

A Qualitative Research on Brand Sensitivity: Traditional Chinese Medicine Health Products

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Abstract—Brand sensitivity is the extent to which consumers actively consider brand information when making buying decisions [1], [2]. When consumers buy products of a certain category, they differentiate between brands. Different brands offer different values to consumers and thus brand differentiation affects consumers buying behavior. This study has two objectives. Theoretically, this study enhances the understanding of brand sensitivity and it attempts to identify antecedents of brand sensitivity and its influence on consumer buying behavior. Practically, business organizations dealing in traditional Chinese medicines (TCM) can have an in-depth understanding of their consumers so that they can develop more effective brand strategies to increase their competitive advantages.

Based on the review of extant literature and the result of the qualitative research, this study indicates that TCM consumers have multi-levels of needs and wants. If matched with the benefits of branded products offered by marketers, consumers have a high sensitivity towards certain brands and they develop brand preferences. Thus it affects consumers buying decisions.

Index Terms—Brand sensitivity, TCM health products, consumer buying behavior, consumer value

I. INTRODUCTION

TCM health products face keen competition from western health products. There is an urgent need to strengthen brands of TCM products so as to make them have a competitive advantage. The production techniques of TCM health products are rather simple but mature. There are many manufacturers in the market and the competition is very vigorous. Consumers do not have the knowledge and ability to differentiate the quality of different TCM health products and, therefore, brands with a quality guarantee become a guideline for consumers. In the case of TCM health products also, brand is an important factor that affects consumer buying decisions. There have been very few studies about TCM health products marketing. The study of this topic “A Qualitative Research on Brand Sensitivity: Traditional Chinese Medicine health products” gives some important guidelines for marketers and marketing strategies. It is expected to help enhance healthy and long term development of the TCM industry.

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II. LITERATURE REVIEW

A. Concept model Development

The development of the concept model is based on a review of extant literature on the following concepts. Firstly, this study tries to identify the expected value that consumers want from branded TCM products. Secondly, what are the benefits offered by TCM branded products? If consumers are able to perceive the benefits offered by branded products which match their values, they pay special attention to such TCM branded products, which is tantamount to formation of brand sensitivity [1], [2]. Finally, brand sensitivity is investigated to identify its relationships with customer values and brand strategy, and its influence on consumer buying behaviors and decisions.

B. The Concepts of Consumers values

The consumption value theory of Sheth, Newman and Gross [3] identifies five consumption values: functional, social, emotional, epistemic and conditional, which influence consumers buying behaviors. These differential values determine consumer choice : to buy or not to buy, to choose one type of product over another type of product, and to select one brand over another brand. The theory entails different forms of consumer values. Holbrook [4], [5], [6] defined consumer/customer value as ‘an interactive relativistic preference experience.’ He also proposed a typology of consumer value which classifies customer value into three dimensions: extrinsic versus intrinsic; self-oriented versus others-oriented and active versus reactive. These three dimensions consist of eight values: efficiency (convenience), excellence (quality), status (success), esteem (reputation), play (fun), aesthetics (beauty), ethics (virtue) and spirituality (faith or ecstasy). This typology includes experiential, hedonic types of value, as well as utility types of value, and it also acknowledges perceived value for consumer itself or the way it affects others in the context of value type: play, aesthetics, ethics, spirituality and esteem. Woodruff [7] defined consumer value as customer’s perceived preference for product attributes, attribute performance and consequences arising from use that facilitate (or block) achieving the customer’s goals and purposes. Due to the complexity of consumer values, Gardial [8] proposed a value hierarchical model with three increasing levels. The lowest level is attribute-based value that satisfies the expectations of consumers on product attributes. The consequence-based value fulfils the desired consequences of

consumers in use situations. The highest level of goal-based value is consumers' core value that achieves consumers' goals and purposes.

According to the literature, consumers have different needs and wants and therefore the nature of consumer values is complex and multi-dimensional.

