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Impact of BTL Activities on Brand Awareness of Tetra Pack Milk

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Abstract

The primary objective of this research is to understand the importance of BTL marketing practices which has impact on customer brand awareness that leads to enhance the brand equity of a brand. The study was conducted to explore the reasons though which of the BTL activities creates highest brand awareness of tetra pack milk. The research work is quantitative based on questionnaire. The data which is collected for this research is primary source data. Primary data were collected from 107 peoples from different areas of Karachi. Analysis of data was undertaken through statistical software SPSS. Multiple Regressions is used as a tool for this research. The study surveyed two dimensions namely brand awareness, and BTL marketing practices. Only two factors of BTL which are "word of mouth" and "availability" create highest brand awareness of tetra pack milk. Although, the other factors of BTL marketing practices also appears to have low influence on brand awareness of tetra pack milk. Findings of this research are beneficial in exploring the recent market trends on brand awareness and to understand the impact of BTL activities over consumer brand perception through various promotional activities which helps to enhance sales or brand equity. How the companies decide which medium has use to advertise their products and create awareness of their brand. This research will help the "Tetra pack milk industry" as a whole and also help them to increase their marketing activities in an efficient manner.

Keywords: BTL Activities, Tetra Pack Milk etc.

1. Introduction

Promotional activities are broadly classified under ATL and BTL. Due to the likely difference in their nature, they work differently to one another depending on the industry and the target audience they are directed towards. In a new marketing era the war is becoming intensified in the form of ATL (Above the Line marketing) and BTL (Below the line marketing) activities. Both the activities have very vast scope which intensifies competition. "BTL activities" are the initiatives of direct marketing efforts where creates relationships between consumers and marketers, and provide value added benefits. The reason to conduct this research is to evaluate the effect of BTL activities over consumer brand perception through various promotional activities which helps to enhance sales or brand equity. How the companies decide which medium has use to advertise their products and create awareness of their brand. There was not much research done pertaining on this subject therefore this research will increase the scope of given information. According to available literatures this research moves out a new era in marketing communication through advertising and sales promotion. This research helps to implement the new and modern techniques in marketing communications through BTL activities.

Advertising except from four major media's of advertising (press, television, radio and cinema) is called below the line advertising. It includes Direct mail, sponsorships, Point of Sales, Road shows, One to One meetings, Telephonic conversation, Billboards, Sign boards, Campaigns, Discount offers etc. People prefer to go for a shopping at big retail outlets like big bazaar. Mostly people buys on point-of-sale displays in these retail outlets. Most of the players in "Milk" industry are using this method for promotion and displaying their flyers and posters for creating awareness which helps in increasing sales of their products.

The marketing mix is a set of tools used in marketing which the firm initiates to get the response from the targeted market which it wants. It includes product, price, place and promotion. A method of communication from the aspect of the firm and its offering to target consumers. It is the main source and plays a major role in creating awareness about product information. With the help of promotional campaign we can increase customer loyalty and increase relationships on long-term basis. The objective of advertisement is to create awareness and positioning. According to Aaker (1991) promotion and packaging are continuous positioning of a product. Few media of communication with consumer are TV. RADIO, INTERNET, BILL BOARD, SIGN BOARDS. Friends and

colleagues shared their experiences to each other about an event that provides them an enough satisfaction (Anderson, 1998).

1.1 Research Hypothesis

H₁: Samples creates highest brand awareness of tetra pack milk.

H₁₀: Samples does not creates highest brand awareness of tetra pack milk

H₂: Gift Offer creates highest brand awareness of tetra pack milk.

H₂₀: Gift Offer does not create highest brand awareness of tetra pack milk.

 ${\rm H}_{\rm 3}$: Free Trials creates highest brand awareness of tetra pack milk.

 H_{30} : Free Trials does not create highest brand awareness of tetra pack milk.

H₄: Price Promotions creates highest brand awareness of tetra pack milk.

 H_{40} : Price Promotions does not create highest brand awareness of tetra pack milk.

 H_5 : Tetra pack availability creates highest brand awareness of tetra pack milk.

H₅₀: Tetra pack availability does not create highest brand awareness of tetra pack milk.

 H_6 : Word of mouth creates highest brand awareness of tetra pack milk.

 H_{60} : Word of mouth does not create highest brand awareness of tetra pack milk.

 $\mbox{\rm H}_{7}\!\!:$ Point of sales display creates highest brand awareness of tetra pack milk.

