EXECUTIVE SUMMARY

Topic – A study on Multibranding as an effective marketing strategy being followed by companies with special reference to the FMCG, Consumer Durable and the Ready to Wear Apparel (formal and semiformal) sectors.

Hypothesis – Multibranding is a very important branding decision and it helps a company to deliver more value to the consumers.

Statement of the problem

Brand marketing is a business strategy undertaken by companies in its effort to instill consumer awareness regarding its products and the solution these products were mean to solve in the consumer lives. When companies advertise their products, they try to convey to us that we need their products through various ways of convincement, and sometimes we as consumers think we need the product and brand that companies are trying to promote, the extremity of shaping this "perceived need" will vary from one type of products such as life insurance. There are many ways companies advertise and market their brands. One very important way is through multibranding.

When companies introduce new brands in the same product category, it is called multibranding. Multibranding means that companies can open up more retailer shelf space with products from its company. Procter and Gamble has many brands in its line of products such as shampoo and washing detergents. Having more than just one brand of P&G shampoo on the shelf means that P&G can have a greater market share in the shampoo category than if it were to have only one shampoo brand. Having multibrands also serve as a protection to the original brand name. For example, Seiko offers lower-priced brands of watches called Pulsar to consumers who are not as willing to purchase the pricier original Seiko watches but would still want to own a Seiko brand watch. A disadvantage of offering multibrands is the possibility of not gaining much return on developing many brands instead on focusing on one or a few brands that may prove to be more worthy in terms of profit and consumer following. Another company, which follows multibranding strategy, is HLL.

Objectives of the study

- ✓ To test the success of multibranding strategy in the FMCG, Consumer Durables and the Ready to wear apparel sectors.
- ✓ To see if multibranding helps a company to increase its sales.
- ✓ To understand the drawbacks of this concept
- ✓ To understand the usage of this concept in India
- ✓ To take closes look at the concept of multibranding
- ✓ To look at the strategic implications of multibranding on the firm.

Brief of Findings

- ✓ 42.5% and 32.5% of the respondents spend around Rs 500 – Rs 1000 and Rs 1000 – Rs 2000.
- ✓ Around 21.5%, 33.5% of the respondents use lux, liril, and pears soaps respectively.
- ✓ 67% of the respondents use Surf detergent powder.

- ✓ 61.5% of the respondents prefer quality to price when buying soaps and detergents. There is a significant difference among the choice of toilet soaps between the two gender categories.
- ✓ Among the 87% of them who owned a TV 44 respondents owned a LG, 37 of them owned a Vidiocon and 34 of them are satisfied with Onida.
- ✓ Among the 14 respondents who were dissatisfied with their TV 8 respondents preferred to buy another TV from the same company.
- ✓ 72% of the respondents gave more value to quality and 58% gave more importance to price.
- ✓ There is a significant difference among the income of respondents income and their purchase parameters.
- ✓ Among the 200 respondents 183 of them preferred to buy ready to wear apparel.
- ✓ Among the 183 respondents who prefer to buy ready made apparel 22, 45, 41, 32 of them prefer Peter England, Allen Solly, Van Heusen, and Louis Philippe respectively.
- ✓ 77 people have ranked Allen Solly as number 1, 55 of them have ranked Louis Philippe as number 2 and 51 of them have ranked Van Heusen as number 3.

Brief of Suggestions

- ✓ The multibranding strategy must be followed after an intensive market research so that the consumer's tastes and the current and future trends can be found out.
- ✓ The multibrands must be developed in such a way that each of the brands does not compete against each other and lead to cannibalization. This where positioning of the brand plays an important role.
- ✓ Multibrands must ideally be in different segments of the same product market.
- ✓ Multibranding strategy must be adopted if the firm wants to gain volumes and reach the wide consumer base.
- ✓ When entering into a sector, which is not characterized by strong brand loyalty, the firm must have a good customer retention program so as to retain the customers for a long time.