

# Building Brand Reputation through Marketing Mix-A Case Study on Philips and Toshiba

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## Abstract

This research paper based on primary data, casual research and Chittagong based. It is based on 500 responses on Philips and Toshiba's customers & respondent selected by Non Probability (Judgmental & Convenience) sampling technique. SPSS 17.0 used for data transcribing, analyzing & interpretation by Descriptive analysis, Regression analysis & Correlation analysis. It reveals that a marketer build brand reputation through element of marketing mix & combined effects of marketing mix because every element of marketing mix and brand reputation are liner, strong and positively related. But promotion is more important than any other element of marketing mix. Because promotion play fundamental role to building in electronic goods make brand. It also reveals that marketing mix is 49% responsible to build brand reputation. Other elements will have to investigate in further research.

**Statement of the problem:** Branding is a global issue. It is very much significant in today's world than previous decade. As a businessman, we invest money to the business depends on brand. Devoid of brand, a customer cannot distinguish one producer's product to another as well as they cannot find out their desire company's product. If the product carries different feature, functions and performance, then it should be inform to customer, without the brand it is not possible. Nowadays it is essential part of the product. Some of the product are call their brand name not the product name such as Lux , Coca-cola .We say to the retailer please give us a Lux instead of a beauty soap and a coke instead of a soft drink. These brand images or reputation is established in consumer mind through their product quality, fair price, effective communication and efficient distribution system. Without this marketing mix, no firm can establish their brand in consumer mind. In this paper we examine how elements of marketing mix and their relationship affect the brand reputation or brand image. For this study purpose, we select two electronic home appliance companies such as world famous Philips and Toshiba.

## Significance of the study:

There are different research has been conducted on brand identity, brand loyalty and etc. but one research paper of Syed Ehtesham Ali's Marketing mix and the brand reputation of Nokia is available on this topic (Ali, 2008). But marketing mix is the pillar of marketing & it is easy way to establish brand reputation through marketing mix. So a marketer has to emphasis on marketing mix primarily than other variables. In electronic goods buying, buyer is more conscious on brand & marketing mix (product, price, place and promotion) simultaneously. So this paper will investigate the relationship between elements of marketing mix and brand reputation in electronic goods as Philips and Toshiba.

## Literature Review:

**Brand:** A brand is a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competitors (Association, 2010). Brand is also communicate the external- whose function is to disclose the hidden qualities of the product which are inaccessible to contact (Kapferer, 1997).It is to create a strong and distinctive image in favor of product (Kohli, 1997) .So most of the companies thought that focusing on the latest and greatest advertising campaign intended focusing on the brand (davis, 2002). A brand lives in consumer mind in the form of a universe of association (Verma, 2002). However, the brand is as a promise to the consumer of what the product, service, or company stands for and for the kind of experiences they can acquire from it. If the promise is delivered, customers will be satisfied and this will keep them coming back to a company's product (Temporal, 2001).

**Brand Reputation:** Most of the companies and consumers are conscious over the brand reputation of what they sell or buy in addition to every brand gives their distinct values, creates a distinct profile in the minds of the customers in respect to what it stands for (Aaker, 1996) (Aaker ,1991) (Browne, 1999)(Kapferer, 1997). Such as the beverage industry Coca-cola stands for "refreshing" and the car industry Volvo brand is perceived for "safety", the mobile industry Sony Ericsson is poised as "music and entertainment" etc. if companies fail to ensure a reliability and stable brand reputation, the brand's growth and market share will be badly affected. Thus a brand reputation is the image of superior quality and added value, which justify a premium price. (Browne,1999). So, a reputable brand is a strong asset, which benefits from a high degree of loyalty and stability for future sales (Kapferer, 1997). Ultimate goals of highly reputed brands should be to strengthen their image and low selling brands with low reputation should focus on tailoring their marketing mix and fixing the overall

image problem (Baldinger & Rubinson 1996). However, the attribute reputation is an estimation of the consistency, over a period of time for an entity. This estimation is based on the entity's willingness and ability to perform an activity repeatedly in a similar fashion and an attribute is some specific part of the entity - price, product or service quality, promotion, distribution and other marketing skills (Paul, 1997).

