

The Effect of Product's Branding on Consumer Behavior: Nivea

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Abstract: *This analysis focuses on the effects of a product's branding on consumers' behaviors. To emphasize the discussion of the branding aspect of this analysis, the subject chosen for this research is NIVEA. The subject of focus on this report is especially on how NIVEA's branding of the company itself alongside their products influences the behavior of the public, potential consumers and already loyal product users.*

INTRODUCTION

In this present day's dynamic situation of the economy, where the market gets more competitive and consumers being faced with various options to choose from, branding has emerged as a key tool for businesses looking to carve out a distinct, one-of-a-kind identity and catch the attention of their targeted consumers in the market. In this environment, the notion of the impact of branding has grown in popularity to influence the behavior of consumers and create strong emotional ties with businesses. Affect branding is the strategic use of emotions to influence consumers' perceptions, attitudes, and, eventually, purchase decisions. Unlike traditional branding tactics, which focus exclusively on functional qualities and rational appeals, affect branding has the influence power of manipulating feelings, wants, and ambitions. Brands hope to develop deep-seated connections that resonate with customers on a visceral level, creating loyalty and boosting engagement.

LITERATURE REVIEW

This journal uses SINTA website along with other research websites such as researchgate as the literacy foundation to build the base theories of consumer behaviors, branding and a product along with the qualities that affect consumer behaviors.

1. Consumer Behavior

According to Wardhana (2022), consumer behavior refers to a study of the dynamic between an individual and a group by observing its factors such as psychological, sociological, socio-psychological, anthropological and economic factors when taking the process and the decisions while searching the information related to the product and the service, conducting selection from the many products and service offered by the market and making purchases while using, spending, repurchasing and disposing it for consumer's satisfaction.¹

As consumer behavior includes factors such as psychological and economic factors, it is

¹ Wardhana, Aditya (2022). Teori Perilaku Konsumen, Page 7, 7-19

safe to assume that a product's quality and price is included in those factors. Alawiah and Utama (2023) stated that a product's quality refers to the product's ability to satisfy and fulfill the needs or wants of the consumer². Meanwhile, price is the criterion to gain usage or ownership of a product and service or as the element that produces sales³ (Alawiah and Utama, 2023).

2. Branding

Padubidri (2023) stated that branding refers to the process of creating a unique identity and perception for a product or a company in the consumer's mind⁴. Branding carries 3 importances which are brand recognition, building trust among consumers, and improving advertising. However, as this research focuses on the effects of branding on consumer's behavior, the former two take a better priority from the latter as a consumer will take less time to decide with products from a company with a strong brand image due to the consumer perceive the brand having a better and reliable quality through its image⁵. Therefore, it can be concluded that branding creates the perception in the consumer's mind which can be tied to consumer behavior and the product itself.

3. Product

A product is an object or service that is available for purchase, whether physical or virtual, and can be the outcome of a manufacturing process, a natural process, or a mix of both. Fundamentally, a product acts as a solution to a problem or a way of satisfying a need, offering value to customers. It includes not just the physical characteristics and features, but also the accompanying advantages, brand image, and total consumer satisfaction. Successful goods are ones that effectively fulfill customer wants and preferences while providing a distinctive value proposition that distinguishes them from competition.

Product development consists of numerous stages, including conception, design, testing, production, and marketing. Throughout this process, organizations try to build goods that are original, dependable, and appealing to their target audience, enhancing their chances of economic success. The product life cycle is a marketing theory that defines the stages a product goes through from development to decline. The stages include development, introduction, growth, maturity, saturation, and decline (Saeed Al Hasan, 2023).

Ultimately, a product's purpose is to act as a means of offering value to customers, meeting their wants and goals, and improving their quality of life. A well-conceived and executed product, whether a physical object or an intangible service, has the potential to make significant relationships with customers and drive business success in today's competitive market.

² Alawiah and Utama. (2023). Pengaruh Kualitas Produk, Harga, dan Citra Merek pada Keputusan Pembelian Mobil. Page 20. Kualitas Produk, 13-15

³ Alawiah and Utama. (2023). Pengaruh Kualitas Produk, Harga, dan Citra Merek pada Keputusan Pembelian Mobil. Harga. Page 20-21. Harga, 19-22

⁴ Padubidri. (2023). Consumer Perspective About The Effect of Branding On Product Marketing. Introduction, Page 132, 3-4

⁵ Padubidri. (2023). Consumer Perspective About The Effect of Branding On Product Marketing. Result and Discussion, Page 134, 4-7

METHOD

To aid the journal's completion, the research will be conducted with both qualitative and quantitative research methods to analyze the branding of Nivea.

