

Brand Equity: A study of Mysore Silk- Prime product of KSIC (Karnataka Silk Industries Corporation) Mysore, Karnataka, India

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Abstract

Mysore is one of the heritage cities of Karnataka known for its Gardens, heritage buildings beauty sculptures, and the royal palace. Mysore silk, a prime product of KSIC is continuously adding value to the heritage Brand of the city. The Karnataka Silk Industry Corporation, Mysore is widely recognized for its silk products throughout the world. KSIC manufactures a range of products, such as Silk Sarees, Dhotis, and Kurtas and Silk fabric men Ties.

The KSIC was established during the year 1980 with its Corporate office at the 3rd and 4th floor of Public utility building MG road Bangalore. Karnataka Silk Industries Corporation Limited{KSIC} owns the brand 'Mysore Silk' and has twelve outlets for its products in India, of which nine are in Karnataka and one each in New Delhi, Mumbai, Chennai and Hyderabad..

The research paper aims to evaluate Consumer Based Brand Equity of Mysore silk and attempts to build a Multiple regression equation model for the Brand Mysore silk. The research makes use of the theoretical conceptual models of Brand Equity suggested by David. A.Aaker {1996} and Kevin Lane Keller. {2001}.The problem statement of the research is to verify the Consumer satisfaction, Consumer loyalty, purchase intent and the Brand Equity of Mysore silk, with reference to Frequency of Visits, Ambiance at the sales counters of the showrooms, Price, Perceived Quality, Brand Knowledge/Brand awareness/Brand Identity, Brand loyalty and Resale value.

KEYWORDS: Brand Equity, KSIC, Mysore Silk and Brand loyalty, Consumer satisfaction

Introduction,

A product is something that is made in a factory; a Brand is something that bought by a customer. A product can be copied by a competitor; a Brand is unique. A product can be quickly outdated; a Brand is timeless. Stephen King J Walter Thompson

A Brand is a magical word which controls business for ever. This is a highly spoken of business concept which has taken several forms from the days immemorial. A Latin phrase 'Caveat Emptor'-means let the buyer beware was one of the British common laws. According this doctrine in any commercial situation, it is the responsibility of buyer to ensure that the product they buy is of good quality and working properly. During 1300AD Hallmarks-an official quality symbol was stamped on gold and silver. In the early societies the skin of farm animals were burnt and an iron mark was stamped to claim the ownership. In many societies criminals were

branded to show that they should not be trusted. In Africa tribes were branded to identify with their groups. This principle of identification slowly emerged into commercial business.

The 'Brand' is the sum of everything that company or firm does: what it delivers, how it delivers it, the culture, the name, the tone of voice and so on. A brand is essentially a relationship – primarily between the customer and the firm's products or services but it also covers the relationship with business partners, regulators and investors and society in large.

The brand attempts to answer a set of organizational challenges in the form of enlightened consumers as its intangible long-term assets.

A Brand is a complex symbol that can convey up to 6 levels of meanings.

1. Attributes: A Brand brings to mind certain attributes of a product.
2. Benefits: Attributes must be translated into functional and emotional benefits.
3. Values: Brand communicates a set of values or at least a promise of its producers.
4. Culture : Brand represents organizational culture,
5. Personality: Brand projects the personality of its consumers may be in terms of socio demographic, sociocultural, socioeconomic and socio-psychological variables.
6. User: Brand suggests or identifies the kind of consumers who buys or uses or owns the product.

Branding is all about consistency, coherence & strategic advantages of the firms.. The Brand can be built strong when,

- ◆ The Brand appeals to the heart and mind of its consumers.
- ◆ The Brand can develop the Brand lovers and intangible strategic assets not mere Consumers.
- ◆ The company's philosophy and organizational vision reflected in its Business communication.

According to practioners and marketing managers brand is something which is out of creation, such as awareness, reputation and preferences at the market place.

A brand is more than a product, because it can have dimensions that differentiate it in some way or the other from the products designed to satisfy the same need. The differences may be with respect to tangible/Intangible/symbolic/status/romantic/emotional characteristics..

