

A study on imitation of brand name of convenience goods with special reference to manjeri, malappuram district, kerala

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Abstract - A brand is more than just a name, a logo design or a snazzy strap line – it is everything that encompasses your organization and helps to set you apart from others. Branding has emerged as part and parcel of modern day marketing strategies and now considered a key organizational asset. Today’s world, branding is more important than ever. Now-a-days consumers are more conscious regarding each aspect of products. Even then certain producers introduce products by imitating branded products. This sort of an approach is followed for the immediate sale of product. This paper is a commendable initiative to propagate the idea of imitation of brand name of convenience goods

INTRODUCTION

In order to survive in the market, companies are keenly interested in developing strong brands that leads to long term and customer relationships. With the development of business management, more and more companies focus their business strategies in brand. The majority of previous literature and research about brand have proved that it is vital to company success.

We all know that brand name provides a unique identity for the product. The branded products will attract customers and those products will be having a good image within the market. Promotional activities too have an inevitable role in creating such an image. In short, consumers will be satisfied with that product and they will demand it.

The market opportunities of products are grabbed by imitated products for a short span of time. Many Companies which use branding as their major key for marketing are facing the problem of imitators which makes them lose a possible high profit and potential customers whom will prefer to buy the cheaper alternative even though it is just an imitation.

So many imitators are there in the market that no one can recognize them. Imitators are doing their business by producing the similar product of branded company by making little changes in the product. The logo packaging, trade name everything is similar to the original brand. Then they sell the product in the market and those products are available at cheap shops. Because of low prices the consumers are buying the products with the perception that the product is original. This imitation is playing with the branded companies and eating up their revenues.

The imitator’s biggest strategy is to earn profit by selling the famous brand on the low cost. They try to portray it as an original brand by adopting the same attributes, qualities even the marketing strategies of product i.e. design, logo and covering as well as brand name. So the consumers perceive the product as a same original brand on a low cost. “Brand imitation is a profitable marketing strategy based on the utilization of similarity (package, design, brand name, advertising, etc.) in order to facilitate the acceptance of a brand by consumers.

Marketing managers are faced with a host of decisions having ethical ramifications regarding the products and services they offer for sale. These ethical questions may arise in the imitation of a competitor’s product. Competitors may attempt to capitalize on the “look” or “feel” of well known brands in order to increase sales of similar products. The firm that owns the original brands has invested time, effort, and money in establishing a brand identity. Imitators then use the original brand’s identity for their own benefit. An imitation strategy therefore reduces the costs involved in launching a brand and creating demand for it.

The availability of imitated products in villages is growing by leaps and bounds. From personal care products to processed foods, everywhere imitated products have grown. The growth in counterfeiting clearly has an economic impact on the market place and on the manufactures of genuine products. The unfavorable economic impact on the manufactures of genuine products should be obvious to, or at least assumed by, the end consumers, yet rural consumers continue to seek and purchase imitated products. The sale of counterfeit products represents a serious threat to both the manufacturers of the legitimate products and the welfare of the consumers who purchase fake.

BRAND IMITATION

Brand imitation is a profitable marketing strategy based on the utilization of similarity (packaging, design, brand name, advertising etc) in order to facilitate the acceptance of a brand by consumers. Because it resembles the successful (original) brand’s properties (quality, performance, reliability, origin etc) and such generalization is thought to have a significant impact on brand attitude and purchase (Zainchkowsky, 1995). Brand imitation have to be distinguished from counterfeit products (or fakes) which are strict copies of genuine product (Kay, 1990). While a brand imitation is designed so as to “look alike” and make consumers “think of” the original brand, a counterfeit product is designed to “be like” the original and provide consumers with less expensive copy.

A Brand Imitation is a product that borrows or copies some special attributes of an famous or leading brand, such as an name, shape or color. These are those that are not identical but are similar to substance, nature, name, form, meaning or intent to an acknowledged and widely known product or service.

