

The Role of Brand Equity in Influencing Consumer Behavior in the FMCG Sector: A Literature Review

Sapna Nibsaiya^{1*}, Dr. Manish Kumar²

^{1*}Research Scholar ICFAI, Sapnanibsaiya@gmail.com

²Assistant Professor, IUJ, Ranchi, manish.kumar@iujharkhand.edu.in

Citation: Sapna Nibsaiya et al (2023), The Role of Brand Equity in Influencing Consumer Behavior in the FMCG Sector: A Literature Review, *Educational Administration: Theory and Practice*, 29(2) 577-583
Doi: 10.53555/kuey.v29i2.7429

ARTICLE INFO

ABSTRACT

This paper provides a comprehensive literature review on the role of brand equity in influencing consumer behavior within the fast-moving consumer goods (FMCG) sector. Brand equity, a critical company asset, encompasses elements such as brand loyalty, awareness, perceived quality, and associations, which collectively shape consumer perceptions and purchasing decisions. The review synthesizes findings from various studies, highlighting the significant impact of brand equity on consumer behavior, particularly in the personal care product segment. Furthermore, it explores the effectiveness of FMCG marketing techniques in building and managing brand equity, including advertising, promotions, and packaging strategies. The paper identifies key research gaps, notably the limited exploration of how brand equity influences consumer behavior in personal care products, the role of online channels in emerging markets, and the impact of cultural and social factors on consumer decisions. A conceptual framework is proposed to address these gaps, emphasizing the need for future research to deepen our understanding of these relationships. The insights from this review are crucial for both academic research and practical applications, providing a foundation for developing more effective marketing strategies in the FMCG sector.

Keywords: Brand Equity, Consumer Behavior, FMCG, Marketing Techniques, Personal Care Products, Emerging Markets

1. Introduction

Brand equity has emerged as a pivotal concept in the field of marketing, reflecting the value that a brand contributes to a product or service beyond the functional benefits it provides. This value is crucial, especially in the fast-moving consumer goods (FMCG) sector, where consumers often face a wide array of choices and brands play a significant role in guiding purchasing decisions. Understanding how brand equity influences consumer behavior in this sector is essential for developing effective marketing strategies.

Consumer behavior is a multifaceted process influenced by numerous factors, including brand loyalty, brand awareness, perceived quality, and brand associations. These elements collectively contribute to brand equity, which in turn impacts consumer purchasing decisions. Despite extensive research in this field, there remain significant gaps, particularly in understanding the specific influence of brand equity on consumer behavior in the personal care product segment within emerging markets.

This paper provides a comprehensive literature review, summarizing key studies related to brand equity, consumer behavior, and FMCG marketing techniques. The review aims to identify gaps in the existing literature and suggest directions for future research.

2. Literature Review

2.1 Brand Equity

Brand equity is a complex and multi-dimensional construct that represents the value attributed to a brand by consumers. This value arises from various factors, including brand loyalty, brand awareness, perceived

Copyright © 2023 by Author/s and Licensed by Kuey. This is an open access article distributed under the Creative Commons Attribution License which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

quality, and brand associations. The literature on brand equity is extensive, with numerous studies exploring its determinants, impacts, and implications for marketing strategy.