C. The Concepts of Brand and Brand strategy

A brand offers a mixture of functional, symbolic and experiential benefits to satisfy the needs of consumers. A brand with a functional concept is defined as one designed to solve externally generated consumption needs. Symbolic needs are defined as desires for products that fulfill internally generated needs for self-enhancement, role position, group membership, or ego-identification. Experiential needs are defined as desires for products that provide sensory pleasure, variety, and/or cognitive stimulation [9]. Kapferer [10] used a model brand pyramid to explain the benefits of a brand. The upper tier of the pyramid is the brand core that provides the core value for consumers. The middle tier is the brand style which brings out the culture, personality and self-image of the brand. The lower tier is the brand theme which includes the physique, reflection and relationship. The first three facets are incorporated within the brand itself and the last three facets are the social facets which give the brand its outward expression. The brand value pyramid of Davis [11] illustrates the benefits of brand to consumers. The basic level is the features and attributes that must be demonstrated to customers. The next level is the benefits that include the functional or emotional benefits provided to customers. The top level is the beliefs and values which are the emotional, spiritual and cultural values being propagated to customers. The low level benefits are easy to deliver but are the least meaningful and most easily imitated by competitors while the top level benefits are more meaningful and most difficult to imitate and are the hardest to deliver. According to Keller [12], [13], [14], the six building blocks of the brand pyramid are: (1) Brand salience, which relates to how often the brand is evoked in purchasing and consumption situations; (2) Brand performance, the extent to which the product meets customers' functional needs; (3) Brand imagery, which relates to the extrinsic properties of the product; (4) Brand judgments, which focus on customers' personal opinions and evaluations; (5) Brand feelings that are customers' emotional responses and reactions towards the brand; and (6) Brand resonance, which refers to the nature of the customer-brand relationship and the extent to which customers feel that they are "in sync" with the brand. Once the functional benefits are met, the consumers move to a higher level of needs and wants, which are intangible and emotional.

There are three types of brands or brand strategies suggested by Tybout and Carpenter [15]. Consumers buy functional brands to satisfy functional or physical needs. These brands relate to the tangible aspects of the product. Image brands create values by projecting desirable images. These brands are distinguished from competitors because consumers see them as offering a unique set of associations or images. The images

attached to the brand add value by distinguishing it from other brands. Experiential brands focus on how consumers feel when interacting with the brand at the time of consumption and this experience is unique and personal.

According to the literature, marketers create different benefits through branding strategies to fulfill multiple needs and wants of consumers.

D. Brand sensitivity and measurement

Brand sensitivity, defined as the extent to which consumers take the brand itself into account in the evaluation process, has proven to be an important variable for shaping of a brand strategy [16], [17]. Amine [18] defined brand sensitivity as the extent to which a consumer takes the actual brand (image) into consideration in the purchase decision process. It also refers to the consumer's attachment to a brand. The brand name is more important than the price, the functional characteristics of the product and the additional services [19], [20]. Gali [21], [22] identified six brand functions to measure the extent of brand sensitivity: guarantee (the degree that a brand guarantees a high quality product), simplification (the degree that a brand makes the product choice easy), differentiation (the degree that a brand with specific product characteristics fulfills consumer needs), symbolism (the degree that a brand symbolizes a consumer's personality), mentalization (the degree that a brand enhances the self-perceived personality) and generic (the degree that a brand represents a product category rather than the brand itself). Kapferer and Laurent [10] explained brand sensitivity of consumers in four aspects: emotional attachment to brand, the importance of brand to other attributes, the brand information as a determining criterion in the choice process, and priority assigned to the brand in the purchase decision. Brand sensitivity represents the nature and intensity of the relationship between the consumer and the brand [23]. This relationship can be cognitive, emotional or symbolic.