Brand Imitation are also known as “Knock-offs” and “are not identical to the original but are similar in substance, name, form, meaning or intent to an acknowledged and widely known product or service” (Prendergast, Chuen, and Phau, 2002). Brand imitation also relates to “passing-off” which describes “the situation in which people confuse one business or one product with another” (Zaichkowsky,1995)

Imitated products are seen in almost all categories of products. Still in some products out burst of imitated products is seen widely.

Convenience Goods

Goods which are easily available to consumer, without any extra efforts are convenience goods.

BRANDED PRODUCTS AND THEIR IMITATED PRODUCTS

Category	Branded Products	Imitated Products
Chocolate and candies	Dairy Milk	Apilo Milk
	Munch	Munch, Mahan
Henna	Rani Cone	Rami cone
Gum	Super Glue	Special Glue
Shaving set	Gillette	Gallant
Tooth paste	Colgate- Cibaca	Binaca
Dish wash bar	Exo	Eco
Mosquito killer	Good knight	Good Life
Shaving cream	Godrej	Globe
Biscuit	Britannia	Bharat
	Parle- G	Energy
Noodles	Maggi	Magic

Source: Primary Data

STATEMENT OF THE PROBLEM

Certain products are launched by imitating the branded products. This is treated as a problem faced by rural marketing. An attempt is made to trace out the reason for imitation of brand name and it's after effect.

Even if imitated products are visible in almost all categories of goods, it's widely seen in convenience goods. This is another problem that is examined under this study.

NEED AND SIGNIFICANCE OF THE STUDY

The significance of the study has to be evaluated from three different perspectives from the point of view of consumers, producers of branded products and producers of imitated products.

Consumers will get an overall idea regarding imitated products. They will become much more conscious regarding purchase decision.

From the angle of producers of imitated products, this study will provide information regarding scope of rural market, customers' taste and preference.

By conducting this study the producers of branded products will get an awareness regarding the adverse effect of imitating brand name towards their products.

OBJECTIVES OF THE STUDY

1. To study the Convenience Goods Market
2. To analyze the customer's attitude towards products that imitate brand name.
3. To know the reason of selling imitated convenience products in rural market.
4. To provide a few suggestions to reduce imitation of convenience goods in rural market

HYPOTHESIS

Ho – There is no significant relationship between income level of customers and attitude towards imitated products

H1 – There is significant relationship between income level of customers and attitude towards imitated products

RESEARCH METHODOLOGY

The study employed is descriptive cum analytical. The study is based on both primary and secondary data. Primary data is collected from customers and sales man. A well structured questionnaire and schedule is used for this. Secondary data for the study is collected from various research papers, journals, books, periodicals, research theses, reports, etc. The sample size for the study is fixed at 246. Among this equal number of sales man and customers is studied. Convenience sampling is applied for collecting data. In this study chi-square, anova, correlation, percentage, graphs, tables are used for analysis

DATA ANALYSIS AND INTERPRETATION

Table No.1 shows the customers' concept regarding product that have more imitated products.

Imitated products are seen in almost all categories of products. Still in some products out burst of imitated products is seen widely.

CLASSIFICATION OF RESPONDENTS BY PRODUCTS HAVING MORE IMITATIONS

Category	No. of respondents	Percentage
Shampoo	20	16%
Bathing soap	15	12%
Hair oil	4	3%
Face cream	12	9%
Face powder	2	2%
Biscuits	18	15%
Ready to eat products	17	14%
Chocolates and candies	22	18%
Food items	7	6%
Footwear	6	5%
Total	123	100

