an object with the nature of consumers. This “Consumer – Object Love” relationship is based on three components as, liking, yearning, and decision (commitment). The study of Fournier (1998) is also based on consumer – object love which generalized the importance of consumer’s love in long – term with brands. Fournier (1998) also suggests that “satisfaction as LOVE probably constitutes on the most intense and profound satisfaction for all.”

The loyalty topic debate is too much for any study because most of the loyalty debates and programs are not helpful to loyal the disloyal customer or consumer. According to the study of Gomez, Arranz and Cillan (2006), the behavioral loyalty is distinguished on two aspects in the purchasing behavior point of view, product produced by the retailer and produced by the competitor of retailer. The participants in the loyalty programs make a higher number of visits to the retailer than the non – participants. But we should not conclude that loyalty programs are no useful tools. Koslowsky (1999) said “while none of these programs result in a perfect world, each can generate that little extra that can provide the retail marketer with potential tactical weapons.”

In recent years, many retailing companies introduced much kind of loyalty programs to enhance the customers or consumers loyalty, and there results also are also effective towards the sales. The factor of behavioral loyalty is also dominated in supermarkets, gasoline stations and clothing stores (Leenheer and Bijmolt, 2003; Lewis, 1997). These kinds of loyalty programs provide chances to participants such as discounts, saving rewards, special offers, etc. which make people more loyal (Liebermann, 1999). According to ACNielsen, Consumer Insight (2002) surveys, 80% households in United States and 90% in Canada have supermarket loyalty cards.

The brand familiarity with the products or services derived from the various numbers of brand – related experiences that the consumer had as a unit – dimensional construct that is directly related towards the time spent amount on processing the information about the brand, regardless to any kind of type or the content of the processing involved (Alba and Hutchinson, 1987; Baker et al., 1986).

According to the Hoch and Deighton (1989), there are number of experiences which are accumulated by the consumer familiarity. The factor of familiarity appeared whenever to serve as the umbrella term and it is related to other important constructs including the consumer expertise, prior knowledge, and streghen on beliefs. The familiarity also tackled as the necessary but not sufficient condition for the development of expertise and capability to perform the product – related tasks successfully.

There are so many drivers which enhance the psychological drivers of the customer loyalty. First, the consumer’s appreciation rewards, not ever in actual sense but relative to the other consumers (Feinberg, Krishna, and Zhang, 2002). It is the concept of knowing that somebody is provided with the better value as compared to others which creates the feelings of preferred or special customer that enhance the stimulus of loyalty behavior. Second, the loyalty programs and their incentives may be induced the smart shopper feelings (Kivetz and Simonson, 1998), and the pride is about to be economical (Chandon, Wansink, and Laurent, 2000; Schindler, 1998). The efforts to attain the reward may be even more justify the luxury consumption (Kivetz and Simonson, 2002a). Thirdly, the previous researches showed that the customers over – valued the rewards expectations as they want to obtain it, and tend to maximize the value offered by the medium (the loyalty programs), rather than the final outcome (Hsee, Yu, Zhang and Zhang, 2003; Van Osselaer, Alba, and Manchanda, 2003).
This aspect helps the customer’s motives to maximize the discounts and savings points, where it would be rational to access and the utility of the final products and their rewards disutility their costs.

The loyalty programs also have the sociological effects on the consumers. It is the need of human beings to belong to the groups of human motivation (Baumeister and Leary, 1995), and the identification of commercial organizations is intensifying due to the growth of centrality in consumption and materialistic desires in the society (Fournier, 1998; Muniz and O’ Guinn, 2001). According to the Bhattacharya and Sen (2003), the strategies to the development the customer identification are especially beneficial in the industries, where the consumers purchases are frequently, and also differentiate between the suppliers is very low.

According to the Fournier (1998), the consumer’s love with brands is so dominant in long–run relationships. He said, “the satisfaction – as the love – probably constitutes of the most intense and profound satisfaction of all”. The construct brand love, have the direct access to the satisfied consumer’s feelings of love for the brand. This is viewed mostly in the random population of satisfied consumers. There are some underlying which help to developing the love for brands as:

1) More nuanced thinking view of the feelings of satisfied consumers and their brands
2) The quantitative measure of satisfied consumer’s love response towards the brands
3) The increased understating and prediction for desirable consumer behavior

According to the Carroll and Ahuvia (2006), the brand love is the multi – item measure with the refine understanding of customer satisfaction. The brand love very simple and empirical validity model that is modified from the population of satisfied consumers.

