

**BRANDING AS AN ENTRY STRATEGY TO OVERCOME THE FAILURES OF
NEW PRODUCTS INTRODUCED UNDER PROTECTIVE TRADE ENVIRONMENT
IN SRI LANKA**

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Abstract

Marketers know that branding is vital in capturing and sustaining the market for a firm. However, what value that customers ascribe mainly to the brand name compared to other factors is not well investigated in Sri Lanka. To respond to the unhealthy economic outcomes arising due to Covid-19, Sri Lanka is implementing a policy framework in order to uplift the local production that the country needs for itself. The loan scheme such as 'Made in Sri Lanka' loans for local industries has been introduced to encourage producers to invest in import substitution industries to win this battle. However, failure of new products is prevalent in every part of the world. The purpose of this research was to investigate that how the new product developers can apply the merits of the branding to overcome the problem of new product failure. Therefore, it was needed to study in deep that how consumers think about branding and how they respond to new brands and brand extensions. Hence, this study was designed to understand consumer decision making regarding brand name and other determinants. This study was conducted in two phases. The nature of the study was exploratory at the outset and then, it was converted to a descriptive study. A questionnaire was constructed and data collection was done in Colombo metropolitan area using sixty respondents. Findings show that brand name is dominant in some product categories but in some other product categories another factor seems to be playing a significant role. However, it is understood that the most of the other factors could be associated with the brand itself when the brand is built strategically. Therefore, marketing planners must first, study the product specific characteristics in line with the Sri Lankan culture, life styles, preferences of consumers and consumer attitude towards brand names, and accordingly they must design the new products before they are launched

Keywords: Branding , Sri Lanka, New Product Development , Culture

Introduction

A glorious opportunity for new product development has emerged due to the conditions created by the Covid-19 pandemic and this has affected the traditional marketing environment. The flow of imports to Sri Lanka has been somewhat hindered on one hand due to the prevailing global economic conditions and on the other hand imports have been discouraged and in some cases banned by the government with a view to manage the foreign exchange constraints and also to uplift the economy of Sri Lanka. The Government is encouraging the development of new businesses under guaranteed atmosphere (“Increase Opportunities for New Businesses in Sri Lanka”, 2020). So it is timely important to investigate about how to be successful in this new product introductions. In line with this new policy, a loan scheme called ‘Made in Sri Lanka’ has been launched by Peoples Bank of Sri Lanka (“People’s Bank launches ‘Made in Sri Lanka’ loans for local industries”, 2020).

Introduction of new products is one of the best methods that profits can be increased. But as it is well known, new product failure is common experience in all over the world including Sri Lanka due to number of reasons. Crawford (1987) has stated that the new product failure rate is between 80-90 percent.

This new product failure occurs due to many reasons. Marketers are following different marketing strategies to overcome the problem of new product failure. Developing a new strong brand and extending a present brand’s name to new products are such strategies which are recommended in branding literature. In this study an effort is made to know how the branding can enhance the strength of new launches to avoid sudden failures. It will be immensely useful in this juncture in economic rehabilitations.

Launching a new product is not an easy task. It is an exciting endeavor when doing it right way. The firm is developing a new solution to satisfy an unfulfilled consumer need. In the current environment, many products are not imported as usual. The government encourages local producers to fill the gap. So it is easier to find a consumer need that has to be fulfilled urgently. In this situation anyone can develop attractive product by giving serious thought. The government is essentially safeguarding such businesses.

But business firms must understand that in the long run they have to survive by themselves. Because, the favorable environment prevailing now will disappear when the covid-19 disappears. So the effort may fade away. To develop new products, business firms need insight from market research or at least observations and understanding of the consumer needs, thereafter, concept development, production planning, operational aspects and market panning are very serious activities one must think of in this kind of situation. Therefore, it is necessary to invest more on pre-launch activities in advance to avoid such kind of unfavorable outcomes later.

The knowledge behind the branding will help to compete in any turbulent environment. Therefore, one must understand that principles of branding and try to convert the new product to a strong brand. Then the brand equity which has been built in consumer mind will strongly emerge to protect its position. Therefore, it is essential to apply branding into the new product launch.

