Brand Equity- A Study on Nandini Products in Hassan Co-operative Milk Producers' Society Union Limited (HAMUL)

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ABSTRACT
Brand equity is a crucial aspect for organizations to maintain market leadership and consumer trust. This study examines the brand equity of Nandini products under the Hassan Milk Union Limited (HAMUL) in Karnataka, India. The research focuses on the customer's perception of brand equity, which is built on four dimensions: perceived quality, brand awareness, brand associations, and brand loyalty. The findings suggest that brand associations and brand loyalty are influential dimensions of brand equity, while perceived quality and brand awareness have varying levels of impact depending on the industry. In the context of Nandini products under HAMUL, leveraging brand equity is vital for sustaining growth, supporting the cooperative model, and ensuring long-term success in the competitive dairy industry. This study aims to deepen the understanding of brand equity and its implications for Nandini products, providing insights for effective brand management and strategic decision-making in the dairy sector.
Key words: *Brand equity, Nandini products, Perceived quality, Brand awareness, Brand associations, Brand loyalty*

I. Introduction

Nandini, which is a flagship brand of Karnataka Milk Federation (KMF) under the Hassan Milk Union Limited (HAMUL), has gained popularity among customers due to its reputable brand and quality service. It is important for organizations to maintain brand equity in order to maintain market leadership and consumer trust. By building brand loyalty, organizations can gain a larger market share as loyal customers frequently use the brand and resist competitors and marketing efforts. Brand equity is often created by products or services that bring value directly or indirectly. Academics have studied brand equity from two perspectives: financial and customer. From a financial perspective, brand equity is evaluated based on the market value of a company's assets, while from a customer perspective, brand equity refers to a consumer's reaction to a brand name. This research will focus on the customer's perception of brand equity.

Brand equity is an important asset that can keep a company's value intact. When measured correctly, it is an appropriate metric for evaluating the long-term impact of marketing decisions. Brand equity refers to the perceived value and strength of a brand that influences consumer choice, loyalty, and the price premium a brand can command. It is built on four dimensions: perceived quality, brand awareness, brand associations, and brand loyalty. While there is limited research on brand equity in the milk industry, it is still an important aspect to consider. Understanding customer-based brand equity is essential for effective brand management. Keller (1993) notes that positive brand equity can increase revenue, lower costs, and enhance profits. It affects a firm's ability to set higher prices, encourages customers to explore new distribution channels, improves marketing communication effectiveness, and boosts the success of brand extensions and licensing. In today's context, brand equity significantly influences a company's market position, consumer loyalty, and financial performance. For Nandini Products under HAMUL, leveraging brand equity is vital for sustaining growth, supporting the cooperative model, and ensuring long-term success in the competitive dairy industry. This study examines the brand equity of Nandini products within HAMUL, aiming to deepen the understanding of its concept and implications.

Perceived Quality and Its Influence on Brand Equity:

Perceived quality is a critical dimension of brand equity that reflects the consumer's perception of the overall quality or superiority of a product compared to alternatives. It significantly influences consumer decisions and their loyalty to a brand. A study by Yoo and Donthu (2001) found that perceived quality directly impacts consumer choice and brand loyalty, making it a vital component of brand equity. In the context of Nandini products, consumers may equate high perceived quality with better taste, nutrition, and consistency. This can lead to repeated purchases and a preference for Nandini over other dairy brands. Nandini products' consistent quality and positive consumer perceptions likely enhance their perceived quality. High-quality products can lead to a premium price and justify a brand's positioning in the market, reinforcing brand equity (Anselmsson et al., 2007).

