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Consumer Perspectives on Brand Preference: A Choice Based Model Approach

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Abstract: *In this study, we explore how the international brands alter the market dynamics in a market where national, international and isolated brands are present. The entire focus of the present research is to understand the phenomena of consumer choice and preference in the backdrop of such a market. We accessed consumer choice in the context of these different categories of brands by using a multinomial discrete choice model. The estimated model provides us with several diagnostic findings of managerial interest especially with respect to what kinds of product attributes differentially affect choice probabilities of different categories of brands – the international, the national and the isolated.*

Keywords: *marketing strategy; segmentation; brand categories; multinomial logit choice Model*

I. Introduction:

In growing economies especially for common frequently purchased products (for example, soaps, deodorants, perfumes, shampoos, toothpastes and so on.), the market often contains both isolated and national brands. An isolated brand is likely to come from a small local manufacturer or a local retail chain. A national brand on the other hand, is also a domestic brand but is a much larger player in the country and typically spends substantially more on marketing expenses than an isolated brand. As the economy continues to emerge and consumers prosper along with that, the market now becomes attractive to global companies who often possess in their product lines, brands of international repute; such a brand if present in an emerging market can be viewed as an international brand. In the current research we use a choice modeling approach to empirically examine the very interesting dynamics between the categories of international brands, national brands and isolated brands. Firms are increasingly expanding globally as they realize that this is a significant source for potential sales and profits growth. For instance, the share of global trade has increased significantly over the recent past at seven per cent annually between 1990 and 2010 compared with a 3.1 per cent growth in world, indicating the importance of such activity to firms. The increased activity of firms in the global arena has created a challenge for international marketers as they need to compete against local products in diverse consumer markets and segments. Specifically, once introduced into a new country, an international brand needs to be positioned against local operating brands. The task of identifying appropriate brand positioning strategies is a complex one as it involves different local brands that, in some cases, have never been considered as competitors by the company marketing the international brand. Furthermore, consumers in a different country are likely to significantly vary in their preferences and perceptions compared with those in the home country market of the international brand. Among other things, variations in the cultural backgrounds of consumers in different countries might have a significant impact on their preferences for international and local brands. The increased popularity of global brands and the relatively similar big city customer profiles across countries are having an effect on the way marketers view the attractiveness of international markets. If marketed well overseas, such brands can not only be revenue generators in the short run, but also have the potential to avail of at least some economies of scale across countries in the long run. The key to marketing well of course is to be able to compete well with others including existing local brands such as national and isolated brands. A typical market is characterized by the presence of many different kinds of brands Consumers have to make their own judgments about the properties of these brands before making a choice. In consumer markets, the origin of the brand often provides cues that help consumers in their choice process. One way to identify brand origins, for example, is to check whether it is a manufacturer brand or an isolated brand. In advanced countries, these two types of brands are major players, and research has brought out interesting insights into how consumers react to them. In other countries, which have been more recently exposed to international marketing, the situation is actually more complex. The presence of international brands, their own national brands and their own isolated brands often characterize such markets. Consumer perceptions and preferences with respect to this interesting mix of brand categories, have received little attention in the academic research literature. Exploring of current brand positioning and preference in such countries where introduction of international brands occurred in the relatively

recent past, might be a good approach for getting more insights into the dynamics of international brands. The literature has mainly focused on category competition between local brands (between national and isolated brands). There is relatively little research, however, that explores the driving forces behind brand preferences for international brands in international markets in the backdrop of consumers' choice between international and domestic brands. The purpose of this study, therefore, is to fill this void in the literature by analyzing the preference formation and choice between the categories of international, national and isolated brands. In the present research, we use data from the Indian market to examine this scenario. This article explores these aspects. The characteristics of international brands have been discussed by Quelch, 1999. Similarly, Nandan and Dickinson, 1994 have outlined the properties of isolated brands. Of course, there is no dearth of articles on national manufacturer brands. However, there is very little research on how consumer choice is affected by the unique qualities of these different brand categories in an emerging market. Here, we try to fill this gap in the literature. In order to study this problem, we use a choice modelling approach, employing the multinomial logit model. We use the choice model to uncover salient attributes that are involved in consumers' choice decisions. Estimation of the model provides interesting insights into how different product attributes drive choices often differently for different categories of brands. Such diagnostics lead to useful managerial implications. We also use a preference regression approach to uncover the preference drivers for the three different categories of brands.