Some of the marketers are using brand extension as an entry strategy for many new product launches. For example, Aaker and Keller (1990) have mentioned 40% of new brands were extensions. This reduces the risk of failure of the new product because the brand name is already established in the market place. But as observed by the researcher, in Sri Lanka the brand extensions and line extensions do not guarantee success. It is apparent that some extensions are out from the market at the early stage of the introduction. Other than that, line extensions are cannibalizing the sales of parent brands in some new product developments. If the extensions are weak and not up to the standards the parent brand, it would harm the image of the parent brand. On the other hand if the new extension is accepted by the consumers and in good quality it would enhance the brand equity of the parent brand. Further, a reciprocal impact would occur when the parent brand and the extension strengthen the brand image of each other.

There are two types of extension strategies. One is line extensions. Under this strategy current brand name is used to new products which are in the same product class. The new products in this category would differ from the parent brand very slightly, for example, in relation to colours, ingredients, sizes as well as flavors. In comparison, brand extension occurs when a current brand name is used for the new products which comes under an incompletely different product class (Aaker and Keller, 1990).

As per the above discussion it is interesting to know that how the new product developments should be successfully pushed forward in Sri Lanka. The merits of branding will work as a momentum to protect the new products as well as the sustainability of them. Therefore, among many causes, the researcher identifies that the importance of branding and brand extensions in case of existing brands will immensely helpful to the country's effort to convert the economy to import substitute production and export oriented local production era. When a new product becomes a strong brand the survival of the brand is safeguarded by itself. Further, branding is necessary because most of the new products will be new to the domestic economy and will have a perceptual space to be won within the consumers' mind in the absence of imported brands but when develop them as new strong brands as guided by branding principles these products will become brands which can compete internationally when the world is open to normal economic activities and free trade as prevailed earlier. On the other hand brand extensions are closely related to this effort and whoever has already established strong brands can now extend their product lines to cater the current demand.

Purpose of the Study

To be successful in implementing of the branding concepts for new products it is necessary to identify correct picture of consumers, their attitude towards branding and brand extensions. There are no systematic research done in this area in Sri Lanka and therefore, this research will immensely useful for new innovative business endeavors. Especially this outcome is significant in current prevailing marketing atmosphere in the country. So the problem focus in this research is that to investigate what will be the response of Sri Lankan consumers to new brands and brand extensions? Therefore, this research aims at finding out whether the Sri Lankan consumers respond positively to new products that come in new brands as well as brand extensions among the other main factors that determine the consumer choice. Further, the research will compare the different

product categories and determine that how in each category the branding decisions will be successful in Sri Lanka.

Literature Review

Factors affecting Consumer Choice

According to Kumar and Kapoor (2014), customers select the non-vegetarian products depending on search and credence attributes. When consumers choose products in different settings they have different factors to be thought of. One study explains product assortment, salesperson interaction, organization, package appearance and shelf space allocation are considered to attract the shopper attention and purchase as well as shopper engagement (Burke & Leykin (2014). Perceived quality of the brand, consumers' brand familiarity, fit perceived by the consumer, consumers' attitudes towards the extension have a positive effect on the product brand image after the extension (Arslan & Altuna (2010). Harmancioglu, Finney, & Joseph (2009) say that "new product knowledge and consumer desire for excitement and esteem promote impulse buying intention and behavior".

Through calibrated logistic choice model Baltas (1997) the following coefficient values were found, as "decide before you get to the shop (B1) 0.260, look for price promotions (B2) -0.678*, go for the cheapest brand (B3) 0.384*, buy the same brands (B4) -0.374*, try new/different things (B5) 0.047, price (R1) 0.755*, preference (R2) 0.608*, familiarity (FAM) 0.383, proximity (PRO) 0.269, importance of getting the right brand (IMP) -0.308*, number of brands tried (TRY) -0.157*, frequency of shopping category (FRQ) 0.235*, satisfaction with available brands (SAT) 0.123*" According to these results customers have tendency to decide before they go to the shop and they seem to go for the cheapest brand. Further they try new things and price, preference familiarity, proximity are important and significant. In addition, satisfaction with available brands is also needed attention.

Pudaruth, Juwaheer, and Seewoo (2015) have identified eight factors which are influencing the purchasing patterns of eco-friendly cosmetics and beauty care products. They are: "women lifestyles, self-image health and economic considerations", "ethical consumerism among females", "pharmacological essence of green cosmetics and beauty care products", "visual appeal and physical cues in cosmetic stores", "price-conscious decisions and effective promotion", "belief on ethical claims in green messages", "brand image and usage experience" and "sales representatives and social influences".

