

An Empirical Study on Brand Awareness and its Impact on Customer Satisfaction with Special Reference to Apollo Paints Bengaluru
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Abstract

Apollo paints pvt ltd is a manufacturing company in the SME Sector. The manufacturing plants are located in Bangalore city and have recently added massive capacity expansion in their new 2.5 acre plant at Dabaspeta in the outskirts of Bangalore. Apollo paints basically focuses on architectural coatings which are otherwise referred to as decorative coatings. The Research is undertaken to study customers' awareness about Apollo Paints and its impact on the customer's satisfaction towards the product... It also aims at suggesting strategies to increase the customer base of Apollo Paints. There is a high level of competition in the market place, too many Competitors available with different challenges most especially for new businesses, therefore it is very important that a company knows what they are willing to offer to the market, where to perform this function, what segment of customers they want to target, when to carry out this function and how they are going to achieve their goal, these can only be done successfully if the business have a good knowledge of the market which means a research of the market needs to be done. In order to know the right customers, to serve them right, to satisfy their needs and wants, to build up a respectable brand name and image. And it needs to understand the demands of customers and to supply their needs become a competitive player in the market. The Research findings have been shown on the basis of survey done and also has been analyzed with the help of statistical tools and interpreted through SPSS package.

Keywords: Brand Awareness, Customer Satisfaction, Competitive Strategies, Increasing Brand Value

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1. Introduction

India is the seventh largest country and the largest democracy in the world. It is one of the fastest growing economies in the world. India is also the second largest paint market in Asia with an annual demand of over two million tonnes. The paint industry is expected to grow at 12-13% annually over the next five years from Rs 280 bn in FY13 to around Rs 500 bn by FY18. FY13 was a challenging year for the industry as a whole due to subdued demand across key sectors and rising inflation. The unorganized sector controls around 35% of the paint market, with the organized sector accounting for the balance. In the unorganized segment there are about 2000 units having small and medium sized paint manufacturing plants. Top organized players include Asian Paints, Kansai Nerolac, Berger Paints and ICI.

Demand is driven by industrial production and the housing market. The profitability of individual companies depends on technological expertise and efficient production. Small companies can compete successfully with large ones because of the large number of paints and coatings used for a

wide variety of applications, including decoration, water resistance, and corrosion resistance. The US industry is highly concentrated: the largest 50 companies account for 80 percent of revenue. Imports, which come largely from Canada and Germany, represent about 5 percent of the US paint and coatings market. Exports, which account for about 10 percent of US production, go mainly to Canada and Mexico.

The output of the world paint and manufacturing industry was valued at \$54 billion in 2006. The industry supported some 12,250 active firms. This industry is expanding to forecast 3.5% annually to nearly 26 million tones. By the year 2012 the valued will be \$72 billion.

Apollo paints is an ISO 9001:20001 certified company. After introducing the eco friendly products it is ISO 14001:2004 certified company. Apollo paints basically focuses on architectural coatings which are otherwise referred to as decorative coatings. The Company had its humble beginnings in 1982 manufacturing cement paints and as from 1993 onwards expanding activities so as to make available various products in architectural coatings such as Distemper, Emulsion and new generation products.

Apollo Paints Pvt Ltd has now been awarded the Singapore Green Label by Singapore Environment Council for the products ECO+ Enviro Emulsion, ECO+ Jazz Enviro Emulsion and Eco plus Radiance shine. These products are eco friendly and healthy for the inhabitants and applications as well. This range of products is indeed a boon to millions of painters who work with Lead based paints and breathing in the ill effects of solvents. Apollo paint is a 25 years old company and has been recognized as the environmentally preferred paint by Singapore Environmental Council. However, with other paint companies penetrating and expanding market such as Asian Paints, Nerolac Paints, and Berger Paints; it's imperative on part of Apollo Paints to create the desired awareness about its product and expand the customer base by ensuring customer satisfaction. This particular study has made an attempt in that direction.

2. Literature Review:

Vivek Srivastava 2011. In this report he opined that different product & services of Maharaja Whiteline Pvt. Ltd. which is the India's largest home appliances company serve as a contributing member of society & the individual communities in which it does business both economically & socially. Since its establishment company has remained on the leading edge by providing Products of high quality that create new values, at a reasonable price, for customer satisfaction.