**Marketing Mix:**

Marketing mix is the set of controllable tactical marketing tools-product, price, place and promotion-that the firm blends to produce the response it wants in the target market (Kotler, 2010). However, each element of the marketing mix should support the others. The intensity of marketing activities, without considering their quality, positively affects the creation of brand awareness and building of a more positive brand image, which in turn results in increased brand equity (Rajh, 2005). Brands are made of all marketing elements which perform various functions for the brand as awareness and image of the brand (Verma, 2002). Such as McDonald's restaurants have a variety of strategies that apply to product, placement, promotion, and price that makes them one of the most successful, well recognized brand in the world (McDonald's, 2005). Moreover, brands are important assets for many companies, building and maintaining their strength is a key marketing task that involves all of the marketing mix (Rosalind Mastersan). Finally, products at reasonable price, good store image, extensive advertising, and prompt distribution in stores will lead to clear customer's perception of brand and consequently increase the amount of purchasing and promote the brand (Doaei, 2001)

**Product (Quality):**

It means the goods & services combination of the company offers to the target market (Kotler, 2010). Moreover, Product may include a physical object, service, place, organization, or even an

idea (Fakhimi Azar, 2011). Quality is the features of a product or service that bear on its ability to satisfy stated or implied customer need (Kotler, 2010) and perceived brand quality can be identified as the consumer's general subjective judgment on superiority of a product which is derived from the evaluation process of its different features (Beristain, 2011). Additionally, the brand's tangible and intangible components must be combined to create value or benefits that customer desire and the brand must be excellent providers of the benefit (Verma, 2002). Moreover, a brand is the blend of the physical product and the notional images that go with the brand (Parameswaran, 2001). So, a clear link between product class and brand is involved (Aaker, 1991). The higher perceived quality brand is more successful than the brand of lower perceived quality (Sheng, 2012).

**Price:**

Price is the amount of the money which customer must pay to obtain the product (Kotler, 2010). Price influences the brand choice in two ways: (1) search for the lowest price to avoid financial risk or (2) search for the higher price to gain product quality (McDonald's, 2005). Additionally, price is the important attribute of brand and make sure price is based on how consumer view the product as whole (Verma, 2002). In consumer market, price is an external indication of product quality and high-price brands are considered as high-quality brands (Kim, 2011).

**Promotion:**

Promotion means activities that communicate the merit of the product and persuade target customer to buy it. (Kotler P. &, 2010). How can a company build its brand reputation through promotion? A promotion that provides incentives to try a new flavor or new use will be more effective, if the brand is familiar and there is no need to great effort a consumer doubtful of brand reputation (Pringle, 1996). If advertising, promotion and packaging support a constant positioning strategy over time, the brand is likely to be strong (Aaker, 1991) (Pringle, 1996). Additionally, promotions lead to developing knowledge of brand for all the promoted products and brands (Buil, 2013).

**Place:**

Place includes company activities that make the product available to target customer (Kotler, 2010) Any disagreement between marketing channel members on goals and roles may generate channel conflict, which eventually could slow down overall reputation of the specific brand (Kotler & A., 1996) Additionally, good store-image not only attracts more attention, interests and contacts from potential consumers, but also it increases consumer satisfaction and positive word-to-mouth and give signals that a brand has good quality. (Pouredehghan, 2015)

**Research Hypotheses:** On the bases of Literature Review we formulated five hypotheses to attain our objectives:

Ho1: There is positive connection between Product and Brand Reputation.

Ho2: There is positive connection between Price and Brand Reputation.

Ho3: There is positive connection between Promotion and Brand Reputation.

Ho4: There is positive connection between Place and Brand Reputation.

Ho5: There is positive connection between marketing Mix and Brand Reputation.

**Methodology:**

On the bases of literature review, we found four independent variables as product, price, place and promotion & also one dependent variable as brand reputation. We developed closed-ended pre-coded, structured questionnaire

which having 16 questions, among them 8 questions are related with respondent personal data and another 8 questions are related with research objective which is found from another research article of Syed Ehtesham Ali's Marketing mix and the brand reputation of Nokia (Ali, 2008) . Likert Five point scaling has been used in questionnaire formulation which is 5= Highly Agreed, 4= Agreed, 3= Nor Agreed or Disagreed and 1= Highly Disagreed. It is causal research and followed by survey method. Our total sample size is 500 which has selected by non probability- judgmental & convenience sampling from Chittagong Metro Politian Area. Responses have been collected by direct personal interview from Philips and Toshiba's customers in June, 2016 to July 2016. After collection of primary data, we input to SPSS software for analyzing the data through Frequency analysis, Descriptive analysis, Regression & Correlation analysis. Table 01 summarizes the descriptive statistics of respondents' characteristics.