Goh and Noor (2019) found that brand awareness, brand association, perceived quality and brand loyalty are affecting purchase intention of skin care products

New product developments

Bingham and Quiley suggests that a team must be formed in addition to normal process of idea generation, idea screening, conceptual development and testing, business analysis, product development, test market, and product introduction. This team must be responsible for managing and speeding up the process.

Chandra and Neelankavil (2008) found that when new products are developed in developing countries the affordability or price should be given priority. Thereafter the working backward a product can be developed to match those countries.

Liu and Tsai (2009) found that to have better new product developments, product design must be valued more.

New product Failures and Success

New products are introduced to the market in large numbers. But still this new products fail in shorter period of time. In retail grocery industry new product failure rate is 70-80% (Blackburn, 2008) as cited by Salnikova et al (2020). A study found 50-75 percent of new businesses fail. This study reveals that this is because of institutionalized insufficiencies to understand the knowledge to predict the consumer behavior. It is not the marketing science but understanding the consumer behaviour is needed to have a scientific approach. It is lacked by many firms' research endeavors (Dijksterhuis, 2016). According to Salnikova et al (2020) a study of Nielsen Company based on 12000, new consumer products launched between 2011-2013 shows that 76% did not last at least one year.

Salnikova, Baglione, and Stanton, (2019) have found that success rates of different kind of new launches as new products 59%, new variety/range extensions 58%, new packaging 50%, new formulation 74%, re-launch 75%, baby Food 88%, bakery 71%, breakfast cereals 65%, chocolate confectionery 78%, dairy 62%, desserts and ice cream 58%, fruit and vegetables 58%, and meals 71%.

Branding and its importance to New Product Developments

The American Marketing Association (AMA), defines a brand as “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 competition” as cited by Keller (2003). Further, the same article elaborates the benefits provided by the brand to the consumers. According to him brand plays different important roles. Brands endow products with unique associations, signal the quality, reduce risks of consumers, and identify the source of the product and give a promise to consumers.

“Branding involves creating mental structures and helping consumers organize their knowledge about products and services in a way that clarifies their decision making and, in the process, provide value to the firm” Keller (2003). This explanation provides a vital input for the new product developers thinking where they can build their new products as sustainable brands to meet the consumers' needs as well as face the competition which may happen in the future with any changes in economic environment.

Branded products vs. Generic Products

Faria (1979) concludes that generics products are usually associated with low price and low quality. However within the generic products category itself low price and high price would be prevailing. These high priced products are considered as high quality and low priced products

are considered as low quality. Rahman and Areni (2014) present a framework for branding new products and emphasize the match between parent brand and new sub-brand. The idea is that category of the parent brand must match the category of the new sub brand. And the positioning strategy of both brands must have the congruity to be successful.

When compared both branded products and generic strategy products, it is also the quality is the determining factor. Branded products are high priced compared to unbranded or generic products. The price of the generic products is kept at a lower level by reducing the packaging costs and promotional expenses (Prendergast & Marr, 1997). Then these low priced and low quality associations are vulnerable when generic products are exposed to international markets.

Brand Extensions and Line Extensions

Aaker and Keller (1990) have expressed clearly that cost of introducing new brands is very high because of promotional cost, media cost and distribution cost. Therefore, established brand names are used to enter new markets by brand extensions. These authors suggest that there are two approaches. One approach is line extensions; i.e. current brand name is used to enter a new segment in the same product class. The other approach is brand extension. In this approach current brand name can be used to enter completely different product class. According to the observation by Aaker and Keller (1990) 40% of new brands were extensions. This strategy was widespread during latter part of 1970's. According to Moreign (1975) this brand extension can increase the efficiency and cost of distribution too can be decreased. In 1980s the brand extensions helped to strategic growth of many firms Aaker (1991) as cited by Keller & Aaker (1992); Farquhar (1989); Leuthesser (1988); Tanber (1988).Putisis, William and Barry (2001) by studying a computer industry found out that firms having high market share expand their product lines aggressively.

According to Aaker (1991) 89% of new product launches were identified as line extensions and 6% were brand extensions. According to the same analysis only 5% were the brands which introduced as new brands.

