Exploratory study of consumer preference between branded and Unbranded: 
A case of educational institutions

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ABSTRACT

The focus of this research is towards examining the choice and behaviour of individual towards branded and non-branded items; furthermore, difference between their responses to questionnaires and actual field experiment. Information was collected from 100 samples of same social class and all were in educational field, under the age group of 30 years. The main purpose was to explore the actual behaviour and preference of people towards branded and unbranded with the help of experimental marketing and selling activity, along with the filling of questionnaires. Experimental data was observed whereas questionnaires data are presented in the firm of pie charts. Behaviour of people during experiment was different than the answers in questionnaires. Study found out that females are more brand conscious and consume chocolates more than males in Pakistan; if branded and unbranded items are presented together as substitutes, people prefer unbranded due to price factor; if branded items are presented with no choice of any unbranded, people respond quickly even for high prices; new brands are mostly bought by females due to good packaging. This research can open doors for decision makers on diverting decisions about packaging, presentation and shelving, for both branded and unbranded items.

Keywords: Consumer preference, branded items, unbranded items, packaging, chocolates market, new brands, experiment, field study

INTRODUCTION

Branding is the identification of the product that strengthens its value and it is in proper packaged form. Branding ensures that quality of product to be good for health and a type of certification for non-harming. It has been viewed by many firms that educated and literate people are quality conscious. For this the most important factor used by consumers, is branding, that allows people to select from huge variety of products. Branding draws attention of people and make them recognize familiar products. (Leighton & Bird, 2012). Role of branding in making purchase decision is the aim of current study. This research aimed at collecting the results and testing that people are quality conscious or price conscious, when they find similar substitute of goods, in branded and non-branded forms, keeping in mind the literacy of samples and economic conditions of country. In this study chocolates are selected to test preference levels of individuals, as chocolate is used by every age group and gender. Paper focuses on few points, firstly the difference between the buying behaviours of the branded and non-branded chocolates. Secondly, the factors that force the individuals to buy branded or un-branded goods. When economic conditions go down people shift from branded to unbranded markets and tends to remain there. (Mishra, 2013). The current situation of Pakistan where there is inflation increasing day by day; Un-employment lowering down the purchasing power of citizens and scarce resources to fulfil the needs, people are spending lower amount for food products and shifting their utilities from branded products to non-branded products, when they have comparative products. Research is aimed at finding the
claims and support for these statements.

**Statement of the Problem**

It has been researched by individual researchers the impact of brand positioning, brand equity, future of branding and brand imaging on customers; Behavior of people towards branded and unbranded items; Familiarity of individuals about several brands;(Keller & Lehmann, 2004 ; Mohtar & Abbas, 2014; Gwen & Reodder, 2003). These researches are either done in an experimental field of existing brands or questionnaires survey. It had to be determined, the preference level of consumers with an experimental brand with choice of low price unbranded item.

**Purpose Of The Study**

The sole purpose of the study was to find out the actual preference level of consumers with the help of experiment, observation, comparative study of branded and unbranded items, factors influencing individuals to purchase branded or unbranded items and the difference between their behavior in experiment and questionnaire responses.

**Research Question**

1. What do people prefer when they are presented, branded and unbranded items together?
2. Does consumers’ responses, to questionnaires are same as field experiment?
3. Which chocolate brand is more familiar by consumers of Pakistan?
4. Are consumers price conscious or Quality conscious?
5. How do people of Pakistan react to new brand?
6. Does packaging show the value of brand?

**Significance of Study**

This study can help organizations which sell branded items, to make decisions on new ways of selling and shelving items on stores. As this study comprises more than one type of survey to explore the psyche of consumers, it can be helpful for future researchers to conduct researches in effective manners; so that the accurate conclusions can be drawn.

**Limitation**

One of the major limitation of this study is time constraint of respondents towards questionnaires due to which no more data could be collected. Further this study was conducted in an academy for direct selling of experimental brand, due to which no other social and age groups could be examined.