E. Consumer buying behavior and decision process

A buying decision is a process a customer goes through before buying a product. Engel, Blackwell and Kollat [24] developed a model of consumer buying decision process in five steps: need recognition, information search, evaluation of alternatives to meet the need, purchase decision and post-purchase behavior. The buying process starts with a need, as expressed by Maslow's hierarchy of needs: physiological, safety, social, esteem and self-actualization [25]. Howard and Sheth [26] explained the buying decision process of a consumer and the factors that affect his decision towards a brand. Their model has four elements: input stimulus, hypothetical constructs, exogenous variables and response outputs. Stimulus inputs are informational cues about the attributes of a product or brand which may be significant and/or symbolic and the cues may come from social stimuli. Hypothetical constructs consist of perceptual and learning constructs which a consumer uses to compare the product or brand information with needs and wants. Response outputs refer to a consumer's response to stimulus inputs through a process of attention, brand comprehension, attitude, intention and purchase. Nicosia [27] proposed a model

of consumer decision process. Field one describes the marketing communication from marketers to consumers and formation of consumer attitude toward the branded products. Field two refers to consumer's search and evaluation to reach a buying motive. Field three relates to the actual purchase process. Field four is the consumption experience and feedback of consumers.

The relevant consumer buying decision models start with the needs and wants of consumers. If the multi-levels of needs and wants match with the benefits of branded products offered by marketers, consumers have a high sensitivity towards certain brands and they develop brand preferences. Thus brand sensitivity affects consumers' buying decisions.

F. Theoretical Framework

Based on the review of literature, this study proposes a theoretical framework with brand sensitivity at the center as the mediating factor. The pre-independent factors are consumer values perceived by consumers and offered by brands, and post-dependent factors are consumer buying behavior and decisions influenced by brand sensitivity.

III. METHODOLOGY

Before an empirical test, a qualitative research can help us have a better understanding of the theoretical model and the research hypotheses. It also reveals the hidden needs, wants, motives, attitudes and behaviors of consumers regarding products and brands. A semi-structured focus group interview was used in the qualitative research. After data collection, all responses were grouped into theme categories. The relationships between themes categories were investigated to the developed theoretical framework.

A. Planning the objectives, questions and data requirements for the focus group interview

The objective of the research is to explore consumer values and brand benefits that TCM consumers perceive. Can consumers perceive differences in products of different brands? Is brand an important factor when the consumer is making a buying decision? The content of the interview focuses on the following topics (Table 1).

TABLE 1.Content Outlines of Directive Personal Interview

- 1) What are the needs and wants when you buy TCM health products?
- 2) List different brands of TCM health products.
- 3) Choose your favorite brands.
- 4) Explain the reasons for choosing your favorite brands.
- 5) Differentiate attributes and non-attributes between brands.
- 6) Describe the non-attributes of products in which benefits are communicated through brands such as image, new concepts, Chinese culture, status, esteem, symbol, ethics and others.
- 7) Describe the importance of brands when making a TCM health product buying decision.

B. Selecting and arranging the focus groups

Consumers' buying decisions are influenced by personal factors so we chose sex, age, education, family income and experience of using TCM health products as moderator variables. To ensure sufficient diversity, this study interviewed seventy participants at seven focus groups with different backgrounds: university staff, college students, TCM users and volunteers. A semi-structured interview was used to guide the focus group discussion which lasted about an hour.

TABLE 2.Focus Groups

| | |
|--|------------------------|
| (a) University staff : 10 people | |
| Gender: 5 male and 5 female | Age: 45 to 65 |
| Income: high | Education: high |
| TCM experience: various experience level | |
| (b) College Students : 20 people (2 groups) | |
| Gender: 10 male and 10 female | Age: 18 to 25 |
| Income: low to medium | Education: high |
| TCM experience: few or no TCM experience | |
| (c) TCM users : 20 people (2 groups) | |
| Gender: 10 male and 10 female | Age: 30 to 65 |
| Income: low to high | Education: low to high |
| TCM experience: good experience | |
| (d) Volunteer : 20 people (2 groups) | |
| Gender: 10 male and 10 female | Age: 20 to 65 |
| Income: low to high | Education: low to high |
| TCM experience: various experience level | |