BRAND EQUITY:

The term brand equity came into use during the late 1980's, and it continues to be an important marketing concept of strategic relevance. The importance of conceptualizing, measuring and managing brand equity has rapidly increased during past 1-2 decades. The concept of brand equity seems to be one of the most important marketing phenomena both for practioners and academicians. May be it could be for two different reasons. On one side the academicians may be interested to understand how the brand equity can be formulated and measured and what exactly it means or communicates to a company. On the other hand the marketing managers want to understand and establish the relationship between brand equity and consumer behavior at the market place. This dual interest has given rise to the development of several divergent viewpoints related to brand equity,

Brand Association: Aaker (1991) defines Brand association as anything related to the association of a certain type of the brand or its image. Brand association is a relation with the brand Knowledge. There are three sources of Brand associations, namely Attitude, Perceived Quality, and Brand Image. Brand association is one of the major source components of Brand Equity.

Brand Equity- A bunch of definitions

- According to Kevin {1991} Keller Brand Equity is defined as the differential effect of brand knowledge on the consumer response to the marketing of the brand. Brand equity may be positive or negative. The positive Brand Equity favorably influences the financial performance of the company. Positive Brand Equity may result in consumer brand resonance which could result in intense active loyalty.
- According to David. A.Aaker {1991} Brand Equity is a set of assets that could be measured across the products and markets.

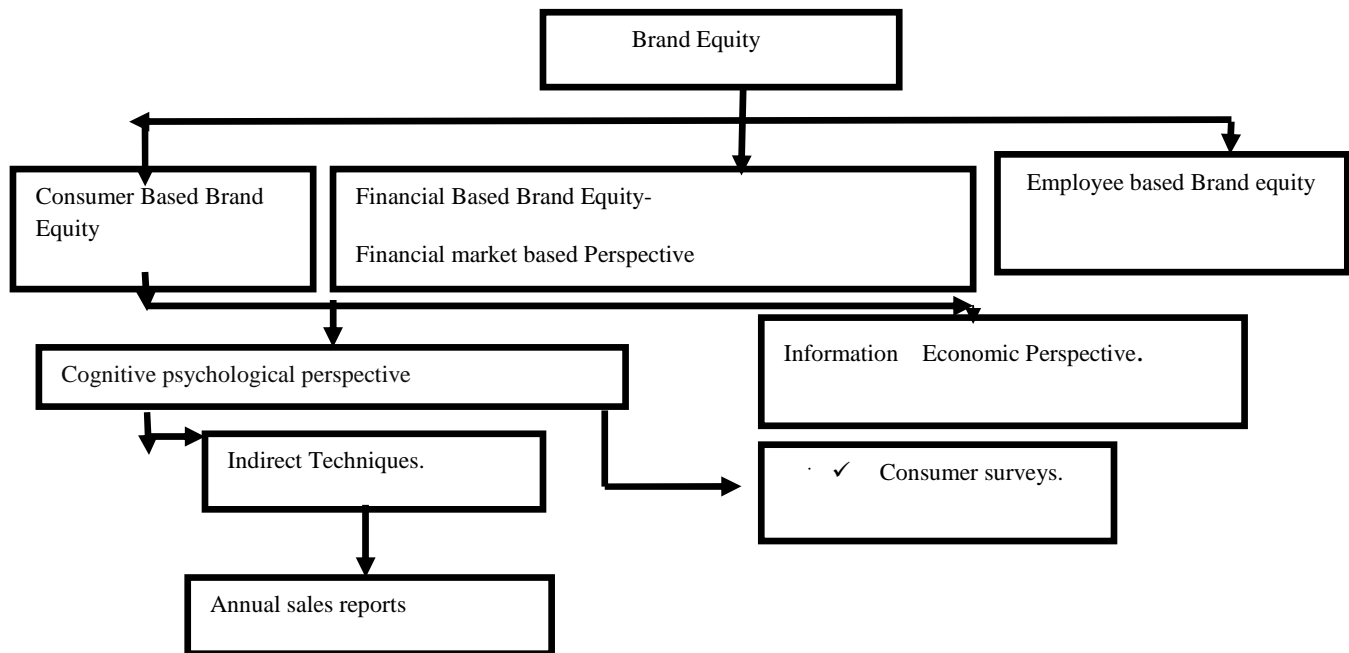
Brand Equity is defined as a set of assets and liabilities linked to a brand's name and symbol that adds or subtracts from the value provided by a product or service to a firm and/or that firm's customers.