The Importance of Local Brands

Dimofte et al (2008) defines that local brands are available in specific geographical areas and are tailored to match the needs and desires of that local community. Local brands are under the competition of global brands. A study based on consumers of three different markets, Turkey, Singapore and Denmark reveals that "in emerging markets, local brands that are perceived as global enhance their local iconness perceptions. Seeing that a local brand is doing well abroad stimulates feeling of success and pride and respect in homegrown talent" (Ozsomer, 2012). Therefore, the study recommends that local brand managers should invest in building presence in global markets especially in advanced countries and their success stories should be communicated to the local consumers. It will defense their brands locally against global attacks in local markets because of local consumers become proud about their country and their products with such communications.

A study conducted in South Korea found local brand should strategically communicate the internationalization of their brand to local customers. This communication will enhance the

nationalistic pride and aspirations about the local brands (Tsai et al., 2020). Local brands stand as unique brands to the consumers representing the local culture and resources thereby can be managed with more flexibility and matching the local consumers. This is easy because of high awareness among the customers (He & Wang, 2017). Ozsmer et al. (1991) and Schuh (2007) have found that food products are benefited when marketed as locally produced.

The consumers' level of construal is lowering by the local food brand than global brand and thereby promoting buying impulsivity (Vries & Fennis, 2020). According to them when compared to global brands, the local brands are more proximal to values, lifestyles, preferences and behaviours. Therefore, the distance between the brand and consumer are short. So they conclude that because of this closeness local brands are to be selected by the customers.

Kotler and Keller (2015) say that local brands are using a positioning strategy to communicate consumers that they are to be perceived as local brands among that product category. To emphasize this positioning local product manufacturers are using locally made advertisements which are using local characters, local geographic sceneries, as well as local values. Local brand positioning strategy portrays the regional culture to match loyal customers (Aldan et al., 1999). According to Gineikiene et al. (2016) sometimes local food products are accepted as healthier than foreign alternatives. Kapferer (2002) identifies that, local products seem to be more identifiable and authentic thereby making themselves more attractive.

Local brand positioning by using "going local" can improve the local consumers buying impulsivity (Vries & Fennis, 2020). They further state that consumers brand's psychological proximity regarding the consumers' self is enhancing the local product market by making the local consumer mindset to a proper state.

Methodology and Conceptualization

Based on the above literature review some of the important factors could be identified as influencing consumer decision making. But previous researches do not provide an exhaustive list of such factors to be studied. Therefore, this research was planned to be conducted in two phases. This approach was imperative due to the unique nature of this study in the Sri Lankan context. So, it was planned to explore the Sri Lankan consumers at the outset and understand how they are making purchase decisions and what criteria they use to choose the products in the markets. Therefore, in phase one, a small set of customers of different kind of products were selected and a series of in-depth interviews were conducted to explore what kind of criteria they use to select different kind of products. The interview guides were designed based on the insights emerged through the literature review. Other than the interviews, observational method also used to understand the phenomenon.

In the second phase, the findings of this exploratory study were converted to a descriptive study by arranging them systematically in a meaningful way to develop a structured questionnaire to collect data in order to understand and describe the consumer purchasing decisions of new products and brands. For this study different commonly used products in six categories were selected as cosmetics (cologne, powder, face cream, and soap), baby products (baby cologne, baby powder, baby cream, and baby soap), audio visuals (TV and radio/cassettes), kitchen utensils

(refrigerator, gas cooker and rice cooker), food products (ice cream, sausages, meat balls, butter, milk powder and cheese) and sweets (cake, toffees and biscuits). The data was collected for all product items and finally this was analyzed separately with respect to different categories to get a vivid aspect of the total picture.

The descriptive part of the research was carried out in Colombo metropolitan area based on convenience sample of 60 persons. The sample consists of different type of professionals, businessmen and housewives to reflect the correct picture of consumer choice. To collect the data personal interviews were carried out using the questionnaire developed.

Analysis, Findings and Discussion

Reliability

Followed by the exploratory study, the questionnaire was developed by the researcher and to test the reliability, test-retest method was used by administering the questionnaire to a small sample of the same respondents again after several weeks. The results were almost the same.

The scales of the questionnaire were constructed by the researcher and the internal consistency was checked using Cronbach' Alpha for each category of the scales separately and the results are given in the Table 1. Since all categories show values higher than .7, the reliability is considered high.

Table 1: Reliability Values

Category	Cronbach's Alpha	N of Items
Cosmetics	0.780	4
Baby Products	0.890	4
Audio Visual Items	0.813	2
Kitchen Utensils	0.701	3
Food Items	0.810	6
Sweets	0.704	3

Source: Primary data

Validity

Face validity, construct validity and content validity were already established since the categories of products and constituting variables were selected carefully based on the literature review and empirical findings generated through pilot interviews conducted using in-depth-interview method. However, in addition, the questionnaire was examined by two experts in the

area and above-mentioned validity was justified before the questionnaire administration. This approach is recommended by Sekaran (2006).