Table 2.1: Summary of Topic-wise Literature Survey on Brand Equity

Sr. No.	Tag	Title	Details	Author(s) & Year	Gist	Linkage to the Current Study
1	Thesis	Determinants of Customer-Based Brand Equity Among Pharmaceutical Prescribers in the Case of Addis Ababa	Doctoral dissertation, St. Mary's University	Alemayehu (2017)	Identifies factors affecting customer-based brand equity (CBBE).	Highlights factors influencing CBBE in a specific industry.
2	Journal Article	Brand image and equity: The mediating role of brand equity drivers and moderating effects of product type and word of mouth	Review of Managerial Science, 12(4), 969-1002	Ansary, A., & Nik Hashim, N. M. H. (2018)	Explores the relationship between brand image and brand equity.	Discusses how brand image affects brand equity in FMCG.
3	Journal Article	Marketing strategy decisions for brand extension success	Journal of Brand Management, 22(6), 487-514	Athanasopoulou, P., Giovanis, A. N., & Avlonitis, G. J. (2015)	Examines the marketing tactics employed by FMCG companies for brand extensions.	Links brand equity with FMCG brand extension strategies.
4	Thesis	The Relation between Customers and Brand Equity (Unilever-Lux)	Doctoral dissertation, Master of Science in Economics and Business Administration	Baniya, P. R. (2013)	Demonstrates the connection between customer behavior and brand equity, particularly in the FMCG sector.	Relevant for understanding customer behavior and brand equity in the FMCG industry.
5	Journal Article	Impact of product differentiation, marketing investments and brand equity on pricing strategies: A brand level investigation	European Journal of Marketing	Davcik, N. S., & Sharma, P. (2015)	Examines the influence of brand equity, marketing investment, and product differentiation on pricing.	Highlights the importance of brand equity in pricing strategies.
6	Journal Article	Brand positioning and business performance of alcoholic beverage firms in an emerging market context: The mediation effect of brand equity	International Journal of Wine Business Research, 34(1), 133-154	Ameyibor, L. E. K., Anabila, P., & Saini, Y. K. (2022)	Investigates the relationship between brand positioning and firm performance with brand equity as a mediator.	Examines brand equity's role in business performance in an emerging market context.

Sr. No.	Tag	Title	Details	Author(s) & Year	Gist	Linkage to the Current Study
7	Journal Article	The role of nostalgic brand positioning in capturing brand equity: Theoretical extension and analysis	International Journal of Consumer Studies, 46(1), 161-181	Gilal, R. G., Gilal, N. G., Gilal, F. G., & Gong, Z. (2022)	Analyzes the impact of nostalgic brand positioning on brand equity.	Connects nostalgic brand positioning with brand equity in FMCG.
8	Journal Article	The effect of social media marketing on brand trust, brand equity and brand loyalty	International Journal of Data and Network Science, 6(3), 961-972	Haudi, H., Handayani, W., Musnaini, M., Suyoto, Y., Prasetyo, T., Pitaloka, E., & Cahyon, Y. (2022)	Investigates the influence of social media marketing on brand trust, equity, and loyalty.	Highlights the impact of social media on brand equity.
9	Journal Article	Private Label Brands and Brand Loyalty: An Analysis on FMCG, Western Province, Sri Lanka	Journal of Marketing Theory and Practice, 28(4), 521-540	Hettiarachchi, P. K., & Fernando, P. I. N. (2021)	Analyzes how private label brands affect brand loyalty.	Explores the connection between private labels and brand loyalty in FMCG.
10	Journal Article	A Study on the Brand Perception with special reference to Patanjali Products	Journal of Marketing Communications, 22(2), 189-214	Jeyaprabha, B., Pragathi, M. P., & Priyanka, M. S. (2018)	Examines consumer perception of Patanjali products, comparing them with established FMCG brands.	Relevant for understanding brand perception in the FMCG sector.

2.2 Consumer Behavior

Consumer behavior encompasses the actions and decision-making processes that individuals engage in when selecting, purchasing, using, and disposing of goods and services. In the context of FMCG, understanding consumer behavior is crucial for marketers to design effective strategies that cater to consumer needs and preferences.