II. Background:

In the marketing literature, there has been wide exploration of national brands and the emergence of isolated brands and generics. These studies were mainly concerned with promotional schemes, price differentials and so on. In addition researchers have investigated consumers' perceptions of national, isolated and generic brands to better understand the differences and similarities between them. However, relatively little effort has been done on what drives consumers' preferences and choices toward such brands; in particular the issue of how product attributes affect consumers' preferences and choice remains less explored. The issue of brands' preferences however, is also very relevant in the case of a changing marketing environment in emerging markets where the market experiences an increase in the heterogeneity of the brand category offerings. This includes an increase in the variety of the brands' offering (new international brands), and an increase in purchasing power coupled with an increase in media exposure (more TV channels, Internet, international broadcasting, and so on.), of consumers to international brands. The findings of this literature highlight the importance of successful introductions of brands abroad. The introduction of new international brands in such an environment needs to be sensitive to cultural differences among consumers in a foreign emerging market. For example, consumers might have different attitudes with respect to the brands' country of origin. In this study, consumers' perceptions about product attributes in order to be able to provide insights into the query of how product attributes affect consumers' preferences for different brand types. Exactly, consider the categories of international, national and isolated brands. In order to depict the setting of an evolving market environment, Indian market that experienced a process of deregulation and international brands' introduction relatively, and can be used as an approximation to the expected behaviour of other markets that may go through in the future. In India, major structural changes and reforms in the economy occurred to increase the level of competitiveness in consumer markets. Additional TV channels were added, thus greatly increasing consumers' exposures to TV commercials in general, and to international brands in particular. Until then, there were only a few TV channels that did not have too many commercials. These types of de-regulations simultaneously increased consumers' awareness of international brands and affected their choice dynamics. In different foreign markets, there are many cultural differences among consumers that can influence the success of international brand introduction. Although marketers consider these differences, they are not fully explored. Standardization and adaptation approaches should consider potential differences in preferences and attitudes toward products. On the basis of this background, we believe that consumers will have quite a different perceptual perspective of the three brand categories. We expect choice and preference differences between the low importance of buying local products segment and the high importance products segment.

III. Hypotheses:

In this study, we will employ both choice modelling and preference regression approaches. In the choice model to identify the drivers that consumers use to choose between brands belonging to the categories of international, national and isolated. In the preference regression approach, the goal is to identify the cues that consumers may use to determine how much they like an international (or national or isolated) brand. Thus, the choice modelling results would indicate what cues brand managers should focus on when they are competing for market shares between international, national and isolated brand categories. The preference regression results would indicate how a manager for an international (or national or isolated) brand should manage the brand drivers/cues such that consumer preferences for this brand independently or in comparison to other brands of the

same category is enhanced; results from this would enable the manager of a new international brand to get an idea of how to manage the brand cues such that this new brand gets a higher preference than an existing international brand in the market. Choice modelling and preference modeling together would provide very useful complementary information for the brand manager. Given the corresponding, but different thrusts of choice modelling and preference modelling, we expect

Hypothesis-i: The drivers that show up as salient for the choice modeling would be different from those that get indicated by the preference analysis. Cue utilization theory provides some insights about what kinds of drivers/cues affect consumer judgments of product quality.

Hypothesis -ii: The choice model analysis for the aggregate market should indicate that some intrinsic cues are the primary drivers of brand preference between the categories of international, national, and isolated; extrinsic cues should not affect choice substantially.