In the qualitative method, we use theories from mass media along with accredited journals from the SINTA website to gather relevant and reliable information from accredited scholars that will be used as a tool to complete the research. Other than the former two sources, below are the sources being used in the research:

- LinkedIn
- The NIVEA Official Website
- SlideShare

Meanwhile, the quantitative method will be conducted from the surveys via Microsoft forms that we gave to random people to ensure the data's authenticity. To summarize the data based on the responses, we targeted 50 people as the maximum of our acquired data. Additionally, we targeted people who use NIVEA from diverse backgrounds to analyze the effect of NIVEA's branding on their consumers' behavior.

3.1 Qualitative Method - The Effect of A Product's Branding on Consumer Behavior

Nivea's branding has had a huge influence on customer behavior. The brand's marketing mix, including product, price, location, and promotion techniques, has established a strong market position and targeted certain niche segments. Nivea's pricing strategy is aimed at attracting a bigger audience by keeping costs fair; also, the brand has a robust distribution network that allows it to reach consumers in many regions. (Saurabh Bhandari, 2021)

Nivea's marketing plan comprises events, direct mail, public relations, branding, and sales growth. To attract and keep clients, the business uses celebrities such as Rihanna as ambassadors and gives discounts on numerous items. Nivea's marketing strategy is focused on brand extension, ensuring that it appeals to all age groups and genders at accessible costs.

The brand's branding has impacted customer behavior by increasing loyalty, awareness, and legitimacy. A research study found that branding factors such as image, congruence, awareness, loyalty, and legitimacy significantly influence customer behavior for cosmetic items. In conclusion, Nivea's branding has had a significant impact on customer behavior, adding to the brand's growth and market presence.

3.2 Quantitative Method - Survey

The target population for this study was consumers residing in Medan, Indonesia, who use Nivea brand personal care products. A quota sampling technique was employed to ensure a representative sample. Quota sampling divides the population into subgroups (e.g., age, gender) and ensures the sample reflects the proportions of these subgroups within the population. The final sample size was 50 respondents, distributed across various sub-districts in Medan.

Data was collected through self-administered questionnaires distributed directly to respondents. The questionnaire consisted of structured questions with answer choices and measurement scales. These questions aimed to gather information on: Demographics (age, occupation), Nivea brand awareness (information source), Product usage (regularly used product), Brand perception (aspects liked most about Nivea), Brand loyalty (duration and frequency of use), Satisfaction (needs fulfilled by Nivea), Recommendation behavior

(willingness to recommend Nivea), Brand improvement suggestions.

The questionnaire was designed using a combination of closed-ended and Likert-scale questions. Closed-ended questions provided respondents with pre-defined answer options, while Likert-scale questions allowed them to express their level of agreement or

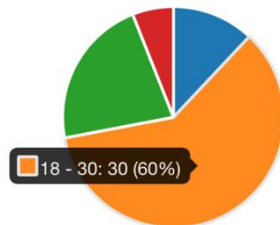
Nivea brand survey

50 Responses

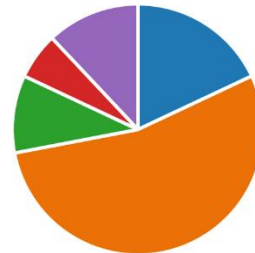
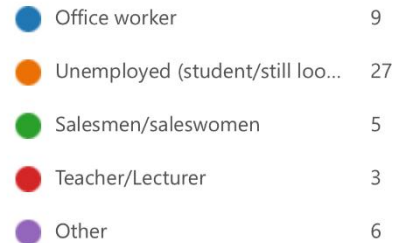
00:54 Average time to complete

Closed Status

1. Age

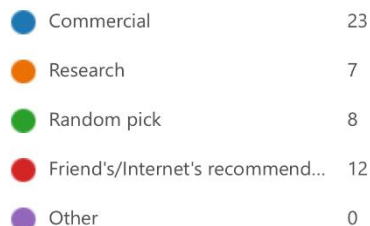


2. Occupation

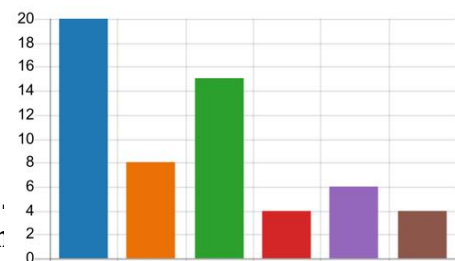
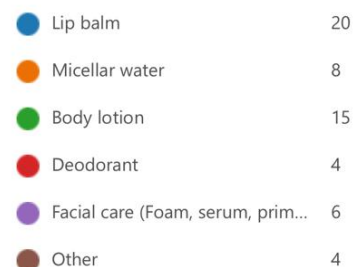


disagreement with a statement on a scale (e.g., yes, no, maybe). This approach facilitated the collection of quantitative data suitable for statistical analysis.