Brand Awareness and Its Role in Brand Equity:

Brand awareness refers to the extent to which consumers can recognize or recall a brand under different conditions. It plays a foundational role in building brand equity, as it represents the strength of the brand's presence in consumers' minds. Keller (1993) suggested that strong brand awareness can lead to higher market share and reduced marketing costs. Brand awareness increases the likelihood that a consumer will consider the brand when making a purchase decision, particularly in low-involvement purchase situations typical of daily consumables like milk (Chowudhury, 2012). Nandini's extensive advertising and promotions enhance brand visibility, making the brand recognizable. This visibility can translate into trust and reliability, crucial for sustaining brand equity. Studies have shown that brands with higher awareness levels tend to have stronger brand equity (Blumrodt et al., 2012).

II. Literature Review

Nandini, a well-known brand in the dairy sector, has established a positive image among consumers. This is supported by findings that indicate Nandini products enjoy a strong reputation for quality and service, suggesting that brand equity significantly influences consumer choices in the milk product category (Taglioni et al., 2011). The brand's image is crucial, as it affects not only customer loyalty but also their willingness to recommend Nandini products to others (Santoso & Najib, 2015). Research shows that brand equity has a direct impact on consumers' purchase intentions. A study by Yuan et al. (2010) highlights that advertising interventions can enhance consumer attitudes towards a brand, which in turn fosters trust and increases the likelihood of purchase. This aligns with the findings that suggest Nandini should enhance its promotional strategies to solidify its brand image further, thereby driving sales. Effective marketing strategies are vital for cultivating brand equity. The literature indicates that Nandini has the potential to develop a stronger brand presence by leveraging promotional strategies that resonate with its target audience (Mahindra, 2012). For instance, increasing promotional activities could not only improve brand visibility but also reinforce the positive perceptions already held by consumers. Integrating customer feedback into marketing efforts may also help in tailoring initiatives that enhance brand equity (Kumar & Shah, 2015). The comparative analysis of brand equity across different brands in the dairy sector reveals that Nandini holds a competitive advantage due to its established presence and consumer trust. However, the need for continuous improvement and adaptation to market dynamics remains essential. Research indicates that brands that fail to innovate or respond to consumer needs risk diminishing their equity over time (Mahindra, 2012).

The study of brand equity in the context of Nandini products within HAMUL highlights the importance of a strong brand image and effective marketing strategies. While Nandini has established a solid foundation of brand equity, ongoing efforts to innovate and adapt to consumer needs are crucial for maintaining and enhancing its market position. Future research in the identified areas could provide deeper insights into the dynamics of brand equity and its implications for Nandini's growth in the competitive dairy market.

The review of literature reveals that brand equity, a multifaceted concept crucial for maintaining market leadership and consumer trust, has been widely studied across various sectors and is generally built upon four key dimensions—perceived quality, brand awareness, brand associations, and brand loyalty—each of which plays a significant role in influencing consumer behavior and purchasing decisions; for instance, perceived quality, which relates to the consumer's perception of the overall quality or superiority of a product compared to competing brands, has been identified as a critical driver of consumer choice and loyalty (Yoo & Donthu, 2001), and in the context of dairy products like those offered by Nandini, perceived quality can be associated with the freshness, taste, nutritional value, and consistency of the milk products, ultimately influencing repeat purchases and customer satisfaction (Anselmsson, Johansson, & Persson, 2007), while brand awareness, another pivotal element, refers to the extent to which consumers are familiar with a brand and can recognize or recall it under different circumstances; this familiarity is essential because it lays the foundation for a brand's equity by increasing the likelihood of the brand being considered during purchase decisions, especially in low-involvement product categories like dairy, where consumers may rely on recognition and trust (Chowudhury, 2012), with studies indicating that strong brand awareness leads to higher market shares and reduced marketing costs (Keller, 1993), and further enhancing the concept of brand equity, brand associations, which encompass the thoughts, images, and emotions connected to a brand in the consumer's mind, play a critical role in differentiating a brand from its competitors, as positive associations such as health benefits, modernity, and corporate social responsibility can increase consumer preference and loyalty (Al-Dmour, Zubi, & Kakeesh, 2013), thereby making a brand like Nandini more appealing due to its reputation for quality and community-based values, and finally, brand loyalty, arguably the most critical dimension of brand equity, refers to the degree of consumer commitment to repurchasing or continuously using a brand, acting as a significant indicator of brand strength and long-term viability, as loyal customers provide consistent revenue streams, reduce the cost of acquiring new customers, and often act as brand advocates, promoting the brand through word-of-mouth, a phenomenon highlighted in studies showing that customer loyalty directly correlates with enhanced brand equity, leading to market stability and profitability