**Table 01: Descriptive Statistics of Respondent s' Characteristics**

Measure	Value	Frequency	Percentage
Gender:	Male	358	71.6
	Female	142	28.4
	Total	500	100.0
Lives In:	Urban area	472	94.4
	Rural Area	28	5.6
	Total	500	100.0
Age:	less than20	47	9.4
	20 years -30 Years	206	41.2
	30 Years -40 Years	135	27.0
	40 Years -50 Years	69	13.8
	50Years -60 Years	36	7.2
	above 60 Years	7	1.4
	Total	500	100.0
Education:	illiterate	1	.2
	can read and write	3	.6
	primary school completed	7	1.4
	junior high school completed	6	1.2
	S.S.C. Completed	45	9.0
	H.S.C. Completed	150	30.0
	Under graduation Completed	189	37.8
	Graduation Completed	85	17.0
	Post Graduation Completed	14	2.8
	Total	500	100.0
	Income :	Below 30,000 Taka	51
30,000 Taka -50,000 Taka		61	12.2
50,000 Taka -70000 Taka		133	26.6
70,000 Taka -90,000 Taka		117	23.4
90,000 Taka -110,000 Taka		81	16.2
Above 110,000 Taka		57	11.4
Total		500	100.0

Source: Field Study: June-July,2016

**N=500**

**Analysis:** Table 2 indicates that maximum respondents are male (71.6%), city/ urban (94.4%). Additionally, 41.2%, 27.0%, 13.8% of the respondents are 20 years to 30 years old, 30 years to 40 years and 40 years to 50 years old respectively. Moreover, 30%, 37.8% & 17% respondents are H.S.C. completed and under graduation & graduation completed respectively. Additionally, 26.6%, 23.4% and 16.2 % respondents income are 30,000 taka-50,000 taka, 50,000 taka -70,000 taka and 70,000 taka -90,000 taka respectively. It indicates that most of the respondents are male, urban, young & old , moderate income respondent who give their logical opinion about their brand & marketing mix.

**Research Findings:** The respondents' responses on building brand reputation through the elements of marketing mix has collected. The elements for marketing mix are product (quality), price (affordability), promotion (advertising & communication) and place (availability). The determinants for brand reputation are favorability, public recognition, reliability and consistency.

**Table 02: Descriptive Statistics of Independent Variables**

Name of Independent variables	Mean	Standard Deviation	Rank
Rate the brand reputation of above brands in terms of "Product"	3.6600	1.01116	3
Rate the brand reputation of above brands in terms of "Price"	3.2880	.96899	2
Rate the brand reputation of above brands in terms of "Promotion"	3.2140	.91754	1
Rate the brand reputation of above brands in terms of "Place"	3.3600	1.01610	3

Source: Field Study: June-July,2016

N=500

**Analysis:** The study has found that promotion achieve first ranked among the Marketing Mix elements to build brand reputation from descriptive statistics table. The study has also found promotion is important tool to build up brand reputation or brand name or brand identity from literature review. Because a marketer informs, persuades & reminds the product to the customer through different promotional tools. Additionally, the price is occupied in second position to build brand reputation. Generally, we evaluate the brand on the bases of price. Because price and quality are positively related that if one increases then another one will also increase. Both product & place have stood in third position in building brand reputation. Because at last, customer have product, evaluate the product function, attributes and etc. product must have the performance quality, than customer will re-buy or re-patronize same brand. Simultaneously, place is also important factor to buying electronics goods. Because customer emphasis on store/dealer reputation to buy electronic goods due to durability. Sometimes customer buy new brand product due to store recommendation. Finally, this research suggests that all elements of marketing mix are important to build brand reputation.

