

DETERMINANT FACTORS AFFECTING PURCHASE INTENTION TOWARDS “REBRANDING OF GODREJ”, INDIA

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ABSTRACT

This study aimed on how rebranding affected purchase intention through consumer attitude as a mediator. The scope was under the context of white goods under the Godrej & Boyce Manufacturing Company Limited (GBM) in India. The targeted respondents were Indians who had once purchased white goods in specifically Kolkata and Madhya Pradesh. The methodology of this research was only the quantitative data collection based on the research design by online survey of 300 respondents. The dependent variable was Rebranding of white goods GBM, while the intervening variable was Consumer Attitude towards GBM and the independent variable was purchase intention. On the basis of their relationships, the three hypotheses were developed. All null hypotheses were rejected. The researcher found that rebranding was the key element to be done at least once. After rebranding, white goods upgraded itself by changing few elements with a new image in the market. White goods GBM could go through with other changes e.g. decorative and attractive websites and various advertising strategies. Many various activities were taken place. The advanced technology and features of white good quality was one of them to appreciate the differentiation by repeated purchases and recommended products to others. The studied research factors affected by Rebranding of GBM were only in India. As white goods GBM had a great diversified market, the researcher opted for only white goods in the study. Moreover, this study covers how white goods GBM increases its sales volume in such a high percentage after rebranding. This study compares the impact of independent variable i.e., Rebranding and intervening variable i.e., consumer attitude towards a brand to dependent variable i.e., purchase intention.

KEYWORDS: *Rebranding, Consumer Attitude towards Brand, Purchase Intention.*

Introduction

“Brand is Not Just Logo or Website, It’s an Experience”

Brand

Brands were universal which accessed most of the aspects of life. They are, such as religion, culture and social. Brands had capacity to pass through all the criticism whether it was market or people themselves. Brands were analyzed by various perceptions, such as microeconomics, macroeconomics, philosophy and history (Mourya & Mishra, 2012). Moreover, brands were a major traditional concept used for discipline in the marketing field. Brands provided various strategies that should apply in the segmentation of the market as well as differentiation of the products. Brands’ valued provided consumers and non-consumers a quality product which was stamped with the mark of an organization (Mourya & Mishra, 2012).

Brand as a Company

Brand represented corporate identity, which plays vital role as competitive advantages to improve organization performance. But not all companies follow same strategies or brand construction. Their decision to change brand based on changes of consumers’ perception and company choices that at what level they would like to make changes (Mourya & Mishra, 2012).

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Brand as an Image in Consumer's Mind

People passively react on reality but easily react on perceived reality. Brand can be explained as an image structured in a consumer's mind on the basis of quality or experience. Few consumers assume only *brand* is everything to them. They believe in brands blindly as its quality and good image have continuously launched and maintained onto the market. They still believed in brand without verifying and re-verifying whether how much changes of its quality in the same direction or not as time passed by. Brand has a main focus on consumers' and non-consumers' mind. This means that a brand becomes a brand when it comes into contact with consumer's mind. It is a common question by the brands whether they have that contact with consumer's mind or not (Mourya & Mishra, 2012).

"Rethink, Revise, Rebrand"

Rebranding

Rebranding, from a specialized (or practitioners) point of view includes getting another name, term, image or plan or a mix of more than one of these to build up another or separated situation in the brain of the partners and contenders. They conceptualize the thought of rebranding as indicated by the level where it happens in the corporate order. Under this circumstance, one needs to firstly understand the several degrees of brand development (Roy and Sarkar, 2015). Rebranding is very necessary to attract consumers and present them in a unique way. They are, for example via changing the logo, slogan, marketing strategies, advertising and even by changing the website. Moreover, rebranding strategy becomes necessary to inspect the impact of rebranding on the perceived 'purchase intention' and 'consumers' attitude towards the brand'. The concept of rebranding is more concern with the concept of brand rejuvenation. Rebranding exercise is done with an expectation of development in the purchase intention as well as consumer attitude towards the brand. It is only possible when there is better alignment between new identity of brand and existing consumer information and a positive attitude towards that brand (Roy & Sarkar, 2015).

Research Problems

White goods under the "*Godrej*" brand are directing sales of 25% - 30% increasing rate during 2018-9. They have launched a slew of refrigerators across categories. In 2019, they captured 15-16% market share in refrigerators, 11-12% in washing machines, 10% in chest freezer and around 5% each in air-conditioners and microwave ovens (Mukherjee, 2019).

