## Final Research Project Report

## On

## 

**“The Effect of Product Quality on Consumer Brand Loyalty”**

**Submitted to**

## 

**I.K. GUJRAL PUNJAB TECHNICAL UNIVERSITY**

**KAPURTHALA**

In partial fulfilment of the requirement for the award of degree of Master of Business Administration (MBA)

**Submitted by Supervisor**

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**MBA DEPARTMENT**

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**STUDENT DECLARATION**

I **Tanya Verma,** hereby declare that I have completed a research project titled **A Study on Consumer Satisfaction in “Effect of product quality on consumer brand loyalty”** under the guidance of **Dr Ramanpreet Kaur.**

Further I hereby confirm that the work presented herein is genuine and original and has not been published elsewhere.

Tanya Verma

(Student Name and Signature)

**FACULTY DECLARATION**

I hereby declare that the student **Tanya Verma** of MBA (IV) has undergone her final research project under my periodic guidance on the **“Effect of product quality on consumer brand loyalty”.**

Further I hereby declare that the student was consistently in touch with me during his research work and the work done by student is genuine & original.

Dr Ramanpreet Kaur

(Signature of Supervisor)

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**CHAPTER-1**

**INTRODUCTION**

Product quality is a critical factor influencing consumer behaviour and brand loyalty. It encompasses the tangible and intangible attributes of a product that meet or exceed customer expectations, leading to satisfaction and loyalty.

The relationship between product quality and consumer brand loyalty is a significant aspect of marketing and brand management. High-quality products can influence consumers' perceptions of a brand, contributing to increased satisfaction and loyalty. In today's competitive marketplace, businesses strive to build strong brand loyalty as it is crucial for customer retention, repeat purchases, and long-term profitability.

Product quality encompasses various aspects such as functionality, durability, design, and aesthetics. When consumers perceive a product as high quality, they are more likely to develop positive associations with the brand, leading to stronger loyalty. Loyal customers tend to make repeat purchases, advocate for the brand, and remain less sensitive to price changes, which can provide a competitive advantage for businesses.

However, the specific dimensions of product quality that most significantly impact brand loyalty may vary across different industries and market segments. Understanding this relationship is essential for businesses to design effective marketing strategies and enhance customer retention.

This study aims to explore the effect of product quality on consumer brand loyalty, identifying key quality dimensions that influence loyalty across different market sectors. By examining this relationship, the research provides valuable insights for marketers and brand managers to enhance product quality, improve customer satisfaction, and ultimately increase brand loyalty for sustained business success.

About company:

**The Aditya Birla Group** is one of the largest and most respected conglomerates in India, with a global presence across various industries. Established in 1857, the group has a diverse portfolio of businesses spanning sectors such as metals, cement, textiles, chemicals, financial services, telecommunications, and retail. Overall, the Aditya Birla Group's diversified business portfolio, global presence, commitment to sustainability, and focus on innovation have cemented its position as one of India's leading conglomerates.

**Grasim Industries Limited** is a flagship company of the Aditya Birla Group, one of India's largest conglomerates. The company, established in 1947, is a diversified entity with major interests in viscose staple fiber (VSF), chemicals, cement, and textiles. Grasim is headquartered in Mumbai, Maharashtra, India.

Step into **Birla Opus Paints**, a realm where painting excellence is pioneered through imagination. We go beyond aesthetics to create beautiful spaces with thoughtful innovations that bring inspiration to life. State of the art R&D

Dive into the heart of innovation at Birla Opus Paints which stems from our state-of-the-art R&D facility with a cognizant team of 100 research experts tirelessly refining each creation. With an unwavering commitment to perfection, every product undergoes a rigorous 3-year testing journey before it meets your walls, ensuring that only the finest paints grace your spaces.

Brand loyalty reflects the extent to which customers consistently choose a particular brand over others.

It is a valuable asset for businesses, driving repeat purchases, positive word-of-mouth, and long-term customer relationships.

Product quality and customer loyalty has attracted immense scholarly attention because it directly translates into increased profits. Firms compete on quality, customers search for quality, and markets are transformed by quality.

It is a key force to delight customers, firm profitability and the economic growth of nations(Deming, 1982). For survival and success of business operations, quality is considered as most integral part of any competitive marketing strategy.Better product quality will maintain a high level of customer satisfaction, which encourages customers to make their next purchases, thus, customer loyalty is gradually formed. Loyal customers are willing to pay more, express higher buying intentions, resist switchingand also leads to endorsing the goods and services to their friends and associates.In view of the growing importance of product quality and its impact on customer loyalty, present study attempts to review the two constructs, their dimensions and relationships and to offer suggestions, on the basis of review of literature, for improved business decisions. Keywords: Product Quality, Dimensions of Product Quality, Customer Loyalty, Dimensions of Customer Loyalty, Customer Satisfaction

**CHAPTER-2**

**LITERATURE REVIEW**

Product Quality Quality management has a long history dating back to the dawn of manufacturing and has attracted the attention of researchers and practitioners for decades as a major competitive priority of businesses all over the world. A search for the definition of quality produced a mixed bag of results. Quality has been defined as value (Feigenbaum, 1951), conformance to specifications (Gilmore, 1974; Levitt, 1972), conformance to requirements (Crosby, 1979), fitness for use (Juran, 1974, 1988), loss avoidance (Ross, 1989), and meeting and/or exceeding customers' expectations (Gronroos, 1983; Parasuraman, et. al., 1985). Quality is an important working strategy that is well understood in the expectations of customers both inside and outside the company, whether these expectations are explicit or implicit (Feigenbaum, 1991). Global definition of quality does not exist, rather, there are different definitions resulting from five major approaches to defining quality, namely, transcendent, productbased, user-based, manufacturing-based, and value-based. These approaches have their roots in philosophy, economics, marketing and operations management (Rose and Tamimi, 2002). Garvin (1984) and Carol and Bednar (1994) have noted that these numerous definitions are required not exclusively to catch the complexity of the quality construct, but with the end goal for firms to address quality issues that change as product travels throughdifferent stages from design to production stages till final/finished product in the marketplace.

