SOFT ISSUES IN BRAND SWITCHING BEHAVIOR OF COLA CONSUMERS

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ABSTRACT: *This research aims at the study of relationship between the Brand Switching Factors and Buying Behavior of Cola Consumers, with the help of moderator: Brand Parity, Taste, and Price Consciousness. The concept of Soft Issues was discussed, and further this concept was narrowed to Brand Parity. Two factors, Price and Taste, were taken as variables of Brand Parity. For further development these two factors had separately been studied as moderators as well.*

KEYWORDS: Brand Switching Factors, Buying Behavior, Brand Parity, Price Consciousness, Taste and Customer Heterogeneity

INTRODUCTION

To make a brand has several advantages, which are market penetration and acceptance by dealers, as they reduce search costs for both retailers and consumers [1]. But branding became part of marketing strategy in the 1950s. However, in the 1990s companies started realizing the goodwill value of their brands [2].

Customers having positive attitude towards a brand, and they are involved in the repeat buying are termed as brand loyal customer. That's why it is defined as brand loyalty is a *"form of repeat purchasing behaviour reflecting a conscious decision* to *continue buying the same brand"* [3].

Broadly there are psychological factors which influence the consumer behavior in making any purchase decision, these factors are motivation, perception, learning, belief and attitude [4].

Morgan and Dev studied three variables, which influence brand-switching behavior, namely "changes in usage context or situation, marketing mix variables which are directly controllable by the firm, and customer background variables" [5]

Mc,Alister also studied the situational factors in his research on soft drinks [6]. His result was the same like the above two. According to his study factors which are influencing the brand-switching: "marketing variables, such as price, product design, promotion and distribution" and "situational variables" [6]. A model was created by Carpenter and Lehmann to analyze the relationship among the marketing mix, brand switching, and competition.

The relatively small quantity of empirical research performed on these relationships to date [7] is probably the result of the rareness of organizations' measuring "soft" issues, such as customer satisfaction and customer loyalty, in meaningful ways.

The understanding of ''soft'' issues becomes of crucial importance in situations in which the degree of shared organizational goals is low, and the environment is both uncertain and ambiguous [8]. In those situations, decisions tend to be intuitive and unprogrammed, and control is normative or based on group pressure.

Combining Burns and Stalker's [9] idea of linking degree of environmental uncertainty with type of organizational structures.

Customer heterogeneity is the extent to which customers for a focal product line are dissimilar to one another [10,11]. It is evidenced by the diversity in customer needs and preferences.

Although several environmental attributes have been suggested [12;13;14], unbundling an environmental sector into three fundamental attributes - heterogeneity munificence, and volatility - has been shown to capture major environmental effects on organizations [15]. Accordingly, the effects of these three aspects of customer conditions on distributor commitment and supplier commitment are examined.

MATERIALS AND METHODS

A published questionnaire was used as the research tool for data collection. The questionnaire was divided into six major parts. The first part was demographics, the second part was brand switching, the third part was price conscious, the fourth part was taste, the fifth part was peer pressure, and last but not the least the sixth part was buying behaviour.

Five point Lickeret scale was used in which it demonstrated 5 as Agree Totally, 4 as Agree, 3 as Neither, 2 as Agree Partially, and 1 as Do Not Agree At All. Lickeret scale is an optimistic scale and give a wide range of selection, that's why it was used [16].

The following three hypotheses had been checked with the help of the questionnaire:

H1: Brand Parity significantly moderates the effect of Brand Switching Factors on Buying Behaviour.

H2: Taste significantly moderates the effect of Brand Switching Factors on Buying Behaviour.

H3: Price significantly moderates the effect of Brand Switching Factors on Buying Behaviour.

The model which we intend to prove was drawn below, in which we tested the following above mentioned three hypothesis