(Mohan & Sequeira, 2012), thus, the cumulative understanding of these dimensions underscores the necessity for Nandini to continuously innovate and align its marketing strategies with consumer expectations to sustain and enhance its brand equity in the highly competitive dairy market, thereby ensuring not only customer satisfaction but also long-term growth and success.

**Major objectives of the Study**
The primary objective of the present study is
1.   To investigate the relationship between perceived quality over brand equity in HAMUL.
2.   To assess the relationship between brand association over brand equity in HAMUL.
3.   To evaluate the extent to which brand awareness influences brand equity in HAMUL.
4.   To examine the extent to which brand loyalty influences brand equity in HAMUL.

Conceptual Framework:
Figure1, represent the conceptual model.

Figure 1: Conceptual Framework of the Research Study
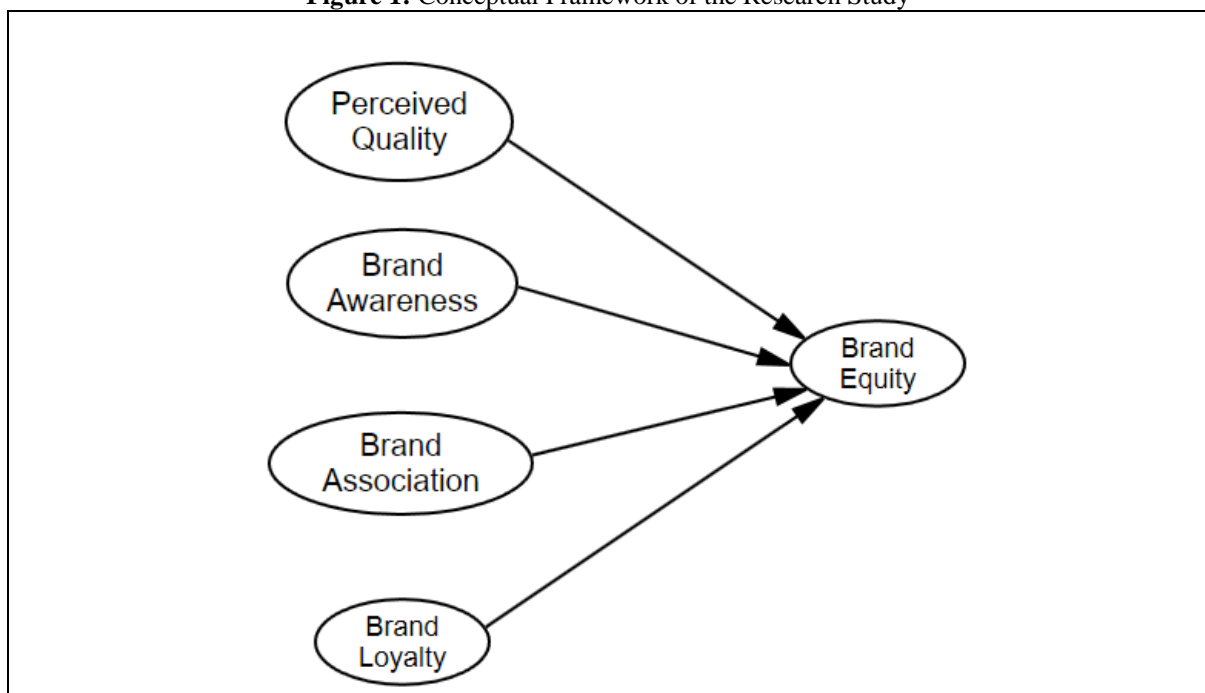
Based on the above conceptual framework, the following hypotheses are formulated:
 i. H1: There is a significant impact of the Perceived Quality on Overall Brand Equity of Nandini   products.
 ii. H2: There is a significant impact of the Brand Awareness on the Overall Brand Equity of Nandini products.
iii. H3: There is a significant impact of the Brand Associations on the Overall Brand Equity of Nandini products.
iv. H4: There is a significant impact of the Brand Loyalty on the Overall Brand Equity of Nandini products