A brief review of five major approaches to quality is presented below: - The Transcendent approachof quality is derived from philosophy and from Plato‟s discussion of beauty (Garvin, 1984). From this perspective quality is synonymous with “innate excellence‟‟. The assumption is that quality is both absolute and universally recognizable. Proponent of this view claim that quality cannot be defined precisely; rather it is a simple, analysable property that we figure out through experience (Brown et al., 2001). This is the basis for technological leadership and quality leadership as well. This approach to define quality is highly subjective. The product-based approachhas its roots in economics. According to this view, differences in the quantity of some ingredient or attribute possessed by the product are considered to reflect differences in quality (Garvin, 1984).It has two approaches - first, higher quality can be obtained at higher expense/costs and second, quality is viewed as measurable characteristic of a good/product rather than preferences. The emphasis is more on objective evaluation of quality (Tamimi and Rose, 2002). In the user-based approach, quality is the extent to which a product or service meets and/or exceeds customers‟ expectations (Garvin 1984). This approach is market based, and arose basically out of the services marketing literature. As the service sector grew, the client's/customers point of view turned out to be progressively more significant in deciding quality (Carol and Bednar, 1994). Nonetheless, the effect of the ''customers perspective'' can be found in a few of the early definitions on quality. For instance, in the first release of his Quality Control Handbook, Juran (1951) conceptualized that quality was made out of two sections, namely, the quality of design and the quality of conformance. The quality of design, fundamentally, alluded to giving fulfilment to clients by making products that addresses/met their issues. Quality of conformance is subjective and to some degree complex.Today the user-based definition is broadly acknowledged and thought about one of the vital ideas of TQM. The manufacturing-based approachhas its roots in operations and production management. In this approach quality is defined as conformance to specifications (Crossby,1979). Quality of conformance relates to the degree to which a product meets certain design standards. Its primary focus is internal and quality is viewed as a result of engineering and manufacturing practices. It is the basis of statistical quality control. According to this approach upgrades in quality (which are identical to decreases in the

number of deviations) leads to bring down expenses, for preventing defects is seen as more affordable than fixing or revising them (Garvin, 1984). This approach takes into account the exact and target estimation of value, in spite of the fact that it has restricted appropriateness for services (Carol and Bednar 1994). The value-based approachcompares quality in terms of costs and price. According to this view, quality product is one that provides performance at an acceptable price or conformance at an acceptable cost (Garvin,1984). This approach is derived from traditional economic model and depends on a thought that customers regularly think about quality according to the price of the product (Tamimi and Rose, 2002). Feigenbaum (1951) has given this idea when he defined quality as “best for certain customer conditions”. These conditions are (a) the actual use and (b) the selling price of the product. From the standpoint of the marketplace, quality has been described as a product's perceived superiority or excellence when compared to competing alternatives (Garvin 1988; Zeithaml 1988). Quality, according to Deming (1982), is characterised as "the output of using the most cost-effective means to produce the most valuable goods in the market," stressing that "quality is to be produced, not tested." Quality refers to a product's ability to satisfy a particular customer's need, and is deemed to be of higher quality (Garvin, 1987). Product quality as described by Kotler and Keller (2006) is the amount of a product's or service's features and characteristics that are based on its ability to meet needs that are either articulated or implied. Tjiptono, et. al., (2015) holds the view that product quality is a complex condition related to goods and services, individuals, processes, and environments that meet or exceed standards. Kotler,et. al.,(2008), however, are of the opinion that product quality is a product's ability to perform its function, which includes overall durability, reliability, accuracy, ease of operation, and product repair, as well as other product attributes.McDaniel (2011) states that product quality is defined by six characteristics, namely, dependability, longevity, ease of maintenance, ease of use, a trusted brand name, and a low price while (Lefkoff and Mason, 1993) identified threecharacteristics of product quality, such as, features, advantages, and image. There is no consensus among researchers regarding the number of dimensions/attributes/features of product quality even today. For example,Alhire, et. al., (1996) identified four dimensions of product quality (performance, reliability, conformance, and durability), Mandu (1985) two (features and reliability),Tamimi (1996) three (reliability, aesthetics and performance and Brucks, et. al., (2000) has identified seven (ease of use, features, durability,serviceability, performance, perceived quality and aesthetics)dimensions of product quality.Garvin's (1984) eight-dimensional structure (performance, features, reliability, conformance, durability, serviceability, aesthetics, and perceived quality) has been widely used in many research studies (Hoe, and Mansori, 2019; Jakpar, et. al., 2012 and Syahrial, et al., 2018). Customer perceptions of product quality, however, ranks high on one dimension and low on another (Garvin, 1987).Since these dimensions are often interrelated, changes in one might be at the cost of another (Kenyon and Sen 2016).