Hypothesis-iii: The aggregate market preference model analysis for the international brand category should indicate that consumers use a variety of both intrinsic and extrinsic cues to make preference judgments; for the isolated brand category, preference judgments should be driven mainly by brand equity and reputation type attributes.

IV. Methodology:

Analysis is conducted on international, national, and isolated brands of deodorants. We selected this category as it is one of the earlier categories to include all the three brand categories in this market. Our modelling approach is based on two different methods. In order to examine consumers' choice' used a multinomial logit model (MNL) and for preference formation analysis, a linear regression was used. Logit type models are appropriate to use when the dependent variable is categorical (for example, Roy and Ghose,2006) The MNL model is based on choice theory and falls within the category of random utility models (McFadden, 1974). We derive a probabilistic description of brand preference on the basis of product attributes for the three brand categories. In order to capture consumers' heterogeneity in terms of familiarity and usage levels among other things, and in terms of their cultural differences, we apply the model to two different segmentation schemes. The first is capturing the differences between men and women and the second is between different levels of importance of buying local products.

Data: To examine the differences in perceptions, choice and preference between the three different brand categories, we use data that was collected in a large southern town of north costal Andhra in India. Where we sampled individuals who were familiar with these three brand categories. This was done to avoid any possible biases because of respondent unfamiliarity. The respondents were asked to rate their perceptions of nine different attributes for the categories of international, national, and isolated brands on a scale of 1 to 7, where one is very low and seven is very high. The attributes used were: Price perception (very inexpensive to very expensive),Scent level (very low to very high), Foam level reflecting – how bubbly it is (very low to very high), After use reflecting – how consumer feels after deodorant use (very low pleasantness to very high pleasantness), Packaging (very unattractive to very attractive),Texture(Very low to high)of the deodorant, perception on deodorant Vitamin content (very low content to very high content) and Reputation of that deodorant (very low reputation to very high reputation). Respondents were also asked to make a choice from the three different brand types. In addition, the respondents were asked to state their preference levels separately for brands in these three different categories; a seven point scale (do not prefer at all to prefer very much) was used for this. The attribute rating task, the choice task and the preference rating task were randomized across the respondents in our sample. Overall, our sample included 243 respondents.

Multinomial Logit (Mnl) Model: MNL is a simultaneous compensatory attribute choice model incorporating the concepts of thresholds, diminishing returns to scale and saturation levels. The MNL estimates for each individual the individual's probability of choosing each alternative in the choice set. In addition, it allows for diagnostic information regarding the salient attributes involved in the choice formation process. The MNL assumption is that the consumer's overall liking for an alternative is a function of the perceived relative utility of the alternative, as evaluated by the consumer. In addition, it is assumed that the utility function separated into:
(i) A deterministic component (measured in terms of perceived value of the attributes of the alternative), and
(ii) A random error, which is independent and identically distributed (iid) across all individuals with a Weibull distribution.

Let uij=vij+eij denote the utility of individual i (i=1, 2…..n) from choosing alternative j(j=12….m), where vij is the deterministic component utility and vij is the random component utility.

Thus, the probability pij, that an alternative j will be chosen from a set of alternatives depends only on the deterministic component of the utility function, such that

$$\mathbf{P_y = Pr\,[Uy_{=J} \geq U_y, \forall\ ,\ \in\ C_j\ ],\ and\ P_y} = \frac{\exp^{(v_{y)})}}{\sum_{j=1}^{j=m} \exp^{(v_y)}} \qquad \mathbf{(1)}$$

Where Vy $= \sum_{j=1}^{K} \alpha_k x_{ijk}$, α_k is the importance of the k[th] attribute in the utility, and x_{ijk} – is threating of consumer i of attribute k for alternative j.