What Bases are Considered by Consumers when they Make Purchase Decisions

For this purpose, five product categories were chosen excluding sweets (out of six selected for the study) and collected the data. Then a descriptive analysis was conducted and results are depicted from Table 2 to table 7. Table 2 presents the comparison of product categories against different selection methods. Accordingly, brand name is dominating in baby products, audio/visual items and kitchen utensils. Cosmetics and Food products are mainly chosen by ‘tested and selected’ base. The data in this Table 2 is a summarized table which can be analyzed further in line with different individual product categories to understand the consumer decision making in deep.

Table 2: Mean Values in different Categories of Products in line with Selection Bases

Selection Method	Cosmeti cs	Baby products	Audio Visual Items	/ Kitchen Utensils	Food products
Tested and Selected	41.7	30.4	9.2	14.4	41.2
Presented by Someone	2.1	11.7	7.5	4.4	0.0
Somebody Suggested	5.1	5.9	3.4	4.4	3.7
Cheaper Price	6.3	0.0	3.4	0.6	0.0
Just Selected	8.4	0.0	0.0	9.5	0.0
Advertisement	7.5	0.0	13.4	7.2	19.6
To Test Another one	3.4	0.0	0.0	0.0	4.2
Brand Name	16.7	41.7	56.7	50.6	29.6
The Only Available	0.0	0.0	0.0	0.0	1.7
After Evaluating All	9.6	10.4	0.0	8.9	0.0

Source: Primary data

As given by Table 3, some of the different varieties of cosmetics were selected as cologne, powder, face cream and soap. Consumers select these items in different criteria as given in the same table. The highest average of 41.7 indicates that most of the customers make decisions based on ‘tested and selected’ method. This testing is not only just before the purchase. But it happens as past experience while they are purchasing again and again. Next higher value of 16.7 is pertaining to brand name. That means customers give much importance to brand name when cosmetics are being purchased. Other bases are not having high values but at least they are being

considered to some extent. When individual items are compared, consumers give equal weightage for ‘brand name’ and ‘tested and selected’ while soap is being selected, i.e. 28.3. Further, the brand name is considered relatively more (i.e. 18.3) when consumers purchase cologne even though it is coming to the second place when compared with the ‘tested and selected’ criteria. According to the data, consumers do not merely purchase cosmetics whatever available, even though the preferred brand is not available. Just selecting whatever available, cheaper price, advertising messages are not so much important in purchasing cosmetics. Consumers seem to be more predetermined mindset rather than impulse buying behavior pattern.

Table 3: How the Cosmetics are Chosen by Consumers

Selection Based on	Cologne	Powder	Face Cream	Soap	Mean	Stdev
Tested and Selected	35.0	50.0	53.3	28.3	41.7	11.9
Presented by Someone	5.0	0.0	0.0	3.3	2.1	2.5
Somebody Suggested	5.3	3.3	6.7	5.0	5.1	1.4
Cheaper Price	8.3	3.3	6.7	6.7	6.3	2.1
Just Selected	5.0	16.7	6.7	5.0	8.4	5.6
Advertisement	11.7	3.3	6.7	8.3	7.5	3.5
To Test Another one	6.7	6.7	0.0	0.0	3.4	3.9
Brand Name	18.3	6.7	13.3	28.3	16.7	9.1
The Only Available	0.0	0.0	0.0	0.0	0.0	0.0
After Evaluating All	6.7	10.0	6.7	15.0	9.6	3.9

Source: Primary data

Baby product category depicted in Table 4 is somewhat different from cosmetics. The brand name seems to be very important and it has the highest mean value of 41.6. Standard deviation is also little bit higher because the behaviour of people is related to the individual products. For example, Baby cream and baby soap are purchased mainly based on brand. The mothers care their babies and try to select the best brand for their babies. For example, Jonson and Jonson brand is selected at least early stages of the baby. But cologne and powder are chosen based on the experiences and most probably received as gifts to mark their birth. However, it is obvious that cheaper prices, just selected, advertising suggestions, testing unknown ones as well as purchasing whatever available are disregarded for baby products. That implies a strong message to the new brand developers of this country about attitudes and values of parents.