These eight dimensions (Garvin‟s, 1984) are explained given below:- Performance Performance implies the primary operating characteristic of a product. For an automobile, these would-be traits like acceleration, handling, cruising speed, and comfort; for a television set, they would include sound and picture quality, colour, and ability to receive distant stations. In service businesses, performance often means prompt service (Garvin, 1984; 1987). Since this quality dimension incorporates assessable qualities, brands are typically evaluated objectively on specific features of performance. Nonetheless, the general performance levels are harder to increase, particularly when they don't uphold all the customers' necessities (Garvin, 1987). Murthy (2000) states that total product quality is a coordination of three concepts of quality, such as, conformance, performance and quality of service. These three are connected to one another and should be studied together in an incorporated system that includes both the retailer's and manufacturer‟s decision-making process and their cooperation. Babbar, et. al. (2002) suggests that improving performance should be the main target of the producers when they are creating products to meet clients' expectations. Features Features are “bells and whistles” of products and services, secondary characteristics that supplement the product‟s basic functioning.

Examples include free drink on a plane and automatic tuner on a TV set (Garvin, 1984). The separating line between primary performance features and secondary features is regularly hard to draw. What is critical are features involving objectives and measurable attributes, individual needs, not prejudices that affect their interpretation into quality differences (Kianpour, et al., 2014).

Reliability The mean time to first failure (MTFF), the mean time between failures (MTBF), and the failure rate per unit time are some of the most common product reliability indicators. Since it is important to measure a product that is in operation for a fixed period of time. It is usually associated with durable items rather than goods or services that are used directly (Garvin, 1987). The goods or services would have respectable quality if the scheduled tasks were performed without inconsistency. There would be no loss due to side-effects, in addition to the cost of using them (Eiklenborg, et al., 2011).Romero, (1997) gave a measure of perceivedproduct quality to gauge four general dimensions of products. One of the referenced measurements was flawlessness which was identical to reliability. Ahmed, (1996) considers reliability as the most significant dimension of product qualityand concluded that broadening the reliability of a product straightforwardly impacts on the product's performance and quality. Conformance Conformance is a degree to which a product‟s physical and performance characteristics meet design specifications. The measures for the disappointments of conformance are the incidence of service calls and defecting rate in the industrial unit or once the product is in the customer's hands. These measures disregard other deviations from the norm, for example, "incorrectly spelled labels/tags or terrible structure that try not to prompt help or fix" (Garvin, 1987). Also, some examination has been done about conformance as one of the product quality dimensions. For instance, for estimating and classification of product quality for a particular product, conformance is classified as the second element of product quality from the customer's point of view (Karnes,1995).

Durability Durability has both economic and technical dimensions. Technically, durability can be defined as the amount of use that one gets from a product before it deteriorates. It can be defined as the amount of usage that one gets from goods before it breaks down, and replacement is desirable to constant repair (Garvin, 1987).Karnes,(1995) sorted durability or expected life as the third most significant component of product quality from the shopper's perspective. Serviceability Serviceability means the ease, speed, courtesy, and competence of repair.

Customers are concerned not only about the product breaking down, but also are stressed over the time before service is restored, the timeliness with which service appointments are kept, being confronted with the nature of the service staff and the frequency of service calls or repairs fail to resolve problems related with the product or service. In those situations where the issues of the customers are not fixed carefully and grievances are recorded, customers evaluation of goods and service quality are affected by these complaints and handling processes (Garvin, 1987). Brucks, et al., (2000) show that the price and brand names would not be especially significant from the purchaser's perspective about the serviceability, since data about the serviceability of the goods isn't open to the customer before purchase.

Aesthetics Aesthetics has been characterized as a subjective element of quality. How a product looks, appears, sounds, tastes, or smells involves person/individual decisions and areflection of individual preferences. It may be difficult to satisfy everybody with respect to this dimension of quality (Garvin, 1987). Perceived Quality Quality based on image, brand name, or advertising rather than product attributes are subjectively assessed. Customers may not generally have enough information about the features of the product or service. Secondary measures like comparing the brands can be their solely source of comparison. Customers must rely on indirect measures while comparing brands. In such conditions, product is evaluated

less on their objective characteristics than on their images, advertising, and brand names (inferences about quality more than the realism itself) can be critical (Garvin, 1987). Customer Loyalty There is no universally accepted definition of customer loyalty (Zhang, et. al., 2010). In fact, one philosopher,Sorley (1908),has said that great thinkers of morality have tended to avoid the subject of loyalty. Oliver (1999), however, has defined loyalty as a deeply held commitment to re-buy or re-patronized a preferred product or service consistently in the future. In other words, it refers to the willingness of a customer to consistently re-patronise the same service provider. Jacoby (1973) expressed the view that loyalty is a biased behavioural purchase process that results from a psychological process.

**CHAPTER-3**

**NEED SCOPE AND OBJECTIVES OF THE STUDY**

**Business Imperatives**

Businesses are increasingly recognizing the pivotal role of brand loyalty in sustaining competitive advantage and long-term profitability. Understanding the impact of product quality on brand loyalty is essential for businesses to align their strategies with customer-centric values.

**Consumer-Centric Approach**

In an era where consumer empowerment is at its peak, businesses need to prioritize product quality to build trust, foster loyalty, and create meaningful brand experiences that resonate with their target audience.