Thus, the deterministic part of the utility in our case is

$$\mathbf{V_y} = \alpha_1 \mathbf{Scent_j} + \alpha_2 \mathbf{Foam_j} + \alpha_3 \mathbf{Aftense_j} + \alpha_4 \mathbf{Packagej} + \alpha_5 \mathbf{Variety_j} + \alpha_6 \mathbf{Texture_j} + \alpha_7 \mathbf{Price_j} + \alpha_8 \mathbf{Vitamins_j} + \alpha_9 \mathbf{Reputation_j} \qquad \mathbf{(2)}$$

And one needs to estimate the parameters $\alpha_k^1 s.$

The preference regression model utilizes the same product attributes but estimate the relative importance of the different attributes in forming preference for the different brand categories separately as follows.

$$\boldsymbol{Pref_j} = \mathbf{\beta_1 Scent_j + \beta_2\, Foam_j + \beta_3\, Aftense_j + \beta_4\, Package_j + \beta_5\, Variety_j + \beta_6\, Texture_j + \beta_7\, Price_j + \beta_8\, Vitamins_j + \beta_9 Reputation_j} \qquad \mathbf{(3)}$$

Where $Pref_j$ – is the preference for the j[th] brand category where j = 1, 2, 3 and $\beta_k^1 s.$

Parameters to be estimated for k=1,…., 9

Table-I: MultiNomial Logit Choice Model Coefficients: Aggregate Sample

s.no.	Variable	Parameter	Significance level
01	Price	0.037	0.603
02	Scent	0.402	0.001
03	Foam	-0.238	0.034
04	After use	0.384	0.001
05	Package	0.030	0.738
06	Variety	0.055	0.598
07	Texture	0.132	0.167
08	Vitamins	-0.113	0.254
09	Reputation	0.246	0.006
10	Log likelihood function	-172.5629	-

V. Results:

The MNL model results for choice and the regression analysis for preference formation for the three different brand categories. From Table -I, the results of the MNL for the total sample are presented. We can evaluate the results by dividing the different attributes into core and extrinsic attributes. This type of analysis enables us to determine what component of the product has how much impact on the preference formation of consumers. Thus, we separated the product's attributes into: (a) brand equity (that is, reputation), (b) distinct value (that is, price), (c) core attributes or intrinsic cues (that is, deodorant -related attributes such as foam, scent, texture, and so on.) and (d) purely external attributes (that is, packaging). Items a, b and d are different kinds of extrinsic cues. It can be seen that scent, foam, after use, and reputation are significant at least at the Five percent level. In other words, the core attributes of the product and its brand equity are salient in the choice process of the whole sample. In terms of goodness of fit, the model was able to classify correctly 71.2 per cent of the observations with respect to their chosen brand category. Next, we analyze differences between men and women as presented in Table-II. The results indicate that scent and foam are salient in the choice process of the men segment whereas scent, after use, texture, vitamin content and reputation are salient in the women' consumer segment. That is, men use only two core product attributes in their choice process for deodorant where women use multiple core products attributes as well as the brand equity attribute in their choice process. These differences clearly indicate that different marketing strategies can be effectively constructed for these two segments which will, for example, focus on the scent and foam of the deodorant for men (highlighting the core benefits), whereas for women more sophisticated marketing communication strategies could highlight the

branding and soothing aspects of deodorant. The model was able to classify correctly 74.7 per cent of the observations with respect to their chosen brand category. To verify whether this segmentation scheme is meaningful (whether separating the sample into men and women result in a better data fit than would an aggregate sample), we conducted log-likelihood tests, –2 log l, where l=(LLsegments – LLaggregate) (Gensch, 1985). The log-likelihood test, _2 log l= 49.70 is significant at the one percent level. This segmentation scheme, therefore, is meaningful in the sense that it was able to statistically significantly improve the model fit.