Table 2.2: Summary of Topic-wise Literature Survey on Consumer Behavior

Sr. No.	Tag	Title	Details	Author(s) & Year	Gist	Linkage to the Current Study
1	Journal Article	Effect of product packaging in consumer buying decision	Journal of Business Strategies, 6(2), 1-10	Ahmad, N., Billoo, M., & Lakhan, A. A. (2012)	Proves the importance of product packaging and its impact on consumer behavior.	Relevant for understanding how packaging influences consumer decisions in FMCG.
2	Thesis	An investigation of factors influencing consumer buying behavior of coffee consumers in Ireland	Doctoral dissertation, National College of Ireland	Chima, C. U. (2020)	Establishes awareness of brands towards consumer behavior.	Highlights factors influencing consumer purchasing decisions in FMCG.
3	Journal Article	Consumer-based brand equity	International Journal of Market	Christodoulides, G., & De	Recommends suggestions for	Provides a framework for

Sr. No.	Tag	Title	Details	Author(s) & Year	Gist	Linkage to the Current Study
		conceptualisation and measurement: a literature review	Research, 52(1), 43-66	Chernatony, L. (2010)	creating a brand equity measurement plan.	measuring brand equity in FMCG.
4	Journal Article	Identity, demographics, and consumer behaviors: International market segmentation across product categories	International Marketing Review	Cleveland, M., Papadopoulos, N., & Laroche, M. (2011)	Demonstrates the changing effect of demographics and identity across consumer behaviors.	Highlights the role of demographics in consumer behavior in FMCG.
5	Journal Article	A Study on impact of Advertising on Consumer Buying behavior with reference to selected FMCG	Journal of Contemporary Issues in Business and Government Vol, 28(04)	Devi, M. S. S., Vemula, R., & Poojitha, S. (2022)	Proves that advertising has an influence towards consumer attitudes.	Discusses the impact of advertising on consumer behavior in FMCG.
6	Journal Article	Understanding the consumer: A comparison of buying behavior among consumers of Hindustan Unilever and Patanjali products	Applied Marketing Analytics, 7(3), 276-287	Dubey, A. (2022)	Connects customer behavior to brand equity in FMCG.	Relevant for understanding brand equity and consumer behavior in the FMCG sector.
7	Journal Article	The effect of COVID-19 on consumer shopping behavior: Generational cohort perspective	Journal of Retailing and Consumer Services, 61, 102542	Eger, L., Komárková, L., Egerová, D., & Mičík, M. (2021)	Provides insights into consumer attitudes towards purchasing patterns during COVID-19.	Highlights the influence of external factors on consumer behavior in FMCG.
8	Journal Article	Impact of Advertisement on Buying Behaviors of the Consumers: Study of Cosmetic Industry in Karachi City	International Journal of Management Sciences and Business Research	Fatima, S., & Lodhi, S. (2015)	Proves the influence of advertising on consumer purchase patterns in the FMCG sector.	Discusses the role of advertising in shaping consumer decisions in FMCG.
9	Journal Article	Impact of branding on impulse buying behavior: Evidence from FMCG's sector Pakistan	International Journal of Business Administration, 7(1), 59	Husnain, M., & Akhtar, M. W. (2016)	Shows the effects of branding towards impulse buying in FMCG.	Highlights the role of branding in consumer behavior in the FMCG sector.
10	Journal Article	Study the effects of customer service and product quality on customer satisfaction and loyalty	International Journal of Humanities and Social Science, 1(7), 253-260	Jahanshahi, A. A., Gashti, M. A. H., Mirdamadi, S. A., Nawaser, K., & Khaksar, S. M. S. (2011)	Shows the correlation between customer satisfaction and loyalty in FMCG.	Relevant for understanding the impact of service and quality on consumer loyalty in FMCG.

2.3 FMCG Marketing Techniques

FMCG marketing techniques are designed to build brand equity and influence consumer behavior. These techniques include advertising, promotions, packaging, and the use of social media. Effective marketing strategies can significantly enhance a brand's equity and drive consumer loyalty, particularly in the highly competitive FMCG market.