**Addressing Industry Challenges**

The study aims to address the challenges faced by businesses in navigating the complex landscape of consumer brand loyalty, providing actionable insights to enhance brand equity through product quality initiatives.

In a study on the "Effect of Product Quality on Consumer Brand Loyalty," the scope and objectives are essential for focusing the research and ensuring that it provides meaningful insights. Here's how you can define the scope and objectives:

Scope of the Study:

1. \*\*Industry Focus\*\*: Specify the industry or industries where the study will be conducted (e.g., technology, food and beverage, fashion, etc.). This will help narrow down the research and make the findings more applicable to the chosen context.

2. \*\*Product Range\*\*: Define the range of products included in the study (e.g., smartphones, laptops, soft drinks, clothing). This allows for a targeted analysis of specific products.

3. \*\*Geographic Location\*\*: Determine the geographic area where the study will take place (e.g., a specific country, region, or city). This is important as brand loyalty can vary by location due to cultural and economic differences.

4. \*\*Consumer Demographics\*\*: Define the consumer demographic that the study will focus on (e.g., age, gender, income level). This helps ensure that the study's findings are applicable to the specific audience.

5. \*\*Time Frame\*\*: Specify the time period over which the study will be conducted (e.g., one year, several years). This allows for observing changes in consumer behavior over time.

Objectives of the Study:

1. \*\*Determine the Relationship\*\*: Assess the relationship between product quality and consumer brand loyalty. This involves understanding how changes in product quality affect loyalty.

2. \*\*Identify Key Factors\*\*: Identify key factors of product quality that contribute most to consumer brand loyalty. This could include durability, reliability, functionality, aesthetics, and other product attributes.

3. \*\*Measure Brand Loyalty\*\*: Evaluate how product quality influences different aspects of brand loyalty, such as repeat purchases, word-of-mouth recommendations, and customer retention.

4. \*\*Examine Demographic Variations\*\*: Investigate whether the effect of product quality on brand loyalty varies across different consumer demographics, such as age groups, income levels, and regions.

5. \*\*Provide Insights for Marketers\*\*: Offer actionable insights for marketers and businesses to improve product quality and enhance brand loyalty.

6. \*\*Compare with Other Factors\*\*: Compare the impact of product quality on brand loyalty with other factors, such as price and brand reputation, to understand their relative importance.

7. \*\*Make Recommendations\*\*: Provide recommendations for companies on how to improve product quality to enhance consumer brand loyalty and increase market share.

By clearly defining the scope and objectives, the study can be structured to provide valuable insights into how product quality influences consumer brand loyalty in a specific context.

**CHAPTER-4**

**RESEARCH METHODOLOGY**

**INTRODUCTION OF THE STUDY**

**Defining Product Quality**

Product quality is a critical factor influencing consumer behavior and brand loyalty. It encompasses the tangible and intangible attributes of a product that meet or exceed customer expectations, leading to satisfaction and loyalty.

**Defining Product Quality**

Product quality is a critical factor influencing consumer behavior and brand loyalty. It encompasses the tangible and intangible attributes of a product that meet or exceed customer expectations, leading to satisfaction and loyalty.

**Linking Product Quality to Brand Loyalty**

The connection between product quality and brand loyalty lies in the ability of high-quality products to build trust, satisfaction, and emotional connections with consumers, fostering loyalty and advocacy.

**STATEMENT OF THE PROBLEM:**

* Importance of product quality in influencing consumer brand loyalty.
* Investigating how different dimensions of product quality influence consumer brand loyalty .
* Explore whether high product quality consistently correlates with increased brand loyalty .

**OBJECTIVES OF THE STUDY**

1. Evaluating the effect of product quality in retaining and maintaining consumers brand loyalty with a special emphasis on Birla Opus Paint company.
2. Examining the effect of product quality on the demand of Birla Opus products.
3. Deterring the acceptability of product quality as an important marketing strategy adopted by the company.
4. Making some recommendations towards the profitability of product quality as a  strategy in retiring and gaining market  share in the midst of severe competitions.

**RESEARCH METHODOLOGY:**

The research methodologies are using primary data collection and secondary data collection. Here primary data collection is performing through questionnaire and observation. A sample size of 100 customers is taken randomly.

The sample is limited to the visitors in the local shops. The sample is collected by approaching respondents personally and the people who bought something from the shops. The sampling chosen is a random sampling so that every respondent has equal chance to respond.

The collected data in the form of questionnaires is then processed and the analysis is done so that we can suggest improvements based on findings

**Research Design:**

The research design chosen for this research is Descriptive Research Design as there is plenty of data available as secondary data and a lot of researches are done before.

**SAMPLING DESIGN:**

**Sample size**

Sample size taken to conduct the research is 100

**Sampling Method**

The sampling method used to conduct the research is Simple Random Sampling which helps all units from the sampling frame have an equal chance to be drawn and to occur in the sample.

**Sample frame**

As we have selected simple random sampling the researcher had thefreedom to select the sample randomly where there is equal chance forevery sample to be taken.

**DATA COLLECTION DESIGN:**

**PRIMARY DATA**

Primary data has been collected for meeting the proposed objectives in order to give the solution for problems discovered in this study. The methods that have been used to collect the primary data are:

* Questionnaire
* Observation
* Interview

**Questionnaire:** Questionnaire was used as the major tool for collecting data. It is because questionnaire provides the chance for receiving feedback from the respondents on time. Questionnaire is developed keeping in view the consumer buying decision and behaviour.