Table-II: Multinomial Logit Choice Model Coefficients: Men and Women Segments

s.no.	Attribute	Men		Women	
		Parameter	Significance level	Parameter	Significance level
01	Price	-0.591	0.520	-0.009	0.954
02	Scent	0. 506	0.002	0.454	0.019
03	Foam	-0.352	0.046	-0.289	0.139
04	After use	0.949	0.579	0.783	0.001
05	Package	0.305	0.839	0.082	0.568
06	Variety	0.501	0.729	0.078	0.713
07	Texture	-0.926	0.466	0.692	0.001
08	Vitamins	0.110	0.400	-0.508	0.010
09	Reputation	0.903	0.442	0.682	0.001
10	Log likelihood function	-89.1846	_	-58.5276	_

We analyze the effects of culture from a local buying perspective. As consumers in many countries vary in the degree to which they are accepting of international products into their market, it is important to understand this potential source of consumer heterogeneity. This type of segmentation to examine the heterogeneity among consumers in emerging markets such as India and across countries. We operationalized this variable by asking respondents to rate on a scale of 1 to 7 how important it was to purchase local products. The respondents into three groups such that those respondents who rated importance as low were grouped into the low importance of buying local products (those respondents who rated this variable below 3), those who rated this importance high on the scale were grouped into the high importance of buying local products group (those consumers rated variable above 5) and those who rated this importance in the middle of the scale were grouped into the medium importance of buying local products group (consumers who rated variable at 3, 4 or 5 scale).

Table-III: Multinomial Logit Choice Model Coefficients: Importance of Buying Local Products' Segments

s.no.	Attribute	Low importance		Medium importance		High importance	
		Parameter	Significance level	Parameter	Significance level	Parameter	Significance level
01	Price	-0.075	0.636	-0.355	0.033	-0.107	0.347
02	Scent	0.492	0.028	0.2877	0.232	0.344	0.035
03	Foam	-0.205	0.403	-0.109	0.655	-0.375	0.067
04	After use	0.392	0.075	0.606	0.015	0.247	0.167
05	Package	-0.215	0.296	-0.060	0.771	0.172	0.275
06	Variety	0.532	0.054	-0.132	0.584	-0.514	0.726
07	Texture	0.197	0.270	0.159	0.526	0.119	0.401
08	Vitamins	-0.641	0.006	0.055	0.829	0.081	0.597
09	Reputation	0.579	0.002	0.298	0.127	0.094	0.538
10	Log likelihood function	-49.3911		-44.0384		-66.6218	

The results from Table-III provide cultural difference impact in such an emerging market. Those consumers who placed a low importance on the buying of local products, utilized scent, variety, vitamins, and reputation in their choice process and to a certain degree the after use feel as well. Those who placed a high importance on the buying of local products, used scent as a salient attribute in their choice process and to a certain degree, the foam of the deodorant. The medium level of importance segment, utilized the after use feel, and price in the choice process. It is interesting to note that the low importance consumers exhibit a more complex choice with core and brand equity attributes being salient in the choice process whereas the high importance segment uses only a fraction of the core attributes.

Table-IV: Preference Regression Analysis – Aggregate Level for Three Brand Categories

s.no.	Attributes	Isolatedbrand category		Nationalbrand category		International brand category	
		Parameter	Significance level	Parameter	Significance level	Parameter	Significance level
01	Price	0.111	0.107	0.022	0.778	0.181	0.001
02	Constant	0.381	0.335	-0.181	0.751	-1.298	0.028
03	Scent	0.063	0.452	0.375	0.001	0.308	0.001
04	Foam	0.074	0.898	-0.014	0.898	0.309	0.001
05	After use	0.161	0.131	0.241	0.031	0.281	0.003
06	Packaging	-0.039	0.656	0.051	0.632	0.045	0.586
07	Variety	-0.133	0.172	-0.010	0.931	-0.091	0.391
08	Texture	0.052	0.603	0.137	0.181	0.071	0.424
09	Vitamins	0.030	0.756	-0.133	0.241	-0.179	0.058
10	Reputation	0.282	0.004	0.196	0.075	0.275	0.002
11	R2	0.220	-	0.273	-	0.420	-