Table 2.3: Summary of Topic-wise Literature Survey on FMCG Marketing Techniques

Sr. No.	Tag	Title	Details	Author(s) & Year	Gist	Linkage to the Current Study
1	Journal Article	Branding Strategies of FMCG Companies– A case study	International Journal of Research and Analytical Reviews, 5(4), 162-170	Afreen, M. (2018)	Discusses branding activities of top FMCG companies in India.	Connects branding strategies with consumer behavior in FMCG.
2	Journal Article	Impact of Promotional Tools on Consumer Buying Behavior: A Case of FMCG Industry	Journal of Marketing Strategies, 3(1), 44-67	Ali, A., & Muhammad, K. (2021)	Examines the impact of promotional tools on consumer behavior in FMCG.	Highlights the effectiveness of different promotional tools in FMCG.
3	Thesis	The Effect of Celebrity Endorsed Advertisement and Branding on Rural Consumer Purchase Intention towards Selected Personal Care Products in FMCGS	Doctoral dissertation	Naresh Babu, M. (2016)	Assesses the effect of celebrity endorsements on rural consumer purchase intentions in FMCG.	Explores the role of celebrity endorsements in FMCG branding.
4	Journal Article	Factors Influencing Consumer Decision Behavior in FMCG	International Journal of Engineering and Management Research (IJEMR), 5(2), 303-320	Dr. R. Gopinath (2019)	Examines factors influencing consumer decision-making in FMCG.	Discusses various influences on consumer behavior in FMCG.
5	Journal Article	Practices of brand extensions and how consumers respond to FMCG giants' greening attempts	Journal of Brand Management, 1-18	Hesse, A., Bündgen, K., Claren, S., & Frank, S. (2022)	Explores consumer responses to green branding in FMCG.	Relevant for understanding consumer perceptions of green branding in FMCG.
6	Journal Article	A Study of Exploratory Buying Behavior Tendencies in FMCG Sector	International Journal on Recent Trends in Business and Tourism (IJRTBT), 1(2), 16-27	Hyde, A. M., Jain, D., Verma, S. K., & Jain, A. (2017)	Examines the role of exploratory buying behavior in FMCG.	Relevant for understanding how consumers explore new products in FMCG.
7	Journal Article	Impact of corporate social responsibility (CSR) practices on consumer behavior (with reference to FMCGs in Tamil Nadu)	International Journal of Business and Management, 13(3), 28	Kannaiah, D., & Jayakumar, A. (2018)	Investigates the impact of CSR on consumer behavior in FMCG.	Explores how CSR influences consumer decisions in FMCG.

Sr. No.	Tag	Title	Details	Author(s) & Year	Gist	Linkage to the Current Study
8	Journal Article	Impact of Celebrity Endorsement on Branding of FMCG Products in Indian Small Towns	Pacific Business Review International, 8(4), 1-8	Makwana, K., Pathak, A., & Maheshkar, C. (2015)	Evaluates the impact of celebrity endorsements on FMCG branding in rural India.	Relevant for understanding the impact of celebrity endorsements in different markets.
9	Journal Article	The impact of customer-based brand equity on the operational performance of FMCG companies in India	IIMB Management Review, 28(1), 13-19	Mohan, B. C., & Sequeira, A. H. (2016)	Explores the relationship between brand equity and operational performance in FMCG.	Highlights the impact of brand equity on business performance in FMCG.
10	Journal Article	Effective marketing techniques for global FMCG brands during COVID-19 pandemic crisis	International Marketing Review	Niros, M. I., Niros, A., Pollalis, Y., & Ding, Q. S. (2022)	Discusses marketing techniques for FMCG brands during the COVID-19 pandemic.	Relevant for understanding marketing strategies in a crisis context.

2.4 Identified Research Gaps

Despite extensive research on brand equity and consumer behavior in the FMCG sector, several gaps remain:

- Impact of Brand Equity on Consumer Behavior in Personal Care Products:** There is limited research specifically focused on how brand equity influences consumer behavior in the personal care product segment within the FMCG sector.
- Role of Online Channels:** The influence of online channels on consumer behavior in emerging markets, particularly in the context of personal care products, is underexplored.
- Cultural and Social Factors:** The impact of cultural and social factors on consumer behavior in the personal care product industry within emerging markets requires further investigation.
- Consumer Behavior in Emerging Markets:** While much research has focused on developed markets, there is a need for more studies examining consumer behavior in emerging markets, where dynamics may differ significantly.