Table 4: How the Baby Products are Chosen by Consumers

Selection Method	Baby Cologne	Baby Powder	Baby Cream	Baby Soap	Mean	Stdev
Tested and Selected	33.3	33.3	26.7	28.3	30.4	3.4
Presented by Someone	13.3	20.0	6.7	6.7	11.7	6.4
Somebody Suggested	6.7	6.7	6.7	3.3	5.9	1.7
Cheaper Price	0.0	0.0	0.0	0.0	0.0	0.0
Just Selected	0.0	0.0	0.0	0.0	0.0	0.0
Advertisement	0.0	0.0	0.0	0.0	0.0	0.0
To Test Another one	0.0	0.0	0.0	0.0	0.0	0.0
Brand Name	31.7	33.3	51.7	50.0	41.7	10.6
The Only Available	0.0	0.0	0.0	0.0	0.0	0.0
After Evaluating All	15.0	6.7	8.3	11.7	10.4	3.7

Source: Primary data

Table 5 shows the durable products types and they are quite different from the other kinds, since they are being purchased to be used for a long period of time. TV purchases are mainly depending on brand and advertisements have little influence over them.

Cheaper prices, just selected and purchasing anything available are not important factors at all. The radio/cassettes show little values for most of the bases other than high value for brand name. This is due to the fact that radios and cassettes are widely available in many types representing wide range in the market and for cheaper prices any one can purchase and after using few years they can be discarded and new items can be purchased. But branded items are very expensive and more consideration is necessary when purchasing them. Therefore, customers trust brand value and go for the best.

Table 5: How the Audio / Visual Items are Chosen

Selection Method	TV	Radio/Cassettes	Mean	Stdev
Tested and Selected	10.0	8.3	9.2	1.2
Presented by Someone	8.3	6.7	7.5	1.1
Somebody Suggested	0.0	6.7	3.4	4.7
Cheaper Price	0.0	6.7	3.4	4.7

Just Selected	0.0	0.0	0.0	0.0
Advertisement	16.7	10.0	13.4	4.7
To Test Another one	0.0	0.0	0.0	0.0
Brand Name	65.0	48.3	56.7	11.8
The Only Available	0.0	0.0	0.0	0.0
After Evaluating All	0.0	0.0	0.0	0.0

Source: Primary data

Kitchen utensils as show in Table 6 have the same characteristics like any other durable category and brand name has won the trust of the consumers in the country. Mean value is 50.6 for brand name with standard deviation of 6.8 and all three product items selected have high value for brand name. These products have special characteristics compared to other items. The products of this category are in high usage and wastage is very high. This leads to the replacing again and again within somewhat shorter time span. So people get experience and the repurchase behavior is influenced by the nature of previous items . Therefore, an accumulated knowledge is being created and due to that, “tested and selected” category and “evaluating all” shows little bit higher value over the others.

Table 6: How the Kitchen Utensils are Chosen

Selection Method	Refrigerator	Gas Cooker	Rice Cooker	Mean	Stdev
Tested and Selected	8.3	18.3	16.7	14.4	5.4
Presented by Someone	6.7	3.3	3.3	4.4	2.0
Somebody Suggested	8.3	1.7	3.3	4.4	3.4
Cheaper Price	0.0	1.7	0.0	0.6	1.0
Just Selected	0.0	11.7	16.7	9.5	8.6
Advertisement	10.0	0.0	11.7	7.2	6.3
To Test Another one	0.0	0.0	0.0	0.0	0.0
Brand Name	56.7	51.7	43.3	50.6	6.8
The Only Available	0.0	0.0	0.0	0.0	0.0
After Evaluating All	10.0	11.7	5.0	8.9	3.5

Source: Primary data

In Table 7, Food items show unique characteristics. Mean values for ‘tested and selected’, ‘brand name’ and ‘advertising’ have higher values but ‘tested and selected’ has a significant role in selecting food items. Customers prefer the flavor and taste in this category and thereafter when repurchasing they tend to select what is the most suitable to them. The advertising also plays a fairly significant role but the brand name has come to the second place. Brand name has a great influence in selecting milk powder and it is higher (51.7) than other food products. Further, ‘cheaper price’ and ‘just selected’ are having no impact on this category