C. Collecting and analyzing data

All the pre-specified topics were discussed and the ideas, thoughts, feelings and feedback were collected. A three step process: data reduction, data display and conclusion drawing/verification was used to analyze the qualitative data. The data were categorized and coded, then their differences and similarities were compared, and finally data were integrated to explore the theory. Data display depicts the findings in the form of matrix, diagram or table so that the data can be read and understood. Table 3 represents the data reduction and data display which show the variables leading to brand sensitivity and its consequences.

In order to reduce the possibility of getting incorrect answers, attention needs to be paid to the validity and reliability [28]. The following steps were taken to ensure the validity and reliability of this research. The needed data was collected in the format of a semi-structured questionnaire (Table 1) that had been designed based on the literature review related to the concepts of consumer values, brand and brand strategy, brand sensitivity and consumer buying decisions. Focus groups (Table 2) that have different and relevant perspectives were included in the qualitative research in data collection.

D. Interpreting and reporting the finding

Results of the qualitative research (Table 3) show that consumers have different needs and wants and they are able to perceive different values offered by different brands of TMC products through the feeling towards the product attributes, the experiential feeling when using the product, and the personal feeling that consumers think they can achieve esteem and self-actualization needs. Those feelings can be categorized into

five themes, according to the needs they fulfill: core functional values, augmented beneficial values, experiential values, symbolic values, and self-actualization values. Consumers are highly sensitive to brands of TCM products. Brand is an important criterion when consumers are making buying decisions.

E. Conclusions

The study strongly indicates that consumers have different needs and wants. Branded TCM health products offer multiple benefits that fulfill multiple level needs. Those values can be distinguished into five categories, according to the needs they fulfill: core functional values, augmented beneficial values, experiential values, symbolic values and self-actualization values.

1. Core functional values are basic benefits offered by product attributes that fulfill basic needs of consumers such as efficacy, quality, no side effects, trendy packaging, simple to use, well designed and convenience of carrying.
2. Augmented beneficial values are additional benefits of product-related attributes, e.g., new health concept, safety, scientific evidence, testimonials, detailed labelling and authenticity.
3. Experiential values are benefits offered by product-related as well as non-product-related attributes when consumers are using the product. Examples are happiness and health, life is more enjoyable, quality of life, strength and energy, affectionate memories, superior values and memories of childhood.
4. Symbolic values are the extrinsic benefits of non-product-related attributes, which satisfy a consumer's need for social approval and self-esteem such as an expert of TCM products, a wealthy social class, a smart consumer, a responsible parent, a fashionable person, to show your concern and love to others, a filial son or daughter.
5. Self-actualization values are benefits offered by non-product-related attributes to fulfill the needs for self-development towards a sense of meaningful life, e.g., Chinese culture, social responsibility, wisdom of nature, environmental responsibility, tradition and heritage, advocate Chinese brands.

This study also shows that consumers of different ages, genders, education levels, incomes and TCM experiences, in the purchase of TCM branded products, have different intentions, objectives and needs and pursue different consumer values. Different consumer groups have different feelings towards the marketing efforts of TCM branded products and thus their brand-sensitive reactions are also different.

This study also points out that when a consumer is making a buying decision, the concern about brand may be rational, emotional and expressive in nature. When brand becomes an important criterion in a buying decision, it is evident that consumers are able to differentiate the values among brands. It means that consumers are sensitive to brand and brand sensitivity affects consumer buying decisions. It is particularly true for TCM branded products.

IV. IMPLICATIONS

This study provides several hints for marketers to enhance brand sensitivity of TCM health products and develop strong brand strategies.