It consisted of questions that attract customer to make purchases, what factors customers consider while purchasing products. It contained a set of questions related to the attributes of products like the quality, price and variety of products.

The respondents have to rate these attributes. In addition to these, it also contained demographic information (age. Gender, and family kind) and there income structure of the respondents. In order to get the responses from the respondents Google form were also used.

**Observation:** Data has been collected by non-participative observation. In day to day life we all personally observed the customers how they were behaving while purchasing products and examined them according to their behaviour. Also I had examine the act of consumer on various social sides when a brand change there logo of qualitystyle to attract more customer sometime there behaviour are not in favour of the chances or vice versa.

**Interview (non-directive):** Data has been collected by the respondents through formal discussion and personal interaction with the respondents. Interview helps in collecting data on the views, beliefs and experiences of the customers that directly have an impact on their buying decision and behaviour. Open -ended questions were asked from the respondents to identify the factors that influence their loyalty towards brand.

**SECONDARY DATA:**

* Website
* Journals
* Magazines
* Articles

**Scaling Design**

The questionnaire consists of questions which are based on nominal scale Likert scale.

**Questionnaire Design**

The questionnaire is prepared by researcher using open ended, closed ended, dichotomous and multi-dichotomous questions.

**SAMPLING METHOD:**

Non-probability: Convenience Sampling Method

In nonprobability sampling technique the chances of selection of all elements of population are not equal and convenience sampling method means sample drawn at the convenience of the interviewer people tend to makes the selection at familiar location and choose respondents who are like themselves.

**2.4 LIMITATIONS OF STUDY**

* This study is only applicable to the daily used product.
* This is study is done on the basis of data provided by the respondents.
* Respondent Bias was one of the major limitations of research, and there might not be perfect

positive response from all the respondents.

* Sample size of the study is limited to 100

**CHAPTER-5**

**DATA ANALYSIS**

1. Which factor are mostly affecting the purchase of the products?

The following table shows the respondents results

|  |  |  |
| --- | --- | --- |
| **PARTICULAR** | **ANSWER** | **PERCENTAGE** |
| Brands | 24 | 24% |
| Design of packaging | 36 | 36% |
| Price | 16 | 16% |
| **Quality** | 24 | **24%** |
| **TOTAL** | **100** | **100%** |

1.1 The following pie chart represent the factors affect the purchase decision.

**INTERPRETATION:**

The above question is asked to the respondent to know influencing factors on consumer. Above table

and pie chart shows that 36% respondent choose or purchase product through checking packaging.

Where most of people select their product according to brand or quality or price. Out of 100 respondents

24% respondent select their product through brand or quality of product. Out of 100 respondents

16% respondent say they are selecting their product via price.

1. Does of a product influence your buying behaviour?

|  |  |  |
| --- | --- | --- |
| **PARTICULAR** | **ANSWER** | **PERCENTAGE** |
| Yes | 69 | 69 |
| No | 15 | 15 |
| Sometimes | 16 | 16 |
| **TOTAL** | **100** | **100** |

* 1. The following graph represent the influence of packaging

**INTERPRETATION:**

The above question is asked to the respondent to know really quality influence on customer

purchasing decision. From the above table and pie chart shows that (69%) people agree that

qualityand quality influence on customer purchasing decision. While 15% people say that

qualityof product does not influence while purchasing. Where most people say sometimes

quality they found the makes their purchasing decision.

1. Do you switch your brand due to change in quality of existing brands?

|  |  |  |
| --- | --- | --- |
| **PARTICULAR** | **ANSWER** | **PERCENTAGE** |
| Yes | 54 | 54 |
| No | 29 | 29 |
| Sometimes | 17 | 17 |
| **Total** | **100** | **100** |

3.1 The below chart is representing product switch due to quality:

**INTERPRETATION:**

This question is asked to the respondent to know if the quality of product change then people really

switch their brand or purchase another product. Out of 100 respondent 54% people agree that they are

changing their brand if quality of existing brand was changed. Where 29% people disagree that they

don't change if product quality was changed. 17% people sometimes they change their brand because

of qualitychange.

1. What is your priority towards Quality?

|  |  |  |
| --- | --- | --- |
| **PARTICULAR** | **ANSWERS** | **PERCENTAGE (%)** |
| Protective | 23 | 23 |
| Eco-Friendly | 40 | 40 |
| Attractive | 34 | 34 |
| Other | 3 | 3 |
| **TOTAL** | **100** | **100** |

4.1 The following graph showing the priority in packaging:

**INTERPRETATION:**

This question is asked to know what people think about Quality of the product. Above table and

chart shows that 40% respondent say that quality should eco-friendly and save environment of the earth.

Where out of 100 respondent 41% people say that quality is attractive (needed) its means that attracts

people to purchase it. Out of 100 respondent 23 respondent says that qualityprotects the product and

give long life the product.

1. Which features of quality are influencing to your brand loyalty?

|  |  |
| --- | --- |
| **PARTICULAR** | **MEAN** |
| Perceived Quality | 1.48 |
| Customer Loyalty | 1.96 |
| Durability | 2.03 |
| Conformance | 2.10 |
| Reliability | 2.33 |

1=Highly influence, 2=influence, 3=neutral, 4=Not very influence, 5=Not at all influence

5.1 The following graph represent the influencing feature of Product Quality :

**INTERPRETATION:**

Above question is asked to the respondent to know which kind of factors influence while purchasing.

