

Brand Value of Bridgestone Tyre Limited - A Study with Reference to Puducherry State

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ABSTRACT

In modern era, one of the most important aspects of the Marketing Management function is to increase the value of the brand in the market. Therefore companies need to maintain their value among the market by using marketing tools. The study examines the awareness and power of the brand of Bridgestone. This study was conducted in and around Puducherry. Questionnaire responses were collected from 196 respondents who are customers of Bridgestone. A pilot study was conducted on a small sample and the validity of the questionnaire items was tested. Simple percentage and Karl Pearson's coefficient were used to determine the Awareness and preference of the brand. We found that there is a positive association between the age and brand value of the customers.

Keywords: Brand Value, Branding, Brand Management, Customer Awareness, Customer Preference, Tyre Industry

INTRODUCTION

In this competitive modern age where different qualities and types of goods exist, branding is of special importance in the business world. Branding is powerful tool of demand creation and demand retention. In the ancient days people used to buy any brand available in the market. But nowadays they make findings regarding the best brand available. In India there exists a huge competition among the tyre manufacturers which is growing day by day. To meet the challenges, Bridgestone Limited will have to strive to cut costs, improve productivity, increase continuity, and successfully create a high level of consumer loyalty. Gradually, the success of a tyre manufacturer depends on one important factor namely brand value. Hence the researchers made an attempt to conduct a research work in brand value to find out the preference and power of the brand.

REVIEW OF LITERATURE

There has been substantial theoretical as well as applied evidence about the explanatory facets of brand value.

Aaker (1991) analyzed the brand value reflects how a product's name or company name is perceived by the market place, whether that is a target audience for a product or the market place in general. According to Brad Van Auken.,(1992) "brand management process starts with a deep understanding of consumers and competitors". A brand is a name and mark intended to identify the product of one seller or group of sellers and differentiate the product from competing products (Bennett, 1988). Brand value is the process of estimating the total financial value of a brand (Kotler, 1996). Brand value is an intangible asset that depends on associations made by the consumer. It also refers to the power of brand in the market place. Brand value can be extracted and tracked from the manner in which the proposition is portrayed through brand communication. A brand should communicate a consistent set of values. Consumers have differing perception across brands in a given category. In order to build up the longevity of a brand's life, differing perception is useful to build-up additional layers of perception around the well accepted core proposition. Thus the brand value for a particular brand is obtained by comparing it with the value that had been realized in a comparable, current merger (or) acquisition.

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OBJECTIVES OF THE STUDY

The following objectives were framed based on the variables identified:

- To identify the brand awareness level of customers towards Bridgestone tyres.
- To find out the customer based brand value of Bridgestone tyres.
- To determine the level of customer preference towards Bridgestone tyres.

HYPOTHESIS OF THE STUDY

Based on the objectives stated above, the following hypotheses have been formulated:

There is no significant influence of age of the customers on brand value of Bridgestone.

RESEARCH METHODOLOGY

Research methodology has been presented in the context of design, sampling, data collection, sources of data, and description of the tools. Based on the variables identified through the theoretical supports the following research design is considered appropriate to the research problem.

Research Design

Descriptive research was used in this study. It helps to description of the state of affairs as it exists at different.

Sampling

In this study, convenience sampling was used. It helps the researcher to select the sample on the ease of access under the principle of non-probability technique.

Sampling Size

To achieve the stated objectives of this research a sample of 196 customers were selected as respondents.

Sampling Area

The area of the samples identified was the customers throughout the main towns in Puducherry.

Data Collection Method

The data required for the study were collected through two different sources, primary and secondary.

Primary Sources

The data required for the study were collected for the first time and it is primary in its usage for reporting. The scheduled interview method has been strictly adopted throughout the study.

Secondary Sources

Secondary data include that data which is collected for some earlier research work and are applicable in the study, the researcher has presently undertaken. It includes the Internet, advertisement, and campaign catalogue.

Statistical Tools

The following are the tools used for the purpose of analyzing the data and to prove the validity of the hypothesis.

- Percentage method
- Karl Pearson's correlation method

DATA ANALYSIS

Interpretation: Table 1 shows that 37.75% of the respondents are buying Bridgestone tyres from 0-2 year, 27.04% of the respondents are buying from 2-4 years, 20.40% are buying from 4-6 years, and remaining 14.79% are buying since more than 6 years.