2.5 Conceptual Framework Based on Literature Review & Gaps

Based on the literature reviewed and the identified research gaps, the following conceptual framework is proposed:

- Brand Equity as a Driver of Consumer Behavior:** Brand equity, encompassing elements such as brand loyalty, awareness, perceived quality, and associations, significantly influences consumer behavior in the personal care product category.
- FMCG Marketing Techniques as Drivers of Brand Equity:** Marketing techniques, including advertising, promotions, packaging, and social media, are crucial for building and managing brand equity in the FMCG sector.
- Consumer Behavior as the Outcome:** The ultimate goal of building brand equity and employing FMCG marketing techniques is to influence consumer behavior, including purchase behavior, product usage, repeat purchases, and advocacy.
- Moderating Factors:** The relationship between brand equity, FMCG marketing techniques, and consumer behavior outcomes is moderated by factors such as demographics, psychographics, cultural influences, and situational factors.

2.6 Summary

Here we have covered a comprehensive review of the literature on brand equity, consumer behavior, and FMCG marketing techniques. It has highlighted the key findings from previous studies and identified several research gaps that warrant further investigation. The proposed conceptual framework offers a structured approach to understanding the complex relationships between brand equity, marketing techniques, and consumer behavior in the FMCG sector, particularly in the context of personal care products.

3. Conclusion

The literature review reveals that brand equity plays a pivotal role in influencing consumer behavior, especially in the FMCG sector. Effective marketing techniques are essential for building and maintaining strong brand equity, which in turn drives consumer loyalty and purchasing decisions. However, there are notable gaps in the existing research, particularly regarding the influence of brand equity on consumer behavior in the personal care product segment and the impact of online channels and cultural factors in emerging markets.

Future research should focus on these areas to provide a more comprehensive understanding of how brand equity influences consumer behavior in the FMCG sector. Such research would not only contribute to academic knowledge but also offer practical insights for marketers seeking to enhance brand value and influence consumer decisions in increasingly competitive and dynamic markets.