Debarun Chakraborty. Described the various perceptions of different respondents towards STELLAR cigarette. It also had found out how much they were satisfied with the overall quality & service of the product. The customer's expectation from the various segments and the problems faced by them were identified. Today STELLAR is facing severe challenges from the ITC. They need to again fully organize the distribution system. What is most needed is the advertising and promotion of the particular product. As we surveyed we found out that most of the people didn't knew about the product named STELLAR. If the above suggestions are implemented, the brand named STELLAR can find better prospect in the future.

Anupam Jain and Meenakshi Sharma 2012,. The brand awareness in rural areas particularly in respect of beauty care and health care products is showing an increasing tendency. People are not worried about the price of the product. They are showing willingness to spend higher price when they realize that they can afford to spend. Since the usage of branded products of reputed companies will elevate their status as well as stature in that village. The marketing agencies are advised to conduct health awareness programs by educating the people about the need to use the health care products to arrest tooth decay, hair fall, dry skin, etc. These products can be made more popular and acceptable among the rural people.

Frederick Jacobus, Hattingh May 2007. During the course of this research it was confirmed that Pratley's customers are not satisfied with the level of customer service they received from the company. It was seen that the company's customers had no loyalty towards the company and would sell competitor products even if their customer asked for Pratley. The fact that Pratley customers are not satisfied with Pratley's service and policies effect their bottom line profitability and market share directly. It is almost impossible for a company in the current global competitive market to survive, without making customer satisfaction and loyalty a large part of their focus. These aspects are just as important as good quality designs and materials. Pratley could end-up trying to sell the best glands in the world and not finding anybody who is willing to deal with them.

Gordon H.G. McDougall, Terrence Levesque, (2000), This research investigated the relationship between three elements – core service quality, relational service quality- and perceived value and customer satisfaction and future intentions across four services. The results revealed that core service quality (the promise) and perceived value were the most important drivers of customer satisfaction with relational service quality (the delivery) a significant but less important driver. A direct link between customer satisfaction and future intentions was established. The relative importance of the three drivers of satisfaction varied among services. Specifically, the importance of core service quality and perceived value was reversed depending on the service. A major conclusion was that both perceived value and service quality dimensions should be incorporated into customer satisfaction models to provide a more complete picture of the drivers of satisfaction.

Debarun Chakraborty Sept-Nov, 2012. Through this study i understood the various perceptions of different respondents towards Aquaguard. I also found out how much they were satisfied with the overall quality & service of the product. The customer's expectation from the various segments and the problems faced by them were identified. He has conducted the market survey in the Kolkata in West Bengal with 200 respondents. He has chosen the product named 'Aquaguard' because nowadays people are very cautious about their health these days and is very particular about their drinking water. In such a scenario most of the people are using water purifier. After the survey He came to a solution that the people of Kolkata are very much aware of the Aquaguard water purifier and maximum of them are satisfied with the product. He came across some people who are using Aquaguard water Purifier for more than 8 years. Although maximum people are satisfied with the product but still there is a pinch of dissatisfaction among some of the consumers. But the ratios of these people are negligible. The survey has showed and proved that Aquaguard of Eureka Forbes Ltd. is enjoying a monopoly in the market of Kolkata. Nowadays, Pure IT of HUL is competing with Eureka Forbes. He have found out from the survey that people use the word "Aquaguard" as a generic name for all water purifiers no matter to which company and brand it belongs to.

3.0 Statement of the Problem

Getting new business is the key to any company's future. It has long been held that one of the major goals of marketing is to generate and maintain brand awareness. Brand awareness is one of the two most important variables in marketing any business, the other being brand loyalty. When executed properly, this brand awareness generates customer satisfaction. Relying on brand awareness is a frequent tactical decision made by customers when buying a product for the first time. When making subsequent purchases, the consumer focuses on the product's practical attributes, such as quality, functionality, affordability, taste or fragrance. Brand awareness has a stronger impact on the subsequent purchasing choices, if the product once tried out fulfilled the customer's expectations.