 H_{70} : Point of sales display does not create highest brand awareness of tetra pack milk.

 H_8 : Billboards creates highest brand awareness of tetra pack milk.

 H_{80} : bill board does not create highest brand awareness of tetra pack milk.

2. Literature Review

This research encompasses an analytical study of "Below the line advertising activities and how it helps to increase the sales of "Tetra pack milk industry". The idea is to determine as to what factors that are helpful in the growth of BTL advertising activities and why it has become so effective in the current advertising scenario and how it helps to generate sales of a product. BTL techniques are very helpful in creating an ensuring the awareness and recall of the brand, it also highlights the product features to customers. BTL is a technique that implements for "touching and feeling" of a products (consumer items where the customer collects the information on immediate effects rather than previously researched items). BTL techniques are used to build a strong perception of a product in the minds of the consumers.

The consumers respond towards marketing communications by empowering them through certain channels. There are many ways that companies are acquiring of BTL promotional activities such as giving coupons, trade discounts, sponsorships, exhibitions, price offer etc. One of Pakistan's traditions of delivering milk is that of the milkman (Gawala) who goes door to door delivering daily supply of milk. Which result, unprocessed, unpackaged milk represents 94% of all liquid dairy products (LDP). It plays an important role as a tea creamer and yogurt. From 2006 to 2009, consumption of LDP in Pakistan steadily increased with population growth 1.7% with a CAGR of 2.4% and expected to grow 2.8% till 2012. In 2009, 18.9 billion liters LDP consumption reached and maintaining its status as the fourth largest LDP consumer after India, China and the United States. In the same position, packaged LDP grew at a CAGR of 8.4% compared with unpackaged products, which grew at a CAGR of 2.1%. The pioneer tetra pack milk is "Milk Pak" which is considered leader of tetra pack milk in Pakistan. The supply chain processes the milk through UHT (Ultra-High Temperature Processing) treatment, collecting milk from rural areas across Punjab and Sindh, and distributing it to consumers in colored packs and designed to explore the quality of milk's. "Milk Pak" becomes unique with quality milk with the representation of green and white packaging."Haleeb" was the first real competitor which was launched in Blue tetra pack in 1986. Engro Foods "Olper", in contrast, has recently been established by Engro a giant in Pakistan's chemical and fertilizer industry. The color also helped to enhance the market share of Olpers which is nearly 22% second to Milk Pak's 40% in 2008.

The competition has woken up by Olpers. Milk Pak with strong equity backed up by nestle responded with their message which is health and strength given in to quality milk. Nestlé's campaign were well compete by Haleeb. Haleeb increased its marketing and promoting of its brand. . Good Milk and Pakola Milk have tried to penetrate the market, but they could not achieve the good response by the consumers. Olper's is very strong in terms of consumer quality perception. On the contrary Olper's use BTL (Below the Line; brochures, flyers, etc.) to lead the brand's success. The Brand has maximum geographical coverage in the country. The housewives also participate in showcasing milk-based recipes. A set of dependent activities that organizations uses in the process to make a product and service available for the consumer to consumer (kotler, 2003). The process helps out the consumer in reducing their time to find out their needed things. Aaker (1991) brand equity referred to as "a set of brand assets and liabilities linked to a brand, its name and symbol that add or subtract from the value provided by a product or service to a firm or to that firm's customers". Farquhar (1989) defined added value in the product is brand equity. Keller (1993) use the terms brand equity as "the differential effect of brand knowledge on

consumer response to the marketing of a brand". This is the assumption that the power of brand lies on the consumer's experiences.

Short-term benefits, largely given to consumers are called "Below the line sales promotions". The marketing team has find out efficient ways to capture the target markets as the pressure built on them to achieve their objectives with the increasing trend in the market. That has then moved them from regular media based advertising. Some of the variables of sales promotions are.

- Price Promotion
- Samples
- Gift offers
- Coupons
- Prizes
- Fair Exhibition
- Price Packs

3. Research Methodology

Primary data of work was collected from different areas of population. A close ended questionnaire was designed which include the relevant variables like market trends and sales promotion objectives. Data analysis has been carried with the statistical software SPSS. Stratified Random sampling will be used in this research so 107 copies of questionnaire were developed and filled by targeted population from different areas of city. Multiple regression is used as a tool for this research. The research variables that were addressed in questionnaire are given below.

