Brand Preference towards Escalators: A Research Study on the Industrial Segment in and around Chennai City

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Abstract

In words of Jack Trout "Marketing battles take place in the mind of a consumer or prospect. That's where you win. That's where you lose." In today's information age consumers prefer a particular brand out of their brand loyalty but do not hesitate to accept the substitutes if that brand is not available. This research study is undertaken in order to understand the psychology of brand preferences in the escalator category. We surveyed research that submits the essence of brands is connected through the features that they value in case of escalators. The architect and builders have been surveyed through a questionnaire in order to get the right inputs towards assessing escalators. With the sample size of 56 architects and builders in and around Chennai, the data collected has been analysed through percentage methods, chi square test and weighted average method. The culmination of this information may help any organization facing brand loyalty issues with their constituents and provide resources to uncover core issues.

Introduction

Review of Literature

Brand preference is measure of brand loyalty depends upon the ultimate relationship and level of identification that the customer has with the brand (Business Dictionary). Measure of brand loyalty depends upon the ultimate relationship and level of identification that the customer has with the brand (Kevin keller).

Brand Resonance refers to the nature of this relationship and the extent to which customers feel that they are in sync with the brand. Brand resonance can be broken down into four categories:

1. Behavioural Loyalty
2. Attitudinal Attachment
3. Sense of Community
4. Active Engagement

Definitions of Brand Preference: 1. Selective demand for a company's brand rather than a product; the degree to which consumers prefer one brand over another 2.The percentage of people who claim that a particular brand is their first choice (Brand Channel).

Brand preference is the Selective demand for a company's brand rather than a product; the degree to which consumers prefer one brand over another. In an attempt to build brand preference advertising, the advertising must persuade a target audience to consider the advantages of a brand, often by building its reputation as a long-established and trusted name in the industry. If the advertising is successful, the target customer will choose the particular brand over other brands in any category (Brand Channel).

Brand equity is the value a brand adds to the product (Farquar, 1990). Beyond a product's value is its potential to do what it's supposed to do a brand adds value to that product through its name awareness and its connotations of favourable attributes (Stanton, Etzel, Walker, 1994). Building a brand's equity consists of developing a favourable, memorable and consistent image – no easy task (Furquar). Companies as diverse as sear, The Limited, Dole, Armar All, and Marriott recognize that the brands they own may be even more valuable assets than their physical assets (such as building equipments) (Schlossberg, 1990). A brand is a name and/or mark intended to identify the product of one seller or group of sellers and differentiate the products from competing products (Benett, 1998)

Importance performance Maps

The concept of the importance performance map, which has proven so useful in customer satisfaction measurement and customer satisfaction value analysis, also applies to the drivers and subdrivers of customer equity. The idea is very simple. As demonstrated in the exhibit 1 given below, a graph can plot importance (high to low), against performance (high to low). Prime targets for marketing efforts are those drivers (or subdrivers) with high importance and low performance (Lovelock et al, 2009).