3.1 Objectives of the Study:

- 1) To explore the strategies and tools used by Apollo Paints to create brand awareness among its customers.
- 2) To assess the level of brand awareness of Apollo Paints among customers.
- 3) To identify the factors that influences customers' satisfaction towards Apollo Paints products.
- 4) To investigate the interaction between brand awareness and customer satisfaction on subsequent purchasing choice of customers.

4. Scope of the Study

This study is an attempt to know about brand awareness and its impact on customer satisfaction and geographically limited only to Bangalore plant. This research helps to understand the perception of the product in consumers mind, and also analyses the brand awareness among customers. This study also helps to analyze the satisfaction level of the customers related to the Apollo paint products. This study also identifies the factors that influence the customer's satisfaction.

5. Research Methodology

The study is based on primary as well as secondary data. The primary data is collected through personal interviews using structured Questionnaire.

The secondary data is collected from official web sites, newspapers and magazines, journal articles etc.

Sample Size: 100

Sample Unit: Customers randomly drawn from the customer database of Apollo.

Sampling technique: Simple Random Sampling.

Statistical Techniques: The research will use descriptive statistics and quantitative techniques to study the objectives.

Tool Used: MS-Excel, SPSS

6 Theoretical Background of the Study

Consumers always buy goods and services individually, however decisions always involve several people, the following is the common decision making process:

- The initiator, the person who starts the decision making process and gathers information
- The influencer, the person who influences people to buy or purchase goods and services, they often collect information also
- The decider, who has the financial authority to make the final decision on the purchase,
- The user who actually utilizes the product.

A brand is an emotional and physiological relationship a firm has with a customer, strong brands elicits thoughts, emotion and sometimes-physiological responses from a customer. A brand is a source of a promise to its customers. It promises relevant differentiated benefits. It does so not only to place itself into the purchase consideration set, but even more importantly, to be the brand chosen from that purchase consideration set. This is also sometimes referred to as the brand's unique value proposition. Whether it is called a unique value proposition or a promise of relevant differentiated benefits, it is very important that the promise or proposition be delivered consistently at each point of customer contact, time after time.

Brand awareness is the probability that consumers recognize the existence and availability of a company's product or services, creating this awareness by a company are one of the key steps to promote the company's goods and services. Brand awareness consists of both brand recognition and

brand recall performance. Brand recognition is the capability of a customer recognizing a brand as one, which he or she has already been exposed to, while brand recall is the ability of customers to retrieve the brand when they think of the product category. Product promoting via brand awareness is one of the easiest and most effective ways to promote commodity related products due to the fact that they have relatively fewer differentiations, which makes it more competitive if you have a strong and recognize brand. Consumers turn to make decision quickly about a product if they know or recognize the brand. The more customers can recognize, retain and remember a firm's brand the likely fact that they will shop and that firm is greater than shopping elsewhere.

Customer satisfaction is a term frequently used in marketing. It is a measure of how products and services supplied by a company meet or surpass customer expectation. Customer satisfaction is defined as "The number of customers, or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals." Therefore, it is essential for businesses to effectively manage customer satisfaction. To be able to do this, firms need reliable and representative measures of satisfaction.

Likert scale:(ranking from 1-5 Point scale):

A psychometric response scale primarily used in questionnaires to obtain participant's preferences or degree of agreement with a statement or set of statements. Likert scales are a noncomparative scaling technique and are unidimensional (only measure a single trait) in nature. Respondents are asked to indicate their level of agreement with a given statement by way of an ordinal scale. Most commonly seen as a 5-point scale ranging from "Strongly Disagree" on one end to "Strongly Agree" on the other with "Neither Agree nor Disagree" in the middle; however, some practitioners advocate use of 7 and 9-point scales which add additional granularity. Sometimes a 4-point (or other even numbered) scale is used to produce an impassive (forced choice) measure where no indifferent option is available. Each level on the scale is assigned a numeric value or coding, usually starting at 1 and incremented by one for each level.

Research element:

Brand Awareness, Promotion Strategies, Product/services, Commodities Served, Quality Attributes Customer Service, Usage experience, Purchase process, Cost effectiveness, Environmental impact, Competitive Strategies, Increasing Brand Value

7. Analysis and Interpretation:

The data collected through questionnaire method was analyzed using Statistical Package for Social Sciences (SPSS), Version 17.