Source: Primary data

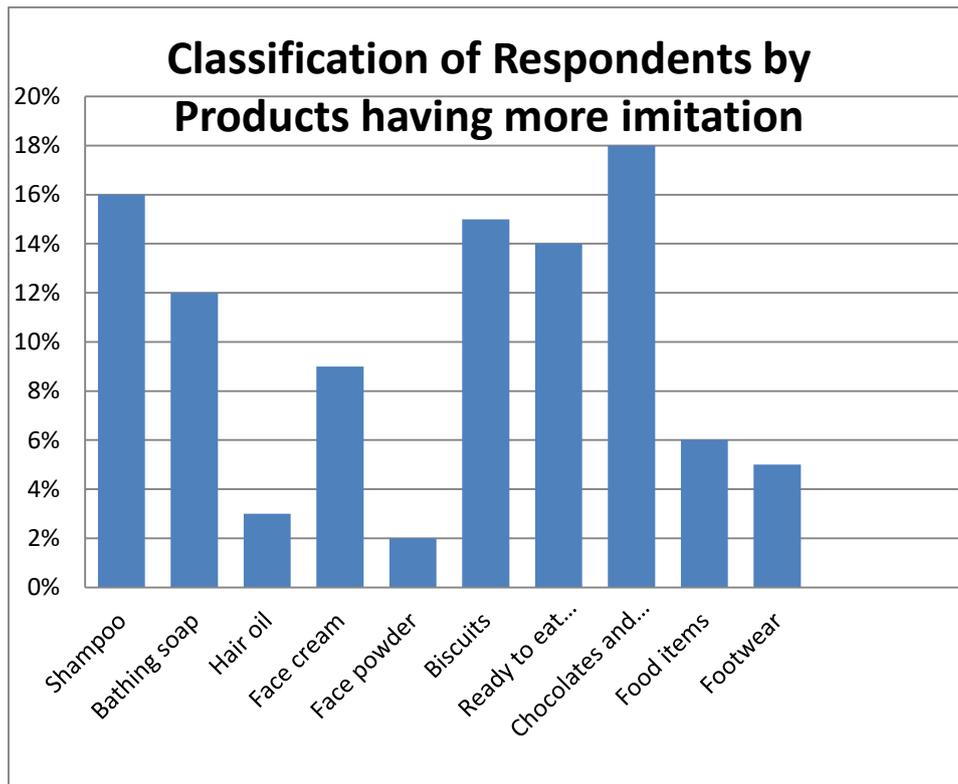


Diagram No.1 Source: Table No.1

Interpretation:

The diagram no. 1 shows that among the category of products selected for study, imitation is widely seen chocolates and candies i.e., 18%. In shampoo imitation is seen 16%.and that of biscuits 15%, ready to eat product 14%, bathing soap 12%, face cream 9%, food items 6%, foot wear 5%, hair oil 3% and face powder 2%

Table No.2 shows the reason for using imitated products even after realizing by unconsciously purchased customers.

The attitude of customers even if, it's to use or to throw away, creates only profit to imitated products manufacturers.

CLASSIFICATION OF RESPONDENTS BY REASON FOR NOT RETURNING IMITATED PRODUCTS

Reason	No. of respondents	Percentage
Low price	45	37%
Shame to return	33	27%
Decided to take care next time	24	20%
Habituate of using available products	12	10%
Familiarize the product	9	6%
Total	123	100