**LITERATURE REVIEW**

In current era, organizations are struggling to make the brand name familiar and recognizable among different brands, as to increase the brand loyalty and sales. Consumers’ identification of brand, quality surety and repurchase of items without questioning of its quality, is increasing day by day. An appealing packaging with quality information can put attention of consumers towards even unbranded or new items. If a new brand or unbranded items, use similar sort logos or packaging as of the established brands, consumers get attracted towards them or pick due identification error (Leighton & Bird, 2012).

In Pakistan, youngsters are more likely to be aware of brands, fashion, and trends; And capable of taking decisions on purchasing of branded items due to social status and gathering. Females found to be more engaged in social activities, get influenced quickly and respond to branded items more than males. (Mohtar & Abbas, 2014).

Different types of people are affected by different brands in different consumption setting. These differences are due to self-conceptions which are created by social situations. Due to marketing and promotional messages, brands are used in normal conversations as of human beings(Aaker, 1999; Azoulay & Kapferer, 2003;
Brands differentiate the offerings provided by companies to consumers. Brand name does not mean just a name but it is something more than that. Further, logo, slogan, packaging and symbols play an important role in attracting people (Keller & Lehmann, 2004).

Larger brands keep high prices to set the customer satisfaction and make them enjoy using it while the same satisfaction can be provided with low prices but consumers feel relaxed of paying more to the brand equity as it touches the emotional feelings. (Pincott, 2011)

Past researches about price and perceived quality relationship were examined by two ways. First way was about single-cue of price impact only. And these types of researches have found a significant relationship between price and price perceived quality. But as single cue has some limitations of doubtful external validity and internal validity. (Olson, 1977)

In multiple cue study, many aspects were tested including brand name, store image, logo, packaging, information and price. Second, the multi-cue studies have manipulated other cues such as brand name, store image, and other information in addition to price. While this method of double cue, it was also proved that the price-perceived quality relationships exist, even if these are not always significant statistically. (Monroe & Krishnan, 1985)

When people were interacted with brand name and price, it caused to perceive higher value ad quality, and they were more willing to purchase (even with the higher prices) than unbranded cheap items. The hypothesis in which researcher was finding evidences for the notion that with higher prices or increasing price prices the perception of buyers go with the fact of higher quality. This hypothesis was accepted as sample behaved the same way. Price-perceived quality relation existed as per the researcher. (Dodds & Monroe, 1985)

In this study it has been proved that, when clients have full information about a well-known or familiar brand, price is not the factor to define the brand image or quality, and there is a new brand in front of individuals about which less information and familiarity, higher price is perceived as a good quality product. (Taylor, 2002)

This given literature helps understand the past scenarios of consumer behaviour, there is a huge support for topic as diversified studies have opened doors for exploration. Some researchers believe, the quality of product increases as increase in price. Others rely on the fact of many aspects, which convince customers jointly, to make decision. New brands are also found as appealing as old and strong brands.

RESEARCH METHODOLOGY

Research Methods:
This study has used exploratory research to identify several aspects. Two methods of data collection were used, including field experimental research and questionnaire filling. In experiment, a new brand name was generated with proper wrappers for packaging of a raw chocolates. Respondents were targeted randomly in academy premises for direct purchasing of a new brand of chocolates. Respondents were targeted randomly in academy premises for direct purchasing of a new brand of chocolates. Packaging was printed from ziropoint, in a limited number of prints. Chocolates were sliced in wrapping of fake brand packs and unbranded packs.

Sampling:
Samples are randomly collected in the age group of 15 to 30 years. Samples are mostly from educational institutions and others are approached online with e-forms. Students groups out of which more than 50% females responded.

Analysis Tools:
Data of questionnaire was inserted in excel
and presented in pie charts. Experimental field research is based on observations

**ANALYSIS OF DATA**

**Field Experiment**
In field experiment, two sets of chocolates – branded and non-branded – were arranged and presented to respondents. In the first session, branded and non-branded were offered together to check customer choice. Respondents felt comfortable using buying unbranded chocolate due to price difference, as the price of unbranded was kept lower than branded. After that setting was changed and only the branded chocolates were presented to another set of samples. This time respondents bought soon as these were presented. Respondents were unaware of the fact that brand of product was fake, not a real brand. Respondents bought them to taste new brand because of quality of packaging being professional. Thus response of people towards unbranded is lower than branded but if branded and unbranded are presented together then people are attracted towards unbranded more than branded. Price factor arises if there is a choice. This study also found out the urge in youngsters, of trying new brands. In each setting of experiment, respondents were from same social class and all were students.