- a. Price promotions
- b. Samples
- c. Gift Offer
- d. Door to door selling
- e. Availability
- f. Word of mouth
- g. Point of sales display
- h. Billboards

4. Results

4.1 Reliability Analysis

Table 1

		N	%
Cases	Valid	107	100.0
	Excluded(a)	0	.0
	Total	107	100.0

Data processing

List wise deletion based on all variables in the procedure.

Table 2 Reliability Statistics

Cronbach's Alpha	No. of items	
.711	33	

To test the reliability of the questions relating to each variable a reliability analysis was done using Cronbach alpha value. The value of Reliability is 0.711 which means that data is reliable.

4.2 Regression Analysis

Table 3

S.No	Variables	Coefficients	T	Sig	Vif
	(Constant)	1.3E-016	0.000	1.000	
1	Free sampling and Gift offers	.503	8.836	0.000	
2	Door to door selling and price promotions	.265	4.667	0.000	
3	Availability and word of mouth	.554	9.742	0.000	
4	Point of sales display and billboards	.199	3.505	0.001	
	Adj R Square = 0.657	F- Statistics = 51.762		Sig = 0.000	

Dependent variable regression factor score 1 for analysis 1

In the model summary tabulated in table 3 Adjusted R Square is a "corrected" R Square statistic that penalizes models with large numbers of parameters. The value of Adjusted R Square is 0.657 which is good and acceptable. Beta value indicates the impact of independent variable on dependant variable. Factor 1 creates 0.503 impacts on Brand Awareness of Tetra Pack Milk. Factor 2 creates 0.265 impacts on Brand Awareness of Tetra Pack Milk. Factor 3 creates 0.554 impacts on Brand Awareness of Tetra Pack Milk. Factor 4 has 0.199 creates on brand awareness of tetra pack milk.

Factor 1 does not create highest brand awareness of tetra pack milk. Therefore, Hypothesis H₁: Samples creates highest brand awareness of tetra pack milk and Hypothesis H₂: Gift Offer creates highest brand awareness of tetra pack milk are rejected. Whereas, Hypothesis H₁₀: Samples does not create highest brand awareness of tetra pack milk and Hypothesis H₂₀: Gift Offer does not create highest brand awareness of tetra pack milk are accepted. Factor 2 does not create highest brand awareness of tetra pack milk. Therefore, Hypothesis H₃: Free Trials creates highest brand awareness of tetra pack milk and Hypothesis H₄: Price Promotions creates highest brand awareness of tetra pack milk are rejected. Whereas, Hypothesis H₃₀: Free Trials does not create highest brand awareness of tetra pack milk and Hypothesis H₄₀: Price Promotions does not create highest brand awareness of tetra pack milk are accepted.

Factor 3 creates highest brand awareness of tetra pack milk. Therefore, Hypothesis H_5 : Tetra pack availability creates highest brand awareness of tetra pack milk and Hypothesis H_6 : Word of mouth creates highest brand awareness of tetra pack milk are accepted. Whereas, Hypothesis H_5 0: Tetra pack availability does not

create highest brand awareness of tetra pack milk and Hypothesis H₆₀: Word of mouth does not create highest brand awareness of tetra pack milk are rejected.

Factor 4 does not create highest brand awareness of tetra pack milk Therefore, Hypothesis H₇: Point of sales display creates highest brand awareness of tetra pack milk and Hypothesis H₈: Billboards creates highest brand awareness of tetra pack milk are rejected. Whereas, Hypothesis H₇₀: Point of sales display does not create highest brand awareness of tetra pack milk and Hypothesis H₈₀: Bill board does not create highest brand awareness of tetra pack milk are accepted.

Conclusion

Data was collected from 107 targeted population from different areas of city as the results illustrated that Samples and Gift Offers thought does not creates highest brand awareness of tetra pack milk on consumers however it has a definite impact. Free Trials and Price Promotions does not create a significant impact on brand awareness of tetra pack milk on consumers. Availability and Word of Mouth creates highest brand awareness of tetra pack milk on consumers. Point of Sales and Billboards also does not create a significant impact on brand awareness of tetra pack milk on consumers.

It means that companies should focus on effective market practices to create brand awareness among its consumers. Samples should distribute on highly populated areas. Attractive gift offers give to consumers. Free trials activities of tetra pack milk should do in every area. Attractive Discounts give to consumers. Enhance their Point of Sales areas. Billboards place on very attractive destinations. By improving such activities Companies can enhance the brand awareness of tetra pack milk on consumers.

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