Exhibit 1

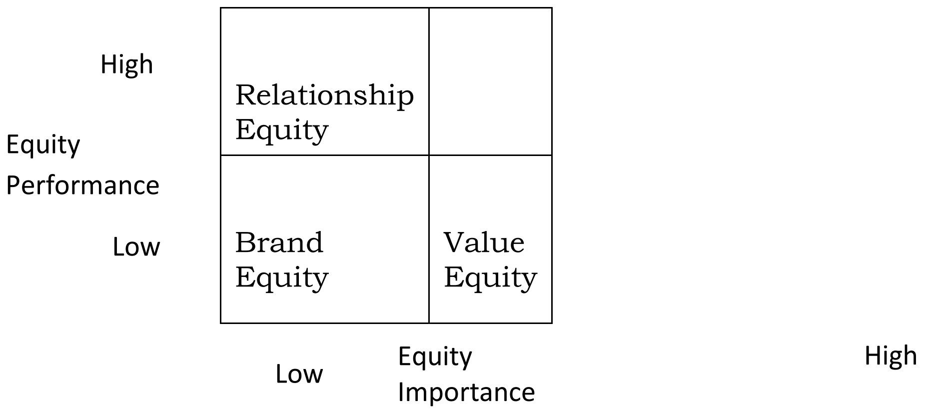
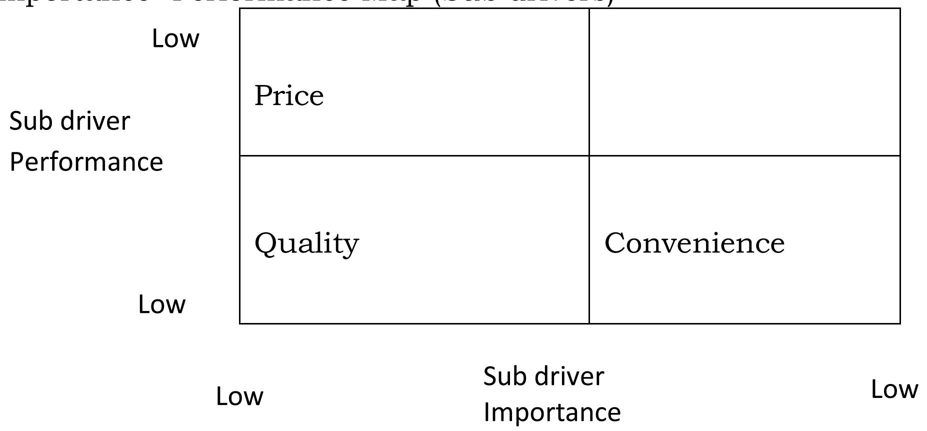


Exhibit 2

Importance- Performance Map (Sub drivers)



For some organizations, the primary focus of strategy development is placed on brand building, developing and nurturing activities (Urde, 1994).
Many other companies use branding strategies in order to increase the strength of the product image, Factors that serve to increase the brand image strength include (Lowry, 1998):

1. Product Quality
2. Consistent Advertising
3. Distribution Strategy
4. Brand Personality

While consumer packaged goods companies like P & G, Nabisco & Nestle have excelled big developing a wealth of enduring and highly profitable brands, a strong brand is also a valuable asset in business markets in general and in high technology markets in particular (Ward, Light and Goldstein 1999).

David Aaker says, “Brand Equity is a set of brand assets and liabilities linked to a brand, its name, and symbol that add to or subtract from the value provided by a product or service to a firm and/or to that firm’s customers (David Aaker, 1991).
A host of high technology companies have launched brand building initiatives, but do such investments generate positive returns? Brand attitude is a component and indicator of brand equity, Brand attitude is defined as the percentage of organizational buyers who have positive image of a company minus the buyers with a negative opinion (Aaker and Jacobson 2001).

Research Methodology

This research study is undertaken in order to understand the psychology of brand preferences in the escalator category. We surveyed research that submits the essence of brands is connected through the features that they value in case of escalators. The architect and builders have been surveyed through a questionnaire in order to get the right inputs towards assessing escalators. With the sample size of 56 architects and builders in and around Chennai, the data collected has been analysed through percentage methods, chi square test and weighted average method. The culmination of this information may help any organization facing brand loyalty issues with their constituents and provide resources to uncover core issues.

Objectives of the Study: The present study on "brand preference towards escalators: a research study on the industrial segment in and around Chennai city" is conducted to meet the following objectives of to find out preferred brand in the escalators category, to analyse the preferred buying criteria for escalators, to understand the preferred mode of buying escalators, to find out expectations from the escalator companies and to study preferred service expectations from escalator company.

Research design adopted is descriptive. Sample size is 56 architects and builders for which convenience sampling is used. The data has been collected from various secondary sources and primary sources through Questionnaires. The various tools used to analyse the data are percentage method, chi square test and weighted average method.

Analysis and Discussion

Table – 1: Preference in Selecting an Escalator Company

Preference	**Respondents**	**Percentage (%)**
Price	11	20
Quality	16	29
Service	13	22
Flexibility	0	0
Brand	9	16
Completion Time	7	13
Any Other	0	0
Total	**56**	**100**

From the table 1, 29% of the respondents preferred quality of the Escalator, 22% of the respondents preferred service of the Escalator, 20% of the respondents preferred price of the Escalator, 16% of the respondents preferred Brand of the Escalator, 13% of the respondents' preferred completion time of the Escalator. No one preferred the flexibility of the company.