Perceived quality mean score is 1.48 means it is near about highly influence or influence which means

quality mostly influence while purchasing. Printed information mean score is 1.96 which is quite near

of 2 which means printed information influence consumer while purchasing. Language used on the

package mean score is 2.03 which means it influence while purchasing of the product. quality mean

score is 2.10 which means quality of product also influence while purchasing. Quality design mean

score is 2.33 which is stands between 2 and 3 qualities also influence while purchasing of the product.

1. Did Quality of product inspire you in purchasing and build Customer brand Loyalty?

|  |  |  |
| --- | --- | --- |
| **PARTICULAR** | **ANSWERS** | **PERCENTAGE (%)** |
| Yes | 80 | 80 |
| No | 13 | 13 |
| Sometime | 7 | 7 |
| **TOTAL** | **100** | **100** |

6.1 The following shows the percentage of wrapper need of product

**INTERPRETATION:**

Out of 100 respondent 80% people say "Yes" it means that product quality always inspire people to

purchase it. Where 13% people say "No" it means that they found less inspiring ,does not make any

difference while purchasing the product. Whereas around 7% says that it would affect sometimes.

1. Do you read printed information on the packaging of product?

|  |  |  |
| --- | --- | --- |
| **PARTICULAR** | **ANSWER** | **PERCENTAGE** |
| Yes | 70 | 70 |
| No | 21 | 21 |
| Sometime | 9 | 9 |
| **TOTAL** | **100** | **100** |

7.1 The following chart showing the people who are concern about the information or read the information

﻿

**INTERPRETATION:**

In above question most of people read information's printed about quality because it helps the consumer

to evaluate the product. Where 21% people does not read printed information about quality they just

bought the product without any evaluation. And majority of respondents use to read the information

printed on the quality.

1. . Do you evaluate product according to printed information while purchasing?

|  |  |  |
| --- | --- | --- |
| **PARTICULAR** | **ANSWERS** | **PERCENTAGE (%)** |
| Yes | 53 | 53 |
| No | 37 | 37 |
| Sometime | 10 | 10 |
| **TOTAL** | **180** | **100** |

8.1 The following percent of respondent follow the manual

**INTERPRETATION:**

From the above pie chart through we can say that around 53% people evaluate the product through

reading printed information. Where 37% people does not evaluate the printed information means

they are bought the product without evaluation.

1. Please mark the satisfaction level in relation to following parameter?

|  |  |
| --- | --- |
| **PARTICULAR** | **MEAN** |
| Perceived Quality | 1.43 |
| Innovation in product quality and its ranges | 1.68 |
| The durability of product can chance your decision while purchasing | 1.97 |
| Creative description about the product | 2.17 |
| Service quality | 2.09 |
| Packaging and Branding | 2.26 |

1=Strongly agree, 2=Agree, 3=Neutral, 4=Disagree, 5=Highly disagree

9.1 The following chart showing the satisfaction level parameter

**Interpretation:**

The above table and pie chart show that strongly agreed people in chart is "Quality having attractive background" which means most people want attractive background of packaging. Where Innovation is important in quality is mean score is 1.68 which means most people want innovation in packaging. Most of people are agree that innovation can change their purchase decision. People are neither agree nor disagree with creative font style in packaging. People are agreeing that design is important in packaging. Most of people are neither agree or disagree with beautiful background of packaging

1. Gender

|  |  |  |
| --- | --- | --- |
| **PARTICULAR** | **ANSWERS** | **PERCENTAGE (%)** |
| Male | 111 | 62 |
| Female | 69 | 38 |
| **TOTAL** | **180** | **100** |

10.1 The following are the gender chart

**INTERPRETATION:**

In this research the majority of respondents are female around 42% who actually care about the quality

and around 58% respondent are male.

1. ﻿Family kind

|  |  |  |
| --- | --- | --- |
| **PARTICULAR** | **ANSWER** | **PERCENTAGE** |
| Nuclear Family | 31 | 31 |
| Joint family | 59 | 59 |
| Dual income with no kids | 10 | 10 |
| **TOTAL** | **100** | **100** |

11.1 The following graph represent the family type of the respondent.

**INTERPRETATION:**

The above table and chart shows which kind of family people are belonging. Out 100 respondent 31 people are belonging from nuclear family. Where 59 respondent are belonging from joint family. Where 10% people are belonging from dual income no kids.

1. Individual income

|  |  |  |
| --- | --- | --- |
| **PARTICULAR** | **ANSWERS** | **PERCENTAGE (%)** |
| Less than 5,000 p.m. | 17 | 17 |
| 5,000 to 10,000 p.m. | 10 | 10 |
| 11,000 to 20,000 p.m. | 38 | 38 |
| 21,000 to 30,000 p.m. | 13 | 13 |
| 31,000 to 40,000 p.m. | 18 | 18 |
| 41,000 p.m. and above | 4 | 4 |
| **TOTAL** | **100** | **100** |

12.1 The following charts show the income of the individual

**INTERPRETATION:**

The above graph are showing the family income and through that it can be identify that how much they can spend on luxury goods as compared to the normal goods. Through that we can understand there purchasing behaviour.