III.   Research Methodology
The research survey questionnaire for the present research was designed based on literature reviews. In the present study, a total of 20 likert based questions were designed asking the respondents to rank their importance of agreement on a scale of 1 to 5 with '1 Strongly Disagree' and '5 as Strongly Agree'. As far as data collection is concerned, a total of 100 respondents were interviewed through a structured online questionnaire from randomly selected consumers of Nandini Milk products.

1.3 Descriptive Statistics
On the Profile of the respondents' characteristics, 52 % respondents are men while 48% of them are women consumers of milk products with 40 % of them are of in age group of less than 40 years of age group, while 38 % of sample representation is in age of 40 to 50 Years and 22 % are above 50 years. On educational status, 41.0 % of them have completed their pre-university course, 36 % of them completed their graduation and 23 % of them completing their post-graduation. Furthermore, 53% of the respondents are residing in Urban area

while 57% of them have residence in rural area. On the buying patter of milk and milk products, it emerges that 43% of the respondents are hoteliers and remaining 57% of them buy Nandini milk for domestic consumption.

Analysis and Results

Table 1 presented the relevant items, their standardized loading (correlation coefficients), and the composite reliability and Cronbach Alpha results through *Confirmatory Factor Analysis* (CFA) technique that was adopted to validate the hypothesized measurement model consisting of five dimensions/factors shown in Figure 1.

Table 1: Reliability and Item Loadings of Constructs influencing Brand equity of Nandini Milk and Milk products

Factor	Item/Indicators	Loading	CR	CA	AVE
Perceived Quality (PERC_QLTY)	I like the quality of the product higher compared to other brands	0.689	0.832	0.832	0.554
	Nandini Product offers good value for the price paid by me	0.713			
	I experience the Quality is consistent every time	0.754			
	I believe that Nandini product offer good nutritional value	0.816			
Brand Awareness (BRND_AWS)	I have the Brand Knowledge & awareness of different types of Nandini Products	0.763	0.859	0.859	0.604
	Nandini Advertising & promotion influence my perception of the brand	0.710			
	I trust Nandini brand, and it is reliable	0.807			
	I Preference to buy this product over other brand	0.824			
Brand Association (BRND_ASSO)	When I think of Nandini milk and milk products, I associate them with freshness, high quality & health benefits	0.783	0.860	0.861	0.607
	I trust Nandini brand milk & products and it reflects modern innovative practices	0.830			
	I associate Nandini milk & products with consistent quality & service & availability	0.766			
	I associate Nandini with sustainable & environment friendly practices	0.734			
Brand Loyalty (BRND_LOY)	I consistently choose Nandini Milk & products over other brand	0.688	0.857	0.857	0.600
	Nandini is my Preferred brand I am unlikely to switch to another brand	0.824			
	I feel a Sense of loyalty and satisfaction towards this brand	0.773			
	I recommend Nandini milk & speak positively about its products	0.806			
Brand Equity (BRND_EQTY)	I recognise the Nandini brand when I see it in stores	0.712	0.856	0.856	0.598
	While recalling Milk & its products Nandini is the first brand I think of	0.767			
	I believe that Nandini has a strong and favourable brand image	0.816			
	I am likely to continue buying Nandini milk and milk products in the future.	0.794			