When asked how many escalators do they buy in a year, 43% of the respondents having upto 3 projects in the year of 2010 to 2011, 36% of the respondents having 3-5 projects in the year of 2010 and 2011, 21% of the respondents having more than 5 projects in future.

Based on the Stops Speed of the Escalator**,** 45% of the respondents preferred 1m/sec speed of the Escalator, 37% of the respondents preferred less than 1m/sec speed of the Escalator, and 18% of the respondents preferred 1.5m/sec speed of the Escalator.

Table 2: Preferred Escalator Company

Escalator Company	Respondents	Percentage (%)
Schindler	12	21
Johnson	15	27
Otis	13	23
Kone	10	18
Mitsubishi	6	11
Others	0	0
Total	**56**	**100**

From the above table 2, 27% of the respondents preferred Johnson, 23% of the respondents preferred Otis, 21% of the respondents preferred Schindler, 18% of the respondents preferred Kone, and 11% of the respondents preferred Mitsubishi.

Table 3: Price band willing to pay

Price	Respondents	Percentage (%)
less than 5 lac	12	21
5~8 lac	21	38
8~12 lac	19	34
More than 12 lac	4	7
Total	**56**	**100**

From the above table 3, 38% of the respondents willing to pay Rs.5-8 lac to the Escalator, 34% of the respondents willing to pay Rs.8-12 lac to the Escalator, 21% of the respondents willing to pay Rs. Less than 5 lac to the Escalator, and 7% of the respondents willing to pay Rs.More than 12 lac to the Escalator.

Table 4: Preferred services expectations from Escalator Company

Services	Respondents	Percentage (%)
Easy access to sales department	5	9
Consultative sales approach	4	7
Quick response to service calls	6	11
Timely delivery of material	7	13
Timely Project completion	8	14
Above all	26	46
Any other	0	0
Total	**56**	**100**

From the above table 4, 46% of the respondents expect all types of service, 14% of the respondents expect timely Project completion, 13% of the respondents expect Timely delivery of material, 11% of the respondents expect Quick response to service calls, 9% of the respondents expect Easy access to sales department, and 7% of the respondents expect Consultative sales approach.

Table 5: Kind of safety features is required in escalator

Safety Features	**Respondents**	**Percentage (%)**
Brush	7	12
Start and Stop	15	27
Step Lighting	23	41
Comb and handrail Lighting	11	20
Total	**56**	**100**

From the above table 5, 41% of the respondents required step lighting as safety feature, 27% of the respondents required start and stop as safety feature, 20% of the respondents required comb and handrail lighting as safety feature and 12% of the respondents required brush as the safety feature.

Table 6: Expectation during project execution from Escalators companies

Expectation during Project Execution	**Respondents**	**Percentage (%)**
Single point contact from sales to Installation of escalators	6	11
Dedicated project engineer at site	2	4
Timely Delivery	8	14
Timely project completion	6	11
Quick response to service calls	7	12
All the above	27	48
Any Other	0	0
Total	**56**	**100**

48% of the respondents expecting all kind of service during project execution, 14% of the respondents expecting timely delivery during project execution, 12% of the respondents expecting Quick response to service calls during project execution, 11% of the respondents expecting timely completion of project and Single point contact from sales to Installation of escalators during project execution, and 4% of the respondents expecting Dedicated project engineer at site during project execution.

Table 7: Planned percentage of commercial projects in future

Commercials	**Respondents**	**Percentage (%)**
Airport	15	27
Malls	28	50
None of these	13	23
Total	**56**	**100**

From the above table7, 50% of the respondents having the project in Malls, 27% of the respondents having the project in Airport, and rest of 23% of the respondents don't have any project in Airport and Malls.