A. Brand sensitivity as a brand strategy to create competitive advantages

To enhance brand sensitivity is to let consumers perceive differences among brands of TCM health products. A TCM health product with a proprietary brand creates a strong competitive advantage that not only meets the health care needs of consumers but also provides the greatest value to consumers. Ways to enhance brand sensitivity of TCM health products include persistent improvement of the basic functions, provision of additional services, emphasis on the experience of good quality of life, highlighting the symbolic significance of consumers, and promotion of the values of self-development and self-actualization.

B. Brand sensitivity as a customer-driven marketing strategy: creating value for target customer

Consumers have different needs and wants. It is impossible to appeal to all consumers in the TCM market. This study looks further into the key elements of customer-driven marketing strategy: how to segment a market, select a target group, create customer values and position the values in the minds of consumers.

1. *Five categories of consumer values as a base for segmentation:* Different consumers have different sensitivities towards different values offered by branded TCM products. Consumers perceive the five values in various degrees and exhibit different sensitivity levels. Thus, the five values can be used as a base for market segmentation.

2. *Consumer groups with different brand sensitivity as target segments:* Target segments are segments that marketers go after and they can offer the type of values that the segments are looking for.

3. *Five categories of Consumer values as a tool for differentiation and positioning:* To enhance brand sensitivity is to let consumers perceive differences between different brands of TCM health products. To position a branded TCM product is to develop a set of perceptions, impressions and feelings in consumers mind, relative to competing products.

Once a consumer has strong sensitivity towards a brand, it becomes an important criterion when making a buying decision.

| Themes | Data | Remark |
|--|--|--|
| Brands of TCM health products – Brand identification | More than twenty brands were mentioned by participants | All participants are able to mention four popular brands in the market. |
| Consumer values and brand benefits Those feelings can be categorized into five themes: core values, augmented beneficial values, experiential values, symbolic values and self-actualization values | <p>Feeling of product attributes: quality, efficacy, trendy packing, easy to use, well designed, convenience to buy and carry, new health concept, safety, scientific evidence, testimonials, quick result, detail label, no side effect, authenticity and health supplements.</p> <p>Feeling when using products: happy and healthy, life is more enjoyable, quality of life, strength and energy, expert of TCM products, wealthy social class, smart consumers, affectionate memories, responsible parents, fashionable, to show your concern and love to others, gift to share, memory of my childhood, filial son or daughter and superior values.</p> <p>Other feelings: Brand represents: Chinese culture, socially responsible, longevity, the wisdom of nature, environmental responsible, tradition and heritage and advocate Chinese brands.</p> | <p>Consumers have different needs and wants and they are able to perceive different benefits offered by brands.</p> <p>a. Consumers with high education, experience, high income and old age emphasize more on using TCM products and other feelings.</p> <p>b. Males concern less on experiential benefits and females concern less on symbolic benefits.</p> <p>c. Less experienced users pay more attention to benefits offered by product related attributes but experienced users focus more on benefits of non-product related attributes.</p> |
| Brand sensitivity | Importance of brands to consumers: brand is important to us, prefer to buy my favorite brand, always consider brand when buying TCM product, not willing to buy an unknown brand, I trust my brand, brand is important for TCM products. | The majority of consumers are highly sensitive to brands. |
| Brand and consumer buying decision | <p>1. I will continue to buy my favorite brand because this brand is better than other brands.</p> <p>2. This brand is more expensive than other brands, but I think my favorite brand offer more value. The value of this brand is what I want.</p> <p>3. If a store does not have my brand, I will not turn to other brands.</p> <p>4. I will not buy other brands even though other brands are doing promotion.</p> <p>5. When other friends want to buy TCM health products, I will introduce my favorite brand to them.</p> <p>6. When buying other brands, I am worried about the damage of my health.</p> | The majority of consumers considered brand as one of the important criteria when making a buying decision. |

TABLE 3. Interpreting and Reporting the Finding

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