Note: CR - Composite Reliability, CA - Cronbach Alpha, AVE – Average Variance Explained

Table 2: Discriminant Validity of independent dimensions:

|	PERC_QLTY	BRND_AWS	BRND_LOY	BRND_EQTY
PERC_QLTY	**0.744***			
BRND_AWS	*0.531*	**0.777***		
BRND_LOY	*0.486*	*0.685*	**0.779***	
BRND_EQTY	*0.637*	*0.629*	*0.625*	**0.775***

* Square Root of AVE values shown in Table 2

First, the Cronbach's alpha reliability coefficient was calculated in order to assess the psychometric properties of the questionnaire. Cronbach's alpha value ranges from 0 to 1, with value closer to 1 indicating greater stability and consistency, however for basic research the cut-off value is 0.60 (Nunnally, 1978) [Kalthom Abdullah & Others, 2012]. The results of Cronbach's alpha are depicted in Table 1 indicating an acceptable consistency and stability of the instrument. Secondly, with respect to composite reliability it is observed from Table-1, it is observed that majority of the items demonstrated a loading greater than 0.50 clearly validating the convergence. Also the Cronbach alpha values of each dimension are above 0.60, more than the accepted value. Similarly Discriminate Validity result is depicted in Table 2 establish the discriminant validity among the latent variables in that they do not statistically overlap each other [since the inter-item correlation values are less than the square root of AVE value] and are free from the problem of multicollinearity.

SEM analysis result:

After running the CFA to check the reliability and validation of the items (questions), the defined research hypotheses shown in conceptual frame work (Fig 1) is tested for path analysis and the results are shown in Figure 2 and table 3.

Fig 2: SEM result of dimensions influencing Brand equity of Nandini Milk and Milk products
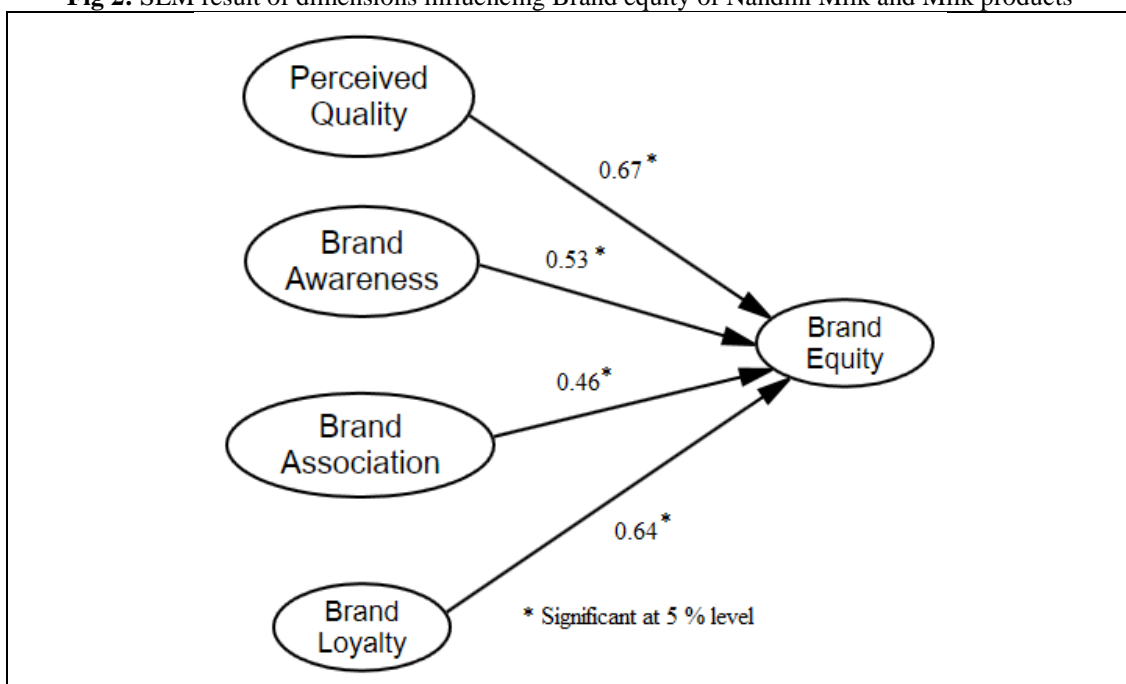
* Significant at 5 % level