Table 1: Classification of Respondents based on Buying Period of Bridgestone Tyres

<i>Period in years</i>	<i>No of respondents</i>	<i>Percentage (%)</i>
0-2	74	37.75
2-4	53	27.04
4-6	40	20.40
More than 6 years	29	14.79
Total	196	100

Interpretation: The above table reveals that 52.55% of the respondents are choosing the Bridgestone tyres because of Services, 21.42% of the respondents are selecting the product because of reasonable price, and remaining 26.02% of the respondents preferring the product because of good quality.

Table 2: Classification of Respondents based on Purchase Region

<i>Opinion of Customer</i>	<i>No of Respondents</i>	<i>Percentage (%)</i>
Brand image	28	14.28
Cost effective	65	33.16
Service quality	15	7.6
All the above	88	44.89
Total	196	100

Interpretation: From Table 2 it can be inferred that, 14.28% of the respondents are purchasing Bridgestone tyres for brand image, 33.16% of the respondents are purchasing for cost effective, and 7.6% of the respondents are purchasing for service quality, and 44.89% of the respondents for all the three given attributes.

Interpretation: The above table shows that 36.22% of the respondents will go for purchasing other products in case of non availability and 63.77% of the respondents will postpone the purchase.

Table 3: Respondents Opinion on Their Customer Satisfaction with Bridgestone

<i>Satisfaction Level</i>	<i>Total Score of Respondents</i>	<i>Percentage (%)</i>
Very Effective	26	13.26
Effective	40	20.40
Not Effective	130	66.32
Total	196	100

Interpretation: From Table 3 it is inferred that 13.26% of the respondents say their satisfaction level is very effective with Bridgestone, 20.40% says satisfaction level is effective and remaining 66.32% say their satisfaction level is not effective with the concern.

Interpretation: The above table shows that 8.6% of the respondents says price charged on products are very high, 15.30% of the respondents says price charged on products

are likely high, 35.20% of the respondents feels price charged are moderate, and remaining 40.81% says price charged on products are low.

Table 4: Respondents Opinion on Maintenance Level of Bridgestone

<i>Satisfaction Level</i>	<i>Total Score of Respondents</i>	<i>Percentage (%)</i>
Satisfied	120	61.22
Neutral	26	13.26
Dissatisfied	50	25.51
Total	196	100

Interpretation: Table 4 reveals that 61.22% of the respondents are satisfied with the maintenance level of Bridgestone, 13.26% of the respondents are neutral, and remaining 25.51% of the respondents are dissatisfied with the maintenance provided.

Interpretation: From the above table it is inferred that 66.32% of the respondents highly agreed that brand extension will improve the credibility and goodwill of Bridgestone tyres, 16.83% of the respondents are agreed, 7.6% of the respondents are neutral, and 9.1% of the respondents are disagreed with the brand extension of Bridgestone tyres.

Table 5: Results of Age and Income with Brand Value of Customers

		<i>Brand Value</i>	<i>Income Level of the Customers</i>
Brand Value	Pearson Correlation	1	.8263
	Sig. (2-tailed)	.	.000
	N	196	196
Age of the Customers	Pearson Correlation	.8263	1
	Sig. (2-tailed)	.000	.
	N	196	196

Hence there exist positive correlations between the Brand value of Bridgestone tyres and customers age level.

FINDINGS OF THE STUDY

Based on the hypothesis framed, there is significant relationship between age of the customer and brand value.

Very less number of the customer's i.e.14.28% of the customers were buying this brand for brand image. Most of the customers i.e.52.55% of the customers are satisfied with the services they offered by Bridgestone. While analyzing the availability of brand, two questions have been framed. From that it can be identified that.36.22% of the respondents will go for purchasing other products in case of non-availability. Most of the respondents are satisfied with the discounts offered by Bridgestone.

SUGGESTIONS AND RECOMMENDATIONS

Based upon the study conducted the following suggestion can be offered to the industry:

Sales promotion has to be done for increasing brand value towards customers and services to be increased towards customer. The industry should concentrate more on advertising to increase the brand value which helps for exploring the market. Increase in quality of service will gain the brand value of Bridgestone.

CONCLUSION

The study on brand value in Bridgestone tyres helps the management to know the expectation of the customers about the services offered to increase the brand value. The company can concentrate on other measures to increase brand value. It is found that significant influence of age of the customers on brand value will be 0.8263. Thus the company has to identify the needs and wants of the customers to promote brand improvement

activities for capitalizing the market of tyre industry in Puducherry.

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