The medium importance segment reveals the salience of a new attribute in the choice process, that is, price. By using cultural differences, we are able to gain more insights into the choice for deodorants in different consumer groups; usage of segmentation scheme is somewhat unique in the context of these brand categories in an emerging market. The model was able to classify correctly 74.7 per cent of the observations with respect to their chosen brand category. The log-likelihood test, -2 log l= 25.032 indicating that the segmentation scheme used is statistically significant and meaningful. The subsequent phase is preference formation modelling. We estimated the regression parameters, as in Equation (3), for each brand– international, national and isolate, following the analysis in terms of aggregation and segmentation. The results of the aggregate analysis are presented in Table -IV. That the preference formation for the international brand category is very complex and involves many products attributes. Core (scent, foam, after use and vitamins), brand equity (reputation) and distinct value (price) are significant. It appears that consumers are presuming that a higher priced international brand signals higher quality and thus prefer a higher rather than a lower priced international brand. The national brand preference formation is based on core (scent and after use) and to a certain degree on brand equity (reputation). The isolated brand preference is solely based on brand equity (reputation). These results might be expected, intuitively, as they represent different types of products in terms of positioning, complexity and branding. Only a single significant attribute exists in the case of the isolated brand category. In a sense, a non-compensatory preference formation only the brand equity characteristic (reputation) matters in forming preference for that brand. The aggregate analysis such that the international brand category preference formation is driven by multiple attributes, and for the national and isolated ones less number of attributes is involved in this process.

Table-V: Preference Regression Analysis–Disaggregate Level for Women Segmentation

s.no.	Attributes	isolated brand category		National brand category		International brand category	
		Parameter	Significance level	Parameter	Significance level	Parameter	Significance level
01	Price	0.232	0.001	0.157	0.223	0.005	0.957
02	Constant	0.238	0.676	-1.867	0.020	-2.964	0.000
03	Scent	0.060	0.557	0.281	0.113	0.390	0.001
04	Foam	0.003	0.984	0.088	0.635	0.260	0.015
05	After use	0.231	0.086	0.350	0.013	0.355	0.005
06	Packaging	-0.036	0.803	-0.113	0.437	0.091	0.299
07	Variety	-0.204	0.127	-0.037	0.801	-0.430	0.002
08	Texture	0.238	0.073	0.304	0.022	0.376	0.002
09	Vitamins	0.045	0.723	-0.063	0.680	0.003	0.977
10	Reputation	0.279	0.054	0.248	0.102	0.252	0.019
11	R2	0.253	-	0.427	-	0.619	-

This result overall, is consistent with previous literature in preference formation for which in general as a generic category is conceptually close to that of isolated brands – where also only a single variable was significant (Heiman and Lowengart, 2008). Such a preference formation process might be the result of a halo effect. Consumers could be using a global evaluation in their mind for such a brand and do not discriminate between its attributes to form their preference, but rather use this global evaluation to determine their behaviour. Next, we analyze preference formation for men and women and present the results in Tables-V and VI. The results of the gender segmentation scheme reveal some similarities and differences between the three different brand categories compared with the aggregate analysis and within the different brand categories for each

segment. The preference formation basis for the international brand category for the women segment is very rich and complex and involves core, distinct value and brand equity attributes.

Table-VI: Preference Regression Analysis–Disaggregate Level for Men Segmentation

s.no.	Attributes	isolated brand category		National brand category		International brand category	
		Parameter	Significance level	Parameter	Significance level	Parameter	Significance level
01	Price	0.307	0.007	-0.129	0.225	0.122	0.164
02	Constant	0.499	0.384	1.674	0.051	0.704	0.364
03	Scent	0.148	0.323	0.515	0.003	0.042	0.314
04	Foam	0.137	0.330	-0.075	0.651	0.036	0.321
05	After use	-0.028	0.880	-0.055	0.787	0.007	0.396
06	Packaging	-0.043	0.732	0.119	0.453	0.054	-0.368
07	Variety	0.037	0.803	0.306	0.125	0.276	0.105
08	Texture	-0.230	0.165	-0.026	0.875	-0.206	0.119
09	Vitamins	-0.159	0.329	-0.195	0.268	0.435	0.006
10	Reputation	0.424	0.005	0.020	0.900	0.426	0.008
11	R2	0.268	-	0.221	-	0.327	-

Surprisingly, variety has a negative effect on preference towards this brand type. This process shows that a small number of attributes are important when it comes to the national and isolated brand categories as only a few core product attributes are significant in addition to the variable reflecting brand equity for the isolated brand. The preference formation of the men segment did not include price in its preference formation for the international brand category quite unlike that for the women segment.