Table 3: Standardized Regression weights for direct relationship between dimensions Brand equity of Nandini Milk and Milk products

			Standard Estimate	C.R.	P	Remark
Brand Equity	<---	*Perceived Quality*	0.669	4.378	0.000*	H$_1$ Supported
Brand Equity	<---	*Brand Awareness*	0.532	4.176	0.000*	H$_2$ Supported
Brand Equity	<---	*Brand Association*	0.458	3.694	0.000*	H$_3$ Supported
Brand Equity	<---	*Brand Loyalty*	0.642	4.237	0.000*	H$_4$ Supported

* Significant at 5% level

The findings of SEM indicated that the research model almost satisfied the requirement of model fit with chi-square/df showed value of 1.870. The GFI, CFI and GFI are close to standard cutoff of above 0.90. RMSEA with a value of 0.073 fulfilled the cut-off value of 0.10. On the regression analysis result depicted in Table 3, *Perceived Quality* has a significant (with p-value of 0.000, p<0.05) influence on *Brand Equity*. Thus hypothesis H$_1$ is accepted at 95 % level of confidence. The regression ($\beta = 0.669$) indicate for every additional 10 respondents agreeing on the statements of *Perceived Quality*, one would expect on average of seven respondents rating on agreement on *Brand Equity* dimension. Similarly, remaining four independent dimensions such as *Brand Awareness, Brand Association,* and *Brand Loyalty* have significant influence on perceived value and the hypotheses are accepted at 5 % level of significance as perceived by consumers of Nandini Milk and Milk Products.

IV. Discussion and Conclusion

Brand equity is essential for companies to maintain market dominance and consumer trust. This study investigates the brand equity of Nandini products under the Hassan Milk Union Limited. Brand associations and brand loyalty are significant components of brand equity. Utilizing brand equity is vital for Nandini's development and success in the dairy industry. Nandini has a strong reputation for quality and service, which affects consumer choices. Effective marketing strategies and innovation are necessary for enhancing Nandini's brand equity. This research examines the brand equity of Nandini products under HAMUL in Karnataka, India, focusing on customer

perceptions of brand equity based on four dimensions: perceived quality, brand awareness, brand associations, and brand loyalty. The findings indicate that brand associations and brand loyalty are influential factors, while perceived quality and brand awareness have differing levels of impact. Leveraging brand equity is crucial for Nandini products to maintain growth, support the cooperative model, and ensure long-term success in the competitive dairy industry. To achieve this, Nandini must focus on understanding their target audience and tailoring their marketing efforts to effectively communicate the unique value proposition of their products or services. Additionally, implementing a customer-centric approach and continuously innovating to meet evolving consumer needs can further strengthen Nandini 's brand equity in the long run. However, it's important to note that a customer-centric approach alone may not be sufficient to guarantee long-term success. Other factors such as effective marketing strategies, strong partnerships, and a clear understanding of the competitive landscape also play a crucial role in building and maintaining brand equity over time.