Tab 1.1

Frequencies:

Apollo Paint is a well established brand in the market

	Frequen- cy	Percent	Valid Per- cent	Cumulative Percent
1.00	3	3.0	3.0	3.0
2.00	13	13.0	13.0	16.0
3.00	49	49.0	49.0	65.0
4.00	29	29.0	29.0	94.0
5.00	6	6.0	6.0	100.0
Total	100	100.0	100.0	

Statistics

VAR00001

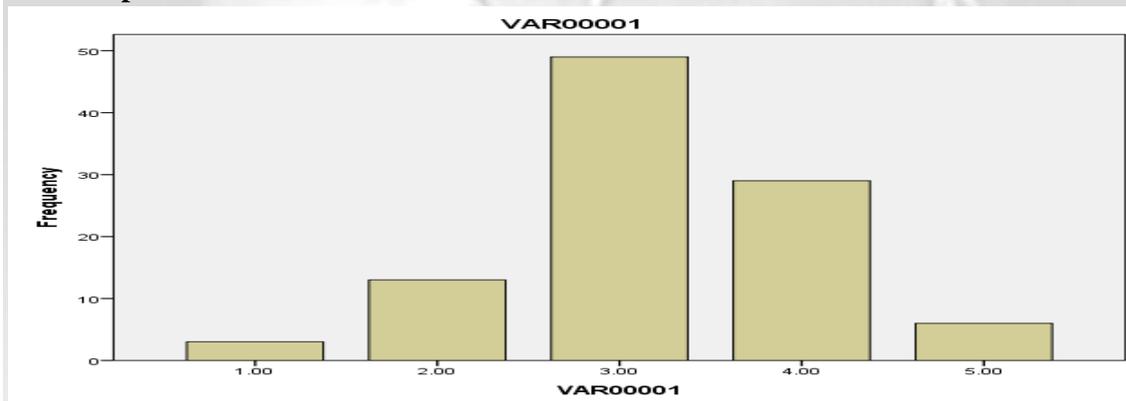
N	Valid	100
	Missing	0
Mean		3.2200
Median		3.0000
Mode		3.00

Analysis:

From the above table it can be analyzed that out of 100 respondents 6% strongly agreed, 29% Agreed, 49% neither agreed nor disagreed, 13% disagreed & 3% strongly disagreed that Apollo paint is a well established brand in the market.

Graph: 1

Apollo Paint is a well established brand in the market



INTERPRETATION: Since Apollo paints main concentration for marketing is majorly been dealers, retailers etc... their reach for the public has remained low. Due to this the people are unaware of the brand so established.

Acme Intellects

Tab 1.2

Frequencies

Strategies used by Apollo paints was effective to create brand awareness

VAR00003

	Frequency	Percent	Valid Percent	Cumulative Percent
1.00	8	8.0	8.0	8.0
2.00	23	23.0	23.0	31.0
3.00	47	47.0	47.0	78.0
4.00	18	18.0	18.0	96.0
5.00	4	4.0	4.0	100.0
Total	100	100.0	100.0	

Statistics

VAR00003

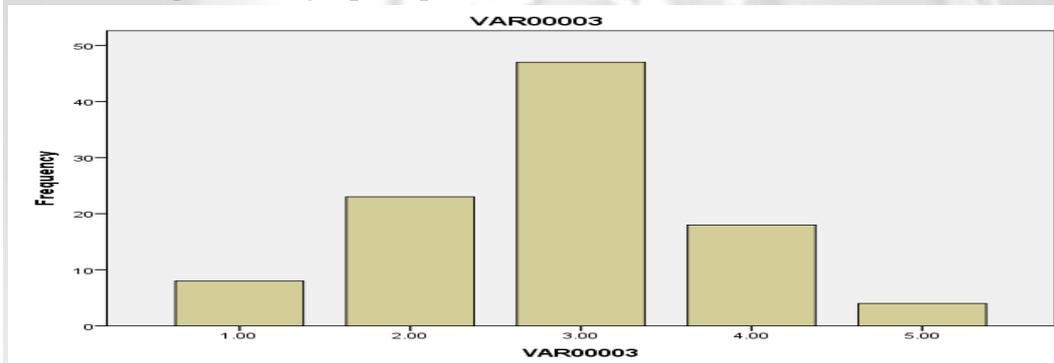
N	Valid	100
	Missing	0
Mean		2.8700
Median		3.0000
Mode		3.00

Analysis:

From the above table it can be analyzed that out of 100 respondents 4% strongly agreed, 18% Agreed, 47% neither agreed nor disagreed, 23% disagreed & 8% strongly disagreed that strategies of Apollo paints was effective to create brand awareness.