Source: Primary data

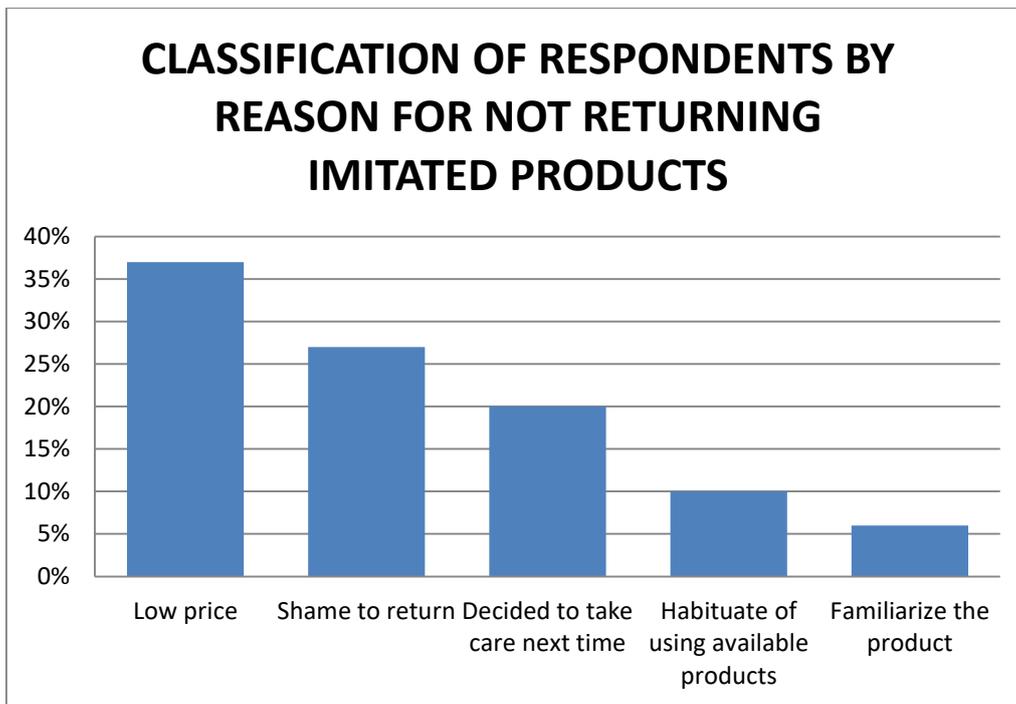


Diagram No:2 Source: Table No.2

Interpretation:

The above diagram reveals the fact that 37% of customers doesn't return imitated products because of low price, that of 27% due to shame. 20% of the customers have decided to take care in next purchase, 10% of customers have the habit to using available product. The rest 6% points that in order to familiarize the product they use those products.

Table No. 3 shows the reason for purchasing imitated products unconsciously. Imitated products will be making available in the market by exploiting certain factors of branded products.

CLASSIFICATION OF RESPONDENTS BY REASON FOR UNCONSCIOUS PURCHASE

Reason	No. of response	Percentage
Similar brand name	38	31%
Similar packaging	44	36%
Low price	11	9%
You were in hurry	9	7%
Similar texture	21	17%
Total	123	100

Source: Primary data



Diagram No: 3 Source: Table No.3

Interpretation:

The diagram indicates that for 31% of the customers, the reason for unconscious purchase of imitated products is similar brand name, 36% customers points due to similar packaging, 9% due to low price, 7% customers was in hurry during purchase and 17% due to similar texture.

Table No 4 shows the reason for keeping imitated products in shop by salesmen.

There are certain motivating factors which induce salesmen to keep imitated products in their shop.

CLASSIFICATION OF RESPONDENTS BY REASON FOR KEEPING IMITATED PRODUCTS IN SHOP

Reasons	No. of response	Percentage
Get high discount from wholesaler	7	6%
Enhance profit of your shop	32	26%
Credit facility from wholesaler	15	12%
Low price	47	38%
Due to demand of customers	5	4%
Easily available	17	14%
Total	123	100