Managerial implications related to the study:

The managerial implications related to the study on the brand equity of Nandini products under Hassan Milk Union Limited (HAMUL) highlight the importance of understanding and leveraging the different dimensions of brand equity—perceived quality, brand awareness, brand associations, and brand loyalty—as these factors are crucial for building strong consumer relationships and maintaining a competitive edge in the dairy market; managers must recognize that perceived quality, which reflects consumers' judgment of a product's overall superiority or excellence, directly influences brand loyalty and willingness to pay a premium price, emphasizing the need for maintaining high product standards and consistent quality (Yoo & Donthu, 2001), while brand awareness, defined as the ability of consumers to recognize and recall a brand under various conditions, plays a vital role in ensuring the brand remains at the forefront of consumers' minds, necessitating investment in effective marketing and promotional strategies that increase visibility and familiarity, which can lead to increased market share and customer retention (Keller, 1993), and further, brand associations, which consist of the mental connections and attributes linked to a brand, such as the perception of being health-conscious or environmentally friendly, are critical for differentiating a brand from its competitors and adding emotional value to the product, thus requiring managers to craft compelling brand narratives and positioning strategies that resonate with consumers' values and beliefs (Al-Dmour, Zu'bi, & Kakeesh, 2013), and importantly, brand loyalty, which indicates consumers' commitment to repurchasing or consistently choosing a brand over others, underscores the need for building long-term relationships with customers through loyalty programs, exceptional customer service, and consistent delivery of quality, as loyal customers not only provide a stable revenue stream but also act as brand advocates who can influence the purchase decisions of others through positive word-of-mouth (Mohan & Sequeira, 2012), thereby, managers should implement customer-centric approaches and feedback mechanisms to continuously align products and services with consumer expectations, fostering a sense of loyalty and brand affinity; moreover, considering the competitive nature of the dairy industry, managers should be proactive in monitoring market trends and consumer preferences, enabling them to innovate and adapt their offerings to meet the evolving needs of their target market, as studies suggest that brands failing to innovate or stay relevant to consumers' changing preferences risk losing their market position and brand equity over time (Lokken et al., 2012), and hence, integrating these insights into strategic planning can help managers of Nandini and other dairy brands not only to strengthen their brand equity but also to sustain long-term growth, customer satisfaction, and profitability in a competitive marketplace.

Scope for further study and limitations of the study:

The scope for further study and limitations of the research on brand equity of Nandini products under Hassan Milk Union Limited (HAMUL) can be explored by acknowledging that while the study has provided valuable insights into the dimensions of brand equity—namely perceived quality, brand awareness, brand associations, and brand loyalty—it is limited by its geographical focus on a specific region in Karnataka, which may not be representative of consumer perceptions in other parts of India or globally, indicating a need for future research to include a broader and more diverse demographic to enhance the generalizability of the findings (Kumar & Shah, 2015), and additionally, the study primarily relies on self-reported data through surveys, which may be subject to biases such as social desirability bias or inaccurate recall, suggesting that future studies could benefit from employing mixed methods approaches that incorporate qualitative data, such as focus groups or in-depth interviews, to provide a more comprehensive understanding of the factors influencing brand equity (Eser, Pinar, & Girard, 2012), and while the current research focuses on consumer perceptions, there is a scope for future studies to examine the impact of digital and social media marketing strategies on brand equity, especially considering the growing importance of online platforms in shaping consumer behavior and brand perceptions in the digital age (Xu, Thong, & Venkatesh, 2014), and another limitation lies in the cross-sectional nature of the study, which provides a snapshot of consumer perceptions at a single point in time; longitudinal studies would allow researchers to track changes in brand equity over time and understand how shifts in market conditions,

consumer preferences, or marketing strategies affect brand perceptions and loyalty (Chowudhury, 2012), moreover, given the competitive nature of the dairy industry and the increasing number of brands vying for consumer attention, future research could explore the comparative analysis of Nandini's brand equity with other leading dairy brands to identify unique strengths and areas for improvement, thereby offering a strategic perspective on how to maintain competitive advantage (Anselmsson, Johansson, & Persson, 2007), ultimately, addressing these limitations and expanding the scope of research would provide deeper insights into the dynamics of brand equity, enabling more effective brand management and marketing strategies.

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