Graph: 2

Strategies used by Apollo paints was effective to create brand awareness



INTERPRETATION: Strategies created by Apollo paints should be revised and make them effective, we can make it out there are no huge efforts on creation of brand, so implementing new strategies or revising them may also bring a huge change in the organization.

Tab 1.3

Frequencies

Should Apollo Paints promote their products through all effective medias (Print, Digital etc...)

VAR00010

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 3.00	1	1.0	1.0	1.0
4.00	22	22.0	22.0	23.0
5.00	77	77.0	77.0	100.0
Total	100	100.0	100.0	

Statistics

VAR00010

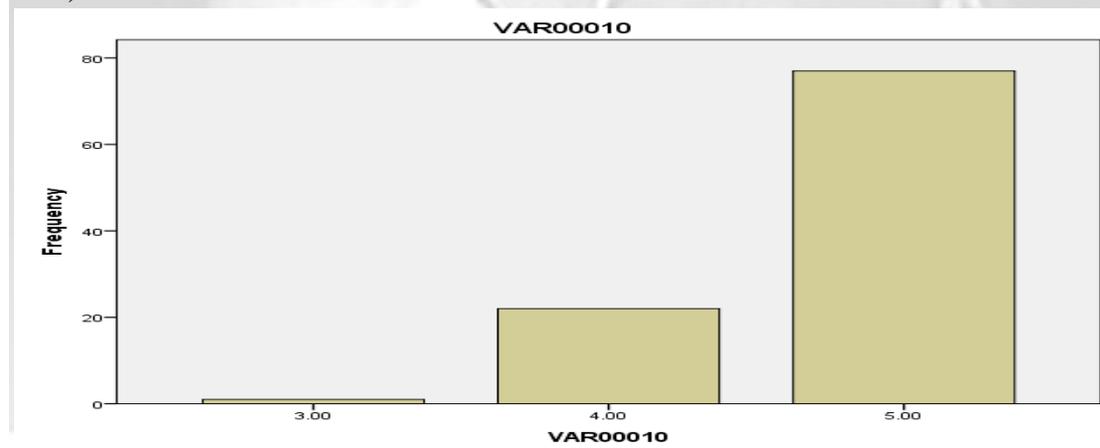
N	Valid	100
	Missing	0
Mean		4.7600
Median		5.0000
Mode		5.00

Analysis:

From the above table it can be analyzed that out of 100 respondents 77% strongly agreed, 22% Agreed, 1% neither agreed nor disagreed, that Apollo paint Paints should promote their products through all effective medias (Print, Digital etc..)

Graph: 3

Should Apollo Paints promote their products through all effective medias (Print, Digital etc...)



INTERPRETATION: As per now Apollo paints are not promoting any of their products through any media, so if Apollo paints choose any of the effective media they can target large number of customers at a time and also they can make their brand familiar in the market.

Acme Intellects

Tab 1.4

Frequencies

People recommend Apollo paint products to others

VAR00040

	Fre- quency	Per- cent	Valid Per- cent	Cumula- tive Per- cent
Valid	3.00 6	6.0	6.0	6.0
	4.00 26	26.0	26.0	32.0
	5.00 68	68.0	68.0	100.0
Total	100	100.0	100.0	