**Table 03: Regression Analysis:**

Model 1	Sum of Square	df	Mean Square	F	Sign
Regression	118.106	4	29.526	120.769	.000(a)

**R Square=0.494, Adjusted R Square 0.490 Error 0.49446**

**Coefficients(a)**

	Un standardized Coefficients		Standardized Coefficients	t	Sig
	B	Std. Error	Beta		
(Constant)	.999	.112		8.889	.000
Rate the brand reputation of above brands in terms of "Product"	.218	.025	.318	8.684	.000
Rate the brand reputation of above brands in terms of "Price"	.162	.026	.226	6.315	.000
Rate the brand reputation of above brands in terms of "Promotion"	.176	.026	.233	6.805	.000
Rate the brand reputation of above brands in terms of "Place"	.153	.024	.224	6.276	.000

a Dependent Variable: Average of brand reputation

**Analysis:**

There are five hypotheses formulated in the earlier of this study now will be tested and the results full discussion is given below:

Before analyzing the data by multiple regressions, it is appropriate to test the presence of multi collinearity among the independent variables. Here, calculated value of R square 0.494 is greater than table value of R square 0.4, it indicated that the multicollinearity relationship exist in among the independent variables. The adjusted R2 of 0.49 indicates 49 percent of variances in building brand reputation through marketing mix. On other hand, there are other variables that influence brand building reputation represented by the remaining 51% percent.

The results of the Regression proves that at the 5% level of significance, the model is statistically significant where calculated F-value is 120.769 at P-value =0.00% which is more greater than Table F-value 2.82 & level of significance P-value 0.05%. So our proposed model is statistically fit and significant.

The analysis of the T-Statistics (T-TEST) is the coefficient divided by its standard error which is estimated of standard deviation of the coefficient. The study has found that calculated t-value is 8.684, 6.315, 6.805 and 6.276 respectively from the regression analysis which is greater than table t- value 2.00 & level of significance P- value is 0.000% which is less than P value 0.05%. So our four hypotheses Ho1, Ho2, Ho3 and Ho4 are accepted. It indicates that there is a positive connection among product (quality), price (affordability), promotion (advertising & communication) and place (availability) with brand reputation. So, marketers build brand reputation through not only promotion also with product, price, and place. Finally, this paper provides the signal to the marketer that spends money at not only promotion, but also product and place. Because, elements of

marketing mix and brand reputation is directly & linearly related. Additionally, a marketer provides the best blended of marketing mix to the market which is more easier to build brand reputation.

**Table 04: Correlations**

Independent Variables	Dependent Variable Average of Brand Reputation
Rate the brand reputation of above brands in terms of "Product"	.552**
Rate the brand reputation of above brands in terms of "Price"	.482**
Rate the brand reputation of above brands in terms of "Promotion"	.437**
Rate the brand reputation of above brands in terms of "Place"	.480**

**\*\*Correlation is significant at the 0.01 level (2-tailed). N=500**

	Average of brand reputation
Average of marketing mix	0.714**

**\*\*Correlation is significant at the 0.01 level (2-tailed). N=500**

**Analysis:** The correlation coefficient  $r$  measures the strength and direction of a linear relationship between two variables. The value of  $r$  is always between +1 and -1. A statistically significant correlation indicated by the probability value of  $P$  less than 0.05. It represents that the probability of obtaining such a correlation coefficient by chance is less than 5 times out of 100. The study has found that elements of marketing mix as product (quality), price (affordability), promotion (advertising & communication) and place (availability) has standard positive relation with brand reputation as  $r=0.552$ ,  $r=0.482$ ,  $r=0.437$  and  $r=0.480$  respectively at  $p=0.00\%$  from the correlation's table. Simultaneously, a marketing mix (combined) is high positively correlated  $r=0.714$  at  $P.000\%$  with brand reputation (favorability, public recognition, reliability and consistency). So, our Hypotheses  $H_05$  is accepted. It indicates that there is strong positive relationship between marketing mix and brand reputation. It indicates that building brand reputation is not possible by only one tool but it is require combined effort of four Ps. That's why marketer plays an attention on each element of marketing mix simultaneously.

## Conclusion

This paper reveals that a marketer builds brand reputation through the elements of marketing mix because every tools of marketing mix has a standard & liner positive relationship with brand reputation and combined effects of marketing mix which has also strong positive correlation with brand reputation. That means if the quality of marketing mix increases then the brand reputation will also increase and vice versa. So marketer must consider product, price, promotion and place simultaneously to build brand reputation & give more attention on promotion. This study reveals that marketing mix is 49% responsible to build brand reputation and remaining 51% responsible may be perceived quality, satisfaction, trust, commitment, experience, service, brand awareness, brand association and brand positioning (Atafar, 2011) (He, 2012) (Buil, 2013) (Sahin, 2011) So, further research should be held on among variables in order to find out brand reputation through others variables.

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