The international brand is a brand that is available and well – known in many countries, although it may differs from country to country, the versions and similar brand identity is most important aspect for the global market of an international brand (Raman, 2003; Tse and Gorn, 1993). The development of the global brand (international brand) or the term international branding is borrow from the literature review of internationalization and branding perspective which can be defined as the process of developing a firm’s brand equity that appeals to overseas the target customer’s positive attitudes about the brand (Anderson, Graham, and Lawrence, 1998; Aaker, 1991).

The construct of brand attitude was defined by the Oliver (1980) as “the consumer’s relatively lasting affection towards an object or an experience”. The role of attitude in the customer loyalty is fundamental. Because the true loyalty is related to the previous studies of positive attitude to considered a repetitive behavior (Day, 1969; Jacoby and Chestnut, 1978). The relationship between the participation in loyalty programs and attitudes, there is no any virtually empirical research that explained the greater depth of strength and sense of this relationship. The study of Ayala and Neslin (2004) asserted that the reward obtained from the loyalty program can rise up the subsequent purchase behavior as long as the rewarded customer develops as the positive attitude towards the retailer.

According to the Benavent (2000) and Meyer – Waarden (2002), the time between purchases and purchases spread between the realizers which hardly vary from their card’s possession and modify the behavior of a small part of consumers. This relationship justifies the emphasis of the authors on the importance of customer segmentation for the achievement of effective plans and strategies.

The essence of love is too powerful for the emotional experiences, and so many past studies had created a much stressed situation for authors regarding the importance of affected intensity in both interpersonal love (Averill, 1985; Fehr, 1993; Hatfield, 1985; Rean, Kocan, and Whitlock, 1998) and consumer behavior (Cohen and Areni, 1991; Schultz, Kleine, and Kernan, 1989). The concept of Hedonic Products have been raised at this level that some products are for fun, pleasure, or enjoyment is their primary benefits always generates the
strong emotional responses towards their consumers (Chandron, Wansink, and Laurent, 2000; Hirschman and Holbrook, 1982).

**Problem Statement**

Our study will identified the mutual relationship of brand image and brand experience on brand love, the effect of brand love on behavioral loyalty of brand in the fast moving consumers goods (FMCG) sector. This study will support the theory because no one other study is conducted on these variables in any sector. The inter–relationship between variables will also be discussed. The regression equation to understand the future trends of customers or consumers will also be identified.

**Hypothesis**

H1 – There is a significant relationship between Brand Image and Brand Experience.

H2 – There is a significant relationship between brand image and brand love.

H3 – There is a significant relationship between brand experiences and brand love.

H4 – There is a significant relationship between the brand love and behavioral loyalty.

H5 – There is a regressed relationship between the brand image, brand experience, and brand love.

H6 – There is also a regressed relationship between the brand image, brand experience, brand love, and behavioral loyalty.

**Conceptual Framework**

![Conceptual Framework Diagram]

**Methodology**

This study will be conduct in the sector of fast moving consumer goods (FMCG) sector. So, all the respondents will be selected from the consumers market such as superstores, hyper marts, university students, garments plazas, fats food outlets, etc. It will be our best try that our exchange rate should be more than 80% for the generalizability of the research. All the responses will be considered as reject which will never meet the criteria of research analysis, such as wrong filled, fill in inappropriate way, etc.

**Results & Findings**

<table>
<thead>
<tr>
<th>Reliability Analysis</th>
<th>Cronbach's Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Variables</strong></td>
<td></td>
</tr>
<tr>
<td>Brand Image</td>
<td>0.800</td>
</tr>
<tr>
<td>Brand Experience</td>
<td>0.758</td>
</tr>
<tr>
<td>Brand Love</td>
<td>0.691</td>
</tr>
<tr>
<td>Behavioral Loyalty</td>
<td>0.613</td>
</tr>
</tbody>
</table>

All the variables and their results are reliable according to the behavioral research standards. The variables of Brand Image are 80% reliable, Brand Experience is 75.80% reliable, Brand Love is 69.10% reliable, and Behavioral Loyalty is 61.30% reliable.