Table -VII: Preference Regression Analysis – Disaggregate Level for – Low Importance of Buying Local Products

s.no.	Attributes	isolated brand category		National brand category		International brand category	
		Parameter	Significance level	Parameter	Significance level	Parameter	Significance level
01	Price	0.102	0.254	-0.042	0.729	0.159	0.031
02	Constant	0.488	0.308	-0.805	0.293	-1.909	0.013
03	Scent	0.060	0.613	0.344	0.041	0.532	0.001
04	Foam	0.021	0.884	0.298	0.072	0.264	0.031
05	After use	0.119	0.408	0.217	0.143	0.391	0.006
06	Packaging	0.068	0.594	0.203	0.233	0.009	0.932
07	Variety	-0.115	0.404	-0.089	0.577	-0.226	0.133
08	Texture	0.007	0.960	0.054	0.747	0.099	0.404
09	Vitamins	0.065	0.623	-0.076	0.658	-0.396	0.004
10	Reputation	0.195	0.127	0.155	0.348	0.475	0.000
11	R2	0.209	--	0.380	-	0.585	-

Table-VIII: Preference Regression Analysis – Disaggregate Level for – High Importance of Buying Local Products

s.no.	Attributes	isolated brand category		National brand category		International brand category	
		Parameter	Significance level	Parameter	Significance level	Parameter	Significance level
01	Price	0.099	0.366	0.010	0.925	0.225	0.004
02	Constant	0.578	0.387	0.855	0.319	-0.671	0.449
03	Scent	0.061	0.615	0.355	0.033	0.188	0.177
04	Foam	0.111	0.397	-0.425	0.008	0.352	0.005
05	After use	0.144	0.369	0.344	0.051	0.188	0.164
06	Packaging	-0.142	0.252	-0.098	0.507	0.092	0.505
07	Variety	-0.179	0.213	0.175	0.300	-0.089	0.576
08	Texture	0.177	0.242	0.244	0.070	0.030	0.830
09	Vitamins	0.056	0.705	-0.104	0.493	-0.081	0.559
10	Reputation	0.278	0.074	0.194	0.193	0.182	0.197
11	R2	0.196	-	0.257	-	0.332	-

There are no major differences between men and women when it comes to the national and isolated brands except that for the national brand category, mens used slightly fewer core attributes than the women, the last analysis we present, looks at a cultural difference effect on preference formation. For expository purposes and conciseness, we do not present the medium level. The results are presented in Tables VII and VIII.

Analyzing the results from the tables above, it can be seen that the 'low importance of buying local product segment' uses a complex preference formation process when forming preference for international brands with core, brand equity and the price attributes involved in this process. The 'high importance group' is influenced by foam and price only for the international brand category. It is interesting to note that the isolated brand category has no significant variables.