Conceptual Model

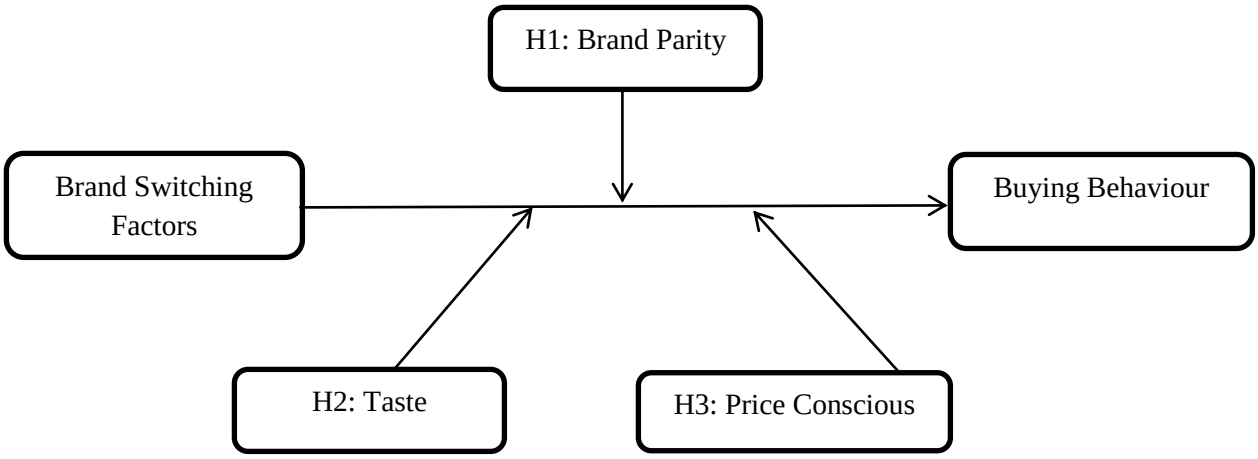

Table 1. Moderation of Brand Parity between Brand Switching Factors and Buying Behaviour

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.148[a]	.022	.013	.72024	.022	2.470	2	220	.087
2	.151[b]	.023	.009	.72162	.001	.162	1	219	.688

a. Predictors: (Constant), T.Mean, BSF

b. Predictors: (Constant), T.Mean, BSF, interaction1

Table 2 Moderation of Taste between Brand Switching Factors and Buying Behaviour

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.060[a]	.004	-.006	.72699	.004	.392	2	220	.676
2	.104[b]	.011	-.003	.72601	.007	1.593	1	219	.208

a. Predictors: (Constant), T.Mean, BSF.Mean

b. Predictors: (Constant), T.Mean, BSF.Mean, interaction2

Table 3 Moderation of Price between Brand Switching Factors and Buying Behaviour

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.120[a]	.014	.005	.72306	.014	1.594	2	220	.205
2	.201[b]	.040	.027	.71501	.026	5.984	1	219	.015

a. Predictors: (Constant), PC.Mean, BSF.Mean

b. Predictors: (Constant), PC.Mean, BSF.Mean, Interaction1

Table 4Moderation of Price between Brand Switching Factors and Buying Behaviour

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.585	.175		20.483	.000
	BSF.Mean	.140	.082	.156	1.706	.089
	PC.Mean	-.076	.049	-.142	-1.548	.123
2	(Constant)	2.827	.355		7.972	.000
	BSF.Mean	.417	.139	.464	2.993	.003
	PC.Mean	.263	.147	.489	1.790	.075
	interaction1	-.112	.046	-.885	-2.446	.015

a. Dependent Variable: BB.Mean

DATA COLLECTION

It was impossible to capture data from the complete population, that's why we had used simple random sampling from the defined population, which helped us in gathering and generalizing the results. The demographics of the sample includes both men and women, the main age bracket of the respondents is ranging from 18 to 25 years of old, who are graduate and post graduate students, in the universities of Lahore. The original questionnaire is taken from the work of Evelina Arvidsson,and Cecilie Lindström (2006), which was a published questionnaire.

RESULTS AND DISCUSSIONS

The dependent variable in the model was Buying Behaviour, and independent variable was Brand Switching Factors. The moderating role in the first hypothesis was played by Brand Parity, and brand parity was the combination of Price Consciousness and Taste. According to the Table 1, brand parity did not significantly moderate the effect of brand switching factors on buying behaviour.

From Table 1, it was evident that Hypothesis 1 was rejected, because as we knew if Sig. F Change was greater than 0.05 then the relationship was Insignificant. It was clearly evident from Table 1 that the relation before moderation of Brand Parity was Insignificant, because the Sig. F Change value was .087, which was greater than 0.05, this mean there was no direct Impact of Independent Variable (Brand Switching Factors) on Dependent Variable (Buying Behaviour).

Even after the moderation of Brand Parity, which was combination of two variables; Price Consciousness and Taste, the result was still Insignificant, because the value was 0.688, which was greater than 0.05. Furthermore the numbers help in understanding that customers were not heterogeneous, which inferred that customers perceive different brands not different in kind, for them they were the same.

From Table 2 it was also apparent that the direct relationship between the Brand Switching Factors (Independent Variable) and Brand Buying Behaviour (Dependent Variable) was insignificant, because the value of Sig. F Change was 0.676, which was greater than 0.05.

Hypothesis 2 was also rejected because Sig. F Change was 0.208, which was greater than 0.05. This implied that Taste did not has a significant effect as moderator between Brand Switching Factors (BSF) and Buying Behaviour (BB). Moreover there was no relationship between the two variables, BSF and BB, because it was also proven from the table 2 that the value was insignificant because the number was 0.676 which was greater than 0.05. It was also an indicator that customers were not heterogeneous .

After studying the Table 3 and 4 we can state that the relationship between the two variables (BSF and BB) was significant and after adding the moderator, Price Consciousness, we had seen a significant impact of it between the relationship. Additionally it was also evident that the customers were heterogeneous, this provides us with the information that customers were perceiving different brands indifferently. By default SPSS gives us result in two-tail, which was conservative in nature. After dividing 0.075 by 2, we 0.0375 as one tail response, which was less than 0.05, this inferred that H3 was accepted.

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