In simple terms Brand Equity is the value addition to the customers through the products and services.

He has suggested the concept of Brand Equity Ten {Ten sets of measures grouped into five categories}. to measure the asset value of the brands.

- Leuthesser {1998} offers a broad definition of brand equity as.
A set of associations and behaviors on the part of a Brand's consumers, channel members and parent corporations that permits the brand to earn greater volume or greater margins than it could without the brand name.
- Winters {1991} states that Brand Equity involves the value added to a product by consumers associations and perceptions of a particular Brand name...
- Yoo & Donthu {2001}, Washburn & Plank 2002 defined Brand Equity as the consumer's different responses between a focal brand and Un-Branded product when both have the same level of marketing stimuli and product attributes.
- According to Keller {2001} Consumer Based Brand Equity occurs when consumer is familiar with the Brand and holds some favorable, strong, unique associations in the memory

Types of Brand Equity:



Brand Equity through the functions of a Brand. (Kapferer 1997)

<i>Functions</i>	<i>Expected Benefits To Consumers.</i>
Identification.	To be clearly seen ,to make up the offer, To quickly identify the sought after products
Practicality.	To allow savings of time and energy through identical repurchasing and loyalty.
Guarantee.	To be sure of finding the same quality no matter where, when you buy the product or service.
Optimization.	To be sure of buying the best product in its category, the best performer for a particular purpose.
Characterization.	To have confirmation of your self-image/Status or the image that you present to others. {Social status and Social approval}.
Continuity.	Satisfaction brought about familiarity, intimacy and an amount of emotional tag with the brand that you have been ensuring for the years.
Hedonistic.	Satisfaction linked to the attractiveness of the Brand, to its logo and to its communication.
Ethical.	Satisfaction linked to the responsible behavior of the Brand in its relationship towards society.

Source: Adopted from Kapferer {1997}

KSIC (Karnataka Silk Industries Corporation) -Company profile

- Mysore Silk Weaving Factory, set up in 1932, modernized with Japanese Technology in 1980, renamed KSIC in '81, is the only manufacturer in India to offer 100% pure natural silk and spun yarn.
- Silk weaving factory situated at Mysore.
- The silk filature unit is situated at T.Narasipura 30 KM from Mysore city.
- Products are marketed through a network of company owned retail outlets or show rooms, Exhibition-cum-sales and institutional sales.
- The corporate office comprises of personnel, marketing and accounts departments.
- KSIC manufactures high quality fabrics, meeting customer requirements and justifying its rich tradition.
- The silk weaving factory at Mysore manufactures following range of pure silk fabrics
 - Zari Crepe sarees
 - Zari crepe printed sarees
 - Crepe printed sarees
 - Dress materials
 - Ties and scarfs
- During 2006-07 KSIC incurred a loss of 490 million
- Due to turn around strategies, KSIC has witnessed a growth of 70 million annually.
- The marketing strategies such as installment sales to state and central government employees have resulted in increased revenues.
- The company recently supplied 4,000 saris directly to Indian Airlines
- KSIC owns the brand 'Mysore Silk' and has twelve outlets for its products in India, of which nine are in Karnataka and one each in New Delhi, Mumbai, Chennai and Hyderabad. Some of the outlets outside Karnataka belong to MSIL (Mysore Sales International Limited).
- A notable initiative that the company has adopted to safeguard its 'Mysore Silk' brand is Global Indication (GI) registration with Controller of Patents, Trademarks and the Registrar of Global Indication.

Literature Review.

1. The mere association effect and Brand Evaluations-by Claudiu et.al Journal of Consumer Psychology 2011.

The paper proposes "Associative network model of memory". It states that specific network of associations may be relevant or irrelevant with respect to brand identifications and loyalty.