**Graphical Representation Of Questionnaires**

**Interpretation figure 1:**
![Figure 1: Customers and Consumers](image)

79% of the respondents buy chocolates whereas 21% of the respondents are not actually the customers. They do not buy chocolates.

**Interpretation figure 2:**
![Figure 2: Chocolate Consumption](image)

94% of the respondents eat chocolates whereas 6% of the respondents do not eat but they buy chocolates.

**Interpretation figure 3:**
![Figure 3: Frequency Of Consumption](image)

37% of the respondents buy or eat chocolates weekly whereas 30% of the respondents buy or eat chocolates occasionally and 12% of the respondents eat chocolates monthly and 9% others eat chocolates daily and 3% of them use chocolates whenever they want.
88% of the respondents prefer branded chocolates and 12% of the respondent refer both branded and non-branded is because of their liking of the chocolates and those who prefer branded chocolates, they prefer branded because of having quality and security purposes.

When it was asked that if we are they are going to provide them their favourite type of chocolate with more quantity and less price but having no brand name, 64% of the respondents said no that they will not buy the chocolates. They give the reason that why should they buy when there is no quality assurance in the non-branded chocolates 36% of the respondents responded yes they will buy because they will get their favourite chocolate on more quantity with cheaper rate.

82% of the respondents can recognize the brand or the chocolate name by just watching its packaging whereas 18% of the respondents or the individuals cannot recognize the chocolate by the packaging.
Interpretation of figure 8:

When the names of chocolates being consumed was asked, most of the respondents wrote Cadbury dairy milk, while 28% of the respondents 15% of the respondents are using kit Kat, 12% of the respondents are using bounty chocolate. 10% of the respondents are using mars chocolate and 8% of the respondent is using snickers chocolate. Other 4% of the respondents are using Hershey’s chocolate 3% of the respondent are using NOW chocolate. 1% of the respondents are eating éclair’s. 8% perk.1% of the respondents is eating Paradise, MNN, Safari, 5 Star, neon.

DISCUSSION AND CONCLUSION

Discussion:
This paper has made several analysis throughout the study. Few consumers of chocolates are not direct buyers, even though they can recognize the chocolates by just packaging or logo. Respondents were all educated with good social status and were selected randomly in educational institution. With survey tool of questionnaire respondents showed their interest towards branded chocolates because of quality, trust and awareness, whereas during experiment, respondents purchased unbranded chocolates due to low prices. There was a natural setting of selling branded and unbranded chocolates. In the second course of experiment only expensive branded chocolates (fake brand) were presented. This time response rate was higher and all packets sold within ten minutes.

Conclusion:
By filling the questionnaire they all proved that they don't like or prefer non-branded chocolates. By sales of chocolates it is clearly proved that when branded expensive chocolates are sold along with the comparative nature of non-branded cheap chocolates, people prefer buying non-branded chocolates. If branded chocolates are sold alone with none of others chocolates people respond effectively. An important finding of this paper is, price and packaging has positive impact on sales. Cadbury dairy milk chocolate is the most familiar and liked by consumers of Pakistan, because of its availability, brand image and price factor.

RECOMMENDATION

For chocolate manufacturing firms, it's necessary that they start making strong and creamy topping chocolate, introduce more flavours of eatable chocolates, provide more quantity and lower down price. For introducing a new brand or increasing sales of branded goods which are comparatively expensive than locally non-branded goods, they should be sold at the places where there are just branded goods and should promote their goods to remind the name of brand again and again.

FUTURE RESEARCH

There is still a vast study required to explore the psyche of consumers out of each age group and social group.
REFERENCES