It is also trying to provide a scheme that allows the consumer to enjoy premium white goods at a minimum cost. GBM is also offering gifts and/or discounts up to 15%, vouchers. GBM's competitors also provide such scheme as Whirlpool and Bajaj electronics. However, white goods *Godrej* is on the lead as they said, "*People are not only looking for low price but premium quality of white goods too and we are pleased to provide that with proper satisfaction*". After focusing on its revenue growth, the researcher would like to know the key element which catches the eyes of the consumer and maintaining their brand image.

Objectives of the Study

The common objective of this research is to find the relationship between rebranding, consumer attitude and purchase intention. The specific objectives shown as follows:

- To study the significant relationship between rebranding cues and consumer attitude towards the brand in India.
- To study the significant relationship between rebranding cues and purchase intention of a consumer in India.
- To study the significant relationship between consumers attitude towards a GBM and purchase intention of a consumer after rebranding of GBM in India.
- To study the significant impact of rebranding cues on consumer attitude towards the brand in India.
- To study the significant impact of between rebranding cues on purchase intention of a consumer in India.
- To study the significant impact of consumers attitude towards a GBM on purchase intention after rebranding of GBM in India.

Scope of the Study

This study is classified and mainly focused on the relationship's consumer attitude towards rebranding of GBM in India, the relationship between purchase intention towards rebranding of GBM in India and relationship between consumer attitude towards a brand and purchase intention of a consumer after the rebranding of GBM in India. The targeted respondents are Indians both male and female, and has experienced of white goods "Godrej" in specifically Kolkata and Madhya Pradesh. The duration is from September to December 2019. Dependent variable is purchase intention of consumers after rebranding of "Godrej" in 2011. Independent variable is the rebranding of "Godrej" while intervening variable consumer attitude. The questionnaire has re-constructed under an article issued by Subhadip Roy and Soumya Sarkar (2015).

Research Significance

As a result, in 2010s brand owners especially "Godrej" under GBM and their competitors understand the concept of how rebranding activities affected Indian consumer attitude and purchase intention of new generation. Additionally, a clearer vision to the direct or redirect corporate strategic has formulated among stiff competitors in the upcoming changes of turbulent environment after 2011. On the other side, Indian consumers will gain knowledge of rebranding. This illustrate how new image affected both "Godrej's" consumers and non-consumers. Any changes a consumer's attitude occurred in 2010s. Their real intention to purchase of white goods after rebranding in a positive manner is shown.

Conceptual Framework

In this research there are one dependent variable i.e. Purchase intention, one intervening variable i.e., Consumer attitude and one independent variable i.e. Rebranding. According to this conceptual framework, the researcher will study the relationship among the one dependent variable, one intervening variable and one independent variable.

The modified conceptual framework of this study of relationships between consumer attitude towards GBM and purchase intention towards the white goods of GBM in India.

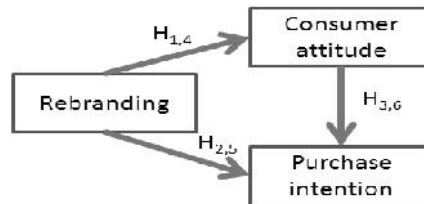


Figure 1: Conceptual Framework

Source: This conceptual framework was re-designed based on Roy and Sarkar (2015)

Research Hypotheses

According to the objectives of the research, six hypotheses conducted through pearson correlation coefficient and multiple linear regression (MLR) were shaped and specified as follows:

- H₁:** Consumer attitude towards GBM has any significant relationship with Rebranding.
- H₂:** Purchase intention of the consumer of white goods of GBM has any significant relationship with Rebranding.
- H₃:** Purchase intention of the consumers of white goods of GBM has any significant relationship with Consumer attitude.
- H₄:** Consumer attitude towards GBM has any significant impacted on Rebranding.
- H₅:** Purchase intention of the consumer of white goods of GBM has any significant impacted on Rebranding.
- H₆:** Purchase intention of the consumers of white goods of GBM has any significant impacted on Consumer attitude.