The paper through the empirical findings states that mere associations are not sufficient, they should be transferred to cognitive evaluations. Such cognitive

evaluations are often spontaneous, uncontrolled, and prompted by unexpected sources.

2. Exploring Brand association's effect on (UN) conscious brand liking.

Master thesis by Cand.Merc.Kommunikation.Copenhagen Business school.11.11.2011.

Brand associations are fundamental to brand equity. According to Keller (1993) Brand associations' link to Brand preference, Choice and Image. Brand associations are the base for determining purchase decisions and consumer loyalty. The research question was how brand associations affect conscious and unconscious brand liking exemplified by Vestas Employer brand preference. The major hypotheses was that there is a positive general relationship between numbers of self-reported brand associations and brand liking (conscious and unconscious).The conclusion is that there is a general positive relationship between number of self-reported brand associations and conscious brand liking. The statement related to unconscious brand liking was rejected at 1% of level of significance.

3. Marketing Science Institute (MSI). Building customer based brand equity: (2001).

A Blue Print for Creating Strong Brands. By: Kevin Lane Keller.

In the words of Keller "Brand equity is the value of the brand in the market place. High brand equity results in high value in the market place. But in exact terms often it is not fully or clearly understood".

According to Keller there are four steps involved in building strong brands as well as to maintain the differentiation among the competitors.

- ❖ Establishing brand identity. (Brand awareness).
- ❖ Creating brand meaning through Brand associations.
- ❖ Eliciting positive and accessible Brand responses
- ❖ Forging Brand relationships with the customers characterized by active Brand Loyalty.

Further Keller identified six types of brand building feelings of consumers.

- ❖ Warmness.
- ❖ Fun
- ❖ Excitement.
- ❖ Security.
- ❖ Social approval.
- ❖ Self-respect/self-dignity/social status.

Keller states that Brand Equity is the impact of differential knowledge on consumer response towards the marketing of a Brand. The challenge is how to establish the differentiation across markets and products.

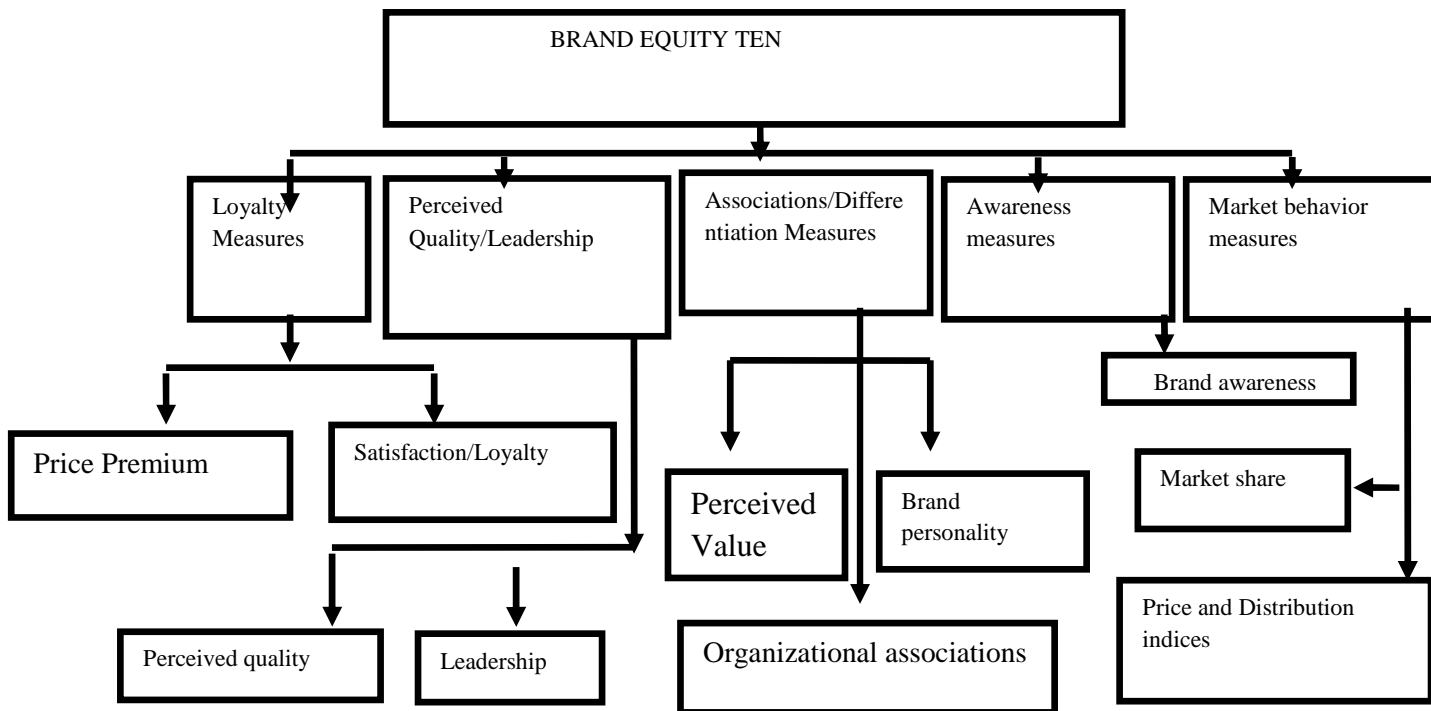
5. Building Customer Based Brand Equity. Kevin Lane Keller.2001.