Bibliography

1. Afreen, M. (2018). Branding strategies of FMCG companies—A case study. *International Journal of Research and Analytical Reviews*, 5(4), 162-170.
2. Ahmad, N., Billoo, M., & Lakhan, A. A. (2012). Effect of product packaging in consumer buying decision. *Journal of Business Strategies*, 6(2), 1-10.
3. Alemayehu, (2017). Determinants of customer-based brand equity among pharmaceutical prescribers in the case of Addis Ababa. (Doctoral dissertation, St. Mary's University).
4. Ali, A., & Muhammad, K. (2021). Impact of promotional tools on consumer buying behavior: A case of FMCG industry. *Journal of Marketing Strategies*, 3(1), 44-67.
5. Ameyibor, L. E. K., Anabila, P., & Saini, Y. K. (2022). Brand positioning and business performance of alcoholic beverage firms in an emerging market context: The mediation effect of brand equity. *International Journal of Wine Business Research*, 34(1), 133-154.
6. Ansary, A., & Nik Hashim, N. M. H. (2018). Brand image and equity: The mediating role of brand equity drivers and moderating effects of product type and word of mouth. *Review of Managerial Science*, 12(4), 969-1002.
7. Athanasopoulou, P., Giovanis, A. N., & Avlonitis, G. J. (2015). Marketing strategy decisions for brand extension success. *Journal of Brand Management*, 22(6), 487-514.
8. Baniya, P. R. (2013). The relation between customers and brand equity (Unilever-Lux). (Doctoral dissertation, Master of Science in Economics and Business Administration).
9. Chima, C. U. (2020). An investigation of factors influencing consumer buying behavior of coffee consumers in Ireland. (Doctoral dissertation, National College of Ireland).
10. Christodoulides, G., & De Chernatony, L. (2010). Consumer-based brand equity conceptualisation and measurement: A literature review. *International Journal of Market Research*, 52(1), 43-66.
11. Cleveland, M., Papadopoulos, N., & Laroche, M. (2011). Identity, demographics, and consumer behaviors: International market segmentation across product categories. *International Marketing Review*.
12. Davcik, N. S., & Sharma, P. (2015). Impact of product differentiation, marketing investments, and brand equity on pricing strategies: A brand-level investigation. *European Journal of Marketing*.
13. Devi, M. S. S., Vemula, R., & Poojitha, S. (2022). A study on the impact of advertising on consumer buying behavior with reference to selected FMCG. *Journal of Contemporary Issues in Business and Government*, 28(04).
14. Dubey, A. (2022). Understanding the consumer: A comparison of buying behavior among consumers of Hindustan Unilever and Patanjali products. *Applied Marketing Analytics*, 7(3), 276-287.
15. Eger, L., Komárková, L., Egerová, D., & Mičík, M. (2021). The effect of COVID-19 on consumer shopping behavior: Generational cohort perspective. *Journal of Retailing and Consumer Services*, 61, 102542.
16. Fatima, S., & Lodhi, S. (2015). Impact of advertisement on buying behaviors of the consumers: Study of the cosmetic industry in Karachi city. *International Journal of Management Sciences and Business Research*.
17. Gilal, R. G., Gilal, N. G., Gilal, F. G., & Gong, Z. (2022). The role of nostalgic brand positioning in capturing brand equity: Theoretical extension and analysis. *International Journal of Consumer Studies*, 46(1), 161-181.
18. Gopinath, R. (2019). Factors influencing consumer decision behavior in FMCG. *International Journal of Engineering and Management Research (IJEMR)*, 5(2), 303-320.
19. Haudi, H., Handayani, W., Musnaini, M., Suyoto, Y., Prasetyo, T., Pitaloka, E., & Cahyon, Y. (2022). The effect of social media marketing on brand trust, brand equity and brand loyalty. *International Journal of Data and Network Science*, 6(3), 961-972.
20. Hesse, A., Bündgen, K., Claren, S., & Frank, S. (2022). Practices of brand extensions and how consumers respond to FMCG giants' greening attempts. *Journal of Brand Management*, 1-18.
21. Hettiarachchi, P. K., & Fernando, P. I. N. (2021). Private label brands and brand loyalty: An analysis on FMCG, Western Province, Sri Lanka. *Journal of Marketing Theory and Practice*, 28(4), 521-540.
22. Hyde, A. M., Jain, D., Verma, S. K., & Jain, A. (2017). A study of exploratory buying behavior tendencies in FMCG sector. *International Journal on Recent Trends in Business and Tourism (IJRTBT)*, 1(2), 16-27.

23. Jeyaprabha, B., Pragathi, M. P., & Priyanka, M. S. (2018). A study on the brand perception with special reference to Patanjali products. *Journal of Marketing Communications*, 22(2), 189-214.
24. Jahanshahi, A. A., Gashti, M. A. H., Mirdamadi, S. A., Nawaser, K., & Khaksar, S. M. S. (2011). Study the effects of customer service and product quality on customer satisfaction and loyalty. *International Journal of Humanities and Social Science*, 1(7), 253-260.
25. Makwana, K., Pathak, A., & Maheshkar, C. (2015). Impact of celebrity endorsement on branding of FMCG products in Indian small towns. *Pacific Business Review International*, 8(4), 1-8.
26. Mohan, B. C., & Sequeira, A. H. (2016). The impact of customer-based brand equity on the operational performance of FMCG companies in India. *IIMB Management Review*, 28(1), 13-19.
27. Naresh Babu, M. (2016). The effect of celebrity endorsed advertisement and branding on rural consumer purchase intention towards selected personal care products in FMCGS. (Doctoral dissertation).
28. Niros, M. I., Niros, A., Pollalis, Y., & Ding, Q. S. (2022). Effective marketing techniques for global FMCG brands during COVID-19 pandemic crisis. *International Marketing Review*.