Table 8: Common problems faced with Escalator Company in various stages

Various stages	**Respondents**	**Percentage (%)**
Pre sales	8	14
Execution	37	66
After sales	11	20
Total	**56**	**100**

Interpretation

From the above table 8, 66% of the respondents facing the problem with the Escalator company during Execution, 20% of the respondents facing the problem with the Escalator company during After sales, and 14% of the respondents facing the problem with the Escalator company during Pre sales.

When respondents asked about their preference to buy Escalator through online**,** 64% of the respondents not preferred to buy the Escalator through Online, 36% of the respondents prefer to buy the Escalator through Online.

Out of 100 respondents 75% of the respondents give importance for the brand image, and 25% of the respondents not give importance for the brand image
Out of 100 respondents, 73% of the respondents are not associated with the single Escalator Company, 27% of the respondents are associated with single Escalator Company.

Table 9: Rank the Buying Criteria for Escalators (weighted average method)

Buying criteria	5	4	3	2	1	Weighted rank Total	Rank
Price	15	19	14	12	12	15	IX
Brand image	9	8	15	6	3	9	XII
Design options	6	8	19	14	7	10	XI
Space saving	23	16	13	15	6	17	VI
Specific cabin sizes	2	6	8	9	19	6	XIV
Technology	23	17	16	3	1	16	VII
Safety	25	16	18	19	8	20	III
Pre-sales support	4	3	0	8	12	4	XVII
Adhere to technical specs	5	0	8	9	7	5	XVI
Timely completion	28	32	24	8	9	24	I
Professional project management	13	8	9	15	19	12	VIII
General relationship	1	4	8	10	15	5.5	XV
Referral from others	0	7	0	1	19	3	XVIII
Reference installations	6	9	8	5	3	7	XIII
Product quality	26	23	13	11	10	21	II
Green	15	13	17	19	10	14	X
Maintenance service cost	20	22	13	16	19	19	IV
Maintenance quality	18	15	16	17	9	18	V

From the above Ranking table 9, it is clear that, the Buying criteria Timely Completion which has the highest total of 24 was ranked first, Product quality which has the total of 21 was ranked second, Safety which has the total of 20 was ranked third, Maintenance service cost which has the total of 19 was ranked fourth, Maintenance quality which has the total of 18 was ranked fifth, Space saving which has the total of 17 was ranked sixth, Technology which has the total of 16 was ranked seventh, Professional project management which has the total of 12 was ranked eighth, Price which has the total of 15 was ranked ninth, Green which the total of 14 was ranked tenth, Design options which has the total of 10 was ranked eleventh, Brand image which has the total of 9 was ranked twelfth, Reference installation which has the total of 7 was ranked thirteen, Specific cabin size which has the total of 6 was ranked fourteen, General relationship which has the total of 5.5 was ranked fifteen, Adhere to technical specs which has the total of 5 was ranked sixteen, Pre sales support which has the total of 4 was ranked seventeen, Referral from others which has the total of 3 was ranked eighteen.

Table 10: Rating based on the brand image

Brand	**6**	**5**	**4**	**3**	**2**	**1**	**Weighted Rank Total**	**Rank**
Schindler	6	22	9	7	35	6	19	**4**
Johnson	35	18	23	19	6	16	32	**1**
Otis	30	25	18	16	8	4	30	**2**
Kone	15	19	27	18	7	9	25	**3**
Mitsubishi	3	8	6	9	7	28	10	**5**
Thyssen krupp	2	5	8	9	7	29	9	**6**

From the above ranking table 10 it has clear that, the Brand Johnson which has the total of 32 was ranked first, Otis which has the total of 30 was ranked second, Kone which has the total of 25 was ranked third, Schindler which has the total of 19 was ranked fourth, Mitsubishi which has the total of 10 was ranked fifth, Thyssen krupp which has the total of 9 was ranked sixth.