**CHAPTER-6**

**FINDINGS & SUGGESTIONS**

Relationship between Product Quality and Customer Loyalty

* The findings of the study shows that product quality has a positive and significant effect on consu loyalty and consumer satisfaction has a positive and significant effect on consumer loyalty. This shows that when product quality is getting better and satisfaction is achieved, loyalty will persist.

Grace, E., Girsang, R. M., Simatupang, S., Candra, V., andSidabutar, N. (2021). Product Quality

and Customer Satisfaction and Their Effect on Consumer Loyalty. International Journal of Social Science, 1(2), 69-78.

* The results showed that (1) Service Quality impacts Customer Satisfaction (2) Product Quality has significant influence on Customer Satisfaction (3) Service Quality has marked effect to Customer Loyalty (4) Product Quality has undefinable effectson Customer Loyalty and (5) Customer Satisfaction impacts Customer Loyalty.
* The results of this research showed that the product quality had no significant effect on customer satisfaction but had significant effect on customer loyalty, after-sales services had significant effect on both customer satisfaction and customer loyalty and satisfaction had no effect on customer loyalty. Study proved that product quality and after-sales service had no indirect effect on customer loyalty through satisfaction.
* The result of this research is that the quality of service has no significant effect on customer satisfaction, product quality has significant effect on customer satisfaction, and customer satisfaction has significant effect on consumer loyalty.
* The study confirmed that product quality has a positive and significant effect on brand image, brand trust and customer satisfaction, brand image and brand trust have a positive and significant effect on satisfaction. Satisfaction has a positive and significant effect on customer loyalty. The implications the results of this study indicate that product quality is found to be the main factor in increasing customer satisfaction.
* The study results concluded significant direct effects on customer loyalty, with product quality, service quality, price fairness and customer engagement all having a positive influence. On the other hand, product quality and price fairness did not significantly affect customer engagement. In addition, the study shows that customer engagement has a partial mediation effect on service quality and customer loyalty.
* In our research most of respondent says that quality of product influence while purchasing of the product.
* Most of people says that quality should be sustainable and eco-friendly. It shouldn’t harm the nature and its living.
* According to our research most of people read printed information of the quality this shows that people are conscience about there purchase. As the information shows the material quantity and important dates, which needed to know.
* Quality consider as an important element for brand equity. Because brand is important and its strategy is in consideration in the units. It help to differentiate the product, market segmentation, promotion, etc.
* All the marketing units pay attention for good packaging. They accept that poor quality is one of the causes of product failure in the market.
* It is necessary to set the quality standard and to implement accordingly for better protection and promotion of a product.
* It has revealed that elements of package are the most important for consumer's purchase decision. For a major part of consumer a size and material are the main visual elements.
* Further we believe that the consumers are properly guided by label to use the products. The information given in the label and its value have to be highlighted while promoting the product in the market. It must also be more useful technically
* Most of the respondent while purchase a product they more focus on brand more than quality of the product.
* Consumer new product manufacturers mostly use the label in their products. Basically they describe that made it, where it was made, when it was made, what it contains, how to use it etc..

**CHAPTER-7**

**CONCLUSIONS**

Throughout project we came to know that quality really influence the consumer while purchasing a product. Package could be treated as one of most valuable tool in today's marketing communications, necessitating more detail analysis of its elements and an impact of those elements on consumers buying behaviour.

According to my research, I found out that most consumers like the product quality after they purchased their desired packaged products. Based on those facts, we cannot say there is a 100% equal relationship between good package and good product quality, but there is a positive thinking and trend about well-designed package shows high product quality. As a matter of fact, people are becoming more and more demanding: quality has been gradually shown his important role in a way to serving consumer by providing information and delivering functions. With its different functionality to ease and to communicate with consumers, there is no doubt about increasingly important role of quality yas a strategic tool to attract consumers' attention and their perception on the product quality.

Appropriate and vivid picture or quality features which delivers them a happy feeling, or an easy handle/open/dose/dispose package shape. All these elements contribute each important effort to catch consumers' attention and interest. Besides each element's single function, we think that a good combination of those elements may let the product more eye-catching and attractive.

The impact of package and its elements on consumer's purchase decision can be revealed by analyzing an importance of its separate elements for consumer's choice. For this purpose main package's elements could be identified: graphic, colour, size, form, and material of quality are considered, wrapper design, printed information, innovation while product information, producer, country-of- origin and brand are considered as important ones. Moreover, the impact of package elements on consumers purchase decisions should be evaluated depending on the consumer's involvement level, time pressure or individual characteristics of consumers.

Empirically testing the research model proposed, package elements having the ultimate effect on consumer choice in a case of different products from group of convenience goods were determined: It has revealed that elements of package are the most important for consumer's purchase decision. For a major part of consumers' a size and material are the main visual elements, while product information is also the main verbal elements when purchasing milk and washing-powder.

Results of analyzing the impact of package elements on consumers purchase decisions depending on level of involvement correspond with those of theoretical studies and let us stating that visual elements of package have relatively stronger influence on consumer's purchasing when they are in the level of "low involvement", in opposite to those who are in the level of "high involvement".

Qualityhas a better reach than advertising does, and can set a brand apart from its competitors. It promotes and reinforces the purchase decision not only at the point of purchase, but also every time the product is used. Qualityin different serving sizes can extend a product into new target markets or help to overcome cost barriers. Qualitycan even drive the brand choice (especially in the context of children's products).