The premise of this model is that the power of a Brand lies in what customers have learned, felt, and heard about the Brand over time. The power of a Brand is what resides in minds of the customers. Building Customer Based Brand Equity involves four steps.

1. Identification of the Brand with customers and an association of the Brand in customers.

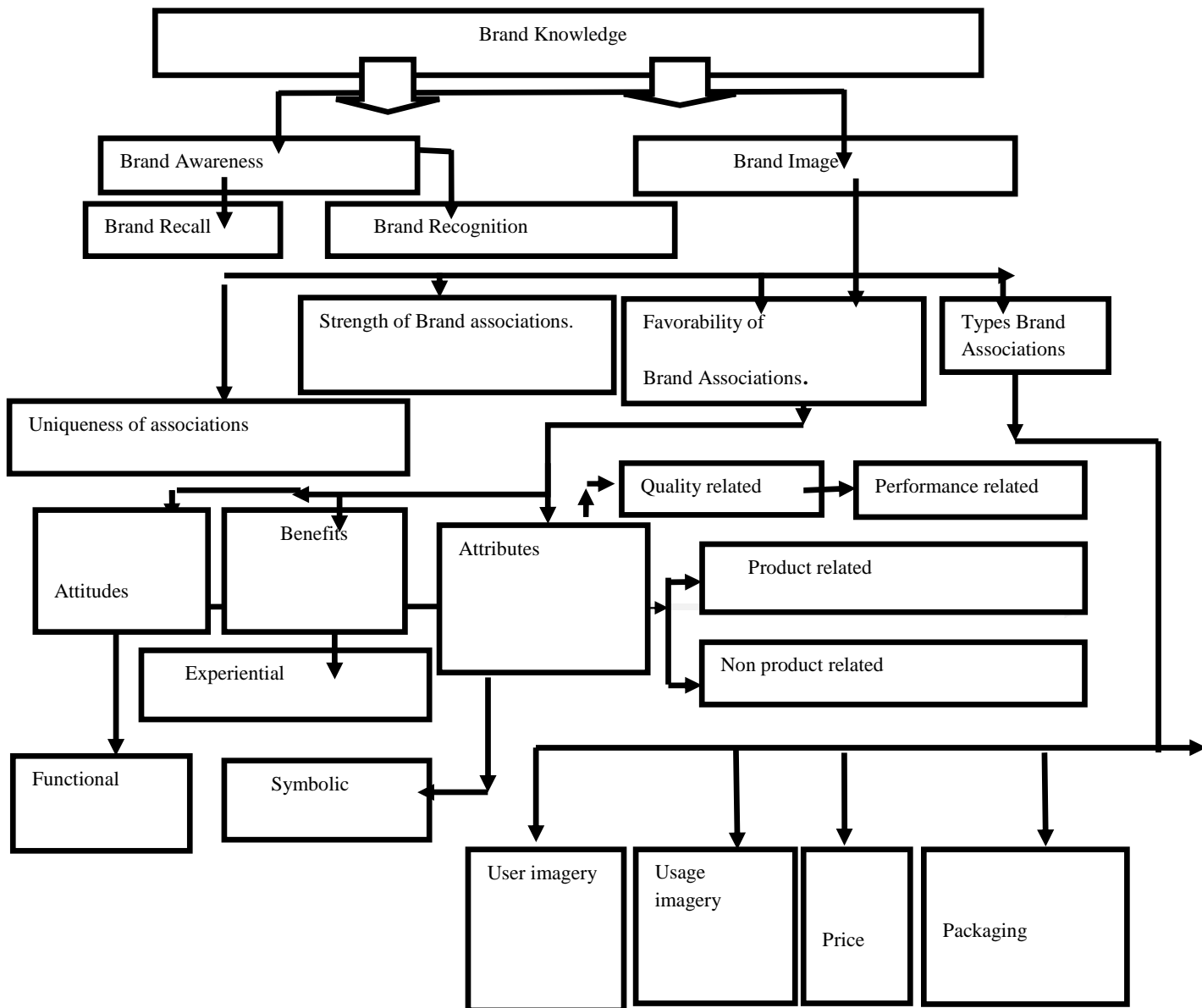
2. Firmly establish the Brand meaning in the minds of the consumers.
3. Elicit proper consumer responses to the Brand identity.
4. Convert the Brand response to create an intense active loyalty relationship between customers and the Brand.