Statistics

VAR00040

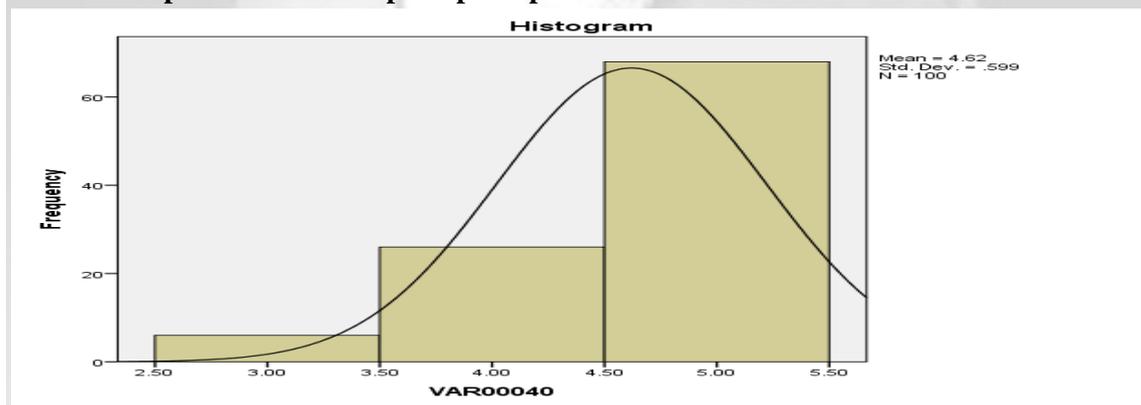
N	Valid	100
	Missing	0
Mean		4.6200
Median		5.0000
Mode		5.00

Analysis:

From the above table it can be analyzed that out of 100 respondents 68% definitely will, 26% probably will, 6% might or might not, with people recommend Apollo paint products to others

Graph: 4

People recommend Apollo paint products to others



INTERPRETATION: Apollo paint products have strongly satisfied their customers, so there will be a positive promotion from the customers end, they are the promoters of Apollo paint they recommend product to others, above survey also states the same.

8. Research Findings

- 1) Product and services of Apollo paint dose what it claims, customers are happy with the Apollo paint product because it does what it claims.
- 2) Apollo paint stresses more on quality they never compromise with the quality of their product which results in high satisfaction of the customers.
- 3) Apollo paints should still work on their back end team (Customer service) so that they should not lose their potential customer.
- 4) As there is no specific Apollo paint outlet, the purchase experience for the customers was not remarkable.
- 5) Apollo paints pricing strategies are accepted by their customers, where majority of the customers are satisfied and some of them are not, so pricing strategies have no defect in Apollo paints as they reflect quality.

- 6) Apollo paints have many features in their product and this is one of them which do not impact negatively on the environment, eco green products etc...
- 7) Apollo paint presently working on its all strategies to enhance its production and also create brand in the market.
- 8) Apollo paints can come up with their own outlets, as other competitors have.

9. Suggestions:

- 1) Apollo paints should concentrate on brand awareness programs and promotional activities as they act as an important tool for the organization.
- 2) Brand awareness programs are required for Apollo paints where it can increase the brand value and also helps to acquire the market share.
- 3) Apollo paints should work on its strategies to enhance its production and also create brand in the market, it can lead the future market by pushing down their competitors if it continuously work on its strategies.
- 4) Apollo paints should standardize their products according to the global standards if they are competing with global products; they should also revise all their strategies and company standards according to the global standards.
- 5) Apollo paint can create better competitive strategies which help to retain its customers and to enhance its brand image in the market.
- 6) As per now Apollo paints are not promoting any of their products through any media, so if Apollo paints choose any of the effective media they can target large number of customers at a time and also they can make their brand familiar in the market.
- 7) Apollo paints can also improve its after sales service, so that it can satisfy its customer more and also retain them.

10. Conclusion:

APOLLO PAINTS PVT LTD is a paint manufacturer in India it has been certified by ‘Singapore Environment Council’ as the “Environmentally Preferred Paint” and it is ISO 14001:2004 certified company this reflects the quality and reputation of the company.

The best thing in the company is that it would never compromise with the quality standards which are the main factor for any company for the future growth. The best quality products are manufactured in the company. The company is ISO 9001-2000 certified reputed company which shows the quality standards.

Apollo Paints is also a manufacturer of ECO friendly products i.e., with low viscosity and lead free paints. Company has a good infrastructure with equipped machineries and technologies, innovative ideas and strategies are followed for the growth of the company.

Advertising campaign and sales promotion activities are completely absent and might act as a drawback. R&D department is also good which always carries innovative measures and come up with new products.

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