Research into qualityhas found that different qualitycues impact how a product is perceived. Often the qualityis perceived to be part of the product and it can be difficult for consumers to separate the two (the concept of gestalt). Aspects such as qualitycolour, typography, illustrations and graphics can influence how a product is perceived.

I do believe that culture difference does have an impact on companies' initiatives to design the product package, for instance, during our research; the choices of qualitycolours are quite different between the West and Far East. Thus, we think that it is important for international companies to take a consideration of culture differences when they design the product package.

The ongoing revolution of quality has reshaped the world in a highly globalised and competitive economy. The concept of quality has shifted from the achievement of quality standards to the satisfaction of consumer needs and the retention of customers. Simply put, product quality refers to a product's or service's ability to meet the needs and expectations of the consumer.It should be noted that product quality is assessed from the standpoint of the customer as well and not from the company alone.

Then only companycan expectconsumer satisfaction to develop a healthy relationship that leads to loyalty.Customer loyalty is a consumer's commitment to conduct business with a specific organisationwhich results in repeat purchases. It also leads to endorsing their goods and services to their friends and associates.Product quality and customer loyalty have a close relationship as they both bring benefits to the company. Product or service quality consistency can contribute to a company's success depending on consumer satisfaction and consumer loyalty (Sitanggang, et. al.,2019). This demonstrates that a product's quality creates consumers‟ confidence and satisfaction which leads to customerloyalty because happy customers are more likely to buy again.Pilkington and Chai (2008) in their study discovered that loyal consumers are more likely to have utilised higher-quality products.

This means that higher product quality tends to improve customer loyalty.Company should always pay close attention in maintaining the quality of the products as itbenefits the company and continue to strive optimally while maintaining the company's advantage.

The following are practical suggestions and a conclusion based on the hypothetical analysis of how product quality affects brand loyalty:

* **Focus on Consistency in Quality:** Ensure that all products, whether premium or economy, maintain a high standard of quality. Regular quality audits and feedback loops with production can help in identifying and rectifying inconsistencies quickly.
* **Enhance Product Features:** Based on the data analysis, if certain product features such as durability, color retention, or eco-friendliness are found to strongly influence loyalty, Asian Paints should consider enhancing these attributes. Innovation in product formulation can address these consumer preferences.
* **Leverage Technology for Better Customer Experience:** Utilize augmented reality (AR) and other digital tools to help consumers visualize the final outcome before purchasing. This can increase consumer confidence in product choices and lead to higher satisfaction and loyalty.
* **Strengthen Customer Support:** Provide exceptional customer service, including after-sales support, DIY tips, and troubleshooting through various channels. A strong support system can augment product quality perceptions and fortify brand loyalty.

The analysis likely indicates a strong correlation between product quality and consumer brand loyalty in the context of Birla Opus Paints.

High-quality products that meet or exceed customer expectations are essential in driving repeat purchases, recommendations, and overall brand strength.

In the competitive paint industry, where choices are abundant, Birla Opus Paints should continue to innovate and improve product quality while ensuring that all consumer interactions—from awareness to purchase and post-purchase—are positive.

By focusing on consistent quality, innovation, customer engagement, and sustainability, Birla Opus Paints can continue to build a loyal customer base that values not just the product they purchase but the brand as a whole.

**CHAPTER-8**

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**QUESTIONNAIRE**

1. Which Factors are mostly affecting to purchase of the products?
2. Brands
3. Design of package
4. Price
5. Quality
6. Does quality of a product influence your buying behaviour?
7. Yes
8. No
9. Sometimes
10. Do you switch your brand due to change in quality of existing brand?
11. Yes
12. No
13. Sometimes
14. What is your priority towards packaging?
15. Protective
16. Eco-friendly
17. Attractive
18. Other\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
19. Which features of quality are influencing to your buying behaviour?

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| PARTICULARS | 1 | 2 | 3 | 4 | 5 |
| Perceived Quality |  |  |  |  |  |
| Printed information |  |  |  |  |  |
| Information about the quality |  |  |  |  |  |
| Quality |  |  |  |  |  |
| Package design |  |  |  |  |  |

1. Do you read printed information on the package of product?
2. Yes
3. No
4. Sometimes
5. Do you evaluate product according to printed information while purchasing?
6. Yes
7. No
8. Sometimes
9. Please mark your satisfaction level in relation to following parameters?

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Particular | Strongly agree | Agree | Neutral | Disagree | Strongly disagree |
| Perceived Quality |  |  |  |  |  |
| Innovation in product quality and its ranges |  |  |  |  |  |
| The durability of product can chance your decision while purchasing |  |  |  |  |  |
| Creative description about the product |  |  |  |  |  |
| Service quality |  |  |  |  |  |
| Packaging and Branding |  |  |  |  |  |

**DEMOGRAPHIC DETAILS: -**

1. Name\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. Address\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
3. Age\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
4. Gender\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
5. Family kind
6. Nuclear family
7. Joint family
8. Dual income no kid
9. Income
10. Less than 5,000 p.m.
11. 11,000 to 20,000 p.m.
12. 31,000 to 40,000 p.m.
13. 5,000 to 10,000 p.m.
14. 21,000 to 30,000 p.m.
15. 41,000 p.m. and above