Table 7: How the Food Items are Chosen

Selection Method	Ice Cream	Sausages	Meat Balls	Milk Powder	Mean	Stdev
Tested and Selected	45.0	43.3	43.3	33.3	41.2	5.3
Presented by Someone	0.0	0.0	0.0	0.0	0.0	0.0
Somebody Suggested	5.0	3.3	3.3	3.3	3.7	0.8
Cheaper Price	0.0	0.0	0.0	0.0	0.0	0.0
Just Selected	0.0	0.0	0.0	0.0	0.0	0.0
Advertisement	6.7	26.7	33.3	11.7	19.6	12.5
To Test Another one	13.3	3.3	0.0	0.0	4.2	6.3
Brand Name	28.3	18.3	20.0	51.7	29.6	15.4
The Only Available	1.7	5.0	0.0	0.0	1.7	2.4
After Evaluating All	0.0	0.0	0.0	0.0	0.0	0.0

Source: Primary data

The Relative Importance of the Brand Name among other Factors

In buying process consumers are carefully considering various aspects well before the purchase decisions. These aspects or determinants differ from product to product as well as among different categories of products. To understand the strength of the brand name among various other determinants the researcher identified six product categories and asked consumers to rate the determinant of each category using five-point scale comprising Extremely important (5), important (4), fairly important (3), not important (2) and not important at all (1). For each category weighted means were calculated separately and finally depicted in one composite table which is numbered as Table 8.

Table 8: The Relative Importance of Determinants of Purchase

Determinant	Cosmetics	Baby Products	Audio / Visual Items	Kitchen Utensils	Food Products	Sweets
Brand Name	4.2	4.7	4.8	4.4	4.4	4.1
Availability	3.9	4.5	4.0	3.8	4.2	4.4
After Sale Service	-	-	4.5	4.3	-	-
Durability	3.3	3.2	4.6	4.5	3.2	3
Distance to the Shop	3.0	2.8	3.0	2.7	3.6	3.3
Wrapper	2.9	3.7	3.8	-	3.7	4
Guarantee	3.7	3.7	3.3	4.7	3.8	3.5
SLS	4.2	4.4	4.4	4.1	4.5	4.3
Fragrance	4.4	3.3	-	-	3.4	3.4
Package	3.6	4.0	3.8	3.3	4.1	4.1
Appearance	3.5	3.7	4.3	3.9	4.2	4.1
Price	4.3	4.4	4.5	4.3	4.3	4.3
Quality	4.8	5.0	4.8	4.8	5.3	4.8

Source: Primary data

These data indicate that the quality is the most important determinant which influences the consumers to buy. It is valid across all the categories. Then the brand name comes second. However, different determinants have been added under the brand equity construct over time. For example, after sale service, guarantee appearance, durability as well as quality are perceived by consumers as different combinations of one construct called brand. After sale service, durability, SLS and guarantee are more important in audio visual items and kitchen utensils. Generally, across all categories price SLS and availability are somewhat important. But other than those general features the table shows that depending on the product category different determinants have different influences.

This analysis paves the path for new product developers, depending on the product category one must choose which determinant is more influential and accordingly the product must be designed. Therefore, when a new product comes with strong brand name consisting of important necessary features as customer is looking for, it is definite that the product will successfully survive in the long run.

Conclusion and Managerial Implications

The above analysis and discussion of consumer purchase pattern in the country shed lights to new product developers with respect to how to design a product and introduce that into the market. It is obvious that the brand name plays a significant role in most of the product categories. Therefore, it is recommended that when the producer is new to the market, he should come with a new brand name and if he is having a brand already it is strongly recommended to come with a brand extension. Ozsmer et.al (1991) and Schuh (2007) show that food products are benefited when marketed as locally produced. This is mostly relevant to Sri Lanka, especially because of Covid-19 customers tend to purchase more and more local food products. The data in table 6 proves that customer use tested and selected method for food items. When these local food items become local brands, the firm can easily do brand extensions and add more to their product lines. So, building brand equity is essential in this risky period. Then people trust brand name and as a result brand loyalty will increase. Previous research, for example, Blackburn, (2008) and Salnikova et al., (2020) found that the new product failure is very high worldwide. Therefore, it is necessary to strategically plan to overcome this problem in advance. So, these research findings show the significance of the branding and it is necessary to launch the product with carefully designed brand name. This will help to generate and sustain a huge cash flow to the firm.

Local brands stand as unique brands to the consumers representing the local culture and resources thereby can be managed with more flexibility that suits the local consumers. This is easier because of high awareness among the customers (He & Wang, 2017).