Literature Review

Purchase Intention

Purchase intention is completely based on the liking of their consumers. This said, purchase intention has another characteristic that the consumer will purchase such product after its evaluation. Several factors which affect the intention of the consumer to purchase a product and the final decision

can be subject to consumers' intention with many exterior factors. Consumers purchase decision is a complicated process. Purchase intention is generally related to perceptions, behavior and attitudes of consumers. Purchase behavior plays a vital role for consumers to enter and form an idea for a specific product. Purchase intention is an operative tool to predict buying process. Purchase intention may be changed under the influence of price or perceived quality and value. In addition, consumers are affected by internal or external motivations during the buying process. Researchers have proposed six stages before deciding to buy the product, which are: awareness, knowledge, interest, preference, persuasion and purchase (Mirabi, Akbariyeh, & Tahmasebifard, 2015)

Consumer Attitude towards a Brand

An attitude is defined as a relatively enduring general evaluation of products, objects, experience, issues, feelings beliefs, services or people. In other words, consumer attitude can be treated as an audiences' affective reaction towards the advertised brand. It exposes the feelings and their behavior towards the brand and to what extent feel purchasing the brand is favorable or unfavorable. Mostly, the consumer's perception or consumer's attitude towards the brand is the reflection of the advertising of the brand (Younus, Rasheed, & Zia, 2015)

Rebranding

As was mentioned in the previous chapter, rebranding is now trending a lot which provides a company a new, attractive and differentiated image. It is done by changing few or all elements of a company. The elements include logo, slogan, marketing strategies, website or any other element of the company. Rebranding develops and changes consumer's mind at the same time. In this study, Godrej has rebranded their company and changed few elements like color of the logo, marketing strategies, and website and to analyze the purchase Intention and consumer attitude towards Godrej in India on white goods after the rebrand (Roy & Sarkar, 2015).

Research Methodology

The data was collected by the Quantitative method. To understand the perception and attitude of the Indian consumers towards white goods under the brand "Godrej" of GBM. The distribution of questionnaires was 100% online basis with targeted population of Kolkata and Madhya Pradesh.

The total respondents were 300. Only those respondents were allowed to fill the questionnaire are the ones, who had experienced white goods of GBM after six months. The researcher asked series of checklist questions from the respondents to understand the effect on purchase intention and consumer attitude towards white goods "Godrej" of GBM after rebranding. The questionnaire studies the behavior of the consumers and even can develop new strategic plans to gain more consumers of GBM. So, the questionnaires were based on a systematic format so that the respondents can understand and answer them easily. In this study, the questionnaire is used as an instrument to collect data required to analyzing the dependent, intervening, and independent variables. The questionnaire was applied with a four-point Likert scale ranging from mostly un-preferred (1) to mostly preferred (4). The researcher used a screening question to find better appropriate respondents. The screening question asks whether the respondent ever once experienced or purchased white goods "Godrej" manufactured by GBM in the past six months. If they are experienced, they can continue answering the next questions. The ones, who don't, have to stop answering the following question. The progress of this questionnaire is to find the relationships and their impacts among rebranding of GBM, purchase intention of the consumers, and consumer attitude towards GBM in India. At first, the questionnaire format consists of screening questions that whether the respondents have ever experienced or purchased white goods of GBM. The questionnaire consists of different parts of dependent, intervening and independent variables, and how rebranding affects the consumers of GBM. Table 1 shows the reliability results based on Cronbach's alpha from 30 respondents which indicate more than 0.70 based on Tavakol (2011) is considered reliable to further distribute another 270 respondents.

Table 1: Reliability Results

Variables	No. of Items	From Pilot study Cronbach's Alpha Test (30)	Cronbach's Alpha Test (300)	Difference (%)	Square of Difference
Rebranding	5	0.77	0.77	0.668	0.447
Consumer Attitude Towards a Brand	5	0.71	0.77	0.0684	0.005
Purchase Intention	4	0.53	0.60	0.0316	0.0010

Source: Created by Authors

Table 2 shows validity results of questionnaire based on five long term users of white goods “Godrej”. Based on Turner and Carlson (2003), the result shows the validity of 0.80, which means that the questionnaire has high validity and reliability. Moreover, the questionnaires were also calculated individually and most of them are having high validity and reliability. It means, not only the questionnaire is having high validity and reliability, each question individually valid and reliable.