3. Where do you find out about Nivea?

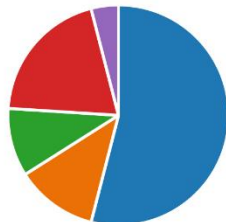
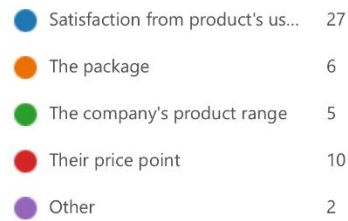


4. What Nivea product(s) do you use regularly?

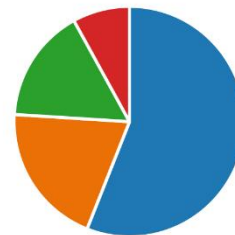
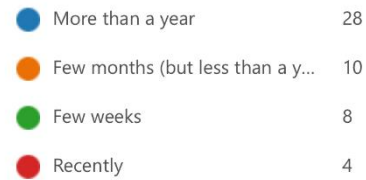


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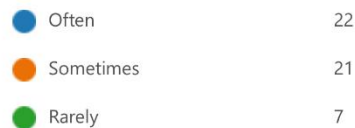
5. What aspect do you like THE MOST about Nivea?



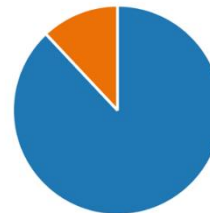
6. How long have you use Nivea product(s)?



7. How often do you use Nivea product(s)?



8. Does Nivea satisfy your needs?



9. Would you recommend Nivea to your friends/family?



10. What suggestion would you make to improve Nivea as a company?



RESULT AND DISCUSSION

The questions we have posed in our survey both qualitatively and quantitatively circulated on the customers' age, income, how they acquired the knowledge of the product as well as their experience along with the satisfaction acquired from their experience. Based on the responses gathered from our personal research and the conducted survey, we find out that what appeals the most to customers in buying a product is the affordability along with the reliability of the brand. Nivea has realized these two aspects and has properly used them as a strategy to improve their business.

In terms of affordability, Nivea has continuously been keeping the price range of their products affordable with most of its consumers coming from middle income family groups, while there are also high-income consumers still using Nivea products, just lesser in amount compared to those coming from middle and below tiers. The reasoning of these satisfied respondents is that Nivea products fulfilled their expectations of usage at such accessible price. This brings us to the next point, which is the reliability of the product. Nivea is a brand that has existed for years before the existence of giants in the beauty and healthcare products industry such as Estee Lauder and especially Unilever, as in terms of price points, both Beiersdorf, the company that owns the brand Nivea and Unilever offers products with similar functionality at a similar price. However, unlike Unilever, Nivea has been releasing wide ranges of products under the same category from moisturizing creams, lotions, anti-perspirants to sun protection creams with their patented formulas that have existed for years before Unilever follows suit in recent years.

Our respondents mostly belong to middle aged groups, followed by younger people with the middle-aged groups being people who belong to the much older productive age group which is around 30 to 50 years old and the younger age group belonging to people who are aged above twenty years old, no older than 30 years of age. These respondents claimed that they knew this product either for a long time since their youth, or is recommended by an older family member, friends or even popular media influencers. This shows that Nivea has successfully established a strong base of loyal customers and can keep the consistency of their brand through their product quality despite or even supported by its affordability.

CONCLUSION

Through the studies, research, surveys and analysis done, we draw the conclusion that branding has a strong influence on consumers' behavior. Branding is one of the most important essential fundamentals in building a brand as the brand image is one of the factors that determines how it will perform in the market as well as how the market will respond to it. However, with proper knowledge and usage, it can also be used as a strategy by marketers as a key to preserve or even lead a brand to its success.

What brands, especially marketers, need to know is the brand's main power when it comes to the image. It could be either the quality of the products the brand offers or what the foundation of the brand is built upon, in other words what is the target or the reasoning the brand exists. With either one or both two main aspects used or combined, it could be used as a strategy to elevate the brand through creating marketing that relates to the brand's image.

Another thing is that brands need to also build relationships with customers and welcome new target markets. This helps the brand to not only improve and maintain their consistency but also to forecast the future demands of the market by making new products or building a strategy that appeals and reaches more people. This can be done through conducting surveys and making

their customer service accessible, not to mention keeping the consistent attitude of handling customers that aligns with their image.

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