He and Wang, (2017) describes the merits of the local brand. In line with local customers culture local brands can be built and in present situation it will be a grand opportunity.

As of cosmetics it was understood that customers do not merely purchase them. They are having accumulated awareness about them by experience and brand name. So new products developers in this category must be careful to design the product considering consumers requirement because they purchase cosmetics after testing. If one brand is tested and satisfied, then repeat purchase will follow.

Local customers respect their locally produced brands when they perform well in overseas. Those brands become icons of local country. This idea was presented by Ozsomer (2012) and thus brand managers in Sri Lanka must plan strategically to suit this perception of locals by getting a name for their product in foreign markets.

Consumers prefer local brands to global brands as explained by Vries and Fennis (2020) when local brands show closeness with the lifestyles, values and preferences of local customers.

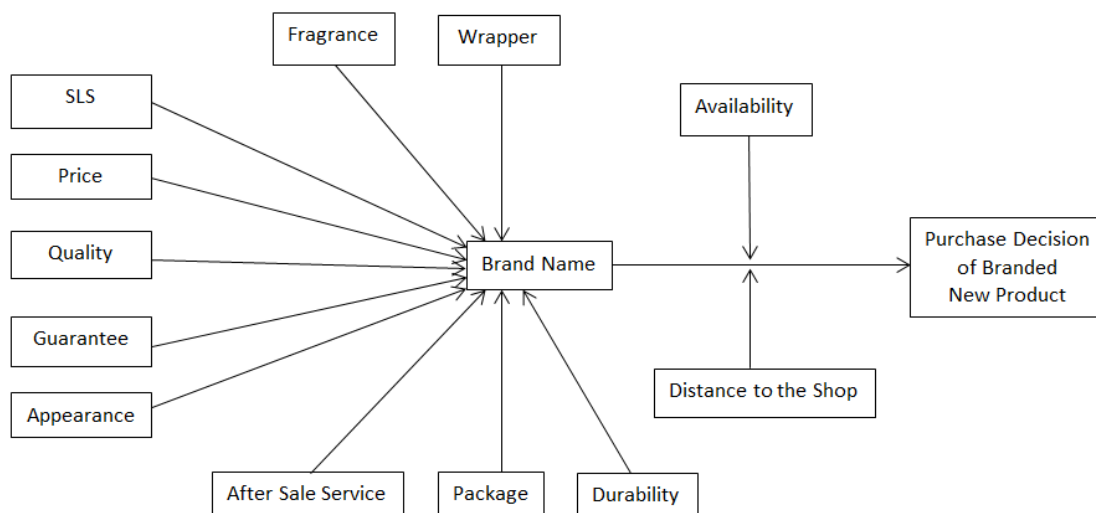
Present study also shows that depending on different category of products people select products in line with their preferences shaped by the lifestyles and values. Same authors also explain that to improve the buying impulsivity, a positioning like “going local” is helpful. This substantiates the concept of “made in Sri Lankan era” which Sri Lanka is thinking of at the moment. While encouraging the business firms to increase the local products as far as possible

without importing from other countries, an accompanying campaign to make the positive attitude of the consumers in the country towards purchasing Sri Lankan made products must be launched.

The data shows the quality of the products in some categories is vital. This has been deeply explained by Prendergast and Marr (1997). High price and high-quality association as explained by them exists in consumers' minds. When generic products are available in market at lower price, the perception of consumers might be that they are low quality products. Therefore, high priced brand may be preferred as a high-quality product.

Conceptual Model Proposed

Brand name seems to be central in consumer choice in many product categories and it can ascribe most of the other factors as features or attributes of the brand. So generally, most of the factors contribute to build the strong brand and then the brand affects to consumer choice. However, availability of the brand in the market and distance to the shop from consumer are playing moderating roles. Therefore, based on the findings and discussion of the research a conceptual model can be suggested for further studies as Figure 1.



Source: Developed by the author

Figure 1: Proposed Conceptual Model of Factors Influencing to the Purchase Decision of a Branded New Product

Limitations and Future research

This research was initially exploratory and then descriptive in nature. A significant number of the sample are born and lived in outside Colombo but work in Colombo at present. So, they have been exposed to different cultural and behavioral experiences. Main limitation of this research was that the sample size was small and limited to metropolitan area. Further, this research focused on few items. Therefore, if one can expand the sample size and number of products while

looking at functional relationships among variables as depicted in the proposed conceptual model it will be an expansion of the boundary of the knowledge.

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