<table>
<thead>
<tr>
<th>Correlation Analysis</th>
<th>Brand Image</th>
<th>Brand Experience</th>
<th>Brand Love</th>
<th>Brand Loyalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Image</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand Experience</td>
<td>0.565*</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand Love</td>
<td>0.310*</td>
<td>0.415*</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>Behavioral Loyalty</td>
<td>0.403*</td>
<td>0.406*</td>
<td>0.248*</td>
<td>1.00</td>
</tr>
</tbody>
</table>

*The level of significance is 0.01*

The table of correlation represents that Brand Image is 0.565 units correlates to Brand Experience at the 1% level of significance, its means if one unit change will be occur in the Brand Experience then 0.565 units change will be occurs in the Brand Image. If Brand Love will be change at one unit then 0.415 units change will be occurs in the variable of Brand Experience, and so on.

The Impact of Brand Image and Brand Experience on Brand Love (and the insignificant behavior of Behavioral Loyalty)

<table>
<thead>
<tr>
<th>Regression Analysis – Model Summary</th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>R – Square</td>
<td>0.302</td>
<td></td>
</tr>
<tr>
<td>Adj. R – Square</td>
<td>0.297</td>
<td></td>
</tr>
<tr>
<td>Standard Error</td>
<td>0.46467</td>
<td></td>
</tr>
<tr>
<td>F – Change</td>
<td>18.918</td>
<td></td>
</tr>
<tr>
<td>Degree of Freedom (df)</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>No. of Observations (N)</td>
<td>149</td>
<td></td>
</tr>
<tr>
<td>Level of Significance @ 0.01</td>
<td>0.000*</td>
<td></td>
</tr>
</tbody>
</table>
The R – Square represents the fitness of model, its value always be less than 1. And in our case its value is 0.302, its means our model is valid for the research. And the value of Adjusted R – Square is 0.297 means the changes in the variables are adoptable at the 30.20% level to their total variation.

### Regression Analysis – ANOVA Table

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Degree of Freedom (df)</th>
<th>Mean Squares</th>
<th>f – Statistic</th>
<th>Level of Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>8.170</td>
<td>2</td>
<td>4.085</td>
<td>18.918</td>
<td>0.000*</td>
</tr>
<tr>
<td>Residual</td>
<td>31.092</td>
<td>144</td>
<td>0.216</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Total</td>
<td>39.262</td>
<td>146</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
</tbody>
</table>

- Independent Variables = Brand Image, Brand Experience
- Dependent Variables = Brand Love
- * The level of significance is 0.01

### Regression Analysis – Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t – Statistic</th>
<th>Level of Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Beta</td>
<td>Stand. Error Beta</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Constant</td>
<td>1.728</td>
<td>0.180</td>
<td>---</td>
<td>9.619 0.000*</td>
</tr>
<tr>
<td>Brand Image</td>
<td>0.152</td>
<td>0.052</td>
<td>0.261</td>
<td>2.928 0.004*</td>
</tr>
<tr>
<td>Brand Experience</td>
<td>0.189</td>
<td>0.066</td>
<td>0.256</td>
<td>2.870 0.005*</td>
</tr>
</tbody>
</table>

- Independent Variables = Brand Image, Brand Experience
- Dependent Variables = Brand Love
- * The level of significance is 0.01
- *** The level of significance is 0.1

According to the Regression Analysis Standards, the level of significance should be 10% at the highest level. But in our study the level of significance for the Brand Image and Brand Experience is 1% to 10%. Our results show the significant relationships of Brand Image and Brand Experience with the Brand Love. The regression equation at the straight line (linear) will be as:

\[
Brand Love = 1.728 + 0.152 \times Brand Image + 0.189 \times Brand Experience
\]

**Conclusion**

This study is composed on the variables of Brand Image, Brand Experience, Brand Love, and Behavioral Loyalty. But the Behavioral Loyalty variables are too insignificant in the results of Regression Analysis. Now, the Brand Image, Brand Experience, Brand Love, and Behavioral Loyalty are weak to strong correlate to each other. But the analysis of variance represents that brand image and brand experience are significant towards the brand love and insignificant towards the variable of behavioral loyalty.

**References**