Source: Primary data

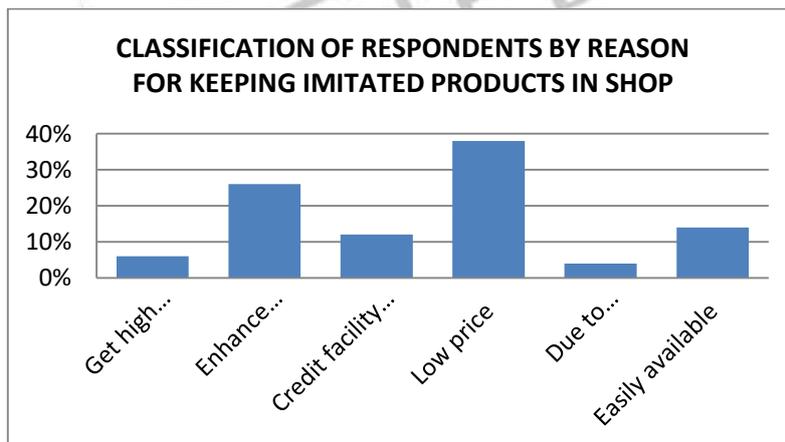


Diagram No.4 Source: Table No.4

Interpretation

The diagram no.21 reveals that 6% of the salesmen keep imitated products in their shop being they get high discount from wholesaler while purchasing these products. In order to enhance the profit of the concern 26% of salesmen keep these products, that of 12% due to credit facility from wholesaler, 38% due to low price for those categories of products. But 4% of salesmen keep these products due to the demand of customers and rest 14% due to easy availability of these products

FINDINGS

1. 55% of the customers from whom data collected are female.
2. 28% of respondents have completed higher secondary
3. Even in rural area 70% of the customers' monthly income is above Rs. 30,000.
4. 76% of the customers purchase convenience goods from nearest retailer.
5. 52% of the customers require R.s.1001 to R.s.5000 to purchase convenience goods monthly
6. 84% of the customers' main source of information about a product is television.
7. 30% of the customers prefer purchasing from a particular retailer because of nearness to home
8. 24% of customers are not brand conscious in purchasing convenience goods.
9. Customers who are aware of imitated products available in the market are 41%.
10. Among the category of products selected for study, Imitation is widely seen in chocolates and candies
11. 10% of the customers consciously purchase imitated products
12. Main reason for the conscious purchase of imitated product is low price
13. Customers who unconsciously purchase imitated products are 84%.
14. Only just 21% of customers return products to sellers.
15. Because of low price 37% of customers are not returning imitated products and 27% that of due to shame.
16. Similar packaging, texture and brand name all together constitute 84%, which is pointed as reason for unconscious purchase of fake products.
17. 88% of the salesmen are aware of fake products in the market.
18. 74% of the salesmen keep fake product in their shop.
19. Customers who reject fake product are just 26% from salesmen point of view.
20. 62% of salesmen strongly agree the fact that fake product create threat to original brands.
21. 12% of the salesmen points credit facility available from wholesaler as the reason for keeping imitated products in their shops and that of 14% due to easy availability.
22. 73% of salesmen mention that there are distributors especially for fake products.
23. From the point of view of salesmen 54% customers never return fake products.
24. 54% of imitated products are available in market from wholesalers

FINDINGS BASED ON STATISTICAL ANALYSIS

Hypothesis Findings

- There is moderate positive correlation between educational qualification of customers and awareness level of imitated products.
- Income level of customers and their attitude towards imitated products are related.

SUGGESTIONS:-

1. Customers should return imitated products if they noticed it.
2. Throwing mentality of imitated products should be avoided, since it too creates a positive environment for them.
3. Customers should be much more conscious of each and every imitated product.
4. Salesmen should discourage the customers from purchasing imitated products.
5. Manufactures of branded products should file a case against the imitated products.
6. Customers should be health conscious in purchasing imitated products.
7. Customers should never neglect the fact that each and every one rupee is worthy and our rights are not neglecting.
8. Even Media and advertisements have crucial role in throwing out imitated products from market.

CONCLUSION:-

I hereby conclude that imitation of brand name creates threat to branded products. The main reason for imitation is the low cost of marketing and at the same time being low cost for products customers won't return. The after effect of imitation is that the right of customers are neglected to great extend, captures market share of branded products and slightly low priced products are available.

Even if customers throw away imitated products, it creates a positive environment for these products. Being customers purchase convenience goods mostly from nearest retailer; imitated products target widely on rural market. Imitation of brand name is widely seen in convenience goods. Because of low price, customers feel shame to return.

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