Keller named these steps as “Branding Ladder”. The author introduced the concept of Consumer Brand Resonance.(Intense active Brand Loyalty.),which refers to intensify the favorable consumer response and internalize the responses with the Brand



6. Conceptualizing, Measuring, and Managing Customer-Based Brand Equity.
Kevin Keller. Journal of Marketing: Jan 1993.

Consumer based brand equity is defined as the differential effect of brand knowledge on consumer responses to the marketing of a brand. The consumer brand equity may be positive or negative. Keller identified the following dimensions of Brand Knowledge.



Research objectives

1. To study the Brand awareness of Mysore silk
2. To study the perceived quality of Mysore silk
3. To evaluate the brand equity of Mysore silk
4. To study the Brand Loyalty of the customers using Mysore silk

Scope of the Study

Scope of the research is confined to Mysore silk of KSIC. Research addresses the multiple dimensions of Brand Equity as a function of unique Brand associations such as perceived quality, Brand loyalty, and Brand knowledge and awareness of Mysore silk. The research literature available till date discusses more on the conceptual and theoretical understanding of the Brand Equity and its multiple dimensions. Much less research has been done in the development of Brand Equity measurement techniques and the possible interactive components of Brand associations. Absolutely no research has been conducted with respect to the Brand equity of Mysore silk. The survey is time bound and the research is conducted within the city limits of Mysore. The survey was conducted during June 2013 to December 2013.

Research Methodology The primary data required for this research was collected from a cross section of the users of Mysore Silk Saree in Mysore city by using snow ball sampling technique. The questionnaire was constructed based on the literature given by David Aaker (1996) and Kevin Lane Keller (2001).The questionnaire was distributed to approximately 205 respondents and we have received 115 responses. The survey was conducted during July 2013- December 2013.A qualitative scale of Strongly Agree(5) to Strongly Disagree was used to measure the responses.(**Croan Bach Reliability 0.836**) Multiple regression equations are used to evaluate the brand equity parameters of the study.

Analysis and Interpretations

Demographic profile of the respondents

Table:1 Age group

15-20	21-30	31-40	41-50	51-60	≥61
10	20	38	28	15	04

Table: 2 Education status.