Hypothesis Testing

Relationship between company preference and Expectation during project execution

Ho: There is no relationship between company preference and Expectation during project execution

H1: There is relationship between company preference and Expectation during project execution

Table 11: Relationship between company preference and expectations

Expectation during project execution	**Preferred Company**						
	Schindler	**Johnson**	**Otis**	**Kone**	**Mitsubishi**	**Other**	**TOTAL**
Single point contact from sales to Installation of escalators	1	2	1	1	1	0	**6**
Dedicated project engineer at site	0	1	0	1	0	0	**2**
Timely Delivery	3	2	2	1	0	0	**8**
Timely project completion	1	3	1	1	1	0	**6**
Quick response to service calls	2	3	1	1	0	0	**7**
All the above	5	4	8	5	5	0	**27**
Any Other	0	0	0	0	0	0	**0**
Total	**12**	**15**	**13**	**10**	**6**	**0**	

Level of significance 5% (0.05)

Degrees of freedom =(r-1) (c-1)
= (7-1) (6-1)
= 30

Critical Region:

The Table value of Chi^2 at 5% level of significance is 0.05, degrees of freedom 30 is 43.773. Since the calculated value (43) is less than the tabulated value (43.773). So the null Hypothesis is accepted. i.e., there is no relationship between company preference and Expectation during project execution.

Findings and Interpretations

29% of the respondents preferred Quality of the Escalator. No one preferred the Flexibility of the company.43% of the respondents having up to 3 projects in the year of 2010 to 2011. 45% of the respondents preferred 1m/sec speed of the Escalator. 27% of the respondents preferred Johnson, 21% of the respondents preferred Schindler. 38% of the respondents willing to pay Rs.5-8 lakhs to the Escalator, 7% of the respondents willing to pay more than12 lakhs to the Escalator. 46% of the respondents expect all types of service, 14% of the respondents expect timely Project completion, and 7% of the respondents expect Consultative sales approach. 41% of the respondents required step lighting as safety feature. 48% of the respondents expecting all kind of service during project execution, 14% of the respondents expecting timely delivery during project execution.50% of the respondents having the project in Malls, 27% of the respondents having the project in Airport. 66% of the respondents facing the problem with the Escalator Company during Execution.75% of the respondents give importance for the brand image, and 25% of the respondents not give importance for the brand image.

The analysis indicates that customers develop band preference towards escalators based upon quality which is indicative of usage of advance technology in escalators. Brand image of the company in the market is another important contributor towards the preference of the customers. The services offered by these escalator companies also have an effect on customer's brand preference. Like customers will prefer the brand which offer them timely execution of project installation and expect all basic services like timely delivery of material, quick response to service calls, single point of contact from sales to installation of escalators, dedicated project engineer at site and easy access to sales department. They also look forward to consultative sales approach. The top three buying criteria for escalators that have emerged from the survey are timely completion, quality, safety, maintenance cost and quality.

Conclusion

Preference is a scale, and brands move up, down and even off that scale with and without a vigilant brand management strategy. Pricing, promotional deals and product availability all have tremendous impact on the position of brand in the consumer's preference set. If all things are equal, the best defense is to make brand more relevant to consumers than the competition. The brands potential can only be fulfilled by continually reinforcing its perceived quality, up market identity and relevance to the consumer. The same branding activities that drive awareness also drive preference. And, while awareness alone will not sustain preference, it will improve the brand's potential for building and maintaining preference.

With a great story and a large enough investment, awareness can be attained rather quickly. It takes time, however, and constant revaluation to build brand preference. Aristotle professed, "We are what we repeatedly do. Excellence then is not an act, but a habit." Attaining and sustaining preference is an important step on the road to gaining brand loyalty. The ability to generate more revenue, gain greater market share and beat off the competition is the reward given by consumer toward particular brand.

The marketing environment is changing at an accelerating rate. Given the following changes, the need for real-time market information is greater than at any time in the past. In today's information based society, companies with superior information enjoy a competitive advantage. The company can choose its markets better, develop better offerings, and execute better marketing planning. Every firm must organize a rich flow of information to its marketing managers. Competitive companies study their managers information needs and design marketing information system to meet this needs. Customers are the backbone of the company. So the Companies may give more importance to satisfy their customer's level of satisfaction and to get more attraction. Service to take customer to delight zone is the backbone of this industry, which ever company will do that best will emerge as a preferred brand in the market.

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