Table 2: Item Objective and Congruence (IOC) Results

Question no.	Description	evaluator 1	evaluator 2	evaluator 3	evaluator 4	evaluator 5	Total	Total/5
2	After rebrand, I like the new logo of GBM	1	1	1	1	1	5	1
3	The slogan “Brighter Living” implies a modern approach and feel.	-1	1	1	1	1	3	0.6
4	I like the Coloring of new Logo of GBM.	1	0	0	1	1	3	0.6
5	I can access the Website of GBM easily after rebranding of GBM.	1	1	1	1	1	5	1
6	I like the marketing strategies changed by GBM after rebranding of GBM.	1	1	1	1	0	4	0.8
7	I appreciate white goods produced by GBM after rebranding.	1	1	1	-1	1	3	0.6
8	I am favorable to white goods produced by GBM after rebranding.	1	0	1	1	1	4	0.8
9	White goods issued by GBM is considered as a good brand after rebranding to me.	0	1	1	1	1	4	0.8
10	I prefer white goods manufactured by GBM after rebranding for its unique features.	1	1	1	1	1	5	1
11	I trust white goods produced by GBM after rebranding for its quality.	1	1	1	1	-1	3	0.6
12	If I have to buy white goods, I would probably buy ones designed by GBM	1	1	1	1	1	5	1
13	If I have to buy white goods, I would probably buy ones designed by Godrej over others.	1	1	1	0	1	4	0.8
14	If I have to recommend white goods, I would probably recommend ones designed by Godrej to friends	1	1	1	1	1	5	1
15	I would hardly switch to other brands of white goods over ones produced by GBM.	0	1	1	0	1	3	0.6
Total							56	11.2
Average of questionnaires								0.8

Source: Created by Authors

Multiple Linear Regression (MLR)

Table 3 shows that all null hypotheses are rejected without multicollinearity. Analysis of Variance specifies that the significant level at 0.0001 is less than 0.05 ($0.0001 < 0.05$), it means that both intervening and independent variables, which are Consumer attitude towards a brand and rebranding are correspondent with the predict the dependent variable, which is purchase Intention. The tolerance levels of content consumer attitude towards a brand and rebranding are equal to 0.432 which are higher than 0.1. For variance inflation (VIF) scores are shown 2.315, which is well beneath 5.0. As for eigenvalue, the data is shown as 2.99, 0.0016 and 0.00066 respectively, which is beneath 10. The Adjust R-Square 60.66% ($0.6066 * 100 = 0.6066$: $0.6066 + 0.6066 = 100\%$) of variance explains in the predictor variables. The predictor variables consumer attitude towards a brand and rebranding consistently predict purchase intention displayed in this model.

Table 3: MLR Results with Multicollinearity

Variable	DF	Standardized Parameter Estimate	Standard Error	T-Value	Pr 0 (t)	Tolerance (>0.1)	Variance inflation (<5.0)
Intercept	1	0.94323	0.13949	6.76	<.0001		0
CAT(Mean)	1	0.29701	0.05067	5.86	<.0001	0.432	2.31518
REC(Mean)	1	0.46148	0.05067	9.11	<.0001	0.432	2.31518

Source: Created by Authors

Conclusions

The researcher believes that this study is the combination of rebranding theory and its practices. This study explored and exposed few more factors that are affected by rebranding of a company. It not only changes a company's image in the market but also develops and maintains other different factors like purchase intention and consumer attitude towards a brand as well. Finally, this experiment was supported via single product (white goods). This study provided various different directions for future researcher. As Indian companies are not that much involved with rebranding activities and the current generation desires innovation.

It is not necessary to have rebranding in all companies, but the Research & Development department should investigate that whatever the activities are performed by the company are sufficient to satisfy the consumers or not. Afterwards, the company should take care of the changes occur before and after rebranding for checking the efficiency. In this portion, the current research study can be helpful. Rebranding can be better if there is no cross-culture and whatever such changes do not harm or oppose any culture or religion nationwide and worldwide upon international market needed. Rebranding helps consumers to choose its trusty and active brand. Lastly, this study focused on purchase intention and consumer attitude towards a brand after rebranding. This way, the current research has contributed to the understanding of consumer attitude after rebranding and purchase intention.

Recommendations

Firstly, "Godrej" show great performance with such long-term marketing experienced in India. It is the most trusted brand of white goods for Indian. GBM deals with various different segments of a market as it deals in various different kinds of products. So, the research opted for others (Appliances) of GBM. The further researches may focus on other commodities and other Indian communities. This research found that after rebranding the company has upgraded itself by changing few elements of the company which help it to come-up with a new image in the market. But other researches may go through other changes such as decorative and attractive websites and various advertising strategies.

GBM has very strong competitors in the Indian market. There are few elements of competitors which have the tendency to change the perception of Indian. More or less, the company should not avoid such external environment factors which let the consumer switch to other brands. Its strong competitors like Whirlpool and LG are having good image in the market. Also, it has great product quality and their main businesses are white goods, so they are specific and better in their performances. To avoid such external factors GBM can step-up and upgrade itself with new innovation and smart technologies with younger generation demands for. The observation of GBM movement in the next decades should be taken into consideration.

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