SSLC	UG	PG	PhD	IAS	IPS	IFS	KAS	Technical
17	43	40	01	00	01	02	08	03

Table: 3 Income (000's)

10-19	20-29	30-39	40-49	50-59	≥60
38	22	21	16	09	09

Table: 4 Marital status

Married	Unmarried	Living together	Just Engaged	Divorce	Widow
80	18	00	05	06	05

Table: 5 Transport

Two wheeler	48	Four wheeler	44	Public Transport	23
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Professional status		Employment status	
Administrator	30	State government	32
Doctor	08	Central government	13
Engineer	15	Private sector	31
Professor	42	Unemployed	05
Lawyer	03	Home maker	21
Agriculture	04	Student	6
Retired	13	Entrepreneur	7

Multiple Regression Analysis

The regression equations established below are found to be highly significant as the P value is less than 0.05.

1. Frequency of visits= -0.696+0.388F2+0.387F4+0.235F1+0.156F6.

The parameter frequency of visits as dependent factor found to have a significant relationship with the independent factors such as, visits during festival seasons (F2) during marriage functions (F4) Often visits and occasional visits are found to be influencing the dependent variable up to 38.8%,38.7%,23.51% and 15.6% respectively.

2. Ambiance at the sales counters

=0.174+0.246A2+0.271A4+0.235A1+0.199A3

Ambiance at the sales counters as a dependent variable found to have significant relationship with the factors such as the good communication skills of sales personnel (A2), electronic billing systems (A4), and friendly nature of sales personnel (A1), and good description of product related attributes (A3) are found to be influencing the dependent variable up to 24.6%, 27.1%, 23.5%, and 19.9% respectively.

3. Price of the product= -0.160+0.318P8+0.303P2+0.256P15+0.240P10

Price of the product as a dependent variable found to have significant relationship with the factors such as purchasing power in the range of 15001-20000(P8), relatively high price (P2), installment purchase (P15) and purchasing power in the range of 25001-30000(P10).The independent factors are established to have a relationship up to 31.8%, 30.3%, 25.6%, and 24% respectively.

4. Perceived Quality of the product

$$= -0.166+0.457PQ2+0.213PQ5+0.277PQ9+0.126PQ8$$

Quality of the product as a dependent variable found to have significant relationship with the factors such as consumer satisfaction (PQ2),emotional attachment(PQ5),acceptable standard quality(PQ9),and lower quality(PQ8) than projected by the brand KSIC.The independent factors are established to have the relationship up to 45.7%,21.3%,27.7%,and 12.6% respectively.

5. Brand awareness and Brand Knowledge

$$=0.123+[BW/BK4]0.181+[BW/BK2]0.249+[BW/BK8]0.23+[BW/BK5]0.131$$

Brand awareness and Brand Knowledge as a dependent variable found to have a significant relationship with the factors such as unique characteristics [BW/BK4], identify logo of KSIC [BW/BK2], appealing in its presentation, style& functionality [BW/BK8],to recall logo of KSIC [BW/BK5] are established to have the relationship up to 18.1%,24.9%,23%,&13.1% respectively,

6. Brand Identity = -1.262+1.417BI1

Brand identity as a dependent variable found to have a significant relationship with the factor, ability to demonstrate certain social and economical status established the relationship up to 41.7%.

7. Brand Loyalty =0.437+0.321BL8+0.239BL6

Brand loyalty as a dependent variable found to have a significant relationship with the factors such as the appealing borders [BL8], different colours and glowing features [BL6] established the relationship up to 32.1%, & 23.9% respectively.

8. Resale Value = 3.589+0.041RS1-0.032RS2

Resale value as a dependent variable found have high significantly positive relationship with the factors such as high resale value [RS1] and negative relationship with guaranteed resale value[RS2] established the relationship up to 4.1% and - 3.2%.

Limitations of the Research

1. The research is confined only to Consumer Based Brand Equity.
2. The research is limited only to KSIC Mysore.
3. It is a case study approach.
4. Sample size is restricted to 115.

5. The responses are not cross tabulated with respect to the demographic profile of the respondents.

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