VI. Summary:

The analysis of consumers' preferences and choice for international, national and isolated brands, allow us to get a greater understanding of product positioning and targeting issues in an emerging market. Our results indicate that there were interesting patterns with respect to attributes that were salient in consumers' preference and choice formations. In general, at the aggregate level, the deodorant's scent, foam, after use feeling, and reputation were significant in the choice process. Different consumers' groups, however, did not equally value these attributes. In particular for the men group, only the deodorant's foam and scent had significant effects on preferences, while for the women group, scent, the after use feeling, texture, vitamins and reputation of the deodorant had significant impacts on choice. Capturing the heterogeneity among consumers with respect to the importance of buying local products, it seems that the low importance segment valued scent, variety, vitamins and reputation in forming preferences. The medium importance segment valued the price and after use feeling attributes, and the high importance segment valued scent and foam. These differences support our general research expectation of differences in consumers' attribute evaluations in affecting choice. A result coming out from this study is the possible identification of consumers who halo in a choice or preference task. By this we mean that some consumers do not consider many attributes, and the outcome of their behaviour is based probably on some global evaluation of the brand. Further research in exploring this issue through an exploratory study might reveal the driving forces behind such potential behavior. Future research can also benefit from two types of extensions. The first is extending this analysis to other non-durable product categories with a similar market structure and the second is to examine similar markets that may go through this process at a different point in time. Creating a longitudinal type of study where perceptions, preferences and choice are analyzed at various time periods after an international brand is introduced, will also be of use. This will provide a path towards understanding steady-state-like conditions. Managers can get a better view of the appropriate marketing strategies for different brands categories (international, national and isolated) by understanding what drives consumers' preferences and choice in general and different consumer groups in particular. Our study shows that gender differences are mainly reflected in that in the women segment, choice is driven by brand equity and core deodorant attributes (the physical aspects of the product), whereas the men segment's choice is not driven by brand equity aspect of the product, but only by the intrinsic aspects (core attributes) of the product. For those consumers who are valuing locally produced products, choice is driven by a few intrinsic product attributes, whereas those consumers who have low importance for locally produced products have their choice driven by both intrinsic and brand equity attributes.

VII. Findings:

We would like to compare our analysis finding**s w**ith the theoretical hypotheses that we had identified in second section of the article. Hypothesis-i is supported indicating that the choice process is quite distinct from the formation process for preference assessments, as indicated by the clearly different patterns of drivers that show up as salient in the two types of analyses. We found partial support for Hypothesis-ii. As expected, intrinsic cues were significant drivers of aggregate market level choice between the three brand categories. In contrast to our expectation though, one extrinsic cue, namely brand reputation turned to be a salient variable also. Hypothesis-iii was supported. At the aggregate market level, the preference judgment for the international brand category was formed by a complex compensatory judgment process involving a variety of intrinsic and extrinsic cues; for the isolated brand category, the extrinsic cue of brand reputation was the sole salient determinant of preference judgment. Our research has brought out several findings of managerial significance for these brand categories in the context of an emerging market. These findings could be the platform from which future researchers can plan to explore other competitive aspects that may affect consumer choice and preference in emerging markets.

VIII. Conclusion:

Study reveals that the product category (deodorant) international, national and isolated brands categories have very distinct identities. They affect consumer preferences and choice in various ways. The impacts at the aggregate market level also vary from those at some segment levels, suggesting the varying utility of different types of marketing strategies. We have considered two kinds of segmentation variables, one demographic (gender) and the other cultural (one which emphasizes importance of buying local or not) in nature. At the segment levels as well as at the overall market level, the brands have been characterized by

extrinsic and intrinsic product attributes as well as attributes reflecting value and brand equity. The preference regression runs identify the drivers that are important in moulding how consumers develop a liking for a specific brand type, when the brand is considered in an independent context. The choice modeling reveals what drivers are important when international, national and isolated brands compete with one another for market share. Choice modelling is closely in synch with our main objective – to understand how international, national brand and isolated brands vie with each other to get the mind share of consumers in an emerging market. The preference analysis provides complementary information. For instance, the latter analysis could indicate what kinds of attributes might a new international brand (possibly a future entrant) want to stress if its goal is to gain the preference of consumers within that category. Let us next consider an example related to the choice analysis: For an international brand to compete with a national brand and a isolated brand, the international brand should not waste any resources utilizing any price based strategy; this is based on the aggregate level choice analysis. The reason is that the price variable was not significant in the choice modelling. However, in preparing for the future entry of a new international brand, the existing international brands need to absolutely think of considering a premium pricing policy today; this deduction follows from the positive and significant price coefficient for the international brand category at the aggregate market level in the preference analysis.

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